



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Christopher B. Meister, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #47
LEE, OGLE AND WHITESIDE COUNTIES

FINANCIAL AUDIT (In Accordance with the
Uniform Guidance)
For the Year Ended: June 30, 2025

Release Date: October 7, 2026

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

SYNOPSIS

- (25-1) The Regional Office of Education #47 did not maintain adequate internal controls over the grant accounting and financial reporting process.

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

REGIONAL OFFICE OF EDUCATION #47
LEE, OGLE AND WHITESIDE COUNTIES

FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
For The Year Ended June 30, 2025

	FY 2025	FY 2024
TOTAL REVENUES	\$5,936,368	\$4,702,247
Local Sources	\$1,670,538	\$1,694,627
% of Total Revenues	28.14%	36.04%
State Sources	\$3,165,204	\$2,065,753
% of Total Revenues	53.32%	43.93%
Federal Sources	\$1,100,626	\$941,867
% of Total Revenues	18.54%	20.03%
TOTAL EXPENDITURES	\$5,022,361	\$4,077,983
Salaries and Benefits	\$2,705,838	\$2,476,418
% of Total Expenditures	53.88%	60.73%
Purchased Services	\$1,169,234	\$876,259
% of Total Expenditures	23.28%	21.49%
All Other Expenditures	\$1,147,289	\$725,306
% of Total Expenditures	22.84%	17.79%
TOTAL NET POSITION	\$4,054,044	\$3,140,037
INVESTMENT IN CAPITAL ASSETS	\$0	\$0
Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Honorable Chris Tennyson Currently: Honorable Chris Tennyson

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

NONCOMPLIANCE WITH GRANT REQUIREMENTS

The Regional Office of Education #47 did not maintain adequate internal controls over the grant accounting and financial reporting process.

The Regional Office of Education #47 (ROE) did not maintain adequate internal controls over the grant accounting and financial reporting process. While the Regional Office of Education #47 maintains controls over the processing of expenditures, there are not sufficient controls over the general ledger and financial statement reporting process for management or employees in the normal course of performing their assigned functions to prevent, or detect and correct, discrepancies between grant expenditures reports, the general ledger, financial statements, and supplementary information.

During our review of the Regional Office of Education 47's grant expenditures, it was noted that the Regional Office of Education #47 did not have adequate controls to ensure accuracy and consistency between grant expenditures reports, general ledger, financial statements, and supplementary information. Audit procedures revealed differences between the grant expenditures reports and the Regional Office of Education #47's financial statements and General Ledger (GL) as shown below:

Federal Grants Assistance Listing Number	Total Expenditures Per Grant Reports and the Schedule of Expenditures of Federal Awards (SEFA)	Total Expenditures per Financial Statements and GL	Difference Over (Under) Stated
<i>ARP – McKinney Education for Homeless Children 84.425W</i>	\$112,133	\$124,432	\$(12,299)
<i>ARP – Community Partnerships 84.425U</i>	2,475	3,300	(825)
<i>McKinney Education for Homeless Children 84.196A</i>	123,965	121,671	2,294
Federal Grants Net Difference			\$(10,830)

State Grant Code	Total Expenditures per Grant Reports	Total Expenditures per Financial Statements and GL	Difference Over (Under)
Computer Science 2025-3999	\$43,567	\$27,723	\$15,844
Less Expenditures Disbursed in FY26			(10,627)
State Grant Net Difference			\$5,217

Management was unable to provide documentation to support and reconcile the federal and State grant differences of \$(10,830) and \$5,217, respectively.

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), Section 200.303 – Internal Controls requires an agency to establish and maintain effective internal control over the federal award to provide reasonable assurance that Federal awards are managed in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Additionally, the Regional Office of Education #47 must comply with grant accounting and reporting requirements established by grant agreements with the Illinois State Board of Education (ISBE) and other grantors in addition to the requirements established by ISBE's fiscal policies and procedures for grantees. Among these requirements are accurate, current, and complete disclosure of grant financial activity to the grantor. In addition, strong internal controls are necessary and include reconciling grant financial reports with supporting accounting records and ensuring that all reports are reviewed and approved by a responsible official prior to submission.

Regional Office management did not perform a timely review and reconciliation of federal and State grant expenditure reports to the general ledger, financial statements, and supplementary information for accuracy and consistency. (Finding 2025-001, pages 15a-15b)

The auditors recommended that the ROE implement comprehensive procedures to ensure the accuracy of grant accounting and reporting including:

- a. Establish accountability for timely reconciliation of grant reimbursement reports to the general ledger, financial statements, and supplementary information.
- b. Integrate into the year-end closing procedures documentation of the reconciliation including the sign-offs of preparer and review by a responsible official prior to submission.

ROE Response: *Management agrees with the recommendation and will implement additional procedures to formally document the reconciliation of grant expenditure reports to the general ledger and financial statements prior to submission and as part of the year-end closing process. The Regional Office believes grant expenditures were properly accounted for; however, management recognizes the need for enhanced documentation of the reconciliation process and will implement preparer and reviewer sign-offs to ensure*

consistency and strengthen internal controls over grant financial reporting.

AUDITORS' OPINION

Our auditors state the Regional Office of Education #47's financial statements as of June 30, 2025 are fairly presented in all material respects.

This financial audit was conducted by the firm of Prado & Renteria Certified Public Accountants.

SIGNED ORIGINAL ON FILE

TRICIA WAGNER
Division Director

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

SIGNED ORIGINAL ON FILE

CHRISTOPHER B. MEISTER
Auditor General

CBM:JMT