



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #24
GRUNDY AND KENDALL COUNTIES

FINANCIAL AUDIT
For the Year Ended: June 30, 2024

Release Date: January 22, 2025

FINDINGS THIS AUDIT: 1				AGING SCHEDULE OF REPEATED FINDINGS			
				Repeated Since	Category 1	Category 2	Category 3
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	2023			
Category 1:	0	1	1		24-1		
Category 2:	0	0	0				
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
TOTAL	0	1	1				
FINDINGS LAST AUDIT: 2							

SYNOPSIS

- **(24-1)** The Regional Office of Education #24 did not have sufficient internal controls over the financial reporting process.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).
Category 2: Findings that are **significant deficiencies** in internal control and/or **noncompliance** with State laws and regulations.
Category 3: Findings that have **no internal control issues but are in noncompliance** with federal and/or State laws and regulations.

REGIONAL OFFICE OF EDUCATION #24
GRUNDY AND KENDALL COUNTIES

FINANCIAL AUDIT
For The Year Ended June 30, 2024

	FY 2024	FY 2023
TOTAL REVENUES	\$4,579,765	\$3,816,465
Local Sources	\$784,669	\$876,767
% of Total Revenues	17.13%	22.97%
State Sources	\$3,519,124	\$2,496,206
% of Total Revenues	76.84%	65.41%
Federal Sources	\$275,972	\$443,492
% of Total Revenues	6.03%	11.62%
TOTAL EXPENDITURES	\$4,304,939	\$3,487,051
Salaries and Benefits	\$2,392,376	\$1,843,429
% of Total Expenditures	55.57%	52.86%
Purchased Services	\$1,409,021	\$730,470
% of Total Expenditures	32.73%	20.95%
All Other Expenditures	\$503,542	\$913,152
% of Total Expenditures	11.70%	26.19%
TOTAL NET POSITION	\$2,004,954	\$1,730,128
INVESTMENT IN CAPITAL ASSETS	\$0	\$0
Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Honorable Christopher Mehochko Currently: Honorable Christopher Mehochko

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

CONTROLS OVER FINANCIAL STATEMENT PREPARATION

The Regional Office of Education #24 did not have sufficient internal controls over the financial reporting process.

The Regional Office of Education #24 (ROE) did not have sufficient internal controls over the financial reporting process. While the ROE maintained controls over the processing of most accounting transactions, there were not sufficient controls over the preparation of the cash-basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure errors and omissions in a timely manner. The ROE's draft financial statements needed a material adjustment to the Institute fund in order to present the financial statements in accordance with the cash basis of accounting.

The ROE is required to maintain a system of controls over the preparation of financial statements in accordance with the cash basis of accounting. The ROE's internal controls over financial reporting should include adequately trained personnel with the knowledge, skills, and expertise to prepare and/or thoroughly review cash-basis financial statements to ensure that they are free of material misstatements and include all disclosures as required by the cash basis of accounting.

Regional Office management indicated a grouping issue in the drafting of the financial statement accounts caused the revenue and expenses to be overstated. (Finding 24-001, page 10)

The auditors recommended as part of its internal control over the preparation of financial statements, including disclosures, the ROE should implement comprehensive preparation and/or review procedures to ensure the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable accounting principles and knowledge of the ROE's activities and operations.

ROE Response: *The ROE financial team met with the CPA firm that prepares the financial statements. All parties understand the process that needs to be taken to ensure that the financial statements, including disclosures, are complete and accurate.*

AUDITORS' OPINION

Our auditors state the Regional Office of Education #24's financial statements as of June 30, 2024 are fairly presented in all material respects.

This financial audit was conducted by the firm of West & Company, LLC.

SIGNED ORIGINAL ON FILE

JOE BUTCHER
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:BAO