

State of Illinois
REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
FINANCIAL AUDIT
(In Accordance with the Single Audit Act
and OMB Circular A-133)
For the Year Ended June 30, 2008

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 TABLE OF CONTENTS
 JUNE 30, 2008

TABLE OF CONTENTS

	<u>PAGE</u>
Agency Officials	1
Compliance Report Summary	2-3
Financial Statement Report Summary	4
 FINANCIAL SECTION	
Independent Auditor’s Report.....	5-6
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	7-8
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133	9-10
 Schedule of Findings and Questioned Costs	
Section I - Summary of Auditor’s Results	11
Section II - Financial Statement Findings.....	12a-12d
Section III - Federal Award Findings.....	13
Corrective Action Plan for Current Year Audit Findings	14a-14b
Summary Schedule of Prior Audit Findings	15
Management’s Discussion and Analysis.....	16a-16h
 BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	17
Statement of Activities.....	18
 Fund Financial Statements	
Balance Sheet - Governmental Funds.....	19
Reconciliation of the Balance Sheet to the Statement of Net Assets – Governmental Funds.....	20
Statement of Revenues, Expenditures, and Changes In Fund Balances - Governmental Funds.....	21

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Funds	22
Statement of Net Assets – Proprietary Funds	23
Statement of Revenues, Expenses, and Changes In Fund Net Assets – Proprietary Funds	24
Statement of Cash Flows – Proprietary Funds	25
Statement of Fiduciary Net Assets – Fiduciary Fund	26
Notes to the Financial Statements	27-50

REQUIRED SUPPLEMENTARY INFORMATION

Illinois Municipal Retirement Fund Schedule of Funding Progress	51
---	----

OTHER SUPPLEMENTAL INFORMATION

Combining Schedule of Accounts General Fund	52
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund Accounts	53
Budgetary Comparison Schedules General Fund	
Schoolworks Operation	54
Area IV Learning Technology Hub	55
Youth Detention Center	56
Combining Schedule of Accounts Education Fund	57-62
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Education Fund Accounts	63-68
Budgetary Comparison Schedules Education Fund	
Truants Alternative/Optional Education	69
Regional Education Alternative for Developing Youth (READY)	70
Novice Teacher Support	71
Title I – Reading First Part B SEA	72
Department of Children and Family Services Grant	73
McKinney - Vento Homeless Children and Youth Program	74
ELL Professional Development	75
Math Institute	76
Family Literacy Grant	77
National Boards	78
Standards-Aligned Classroom	79
Teacher Mentoring	80

Teacher Quality	81
Title I School Improvement and Accountability.....	82
Standards and Assessment Teacher Quality	83
IVPA-SEL Grant.....	84
Family Support Grant.....	85
Freedom School Grant	86
Teen Reach Grant.....	87
Combining Balance Sheet	
Non-major Special Revenue Funds.....	88
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Non-major Special Revenue Funds	89
Combining Statement of Fiduciary Net Assets	
Agency Funds.....	90
Combining Statement of Changes in Assets and Liabilities	
Agency Funds.....	91-92
Schedule of Disbursements to School District Treasurers and	
Other Entities - Distributive Fund	93
FEDERAL COMPLIANCE SECTION	
Schedule of Expenditures of Federal Awards.....	94
Notes to the Schedule of Expenditures of Federal Awards	95-96

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
JUNE 30, 2008

OFFICIALS

Regional Superintendent
(Current and during the audit period)

Ms. Jane E. Quinlan

Assistant Regional Superintendent
(Current and during the audit period)

Ms. Barbara A. Daly

Office is located at:

200 South Fredrick Street
Rantoul, IL 61866

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 JUNE 30, 2008

COMPLIANCE REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	2	4
Repeated audit findings	2	0
Prior recommendations implemented Or not repeated	2	3

Details of audit findings are presented in a separately tabbed report section.

An additional three 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 (*GOVERNMENT AUDITING STANDARDS*)

08-1	12a	Controls Over Financial Statement Preparation	Significant Deficiency
08-2	12c	Excess Working Cash in Internal Service Fund	Compliance

FINDINGS AND QUESTIONED COSTS (*FEDERAL COMPLIANCE*)

None

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
JUNE 30, 2008

PRIOR FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

07-2	15	Maintaining Incorrect Fiscal Year for General Fund
07-4	15	Inadequate Monitoring of Collateral on Deposits

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an informal exit conference on August 29, 2008. Attending were Jane Quinlan, Regional Superintendent and Timothy G. Bryan, Partner, Kemper CPA Group LLP. Responses to the recommendations were provided by Jane Quinlan, Regional Superintendent.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
JUNE 30, 2008

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Champaign/Ford Counties Regional Office of Education #9 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 #9'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 #9, as of and for the year ended June 30, 2008, which collectively comprise the Regional Office of Education #9's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Regional Office of Education #9'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 #9, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 27, 2009 on our consideration of the Regional Office of Education #9'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 16h and 51 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 #9's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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, Schedule of Disbursements to School District Treasurers and Other Entities, 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

Evansville, Indiana

March 27, 2009



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, business-type activities, each major fund, and the aggregate remaining fund information of the Regional Office of Education #9, as of and for the year ended June 30, 2008, which collectively comprise the Regional Office of Education #9's basic financial statements and have issued our report thereon dated March 27, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Regional Office of Education #9'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 and not for the purpose of expressing an opinion on the effectiveness of Regional Office of Education #9's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Regional Office of Education #9's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency in internal control over financial reporting as item 08-1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies, and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Regional Office of Education #9's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 08-2.

We also noted certain matters which we have reported to management of the Regional Office of Education #9 in a separate letter dated March 27, 2009.

The Regional Office of Education #9's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Regional Office of Education #9's responses and, accordingly, we express no opinion on them.

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

Kemper CPA Group LLP

Certified Public Accountants and Consultants

Evansville, Indiana
March 27, 2009

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of the Regional Office of Education #9 with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The Regional Office of Education #9'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 Regional Office of Education #9's management. Our responsibility is to express an opinion on the Regional Office of Education #9'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 Regional Office of Education #9'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 Regional Office of Education #9's compliance with those requirements.

In our opinion, the Regional Office of Education #9 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the Regional Office of Education #9 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 Regional Office of Education #9's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Regional Office of Education #9's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Regional Office of Education #9's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Regional Office of Education #9's internal control.

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

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

Kemper CPA Group LLP

Certified Public Accountants and Consultants

Evansville, Indiana
March 27, 2009

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 SUMMARY OF AUDITOR'S RESULTS
 JUNE 30, 2008

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

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	Title I School Improvement and Accountability
84.010A	Standards Aligned Classroom

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

Auditee qualified as a low-risk auditee? No

REGIONAL OFFICE OF EDUCATION #9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008

Finding 08-1 – Controls Over Financial Statement Preparation (Repeated from Finding 07-1)

Criteria/Specific Requirement:

The Regional Office of Education #9 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). Regional Office 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 #9 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.

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.

Recommendation:

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #9 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.

REGIONAL OFFICE OF EDUCATION #9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008

**Finding 08-1 – Controls Over Financial Statement Preparation (Repeated from Finding 07-1)
(Concluded)**

Management Response:

Because of this finding in FY2007, the Regional Office of Education #9 sought training for staff. The two members of the bookkeeping staff attended training at Regional Office of Education #17 on July 14, 2008. For the first time, ROE #9 bookkeepers prepared the adjusting entries and trial balances prior to the beginning of the FY2008 audit.

The Regional Office of Education #9 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region. ROE #9 will review, approve, and accept responsibility for the audit adjustments, financial statements and related notes provided by the auditors.

REGIONAL OFFICE OF EDUCATION #9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008

Finding No. 08-2 – Excess Working Cash in Internal Service Fund (Repeated from Finding 07-3)

Criteria/Specific Requirement:

The Internal Service Fund is used to account for the administrative services of the Regional Office of Education #9 where these services are provided for all funds of the Regional Office of Education #9. Revenue is generated through charges to other funds using interfund billings. Regulations set forth by *OMB Circular A-87 (Revised 5/4/95, as further amended 8/29/97)* require charges by an internal service activity to provide for the establishment and maintenance of a reasonable level of working capital reserve. In addition, the full recovery of costs are allowable. A working capital reserve of up to 60 days cash expenses for normal operating purposes is considered reasonable. A working capital reserve exceeding 60 days may be maintained in exceptional cases; however, it requires the approval of the cognizant Federal agency.

Condition:

- 1) Over the last two years, average expenses within the administrative Internal Service Fund were \$128,870. Cash on hand in the administrative Internal Service Fund at June 30, 2008 totaled \$31,236, representing approximately 88 days of average expenses. In comparison, at June 30, 2007, the Internal Service Fund's working cash totaled \$46,970 representing approximately 138 days of average expenses. The working cash decrease was influenced by a prior year audit adjustment (approximately \$13,000) and capital expenditures (approximately \$10,000).
- 2) The Internal Service Fund shows a profit of \$12,427 for fiscal year 2008 due to billings in excess of actual costs.

Effect:

During the year ended June 30, 2008, the individual programs paid approximately \$12,427 more than the actual, allowable administrative expenses.

Cause:

The Regional Office of Education #9's indirect cost rate is too high. The Regional Office of Education had decreased the indirect cost rate to account for lower expenses, but the rate decrease was not sufficient.

Recommendation:

- 1) The Regional Office of Education #9 should lower the indirect cost rate.
- 2) The Regional Office of Education #9 should reimburse the \$12,427 to the individual programs.

REGIONAL OFFICE OF EDUCATION #9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008

**Finding No. 08-2 – Excess Working Cash in Internal Service Fund (Repeated from Finding 07-3)
(Concluded)**

Management Response:

Champaign-Ford Regional Office of Education #9 staff has reviewed the requirements of indirect cost allocations and has modified our method. ROE #9 will refund the excess cost of \$12,427 to the individual programs.

REGIONAL OFFICE OF EDUCATION #9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION III – FEDERAL AWARD FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008

INSTANCES OF NONCOMPLIANCE:

NONE

REPORTABLE CONDITIONS:

NONE

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS
JUNE 30, 2008

Corrective Action Plan

Finding No. 08-1 – Controls Over Financial Statement Preparation (Repeated from Finding 07-1)

Condition:

The Regional Office of Education #9 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.

Plan:

The Regional Office of Education #9 accepts the degree of risk associated with this condition because the additional expense to seek outside accounting expertise to prepare and/or review financial statements would take away from the funds available to provide educational services for the schools in the region. The Regional Office of Education #9 will continue to review, approve, and accept responsibility for the audit adjustments, financial statements and related notes provided by the auditors.

Anticipated Date of Completion:

Immediately upon learning of oversight.

Contact Person Responsible for Corrective Action:

Honorable Jane E. Quinlan, Regional Superintendent of Schools

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
CORRECTIVE ACTION PLAN FOR CURRENT-YEAR AUDIT FINDINGS
JUNE 30, 2008

Corrective Action Plan (Continued)

Finding No. 08-2 – Excess Working Cash in Internal Service Fund (Repeated from Finding 07-3)

Condition:

- 1) Over the last two years, average expenses within the administrative Internal Service Fund were \$128,870. Cash on hand in the administrative Internal Service Fund at June 30, 2008 totaled \$31,236, representing approximately 88 days of average expenses. In comparison, at June 30, 2007, the Internal Service Fund's working cash totaled \$46,970 representing approximately 138 days of average expenses. The working cash decrease was influenced by a prior year audit adjustment (approximately \$13,000) and capital expenditures (approximately \$10,000).
- 2) The Internal Service Fund shows a profit of \$12,427 for fiscal year 2008 due to billings in excess of actual costs.

Plan:

- 1) The Regional Office of Education #9 will review the requirements of indirect cost allocations and will modify their method.
- 2) The Regional Office of Education #9 will reimburse the \$12,427 to the individual programs.

Anticipated Date of Completion:

Immediately upon learning of oversight.

Contact Person Responsible for Corrective Action:

Honorable Jane E. Quinlan, Regional Superintendent of Schools

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2008

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
07-1	Controls Over Financial Statement Preparation	Repeated
07-2	Maintaining Incorrect Fiscal Year for General Fund	Corrected
07-3	Excess Working Cash in Internal Service Fund	Repeated
07-4	Inadequate Monitoring of Collateral on Deposits	Corrected

MANAGEMENT'S DISCUSSION AND ANALYSIS

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2008

The Regional Office of Education #9 for Champaign and Ford Counties 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, 2008. We encourage readers to consider this information in conjunction with the Regional Office of Education #9's financial statements, which follow.

This is the fifth fiscal year the Regional Office of Education #9 has implemented new reporting standards with significant change in content and structure. Much of the information is not easily comparable to years prior to FY04. However, for years after FY04, comparisons are meaningful and go further in explaining the Regional Office of Education #9's financial position and results of operations.

2008 Financial Highlights

General Fund revenues for FY08 were \$2,260,950. Expenditures for the same period were \$2,035,311 resulting in an excess of \$225,639. Interest for this same period was \$4,117 that resulted in an increase to fund balance of \$229,776. Fund balance for the General Fund for FY08 was \$774,248.

The Education Fund revenues for FY08 were \$2,349,604. Expenditures for the same period were \$2,280,786 resulting in an excess of \$68,818. Interest for this same period was \$3,722 that resulted in an increase to fund balance of \$72,540. Fund balance for the Education Fund for FY08 was \$405,700.

Using This Report

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

Management Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office of Education #9'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 Regional Office of Education #9 as a whole and present an overall view of the Office's finances.

The fund financial statements tell how government services were financed in the short term as well as what remains for future spending. Fund financial statements report the 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.

Required supplementary information further explains and supports the financial statements and supplementary information provides information about the non-major funds.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2008

Reporting the Office as a Whole

The Statement of Net Assets and the Statement of Activities

The government-wide statements report information about the Regional Office of Education #9 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the assets and liabilities. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

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

In the government-wide financial statements, the Regional Office of Education #9's activities are divided into two categories:

- Governmental activities: Most of the Regional Office of Education #9's basic services are included here, such as local, State and federal grant-funded programs, support services, and administration.
- Business-type activities - The Regional Office of Education #9 charges fees to help cover costs of certain services and workshops it provides.

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds – not the Regional Office of Education as a whole. Funds are accounting devices that allow the tracking of specific sources of funding and spending of particular programs. Some funds are required by State law. The Regional Office of Education #9 establishes other funds to control and manage money for particular purposes.

The Office has three kinds of funds:

- 1) Governmental funds account for all of the Office's services. These focus on how cash and other financial assets can be readily converted to cash flow in and out and the balance left at year-end that is 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 Office's programs. Because this information does not encompass the additional long-term focus of the government-wide financial statements, a reconciliation between the governmental fund financial statements and the government-wide financial statements follows the related governmental fund financial statements. The Office's Governmental Funds include the General Fund and the Special

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2008

The Office has three kinds of funds (Concluded)

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 are those in which revenues and expenses related to workshops and other services sponsored by the Regional Office of Education #9 are recorded. The proprietary funds required financial statements include a Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Fund Net Assets, and a Statement of Cash Flows.
- 3) Fiduciary funds are used to account for assets held by the Regional Office of Education #9 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Fiduciary funds required financial statements include a Statement of Fiduciary Net Assets. The Regional Office of Education #9 excludes these assets from the government-wide financial statements because it cannot use these assets to finance its operations.

Government – Wide Financial Analysis

As noted earlier, net assets may serve, when examined over time, as one indicator of the financial position of the Regional Office. The total net assets at the end of FY08 were \$2,128,464. The analysis that follows provides a summary of the Regional Office of Education #9's net assets at June 30, 2008 and June 30, 2007, for the governmental and business-type activities.

CONDENSED STATEMENT OF NET ASSETS

Governmental Activities

	2008	2007	Increase / (Decrease)
Current Assets	\$ 1,656,896	\$ 1,313,734	\$ 343,162
Capital assets, being depreciated, net	168,360	189,047	(20,687)
Total Assets	1,825,256	1,502,781	322,475
Current Liabilities	138,498	94,705	43,793
Net Assets:			
Invested in capital assets	168,360	189,047	(20,687)
Unrestricted	1,289,940	992,277	297,663
Restricted for teacher prof.dev.	228,458	226,752	1,706
Total Net Assets	\$ 1,686,758	\$ 1,408,076	\$ 278,682

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2008

Government – Wide Financial Analysis (Continued)

The Regional Office of Education’s governmental assets exceeded governmental liabilities at the end of FY 08, which was an increase of \$278,682 from the prior year. Cash and cash equivalents made up the majority of current assets. The increase in current assets relates primarily to an excess of revenue over expenditures in the general fund. The increase in current liabilities relates primarily to the increase in unearned revenue from FY07 to FY08.

CONDENSED STATEMENT OF NET ASSETS

Business-type Activities

	<u>2008</u>	<u>2007</u>	<u>Increase / (Decrease)</u>
Current Assets	\$ 433,910	\$ 408,909	\$ 25,001
Capital assets, being depreciated, net	<u>7,796</u>	<u>9,819</u>	<u>(2,023)</u>
Total Assets	<u>441,706</u>	<u>418,728</u>	<u>22,978</u>
Net Assets:			
Invested in capital assets	7,796	9,819	(2,023)
Unrestricted	<u>433,910</u>	<u>408,909</u>	<u>25,001</u>
Total Net Assets	<u>\$ 441,706</u>	<u>\$ 418,728</u>	<u>\$ 22,978</u>

The Regional Office of Education #9’s business-type net assets increased from fiscal year 2007 to fiscal year 2008 primarily due to an increase in workshop participation.

STATEMENT OF ACTIVITIES

The following analysis shows the changes in net assets for governmental and business-type activities for the year ended June 30, 2008 and June 30, 2007.

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2008

Government – Wide Financial Analysis (Continued)

STATEMENT OF ACTIVITIES

Governmental Activities

	<u>2008</u>	<u>2007</u>	<u>Increase / (Decrease)</u>
Revenues:			
Program Revenues:			
Operating grants and contributions	\$ 1,992,142	\$ 1,836,859	\$ 155,283
General revenues:			
Local sources	2,110,853	1,679,604	431,249
State sources	109,938	308,400	(198,462)
On-behalf payments	619,965	518,835	101,130
Investment earnings	12,049	7,668	4,381
Loss on disposal of assets	(26,117)	(4,563)	(21,554)
Total Revenues	<u>4,818,830</u>	<u>4,346,803</u>	<u>472,027</u>
Expenses:			
Instructional Services			
Salaries and benefits	2,358,914	2,113,791	245,123
Purchased Services	1,154,122	1,004,186	149,936
Supplies and materials	194,382	208,254	(13,872)
Other objects	11,734	13,781	(2,047)
Depreciation expense	63,322	64,339	(1,017)
Payments to Other Governments	137,709	248,914	(111,205)
Administrative Expense:			
On-Behalf payments	619,965	518,835	101,130
Total Expenses	<u>4,540,148</u>	<u>4,172,100</u>	<u>368,048</u>
Change in Net Assets	278,682	174,703	103,979
Net Assets - Beginning	<u>1,408,076</u>	<u>1,233,373</u>	<u>174,703</u>
Net Assets - Ending	<u>\$ 1,686,758</u>	<u>\$ 1,408,076</u>	<u>\$ 278,682</u>

Revenues for governmental activities were \$4,818,830 and expenses were \$4,540,148. The increase in total revenues is due to several factors:

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2008

Government – Wide Financial Analysis (Concluded)

The increase in salaries and benefits and purchased services is due to the addition of several mini-grants associated with the Family and Community Services Program. The decrease in supplies and materials is due to the mini-grants not needing as large of a volume of supplies in their second year. All of these factors combined led to an increase in ending net assets in fiscal year 2008.

STATEMENT OF ACTIVITIES

Business-Type Activities

	<u>2008</u>	<u>2007</u>	<u>Increase / (Decrease)</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ 140,854	\$ 142,818	(1,964)
General Revenue:			
Investment earnings	2,711	1,730	981
Loss on Disposal of Assets	(451)	-	(451)
Total Revenues	<u>\$ 143,114</u>	<u>\$ 144,548</u>	<u>\$ (1,434)</u>
Expenses:			
Salaries and benefits	15,923	16,126	(203)
Purchased Services	90,558	61,173	29,385
Supplies and materials	11,887	20,633	(8,746)
Other objects	196	-	196
Depreciation	1,572	1,641	(69)
Total Expenses	<u>120,136</u>	<u>99,573</u>	<u>20,563</u>
Change in Net Assets	22,978	44,975	(21,997)
Net Assets - Beginning	<u>418,728</u>	<u>373,753</u>	<u>44,975</u>
Net Assets - Ending	<u>\$ 441,706</u>	<u>\$ 418,728</u>	<u>\$ 22,978</u>

Revenues for the business-type activities were \$143,114 and expenses were \$120,136. This resulted in an overall increase in total net assets of \$22,978. The increase is attributed to an increase in conference registrations.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2008

Financial Analysis of the Regional Office of Education #9 Funds

As previously noted, the Regional Office of Education #9 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund Highlights

The Regional Office of Education #9 continues to offer technical assistance and professional development activities to teachers in all areas of curriculum. We have documentation that at least 1,869 teachers have received direct professional development to improve their basic knowledge and/or their teaching pedagogy. We are responsible for professional development activities to maintain certification by our school administrators through the Administrator Academy. We have documentation that at least 404 administrators have received direct professional development. We operate a middle school and high school through the Regional Safe School Program for students who have experienced serious difficulties in the public schools. This school served 152 students. The DCFS Education Advisor Online program served 130 families and 62 individual children were served with direct interventions. Our Truancy Program had 121 referrals and served 118 students to ameliorate their truancy problems. The McKinney Education-Homeless Children Program served 298 students and families. We served 1,599 teachers through the Certification Program that assists teachers in completing certification requirements and obtaining a certificate. We provided 6 Bus Driver Trainings throughout the year issuing 77 Initial Bus Driver certificates and 279 Refresher Bus Driver Certificates. There are a variety of other regulatory programs that are statute based including the annual inspection of school buildings for health and safety and regular compliance monitoring of districts. A General Education Diploma is offered through our cooperative effort with Parkland College and the Lincoln's Challenge Program, which includes testing to meet high school equivalency. We administered 985 GED tests. In addition, we have a variety of smaller programs that would be classified as consultative services working directly with the schools.

The ROE assists parents and other patrons on a daily basis as they call for information and/or with questions or problems related to their children. We answer questions concerning bus service, grade problems, special education needs and requirements, residency concerns, and home school issues. We offer guidance to parents as well as serving as a liaison between parents and the schools.

Proprietary Fund Highlights

The Local Workshop Fund provided training and workshops to 17 public school districts and 25 non-public schools in the region. As part of its mission, the Regional Office of Education #9 continued to provide workshop and training services to school districts even during economically challenging times. Many workshops and services were offered free-of-charge and below cost recovery in order to meet organizational objectives.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2008

Budgetary Highlights

The Regional Office of Education #9 annually adopts a budget on a basis consistent with U.S. generally accepted accounting principles; however, the annual budget is not required to be legally adopted. The Illinois State Board of Education reviews the proposed budget and either grants approval or returns it without approval with comments. Any unapproved budget must be resubmitted to the Illinois State Board of Education for final approval. The budget may be amended during the year utilizing procedures prescribed by the Illinois State Board of Education. A schedule showing the original and final budget amounts compared to the Regional Office of Education #9's actual financial activity is included in the supplementary information section of this report.

Capital Assets

Capital assets of the Regional Office of Education #9 include office equipment, computers, servers, audiovisual equipment and office furniture. The Regional Office of Education #9 maintains an inventory of capital assets that have been accumulated over time. Additional information is available at the Regional Office of Education #9 administrative offices.

Economic Factors and Next Year's Budget

At the time these financial statements were prepared and audited, the Regional Office of Education #9 was aware of several existing circumstances that could significantly impact its financial health in the future:

- The interest rate on investment remains low and will impact income.
- Grants have either been reduced or remained at previous levels.

We have tried to maintain the programs that we have previously offered to our schools. In the future, these services may have to be reduced if our Office does not receive sufficient funding or if funding is not received in a timely manner. Our goal is to give the very best services to our schools and clients as possible.

Contacting the Office's Financial Management

This report is designed to provide the Regional Office's citizens, taxpayers, customers, and creditors with a general overview of the Regional Office's finances and to demonstrate the Office's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Regional Superintendent's office at The Regional Office of Education #9, 200 S. Fredrick, Rantoul, IL 61866.

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF NET ASSETS
 JUNE 30, 2008

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 1,383,945	\$ 425,732	\$ 1,809,677
Due from other governments:			
Local	213,555	8,178	221,733
Federal	59,396	-	59,396
Total Current Assets	<u>1,656,896</u>	<u>433,910</u>	<u>2,090,806</u>
Noncurrent Assets:			
Capital assets, being depreciated, net	168,360	7,796	176,156
Total Noncurrent Assets	<u>168,360</u>	<u>7,796</u>	<u>176,156</u>
TOTAL ASSETS	<u>1,825,256</u>	<u>441,706</u>	<u>2,266,962</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	9,819	-	9,819
Due to other governments:			
Federal	519	-	519
Unearned revenue	128,160	-	128,160
Total Current Liabilities	<u>138,498</u>	<u>-</u>	<u>138,498</u>
TOTAL LIABILITIES	<u>138,498</u>	<u>-</u>	<u>138,498</u>
NET ASSETS			
Invested in capital assets	168,360	7,796	176,156
Restricted for teacher professional development	228,458	-	228,458
Unrestricted	1,289,940	433,910	1,723,850
TOTAL NET ASSETS	<u>\$ 1,686,758</u>	<u>\$ 441,706</u>	<u>\$ 2,128,464</u>

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2008

	Net (Expense) Revenue and Changes in Net Assets					
	Program Revenues		Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS						
Primary Government:						
Governmental Activities:						
Instructional Services						
Salaries and benefits	\$ 2,358,914	-	\$ 1,347,353	\$ (1,011,561)	-	\$ (1,011,561)
Purchased services	1,154,122	-	398,081	(756,041)	-	(756,041)
Supplies and materials	194,382	-	98,559	(95,823)	-	(95,823)
Other objects	11,734	-	22,228	10,494	-	10,494
Depreciation expense	63,322	-	-	(63,322)	-	(63,322)
Capital outlay	-	-	58,005	58,005	-	58,005
Payments to other governments	137,709	-	67,916	(69,793)	-	(69,793)
Administrative:						
On-behalf payments - State	619,965	-	-	(619,965)	-	(619,965)
Total Governmental Activities	<u>4,540,148</u>	<u>-</u>	<u>1,992,142</u>	<u>(2,548,006)</u>	<u>-</u>	<u>(2,548,006)</u>
Business-Type Activities:						
Registration fees	120,136	140,854	-	-	20,718	20,718
Total Business-Type Activities	<u>120,136</u>	<u>140,854</u>	<u>-</u>	<u>-</u>	<u>20,718</u>	<u>20,718</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 4,660,284</u>	<u>\$ 140,854</u>	<u>\$ 1,992,142</u>	<u>(2,548,006)</u>	<u>20,718</u>	<u>(2,527,288)</u>
GENERAL REVENUES:						
Local sources				2,110,853	-	2,110,853
State sources				109,938	-	109,938
On-behalf payments				619,965	-	619,965
Investment earnings				12,049	2,711	14,760
Loss on disposal of capital assets				(26,117)	(451)	(26,568)
Total general revenues				<u>2,826,688</u>	<u>2,260</u>	<u>2,828,948</u>
CHANGE IN NET ASSETS				278,682	22,978	301,660
NET ASSETS - BEGINNING				1,408,076	418,728	1,826,804
NET ASSETS - ENDING				<u>\$ 1,686,758</u>	<u>\$ 441,706</u>	<u>\$ 2,128,464</u>

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2008

	General Fund	Institute	Education Fund	Non-Major Funds	Eliminations	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 580,584	\$ 228,458	\$ 470,467	\$ 73,200	\$ -	\$ 1,352,709
Due from other funds	122,972	-	-	-	(122,972)	-
Due from other governments:						
Local	146,521	-	61,478	43	-	208,042
Federal	-	-	59,396	-	-	59,396
TOTAL ASSETS	\$ 850,077	\$ 228,458	\$ 591,341	\$ 73,243	\$ (122,972)	\$ 1,620,147
LIABILITIES						
Accounts payable	\$ 9,331	\$ -	\$ 488	\$ -	\$ -	\$ 9,819
Due to other funds	49,258	-	73,714	-	(122,972)	-
Due to other governments:						
Federal	-	-	519	-	-	519
Unearned revenue	17,240	-	110,920	-	-	128,160
Total Liabilities	75,829	-	185,641	-	(122,972)	138,498
FUND BALANCES						
Unreserved, reported in:						
General fund	774,248	-	-	-	-	774,248
Special revenue funds	-	228,458	405,700	73,243	-	707,401
Total Fund Balances	774,248	228,458	405,700	73,243	-	1,481,649
TOTAL LIABILITIES AND FUND BALANCES	\$ 850,077	\$ 228,458	\$ 591,341	\$ 73,243	\$ (122,972)	\$ 1,620,147

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
 GOVERNMENTAL FUNDS
 JUNE 30, 2008

TOTAL FUND BALANCES — GOVERNMENTAL FUNDS \$ 1,481,649

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. 168,360

The Internal Service Fund is used by management to charge the costs of general accounting services of the Regional Office of Education #9 to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Assets.

Net Assets- Internal Service Fund	\$ 52,750	
Less Capital Assets Included in Total Above	<u>(16,001)</u>	<u>36,749</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 1,686,758

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008

	General Fund	Institute	Education Fund	Non-Major Funds	Eliminations	Total Governmental Funds
REVENUES						
Local sources	\$ 1,027,639	\$ 38,783	\$ 863,830	\$ 51,483	\$ -	\$ 1,981,735
State sources	613,346	-	805,556	2,960	-	1,421,862
State sources- on-behalf payments	619,965	-	-	-	-	619,965
Federal sources	-	-	680,218	-	-	680,218
Total Revenues	<u>2,260,950</u>	<u>38,783</u>	<u>2,349,604</u>	<u>54,443</u>	<u>-</u>	<u>4,703,780</u>
EXPENDITURES						
Instructional Services:						
Salaries and benefits	741,258	1,045	1,480,868	31,021	-	2,254,192
Purchased services	568,566	36,232	528,860	7,107	-	1,140,765
Supplies and materials	35,021	1,191	134,504	9,365	-	180,081
Other objects	3,528	45	7,813	98	-	11,484
Payments to other governments	19,212	-	118,497	-	-	137,709
On-behalf payments	619,965	-	-	-	-	619,965
Capital outlay	47,761	-	10,244	-	-	58,005
Total Expenditures	<u>2,035,311</u>	<u>38,513</u>	<u>2,280,786</u>	<u>47,591</u>	<u>-</u>	<u>4,402,201</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>225,639</u>	<u>270</u>	<u>68,818</u>	<u>6,852</u>	<u>-</u>	<u>301,579</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	20	-	-	-	(20)	-
Transfers out	-	(20)	-	-	20	-
Interest	4,117	1,456	3,722	453	-	9,748
Total Other Financing Sources (Uses)	<u>4,137</u>	<u>1,436</u>	<u>3,722</u>	<u>453</u>	<u>-</u>	<u>9,748</u>
NET CHANGE IN FUND BALANCES	<u>229,776</u>	<u>1,706</u>	<u>72,540</u>	<u>7,305</u>	<u>-</u>	<u>311,327</u>
FUND BALANCES - BEGINNING	<u>544,472</u>	<u>226,752</u>	<u>333,160</u>	<u>65,938</u>	<u>-</u>	<u>1,170,322</u>
FUND BALANCES - ENDING	<u>\$ 774,248</u>	<u>\$ 228,458</u>	<u>\$ 405,700</u>	<u>\$ 73,243</u>	<u>\$ -</u>	<u>\$ 1,481,649</u>

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 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, 2008

NET CHANGE IN FUND BALANCES — GOVERNMENTAL FUNDS \$ 311,327

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

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

Capital outlay	\$ 58,005	
Depreciation expense	<u>(63,322)</u>	(5,317)

Governmental funds report capital outlays as expenditures at the time of purchase, therefore, when an asset is disposed of in a noncash transaction it is not reflected in the governmental activities financial statements at the time of disposal. However, in the Statement of Activities the difference between the asset's original cost and its related accumulated depreciation is reported as a loss on the disposal of capital assets. (26,117)

The Internal Service Fund is used by management to charge the costs of general accounting services of Regional Office of Education #9 to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities - excluding the related depreciation expense of \$2,667 which is included above. (1,211)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 278,682

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2008

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund
	Local Workshops	Total	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 425,732	\$ 425,732	\$ 31,236
Due from other governments:			
Local	8,178	8,178	5,513
Total current assets	<u>433,910</u>	<u>433,910</u>	<u>36,749</u>
Noncurrent assets:			
Capital assets, being depreciated, net	7,796	7,796	16,001
Total noncurrent assets	<u>7,796</u>	<u>7,796</u>	<u>16,001</u>
TOTAL ASSETS	<u>441,706</u>	<u>441,706</u>	<u>52,750</u>
NET ASSETS			
Invested in capital assets	7,796	7,796	16,001
Unrestricted	433,910	433,910	36,749
TOTAL NET ASSETS	<u>\$ 441,706</u>	<u>\$ 441,706</u>	<u>\$ 52,750</u>

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008

	Business-Type Activities - Enterprise Fund		Governmental Activities- Internal Service Fund
	Local Workshops	Total	
OPERATING REVENUES			
Registration fees	\$ 140,854	\$ 140,854	\$ 129,118
Total Operating Revenues	<u>140,854</u>	<u>140,854</u>	<u>129,118</u>
OPERATING EXPENSES			
Salaries and benefits	15,923	15,923	104,722
Purchased services	90,558	90,558	13,357
Supplies and materials	11,887	11,887	14,301
Other objects	196	196	250
Depreciation	1,572	1,572	2,667
Total Operating Expenses	<u>120,136</u>	<u>120,136</u>	<u>135,297</u>
OPERATING INCOME (LOSS)	<u>20,718</u>	<u>20,718</u>	<u>(6,179)</u>
NONOPERATING REVENUE (EXPENSE)			
Loss on Disposal of Assets	(451)	(451)	-
Interest	2,711	2,711	2,301
Total Nonoperating Revenue	<u>2,260</u>	<u>2,260</u>	<u>2,301</u>
CHANGE IN NET ASSETS	22,978	22,978	(3,878)
TOTAL NET ASSETS - BEGINNING	<u>418,728</u>	<u>418,728</u>	<u>56,628</u>
TOTAL NET ASSETS - ENDING	<u>\$ 441,706</u>	<u>\$ 441,706</u>	<u>\$ 52,750</u>

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund
	Local Workshops	Totals	
Cash Flows from Operating Activities:			
Receipts from customers	\$ 138,223	\$ 138,223	\$ 125,342
Payments to suppliers and providers of goods and services	(102,641)	(102,641)	(27,908)
Payments to employees	(15,923)	(15,923)	(104,722)
Net Cash Provided by (Used for) Operating Activities	<u>19,659</u>	<u>19,659</u>	<u>(7,288)</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition of capital assets	-	-	(10,747)
Net Cash Used for Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(10,747)</u>
Cash Flows from Investing Activities:			
Interest earned	2,711	2,711	2,301
Net Cash Provided by Investing Activities	<u>2,711</u>	<u>2,711</u>	<u>2,301</u>
Net Increase (Decrease) in Cash	22,370	22,370	(15,734)
Cash and cash equivalents - Beginning	<u>403,362</u>	<u>403,362</u>	<u>46,970</u>
Cash and cash equivalents - Ending	<u>\$ 425,732</u>	<u>\$ 425,732</u>	<u>\$ 31,236</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 20,718	\$ 20,718	\$ (6,179)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	1,572	1,572	2,667
(Increase) Decrease in Due from other governments	(2,631)	(2,631)	(3,776)
Net Cash Provided by (Used for) Operating Activities	<u>\$ 19,659</u>	<u>\$ 19,659</u>	<u>\$ (7,288)</u>

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

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUND
 JUNE 30, 2008

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 177,764
Due from other governments	2,180,089
TOTAL ASSETS	\$ 2,357,853
 LIABILITIES	
Due to other governments	\$ 2,357,853
TOTAL LIABILITIES	\$ 2,357,853

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

REGIONAL OFFICE OF EDUCATION
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #9 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

In 2008, the Regional Office of Education #9 implemented Governmental Accounting Standards Board (GASB) Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, and GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*. The Regional Office of Education #9 implemented these standards during the current year, however; they have no impact on the financial statements.

A. FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to State controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; 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 school treasurers' books, accounts, and vouchers; 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 #9'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.

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

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY (Concluded)

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, 2008, the Regional Office of Education #9 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 #9. Such activities are reported as a single special revenue fund (Education Fund).

B. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #9 reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education #9 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 #9 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 #9 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #9 is not aware of any entity, which would exercise such oversight as to result in the Regional Office of Education #9 being considered a component unit of the entity.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #9's activities with most of the inter-fund activities removed. Governmental activities include programs supported primarily by state and federal grants and other intergovernmental revenues. The Regional Office of Education has one business-type activity that relies on fees and charges for support.

The Regional Office of Education #9'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 #9 accompanied by a total column. These statements are presented on an "economic resources" measurement as prescribed by GASB Statement No. 34. All of the Regional Office of Education #9'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 inter-fund activities, such as, payables, receivables and transfers. Inter-fund 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 inter-fund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide financial statements. Inter-fund 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.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. 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 non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

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 non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

E. 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 non-major 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. 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.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The governmental funds financial statements focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that 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 #9; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict the guidance of the Governmental Accounting Standards Board.

Under the provision of GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Regional Office of Education applies all GASB pronouncements and has elected to apply only the pronouncements issued on or before November 30, 1989 for the following: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedures.

Under the terms of grant agreements, Champaign and Ford Counties Regional Office of Education #9 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 Champaign and Ford Counties Regional Office of Education #9's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING

The Regional Office of Education #9 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 #9 uses governmental, proprietary, and fiduciary funds.

GOVERNMENTAL FUNDS

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

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: 1) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and 2) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as non-major funds. The Regional Office of Education #9 has presented all major funds that met the above qualifications.

The Regional Office of Education #9 reports the following major governmental funds:

General Fund - The General Fund is the operating fund of the Regional Office of Education #9. 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:

General - This fund uses local money to operate the Regional Office of Education #9.

Schoolworks Operations - This fund provides professional development and training for teachers and administrators in Champaign, Ford and Vermillion Counties in the areas of gifted education, school improvement, staff development, and technology through workshops, study groups, on-site training, phone assistance, and consultation.

Regional Office of Education Operations - This fund accounts for the grant that provides the funding for the Regional Office of Education.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Area IV Learning Technology Hub - This fund provides assistance to local districts and schools for the implementation and support of a comprehensive system that effectively uses technology in schools to improve student academic achievement.

Youth Detention Center - The Regional Office of Education #9 contracts with Urbana School District #116 to continue education for youth serving time in the Juvenile Detention Center. This gives the detainees the opportunity to keep up with their classroom work.

Essay Scoring - The Champaign-Ford Regional Office of Education is a scoring site for the GED essays.

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

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

Truants Alternative/Optional Education - This program offers prevention and intervention services, which include case management, home visits, school visits, student advocacy, wraparound, referrals to community agencies, and technical assistance to individual school districts and the community.

Freedom School Grant – This program provides safe, restorative learning spaces that operate for six weeks during the summer for seven hours per day.

McKinney-Vento Homeless Children and Youth Program: This program accounts for the proceeds from the federal statewide grant under McKinney Vento Homeless Children and Youth Program. This program is designed to assist in implementing homeless services. The program will collaborate with all schools within the district concerning the identification of homeless youth and work with the districts to provide local and state resources to those students. The program will provide services to the presently identified homeless students within the region to help them meet the No Child Left Behind achievement targets.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Regional Education Alternative for Developing Youth- This program works with students in grades 6-12 who have been suspended multiple times or expelled from school, allowing them to continue their education. It accounts for aid provided by the state based on students that attend the READY and Alternative School programs.

McKinney Education for Homeless Children - This program offers services to homeless children and youth primarily who are of school age. Pre-school aged children also receive services to ensure access to early childhood and pre-school programs.

Novice Teacher Support - This program provides beginning teachers with practical strategies for dealing with early career challenges, resources, and a network of colleagues who are also entering the teaching profession.

Title I - Reading First Part B SEA - This program provides technical assistance and professional development opportunities to support Reading First districts and primary reading instruction.

Department of Children and Family Services Grant - This program assists with the treatment of child abuse victims and helps prevent child abuse situations.

ELL Professional Development – This is an ISBE funded grant supporting professional development for small and rural districts in the following areas: (1) state and federal laws requiring the provision of English as a second language instruction (or instruction in the native language, if appropriate), to the students needs and as required by state law; (2) best practices of bilingual education to general education teachers, ESL teachers, bilingual teachers, and teacher aides; (3) bilingual program models, curriculum, and methods of instruction for English Language Learners.

Math Institute – This program is a RESPRO project that involved teachers from Area IV status schools. The project provided professional development in the areas of math instructional strategies and concept knowledge.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Family Literacy Grant – This program is a summer reading program for youth and their families to encourage reading as a family as well as child activities. The ROE combines reading with arts and crafts activities and field trips.

Summer Freedom School – Freedom school is a summer literacy program designed by the Children’s Defense Fund to promote cultural and social pride, and to motivate youth to read. Youth read and engage in literacy activities on a daily basis and participate in afternoon rotation activities and field trips both in and out of the community and state.

National Boards (STANCE) – This program is an ISBE funded grant that provides seven regional sites the opportunity to support teachers as they seek their National Board Certification. It also supports teachers who have obtained the National Board Certified Teacher (NBCT) status as they assist other teachers in self improvement efforts.

Standards Aligned Classroom – This program is an ISBE funded project that supports training and team activities in the area of assessment and learning. Teams participate in multiple sessions during the school year (coached by an ROE person) as they study research and implementation strategies.

Teacher Mentoring – This program is one of ten ISBE funded projects in the state that focus on the support and development of new teachers. In this project, veteran teachers are trained in mentoring strategies and new teachers attend multiple in-services concerning topics relevant to them (e.g. classroom management). During the project, mentors and mentees work together as they observe each others’ classrooms and discuss improvement strategies.

Teacher Quality – This program is one of three Regional System of Support Projects (RESPRO) funded by ISBE through the Iroquois-Kankakee Regional Office of Education. Schools and districts “status” (i.e. have not met Annual Yearly Progress for two or more consecutive years), are supported in a variety of improvement activities. These activities range from the writing and analyzing of improvement plans to the introduction of strategies and supporting materials into the classroom. Title II dollars support this project.

Illinois State Board of Education/DCFS Interagency Technical Assistance Network - This program assists with the treatment of child abuse victims and helps prevent child abuse situations.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Title I School Improvement and Accountability – This program is one of three Regional System of Support Projects (RESPRO) funded by ISBE through the Iroquois-Kankakee Regional Office of Education. Schools and districts “status” (i.e. have not met Annual Yearly Progress for two or more consecutive years), are supported in a variety of improvement activities. These activities range from the writing and analyzing of improvement plans to the introduction of strategies and supporting materials into the classroom. Title I dollars support this project.

Standards and Assessment Teacher Quality – This program is one of three Regional System of Support Projects (RESPRO) funded by ISBE through the Iroquois-Kankakee Regional Office of Education. Schools and districts “status” (i.e. have not met Annual Yearly Progress for two or more consecutive years), are supported in a variety of improvement activities. These activities range from the writing and analyzing of improvement plans to the introduction of strategies and supporting materials into the classroom. State school improvement dollars support this project.

IVPA-SEL Grant – This is a technical assistance grant funded by ISBE but administered by IVPA. The goal of the grant is to support the implementation for SEL by local school districts who have been awarded program implementation grants. This is done through area trainings, on-site technical assistance, technical assistance via email or telephone, and meeting facilitation.

HR Solutions (Tomlinson) – This program is an intergovernmental agreement among participating school districts and ROE #9 to provide technical assistance and training on human resources issues.

Family Support Grant – This program provides supportive services to families whose children attend the Community Day Care.

Teen Reach Grant – This program expands the range of choices and opportunities that enable, empower and encourage youth to achieve positive growth and development, improve expectations and capacities for future success, and avoid and/or reduce risk-taking behavior.

CMAR Grant – This program provides consultants who are contracted to do compliance monitoring and provider application reading for the Supplemental Educational Services program under Title I, Part A, of the *No Child Left Behind Act of 2001*.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Concluded)

The Regional Office of Education #9 reports the following non-major governmental funds:

Non-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. Non-major special revenue funds include the following:

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

Bus Driver Training - This fund accounts for state and local receipts and expenses as a result of training school district bus drivers.

Supervisory - This fund accounts for proceeds provided to the Regional Superintendent by the Illinois State Board of Education to be used for travel and related purposes.

PROPRIETARY FUNDS

Proprietary funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education #9 on a cost reimbursement basis are reported. The Regional Office of Education #9 reports the following proprietary fund:

Local Workshops - This fund is generated from fees to provide training.

The Regional Office of Education #9 reports the following internal service fund:

Internal Service Fund – This fund is used to account for the general accounting services of the Regional Office of Education #9 where accounting services are provided for all operating areas and funds of the Regional Office of Education #9.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIDUCIARY FUNDS

Agency Funds - Agency Funds are used to account for assets held by the Regional Office of Education #9 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:

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

Payroll Clearing - This fund receives money from other programs/funds to pay payroll expenses for the Regional Office of Education #9 and the Rural Champaign Co. Special Education Coop.

Regional Board of Trustees - Fund that accounts for the Regional Office of Education #9's operating accounts.

Interest on Distributive Fund - Interest on the distributive fund is transferred semi-annually to recipients.

H. NET ASSETS

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

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

Restricted net assets - Consists of net assets with constraints placed on 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."

I. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on deposit.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. INVENTORY

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

K. CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than two years are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

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

L. COMPENSATED ABSENCES

Non-certified and certified employees who work 12 calendar months earn up to 20 vacation days for a full year of service. The accumulated total of vacation days may never exceed 30 days. 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. Any accruals as of June 30th are considered immaterial by management and not reflected in the basic financial statements.

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.

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.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

N. BUDGET INFORMATION

The Regional Office of Education #9 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted nor are they required to be. The General Fund and certain programs within the Special Revenue Fund do not have separate budgets. Comparisons of budgeted and actual results are presented as supplemental information. Budgetary comparison schedules have been provided in supplementary schedules for the following funds: Schoolworks Operations, Youth Detention Center, Area IV Learning Technology Hub, Title I School Improvement and Accountability, National Boards, Novice Teacher Support, Standards-Aligned Classroom, Teacher Mentoring, Title I- Reading First Part B SEA, ELL Professional Development, Standards and Assessments – Teacher Quality, Math Institute, Regional Education Alternative for Developing Youth, McKinney - Vento Homeless Children and Youth Program, Department of Children and Family Services Grant, Family Literacy Grant, IVPA-SEL Grant, Freedom School Grant, Teen Reach Grant, Teacher Quality, Family Support Grant, and Truants Alternative/Optional Education.

NOTE 2 – CASH

The Regional Office of Education #9 does not have a formal investment policy. The Regional Office of Education #9 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, 2008, the carrying amount of the Regional Office of Education #9's government-wide and Agency fund deposits were \$1,809,677 and \$177,764, respectively, and the bank balances were \$2,236,521 and \$235,800, respectively. Of the total bank balances as of June 30, 2008, \$200,000 was secured by federal depository insurance, \$2,272,321 was collateralized by securities pledged by the Regional Office of Education #9's financial institution on behalf of the Regional Office.

B. INVESTMENTS

The Regional Office of Education #9 does not have a formal investment policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund. As of June 30, 2008, the Regional Office of Education #9 had investments with carrying and fair values of \$16 invested in the Illinois Funds Money Market Fund.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 2 – CASH (Concluded)

CREDIT RISK

At June 30, 2008, the Illinois Funds Money Market Fund had a Standard and Poor's AAA 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.

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.

CONCENTRATION OF CREDIT RISK

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

NOTE 3 - DEFINED BENEFIT PENSION PLAN

Plan Description. The Regional Office of Education #9'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 #9'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 on line at www.imrf.org.

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2008

NOTE 3 - DEFINED BENEFIT PENSION PLAN (Concluded)

Funding Policy. As set by statute, the Regional Office of Education #9's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2007 was 9.2 percent of annual covered payroll. The Regional Office of Education #9 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. For 2007, the Regional Office of Education #9's annual pension cost of \$149,525 for the Regular plan was equal to the Regional Office of Education #9's required and actual contributions.

THREE YEAR TREND INFORMATION			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	\$ 149,525	100%	\$ 0
12/31/06	153,850	100%	0
12/31/05	124,679	100%	0

The required contribution was determined as part of the December 31, 2005, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2005, 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 10.0% per year depending on age and service, attributable to seniority/merit, and d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular 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 15% corridor between the actuarial and market value of assets. The Regional Office of Education #9's Regular plan's overfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 5 years.

Funded Status and Funding Progress. As of December 31, 2007, the most recent actuarial valuation date, the Regular plan was 100.43 percent funded. The actuarial accrued liability for benefits was \$3,008,293 and the actuarial value of assets was \$3,021,190, resulting in an overfunded actuarial accrued liability (UAAL) of \$12,897. The covered payroll (annual payroll of active employees covered by the plan) was \$1,657,703 and since the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

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.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

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

The Regional Office of Education #9 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 of 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 non-annuitants 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, 2008, was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2007 and 2006. In addition, virtually all members pay a contribution to the Teacher's Health Insurance Security (THIS) Fund, a separate fund in the State Treasury that is not part of this retirement plan. The employer THIS Fund Contribution was 0.63 percent during the year ended June 30, 2008, and the member THIS Fund health insurance contribution was 0.84 percent.

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #9's TRS-covered employees.

- **On behalf contributions.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #9. For the year ended June 30, 2008, the State of Illinois contributions were based on 13.11 percent of creditable earnings, and the Regional Office of Education #9 recognized revenue and expenditures of \$384,440 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2007 and June 30, 2006, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 9.78 percent (\$314,528) and 7.06 percent (\$226,982) respectively. The state contributions to TRS for the year ended June 30, 2008 were based on an actuarial formula. The state contributions to TRS for the years ended June 30, 2007 and June 30, 2006 were based on dollar amounts specified by the statute and were not actuarially determined.

The Regional Office of Education #9 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, 2008 were \$19,922. Contributions for the years ending June 30, 2007, and June 30, 2006, were \$18,653 and \$18,647, respectively.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 4 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

- **Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #9, there is a statutory requirement for the Regional Office of Education #9 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. For the year ended June 30, 2008, the employer pension contribution was 13.11 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2007 and 2006, the employer pension contribution was 9.78 and 7.06 percent of salaries paid from those funds, respectively. For the year ended June 30, 2008, salaries totaling \$502,480 were paid from federal and special trust funds that required employer funds that required employer contributions of \$65,875. For the years ended June 30, 2007 and 2006, required Regional Office of Education #9 contributions were \$67,099 and \$43,552, respectively.

- **Early retirement option.** The Regional Office of Education #9 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member and under which ERO program the member retires.

Under Public Act 94-0004, a "Pipeline ERO" program is provided for members to retire under the same terms as the ERO program that expired June 30, 2005, provided they meet certain conditions and retire on or before July 1, 2007. If members do not meet these conditions, they can retire under the "Modified ERO" program which requires higher member and employer contributions to TRS. Also under Modified ERO, Public Act 94-0004 eliminates the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service (unless the member qualifies for the Pipeline ERO).

Under the ERO program that expired on June 30, 2005 and the Pipeline ERO, the maximum employer contribution is 100 percent of the member's highest salary used in the final average salary calculation. Under the Modified ERO, the maximum employer contribution is 117.5 percent. Both the 100 percent and 117.5 percent maximums apply when the member is age 55 at retirement. For the year ended June 30, 2008, the Regional Office of Education #9 paid no employer contributions to TRS under the Pipeline ERO and Modified ERO programs. For the years ended June 30, 2007 and June 30 2006, the Regional Office of Education #9 paid no employer ERO contributions.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 4 - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

- **Salary increases over 6 percent and excess sick leave.** Public Act 94-0004 added two new employer contributions to TRS. If the Regional Office of Education #9 grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the Regional Office of Education #9 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, 2008, the Regional Office of Education #9 paid no employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2007 and 2006, the Regional Office of Education #9 paid no employer contributions due on salary increases in excess of 6 percent.

If the Regional Office of Education #9 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 #9 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 (17.62 percent of salary during the year ended June 30, 2008.) For the year ended June 30, 2008, the Regional Office of Education #9 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, 2007 and 2006, the Regional Office of Education #9 paid no employer contributions granted for sick leave days.

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, 2007. The report for the year ended June 30, 2008, is expected to be available in late 2008. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, PO Box 19253, 2815 West Washington Street, Springfield, Illinois 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2008

NOTE 5 - INTERFUND ACTIVITY

DUE TO/FROM OTHER FUNDS

Inter-fund due to/from other fund balances at June 30, 2008 consist of the following individual due to/from other funds in the governmental fund balance sheet. These balances were eliminated in the government-wide Statement of Net Assets.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Education Fund	\$ -	\$ 73,714
General Fund	<u>122,972</u>	<u>49,258</u>
	<u>\$122,972</u>	<u>\$122,972</u>

TRANSFERS

Interfund transfer in/out to other fund balances at June 30, 2008 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>	<u>Amount</u>
<u>General Fund</u>	<u>Education Fund</u>	
General Fund	Institute	\$ 20

NOTE 6 - CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #9 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, 2008:

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 6 – CAPITAL ASSETS (Continued)

	Balance July 1, 2007	Reclassifications	Additions	Deletions	Balance June 30, 2008
Governmental Activities					
<u>General Fund</u>					
General	\$ 44,533	\$ -	\$ -	\$ 5,505	\$ 39,028
Schoolworks Operations	97,572	-	3,145	28,775	71,942
Area IV - Technology Hub	225,291	-	42,721	31,106	236,906
Youth Detention Center	11,630	-	1,895	5,843	7,682
<u>Education Fund</u>					
Truants Alternative/Optional Education	1,354	-	-	179	1,175
Adult Education	250	(250)	-	-	-
Regional Education Alternative for Developing Youth	76,027	-	7,721	24,104	59,644
Federal Special Education I.D.E.A.	29,767	(29,767)	-	-	-
McKinney Education for Homeless Children	6,211	(6,211)	-	-	-
Northern Illinois University Grant	2,031	(2,031)	-	-	-
Title I - Reading First Part B SEA	2,390	(2,390)	-	-	-
McKinney - Vento Homeless Children & Youth Program	7,417	1,662	-	-	9,079
Technology - Enhancing Education - Competitive	70,735	(70,735)	-	-	-
Area IV System of Support	4,239	(4,239)	-	-	-
Title IV - Community Service	279	(279)	-	-	-
Title I - School Improvement	-	-	2,523	-	2,523
Regional Office of Education State Grant	6,046	(6,046)	-	-	-
Novice Teacher Support Program Electronic Expansion Subcontract	4,267	(4,267)	-	-	-
General Fixed Assets - Closed Programs	-	124,553	-	17,281	107,272
<u>Nonmajor Special Revenue Fund</u>					
General Education Development	8,349	-	-	1,376	6,973
Governmental Activities					
Total Capital Assets	598,388	-	58,005	114,169	542,224
<u>Internal Service</u>	34,020	-	10,747	5,655	39,112
Less: Accumulated Depreciation	443,361	-	63,322	93,707	412,976
Governmental Activities					
Investment in Capital Assets, Net	<u>\$ 189,047</u>	<u>\$ -</u>	<u>\$ 5,430</u>	<u>\$ 26,117</u>	<u>\$ 168,360</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2008

NOTE 6 – CAPITAL ASSETS (Concluded)

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Business-type Activities				
Local Workshops	\$ 12,488	\$ -	\$ 691	\$ 11,797
Business-type Activities				
Total Assets	12,488	-	691	11,797
Less Accumulated Depreciation	<u>2,669</u>	<u>1,572</u>	<u>240</u>	<u>4,001</u>
Business-type Activities				
Investment in Capital Assets	<u>\$ 9,819</u>	<u>\$ (1,572)</u>	<u>\$ 451</u>	<u>\$ 7,796</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, 2008 of \$63,322 and \$1,572 was charged to the governmental activities and the 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.

NOTE 7 - RISK MANAGEMENT

The Regional Office of Education #9 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 #9 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.

NOTE 8 – OPERATING LEASE

The Education Fund has entered into a renewable five-year lease to provide classroom space for the R.E.A.D.Y. School Program (Ready) and office space for the Illinois Technical Assistance Network (ITAN). Rent expense for 2008 totaled \$93,518. Future minimum rentals are as follows for the years ending June 30:

2009	\$ 94,488
<u>2010</u>	<u>15,748</u>
Total	<u>\$110,236</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2008

NOTE 9 – ON BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education #9:

Regional Superintendent Salary	\$105,761
Assistant Regional Superintendent Salary	95,184
Regional Superintendent Benefits (Includes State paid insurance)	19,302
Assistant Regional Superintendent Benefits (Includes State paid insurance)	15,278
TRS Pension Contribution	384,440

Total	\$619,965
-------	-----------

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

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

NOTE 10 – DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #9's Agency Fund, General Fund, Education Fund, Non-major Funds, Internal Service, and Proprietary Fund have funds due from/to various other governmental units which consist of the following:

Due from Other Governments:

<u>General Fund</u>	
Local School Districts	\$ 146,521
<u>Education Fund</u>	
Local Governments	61,478
Regional Office of Education #32	48,954
Illinois State Board of Education	10,442
<u>Nonmajor Funds</u>	
Local School Districts	43
<u>Internal Service</u>	
Local Government	5,513
<u>Proprietary Fund</u>	
Local School Districts	8,178
<u>Fiduciary Fund</u>	
Local School Districts	2,180,089
Total	\$2,461,218

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 10 – DUE TO/FROM OTHER GOVERNMENTS (Concluded)

Due to Other Governments:

<u>Education Fund</u>	
Illinois State Board of Education	\$ 519
<u>Fiduciary Fund</u>	
Local School Districts	<u>2,357,853</u>
Total	<u>\$ 2,358,372</u>

REQUIRED SUPPLEMENTAL INFORMATION
(Other than Management Discussion and Analysis)

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN / FORD COUNTIES
 ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF FUNDING PROGRESS
 (UNAUDITED)
 JUNE 30, 2008

Actuarial Valuation Date	Actuarial Value of Assets (a)	(2) Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	(3) Funded Ratio (a/b)	(4) Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	3,021,190	3,008,293	(12,897)	100.43%	1,657,703	0.00%
12/31/06	3,046,867	3,072,311	25,444	99.17%	1,666,844	1.53%
12/31/05	2,651,414	2,705,672	54,258	97.99%	1,660,172	3.27%

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$3,207,601.
 On a market basis, the funded ratio would be 106.63%.

* Digest of changes

The actuarial assumptions used to determine the actuarial accrued liability for 2007 are based on the 2002-2004 Experience Study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For Regular members, fewer normal and more early retirements are expected to occur.

OTHER SUPPLEMENTAL INFORMATION

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 GENERAL FUND
 JUNE 30, 2008

	General	Schoolworks Operations	Regional Office of Education Operations	Area IV Learning Technology Hub	Youth Detention Center	Essay Scoring	TOTALS
ASSETS							
Cash and cash equivalents	\$ 43,574	\$ -	\$ 45,001	\$ 490,275	\$ 794	\$ 940	\$ 580,584
Due from other funds	-	-	-	122,972	-	-	122,972
Due from other governments	74,872	-	4,666	1,683	64,704	596	146,521
TOTAL ASSETS	\$ 118,446	\$ -	\$ 49,667	\$ 614,930	\$ 65,498	\$ 1,536	\$ 850,077
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 9,331	\$ -	\$ -	\$ -	\$ 9,331
Due to other funds	-	-	-	1,000	48,258	-	49,258
Unearned revenue	-	-	-	-	17,240	-	17,240
Total Liabilities	-	-	9,331	1,000	65,498	-	75,829
FUND BALANCES							
Unreserved	118,446	-	40,336	613,930	-	1,536	774,248
Total Fund Balances	118,446	-	40,336	613,930	-	1,536	774,248
TOTAL LIABILITIES AND FUND BALANCES	\$ 118,446	\$ -	\$ 49,667	\$ 614,930	\$ 65,498	\$ 1,536	\$ 850,077

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GENERAL FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	General	Schoolworks Operations	Regional Office of Education Operations	Area IV Learning Technology Hub	Youth Detention Center	Essay Scoring	TOTALS
REVENUES							
Local sources	\$ 703,844	\$ -	\$ 17,571	\$ 296,295	\$ -	\$ 9,929	\$ 1,027,639
State sources	-	176,166	-	285,803	151,377	-	613,346
State sources - on behalf payments	619,965	-	-	-	-	-	619,965
Total Revenues	1,323,809	176,166	17,571	582,098	151,377	9,929	2,260,950
EXPENDITURES							
Salaries and benefits	206,249	128,211	-	255,523	141,862	9,413	741,258
Purchased services	416,659	33,234	1,721	109,618	7,128	206	568,566
Supplies and materials	2,904	11,576	64	20,024	433	20	35,021
Other objects	35	85	160	3,173	75	-	3,528
Capital outlay	-	3,145	-	42,721	1,895	-	47,761
Payments to governments	-	-	-	19,212	-	-	19,212
On-behalf payments	619,965	-	-	-	-	-	619,965
Total Expenditures	1,245,812	176,251	1,945	450,271	151,393	9,639	2,035,311
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	77,997	(85)	15,626	131,827	(16)	290	225,639
OTHER FINANCING SOURCES (USES)							
Transfers in	20	-	-	-	-	-	20
Interest	208	85	175	3,630	16	3	4,117
Total Other Financing Sources (Uses)	228	85	175	3,630	16	3	4,137
NET CHANGE IN FUND BALANCES	78,225	-	15,801	135,457	-	293	229,776
FUND BALANCE - BEGINNING	40,221	-	24,535	478,473	-	1,243	544,472
FUND BALANCE - ENDING	\$ 118,446	\$ -	\$ 40,336	\$ 613,930	\$ -	\$ 1,536	\$ 774,248

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 GENERAL FUND ACCOUNTS
 SCHOOLWORKS OPERATION
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 172,128	\$ 176,166	\$ 176,166
Total Revenue	<u>172,128</u>	<u>176,166</u>	<u>176,166</u>
EXPENDITURES			
Salaries and benefits	120,445	126,491	128,211
Purchased services	40,933	36,374	33,234
Supplies and materials	6,750	8,577	11,576
Other objects	500	1,224	85
Capital outlay	3,500	3,500	3,145
Total Expenditures	<u>172,128</u>	<u>176,166</u>	<u>176,251</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>-</u>	<u>-</u>	<u>(85)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	85
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>85</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>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 GENERAL FUND ACCOUNTS
 AREA IV - LEARNING TECHNOLOGY HUB
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Local	\$ 152,000	\$ 152,000	\$ 296,295
State	115,403	299,403	285,803
Total Revenue	<u>267,403</u>	<u>451,403</u>	<u>582,098</u>
EXPENDITURES			
Salaries and benefits	201,306	252,706	255,523
Purchased services	53,597	150,112	109,618
Supplies and materials	7,500	13,190	20,024
Other objects	-	-	3,173
Capital outlay	5,000	20,500	42,721
Payments to governments	-	1,295	19,212
Total Expenditures	<u>267,403</u>	<u>437,803</u>	<u>450,271</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>13,600</u>	<u>131,827</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	3,630
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,630</u>
NET CHANGE IN FUND BALANCE	-	13,600	135,457
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>478,473</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ 13,600</u>	<u>\$ 613,930</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 GENERAL FUND ACCOUNTS
 YOUTH DETENTION CENTER
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 165,600	\$ 165,600	\$ 151,377
Total Revenue	<u>165,600</u>	<u>165,600</u>	<u>151,377</u>
EXPENDITURES			
Salaries and benefits	151,750	151,750	141,862
Purchased services	9,050	9,050	7,128
Supplies and materials	4,800	4,800	433
Other objects	-	-	75
Capital outlay	-	-	1,895
Payments to other governments	-	-	-
Total Expenditures	<u>165,600</u>	<u>165,600</u>	<u>151,393</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(16)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	16
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>16</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>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2008

	Illinois State Board of Education/ DCFS Interagency Technical Assistance Network	Truants Alternative/ Optional Education	Regional Education Alternative for Developing Youth	McKinney Education For Homeless Children
ASSETS				
Cash and cash equivalents	\$ 8,873	\$ -	\$ 374,131	\$ 737
Due from other governments:				
Local	-	-	22,111	-
Federal	-	-	-	-
TOTAL ASSETS	\$ 8,873	\$ -	\$ 396,242	\$ 737
LIABILITIES				
Accounts payable	\$ 335	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments:				
Federal	-	-	-	-
Unearned revenue	-	-	-	168
Total Liabilities	335	-	-	168
FUND BALANCES	8,538	-	396,242	569
Unreserved	8,538	-	396,242	569
Total Fund Balances	8,538	-	396,242	569
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,873	\$ -	\$ 396,242	\$ 737

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2008

	Novice Teacher Support	Title I Reading First Part B SEA	Department of Children & Family Services Grant	McKinney - Vento Homeless Children & Youth Program
ASSETS				
Cash and cash equivalents	\$ 9,329	\$ 62	\$ -	\$ -
Due from other governments:				
Local	-	-	-	-
Federal	-	10,442	-	-
TOTAL ASSETS	\$ 9,329	\$ 10,504	\$ -	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	4,939	-	-
Due to other governments:				
Federal	-	-	-	-
Unearned revenue	9,329	5,565	-	-
Total Liabilities	9,329	10,504	-	-
FUND BALANCES				
Unreserved	-	-	-	-
Total Fund Balances	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,329	\$ 10,504	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2008

	ELL Professional Development	Math Institute	Family Literacy Grant	Summer Freedom School
ASSETS				
Cash and cash equivalents	\$ 519	\$ -	\$ -	\$ 16,111
Due from other governments:				
Local	-	-	-	-
Federal	-	-	-	-
TOTAL ASSETS	\$ 519	\$ -	\$ -	\$ 16,111
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments:				
Federal	519	-	-	-
Unearned revenue	-	-	-	15,760
Total Liabilities	519	-	-	15,760
FUND BALANCES				
Unreserved	-	-	-	351
Total Fund Balances	-	-	-	351
TOTAL LIABILITIES AND FUND BALANCES	\$ 519	\$ -	\$ -	\$ 16,111

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2008

	National Boards	Standards- Aligned Classroom	Teacher Mentoring	Teacher Quality
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 19,690	\$ -
Due from other governments:				
Local	-	-	-	-
Federal	-	-	-	11,367
TOTAL ASSETS	\$ -	\$ -	\$ 19,690	\$ 11,367
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	11,367
Due to other governments:				
Federal	-	-	-	-
Unearned revenue	-	-	19,690	-
Total Liabilities	-	-	19,690	11,367
FUND BALANCES				
Unreserved	-	-	-	-
Total Fund Balances	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ 19,690	\$ 11,367

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2008

	Title I School Improvement and Accountability	Standards & Assessments Teacher Quality	IVPA-SEL Grant	HR Solutions (Tomlinson)
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 26,996	\$ 13
Due from other governments:				
Local	-	-	19,559	1,784
Federal	37,587	-	-	-
TOTAL ASSETS	\$ 37,587	\$ -	\$ 46,555	\$ 1,797
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	37,587	-	-	1,797
Due to other governments:				
Federal	-	-	-	-
Unearned revenue	-	-	46,555	-
Total Liabilities	37,587	-	46,555	1,797
FUND BALANCES				
Unreserved	-	-	-	-
Total Fund Balances	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 37,587	\$ -	\$ 46,555	\$ 1,797

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF ACCOUNTS
 EDUCATION FUND
 JUNE 30, 2008

	Family Support Grant	Freedom School Grant	Teen Reach Grant	ISBE CMAR	Total
ASSETS					
Cash and cash equivalents	\$ 6,223	\$ 7,783	\$ -	\$ -	\$ 470,467
Due from other governments:					
Local	-	-	16,880	1,144	61,478
Federal	-	-	-	-	59,396
TOTAL ASSETS	\$ 6,223	\$ 7,783	\$ 16,880	\$ 1,144	\$ 591,341
LIABILITIES					
Accounts payable	\$ 153	\$ -	\$ -	\$ -	\$ 488
Due to other funds	-	-	16,880	1,144	73,714
Due to other governments:					
Federal	-	-	-	-	519
Unearned revenue	6,070	7,783	-	-	110,920
Total Liabilities	6,223	7,783	16,880	1,144	185,641
FUND BALANCES					
Unreserved	-	-	-	-	405,700
Total Fund Balances	-	-	-	-	405,700
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,223	\$ 7,783	\$ 16,880	\$ 1,144	\$ 591,341

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	Illinois State Board of Education/ DCFS Interagency Technical Assistance Network	Truants Alternative/ Optional Education	Regional Education Alternative for Developing Youth	McKinney Education For Homeless Children
REVENUES				
Local sources	\$ 13,457	\$ -	\$ 643,982	\$ 636
State sources	-	87,823	604,261	-
Federal sources	-	-	19,802	-
Total Revenues	13,457	87,823	1,268,045	636
EXPENDITURES				
Salaries and benefits	132	76,396	929,934	17
Purchased services	2,835	9,440	220,672	53
Supplies and materials	2,014	1,874	41,745	-
Other objects	200	44	7,339	-
Capital outlay	-	-	7,721	-
Payments to other governments	-	113	-	-
Total Expenditures	5,181	87,867	1,207,411	70
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,276	(44)	60,634	566
OTHER FINANCING SOURCES (USES):				
Interest	39	44	3,021	3
Total Other Financing Sources (Uses)	39	44	3,021	3
NET CHANGE IN FUND BALANCES	8,315	-	63,655	569
FUND BALANCES - BEGINNING	223	-	332,587	-
FUND BALANCES - ENDING	\$ 8,538	\$ -	\$ 396,242	\$ 569

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	Novice Teacher Support	Title I Reading First Part B SEA	Department of Children & Family Services Grant	McKinney - Vento Homeless Children & Youth Program
REVENUES				
Local sources	\$ 361	\$ -	\$ -	\$ -
State sources	-	-	67,092	-
Federal sources	-	33,970	-	29,038
Total Revenues	361	33,970	67,092	29,038
EXPENDITURES				
Salaries and benefits	-	-	36,394	14,959
Purchased services	263	31,105	24,443	2,082
Supplies and materials	117	2,909	6,255	11,996
Other objects	38	-	75	48
Capital outlay	-	-	-	-
Payments to other governments	-	-	-	-
Total Expenditures	418	34,014	67,167	29,085
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(57)	(44)	(75)	(47)
OTHER FINANCING SOURCES (USES):				
Interest	57	44	75	47
Total Other Financing Sources (Uses)	57	44	75	47
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	ELL Professional Development	Math Institute	Family Literacy Grant	Summer Freedom School
REVENUES				
Local sources	\$ -	\$ -	\$ 3,826	\$ 19,037
State sources	-	-	-	-
Federal sources	10,000	72,770	-	-
Total Revenues	<u>10,000</u>	<u>72,770</u>	<u>3,826</u>	<u>19,037</u>
EXPENDITURES				
Salaries and benefits	-	5,195	1,661	4,991
Purchased services	2,895	47,994	1,279	9,368
Supplies and materials	7,105	19,581	884	4,704
Other objects	14	-	4	6
Capital outlay	-	-	-	-
Payments to other governments	-	-	-	-
Total Expenditures	<u>10,014</u>	<u>72,770</u>	<u>3,828</u>	<u>19,069</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(14)</u>	<u>-</u>	<u>(2)</u>	<u>(32)</u>
OTHER FINANCING SOURCES (USES):				
Interest	14	-	2	33
Total Other Financing Sources (Uses)	<u>14</u>	<u>-</u>	<u>2</u>	<u>33</u>
NET CHANGE IN FUND BALANCES	-	-	-	1
FUND BALANCES - BEGINNING	-	-	-	350
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	National Boards	Standards			Teacher Quality
		Aligned Classroom	Teacher Mentoring	Teacher	
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	-
State sources	-	-	44,555	-	-
Federal sources	30,795	32,833	-	-	53,204
Total Revenues	30,795	32,833	44,555	-	53,204
EXPENDITURES					
Salaries and benefits	7,747	3,063	1,023	-	34,454
Purchased services	22,160	897	32,411	-	6,477
Supplies and materials	888	1,101	-	-	2,536
Other objects	6	28	-	-	-
Capital outlay	-	-	-	-	-
Payments to other governments	-	27,755	11,100	-	9,737
Total Expenditures	30,801	32,844	44,534	-	53,204
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6)	(11)	21	-	-
OTHER FINANCING SOURCES (USES):					
Interest	6	11	(21)	-	-
Total Other Financing Sources (Uses)	6	11	(21)	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	Title I School Improvement and Accountability	Standards & Assessments Teacher Quality	IVPA-SEL Grant	HR Solutions (Tomlinson)
REVENUES				
Local sources	\$ -	\$ -	\$ 35,221	\$ 12,848
State sources	-	1,825	-	-
Federal sources	364,006	-	-	-
Total Revenues	364,006	1,825	35,221	12,848
EXPENDITURES				
Salaries and benefits	257,922	1,310	21,987	-
Purchased services	29,684	290	9,315	12,860
Supplies and materials	12,040	225	4,054	-
Other objects	-	-	-	-
Capital outlay	2,523	-	-	-
Payments to other governments	61,837	-	-	-
Total Expenditures	364,006	1,825	35,356	12,860
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(135)	(12)
OTHER FINANCING SOURCES (USES):				
Interest	-	-	135	12
Total Other Financing Sources (Uses)	-	-	135	12
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2008

	Family Support Grant	Freedom School Grant	Teen Reach Grant	ISBE CMAR	Total
REVENUES					
Local sources	\$ 25,291	\$ 42,217	\$ 49,805	\$ 17,149	\$ 863,830
State sources	-	-	-	-	805,556
Federal sources	-	-	33,800	-	680,218
Total Revenues	25,291	42,217	83,605	17,149	2,349,604
EXPENDITURES					
Salaries and benefits	8,688	20,865	54,130	-	1,480,868
Purchased services	7,344	16,125	21,719	17,149	528,860
Supplies and materials	1,337	5,383	7,756	-	134,504
Other objects	-	-	11	-	7,813
Capital outlay	-	-	-	-	10,244
Payments to other governments	7,955	-	-	-	118,497
Total Expenditures	25,324	42,373	83,616	17,149	2,280,786
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(33)	(156)	(11)	-	68,818
OTHER FINANCING SOURCES (USES):					
Interest	33	156	11	-	3,722
Total Other Financing Sources (Uses)	33	156	11	-	3,722
NET CHANGE IN FUND BALANCES	-	-	-	-	72,540
FUND BALANCES - BEGINNING	-	-	-	-	333,160
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -	\$ 405,700

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 TRUANTS ALTERNATIVE/OPTIONAL EDUCATION
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 77,823	\$ 87,823	\$ 87,823
Total Revenue	<u>77,823</u>	<u>87,823</u>	<u>87,823</u>
EXPENDITURES			
Salaries and benefits	64,890	74,490	76,396
Purchased services	11,559	11,959	9,440
Supplies and materials	1,374	1,374	1,874
Other objects	-	-	44
Payments to other governments	-	-	113
Total Expenditures	<u>77,823</u>	<u>87,823</u>	<u>87,867</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(44)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	44
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>44</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 REGIONAL EDUCATION ALTERNATIVE FOR DEVELOPING YOUTH
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Local	\$ 695,730	\$ 730,730	\$ 643,982
State	619,674	619,674	604,261
Federal	-	-	19,802
Total Revenue	<u>1,315,404</u>	<u>1,350,404</u>	<u>1,268,045</u>
EXPENDITURES			
Salaries and benefits	872,156	890,416	929,934
Purchased services	364,490	386,060	220,672
Supplies and materials	78,758	73,928	41,745
Other objects	-	-	7,339
Capital outlay	-	-	7,721
Total Expenditures	<u>1,315,404</u>	<u>1,350,404</u>	<u>1,207,411</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>60,634</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	3,021
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,021</u>
NET CHANGE IN FUND BALANCE	-	-	63,655
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>332,587</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 396,242</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 NOVICE TEACHER SUPPORT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Local	\$ 24,444	\$ 24,444	\$ 361
Total Revenue	<u>24,444</u>	<u>24,444</u>	<u>361</u>
EXPENDITURES			
Salaries and benefits	21,896	15,896	-
Purchased services	2,437	8,437	263
Supplies and materials	111	111	117
Other objects	-	-	38
Total Expenditures	<u>24,444</u>	<u>24,444</u>	<u>418</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(57)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	57
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>57</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 TITLE I- READING FIRST PART B SEA
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 39,517	\$ 39,517	\$ 33,970
Total Revenue	<u>39,517</u>	<u>39,517</u>	<u>33,970</u>
EXPENDITURES			
Salaries and benefits	1,156	1,156	-
Purchased services	31,170	31,170	31,105
Supplies and materials	7,191	7,191	2,909
Total Expenditures	<u>39,517</u>	<u>39,517</u>	<u>34,014</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(44)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	44
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>44</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 DEPARTMENT OF CHILDREN AND FAMILY SERVICES GRANT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 67,092	\$ 67,092	\$ 67,092
Total Revenue	<u>67,092</u>	<u>67,092</u>	<u>67,092</u>
EXPENDITURES			
Salaries and benefits	34,805	34,641	36,394
Purchased services	26,487	26,551	24,443
Supplies and materials	5,800	5,900	6,255
Other objects	-	-	75
Total Expenditures	<u>67,092</u>	<u>67,092</u>	<u>67,167</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(75)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	75
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>75</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 MCKINNEY - VENTO HOMELESS CHILDREN & YOUTH PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 29,038	\$ 29,038	\$ 29,038
Total Revenue	<u>29,038</u>	<u>29,038</u>	<u>29,038</u>
EXPENDITURES			
Salaries and benefits	7,629	7,259	14,959
Purchased services	1,280	1,900	2,082
Supplies and materials	20,129	19,879	11,996
Other objects			48
Total Expenditures	<u>29,038</u>	<u>29,038</u>	<u>29,085</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(47)</u>
OTHER FINANCING SOURCES (USES):			
Interest	<u>-</u>	<u>-</u>	<u>47</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>47</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 ELL PROFESSIONAL DEVELOPMENT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 10,000	\$ 10,000	\$ 10,000
Total Revenue	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
EXPENDITURES			
Salaries and benefits	250	-	-
Purchased services	6,350	2,924	2,895
Supplies and materials	3,400	7,076	7,105
Other objects	-	-	14
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>10,014</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(14)</u>
OTHER FINANCING SOURCES (USES):			
Interest	<u>-</u>	<u>-</u>	<u>14</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>14</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>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 MATH INSTITUTE
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 75,000	\$ 75,000	\$ 72,770
Total	<u>75,000</u>	<u>75,000</u>	<u>72,770</u>
EXPENDITURES			
Salaries and benefits	5,951	5,951	5,195
Purchased services	51,988	51,988	47,994
Supplies and materials	17,061	17,061	19,581
Total Expenditures	<u>75,000</u>	<u>75,000</u>	<u>72,770</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 FAMILY LITERACY GRANT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Local	\$ 3,824	\$ 3,824	\$ 3,826
Total Revenue	<u>3,824</u>	<u>3,824</u>	<u>3,826</u>
EXPENDITURES			
Salaries and benefits	1,801	1,661	1,661
Purchased services	1,260	1,279	1,279
Supplies and materials	763	884	884
Other objects	-	-	4
Total Expenditures	<u>3,824</u>	<u>3,824</u>	<u>3,828</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(2)</u>
OTHER FINANCING SOURCES (USES):			
Interest	<u>-</u>	<u>-</u>	<u>2</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 NATIONAL BOARDS
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 21,043	\$ 29,355	\$ 30,795
Total Revenue	<u>21,043</u>	<u>29,355</u>	<u>30,795</u>
EXPENDITURES			
Salaries and benefits	-	-	7,747
Purchased services	21,043	29,355	22,160
Supplies and materials	-	-	888
Other objects	-	-	6
Capital outlay	-	-	-
Payments to other governments	-	-	-
Total Expenditures	<u>21,043</u>	<u>29,355</u>	<u>30,801</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(6)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	6
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>6</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 STANDARDS-ALIGNED CLASSROOM
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 1,183	\$ 47,000	\$ 32,833
Total Revenue	<u>1,183</u>	<u>47,000</u>	<u>32,833</u>
EXPENDITURES			
Salaries and benefits	56	3,300	3,063
Purchased services	355	1,309	897
Supplies and materials	21	1,141	1,101
Other objects	-	-	28
Payments to other governments	751	41,250	27,755
Total Expenditures	<u>1,183</u>	<u>47,000</u>	<u>32,844</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(11)</u>
OTHER FINANCING SOURCES (USES):			
Interest	<u>-</u>	<u>-</u>	<u>11</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>11</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>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 TEACHER MENTORING
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 61,045	\$ 61,045	\$ 44,555
Total Revenue	<u>61,045</u>	<u>61,045</u>	<u>44,555</u>
EXPENDITURES			
Salaries and benefits	-	-	1,023
Purchased services	57,295	57,295	32,411
Supplies and materials	3,750	3,750	-
Payments to other governments	-	-	11,100
Total Expenditures	<u>61,045</u>	<u>61,045</u>	<u>44,534</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>21</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	(21)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(21)</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 TEACHER QUALITY
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 53,096	\$ 30,000	\$ 53,204
Total	<u>53,096</u>	<u>30,000</u>	<u>53,204</u>
EXPENDITURES			
Salaries and benefits	36,217	19,709	34,454
Purchased services	4,354	2,715	6,477
Supplies and materials	250	3,000	2,536
Payments to other governments	12,275	4,576	9,737
Total Expenditures	<u>53,096</u>	<u>30,000</u>	<u>53,204</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 TITLE I SCHOOL IMPROVEMENT AND ACCOUNTABILITY
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Federal	\$ 350,101	\$ 358,356	\$ 364,006
Total	<u>350,101</u>	<u>358,356</u>	<u>364,006</u>
EXPENDITURES			
Salaries and benefits	200,571	189,928	257,922
Purchased services	41,486	72,965	29,684
Supplies and materials	2,000	7,783	12,040
Capital Outlay	-	-	2,523
Payments to other governments	106,044	87,680	61,837
Total Expenditures	<u>350,101</u>	<u>358,356</u>	<u>364,006</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 STANDARDS AND ASSESSMENT TEACHER QUALITY
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
State	\$ 33,314	\$ 33,314	\$ 1,825
Total	<u>33,314</u>	<u>33,314</u>	<u>1,825</u>
EXPENDITURES			
Salaries and benefits	26,018	25,468	1,310
Purchased services	4,866	5,302	290
Supplies and materials	1,380	1,574	225
Payments to other governments	1,050	970	-
Total Expenditures	<u>33,314</u>	<u>33,314</u>	<u>1,825</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 IVPA-SEL GRANT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Local	\$ 52,000	\$ 52,000	\$ 35,221
Total	<u>52,000</u>	<u>52,000</u>	<u>35,221</u>
EXPENDITURES			
Salaries and benefits	36,177	36,177	21,987
Purchased services	12,848	12,848	9,315
Supplies and materials	2,975	2,975	4,054
Total Expenditures	<u>52,000</u>	<u>52,000</u>	<u>35,356</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(135)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	135
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>135</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 FAMILY SUPPORT GRANT
 FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
REVENUE			
Local	\$ 30,000	\$ 27,800	\$ 25,291
Total	<u>30,000</u>	<u>27,800</u>	<u>25,291</u>
EXPENDITURES			
Salaries and benefits	6,850	8,717	8,688
Purchased services	5,200	7,325	7,344
Supplies and materials	2,550	3,803	1,337
Payments to other governments	15,400	7,955	7,955
Total Expenditures	<u>30,000</u>	<u>27,800</u>	<u>25,324</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(33)</u>
OTHER FINANCING SOURCES (USES):			
Interest	<u>-</u>	<u>-</u>	<u>33</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>33</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 FREEDOM SCHOOL GRANT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUE			
Local	\$ 50,000	\$ 48,400	\$ 42,217
Total	<u>50,000</u>	<u>48,400</u>	<u>42,217</u>
EXPENDITURES			
Salaries and benefits	5,909	22,594	20,865
Purchased services	13,800	20,806	16,125
Supplies and materials	4,441	5,000	5,383
Payments to other governments	25,850	-	-
Total Expenditures	<u>50,000</u>	<u>48,400</u>	<u>42,373</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(156)</u>
OTHER FINANCING SOURCES (USES):			
Interest	<u>-</u>	<u>-</u>	<u>156</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>156</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>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 BUDGETARY COMPARISON SCHEDULE
 (For the Period of July 1, 2007 to June 30, 2008)
 EDUCATION FUND ACCOUNTS
 TEEN REACH GRANT
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUE			
Local	\$ 33,600	\$ 33,600	\$ 49,805
Federal	-	-	33,800
Total	<u>33,600</u>	<u>33,600</u>	<u>83,605</u>
EXPENDITURES			
Salaries and benefits	12,317	12,317	54,130
Purchased services	14,783	14,783	21,719
Supplies and materials	6,500	6,500	7,756
Other objects	-	-	11
Total Expenditures	<u>33,600</u>	<u>33,600</u>	<u>83,616</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(11)</u>
OTHER FINANCING SOURCES (USES):			
Interest	-	-	11
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>11</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>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2008

	General Education Development	Bus Driver Training	Supervisory	TOTALS
ASSETS				
Cash and cash equivalents	\$ 58,851	\$ 14,349	\$ -	\$ 73,200
Due from other governments	35	8	-	43
TOTAL ASSETS	<u>\$ 58,886</u>	<u>\$ 14,357</u>	<u>\$ -</u>	<u>\$ 73,243</u>
FUND BALANCES				
Unreserved	\$ 58,886	\$ 14,357	\$ -	\$ 73,243
TOTAL FUND BALANCES	<u>\$ 58,886</u>	<u>\$ 14,357</u>	<u>\$ -</u>	<u>\$ 73,243</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008

	General Education Development	Bus Driver Training	Supervisory	TOTALS
REVENUES				
Local sources	\$ 50,019	\$ 1,464	\$ -	\$ 51,483
State sources	-	960	2,000	2,960
Total Revenues	<u>50,019</u>	<u>2,424</u>	<u>2,000</u>	<u>54,443</u>
EXPENDITURES				
Salaries and benefits	31,021	-	-	31,021
Purchased services	3,324	1,783	2,000	7,107
Supplies and materials	9,365	-	-	9,365
Other objects	93	-	5	98
Total Expenditures	<u>43,803</u>	<u>1,783</u>	<u>2,005</u>	<u>47,591</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>6,216</u>	<u>641</u>	<u>(5)</u>	<u>6,852</u>
OTHER FINANCING SOURCES (USES)				
Interest	<u>360</u>	<u>88</u>	<u>5</u>	<u>453</u>
Total Other Financing Sources (Uses)	<u>360</u>	<u>88</u>	<u>5</u>	<u>453</u>
NET CHANGE IN FUND BALANCES	6,576	729	-	7,305
FUND BALANCES - BEGINNING	<u>52,310</u>	<u>13,628</u>	<u>-</u>	<u>65,938</u>
FUND BALANCES - ENDING	<u>\$ 58,886</u>	<u>\$ 14,357</u>	<u>\$ -</u>	<u>\$ 73,243</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 JUNE 30, 2008

	<u>Distributive</u>	<u>Payroll Clearing</u>	<u>Regional Board Of Trustees</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 177,585	\$ 179	\$ 177,764
Due from other governments	<u>2,180,089</u>	<u>-</u>	<u>-</u>	<u>2,180,089</u>
TOTAL ASSETS	<u><u>\$ 2,180,089</u></u>	<u><u>\$ 177,585</u></u>	<u><u>\$ 179</u></u>	<u><u>\$ 2,357,853</u></u>
LIABILITIES				
Due to other governments	<u>\$ 2,180,089</u>	<u>\$ 177,585</u>	<u>\$ 179</u>	<u>\$ 2,357,853</u>
TOTAL LIABILITIES	<u><u>\$ 2,180,089</u></u>	<u><u>\$ 177,585</u></u>	<u><u>\$ 179</u></u>	<u><u>\$ 2,357,853</u></u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>DISTRIBUTIVE</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 2,339	\$ 3,744,697	\$ 3,747,036	\$ -
Due from other governments	-	2,180,089	-	2,180,089
Total Assets	<u>\$ 2,339</u>	<u>\$ 5,924,786</u>	<u>\$ 3,747,036</u>	<u>\$ 2,180,089</u>
<u>LIABILITIES</u>				
Due to other governments	<u>\$ 2,339</u>	<u>\$ 5,924,786</u>	<u>\$ 3,747,036</u>	<u>\$ 2,180,089</u>
Total Liabilities	<u>\$ 2,339</u>	<u>\$ 5,924,786</u>	<u>\$ 3,747,036</u>	<u>\$ 2,180,089</u>
<u>PAYROLL CLEARING</u>				
<u>ASSETS</u>				
Cash and cash equivalents	<u>\$ 231,384</u>	<u>\$ 6,507,046</u>	<u>\$ 6,560,845</u>	<u>\$ 177,585</u>
Total Assets	<u>\$ 231,384</u>	<u>\$ 6,507,046</u>	<u>\$ 6,560,845</u>	<u>\$ 177,585</u>
<u>LIABILITIES</u>				
Due to other governments	<u>\$ 231,384</u>	<u>\$ 6,507,046</u>	<u>\$ 6,560,845</u>	<u>\$ 177,585</u>
Total Liabilities	<u>\$ 231,384</u>	<u>\$ 6,507,046</u>	<u>\$ 6,560,845</u>	<u>\$ 177,585</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>REGIONAL BOARD OF TRUSTEES</u>				
ASSETS				
Cash and cash equivalents	\$ 179	\$ -	\$ -	\$ 179
Total Assets	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>
LIABILITIES				
Due to other governments	\$ 179	\$ -	\$ -	\$ 179
Total Liabilities	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>
<u>TOTAL ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 233,902	\$ 10,251,743	\$ 10,307,881	\$ 177,764
Due from other governments	-	2,180,089	-	2,180,089
Total Assets	<u>\$ 233,902</u>	<u>\$ 12,431,832</u>	<u>\$ 10,307,881</u>	<u>\$ 2,357,853</u>
LIABILITIES				
Due to other governments	\$ 233,902	\$ 12,431,832	\$ 10,307,881	\$ 2,357,853
Total Liabilities	<u>\$ 233,902</u>	<u>\$ 12,431,832</u>	<u>\$ 10,307,881</u>	<u>\$ 2,357,853</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES
 DISTRIBUTIVE FUND
 FOR THE YEAR ENDED JUNE 30, 2008

	Regional Office of Education #9	Rural Champaign Co. Special Education	Total
1510 Interest received from Bank	\$ 928	\$ 1,786	\$ 2,714
3001 General State Aid	363,765	-	363,765
3110 Special Ed.-Personnel	-	430,357	430,357
3360 State Free Lunch & Breakfast	888	-	888
3365 School Breakfast Incentive	107	-	107
3520 ROE School Bus Training	960	-	960
3695 Truants Alternative/Optional Ed.	87,823	-	87,823
3696 Regional Safe Schools	239,504	-	239,504
3705-00 Early Childhood-Block Grant	-	381,381	381,381
3705-01 Early Childhood-Block Grant	-	115,510	115,510
3705 Early Childhood-Block Grant	-	75,123	75,123
3730 ROE/ISC Operations	176,166	-	176,166
3745 Supervisory Expense	2,000	-	2,000
3780 Technology-Learning Technology Center	284,803	-	284,803
3982 Teacher Mentoring Pilot Program	61,005	-	61,005
4210 National School Lunch Program	15,109	-	15,109
4220 School Breakfast Program	4,628	-	4,628
4250 Child Nutrition Commodity/Salvage	-	-	-
4337 Reading First Part B SEA Funds	20,758	-	20,758
4337-02 Reading First Part B SEA Funds	-	-	-
4420 Title IV Community Service	-	-	-
4600 Fed.-Sp.Ed.-Preschool Flow Through	-	51,149	51,149
4620 Fed.-Sp.Ed.-I.D.E.A.-Flow Through	-	1,413,840	1,413,840
4630 Fed.-Sp.Ed.-I.D.E.A.-Discretionary	-	-	-
4631 IDEA-Improvement Grants-Part D	-	-	-
4910 Learn and Serve America	-	9,446	9,446
4936 Mathematics & Science Partnerships	-	-	-
4972 Technology-Enhancing Ed. Competitive	-	-	-
4999 Other Federal Programs	10,000	-	10,000
	<u>\$ 1,268,444</u>	<u>\$ 2,478,592</u>	<u>\$ 3,747,036</u>

REGIONAL OFFICE OF EDUCATION #9
 CHAMPAIGN/FORD COUNTIES
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

<u>Federal Grantor/Pass Through Grantor, Program or Cluster Title</u>	<u>CFDA Number</u>	<u>Project # or Contract #</u>	<u>Expenditures 7/1/07-6/30/08</u>
US Department of Education through Illinois State Board of Education			
Title I- Reading First Part B SEA Funds	84.357A	08-4337-00	\$ 33,970
ELL Prof Development	84.365A	08-4999-PD	<u>10,000</u>
Total US Department of Education through Illinois State Board of Education			<u>43,970</u>
US Department of Agriculture through Illinois State Board of Education			
School Breakfast Program	10.553	08-4220-00	4,693
National School Lunch	10.555	08-4210-00	<u>15,109</u>
Total US Department of Agriculture through Illinois State Board of Education			<u>19,802</u>
U.S. Department of Education CFDA #84.010A Passed through Regional Office of Education #11			
Standards Aligned Classroom	84.010A	08-4999-SS	<u>31,500</u>
Passed through Regional Office of Education #32			
Title I School Improvement and Accountability	84.010A	08-4331-SS	364,006 (M)
Standards Aligned Classroom	84.010A	08-4331-SS	<u>1,333 (M)</u>
Total U.S. Department of Education CFDA #84.010A			<u>396,839</u>
National Boards (STANCE)	84.367A	08-4935-SS	30,795
Title II - Teacher Quality - Leadership	84.367A	08-4935-SS	<u>53,204</u>
			<u>83,999</u>
McKinney Education for Homeless Children	84.196A	08-4920-00	<u>29,038</u>
Total Other Grants from US Department of Education through Regional Office of Education #32			<u>113,037</u>
US Department of Health and Human Services passed through Illinois Department of Children and Family Services			
Math Institute	93.669	08-4936-00	72,770
Teen Reach Grant	93.558	AG0521078	<u>33,800</u>
Total US Department of Health and Human Services passed through Illinois Department of Children and Family Services			<u>106,570</u>
Total Expenditures of Federal Awards			<u>\$ 680,218</u>

(M) Program was audited as a major program.

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

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 #9 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

Of the federal expenditures presented in the schedule, Regional Office of Education #9 provided federal awards to sub-recipients as follows:

Program Title:	Standards Aligned Classroom Grant
Federal CFDA #:	84.298A
Amount provided to sub-recipients:	\$ 27,755

Program Title:	Title I School Improvement and Accountability
Federal CFDA#	84.010A
Amount provided to sub-recipients:	\$ 61,837

Program Title:	Title II – Teacher Quality - Leadership
Federal CFDA #:	84.367A
Amount provided to sub-recipients:	\$ 9,737

NOTE 3 - DESCRIPTION OF MAJOR FEDERAL PROGRAMS

Title I School Improvement and Accountability - This program provides area schools/districts with assistance in meeting school improvement needs as they address the requirements of No Child Left Behind. Priority is given to schools whose students have not met Adequate Yearly Progress for at least two years in Math and Reading.

Standard Aligned Classroom – Teams participate in multiple sessions during the school year (coached by an ROE person) as they study research and implementation strategies.

NOTE 4 - NON-CASH ASSISTANCE

None

REGIONAL OFFICE OF EDUCATION #9
CHAMPAIGN/FORD COUNTIES
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 5 - AMOUNT OF INSURANCE

None

NOTE 6 - LOANS OR GUARANTEES OUSTANDING

None