

State of Illinois
BUREAU/HENRY/STARK COUNTIES
REGIONAL OFFICE OF EDUCATION #28
FINANCIAL AUDIT
(In Accordance with the Single Audit Act & OMB Circular A-133)
For the Year Ended June 30, 2007

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28

TABLE OF CONTENTS

	<u>Page</u>
Officials	4
Compliance Report Summary	5

FINANCIAL SECTION – BASIC FINANCIAL STATEMENTS

Financial Statement Report Summary	6
Independent Auditors' Report	7-8
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	9-10
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	11-12

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AND
CORRECTIVE ACTION PLAN

Schedule of Findings and Questioned Costs	
Section I - Summary of Auditor's Results	13-14
Section II - Financial Statement Findings	15-16
Section III – Federal Award Findings	17
Corrective Action Plan For Current Year Audit Findings	18
Summary Schedule of Prior Year's Findings	19

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis	20-23
--------------------------------------	-------

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:	
Statement of Net Assets	24
Statement of Activities	25
Fund Financial Statements:	
Balance Sheet – Governmental Funds	26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Governmental Funds	29
Statement of Fiduciary Net Assets	30
Notes to the Financial Statements	31-47

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28

TABLE OF CONTENTS

	<u>Page</u>
<u>SUPPLEMENTARY INFORMATION</u>	
Combining Schedule of Accounts – General Fund Accounts	48
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – General Fund Accounts	49
Budgetary Comparison Schedule – General Fund Accounts	50
Combining Schedule of Accounts – Education Fund Accounts	51-59
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Education Fund Accounts	60-68
Budgetary Comparison Schedules – Education Fund Accounts	69-74
Combining Balance Sheet – Nonmajor Special Revenue Funds	75
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	76
Budgetary Comparison Schedules – Nonmajor Special Revenue Funds	77
Statement of Changes in Assets and Liabilities - Agency Funds	78

OTHER FINANCIAL DATA

Schedule of Disbursements to School District Treasurers and Other Entities	79-87
--	-------

FEDERAL COMPLIANCE SECTION

Schedule of Expenditures of Federal Awards	88
Notes to the Schedule of Expenditures of Federal Awards	89

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28

OFFICIALS

Regional Superintendent Dr. Bruce Dennison (current and during the audit period)

Assistant Regional Superintendent Ms. Angela Zarvell (current and during the audit period)

Offices are located at:

107 South State Street
Atkinson, Illinois 61235-9788

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28

COMPLIANCE REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	2	1
Repeated audit findings	0	1 (partial)
Prior recommendations implemented or not repeated	1	0

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)		
07-1	15	Controls over financial statement preparation
07-2	16	Capitalization policy
PRIOR AUDIT FINDINGS NOT REPEATED (<i>GOVERNMENT AUDITING STANDARDS</i>)		
06-1	19	Controls over compliance with laws and regulations

EXIT CONFERENCE

Management waived having an exit conference per a letter dated February 25, 2008. Response to the recommendation was provided by Dr. Bruce Dennison, Regional Superintendent, on April 15, 2008.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of Bureau/Henry/Stark Counties Regional Office of Education #28 (ROE) was performed by Ginoli & Company Ltd.

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



GINOLI & COMPANY LTD

Certified Public Accountants and Business Consultants

411 Hamilton Blvd., Suite 1616, Peoria Illinois 61602-1104 / 309-671-2350
Morton Line: 309-266-5923 / Teletax: 309-671-5459 / email@ginolicpa.com

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, each major fund, and the aggregate remaining fund information of the Bureau/Henry/Stark Counties Regional Office of Education #28, as of and for the year ended June 30, 2007, which collectively comprise the Bureau/Henry/Stark Counties Regional Office of Education #28's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Bureau/Henry/Stark Counties Regional Office of Education #28's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bureau/Henry/Stark Counties Regional Office of Education #28, as of June 30, 2007, and the respective changes in financial position 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 June 10, 2008 on our consideration of Bureau/Henry/Stark Counties Regional Office of Education #28'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 on pages 20 through 23 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bureau/Henry/Stark Counties Regional Office of Education #28's basic financial statements. The combining and individual nonmajor fund financial statements, the Schedule of Disbursements to School District Treasurers and Other Entities and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by 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 Bureau/Henry/Stark Counties Regional Office of Education #28. The combining and individual nonmajor fund financial statements, the Schedule of Disbursements to School District Treasurers and Other Entities, budgetary comparison schedules and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

GINOLI & COMPANY LTD

GINOLI & COMPANY LTD
Certified Public Accountants

Peoria, Illinois
June 10, 2008



GINOLI & COMPANY LTD

Certified Public Accountants and Business Consultants

411 Hamilton Blvd., Suite 1616, Peoria, Illinois 61602-1104 / 309 671-2350
Morton Line: 309 266-5923 / Telefax: 309 671-5459 / email@ginolcpa.com

**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, each major fund, and the aggregate remaining fund information of the Bureau/Henry/Stark Counties Regional Office of Education #28, as of and for the year ended June 30, 2007, which collectively comprise Bureau/Henry/Stark Counties Regional Office of Education #28's basic financial statements and have issued our report thereon dated June 10, 2008. 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 Bureau/Henry/Stark Counties Regional Office of Education #28'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 our opinion on the effectiveness of Bureau/Henry/Stark Counties Regional Office of Education #28's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Bureau/Henry/Stark Counties Regional Office of Education #28's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Bureau/Henry/Stark Counties Regional Office of Education #28's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a more than a remote likelihood that a misstatement of Bureau/Henry/Stark Counties Regional Office of Education #28's financial statements that is more than inconsequential will not be prevented or detected by Bureau/Henry/Stark Counties Regional Office of Education #28's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting, 07-1 and 07-2.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Bureau/Henry/Stark Counties Regional Office of Education #28's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies, and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 07-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bureau/Henry/Stark Counties Regional Office of Education #28'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*.

Bureau/Henry/Stark Counties Regional Office of Education #28's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Bureau/Henry/Stark Counties Regional Office of Education #28's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, agency management, others within the 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.

GINOLI & COMPANY LTD

GINOLI & COMPANY LTD
Certified Public Accountants

Peoria, Illinois
June 10, 2008



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

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of the Bureau/Henry/Stark Counties Regional Office of Education #28 with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The Regional Office of Education #28's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Regional Office of Education #28's management. Our responsibility is to express an opinion on the Regional Office of Education #28's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133; *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Regional Office of Education #28'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 on the Regional Office of Education #28's compliance with those requirements.

In our opinion, the Bureau/Henry/Stark Counties Regional Office of Education #28 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the Bureau/Henry/Stark Counties Regional Office of Education #28 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 Bureau/Henry/Stark Counties Regional Office of Education #28's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Regional Office of Education #28's internal control over compliance.

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

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

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

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

GINOLI & COMPANY LTD

GINOLI & COMPANY LTD
Certified Public Accountants

Peoria, Illinois
June 10, 2008

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: unqualified
(unqualified, qualified, adverse, disclaimer)

Internal control over financial reporting:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? X yes none reported
- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

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

Type of auditors' report issued on compliance for major programs: unqualified
(unqualified, qualified, adverse, disclaimer)

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007
(CONTINUED)

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.287C	Title IV-21st Century Community Learning Centers

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

\$ 300,000

Auditee qualified as low-risk auditee

X yes no

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II - FINANCIAL STATEMENT FINDINGS
For The Year Ended June 30, 2007

FINDING NO. 07-1 - Controls Over Financial Statement Preparation

Criteria/Specific Requirement:

The Bureau/Henry/Stark Counties Regional Office of Education #28 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 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 does not have sufficient internal controls over the financial reporting process. The Regional Office maintains their accounting records on the accrual basis of accounting for disbursements and the cash basis of accounting for receipts. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner. For example, auditors, in their review of the Regional Office's accounting records, noted the following:

- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable and deferred revenues.
- The Regional Office did not have adequate controls over the maintenance of accurate capital asset additions and deletions, and depreciation.
- The Regional Office did not maintain adequate internal controls over the processing of all financial transactions, and 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:

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

Recommendation:

As part of its internal control over the preparation of its financial statements, including disclosures, the Regional Office of Education #28 should implement a comprehensive preparation and /or review procedure to ensure that the financial statements, including note 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:

At the present time, the additional cost to the Regional Office of Education #28 of hiring and training additional staff or contracting the service outweighs the benefits. The Regional Superintendent and Assistant Regional Superintendent will review financial transactions and financial reports on a periodic basis. The Regional Office will review, approve, and accept responsibility for the financial statements and related items. If additional resources are made available through the state, the Regional Office will consider seeking the services of an accountant to review the financial statements and related disclosures for completeness and accuracy.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II - FINANCIAL STATEMENT FINDINGS
For The Year Ended June 30, 2007

Finding No. 07-2 – Capitalization Policy

Criteria/Specific Requirement:

The Regional Office of Education #28's capitalization policy is to capitalize all capital asset purchases that exceed \$500.

Condition:

The Regional Office of Education #28 did not include computer equipment with purchase prices totaling \$29,234 on their capital asset listing.

Effect:

Capital assets were understated by \$29,234. In addition, the capital asset listing was incomplete.

Cause:

The Regional Office of Education #28's accounting personnel misunderstood what type of assets should be included on the capital asset listing.

Recommendation:

The Regional Office of Education #28 should review the capital asset purchases with the original supporting documentation to ensure that the Regional Office of Education #28's capitalization policy is being followed.

Management's Response:

The Regional Superintendent agrees with the finding. The Regional Office of Education #28 will review the capital asset purchases with the original supporting documentation to ensure that the Regional Office of Education #28's capitalization policy is being followed.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION III - FEDERAL AWARD FINDINGS
For The Year Ended June 30, 2007

There were no findings for the fiscal year ended June 30, 2007.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
JUNE 30, 2007

Corrective Action Plan

Finding No: 07-1

Condition:

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

- The Regional Office did not have adequate controls over the maintenance of complete records of accounts receivable and deferred revenues.
- The Regional Office did not have adequate controls over the maintenance of accurate capital asset additions and deletions, and depreciation.
- The Regional Office did not maintain adequate internal controls over the processing of all financial transactions, and numerous adjustments were required to present financial statements in accordance with generally accepted accounting principles.

Corrective Action Plan:

At the present time, the additional cost to the Regional Office of Education #28 of hiring and training additional staff or contracting the service outweighs the benefits. The Regional Superintendent and Assistant Regional Superintendent will review financial transactions and financial reports on a periodic basis. The Regional Office will review, approve, and accept responsibility for the financial statements and related items. If additional resources are made available through the state, the Regional Office will consider seeking the services of an accountant to review the financial statements and related disclosures for completeness and accuracy.

Anticipated Completion Date:

June 30, 2008

Contact Person:

Dr. Bruce Dennison, Regional Superintendent

Corrective Action Plan

Finding No: 07-2

Condition:

The Regional Office of Education #28 did not include computer equipment with purchase prices totaling \$29,234 on their capital asset listing.

Corrective Action Plan:

The Regional Office of Education #28 will review the capital asset purchases with the original supporting documentation to ensure that the Regional Office of Education #28's capitalization policy is being followed.

Anticipated Completion Date:

June 30, 2008

Contact Person:

Dr. Bruce Dennison, Regional Superintendent

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
SUMMARY SCHEDULE OF PRIOR YEAR'S FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
06-1	A. Public Act 95-496 repealed the requirements of 105 ILCS 5/3-14.5	A. Resolved
	B. The Regional Office now submits the required information to the county board.	B. Resolved
	C. Public Act 95-496 repealed the requirements of 105 ILCS 5/3-14.11	C. Resolved

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007

The Regional Office of Education #28 for the Counties of Bureau, Henry and Stark 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, 2007. Readers are encouraged to consider this information in conjunction with the Regional Office's financial statements which follow.

2007 Financial Highlights

- Within the Governmental Funds;
 - The General Fund revenue increased by \$31,473 from \$660,236 in fiscal year 2003 to \$691,709 in fiscal year 2004. However, General Fund revenue decreased by \$58,881 to \$632,828 in FY05, then increased by \$40,857 to \$673,685 in FY06. In FY 07, GFR increased by \$90,968 to \$764,653.
 - The General Fund expenditures decreased by \$52,664 from \$707,551 in fiscal year 2003 to \$654,887 in fiscal year 2004. General Fund expenditures continued to decrease in FY05, by \$19,843 to \$635,044, then increased by \$51,567 to \$686,611 in FY06. In FY07, GFE continued to increase by \$65,672 to \$752,283.

- Within the Governmental Funds;
 - The Special Revenue Funds revenue increased by \$549,370 from \$1,034,346 in fiscal year 2003 to \$1,583,716 in fiscal year 2004. However, Special Revenue Funds revenue decreased by \$14,795 to \$1,568,921 in FY05, and decreased by \$206,453 to \$1,362,468 in FY06. In FY 07, SRF revenue increased by \$56,222 to \$1,418,690.
 - The Special Revenue Funds expenditures increased by \$560,449 from \$1,025,580 in fiscal year 2003 to \$1,586,029 in fiscal year 2004. However, Special Revenue Funds expenditures decreased by \$24,437 to \$1,561,592 in FY05, and decreased by \$207,128 to \$1,354,464 in FY06. In FY07, SRF expenditures increased by \$80,925 to \$1,435,389.

- Within the Governmental Funds;
 - The General Fund balance increased by \$36,822 from \$149,171 in fiscal year 2003 to \$185,993 in fiscal year 2004. However, the General Fund balance decreased by \$2,216 to \$183,777 in FY05, and decreased by \$12,926 to \$170,851 in FY06. In FY07, the GF balance increased by \$12,370 to \$183,221.
 - The Special Revenue Funds fund balance decreased by \$2,313 from \$10,826 in fiscal year 2003 to \$8,513 in fiscal year 2004. However, the Special Revenue Funds fund balance increased by \$7,329 to \$15,842 in FY05, and by \$8,004 to \$23,846 in FY06. In FY07, SRF balance decreased by \$16,699 to \$7,147.

Using This Report

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

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office's financial activities.
- The Government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of the Regional Office of Education as a whole and present an overall view of the Office's finances.
- Fund financial statements report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- Notes to the financial statements provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements and supplementary information provides detail information about the non-major funds.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007

Reporting the Office as a Whole

The Statement of Net Assets and the Statement of Activities

The Government-wide statements report information about the Regional Office of Education #28 as a whole. The Statement of Net Assets includes all of the assets and liabilities. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid, using accounting methods similar to those used by private-sector companies.

The two Government-wide statements report the Office's net assets and how they have changed. Net assets-the difference between the assets and liabilities-are one way to measure the Office's financial health or position.

- Over time, increases and decreases in the net assets can be an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the Regional Office's overall health, additional non-financial factors, such as new laws, rules, regulations, and actions by officials at the state level need to be considered.

The Government-wide financial statements present all of the Office's activities as governmental activities. Local, state and federal aid finances most of these activities.

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds. Funds are accounting devices which allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education #28 established other funds to control and manage money for particular purposes.

The Office has two types of funds:

- 1) Governmental funds account for all of the Office's services. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. The Office's Governmental Funds include: The General Fund and the Special Revenue Funds.

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

- 2) Fiduciary funds are used to account for assets held by the Regional Office of Education #28 in a trust capacity or as an agent for individual and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

Office-Wide Financial Analysis

As noted earlier, net assets may serve when examined over time as one indicator of the financial position of the Regional Office. The Total Net Assets can be summarized as follows: FY03 \$267,633 -FY04 \$298,935- FY05 \$331,841 -FY06 \$294,935, FY07 - \$298,055. The analysis that follows provides a comparison of the Office's net assets for the governmental funds:

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007

CONDENSED STATEMENT OF NET ASSETS
Governmental Activities

	<u>FY07</u>	<u>FY06</u>	<u>FY05</u>	<u>FY04</u>
Current Assets	\$1,197,594	\$1,066,676	\$897,995	\$660,003
Capital Assets, Net	<u>107,687</u>	<u>100,238</u>	<u>132,222</u>	<u>104,429</u>
Total Assets	\$1,305,281	\$1,166,914	\$1,030,217	\$764,432
Current Liabilities	<u>\$ 1,007,226</u>	<u>\$871,979</u>	<u>\$698,376</u>	<u>\$465,497</u>
Total Liabilities	<u>\$1,007,226</u>	<u>\$871,979</u>	<u>\$698,376</u>	<u>\$465,497</u>
Net Assets				
Invested in Capital Assets, net of related debt	\$107,687	\$100,238	\$132,222	\$104,429
Unrestricted	184,914	186,535	192,967	193,013
Restricted for teacher prof. development	<u>5,454</u>	<u>8,162</u>	<u>6,652</u>	<u>1,493</u>
Total Net Assets	<u>\$298,055</u>	<u>\$294,935</u>	<u>\$331,841</u>	<u>\$298,935</u>

The Regional Office of Education's net assets increased by \$31,302 from FY03, and \$32,906 from FY04 to FY05. Net Assets decreased by \$36,906 from FY05 to FY06. However, net assets increased by \$3,120 to FY07. The following analysis shows the changes in net assets for the year ended June 30, 2007:

CHANGES IN NET ASSETS
Governmental Activities

	<u>FY07</u>	<u>FY06</u>	<u>FY05</u>	<u>FY04</u>
Revenues:				
Program Revenues:				
Operating grants and contributions	\$1,198,380	\$1,130,404	\$979,018	\$1,480,615
Capital grants and contributions	<u>1,260</u>	<u>1,274</u>	<u>1,483</u>	<u>11,779</u>
	\$1,199,640	\$1,131,678	\$980,501	\$1,492,394
General Revenues				
Local sources	136,672	140,083	168,343	164,277
State sources	194,212	172,856	510,267	54,925
On-behalf payments-State/Local	<u>652,819</u>	<u>591,536</u>	<u>542,638</u>	<u>563,829</u>
Total Revenues	<u>\$2,183,343</u>	<u>\$2,036,153</u>	<u>\$2,201,749</u>	<u>\$2,275,425</u>
Expenses:				
Program Expenses:				
Purchased services	\$265,076	\$255,402	\$210,467	\$ 221,242
Supplies and Materials	65,368	108,896	96,834	107,171
Payments to other governments	1,172,837	1,085,241	1,330,185	1,326,247
Depreciation expense	24,123	31,984	23,066	25,634
Administrative Expenses:				
On-behalf payments-State/Local	<u>652,819</u>	<u>591,536</u>	<u>542,638</u>	<u>563,829</u>
Total Expenses	<u>\$2,180,223</u>	<u>\$2,073,059</u>	<u>\$2,203,190</u>	<u>\$2,244,123</u>
Increase (Decrease) in Net Assets	\$ 3,120	\$(36,906)	\$ (1,441)	\$ 31,302
Correction to beginning accumulated depreciation	-	-	34,347	-
Net Assets beginning of year	<u>294,935</u>	<u>331,841</u>	<u>298,935</u>	<u>267,633</u>
Net Assets end of year	<u>\$298,055</u>	<u>\$294,935</u>	<u>\$331,841</u>	<u>\$298,935</u>

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007

Financial Analysis of the Regional Office of Education #28 Funds

Revenues for governmental activities were \$2,275,425 and expenses were \$2,244,123 in FY04. In FY05, revenues were \$2,201,749 and expenses were \$2,203,190. For FY06, revenues were \$2,036,153 and expenditures were \$2,073,059. Revenues were \$2,183,343 and expenditures were \$2,180,223 for FY07. As previously noted, the Regional Office of Education #28 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Office's Governmental Funds reported combined fund balances of \$194,506 at the end of FY04. This was an increase of \$34,509 over the ending balance of \$159,997 at the end of FY03. FY05 showed an increase of \$5,113 over the ending balance of \$194,506 at the end of FY04. However, FY06 showed a decrease of \$4,922 to \$194,697, and further decreased in FY07 by \$4,329 to \$190,368.

The decrease in revenues (\$165,596) for governmental activities in FY06 compared to FY05 was due primarily to a significant decrease in revenues from state and local sources that were only modestly offset with increases in on-behalf payments. Total expenses for FY06 continued to decline compared to FY05 and FY04, and reflected appropriate decreases as a result of the loss of revenues. FY07 increase in revenues was due primarily to increased state sources, with a proportionate increase in expenditures.

Budgetary Highlights:

The Regional Office of Education #28 annually adopts budgets for several funds. All grants budgets are prepared by the Regional Office of Education #28 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Office's actual financial activity are included in the supplementary information of this report.

Capital Assets

Capital Assets of the Regional Office of Education #28 include office equipment, computers, audio-visual equipment and office furniture. The Regional Office of Education #28 maintains an inventory of capital assets. In addition, the Regional Office of Education #28 has adopted a depreciation schedule which reflects the level of Net Governmental Activities Capital Assets of \$107,687. More detailed information about capital assets is available in Notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

- The interest rate on investments remains low and will continue to negatively impact interest earned.
- Several grants have remained near or at previous funding levels. In addition, the School Services funding levels have been reduced.
- The number of students served by the Regional Office of Education #28 is expected to remain approximately the same.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional information, please contact the Regional Superintendent of the Regional Office of Education #28 at 107 South State Street, Atkinson, IL 61235.

BASIC FINANCIAL STATEMENTS

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION # 28
 STATEMENT OF NET ASSETS
JUNE 30, 2007

<u>ASSETS</u>	<u>Primary Government Governmental Activities</u>
Current Assets:	
Cash	\$ 1,176,844
Investments	8,160
Due from other governments:	
State	3,115
Federal	<u>9,475</u>
Total Current Assets	<u>\$ 1,197,594</u>
Noncurrent Assets:	
Capital assets, being depreciated, net	<u>\$ 107,687</u>
Total Assets	<u><u>\$ 1,305,281</u></u>
 <u>LIABILITIES</u> 	
Current Liabilities:	
Accounts payable	\$ 119,381
Due to other governments:	
Local	18,057
State	-
Deferred revenue	<u>869,788</u>
Total Current Liabilities	<u>\$ 1,007,226</u>
 <u>NET ASSETS</u> 	
Investment in capital assets, net of related debt	\$ 107,687
Unrestricted	184,914
Restricted for teacher professional development	<u>5,454</u>
Total Net Assets	<u><u>\$ 298,055</u></u>

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION # 28
 STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
Primary government:	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental</u>	
Governmental activities:				<u>Activities</u>	<u>Total</u>
Instructional services:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Employee benefits	-	-	-	-	-
Purchased services	265,076	165,705	-	(99,371)	(99,371)
Supplies and materials	65,368	62,332	-	(3,036)	(3,036)
Capital outlay	-	-	1,260	1,260	1,260
Other objects	-	420	-	420	420
Payments to other governmental units	1,172,837	969,923	-	(202,914)	(202,914)
Depreciation expense	24,123	-	-	(24,123)	(24,123)
Administrative:					
On-behalf payments - State	200,468	-	-	(200,468)	(200,468)
On-behalf payments - Local	452,351	-	-	(452,351)	(452,351)
Total primary government	\$2,180,223	\$1,198,380	\$ 1,260	\$ (980,583)	\$ (980,583)
General Revenues:					
Local sources				\$ 118,645	\$ 118,645
State sources				194,212	194,212
Investment income				18,027	18,027
On-behalf payments - State				200,468	200,468
On-behalf payments - Local				452,351	452,351
Total general revenues				\$ 983,703	\$ 983,703
				CHANGE IN NET ASSETS	\$ 3,120
				NET ASSETS, BEGINNING OF YEAR	294,935
				NET ASSETS, END OF YEAR	\$ 298,055

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
BALANCE SHEET-GOVERNMENTAL FUNDS
JUNE 30, 2007

<u>ASSETS</u>	General <u>Fund</u>	Education <u>Fund</u>	Nonmajor <u>Funds</u>	Total Governmental <u>Funds</u>
Cash	\$ 102,604	\$ 986,496	\$ 87,744	\$ 1,176,844
Investments	8,160	-	-	8,160
Due from other funds	79,870	-	440	80,310
Due from other governmental units	-	12,590	-	12,590
	<hr/>			
Total Assets	\$ 190,634	\$ 999,086	\$ 88,184	\$ 1,277,904
	<hr/>			
<u>LIABILITIES</u>				
Accounts payable	\$ 6,973	\$ 112,408	\$ -	\$ 119,381
Due to other funds	440	72,807	7,063	80,310
Due to other governmental units	-	18,057	-	18,057
Deferred revenue	-	841,172	28,616	869,788
	<hr/>			
Total Liabilities	\$ 7,413	\$ 1,044,444	\$ 35,679	\$ 1,087,536
	<hr/>			
<u>FUND BALANCES</u>				
Unreserved, reported in:				
General fund	\$ 183,221	\$ -	\$ -	\$ 183,221
Special revenue funds (Deficit)	-	(45,358)	52,505	7,147
	<hr/>			
Total Fund Balances (Deficit)	\$ 183,221	\$ (45,358)	\$ 52,505	\$ 190,368
	<hr/>			
Total Liabilities and Fund Balances	\$ 190,634	\$ 999,086	\$ 88,184	\$ 1,277,904
	<hr/>			

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION # 28
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE STATEMENT OF NET ASSETS
JUNE 30, 2007

Total fund balances-governmental funds \$ 190,368

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

Capital assets, net of accumulated depreciation, used in
governmental activities are not financial resources and, therefore
are not reported in the government funds. 107,687

Net assets of governmental activities \$ 298,055

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Education Fund	Nonmajor Funds	Total Governmental Funds
REVENUES:				
Local sources	\$ 32,308	\$ 84,097	\$ 20,268	\$ 136,673
State sources	79,526	667,369	3,600	750,495
Federal sources	-	643,356	-	643,356
On-behalf payments-State	200,468	-	-	200,468
On-behalf payments-Local	452,351	-	-	452,351
Total Revenues	<u>\$ 764,653</u>	<u>\$ 1,394,822</u>	<u>\$ 23,868</u>	<u>\$ 2,183,343</u>

EXPENDITURES:				
Instructional Services:				
Salaries	\$ -	\$ -	\$ -	\$ -
Employee benefits	-	-	-	-
Purchased services	21,070	228,165	15,841	265,076
Supplies and materials	16,828	46,623	1,917	65,368
Capital outlay	2,338	29,234	-	31,572
Payments to other governmental units	59,228	1,090,638	22,971	1,172,837
On-behalf payments-State	200,468	-	-	200,468
On-behalf payments-Local	452,351	-	-	452,351
Total Expenditures	<u>\$ 752,283</u>	<u>\$ 1,394,660</u>	<u>\$ 40,729</u>	<u>\$ 2,187,672</u>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 12,370	\$ 162	\$ (16,861)	\$ (4,329)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	170,851	(45,520)	69,366	194,697
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 183,221</u>	<u>\$ (45,358)</u>	<u>\$ 52,505</u>	<u>\$ 190,368</u>

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION # 28
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

Net change in fund balances \$ (4,329)

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

Governmental funds report capital outlays as expenditures
while governmental activities report depreciation expense to
allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	31,572
Depreciation expense	(24,123)

Change in net assets of governmental activities \$ 3,120

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

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2007

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 16,591
Investments	-
Due from other governments	690,961
 TOTAL ASSETS	 <u>\$ 707,552</u>
 <u>LIABILITIES</u>	
Due to other governments	<u>\$ 707,552</u>
 TOTAL LIABILITIES	 <u>\$ 707,552</u>

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education's (ROE) accounting policies conform to generally accepted accounting principles which are appropriate for local governmental units of this type.

A. Principles Used to Determine the Scope of the Reporting Entity

The Bureau/Henry/Stark Counties Regional Office of Education #28 was formed as a result of an Educational Service Region becoming a Regional Office of Education on August 7, 1995. The ROE operates under The School Code (105 ILCS 5/3 and 5/3A). Regional Office of Education #28 encompasses Bureau, Henry, and Stark Counties in Illinois. A Regional Superintendent of Schools serves as chief administrative officer of the ROE and is elected pursuant to 105 ILCS 5/3 and 5/3A of The School Code. The principal duties of the Regional Superintendent are to receive and distribute monies due to school districts from State and federal sources, as well as various other sources, to act as a support provider for the school districts' educational efforts, and evaluate the schools in the region; examine school treasurer's books, accounts, and vouchers; examine evidence of indebtedness; file and keep the returns of elections required to be returned to the Regional Superintendent's office; and file and keep the reports and statements returned by school treasurers and trustees.

The ROE's reporting entity includes all related organizations for which it exercises oversight responsibility in accordance with Statement No. 14 of the Governmental Accounting Standards Board.

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

The Film Library Fund is a joint agreement that has been determined to be a blended component unit. A blended component is an entity that is legally separate from the ROE, but whose operations are so intertwined with the ROE that it is, in substance, the same as the ROE. The ROE is the administrative agent for the Fund, and the Fund operates exclusively for the benefit of the ROE. The Fund is blended into the Special Revenue funds.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting

The financial activities of the Regional Office of Education #28 consist only of governmental activities. For its reporting purposes, the ROE has separate fund and government-wide financial statements and reconciles individual line items of fund financial data to government-wide data. A brief description of the ROE's government-wide and fund financial statements is as follows:

Government-wide Statements: The Government-Wide Statement of Net Assets and Statement of Activities report the overall financial activity of the ROE. The financial activities of the ROE consist only of governmental activities, which are primarily supported by state and federal revenues.

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 at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the ROE gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. On an accrual basis, revenue from grants, entitlements, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e. general government) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the ROE's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining funds are aggregated and reported in a single column.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

Governmental Funds – The Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accounting records and reports made by ROE officials are maintained on the cash basis of accounting. Under this method, revenue is recorded when collected and expenditures are recorded when disbursements are made. For purposes of these financial statements, the accounting for all the funds has been converted to the modified accrual basis, as required by generally accepted accounting principles. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

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

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Major Funds - Generally accepted accounting principles require that the general fund be reported as a major fund and that all other governmental funds whose assets, liabilities, revenues, or expenditures exceed 10% of the total for all governmental funds also be reported as major funds. Accordingly, the ROE administers the following major governmental funds:

General Funds - General Funds are the general operating funds of the ROE. These funds account for all financial resources except those required to be accounted for in another fund. The general fund accounts for the ROE's on-behalf payments from the State of Illinois and the counties to pay the salary and benefits of the Regional Superintendent, Assistant Regional Superintendent and clerical staff. The ROE maintains three separate funds to account for these resources. A description of the ROE's general funds are as follows:

Local Fund - to account for transition monies provided by the closing of the Educational Service Region.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

Interest Office Expense Fund - to account for the interest income retained by the ROE from the Distributive Fund.

General Operations Fund - to account for monies from the State of Illinois for expenditures incurred providing program services to the various districts.

Educational Funds - to account for grant funds administered by the Regional Office of Education. Revenue is provided by federal and State of Illinois grant funds. A description of the ROE's Educational funds follows:

Goals 2000 – A source of professional development funding.

Title II Professional Development – A federal-funded program designed to bring about more effective professional development programs for teachers of core subjects.

Networking for Information – Technology conference held twice a year.

Administrators Academy – A State grant to support professional development of administrators.

Scientific Literacy – A State grant to support workshops for science and math teachers.

Special Populations – Professional development opportunities are provided for teachers and other school personnel who address educational requirements of students with special needs including special education students, high potential students, and students with physical and emotional disabilities.

Truants Alternative and Optional Education Program – Initiative focusing on truancy prevention, intervention, and remediation services. The program also provides access to vital resources in order to link students with unmet needs to the community services designed to meet those needs.

Paraprofessional - To provide training for teacher aides.

Title II Leadership – A new federal-funded program which replaces Title II Professional Development.

Learning Standards – A State-funded program designed to promote the understanding and effective use of the Illinois Learning Standards.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

ROE Internal Review -- Money to assist schools in developing their required internal review plans.

Career Awareness and Development – Money to support professional development to teachers in career areas.

Regional Safe Schools – to serve eligible students who are under suspension, expulsion, or expelled and readmitted for administrative transfer to an alternative setting. The education objectives are to improve behavior, attendance, and to receive academic credit leading to graduation or return to their home school.

Sci-Lit Real Math – A grant for professional development of math teachers.

Salary - To account for grant money due to the counties for services provided.

Standard Aligned Classrooms (SAC) Special – A grant to support teacher teams working on alignment of a curriculum with standards.

McKinney Education for Homeless Children – The Homeless Youth Connection (HYC) provides services for the educational needs of 450 homeless PK-12 students in Rock Island, Bureau, Henry and Stark counties. The goal of the program is to ensure that homeless students receive the services they need to attend school on a regular basis despite being homeless.

Project Success – An organization providing services which join together community service agencies in order to benefit children.

School to Work – Mission to improve the quality and relevance of education for every student and prepare them for a personally and professionally rewarding life in the 21st century.

Bare Bones – A software program created by the Regional Office of Education for use by districts to aid schools in managing school improvement data, goals, and activities.

Learning Tech – Learning Technology Center with a main function to help districts use technology to improve students learning.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

Right Track – Program to assist at-risk youth, especially youth no longer attending school, with additional education, training, and employment opportunities.

Technology Grant – Funds to pay for technology workshops and purchase items for the office.

Language Arts – Funds to pay for Language Arts workshops.

Department of Commerce and Economic Opportunity - To provide services to other ROE's to cover costs of programs.

Early Childhood – Small contracts for professional development of early childhood teachers.

Title IV 21st Century Community Learning Centers (Projects 07, 04 and 00) – Provide academic enrichment opportunities during the extended school day and extended school year. Through academic enrichment, students will receive support in developing and mastering their reading, writing, and math skills via additional learning opportunities, tutoring, and homework support.

Early Childhood Math – Contracts for professional development of early childhood teachers.

Math Science – Development money for a summer program for math teachers.

Math Performance – Money for a special one time professional development summer program for math teachers.

Tech Matters – Federally funded technology grant through the Illinois State Board of Education written to improve K-3 reading.

Title IV Community Service – Grant funds to support school-based learning programs specifically for at-risk populations of suspended or expelled students housed in the Regional Safe School Program. In conjunction with the city of Geneseo and the Friends of the Hennepin Canal, students at the Rock River Cooperative Alternative School will assist in the beautification and maintenance of the ground around the canal near the school.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

Title I - Reading First Part B SEA Funds (Project 02 and 00) – Funding to support all Bureau/Henry/Stark districts and grades in reading initiatives and in public workshops.

Illinois Reading First – Funding to support DePue District #103 as it implements Reading First.

Even Start – A program to enhance family’s literacy involvement with support for children’s learning. The program is also used to break the cycle of poverty and illiteracy by improving educational opportunities for low income families.

Summer Bridges – A State legislative allocation usually not released until mid-May or June to support Kewanee, Irvine and Leepertown and other schools identified for low reading scores on the 3rd and 5th grade ISAT tests.

Scientific Literacy Mini-grant – Small grants to support professional development for science and math teachers at the building level.

Lab Tech – To help the Regional Office of Education in staying abreast of changing technology for the office.

Regular Education Initiative – A State-funded program designed to bring special education and regular education teachers together to create a more effective program of instruction for all children.

X Type Continuing Professional Development Units - To provide workshops to assist teacher's move from initial to standard certificates.

Fine Arts - To provide instruction on cultural issues.

School Improvement - To provide state mandated services.

Early Childhood Block Grant Prekindergarten and Parental Training – To ensure that children start school ready to learn.

Early Childhood Block Grant Prevention Initiative and Parental Training – To nurture infant/child and family development.

Bureau County Right Track Program - To fulfill the increasing need for services to Bureau County youth identified as not being successful in the educational process.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

Rural Educational Achievement Program – To provide support to students in developing their reading, math and writing skills.

District Services – To account for reimbursements from school districts for criminal background checks.

Regional Educational Support Providers - To account for reimbursements from school districts for consultant's expense.

Kindergarten Standards - To train kindergarten teachers for the new kindergarten level learning standards established by the State of Illinois.

Migrant Education - To identify school age migrant children and link them to educational service providers.

Early Childhood Block Grant Social Emotional Learning - To train pre-K staff on the pre-k social emotional learning standards established by the State of Illinois.

System of Support - To account for reimbursements from school districts for consultant's expense.

NonMajor Funds – All nonmajor funds are aggregated and reported in a single column. The ROE administers the following non-major governmental funds:

Film Library Fund - to account for the maintenance of a cooperative video co-op for the benefit of the ROE's various school districts.

Institute Fund – This fund accounts for the ROE's stewardship of the assets held in trust for the benefit of the ROE's teachers. Fees are collected from registration of teachers' certificates of qualification. Monies are expended to conduct teachers' institutes, conferences and workshops.

General Educational Development Fund - to account for the ROE's administration of the GED Testing Program. Revenues are received from testing and diploma fees.

Bus Driver Fund - to account for the ROE's stewardship of the assets held in trust in connection with the Bus Driver Training Program.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Basis of Accounting- continued

Hearing Fund - to account for fees collected for expenditures incurred in publishing and filing petition requests.

Supervisory Fund - to account for monies from the State of Illinois for expenditures incurred providing supervisory services in the County.

All governmental funds are special revenue funds except for the General Fund. Special revenue funds are used to account for revenues from specific sources that are legally restricted to disbursements for specified purposes.

Fiduciary Fund Types – Agency Funds are used to account for assets held by the ROE in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The school districts within the ROE’s geographic responsibility have signed formal agreements which allow the ROE to retain any interest earned during the year. A description of the ROE’s fiduciary funds are as follows:

Distributive Fund - to account for the pass-through of State aid monies from the Regional Office of Education to the various school districts within the Region. At any given point in time, total fund assets are equally offset by related liabilities including amounts due to the parties for whom the assets are being held. Agency funds have no fund equity and do not involve measurement of revenues, expenditures, or expenses.

Governmental and Expendable Trust Funds – Measurement Focus

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Budget and Budgetary Accounting

The ROE does not adopt, and is not legally required to adopt, a formal budget for all revenues and expenditures of the governmental funds. Certain programs administered by the ROE are subject to budget approval by the State of Illinois. These include the General Operations Fund, Truants Alternative and Optional Education, Regional Safe Schools, Title IV - 21st Century Community Learning Centers- Projects 00, 04, and 07, Title I - Reading First Part B SEA Funds – Project 02, Even Start, Early Childhood Block Grants Pre-K and Parental Training, Early Childhood Block Grant Prevention Initiative and Parental Training, Migrant Education, Early Childhood Block Grant-Social Emotional Learning, and the Film Library Fund.

D. Assets, Liabilities and Net Assets

Deposits and investments

The ROE's cash and cash equivalents are considered to be demand deposits and short term investments. All investment income is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures and Changes in Fund Balance. Negative balances are shown separately as overdrafts.

Receivables and payables

Transactions between funds and other entities that are representative of the recognition of revenues or expenditures are referred to as "due to/from" the other funds or entities. "Other Funds" are funds managed by the ROE. "Other Governmental Units" include the Federal Government or political subdivisions of the State of Illinois.

Accounts receivable represents amounts due to the ROE at the end of the year that will be received in the next year. These are amounts due from local sources.

Accounts payable represents amounts owed at the end of the year that will be paid in the next year. These are amounts due to vendors and others.

Prepaid expenses

Amounts disbursed to pay liabilities of the future periods are recorded as prepaid expenses in the current period.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Assets, Liabilities and Net Assets – continued

Capital assets

Capital assets, which include equipment, are reported in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$500 or more. Capital assets are recorded at historical costs if purchased.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight line method.

Deferred revenue

Deferred revenue arises when resources are received by the ROE before it has a legal claim to them, as when monies are received prior to incurring qualifying expenditures (unearned). In subsequent periods, when both revenue recognition criteria are met, or when the ROE has a legal claim to the resources, revenue is recognized.

Net assets

In the government-wide financial statements, equity is displayed in three components as follows:

Investment in capital assets-net of depreciation – This category groups all capital assets into one component of net assets. Accumulated depreciation on these assets reduces this category.

Unrestricted net assets – This category represents the net assets of the ROE that are not restricted for any project or other purpose.

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

E. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: DEPOSITS AND INVESTMENTS

A. Deposits

The investment and deposit of ROE monies is governed by the provisions of the Illinois Revised Statutes. The ROE has policies regarding custodial credit risk for deposits.

At June 30, 2007, the carrying amount of the ROE's deposits was \$1,193,435 and the bank balances were \$2,698,152. Of these balances, \$100,000 was covered by federal depository insurance and \$2,598,152 was collateralized with securities held by the ROE's financial institution in the ROE's name.

B. Investments

The ROE does not have a formal investment policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund. As of June 30, 2007, the ROE had investments with carrying and fair values of \$8,160.

Credit Risk

At June 30, 2007, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act 30 ILCS 235. All investments are fully collateralized.

Interest Rate Risk

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

NOTE 3: COMMON BANK ACCOUNT

The Regional Office of Education #28 does not maintain separate bank accounts for all funds. The accounting records being maintained show the portion of the common checking account balance attributable to each participating fund.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: DUE FROM OTHER GOVERNMENTAL UNITS

Due from other governmental units consists of the following at June 30, 2007:

Due from Illinois State Board of Education for unpaid portion of various programs: Scientific Literacy	<u>\$ 3,115</u>
Due from the United States Department of Education for unpaid portion of various programs: Rural Education Achievement Program	<u>\$ 9,475</u>
Due from Illinois State Board of Education for unpaid portion of various programs due to Local Agencies: Distributive Fund –	
Title II – Teacher Quality	\$ 36,350
Title V - Innovative Programs	406
Special Education – Orphanage	109,716
School Breakfast Incentive	4,253
Title I - Low Income	163,114
Illinois Free Lunch	5,163
National School Lunch	8,480
Early Childhood	175,931
Technology - Enhancing Education	245
Bilingual Education	41,699
Arts & Foreign Language Assistance	96,586
Title III	16,319
Title IV - Safe & Drug Free Schools	9,242
School Breakfast Program	4,829
Title I -Comprehensive School Reform	3,706
National Board Certification	208
Special Education - Room & Board	<u>14,714</u>
 Total	 <u>\$690,961</u>
 Total due from other governments	 <u>\$703,551</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: DUE FROM/TO OTHER FUNDS

As of June 30, 2007, the interfund account balances were as follows:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>
Local Fund	Hearing	\$ 440
Bus Driver Fund	Interest Office Expense	405
General Educational Development Fund	Interest Office Expense	6,658
ROE Internal Review Fund	Local	1,805
Scientific Literacy Fund	Local	5,224
Regular Education Initiative Fund	Local	117
Right Track Fund	Local	10,507
Goals 2000	Local	1,032
Sci-Lit Real Math	Local	4,884
Summer Bridges	Local	13,082
Networking for Information	Local	5,648
Even Start	Local	2,794
Title II Leadership	Local	490
SAC Special	Local	302
Project Success	Local	96
Math Performance	Local	7,497
School to Work	Local	1,322
Title IV 21 st Century	Local	11,195
Tech Matters	Local	952
Title IV Community Service	Local	429
Department of Commerce and Economic Opportunity	Local	5
Bureau County Right Track	Local	1,571
X Type Continuing Professional Education	Local	1
Reading First	Local	6
Early Childhood	Local	<u>3,848</u>
Total		<u>\$80,310</u>

NOTE 6: CAPITAL ASSETS

Capital asset activity during the 2007 fiscal year was as follows:

	<u>Balance</u> <u>07-01-06</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06-30-07</u>
Equipment	\$ 259,094	\$ 31,572	-	\$ 290,666
Videos	78,523	-	-	78,523
Less accumulated depreciation	<u>(237,379)</u>	<u>(24,123)</u>	-	<u>(261,502)</u>
Total	<u>\$ 100,238</u>	<u>\$ 7,449</u>	<u>-</u>	<u>\$ 107,687</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: DUE TO OTHER GOVERNMENTAL UNITS

Due to other governmental units consists of the following at June 30, 2007:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
Various school districts and agencies	Distributive	\$707,552
Bureau County	Salary	18,057

NOTE 8: DEFICIT FUND BALANCES

The following funds have deficit fund balances at June 30, 2007:

<u>Fund</u>	<u>Balance</u>
Goals 2000	\$ (1,032)
Networking for Information	(5,623)
Title II Leadership	(490)
Sci-Lit Real Math	(4,884)
SAC Special	(302)
Project Success	(96)
School to Work	(1,321)
Right Track	(14,270)
Department of Commerce and Economic Opportunity	(5)
Early Childhood	(4,031)
Tech Matters	(952)
Title IV – Community Service	(429)
Title I - Reading First Part B SEA Funds Project 00	(6)
Even Start	(2,794)
Summer Bridges	(13,921)
Regular Education Initiative	(117)
X Type Continuing Professional Development Units	(1)
Bureau County Right Track	(1,571)
General Educational Development	(5,722)

NOTE 9: EMPLOYEE BENEFIT PLAN

The ROE's employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by Bureau/Henry/Stark Counties on behalf of the Bureau/Henry/Stark Counties Regional Office of Education #28 employees.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE BENEFIT PLAN - continued

Bureau/Henry/Stark Counties is a participating member of the Illinois Municipal Retirement Fund whose coverage includes all ROE 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 ROE 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 and the Assistant Regional Superintendent of Bureau/Henry/Stark Counties Regional Office of Education #28 are paid by the State of Illinois. The other employees of the ROE’s office are employed and paid by Henry County. Bureau/Henry/Stark Counties Regional Office of Education #28 has no separate employee retirement plan.

NOTE 10: ON-BEHALF PAYMENTS

The following salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education:

Regional Superintendent salary	\$ 84,737
Regional Superintendent benefits (includes state paid insurance)	19,029
Assistant Regional Superintendent salary	76,263
Assistant Regional Superintendent benefits (includes state paid insurance)	<u>20,439</u>
Total	<u>\$200,468</u>

The following salary and benefit data for other employees of the ROE was calculated based on data provided by Bureau, Henry, and Stark Counties:

Salaries	\$360,639
Benefits	<u>91,712</u>
Total	<u>\$452,351</u>

The total of on-behalf payments shown above of \$652,819 are reported as revenues and expenditures in the General Fund.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11: RISK MANAGEMENT

The Regional Office of Education #28 is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Regional Office has purchased various insurance policies to safeguard its assets from risk of loss. Insurance coverage appears to be consistent with prior years. During the year ended June 30, 2007 and the two previous fiscal years, no settlement exceeded insurance coverage.

NOTE 12: NEW ACCOUNTING PRONOUNCEMENT

Effective June 30, 2007, the ROE adopted Governmental Accounting Standards Board Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. There was no impact on the ROE's financial statements as a result of adopting this statement.

SUPPLEMENTARY INFORMATION

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS
 GENERAL FUND ACCOUNTS
 JUNE 30, 2007

<u>ASSETS</u>	<u>General Operations</u>	<u>Local</u>	<u>Interest Office Expense</u>	<u>Total</u>
Cash	\$ 47,423	\$24,007	\$31,174	\$102,604
Investments	-	-	8,160	8,160
Due from other funds	-	72,807	7,063	79,870
Due from other governments	-	-	-	-
Total Assets	<u>\$ 47,423</u>	<u>\$96,814</u>	<u>\$46,397</u>	<u>\$190,634</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts payable	\$ 6,973	\$ -	\$ -	\$ 6,973
Due to other funds	-	440	-	440
Total Liabilities	<u>\$ 6,973</u>	<u>\$ 440</u>	<u>\$ -</u>	<u>\$ 7,413</u>
FUND BALANCES:				
Fund balances:				
Unreserved	\$ 40,450	\$96,374	\$46,397	\$183,221
Reserved	-	-	-	-
Total Fund Balances	<u>\$ 40,450</u>	<u>\$96,374</u>	<u>\$46,397</u>	<u>\$183,221</u>
Total Liabilities and Fund Balances	<u>\$ 47,423</u>	<u>\$96,814</u>	<u>\$46,397</u>	<u>\$190,634</u>

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2007

	<u>General</u> <u>Operations</u>	<u>Local</u>	<u>Interest</u> <u>Office</u> <u>Expense</u>	<u>Total</u>
REVENUES:				
Local sources	\$ 5,368	\$ 1,380	\$ 25,560	\$ 32,308
State sources	79,526	-	-	79,526
On-behalf payments-State	200,468	-	-	200,468
On-behalf payments-Local	452,351	-	-	452,351
	<hr/>			
Total Revenues	\$ 737,713	\$ 1,380	\$ 25,560	\$ 764,653
	<hr/>			
EXPENDITURES:				
Purchased services	\$ 15,044	\$ -	\$ 6,026	\$ 21,070
Supplies and materials	10,323	-	6,505	16,828
Capital outlay	2,338	-	-	2,338
Payments to other governmental units	59,228	-	-	59,228
On-behalf payments-State	200,468	-	-	200,468
On-behalf payments-Local	452,351	-	-	452,351
	<hr/>			
Total Expenditures	\$ 739,752	\$ -	\$ 12,531	\$ 752,283
	<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (2,039)	\$ 1,380	\$ 13,029	\$ 12,370
FUND BALANCES, BEGINNING OF YEAR	42,489	94,994	33,368	170,851
	<hr/>			
FUND BALANCES, END OF YEAR	\$ 40,450	\$ 96,374	\$ 46,397	\$ 183,221
	<hr/> <hr/>			

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2007

	<u>General Operations Fund</u>			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance From Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Local sources	\$ -	\$ -	\$ 5,368	\$ 5,368
State sources	79,526	79,526	79,526	-
Federal sources	-	-	-	-
On-behalf payments-State	200,468	200,468	200,468	-
On-behalf payments-Local	452,351	452,351	452,351	-
	<hr/>			
Total Revenues	\$ 732,345	\$ 732,345	\$ 737,713	\$ 5,368
	<hr/>			
EXPENDITURES:				
Purchased services	\$ 11,000	\$ 11,000	\$ 15,044	\$ (4,044)
Supplies and materials	7,500	7,500	10,323	(2,823)
Capital outlay	1,500	1,500	2,338	(838)
Other objects	500	500	-	500
Payments to other governmental units	59,026	59,026	59,228	(202)
On-behalf payments-State	200,468	200,468	200,468	-
On-behalf payments-Local	452,351	452,351	452,351	-
	<hr/>			
Total Expenditures	\$ 732,345	\$ 732,345	\$ 739,752	\$ (7,407)
	<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ (2,039)	\$ (2,039)
	<hr/>			
FUND BALANCES , BEGINNING OF YEAR			42,489	
	<hr/>			
FUND BALANCES , END OF YEAR			\$ 40,450	
	<hr/>			

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

ASSETS	Goals 2000	Title II				Administrators Academy	Scientific Literacy	Special Populations	Truant Alternative/ Optional Ed. Program
		Professional Development	Networking For Information	For	Administrators				
Cash	\$ -	\$ 4,467	\$ 7,198	\$ 77,717	\$ 8,757	\$ 23,746	\$ 1,049		
Due from other funds	-	-	-	-	-	-	-	-	
Due from other governmental units	-	-	-	-	3,115	-	-	-	
Total Assets	\$ -	\$ 4,467	\$ 7,198	\$ 77,717	\$ 11,872	\$ 23,746	\$ 1,049		

LIABILITIES

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,016	\$ 56	
Due to other funds	1,032	-	5,648	-	5,224	-	-	
Due to other governmental units	-	-	-	-	-	-	-	
Deferred revenue	-	4,467	7,173	77,717	6,648	21,730	993	
Total Liabilities	\$ 1,032	\$ 4,467	\$ 12,821	\$ 77,717	\$ 11,872	\$ 23,746	\$ 1,049	

FUND BALANCES

Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unreserved (Deficit)	(1,032)	-	(5,623)	-	-	-	-	
Total Fund Balances(Deficit)	\$ (1,032)	\$ -	\$ (5,623)	\$ -	\$ -	\$ -	\$ -	

Total Liabilities and Fund Balances	\$ -	\$ 4,467	\$ 7,198	\$ 77,717	\$ 11,872	\$ 23,746	\$ 1,049	(Continued - i.)
-------------------------------------	------	----------	----------	-----------	-----------	-----------	----------	------------------

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

<u>ASSETS</u>	<u>Para- Professional</u>	<u>Title II Leadership</u>	<u>Learning Standards</u>	<u>ROE Internal Review</u>	<u>Career Awareness and Development</u>	<u>Regional Safe Schools</u>	<u>Sci-Lit Real Math</u>	<u>Salary</u>
Cash	\$ 4,248	-	\$ 2,803	\$ 2,246	\$ 1,701	\$ 205,064	-	\$ 18,057
Due from other funds	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-
Total Assets	\$ 4,248	-	\$ 2,803	\$ 2,246	\$ 1,701	\$ 205,064	-	\$ 18,057
 <u>LIABILITIES</u>								
Accounts payable	\$ 835	-	-	-	-	\$ 23,268	-	-
Due to other funds	-	490	-	1,805	-	-	4,884	-
Due to other governmental units	-	-	-	-	-	-	-	18,057
Deferred revenue	3,413	-	2,792	441	1,701	181,796	-	-
Total Liabilities	\$ 4,248	\$ 490	\$ 2,792	\$ 2,246	\$ 1,701	\$ 205,064	\$ 4,884	\$ 18,057
 <u>FUND BALANCES</u>								
Reserved	\$ -	-	-	-	-	-	-	-
Unreserved (Deficit)	-	(490)	11	-	-	-	(4,884)	-
Total Fund Balances(Deficit)	\$ -	\$ (490)	\$ 11	\$ -	\$ -	\$ -	\$ (4,884)	\$ -
 Total Liabilities and Fund Balances								
	\$ 4,248	-	\$ 2,803	\$ 2,246	\$ 1,701	\$ 205,064	\$ -	\$ 18,057

(Continued - 2.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

ASSETS	Standard Aligned Classrooms Special	McKinney Education for Homeless Children	Project Success	School To Work	Bare Bones	Learning Tech	Right Track
Cash	\$ 20,602	\$ 65	\$ -	\$ 1,322	\$ 481	\$ 35,155	\$ 4,212
Due from other funds	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-
Total Assets	\$ 20,602	\$ 65	\$ -	\$ 1,322	\$ 481	\$ 35,155	\$ 4,212

LIABILITIES

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,538	\$ -
Due to other funds	302	-	96	1,322	-	-	10,507
Due to other governmental units	-	-	-	-	-	-	-
Deferred revenue	20,602	65	-	1,321	481	11,617	7,975
Total Liabilities	\$ 20,904	\$ 65	\$ 96	\$ 2,643	\$ 481	\$ 35,155	\$ 18,482

FUND BALANCES

Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (Deficit)	(302)	-	(96)	(1,321)	-	-	(14,270)
Total Fund Balances(Deficit)	\$ (302)	\$ -	\$ (96)	\$ (1,321)	\$ -	\$ -	\$ (14,270)

Total Liabilities and Fund Balances	\$ 20,602	\$ 65	\$ -	\$ 1,322	\$ 481	\$ 35,155	\$ 4,212
--	------------------	--------------	-------------	-----------------	---------------	------------------	-----------------

(Continued - 3.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
JUNE 30, 2007

ASSETS	Technology Grant	Language Arts	Dept of Commerce & Economic Oppy	Early Childhood	Title IV 21st Century Community Learning Centers	
					Project 04	Project 07
Cash	\$ 9,339	\$ 42,006	\$ -	\$ -	\$ 215,937	\$ 44,888
Due from other funds	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-
Total Assets	\$ 9,339	\$ 42,006	\$ -	\$ -	\$ 215,937	\$ 44,888

LIABILITIES

Accounts payable	\$ -	\$ 152	\$ -	\$ -	\$ 3,672	\$ 170
Due to other funds	-	-	5	3,848	11,195	-
Due to other governmental units	-	-	-	-	-	-
Deferred revenue	9,339	41,854	-	183	200,245	44,718
Total Liabilities	\$ 9,339	\$ 42,006	\$ 5	\$ 4,031	\$ 215,112	\$ 44,888

FUND BALANCES

Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (Deficit)	-	-	(5)	(4,031)	825	-
Total Fund Balances(Deficit)	\$ -	\$ -	\$ (5)	\$ (4,031)	\$ 825	\$ -

Total Liabilities and Fund Balances	\$ 9,339	\$ 42,006	\$ -	\$ -	\$ 215,937	\$ 44,888
-------------------------------------	----------	-----------	------	------	------------	-----------

(Continued - 4.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

	Title IV 21st Century Community Learning Centers Project 00	Early Childhood Math	Math Science	Math Performance	Tech Matters	Title IV Community Service	Title I Reading First Part B SEA Funds Project 02
ASSETS							
Cash	\$ 18,315	\$ 4,024	\$ 24,149	\$ 7,497	\$ -	\$ 3	\$ 13,911
Due from other funds	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-
Total Assets	<u>\$ 18,315</u>	<u>\$ 4,024</u>	<u>\$ 24,149</u>	<u>\$ 7,497</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 13,911</u>
LIABILITIES							
Accounts payable	\$ 18,315	\$ -	\$ 530	\$ -	\$ -	\$ -	\$ 9,229
Due to other funds	-	-	7,497	952	429	-	-
Due to other governmental units	-	-	-	-	-	-	-
Deferred revenue	-	4,024	23,619	-	-	3	4,682
Total Liabilities	<u>\$ 18,315</u>	<u>\$ 4,024</u>	<u>\$ 24,149</u>	<u>\$ 7,497</u>	<u>\$ 952</u>	<u>\$ 432</u>	<u>\$ 13,911</u>
FUND BALANCES							
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (Deficit)	-	-	-	(952)	(429)	-	-
Total Fund Balances(Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (952)</u>	<u>\$ (429)</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities and Fund Balances	<u>\$ 18,315</u>	<u>\$ 4,024</u>	<u>\$ 24,149</u>	<u>\$ 7,497</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 13,911</u>

(Continued - 5.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

ASSETS	Title I	Reading	Illinois	Even	Summer	Scientific	Lab	Regular
SEA Funds	Project 00	Reading	Start	Bridges	Literacy	Tech	Education	Initiative
Cash	\$ -	\$ 10,239	\$ -	\$ 13,072	\$ 4,600	\$ 45,683	\$ -	\$ -
Due from other funds	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-
Total Assets	\$ -	\$ 10,239	\$ -	\$ 13,072	\$ 4,600	\$ 45,683	\$ -	\$ -
<u>LIABILITIES</u>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	6	-	2,794	13,082	-	-	-	117
Due to other governmental units	-	-	-	-	-	-	-	-
Deferred revenue	-	10,239	-	13,911	4,600	45,683	-	-
Total Liabilities	\$ 6	\$ 10,239	\$ 2,794	\$ 26,993	\$ 4,600	\$ 45,683	\$ 117	\$ -
<u>FUND BALANCES</u>								
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (Deficit)	(6)	-	(2,794)	(13,921)	-	-	(117)	-
Total Fund Balances(Deficit)	\$ (6)	\$ -	\$ (2,794)	\$ (13,921)	\$ -	\$ -	\$ (117)	\$ (117)
Total Liabilities and Fund Balances	\$ -	\$ 10,239	\$ -	\$ 13,072	\$ 4,600	\$ 45,683	\$ -	\$ -

(Continued - 6.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

ASSETS	X Type Cont	Prof Dev Units	Fine Arts	School Improvement	Early Childhood		Bureau County
					Block Grant Pre-K and Parental Training	Early Childhood Block Grant Prevention Initiative Parental Training	
Cash	\$ -	\$ 19,046	\$ 22,053	\$ 11,148	\$ 9,975	\$ 1,571	
Due from other funds	-	-	-	-	-	-	
Due from other governmental units	-	-	-	-	-	-	
Total Assets	\$ -	\$ 19,046	\$ 22,053	\$ 11,148	\$ 9,975	\$ 1,571	

LIABILITIES

Accounts payable	\$ -	\$ -	\$ 39	\$ 11,141	\$ 9,972	\$ -	
Due to other funds	1	-	-	-	-	1,571	
Due to other governmental units	-	-	-	-	-	-	
Deferred revenue	-	19,046	22,014	7	3	1,571	
Total Liabilities	\$ 1	\$ 19,046	\$ 22,053	\$ 11,148	\$ 9,975	\$ 3,142	

FUND BALANCES

Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unreserved (Deficit)	(1)	-	-	-	-	(1,571)	
Total Fund Balances(Deficit)	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ (1,571)	

Total Liabilities and Fund Balances	\$ -	\$ 19,046	\$ 22,053	\$ 11,148	\$ 9,975	\$ 1,571	
--	------	-----------	-----------	-----------	----------	----------	--

(Continued - 7.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

ASSETS	Rural Education Achievement Program	District Services	Regional Educational Support Providers	Kindergarten Standards	Migrant Education
Cash	\$ -	\$ 20,970	\$ 18,482	\$ 934	\$ 7,915
Due from other funds	-	-	-	-	-
Due from other governmental units	9,475	-	-	-	-
Total Assets	\$ 9,475	\$ 20,970	\$ 18,482	\$ 934	\$ 7,915

LIABILITIES

Accounts payable	\$ 9,475	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	15,319	18,482	934	7,915
Total Liabilities	\$ 9,475	\$ 15,319	\$ 18,482	\$ 934	\$ 7,915

FUND BALANCES

Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (Deficit)	-	5,651	-	-	-
Total Fund Balances(Deficit)	\$ -	\$ 5,651	\$ -	\$ -	\$ -

Total Liabilities and Fund Balances	\$ 9,475	\$ 20,970	\$ 18,482	\$ 934	\$ 7,915
--	-----------------	------------------	------------------	---------------	-----------------

(Continued - 8.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF ACCOUNTS - EDUCATION FUND ACCOUNTS
 JUNE 30, 2007

<u>ASSETS</u>	Early Childhood Block Grant Social Emotional Learning	System of Support	<u>Total</u>
Cash	\$ 1,424	\$ 425	\$ 986,496
Due from other funds	-	-	-
Due from other governmental units	-	-	12,590
Total Assets	\$ 1,424	\$ 425	\$ 999,086

LIABILITIES

Accounts payable	\$ -	\$ -	\$ 112,408
Due to other funds	-	-	72,807
Due to other governmental units	-	-	18,057
Deferred revenue	1,424	425	841,172
Total Liabilities	\$ 1,424	\$ 425	\$ 1,044,444

FUND BALANCES

Reserved	\$ -	\$ -	\$ -
Unreserved (Deficit)	-	-	(45,358)
Total Fund Balances(Deficit)	\$ -	\$ -	\$ (45,358)
Total Liabilities and Fund Balances	\$ 1,424	\$ 425	\$ 999,086
			(Concluded -9.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Title II					
	Goals 2000	Professional Development	Networking For Information	Administrators Academy	Scientific Literacy Populations	Special Populations
REVENUES:						
Local sources	\$ -	\$ -	\$ 25	\$ 1,079	\$ -	\$ 4,494
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Total Revenues	\$ -	\$ -	\$ 25	\$ 1,079	\$ -	\$ 4,494
EXPENDITURES:						
Purchased services	\$ -	\$ -	\$ -	\$ 1,004	\$ -	\$ 4,055
Supplies and materials	-	-	-	-	-	214
Capital outlay	-	-	-	-	-	-
Payments to other governmental units	-	-	-	75	-	225
Total Expenditures	\$ -	\$ -	\$ -	\$ 1,079	\$ -	\$ 4,494
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(1,032)	-	(5,648)	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ (1,032)	\$ -	\$ (5,623)	\$ -	\$ -	\$ -

(Continued - 1.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Truant Alternative/ Optional Ed.	Para- Professional	Title II Leadership	Learning Standards	ROE Internal Review	Career Awareness and Development	Regional Safe Schools	Sci-Lit Real Math
REVENUES:								
Local sources	\$ -	\$ 1,877	\$ -	\$ -	\$ -	\$ -	\$ 2,328	\$ -
State sources	104,205	-	-	-	-	-	283,401	-
Federal sources	-	-	-	-	-	-	-	-
Total Revenues	\$ 104,205	\$ 1,877	\$ -	\$ -	\$ -	\$ -	\$ 285,729	\$ -
EXPENDITURES:								
Purchased services	\$ 11,187	\$ 621	\$ -	\$ -	\$ -	\$ -	\$ 25,765	\$ -
Supplies and materials	519	857	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Payments to other governmental units	92,499	399	-	-	-	-	259,964	-
Total Expenditures	\$ 104,205	\$ 1,877	\$ -	\$ -	\$ -	\$ -	\$ 285,729	\$ -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	(490)	11	-	-	-	(4,884)
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	\$ (490)	\$ 11	\$ -	\$ -	\$ -	\$ (4,884)

(Continued - 2.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

		Standards Aligned Classrooms Special	McKinney Education for Homeless Children	Project Success	School to Work	Bare Bones	Learning Tech	Right Track
REVENUES:								
Local sources	\$ 575	\$ 9,731	\$ -	\$ -	\$ -	\$ -	\$ 24,927	\$ -
State sources	-	-	-	-	-	-	45,536	-
Federal sources	-	-	26,500	-	-	-	-	-
Total Revenues	\$ 575	\$ 9,731	\$ 26,500	\$ -	\$ -	\$ -	\$ 70,463	\$ -
EXPENDITURES:								
Purchased services	-	\$ 1,731	\$ 1,608	\$ -	\$ -	\$ -	\$ 14,422	\$ -
Supplies and materials	-	-	7,416	-	-	-	2,496	-
Capital outlay	-	-	-	-	-	-	19,759	-
Payments to other governmental units	575	8,000	17,476	-	-	-	33,786	-
Total Expenditures	\$ 575	\$ 9,731	\$ 26,500	\$ -	\$ -	\$ -	\$ 70,463	\$ -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(302)	-	(96)	(1,321)	-	-	(14,270)
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ (302)	\$ -	\$ (96)	\$ (1,321)	\$ -	\$ -	\$ (14,270)

(Continued - 3.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Dept of		Title IV		Title IV
	Commerce & Economic Oppty	Early Childhood	21st Century Community Learning Centers Project 04	21st Century Community Learning Centers Project 07	
REVENUES:					
Local sources	\$ -	\$ 6,552	\$ -	\$ 606	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	235,579	80,282
Total Revenues	\$ -	\$ 6,552	\$ -	\$ 236,185	\$ 80,282
EXPENDITURES:					
Purchased services	\$ -	\$ 5,568	\$ -	\$ 46,212	\$ 3,941
Supplies and materials	-	99	-	12,564	5,653
Capital outlay	-	-	-	-	-
Payments to other governmental units	-	885	-	177,313	70,688
Total Expenditures	\$ -	\$ 6,552	\$ -	\$ 236,089	\$ 80,282
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ 96	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	(5)	(4,031)	729
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	(5)	\$ (4,031)	\$ 825

(Continued - 4.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Title IV 21st Century				Title IV Community	
	Learning Centers Project 00	Early Childhood Math	Math Science	Math Performance	Tech Matters	Community Service
REVENUES:						
Local sources	\$ -	\$ -	\$ 5,151	\$ 342	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	173,900	-	-	-	-	-
Total Revenues	\$ 173,900	\$ -	\$ 5,151	\$ 342	\$ -	\$ -
EXPENDITURES:						
Purchased services	\$ 11,179	\$ -	\$ 4,390	\$ -	\$ -	\$ -
Supplies and materials	1,317	-	761	-	-	-
Capital outlay	-	-	-	-	-	-
Payments to other governmental units	161,404	-	-	-	-	-
Total Expenditures	\$ 173,900	\$ -	\$ 5,151	\$ -	\$ -	\$ -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ 342	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	(342)	(952)	(429)
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ (952)	\$ (429)

(Continued - 5.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Title I	Title I	Reading	First Part B	Illinois	Reading	Even	Summer	Scientific
	Reading	Reading	SEA Funds	SEA Funds	First	Start	Bridges	Mini-grant	Lab
	Project 02	Project 00	Project 00	Project 00	Project 00	Project 00	Project 00	Project 00	Project 00
REVENUES:									
Local sources	\$ 2,084	\$ -	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-
Federal sources	22,046	-	-	-	88,890	-	-	-	-
Total Revenues	\$ 24,130	\$ -	\$ -	\$ -	\$ 88,896	\$ -	\$ -	\$ -	\$ -
EXPENDITURES:									
Purchased services	\$ 6,380	\$ -	\$ -	\$ 14,287	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies and materials	6,554	-	-	1,112	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Payments to other governmental units	11,196	-	-	73,798	-	-	-	-	-
Total Expenditures	\$ 24,130	\$ -	\$ -	\$ 89,197	\$ -	\$ -	\$ -	\$ -	\$ -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ (301)	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(6)	-	(2,493)	(13,921)	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ (6)	\$ -	\$ (2,794)	\$ (13,921)	\$ -	\$ -	\$ -	\$ -

(Continued - 6.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNT'S
 FOR THE YEAR ENDED JUNE 30, 2007

		X Type						
		Regular	Prof Dev	Fine Arts	School Improvement	Pre-K and Parental Training	Early Childhood Block Grant	Early Childhood Prevention Initiative Parental Training
		Initiative	Units	Units	Units	Units	Units	Units
REVENUES:								
Local sources	\$ 4,000	-	\$ 1,988	\$ 679	\$ 7	\$ -	\$ -	\$ -
State sources	21,000	-	-	-	143,009	41,581	-	-
Federal sources	-	-	-	-	-	-	-	-
Total Revenues	\$ 25,000	-	\$ 1,988	\$ 679	\$ 143,016	\$ 41,581	-	-
EXPENDITURES:								
Purchased services	\$ 25,000	-	\$ 1,753	\$ 445	\$ 13,295	\$ 5,268	-	-
Supplies and materials	-	-	175	204	4,017	1,240	-	-
Capital outlay	-	-	-	-	-	-	-	-
Payments to other governmental units	-	-	60	30	125,704	35,073	-	-
Total Expenditures	\$ 25,000	-	\$ 1,988	\$ 679	\$ 143,016	\$ 41,581	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	-	\$ -	\$ -	\$ -	\$ -	-	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(117)	(1)	-	-	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ (117)	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued - 7.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

		Bureau County	Rural Education Achievement Program	District Services	Regional Educational Support Providers	Kindergarten Standards	Migrant Education
REVENUES:							
Local sources	\$ -	\$ -	\$ 8,826	\$ 6,009	\$ -	\$ -	\$ -
State sources	-	-	-	-	866	-	-
Federal sources	-	16,074	-	-	-	-	85
Total Revenues	\$ -	\$ 16,074	\$ 8,826	\$ 6,009	\$ 866	\$ 85	\$ 85
EXPENDITURES:							
Purchased services	\$ -	\$ -	\$ 5,640	\$ 4,108	\$ 141	\$ 85	\$ 85
Supplies and materials	-	-	299	90	326	-	-
Capital outlay	-	9,475	-	-	-	-	-
Payments to other governmental units	-	6,599	2,887	1,811	399	-	-
Total Expenditures	\$ -	\$ 16,074	\$ 8,826	\$ 6,009	\$ 866	\$ 85	\$ 85
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(1,571)	-	5,651	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ (1,571)	\$ -	\$ 5,651	\$ -	\$ -	\$ -	\$ -

(Continued - 8.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Early Childhood Block Grant	Social Emotional Learning	System of Support	Total
REVENUES:				
Local sources	\$ 2,811	\$ -	\$ -	\$ 84,097
State sources	27,771	-	-	667,369
Federal sources	-	-	-	643,356
	<u>\$ 30,582</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,394,822</u>
Total Revenues				
EXPENDITURES:				
Purchased services	\$ 20,080	\$ -	\$ -	\$ 228,165
Supplies and materials	710	-	-	46,623
Capital outlay	-	-	-	29,234
Payments to other governmental units	9,792	-	-	1,090,638
	<u>\$ 30,582</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,394,660</u>
Total Expenditures				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ 162
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	(45,520)
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,358)</u>
				(Concluded - 9.)

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Truants Alternative and Optional Education Program				Regional Safe Schools Fund						
	Budgeted Amounts		Actual Amounts		Budgeted Amounts		Actual Amounts		Variance From		
	Original	Final	Final	Final	Original	Final	Final	Final	Final	Budget	
REVENUES:											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,328	\$ 2,328	\$ -	\$ 2,328
State sources	104,205	104,205	104,205	104,205	160,192	160,192	283,401	283,401	123,209	123,209	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 104,205	\$ 104,205	\$ 104,205	\$ 104,205	\$ 160,192	\$ 160,192	\$ 285,729	\$ 285,729	\$ 125,537	\$ 125,537	-
EXPENDITURES:											
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased services	14,993	14,993	11,187	3,806	25,300	25,300	25,765	25,765	(465)	(465)	-
Supplies and materials	1,000	1,000	519	481	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Payments to other governmental units	88,212	88,212	92,499	(4,287)	134,892	134,892	259,964	259,964	(125,072)	(125,072)	-
Total Expenditures	\$ 104,205	\$ 104,205	\$ 104,205	\$ -	\$ 160,192	\$ 160,192	\$ 285,729	\$ 285,729	\$ (125,537)	\$ (125,537)	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

See accompanying Independent Auditors' Report.

(Continued - 1.)

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Title IV 21st Century Community Learning Centers-04		Title IV 21st Century Community Learning Centers-07		
	Budgeted Amounts		Budgeted Amounts		Variance From
	Original	Final	Original	Final	Final Budget
REVENUES:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	415,100	450,100	125,000	125,000	(44,718)
Total Revenues	\$ 415,100	\$ 450,100	\$ 125,000	\$ 125,000	\$ (44,718)
EXPENDITURES:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased services	15,000	50,000	8,500	8,500	3,941
Supplies and materials	24,087	24,087	9,000	9,000	5,653
Capital outlay	-	-	-	-	-
Payments to other governmental units	376,013	177,313	107,500	107,500	36,812
Total Expenditures	\$ 415,100	\$ 236,089	\$ 125,000	\$ 125,000	\$ 44,718
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ 96	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		729		-	
FUND BALANCES (DEFICIT), END OF YEAR		\$ 825		\$ -	

See accompanying Independent Auditors' Report.

(Continued - 2.)

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	Title IV 21st Century Community Learning Centers-00		Title I Reading First Part B SEA Funds-02		
	Budgeted Amounts		Budgeted Amounts		Variance From
	Original	Final	Original	Final	Final Budget
REVENUES:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,084
State sources	-	-	-	-	-
Federal sources	173,900	173,900	25,600	22,046	(3,554)
Total Revenues	\$ 173,900	\$ 173,900	\$ 25,600	\$ 24,130	\$ (1,470)
EXPENDITURES:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased services	13,029	11,179	9,600	6,380	3,220
Supplies and materials	13,000	1,317	6,720	6,554	166
Capital outlay	-	-	-	-	-
Payments to other governmental units	147,871	161,404	9,280	11,196	(1,916)
Total Expenditures	\$ 173,900	\$ 173,900	\$ 25,600	\$ 24,130	\$ 1,470
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying Independent Auditors' Report.

(Continued - 3.)

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

	<u>Even Start</u>				<u>Early Childhood Block Grant Pre-K and Parental Training</u>				
	<u>Budgeted Amounts</u>		<u>Actual</u>		<u>Budgeted Amounts</u>		<u>Actual</u>		<u>Variance From 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>	
REVENUES:									
Local sources	\$ -	\$ -	\$ 6	\$ 6	\$ -	\$ -	\$ 7	\$ 7	7
State sources	-	-	-	-	141,600	143,016	143,009	-	(7)
Federal sources	75,000	88,883	88,890	7	-	-	-	-	-
Total Revenues	\$ 75,000	\$ 88,883	\$ 88,896	\$ 13	\$ 141,600	\$ 143,016	\$ 143,016	\$ -	\$ -
EXPENDITURES:									
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Purchased services	11,000	14,200	14,287	(87)	21,900	22,900	13,295	-	9,605
Supplies and materials	1,000	1,158	1,112	46	8,794	9,210	4,017	-	5,193
Capital outlay	-	-	-	-	-	-	-	-	-
Payments to other governmental units	63,000	73,525	73,798	(273)	110,906	110,906	125,704	-	(14,798)
Total Expenditures	\$ 75,000	\$ 88,883	\$ 89,197	\$ (314)	\$ 141,600	\$ 143,016	\$ 143,016	\$ -	\$ -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ (301)	\$ (301)	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>(2,493)</u>							
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ (2,794)</u>					<u>\$ -</u>		

See accompanying Independent Auditors' Report.

(Continued - 4.)

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

		<u>Early Childhood Block Grant</u>			<u>Migrant Education</u>		
		<u>Prevention Initiative and Parental Training</u>					
		Budgeted Amounts	Actual Amounts	Variance From	Budgeted Amounts	Actual	Variance From
		Original	Final	Final Budget	Original	Amounts	Final Budget
REVENUES:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	41,169	41,581	41,581	-	-	-	-
Federal sources	-	-	-	-	8,000	8,000	(7,915)
Total Revenues	\$ 41,169	\$ 41,581	\$ 41,581	\$ -	\$ 8,000	\$ 8,000	\$ (7,915)
EXPENDITURES:							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased services	6,500	6,912	5,268	1,644	3,127	3,127	85
Supplies and materials	4,500	4,500	1,240	3,260	530	530	-
Capital outlay	-	-	-	-	-	-	-
Payments to other governmental units	30,169	30,169	35,073	(4,904)	4,343	4,343	-
Total Expenditures	\$ 41,169	\$ 41,581	\$ 41,581	\$ -	\$ 8,000	\$ 8,000	\$ 7,915
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES (DEFICIT), BEGINNING OF YEAR							
	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying Independent Auditors' Report.

(Continued - 5.)

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2007

Early Childhood Block Grant
Social Emotional Learning

	Budgeted Amounts		Actual Amounts	Variance From	
	Original	Final		Final Budget	Final Budget
REVENUES:					
Local sources	\$ -	\$ -	\$ 2,811	\$ 2,811	
State sources	29,195	29,195	27,771	(1,424)	
Federal sources	-	-	-	-	
Total Revenues	<u>\$ 29,195</u>	<u>\$ 29,195</u>	<u>\$ 30,582</u>	<u>\$ 1,387</u>	
EXPENDITURES:					
Salaries	\$ -	\$ -	\$ -	\$ -	
Purchased services	20,727	20,727	20,080	647	
Supplies and materials	2,400	2,400	710	1,690	
Capital outlay	-	-	-	-	
Payments to other governmental units	6,068	6,068	9,792	(3,724)	
Total Expenditures	<u>\$ 29,195</u>	<u>\$ 29,195</u>	<u>\$ 30,582</u>	<u>\$ (1,387)</u>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			-		
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ -</u>		

(Concluded - 6.)
 See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2007

ASSETS	Film Library Fund	Institute Fund	General				Supervisory Fund	Total
			Educational Development Fund	Bus Driver Fund	Hearing Fund			
Cash	\$ 46,443	\$ 33,844	\$ 936	\$ 5,394	\$ 1,109	\$ 18	\$ 87,744	
Due from other funds	-	-	-	-	440	-	440	
Due from other governmental units	-	-	-	-	-	-	-	
Total Assets	\$ 46,443	\$ 33,844	\$ 936	\$ 5,394	\$ 1,549	\$ 18	\$ 88,184	

LIABILITIES

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	6,658	405	-	-	7,063
Due to other governmental units	-	-	-	-	-	-	-
Deferred revenue	-	28,390	-	-	226	-	28,616
Total Liabilities	\$ -	\$ 28,390	\$ 6,658	\$ 405	\$ 226	\$ -	\$ 35,679

FUND BALANCES

Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (Deficit)	46,443	5,454	(5,722)	4,989	1,323	18	52,505
Total Fund Balances (Deficit)	\$ 46,443	\$ 5,454	\$ (5,722)	\$ 4,989	\$ 1,323	\$ 18	\$ 52,505
Total Liabilities and Fund Balances	\$ 46,443	\$ 33,844	\$ 936	\$ 5,394	\$ 1,549	\$ 18	\$ 88,184

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2007

	Film	Library	Institute	Educational	Development	Bus	Driver	Hearing	Supervisory	Fund	Fund	Fund
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Total
REVENUES:												
Local sources	\$ 7,364	\$ 7,206	\$ 4,028	\$ 1,628	\$ -	\$ -	\$ 42	\$ 20,268				\$ 20,268
State sources	-	-	-	600	-	-	3,000	3,600				3,600
Federal sources	-	-	-	-	-	-	-	-				-
Total Revenues	\$ 7,364	\$ 7,206	\$ 4,028	\$ 2,228	\$ -	\$ -	\$ 3,042	\$ 23,868				\$ 23,868
EXPENDITURES:												
Purchased services	\$ 1,513	\$ 5,821	\$ 3,872	\$ 1,602	\$ -	\$ -	\$ 3,033	\$ 15,841				\$ 15,841
Supplies and materials	1,333	385	150	4	-	-	45	1,917				1,917
Capital outlay	-	-	-	-	-	-	-	-				-
Payments to other governmental units	19,263	3,708	-	-	-	-	-	22,971				22,971
Total Expenditures	\$ 22,109	\$ 9,914	\$ 4,022	\$ 1,606	\$ -	\$ -	\$ 3,078	\$ 40,729				\$ 40,729
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$(14,745)	\$(2,708)	\$ 6	\$ 622	\$ -	\$ (36)	\$(16,861)					\$(16,861)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	61,188	8,162	(5,728)	4,367	1,323	54	69,366					69,366
FUND BALANCES (DEFICIT), END OF YEAR	\$ 46,443	\$ 5,454	\$(5,722)	\$ 4,989	\$ 1,323	\$ 18	\$ 52,505					\$ 52,505

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 BUDGETARY COMPARISON SCHEDULES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2007

Film Library Fund

	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final		
REVENUES:				
Local sources	\$ 7,100	\$ 7,100	\$ 7,364	\$ 264
State sources	-	-	-	-
Federal sources	-	-	-	-
Total Revenues	\$ 7,100	\$ 7,100	\$ 7,364	\$ 264
EXPENDITURES:				
Purchased services	\$ 12,950	\$ 12,950	\$ 1,513	\$ 11,437
Supplies and materials	3,500	3,500	1,333	2,167
Capital outlay	3,000	3,000	-	3,000
Other objects	16,000	16,000	-	16,000
Payments to other governmental units	-	-	19,263	(19,263)
Total Expenditures	\$ 35,450	\$ 35,450	\$ 22,109	\$ 13,341
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>\$ (28,350)</u>	<u>\$ (28,350)</u>	<u>\$ (14,745)</u>	<u>\$ 13,605</u>
FUND BALANCES , BEGINNING OF YEAR			<u>61,188</u>	
FUND BALANCES , END OF YEAR			<u>\$ 46,443</u>	

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

<u>ASSETS</u>	Balance July 1, 2006	Additions	Reductions	Balance June 30, 2007
Cash	\$ 16,591	\$ 59,448,709	\$ 59,448,709	\$ 16,591
Investments	-	-	-	-
Due from other governmental units	815,112	690,961	815,112	690,961
	<hr/>			
Total Assets	\$ 831,703	\$ 60,139,670	\$ 60,263,821	\$ 707,552
	<hr/>			
<u>LIABILITIES</u>				
Due to other governmental units	\$ 831,703	\$ 60,139,670	\$ 60,263,821	\$ 707,552
	<hr/>			
Total Liabilities	\$ 831,703	\$ 60,139,670	\$ 60,263,821	\$ 707,552
	<hr/>			

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Reorganization					
	General State Aid 3001	Hold Harmless 3002	Incentive Feasibility Study 3021	Transition Assistance 3099	Education Fac. Tuition 3100	
BRADFORD CUSD #1	\$ 685,557	\$ -	\$ -	\$ -	\$ -	\$ -
MALDEN G.D. SD # 84	145,522	41,333		7,035		
CHERRY G.S. SD # 92	226,196					2,909
LADD G.S. SD # 94	597,340					1,734
STARK COUNTY CUSD #100	2,039,495					8,166
DEPUE UNIT SD # 103	2,039,434					10,761
PRINCETON ELEM SD # 115	1,294,908	612,258				11,159
LEPERTOWN G.S. DIST. # 175	243,358					
COLONA ELEM SD # 190	2,235,880					
ORION CUSD # 223	2,376,735	113,222				63,892
GALVA CUSD # 224	1,975,802					16,815
ALWOOD CUSD # 225	1,119,175					
ANNAWAN CUSD # 226	947,325					8,547
CAMBRIDGE CUSD # 227	1,642,283					
GENESEO CUSD # 228	6,466,607					68,260
KEWANEE CUSD # 229	7,788,686					31,398
WETHERSFIELD CUSD # 230	2,145,609					
NEPONSET C.C. SD # 307	325,758	54,507			6,277	
BRUCE DENNISON, REG SUPT #28	135,537		15,000			
BUREAU VALLEY CUSD # 340	3,525,613					
PRINCETON H.S. SD # 500	1,119,398	272,282				
TOTAL	\$ 39,076,218	\$ 1,093,602	\$ 15,000	\$ 13,312	\$ 223,641	

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Education	Education	Orphanage	Orphanage	Education	Bilingual
	Extraordinary 3105	Personnel 3110	Group 3120	Foster 3130	Summer School 3145	Education 3305
BRADFORD CUSD #1	\$ 7,418	\$ 34,330	\$ -	\$ -	\$ -	\$ -
MALDEN G.D. SD # 84	13,853	45,013				
CHERRY G.S. SD # 92	4,926	44,381				
LADD G.S. SD # 94	27,528	21,389				
STARK COUNTY CUSD #100	19,799	89,057			124	
DEPUE UNIT SD # 103	72,051	63,344	15,399			19,895
PRINCETON ELEM SD # 115	228,325	287,368	30,845			
LEPERTOWN G.S. DIST. # 175	14,826	20,497				
COLONA ELEM SD # 190	61,589	69,811	4,842			
ORION CUSD # 223	32,884	107,558	18,924		2,115	380
GALVA CUSD # 224	27,925	76,556			668	
ALWOOD CUSD # 225	27,777	69,393	25,057	702	498	
ANNAWAN CUSD # 226	9,953	50,496				
CAMBRIDGE CUSD # 227	12,377	31,073	4,842			
GENESEO CUSD # 228	73,010	238,893	2,561		1,319	
KEWANEE CUSD # 229	92,569	76,859	3,734			52,750
WETHERSFIELD CUSD # 230	12,963	28,467	18,941			
NEPONSET C.C. SD # 307	2,683	5,458				
BRUCE DENNISON, REG SUPT #28						
BUREAU VALLEY CUSD # 340	115,813	335,202	24,659			
PRINCETON H.S. SD # 500	31,248	120,354	24,713			
TOTAL	\$ 889,517	\$ 1,815,499	\$ 174,517	\$ 702	\$ 4,724	\$ 73,025

See accompanying Independent Auditors' Report.

GINOLI & COMPANY LTD

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Illinois Free Lunch		Breakfast Incentive		Driver Education		Transportation Regular		Transportation Special Education		School Bus Driver Training	
	3360	3365	3370	3500	3510	3520						
BRADFORD CUSD #1	\$ 1,623	\$ 69	\$ -	\$ 200,953	\$ 70,142	\$ -						
MALDEN G.D. SD # 84	212			59,659	5,861							
CHERRY G.S. SD # 92	243			22,420	15,580							
LADD G.S. SD # 94	842			47,115	37,350							
STARK COUNTY CUSD #100	5,010	380	11,017	236,341	112,539							
DEPUE UNIT SD # 103	4,096	87	2,617	75,952	69,251							
PRINCETON ELEM SD # 115	6,744	535		465,909	77,995							
LEPERTOWN G.S. DIST. # 175	1,170			35,757	23,001							
COLONA ELEM SD # 190	3,978				22,965							
ORION CUSD # 223	1,478		12,916	483,397	52,742							
GALVA CUSD # 224	2,638	68	6,619	140,649	186,127							
ALWOOD CUSD # 225	2,668	23	6,773	177,860	54,306							
ANNAWAN CUSD # 226	1,104		4,618	146,344	44,733							
CAMBRIDGE CUSD # 227	2,621	733	4,369	129,384	73,280							
GENESEO CUSD # 228	8,387	863	34,005	924,183	214,965							
KEWANEE CUSD # 229	22,272	369	18,523	445,156	64,306							
WETHERSFIELD CUSD # 230	2,943	257	6,121	64,302	49,632							
NEPONSET C.C. SD # 307	1,067	22		100,718		600						
BRUCE DENNISON, REG SUPT #28												
BUREAU VALLEY CUSD # 340	8,457	793	17,241	758,336	235,692							
PRINCETON H.S. SD # 500	1,607	86	25,487	96,298	40,279							
TOTAL	\$ 79,160	\$ 4,285	\$ 150,306	\$ 4,610,733	\$ 1,450,746	\$ 600						

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Board		Truants		Regional		Early Childhood		Reading	
	Certificate	3651	Alternative	Education	Safe	Schools	Block Grant	Grant	Improvement	3715
BRADFORD CUSD #1	\$ -	\$ -	-	\$ -	-	-	\$ 98,495	\$	10,612	
MALDEN G.D. SD # 84							92,524		3,093	
CHERRY G.S. SD # 92									3,019	
LADD G.S. SD # 94									7,438	
STARK COUNTY CUSD #100	3,000						110,777		29,202	
DEPUJE UNIT SD # 103							130,382		16,659	
PRINCETON ELEM SD # 115							640,284		54,625	
LEPERTOWN G.S. DIST. # 175							66,378		2,278	
COLONA ELEM SD # 190							81,195		28,639	
ORION CUSD # 223							105,305		26,287	
GALVA CUSD # 224	3,000						100,103		19,313	
ALWOOD CUSD # 225							103,799		14,337	
ANNAWAN CUSD # 226	3,000						102,359		11,706	
CAMBRIDGE CUSD # 227							100,067		15,027	
GENESEO CUSD # 228							190,331		69,489	
KEWANEE CUSD # 229							127,832		76,191	
WETHERSFIELD CUSD # 230	3,000						112,350		18,909	
NEPONSET C.C. SD # 307				104,205		160,192	64,852		4,952	
BRUCE DENNISON, REG SUPT #28							213,792			
BUREAU VALLEY CUSD # 340	6,000						184,065		39,557	
PRINCETON H.S. SD # 500										
TOTAL	\$ 18,000	\$ 104,205	\$ 160,192	\$ 2,624,890	\$ 451,333					

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	ROE/ISC Operations	Supervisory Expense	ADA Safety Ed Block Grant	Arts and Foreign Assistance	Title V
	3730	3745	3775	3962	4100
BRADFORD CUSD #1	\$ -	\$ -	\$ 10,861	\$ -	\$ 496
MALDEN G.D. SD # 84			2,975		98
CHERRY G.S. SD # 92			2,803		92
LADD G.S. SD # 94			7,689		243
STARK COUNTY CUSD #100			31,167		1,417
DEPUE UNIT SD # 103			15,991		771
PRINCETON ELEM SD # 115			41,588		2,772
LEPERTOWN G.S. DIST. # 175			2,113		48
COLONA ELEM SD # 190			19,563		1,022
ORION CUSD # 223			40,180		1,453
GALVA CUSD # 224			23,120		1,022
ALWOOD CUSD # 225			18,468		784
ANNAWAN CUSD # 226			14,186		589
CAMBRIDGE CUSD # 227			18,663		17,644
GENESEO CUSD # 228			103,514		4,852
KEWANEE CUSD # 229			64,308	40,000	3,758
WETHERSFIELD CUSD # 230			24,076		943
NEPONSET C.C. SD # 307			4,548		270
BRUCE DENNISON, REG SUPT #28	79,526	3,000			
BUREAU VALLEY CUSD # 340			45,903		3,670
PRINCETON H.S. SD # 500			24,435		1,156
TOTAL	\$ 79,526	\$ 3,000	\$ 516,151	\$ 40,000	\$ 43,100

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Lunch, Brkfst and Milk 4210	Lunch Special Milk Program 4215	Breakfast Program 4220	Child Nutrition 4250	Title 1 4300
BRADFORD CUSD #1	\$ 30,768	\$ -	\$ 6,352	\$ 39	\$ 45,099
MALDEN G.D. SD # 84	8,493	160		10	
CHERRY G.S. SD # 92	7,032				1,063
LADD G.S. SD # 94	23,679			24	
STARK COUNTY CUSD #100	90,521		28,520	134	125,398
DEPUÉ UNIT SD # 103	86,997		15,372	66	97,797
PRINCETON ELEM SD # 115	132,147		30,011	201	140,784
LEPERTOWN G.S. DIST. # 175	15,296		6,894	11	2,867
COLONA ELEM SD # 190	73,350		19,126	94	150,844
ORION CUSD # 223	68,281			178	29,532
GALVA CUSD # 224	67,585		5,502	110	73,399
ALWOOD CUSD # 225	59,132		8,915	77	50,537
ANNAWAN CUSD # 226	38,275			80	29,381
CAMBRIDGE CUSD # 227	53,734	698	18,695	83	81,000
GENESEO CUSD # 228	211,723		47,636	482	127,728
KEWANEE CUSD # 229	387,959		110,844	332	762,712
WETHERSFIELD CUSD # 230	68,492		10,354	90	84,233
NEPONSET C.C. SD # 307	16,712		9,947	21	50,977
BRUCE DENNISON, REG SUPT #28					
BUREAU VALLEY CUSD # 340	157,978		51,431	204	167,969
PRINCETON H.S. SD # 500	46,238		3,379	64	21,259
TOTAL	\$ 1,644,392	\$ 858	\$ 372,978	\$ 2,300	\$ 2,042,579

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Comprehensive School Reform	Reading First	Even Start	Reading First	Migrant Education
BRADFORD CUSD #1	\$ -	\$ -	\$ -	\$ -	\$ -
MALDEN G.D. SD # 84					
CHERRY G.S. SD # 92					
LADD G.S. SD # 94					
STARK COUNTY CUSD #100					
DEPUJE UNIT SD # 103	30,837	72,613			
PRINCETON ELEM SD # 115					
LEPERTOWN G.S. DIST. # 175					
COLONA ELEM SD # 190					
ORION CUSD # 223					
GALVA CUSD # 224					
ALWOOD CUSD # 225					
ANNAWAN CUSD # 226					
CAMBRIDGE CUSD # 227					
GENESEO CUSD # 228					
KEWANEE CUSD # 229	56,294				
WETHERSFIELD CUSD # 230					
NEPONSET C.C. SD # 307			75,000	25,600	8,000
BRUCE DENNISON, REG SUPT #28					
BUREAU VALLEY CUSD # 340					
PRINCETON H.S. SD # 500					
TOTAL	\$ 87,131	\$ 72,613	\$ 75,000	\$ 25,600	\$ 8,000

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Drug Free Schools 4400	21st Century			Education Room & Board 4625	Title III Language 4909	Learn & Serve America 4910
		Community Learning 4421	Room & Board	Education			
BRADFORD CUSD #1	\$ 1,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MALDEN G.D. SD # 84	153						
CHERRY G.S. SD # 92	349						
LADD G.S. SD # 94	2,209			241			
STARK COUNTY CUSD #100					18,525		
DEPUE UNIT SD # 103	4,564			639			
PRINCETON ELEM SD # 115	110						
LEPERTOWN G.S. DIST. # 175	2,392			682			
COLONA ELEM SD # 190	2,348			329			
ORION CUSD # 223	1,958						
GALVA CUSD # 224	1,600						
ALWOOD CUSD # 225	1,106			152			4,000
ANNAWAN CUSD # 226	2,190						
CAMBRIDGE CUSD # 227	7,159			53,764			
GENESEO CUSD # 228	6,784			79,115		18,141	
KEWANEE CUSD # 229	2,342						
WETHERSFIELD CUSD # 230	867						
NEPONSET C.C. SD # 307			555,219				
BRUCE DENNISON, REG SUPT #28	2,600			36			
BUREAU VALLEY CUSD # 340	2,673						
PRINCETON H.S. SD # 500							
TOTAL	\$ 42,568	\$ 555,219	\$ 134,958	\$ 36,666	\$ 4,000		

See accompanying Independent Auditors' Report.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF DISBURSEMENTS TO DISTRICT TREASURERS AND OTHER ENTITIES
 FOR THE YEAR ENDED JUNE 30, 2007

DISTRICT	Renovation IDEA & Tech 4932	Literacy Challenge 4971	HERA 4995	TOTAL
BRADFORD CUSD #1	\$ 18,114	\$ 497	-	\$ 1,222,589
MALDEN G.D. SD # 84	2,103			427,944
CHERRY G.S. SD # 92	3,650			334,467
LADD G.S. SD # 94	7,219		1,000	780,939
STARK COUNTY CUSD #100	39,189	1,233		2,984,936
DEPUE UNIT SD # 103	25,529	1,065		2,885,491
PRINCETON ELEM SD # 115	50,014	2,730		4,116,405
LEPERTOWN G.S. DIST. # 175	4,887	31		439,522
COLONA ELEM SD # 190	48,675	1,360		2,826,007
ORION CUSD # 223	26,731		3,375	3,570,242
GALVA CUSD # 224	28,904	764		2,758,647
ALWOOD CUSD # 225	13,709			1,755,590
ANNAWAN CUSD # 226	15,080			1,429,034
CAMBRIDGE CUSD # 227	15,926	1,019		2,229,708
GENESEO CUSD # 228	48,320	1,113		8,899,164
KEWANEE CUSD # 229	119,308	6,388	5,000	10,461,588
WETHERSFIELD CUSD # 230	34,789	896		2,689,709
NEPONSET C.C. SD # 307	11,585	500		661,721
BRUCE DENNISON, REG SUPT #28				1,375,671
BUREAU VALLEY CUSD # 340	58,631	1,787		5,741,637
PRINCETON H.S. SD # 500	26,484	258		1,857,698
TOTAL	\$ 598,847	\$ 19,641	\$ 9,375	\$ 59,448,709

See accompanying Independent Auditors' Report.

FEDERAL COMPLIANCE SECTION

BUREAU/HENRY STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2007

Federal Grantor/Pass Through Grantor/ Program Title	CFDA Number	Project #	Expenditures 7/1/06-6/30/07	Obligations/ Encumbrances	Expenditures 7/1/06-6/30/07
U.S. Dept. of Education passed through Illinois State Board of Education					
Title I - Reading First Part B SEA Funds	84.357A	2007-4337-02	\$ 12,817	\$ 9,229	\$ 22,046
Even Start	84.213C	2007-4335-00	\$ 88,890	-	\$ 88,890
(M) Title IV - 21st Century Community Learning Centers	84.287C	2007-4421-07	\$ 80,112	\$ 170	\$ 80,282
(M) Title IV - 21st Century Community Learning Centers	84.287C	2007-4421-04	231,907	3,672	235,579
(M) Title IV - 21st Century Community Learning Centers	84.287C	2007-4421-00	155,585	18,315	173,900
Total Title IV - 21st Century Community Learning Centers			\$ 467,604	\$ 22,157	\$ 489,761
Title I - Migrant Education	84.011A	2007-4340-01	\$ 85	-	\$ 85
Total U.S. Dept. of Education passed through Illinois State Board of Education			\$ 569,396	\$ 31,386	\$ 600,782
U.S. Department of Education passed through Illinois State Board of Education and Regional Office of Education #47:					
McKinney Education for Homeless Children	84.196	2007-4920-00	\$ 26,500	-	\$ 26,500
U.S. Dept. of Education, direct award					
Rural Education Achievement Program	84.358A	S358A065329	\$ 6,599	\$ 9,475	\$ 16,074
Total Expenditures of Federal Awards			\$ 602,495	\$ 40,861	\$ 643,356

(M) Program was audited as a major program.

The accompanying notes are an integral part of this schedule.

BUREAU/HENRY/STARK COUNTIES REGIONAL OFFICE OF EDUCATION #28
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Bureau/Henry/Stark Counties Regional Office of Education #28 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2: DESCRIPTION OF MAJOR FEDERAL PROGRAM

The Title IV - 21st Century Community Learning Center program is designed to provide academic enrichment opportunities during the extended school day and extended school year. Through academic enrichment, students will receive support in developing and mastering their reading, writing, and math skills via additional learning opportunities, tutoring, and homework support.

NOTE 3: SUB-RECIPIENTS

None

NOTE 4: NON-CASH ASSISTANCE

None

NOTE 5: AMOUNT OF INSURANCE

None

NOTE 6: LOANS OR LOAN GUARANTEES OUTSTANDING

None