

State of Illinois
REGIONAL OFFICE OF EDUCATION #10

FINANCIAL AUDIT
For the year ended June 30, 2009

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

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**CHRISTIAN-MONTGOMERY COUNTIES
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**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

OFFICIALS

Regional Superintendent (current and during the audit period)..... Dr. Greg Springer

Assistant Regional Superintendent (current and during the audit period) Ms. Marie Joy

Offices are located at:

101 South Main
Taylorville, IL 62568

#1 Courthouse Square
Room 202
Hillsboro, IL 62049

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

FINANCIAL REPORT SUMMARY

The financial 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 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	0	0
Repeated audit findings	0	0
Prior recommendations implemented or not repeated	0	0

A matter which is less than a significant deficiency or material weakness but more than inconsequential, has been reported in a Management Letter of Comments to the Regional Superintendent. In prior years, this issue may have been included as an immaterial finding in the auditors' reports.

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
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FINDINGS (GOVERNMENT AUDITING STANDARDS)

There were no findings for the year ended June 30, 2009.

FINDINGS (FEDERAL COMPLIANCE)

There were no findings for the year ended June 30, 2009.

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

There were no prior findings.

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

There were no prior findings.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

FINANCIAL REPORT SUMMARY (continued)

INFORMAL EXIT CONFERENCE

An informal exit conference was held on August 28, 2009. Attending were Dr. Greg Springer, Regional Superintendent of Schools, Marie Joy, Assistant Regional Superintendent of Schools, Dawn DeClerck, Bookkeeper of Regional Office of Education #10, and Nathan Earnest, CPA of West & Company, LLC.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of the Christian-Montgomery Counties Regional Office of Education #10 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unqualified opinion on the agency's basic financial statements.

WEST & COMPANY, LLC

MEMBERS

E. LYNN FREESE
RICHARD C. WEST
KENNETH L. VOGT
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
JOHN H. VOGT

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Christian-Montgomery Counties Regional Office of Education #10, as of and for the year ended June 30, 2009, which collectively comprise the Christian-Montgomery Counties Regional Office of Education #10's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Christian-Montgomery Counties Regional Office of Education #10'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 Christian-Montgomery Counties Regional Office of Education #10, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2010 on our consideration of the Christian-Montgomery Counties Regional Office of Education #10'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 14A through 14G and 42 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 Christian-Montgomery Counties Regional Office of Education #10's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and 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 combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Schedule of Disbursements to School District Treasurers and Other Entities 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.

West & Company, LLC

March 23, 2010

WEST & COMPANY, LLC

MEMBERS

E. LYNN FREESE
RICHARD C. WEST
KENNETH L. VOGT
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Christian-Montgomery Counties Regional Office of Education #10, as of and for the year ended June 30, 2009, which collectively comprise the Christian-Montgomery Counties Regional Office of Education #10's basic financial statements and have issued our report thereon dated March 23, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Christian-Montgomery Counties Regional Office of Education #10's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Christian-Montgomery Counties Regional Office of Education #10's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Christian-Montgomery Counties Regional Office of Education #10's internal control over financial reporting.

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

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Christian-Montgomery Counties Regional Office of Education #10's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter which we have reported to management of the Christian-Montgomery Counties Regional Office of Education #10 in a separate letter dated March 23, 2010.

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

West & Company, LLC

March 23, 2010

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

Section I -- Summary of Auditors' Results

Financial statements

Type of auditors' report issued:

UNQUALIFIED

Internal control over financial reporting:

- Material weakness(es) identified? yes X no

- Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes X none reported

- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? N/A yes no

- Significant deficiency(ies) identified that are not considered to be material weakness(es)? N/A yes none reported

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

N/A

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?

N/A yes no

CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009

Section I -- Summary of Auditors' Results (concluded)

Identification of major programs:

CFDA Number(s)

Name of federal program or cluster

This section is not applicable.

Dollar threshold used to distinguish between Type A and Type B programs:

N/A

Auditee qualified as a low-risk auditee?

N/A

_____yes

_____no

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

Section II: Financial Statement Findings

No findings were noted for the year ended June 30, 2009.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

Section III -- Federal Award Findings

No findings were noted for the year ended June 30, 2009.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
-----------------------	------------------	-----------------------

No findings were noted for the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

The Regional Office of Education #10 (Christian and Montgomery Counties, Illinois) provides the following Management's Discussion and Analysis of the office's financial statements for the fiscal year that ended June 30, 2009. Readers are encouraged to consider the discussion information in conjunction with the financial statements.

2008-2009 (FY: 09) Financial Highlights:

- Net assets for the office included \$116,267 in Governmental Activities and \$27,530 in Business-Type Activities, totaling \$143,797. This total in Governmental Activities represents a slight and insignificant increase from the previous year.
- Business-Type Activities saw an increase in net assets from \$20,903 to \$27,530, up \$6,627.
- Within the Governmental Funds, total assets were \$281,091 and liabilities were \$183,254, leaving a total fund balance of \$97,837.
- Net assets of Governmental Activities (Statement of Net Assets) totaled \$116,267 when \$18,430 investment in capital assets is added to \$24,370 in unrestricted net assets and \$73,467 in restricted net assets.
- The Statement of Activities indicates a \$4,333 increase in net assets in Governmental Activities, from \$111,934 at the beginning of the year to \$116,267 at the year's end.
- Proprietary Funds net assets are reported at \$27,530.
- The Proprietary Funds increased from \$20,903 at the beginning of FY: 09 to \$27,530 at the year's conclusion.
- The Fiduciary Funds report indicates \$231,620 in assets and liabilities.

Using This Report

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

- Management's Discussion and Analysis introduces the ROE's basic financial statements and provides an overview of the Regional Office #10's financial activities.
- The Basic Financial Statements include the statements listed in the table of contents. These provide information about the status and activities of ROE #10 and present an overall view of the office's finances.
- Supplemental Information reports the ROE #10's operations in greater detail.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

Reporting the Office as a Whole

The Government-wide Financial Statements report information about Regional Office of Education #10 as a whole. The Statement of Net Assets includes all assets and liabilities. All current year revenues and expenses are included in the Statement of Activities.

The Government-wide Financial Statements also reflect how the Regional Office's net assets have changed. Net assets represent the difference between assets and liabilities. Net assets can provide a measurement of the financial health of ROE #10.

Over a period of time, changes in net assets can indicate whether the office's financial position is improving or deteriorating. To assess ROE #10's overall health, additional non-financial factors (e.g., new laws, rules and regulations, actions by officials at the state and federal level, the state of the economy) should be considered.

The Government-wide Financial Statements present Office activities as Governmental Activities. Local, state, and federal funds finance most, if not all, these activities.

The focus in the Fund Financial Statements is on the "major" funds. Funds are accounting devices that allow the tracking of sources and spending. Some funds are required by law. Other funds have been created to allow for the management of money that is utilized for particular purposes.

The Regional Office of Education #10 has three kinds of funds:

1. Governmental Funds account for the office's services. Governmental Funds focus on how cash and other financial assets can be readily converted to cash flow and on balances available for spending the next fiscal year. Governmental Fund Statements provide a detailed, short-term view to help determine the level of resources that can finance future Office operations. The Office's Governmental Funds include the General Fund, Education Fund, Institute Fund, and Other Nonmajor Funds. The required financial statements for Governmental Funds include a Balance Sheet; a Reconciliation of the Funds Balance Sheet to the Statement of Net Assets; a Statement of Revenues, Expenditures, and Changes in Fund Balances; and a Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities. In addition, net assets related to the Teacher Institute Fund are considered restricted for teacher professional development.
2. Proprietary Funds include the revenues derived from charges for services, as well as interest. Operating expenses – salaries and benefits, purchased services, supplies and materials, payments to other governmental units, and other objects – against income determine the operating income or loss in this fund. The required financial statement for Proprietary Funds includes a Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Fund Net Assets; and a Statement of Cash Flows.
3. The Fiduciary Funds report assets in cash and cash equivalents and amounts due from other governmental units, and liabilities in amounts due to other governmental units.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

ROE #10 Financial Analysis

Below are the following: ROE #10 Statement of Net Assets and Statement of Activities. These show assets and liabilities of the office; a breakdown of revenues by source and expenses by activity, as well as the changes in net assets over the past fiscal year.

STATEMENT OF NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2009	2008	2009	2008	2009	2008
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 106,176	\$ 128,740	\$ -	\$ 20,487	\$ 106,176	\$ 149,227
Due from other governments	156,240	5,395	-	-	156,240	5,395
Internal balances	(27,181)	-	27,181	-	-	-
Total current assets	235,235	134,135	27,181	20,487	262,416	154,622
Noncurrent assets:						
Capital assets, net	18,430	9,621	349	416	18,779	10,037
Total assets	253,665	143,756	27,530	20,903	281,195	164,659
LIABILITIES						
Current liabilities:						
Note payable	122,595	5,361	-	-	122,595	5,361
Due to other governments	2,601	34	-	-	2,601	34
Unearned revenue	12,202	26,427	-	-	12,202	26,427
Total liabilities	137,398	31,822	-	-	137,398	31,822
NET ASSETS						
Invested in capital assets	18,430	9,621	349	416	18,779	10,037
Unrestricted	24,370	26,303	27,181	20,487	51,551	46,790
Restricted for teacher professional development	73,467	76,010	-	-	73,467	76,010
Total net assets	\$ 116,267	\$ 111,934	\$ 27,530	\$ 20,903	\$ 143,797	\$ 132,837

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

CHANGES IN NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 28,875	\$ 46,894	\$ 28,875	\$ 46,894
Operating grants and contributions	719,486	740,254	-	-	719,486	740,254
General revenues:						
Local sources	66,147	53,428	-	-	66,147	53,428
On-behalf payments-local	87,553	96,185	-	-	87,553	96,185
On-behalf payments-state	253,388	248,621	-	-	253,388	248,621
Interest	896	1,452	157	201	1,053	1,653
TOTAL REVENUES	1,127,470	1,139,940	29,032	47,095	1,156,502	1,187,035
Expenses						
Instructional Services:						
Salaries and benefits	657,591	655,946	-	-	657,591	655,946
Purchased services	83,767	99,951	-	-	83,767	99,951
Supplies and materials	26,080	25,001	-	-	26,080	25,001
Payments to other governments	-	828	-	-	-	828
Other objects	8,457	14,864	-	-	8,457	14,864
Depreciation	6,301	3,774	-	-	6,301	3,774
Administrative						
On-behalf payments-local	87,553	96,185	-	-	87,553	96,185
On-behalf payments-state	253,388	248,621	-	-	253,388	248,621
Business type expenses	-	-	22,405	40,477	22,405	40,477
TOTAL EXPENSES	1,123,137	1,145,170	22,405	40,477	1,145,542	1,185,647
Changes in Net Assets	4,333	(5,230)	6,627	6,618	10,960	1,388
Net Assets-beginning	111,934	117,164	20,903	14,285	132,837	131,449
Net Assets-ending	\$ 116,267	\$ 111,934	\$ 27,530	\$ 20,903	\$ 143,797	\$ 132,837

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

Monitoring and Analysis

The following information is intended to document the Regional Superintendent's efforts in continuing to monitor and improve the financial status of ROE #10. The information responds to the impact of GASB 34 on the ROE.

Management and financial staff members review on a continuing basis all parts of the ROE's financial statements, including the format, accounting and reporting of fixed assets. The Superintendent consults regularly and holds periodic meetings on financial issues with Bookkeeping Department staff members, as well as with other staff members (Program Directors) who are in charge of specific programs. The meetings include analysis of the financial status of the ROE looking at current and expected future funding. Analysis and a check on balancing of funds are accomplished monthly. A former ROE #10 head bookkeeper, now retired, works throughout the year overseeing the financial situation, makes recommendations, and reviews the financial statements.

The Superintendent reviews bills prior to payment, including those bills which are recommended for payment by other members of the management staff. The Superintendent also approves or acknowledges all paid invoices.

Planning for anticipated funding shortages is included in staff meetings. Late payments from the State of Illinois remain a problem, particularly near the end of the state fiscal year (June 30). This fiscal year, late payments were a major issue. Short-term borrowing was again utilized as a means of addressing this situation. Shortly after the start of the new fiscal year, the State of Illinois provided previously-vouchered funds, enabling payback on a loan from a local lending institution. The local lender provided funds to enable the ROE to meet payroll and other obligations, doing so at a reasonable lending rate.

The declining state of the national economy throughout FY: 09 and the economic difficulties experienced by the State of Illinois did not provide for much optimism as FY: 09 ended. The ROE was operating using \$122,595 in borrowed funds at the end of FY: 09. These funds were borrowed late in the year so that payroll might be met in the final months of FY: 09. The FY: 09 borrowing far exceeded last year's amount of \$5,361 borrowed. The FY: 08 amount was lower than the \$11,331 borrowed in FY: 07.

In addition to engaging in meetings and other less formal conversations with the Bookkeeping Department staff, the consultant, the Superintendent, Assistant Superintendent, and Program Directors also meet regularly to review the general financial status of the ROE. These meetings include analysis of the status of the ROE dependent upon projected grant funding. The intent is to project adequate funding for ROE programming before program plans are carried out.

In recent years, funding has generally been sufficient to assure a basic level of office operation; however, reduced funding over the past decade and late payments from the State of Illinois have had an impact on Office operation and the ability to carry out mandated responsibilities.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

Reduced state funding has brought about curtailed services. This reduction in service capability continued into FY: 09, and budgets for FY: 10 appear to be reduced from FY: 09 levels, only making matters worse. The projected FY: 10 operations budget does not allow payment for full-time bookkeeping services, although it is certain audits will continue. In some instances, largely because of staff reductions, services have been eliminated altogether. Necessary cost increases (utility costs, rent, and to a lesser extent - payroll) will make it more difficult to continue service at the present level as the ROE moves into the future. Mid-year decisions by the State to reduce funding also have posed a problem in previous years, as operational plans have been projected based upon an expected level of funding that sometimes has been reduced. Borrowing even for a short time results in paying interest to the lending institution - in this case a local bank - depriving ROE programs of funding that could be used in the service of constituents, most notably children. Constant concern over whether or not a program will be fully-funded or even funded at all is not conducive to encouraging experienced staff members to stay or to attracting qualified new staff members.

The fiscal year for Christian and Montgomery Counties (December 1 through November 30) does not run concurrent with the fiscal year for ROE grants, and this also can be problematic. Six years ago, a disagreement between the leadership of the two counties over interpretation of the statutory allocation of county funding for the ROE resulted in a major funding cut for the ROE; a cut that was serious enough that it threatened the ROE's capacity to carry out even basic mandated responsibilities. The cut made it impossible for the office to remain open during regular business hours (8:00 a.m. till 4:00 p.m. Monday through Friday). Although this action did not force closing of the office, it made fulfilling state mandates more difficult. In 2005, early talks among all parties brought about some resolution of the issues and resulted in a better financial situation for the ROE. The counties' leaders agreed without incident on the three budgets following; it appears that the FY: 09 joint county budget to fund ROE #10 will also be approved. The FY: 07 budget restored the office at the one site to four days per week operation. The office remains open to the public four days per week at the satellite site and five days per week at the main office site.

Staff numbers remain lower than they were a few years ago. One result of staff reductions has been a decrease in the number of professional development programs the ROE can offer to the region's educators, as fewer staff members have been available to organize and oversee the programming and less funding is available to pay for the costs. The kind of programming offered also has been impacted. The two-county teachers' institute, for example, has gone from a format featuring a beginning speaker, breakout sessions, and an educational exhibit hall to a program that includes only large-group presenters. Institutes are now held once every two years rather than annually. This change has not been met with objections; in fact, it has been generally positively received. The change was made because of the lack of staff to supervise the many sessions in the earlier-utilized format. A result is a reduced capacity of the ROE to provide specialized professional development trainings. A positive aspect has been the ability to concentrate in each institute on one major topic of significance. Yet most professionals would agree that the previous practice is better suited to developing professional performance.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2009**

It is management's opinion that the staff reductions brought about by financial strain weakened the ROE's capacity to offer the "high quality professional development programming close to home" that constitutes a potential strength of this kind of agency. Cuts in funding at the state level have not brought about actual cost reductions. Costs for carrying out programming have just been shifted to the local level – to ROEs and local districts. The shortage of ROE staff also has impacted energy levels to the point that overtaxed staff members may need an occasional break from the significant effort that goes into developing and carrying out an institute, hence the move to an institute that is not annual.

Reduction in funding also brings about reduction in services in other areas as well. The number of clients served in programs such as the Truants' Alternative Program, the Early Childhood Block Grant, and the Regional Safe Schools Program, among others, is necessarily impacted by the funding stream. Numbers were held steady through FY: 09. It does not appear that will be the case in FY: 10.

A state budget that includes a regular, guaranteed revenue stream, with built-in cost-of-living adjustments, would assist the ROE in avoiding mid-year and end-of-year cutbacks, as well as notable reductions in services. Though the once prominent statewide ROE restructuring issue seems to have been resolved for now, the major funding cuts and the somewhat understandable county wariness to provide support continue to stand in the way of the most effective and efficient delivery of services by this and all other ROEs. An issue with an ROE in another county, far to the north, briefly caused a "ripple" in the Illinois General Assembly, the thought being that all ROEs might be affected by whatever action was or is taken. Management finds it interesting that other county and regional offices do not seem to be held to the same standard as ROEs – that the problems of one office seem to affect the attitude toward all others. Because of this, Regional Superintendents and their staff members have been placed into a situation in which they still must spend significant time trying to educate and inform the public of their duties and of the office's importance in the delivery of educational services. Such time is time removed from that required for ROE staff members to do their legally-mandated jobs, including those duties outlined in their job descriptions and contracts. There have been calls both for eliminating ROEs and for giving them even greater responsibilities. At this time, the latter seems to be the favored position, especially if the offices can do the work for less money or none extra at all, something ROEs must fight if they are to continue to survive and thrive. Unfortunately, although staff members may work to capacity and beyond, without sufficient money and the manpower that money can provide, services to constituents inevitably are a casualty. Illinois as a state has to decide how important those lost services are and whether or not our policy-makers consider it important to keep Illinois as a national education leader. The cards are still in the deck on that question.

Contacting the Agency's Financial Management

This financial report is designed to provide the users with a general overview of the finances of the Christian-Montgomery Counties Regional Office of Education. It further serves to demonstrate the Office's accountability for the money it receives and expends. If you have questions about this or need additional information, contact the Christian-Montgomery Regional Office of Education #10, #1 Courthouse Square, Room 202, Hillsboro, Illinois 62049.

BASIC FINANCIAL STATEMENTS

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF NET ASSETS
June 30, 2009**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 106,176	\$ -	\$ 106,176
Due from other governments	156,240	-	156,240
Internal balances	(27,181)	27,181	-
Total current assets	235,235	27,181	262,416
Noncurrent assets:			
Capital assets, net	18,430	349	18,779
Total assets	253,665	27,530	281,195
LIABILITIES			
Current liabilities:			
Note payable	122,595	-	122,595
Due to other governments	2,601	-	2,601
Deferred revenue	12,202	-	12,202
Total liabilities	137,398	-	137,398
NET ASSETS			
Invested in capital assets	18,430	349	18,779
Unrestricted	24,370	27,181	51,551
Restricted for teacher professional development	73,467	-	73,467
Total net assets	\$ 116,267	\$ 27,530	\$ 143,797

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF ACTIVITIES
For the year ended June 30, 2009**

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 657,591	\$ -	\$ 613,053	\$ (44,538)	\$ -	\$ (44,538)
Purchased services	83,767	-	62,910	(20,857)	-	(20,857)
Supplies and materials	26,080	-	22,012	(4,068)	-	(4,068)
Capital outlay	-	-	14,390	14,390	-	14,390
Other objects	8,457	-	7,121	(1,336)	-	(1,336)
Depreciation	6,301	-	-	(6,301)	-	(6,301)
Administrative:						
On-behalf payments - Local	87,553	-	-	(87,553)	-	(87,553)
On-behalf payments - State	253,388	-	-	(253,388)	-	(253,388)
Total governmental activities	<u>1,123,137</u>	<u>-</u>	<u>719,486</u>	<u>(403,651)</u>	<u>-</u>	<u>(403,651)</u>
Business-type activities:						
Instructional	22,405	28,875	-	-	6,470	6,470
Total primary government	<u>\$ 1,145,542</u>	<u>\$ 28,875</u>	<u>\$ 719,486</u>	<u>(403,651)</u>	<u>6,470</u>	<u>(397,181)</u>
General revenues:						
Local sources				66,147	-	66,147
On-behalf payments - Local				87,553	-	87,553
On-behalf payments - State				253,388	-	253,388
Interest				896	157	1,053
Total general revenues				<u>407,984</u>	<u>157</u>	<u>408,141</u>
Changes in net assets				4,333	6,627	10,960
Net assets - beginning				<u>111,934</u>	<u>20,903</u>	<u>132,837</u>
Net assets - ending				<u>\$ 116,267</u>	<u>\$ 27,530</u>	<u>\$ 143,797</u>

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009**

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 5,080	\$ 16,432	\$ 73,467	\$ 11,197	\$ 106,176
Due from other funds	-	18,675	-	-	18,675
Due from other governments	18,185	138,055	-	-	156,240
Total assets	\$ 23,265	\$ 173,162	\$ 73,467	\$ 11,197	\$ 281,091
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Note payable	\$ -	\$ 122,595	\$ -	\$ -	\$ 122,595
Due to other funds	15,676	30,180	-	-	45,856
Due to other governments	2,195	406	-	-	2,601
Deferred revenue	-	12,202	-	-	12,202
Total liabilities	17,871	165,383	-	-	183,254
FUND BALANCES					
Unreserved, reported in:					
General fund	5,394	-	-	-	5,394
Special revenue funds	-	7,779	73,467	11,197	92,443
Total fund balances	5,394	7,779	73,467	11,197	97,837
Total liabilities and fund balances	\$ 23,265	\$ 173,162	\$ 73,467	\$ 11,197	\$ 281,091

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS**

June 30, 2009

Total fund balances-governmental funds	\$ 97,837
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.	<u>18,430</u>
Net assets of governmental activities	<u><u>\$ 116,267</u></u>

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2009**

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 18,247	\$ 34,361	\$ 4,755	\$ 8,784	\$ 66,147
State sources	70,557	559,352	-	2,680	632,589
Federal sources	-	86,897	-	-	86,897
On-behalf payments	340,941	-	-	-	340,941
Interest	172	220	426	78	896
Total revenues	429,917	680,830	5,181	11,542	1,127,470
Expenditures:					
Instructional Services:					
Salaries and benefits	69,981	580,979	-	6,631	657,591
Purchased services	10,921	60,082	7,139	5,625	83,767
Supplies and materials	3,820	19,097	385	2,778	26,080
Other objects	3,581	4,676	200	-	8,457
On-behalf payments	340,941	-	-	-	340,941
Capital Outlay	1,592	13,518	-	-	15,110
Total expenditures	430,836	678,352	7,724	15,034	1,131,946
Excess (deficiency) of revenues over (under) expenditures	(919)	2,478	(2,543)	(3,492)	(4,476)
Fund balances, beginning of year	6,313	5,301	76,010	14,689	102,313
Fund balances, end of year	<u>\$ 5,394</u>	<u>\$ 7,779</u>	<u>\$ 73,467</u>	<u>\$ 11,197</u>	<u>\$ 97,837</u>

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**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, 2009**

Net changes in fund balances - governmental funds \$ (4,476)

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	\$15,110	
Depreciation expense	<u>(6,301)</u>	<u>8,809</u>

Changes in net assets of governmental activities \$ 4,333

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2009**

	Co-op	Workshops	Total
ASSETS			
Current assets:			
Due from other funds	\$ 19,489	\$ 7,692	\$ 27,181
Noncurrent assets:			
Capital assets, net	349	-	349
Total assets	19,838	7,692	27,530
LIABILITIES			
	-	-	-
NET ASSETS			
Invested in capital assets	349	-	349
Unrestricted	19,489	7,692	27,181
Total net assets	\$ 19,838	\$ 7,692	\$ 27,530

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS**

For the year ended June 30, 2009

	<u>Co-op</u>	<u>Workshops</u>	<u>Total</u>
Operating revenues:			
Charges for services	<u>\$ 23,842</u>	<u>\$ 5,033</u>	<u>\$ 28,875</u>
Operating expenses:			
Salaries and benefits	2,910	-	2,910
Purchased services	14,108	4,356	18,464
Supplies and materials	497	467	964
Depreciation	<u>67</u>	<u>-</u>	<u>67</u>
Total operating expenses	<u>17,582</u>	<u>4,823</u>	<u>22,405</u>
Operating income	6,260	210	6,470
Nonoperating revenues:			
Investment income	<u>111</u>	<u>46</u>	<u>157</u>
Change in net assets	6,371	256	6,627
Total net assets - beginning	<u>13,467</u>	<u>7,436</u>	<u>20,903</u>
Total net assets - ending	<u><u>\$ 19,838</u></u>	<u><u>\$ 7,692</u></u>	<u><u>\$ 27,530</u></u>

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2009**

	<u>Co-op</u>	<u>Workshops</u>	<u>Total</u>
Cash flows from operating activities:			
Collection of fees	\$ 23,842	\$ 5,033	\$ 28,875
Payments to suppliers and providers of goods and services	(14,605)	(4,823)	(19,428)
Payments to employees	<u>(2,910)</u>	<u>-</u>	<u>(2,910)</u>
Net cash provided by operating activities	6,327	210	6,537
Cash flows from noncapital financing activities:			
Loans to other funds	<u>(19,489)</u>	<u>(7,692)</u>	<u>(27,181)</u>
Cash flows from investing activities:			
Interest received on investments	<u>111</u>	<u>46</u>	<u>157</u>
Net decrease in cash and cash equivalents	(13,051)	(7,436)	(20,487)
Cash and cash equivalents - beginning	<u>13,051</u>	<u>7,436</u>	<u>20,487</u>
Cash and cash equivalents - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 6,260	\$ 210	\$ 6,470
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	<u>67</u>	<u>-</u>	<u>67</u>
Net cash provided by operating activities	<u><u>\$ 6,327</u></u>	<u><u>\$ 210</u></u>	<u><u>\$ 6,537</u></u>

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

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
June 30, 2009**

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 29,802
Due from other governments	<u>201,818</u>
Total assets	<u>\$ 231,620</u>
LIABILITIES	
Due to other governments	<u>\$ 231,620</u>

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

NOTES TO FINANCIAL STATEMENTS

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #10's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

A. Reporting Entity

The Regional Office of Education #10 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Christian and Montgomery counties.

The regional superintendent of schools is the chief administrative officer of the region and is elected to the position for a four year term. The regional superintendent is responsible for the supervision and control of the school districts.

The superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. Further, the superintendent receives an allocation of school funds from the State Board of Education and apportions these funds to the school districts in accordance with the State Board of Education's formula.

The Regional Office of Education #10 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters. The Regional Office of Education #10 exercises no oversight responsibility on financial interdependency, selection of governing authority, designation of management or the ability to significantly influence the operations of any other outside agencies. Control or dependency is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing order. Therefore, no other agency has been included as a component unit in the Regional Office of Education #10's financial statements. In addition, the Regional Office of Education #10 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education #10 being considered a component unit of the entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements (Continued)

The Statement of Net Assets includes all of the Regional Office of Education #10's assets and liabilities, including capital assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

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 and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

It is the Regional Office of Education #10's policy to first apply restricted resources when an expenditure or expense is incurred for which restricted and unrestricted resources are available.

CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10

NOTES TO THE FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation** (Continued)

The government reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Regional Office of Education #10 and is used to account for all financial resources that are not legally restricted for expenditure for specified purposes. This fund is available to pay general and administrative expenditures of the Regional Office of Education #10. Included in this fund are:

ROE/ISC Operations – To account for grant monies received and expended for general and administrative expenditures.

Conferences – To account for miscellaneous revenues and expenditures not related to any other programs.

Fingerprinting – To account for local monies received from districts to share the cost of criminal background checks for substitute teachers.

Education – These Special Revenue Funds account for the state and federal grant monies received for administering numerous grant awards which include:

Truants Alternative – To account for grant monies received to provide truancy prevention programming and to monitor truants.

LITES – To account for federal grant monies awarded by the U.S. Department of Education and the Area V Technology Hub to provide computers, technical support, and staff development to the region.

Standards Aligned Classroom – To account for federal monies received for expenditures incurred to create and support ongoing learning teams focused on alignment of classroom level assessment and instruction.

National School Lunch Program – To account for monies received from federal funds for reimbursement for meals served through the school lunch program at the regular price as well as reimbursement of free and reduced-price meals for students enrolled in the Regional Safe Schools Program.

State Lunch – To account for state monies received to provide free lunches and breakfasts to eligible needy children enrolled in the Regional Safe School Program.

School Breakfast Program – To account for federal monies received to provide breakfast meals meeting federal requirements to all children in attendance at the Regional Safe School Program.

Regional Safe Schools – To account for monies received for expenditures and administration of the regional safe schools program.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Education (Continued)

Early Childhood – To account for grant monies received from the State of Illinois to implement and administer prevention initiative projects to reduce school failure by coordinating and expanding health, social and/or child development services to at-risk children less than the age of three and their families.

Rural School Achievement Program – To account for monies received from federal funds to enhance education through technology and improve the academic achievement of disadvantaged children.

No Child Left Behind – To account for federal monies received from Regional Office of Education #41 to increase student achievement through the implementation of inquiry based learning and technology enhancement.

Substance Abuse Prevention Program – To account for federal monies from the Illinois Department of Human Services to provide community substance abuse prevention services and substance abuse prevention education services to students in Christian County.

ARRA General State Aid – To account for federal monies received from the Illinois State Board of Education to pay salaries to support programs to address the educational needs of children at risk of academic failure.

Institute – To account for the stewardship of the assets held in trust for the benefit of the teachers. Fees are collected from registration of teachers' certificates of qualification. Monies are expended to conduct teachers' institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

The government reports the following nonmajor governmental funds:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Included among these funds are:

General Education Development (GED) – To account for the administration of the GED Testing Program. Monies are received from testing and diploma fees.

Transportation – To account for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Supervisory – To account for monies received from the State of Illinois for expenditures incurred providing supervisory services for the region.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The government reports the following major proprietary funds:

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes. Included among these funds are:

Co-op – To account for local monies received for expenditures incurred in providing workshops.

Workshops – To account for the fees and local revenues received and related disbursements incurred while performing the corresponding program services.

The government reports the following agency funds:

Agency Funds - Agency funds are used to account for assets held by the Regional Office of Education #10 in a trustee capacity or as an agent for other governments. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the outside organizations are equal to the assets held. Included among these funds are:

Distributive – To account for monies received from the state through the Illinois Funds for disbursement to other governments or funds.

Regional Delivery System – To account for the assets held in trust for the benefit of the Regional Vocational System.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Christian-Montgomery Counties Regional Office of Education #10's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services and administrative expenses.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Investments

The Regional Office of Education #10 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of less than three months to be cash and cash equivalents.

State regulations require that Regional Office of Education #10 deposit funds under its control into accounts insured by the federal government, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

Statutes authorize the Regional Office of Education #10 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

2. Capital Assets

Capital assets are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Office equipment	5-10
Computer equipment	3
Software and licenses	2

In the fund financial statements, fixed assets used in governmental operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

3. Equity Classifications

Government-wide Statements

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

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

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

Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets."

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved.

E. New Accounting Pronouncement

The Regional Office of Education # 10 has implemented Governmental Accounting Standards Board (GASB) Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, effective for the fiscal year beginning July 1, 2008. This Statement had no effect on the Regional Office of Education #10's net assets or changes in net assets. The Regional Office of Education #10 has also implemented GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, effective for the fiscal year beginning July 1, 2008. This Statement had no effect on the Regional Office of Education #10's net assets or changes in net assets.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between *net changes in fund balances - governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “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.” The details of this \$8,809 difference are as follows:

Capital outlay	\$ 15,110
Depreciation expense	<u>(6,301)</u>
 Net adjustment to increase net changes in fund balances - governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ 8,809</u>

3. BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education #10 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board for approval as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules have been presented for the following grants: ROE/ISC Operations, Truants Alternative, Regional Safe Schools, Regional Safe Schools – General State Aid, and Early Childhood.

4. USE OF 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.

5. INTEREST ON DISTRIBUTIVE FUND ACCOUNTS

Interest on Distributive Fund receipts are distributed to districts in proportion to their share of average cash balance.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

6. DEPOSITS

At June 30, 2009, the government wide and fiduciary funds' carrying amounts of the Regional Office of Education #10's cash deposits were \$106,176 and \$29,802 respectively. The bank balance for the government wide and fiduciary funds was \$97,805 and \$35,123 respectively, all of which was secured by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department in Regional Office of Education #10's name. The Illinois Funds Money Market Fund accounts had a total balance of \$464 at June 30, 2009. This amount is fully collateralized and not subject to credit risk.

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated:				
Furniture and fixtures	\$ 3,143	\$ -	\$ -	\$ 3,143
Equipment	109,445	15,110	(37,225)	87,330
Total capital assets being depreciated	<u>112,588</u>	<u>15,110</u>	<u>(37,225)</u>	<u>90,473</u>
Less accumulated depreciation for:				
Furniture and fixtures	(2,167)	(234)	-	(2,401)
Equipment	(100,800)	(6,067)	37,225	(69,642)
Total accumulated depreciation	<u>(102,967)</u>	<u>(6,301)</u>	<u>37,225</u>	<u>(72,043)</u>
Governmental activities capital assets, net	<u>\$ 9,621</u>	<u>\$ 8,809</u>	<u>\$ -</u>	<u>\$ 18,430</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets being depreciated:				
Furniture and fixtures	\$ 663	\$ -	\$ -	\$ 663
Less accumulated depreciation for:				
Furniture and fixtures	(247)	(67)	-	(314)
Business-type activities capital assets, net	<u>\$ 416</u>	<u>\$ (67)</u>	<u>\$ -</u>	<u>\$ 349</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

7. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of Regional Office of Education #10 as follows:

Governmental activities:	
Instructional services:	
Depreciation	<u>\$ 6,301</u>
Business-type activities:	
Other:	
Depreciation	<u>\$ 67</u>

8. SHORT-TERM DEBT

On June 30, 2009, the Regional Office of Education #10 entered into a loan of \$122,595 with National Bank to cover cash shortages created when grant expenditures were paid before funding from the State had been received. The note has an interest rate of 4.00% and is due on December 30, 2009. The balance due at June 30, 2009 was \$122,595. The short-term debt activity for the year ended June 30, 2009 was as follows:

	Balance at July 1, 2008	Additions	Reductions	Balance at June 30, 2009
Note Payable	<u>\$ 5,361</u>	<u>\$ 122,595</u>	<u>\$ 5,361</u>	<u>\$ 122,595</u>

9. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

The Regional Office of Education #10 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2009 was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2008 and 2007.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

A. Teachers' Retirement System of the State of Illinois (Continued)

In addition, virtually all employers and members pay a contribution to the Teachers' Health Insurance Security (THIS) Fund, a separate fund in the State Treasury that is not a part of this retirement plan. The employer THIS Fund contribution was 0.63 percent during the year ended June 30, 2009, and the member THIS Fund health insurance contribution was 0.84 percent.

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #10's TRS-covered employees.

On-Behalf Contributions - The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #10. For the year ended June 30, 2009, State of Illinois contributions were based on 17.08 percent of creditable earnings not paid from federal funds, and the Regional Office of Education #10 recognized revenue and expenditures of \$36,955 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2008, and June 30, 2007, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal awards were 13.11 percent (\$22,451) and 9.78 percent (\$16,616), respectively.

The State contributions to TRS for the years ended June 30, 2009 and June 30, 2008 were based on an actuarial formula. The state contribution for the year ended June 30, 2007 was based on a dollar amount specified by the statute and was not actuarially determined.

The Regional Office of Education #10 makes other types of employer contributions directly to TRS.

2.2 Formula Contributions – Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2009 were \$1,347. Contributions for the years ended June 30, 2008, and June 30, 2007, were \$993 and \$986, respectively.

Federal and Special Trust Fund Contributions - When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #10, there is a statutory requirement for the Regional Office of Education #10 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2009, the employer pension contribution was 17.08 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2008 and 2007, the employer contribution was 13.11 and 9.78 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2009, salaries totaling \$16,022 were paid from federal and special trust funds that required employer contributions of \$2,737. For the years ended June 30, 2008, and June 30, 2007, required Regional Office of Education #10 contributions were \$2,061 and \$1,980, respectively.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

A. Teachers' Retirement System of the State of Illinois (Continued)

Early Retirement Option – The Regional Office of Education #10 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.

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

Under the Pipeline ERO, the maximum employer contribution was 100 percent of the member’s highest salary used in the final average salary calculation.

Under the Modified ERO, the maximum employer contribution is 117.5 percent.

Both the 100 percent and the 117.5 percent maximums apply when the member is age 55 at retirement.

For the year ended June 30, 2009, the Regional Office of Education #10 made no payments to TRS for employer contributions under the ERO program. For the years ended June 30, 2008 and June 30, 2007, the Regional Office of Education #10 made no payments for employer ERO contributions.

Salary Increases Over 6 Percent and Excess Sick Leave – Public Act 94-0004 added two new employer contributions to TRS.

If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree’s final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

For the years ended June 30, 2009, 2008, and 2007, the Regional Office of Education #10 made no payments for employer contributions to TRS due on salary increases in excess of 6 percent.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

A. Teachers' Retirement System of the State of Illinois (Continued)

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (18.67 percent of salary during the year ended June 30, 2009).

For the years ended June 30, 2009, 2008, and 2007, the Regional Office of Education #10 made no payments for employer contributions to TRS for sick leave days granted in excess of the normal annual allotment.

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2008. The report for the year ended June 30, 2009, is expected to be available in late 2009.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

B. Illinois Municipal Retirement Fund

Plan Description – The Regional Office of Education #10'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 #10'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.

Funding Policy – As set by statute, the Regional Office of Education #10's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 10.16 percent of annual covered payroll. The Regional Office of Education #10 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 2008, the Regional Office of Education #10's annual pension cost of \$37,946 for the regular plan was equal to the Regional Office of Education #10's required and actual contributions.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

Three-Year Trend Information for the Regular Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2008	\$ 37,946	100%	\$ -
12/31/2007	38,413	100%	-
12/31/2006	35,975	100%	-

The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 11.6 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3 percent annually. The actuarial value of Regional Office of Education #10's 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 20 percent corridor between the actuarial and market value of assets. The Regional Office of Education #10's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006 valuation was 5 years.

Funded Status and Funding Progress – As of December 31, 2008, the most recent actuarial valuation date, the regular plan was 93.34 percent funded. The actuarial accrued liability for benefits was \$733,326 and the actuarial value of assets was \$684,451, resulting in an underfunded actuarial accrued liability (UAAL) of \$48,875. The covered payroll (annual payroll of active employees covered by the plan) was \$373,482 and the ratio of the UAAL to the covered payroll was 13 percent.

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

C. Social Security

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

10. INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2009, interfund receivables and payables were as follows:

Due to (Receivable)	Due From (Payable)	Balance at June 30, 2009
Education Fund: Regional Safe Schools	Education Fund: Truants Alternative/Optional Education	<u>\$ 18,675</u>
Proprietary Fund: Co-op	General Fund: ROE/ISC Operations	<u>15,676</u>
Proprietary Fund: Co-op Workshop Workshop	Education Fund: Truants Alternative/Optional Education Truants Alternative/Optional Education Early Childhood Fund	<u>3,813</u> <u>5,144</u> <u>2,548</u>
		<u>11,505</u>
		<u><u>\$ 45,856</u></u>

11. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education #10 to execute a bond of not less than \$100,000 on the regional superintendent. The Regional Office of Education #10 has secured and maintained such a bond with coverage of \$500,000 on the regional superintendent and \$500,000 on the assistant regional superintendent.

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

12. DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #10's General Fund, Agency Funds and various grant programs have funds due to and due from various other governmental units which consist of the following:

Due From Other Governments

General Fund:

Illinois State Board of Education \$ 18,185

Education Fund:

Illinois Department of Human Services 13,580

Illinois State Board of Education 124,475

Fiduciary Fund:

Illinois State Board of Education 201,818

Total \$358,058

Due To Other Governments

General Fund:

Illinois State Board of Education \$ 2,195

Education Fund:

Illinois State Board of Education 406

Fiduciary Fund:

Regional Delivery System 29,653

Local School Districts 201,967

Total \$234,221

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

NOTES TO THE FINANCIAL STATEMENTS

13. ON-BEHALF PAYMENTS

The Regional Office of Education #10 received on-behalf payments for employee salaries and benefits, purchased services and supplies from the following entities for the following items:

Christian County:	
Office Salaries	\$ 14,878
Purchased Services	<u>2,182</u>
	<u>17,060</u>
Montgomery County:	
Office Salaries	40,909
Purchased Services	27,884
Supplies	<u>1,700</u>
	<u>70,493</u>
State of Illinois:	
TRS pension contributions	36,955
Regional Superintendent - salary	96,435
Regional Superintendent - benefits (includes State paid insurance)	20,450
Assistant Regional Superintendent - salary	86,791
Assistant Regional Superintendent - benefits (includes State paid insurance)	<u>12,757</u>
	<u>253,388</u>
	<u><u>\$ 340,941</u></u>

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.

The on-behalf payments are reflected as revenues and expenditures of the ROE/ISC Operations fund.

14. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The Regional Office of Education #10 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education #10 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

15. CONTINGENCIES

The Regional Office of Education #10 has received funding from federal and state grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education #10 believes any adjustments that may arise will be insignificant to Regional Office of Education #10 operations.

REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS)

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF FUNDING PROGRESS
UNAUDITED**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a) / c]
12/31/2008	\$ 684,451	\$ 733,326	\$ 48,875	93.34 %	\$ 373,482	13.09 %
12/31/2007	731,775	770,501	38,726	94.97 %	383,361	10.10 %
12/31/2006	621,836	655,721	33,885	94.83 %	374,354	9.05 %

On a market value basis, the actuarial value of assets as of December 31, 2008 is \$466,061. On a market basis, the funded ratio would be 63.55 percent.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005 - 2007 Experience Study.

SUPPLEMENTAL INFORMATION

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2009**

	<u>ROE/ISC Operations</u>	<u>Conferences</u>	<u>Fingerprinting</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 2,592	\$ 2,488	\$ 5,080
Due from other governments	<u>18,185</u>	<u>-</u>	<u>-</u>	<u>18,185</u>
Total assets	<u>\$ 18,185</u>	<u>\$ 2,592</u>	<u>\$ 2,488</u>	<u>\$ 23,265</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 15,676	\$ -	\$ -	\$ 15,676
Due to other governments	<u>2,195</u>	<u>-</u>	<u>-</u>	<u>2,195</u>
Total liabilities	<u>17,871</u>	<u>-</u>	<u>-</u>	<u>17,871</u>
FUND BALANCES				
Unreserved	<u>314</u>	<u>2,592</u>	<u>2,488</u>	<u>5,394</u>
Total liabilities and fund balance	<u>\$ 18,185</u>	<u>\$ 2,592</u>	<u>\$ 2,488</u>	<u>\$ 23,265</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the year ended June 30, 2009**

	ROE/ISC <u>Operations</u>	<u>Conferences</u>	<u>Fingerprinting</u>	<u>Total</u>
Revenues:				
Local sources	\$ -	\$ 11,860	\$ 6,387	\$ 18,247
State sources	70,557	-	-	70,557
On-behalf payments	340,941	-	-	340,941
Interest	-	144	28	172
	<u>411,498</u>	<u>12,004</u>	<u>6,415</u>	<u>429,917</u>
Expenditures:				
Salaries and benefits	58,995	10,986	-	69,981
Purchased services	4,386	651	5,884	10,921
Supplies and materials	3,264	556	-	3,820
Capital outlay	1,592	-	-	1,592
Other objects	2,320	1,261	-	3,581
On-behalf payments	340,941	-	-	340,941
	<u>411,498</u>	<u>13,454</u>	<u>5,884</u>	<u>430,836</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1,450)	531	(919)
Fund balance, beginning of year	<u>314</u>	<u>4,042</u>	<u>1,957</u>	<u>6,313</u>
Fund balance, end of year	<u>\$ 314</u>	<u>\$ 2,592</u>	<u>\$ 2,488</u>	<u>\$ 5,394</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND ACCOUNTS
ROE/ISC OPERATIONS - PROJECT #09-3730-00
For the year ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources	\$ 72,752	\$ 72,752	\$ 70,557	\$ (2,195)
On-behalf payments	-	-	340,941	340,941
	<u>72,752</u>	<u>72,752</u>	<u>411,498</u>	<u>338,746</u>
Expenditures:				
Salaries and benefits	56,951	60,591	58,995	1,596
Purchased services	9,659	5,985	4,386	1,599
Supplies and materials	1,950	2,264	3,264	(1,000)
Capital outlay	692	1,592	1,592	-
Other objects	3,500	2,320	2,320	-
On-behalf payments	-	-	340,941	(340,941)
	<u>72,752</u>	<u>72,752</u>	<u>411,498</u>	<u>(338,746)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			<u>314</u>	
Fund balance, end of year			<u>\$ 314</u>	

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND**

June 30, 2009

	Truants Alternative	LITES	Standards Aligned Classroom	National School Lunch Program
ASSETS				
Cash and cash equivalents	\$ -	\$ 6,976	\$ 12	\$ -
Due from other funds	-	-	-	-
Due from other governments	32,943	-	-	-
Total assets	\$ 32,943	\$ 6,976	\$ 12	\$ -
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Note payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	27,632	-	-	-
Due to other governments	372	-	-	-
Deferred revenue	-	6,200	6	-
Total liabilities	28,004	6,200	6	-
FUND BALANCES				
Unreserved	4,939	776	6	-
Total liabilities and fund balance	\$ 32,943	\$ 6,976	\$ 12	\$ -

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND (continued)
June 30, 2009**

	<u>State Lunch</u>	<u>School Breakfast Program</u>	<u>Regional Safe Schools</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 3,448
Due from other funds	-	-	18,675
Due from other governments	127	-	30,378
	<u>127</u>	<u>-</u>	<u>30,378</u>
Total assets	<u><u>\$ 127</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 52,501</u></u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Note payable	\$ -	\$ -	\$ 50,607
Due to other funds	-	-	-
Due to other governments	-	-	-
Deferred revenue	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>50,607</u>
FUND BALANCES			
Unreserved	<u>127</u>	<u>-</u>	<u>1,894</u>
Total liabilities and fund balance	<u><u>\$ 127</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 52,501</u></u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND (continued)**

June 30, 2009

	Early Childhood	Rural School Achievement Program	No Child Left Behind
ASSETS			
Cash and cash equivalents	\$ -	\$ 22	\$ 5,974
Due from other funds	-	-	-
Due from other governments	61,027	-	-
Total assets	\$ 61,027	\$ 22	\$ 5,974
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Note payable	\$ 58,408	\$ -	\$ -
Due to other funds	2,548	-	-
Due to other governments	34	-	-
Deferred revenue	-	22	5,974
Total liabilities	60,990	22	5,974
FUND BALANCES			
Unreserved	37	-	-
Total liabilities and fund balance	\$ 61,027	\$ 22	\$ 5,974

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND (continued)
June 30, 2009**

	<u>Substance Abuse Prevention Program</u>	<u>ARRA General State Aid</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 16,432
Due from other funds	-	-	18,675
Due from other governments	13,580	-	138,055
Total assets	<u>\$ 13,580</u>	<u>\$ -</u>	<u>\$ 173,162</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Note payable	\$ 13,580	\$ -	\$ 122,595
Due to other funds	-	-	30,180
Due to other governments	-	-	406
Deferred revenue	-	-	12,202
Total liabilities	<u>13,580</u>	<u>-</u>	<u>165,383</u>
FUND BALANCES			
Unreserved	<u>-</u>	<u>-</u>	<u>7,779</u>
Total liabilities and fund balance	<u>\$ 13,580</u>	<u>\$ -</u>	<u>\$ 173,162</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2009**

	Truants Alternative	LITES	Standards Aligned Classroom	National School Lunch Program
Revenues:				
Local sources	\$ 20,201	\$ -	\$ -	\$ -
State sources	109,443	-	-	-
Federal sources	-	2,845	8,994	2,720
Interest	86	50	1	-
Total revenues	129,730	2,895	8,995	2,720
Expenditures:				
Salaries and benefits	109,813	823	3,371	-
Purchased services	16,550	608	3,271	-
Supplies and materials	1,179	1,464	2,353	-
Capital outlay	-	-	-	-
Other objects	-	-	-	2,720
Total expenditures	127,542	2,895	8,995	2,720
Excess (deficiency) of revenues over (under) expenditures	2,188	-	-	-
Fund balance, beginning of year	2,751	776	6	-
Fund balance, end of year	<u>\$ 4,939</u>	<u>\$ 776</u>	<u>\$ 6</u>	<u>\$ -</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS (continued)
For the year ended June 30, 2009**

	State Lunch	School Breakfast Program	Regional Safe Schools
Revenues:			
Local sources	\$ -	\$ -	\$ 14,160
State sources	529	-	194,985
Federal sources	-	1,523	-
Interest	-	-	35
Total revenues	529	1,523	209,180
Expenditures:			
Salaries and benefits	-	-	167,987
Purchased services	-	-	23,150
Supplies and materials	-	-	7,129
Capital outlay	-	-	10,720
Other objects	402	1,523	31
Total expenditures	402	1,523	209,017
Excess (deficiency) of revenues over (under) expenditures	127	-	163
Fund balance, beginning of year	-	-	1,731
Fund balance, end of year	\$ 127	\$ -	\$ 1,894

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS (continued)
For the year ended June 30, 2009**

	<u>Early Childhood</u>	<u>Rural School Achievement Program</u>	<u>No Child Left Behind</u>
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	254,395	-	-
Federal sources	-	20,265	2,654
Interest	-	-	45
Total revenues	<u>254,395</u>	<u>20,265</u>	<u>2,699</u>
Expenditures:			
Salaries and benefits	234,789	19,664	2,591
Purchased services	14,409	327	108
Supplies and materials	5,197	274	-
Capital outlay	-	-	-
Other objects	-	-	-
Total expenditures	<u>254,395</u>	<u>20,265</u>	<u>2,699</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balance, beginning of year	<u>37</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ -</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES**

EDUCATION FUND ACCOUNTS (continued)

For the year ended June 30, 2009

	Substance Abuse Prevention Program	ARRA General State Aid	Total
Revenues:			
Local sources	\$ -	\$ -	\$ 34,361
State sources	-	-	559,352
Federal sources	23,680	24,216	86,897
Interest	-	3	220
Total revenues	23,680	24,219	680,830
Expenditures:			
Salaries and benefits	17,723	24,218	580,979
Purchased services	1,658	1	60,082
Supplies and materials	1,501	-	19,097
Capital outlay	2,798	-	13,518
Other objects	-	-	4,676
Total expenditures	23,680	24,219	678,352
Excess (deficiency) of revenues over (under) expenditures	-	-	2,478
Fund balance, beginning of year	-	-	5,301
Fund balance, end of year	\$ -	\$ -	\$ 7,779

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE - PROJECT #09-3695-00
For the year ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources	\$ -	\$ -	\$ 20,201	\$ 20,201
State sources	109,815	109,815	109,443	(372)
Interest	-	-	86	86
Total revenues	<u>109,815</u>	<u>109,815</u>	<u>129,730</u>	<u>19,915</u>
Expenditures:				
Salaries and benefits	97,285	95,245	109,813	(14,568)
Purchased services	11,970	14,010	16,550	(2,540)
Supplies and materials	560	560	1,179	(619)
Total expenditures	<u>109,815</u>	<u>109,815</u>	<u>127,542</u>	<u>(17,727)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	2,188	<u>\$ 2,188</u>
Fund balance, beginning of year			<u>2,751</u>	
Fund balance, end of year			<u>\$ 4,939</u>	

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS - PROJECT #09-3696-00
For the year ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources	<u>\$ 113,071</u>	<u>\$ 113,071</u>	<u>\$ 113,071</u>	<u>\$ -</u>
Total revenues	<u>113,071</u>	<u>113,071</u>	<u>113,071</u>	<u>-</u>
Expenditures:				
Salaries and benefits	108,042	108,042	108,042	-
Purchased services	<u>5,029</u>	<u>5,029</u>	<u>5,029</u>	<u>-</u>
Total expenditures	<u>113,071</u>	<u>113,071</u>	<u>113,071</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			<u>173</u>	
Fund balance, end of year			<u>\$ 173</u>	

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS (GENERAL STATE AID) - PROJECT #09-3001-93
For the year ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources	\$ -	\$ -	\$ 14,160	\$ 14,160
State sources	-	-	81,914	81,914
Interest	-	-	35	35
	<u>-</u>	<u>-</u>	<u>96,109</u>	<u>96,109</u>
Expenditures:				
Salaries and benefits	-	-	59,945	(59,945)
Purchased services	-	-	18,121	(18,121)
Supplies and materials	-	-	7,129	(7,129)
Capital outlay	-	-	10,720	(10,720)
Other objects	-	-	31	(31)
	<u>-</u>	<u>-</u>	<u>95,946</u>	<u>(95,946)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	163	<u>\$ 163</u>
Fund balance, beginning of year			<u>1,558</u>	
Fund balance, end of year			<u>\$ 1,721</u>	

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
EARLY CHILDHOOD - PROJECT #09-3705-01
For the year ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u>
				<u>Budget</u>
Revenues:				
State sources	<u>\$ 249,440</u>	<u>\$ 254,429</u>	<u>\$ 254,395</u>	<u>\$ (34)</u>
Total revenues	<u>249,440</u>	<u>254,429</u>	<u>254,395</u>	<u>(34)</u>
Expenditures:				
Salaries and benefits	234,801	234,799	234,789	10
Purchased services	12,621	14,371	14,409	(38)
Supplies and materials	<u>2,018</u>	<u>5,259</u>	<u>5,197</u>	<u>62</u>
Total expenditures	<u>249,440</u>	<u>254,429</u>	<u>254,395</u>	<u>34</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			<u>37</u>	
Fund balance, end of year			<u>\$ 37</u>	

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2009

	<u>General Education Development</u>	<u>Transportation</u>	<u>Supervisory</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	<u>\$ 4,177</u>	<u>\$ 6,281</u>	<u>\$ 739</u>	<u>\$ 11,197</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES	\$ -	\$ -	\$ -	\$ -
FUND BALANCES				
Unreserved	<u>4,177</u>	<u>6,281</u>	<u>739</u>	<u>11,197</u>
Total liabilities and fund balance	<u>\$ 4,177</u>	<u>\$ 6,281</u>	<u>\$ 739</u>	<u>\$ 11,197</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended June 30, 2009**

	General Education Development	Transportation	Supervisory	Total
Revenues:				
Local sources	\$ 8,256	\$ 528	\$ -	\$ 8,784
State sources	-	680	2,000	2,680
Interest	32	34	12	78
Total revenues	8,288	1,242	2,012	11,542
Expenditures:				
Salaries and benefits	6,631	-	-	6,631
Purchased services	2,303	617	2,705	5,625
Supplies and materials	2,347	240	191	2,778
Total expenditures	11,281	857	2,896	15,034
Excess (deficiency) of revenues over (under) expenditures	(2,993)	385	(884)	(3,492)
Fund balance, beginning of year	7,170	5,896	1,623	14,689
Fund balance, end of year	<u>\$ 4,177</u>	<u>\$ 6,281</u>	<u>\$ 739</u>	<u>\$ 11,197</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
June 30, 2009**

	<u>Distributive</u>	<u>Regional Delivery System</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 149	\$ 29,653	\$ 29,802
Due from other governments	<u>201,818</u>	<u>-</u>	<u>201,818</u>
Total assets	<u>\$ 201,967</u>	<u>\$ 29,653</u>	<u>\$ 231,620</u>
 LIABILITIES			
Due to other governments	<u>\$ 201,967</u>	<u>\$ 29,653</u>	<u>\$ 231,620</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

For the year ended June 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
<u>DISTRIBUTIVE</u>				
ASSETS				
Cash and cash equivalents	\$ 122	\$ 909,574	\$ 909,547	\$ 149
Due from other governments	34	1,111,331	909,547	201,818
Total assets	<u>\$ 156</u>	<u>\$2,020,905</u>	<u>\$1,819,094</u>	<u>\$ 201,967</u>
LIABILITIES				
Due to other governments	<u>\$ 156</u>	<u>\$1,111,358</u>	<u>\$ 909,547</u>	<u>\$ 201,967</u>
Total liabilities	<u>\$ 156</u>	<u>\$1,111,358</u>	<u>\$ 909,547</u>	<u>\$ 201,967</u>
<u>REGIONAL DELIVERY SYSTEM</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 33,336</u>	<u>\$ 403,395</u>	<u>\$ 407,078</u>	<u>\$ 29,653</u>
Total assets	<u>\$ 33,336</u>	<u>\$ 403,395</u>	<u>\$ 407,078</u>	<u>\$ 29,653</u>
LIABILITIES				
Due to other governments	<u>\$ 33,336</u>	<u>\$ 403,395</u>	<u>\$ 407,078</u>	<u>\$ 29,653</u>
Total liabilities	<u>\$ 33,336</u>	<u>\$ 403,395</u>	<u>\$ 407,078</u>	<u>\$ 29,653</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (continued)
For the year ended June 30, 2009**

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 33,458	\$ 1,312,969	\$ 1,316,625	\$ 29,802
Due from other governments	34	1,111,331	909,547	201,818
	<u>34</u>	<u>1,111,331</u>	<u>909,547</u>	<u>201,818</u>
Total assets	<u>\$ 33,492</u>	<u>\$ 2,424,300</u>	<u>\$ 2,226,172</u>	<u>\$ 231,620</u>
LIABILITIES				
Due to other governments	<u>\$ 33,492</u>	<u>\$ 1,514,753</u>	<u>\$ 1,316,625</u>	<u>\$ 231,620</u>
Total liabilities	<u>\$ 33,492</u>	<u>\$ 1,514,753</u>	<u>\$ 1,316,625</u>	<u>\$ 231,620</u>

**CHRISTIAN-MONTGOMERY COUNTIES
REGIONAL OFFICE OF EDUCATION #10**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS
AND OTHER ENTITIES
DISTRIBUTIVE FUND**

For the year ended June 30, 2009

	Regional Vocational System	Christian- Montgomery ROE	Total
General State Aid	\$ -	\$ 81,914	\$ 81,914
Career and Technical Ed. Improvement	249,986	-	249,986
Agriculture Education	22,756	-	22,756
State Free Lunch and Breakfast	-	436	436
ROE School Bus Driver Training	-	680	680
Truants Alternative/Optional Ed.	-	76,872	76,872
Regional Safe Schools	-	82,693	82,693
Early Childhood Block Grant	-	193,402	193,402
ROE and ISC Operations	-	54,567	54,567
Supervisory Expense	-	2,000	2,000
National School Lunch Program	-	2,720	2,720
School Breakfast Program	-	1,523	1,523
V.E. - Perkins- Title IIC - Secondary	115,782	-	115,782
ARRA - General State Aid	-	24,216	24,216
TOTAL	\$ 388,524	\$ 521,023	\$ 909,547