



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

REGIONAL OFFICE OF EDUCATION #16
DEKALB COUNTY

FINANCIAL AUDIT
For the Year Ended: June 30, 2025

Release Date: February 18, 2026

FINDINGS THIS AUDIT: 2	AGING SCHEDULE OF REPEATED FINDINGS			
	Repeated Since	Category 1	Category 2	Category 3
Category 1:	<u>New</u> 0	<u>Repeat</u> 0	<u>Total</u> 0	No Repeat Findings
Category 2:	1	0	1	
Category 3:	<u>1</u>	<u>0</u>	<u>1</u>	
TOTAL	2	0	2	
FINDINGS LAST AUDIT: 0				

SYNOPSIS

- (25-1) The Regional Office of Education #16 had inadequate internal control over the bank reconciliation process.
- (25-2) The Regional Office of Education #16 had noncompliance with grant requirements.

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 #16
DEKALB COUNTY

FINANCIAL AUDIT
For The Year Ended June 30, 2025

	FY 2025	FY 2024
TOTAL REVENUES	\$3,493,651	\$3,046,757
Local Sources	\$356,385	\$312,998
% of Total Revenues	10.20%	10.27%
State Sources	\$2,816,626	\$2,203,089
% of Total Revenues	80.62%	72.31%
Federal Sources	\$320,640	\$530,670
% of Total Revenues	9.18%	17.42%
TOTAL EXPENDITURES	\$3,392,765	\$3,047,849
Salaries and Benefits	\$1,705,614	\$1,550,217
% of Total Expenditures	50.27%	50.86%
Purchased Services	\$503,919	\$524,038
% of Total Expenditures	14.85%	17.19%
All Other Expenditures	\$1,183,232	\$973,594
% of Total Expenditures	34.88%	31.94%
TOTAL NET POSITION	\$1,055,641	\$954,755
INVESTMENT IN CAPITAL ASSETS	\$0	\$0
Percentages may not add due to rounding.		

REGIONAL SUPERINTENDENT
During Audit Period: Honorable Amanda Christensen Currently: Honorable Amanda Christensen

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

LACK OF ADEQUATE CONTROLS OVER BANK RECONCILIATION PROCESS

The Regional Office of Education #16 had inadequate internal control over the bank reconciliation process.

The Regional Office of Education #16 (ROE) had inadequate internal control over the bank reconciliation process. The ROE maintains 6 bank accounts. During the audit, auditors noted the following:

- 12 of the 72 bank reconciliations (17%) were not performed timely, ranging from 37 to 110 days from month end.
- 6 of the 72 bank reconciliations (8%) were not performed.
- 3 of the 6 year-end bank reconciliations (50%) contained unaccounted variances from \$1,162 to \$5,825.

Effective internal control policies require complete and accurate accounting records of all transactions of the entity. Sound internal controls require bank reconciliations to be performed accurately and promptly, no later than the end of the following month. Reconciling items should be investigated immediately, and adjustments made to the general ledger. Bank reconciliations should also be reviewed and approved by a person independent of the preparer in a timely manner.

Regional Office management indicated staff turnover and transition caused a delay in reconciliations. (Finding 2025-001, page 11)

The auditors recommended the ROE should have an individual, independent of the general ledger processes, review the bank reconciliation to ensure agreement to the general ledger and reported correctly in the financial statements.

ROE Response: *Due to being a small organization, it is challenging to segregate duties. However, management has overseen supplemental training and oversight to ensure timely reconciliations and that all are performed.*

NONCOMPLIANCE WITH GRANT REQUIREMENTS

The Regional Office of Education #16 had noncompliance with grant requirements.

The Regional Office of Education #16 (ROE) had noncompliance with grant requirements. The ROE submitted 10 of 33 expenditure reports untimely (30%) ranging from 1 to 9 days late.

Item 5 of Section A of the Illinois State Board of Education's *State and Federal Grant Administration Policy, Fiscal Requirements, and Procedures* requires grantees with an approved state and/or federal grant program to submit quarterly expenditure reports, at minimum, on or before 20 calendar days after the end of the reporting quarter.

Regional Office management indicated several of the late expenditure reports were due to a subcontract that requires additional communication and steps within the expenditure report process. (Finding 2025-002, page 12)

The auditors recommended the ROE should develop internal controls to ensure expenditure reports are submitted within the grantors' due date.

ROE Response: *Staff turnover and transition to a new finance manager occurred during Fiscal Year 2025. This impacted not only the new Finance Manager, but also the administrative oversight required for expenditure reports.*

AUDITORS' OPINION

Our auditors state the Regional Office of Education #16 financial statements as of June 30, 2025 are fairly presented in all material respects.

This financial audit was conducted by the firm of Adelfia LLC.

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

FRANK J. MAUTINO
Auditor General

FJM:BAO