

**STATE OF ILLINOIS
REGIONAL OFFICE OF EDUCATION #39**

**FINANCIAL AUDIT
(In Accordance with the Single Audit Act
and OMB Circular A-133)
For the year ended June 30, 2009**

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

OFFICIALS

Regional Superintendent (7/1/08 through 3/31/09)..... Mr. Richard Shelby
Regional Superintendent (4/1/09 through current)..... Mr. Matthew Snyder
Assistant Regional Superintendent (7/1/08 through 3/31/09)..... Mr. Matthew Snyder
Assistant Regional Superintendent (4/1/09 through 6/30/09, interim basis)..... Mr. David Coopriker
Assistant Regional Superintendent (7/1/09 through current)..... Mr. Richard Shelby

Offices are located at:

1690 Huston Drive
Decatur, IL 62526

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMPLIANCE REPORT SUMMARY

The compliance audit testing performed during 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 | 0 | 0 |
| Repeated audit findings | 0 | 0 |
| Prior recommendations implemented or not repeated | 0 | 0 |

SUMMARY OF FINDINGS AND QUESTIONED COSTS

Item No. Page Description

FINDINGS (GOVERNMENT AUDITING STANDARDS)

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

FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)

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

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

There were no prior findings.

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

There were no prior findings.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMPLIANCE REPORT SUMMARY (Continued)

EXIT CONFERENCE

An informal exit conference was held on September 17, 2009. Attending were Matthew Snyder, Regional Superintendent, Ann K. Neal, Director of Business Operations of the Regional Office of Education #39, and James E. Moon, CPA of West & Company, LLC.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of the Macon-Piatt Counties Regional Office of Education #39 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unqualified opinion on the Regional Office of Education #39's basic financial statements.

WEST & COMPANY, LLC

MEMBERS

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

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon-Piatt Counties Regional Office of Education #39, as of and for the year ended June 30, 2009, which collectively comprise the Macon-Piatt Counties Regional Office of Education #39's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Macon-Piatt Counties Regional Office of Education #39's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon-Piatt Counties Regional Office of Education #39, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 5, 2010 on our consideration of the Macon-Piatt Counties Regional Office of Education #39's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Illinois Municipal Retirement Fund – Schedule of Funding Progress on pages 16A through 16F and 53 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Macon-Piatt Counties Regional Office of Education #39's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the Schedule of Disbursements to School District Treasurers and Others 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. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Schedule of Disbursements to School District Treasurers and Others, 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.

West & Company, LLC

January 5, 2010

WEST & COMPANY, LLC

MEMBERS

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

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Macon-Piatt Counties Regional Office of Education #39, as of and for the year ended June 30, 2009, which collectively comprise the Macon-Piatt Counties Regional Office of Education #39's basic financial statements and have issued our report thereon dated January 5, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Macon-Piatt Counties Regional Office of Education #39's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements and not for the purpose of expressing an opinion on the effectiveness of the Macon-Piatt Counties Regional Office of Education #39's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Macon-Piatt Counties Regional Office of Education #39's internal control over financial reporting.

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Macon-Piatt Counties Regional Office of Education #39'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*.

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

West & Company, LLC

January 5, 2010

WEST & COMPANY, LLC

MEMBERS

E. LYNN FREESE
RICHARD C. WEST
KENNETH L. VOGT
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of the Macon-Piatt Counties Regional Office of Education #39 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, 2009. The Macon-Piatt Counties Regional Office of Education #39's major federal program is 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 its major federal program is the responsibility of the Macon-Piatt Counties Regional Office of Education #39's management. Our responsibility is to express an opinion on the Macon-Piatt Counties Regional Office of Education #39'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 Macon-Piatt Counties Regional Office of Education #39's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Macon-Piatt Counties Regional Office of Education #39's compliance with those requirements.

In our opinion, the Macon-Piatt Counties Regional Office of Education #39 complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Macon-Piatt Counties Regional Office of Education #39 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Macon-Piatt Counties Regional Office of Education #39's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Macon-Piatt Counties Regional Office of Education #39'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 results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

West + Company, LLC

January 5, 2010

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

Section I -- Summary of Auditors' Results

Financial statements

Type of auditors' report issued: UNQUALIFIED

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? 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

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2009

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

Identification of major programs:

CFDA Number(s)

Name of federal program or cluster

84.027A

Federal - Special Education - IDEA Flow Through

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

Auditee qualified as a low-risk auditee? X yes no

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

Section II: Financial Statement Findings

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

Section III: Federal Award Findings

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the year ended June 30, 2009

| <u>Finding Number</u> | <u>Condition</u> | <u>Current Status</u> |
|---------------------------|-------------------------------|---------------------------|
| | There were no prior findings. | |

MANAGEMENT'S DISCUSSION AND ANALYSIS

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended June 30, 2009

The Regional Office of Education #39 for the Counties of Macon and Piatt 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, 2009. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements which follow.

2009 Financial Highlights

- Within the Governmental Funds, the General Fund revenues increased by \$5,520 from \$1,431,507 in fiscal year 2008 to \$1,437,027 in FY09. General Fund expenditures decreased by \$9,508 from \$1,391,034 in FY08 to \$1,381,526 in FY09.
- Within the Governmental Funds, the Special Revenue Fund revenue decreased by \$538,185 from \$7,295,224 in FY08 to \$6,757,039 in FY09. The Special Revenue Fund expenditures decreased by \$485,920 from \$6,979,464 in FY08 to \$6,493,544 in FY09. This was a result of the loss of the IDOC grant.
- Within the Proprietary Fund, revenues decreased \$4,249 from \$34,539 in FY08 to \$30,290 in FY09. Expenditures decreased \$7,673 from \$32,018 in FY08 to \$24,345 in FY09.

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.

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

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

The fund financial statements provide detailed information about the Regional Office's funds. Funds are accounting devices which allows the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education #39 established other funds to control and manage money for particular purposes.

The Office has three kinds of funds:

1. Governmental funds account for all of the Office's services. These focus on how cash and other financial assets 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 fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. The Office's Governmental Funds include: the General Fund and the Special Revenue funds, which include education and other non major funds.

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

2. Proprietary funds are funds generated from hosting educational workshops for professional development.

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

3. Fiduciary funds are used to account for assets held by the Regional Office of Education #39 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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 net assets at the end of FY09 totaled approximately \$2,508,235. The analysis that follows provides a summary of the Office's net assets at June 30, 2009.

CONDENSED STATEMENT OF NET ASSETS

| | Governmental Activities | | Business-type Activities | | Total | |
|---|-------------------------|---------------------|--------------------------|-----------------|---------------------|---------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Current Assets | \$ 2,645,041 | \$ 2,869,580 | \$ 13,787 | \$ 6,318 | \$ 2,658,828 | \$ 2,875,898 |
| Capital Assets, net | 69,917 | 64,066 | 2,893 | 2,464 | 72,810 | 66,530 |
| Total Assets | <u>2,714,958</u> | <u>2,933,646</u> | <u>16,680</u> | <u>8,782</u> | <u>2,731,638</u> | <u>2,942,428</u> |
| Current Liabilities | 210,649 | 754,185 | 2,273 | 320 | 212,922 | 754,505 |
| Long-Term Liabilities | 10,481 | 136,865 | - | - | 10,481 | 136,865 |
| Total Liabilities | <u>221,130</u> | <u>891,050</u> | <u>2,273</u> | <u>320</u> | <u>223,403</u> | <u>891,370</u> |
| Net Assets: | | | | | | |
| Invested in Capital Assets | 69,917 | 64,066 | 2,893 | 2,464 | 72,810 | 66,530 |
| Restricted for teacher professional development | 72,857 | 63,062 | - | - | 72,857 | 63,062 |
| Unrestricted | 2,351,054 | 1,915,468 | 11,514 | 5,998 | 2,362,568 | 1,921,466 |
| Total Net Assets | <u>\$ 2,493,828</u> | <u>\$ 2,042,596</u> | <u>\$ 14,407</u> | <u>\$ 8,462</u> | <u>\$ 2,508,235</u> | <u>\$ 2,051,058</u> |

The following analysis shows the changes in net assets for the year ended June 30, 2009.

CHANGES IN NET ASSETS

| | Governmental Activities | | Business-type Activities | | Total | |
|----------------------------------|---------------------------|---------------------------|--------------------------|------------------------|---------------------------|---------------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ - | \$ - | \$ 30,290 | \$ 34,539 | \$ 30,290 | \$ 34,539 |
| Operating grants & contributions | 6,090,444 | 6,451,765 | - | - | 6,090,444 | 6,451,765 |
| General revenues: | | | | | | |
| Local sources | 1,371,716 | 1,524,911 | - | - | 1,371,716 | 1,524,911 |
| On-behalf payments - State | 712,639 | 700,364 | - | - | 712,639 | 700,364 |
| Interest | 19,267 | 49,691 | - | - | 19,267 | 49,691 |
| Total revenues | <u>8,194,066</u> | <u>8,726,731</u> | <u>30,290</u> | <u>34,539</u> | <u>8,224,356</u> | <u>8,761,270</u> |
| Expenses: | | | | | | |
| Program expenses: | | | | | | |
| Instructional services: | | | | | | |
| Salaries and benefits | 5,340,489 | 5,833,481 | - | - | 5,340,489 | 5,833,481 |
| Purchased services | 1,458,259 | 1,646,324 | - | - | 1,458,259 | 1,646,324 |
| Supplies and materials | 183,436 | 157,882 | - | - | 183,436 | 157,882 |
| Payments to other governments | - | 18,927 | - | - | - | 18,927 |
| Other objects | 696 | 1,356 | - | - | 696 | 1,356 |
| Depreciation | 47,315 | 47,197 | - | - | 47,315 | 47,197 |
| Administrative expenses: | | | | | | |
| On-behalf payments - State | 712,639 | 700,364 | - | - | 712,639 | 700,364 |
| Business-type expenses: | | | | | | |
| Instructional | - | - | 24,345 | 32,018 | 24,345 | 32,018 |
| Total expenses | <u>7,742,834</u> | <u>8,405,531</u> | <u>24,345</u> | <u>32,018</u> | <u>7,767,179</u> | <u>8,437,549</u> |
| Change in Net Assets | 451,232 | 321,200 | 5,945 | 2,521 | 457,177 | 323,721 |
| Net Assets, beginning of year | <u>2,042,596</u> | <u>1,721,396</u> | <u>8,462</u> | <u>5,941</u> | <u>2,051,058</u> | <u>1,727,337</u> |
| Net Assets, end of year | <u><u>\$2,493,828</u></u> | <u><u>\$2,042,596</u></u> | <u><u>\$ 14,407</u></u> | <u><u>\$ 8,462</u></u> | <u><u>\$2,508,235</u></u> | <u><u>\$2,051,058</u></u> |

Governmental Activities

Revenues for governmental activities were \$8,194,066 and expenses were \$7,742,834. The Regional Office of Education #39 experienced an increase in net assets of \$451,232. A decrease in expenditures for FY09 resulted in an increase in net assets.

Financial Analysis of the Regional Office of Education #39 Funds

As previously noted, the Regional Office of Education #39 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency's Governmental Funds reported combined fund balances of \$2,434,392 for FY09, an increase of \$318,996 over FY08 fund balance of \$2,115,396.

Governmental Fund Highlights:

- County support for the Regional Office of Education #39 increased slightly in FY09.
- The IDOC MCSED contract ended in May 2009.
- There was an increase in the state aid foundation level to \$5,959 per student from \$5,734. This has helped off-set a reduction in the grant dollars provided for the Future's Program and Adult Ed Program.

Proprietary Fund Highlights:

- In FY09, the Regional Office offered 36 administrator and teacher workshops. As of July 1, 2009, the Regional Office anticipates having at least 35 workshops in FY10.

Budgetary Highlights:

The Regional Office of Education #39 annually adopts budgets for several funds. The Resource Library Cooperative budget and the Heartland Vocational Cooperative budget are prepared by the Regional Superintendent or program coordinator and serve as a guideline for activities and expenditures. These two entities are considered separate from the Regional Office. They are audited on an annual basis by outside auditing firms and budgets are submitted to the Illinois State Board of Education and the Illinois Community College Board. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the two County Boards for their approval. The Office Operations budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the Regional Office of Education #39 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 #39 include office equipment, lease improvements, computers, audio-visual equipment and office furniture. The Regional Office of Education #39 maintains an inventory of capital assets which have been accumulated over time. Governmental activities net capital assets for FY09 and FY08 were \$69,917 and \$64,066, respectively. The increase in net capital assets is due to the purchase of computers and related equipment during FY09. In addition, the Regional Office of Education #39 has adopted a depreciation schedule which reflects the level of Governmental Activities Net Capital Assets.

Economic Factors and Next Year's Budget

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

- The State of Illinois Foundation Level used in the calculation increased from \$5,959 in FY09 to \$6,119 in FY10. However, the numbers in the Regional Office's programs are down resulting in a loss of General State Aid.
- The interest rate on investments continues to increase very slightly and will impact interest earned.
- Revenue from the IDOC MCSED contract ceased in May 2009. The termination of this contract will result in a decrease in revenue of \$165,000 for the upcoming fiscal year in the Business Office fund.
- Grant funding will decrease for ISBE-RSSP, TAEOP, School Services, and Early Childhood.
- County funding for FY10 will remain at FY09 levels.
- Slow receipt of monies from the State due to the State's budget issues and backlogs.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Office's 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 financial information, please contact the Regional Superintendent of the Regional Office of Education #39 at 1690 Huston Drive, Decatur, IL 62526.

BASIC FINANCIAL STATEMENTS

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

STATEMENT OF NET ASSETS

June 30, 2009

| | Primary Government | | |
|---|----------------------------|-----------------------------|--------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 1,368,541 | \$ 12,237 | \$ 1,380,778 |
| Investments | 12,726 | - | 12,726 |
| Accounts receivable | 60,741 | 1,550 | 62,291 |
| Due from other governments | 1,203,033 | - | 1,203,033 |
| Total current assets | 2,645,041 | 13,787 | 2,658,828 |
| Noncurrent assets: | | | |
| Capital assets, net | 69,917 | 2,893 | 72,810 |
| Total assets | 2,714,958 | 16,680 | 2,731,638 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | 27,620 | 2,273 | 29,893 |
| Accrued salaries and benefits | 113,186 | - | 113,186 |
| Due to other governments | 14,618 | - | 14,618 |
| Deferred revenue | 55,225 | - | 55,225 |
| Total current liabilities | 210,649 | 2,273 | 212,922 |
| Noncurrent liabilities: | | | |
| Liability for compensated absences | 10,481 | - | 10,481 |
| Total liabilities | 221,130 | 2,273 | 223,403 |
| NET ASSETS | | | |
| Invested in capital assets | 69,917 | 2,893 | 72,810 |
| Restricted for teacher professional development | 72,857 | - | 72,857 |
| Unrestricted | 2,351,054 | 11,514 | 2,362,568 |
| Total net assets | \$ 2,493,828 | \$ 14,407 | \$ 2,508,235 |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | |
|-------------------------------|---------------------|-------------------------|--|--|-----------------------------|---------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Primary Government | | |
| | | | | Governmental Activities | Business-Type Activities | Total |
| FUNCTIONS/PROGRAMS | | | | | | |
| Governmental activities: | | | | | | |
| Instructional services: | | | | | | |
| Salaries and benefits | \$ 5,340,489 | \$ - | \$ 4,924,943 | \$ (415,546) | \$ - | \$ (415,546) |
| Purchased services | 1,458,259 | - | 952,892 | (505,367) | - | (505,367) |
| Supplies and materials | 183,436 | - | 161,728 | (21,708) | - | (21,708) |
| Capital outlay | - | - | 50,224 | 50,224 | - | 50,224 |
| Other objects | 696 | - | 657 | (39) | - | (39) |
| Depreciation | 47,315 | - | - | (47,315) | - | (47,315) |
| Administrative: | | | | | | |
| On-behalf payments - State | 712,639 | - | - | (712,639) | - | (712,639) |
| Total governmental activities | <u>7,742,834</u> | <u>-</u> | <u>6,090,444</u> | <u>(1,652,390)</u> | <u>-</u> | <u>(1,652,390)</u> |
| Business-type activities: | | | | | | |
| Instructional | 24,345 | 30,290 | - | - | 5,945 | 5,945 |
| Total primary government | <u>\$ 7,767,179</u> | <u>\$ 30,290</u> | <u>\$ 6,090,444</u> | <u>(1,652,390)</u> | <u>5,945</u> | <u>(1,646,445)</u> |
| General revenues: | | | | | | |
| Local sources | | | | 1,371,716 | - | 1,371,716 |
| On-behalf payments - State | | | | 712,639 | - | 712,639 |
| Interest | | | | 19,267 | - | 19,267 |
| Total general revenues | | | | <u>2,103,622</u> | <u>-</u> | <u>2,103,622</u> |
| Change in net assets | | | | 451,232 | 5,945 | 457,177 |
| Net assets - beginning | | | | <u>2,042,596</u> | <u>8,462</u> | <u>2,051,058</u> |
| Net assets - ending | | | | <u>\$ 2,493,828</u> | <u>\$ 14,407</u> | <u>\$ 2,508,235</u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>General Fund</u> | <u>Education Fund</u> | <u>Other Nonmajor Funds</u> | <u>Total Governmental Funds</u> |
|--------------------------------------|-------------------------|---------------------------|-------------------------------------|---|
| ASSETS | | | | |
| Cash | \$ 159,971 | \$ 955,407 | \$ 253,163 | \$ 1,368,541 |
| Investments | 10,208 | - | 2,518 | 12,726 |
| Accounts receivable | 1,486 | 622 | 58,633 | 60,741 |
| Due from other funds | 771,230 | 287,379 | - | 1,058,609 |
| Due from other governments | 40,288 | 1,126,819 | 35,926 | 1,203,033 |
| | <u>40,288</u> | <u>1,126,819</u> | <u>35,926</u> | <u>1,203,033</u> |
| Total assets | <u>\$ 983,183</u> | <u>\$ 2,370,227</u> | <u>\$ 350,240</u> | <u>\$ 3,703,650</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 5,407 | \$ 22,124 | \$ 89 | \$ 27,620 |
| Accrued salaries and benefits | 8,057 | 99,486 | 5,643 | 113,186 |
| Due to other funds | - | 1,024,686 | 33,923 | 1,058,609 |
| Due to other governments | - | 150 | 14,468 | 14,618 |
| Deferred revenue | - | - | 55,225 | 55,225 |
| | <u>-</u> | <u>-</u> | <u>55,225</u> | <u>55,225</u> |
| Total liabilities | <u>13,464</u> | <u>1,146,446</u> | <u>109,348</u> | <u>1,269,258</u> |
| FUND BALANCES | | | | |
| Unreserved, reported in: | | | | |
| General fund | 969,719 | - | - | 969,719 |
| Special revenue funds | - | 1,223,781 | 240,892 | 1,464,673 |
| | <u>-</u> | <u>1,223,781</u> | <u>240,892</u> | <u>1,464,673</u> |
| Total fund balances | <u>969,719</u> | <u>1,223,781</u> | <u>240,892</u> | <u>2,434,392</u> |
| Total liabilities and fund balances | <u>\$ 983,183</u> | <u>\$ 2,370,227</u> | <u>\$ 350,240</u> | <u>\$ 3,703,650</u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

June 30, 2009

| | |
|--|---------------------------|
| Total fund balances-governmental funds | \$2,434,392 |
| Amounts reported for governmental activities in the Statement of Net Assets are different because: | |
| Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds. | (10,481) |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | <u>69,917</u> |
| Net assets of governmental activities | <u><u>\$2,493,828</u></u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>General Fund</u> | <u>Education Fund</u> | <u>Other Nonmajor Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|---------------------------|-------------------------------------|---|
| Revenues: | | | | |
| Local sources | \$ 612,513 | \$ 32,701 | \$ 726,502 | \$ 1,371,716 |
| State sources | 96,783 | 4,799,581 | 17,655 | 4,914,019 |
| Federal sources | - | 1,176,425 | - | 1,176,425 |
| On-behalf payments | 712,639 | - | - | 712,639 |
| Interest | 15,092 | 3,197 | 978 | 19,267 |
| | <u>1,437,027</u> | <u>6,011,904</u> | <u>745,135</u> | <u>8,194,066</u> |
| Total revenues | | | | |
| Expenditures: | | | | |
| Instructional Services: | | | | |
| Salaries and benefits | 384,983 | 4,828,400 | 253,491 | 5,466,874 |
| Purchased services | 236,702 | 753,799 | 467,758 | 1,458,259 |
| Supplies and materials | 34,879 | 136,301 | 12,256 | 183,436 |
| Other objects | 696 | - | - | 696 |
| On-behalf payments | 712,639 | - | - | 712,639 |
| Capital outlay | 11,627 | 41,539 | - | 53,166 |
| | <u>1,381,526</u> | <u>5,760,039</u> | <u>733,505</u> | <u>7,875,070</u> |
| Total expenditures | | | | |
| Excess of revenues over expenditures | <u>55,501</u> | <u>251,865</u> | <u>11,630</u> | <u>318,996</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | 8,930 | 8,930 |
| Transfers out | - | (8,930) | - | (8,930) |
| | <u>-</u> | <u>(8,930)</u> | <u>8,930</u> | <u>-</u> |
| Net other sources and uses of financial resources | | | | |
| Net change in fund balances | 55,501 | 242,935 | 20,560 | 318,996 |
| Fund balances, beginning of year | <u>914,218</u> | <u>980,846</u> | <u>220,332</u> | <u>2,115,396</u> |
| Fund balances, end of year | <u>\$ 969,719</u> | <u>\$ 1,223,781</u> | <u>\$ 240,892</u> | <u>\$ 2,434,392</u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the year ended June 30, 2009

Net change in fund balances-governmental funds \$ 318,996

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

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

| | | |
|----------------------|-----------------|-------|
| Capital outlay | \$ 53,166 | |
| Depreciation expense | <u>(47,315)</u> | 5,851 |

Certain reductions of expenses reported in the Statement of Activities do
not provide current financial resources and therefore are not reported
as reductions of expenditures in governmental funds.

126,385

Change in net assets of governmental activities

\$ 451,232

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS

June 30, 2009

| | Business-Type Activities Enterprise Funds <u>Workshop Reimbursement</u> |
|----------------------------|--|
| ASSETS | |
| Current assets: | |
| Cash | \$ 12,237 |
| Accounts receivable | <u>1,550</u> |
| Total current assets | 13,787 |
| Noncurrent assets: | |
| Capital assets, net | <u>2,893</u> |
| Total assets | <u>16,680</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | <u>2,273</u> |
| Total liabilities | <u>2,273</u> |
| NET ASSETS | |
| Invested in capital assets | 2,893 |
| Unrestricted | <u>11,514</u> |
| Total net assets | <u>\$ 14,407</u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the year ended June 30, 2009

| | <u>Business-Type Activities Enterprise Funds</u> <u>Workshop Reimbursement</u> |
|------------------------------|---|
| Operating revenues: | |
| Charges for services | \$ 30,290 |
| Operating expenses: | |
| Purchased services | 19,267 |
| Supplies and materials | 4,053 |
| Depreciation | <u>1,025</u> |
| Total operating expenses | <u>24,345</u> |
| Operating income | <u>5,945</u> |
| Change in net assets | 5,945 |
| Total net assets - beginning | <u>8,462</u> |
| Total net assets - ending | <u><u>\$ 14,407</u></u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Business-Type Activities Enterprise Funds <hr/> Workshop Reimbursement <hr/> |
|--|---|
| Cash flows from operating activities: | |
| Collection of fees | \$ 28,740 |
| Payments to suppliers and providers of goods and services | <hr/> (21,367) <hr/> |
| Net cash provided by operating activities | <hr/> 7,373 <hr/> |
| Cash flows from capital and related financing activities: | |
| Purchase of capital assets | <hr/> (1,454) <hr/> |
| Net cash used for capital and related financing activities | <hr/> (1,454) <hr/> |
| Net increase in cash and cash equivalents | 5,919 |
| Cash and cash equivalents - beginning | <hr/> 6,318 <hr/> |
| Cash and cash equivalents - ending | <hr/> <u>\$ 12,237</u> <hr/> |
| Reconciliation of operating income to net cash provided by operating activities: | |
| Operating income | \$ 5,945 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation | 1,025 |
| Change in assets and liabilities: | |
| Increase in accounts receivable | (1,550) |
| Increase in accounts payable | <hr/> 1,953 <hr/> |
| Net cash provided by operating activities | <hr/> <u>\$ 7,373</u> <hr/> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

June 30, 2009

| | <u>Agency Funds</u> |
|----------------------------|-------------------------|
| ASSETS | |
| Cash | \$ 48,804 |
| Due from other governments | <u>18,330</u> |
| Total assets | <u><u>\$ 67,134</u></u> |
| LIABILITIES | |
| Due to other governments | \$ 50,945 |
| Due to other organizations | <u>16,189</u> |
| Total liabilities | <u><u>\$ 67,134</u></u> |

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

NOTES TO FINANCIAL STATEMENTS

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #39's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

A. Reporting Entity

The Regional Office of Education #39 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Macon and Piatt counties.

The Regional Superintendent of Schools is the chief administrative officer of the region and is elected to the position for a four-year term. The Regional Superintendent is responsible for the supervision and control of the school districts.

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

The Regional Office of Education #39 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters. In evaluating how to define the financial reporting entity, the Regional Office of Education #39 has considered all potential component units. The decision to include or exclude a potential component unit was made by applying the criteria defined by the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. The basic criteria for including a potential component unit is the financial accountability of the primary government for the potential component unit. Financial accountability was determined on the basis of authoritative appointments of a voting majority of the potential component unit's board, imposition of its will on the potential component unit, the existence of a financial benefit or burden, fiscal dependency, and the designation of management. The Macon County Cooperative Film Library is considered a governmental component unit of the Regional Office of Education #39. It is blended in the financial statements as the Film Library Fund. The Macon County Cooperative Film Library does not issue separate financial statements. The Regional Office of Education #39 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education #39 being considered a component unit of the entity.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

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

The Statement of Net Assets includes all of the Regional Office of Education #39's assets and liabilities, including capital assets. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

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

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

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

It is the Regional Office of Education #39's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available.

The Regional Office of Education #39 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #39 and is used to account for all financial resources that are not legally restricted for expenditure for specified purposes. This fund is available to pay general and administrative expenditures of the Regional Office of Education #39. Included in this fund are:

General - To account for interest received on distributive monies.

ROE/ISC Operations - To account for the proceeds from the Illinois State Board of Education for professional development for teachers in Macon and Piatt school districts.

Business Office - To account for various business office expenditures, such as insurance, utilities, rent, and business personnel, and reimbursements from Macon and Piatt counties to help cover these costs. It also accounts for pop machine revenues and expenditures as well as interest on the pooled cash account.

Education – These Special Revenue Funds account for State, local and federal grant monies received for administration and payment of numerous grant awards for education which include:

Adult Education Performance - To account for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education Public Assistance - To account for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education State Basic - To account for the proceeds of a grant awarded by the Illinois Community College Board under its Adult Education program.

Adult Education Federal Basic - To account for the proceeds of a U.S. Department of Education grant passed through the Illinois Community College Board. The purpose of this and the other Adult Education programs is to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary for literate functioning, enable adults who so desire to complete secondary school, enable adults to benefit from job training and retaining programs, and enable adults to obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Education (Continued)

Adult Education - To account for the General State Aid proceeds used for adult education. Funding is also provided by the Macon County Mental Health Board.

WIA-Year Round Youth Program I - To account for an adult/teen GED program that allows youth ages 16-21 access to intensive workforce training, as well as opportunities for educational growth.

Safe School State Aid - To account for General State Aid received from the Illinois State Board of Education based on the average daily attendance at the Safe School and to account for federal and State nutrition reimbursements. Funding is also provided by the Macon County Mental Health Board.

Truants Alternative/Optional Education - To account for the proceeds of a grant from the Illinois State Board of Education to provide educational opportunities for dropouts and truants.

ADA State Aid - To account for General State Aid for the Futures Unlimited School.

Title IV Safe and Drug Free Schools - To account for the proceeds of a federal grant passed through the Illinois State Board of Education. The purpose of the program is to provide alcohol and drug education.

Title II Teacher Quality - To account for the proceeds from the Illinois State Board of Education to improve teacher effectiveness in the classroom.

Regional Safe Schools - To account for the proceeds of a grant awarded to Regional Offices by the Illinois State Board of Education in order to remove violent and unproductive youths from a public school setting and place them in a program where they can receive individualized attention.

Special Education for Department of Corrections - To account for proceeds from the State of Illinois Department of Corrections, and federal and State grants passed through the Illinois State Board of Education, to be used to implement special educational programs for School District #428 of the Department of Corrections.

Early Childhood Block Grant - To account for the proceeds of a grant awarded by the Illinois State Board of Education for the systematic identification and recruitment of teen moms and dads and the delivery of culturally appropriate education in order to engage them in their child's learning.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

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

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

Education (Continued)

Not on Tobacco - To account for a grant awarded to Futures Unlimited for students to learn the hazards of tobacco products.

Adult Transition Center - To account for a grant between the Department of Corrections and Regional Office of Education #39 to provide educational services at the Adult Transition Center, a work release correctional facility.

Regional System of Support Provider (RESPRO) - To account for resources for schools identified by the Illinois State Board of Education as being in school improvement status.

Secretary of State - To account for a contract between Richland Community College and Baby Talk for a Secretary of State Family Literacy Project that provides coordination and parenting instruction for adults enrolled in the Family Literacy Program served at Central Christian Church.

Title II Teacher Quality II - To account for a grant that supports teacher and administrator enhancement by providing staff development programs and generating awareness and supporting national certification for teachers.

Early Childhood Block Grant II - To account for the proceeds of a grant from the Illinois State Board of Education to bring intensive services to families for whom the mother is a high school student.

Early Childhood Block Grant - Continuing Three to Five - To account for the proceeds of a grant from the Illinois State Board of Education for early childhood and family education programs and services that help young children enter school ready to learn.

Preschool for All - To account for a grant that provides consultants to determine the compliance of preschools.

Homeless Children Youth Program - To account for the proceeds of a grant from the Illinois State Board of Education for identification, referral, and enrollment of homeless and displaced youth in Macon County schools.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Education (Continued)

New Principals Mentoring - To account for monies received from the Illinois Principals Association to provide mentors for support to new principals in the development of professional growth in achieving targeted and observable progress towards becoming an effective instructional leader.

ARRA - Futures - To account for American Recovery and Reinvestment Act (ARRA) monies for the Futures Unlimited School, St. Mary's Hospital School, and adult education.

ARRA - Safe Schools - To account for American Recovery and Reinvestment Act (ARRA) monies used to remove violent and unproductive youths from a public school setting and place them in a program where they can receive individualized attention.

Gifted Project - To account for the proceeds of a grant from the Illinois State Board of Education to be used towards the development of a diversity guide and training program for teachers to identify and serve gifted students' needs in the classroom.

English Language Learner - To account for the proceeds of a grant from the Illinois State Board of Education that provides professional development to local, rural or other small districts on state and federal laws related to serving English Language Learner (ELL) students, including the identification, assessment and provision of academic instruction to ELL students.

Standards Aligned Classroom - To account for the proceeds of a grant from the Illinois State Board of Education that provides a trainer for various teams in various school districts to utilize the Stiggins Book on Standards Aligned Classroom to design units of study in the classroom.

The Regional Office of Education #39 reports the following nonmajor funds:

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

Institute - To account for the proceeds earned from teacher registration, certificate renewals, and examinations. The proceeds are used to pay administrative expenses incurred on behalf of the teachers' institute, such as certificates, workshops, and general meetings, to ensure compliance with 105 ILCS 5/3-12 (Institute fund). All funds generated remain restricted until expended only on the aforementioned activities.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Special Revenue Funds (Continued)

General Education Development (GED) - To account for proceeds earned from students who participate in the high school equivalency programs. These proceeds are used to pay the administrative expenses incurred to administer the GED program.

Film Library - To account for the revenues and expenditures of the Macon County Cooperative Film Library. The Macon County Cooperative Film Library was formed by an intergovernmental agreement among nine member school districts. The Film Library is governed by a board of control consisting of the Superintendent of each member district. The purpose of the Film Library is to provide educational films, video tapes, and computer disks to the member districts in return for an assessment based on district enrollment.

Bus Permit - To account for the proceeds from registration and user fees and a distribution from the Illinois State Board of Education. These proceeds are used to pay the administrative expenses incurred to ensure compliance with 105 ILCS 5/3-14.23 (school bus driver permits).

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

Regional Board of Trustees - To account for receipts and disbursements related to school annexation, consolidations, and school grievances.

Junior Achievement - To account for sales of candy, etc.

Futures Pop Fund - To account for revenue and expense from the pop machine.

St. Mary's Hospital School - To account for charges to local school districts for educational services provided to students being treated by St. Mary's Adolescent Mental Health Services.

Student Council - To account for sales of candy, bake sales, etc. for class trips.

Decatur Education Conference - To account for the activity of the annual education conference held in Decatur. Revenue sources include teacher registration fees, exhibitor fees, and funding from the Teachers' Exchange and school improvement funds. Expenditures are those that are necessary to operate the conference.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Special Revenue Funds (Continued)

Baby Talk - To account for proceeds for outreach and family literacy programs, STEPS Early Intervention, and resources for professionals, including professional training, certification seminars, and an extensive program curriculum.

Futures Foundation - To account for Futures Unlimited contributions from the Community Foundation of Decatur/Macon County and various other donors.

Department of Corrections - GED Contract - To account for GED testing at Decatur, Taylorville, Lincoln, Logan, Danville, and Pontiac correctional facilities.

Recycling and Energy - To account for proceeds from Caterpillar, Inc. for recycling and energy education curriculum for all students (K-12) in Macon and Piatt Counties.

Teachers' Exchange – To account for revenue generated by fees from classes.

Building Better Readers - To account for monies to purchase high interest reading materials for students reading between the fourth and ninth grade reading levels and to purchase rewards and incentives for students showing gains in their reading scores through the Test of Adult Education.

The Regional Office of Education #39 reports the following nonmajor proprietary fund:

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

Workshop Reimbursement - To account for workshops for professional development presented by Regional Office of Education employees.

Additionally, the Regional Office of Education #39 reports the following fiduciary funds:

Agency Funds - Agency Funds are used to account for assets held by the Regional Office of Education #39 in a custodial capacity or as an agent for other governments. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the outside organizations are equal to the assets held. Included among these funds are:

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Agency Funds (Continued)

Distributive Fund - To account for the assets held by the Regional Office of Education #39 to be distributed to local school districts and other governmental units.

Project Success Fund - To account for grants received from the Illinois Department of Human Services and Illinois Violence Prevention that are passed directly to Project Success, a nonprofit organization.

Heartland Region Fund - To account for the assets held in trust for the benefit of Heartland Region, an intergovernmental agreement between school districts that provides quality and efficient delivery of orientation and skill level vocational programs accessible to all residents in member districts.

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

Under the provision of GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Regional Office of Education #39 applies all GASB pronouncements and has elected to apply only the pronouncements issued on or before November 30, 1989 for the following: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The Regional Office of Education #39's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services and administrative expenses.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Investments

The Regional Office of Education #39 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of less than three months to be cash and cash equivalents. State regulations require that Regional Office of Education #39 deposit funds under its control into accounts insured by the federal government, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

Statutes authorize the Regional Office of Education #39 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

2. Interfund Transactions

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.”

3. Capital Assets

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

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

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

| <u>Assets</u> | <u>Years</u> |
|------------------------|--------------|
| Leasehold improvements | 3 |
| Equipment | 4 |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Compensated Absences

Employees earn vacation days after completing a full year of service. Part-time employees and individuals hired for less than a twelve month position do not accumulate paid vacation time. Accumulated vacation benefits are accrued as incurred in the government-wide financial statements. Governmental funds record accumulated unused vacation benefits payable only when due for payment, such as when an employee retires or resigns.

Full-time employees receive up to fifteen sick days per year. Part-time employees receive up to ten sick days per year. Sick leave may accumulate for all employees up to a maximum of 180 days. Unused sick leave may be certified in writing to the next employer at the request of the employee at the time of re-employment elsewhere, and unused sick leave accumulated from previous public school employers will be accepted when certified in writing to the Regional Office of Education #39. Unused sick leave, upon the retirement of the employee, may be used as service credits toward the employee's retirement fund. Employees are not entitled to any sick leave pay upon termination. Therefore, no accruals or reserves have been established.

5. Equity Classifications

Government-wide Statements

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

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

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

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

Fund Statements

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. New Accounting Pronouncement

The Regional Office of Education #39 has implemented GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, effective for the fiscal year beginning July 1, 2008. The Regional Office of Education #39 has also implemented GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, effective for the fiscal year beginning July 1, 2008. These Statements had no effect on the Regional Office of Education #39's net assets or changes in net assets.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund Balance Sheet includes a reconciliation between *total fund balances-governmental funds* and *net assets of governmental activities* as reported in the government-wide Statement of Net Assets. One element of that reconciliation explains that "long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds." The \$10,481 difference is as follows:

| | |
|----------------------|------------------|
| Compensated absences | <u>\$ 10,481</u> |
|----------------------|------------------|

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

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between *net change in fund balances-governmental funds* and *change in net assets of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$5,851 difference are as follows:

| | |
|--|-----------------|
| Capital outlay - assets owned by the Regional Office | \$ 53,166 |
| Depreciation expense | <u>(47,315)</u> |

| | |
|--|-----------------|
| Net adjustment to increase net changes in fund balances-governmental funds to arrive at changes in net assets of governmental activities | <u>\$ 5,851</u> |
|--|-----------------|

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

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

Another element of that reconciliation states that “certain reductions of expenses reported in the Statement of Activities do not provide current financial resources and therefore are not reported as reductions of expenditures in governmental funds.” The \$126,385 difference is as follows:

| | |
|-------------------------------------|---------------------------|
| Change in compensated absences, net | <u><u>\$(126,385)</u></u> |
|-------------------------------------|---------------------------|

3. BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education #39 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board for approval as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgets relating to programs funded by grants from the Illinois Community College Board must also be prepared and submitted for approval. During the year ended June 30, 2009, a budget was required by Champaign and Ford Counties Regional Office of Education #9 for a pass through grant from the Illinois State Board of Education. Budgetary Comparison Schedules have been presented for the following grants received from the Illinois State Board of Education, the Illinois Community College Board, or Champaign and Ford Counties Regional Office of Education #9: ROE/ISC Operations, Adult Education Performance, Adult Education Public Assistance, Adult Education State Basic, Adult Education Federal Basic, Truants Alternative/Optional Education, Title IV Safe and Drug Free Schools, Title II Teacher Quality, Regional Safe Schools, Early Childhood Block Grant (01), Early Childhood Block Grant II (61), Early Childhood Block Grant - Continuing Three to Five (00), Gifted Project, and English Language Learner.

4. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. INTEREST ON DISTRIBUTIVE FUND ACCOUNTS

Interest earned on Distributive Fund receipts is reported as revenue in the General Fund by the consent of all affected school districts and other entities.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

6. DEPOSITS AND INVESTMENTS

A. Deposits

At June 30, 2009, the government-wide and agency fund's carrying amounts of the Regional Office of Education #39's deposits were \$1,380,778 and \$48,804, respectively. The bank balances, including a common checking account, were \$1,474,110. The bank balances included \$1,315,000 invested in a Treasury-Municipal Investment Fund, which maintains deposits invested in direct obligations of the United States Government and are stated at cost which approximates market. The remaining deposits of \$159,110 were secured by federal depository insurance or collateralized with securities held jointly in the names of the pledging financial institution's trust department and the Regional Office of Education #39, and were, therefore, not exposed to custodial credit risk.

B. Investments

The Regional Office of Education #39 does not have a formal investments policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund. At June 30, 2009, the Regional Office of Education #39 had investments with carrying and fair values of \$12,726 invested in the Illinois Funds Money Market Fund.

Credit Risk

At June 30, 2009, 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 Fund states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Concentration of Credit Risk

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

7. CAPITAL ASSETS

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

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|------------------|------------------|---------------------------|
| Governmental activities: | | | | |
| Capital assets being depreciated: | | | | |
| Leasehold improvements | \$ 45,000 | \$ - | \$ - | \$ 45,000 |
| Equipment | 289,319 | 53,166 | - | 342,485 |
| Total capital assets being depreciated | <u>334,319</u> | <u>53,166</u> | <u>-</u> | <u>387,485</u> |
| Less accumulated depreciation for: | | | | |
| Leasehold improvements | (45,000) | - | - | (45,000) |
| Equipment | <u>(225,253)</u> | <u>(47,315)</u> | <u>-</u> | <u>(272,568)</u> |
| Total accumulated depreciation | <u>(270,253)</u> | <u>(47,315)</u> | <u>-</u> | <u>(317,568)</u> |
| Governmental activities capital assets, net | <u>\$ 64,066</u> | <u>\$ 5,851</u> | <u>\$ -</u> | <u>\$ 69,917</u> |
| Business-type activities: | | | | |
| Capital assets being depreciated: | | | | |
| Equipment | \$ 4,101 | \$ 1,454 | \$ - | \$ 5,555 |
| Total capital assets being depreciated | <u>4,101</u> | <u>1,454</u> | <u>-</u> | <u>5,555</u> |
| Less accumulated depreciation for: | | | | |
| Equipment | <u>(1,637)</u> | <u>(1,025)</u> | <u>-</u> | <u>(2,662)</u> |
| Total accumulated depreciation | <u>(1,637)</u> | <u>(1,025)</u> | <u>-</u> | <u>(2,662)</u> |
| Business-type activities capital assets, net | <u>\$ 2,464</u> | <u>\$ 429</u> | <u>\$ -</u> | <u>\$ 2,893</u> |

Depreciation expense was charged to functions/programs of Regional Office of Education #39 as follows:

| | |
|---------------------------|------------------|
| Governmental activities: | |
| Instructional services: | |
| Depreciation | <u>\$ 47,315</u> |
| Business-type activities: | |
| Other: | |
| Depreciation | <u>\$ 1,025</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

8. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

The Regional Office of Education #39 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

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

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

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

The State of Illinois makes contributions directly to TRS on behalf of the Regional Office of Education #39's TRS-covered employees.

On-Behalf Contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #39. For the year ended June 30, 2009, State of Illinois contributions were made based on 17.08 percent of creditable earnings not paid from federal funds, and the Regional Office of Education #39 recognized revenue and expenditures of \$489,364 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2008 and June 30, 2007, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 13.11 percent (\$463,717) and 9.78 percent (\$337,808), respectively.

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

8. RETIREMENT FUND COMMITMENTS (Continued)

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

The Regional Office of Education #39 makes other types of employer contributions directly to TRS.

2.2 Formula Contributions - Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2009 were \$19,480. Contributions for the years ended June 30, 2008 and June 30, 2007 were \$20,515 and \$20,034, respectively.

Federal and Special Trust Fund Contributions - When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #39, there is a statutory requirement for the Regional Office of Education #39 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2009, the employer pension contribution was 17.08 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2008 and 2007, the employer contribution was 13.11 and 9.78 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2009, salaries totaling \$492,996 were paid from federal and special trust funds that required employer contributions of \$84,170. For the years ended June 30, 2008 and June 30, 2007, required Regional Office of Education #39's contributions were \$100,274 and \$28,002, respectively.

Early Retirement Option (ERO) - The Regional Office of Education #39 is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

8. RETIREMENT FUND COMMITMENTS (Continued)

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

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

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

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

For the year ended June 30, 2009, the Regional Office of Education #39 made no payments to TRS for employer contributions under the ERO program. For the years ended June 30, 2008 and June 30, 2007, the Regional Office of Education #39 made no payments for employer ERO contributions.

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

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

For the year ended June 30, 2009, the Regional Office of Education #39 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2008 and June 30, 2007, the Regional Office of Education #39 made no payments for employer contributions due on salary increases in excess of 6 percent.

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

For the year ended June 30, 2009, the Regional Office of Education #39 made no payments to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2008 and June 30, 2007, the Regional Office of Education #39 made no payments for employer contributions granted for sick leave days.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

8. RETIREMENT FUND COMMITMENTS (Continued)

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

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

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

B. Illinois Municipal Retirement Fund

Plan Description - The Regional Office of Education #39's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education #39's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy - As set by statute, the Regional Office of Education #39 Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 12.64 percent of annual covered payroll. The Regional Office of Education #39 also contributes for disability benefits, death benefits and supplemental retirement benefits, all which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost - For 2008, the Regional Office of Education #39's annual pension cost of \$135,605 for the Regular plan was equal to the Regional Office of Education #39's required and actual contributions.

Three-Year Trend Information for the Regular Plan

| Fiscal Year Ended | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-------------------------|---------------------------------|-------------------------------------|---------------------------|
| 12/31/08 | \$ 135,605 | 100% | \$ - |
| 12/31/07 | 139,546 | 100% | - |
| 12/31/06 | 171,330 | 100% | - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

8. **RETIREMENT FUND COMMITMENTS** (Continued)

B. **Illinois Municipal Retirement Fund** (Continued)

The required contribution was determined as part of the December 31, 2005, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2005, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3 percent annually. The actuarial value of the Regional Office of Education #39 Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15 percent corridor between the actuarial and market value of assets. The Regional Office of Education #39 Regular plan's overfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008, was 5 years.

Funded Status and Funding Progress - As of December 31, 2008, the most recent actuarial valuation date, the Regular plan was 101.27 percent funded. The actuarial accrued liability for benefits was \$2,205,111 and the actuarial value of assets was \$2,233,072, resulting in an overfunded actuarial accrued liability (UAAL) of \$27,961. The covered payroll (annual payroll of active employees covered by the plan) was \$1,072,826 and since the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

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

C. **Social Security**

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

9. INTERFUND RECEIVABLES AND PAYABLES

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

| <u>Due To (Receivable Fund)</u> | <u>Due From (Payable Fund)</u> | <u>Balance at June 30, 2009</u> |
|---------------------------------|--|-------------------------------------|
| General Fund: | Education Fund: | |
| Business Office | Adult Education Performance | 12,116 |
| Business Office | WIA - Year Round Youth Program I | 9,470 |
| Business Office | Truants Alternative/Optional Education | 45,835 |
| Business Office | Regional Safe Schools | 824 |
| Business Office | Special Education for Department of Corrections | 394,214 |
| Business Office | Early Childhood Block Grant | 148,347 |
| Business Office | Adult Transition Center | 14,053 |
| Business Office | Regional System of Support Provider | 15,223 |
| Business Office | Secretary of State | 6,952 |
| Business Office | Title II Teacher Quality II | 5,966 |
| Business Office | Early Childhood Block Grant II | 24,622 |
| Business Office | Early Childhood Block Grant - Continuing Three to Five | 14,857 |
| Business Office | Preschool for All | 3,123 |
| Business Office | ARRA - Futures | 9,756 |
| Business Office | ARRA - Safe Schools | 6,518 |
| Business Office | Gifted Project | 23,987 |
| Business Office | English Language Learner | 1,444 |
| General Fund: | Nonmajor Governmental Fund: | |
| Business Office | Baby Talk | 28,416 |
| Business Office | Department of Corrections - GED Contract | 5,507 |
| Education Fund: | Education Fund: | |
| ADA State Aid | Adult Education Public Assistance | 11,939 |
| ADA State Aid | Adult Education State Basic | 4,744 |
| ADA State Aid | Adult Education Federal Basic | 5,350 |
| ADA State Aid | Special Education for Department of Corrections | 265,346 |
| | | <u>\$ 1,058,609</u> |

All of the interfund balances are within the same pooled cash account. The amounts are cash balances borrowed from the Business Office and ADA State Aid.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

10. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2009 was as follows:

| | <u>Balance at July 1, 2008</u> | <u>Deletions</u> | <u>Balance at June 30, 2009</u> |
|----------------------|------------------------------------|---------------------|-------------------------------------|
| Compensated Absences | <u>\$ 136,866</u> | <u>\$ (126,385)</u> | <u>\$ 10,481</u> |

Due to the nature of the obligation for compensated absences, annual requirements to amortize such obligations are not determinable and have not been presented. Compensated absences are liquidated through the fund that provides the particular employee's salary.

11. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education #39 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education #39 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

12. ON-BEHALF PAYMENTS

The Regional Office of Education #39 has received on-behalf payments for employee salaries and benefits from the State of Illinois for the following items:

| | |
|---|-------------------|
| Regional Superintendent-salary | \$ 100,763 |
| Regional Superintendent-benefits (includes State paid insurance) | 17,912 |
| Assistant Regional Superintendent-salary | 90,685 |
| Assistant Regional Superintendent-benefits (includes State paid insurance) | 13,915 |
| TRS pension contributions | <u>489,364</u> |
| | <u>\$ 712,639</u> |

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education. The on-behalf payments are reflected as revenues and expenditures of the General Fund.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

13. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The Regional Office of Education #39 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education #39 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

14. CONTINGENCIES

The Regional Office of Education #39 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education #39 believes any adjustments that may arise will be insignificant to the Regional Office of Education #39's operations.

15. OPERATING LEASES

The Regional Office of Education #39 is committed through July 31, 2010 under a lease agreement for the ground and second floor of a building located at 250 East William Street, Decatur, Illinois. This lease calls for monthly rental payments of \$7,073. The lease also calls for the Regional Office to pay all utilities and liability insurance.

The Regional Office is committed through June 30, 2010 under a lease agreement for the building located at 1690 Huston Drive, Decatur, Illinois. This lease calls for monthly rental payments of \$3,750.

The counties served by the Regional Office are required by statute to provide the Regional Superintendent of Schools with office space. Therefore, Macon and Piatt Counties share a portion of the facility costs associated with the office space and reimburse the Regional Office for the rent, building maintenance and utilities expense incurred as a result of the lease for this office space.

The Regional Office of Education #39 is committed through March 31, 2011 under a lease agreement for the first floor of the building located at 432 North Water Street, Decatur, Illinois. This lease calls for monthly rent payments of \$3,975. The lease also calls for the Regional Office to pay all utilities and liability insurance.

For financial accounting purposes, these leases are considered operating leases.

Future minimum payments are as follows:

| Year ending June 30, | Amount |
|-------------------------|-------------------|
| 2010 | \$ 177,572 |
| 2011 | 42,848 |
| | <u>\$ 220,420</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

16. DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #39's General Fund, Agency Funds and various grant programs have funds due to and due from various other governmental units which consist of the following:

Due From Other Governments:

General Fund:

| | |
|-----------------------------------|-----------|
| Illinois State Board of Education | \$ 21,863 |
| Macon County | 15,227 |
| Piatt County | 3,198 |

Education Fund:

| | |
|---|---------|
| Illinois State Board of Education | 338,041 |
| Macon County WorkForce Investment Solution | 10,623 |
| Illinois Department of Corrections | 682,012 |
| Richland Community College | 8,088 |
| Champaign and Ford Counties Regional Office of Education #9 | 25,823 |
| Iroquois and Kankakee Counties Regional Office of Education #32 | 22,546 |
| Henderson, Mercer, and Warren Counties Regional Office of Education #27 | 3,123 |
| Illinois Community College Board | 36,119 |
| Macon County | 444 |

Nonmajor Governmental Funds:

| | |
|------------------------------------|-----------|
| Illinois Department of Corrections | 5,667 |
| Decatur School District | 30,259 |
| | <hr/> |
| | 1,203,033 |

Fiduciary Funds:

| | |
|---------------------------------------|--------|
| Illinois State Board of Education | 2,141 |
| Illinois Department of Human Services | 16,189 |
| | <hr/> |
| | 18,330 |
| | <hr/> |

| | |
|-------|---------------------------|
| Total | <u><u>\$1,221,363</u></u> |
|-------|---------------------------|

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

16. DUE TO/FROM OTHER GOVERNMENTS (Continued)

Due To Other Governments:

Education Fund:

| | |
|---|--------|
| Hancock and McDonough Counties Regional Office of Education #26 | \$ 150 |
|---|--------|

Nonmajor Governmental Funds:

| | |
|-----------------------------|---------------|
| Eastern Illinois University | <u>14,468</u> |
|-----------------------------|---------------|

14,618

Fiduciary Funds:

| | |
|------------------|---------------|
| Heartland Region | <u>50,945</u> |
|------------------|---------------|

| | |
|-------|-------------------------|
| Total | <u><u>\$ 65,563</u></u> |
|-------|-------------------------|

17. TRANSFERS

During the fiscal year ended June 30, 2009, transfers were as follows:

| Transfers From Other Funds (Transfers In) | Transfers To Other Funds (Transfers Out) | | | | | | | | |
|---|---|--|----------------------------|-----------------|--|-----------------|--|---------------|-----------------|
| <table border="0" style="width: 100%;"> <tr> <td colspan="2">Nonmajor Governmental Fund:</td> </tr> <tr> <td style="padding-left: 20px;">St. Mary's Hospital School</td> <td style="text-align: right; vertical-align: bottom;"><u>\$ 8,930</u></td> </tr> </table> | Nonmajor Governmental Fund: | | St. Mary's Hospital School | <u>\$ 8,930</u> | <table border="0" style="width: 100%;"> <tr> <td colspan="2">Education Fund:</td> </tr> <tr> <td style="padding-left: 20px;">ADA State Aid</td> <td style="text-align: right; vertical-align: bottom;"><u>\$ 8,930</u></td> </tr> </table> | Education Fund: | | ADA State Aid | <u>\$ 8,930</u> |
| Nonmajor Governmental Fund: | | | | | | | | | |
| St. Mary's Hospital School | <u>\$ 8,930</u> | | | | | | | | |
| Education Fund: | | | | | | | | | |
| ADA State Aid | <u>\$ 8,930</u> | | | | | | | | |

The transfer to St. Mary's Hospital School was to allocate State Aid funding from the Education Fund.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO FINANCIAL STATEMENTS

18. RECLASSIFICATIONS

The Regional Office of Education #39 reclassified one of its governmental funds, Teachers' Exchange, from a major fund to an Other Nonmajor Fund. Therefore, fund balances have been reclassified as follows:

| | <u>Teachers' Exchange</u> | <u>Other Nonmajor Funds</u> |
|--|-------------------------------|---------------------------------|
| Net assets at June 30, 2008 | \$ 3,248 | \$ 217,084 |
| Reclassification adjustments | <u>(3,248)</u> | <u>3,248</u> |
| Fund balance restated at June 30, 2008 | <u>\$ -</u> | <u>\$ 220,332</u> |

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

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF FUNDING PROGRESS
 UNAUDITED

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------------|--|--|------------------------------------|--------------------------|---------------------------|---|
| 12/31/08 | \$2,233,072 | \$ 2,205,111 | \$ (27,961) | 101.27% | \$ 1,072,826 | 0.00% |
| 12/31/07 | 1,992,944 | 2,132,610 | 139,666 | 93.45% | 1,221,941 | 11.43% |
| 12/31/06 | 1,641,240 | 1,912,443 | 271,203 | 85.82% | 1,260,709 | 21.51% |

On a market value basis, the actuarial value of assets as of December 31, 2008 is \$1,508,983. On a market basis, the funded ratio would be 68.43 percent.

Digest of Changes:

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

SUPPLEMENTAL INFORMATION

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2009

| | General | ROE/ISC Operations | Business Office | Eliminations | Totals |
|--------------------------------------|------------------|-----------------------|--------------------|--------------------|-------------------|
| ASSETS | | | | | |
| Cash | \$ 11,885 | \$ - | \$ 148,086 | \$ - | \$ 159,971 |
| Investments | 10,208 | - | - | - | 10,208 |
| Accounts receivable | - | - | 1,486 | - | 1,486 |
| Due from other funds | - | - | 786,283 | (15,053) | 771,230 |
| Due from other governments | - | 18,074 | 22,214 | - | 40,288 |
| Total assets | <u>\$ 22,093</u> | <u>\$ 18,074</u> | <u>\$ 958,069</u> | <u>\$ (15,053)</u> | <u>\$ 983,183</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ - | \$ 2,994 | \$ 2,413 | \$ - | \$ 5,407 |
| Accrued salaries and benefits | - | 26 | 8,031 | - | 8,057 |
| Due to other funds | - | 15,053 | - | (15,053) | - |
| Total liabilities | <u>-</u> | <u>18,073</u> | <u>10,444</u> | <u>(15,053)</u> | <u>13,464</u> |
| FUND BALANCES | | | | | |
| Unreserved | <u>22,093</u> | <u>1</u> | <u>947,625</u> | <u>-</u> | <u>969,719</u> |
| Total liabilities and fund balances | <u>\$ 22,093</u> | <u>\$ 18,074</u> | <u>\$ 958,069</u> | <u>\$ (15,053)</u> | <u>\$ 983,183</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>General</u> | <u>ROE/ISC Operations</u> | <u>Business Office</u> | <u>Totals</u> |
|----------------------------------|----------------|-------------------------------|----------------------------|---------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ 612,513 | \$ 612,513 |
| State sources | 7,500 | 88,822 | 461 | 96,783 |
| On-behalf payments | 712,639 | - | - | 712,639 |
| Interest | 273 | - | 14,819 | 15,092 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenues | 720,412 | 88,822 | 627,793 | 1,437,027 |
| Expenditures: | | | | |
| Salaries and benefits | - | 47,287 | 337,696 | 384,983 |
| Purchased services | 7,500 | 24,914 | 204,288 | 236,702 |
| Supplies and materials | - | 7,205 | 27,674 | 34,879 |
| Capital outlay | - | 8,720 | 2,907 | 11,627 |
| Other objects | - | 696 | - | 696 |
| On-behalf payments | 712,639 | - | - | 712,639 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 720,139 | 88,822 | 572,565 | 1,381,526 |
| Net change in fund balances | 273 | - | 55,228 | 55,501 |
| Fund balances, beginning of year | 21,820 | 1 | 892,397 | 914,218 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances, end of year | \$ 22,093 | \$ 1 | \$ 947,625 | \$ 969,719 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--------------------------------------|-------------------------|------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| State sources | <u>\$ 88,822</u> | <u>\$ 88,822</u> | <u>\$ 88,822</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Salaries and benefits | 60,739 | 47,109 | 47,287 | (178) |
| Purchased services | 26,483 | 25,612 | 24,914 | 698 |
| Supplies and materials | 600 | 7,381 | 7,205 | 176 |
| Capital outlay | 1,000 | 8,720 | 8,720 | - |
| Other objects | <u>-</u> | <u>-</u> | <u>696</u> | <u>(696)</u> |
| Total expenditures | <u>88,822</u> | <u>88,822</u> | <u>88,822</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>1</u> | |
| Fund balance, end of year | | | <u>\$ 1</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>Adult Education Performance</u> | <u>Adult Education Public Assistance</u> | <u>Adult Education State Basic</u> | <u>Adult Education Federal Basic</u> |
|--|--|--|--|--|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | <u>12,747</u> | <u>12,659</u> | <u>5,096</u> | <u>5,617</u> |
| Total assets | <u>\$ 12,747</u> | <u>\$ 12,659</u> | <u>\$ 5,096</u> | <u>\$ 5,617</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ 131 | \$ - |
| Accrued salaries and benefits | 631 | 720 | 220 | 267 |
| Due to other funds | 12,116 | 11,939 | 4,744 | 5,350 |
| Due to other governments | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>12,747</u> | <u>12,659</u> | <u>5,095</u> | <u>5,617</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>-</u> | <u>-</u> | <u>1</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 12,747</u> | <u>\$ 12,659</u> | <u>\$ 5,096</u> | <u>\$ 5,617</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Adult Education | WIA - Year Round Youth Program I | Safe School State Aid | Truants Alternative/ Optional Education |
|--------------------------------------|--------------------|--|--------------------------|--|
| ASSETS | | | | |
| Cash | \$ 191,610 | \$ - | \$ 241,961 | \$ - |
| Accounts receivable | - | 70 | 515 | - |
| Due from other funds | - | - | - | - |
| Due from other governments | - | 10,623 | 47 | 71,371 |
| Total assets | <u>\$ 191,610</u> | <u>\$ 10,693</u> | <u>\$ 242,523</u> | <u>\$ 71,371</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 1,663 | \$ 536 | \$ 740 | \$ - |
| Accrued salaries and benefits | 1,116 | 687 | 525 | 25,535 |
| Due to other funds | - | 9,470 | - | 45,835 |
| Due to other governments | - | - | - | - |
| Total liabilities | <u>2,779</u> | <u>10,693</u> | <u>1,265</u> | <u>71,370</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>188,831</u> | <u>-</u> | <u>241,258</u> | <u>1</u> |
| Total liabilities and fund balances | <u>\$ 191,610</u> | <u>\$ 10,693</u> | <u>\$ 242,523</u> | <u>\$ 71,371</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>ADA State Aid</u> | <u>Title IV Safe and Drug Free Schools</u> | <u>Title II Teacher Quality</u> | <u>Regional Safe Schools</u> |
|--------------------------------------|----------------------|--|---|----------------------------------|
| ASSETS | | | | |
| Cash | \$ 514,414 | \$ - | \$ 1,764 | \$ - |
| Accounts receivable | 37 | - | - | - |
| Due from other funds | 287,379 | - | - | - |
| Due from other governments | 444 | - | - | 15,876 |
| | <u>444</u> | <u>-</u> | <u>-</u> | <u>15,876</u> |
| Total assets | <u>\$ 802,274</u> | <u>\$ -</u> | <u>\$ 1,764</u> | <u>\$ 15,876</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 745 | \$ - | \$ - | \$ - |
| Accrued salaries and benefits | 10,061 | - | - | 14,902 |
| Due to other funds | - | - | - | 824 |
| Due to other governments | - | - | - | 150 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>150</u> |
| Total liabilities | <u>10,806</u> | <u>-</u> | <u>-</u> | <u>15,876</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>791,468</u> | <u>-</u> | <u>1,764</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 802,274</u> | <u>\$ -</u> | <u>\$ 1,764</u> | <u>\$ 15,876</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>Special Education for Department of Corrections</u> | <u>Early Childhood Block Grant</u> | <u>Not on Tobacco</u> | <u>Adult Transition Center</u> |
|--------------------------------------|--|--|---------------------------|--|
| ASSETS | | | | |
| Cash | \$ 64 | \$ - | \$ 394 | \$ - |
| Accounts receivable | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | <u>666,521</u> | <u>159,211</u> | <u>-</u> | <u>15,491</u> |
| Total assets | <u>\$ 666,585</u> | <u>\$ 159,211</u> | <u>\$ 394</u> | <u>\$ 15,491</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ 2,880 | \$ - | \$ - |
| Accrued salaries and benefits | 6,961 | 7,984 | - | 1,438 |
| Due to other funds | 659,560 | 148,347 | - | 14,053 |
| Due to other governments | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>666,521</u> | <u>159,211</u> | <u>-</u> | <u>15,491</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>64</u> | <u>-</u> | <u>394</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 666,585</u> | <u>\$ 159,211</u> | <u>\$ 394</u> | <u>\$ 15,491</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMBINING SCHEDULE OF ACCOUNTS (Continued)

EDUCATION FUND

June 30, 2009

| | <u>Regional System of Support Provider</u> | <u>Secretary of State</u> | <u>Title II Teacher Quality II</u> | <u>Early Childhood Block Grant II</u> |
|--|--|-------------------------------|--|---|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | <u>16,179</u> | <u>8,088</u> | <u>6,367</u> | <u>26,199</u> |
| Total assets | <u>\$ 16,179</u> | <u>\$ 8,088</u> | <u>\$ 6,367</u> | <u>\$ 26,199</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 846 |
| Accrued salaries and benefits | 956 | 1,136 | 401 | 731 |
| Due to other funds | 15,223 | 6,952 | 5,966 | 24,622 |
| Due to other governments | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>16,179</u> | <u>8,088</u> | <u>6,367</u> | <u>26,199</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 16,179</u> | <u>\$ 8,088</u> | <u>\$ 6,367</u> | <u>\$ 26,199</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Early Childhood Block Grant - Continuing Three to Five | Preschool for All | Homeless Children Youth Program | New Principals Mentoring |
|--|--|----------------------|---------------------------------------|-----------------------------|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | 16,227 | 3,123 | - | - |
| Total assets | \$ 16,227 | \$ 3,123 | \$ - | \$ - |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 736 | \$ - | \$ - | \$ - |
| Accrued salaries and benefits | 634 | - | - | - |
| Due to other funds | 14,857 | 3,123 | - | - |
| Due to other governments | - | - | - | - |
| Total liabilities | 16,227 | 3,123 | - | - |
| FUND BALANCES | | | | |
| Unreserved | - | - | - | - |
| Total liabilities and fund balances | \$ 16,227 | \$ 3,123 | \$ - | \$ - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | ARRA - Futures | ARRA - Safe Schools | Gifted Project | English Language Learner |
|--------------------------------------|-------------------|------------------------|------------------|--------------------------------|
| ASSETS | | | | |
| Cash | \$ 3,654 | \$ - | \$ - | \$ - |
| Accounts receivable | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | 40,119 | 7,079 | 25,823 | 1,912 |
| Total assets | <u>\$ 43,773</u> | <u>\$ 7,079</u> | <u>\$ 25,823</u> | <u>\$ 1,912</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 11,737 | \$ - | \$ 805 | \$ 468 |
| Accrued salaries and benefits | 22,280 | 561 | 1,031 | - |
| Due to other funds | 9,756 | 6,518 | 23,987 | 1,444 |
| Due to other governments | - | - | - | - |
| Total liabilities | <u>43,773</u> | <u>7,079</u> | <u>25,823</u> | <u>1,912</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 43,773</u> | <u>\$ 7,079</u> | <u>\$ 25,823</u> | <u>\$ 1,912</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Standards Aligned Classroom | Totals |
|--------------------------------------|-----------------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| ASSETS | | |
| Cash | \$ 1,546 | \$ 955,407 |
| Accounts receivable | - | 622 |
| Due from other funds | - | 287,379 |
| Due from other governments | - | 1,126,819 |
| | <u> </u> | <u> </u> |
| Total assets | <u>\$ 1,546</u> | <u>\$ 2,370,227</u> |
| LIABILITIES AND FUND BALANCES | | |
| LIABILITIES | | |
| Accounts payable | \$ 837 | \$ 22,124 |
| Accrued salaries and benefits | 709 | 99,486 |
| Due to other funds | - | 1,024,686 |
| Due to other governments | - | 150 |
| | <u> </u> | <u> </u> |
| Total liabilities | <u>1,546</u> | <u>1,146,446</u> |
| FUND BALANCES | | |
| Unreserved | - | 1,223,781 |
| | <u> </u> | <u> </u> |
| Total liabilities and fund balances | <u>\$ 1,546</u> | <u>\$ 2,370,227</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Adult Education Performance | Adult Education Public Assistance | Adult Education State Basic | Adult Education Federal Basic |
|--|-----------------------------------|--|-----------------------------------|-------------------------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 55,237 | 44,909 | 22,083 | - |
| Federal sources | - | - | - | 22,469 |
| Interest | - | - | - | - |
| Total revenues | <u>55,237</u> | <u>44,909</u> | <u>22,083</u> | <u>22,469</u> |
| Expenditures: | | | | |
| Salaries and benefits | 51,175 | 27,316 | 20,602 | 21,275 |
| Purchased services | 3,891 | 11,133 | 601 | 1,044 |
| Supplies and materials | 171 | 6,460 | 880 | 150 |
| Capital outlay | - | - | - | - |
| Total expenditures | <u>55,237</u> | <u>44,909</u> | <u>22,083</u> | <u>22,469</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | - | - | - | - |
| Fund balances, beginning of year | <u>-</u> | <u>-</u> | <u>1</u> | <u>-</u> |
| Fund balances, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1</u> | <u>\$ -</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Adult Education | WIA - Year Round Youth Program I | Safe School State Aid | Truants Alternative/ Optional Education |
|--|--------------------|--|--------------------------|--|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ 24,785 | \$ - |
| State sources | - | - | 119,994 | 297,894 |
| Federal sources | - | 81,990 | 4,637 | - |
| Interest | - | - | - | - |
| Total revenues | - | 81,990 | 149,416 | 297,894 |
| Expenditures: | | | | |
| Salaries and benefits | 81,509 | 59,816 | 89,725 | 204,975 |
| Purchased services | 26,815 | 15,122 | 36,977 | 86,619 |
| Supplies and materials | 3,016 | 7,052 | 6,881 | 6,300 |
| Capital outlay | 10,728 | - | 1,115 | - |
| Total expenditures | 122,068 | 81,990 | 134,698 | 297,894 |
| Excess (deficiency) of revenues over (under) expenditures | (122,068) | - | 14,718 | - |
| Other financing sources (uses): | | | | |
| Transfers in | 150,282 | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 150,282 | - | - | - |
| Net change in fund balances | 28,214 | - | 14,718 | - |
| Fund balances, beginning of year | 160,617 | - | 226,540 | 1 |
| Fund balances, end of year | \$ 188,831 | \$ - | \$ 241,258 | \$ 1 |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | ADA State Aid | Title IV Safe and Drug Free Schools | Title II Teacher Quality | Regional Safe Schools |
|--|------------------|---|-----------------------------|--------------------------|
| Revenues: | | | | |
| Local sources | \$ 7,916 | \$ - | \$ - | \$ - |
| State sources | 678,536 | - | - | 194,876 |
| Federal sources | - | 206 | 3,371 | - |
| Interest | - | - | - | - |
| Total revenues | 686,452 | 206 | 3,371 | 194,876 |
| Expenditures: | | | | |
| Salaries and benefits | 207,586 | - | - | 152,385 |
| Purchased services | 84,786 | - | 3,371 | 33,554 |
| Supplies and materials | 16,978 | 206 | - | 8,937 |
| Capital outlay | 17,887 | - | - | - |
| Total expenditures | 327,237 | 206 | 3,371 | 194,876 |
| Excess (deficiency) of revenues over (under) expenditures | 359,215 | - | - | - |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (159,212) | - | - | - |
| Total other financing sources (uses) | (159,212) | - | - | - |
| Net change in fund balances | 200,003 | - | - | - |
| Fund balances, beginning of year | 591,465 | - | 1,764 | - |
| Fund balances, end of year | \$ 791,468 | \$ - | \$ 1,764 | \$ - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Special Education for Department of Corrections | Early Childhood Block Grant | Not on Tobacco | Adult Transition Center |
|--|--|-----------------------------------|-------------------|-------------------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 2,362,110 | 624,568 | - | 70,024 |
| Federal sources | 631,519 | - | - | - |
| Interest | 3,197 | - | - | - |
| Total revenues | 2,996,826 | 624,568 | - | 70,024 |
| Expenditures: | | | | |
| Salaries and benefits | 2,801,040 | 514,058 | - | 69,010 |
| Purchased services | 195,786 | 74,370 | - | 746 |
| Supplies and materials | - | 28,390 | - | 268 |
| Capital outlay | - | 7,750 | - | - |
| Total expenditures | 2,996,826 | 624,568 | - | 70,024 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, beginning of year | 64 | - | 394 | - |
| Fund balances, end of year | \$ 64 | \$ - | \$ 394 | \$ - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Regional System of Support Provider | Secretary of State | Title II Teacher Quality II | Early Childhood Block Grant II |
|--|--|-----------------------|-----------------------------------|--------------------------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | 32,430 | - | 102,000 |
| Federal sources | 123,255 | - | 26,289 | - |
| Interest | - | - | - | - |
| Total revenues | 123,255 | 32,430 | 26,289 | 102,000 |
| Expenditures: | | | | |
| Salaries and benefits | 100,901 | 32,172 | 20,837 | 86,980 |
| Purchased services | 22,119 | 258 | 5,452 | 11,489 |
| Supplies and materials | 235 | - | - | 3,531 |
| Capital outlay | - | - | - | - |
| Total expenditures | 123,255 | 32,430 | 26,289 | 102,000 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Early Childhood Block Grant - Continuing Three to Five | Preschool for All | Homeless Children Youth Program | New Principals Mentoring |
|--|--|----------------------|---------------------------------------|-----------------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 63,666 | 45,545 | - | 1,570 |
| Federal sources | - | - | 22,700 | - |
| Interest | - | - | - | - |
| Total revenues | <u>63,666</u> | <u>45,545</u> | <u>22,700</u> | <u>1,570</u> |
| Expenditures: | | | | |
| Salaries and benefits | 51,098 | - | 21,400 | - |
| Purchased services | 6,412 | 45,545 | 733 | 50 |
| Supplies and materials | 6,156 | - | 567 | 1,520 |
| Capital outlay | - | - | - | - |
| Total expenditures | <u>63,666</u> | <u>45,545</u> | <u>22,700</u> | <u>1,570</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | - | - | - | - |
| Fund balances, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | ARRA - Futures | ARRA - Safe Schools | Gifted Project | English Language Learner |
|--|-------------------|------------------------|----------------|--------------------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | 84,139 | - |
| Federal sources | 200,596 | 35,393 | - | 6,000 |
| Interest | - | - | - | - |
| Total revenues | 200,596 | 35,393 | 84,139 | 6,000 |
| Expenditures: | | | | |
| Salaries and benefits | 116,853 | 14,364 | 73,057 | - |
| Purchased services | 50,475 | 21,029 | 10,582 | 1,923 |
| Supplies and materials | 29,209 | - | 500 | 4,077 |
| Capital outlay | 4,059 | - | - | - |
| Total expenditures | 200,596 | 35,393 | 84,139 | 6,000 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Other financing sources (uses): | | | | |
| Transfers in | 48,176 | - | - | - |
| Transfers out | (48,176) | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Standards Aligned Classroom | Eliminations | Totals |
|--|-----------------------------------|--------------|--------------|
| Revenues: | | | |
| Local sources | \$ - | \$ - | \$ 32,701 |
| State sources | - | - | 4,799,581 |
| Federal sources | 18,000 | - | 1,176,425 |
| Interest | - | - | 3,197 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 18,000 | - | 6,011,904 |
| | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | |
| Salaries and benefits | 10,266 | - | 4,828,400 |
| Purchased services | 2,917 | - | 753,799 |
| Supplies and materials | 4,817 | - | 136,301 |
| Capital outlay | - | - | 41,539 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 18,000 | - | 5,760,039 |
| | <hr/> | <hr/> | <hr/> |
| Excess (deficiency) of revenues over (under) expenditures | - | - | 251,865 |
| | <hr/> | <hr/> | <hr/> |
| Other financing sources (uses): | | | |
| Transfers in | - | (198,458) | - |
| Transfers out | - | 198,458 | (8,930) |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | - | - | (8,930) |
| | <hr/> | <hr/> | <hr/> |
| Net change in fund balances | - | - | 242,935 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances, beginning of year | - | - | 980,846 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances, end of year | \$ - | \$ - | \$ 1,223,781 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ADULT EDUCATION PERFORMANCE - PROJECT #537AA
For the year ended June 30, 2009**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|------------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| State sources | \$ 56,653 | \$ 55,237 | \$ 55,237 | \$ - |
| Expenditures: | | | | |
| Salaries and benefits | 52,785 | 52,785 | 51,175 | 1,610 |
| Purchased services | 3,818 | 3,818 | 3,891 | (73) |
| Supplies and materials | 50 | 50 | 171 | (121) |
| Total expenditures | 56,653 | 56,653 | 55,237 | 1,416 |
| Excess of revenues over expenditures | \$ - | \$ (1,416) | - | \$ 1,416 |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 ADULT EDUCATION PUBLIC ASSISTANCE - PROJECT #537AA
 For the year ended June 30, 2009**

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--------------------------------------|-------------------------|------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| State sources | <u>\$ 43,000</u> | <u>\$ 44,909</u> | <u>\$ 44,909</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Salaries and benefits | 25,831 | 25,831 | 27,316 | (1,485) |
| Purchased services | 13,546 | 13,546 | 11,133 | 2,413 |
| Supplies and materials | <u>3,623</u> | <u>5,532</u> | <u>6,460</u> | <u>(928)</u> |
| Total expenditures | <u>43,000</u> | <u>44,909</u> | <u>44,909</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>-</u> | |
| Fund balance, end of year | | | <u>\$ -</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ADULT EDUCATION STATE BASIC - PROJECT #537AA
For the year ended June 30, 2009**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|-----------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| State sources | \$ 22,649 | \$ 22,083 | \$ 22,083 | \$ - |
| Expenditures: | | | | |
| Salaries and benefits | 20,816 | 20,816 | 20,602 | 214 |
| Purchased services | 991 | 991 | 601 | 390 |
| Supplies and materials | 842 | 842 | 880 | (38) |
| Total expenditures | 22,649 | 22,649 | 22,083 | 566 |
| Excess of revenues over expenditures | \$ - | \$ (566) | - | \$ 566 |
| Fund balance, beginning of year | | | 1 | |
| Fund balance, end of year | | | \$ 1 | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ADULT EDUCATION FEDERAL BASIC - PROJECT #537AA
For the year ended June 30, 2009**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance</u> |
|--------------------------------------|-------------------------|------------------|------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> | <u>with Final</u> |
| | | | | <u>Budget</u> |
| Revenues: | | | | |
| Federal sources | <u>\$ 22,469</u> | <u>\$ 22,469</u> | <u>\$ 22,469</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Salaries and benefits | 21,334 | 21,334 | 21,275 | 59 |
| Purchased services | 1,123 | 1,123 | 1,044 | 79 |
| Supplies and materials | <u>12</u> | <u>12</u> | <u>150</u> | <u>(138)</u> |
| Total expenditures | <u>22,469</u> | <u>22,469</u> | <u>22,469</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>-</u> | |
| Fund balance, end of year | | | <u>\$ -</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--------------------------------------|-------------------------|-------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| State sources | <u>\$ 297,894</u> | <u>\$ 297,894</u> | <u>\$ 297,894</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Salaries and benefits | 212,579 | 205,228 | 204,975 | 253 |
| Purchased services | 79,315 | 86,666 | 86,619 | 47 |
| Supplies and materials | <u>6,000</u> | <u>6,000</u> | <u>6,300</u> | <u>(300)</u> |
| Total expenditures | <u>297,894</u> | <u>297,894</u> | <u>297,894</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>1</u> | |
| Fund balance, end of year | | | <u>\$ 1</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 TITLE IV SAFE AND DRUG FREE SCHOOLS - PROJECT #09-4400-00
 For the year ended June 30, 2009

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|--------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Federal sources | \$ 206 | \$ 206 | \$ 206 | \$ - |
| Expenditures: | | | | |
| Supplies and materials | 206 | 206 | 206 | - |
| Total expenditures | 206 | 206 | 206 | - |
| Excess of revenues over expenditures | \$ - | \$ - | - | \$ - |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TITLE II TEACHER QUALITY - PROJECT #09-4932-00
For the year ended June 30, 2009**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|-----------------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Federal sources | <u>\$ 3,371</u> | <u>\$ 3,371</u> | <u>\$ 3,371</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Purchased services | <u>3,371</u> | <u>3,371</u> | <u>3,371</u> | <u>-</u> |
| Total expenditures | <u>3,371</u> | <u>3,371</u> | <u>3,371</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>1,764</u> | |
| Fund balance, end of year | | | <u>\$ 1,764</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--------------------------------------|-------------------------|-------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| State sources | <u>\$ 193,270</u> | <u>\$ 194,876</u> | <u>\$ 194,876</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Salaries and benefits | 152,585 | 152,222 | 152,385 | (163) |
| Purchased services | 34,289 | 33,671 | 33,554 | 117 |
| Supplies and materials | <u>6,396</u> | <u>8,983</u> | <u>8,937</u> | <u>46</u> |
| Total expenditures | <u>193,270</u> | <u>194,876</u> | <u>194,876</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>-</u> | |
| Fund balance, end of year | | | <u>\$ -</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|------------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| State sources | \$ 612,322 | \$ 624,568 | \$ 624,568 | \$ - |
| Expenditures: | | | | |
| Salaries and benefits | 512,733 | 515,244 | 514,058 | 1,186 |
| Purchased services | 74,458 | 76,636 | 74,370 | 2,266 |
| Supplies and materials | 23,481 | 26,188 | 28,390 | (2,202) |
| Capital outlay | 1,650 | 6,500 | 7,750 | (1,250) |
| Total expenditures | 612,322 | 624,568 | 624,568 | - |
| Excess of revenues over expenditures | \$ - | \$ - | - | \$ - |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 EARLY CHILDHOOD BLOCK GRANT II - PROJECT #09-3705-61
 For the year ended June 30, 2009**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|------------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| State sources | \$ 100,000 | \$ 102,000 | \$ 102,000 | \$ - |
| Expenditures: | | | | |
| Salaries and benefits | 87,068 | 87,168 | 86,980 | 188 |
| Purchased services | 10,147 | 11,818 | 11,489 | 329 |
| Supplies and materials | 2,785 | 3,014 | 3,531 | (517) |
| Total expenditures | 100,000 | 102,000 | 102,000 | - |
| Excess of revenues over expenditures | \$ - | \$ - | - | \$ - |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 EARLY CHILDHOOD BLOCK GRANT - CONTINUING THREE TO FIVE -
 PROJECT #09-3705-00
 For the year ended June 30, 2009**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|-----------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| State sources | \$ 62,418 | \$ 63,666 | \$ 63,666 | \$ - |
| Expenditures: | | | | |
| Salaries and benefits | 51,629 | 51,328 | 51,098 | 230 |
| Purchased services | 7,317 | 6,889 | 6,412 | 477 |
| Supplies and materials | 3,472 | 5,449 | 6,156 | (707) |
| Total expenditures | 62,418 | 63,666 | 63,666 | - |
| Excess of revenues over expenditures | \$ - | \$ - | - | \$ - |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
GIFTED PROJECT – ROE #9
For the year ended June 30, 2009**

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--------------------------------------|-------------------------|-------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| State sources | <u>\$ 69,202</u> | <u>\$ 102,785</u> | <u>\$ 84,139</u> | <u>\$ (18,646)</u> |
| Expenditures: | | | | |
| Salaries and benefits | 58,599 | 85,458 | 73,057 | 12,401 |
| Purchased services | 10,103 | 16,327 | 10,582 | 5,745 |
| Supplies and materials | <u>500</u> | <u>1,000</u> | <u>500</u> | <u>500</u> |
| Total expenditures | <u>69,202</u> | <u>102,785</u> | <u>84,139</u> | <u>18,646</u> |
| Excess of revenues over expenditures | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> |
| Fund balance, beginning of year | | | <u>-</u> | |
| Fund balance, end of year | | | <u>\$ -</u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ENGLISH LANGUAGE LEARNER - PROJECT #09-4999-00
For the year ended June 30, 2009**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|--------------------|--------------------|--------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Federal sources | <u>\$ 6,000</u> | <u>\$ 6,000</u> | <u>\$ 6,000</u> | <u>\$ -</u> |
| Expenditures: | | | | |
| Purchased services | 4,825 | 1,924 | 1,923 | 1 |
| Supplies and materials | <u>1,175</u> | <u>4,076</u> | <u>4,077</u> | <u>(1)</u> |
| Total expenditures | <u>6,000</u> | <u>6,000</u> | <u>6,000</u> | <u>-</u> |
| Excess of revenues over expenditures | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | - | <u><u>\$ -</u></u> |
| Fund balance, beginning of year | | | <u>-</u> | |
| Fund balance, end of year | | | <u><u>\$ -</u></u> | |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2009**

| | <u>Institute</u> | <u>General Education Development</u> | <u>Film Library</u> | <u>Bus Permit</u> |
|--|--------------------------|--|------------------------|------------------------|
| ASSETS | | | | |
| Cash | \$ 106,479 | \$ 23,546 | \$ 6,130 | \$ 5,042 |
| Investments | 2,518 | - | - | - |
| Accounts receivable | - | - | - | - |
| Due from other governments | - | 90 | - | - |
| Total assets | <u>\$ 108,997</u> | <u>\$ 23,636</u> | <u>\$ 6,130</u> | <u>\$ 5,042</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ 48 | \$ - |
| Accrued salaries and benefits | - | 1,433 | 510 | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Deferred revenue | 36,140 | - | - | - |
| Total liabilities | <u>36,140</u> | <u>1,433</u> | <u>558</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>72,857</u> | <u>22,203</u> | <u>5,572</u> | <u>5,042</u> |
| Total liabilities and fund balances | <u>\$ 108,997</u> | <u>\$ 23,636</u> | <u>\$ 6,130</u> | <u>\$ 5,042</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**COMBINING BALANCE SHEET (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2009**

| | <u>Supervisory</u> | <u>Regional Board of Trustees</u> | <u>Junior Achievement</u> | <u>Futures Pop Fund</u> |
|--|--------------------|---------------------------------------|-------------------------------|-----------------------------|
| ASSETS | | | | |
| Cash | \$ 513 | \$ 1,116 | \$ 3,483 | \$ 291 |
| Investments | - | - | - | - |
| Accounts receivable | - | - | - | 27 |
| Due from other governments | - | - | - | - |
| Total assets | <u>\$ 513</u> | <u>\$ 1,116</u> | <u>\$ 3,483</u> | <u>\$ 318</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued salaries and benefits | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Deferred revenue | - | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>513</u> | <u>1,116</u> | <u>3,483</u> | <u>318</u> |
| Total liabilities and fund balances | <u>\$ 513</u> | <u>\$ 1,116</u> | <u>\$ 3,483</u> | <u>\$ 318</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMBINING BALANCE SHEET (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2009

| | St. Mary's Hospital School | Student Council | Decatur Education Conference | Baby Talk |
|--------------------------------------|----------------------------------|--------------------|------------------------------------|------------------|
| ASSETS | | | | |
| Cash | \$ 64,847 | \$ 119 | \$ 5,589 | \$ - |
| Investments | - | - | - | - |
| Accounts receivable | 2,626 | - | - | 31,406 |
| Due from other governments | 30,259 | - | - | - |
| | <u>97,732</u> | <u>119</u> | <u>5,589</u> | <u>31,406</u> |
| Total assets | <u>\$ 97,732</u> | <u>\$ 119</u> | <u>\$ 5,589</u> | <u>\$ 31,406</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued salaries and benefits | 710 | - | - | 2,990 |
| Due to other funds | - | - | - | 28,416 |
| Due to other governments | - | - | - | - |
| Deferred revenue | - | - | - | - |
| | <u>710</u> | <u>-</u> | <u>-</u> | <u>31,406</u> |
| Total liabilities | <u>710</u> | <u>-</u> | <u>-</u> | <u>31,406</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>97,022</u> | <u>119</u> | <u>5,589</u> | <u>-</u> |
| Total liabilities and fund balances | <u>\$ 97,732</u> | <u>\$ 119</u> | <u>\$ 5,589</u> | <u>\$ 31,406</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMBINING BALANCE SHEET (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2009

| | Futures Foundation | Department of Corrections - GED Contract | Recycling and Energy | Teachers' Exchange |
|--------------------------------------|-----------------------|--|-------------------------|-----------------------|
| ASSETS | | | | |
| Cash | \$ 1,431 | \$ - | \$ 19,085 | \$ 15,453 |
| Investments | - | - | - | - |
| Accounts receivable | 22,309 | - | - | 2,265 |
| Due from other governments | - | 5,577 | - | - |
| | <u>-</u> | <u>5,577</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 23,740</u> | <u>\$ 5,577</u> | <u>\$ 19,085</u> | <u>\$ 17,718</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 2 |
| Accrued salaries and benefits | - | - | - | - |
| Due to other funds | - | 5,507 | - | - |
| Due to other governments | - | - | - | 14,468 |
| Deferred revenue | - | - | 19,085 | - |
| | <u>-</u> | <u>-</u> | <u>19,085</u> | <u>-</u> |
| Total liabilities | <u>-</u> | <u>5,507</u> | <u>19,085</u> | <u>14,470</u> |
| FUND BALANCES | | | | |
| Unreserved | <u>23,740</u> | <u>70</u> | <u>-</u> | <u>3,248</u> |
| Total liabilities and fund balances | <u>\$ 23,740</u> | <u>\$ 5,577</u> | <u>\$ 19,085</u> | <u>\$ 17,718</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

COMBINING BALANCE SHEET (Concluded)
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2009

| | <u>Building Better Readers</u> | <u>Totals</u> |
|-------------------------------------|------------------------------------|-------------------|
| ASSETS | | |
| Cash | \$ 39 | \$ 253,163 |
| Investments | - | 2,518 |
| Accounts receivable | - | 58,633 |
| Due from other governments | - | 35,926 |
| | <u> </u> | <u> </u> |
| Total assets | <u>\$ 39</u> | <u>\$ 350,240</u> |
| LIABILITIES AND FUND BALANCES | | |
| LIABILITIES | | |
| Accounts payable | \$ 39 | \$ 89 |
| Accrued salaries and benefits | - | 5,643 |
| Due to other funds | - | 33,923 |
| Due to other governments | - | 14,468 |
| Deferred revenue | - | 55,225 |
| | <u> </u> | <u> </u> |
| Total liabilities | <u>39</u> | <u>109,348</u> |
| FUND BALANCES | | |
| Unreserved | <u>-</u> | <u>240,892</u> |
| | <u> </u> | <u> </u> |
| Total liabilities and fund balances | <u>\$ 39</u> | <u>\$ 350,240</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | <u>Institute</u> | <u>General Education Development</u> | <u>Film Library</u> | <u>Bus Permit</u> |
|--|------------------|--|---------------------|-------------------|
| Revenues: | | | | |
| Local sources | \$ 19,180 | \$ 18,339 | \$ 33,224 | \$ 1,636 |
| State sources | - | - | - | 1,140 |
| Interest | 738 | 138 | 62 | 30 |
| Total revenues | <u>19,918</u> | <u>18,477</u> | <u>33,286</u> | <u>2,806</u> |
| Expenditures: | | | | |
| Salaries and benefits | - | 10,202 | 27,655 | - |
| Purchased services | 100 | 2,110 | 4,565 | 1,872 |
| Supplies and materials | 23 | 4,659 | 618 | 20 |
| Total expenditures | <u>123</u> | <u>16,971</u> | <u>32,838</u> | <u>1,892</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>19,795</u> | <u>1,506</u> | <u>448</u> | <u>914</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (10,000) | - | - | - |
| Total other financing sources (uses) | <u>(10,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 9,795 | 1,506 | 448 | 914 |
| Fund balances, beginning of year | <u>63,062</u> | <u>20,697</u> | <u>5,124</u> | <u>4,128</u> |
| Fund balances, end of year | <u>\$ 72,857</u> | <u>\$ 22,203</u> | <u>\$ 5,572</u> | <u>\$ 5,042</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Supervisory | Regional Board of Trustees | Junior Achievement | Futures Pop Fund |
|--|---------------|-------------------------------|-----------------------|---------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ 1,500 | \$ - | \$ 5,194 |
| State sources | 2,000 | - | - | - |
| Interest | 6 | 4 | - | - |
| Total revenues | 2,006 | 1,504 | - | 5,194 |
| Expenditures: | | | | |
| Salaries and benefits | - | - | - | - |
| Purchased services | 1,813 | 974 | - | - |
| Supplies and materials | - | - | - | 5,791 |
| Total expenditures | 1,813 | 974 | - | 5,791 |
| Excess (deficiency) of revenues over (under) expenditures | 193 | 530 | - | (597) |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | 193 | 530 | - | (597) |
| Fund balances, beginning of year | 320 | 586 | 3,483 | 915 |
| Fund balances, end of year | \$ 513 | \$ 1,116 | \$ 3,483 | \$ 318 |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | St. Mary's Hospital School | Student Council | Decatur Education Conference | Baby Talk |
|--|----------------------------------|--------------------|------------------------------------|----------------|
| Revenues: | | | | |
| Local sources | \$ 96,747 | \$ - | \$ - | \$ 136,262 |
| State sources | - | - | - | - |
| Interest | - | - | - | - |
| Total revenues | 96,747 | - | - | 136,262 |
| Expenditures: | | | | |
| Salaries and benefits | 85,847 | - | - | 129,787 |
| Purchased services | 4,562 | - | 12,123 | 6,475 |
| Supplies and materials | 142 | - | 105 | - |
| Total expenditures | 90,551 | - | 12,228 | 136,262 |
| Excess (deficiency) of revenues over (under) expenditures | 6,196 | - | (12,228) | - |
| Other financing sources (uses): | | | | |
| Transfers in | 8,930 | - | 10,000 | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 8,930 | - | 10,000 | - |
| Net change in fund balances | 15,126 | - | (2,228) | - |
| Fund balances, beginning of year | 81,896 | 119 | 7,817 | - |
| Fund balances, end of year | \$ 97,022 | \$ 119 | \$ 5,589 | \$ - |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Futures Foundation | Department of Corrections - GED Contract | Recycling and Energy | Teachers' Exchange |
|--|-----------------------|--|-------------------------|-----------------------|
| Revenues: | | | | |
| Local sources | \$ - | \$ - | \$ 4,586 | \$ 409,834 |
| State sources | - | 14,515 | - | - |
| Interest | - | - | - | - |
| Total revenues | - | 14,515 | 4,586 | 409,834 |
| Expenditures: | | | | |
| Salaries and benefits | - | - | - | - |
| Purchased services | 4,234 | 14,515 | 4,586 | 409,829 |
| Supplies and materials | - | - | - | 5 |
| Total expenditures | 4,234 | 14,515 | 4,586 | 409,834 |
| Excess (deficiency) of revenues over (under) expenditures | (4,234) | - | - | - |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | (4,234) | - | - | - |
| Fund balances, beginning of year | 27,974 | 70 | - | 3,248 |
| Fund balances, end of year | \$ 23,740 | \$ 70 | \$ - | \$ 3,248 |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Building Better Readers | Eliminations | Totals |
|--|----------------------------|--------------|-------------|
| Revenues: | | | |
| Local sources | \$ - | \$ - | \$ 726,502 |
| State sources | - | - | 17,655 |
| Interest | - | - | 978 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | - | - | 745,135 |
| | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | |
| Salaries and benefits | - | - | 253,491 |
| Purchased services | - | - | 467,758 |
| Supplies and materials | 893 | - | 12,256 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 893 | - | 733,505 |
| | <hr/> | <hr/> | <hr/> |
| Excess (deficiency) of revenues over (under) expenditures | (893) | - | 11,630 |
| | <hr/> | <hr/> | <hr/> |
| Other financing sources (uses): | | | |
| Transfers in | - | (10,000) | 8,930 |
| Transfers out | - | 10,000 | - |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | - | - | 8,930 |
| | <hr/> | <hr/> | <hr/> |
| Net change in fund balances | (893) | - | 20,560 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances, beginning of year | 893 | - | 220,332 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances, end of year | \$ - | \$ - | \$ 240,892 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

| | Distributive Fund | Project Success Fund | Heartland Region Fund | Totals |
|----------------------------|----------------------|-------------------------|--------------------------|------------------|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ 48,804 | \$ 48,804 |
| Due from other governments | - | 16,189 | 2,141 | 18,330 |
| Total assets | <u>\$ -</u> | <u>\$ 16,189</u> | <u>\$ 50,945</u> | <u>\$ 67,134</u> |
| LIABILITIES | | | | |
| Due to other governments | \$ - | \$ - | \$ 50,945 | \$ 50,945 |
| Due to other organizations | - | 16,189 | - | 16,189 |
| Total liabilities | <u>\$ -</u> | <u>\$ 16,189</u> | <u>\$ 50,945</u> | <u>\$ 67,134</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

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

For the year ended June 30, 2009

| | <u>Balance July 1, 2008</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance June 30, 2009</u> |
|----------------------------|---------------------------------|------------------|-------------------|----------------------------------|
| <u>DISTRIBUTIVE</u> | | | | |
| ASSETS | | | | |
| Cash | \$ - | \$ 3,202,617 | \$ 3,202,617 | \$ - |
| LIABILITIES | | | | |
| Due to other funds | \$ - | \$ 2,142,179 | \$ 2,142,179 | \$ - |
| Due to other governments | - | 1,060,438 | 1,060,438 | - |
| Total liabilities | \$ - | \$ 3,202,617 | \$ 3,202,617 | \$ - |
| <u>PROJECT SUCCESS</u> | | | | |
| ASSETS | | | | |
| Cash | \$ - | \$ 49,289 | \$ 49,289 | \$ - |
| Due from other governments | 12,151 | 53,327 | 49,289 | 16,189 |
| Total assets | \$ 12,151 | \$ 102,616 | \$ 98,578 | \$ 16,189 |
| LIABILITIES | | | | |
| Due to other organizations | \$ 12,151 | \$ 53,327 | \$ 49,289 | \$ 16,189 |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Concluded)
AGENCY FUNDS**

For the year ended June 30, 2009

| | <u>Balance July 1, 2008</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance June 30, 2009</u> |
|----------------------------------|---------------------------------|---------------------|---------------------|----------------------------------|
| <u>HEARTLAND REGION</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 24,473 | \$ 1,123,413 | \$ 1,099,082 | \$ 48,804 |
| Due from other governments | - | 1,127,695 | 1,125,554 | 2,141 |
| Total assets | <u>\$ 24,473</u> | <u>\$ 2,251,108</u> | <u>\$ 2,224,636</u> | <u>\$ 50,945</u> |
| LIABILITIES | | | | |
| Due to other governments | <u>\$ 24,473</u> | <u>\$ 1,125,554</u> | <u>\$ 1,099,082</u> | <u>\$ 50,945</u> |
| <u>TOTALS - ALL AGENCY FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 24,473 | \$ 4,375,319 | \$ 4,350,988 | \$ 48,804 |
| Due from other governments | 12,151 | 1,181,022 | 1,174,843 | 18,330 |
| Total assets | <u>\$ 36,624</u> | <u>\$ 5,556,341</u> | <u>\$ 5,525,831</u> | <u>\$ 67,134</u> |
| LIABILITIES | | | | |
| Due to other funds | \$ - | \$ 2,142,179 | \$ 2,142,179 | \$ - |
| Due to other governments | 24,473 | 2,185,992 | 2,159,520 | 50,945 |
| Due to other organizations | 12,151 | 53,327 | 49,289 | 16,189 |
| Total liabilities | <u>\$ 36,624</u> | <u>\$ 4,381,498</u> | <u>\$ 4,350,988</u> | <u>\$ 67,134</u> |

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39
SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS
AND OTHERS
DISTRIBUTIVE FUND
For the year ended June 30, 2009

| | Heartland Region | Futures Unlimited Alternative | ROE #39 | Total |
|---|---------------------|-------------------------------------|---------------------|---------------------|
| General State Aid | \$ - | \$ - | \$ 798,256 | \$ 798,256 |
| Reorganization incentive - feasibility study | - | - | 7,500 | 7,500 |
| Special Ed. - Personnel | - | 2,992 | - | 2,992 |
| Career & Technical Ed. Improvement | 751,118 | - | - | 751,118 |
| Agriculture Education | 18,342 | - | - | 18,342 |
| State Free Lunch and Breakfast | - | - | 223 | 223 |
| School Breakfast Incentive | - | - | 72 | 72 |
| ROE School Bus Driver Training | - | - | 1,140 | 1,140 |
| Truants Alternative/Optional Ed. | - | - | 226,523 | 226,523 |
| Regional Safe Schools | - | - | 179,000 | 179,000 |
| Early Childhood - Block Grant | - | - | 608,428 | 608,428 |
| ROE and ISC Operations | - | - | 70,748 | 70,748 |
| Supervisory | - | - | 2,000 | 2,000 |
| National School Lunch Program | - | - | 3,401 | 3,401 |
| School Breakfast Program | - | - | 1,236 | 1,236 |
| Title IV - Safe and Drug Free Schools-Formula | - | - | 206 | 206 |
| ARRA - General State Aid Sec. 18-8 | - | - | 235,987 | 235,987 |
| Title II - Teacher Quality | 287,986 | - | 3,371 | 291,357 |
| Other Federal Programs | - | - | 4,088 | 4,088 |
| TOTAL | \$ 1,057,446 | \$ 2,992 | \$ 2,142,179 | \$ 3,202,617 |

FEDERAL FINANCIAL COMPLIANCE SECTION

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2009**

| Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title | CFDA Number | Project # (1st 8 digits) or Contract # | Federal Expenditures 7/1/08 - 6/30/09 |
|---|----------------|--|---|
| U.S. Department of Education | | | |
| <i>Passed through the Illinois State Board of Education:</i> | | | |
| Title IV - Safe & Drug Free Schools-Formula | 84.186A | 09-4400-00 | \$ 206 |
| ARRA - General State Aid - Sec. 18-8 | 84.394A | 09-4850-92 | 200,596 |
| ARRA - General State Aid - Sec. 18-8 | 84.394A | 09-4850-93 | 35,393 |
| Total ARRA - General State Aid - Sec. 18-8 | | | <u>235,989</u> |
| Title III - English Language Learner (Other Federal Programs) | 84.635A | 09-4999-PD | 6,000 |
| Title II - Teacher Quality | 84.367A | 09-4932-00 | 3,371 |
| <i>Passed through Regional Office of Education #32:</i> | | | |
| Title II - Teacher Quality | 84.367A | 09-4935-00 | 26,289 |
| <i>Passed through Regional Office of Education #9:</i> | | | |
| Title II - Teacher Quality - Leadership Grant | 84.367A | 09-4935-00 | 18,000 |
| Total Title II | | | <u>47,660</u> |
| <i>Passed through Regional Office of Education #32:</i> | | | |
| SOS Grant - Title I School Improvement | 84.010A | 09-4331-SS | 123,255 |
| McKinney-Vento Homeless Children and Youth Program | 84.196 | 09-4620-00 | 22,700 |
| <i>Passed through Special Ed. Agency - Department of Corrections:</i> | | | |
| (m) Federal - Special Education - IDEA Flow Through | 84.027A | 09-4620-00 | 631,519 |
| <i>Passed through Illinois Community College Board:</i> | | | |
| Federal Adult Education Basic | 84.002A | 537 AA | 22,469 |
| Total U.S. Department of Education | | | <u>1,089,798</u> |

(m) - Audited as a major program

The accompanying notes are an integral part of this schedule.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
For the year ended June 30, 2009**

| Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title | CFDA Number | Project # (1st 8 digits) or Contract # | Federal Expenditures 7/1/08 - 6/30/09 |
|---|----------------|--|---|
| U.S. Department of Agriculture | | | |
| <i>Passed through Illinois State Board of Education:</i> | | | |
| National School Lunch Program | 10.555 | 08-4210-00 | 853 |
| National School Lunch Program | 10.555 | 09-4210-00 | 2,548 |
| Total National School Lunch Program | | | <u>3,401</u> |
| School Breakfast Program | 10.553 | 08-4220-00 | 201 |
| School Breakfast Program | 10.553 | 09-4220-00 | 1,035 |
| Total School Breakfast Program | | | <u>1,236</u> |
| Total U.S. Department of Agriculture | | | <u>4,637</u> |
| U.S. Department of Labor | | | |
| <i>Passed through Macon County Workforce Investment Solutions:</i> | | | |
| WIA - Teen GED Academy | 17.252 | MPROE-09-1 | 81,990 |
| Total U.S. Department of Labor | | | <u>81,990</u> |
| U.S. Department of Health and Human Services | | | |
| <i>Passed through Illinois Department of Human Services:</i> | | | |
| Substance Abuse and Treatment Block Grant | 93.959 | 250134400 | 28,472 |
| Total U.S. Department of Health and Human Services | | | <u>28,472</u> |
| TOTAL | | | <u><u>\$ 1,204,897</u></u> |

(m) - Audited as a major program

Note: The Substance Abuse and Treatment Block Grant for \$28,472 was monies received by Project Success, an agency fund of the Regional Office. Therefore, the Schedule of Expenditures of Federal Awards cannot be reconciled in its entirety to the financial statements of the Regional Office, and a difference of \$28,472 remains.

The accompanying notes are an integral part of this schedule.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2009

1. **BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Regional Office of Education #39 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.

2. **SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, the Regional Office of Education #39 provided federal awards to subrecipients as follows:

| <u>Program Title</u> | <u>Federal CFDA Number</u> | <u>Amount Provided to Subrecipients</u> |
|---|------------------------------------|---|
| Substance Abuse and Treatment Block Grant | 93.959 | <u>\$ 28,472</u> |

3. **DESCRIPTION OF MAJOR FEDERAL PROGRAMS**

Federal – Special Education – IDEA Flow Through – To account for monies received from federal funds to be used to implement special education programs for School District #428 of the Department of Corrections.

4. **NON-CASH ASSISTANCE**

This note is not applicable to Regional Office of Education #39.

5. **AMOUNT OF INSURANCE**

This note is not applicable to Regional Office of Education #39.

6. **LOANS OR LOAN GUARANTEES OUTSTANDING**

This note is not applicable to Regional Office of Education #39.

MACON-PIATT COUNTIES REGIONAL OFFICE OF EDUCATION #39

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For the year ended June 30, 2009

7. BACKGROUND INFORMATION ON ICCB FEDERAL GRANT ACTIVITY

Federal Basic: Grant awarded to Adult Education and Family Literacy providers to assist adults in becoming literate and obtain the knowledge and skills necessary for employment and self-sufficiency; to assist adults who are parents in obtaining the educational skills necessary to become full partners in the educational development of their children; and to assist adults in completing a secondary school education.