

State of Illinois  
DEWITT, LIVINGSTON, AND  
MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
FINANCIAL AUDIT  
(In Accordance with the Single Audit Act  
and OMB Circular A-133)  
For the Year Ended June 30, 2010

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

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17**

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**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17**

**OFFICIALS**

Regional Superintendent  
(During the Audit Period and Current)

Mr. Mark Jontry

Assistant Regional Superintendent  
(Current)

Ms. Diane Stempinski

Assistant Regional Superintendent  
(During the Audit Period)

Mr. Josh Olsen

Office is located at:

905 N. Main St. - Suite #1  
Normal, Illinois 61761

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17**

**COMPLIANCE REPORT SUMMARY**

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

**AUDITORS' REPORTS**

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

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	3	1
Repeated audit findings	1	1
Prior recommendations implemented or not repeated	0	0

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

An additional 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' report.

**SUMMARY OF FINDINGS AND QUESTIONED COSTS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)			
10-1	12	Controls Over Financial Statement Preparation	Material Weakness
10-2	14	Inadequate Internal Controls Over Cash	Significant Deficiency

FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)

10-3	15	Inadequate Recording of American Recovery and Reinvestment Act Awards	Compliance Significant Deficiency
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PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

None

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

None

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17**

**COMPLIANCE REPORT SUMMARY**

**EXIT CONFERENCE**

The DeWitt, Livingston, and McLean Counties Regional Office of Education No. 17 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2010. Throughout the audit, numerous meetings were held between auditors and ROE officials to discuss the matters contained in this audit report. Responses to the recommendations were provided by Honorable Mr. Mark Jontry, Regional Superintendent, on March 25, 2011.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17**

**FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17 was performed by Winkel, Parker & Foster, CPA PC.

Based on their audit, the auditors expressed an unqualified opinion on the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's basic financial statements.





**Winkel, Parker  
& Foster, CPA PC**

Certified Public Accountants & Consultants

## 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 DeWitt, Livingston, and McLean Counties Regional Office of Education #17, as of and for the year ended June 30, 2010, which collectively comprise the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17'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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17, as of June 30, 2010, 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 April 12, 2011 on our consideration of DeWitt, Livingston, and McLean Counties Regional Office of Education #17'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 21 through 34 and 71 are not a required part of the basic financial statements but are supplemental 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 supplemental 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 DeWitt, Livingston, and McLean Counties Regional Office of Education #17's basic financial statements. The accompanying supplemental information, such as the combining and individual nonmajor fund financial statements, budgetary comparison schedules and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Schedule of Disbursements to School District Treasurers and Other Entities and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Wendy Park & Foster, CPA PC*

Clinton, Iowa  
April 12, 2011

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

Honorable William G. Holland  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17, as of and for the year ended June 30, 2010, which collectively comprise the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's basic financial statements and have issued our report thereon dated April 12, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the DeWitt, Livingston, and McLean Counties Regional Office of Education #17'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 DeWitt, Livingston, and McLean Counties Regional Office of Education #17's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's internal control over financial reporting.

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

*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. We consider the deficiency described in finding 10-1 in the accompanying Schedule of Findings and Questioned Costs to be a material weakness.

A *significant deficiency* is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in finding 10-2 in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted a certain matter which we have reported to management of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17 in a separate letter dated April 12, 2011.

Regional Office of Education # 17's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Regional Office of Education # 17's responses and, accordingly, we express no opinion on the responses.

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

*Went, Park & Foster, CPA PC*

Clinton, Iowa  
April 12, 2011



**Winkel, Parker  
& Foster, CPA PC**

Certified Public Accountants & Consultants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable William G. Holland  
Auditor General  
State of Illinois

**Compliance**

We have audited DeWitt, Livingston, and McLean Counties Regional Office of Education #17's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's major federal programs for the year ended June 30, 2010. The DeWitt, Livingston, and McLean Counties Regional Office of Education #17's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's management. Our responsibility is to express an opinion on the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's compliance with those requirements.

In our opinion, the DeWitt, Livingston, and McLean Counties Regional Office of Education #17 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 10-3.

## Internal Control Over Compliance

The management of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 10-3. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Regional Office of Education # 17's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Regional Office of Education # 17's responses and, accordingly, we express no opinion on the responses.

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

*Wendy Park & Foster, CPA PC*

Clinton, Iowa  
April 12, 2011

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**Section I: Summary of Auditor's Results:**

**Financial Statements**

Type of auditor's report issued: \_\_\_\_\_ Unqualified \_\_\_\_\_

Internal control over financial reporting:

- Material weakness(es) identified?              yes            no
- Significant deficiencies identified that are not  
   considered to be material weaknesses?        yes            none reported

Noncompliance material to  
financial statements noted?                      yes            no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?              yes            no
- Significant deficiencies identified that are not  
   considered to be material weakness(es)?        yes            none reported

Type of auditor's report issued on compliance for major programs:  
\_\_\_\_\_ Unqualified \_\_\_\_\_

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.394A,</u> <u>84.397A</u>	<u>State Fiscal Stabilization Funds Cluster</u>
<u>84.213C</u>	<u>Evenstart Family Literacy</u>

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

Auditee qualified as low-risk auditee?                      yes            no

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**Section II: Financial Statement Findings:**

**FINDING NO. 10-1 - Controls Over Financial Statement Preparation (Repeat from 2009-  
No. 09-1, 2008 - No. 08-1, and 2007 - No. 07-1)**

**Criteria/Specific Requirement:**

The Regional Office of Education #17 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). Regional Office internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

**Condition:**

The Regional Office of Education #17 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- Numerous adjustments were required to present financial statements in accordance with generally accepted accounting principles.

**Effect:**

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

**Cause:**

The Regional Office of Education does not have proper controls in place over the preparation of financial statements to ensure that they are presented in accordance with generally accepted accounting principles.



**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**Section II: Financial Statement Findings:**

**FINDING NO. 10-1 - Controls Over Financial Statement Preparation (Repeat from 2009-  
No. 09-1, 2008 - No. 08-1, and 2007 - No. 07-1) (Continued)**

**Recommendation:**

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #17 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of the Regional Office of Education's activities and operations.

**Management's Response:**

The Regional Office of Education #17 understands the nature of this finding and realizes that this circumstance is not unusual in an organization this size. The Regional Office of Education will continue to seek qualified professional accounting expertise in developing procedures that will satisfy the pronouncements in financial statement preparation.

This office will continue to provide training for staff in utilizing the full range of financial technology that currently exists. This office will continue to utilize expert consultants to provide training in the preparation of financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**Section II: Financial Statement Findings:**

**FINDING NO. 10-2 - Inadequate Internal Controls Over Cash**

**Criteria/Specific Requirement:**

Adequate internal controls over cash require that all cash in the custody of the Regional Office of Education be recorded in the general ledger and that each month's bank statement be reconciled to the related general ledger account balance.

**Condition:**

The Regional Office of Education #17's ending adjusted general ledger balance for their operating cash account was not properly reconciled to the bank account.

**Effect:**

There is a risk of errors in the expenditures reported in the general ledger, and of misuse, or theft of funding.

**Cause:**

The Regional Office of Education #17 has inadequate internal controls in place to ensure that bank statements are reconciled to the related general ledger cash accounts.

**Recommendation:**

The Regional Office of Education #17's management should review each original bank reconciliation to their related general ledger account balances monthly to ensure the reconciliations are completed in a timely manner and that all reconciling items are reviewed with the appropriate follow-up. The bookkeeper should reconcile all activity that takes place in the account and track reconciling items to ensure proper treatment.

**Management's Response:**

This office has implemented protocols to ensure that the cash is recorded in the general ledger on a daily basis and that monthly reconciliation will be completed in a timely manner.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**Section III: Federal Award Findings:**

**FINDING NO. 10-3 - Inadequate Recording of American Recovery and Reinvestment Act Awards**

**Federal Program:** State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act (Education Stabilization Fund); State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act

**Project Numbers:** 10-4850-93, 10-4850-95; 10-4870-93, 10-4870-95

**CFDA Numbers:** 84.394A; 84.397A

**Passed Through:** Illinois State Board of Education

**Federal Agency:** U.S. Department of Education

**Criteria/Specific Requirement:**

The Regional Office of Education is required to maintain records that identify adequately the source and application of American Recovery and Reinvestment Act (ARRA) awards.

The OMB Circular A-102 Common Rule and OMB Circular A-110 require non-federal entities receiving federal awards establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. The objectives of internal control pertaining to the compliance requirements for federal programs are found in OMB Circular A-133.

**Condition:**

The Regional Office of Education did not properly account for ARRA expenditures separately from non-ARRA expenditures. At year end, it was noted that the ARRA fund accounts had expenditures recorded in excess of the grant award. Per the Regional Office of Education, the excess expenditures were intended to be transferred to a local fund and not intended to be repaid by federal funds. Additionally, the Regional Office of Education posted an adjusting entry near year end that moved some of the expenditures initially reported under ARRA, out of the fund. The Regional Office of Education should have initially recorded ARRA expenditures up to the award amount in the ARRA fund accounts and charged the excess expenditures directly to the local funds.

**Questioned Costs:**

N/A

**Context:**

N/A

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**Section III: Federal Award Findings:**

**FINDING NO. 10-3 - Inadequate Recording of American Recovery and Reinvestment Act Awards (Continued)**

**Effect:**

By posting both ARRA and non-ARRA expenditures to the ARRA fund, the actual expenditures incurred for the grant program are not easily identifiable and available for review. Additionally, there is a possibility that expenditures would be inaccurately reported to the granting agencies.

**Cause:**

The Regional Office of Education did not have proper controls in place to ensure that only ARRA expenditures were recorded in the funds set up to track ARRA expenditures.

**Recommendation:**

The Regional Office of Education #17 should ensure that only expenditures expected to be paid from ARRA monies are posted to ARRA funds. Additionally, we recommend the Regional Office frequently review and reconcile the funds to ensure that all expenditures are properly posted.

**Management's Response:**

This office has implemented procedures to ensure that all transactions are posted to the ledger and reconciled prior to reporting.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2010**

**FINDING NO. 10-1 - Controls Over Financial Statement Preparation (Repeat from 2009-  
No. 09-1, 2008 - No. 08-1, and 2007 - No. 07-1)**

**Condition:**

The Regional Office of Education #17 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the cash basis of accounting. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- Numerous adjustments were required to present financial statements in accordance with generally accepted accounting principles.

**Plan:**

The Regional Office of Education #17 understands the nature of this finding and realizes that this circumstance is not unusual in an organization this size. The Regional Office of Education will continue to seek qualified professional accounting expertise in developing procedures that will satisfy the pronouncements in financial statement preparation.

This office will continue to provide training for staff in utilizing the full range of financial technology that currently exists. This office will continue to utilize expert consultants to provide training in the preparation of financial statements.

**Anticipated Completion Date:**

Immediately

**Contact Person Responsible for Corrective Action:**

Honorable Mark Jontry, Regional Superintendent

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2010**

**FINDING NO. 10-2 - Inadequate Internal Controls Over Cash**

**Condition:**

The Regional Office of Education #17's ending adjusted general ledger balance for their operating cash account was not properly reconciled to the bank account.

**Plan:**

This office has implemented protocols to ensure that the cash is recorded in the general ledger on a daily basis and that monthly reconciliation will be completed in a timely manner.

**Anticipated Completion Date:**

Immediately

**Contact Person Responsible for Corrective Action:**

Honorable Mark Jontry, Regional Superintendent

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2010**

**FINDING NO. 10-3 - Inadequate Recording of American Recovery and Reinvestment Act Awards**

**Condition:**

The Regional Office of Education did not properly account for ARRA expenditures separately from non-ARRA expenditures. At year end, it was noted that the ARRA fund accounts had expenditures recorded in excess of the grant award. Per the Regional Office of Education, the excess expenditures were intended to be transferred to a local fund and not intended to be repaid by federal funds. Additionally, the Regional Office of Education posted an adjusting entry near year end that moved some of the expenditures initially reported under ARRA, out of the fund. The Regional Office of Education should have initially recorded ARRA expenditures up to the award amount in the ARRA fund accounts and charged the excess expenditures directly to the local funds.

**Plan:**

This office has implemented procedures to ensure that all transactions are posted to the ledger and reconciled prior to reporting.

**Anticipated Completion Date:**

Immediately

**Contact Person Responsible for Corrective Action:**

Honorable Mark Jontry, Regional Superintendent

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
June 30, 2010**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
09-1	Controls Over Financial Statement Preparation	Repeated



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2010**

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2010. We encourage readers to consider this information in conjunction with DeWitt, Livingston, and McLean Counties Regional Office of Education #17's financial statements, which follow.

**2010 FINANCIAL HIGHLIGHTS**

- General Fund revenues decreased from \$971,806 in 2009 to \$925,908 in 2010 due to delayed payments from the State of Illinois. The DeWitt, Livingston, and McLean Counties Regional Office of Education #17 showed a decrease in General Fund balance from \$318,698 in fiscal year 2009 to \$159,166 in fiscal year 2010 due to delayed payments from the State of Illinois.
- The Institute Fund's fund balance increased from \$72,125 in 2009 to \$109,991 in 2010. The main reason for the increase is due to an increase in certificate registrations.
- The Education Fund's fund balance increased from \$1,197,707 in 2009 to \$1,720,203 in 2010. The Education Fund is made up of grants that the Regional Office receives and these can vary greatly from year to year as some programs have decreased funding or are discontinued while others see a funding increase.

**USING THIS ANNUAL REPORT**

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

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of DeWitt, Livingston, and McLean Counties Regional Office of Education #17 as a whole and present an overall view of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's finances.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2010**

The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report DeWitt, Livingston, and McLean Counties Regional Office of Education #17's operations in more detail than the government-wide statements by providing information about the most significant funds.

Notes to financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplemental Information further explains and supports the financial statements with information about the Illinois Municipal Retirement Fund Schedule of Funding Progress.

Other Supplemental Information provides detailed information about the major and nonmajor funds.

Figure A-1 summarizes the major features of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's financial statements, including the portion of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's activities they cover and the types of information they contain.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2010**

**Figure A-1  
Major Features of the Government-wide and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Regional Office of Education #17 (except fiduciary funds)	The activities of Regional Office of Education #17 that are not proprietary or fiduciary, such as grants and statutory funds	Activities Regional Office of Education #17 operates similar to private businesses: workshops	Instances in which Regional Office of Education #17 administers resources on behalf of someone else, such as the distributive fund, Regional Board of School Trustees Fund, and the Cooperative Purchasing Fund
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Assets</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Assets</li> <li>• Statement of Revenues, Expenses, and Changes in Fund Net Assets</li> <li>• Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Assets</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2010**

**REPORTING DEWITT, LIVINGSTON, AND MCLEAN COUNTIES REGIONAL OFFICE OF EDUCATION #17'S FINANCIAL ACTIVITIES**

***Government-wide Financial Statements***

The government-wide financial statements report information about DeWitt, Livingston, and McLean Counties Regional Office of Education #17 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report DeWitt, Livingston, and McLean Counties Regional Office of Education #17's net assets and how they have changed. Net assets - the difference between DeWitt, Livingston, and McLean Counties Regional Office of Education #17's assets and liabilities - are one way to measure DeWitt, Livingston, and McLean Counties Regional Office of Education #17's financial health or financial position. Over time, increases or decreases in DeWitt, Livingston, and McLean Counties Regional Office of Education #17's net assets are an indicator of whether financial position is improving or deteriorating. To assess DeWitt, Livingston, and McLean Counties Regional Office of Education #17's overall health, additional non-financial factors, such as changes in DeWitt, Livingston, and McLean Counties Regional Office of Education #17's grant funding and the condition of facilities need to be considered.

In the government-wide financial statements, DeWitt, Livingston, and McLean Counties Regional Office of Education #17's activities are divided into two categories:

- *Governmental activities:* Most of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's basic services are included here, such as grants and statutory funds. Federal and state grant proceeds finance most of these activities.
- *Business-type activities:* DeWitt, Livingston, and McLean Counties Regional Office of Education #17 charges fees to help cover the costs of certain services it provides. DeWitt, Livingston, and McLean Counties Regional Office of Education #17's Inservice fund is included here.

***Fund Financial Statements***

The fund financial statements provide more detailed information about DeWitt, Livingston, and McLean Counties Regional Office of Education #17's funds, focusing on its most significant or "major" funds - not DeWitt, Livingston, and McLean Counties Regional Office of Education #17 as a whole. Funds are accounting devices DeWitt, Livingston, and McLean Counties Regional Office of Education #17 uses to keep track of specific sources of funding and spending on particular programs.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Some funds are required by state law. DeWitt, Livingston, and McLean Counties Regional Office of Education #17 establishes other funds to control and manage money for particular purposes, such as accounting for special revenue funds, or to show that it is properly using certain revenues, such as federal grants.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 has three kinds of funds:

1) *Governmental funds*: Most of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance DeWitt, Livingston, and McLean Counties Regional Office of Education #17's programs.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17's governmental funds include the General Fund and Special Revenue Funds.

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

2) *Proprietary funds*: Services for which DeWitt, Livingston, and McLean Counties Regional Office of Education #17 charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. DeWitt, Livingston, and McLean Counties Regional Office of Education #17's Enterprise Funds, one type of proprietary fund, are the same as its business-type activities, but provide more detail and additional information, such as cash flows. DeWitt, Livingston, and McLean Counties Regional Office of Education #17 currently has one Enterprise Fund, the Inservice Fund.

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

3) *Fiduciary funds*: DeWitt, Livingston, and McLean Counties Regional Office of Education #17 is the trustee for assets that belong to others. These funds include the Agency Funds.

- Agency Funds - These are funds through which DeWitt, Livingston, and McLean Counties Regional Office of Education #17 administers and accounts for certain federal and/or state grants on behalf of others.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. DeWitt, Livingston, and McLean Counties Regional Office of Education #17 excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The required financial statements for fiduciary funds include a Statement of Fiduciary Net Assets.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets may serve, over time, as a useful indicator of a government's financial position. In the case of DeWitt, Livingston, and McLean Counties Regional Office of Education #17, assets exceeded liabilities by \$2,970,333 as of June 30, 2010.

A portion of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's net assets (17%) reflects its investment in capital assets (e.g., furniture and equipment), less any related debt used to acquire those assets that are still outstanding. Although DeWitt, Livingston, and McLean Counties Regional Office of Education #17's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17's financial position is the product of several financial transactions including the net results of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a summary of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's net assets for the fiscal years ended June 30, 2010 and 2009.

<b><u>2010</u></b>	<b><u>Governmental Activities</u></b>	<b><u>Business- Type Activities</u></b>	<b><u>Total</u></b>
Current assets	\$ 2,484,534	\$ 149,468	\$ 2,634,002
Capital assets, net of accumulated depreciation	<u>508,323</u>	<u>-</u>	<u>508,323</u>
Total assets	<u>2,992,857</u>	<u>149,468</u>	<u>3,142,325</u>
Current liabilities	<u>170,835</u>	<u>1,157</u>	<u>171,992</u>
Net assets			
Invested in capital assets, net of related debt	508,323	-	508,323
Unrestricted	2,203,708	148,311	2,352,019
Restricted for teacher professional development	<u>109,991</u>	<u>-</u>	<u>109,991</u>
<b>Total net assets</b>	<b><u>\$ 2,822,022</u></b>	<b><u>\$ 148,311</u></b>	<b><u>\$ 2,970,333</u></b>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**2009**

	<b><u>Governmental Activities</u></b>	<b><u>Business- Type Activities</u></b>	<b><u>Total</u></b>
Current assets	\$ 2,192,234	\$ 74,003	\$ 2,266,237
Capital assets, net of accumulated depreciation	<u>569,914</u>	<u>-</u>	<u>569,914</u>
Total assets	<u>2,762,148</u>	<u>74,003</u>	<u>2,836,151</u>
Current liabilities	<u>489,162</u>	<u>8,426</u>	<u>497,588</u>
Net assets			
Invested in capital assets, net of related debt	569,914	-	569,914
Unrestricted	1,630,947	65,577	1,696,524
Restricted for teacher professional development	<u>72,125</u>	<u>-</u>	<u>72,125</u>
<b>Total net assets</b>	<b><u>\$ 2,272,986</u></b>	<b><u>\$ 65,577</u></b>	<b><u>\$ 2,338,563</u></b>

The largest portion of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's net assets is unrestricted. Unrestricted net assets are the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements. Unrestricted net assets were \$2,352,019 for the year ended June 30, 2010. In addition, net assets related to the Institute Fund are considered restricted for teacher professional development.



**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
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**Changes in net assets.** DeWitt, Livingston, and McLean Counties Regional Office of Education #17's total revenue for the fiscal year ended June 30, 2010 was \$7,180,724. The total cost of all programs and services was \$6,548,954. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and 2009.

<u>2010</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$ -	\$ 110,611	\$ 110,611
Operating grants and contributions	3,770,741	-	3,770,741
General revenues			
Local sources	2,451,597	-	2,451,597
State sources	319,832	-	319,832
On-behalf payments	<u>527,943</u>	<u>-</u>	<u>527,943</u>
Total revenues	<u>7,070,113</u>	<u>110,611</u>	<u>7,180,724</u>
<b>Expenses:</b>			
Instructional services			
Salaries and benefits	2,941,955	19,207	2,961,162
Purchased services	2,519,797	30,426	2,550,223
Supplies and materials	242,420	16,328	258,748
Payments to other governments	117,470	-	117,470
Other objects	34,959	-	34,959
Depreciation and disposition losses	96,379	-	96,379
Capital outlay	393	1,677	2,070
Administrative			
On-behalf payments	<u>527,943</u>	<u>-</u>	<u>527,943</u>
Total expenses	<u>6,481,316</u>	<u>67,638</u>	<u>6,548,954</u>
<b>Excess before transfers</b>	<u>588,797</u>	<u>42,973</u>	<u>631,770</u>
Other financing sources (uses)			
Transfer in	26,430	46,626	73,056
Transfer out	<u>(66,191)</u>	<u>(6,865)</u>	<u>(73,056)</u>
Total other financing sources (uses)	<u>(39,761)</u>	<u>39,761</u>	<u>-</u>
<b>Change in net assets</b>	549,036	82,734	631,770
<b>Net assets, beginning of year</b>	<u>2,272,986</u>	<u>65,577</u>	<u>2,338,563</u>
<b>Net assets, end of year</b>	<u>\$ 2,822,022</u>	<u>\$ 148,311</u>	<u>\$ 2,970,333</u>

Operating grants and contributions account for 53% of the total revenue. DeWitt, Livingston, and McLean Counties Regional Office of Education #17's expenses primarily relate to instructional services, which account for 92% of the total expenses.

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<u>2009</u>	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b><u>Total</u></b>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$ -	\$ 97,715	\$ 97,715
Operating grants and contributions	3,533,280	-	3,533,280
General revenues			
Local sources	2,736,707	-	2,736,707
State sources	153,464	-	153,464
On-behalf payments	349,474	-	349,474
Total revenues	<u>6,772,925</u>	<u>97,715</u>	<u>6,870,640</u>
<b>Expenses:</b>			
Instructional services			
Salaries and benefits	3,007,633	37,941	3,045,574
Purchased services	2,748,119	28,427	2,776,546
Supplies and materials	209,733	12,232	221,965
Payments to other governments	102,899	-	102,899
Other objects	1,159	-	1,159
Depreciation and disposition losses	67,442	-	67,442
Capital outlay	2,094	14,352	16,446
Administrative			
On-behalf payments	349,474	-	349,474
Total expenses	<u>6,488,553</u>	<u>92,952</u>	<u>6,581,505</u>
<b>Change in net assets</b>	284,372	4,763	289,135
<b>Net assets, beginning of year</b>	<u>1,988,614</u>	<u>60,814</u>	<u>2,049,428</u>
<b>Net assets, end of year</b>	<u>\$ 2,272,986</u>	<u>\$ 65,577</u>	<u>\$ 2,338,563</u>

Operating grants and contributions account for 51% of the total revenue. DeWitt, Livingston, and McLean Counties Regional Office of Education #17's expenses primarily relate to instructional services, which account for 95% of the total expenses.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Governmental Activities**

Revenues for governmental activities were \$7,070,113 and \$6,772,925 and expenses were \$6,481,316 and \$6,488,553 for 2010 and 2009, respectively.

The following tables present the cost of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's functional governmental activities. The tables also show each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and DeWitt, Livingston, and McLean Counties Regional Office of Education #17's residents by each of these functions.

<u>2010</u>	<u>Total Expenses</u>	<u>Net (Expenses) Revenues</u>
Instructional services:		
Salaries and benefits	\$ 2,941,955	\$ (1,059,104)
Purchased services	2,519,797	(907,127)
Supplies and materials	242,420	(87,271)
Payments to other governments	117,470	(42,289)
Other objects	34,959	(12,585)
Depreciation and disposition losses	96,379	(96,379)
Capital outlay	393	22,123
Administrative:		
On-behalf payments	<u>527,943</u>	<u>(527,943)</u>
<b>Total expenses</b>	<u>\$ 6,481,316</u>	<u>\$ (2,710,575)</u>
<u>2009</u>	<u>Total Expenses</u>	<u>Net (Expenses) Revenues</u>
Instructional services:		
Salaries and benefits	\$ 3,007,633	\$ (1,281,400)
Purchased services	2,748,119	(1,170,834)
Supplies and materials	209,733	(89,357)
Payments to other governments	102,899	(43,840)
Other objects	1,159	(494)
Depreciation and disposition losses	67,442	(67,442)
Capital outlay	2,094	47,568
Administrative:		
On-behalf payments	<u>349,474</u>	<u>(349,474)</u>
<b>Total expenses</b>	<u>\$ 6,488,553</u>	<u>\$ (2,955,273)</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The cost of all governmental activities was \$6,481,316 and \$6,488,553 for 2010 and 2009, respectively.

Federal and state governments subsidized certain governmental activities with grants and contributions of \$3,770,741 and \$3,533,280 for 2010 and 2009, respectively.

Net cost of governmental activities (\$2,710,575), was financed by general revenues, which are made up of primarily local and state sources (\$2,771,429) and on-behalf payments (\$527,943) for 2010.

Net cost of governmental activities (\$2,955,273), was financed by general revenues, which are made up of primarily local and state sources (\$2,890,171) and on-behalf payments (\$349,474) for 2009.

**Business-Type Activities**

Revenues for business-type activities were \$110,611 and \$97,715 and expenses were \$67,638 and \$92,952 for 2010 and 2009, respectively. DeWitt, Livingston, and McLean Counties Regional Office of Education #17's business-type activities include the Inservice Fund. Revenues of these activities were comprised of charges for service.

**INDIVIDUAL FUND ANALYSIS**

As previously noted, DeWitt, Livingston, and McLean Counties Regional Office of Education #17 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of DeWitt, Livingston, and McLean Counties Regional Office of Education #17 as a whole is reflected in its governmental funds, as well. As DeWitt, Livingston, and McLean Counties Regional Office of Education #17 completed the year, its governmental funds reported a combined fund balance of \$2,039,416, above last year's ending fund balance of \$1,630,316.

**Governmental Fund Highlights**

The General Fund's fund balance decreased from \$318,698 in 2009 to \$159,166 in 2010. The main reason for the increase is due to delayed payments from the State of Illinois.

The Institute Fund's fund balance increased from \$72,125 in 2009 to \$109,991 in 2010. The main reason for the increase is due to an increase in certificate registrations.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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The Education Fund's fund balance increased from \$1,197,707 in 2009 to \$1,720,203 in 2010. The Education Fund is made up of grants that the Regional Office receives and these can vary greatly from year to year as some programs are discontinued while others see a funding increase. Over the various programs that make up the fund, total revenues exceeded expenditures by \$561,847 and transfers out of \$39,351 created an increase of the fiscal year 2009 fund balance from \$1,197,707 to \$1,720,203 in fiscal year 2010. The main contributor to the increase was the Regional Alternative School, which had a net change in fund balance of \$551,429.

**Proprietary Fund Highlights**

Inservice Fund net assets increased from \$65,577 at June 30, 2009 to \$148,311 at June 30, 2010. The increase is attributable to a transfer of inactive funds to the Enterprise fund and a decrease in current year expenses. The Inservice Fund's assets are primarily made up of funds the Regional Office receives and expends in providing courses and seminars for teachers to aid in their professional development.

The Inservice Fund revenues have increased from fiscal year 2009 to fiscal year 2010 due to fluctuations in workshops offered. The Inservice Fund expenses have decreased from fiscal year 2009 to fiscal year 2010 due to an increased use of other funds to provide professional development.

**BUDGETARY HIGHLIGHTS**

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 is not required to create a budget for overall operations. They are required to prepare budgets for most of the grants they receive. Over the course of the year, DeWitt, Livingston, and McLean Counties Regional Office of Education #17 amended several of the grant budgets within the Education Fund. Budgets for grant programs are adjusted because of an increase or decrease in funding due to changes at the State level or to better allocate funds received to meet the needs of the program.

**CAPITAL ASSETS**

As of June 30, 2010, DeWitt, Livingston, and McLean Counties Regional Office of Education #17 had invested \$508,323 in capital assets, including furniture and equipment. This amount was \$61,591 lower when compared to 2009. Total depreciation expense for the year was \$96,379.

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2010.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Furniture and equipment	\$ 136,662	\$ -	\$ 136,662
Leasehold improvements	371,661	-	371,661
	<u>\$ 508,323</u>	<u>\$ -</u>	<u>\$ 508,323</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2010**

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2009.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Furniture and equipment	\$ 189,309	\$ -	\$ 189,309
Leasehold improvements	380,605	-	380,605
	<u>\$ 569,914</u>	<u>\$ -</u>	<u>\$ 569,914</u>

Additional information on DeWitt, Livingston, and McLean Counties Regional Office of Education #17's capital assets can be found in Note 8 on pages 65 and 66 of this report.

**ECONOMIC FACTORS BEARING ON DEWITT, LIVINGSTON, AND MCLEAN COUNTIES REGIONAL OFFICE OF EDUCATION #17'S FUTURE**

At the time these financial statements were prepared and audited, DeWitt, Livingston, and McLean Counties Regional Office of Education #17 was aware of several existing circumstances that could significantly affect its financial health in the future:

Many economic factors are poised to negatively impact the financial health of the DeWitt, Livingston, and McLean Regional Office of Education #17. Health insurance costs continue to rise, the slowly recovering economy continues to lead to increase employer contributions to IMRF and other benefit programs. The continued delay of categorical payments or the potential for foregone payments from the State of Illinois is a great concern. All of these factors contribute to an uncertain economic future for the DeWitt, Livingston, and McLean Regional Offices of Education #17.

**CONTACTING DEWITT, LIVINGSTON, AND MCLEAN COUNTIES REGIONAL OFFICE OF EDUCATION #17'S FINANCIAL MANAGEMENT**

This financial report is designed to provide DeWitt, Livingston, and McLean Counties Regional Office of Education #17's citizens, taxpayers, and customers with a general overview of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's finances and to demonstrate DeWitt, Livingston, and McLean Counties Regional Office of Education #17's accountability for the money it receives. If you have questions about this report or need additional financial information, contact DeWitt, Livingston, and McLean Counties Regional Office of Education #17, 905 N. Main St. - Suite #1, Normal, Illinois 61761.

## **BASIC FINANCIAL STATEMENTS**

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
STATEMENT OF NET ASSETS  
June 30, 2010**

	Primary Government		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,803,237	\$ 149,468	\$ 1,952,705
Due from other governments	<u>681,297</u>	<u>-</u>	<u>681,297</u>
Total current assets	2,484,534	149,468	2,634,002
Non-current assets:			
Capital assets, being depreciated, net	<u>508,323</u>	<u>-</u>	<u>508,323</u>
Total assets	<u>2,992,857</u>	<u>149,468</u>	<u>3,142,325</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	82,968	1,157	84,125
Accrued expenses	181	-	181
Deferred revenue	<u>87,686</u>	<u>-</u>	<u>87,686</u>
Total current liabilities	<u>170,835</u>	<u>1,157</u>	<u>171,992</u>
<b>NET ASSETS</b>			
Investment in capital assets	508,323	-	508,323
Unrestricted	2,203,708	148,311	2,352,019
Restricted for teacher professional development	<u>109,991</u>	<u>-</u>	<u>109,991</u>
<b>Total net assets</b>	<u>\$ 2,822,022</u>	<u>\$ 148,311</u>	<u>\$ 2,970,333</u>

The accompanying notes are an integral part of the financial statements.



DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 STATEMENT OF ACTIVITIES  
 Year Ended June 30, 2010

EXHIBIT B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	Primary Government		
				<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary government:						
Governmental activities:						
Instructional services:						
Salaries	\$ 2,402,289	\$ -	\$ 1,537,465	\$ (864,824)	\$ -	\$ (864,824)
Employee benefits	539,666	-	345,386	(194,280)	-	(194,280)
Purchased services	2,519,797	-	1,612,670	(907,127)	-	(907,127)
Supplies and materials	242,420	-	155,149	(87,271)	-	(87,271)
Payments to other governments	117,470	-	75,181	(42,289)	-	(42,289)
Other objects	34,959	-	22,374	(12,585)	-	(12,585)
Depreciation	96,379	-	-	(96,379)	-	(96,379)
Capital outlay	393	-	22,516	22,123	-	22,123
Administrative:						
On-behalf payments	527,943	-	-	(527,943)	-	(527,943)
Total governmental activities	6,481,316	-	3,770,741	(2,710,575)	-	(2,710,575)
Business-type activities:						
Registration fees	67,638	110,611	-	-	42,973	42,973
<b>Total primary government</b>	<b>\$ 6,548,954</b>	<b>\$ 110,611</b>	<b>\$ 3,770,741</b>	<b>(2,710,575)</b>	<b>42,973</b>	<b>(2,667,602)</b>
General revenues:						
Local sources				2,451,597	-	2,451,597
State sources				319,832	-	319,832
On-behalf payments				527,943	-	527,943
Transfers				(39,761)	39,761	-
Total general revenues and transfers				3,259,611	39,761	3,299,372
<b>CHANGES IN NET ASSETS</b>				549,036	82,734	631,770
<b>NET ASSETS, BEGINNING OF YEAR</b>				2,272,986	65,577	2,338,563
<b>NET ASSETS, END OF YEAR</b>				<b>\$ 2,822,022</b>	<b>\$ 148,311</b>	<b>\$ 2,970,333</b>

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2010**

	<b>Special Revenue</b>				
	<b>General Fund</b>	<b>Institute Fund</b>	<b>Education Fund</b>	<b>Other Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 155,895	\$ 112,425	\$ 1,484,861	\$ 50,056	\$ 1,803,237
Due from other governments	44,909	-	636,388	-	681,297
Due from other funds	-	-	379,605	-	379,605
<b>TOTAL ASSETS</b>	<b>\$ 200,804</b>	<b>\$ 112,425</b>	<b>\$ 2,500,854</b>	<b>\$ 50,056</b>	<b>\$ 2,864,139</b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 2,434	\$ 80,534	\$ -	\$ 82,968
Accrued expenses	181	-	-	-	181
Due to other funds	24,048	-	355,557	-	379,605
Deferred revenue	17,409	-	344,560	-	361,969
Total liabilities	41,638	2,434	780,651	-	824,723
<b>FUND BALANCE</b>					
Unreserved, reported in:					
General fund	159,166	-	-	-	159,166
Special revenue funds	-	109,991	1,720,203	50,056	1,880,250
Total fund balances	159,166	109,991	1,720,203	50,056	2,039,416
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 200,804</b>	<b>\$ 112,425</b>	<b>\$ 2,500,854</b>	<b>\$ 50,056</b>	<b>\$ 2,864,139</b>

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
June 30, 2010**

**Total fund balance of governmental funds (page 38)** \$ 2,039,416

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. 508,323

Receivables not collected within 60 days of year end are not  
available soon enough to pay for the current period's  
expenditures and, therefore, are deferred in the funds. 274,283

**Net assets of governmental activities (page 36)** \$ 2,822,022

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION #17**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2010**

	<u>Special Revenue</u>				<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Institute Fund</u>	<u>Education Fund</u>	<u>Other Nonmajor Funds</u>	
<b>REVENUES:</b>					
Local sources	\$ 328,465	\$ 107,791	\$ 1,984,588	\$ 30,753	\$ 2,451,597
State sources	69,500	-	2,875,184	4,546	2,949,230
Federal sources	-	-	939,816	-	939,816
On-behalf payments	527,943	-	-	-	527,943
Total revenues	<u>925,908</u>	<u>107,791</u>	<u>5,799,588</u>	<u>35,299</u>	<u>6,868,586</u>
<b>EXPENDITURES:</b>					
Instructional services:					
Salaries	266,577	-	2,132,487	3,225	2,402,289
Employee benefits	90,211	-	449,208	247	539,666
Purchased services	158,538	40,261	2,302,894	18,104	2,519,797
Supplies and materials	5,967	3,454	227,946	5,053	242,420
Payments to other governments	-	26,210	91,260	-	117,470
Other objects	34,559	-	-	400	34,959
On-behalf payments	527,943	-	-	-	527,943
Capital outlay	1,235	-	33,946	-	35,181
Total expenditures	<u>1,085,030</u>	<u>69,925</u>	<u>5,237,741</u>	<u>27,029</u>	<u>6,419,725</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(159,122)</u>	<u>37,866</u>	<u>561,847</u>	<u>8,270</u>	<u>448,861</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	35	-	26,395	-	26,430
Transfer out	(445)	-	(65,746)	-	(66,191)
Total other financing sources (uses)	<u>(410)</u>	<u>-</u>	<u>(39,351)</u>	<u>-</u>	<u>(39,761)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(159,532)</u>	<u>37,866</u>	<u>522,496</u>	<u>8,270</u>	<u>409,100</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>318,698</u>	<u>72,125</u>	<u>1,197,707</u>	<u>41,786</u>	<u>1,630,316</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 159,166</u>	<u>\$ 109,991</u>	<u>\$ 1,720,203</u>	<u>\$ 50,056</u>	<u>\$ 2,039,416</u>

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2010**

**Net change in fund balance (page 40)** **\$ 409,100**

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	\$ 34,788	
Depreciation	<u>(96,379)</u>	(61,591)

Some receivables will not be collected for several months  
after fiscal year end, so they are not considered as  
"available" revenues in the governmental funds, and  
they are instead counted as deferred revenues. They  
are, however, recorded as revenues in the statement  
of activities.

201,527

**Change in net assets of governmental activities (page 37)** **\$ 549,036**

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION #17**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**June 30, 2010**

	<b>Business-Type Activities - Enterprise Fund <u>Inservice</u></b>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ <u>149,468</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	<u>1,157</u>
<b>NET ASSETS</b>	
Unrestricted	\$ <u><u>148,311</u></u>

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
Year Ended June 30, 2010**

	<b>Business-Type Activities - Enterprise Fund <u>Inservice</u></b>
<b>OPERATING REVENUES:</b>	
Local sources	\$ <u>110,611</u>
<b>OPERATING EXPENSES:</b>	
Salaries	16,546
Employee benefits	2,661
Purchased services	30,426
Supplies and materials	16,328
Capital outlay	<u>1,677</u>
Total operating expenses	<u>67,638</u>
Operating income before transfers	<u>42,973</u>
<b>TRANSFERS:</b>	
Transfer in	46,626
Transfer out	<u>(6,865)</u>
Total transfers	<u>39,761</u>
<b>CHANGE IN NET ASSETS</b>	82,734
<b>TOTAL NET ASSETS, BEGINNING OF YEAR</b>	<u>65,577</u>
<b>TOTAL NET ASSETS, END OF YEAR</b>	<u>\$ 148,311</u>

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2010**

	<b>Business-Type Activities - Enterprise Fund <u>Inservice</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from workshops	\$ 110,611
Payments to suppliers and providers of goods and services	(48,586)
Payments to employees	(26,321)
Net cash provided by operating activities	<u>35,704</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Transfer from other funds	46,626
Transfer to other funds	(6,865)
Net cash provided by noncapital financing activities	<u>39,761</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	75,465
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>74,003</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 149,468</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 42,973
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
Decrease in accounts payable	(155)
Decrease in accrued expenses	(7,114)
<b>Net cash provided by operating activities</b>	<u>\$ 35,704</u>

The accompanying notes are an integral part of the financial statements.



**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
June 30, 2010**

	<b><u>Agency Funds</u></b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 238,929
Due from other governments	<u>310,328</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 549,257</u></b>
<b>LIABILITIES</b>	
Due to other governments	<u>\$ 549,257</u>

The accompanying notes are an integral part of the financial statements.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The DeWitt, Livingston, and McLean Counties Regional Office of Education #17 is an entity that is a result of an Educational Service Region becoming a Regional Office of Education as of August 7, 1995. The DeWitt, Livingston, and McLean Counties Regional Office of Education #17 operates under the School Code (105 ILCS 5/3 and 5/3A). The Regional Office of Education #17 encompasses DeWitt, Livingston, and McLean Counties in Illinois. A Regional Superintendent of Schools serves as chief administrative officer and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The DeWitt, Livingston, and McLean Counties Regional Office of Education #17's reporting entity includes all related organizations for which the Regional Office of Education #17 exercises oversight responsibility in accordance with Statement No. 14 of the Governmental Accounting Standards Board.

The Regional 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 Superintendent has developed criteria to determine whether outside agencies with activities which benefit the citizens served by the Regional Office of Education #17 should be included within its financial reporting entity. The criteria includes, but is not limited to whether the Superintendent (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (i.e., financial budget approval, management of assets, etc.). The Superintendent has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the financial statements. In addition, the Superintendent is not aware of any entity which would exercise such oversight which would result in the Regional Office of Education #17 being considered a component unit of the entity.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation**

**Government-wide Financial Statements** - The Statement of Net Assets and the Statement of Activities report information on all of the activities of DeWitt, Livingston, and McLean Counties Regional Office of Education #17. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by intergovernmental and local revenues.

The Statement of Net Assets presents DeWitt, Livingston, and McLean Counties Regional Office of Education #17's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

*Invested in capital assets, net of related debt* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for any debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net assets* result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net assets* consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

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 clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements** - 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 consolidated into a single column within the governmental funds in the financial section of the basic financial statements and are detailed in the supplemental information.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 reports the following major governmental funds:

The General Fund is the operating fund of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17. The General Fund accounts for all financial resources except those required to be accounted for in another fund. The following funds are the general funds of the DeWitt, Livingston, and McLean Counties Regional Office of Education #17.

County Fund - this fund accounts for DeWitt, Livingston, and McLean Counties support which helps fund the operation of the Regional Office of Education #17.

Indirect Cost and Interest Fund - this fund accounts for indirect cost allowed by the Adult Education Grants.

ROE/ISC Operations Fund - this fund accounts for the State grant that provides the funding for the Regional Office of Education #17.

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

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

Education Fund - to account for State and Federal grant monies received for, and payment of, administering numerous grant awards which include:

Department of Rehabilitation Services (D.O.R.S.) Program Step Grant - this program is for severely handicapped students making the transition from high school to the work place.

Secretary of State's Literacy Grant - this program supports literacy activities from the Secretary of State.

Penny Severns Grant - this is a summer program designed to serve 30 families with children aged 6 weeks to 12 years who are currently enrolled in English as a second language. The families are assisted with reading, writing, and parenting skills.

Truants Alternative/Optional Education - this program assists in prevention of truancy within the Alternative School.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Adult Education Programs - this program is funded by the Illinois Community College Board to assist individuals with literacy, GED prep, and English as a Second Language classes.

Scientific Literacy - this program provides funding for school improvement plans in the areas of math and science and to coordinate teacher development in math and science.

SOS Family Literacy - this program serves parents and their children ages 0 to 5 who are enrolled in Evenstart or Heartland Head Start to provide activities that encourage literacy development and enable parents to be their child's first and best teacher through workshops, field trips, and a partnership with the public libraries to provide activities.

Career Awareness and Development - this program provides students the opportunity to learn more about career options available to them.

Education To Careers - this program provides students of all grade levels exposure to the work world through field trips, job shadowing, speakers, resource materials, and technology.

Partnering NCLB - this program provides schools within the region with online resources for the use of the students.

ROE/ISC School Improvement - this program provides training and reading workshops for local teachers.

Early Childhood Block Grant - this program offers intensive home visits, drop in and play sessions, parent education, hospital consultations, and referrals for at risk children.

Evenstart Family Literacy - this program provides early childhood education, adult English as a Second Language education, parenting and parent-child interactions for low income and limited English speaking families with children aged 6 weeks to 3 years.

English Language Civics Grant - this program provides immigrants and other limited English proficient persons with skills to understand and navigate governmental workplace systems and key institutions, such as banking and healthcare.

Induction Leadership - this program develops educational materials that support a statewide program based on the Illinois State Board of Education initiative "Induction and Mentoring for Education Administrators".

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Work Experience and Career Exploration Program - this program assists teachers with instruction needed in today's classroom.

Illinois Violence Prevention Authority - this program assists in prevention of domestic violence.

Title I - Reading First - SEA Part B - this program assists K-2 teachers with professional development and the 5 essential components of early reading instruction.

Implementing Math - this program integrates Mathematics Performance Descriptors and Classroom Assessment into the classroom, as well as, preparing training materials for statewide workshops.

Chestnut - this is a contract with a local drug/alcohol rehabilitation center for GED preparation services.

Mentoring - this program provides training teams to local districts to assist with staff development.

SBC Foundation Grant - this program is funded by a communications company (SBC) and is designed to increase knowledge in the areas of technology.

McLean County Jail Education Development - this is a contract between the county of McLean and the Adult Education Department of the Regional Office of Education #17 to provide a GED teacher at the McLean County Jail.

Donations Literacy Inservice - this program is funded by corporate and private sources to facilitate learning projects in literacy, GED, and English as a Second Language classes.

Youthbuild - this program is funded by local organizations dedicated to rehabilitation, education, and development of job skills for students.

Youth Impact - this program is a cooperative between the cities of Normal, Bloomington, and McLean County to prevent and assist individuals in staying away from gang activity.

Regional Safe Schools - these are alternative programs for disruptive youths in grades 6-12. Students eligible for this program must have been suspended or expelled by a local school district.

Scoop Dreams GED - Scoop Dreams, an ice cream parlor, contracts with the Adult Education Department of the Regional Office of Education #17 to provide GED preparation for students.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Scoop Dreams Grant - this program is funded by Youth Impact, a local government cooperative, to support teachers in the operation of an ice cream parlor that is used to teach job and life skills to students at risk.

Continuum of Care - this program assists participants in obtaining and remaining in permanent housing.

Heart of Illinois Low Incidence - this program promotes, establishes, and maintains comprehensive special education services for children with hearing, vision, and physical disabilities.

Regional Alternative School - this is a state-wide program leading to a high school diploma for students with truancy and discipline problems.

Title I Neglect - this program provides a teacher for the Juvenile Detention Center for GED preparation classes.

Illinois Reading Grant - this program provides standards aligned for reading teachers.

Standards Aligned Classroom - this program provides standards aligned classroom initiatives, coaching, and support teams.

Ross Grant - this program provides adult education classes in public housing facilities, which may include transportation and childcare for housing residents while taking classes.

State Farm Grants - State Farm Companies Foundation provides grants to our STAR Literacy to support their employees' volunteer efforts in the community. In addition, State Farm Insurance Company provides a grant that provides training programs to improve classroom instruction in a manner that will reflect increased student achievement on State assessments tests.

Title II Teacher Quality - this program provides teacher workshops.

Reluctant Learner - this hands-on training engages educators by showing them how to use the entire Internet to search lesson plan databases, directories, and search engines to quickly and systematically capture lesson plans that will motivate their students.

Illinois Educators' Roundtable - this program is for a group of superintendents to meet on emerging issues affecting the education system.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION #17**  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Be A Star - this program collects donations from various local sources and uses funds for promoting literacy.

Teacher Mentoring - this program is used for new teacher training.

Manufacturing Innovation - this program provides assistance to students who need increased basic skills to pass the entrance test to enter Manufacturing Essentials at Heartland Community College.

EIU Cohort - this program provides a three semester hour graduate course to teachers in an agreement with Eastern Illinois University.

Title I Migrant Education - this program assists with the educational needs for the agricultural migrant population in the region for the summer.

Respro Title I - this program assists local school districts with school improvement planning and activities related to Title I instruction.

Alexander Workshop - this program provides literacy and GED preparation for employees.

Gifted Education - this program provides professional development for teachers in the gifted areas.

Principal Mentoring - this program provides mentoring for new principals.

College Credit - this program provides professional development through colleges.

SCORE United Way - this program provides assistance to students from United Way.

ISU Cohort - this program serves as a fiscal agent for classes in agreement with Illinois State University.

HUD Technology Grant - this grant is for technology purposes with the City of Bloomington.



**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Regional Office of Education #17 reports the following nonmajor governmental funds:

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

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

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

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

The Regional Office of Education #17 reports the following major proprietary fund:

Proprietary funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education #17 on a cost reimbursement basis are reported.

Inservice - used to account for the workshop fees and expenses of the Regional Office of Education #17.

The Regional Office of Education #17 also reports the following agency funds:

Agency Funds are used to account for assets held by the Regional Office of Education #17 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds include the following:

Distributive - this fund distributes money received from the State out to the school districts and other entities.

Regional Board of School Trustees - this fund accounts for the Regional Office of Education's operating accounts.

Cooperative Purchasing - this fund is used to purchase paper and supplies in quantity as a single unit by participating schools in the Regional Office of Education #17.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The school district boards within the Regional Office of Education #17 have signed formal agreements that allow the Regional Office of Education #17 to retain any interest earned during the year.

**Measurement Focus and Basis of Accounting**

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

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 after year end. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements.

Intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the DeWitt, Livingston, and McLean Counties Regional Office of Education #17.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 records on-behalf payments made by the State to the Teachers' Retirement System as revenue and expenditures.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, DeWitt, Livingston, and McLean Counties Regional Office of Education #17 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding sources available to finance the program. It is DeWitt, Livingston, and McLean Counties Regional Office of Education #17's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
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June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The proprietary fund of DeWitt, Livingston, and McLean Counties Regional Office of Education #17 applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 DeWitt, Livingston, and McLean Counties Regional Office of Education #17's enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 maintains its financial records on the cash basis. The financial statements of DeWitt, Livingston, and McLean Counties Regional Office of Education #17 are prepared by making memorandum adjusting entries to the cash basis financial records.

**Assets, Liabilities and Fund Equity**

The following accounting policies are followed in preparing the balance sheet:

Cash and investments - The cash and investment balances of DeWitt, Livingston, and McLean Counties Regional Office of Education #17 are valued at cost.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Due from other governments - Due from other governments represents amounts due from the Illinois State Board of Education and other local governments.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Capital assets - Capital assets, which include property, furniture and equipment, are reported in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by DeWitt, Livingston, and McLean Counties Regional Office of Education #17 as assets with an initial, individual cost in excess of \$500 and estimated useful lives in excess of two years. Capital assets are depreciated using the straight line method over 3-50 years.

The DeWitt, Livingston, and McLean Counties Regional Office of Education #17 reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Compensated absences - Non-certified and certified employees who work 12 calendar months earn up to 20 vacation days for a full year of service. The accumulated total of vacation days may never exceed 30 days. In the event that a program terminates, no vacation days will be honored past the ending date of the program. Certified employees who work less than 12 calendar months per year do not earn vacation days. Employees receive up to 12 sick days annually and the unused portion is accumulated up to 180 days and carried forward. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay and therefore, no liability is accrued. There are no material accumulations of sick pay or vacation pay at June 30, 2010.

Fund equity - In the governmental fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restricted net assets - In the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets and Budgetary Accounting**

The DeWitt, Livingston, and McLean Counties Regional Office of Education #17 prepares a budget for each of its grants and for the support it receives from its three counties. Some of these budgets cover different periods than the Regional Office of Education #17's fiscal year.

The DeWitt, Livingston, and McLean Counties Regional Office of Education #17's accounting records must be sophisticated enough to both (1) assure and demonstrate compliance with each budget during the period it covers and (2) also permit the reporting of the financial position and results of operations of each fund and fund type in GAAP financial statements covering its fiscal year.

Budgetary comparisons and budgetary compliance are discussed in Note 6 - Budgetary Comparisons and Budgetary Compliance.

**Subsequent Events**

Management has evaluated subsequent events through April 12, 2011, the date the financial statements were available to be issued.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

The deposit of DeWitt, Livingston, and McLean Counties Regional Office of Education #17 monies is governed by the provisions of the Illinois Compiled Statutes.

**Deposits**

At June 30, 2010, the carrying amount of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's deposits was \$2,191,634 and the bank balance was \$2,278,835.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, DeWitt, Livingston, and McLean Counties Regional Office of Education #17's deposits may not be returned. DeWitt, Livingston, and McLean Counties Regional Office of Education #17 does not have a deposit policy for custodial credit risk. As of June 30, 2010, all of DeWitt, Livingston, and McLean Counties Regional Office of Education #17's deposits were covered by FDIC insurance or covered by collateral held by the financial institution in DeWitt, Livingston, and McLean Counties Regional Office of Education #17's name.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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**NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)**

A reconciliation of cash as shown on the Statement of Net Assets for the primary government is as follows:

	<b><u>Carrying Amount</u></b>
Cash - Primary Government	\$ 1,952,705
Cash - Agency	<u>238,929</u>
<b>Total</b>	<b><u>\$ 2,191,634</u></b>

**NOTE 3 - ON-BEHALF PAYMENTS**

The salaries and fringe benefits of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois.

The breakdown of on-behalf payments for the year ended June 30, 2010 is as follows:

Regional Superintendent - salary	\$ 100,762
Regional Superintendent - benefits (includes state paid insurance)	19,984
Assistant Regional Superintendent - salary	90,686
Assistant Regional Superintendent - benefits (includes state paid insurance)	22,323
TRS on-behalf payments	283,985
THIS on-behalf payments	<u>10,203</u>
<b>Total on-behalf payments</b>	<b><u>\$ 527,943</u></b>

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

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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**NOTE 4 - EMPLOYEE BENEFIT PLAN**

The Regional Office of Education #17's employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by DeWitt, Livingston, and McLean Counties and the Regional Office of Education #17 through grant monies on behalf of the DeWitt, Livingston, and McLean Counties Regional Office of Education staff employees and grant coordinators.

DeWitt, Livingston, and McLean Counties are participating members of the Illinois Municipal Retirement Fund whose coverage includes all Regional Office of Education #17 employees who:

- a. Occupy a job normally requiring 1,000 hours or more per year;
- b. are paid on a regular payroll from County or Regional Office of Education #17 funds;
- c. were under age sixty when first entering employment; and
- d. are not covered by another State created retirement system for the same service.

Employees not qualifying above are considered as "nonparticipating employees" and are covered under Social Security.

The Superintendent of DeWitt, Livingston, and McLean Counties Regional Office of Education is paid by the State of Illinois. Certain staff employees of the Regional Office of Education #17's office are employed and paid by DeWitt, Livingston, and McLean Counties (other support staff and grant coordinators are paid by the Region through grant monies). DeWitt, Livingston, and McLean Counties Regional Office of Education has no separate employee benefit plan.

Illinois Municipal Retirement Fund

*Plan Description.* The Regional Office of Education #17'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 #17'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](http://www.imrf.org).

*Funding Policy.* As set by statute, the Regional Office of Education #17's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2009 was 11.65 percent of annual covered payroll. The Regional Office of Education #17 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.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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June 30, 2010**

**NOTE 4 - EMPLOYEE BENEFIT PLAN (CONTINUED)**

*Annual Pension Cost.* For fiscal year ending December 31, 2009, the Regional Office of Education #17's annual pension cost of \$125,709 for the Regular plan was equal to the Regional Office of Education #17's required and actual contributions.

<b>TREND INFORMATION</b>			
<b>Actuarial Valuation Date</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/09	\$ 125,709	100%	\$ -
12/31/08	110,800	100%	-
12/31/07	90,139	100%	-

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Regional Office of Education #17'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 15% corridor between the actuarial and market value of assets. The Regional Office of Education #17'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 the December 31, 2007, valuation was 5 years.

*Funded Status and Funding Progress.* As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 73.57 percent funded. The actuarial accrued liability for benefits was \$2,503,358 and the actuarial value of assets was \$1,841,830, resulting in an underfunded actuarial accrued liability (UAAL) of \$661,528. The covered payroll (annual payroll of active employees covered by the plan) was \$1,079,046 and the ratio of the UAAL to the covered payroll was 61 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 10 year basis.

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



**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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**NOTE 5 - RETIREMENT PLANS**

Teachers' Retirement System of the State of Illinois

The Regional Office of Education 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 the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active 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, 2010, 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, 2009 and 2008.

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #17's TRS-covered employees.

- **On-behalf Contributions.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #17. For the year ended June 30, 2010, the State of Illinois contributions were based on 23.38 percent of creditable earnings not paid from federal funds and the Regional Office of Education #17 recognized revenue and expenditures of \$283,985 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2009 and June 30, 2008 the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 17.08 percent (\$211,803) and 13.11 percent (\$157,108), respectively.

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 makes other types of employer contributions directly to TRS.

- **2.2 Formula Contributions.** Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2010 were \$5,935. Contributions for the years ending June 30, 2009 and June 30, 2008 were \$7,192 and \$6,951, respectively.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES**  
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**NOTE 5 - RETIREMENT PLANS (CONTINUED)**

- **Federal and Special Trust Fund Contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #17, there is a statutory requirement for the Regional Office of Education #17 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions paid from federal and special trust funds will be the same as the state contribution rate for TRS.

For the year ended June 30, 2010, the employer pension contribution was 23.38 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2009 and 2008, the employer contribution was 17.08 and 13.11 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2010, there were no salaries eligible for federal and special trust funds contributions for employees. For the years ended June 30, 2009 and June 30, 2008, required employer contributions were \$33,265 and \$20,655, respectively.

- **Early Retirement Option.** The Regional Office of Education #17 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. Public Act 94-0004 made changes in the ERO program that was in effect for all ERO retirements in fiscal years 2008 through 2010. The act increased member and employer contributions and eliminated the waiver of member and employer ERO contributions that have been in effect for members with 34 years of service. Under the current ERO, the maximum employer contribution is 117.5 percent and applies when the member is age 55 at retirement. For the years ended June 30, 2010, June 30, 2009 and June 30, 2008, the Regional Office Education #17 paid no 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 up to 6 percent.

For the years ended June 30, 2010, June 30, 2009, and June 30, 2008, the Regional Office of Education #17 did not make any contributions to TRS for salary increases in excess of 6 percent.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
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**NOTE 5 - RETIREMENT PLANS (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 (18.55 percent of salary during the year ended June 30, 2010). For the years ended June 30, 2010, June 30, 2009, and June 30, 2008, the Regional Office of Education #17 did not make any 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, 2009. The report for the year ended June 30, 2010, is expected to be available in late 2010.

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](http://trs.illinois.gov).

**NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS**

Teachers Health Insurance Security Fund

The Regional Office of Education #17 participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the state administered participating provider option plan or choose from several managed care options.

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

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES**  
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**NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

- **On-behalf Contributions.** The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education #17. State contributions are intended to match contributions to THIS Fund from active members which were 0.84 percent of pay during the year ended June 30, 2010. State of Illinois contributions were \$10,203, and the Regional Office of Education #17 recognized revenue and expenditures of this amount during the year. Had the Regional Office of Education #17 recognized revenue and expenditures for State contributions intended to match contributions during the years ended June 30, 2009 and June 30, 2008, under the current standards, the contribution match would have been 0.84 percent of pay or \$12,025 and \$11,754, respectively.
- **Employer Contributions.** The Regional Office of Education #17 also makes contributions to THIS Fund. The employer THIS fund contribution was 0.63 percent during the years ended June 30, 2010, June 30, 2009, and June 30, 2008. For the year ended June 30, 2010, the Regional Office of Education #17 paid \$6,446 to the THIS Fund. For the years ended June 30, 2009 and June 30, 2008, the Regional Office of Education #17 paid \$7,812 and \$7,550 to the THIS Fund, respectively, which was 100 percent of the require contribution.

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

Illinois Municipal Retirement Fund

The Regional Office of Education #17 has evaluated its potential other post employment benefits liability. Former employees who choose to retain their rights to health insurance through the Regional Office of Education #17 are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Regional Office of Education #17's health insurance plan. Therefore, there has been zero percent utilization and therefore no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Regional Office of Education #17 had no former employees for which the Regional Office of Education #17 was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Regional Office of Education #17 has not recorded any post employment benefit liability as of June 30, 2010.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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June 30, 2010**

**NOTE 7 - BUDGETARY COMPARISONS AND BUDGETARY COMPLIANCE**

To demonstrate compliance with applicable budgetary requirements, GAAP financial statements generally include comparisons of actual results of operations to budgeted amounts for individual funds for which a budget is adopted for the period covered by the budget. Regional Office of Education #17 did not formally adopt a budget for the year ended June 30, 2010 and is not legally required to do so. The Illinois State Board of Education requires budgets for certain state and federal programs. Budgets for the Regional Office of Education #17's state and federal grant funds cover various periods. Budgetary comparisons for those periods are presented on page 75 for the County Fund and the ROE/ISC Operations Fund and pages 94-97 for the following grants: Secretary of State's Literacy Grant, Truants Alternative/Optional Education, Adult Education Programs, SOS Family Literacy, Early Childhood Block Grant, Evenstart Family Literacy, English Language Civics Grant, Regional Safe Schools, Teacher Mentoring, and Title I - Reading First Part B SEA Funds.

To qualify for reimbursement, grant expenditures must be obligated by the end of the applicable budget period and liquidated within 90 days thereafter.

To qualify for reimbursement, grant expenditures must also not exceed approved budgeted amounts for a particular function (Improvement of Instruction Services, General Administration, Fiscal Services, etc.) and object (Salaries, Employee Benefits, Purchased Services, etc.) account code combinations by the greater of \$1,000 or 20% of the approved budgeted amount. Amendments to shift amounts from one function/object account code combination to another must be submitted to the ISBE for approval by 30 days prior to the end of the applicable budget period.

All grant expenditure amounts for which the Regional Office of Education #17 claimed reimbursement, and for which grant revenue is reported in these financial statements, were obligated and liquidated on a timely basis. All such expenditure amounts were within the function/object account classification limits of final approved amended budgets.

**NOTE 8 - CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2010 is as follows:

	<b>Balance June 30, 2009</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2010</b>
Governmental activities:				
Furniture and equipment	\$ 659,087	\$ 34,788	\$ -	\$ 693,875
Leasehold improvement	429,492	-	-	429,492
Less accumulated depreciation	(518,665)	(96,379)	-	(615,044)
Total capital assets, net	<u>\$ 569,914</u>	<u>\$ (61,591)</u>	<u>\$ -</u>	<u>\$ 508,323</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 8 - CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged as follows:

Governmental activities:

Education:

Depreciation	<u>\$ 96,379</u>
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**NOTE 9 - DISPOSITION OF DISTRIBUTIVE FUND INTEREST**

The school district boards within the Regional Office of Education #17 have signed formal agreements that allow the Regional Office of Education #17 to retain any interest earned during the year.

**NOTE 10 - OPERATING LEASES**

The Regional Office of Education #17 entered into a lease for an Alternative School classroom and administrative space. The lease calls for monthly payments of \$7,527 beginning on July 1, 2002 for ten years with five one-year options. Beginning July 1, 2006, an additional 2% increase will occur every 2 years until lease termination. The lease calls for improvements to be made by the landlord and additional payments by the tenant. Total rental expense for the year ended June 30, 2010 was \$93,969.

The Regional Office of Education #17 entered into a lease for the Special Services program office complex. The lease calls for monthly payments of \$1,750 beginning on June 1, 2006 for eight years and then from year to year. Beginning June 1, 2007, the monthly payment increased to \$1,900. The lease calls for improvements to be made by the landlord and additional payments by the tenant. Total rental expense for the year ended June 30, 2010 was \$22,800.

The Regional Office of Education #17 entered into a lease for an Alternative School classroom and administrative space. The lease calls for monthly payments of \$2,000 beginning on August 1, 2007 for five years. The lease calls for improvements to be made by the landlord and additional payments by the tenant. Total rental expense for the year ended June 30, 2010 was \$24,000. See Note 8 - Capital Assets for more information regarding leasehold improvement.

Future lease obligations are as follows:

<u>Year Ended June 30,</u>	
2011	\$ 142,648
2012	142,648
2013	32,947
2014	<u>20,900</u>
<b>Total</b>	<u>\$ 339,143</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 11 - DUE FROM/TO OTHER GOVERNMENTS**

The DeWitt, Livingston, and McLean Counties Regional Office of Education #17 has funds due from/to various other governmental units which consist of the following:

Due From Other Governments

General Fund

Illinois State Board of Education \$ 44,909

Education Fund

Illinois State Board of Education 311,296

Other local governments 325,092

Agency Fund

Cooperative Purchasing Fund 310,328

Due To Other Governments

Agency Fund

Distributive Fund \$ 2,760

Regional Board of School Trustees Fund 2,245

Cooperative Purchasing Fund 523,302

**NOTE 12 - DUE FROM/TO FUNDS**

The following is a summary of amounts due from/to funds as of June 30, 2010:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund		
Indirect Cost and Interest Fund	\$ -	\$ 2,571
ROE/ISC Operations Fund	-	21,477
Education Fund		
Secretary of State's Literacy Grant	-	63,144
Penny Severns Grant	-	276
Truants Alternative/Optional Education	-	41,453
Adult Education Programs	-	32,184
SOS Family Literacy	-	27,000
Early Childhood Block Grant	-	61,104
Implementing Math	-	1,452
Regional Alternative School	379,605	-
Ross Grant	-	5,275
Title II Teacher Quality	-	1,914
Reluctant Learner	-	3,195
Teacher Mentoring	-	71,029
Title I Migrant Education	-	311
Respro Title I	-	23,504
Principal Mentoring	-	17,765
HUD Technology Grant	-	5,951
<b>Total</b>	<u>\$ 379,605</u>	<u>\$ 379,605</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 13 - TRANSFERS**

The detail of interfund transfers for the year ended June 30, 2010 is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
County Fund	\$ 35	\$ -
Indirect Cost and Interest Fund	-	445
Education Fund		
Truants Alternative/Optional Education	9,209	-
Adult Education Programs	576	-
Scientific Literacy	-	471
Career Awareness and Development	-	1,669
Education to Careers	-	12,310
Induction Leadership	-	893
Work Experience and Career Exploration Program	-	724
Title I - Reading First Part B SEA Funds	-	1,556
Mentoring	6,829	-
SBC Foundation Grant	-	2,694
McLean County Jail Education Development	-	130
Youth Impact	1,470	-
Scoop Dreams Grant	-	1,470
Regional Alternative School	-	9,209
Title I - Neglect	3,000	-
Standards Aligned Classroom	4,418	27,202
Title II Teacher Quality	-	4,418
Be A Star	893	-
Alexander Workshop	-	3,000
Enterprise Fund		
Inservice	<u>46,626</u>	<u>6,865</u>
<b>Total</b>	<u>\$ 73,056</u>	<u>\$ 73,056</u>

**NOTE 14 - DEFICIT FUND BALANCES**

The following funds had deficit fund balances at June 30, 2010. The deficits will be covered by normal operations or fund transfers.

General Fund	
Indirect Cost and Interest Fund	\$ (2,571)
Education Fund	
Secretary of State's Literacy Grant	(144)
Penny Severns Grant	(276)
Truants Alternative/Optional Education	(20,721)



**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010**

**NOTE 14 - DEFICIT FUND BALANCES (CONTINUED)**

Education Fund	
Adult Education Programs	\$ (32,471)
Early Childhood Block Grant	(30,752)
Evenstart Family Literacy	(661)
Implementing Math	(1,452)
Ross Grant	(5,275)
Reluctant Learner	(3,195)
Teacher Mentoring	(66,802)
Title I Migrant Education	(311)
Respro Title I	(40)
Principal Mentoring	(17,765)
HUD Technology Grant	(5,951)

**NOTE 15 - RISK MANAGEMENT**

DeWitt, Livingston, and McLean Counties Regional Office of Education #17 is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. DeWitt, Livingston, and McLean Counties Regional Office of Education #17 assumes liability for any deductibles and claims in excess of coverage limitations. There has been no significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the year.

**NOTE 16 - NEW PRONOUNCEMENTS**

In 2010, DeWitt, Livingston, and McLean Counties Regional Office of Education #17 adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*; GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*; GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*; and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. The Regional Office of Education #17 implemented these standards during the current year; however, there was no significant impact of the implementation of GASB No. 45, 51, 53, and 58 on the financial statements.

This information is an integral part of the accompanying financial statements.

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

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 SCHEDULE OF FUNDING PROGRESS -  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 (Unaudited)  
 June 30, 2010**

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

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/09	\$1,841,830	\$2,503,358	\$ 661,528	73.57%	\$1,079,046	61.31%
12/31/08	1,916,662	2,330,285	413,623	82.25%	967,688	42.74%
12/31/07	2,186,794	2,345,922	159,158	93.22%	927,356	17.16%

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$1,782,878.  
 On a market basis, the funded ratio would be 71.22%.

**SUPPLEMENTAL INFORMATION**

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUND ACCOUNTS  
 June 30, 2010

	<u>County Fund</u>	<u>Indirect Cost and Interest Fund</u>	<u>ROE/ISC Operations Fund</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 155,895	\$ -	\$ -	\$ 155,895
Due from other governments	-	-	44,909	44,909
	-	-	44,909	44,909
<b>TOTAL ASSETS</b>	<u>\$ 155,895</u>	<u>\$ -</u>	<u>\$ 44,909</u>	<u>\$ 200,804</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>				
<b>LIABILITIES</b>				
Accrued expenses	\$ -	\$ -	\$ 181	\$ 181
Due to other funds	-	2,571	21,477	24,048
Deferred revenue	-	-	17,409	17,409
Total liabilities	-	2,571	39,067	41,638
<b>FUND BALANCE (DEFICIT), UNRESERVED</b>	<u>155,895</u>	<u>(2,571)</u>	<u>5,842</u>	<u>159,166</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT), UNRESERVED</b>	<u>\$ 155,895</u>	<u>\$ -</u>	<u>\$ 44,909</u>	<u>\$ 200,804</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
Year Ended June 30, 2010**

	<u>County Fund</u>	<u>Indirect Cost and Interest Fund</u>	<u>ROE/ISC Operations Fund</u>	<u>Totals</u>
<b>REVENUES:</b>				
Local sources	\$ 317,640	\$ 10,825	\$ -	\$ 328,465
State sources	-	-	69,500	69,500
On-behalf payments	<u>527,943</u>	<u>-</u>	<u>-</u>	<u>527,943</u>
Total revenues	<u>845,583</u>	<u>10,825</u>	<u>69,500</u>	<u>925,908</u>
<b>EXPENDITURES:</b>				
Instructional services:				
Salaries	243,612	9,866	13,099	266,577
Employee benefits	82,078	2,927	5,206	90,211
Purchased services	70,163	16,838	71,537	158,538
Supplies and materials	5,033	934	-	5,967
Other objects	148	34,411	-	34,559
On-behalf payments	527,943	-	-	527,943
Capital outlay	<u>-</u>	<u>1,235</u>	<u>-</u>	<u>1,235</u>
Total expenditures	<u>928,977</u>	<u>66,211</u>	<u>89,842</u>	<u>1,085,030</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<u>(83,394)</u>	<u>(55,386)</u>	<u>(20,342)</u>	<u>(159,122)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	35	-	-	35
Transfer out	<u>-</u>	<u>(445)</u>	<u>-</u>	<u>(445)</u>
Total other financing sources (uses)	<u>35</u>	<u>(445)</u>	<u>-</u>	<u>(410)</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	(83,359)	(55,831)	(20,342)	(159,532)
<b>FUND BALANCE, UNRESERVED, BEGINNING OF YEAR</b>	<u>239,254</u>	<u>53,260</u>	<u>26,184</u>	<u>318,698</u>
<b>FUND BALANCE (DEFICIT), UNRESERVED, END OF YEAR</b>	<u>\$ 155,895</u>	<u>\$ (2,571)</u>	<u>\$ 5,842</u>	<u>\$ 159,166</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND ACCOUNTS  
Year Ended June 30, 2010**

	County Fund				ROE/ISC Operations			
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>								
Local sources	\$ -	\$ -	\$ 317,640	\$ 317,640	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	74,188	86,909	69,500	(17,409)
On-behalf payments	-	-	527,943	527,943	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>845,583</u>	<u>845,583</u>	<u>74,188</u>	<u>86,909</u>	<u>69,500</u>	<u>(17,409)</u>
<b>EXPENDITURES:</b>								
Instructional services:								
Salaries	-	-	243,612	(243,612)	10,000	13,000	13,099	(99)
Employee benefits	-	-	82,078	(82,078)	4,300	5,300	5,206	94
Purchased services	-	-	70,163	(70,163)	59,888	68,609	71,537	(2,928)
Supplies and materials	-	-	5,033	(5,033)	-	-	-	-
Other objects	-	-	148	(148)	-	-	-	-
On-behalf payments	-	-	527,943	(527,943)	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>928,977</u>	<u>(928,977)</u>	<u>74,188</u>	<u>86,909</u>	<u>89,842</u>	<u>(2,933)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(83,394)</u>	<u>\$ (83,394)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(20,342)</u>	<u>\$ (20,342)</u>
<b>OTHER FINANCING SOURCES</b>								
Transfer in			<u>35</u>				<u>-</u>	
<b>NET CHANGE IN FUND BALANCE</b>			(83,359)				(20,342)	
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>239,254</u>				<u>26,184</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 155,895</u>				<u>\$ 5,842</u>	

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4

	<u>D.O.R.S. Program Step Grant</u>	<u>Secretary of State's Literacy Grant</u>	<u>Penny Severns Grant</u>	<u>Truants Alternative/ Optional Education</u>	<u>Adult Education Programs</u>	<u>Scientific Literacy</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 181	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	63,000	-	41,458	61,849	-
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 181</u>	<u>\$ 63,000</u>	<u>\$ -</u>	<u>\$ 41,458</u>	<u>\$ 61,849</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 287	\$ -
Due to other funds	-	63,144	276	41,453	32,184	-
Deferred revenue	-	-	-	20,726	61,849	-
Total liabilities	-	63,144	276	62,179	94,320	-
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>181</u>	<u>(144)</u>	<u>(276)</u>	<u>(20,721)</u>	<u>(32,471)</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 181</u>	<u>\$ 63,000</u>	<u>\$ -</u>	<u>\$ 41,458</u>	<u>\$ 61,849</u>	<u>\$ -</u>



DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4  
 (CONTINUED)

	<u>SOS</u>	<u>Career</u>	<u>Education</u>	<u>Partnering</u>	<u>ROE/ISC</u>	<u>Early</u>
	<u>Family</u>	<u>Awareness and</u>	<u>To</u>	<u>NCLB</u>	<u>School</u>	<u>Childhood</u>
	<u>Literacy</u>	<u>Development</u>	<u>Careers</u>		<u>Improvement</u>	<u>Block Grant</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,800	\$ 140	\$ -
Due from other governments	29,750	-	-	-	-	60,703
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 29,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,800</u>	<u>\$ 140</u>	<u>\$ 60,703</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	27,000	-	-	-	-	61,104
Deferred revenue	-	-	-	-	-	30,351
Total liabilities	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,455</u>
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>4,800</u>	<u>140</u>	<u>(30,752)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 29,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,800</u>	<u>\$ 140</u>	<u>\$ 60,703</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4  
 (CONTINUED)

	<u>Evenstart</u> Family <u>Literacy</u>	<u>English</u> Language Civics <u>Grant</u>	<u>Induction</u> <u>Leadership</u>	<u>Work</u> Experience and Career Exploration <u>Program</u>	<u>Illinois</u> Violence Prevention <u>Authority</u>	<u>Title I -</u> Reading First - SEA <u>Part B</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 351	\$ 1,123	\$ 1,636	\$ -	\$ 10,826	\$ 1,599
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 351</u>	<u>\$ 1,123</u>	<u>\$ 1,636</u>	<u>\$ -</u>	<u>\$ 10,826</u>	<u>\$ 1,599</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Deferred revenue	1,012	-	-	-	-	1,599
Total liabilities	<u>1,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,599</u>
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>(661)</u>	<u>1,123</u>	<u>1,636</u>	<u>-</u>	<u>10,826</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 351</u>	<u>\$ 1,123</u>	<u>\$ 1,636</u>	<u>\$ -</u>	<u>\$ 10,826</u>	<u>\$ 1,599</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4  
 (CONTINUED)

	<u>Implementing</u>	<u>Chestnut</u>	<u>Mentoring</u>	<u>SBC</u> <u>Foundation</u> <u>Grant</u>	<u>McLean</u> <u>County Jail</u> <u>Education</u> <u>Development</u>	<u>Donations</u> <u>Literacy</u> <u>Inservice</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ 2,043	\$ -	\$ -	\$ -	\$ 29,002
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 2,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,002</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,452	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>1,452</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>(1,452)</u>	<u>2,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,002</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ -</u>	<u>\$ 2,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,002</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
June 30, 2010**

**SCHEDULE 4  
(CONTINUED)**

	<u>Youthbuild</u>	<u>Youth Impact</u>	<u>Regional Safe Schools</u>	<u>Scoop Dreams GED</u>	<u>Scoop Dreams Grant</u>	<u>Continuum of Care</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 14,861	\$ 16,774	\$ 17,676	\$ 2	\$ -	\$ 3,793
Due from other governments	-	-	144,111	-	-	-
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 14,861</u>	<u>\$ 16,774</u>	<u>\$ 161,787</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 3,793</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Deferred revenue	-	-	62,134	-	-	-
Total liabilities	-	-	62,134	-	-	-
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>14,861</u>	<u>16,774</u>	<u>99,653</u>	<u>2</u>	<u>-</u>	<u>3,793</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 14,861</u>	<u>\$ 16,774</u>	<u>\$ 161,787</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 3,793</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4  
 (CONTINUED)

	<u>Heart of Illinois Low Incidence</u>	<u>Regional Alternative School</u>	<u>Title I Neglect</u>	<u>Illinois Reading Grant</u>	<u>Standards Aligned Classroom</u>	<u>Ross Grant</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 54,020	\$ 1,065,351	\$ 14,652	\$ 2,290	\$ 8,948	\$ -
Due from other governments	104,563	-	-	-	-	-
Due from other funds	-	379,605	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 158,583</b>	<b>\$ 1,444,956</b>	<b>\$ 14,652</b>	<b>\$ 2,290</b>	<b>\$ 8,948</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 46,417	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	5,275
Deferred revenue	-	-	4,468	-	-	-
Total liabilities	<hr/> 46,417	<hr/> -	<hr/> 4,468	<hr/> -	<hr/> -	<hr/> 5,275
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<hr/> 112,166	<hr/> 1,444,956	<hr/> 10,184	<hr/> 2,290	<hr/> 8,948	<hr/> (5,275)
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b>\$ 158,583</b>	<b>\$ 1,444,956</b>	<b>\$ 14,652</b>	<b>\$ 2,290</b>	<b>\$ 8,948</b>	<b>\$ -</b>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
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SCHEDULE 4  
 (CONTINUED)

	<u>State Farm Grants</u>	<u>Title II Teacher Quality</u>	<u>Reluctant Learner</u>	<u>Illinois Educators' Roundtable</u>	<u>Be A Star</u>	<u>Teacher Mentoring</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 24,331	\$ -	\$ -	\$ 15,408	\$ -	\$ -
Due from other governments	-	4,951	-	-	-	84,774
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 24,331</u>	<u>\$ 4,951</u>	<u>\$ -</u>	<u>\$ 15,408</u>	<u>\$ -</u>	<u>\$ 84,774</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,498
Due to other funds	-	1,914	3,195	-	-	71,029
Deferred revenue	-	-	-	-	-	64,049
Total liabilities	<u>-</u>	<u>1,914</u>	<u>3,195</u>	<u>-</u>	<u>-</u>	<u>151,576</u>
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>24,331</u>	<u>3,037</u>	<u>(3,195)</u>	<u>15,408</u>	<u>-</u>	<u>(66,802)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 24,331</u>	<u>\$ 4,951</u>	<u>\$ -</u>	<u>\$ 15,408</u>	<u>\$ -</u>	<u>\$ 84,774</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4  
 (CONTINUED)

	<u>Manufacturing Innovation</u>	<u>EIU Cohort</u>	<u>Title I Migrant Education</u>	<u>Respro Title I</u>	<u>Alexander Workshop</u>	<u>Gifted Education</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 79	\$ 32,452	\$ -	\$ -	\$ -	\$ 80,607
Due from other governments	-	-	-	23,464	-	-
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 79</u>	<u>\$ 32,452</u>	<u>\$ -</u>	<u>\$ 23,464</u>	<u>\$ -</u>	<u>\$ 80,607</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	311	23,504	-	-
Deferred revenue	-	-	-	-	-	80,607
Total liabilities	-	-	311	23,504	-	80,607
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>79</u>	<u>32,452</u>	<u>(311)</u>	<u>(40)</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 79</u>	<u>\$ 32,452</u>	<u>\$ -</u>	<u>\$ 23,464</u>	<u>\$ -</u>	<u>\$ 80,607</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF ACCOUNTS  
 EDUCATION FUND ACCOUNTS  
 June 30, 2010

SCHEDULE 4  
 (CONTINUED)

	<u>Principal Mentoring</u>	<u>College Credit</u>	<u>SCORE United Way</u>	<u>ISU Cohort</u>	<u>HUD Technology Grant</u>	<u>Totals</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ 32,105	\$ 19,959	\$ 29,852	\$ -	\$ 1,484,861
Due from other governments	17,765	-	-	-	-	636,388
Due from other funds	-	-	-	-	-	379,605
<b>TOTAL ASSETS</b>	<u>\$ 17,765</u>	<u>\$ 32,105</u>	<u>\$ 19,959</u>	<u>\$ 29,852</u>	<u>\$ -</u>	<u>\$ 2,500,854</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 17,332	\$ -	\$ 80,534
Due to other funds	17,765	-	-	-	5,951	355,557
Deferred revenue	17,765	-	-	-	-	344,560
Total liabilities	<u>35,530</u>	<u>-</u>	<u>-</u>	<u>17,332</u>	<u>5,951</u>	<u>780,651</u>
<b>FUND BALANCE (DEFICIT)</b>						
Unreserved	<u>(17,765)</u>	<u>32,105</u>	<u>19,959</u>	<u>12,520</u>	<u>(5,951)</u>	<u>1,720,203</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 17,765</u>	<u>\$ 32,105</u>	<u>\$ 19,959</u>	<u>\$ 29,852</u>	<u>\$ -</u>	<u>\$ 2,500,854</u>



DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5

	D.O.R.S. Program Step <u>Grant</u>	Secretary of State's Literacy <u>Grant</u>	Penny Severns <u>Grant</u>	Truants Alternative/ Optional <u>Education</u>	Adult Education <u>Programs</u>	Scientific <u>Literacy</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ -	\$ 4,798	\$ -	\$ -	\$ -
State sources	10,556	63,000	-	72,567	258,303	-
Federal sources	30,627	-	-	-	84,116	-
Total revenues	<u>41,183</u>	<u>63,000</u>	<u>4,798</u>	<u>72,567</u>	<u>342,419</u>	<u>-</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	-	40,603	2,966	66,250	232,269	-
Employee benefits	-	10,511	227	21,459	48,182	-
Purchased services	-	3,054	820	5,579	43,328	-
Supplies and materials	-	8,832	778	-	7,733	-
Payments to other governments	39,933	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>39,933</u>	<u>63,000</u>	<u>4,791</u>	<u>93,288</u>	<u>331,512</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,250</u>	<u>-</u>	<u>7</u>	<u>(20,721)</u>	<u>10,907</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	9,209	576	-
Transfers out	-	-	-	-	-	(471)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,209</u>	<u>576</u>	<u>(471)</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	1,250	-	7	(11,512)	11,483	(471)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(1,069)</u>	<u>(144)</u>	<u>(283)</u>	<u>(9,209)</u>	<u>(43,954)</u>	<u>471</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 181</u>	<u>\$ (144)</u>	<u>\$ (276)</u>	<u>\$ (20,721)</u>	<u>\$ (32,471)</u>	<u>\$ -</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	<u>SOS Family Literacy</u>	<u>Career Awareness and Development</u>	<u>Education To Careers</u>	<u>Partnering NCLB</u>	<u>ROE/ISC School Improvement</u>	<u>Early Childhood Block Grant</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	29,750	-	-	-	-	121,413
Federal sources	-	-	-	-	-	-
Total revenues	<u>29,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,413</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	20,584	-	-	-	-	103,934
Employee benefits	6,223	-	-	-	-	16,027
Purchased services	300	-	-	-	-	19,763
Supplies and materials	2,431	-	-	-	-	11,638
Payments to other governments	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>29,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,362</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,949)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	(1,669)	(12,310)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(1,669)</u>	<u>(12,310)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	212	(1,669)	(12,310)	-	-	(29,949)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>2,538</u>	<u>1,669</u>	<u>12,310</u>	<u>4,800</u>	<u>140</u>	<u>(803)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 2,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,800</u>	<u>\$ 140</u>	<u>\$ (30,752)</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	Evenstart Family Literacy	English Language Civics Grant	Induction Leadership	Work Experience and Career Exploration Program	Illinois Violence Prevention Authority	Title I - Reading First - SEA Part B
<b>REVENUES:</b>						
Local sources	\$ 223	\$ -	\$ 10,379	\$ 724	\$ 440	\$ -
State sources	-	-	-	-	13,136	-
Federal sources	162,847	104,559	-	-	-	4,401
Total revenues	<u>163,070</u>	<u>104,559</u>	<u>10,379</u>	<u>724</u>	<u>13,576</u>	<u>4,401</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	110,346	79,233	-	-	10,979	-
Employee benefits	22,171	21,546	-	-	870	-
Purchased services	19,559	-	2,985	-	2,036	2,080
Supplies and materials	5,442	3,193	-	-	733	2,321
Payments to other governments	-	-	-	-	-	-
Capital outlay	-	-	-	-	864	-
Total expenditures	<u>157,518</u>	<u>103,972</u>	<u>2,985</u>	<u>-</u>	<u>15,482</u>	<u>4,401</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>5,552</u>	<u>587</u>	<u>7,394</u>	<u>724</u>	<u>(1,906)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(893)	(724)	-	(1,556)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(893)</u>	<u>(724)</u>	<u>-</u>	<u>(1,556)</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	5,552	587	6,501	-	(1,906)	(1,556)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(6,213)</u>	<u>536</u>	<u>(4,865)</u>	<u>-</u>	<u>12,732</u>	<u>1,556</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (661)</u>	<u>\$ 1,123</u>	<u>\$ 1,636</u>	<u>\$ -</u>	<u>\$ 10,826</u>	<u>\$ -</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	Implementing Math	Chestnut	Mentoring	SBC Foundation Grant	McLean County Jail Education Development	Donations Literacy Inservice
<b>REVENUES:</b>						
Local sources	\$ -	\$ 8,580	\$ -	\$ -	\$ -	\$ 3,862
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>8,580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,862</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	-	8,337	-	-	8,508	-
Employee benefits	-	1,694	-	-	3,078	-
Purchased services	-	1,009	-	-	50	4,978
Supplies and materials	-	-	-	-	-	1,954
Payments to other governments	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>11,040</u>	<u>-</u>	<u>-</u>	<u>11,636</u>	<u>6,932</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(2,460)</u>	<u>-</u>	<u>-</u>	<u>(11,636)</u>	<u>(3,070)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	6,829	-	-	-
Transfers out	-	-	-	(2,694)	(130)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>6,829</u>	<u>(2,694)</u>	<u>(130)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>-</u>	<u>(2,460)</u>	<u>6,829</u>	<u>(2,694)</u>	<u>(11,766)</u>	<u>(3,070)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(1,452)</u>	<u>4,503</u>	<u>(6,829)</u>	<u>2,694</u>	<u>11,766</u>	<u>32,072</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (1,452)</u>	<u>\$ 2,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,002</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	<u>Youthbuild</u>	<u>Youth Impact</u>	<u>Regional Safe Schools</u>	<u>Scoop Dreams GED</u>	<u>Scoop Dreams Grant</u>	<u>Continuum of Care</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ -	\$ 58,581	\$ -	\$ -	\$ -
State sources	-	-	731,493	-	-	-
Federal sources	-	-	100,449	-	-	27,659
Total revenues	<u>-</u>	<u>-</u>	<u>890,523</u>	<u>-</u>	<u>-</u>	<u>27,659</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	-	500	610,833	-	-	16,998
Employee benefits	-	38	120,216	-	-	3,571
Purchased services	-	4,935	161,401	-	-	26
Supplies and materials	-	950	50,470	-	-	-
Payments to other governments	-	11,838	-	-	-	-
Capital outlay	-	-	31,092	-	-	-
Total expenditures	<u>-</u>	<u>18,261</u>	<u>974,012</u>	<u>-</u>	<u>-</u>	<u>20,595</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(18,261)</u>	<u>(83,489)</u>	<u>-</u>	<u>-</u>	<u>7,064</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	1,470	-	-	-	-
Transfers out	-	-	-	-	(1,470)	-
Total other financing sources (uses)	<u>-</u>	<u>1,470</u>	<u>-</u>	<u>-</u>	<u>(1,470)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>-</u>	<u>(16,791)</u>	<u>(83,489)</u>	<u>-</u>	<u>(1,470)</u>	<u>7,064</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>14,861</u>	<u>33,565</u>	<u>183,142</u>	<u>2</u>	<u>1,470</u>	<u>(3,271)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 14,861</u>	<u>\$ 16,774</u>	<u>\$ 99,653</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 3,793</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	Heart of Illinois Low <u>Incidence</u>	Regional Alternative School	Title I Neglect	Illinois Reading Grant	Standards Aligned Classroom	Ross Grant
<b>REVENUES:</b>						
Local sources	\$ 1,325,880	\$ 327,549	\$ -	\$ 3,485	\$ -	\$ -
State sources	316,484	956,233	-	-	42,632	-
Federal sources	-	212,496	10,000	-	-	-
Total revenues	<u>1,642,364</u>	<u>1,496,278</u>	<u>10,000</u>	<u>3,485</u>	<u>42,632</u>	<u>-</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	19,973	573,784	2,278	-	7,976	-
Employee benefits	7,485	127,272	460	-	1,686	-
Purchased services	1,476,633	213,118	-	75	-	-
Supplies and materials	-	21,466	-	1,733	1,265	-
Payments to other governments	16,406	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>1,520,497</u>	<u>935,640</u>	<u>2,738</u>	<u>1,808</u>	<u>10,927</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>121,867</u>	<u>560,638</u>	<u>7,262</u>	<u>1,677</u>	<u>31,705</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	3,000	-	4,418	-
Transfers out	-	(9,209)	-	-	(27,202)	-
Total other financing sources (uses)	<u>-</u>	<u>(9,209)</u>	<u>3,000</u>	<u>-</u>	<u>(22,784)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	121,867	551,429	10,262	1,677	8,921	-
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(9,701)</u>	<u>893,527</u>	<u>(78)</u>	<u>613</u>	<u>27</u>	<u>(5,275)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 112,166</u>	<u>\$ 1,444,956</u>	<u>\$ 10,184</u>	<u>\$ 2,290</u>	<u>\$ 8,948</u>	<u>\$ (5,275)</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	State Farm <u>Grants</u>	Title II Teacher <u>Quality</u>	Reluctant <u>Learner</u>	Illinois Educators' <u>Roundtable</u>	Be A <u>Star</u>	Teacher <u>Mentoring</u>
<b>REVENUES:</b>						
Local sources	\$ 8,432	\$ -	\$ -	\$ 5,750	\$ -	\$ -
State sources	-	-	-	-	-	225,436
Federal sources	-	37,167	-	-	-	-
Total revenues	<u>8,432</u>	<u>37,167</u>	<u>-</u>	<u>5,750</u>	<u>-</u>	<u>225,436</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	5,197	1,000	-	-	-	93,656
Employee benefits	1,017	27	-	-	-	4,895
Purchased services	-	19,634	-	6,178	-	128,292
Supplies and materials	2,764	7,378	-	174	-	64,580
Payments to other governments	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>8,978</u>	<u>28,039</u>	<u>-</u>	<u>6,352</u>	<u>-</u>	<u>291,423</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(546)</u>	<u>9,128</u>	<u>-</u>	<u>(602)</u>	<u>-</u>	<u>(65,987)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	893	-
Transfers out	-	(4,418)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(4,418)</u>	<u>-</u>	<u>-</u>	<u>893</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>(546)</u>	<u>4,710</u>	<u>-</u>	<u>(602)</u>	<u>893</u>	<u>(65,987)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>24,877</u>	<u>(1,673)</u>	<u>(3,195)</u>	<u>16,010</u>	<u>(893)</u>	<u>(815)</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 24,331</u>	<u>\$ 3,037</u>	<u>\$ (3,195)</u>	<u>\$ 15,408</u>	<u>\$ -</u>	<u>\$ (66,802)</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	<u>Manufacturing Innovation</u>	<u>EIU Cohort</u>	<u>Title I Migrant Education</u>	<u>Respro Title I</u>	<u>Alexander Workshop</u>	<u>Gifted Education</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ 109,119	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	32,181
Federal sources	-	-	8,901	150,353	-	-
Total revenues	<u>-</u>	<u>109,119</u>	<u>8,901</u>	<u>150,353</u>	<u>-</u>	<u>32,181</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	-	-	5,659	85,585	-	10,458
Employee benefits	-	-	1,343	25,779	-	1,164
Purchased services	-	116,388	963	8,911	-	515
Supplies and materials	-	-	339	6,691	-	20,044
Payments to other governments	-	-	-	23,083	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>116,388</u>	<u>8,304</u>	<u>150,049</u>	<u>-</u>	<u>32,181</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(7,269)</u>	<u>597</u>	<u>304</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>-</u>	<u>(7,269)</u>	<u>597</u>	<u>304</u>	<u>(3,000)</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>79</u>	<u>39,721</u>	<u>(908)</u>	<u>(344)</u>	<u>3,000</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 79</u>	<u>\$ 32,452</u>	<u>\$ (311)</u>	<u>\$ (40)</u>	<u>\$ -</u>	<u>\$ -</u>



DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 Year Ended June 30, 2010

SCHEDULE 5  
 (CONTINUED)

	<u>Principal Mentoring</u>	<u>College Credit</u>	<u>SCORE United Way</u>	<u>ISU Cohort</u>	<u>HUD Technology Grant</u>	<u>Totals</u>
<b>REVENUES:</b>						
Local sources	\$ -	\$ 35,425	\$ 41,275	\$ 40,086	\$ -	\$ 1,984,588
State sources	2,000	-	-	-	-	2,875,184
Federal sources	-	-	-	-	6,241	939,816
Total revenues	<u>2,000</u>	<u>35,425</u>	<u>41,275</u>	<u>40,086</u>	<u>6,241</u>	<u>5,799,588</u>
<b>EXPENDITURES:</b>						
Instructional services:						
Salaries	1,092	-	2,200	-	11,289	2,132,487
Employee benefits	1,301	-	63	-	903	449,208
Purchased services	17,372	2,666	12,680	27,566	-	2,302,894
Supplies and materials	-	654	4,383	-	-	227,946
Payments to other governments	-	-	-	-	-	91,260
Capital outlay	-	-	1,990	-	-	33,946
Total expenditures	<u>19,765</u>	<u>3,320</u>	<u>21,316</u>	<u>27,566</u>	<u>12,192</u>	<u>5,237,741</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(17,765)</u>	<u>32,105</u>	<u>19,959</u>	<u>12,520</u>	<u>(5,951)</u>	<u>561,847</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	26,395
Transfers out	-	-	-	-	-	(65,746)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,351)</u>
<b>NET CHANGE IN FUND BALANCE (DEFICIT)</b>	<u>(17,765)</u>	<u>32,105</u>	<u>19,959</u>	<u>12,520</u>	<u>(5,951)</u>	<u>522,496</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,197,707</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ (17,765)</u>	<u>\$ 32,105</u>	<u>\$ 19,959</u>	<u>\$ 12,520</u>	<u>\$ (5,951)</u>	<u>\$ 1,720,203</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
 Year Ended June 30, 2010

SCHEDULE 6

	Secretary of State's Literacy Grant				Truants Alternative/Optional Education				Adult Education Programs			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	63,000	63,000	63,000	-	93,288	93,288	72,567	(20,721)	247,396	247,396	258,303	10,907
Federal sources	-	-	-	-	-	-	-	-	84,116	84,116	84,116	-
<b>Total revenues</b>	<b>63,000</b>	<b>63,000</b>	<b>63,000</b>	<b>-</b>	<b>93,288</b>	<b>93,288</b>	<b>72,567</b>	<b>(20,721)</b>	<b>331,512</b>	<b>331,512</b>	<b>342,419</b>	<b>10,907</b>
<b>EXPENDITURES:</b>												
Instructional services:												
Salaries	40,572	40,572	40,603	(31)	66,422	66,422	66,250	172	251,563	251,563	232,269	19,294
Employee benefits	9,820	9,820	10,511	(691)	21,197	21,197	21,459	(262)	51,655	51,655	48,182	3,473
Purchased services	3,500	3,500	3,054	446	5,669	5,669	5,579	90	17,056	17,056	43,328	(26,272)
Supplies and materials	9,108	9,108	8,832	276	-	-	-	-	11,238	11,238	7,733	3,505
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>63,000</b>	<b>63,000</b>	<b>63,000</b>	<b>-</b>	<b>93,288</b>	<b>93,288</b>	<b>93,288</b>	<b>-</b>	<b>331,512</b>	<b>331,512</b>	<b>331,512</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(20,721)</b>	<b>\$ (20,721)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>10,907</b>	<b>\$ 10,907</b>
<b>OTHER FINANCING SOURCES (USES):</b>												
Transfers in			-				9,209				576	
Transfers out			-				-				-	
<b>Total other financing sources (uses)</b>			<b>-</b>				<b>9,209</b>				<b>576</b>	
<b>NET CHANGE IN FUND BALANCE</b>			<b>-</b>				<b>(11,512)</b>				<b>11,483</b>	
<b>FUND BALANCE (DEFICIT), UNRESERVED, BEGINNING OF YEAR</b>			<b>(144)</b>				<b>(9,209)</b>				<b>(43,954)</b>	
<b>FUND BALANCE (DEFICIT), UNRESERVED, END OF YEAR</b>			<b>\$ (144)</b>				<b>\$ (20,721)</b>				<b>\$ (32,471)</b>	

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
 Year Ended June 30, 2010

SCHEDULE 6  
 (CONTINUED)

	SOS Family Literacy				Early Childhood Block Grant				Evenstart Family Literacy			
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b>REVENUES:</b>												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 223	\$ 223
State sources	29,750	29,750	29,750	-	151,764	151,764	121,413	(30,351)	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	162,057	162,057	162,847	790
<b>Total revenues</b>	<b>29,750</b>	<b>29,750</b>	<b>29,750</b>	<b>-</b>	<b>151,764</b>	<b>151,764</b>	<b>121,413</b>	<b>(30,351)</b>	<b>162,057</b>	<b>162,057</b>	<b>163,070</b>	<b>1,013</b>
<b>EXPENDITURES:</b>												
Instructional services:												
Salaries	20,585	20,585	20,584	1	116,432	102,906	103,934	(1,028)	108,535	108,535	110,346	(1,811)
Employee benefits	6,223	6,223	6,223	-	18,983	18,001	16,027	1,974	19,072	23,072	22,171	901
Purchased services	300	300	300	-	10,550	17,250	19,763	(2,513)	25,800	22,800	19,559	3,241
Supplies and materials	2,642	2,642	2,431	211	5,799	13,607	11,638	1,969	8,650	7,650	5,442	2,208
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>29,750</b>	<b>29,750</b>	<b>29,538</b>	<b>212</b>	<b>151,764</b>	<b>151,764</b>	<b>151,362</b>	<b>402</b>	<b>162,057</b>	<b>162,057</b>	<b>157,518</b>	<b>4,539</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>212</b>	<b>\$ 212</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(29,949)</b>	<b>\$ (29,949)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>5,552</b>	<b>\$ 5,552</b>
<b>OTHER FINANCING SOURCES (USES):</b>												
Transfers in			-	-			-	-			-	-
Transfers out			-	-			-	-			-	-
<b>Total other financing sources (uses)</b>			<b>-</b>	<b>-</b>			<b>-</b>	<b>-</b>			<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>			<b>212</b>				<b>(29,949)</b>				<b>5,552</b>	
<b>FUND BALANCE (DEFICIT), UNRESERVED, BEGINNING OF YEAR</b>			<b>2,538</b>				<b>(803)</b>				<b>(6,213)</b>	
<b>FUND BALANCE (DEFICIT), UNRESERVED, END OF YEAR</b>			<b>\$ 2,750</b>				<b>\$ (30,752)</b>				<b>\$ (661)</b>	

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
 Year Ended June 30, 2010

SCHEDULE 6  
 (CONTINUED)

	English Language Civics Grant				Title I - Reading First Part B SEA Funds				Regional Safe Schools			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES:</b>												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,581	\$ 58,581
State sources	-	-	-	-	-	-	-	-	-	-	731,493	451,890
Federal sources	104,559	104,559	104,559	-	22,979	22,979	4,401	(18,578)	-	-	100,449	100,449
Total revenues	104,559	104,559	104,559	-	22,979	22,979	4,401	(18,578)	279,603	279,603	890,523	610,920
<b>EXPENDITURES:</b>												
Instructional services:												
Salaries	77,884	77,884	79,233	(1,349)	-	-	-	-	131,237	140,129	610,833	(470,704)
Employee benefits	20,938	20,938	21,546	(608)	-	-	-	-	32,099	23,207	120,216	(97,009)
Purchased services	-	-	-	-	16,479	16,479	2,080	14,399	88,411	88,411	161,401	(72,990)
Supplies and materials	5,737	5,737	3,193	2,544	6,500	6,500	2,321	4,179	3,827	3,827	50,470	(46,643)
Capital outlay	-	-	-	-	-	-	-	-	24,029	24,029	31,092	(7,063)
Total expenditures	104,559	104,559	103,972	587	22,979	22,979	4,401	18,578	279,603	279,603	974,012	(694,409)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -	587	\$ 587	\$ -	\$ -	-	\$ -	\$ -	\$ -	(83,489)	\$ (83,489)
<b>OTHER FINANCING SOURCES (USES):</b>												
Transfers in			-				-				-	
Transfers out			-				(1,556)				-	
Total other financing sources (uses)			-				(1,556)				-	
<b>NET CHANGE IN FUND BALANCE</b>			587				(1,556)				(83,489)	
<b>FUND BALANCE (DEFICIT), UNRESERVED, BEGINNING OF YEAR</b>			536				1,556				183,142	
<b>FUND BALANCE (DEFICIT), UNRESERVED, END OF YEAR</b>			\$ 1,123				\$ -				\$ 99,653	

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
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 EDUCATION FUND ACCOUNTS - BUDGETARY COMPARISON SCHEDULE  
 Year Ended June 30, 2010

SCHEDULE 6  
 (CONTINUED)

	Teacher Mentoring				Total			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES:</b>								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,804	\$ 58,804
State sources	165,880	165,880	225,436	59,556	1,030,681	1,030,681	1,501,962	471,281
Federal sources	-	-	-	-	373,711	373,711	456,372	82,661
<b>Total revenues</b>	<u>165,880</u>	<u>165,880</u>	<u>225,436</u>	<u>59,556</u>	<u>1,404,392</u>	<u>1,404,392</u>	<u>2,017,138</u>	<u>612,746</u>
<b>EXPENDITURES:</b>								
Instructional services:								
Salaries	35,000	55,875	93,656	(37,781)	848,230	864,471	1,357,708	(493,237)
Employee benefits	9,000	4,000	4,895	(895)	188,987	178,113	271,230	(93,117)
Purchased services	86,080	59,300	128,292	(68,992)	253,845	230,765	383,356	(152,591)
Supplies and materials	35,800	46,705	64,580	(17,875)	89,301	107,014	156,640	(49,626)
Capital outlay	-	-	-	-	24,029	24,029	31,092	(7,063)
<b>Total expenditures</b>	<u>165,880</u>	<u>165,880</u>	<u>291,423</u>	<u>(125,543)</u>	<u>1,404,392</u>	<u>1,404,392</u>	<u>2,200,026</u>	<u>(795,634)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(65,987)</u>	<u>\$ (65,987)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(182,888)</u>	<u>\$ (182,888)</u>
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in			-				9,785	
Transfers out			-				(1,556)	
<b>Total other financing sources (uses)</b>			<u>-</u>				<u>8,229</u>	
<b>NET CHANGE IN FUND BALANCE</b>			<u>(65,987)</u>				<u>(174,659)</u>	
<b>FUND BALANCE (DEFICIT), UNRESERVED, BEGINNING OF YEAR</b>			<u>(815)</u>				<u>126,634</u>	
<b>FUND BALANCE (DEFICIT), UNRESERVED, END OF YEAR</b>			<u>\$ (66,802)</u>				<u>\$ (48,025)</u>	

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION #17**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
 June 30, 2010

**SCHEDULE 7**

<b>ASSETS</b>	<b><u>Bus Driver Training</u></b>	<b><u>General Education Development</u></b>	<b><u>Supervisory</u></b>	<b><u>Totals</u></b>
Cash and cash equivalents	\$ 3,311	\$ 38,448	\$ 8,297	\$ 50,056
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
None	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>				
Unreserved	<u>3,311</u>	<u>38,448</u>	<u>8,297</u>	<u>50,056</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 3,311</u></b>	<b><u>\$ 38,448</u></b>	<b><u>\$ 8,297</u></b>	<b><u>\$ 50,056</u></b>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2010**

	<u>Bus Driver Training</u>	<u>General Education Development</u>	<u>Supervisory</u>	<u>Totals</u>
<b>REVENUES:</b>				
Local sources	\$ 5,001	\$ 25,656	\$ 96	\$ 30,753
State sources	1,546	-	3,000	4,546
Total revenues	<u>6,547</u>	<u>25,656</u>	<u>3,096</u>	<u>35,299</u>
<b>EXPENDITURES:</b>				
Instructional services:				
Salaries	-	3,225	-	3,225
Employee benefits	-	247	-	247
Purchased services	2,672	15,145	287	18,104
Supplies and materials	177	4,876	-	5,053
Other objects	-	400	-	400
Total expenditures	<u>2,849</u>	<u>23,893</u>	<u>287</u>	<u>27,029</u>
<b>NET CHANGE IN FUND BALANCE</b>	3,698	1,763	2,809	8,270
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>(387)</u>	<u>36,685</u>	<u>5,488</u>	<u>41,786</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 3,311</u>	<u>\$ 38,448</u>	<u>\$ 8,297</u>	<u>\$ 50,056</u>

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
AGENCY FUNDS  
June 30, 2010**

	<u>Distributive Fund</u>	<u>Regional Board of School Trustees Fund</u>	<u>Cooperative Purchasing Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 23,710	\$ 2,245	\$ 212,974	\$ 238,929
Due from other governments	<u>-</u>	<u>-</u>	<u>310,328</u>	<u>310,328</u>
<b>TOTAL ASSETS</b>	<u>\$ 23,710</u>	<u>\$ 2,245</u>	<u>\$ 523,302</u>	<u>\$ 549,257</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 23,710</u>	<u>\$ 2,245</u>	<u>\$ 523,302</u>	<u>\$ 549,257</u>



DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION #17  
 COMBINING STATEMENT OF CHANGES IN  
 ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 Year Ended June 30, 2010

SCHEDULE 10

	<u>Balance,</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance,</u> <u>June 30, 2010</u>
<b>DISTRIBUTIVE FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 280,098	\$ 11,060,674	\$ 11,317,062	\$ 23,710
<b>LIABILITIES</b>				
Due to other governments	\$ 280,098	\$ 11,060,674	\$ 11,317,062	\$ 23,710
 <b>REGIONAL BOARD OF SCHOOL TRUSTEES FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,515	\$ 1,500	\$ 770	\$ 2,245
<b>LIABILITIES</b>				
Due to other governments	\$ 1,515	\$ 1,500	\$ 770	\$ 2,245
 <b>COOPERATIVE PURCHASING FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 200,500	\$ 474,201	\$ 461,727	\$ 212,974
Due from other governments	-	310,328	-	310,328
<b>TOTAL ASSETS</b>	<u>\$ 200,500</u>	<u>\$ 784,529</u>	<u>\$ 461,727</u>	<u>\$ 523,302</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 200,500</u>	<u>\$ 784,529</u>	<u>\$ 461,727</u>	<u>\$ 523,302</u>
 <b>TOTAL ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 482,113	\$ 11,536,375	\$ 11,779,559	\$ 238,929
Due from other governments	-	310,328	-	310,328
<b>TOTAL ASSETS</b>	<u>\$ 482,113</u>	<u>\$ 11,846,703</u>	<u>\$ 11,779,559</u>	<u>\$ 549,257</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 482,113</u>	<u>\$ 11,846,703</u>	<u>\$ 11,779,559</u>	<u>\$ 549,257</u>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES

SCHEDULE 11

REGIONAL OFFICE OF EDUCATION #17

SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES

June 30, 2010

<u>Program</u>	<u>Cornell District 70</u>	<u>Cornell District 426</u>	<u>Flanagan District 4</u>	<u>Livingston County Special Services</u>	<u>Mackinaw Valley Special Education</u>	<u>Rooks Creek CSD 425</u>	<u>Regional Office of Education</u>	<u>Totals</u>
General State Aid	\$ -	\$ 290,134	\$ -	\$ -	\$ -	\$ 17,943	\$ 1,349,390	\$ 1,657,467
General State Aid Hold Harmless	-	9,989	-	-	-	-	-	9,989
Transportation	-	-	-	-	-	148	-	148
Special Education Private Facility	-	-	7,914	-	-	-	-	7,914
Special Education Extraordinary	-	19,498	-	-	-	3,265	-	22,763
Special Education Personnel	-	10,532	29,660	354,255	6,671	5,700	250,752	657,570
Summer Special Education	-	311	-	-	-	-	-	311
Career Lab	-	-	-	-	-	-	10,100	10,100
Gifted Education	-	-	-	-	-	-	112,788	112,788
Illinois Free Lunch	-	1,274	-	776	-	43	978	3,071
Breakfast Illinois	-	-	-	4	-	-	180	184
ICCB Adult Education Basic	-	-	-	-	-	-	91,119	91,119
ICCB Adult Education Performance	-	-	-	-	-	-	95,693	95,693
ICCB Adult Education Public	-	-	-	-	-	-	71,492	71,492
Transportation Regular	17,961	25,823	83,418	-	-	38,681	-	165,883
Transportation Special Education	48,819	-	62,857	11,414	-	2,462	-	125,552
Teacher Leaders	-	-	-	12	-	5	-	17
School Bus Driver Training	-	-	-	-	-	-	1,546	1,546
Truant Alternative Optional Education	-	-	-	-	-	-	89,522	89,522
Regional Safe School Program	-	-	-	-	-	-	309,165	309,165
Early Childhood Block Grant	-	-	-	-	-	-	134,364	134,364
Reading Improvement Block Grant	-	3,203	-	-	-	937	-	4,140
ROE/ISC Operations	-	-	-	-	-	-	88,016	88,016
Supervisory	-	-	-	-	-	-	3,000	3,000
Safety Education Block Grant	-	482	-	-	-	448	-	930
Teacher Mentoring	-	-	-	-	-	-	177,600	177,600
National School Lunch Program	-	19,096	-	8,215	-	2,160	7,732	37,203
School Breakfast Program	-	7,735	-	4,743	-	334	7,113	19,925
Title I Low Income	-	23,627	-	-	-	-	-	23,627
Even Start Family Literacy	-	-	-	-	-	-	160,548	160,548
Title I - Reading First	-	-	-	-	-	-	6,000	6,000
Title IV - Safe & Drug Free Schools - Formula	-	400	-	-	-	81	-	481
Preschool Special Ed.	-	-	-	64,220	73,039	-	-	137,259
IDEA Special Ed. Flow Through	-	-	-	1,566,083	2,726,696	-	-	4,292,779
ICCB Federal Adult Education	-	-	-	-	-	-	84,116	84,116
ICCB English Language Civics	-	-	-	-	-	-	104,559	104,559
ARRA - General State Aid	-	64,640	-	-	-	3,993	299,864	368,497
ARRA - IDEA	-	10,068	-	1,226,210	998,039	-	-	2,234,317
Title II Teacher Quality	-	5,251	-	-	-	1,778	-	7,029
Technology	-	378	-	-	-	-	-	378
<b>Totals</b>	<b>\$ 66,780</b>	<b>\$ 492,441</b>	<b>\$ 183,849</b>	<b>\$ 3,235,932</b>	<b>\$ 3,804,445</b>	<b>\$ 77,978</b>	<b>\$ 3,455,637</b>	<b>\$ 11,317,062</b>

DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2010

Federal Grantor/Pass- Through Grantor, Program or Cluster Title	CFDA Number	Project Number (1st 8 digits) or Contract #	Federal Expenditures 7/1/2009-6/30/2010
U.S. Department of Agriculture passed through			
Illinois State Board of Education:			
School Breakfast Program	10.553	10-4220-00	\$ 5,900
National School Lunch Program	10.555	10-4210-00	7,181
Total U.S. Department of Agriculture Child Nutrition Cluster			<u>13,081</u>
U.S. Department of Education passed through			
Illinois State Board of Education:			
Evenstart State Educational Agencies (M) Evenstart Family Literacy	84.213C	10-4335-00	157,518
Illinois State Board of Education:			
Migrant Education State Grant Program Title I - Migrant Education	84.011A	09-4340-01	8,304
Illinois State Board of Education:			
Title I - Reading First Part B SEA Funds	84.357A	10-4337-00	4,401
Illinois State Board of Education:			
State Fiscal Stabilization Funds (SFSF) - Education State Grants Recovery Act (Education Stabilization Fund) (M) ARRA - General State Aid	84.394A	10-4850-93	65,526
State Fiscal Stabilization Funds (SFSF) - Education State Grants Recovery Act (Education Stabilization Fund) (M) ARRA - General State Aid	84.394A	10-4850-95	159,372
			<u>224,898</u>
State Fiscal Stabilization Funds (SFSF) - Government Services, Recovery Act			
(M) ARRA - General State Aid	84.397A	10-4870-93	21,842
State Fiscal Stabilization Funds (SFSF) - Government Services, Recovery Act			
(M) ARRA - General State Aid	84.397A	10-4870-95	53,124
			<u>74,966</u>
Total State Fiscal Stabilization Cluster			<u>299,864</u>
Regional Office of Education No. 32 - I-Kan:			
Title I Grants to Local Educational Agencies			
Title I - School Improvement and Accountability	84.010A	10-4331-SS	150,049
Mackinaw Valley Special Education Association			
Title I - Neglect	84.010A	N/A	2,738
			<u>152,787</u>
Regional Office of Education No. 32 - I-Kan:			
Improving Teacher Quality State Grants			
Title II - Teacher Quality	84.367A	10-4935-SS	28,039
Illinois Community College Board:			
Adult Education - Basic Grants to States			
Adult Education	84.002A	10-4800-00	84,116
Adult Education-English Language Civics Grant	84.002A	10-4805-00	103,972
Total Adult Education			<u>188,088</u>
Illinois Department of Human Services			
Rehabilitation Services Vocational Rehabilitation Grants to States			
Step Grant	84.126	40CL001581	30,627
Total U.S. Department of Education			<u>869,628</u>
U.S. Department of Housing and Urban Development passed through			
Housing Authority of the City of Bloomington:			
Supportive Housing Program			
Continuum of Care	14.235	10-4099-00	20,595
HUD Technology Grant	14.870	N/A	6,241
			<u>26,836</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ <u>909,545</u></b>

(M) Program was audited as a major program

The accompanying notes are an integral part of this schedule.

**DEWITT, LIVINGSTON, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION #17  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2010**

**NOTE 1 - REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Regional Office of Education #17 and is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of these basic financial statements.

**NOTE 2 - SUBRECIPIENTS**

NONE

**NOTE 3 - DESCRIPTION OF MAJOR FEDERAL PROGRAMS**

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

Evenstart Family Literacy - this program provides early childhood education, adult English as a Second Language education, parenting and parent-child interactions for low income and limited English speaking families with children aged 6 weeks to 3 years.

**NOTE 4 - NON-CASH ASSISTANCE**

NONE

**NOTE 5 - AMOUNT OF INSURANCE**

NONE

**NOTE 6 - LOANS OR LOAN GUARANTEES OUTSTANDING**

NONE

This information is an integral part of the accompanying schedule.