

EFFINGHAM COMMUNITY UNIT SCHOOL
DISTRICT NO. 40

Effingham, Illinois

ANNUAL FINANCIAL REPORT

June 30, 2012
(With Auditors' Report Thereon)

Effingham Community Unit School District No. 40
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INDEPENDENT AUDITORS' REPORT

November 9, 2012

Members of the Board
Effingham Community Unit School District No. 40
Effingham, Illinois 62401

We have audited the accompanying Statement of Assets and Liabilities Arising from Cash Transactions; Statement of Revenues Received/Expenditures Disbursed, Other Financing Sources (Uses) and Changes in Fund Balances (All Funds); Statement of Revenues Received; and Statement of Expenditures Disbursed, Budget to Actual of Effingham Community Unit School District No. 40 (District) as of and for the fiscal year ended June 30, 2012, as shown on pages 5 through 22 of the Annual Financial Report (AFR). These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these individual fund and account group 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 opinion.

As described more fully in Note #1, Effingham Community Unit School District No. 40 has prepared these financial statements using accounting practices prescribed or permitted by the Illinois State Board of Education, which practices differ from accounting principles generally accepted in the United States of America. Also as described in Note 1, Effingham Community Unit School District No. 40 prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Effingham Community Unit School District No. 40 as of June 30, 2012, or changes in financial position for the fiscal year then ended.

The District has omitted disclosures required by Governmental Accounting Standards Board Statement 45 *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. The amount by which this disclosure would affect the financial statements is not reasonably determinable.

In our opinion, except for the effects of the omissions described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Effingham Community Unit School District No. 40 as of June 30, 2012, and its revenue received and expenditures disbursed during the fiscal year then ended, on the basis of accounting described in Note #1.

November 9, 2012

In accordance with Government Auditing Standards, we have also issued a report dated November 9, 2012, on our consideration of Effingham Community Unit School District No. 40's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The information listed in the table of contents as "Other Information," which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. 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 not a required part of the financial statements of Effingham Community Unit School District No. 40. The information in this schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The 2011 comparative information in the Schedule of Expenditures of Federal Awards was subjected to the auditing procedures applied by us and our report dated October 24, 2011 expressed a qualified opinion that such information was fairly stated in all material respects in relation to the 2011 financial statements taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The information provided on AFR pages 2 through 4, supplementary schedules on AFR pages 23 through 26, statistical section on AFR pages 27 through 29, the itemization schedule on AFR page 33, the deficit reduction calculation on AFR page 36 and information listed in the table of contents as "Additional Supplementary Information," Student Activity Funds are presented for the purposes of additional analysis and are not a required part of the financial statements of Effingham Community Unit School District No. 40. Such information, except for the average daily attendance figure included in the computation of operating expense per pupil on AFR page 28 and per capita tuition charges on AFR page 29, is the responsibility of management and has been derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The information on AFR pages 28-30 is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations. The report on shared services or outsourcing on AFR page 31 contains unaudited information concerning prior, current and future year expenditures which was provided by the District. The administrative cost worksheet on AFR page 32 contains unaudited information concerning the current year budget which was provided by the District, the actual expenditure information on this page is fairly stated in all material respects in relation to the financial statements taken as a whole.

Respectfully submitted,

Stearns and Shuffett, LLC

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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

November 9, 2012

Members of the Board
Effingham Community Unit School District No. 40
Effingham, Illinois 62401

We have audited the financial statements of Effingham Community Unit School District No. 40, as of and for the year ended June 30, 2012, and have issued our report thereon dated November 9, 2012. Our opinion was adverse because financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated, except for the effects of the omitted disclosures required by Governmental Accounting Standards Board Statement 45, *Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions*, on the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles. 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

Management of Effingham Community Unit School District No. 40 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Effingham Community Unit School District No. 40's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the school district's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the school district'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 reasonable possibility that a material misstatement of the school district'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 the internal control over financial reporting that might be deficiencies, significant deficiencies or be material weaknesses. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses in internal control over financial reporting. Finding 12-01 has been identified as a material weakness.

Members of the Board
Effingham Community Unit School District No. 40

November 9, 2012

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Effingham Community Unit School District No. 40'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.

In accordance with SAS No. 114 *The Auditors' Communication with Those Charged with Governance* we have issued a separate letter dated November 9, 2012, to the Board of Education addressing those required communications.

Effingham Community Unit School District No. 40's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Effingham Community Unit School District No. 40's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education, the Illinois State Board of Education and 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.

Respectfully submitted,

Glass and Sheffelt, LLC

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

November 9, 2012

Members of the Board
Effingham Community Unit School District No. 40
Effingham, Illinois 62401

Compliance

We have audited Effingham Community Unit School District No. 40'S compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District'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 District'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 District's compliance with those requirements.

In our opinion, Effingham Community Unit School District No. 40 complied in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

November 9, 2012

Internal Control Over Compliance

The management of Effingham Community Unit School District No. 40 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 Effingham Community Unit School District No. 40'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Effingham Community Unit School District No. 40's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 12-01.

Our consideration of internal control over compliance 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 compliance that might be deficiencies, significant deficiencies or material weaknesses. However, as discussed above, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

Effingham Community Unit School District No. 40's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Effingham Community Unit School District No. 40's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information of the Board of Education, the 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.

Respectfully submitted,

Blas and Shuffett, LLC

Effingham Community Unit School District No. 40
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES

The District's accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

A. Principles Used to Determine Scope of Entity

The District's reporting entity includes the District's governing board and all related organizations for which the District exercises oversight responsibility.

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

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity, which would exercise such oversight, which would result in the District being considered a component unit of the entity.

B. Basis of Presentation--Fund Accounting

The accounts of the District are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, and liabilities (arising from cash transactions), fund balance, revenue received and expenditures paid. The District maintains individual funds required by the State of Illinois. The various funds are summarized by type in the financial statements. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the District.

Governmental Fund Types

Governmental Funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds. The financial statements, which focus on the measurement of spending and determination of changes in financial position rather than upon net income determination, reflect the cash basis of accounting.

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Funds--The General Fund, which consists of the Educational Fund and the Operations and Maintenance Fund, is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Leasing Levy and Special Education are included in these funds.

Special Revenue Funds--Special Revenue Funds, which include the Transportation Fund, Illinois Municipal Retirement Fund and Tort Fund, are used to account for cash received from specific revenue sources (other than those accounted for in the Debt Service Fund or Fiduciary Funds) that are legally restricted to expenditures for specified purposes. It also includes the Working Cash Fund which is used for temporary interfund loans to the General Fund and the Transportation Fund.

Debt Service Fund--The Debt Service Fund accounts for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

Capital Projects Fund--The Capital Projects Funds (Capital Projects and Fire Prevention and Safety) accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or funds.

The Agency Funds (Student Activity Funds) account for assets held by the District as an agent for the students and teachers. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the activity fund organizations are equal to the assets.

Governmental and Expendable Trust Funds--Measurement Focus

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

General Fixed Assets and General Long-Term Debt Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in the governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

C. Basis of Accounting

Basis of accounting refers to when revenues received and expenditures paid are recognized in the accounts and how they are reported on the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Additionally, these financial statements are issued to comply with the regulatory provisions prescribed by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles. Therefore, basic financial statements prepared in accordance with GASB 34 are not presented.

Proceeds from sales of bonds are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

D. Budget and Budgetary Accounting

The budget for all governmental fund types and for the expendable trust fund is prepared on the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5, Paragraph 17.1 of the Illinois Compiled Statutes. The budget was passed on September 26, 2011, and was amended on June 25, 2012.

For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

E. Cash

Separate bank accounts are not maintained for all District funds. Certain funds maintain their uninvested cash in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

F. Investments

Investments are stated at cost. The District has adopted a formal written investment and cash management policy. The policy requires collateralization for investments in federally insured institutions in excess of FDIC coverage limits, and other institutions in which the District has invested more than \$250,000. The institutions in which investments are made must be approved by the Board of Education. The District is authorized to invest in securities permissible by the Illinois School Code.

G. General Fixed Assets

General fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as expenditures disbursed in the Governmental or Activity Funds and capitalized at cost in the general fixed assets account group. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge) and for fiscal year 2012, totaled \$1,478,394. Depreciation is computed using the straight-line method with lives established by the Illinois State Board of Education. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,000 and an initial life of one year or greater. The estimated useful lives for each fixed asset type are as follows:

Buildings	50 Years
Improvements	20 Years
Equipment	10 Years
Transportation Equipment	5 Years
Food Service Equipment	10 Years

H. Inventories

The District does not maintain inventories that would be material to the financial statements. Inventories are expensed as they are purchased.

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences

Employees of the District are entitled to paid vacations, sick days and other time off depending on job classification, length of service and other factors. It is not presented because the District is on the Cash Basis of Accounting. The District's policy is to recognize the costs of compensated absences when paid to employees.

J. Use of Estimates

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

NOTE 2--PROPERTY TAXES

The District's property tax is levied each year on all taxable real property located in the District. Property taxes collected during the fiscal year ended June 30, 2012, represent the 2010 levy that was approved by the Board on November 22, 2010. The 2011 property tax levy, which will be collected in fiscal year 2012, was adopted by the Board on November 28, 2011. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and August 1. Collection is performed by Effingham and Clay Counties. The District receives significant distributions of tax receipts approximately one month after the Counties collect the taxes, which is usually in July and September.

NOTE 3--FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Model followed by the District, only reports Reserved and Unreserved Fund Balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the district all such items are expensed at the time of purchase, so there is nothing to report for this classification.

NOTE 3--FUND BALANCE REPORTING (CONTINUED)

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories:

1. Special Education

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.

2. Leasing Levy

Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Operations and Maintenance Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance \$254,658. This balance is included in the financial statements as Reserved in the Operations and Maintenance Fund.

3. State Grants

Proceeds from state grants and the related expenditures have been included in the Educational, Transportation and Operations and Maintenance Funds. At June 30, 2012, expenditures disbursed exceeded revenue received from state grants, resulting in no restricted balances.

4. Federal Grants

Proceeds from federal grants and the related expenditures have been included in the Educational and Debt Service Funds. At June 30, 2012, expenditures disbursed from federal grants exceeded the revenues received for those specific purposes in the Educational Fund, resulting in no restricted balance

5. Social Security

Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance \$133,203. This balance is included in the financial statements as Reserved in the Municipal Retirement/Social Security Fund.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

By Board action the District has committed to performing \$421,460 in construction projects during the summer of 2012. The amount of \$421,460 is included in the financial statements as Unreserved in the Fire Prevention and Safety Fund.

NOTE 3--FUND BALANCE REPORTING (CONTINUED)

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2012, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2012 amounted to \$2,049,470. This amount is shown as Unreserved in the Educational Fund.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned Fund Balance amounts are shown in the financial statements as Unreserved Fund Balances in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.

F. Regulatory - Fund Balance Definitions

Reserved Fund Balances are those balances that are reserved for a specified purpose, other than the regular purpose of any given fund. Unreserved Fund Balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.

G. Reconciliation of Fund Balance Reporting

The first five columns of the following table represent Fund Balance Reporting according to generally accepted accounting principles. The last two columns represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparation of the financial statements.

Fund	Generally Accepted Accounting Principles					Regulatory Basis	
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Financial Statements-Reserved	Financial Statements-Unreserved
Educational	0	0	2,049,470	0	6,141,698	0	8,191,168
Operations & Maintenance	0	254,658	0	0	371,790	254,658	371,790
Debt Service	0	174,462	0	0	0	0	174,462
Transportation	0	0	0	0	1,712,587	0	1,712,587
Municipal Retirement	0	858,410	0	0	0	133,203	725,207
Capital Projects	0	0	0	0	0	0	0
Working Cash	0	0	0	0	2,161,624	0	2,161,624
Tort Liability	0	279,762	0	0	0	0	279,762
Fire Prevention and Safety	0	498,096	0	0	0	0	498,096

H. Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

NOTE 4--CASH AND INVESTMENTS

The District is allowed to invest in securities as authorized by Sections 2 & 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6); and Sections 8-7 of the School Code.

Deposits

Custodial Credit Risk - Deposits:

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned to it. The District does have a deposit policy for custodial credit risk. As of June 30, 2012, the District's bank balances (checking and money market accounts) totaling \$14,917,103 (book balance \$14,629,145) were fully insured or collateralized with collateral held by a third party in the name of the District.

NOTE 5--CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2012:

	Beginning Balance 07-01-11	Additions	Deletions	Ending Balance 06-30-12
Capital Assets, Not Being Depreciated:				
Land	\$1,390,161	\$ -	\$ -	\$ 1,390,161
Total Capital Assets, Not Being Depreciated	1,390,161	-	-	1,390,161
Capital Assets Being Depreciated:				
Land Improvements	1,624,107	212,108	-	1,836,215
Buildings and Improvements	38,766,672	152,176	-	38,918,848
Other Equipment	12,055,103	198,388	-	12,253,491
Transportation Equipment	2,445,422	5,650	-	2,451,072
Food Service Equipment	604,708	9,775	-	614,483
Total Capital Assets, Being Depreciated	55,496,012	578,097	-	56,074,109
Less Accumulated Depreciation for:				
Land Improvements	943,088	55,788	-	998,876
Buildings and Improvements	13,428,731	777,698	-	14,206,429
Other Equipment	9,680,015	462,937	-	10,142,952
Transportation Equipment	1,976,025	163,475	-	2,139,500
Food Service Equipment	510,581	18,496	-	529,077
Total Accumulated Depreciation	26,538,440	1,478,394	-	28,016,834
Total Capital Assets, Being Depreciated, Net	28,957,572	(900,297)	-	28,057,275
Total Capital Assets, Net	\$30,347,733	\$(900,297)	\$ -	\$29,447,436

NOTE 6--POST EMPLOYMENT BENEFIT PLANS

The School District participates in two retirement systems: The Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF); and a postemployment health care plan - Teachers Health Insurance Security (THIS) Fund.

NOTE 6--POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Illinois Teachers' Retirement System

The School District (employer) 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 the primary responsibility for funding 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 for the year ended June 30, 2012, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. 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, 2011 and 2010.

The state of Illinois makes contributions directly to TRS on behalf of the District's TRS-covered employees.

- ***On-behalf contributions to TRS***

The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2012 state of Illinois contributions were based on 24.91 percent of creditable earnings not paid from federal funds, and the district recognized revenue and expenditures of \$2,991,314 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2011, and June 30, 2010, the state of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.10 percent (\$2,743,181) and 23.38 percent (\$2,794,857), respectively.

The district 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, 2012 were \$69,649. Contributions for the years ending June 30, 2011, and June 30, 2010, were \$68,876 and \$69,333, respectively.

- ***Federal and special trust fund contributions***

When TRS members are paid from federal and special trust funds administered by the district, there is a statutory requirement for the district to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for 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, 2012, the employer pension contribution was 24.91 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2011 and 2010, the employer contribution was 23.10 and 23.38 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2012, salaries totaling \$470,530 were paid from federal and special trust funds that required employer contributions of \$117,209. For the years ended June 30, 2011 and June 30, 2010, required district contributions were \$103,096 and \$125,738, respectively.

NOTE 6--POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

- ***Early Retirement Option (ERO)***

The district 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.

The maximum employer ERO contribution is 117.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2012, the district paid \$-0- to TRS for employer contributions under the ERO program. For the years ended June 30, 2011 and June 30, 2010, the district paid \$-0- and \$-0- in employer ERO contributions, respectively.

- ***Salary increases over 6 percent and excess sick leave***

- 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, 2012, the district paid \$-0- to TRS for employer contributions due on salary increases in excess of 6 percent. For the year ended June 30, 2011 and June 30, 2010, the district paid \$-0- and \$6,398 to TRS for employer contributions due on salary increases in excess of 6 percent, respectively.

- 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 rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.83 percent of salary during the year ended June 30, 2012).

For the year ended June 30, 2012, the district paid \$-0- to TRS for sick leave days granted in the excess of the normal annual allotment. For the year ended June 30, 2011 and June 30, 2010, the district paid \$-0- and \$321 in employer contributions granted for sick leave days, respectively.

Further Information on TRS

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, 2011. The report for the year ended June 30, 2012, is expected to be available in late 2012.

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 [http:// trs.Illinois.gov](http://trs.Illinois.gov).

NOTE 6--POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

B. THIS Fund Employer Contributions

The district (employer) participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the state administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to THIS Fund.

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- ***On behalf contributions to THIS Fund***

The state of Illinois makes employer retiree health insurance contributions on behalf of the district. State contributions are intended to match contributions to THIS Fund from active members which were 0.88 percent of pay during the year ended June 30, 2012. State of Illinois contributions were \$105,675, and the district recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2011 and June 30, 2010 were 0.88 percent and 0.84 percent of pay, respectively. State contributions on behalf of district employees were \$104,502 and \$100,414, respectively.

- ***Employer contributions to THIS Fund***

The employer (district) also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.66 percent during the years ended June 30, 2012 and June 30, 2011, and 0.63 percent during the year ended June 30, 2010. For the year ended June 30, 2012, the district paid \$79,256 to the THIS Fund. For the years ended June 30, 2011 and June 30, 2010, the district paid \$78,377 and \$75,311 to the THIS Fund, respectively, which was 100 percent of the required contribution.

Further Information on THIS Fund

The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 S. Grand Ave., Springfield, IL 62763-3838.

NOTE 6--POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

C. Illinois Municipal Retirement Fund

Plan Description. The employer'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 employer 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 employer regular plan members are required to contribute 4.5 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2011 was 13.09 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of 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. The required contribution for calendar year ending 2011 was \$388,537.

Three-Year Trend Information for the Regular Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/11	\$388,537	100%	\$0
12/31/10	389,750	87%	0
12/31/09	328,035	100%	0

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the employer 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 20% corridor between the actuarial and market value of assets. The employer regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2011, the most recent actuarial valuation date, the regular plan was 66.16 percent funded. The actuarial accrued liability for benefits was \$9,408,853 and the actuarial value of assets was \$6,224,471, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,184,382. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$2,968,195 and the ratio of the UAAL to the covered payroll was 107 percent.

NOTE 6--POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

The schedule of funding progress, presented as other information 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.

Social Security

Employees not qualifying for coverage under the Illinois Downstate Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid \$386,956 total required contribution for the current fiscal year.

NOTE 7--CHANGES IN LONG-TERM DEBT

Schedule of Change in Long-Term Debt

The following is a summary of long-term debt for the year ended June 30, 2012:

	Payable at June 30, 2011	Additions	Reductions	Payable at June 30, 2012	Amount Due in One Year
Regions Bank	\$ 63,898	\$ -	\$ 63,898	\$ -	\$ -
2008 Refunding Bonds	6,115,000	-	1,020,000	5,095,000	1,055,000
Bank of America	137,017	-	67,054	69,963	69,963
Bank of America	116,830	-	37,070	79,760	38,913
2010 Taxable G/O Bonds	4,170,000	-	-	4,170,000	-
Daimler Chrysler	116,520	-	36,630	79,890	38,797
Delage Landen Public Finance, LLC	180,813	-	54,049	126,764	56,809
Total	\$10,900,078	\$ -	\$1,278,701	\$9,621,377	\$1,259,482

STATEMENT OF LEGAL DEBT MARGIN

Assessed Valuation as of January 1, 2011	<u>\$371,262,275</u>
Debt Limit - 13.8% of Assessed Valuation	\$51,234,194
Less--Indebtedness:	
Lease/purchase contracts	\$ 356,377
Bonds payable	<u>9,265,000</u>
Legal Debt Margin	<u>\$41,612,817</u>

NOTE 8--BONDS PAYABLE

In fiscal year 1997, the District issued \$14,850,000 in building bonds to be repaid between December 1, 1997 and December 1, 2016. The interest rates vary from 7% to 5%. Principal payments are due on December 1 and interest payments on June 1 and December 1. This bond was repaid on September 30, 2008 with a 2008 Refunding bond which was used to repay \$8,265,223.

NOTE 8--BONDS PAYABLE

In fiscal year 2009, the District issued \$8,220,000 in Refunding Bonds to be repaid between December 1, 2008, and December 1, 2016. The interest rates vary from 3% to 4.0%. Principal payments are due on December 1 and interest payments on June 1 and December 1. The aggregate difference between the new refunding bonds and the old refunded debt is \$642,758 less debt. The District received no cash in the transaction, therefore there was no economic gain or loss on the transaction.

Following is a schedule of future debt service requirements for the bond issue:

<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Debt Service</u>
12/01/12	\$1,055,000.00	3.250%	\$ 93,856.25	\$1,148,856.25	
06/01/13	-		76,712.50	76,712.50	\$1,225,568.75
12/01/13	1,090,000.00	3.250%	76,712.50	1,166,712.50	
06/01/14	-		59,000.00	59,000.00	1,225,712.50
12/01/14	1,125,000.00	4.000%	59,000.00	1,184,000.00	
06/01/15	-		36,500.00	36,500.00	1,220,500.00
12/01/15	1,175,000.00	4.000%	36,500.00	1,211,500.00	
06/01/16	-		13,000.00	13,000.00	1,224,500.00
12/01/16	650,000.00	4.000%	13,000.00	663,000.00	
06/01/17	-		-	-	663,000.00
Total	<u>\$5,095,000.00</u>		<u>\$464,281.25</u>	<u>\$5,559,281.25</u>	

In fiscal year 2010, the District issued \$4,170,000 in Taxable G.O. School Bonds, Series 2010, Build America Bonds to be repaid between December 1, 2016, and December 1, 2019. The interest rates vary from 4.25% to 5.2%. Principal payments are due on December 1 and interest payments on June 1 and December 1. The District is expected to receive a 35% credit from the Internal Revenue Service on the interest paid.

Following is a schedule of future debt service requirements for the bond issue:

<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Credit Expected from IRS</u>	<u>Total Debt Service</u>	<u>Fiscal Debt Service</u>
12/01/12	-		\$ 100,809.38	\$ 35,283.28	\$ 65,526.10	
06/01/13	-	4.83%	100,809.38	35,283.28	65,526.10	\$ 131,052.20
12/01/13	-		100,809.38	35,283.28	65,526.10	
06/01/14	-	4.83%	100,809.38	35,283.28	65,526.10	131,052.20
12/01/14	-		100,809.38	35,283.28	65,526.10	
06/01/15	-	4.83%	100,809.38	35,283.28	65,526.10	131,052.20
12/01/15	-		100,809.38	35,283.28	65,526.10	
06/01/16	-	4.83%	100,809.38	35,283.28	65,526.10	131,052.20
12/01/16	570,000.00	4.25%	100,809.38	35,283.28	635,526.10	
06/01/17	-		88,696.88	31,043.91	57,652.97	693,179.07
12/01/17	1,255,000.00	4.625%	88,696.88	31,043.91	1,312,652.97	
06/01/18	-		59,675.00	20,886.25	38,788.75	1,351,441.72
12/01/18	1,295,000.00	5.00%	59,675.00	20,886.25	1,333,788.75	
06/01/19	-		27,300.00	9,555.00	17,745.00	1,351,533.75
12/01/19	<u>1,050,000.00</u>	5.20%	<u>27,300.00</u>	<u>9,555.00</u>	<u>1,067,745.00</u>	<u>1,067,745.00</u>
Total	<u>\$4,170,000.00</u>		<u>\$1,258,628.18</u>	<u>\$440,519.84</u>	<u>\$4,988,108.34</u>	

NOTE 9--LEASE/PURCHASE AGREEMENT

The District entered into a lease agreement with Regions Bank on November 14, 2006, for financing the acquisition of 2 new high efficiency boilers, new phone and communication system, digital video manager including cameras, computers and power supply back up and roof work with a cost of \$693,675. The lease requires sixty (60) monthly payments of \$12,922.74 in principal plus interest accrued on the outstanding balance at 4.47%. The lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term for \$1) and, therefore has been recorded at the original cost of the equipment. At June 30, 2012, this agreement was paid in full.

The District entered into a lease/purchase option agreement with Daimler Chrysler (DCFS USA LLC) dated January 8, 2009, for the purchase of seven (7) school buses in the total amount of \$335,872. This lease was sold to Bank of America on May 27, 2010 by Daimler Chrysler Services North America, LLC. The lease requires five (5) yearly payments of \$72,999.84 in principal plus interest accrued on the outstanding balance at 4.34%. The lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and therefore has been recorded at the original cost of the buses. At June 30, 2012, the outstanding principal on this agreement was \$69,963.

The District entered into a lease/purchase option agreement with Daimler Chrysler (DCFS USA LLC) dated May 21, 2009, for the purchase of five (5) school buses in the total amount of \$195,022. This lease was sold to Bank of America on May 27, 2010 by Daimler Chrysler Services North America, LLC. The lease requires five (5) yearly payments of \$42,876.87 in principal plus interest accrued on the outstanding balance at 4.97%. The lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and therefore has been recorded at the original cost of the buses. At June 30, 2012, the outstanding principal on this agreement was \$79,760.

The District entered into a lease/purchase agreement with Delage Landen Public Finance, LLC dated August 3, 2009, for the purchase of 71 Sharp copiers in the total amount of \$273,175.38. The lease requires sixty (60) monthly payments of \$5,154.00 in principal plus interest accrued on the outstanding balance at 5%. The lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and therefore has been recorded at the original cost of the copiers. At June 30, 2012, the outstanding principal on this agreement was \$126,764.

The District entered into a lease/purchase agreement with Daimler Chrysler (CDPS USA LLC) dated November 25, 2009, for the purchase of six (6) school buses in the total amount of \$194,628. The lease requires five (5) yearly payments of \$43,525.20 in principal plus interest accrued on the outstanding balance at 5.9%. The lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and therefore has been recorded at the original cost of the buses. At June 30, 2012, the outstanding principal on this agreement was \$79,890.

Following is a schedule of debt service requirements for the lease/purchase agreement.

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6-30-13	\$204,482.80	\$16,767.10	\$221,249.90
6-30-14	141,650.36	6,599.72	148,250.08
6-30-15	<u>10,244.02</u>	<u>63.98</u>	<u>10,308.00</u>
	<u>\$356,377.18</u>	<u>\$23,430.80</u>	<u>\$379,807.98</u>

NOTE 9--LEASE/PURCHASE AGREEMENT (CONTINUED)

Annual maturities for long-term debt after June 30, 2012, are as follows:

	<u>Bond Principal</u>	<u>Bond Interest</u>	<u>Principal Lease/Purchase</u>	<u>Interest Lease/Purchase</u>	<u>Total</u>
6-30-13	\$ 1,055,000.00	\$ 372,187.51	\$204,482.80	\$16,767.10	\$ 1,648,437.41
6-30-14	1,090,000.00	337,331.26	141,650.36	6,599.72	1,575,581.34
6-30-15	1,125,000.00	297,118.76	10,244.02	63.98	1,432,426.76
6-30-16	1,175,000.00	251,118.76	-	-	1,426,118.76
6-30-17	1,220,000.00	202,506.26	-	-	1,422,506.26
6-30-18-6-30-20	<u>3,600,000.00</u>	<u>262,646.88</u>	<u>-</u>	<u>-</u>	<u>3,862,646.88</u>
	<u>\$9,265,000.00</u>	<u>\$1,722,909.43</u>	<u>\$356,377.18</u>	<u>\$23,430.80</u>	<u>\$11,367,717.41</u>

At June 30, 2012, the District had available \$174,462 debt service funds to pay on the 2009 and 2010 bond issues.

Bus lease payments are paid from the Transportation Fund.

NOTE 10--PROPERTY TAX RATES

The following are the maximum property tax rates per \$100 of equalized assessed valuation of the various District levies and actual levies:

<u>Fund</u>	<u>Maximum</u>	<u>2008 Levy</u>	<u>Actual 2009 Levy</u>	<u>2010 Levy</u>	<u>2011 Levy</u>
Educational	1.8400	1.84000	1.84000	1.84000	1.84000
Operations and Maintenance	0.5000	.50000	.50000	.50000	.50000
Bond and Interest		.36658	.38744	.37511	.36541
Transportation	0.2000	.20000	.20000	.20000	.20000
Municipal Retirement	Unlimited	.21098	.19185	.15901	.15461
Working Cash	0.0500	.05000	.05000	.05000	.05000
Tort Immunity	Unlimited	.27624	.27497	.26760	.26020
Fire Prevention and Safety	0.0500	.05000	.05000	.05000	.05000
Special Education	0.0400	.04000	.04000	.04000	.04000
Social Security	Unlimited	.12543	.11955	.11635	.11313
Facility Leasing	0.0500	.05000	.05000	.05000	.05000
		<u>3.69954</u>	<u>3.70381</u>	<u>3.64807</u>	<u>3.62335</u>

NOTE 11--OVEREXPENDITURE OF BUDGET

The following funds exceeded their budget for the year:

	<u>Budget</u>	<u>Expenditures</u>	<u>Over</u>
Operations and Maintenance	\$2,141,056	\$2,147,559	\$ 6,503
IMRF	1,486,351	1,506,580	20,229

The District paid a one-time ERI payment to IMRF and failed to budget for the entire payment.

NOTE 12--RISK MANAGEMENT

The District is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liability. To limit exposure to these risks, the District is covered by commercial insurance. There have been no significant changes in insurance coverages during the audit period. Settlements have not exceeded insurance coverage for the current year or the three (3) prior years. There are no outstanding or unreported claims at June 30, 2012.

The District is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2012, there were no significant adjustments in premiums based on actual experience.

NOTE 13--CAFETERIA PLAN

The District participates in a Code Section 125, Cafeteria Plan for its employees. As of June 30, 2012, there were no balances remaining.

NOTE 14--SHORT-TERM DEBT

The following is a summary of short-term debt for the year ended June 30, 2012

Payable at June 30, 2011	Additions	Reductions	Payable at June 30, 2012
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 15--INTERFUND TRANSFERS

The District had the following interfund transfers during the year:

	<u>Principal</u>	<u>Interest</u>
Transfer to Debt Service Fund from Educational Fund to pay principal and interest on Capital Leases	\$ 54,049	\$7,799
Transfer to Debt Service Fund from Operations & Maintenance Fund to pay principal and interest on Capital Leases	<u>63,898</u>	<u>716</u>
	<u>\$117,947</u>	<u>\$8,515</u>

The transfers were made to assist the Debt Service Fund in meeting debt service requirements on lease purchases.

NOTE 16--COMMITMENTS

During the year ended June 30, 2012, the district entered into a contract for Roof Replacement and Tuck Pointing at Central Grade School totaling \$421,460. At June 30, 2012, the district incurred \$-0- on this project.

Effingham Community Unit School District No. 40

OTHER INFORMATION

Effingham Community Unit School District No. 40
 OTHER INFORMATION - UNAUDITED
 June 30, 2012

SCHEDULE OF FUNDING PROGRESS

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)
12/31/11	\$6,224,471	\$9,408,853	\$3,184,382	66.16%	\$2,968,195	107.28%
12/31/10	4,648,597	8,660,370	4,011,773	53.68%	3,085,905	130.00%
12/31/09	7,274,849	10,054,000	2,779,151	72.36%	3,273,808	84.89%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$5,780,024. On a market basis, the funded ratio would be 61.43%.

Effingham Community Unit School District No. 40

ADDITIONAL SUPPLEMENTARY INFORMATION

Effingham Community Unit School District No. 40
COMBINING STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
MODIFIED CASH BASIS
For the Fiscal Year Ended June 30, 2012

	<u>High School Activity Funds</u>	<u>Elementary & Other Activity Funds</u>	<u>Total Agency Funds</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 109,694	\$ 91,389	\$ 201,083
Investments	22,087	-	22,087
Total Assets	<u>\$ 131,781</u>	<u>\$ 91,389</u>	<u>\$ 223,170</u>
<u>LIABILITIES</u>			
Due to Others	\$ 131,781	\$ 91,389	\$ 223,170
Total Liabilities	<u>131,781</u>	<u>91,389</u>	<u>223,170</u>
<u>NET ASSETS</u>			
Unreserved	-	-	-
Total Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Effingham Community Unit School District No. 40
**COMBINING STATEMENT OF REVENUES RECEIVED AND
EXPENDITURES DISBURSED - MODIFIED CASH BASIS - AGENCY FUNDS**
For the Fiscal Year Ended June 30, 2012

	<u>Balance</u> <u>July 1, 2011</u>	<u>Revenues</u> <u>Received</u>	<u>Expenditures</u> <u>Disbursed</u>	<u>Balance</u> <u>June 30, 2012</u>
High School Activity Fund	\$ 124,000	\$ 307,522	\$ 299,741	\$ 131,781
Elementary & Other Activity Funds	<u>109,305</u>	<u>201,929</u>	<u>219,845</u>	<u>91,389</u>
Total Transactions	<u>\$ 233,305</u>	<u>\$ 509,451</u>	<u>\$ 519,586</u>	<u>\$ 223,170</u>

Effingham Community Unit School District No. 40
HIGH SCHOOL ACTIVITY FUND-INVESTMENTS
STATEMENT OF REVENUE RECEIVED AND EXPENDITURES PAID
For the Fiscal Year Ended June 30, 2012

	Balance July 1, 2011	Revenue Received	Expenditures Paid	Balance June 30, 2012
Valedictorian Scholarship Fund	\$ 2,000	\$ 1,000	\$ -	\$ 3,000
Salutatorian Scholarship Fund	3,000	-	1,000	2,000
General Scholarship Fund	2,700	-	-	2,700
Holly Nosbisch Memorial Fund	14,286	101	-	14,387
	<u>\$ 21,986</u>	<u>\$ 1,101</u>	<u>\$ 1,000</u>	<u>\$ 22,087</u>

Effingham Community Unit School District No. 40
HIGH SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE RECEIVED AND EXPENDITURES PAID
For the Fiscal Year Ended June 30, 2012

	Balance July 1, 2011	Revenue Received	Expenditures Paid	Balance June 30, 2012
Art Club	\$ 987	\$ 1,337	\$ 878	\$ 1,446
Baseball	2,662	3,156	3,444	2,374
Boys Basketball	693	11,593	10,527	1,759
Boys Golf	35	-	-	35
Cheerleader - Basketball	3,918	10,548	13,130	1,336
Cheerleader - Football	589	16,566	17,147	8
Chemistry	1,715	2,689	2,531	1,873
Chorus	2,762	25,634	15,227	13,169
Chris Hutts Memorial	615	-	-	615
Jazz Choir	2,928	-	2,928	-
EHS Athletic	16,861	36,859	39,393	14,327
FCA	23	-	-	23
Family/Consumer Science	1,394	386	364	1,416
Faculty Fund	5,062	1,000	3,779	2,283
French Club	1,179	2,237	2,472	944
General Fund	1,253	19,235	4,285	16,203
Girls Basketball	6,273	20,104	20,379	5,998
Graphic Arts	3,755	36,770	33,189	7,336
Library Fines	768	3,660	3,449	979
Lift-A-Thon Fund	3,775	23,050	22,421	4,404
Lyceum	844	1,401	-	2,245
National Honor Society	1,182	2,583	2,743	1,022
Parking Permits	14,065	12,205	19,967	6,303
Pep Club	1,500	702	714	1,488
Pom Pom	2,205	5,121	7,322	4
Scholar Bowl	715	29	568	176
Spanish Club	626	1,261	1,062	825
Special Memorial Fund	883	-	13	870
Special Needs Fund	1,373	1,649	2,175	847
Spring Musical	2,886	13,912	16,068	730
Stork Memorial Fund	502	-	-	502
Student Council	8,787	17,642	21,122	5,307
Technology	717	3,660	1,737	2,640
Valedictorian	381	142	16	507
WEHS - TV	15	-	-	15
Class of 2010	257	-	-	257
Class of 2011	116	-	35	81
Class of 2012	1,885	182	1,348	719
Class of 2013	1,373	9,355	9,032	1,696
Class of 2014	309	5,033	3,773	1,569
Class of 2015	-	1,112	922	190
Softball	378	5,770	6,085	63
Auto Club	445	-	-	445
FEA	100	-	-	100
Math Club	888	4,628	3,319	2,197
English	653	338	-	991
Soccer	393	4,077	4,395	75
Wood Shop	1,289	795	782	1,302
	<u>\$ 102,014</u>	<u>\$ 306,421</u>	<u>\$ 298,741</u>	<u>\$ 109,694</u>

Effingham Community Unit School District No. 40
 JUNIOR HIGH SCHOOL ACTIVITY FUNDS
 STATEMENT OF REVENUE RECEIVED AND EXPENDITURES PAID
 MODIFIED CASH BASIS
 Year Ended June 30, 2012

	Balance July 1, 2011	Revenue Received	Expenditures Paid	Balance June 30, 2012
Band Fund	\$ 2,371	\$ 18,088	\$ 18,416	\$ 2,043
Art Fund	67	-	-	67
Boys Athletics	4,457	4,361	5,290	3,528
Basketball Fund - Girls	2,484	2,135	2,598	2,021
Cheerleader Fund	226	2,130	2,446	(90)
Chorus Fund	6,991	2,207	1,841	7,357
Convenience Fund	4,600	4,024	6,039	2,585
General Fund	2,564	6,201	4,222	4,543
Family Consumer Science	584	904	916	572
Library Fund	1,148	144	582	710
Fundraiser	27,188	76,371	89,526	14,033
7th Grade Teachers	1,207	956	1,047	1,116
7th & 8th Grade Basketball Tourn.	864	3,680	2,299	2,245
Shop Fund	449	3,758	3,036	1,171
Student Council	4,199	8,733	8,637	4,295
Sunshine Fund	286	536	432	390
Volleyball Fund	735	8,452	5,429	3,758
Yearbook Fund	425	5,974	6,021	378
8th Grade Promotion	873	944	1,299	518
Concession - Pop	362	7,170	7,019	513
Mustang Outreach	190	2,567	2,618	139
Play Fund	5,781	6,793	5,247	7,327
6th Grade Teachers	498	250	284	464
Girls Softball	1,505	1,330	1,044	1,791
Drama	-	3,027	2,972	55
	<u>\$ 70,054</u>	<u>\$ 170,735</u>	<u>\$ 179,260</u>	<u>\$ 61,529</u>

Effingham Community Unit School District No. 40
 GRADE SCHOOL ACTIVITY FUNDS
 STATEMENT OF REVENUE RECEIVED AND EXPENDITURES PAID
 For the Fiscal Year Ended June 30, 2012


	Balance July 1, 2011	Revenue Received	Expenditures Paid	Balance June 30, 2012
<u>Kindergarten Center</u>				
Activity Fund	\$ 5,516	\$ 5,019	\$ 8,263	\$ 2,272
Parent Organization	1,627	5,083	4,988	1,722
	<u>\$ 7,143</u>	<u>\$ 10,102</u>	<u>\$ 13,251</u>	<u>\$ 3,994</u>
<u>East Side Pre School</u>				
Activity Fund	\$ 4,349	\$ 646	\$ 1,041	\$ 3,954
<u>South Side Grade School</u>				
Activity Fund	\$ 2,686	\$ 6,407	\$ 7,097	\$ 1,996
<u>Edgewood Grade School</u>				
Activity Fund	\$ 1,350	\$ 2,434	\$ 2,739	\$ 1,045
<u>Central Grade School</u>				
Activity Fund	\$ 23,723	\$ 11,605	\$ 16,457	\$ 18,871

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Division
 100 North First Street, Springfield, Illinois 62777-0001
 217785-8779

**Illinois School District/Joint Agreement
 Annual Financial Report ***
 June 30, 2012

Due to ROE on October 15th
 Due to ISBE on November 15th
 SD/A12

School District
 Joint Agreement

<p>School District/Joint Agreement Information (See instructions on inside of this page.)</p> <p>School District/Joint Agreement Number: 03-025-0400-26</p> <p>County Name: Effingham</p> <p>Name of School District/Joint Agreement: Effingham Community Unit School District No. 40</p> <p>Address: 2803 South Banker</p> <p>City: Effingham, IL</p> <p>Email Address: woodruff@u40gw.iffingham.k12.il.us</p> <p>Zip Code: 62401</p>	<p>Accounting Basis:</p> <p><input checked="" type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL</p> <p>Filing Status: Submit electronic AFR directly to ISBE</p> <p>Click on the Link to Submit: Send ISBE a File</p> <p>0</p>	<p>Certified Public Accountant Information</p> <p>Name of Auditing Firm: Glass and Shuffett, Ltd.</p> <p>Name of Audit Manager: Lawrence J. Hoffek, CPA</p> <p>Address: 1819 W. McCord, P.O. Box 489</p> <p>City: Centralia State: IL Zip Code: 62801</p> <p>Phone Number: (618) 532-5683 Fax Number: (618) 532-5684</p> <p>IL License Number: 00060-1501 Expiration Date: 11/1/2013</p> <p>Email Address: lgandscpa@shcglobal.net</p>
<p>Annual Financial Report</p> <p>Type of Auditor's Report issued: <input checked="" type="checkbox"/> Qualified <input type="checkbox"/> Adverse <input type="checkbox"/> Disclaimer <input type="checkbox"/> Unqualified</p> <p><input checked="" type="checkbox"/> Reviewed by District Superintendent/Administrator</p> <p>District Superintendent/Administrator Name (Type or Print): Mark Doan</p> <p>Email Address: doanm@u40gw.iffingham.k12.il.us</p> <p>Telephone: (217) 540-1500 Fax Number: (217) 540-1510</p> <p>Signature & Date:  11-14-12</p>	<p>A-133 Single Audit Status:</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Are Federal expenditures greater than \$500,000? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Is all A-133 Single Audit information completed and attached? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Were any findings issued?</p> <p><input type="checkbox"/> Reviewed by Township Treasurer (Cook County only) Name of Township: _____</p> <p>Township Treasurer Name (type or print): _____</p> <p>Email Address: _____</p> <p>Telephone: _____ Fax Number: _____</p> <p>Signature & Date: _____</p>	<p>ISBE Use Only</p> <p><input type="checkbox"/> Reviewed by Regional Superintendent/Cook ISC</p> <p>Regional Superintendent/Cook ISC Name (Type or Print): _____</p> <p>Email Address: _____</p> <p>Telephone: _____ Fax Number: _____</p> <p>Signature & Date: _____</p>

* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100).
 ISBE Form SD50-35(A)50-60 (05/12)

This form is based on 23 Illinois Administrative Code, Subtitle A, Chapter I, Subchapter C, Part 100.
 In some instances, use of open account codes (cells) may not be authorized by statute or administrative rule.
 Each school district or joint agreement is responsible for obtaining the concurring legal opinion and/or other supporting authorization/documentation, as necessary, to use the applicable account code (cell).

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INSTRUCTIONS/REQUIREMENTS: For School Districts/Joint Agreements

All School Districts/Joint Agreements must complete this form (Note: joint agreement supplementary/statistical schedules may not be applicable)

Round all amounts to the nearest dollar. Do not enter cents. (Exception: 9 Month ADA on page 28, line 78)

This form complies with **Part 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing)**.

23, Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100)

Any errors left unresolved by the **Audit Checklist/Balancing Schedule** must be explained in the itemization page.

Submit AFR Electronically

- * The Annual Financial Reports (AFR) must be submitted directly through the Attachment Manager to the AFR Group by the Auditor or School District designated personnel (Please see Instructions for complete submission procedures).

Attachment Manager Link

Note: CD/Disk no longer accepted.

- * AFR supporting documentation must be embedded as Microsoft Word (.doc), Word Perfect (*.wpd) or Adobe (*.pdf) and inserted within tab "Opinions & Notes". These documents include: The Audit, Management letter, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Opinions & Notes" tab of this form.

Note: Adobe Acrobat (.pdf) files cannot be embedded if you do not have the software. Simply attach files as separate docs in the Attachment Manager and they will be embedded for you.*

Submit Paper Copy of AFR with Signatures

- 1) The auditor must send three **paper** copies of the AFR form (cover through page 8 at minimum) to the School District with the auditor signature.
Note: School Districts and Regional Superintendents may prefer a complete paper copy in lieu of an electronic file. Please comply with their requests as necessary.
- 2) Upon receipt, the School District retains one copy for their records, signs, and forwards the remaining two copies to the Regional Superintendent's office no later than October 15, annually.
- 3) Upon receipt, the Regional Superintendent's office retains one copy for their records, signs, and forwards the remaining paper copy to ISBE no later than November 15, annually.

- * Yellow Book, CPE, and Peer Review requirements must be met if the Auditor issues an opinion stating "Governmental Accounting Standards" were utilized.
Single Audit Act A-133

Qualifications of Auditing Firm

- * School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program, for the current peer review period.
- * A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

AUDITOR'S QUESTIONNAIRE

INSTRUCTIONS: If your review and testing of State, Local, and Federal Programs revealed any of the following statements to be true, then check the box on the left, and attach the appropriate findings/comments.

PART A - FINDINGS

- 1. One or more school board members, administrators, certified school business officials, or other qualifying district employees failed to file economic interest statements pursuant to the *Illinois Government Ethics Act. [5 ILCS 420/4A-101]*
- 2. One or more custodians of funds failed to comply with the bonding requirements pursuant to *Sections 8-2, 10-20.19 or 19-6 of the School Code. [105 ILCS 5/8-2; 10-20.19; 19-6]*
- 3. One or more contracts were executed or purchases made contrary to the provisions of *Section 10-20.21 of the School Code. [105 ILCS 5/10-20.21]*
- 4. One or more violations of the Public Funds Deposit Act or the Public Funds Investment Act were noted. *[30 ILCS 225/1 et. seq. and 30 ILCS 235/1 et. seq.]*
- 5. Restricted funds were commingled in the accounting records or used for other than the purpose for which they were restricted.
- 6. One or more short-term loans or short-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory authority.
- 7. One or more long-term loans or long-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory authority.
- 8. Corporate Personal Property Replacement Tax monies were deposited and/or used without first satisfying the lien imposed pursuant to the *State Revenue Sharing Act. [30 ILCS 115/12]*
- 9. One or more interfund loans were made in non-conformity with the applicable authorizing statute or without statutory authorization.
- 10. One or more interfund loans were outstanding beyond the term provided by statute.
- 11. One or more permanent transfers were made in non-conformity with the applicable authorizing statute/regulation or without statutory/regulatory authorization.
- 12. Substantial, or systematic misclassification of budgetary items such as, but not limited to, revenues, receipts, expenditures, disbursements or expenses were observed.
- 13. The Chart of Accounts used to define and control budget and accounting records does not conform to the minimum requirements imposed by ISBE rules pursuant to *Sections 2-3.27 and 2-3.28 of the School Code. [105 ILCS 5/2-3.27; 2-3.28]*

PART B - FINANCIAL DIFFICULTIES/CERTIFICATION Criteria pursuant to Section 1A-8 of the School Code [105 ILCS 5/1A-8]

- 14. The district has issued tax anticipation warrants or tax anticipation notes in anticipation of a second year's taxes when warrants or notes in anticipation of current year taxes are still outstanding, as authorized by *Sections 17-16 or 34-23 thru 34-27 of the School Code. [105 ILCS 5/17-16 or 34-23 thru 34-27]*
- 15. The district has issued short-term debt against two future revenue sources, such as, but not limited to, tax anticipation warrants and General State Aid certificates or tax anticipation warrants and revenue anticipation notes.
- 16. The district has issued school or teacher orders for wages as permitted in *Sections 8-16, 32-7.2 and 34-76 of the School Code* or issued funding bonds for this purpose pursuant to *Section 19-8 of the School Code. [105 ILCS 5/8-6, 32-7.2, 34-76, and 19-8]*
- 17. The district has for two consecutive years shown an excess of expenditures/other uses over revenues/other sources and beginning fund balances on its annual financial report for the aggregate totals of the Educational, Operations & Maintenance, Transportation, and Working Cash Funds.

PART C - OTHER ISSUES

- 18. Student Activity Funds, Imprest Funds, or other funds maintained by the district were excluded from the audit.
- 19. Findings, other than those listed in Part A (above), were reported (e.g. student activity fund findings).
- 20. Federal Stimulus Funds were not maintained and expended in accordance with the American Recovery and Reinvestment Act (ARRA) of 2009. If checked, an explanation must be provided.
- 21. Check this box if the district is subject to the Property Tax Extension Limitation Law. Effective Date: _____
- 22. If the type of Auditor Report designated on the cover page is other than an unqualified opinion and is due to reason(s) other than solely Cash Basis Accounting, please check and explain the reason(s) in the box below.

19. See Finding 12-01 on the Schedule of Findings and Questioned Costs.

PART D - EXPLANATION OF ACCOUNTING PRACTICES FOR LATE MANDATED CATEGORICAL PAYMENTS

(For School Districts who report on an Accrual/Modified Accrual Accounting Basis only)

School districts that report on the accrual/modified accrual basis of accounting must identify where late mandated categorical payments (Revenue Codes 3100, 3105, 3110, 3500, and 3510) are recorded. Depending on the accounting procedure these amounts will be used to adjust the Direct Receipts/Revenues in calculation 1 and 2 of the Financial Profile Score.

23. Enter the date that the district used to accrue mandated categorical payments

Date:

24. For the listed mandated categorical (Revenue Code (3110, 3500, 3510, 3100, 3105) that were vouchered prior to June 30th, but not released until after year end as reported in ISBE FRIS system, enter the amounts that were accrued in the chart below.

Account Name	3110	3500	3510	3100	3105	Total
Intergovernmental Accounts Receivable (150)						0
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						0
Other Receivables (160)						0
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						0
Deferred Revenues & Other Current Liabilities (490)						0
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						0
Direct Receipts/Revenue						0
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						0
Total						0

* Revenue Code (3110-Sp Ed Personnel, 3510-Sp Ed Transportation, 3500-Regular/Vocational Transportation, 3105-Sp Ed Funding for Children Requiring Services, 3100-Sp Ed Private Facilities)

PART E - QUALIFICATIONS OF AUDITING FIRM

- * School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program for the current peer review
- * A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

Comments Applicable to the Auditor's Questionnaire:

Glass and Shuffett, Ltd.
Name of Audit Firm (print)

The undersigned affirms that this audit was conducted by a qualified auditing firm and in accordance with the applicable standards [23 Illinois Administrative Code Part 100] and the scope of the audit conformed to the requirements of subsection (a) or (b) of 23 Illinois Administrative Code Part 100 Section 110, as applicable.

Lawrence J. Hoffer CPA
Signature

11/9/2012
mm/dd/yyyy

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	FINANCIAL PROFILE INFORMATION												
2													
3	<i>Required to be completed for School Districts only.</i>												
4													
5	A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)												
6													
7	Tax Year <u>2011</u>				Equalized Assessed Valuation (EAV):				371,262,275				
8													
9	Educational		Operations & Maintenance		Transportation		Combined Total		Working Cash				
10	Rate(s): 0.018400		+ 0.005000		+ 0.002000		= 0.025400		0.000500				
11													
12													
13	B. Results of Operations *												
14													
15	Receipts/Revenues			Disbursements/Expenditures			Excess/ (Deficiency)			Fund Balance			
16	21,764,246			21,452,114			312,132			12,691,827			
17	* The numbers shown are the sum of entries on Pages 7 & 8, lines 8, 17, 20, and 81 for the Educational, Operations & Maintenance, Transportation and Working Cash Funds.												
18													
19													
20	C. Short-Term Debt **												
21	CPPRT Notes		TAWs		TANs		TO/EMP. Orders		GSA Certificates				
22	0		0		0		0		0				
23	Other		Total										
24	0		0										
25	** The numbers shown are the sum of entries on page 25.												
26													
27													
28	D. Long-Term Debt												
29	Check the applicable box for long-term debt allowance by type of district.												
30													
31	<input type="checkbox"/> a. 6.9% for elementary and high school districts,		51,234,194										
32	<input checked="" type="checkbox"/> b. 13.8% for unit districts.												
33													
34	Long-Term Debt Outstanding:												
35													
36	c. Long-Term Debt (Principal only)												
37	Outstanding:.....		Acct										
38			511		9,621,377								
39													
40	E. Material Impact on Financial Position												
41	If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods.												
42	Attach sheets as needed explaining each item checked.												
43													
44	<input type="checkbox"/> Pending Litigation												
45	<input type="checkbox"/> Material Decrease in EAV												
46	<input type="checkbox"/> Material Increase/Decrease in Enrollment												
47	<input type="checkbox"/> Adverse Arbitration Ruling												
48	<input type="checkbox"/> Passage of Referendum												
49	<input type="checkbox"/> Taxes Filed Under Protest												
50	<input type="checkbox"/> Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)												
51	<input type="checkbox"/> Other Ongoing Concerns (Describe & Itemize)												
52													
53	Comments:												
54													
55													
56													
57													
58													
59													
60													
61													

A	B	C	D	E	F	G	H	I	K	L	M	N	O	P	Q
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ESTIMATED FINANCIAL PROFILE SUMMARY

(Go to the following website for reference to the Financial Profile)
www.isbe.net/sfms/p/profile.htm

District Name: Effingham Community Unit School District No. 40
District Code: 03-25-0400-26
County Name: Effingham

1. Fund Balance to Revenue Ratio: Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81) Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8) Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74) (Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)	Funds 10, 20, 40, 70 + (50 & 80 if negative) Funds 10, 20, 40, & 70, Minus Funds 10 & 20	Total 12,691,927.00 21,637,784.00 (126,462.00)	Ratio 0.587	Score Weight Value	4 0.35 1.40
2. Expenditures to Revenue Ratio: Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17) Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8) Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74) (Excluding C:D57, C:D61, C:D65, C:D69 and C:D73) Possible Adjustment:	Funds 10, 20 & 40 Funds 10, 20, 40 & 70, Minus Funds 10 & 20	Total 21,452,114.00 21,637,784.00 (126,462.00)	Ratio 0.991	Score Adjustment Weight Value	4 0 0.35 1.40
3. Days Cash on Hand: Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5) Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)	Funds 10, 20, 40 & 70 Funds 10, 20, 40 divided by 360	Total 12,818,415.00 59,599.21	Days 215.11	Score Weight Value	4 0.10 0.40
4. Percent of Short-Term Borrowing Maximum Remaining: Tax Anticipation Warrants Borrowed (P25, Cell F6-7 & F11) EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10)	Funds 10, 20 & 40 (.85 x EAV) x Sum of Combined Tax Rates	Total 0.00 8,015,552.52	Percent 100.00	Score Weight Value	4 0.10 0.40
5. Percent of Long-Term Debt Margin Remaining: Long-Term Debt Outstanding (P3, Cell H37) Total Long-Term Debt Allowed (P3, Cell H31)	Funds 10, 20 & 40 51,234,193.95	Total 9,621,377.00 51,234,193.95	Percent 81.22	Score Weight Value	4 0.10 0.40
Total Profile Score:				4.00 *	

Estimated 2013 Financial Profile Designation: RECOGNITION

* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.

**BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
AS OF JUNE 30, 2012**

T	A	B	C	D	E	F	G	H	I	J	K
	ASSETS	Acct. #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
			Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
2	CURRENT ASSETS (100)										
3	Cash (Accounts 111 through 115)		8,303,593	629,188	174,462	1,724,010	858,410		2,161,624	279,762	498,096
4	Investments	120									
5	Taxes Receivable	130									
6	Interfund Receivables	140									
7	Intergovernmental Accounts Receivable	150									
8	Other Receivables	160									
9	Inventory	170									
10	Prepaid Items	180									
11	Other Current Assets (Describe & Itemize)	190									
12	Total Current Assets		8,303,593	629,188	174,462	1,724,010	858,410	0	2,161,624	279,762	498,096
13	CAPITAL ASSETS (200)										
14	Works of Art & Historical Treasures	210									
15	Land	220									
16	Building & Building Improvements	230									
17	Site Improvements & Infrastructure	240									
18	Capitalized Equipment	250									
19	Construction in Progress	260									
20	Amount Available in Debt Service Funds	340									
21	Amount to be Provided for Payment on Long-Term Debt	350									
22	Total Capital Assets										
23	CURRENT LIABILITIES (400)										
24	Interfund Payables	410									
25	Intergovernmental Accounts Payable	420									
26	Other Payables	430									
27	Contracts Payable	440									
28	Loans Payable	460									
29	Salaries & Benefits Payable	470									
30	Payroll Deductions & Withholdings	480	112,425	2,740		11,423					
31	Deferred Revenues & Other Current Liabilities	490									
32	Due to Activity Fund Organizations	493									
33	Total Current Liabilities		112,425	2,740	0	11,423	0	0	0	0	0
34	LONG-TERM LIABILITIES (500)										
35	Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
36	Total Long-Term Liabilities										
37	Reserved Fund Balance	714		254,658			193,203				
38	Unreserved Fund Balance	730	8,191,168	371,790	174,462	1,712,587	725,207		2,161,624	279,762	498,096
39	Investment in General Fixed Assets										
40	Total Liabilities and Fund Balance		8,303,593	629,188	174,462	1,724,010	858,410	0	2,161,624	279,762	498,096

See Accompanying Notes to Financial Statements.

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
AS OF JUNE 30, 2012

1	A	B	L	M	N
2	ASSETS				
3	CURRENT ASSETS (100)		223,170		
4	Cash (Accounts 111 through 119) 1				
5	Investments	120			
6	Taxes Receivable	130			
7	Interfund Receivables	140			
8	Intergovernmental Accounts Receivable	150			
9	Other Receivables	160			
10	Inventory	170			
11	Prepaid Items	180			
12	Other Current Assets (Describe & Itemize)	190			
13	Total Current Assets		223,170		
14	CAPITAL ASSETS (200)				
15	Works of Art & Historical Treasures	210		1,390,161	
16	Land	220		38,918,948	
17	Building & Building Improvements	230		1,836,215	
18	Site Improvements & Infrastructure	240		15,319,046	
19	Capitalized Equipment	250			
20	Construction in Progress	260			174,462
21	Amount Available in Debt Service Funds	340			9,446,915
22	Amount to be Provided for Payment on Long-Term Debt	350			9,621,377
23	Total Capital Assets			57,464,270	
24	CURRENT LIABILITIES (400)				
25	Interfund Payables	410			
26	Intergovernmental Accounts Payable	420			
27	Other Payables	430			
28	Contracts Payable	440			
29	Loans Payable	460			
30	Salaries & Benefits Payable	470			
31	Payroll Deductions & Withholdings	480			
32	Deferred Revenues & Other Current Liabilities	490			
33	Due to Activity Fund Organizations	493	223,170		
34	Total Current Liabilities		223,170		
35	LONG-TERM LIABILITIES (500)				
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511			9,621,377
37	Total Long-Term Liabilities				9,621,377
38	Reserved Fund Balance	714			
39	Unreserved Fund Balance	730			
40	Investment in General Fixed Assets			57,464,270	
41	Total Liabilities and Fund Balance		223,170	57,464,270	9,621,377

See Accompanying Notes to Financial Statements.

**BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED, EXPENDITURES/DISBURSED, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2012**

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
RECEIPTS/REVENUES										
Local Sources	1000	8,972,711	2,133,549	1,358,567	757,178	1,082,973	0	207,096	988,501	188,946
Flow-Through Receipts/Revenues from One District to Another District	2000	0	0	0	0	0	0	0	0	0
State Sources	3000	7,412,696	0	0	783,737	0	0	0	0	0
Federal Sources	4000	1,497,279	0	70,566	0	0	0	0	0	0
Total Direct Receipts/Revenues		17,882,686	2,133,549	1,429,133	1,540,915	1,082,973	0	207,096	988,501	188,946
Receipts/Revenues for "On Behalf" Payments ²	3998	3,096,989	0	0	0	0	0	0	0	0
Total Receipts/Revenues		20,979,675	2,133,549	1,429,133	1,540,915	1,082,973	0	207,096	988,501	188,946
DISBURSEMENTS/EXPENDITURES										
Instruction	1000	11,969,836	2,147,559	0	1,266,312	228,099	0	0	1,270,085	284,260
Support Services	2000	5,418,966	0	0	0	114	0	0	0	0
Community Services	3000	22,859	0	0	0	0	0	0	0	0
Payments to Other Districts & Governmental Units	4000	467,179	0	0	0	0	0	0	0	0
Debt Service	5000	0	0	1,552,578	159,403	0	0	0	0	0
Total Direct Disbursements/Expenditures		17,878,840	2,147,559	1,552,578	1,425,715	1,506,580	0	0	1,270,085	284,260
Disbursements/Expenditures for "On Behalf" Payments ²	4180	3,096,989	0	0	0	0	0	0	0	0
Total Disbursements/Expenditures		20,975,829	2,147,559	1,552,578	1,425,715	1,506,580	0	0	1,270,085	284,260
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		3,846	(14,010)	(123,445)	115,200	(423,607)	0	207,096	(281,584)	(95,314)
OTHER SOURCES/USES OF FUNDS										
OTHER SOURCES OF FUNDS (7000)										
PERMANENT TRANSFER FROM VARIOUS FUNDS										
Abolishment of the Working Cash Fund ¹²	7110									
Abatement of the Working Cash Fund ¹²	7110									
Transfer of Working Cash Fund Interest	7120									
Transfer Among Funds	7130									
Transfer of Interest	7140									
Transfer from Capital Project Fund to O&M Fund	7150									
Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160									
Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Services Fund ⁵	7170									
SALE OF BONDS (7200)										
Principal on Bonds Sold	7210									
Premium on Bonds Sold	7220									
Accrued Interest on Bonds Sold	7230									
Sale or Compensation for Fixed Assets ⁶	7300									
Transfer to Debt Service to Pay Principal on Capital Leases	7400			117,947						
Transfer to Debt Service to Pay Interest on Capital Leases	7500			8,515						
Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
Transfer to Debt Service to Pay Interest on Revenue Bonds	7700			0						
Transfer to Capital Projects Fund	7800									
ISBE Loan Proceeds	7900									
Other Sources Not Classified Elsewhere	7990			126,462						
Total Other Sources of Funds		0	0	126,462	0	0	0	0	0	0
OTHER USES OF FUNDS (8000)										
PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (8100)										
Abolishment or Abatement of the Working Cash Fund ¹²	8110									

See Accompanying Notes to Financial Statements.

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED, EXPENDITURES/DISBURSED, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2012

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	Educational (10)	Operations & Maintenance (20)	Debt Services (30)	Transportation (40)	Municipal Retirement/ Social Security (50)	Capital Projects (60)	Working Cash (70)	Tort (80)	Fire Prevention & Safety (90)
1										
2										
3										
4										
48	8120							0		
49	8130									
50	8140									
51	8150									
52	8160									0
53	8170									0
54	8410	54,049	63,898							
55	8420	0	0							
56	8430	0	0							
57	8440	0	0							
58	8510	7,799	716							
59	8520	0	0							
60	8530	0	0							
61	8540	0	0							
62	8610	0	0							
63	8620	0	0							
64	8630	0	0							
65	8640	0	0							
66	8710	0	0							
67	8720	0	0							
68	8730	0	0							
69	8740	0	0							
70	8810	0	0							
71	8820	0	0							
72	8830	0	0							
73	8840	0	0							
74	8910	0	0							
75	8990	0	0							
76		61,848	64,614							
77		(61,848)	(64,614)	126,462						
78		(55,002)	(78,624)	3,017	115,200	(423,607)	0	207,096	(281,584)	(95,314)
79		8,249,170	705,072	171,445	1,597,387	1,282,017		1,954,528	561,346	593,410
30										
31		8,191,168	626,448	174,462	1,712,587	858,410	0	2,161,624	279,762	498,096

"See Accompanying Notes to Financial Statements."

STATEMENT OF REVENUES RECEIVED
FOR THE YEAR ENDING JUNE 30, 2012

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	Educational (10)	Operations & Maintenance (20)	Debt Services (30)	Transportation (40)	Municipal Retirement/ Social Security (50)	Capital Projects (60)	Working Cash (70)	Tort (80)	Fire Prevention & Safety (90)
RECEIPTS/REVENUES FROM LOCAL SOURCES (1000)										
AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY										
Designated Purposes Levies (1110-1120) 7		6,642,458	1,805,023	1,354,160	722,015	574,028		180,504	966,050	180,504
Leasing Purposes Levy 8	1130		180,504							
Special Education Purposes Levy	1140	144,405								
FICA/Medicare Only Purposes Levies	1150					420,034				
Area Vocational Construction Purposes Levy	1160									
Summer School Purposes Levy	1170									
Other Tax Levies (Describe & Itemize)	1190									
Total Ad Valorem Taxes Levied By District		6,786,863	1,985,527	1,354,160	722,015	994,062	0	180,504	966,050	180,504
PAYMENTS IN LIEU OF TAXES										
Mobile Home Privilege Tax	1210	9,596	2,789	1,902	1,014	1,396		253	1,357	253
Payments from Local Housing Authorities	1220	6,701	1,960	1,337	713	981		178	954	178
Corporate Personal Property Replacement Taxes 9	1230	536,809				68,900				
Other Payments in Lieu of Taxes (Describe & Itemize)	1290									
Total Payments in Lieu of Taxes		553,106	4,749	3,239	1,727	71,277	0	431	2,311	431
TUITION										
Regular - Tuition from Pupils or Parents (In State)	1311	16,659								
Regular - Tuition from Other Districts (In State)	1312									
Regular - Tuition from Other Sources (In State)	1313									
Regular - Tuition from Other Sources (Out of State)	1314									
Summer Sch - Tuition from Pupils or Parents (In State)	1321	4,100								
Summer Sch - Tuition from Other Districts (In State)	1322									
Summer Sch - Tuition from Other Sources (In State)	1323									
Summer Sch - Tuition from Other Sources (Out of State)	1324									
CTE - Tuition from Pupils or Parents (In State)	1331	16,882								
CTE - Tuition from Other Districts (In State)	1332									
CTE - Tuition from Other Sources (In State)	1333									
CTE - Tuition from Other Sources (Out of State)	1334									
Special Ed - Tuition from Pupils or Parents (In State)	1341									
Special Ed - Tuition from Other Districts (In State)	1342	26,484								
Special Ed - Tuition from Other Sources (In State)	1343									
Special Ed - Tuition from Other Sources (Out of State)	1344									
Adult - Tuition from Pupils or Parents (In State)	1351									
Adult - Tuition from Other Districts (In State)	1352									
Adult - Tuition from Other Sources (In State)	1353									
Adult - Tuition from Other Sources (Out of State)	1354									
Total Tuition		64,125								
TRANSPORTATION FEES										
Regular - Transp Fees from Pupils or Parents (In State)	1411									
Regular - Transp Fees from Other Districts (In State)	1412									
Regular - Transp Fees from Other Sources (In State)	1413									
Regular - Transp Fees from Co-curricular Activities (In State)	1415				5,401					
Regular Transp Fees from Other Sources (Out of State)	1416									
Summer Sch - Transp. Fees from Pupils or Parents (In State)	1421									
Summer Sch - Transp. Fees from Other Districts (In State)	1422									
Summer Sch - Transp. Fees from Other Sources (In State)	1423									
Summer Sch - Transp. Fees from Other Sources (Out of State)	1424									
CTE - Transp Fees from Pupils or Parents (In State)	1431									
CTE - Transp Fees from Other Districts (In State)	1432									

*See Accompanying Notes to Financial Statements.

STATEMENT OF REVENUES RECEIVED
FOR THE YEAR ENDING JUNE 30, 2012

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	Educational (10)	Operations & Maintenance (20)	Debt Services (30)	Transportation (40)	Municipal Retirement/Social Security (50)	Capital Projects (60)	Working Cash (70)	Tort (80)	Fire Prevention & Safety (90)
CTE - Transp Fees from Other Sources (In State)	1433									
CTE - Transp Fees from Other Sources (Out of State)	1434									
Special Ed - Transp Fees from Pupils or Parents (In State)	1441				1,607					
Special Ed - Transp Fees from Other Districts (In State)	1442									
Special Ed - Transp Fees from Other Sources (In State)	1443									
Special Ed - Transp Fees from Other Sources (Out of State)	1444									
Adult - Transp Fees from Pupils or Parents (In State)	1451									
Adult - Transp Fees from Other Districts (In State)	1452									
Adult - Transp Fees from Other Sources (In State)	1453									
Adult - Transp Fees from Other Sources (Out of State)	1454				7,008					
Total Transportation Fees										
EARNINGS ON INVESTMENTS										
Interest on Investments	1510	115,153	12,313	1,168	21,819	17,634		26,161	8,275	8,011
Gain or Loss on Sale of Investments	1520									
Total Earnings on Investments		115,153	12,313	1,168	21,819	17,634	0	26,161	8,275	8,011
FOOD SERVICE										
Sales to Pupils - Lunch	1611	698,805								
Sales to Pupils - Breakfast	1612									
Sales to Pupils - A la Carte	1613									
Sales to Pupils - Other (Describe & Itemize)	1614									
Sales to Adults	1620	76,060								
Other Food Service (Describe & Itemize)	1690	50,808								
Total Food Service		825,673								
DISTRICT/SCHOOL ACTIVITY INCOME										
Admissions - Athletic	1711	52,385								
Admissions - Other (Describe & Itemize)	1719	21,755								
Fees	1720	149,648								
Book Store Sales	1730									
Other District/School Activity Revenue (Describe & Itemize)	1790									
Total District/School Activity Income		223,788	0							
TEXTBOOK INCOME										
Rentals - Regular Textbooks	1811	87,830								
Rentals - Summer School Textbooks	1812									
Rentals - Adult/Continuing Education Textbooks	1813									
Rentals - Other (Describe & Itemize)	1819									
Sales - Regular Textbooks	1821									
Sales - Summer School Textbooks	1822									
Sales - Adult/Continuing Education Textbooks	1823									
Sales - Other (Describe & Itemize)	1829									
Other (Describe & Itemize)	1890	87,830								
Total Textbook Income		175,660								
OTHER REVENUE FROM LOCAL SOURCES										
Rentals	1910		43,481							
Contributions and Donations from Private Sources	1920									
Impact Fees from Municipal or County Governments	1930									
Services Provided Other Districts	1940									
Refund of Prior Years' Expenditures	1950									
Payments of Surplus Moneys from TIF Districts	1960									
Drivers' Education Fees	1970	7,950								
Proceeds from Vendors' Contracts	1980									
School Facility Occupation Tax Proceeds	1983									

See Accompanying Notes to Financial Statements.

STATEMENT OF REVENUES RECEIVED
FOR THE YEAR ENDING JUNE 30, 2012

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
1										
2										
104	1991									
105	1992									
106	1993									
107	1999	308,223	87,479	4,609	4,609	0	0	0	11,865	0
108		316,173	130,960	0	4,609	0	0	207,096	11,865	0
109	1000	8,972,711	2,133,549	1,358,567	757,178	1,082,973	0	0	988,501	188,946
110										
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT (2000)										
111	2100									
112	2200									
113	2300									
114	2000	0	0	0	0	0	0	0	0	0
115										
RECEIPTS/REVENUES FROM STATE SOURCES (3000)										
116	3001	6,247,184								
117	3002									
118	3005									
119	3099									
20										
21		6,247,184	0	0	0	0	0	0	0	0
22										
RESTRICTED GRANTS-IN-AID										
SPECIAL EDUCATION										
23	3100	36,463								
24	3105	425,450								
25	3110	555,385								
26	3120	40,298								
27	3130									
28	3145									
29	3199									
30		1,057,596	0	0	0	0	0	0	0	0
31										
CAREER AND TECHNICAL EDUCATION (CTE)										
32	3200									
33	3220									
34	3225									
35	3235									
36	3240									
37	3270									
38	3299									
39		0	0	0	0	0	0	0	0	0
40										
BILINGUAL EDUCATION										
41	3305	26,327								
42	3310	26,327								
43	3360	29,763								
44	3365	0	0	0	0	0	0	0	0	0
45	3370	44,867	0	0	0	0	0	0	0	0
46	3410		0	0	0	0	0	0	0	0
47	3499	0	0	0	0	0	0	0	0	0
48										
49										

STATEMENT OF REVENUES RECEIVED
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K
	Description	Acct #	Educational (10)	Operations & Maintenance (20)	Debt Services (30)	Transportation (40)	Municipal Retirement/ Social Security (50)	Capital Projects (60)	Working Cash (70)	Tort (80)	Fire Prevention & Safety (90)
1											
2	TRANSPORTATION										
150	Transportation - Regular/Vocational	3500				479,782					
151	Transportation - Special Education	3510				303,955					
152	Transportation - Other (Describe & Itemize)	3599									
153	Total Transportation					783,737					
154	Learning Improvement - Change Grants	3610									
155	Scientific Literacy	3660									
156	Tuant Alternative/Optional Education	3695									
157	Early Childhood - Block Grant	3705									
158	Reading Improvement Block Grant	3715									
159	Reading Improvement Block Grant - Reading Recovery	3720									
160	Continued Reading Improvement Block Grant	3725									
161	Continued Reading Improvement Block Grant (2% Set Aside)	3726									
162	Chicago General Education Block Grant	3766									
163	Chicago Educational Services Block Grant	3767									
164	School Safety & Educational Improvement Block Grant	3775									
165	Technology - Learning Technology Centers	3780									
166	State Charter Schools	3815									
167	Extended Learning Opportunities - Summer Bridges	3825									
168	Infrastructure Improvements - Planning/Construction	3920									
169	School Infrastructure - Maintenance Projects	3925									
170	Other Restricted Revenue from State Sources (Describe & Itemize)	3999	6,959								
171	Total Restricted Grants-In-Aid		1,165,512			783,737					
172	Total Receipts from State Sources	3000	7,412,696			783,737					
173											
74	RECEIPTS/REVENUES FROM FEDERAL SOURCES (4000)										
75	UNRESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT										
76	Federal Impact Aid	4001									
77	Other Unrestricted Grants-in-Aid Received Directly from the Fed Govt (Describe & Itemize)	4009									
78	Total Unrestricted Grants-In-Aid Received Directly from the Federal Govt										
79	RESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT										
80	Head Start	4045									
81	Construction (Impact Aid)	4050									
82	MAGNET	4060									
83	Other Restricted Grants-in-Aid Received Directly from the Federal Govt (Describe & Itemize)	4090									
84	Total Restricted Grants-In-Aid Received Directly from Federal Govt										
85	RESTRICTED GRANTS-IN-AID RECEIVED FROM FEDERAL GOVT THRU										
86	TITLE V										
87	Title V - Innovation and Flexibility Formula	4100									
88	Title V - District Projects	4105									
89	Title V - Rural & Low Income Schools	4107									
90	Title V - Other (Describe & Itemize)	4199									
91	Total Title V										
92	FOOD SERVICE										
93	Breakfast Start-Up	4200									
94	National School Lunch Program	4210	396,643								
95	Special Milk Program	4215									

See Accompanying Notes to Financial Statements.

STATEMENT OF REVENUES RECEIVED
FOR THE YEAR ENDING JUNE 30, 2012

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	Educational (10)	Operations & Maintenance (20)	Debt Services (30)	Transportation (40)	Municipal Retirement/Social Security (50)	Capital Projects (60)	Working Cash (70)	Tort (80)	Fire Prevention & Safety (90)
196 School Breakfast Program	4220	121,693								
197 Summer Food Service Admin/Program	4225	6,019								
198 Child & Adult Care Food Program	4226									
199 Fresh Fruits & Vegetables	4240	39								
200 Food Service - Other (Describe & Itemize)	4299					0				
201 Total Food Service		524,394								
202 TITLE I										
203 Title I - Low Income	4300	275,910								
204 Title I - Low Income - Neglected, Private	4305									
205 Title I - Comprehensive School Reform	4332									
206 Title I - Reading First	4334									
207 Title I - Even Start	4335									
208 Title I - Reading First SEA Funds	4337									
209 Title I - Migrant Education	4340									
210 Title I - Other (Describe & Itemize)	4399				0					
211 Total Title I		275,910								
212 TITLE IV										
213 Title IV - Safe & Drug Free Schools - Formula	4400									
214 Title IV - 21st Century	4421									
215 Title IV - Other (Describe & Itemize)	4499				0					
216 Total Title IV		0								
217 FEDERAL - SPECIAL EDUCATION										
218 Fed - Spec Education - Preschool Flow-Through	4600									
219 Fed - Spec Education - Preschool Discretionary	4605									
220 Fed - Spec Education - IDEA - Flow Through/Low Incidence	4620	182,589								
221 Fed - Spec Education - IDEA - Room & Board	4625	25,917								
222 Fed - Spec Education - IDEA - Discretionary	4630									
223 Fed - Spec Education - IDEA - Other (Describe & Itemize)	4699				0					
224 Total Federal - Special Education		208,506								
225 CTE - PERKINS										
226 CTE - Perkins - Title III E - Tech Prep	4770									
227 CTE - Other (Describe & Itemize)	4799				0					
228 Total CTE - Perkins		0								
229 Federal - Adult Education	4810	0								
230 ARRA - General State Aid - Education Stabilization	4850									
231 ARRA - Title I - Low Income	4851	9,980								
232 ARRA - Title I - Neglected, Private	4852									
233 ARRA - Title I - Delinquent, Private	4853									
234 ARRA - Title I - School Improvement (Part A)	4854									
235 ARRA - Title I - School Improvement (Section 1005g)	4855									
236 ARRA - IDEA - Part B - Preschool	4856									
237 ARRA - IDEA - Part B - Flow-Through	4857	155,181								
238 ARRA - Title IID - Technology-Formula	4860									
239 ARRA - Title IID - Technology-Competitive	4861									
240 ARRA - McKinney - Vento Homeless Education	4862									
241 ARRA - Child Nutrition Equipment Assistance	4863									
242 Impact Aid Formula Grants	4864									
243 Impact Aid Competitive Grants	4865									
244 Qualified Zone Academy Bond Tax Credits	4866									
245 Qualified School Construction Bond Credits	4867									
246 Build America Bond Tax Credits	4868								70,566	
247 Build America Bond Interest Reimbursement	4869									

See Accompanying Notes to Financial Statements.

STATEMENT OF REVENUES RECEIVED
FOR THE YEAR ENDING JUNE 30, 2012

A	B	C	D	E	F	G	H	I	J	K
Description	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
	4870									
ARRA - General State Aid - Other Govt Services Stabilization	4870									
Other ARRA Funds - II	4871									
Other ARRA Funds - III	4872									
Other ARRA Funds - IV	4873									
Other ARRA Funds - V	4874									
ARRA - Early Childhood	4875									
Other ARRA Funds VII	4876									
Other ARRA Funds VIII	4877									
Other ARRA Funds IX	4878									
Other ARRA Funds X	4879									
Other ARRA Funds XI	4880	9,576								
Total Stimulus Programs		174,737	0	70,566	0	0	0	0	0	0
Advanced Placement Fee/International Baccalaureate	4904	0	0							
Emergency Immigrant Assistance	4905	0								
Title III - English Language Acquisition	4909	0								
Learn & Serve America	4910	0								
McKinney Education for Homeless Children	4920	0								
Title II - Eisenhower Professional Development Formula	4930	0								
Title II - Teacher Quality	4932	129,195	0							
Federal Charter Schools	4960	0								
Medicaid Matching Funds - Administrative Outreach	4991	90,461	0							
Medicaid Matching Funds - Fee-for-Service Program	4992	94,076	0							
Other Restricted Revenue from Federal Sources (Describe & Itemize)	4998	0	0	0	0	0	0	0	0	0
Total Restricted Grants-In-Aid Received from the Federal Govt		1,497,279	0	70,566	0	0	0	0	0	0
Thru the State		1,497,279	0	70,566	0	0	0	0	0	0
Total Receipts/Revenues from Federal Sources	4000	17,882,686	2,133,549	1,429,133	1,540,915	1,082,973	0	207,096	988,501	188,946
Total Direct Receipts/Revenues										

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Func #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
3	10 - EDUCATIONAL FUND (ED)											
4	INSTRUCTION (ED)										7,967,203	8,228,663
5	Regular Programs	1100	6,602,259	885,189	4,738	375,087	99,930				0	277,000
6	Pre-K Programs	1125						433			2,525,118	2,450,807
7	Special Education Programs (Functions 1200-1220)	1200	2,127,331	361,204	7,304	27,526	1,320				0	0
8	Special Education Programs Pre-K	1225									471,252	406,683
9	Remedial and Supplemental Programs K-12	1250	319,777	148,397	637	2,441					0	0
10	Remedial and Supplemental Programs Pre-K	1275									0	0
11	Adult/Continuing Education Programs	1300									411,394	537,476
12	CTE Programs	1400	332,685	60,206	37	18,466					430,788	430,968
13	Interscholastic Programs	1500	291,298	5,665	47,133	72,310	4,300	10,082			0	71,415
14	Summer School Programs	1600									0	0
15	Gifted Programs	1650									115,985	0
16	Driver's Education Programs	1700	107,294	8,691							48,096	24,864
17	Bilingual Programs	1800	32,554	14,738	804						0	0
18	Traut Alternative & Optional Programs	1900									0	0
19	Pre-K Programs - Private Tuition	1910									0	0
20	Regular K-12 Programs - Private Tuition	1911									0	0
21	Special Education Programs K-12 - Private Tuition	1912									0	0
22	Special Education Programs Pre-K - Tuition	1913									0	0
23	Remedial/Supplemental Programs K-12 - Private Tuition	1914									0	0
24	Remedial/Supplemental Programs Pre-K - Private Tuition	1915									0	0
25	Adult/Continuing Education Programs - Private Tuition	1916									0	0
26	CTE Programs - Private Tuition	1917									0	0
27	Interscholastic Programs - Private Tuition	1918									0	0
28	Summer School Programs - Private Tuition	1919									0	0
29	Gifted Programs - Private Tuition	1920									0	0
30	Bilingual Programs - Private Tuition	1921									0	0
31	Traut Alternative/Optional Ed Programs - Private Tuition	1922									0	0
32	Total Instruction	1000	9,813,198	1,484,090	60,653	495,850	105,550	10,515			11,969,836	12,427,876
33	SUPPORT SERVICES (ED)											
34	SUPPORT SERVICES - PUPILS											
35	Attendance & Social Work Services	2110	90,307	8,490	1,749	1,676					102,162	105,074
36	Guidance Services	2120	484,331	58,784	863	2,142					496,120	506,523
37	Health Services	2130			41,025						41,025	42,000
38	Psychological Services	2140	120,339	16,469	5,792						142,600	150,703
39	Speech Pathology & Audiology Services	2150									0	0
40	Other Support Services - Pupils (Describe & Itemize)	2190			49,429	11,273					11,273	10,500
41	Total Support Services - Pupils	2100	644,977	83,683	49,429	15,091	0	0			793,180	814,800
42	SUPPORT SERVICES - INSTRUCTIONAL STAFF											
43	Improvement of Instruction Services	2210	49,740	10,861	37,262	259					98,122	34,310
44	Educational Media Services	2220	166,852	17,745		17,379		132			202,108	201,267
45	Assessment & Testing	2230									0	0
46	Total Support Services - Instructional Staff	2200	216,592	28,606	37,262	17,638	0	132			300,230	236,577
47	SUPPORT SERVICES - GENERAL ADMINISTRATION											
48	Board of Education Services	2310									8,216	36,300
49	Executive Administration Services	2320	188,547	10,760	55,362	40,087	10,892	22,156			327,804	324,020
50	Special Area Administration Services	2330									0	0
51	Tort Immunity Services	2360-2370									0	0
52	Total Support Services - General Administration	2300	188,547	10,760	62,214	41,284	10,892	22,323			336,020	362,320

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Func #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
1												
2	SUPPORT SERVICES - SCHOOL ADMINISTRATION											
53	Office of the Principal Services	2410	1,295,103	99,230	20,305	109,518	7,020	4,598			1,535,774	1,617,973
54	Other Support Services - School Admin (Describe & Itemize)	2490									0	
55	Total Support Services - School Administration	2400	1,295,103	99,230	20,305	109,518	7,020	4,598		0	1,535,774	1,617,973
56	SUPPORT SERVICES - BUSINESS											
57	Direction of Business Support Services	2510	181,122	10,520	15,235	8,416	1,322	1,437			218,052	221,004
58	Fiscal Services	2520	91,136	14,485	74	29,936					135,631	234,105
59	Operation & Maintenance of Plant Services	2540			226,168	459,040					685,208	710,560
60	Pupil Transportation Services	2550			4,754						4,754	20,000
61	Food Services	2560	512,540	152,284		600,359	6,646	1,738			1,278,321	1,299,023
62	Internal Services	2570			246,231	1,097,751	7,968	3,175			2,317,212	2,484,692
63	Total Support Services - Business	2500	784,798	177,289	246,231	1,097,751	7,968	3,175		0	2,317,212	2,484,692
64	SUPPORT SERVICES - CENTRAL											
65	Direction of Central Support Services	2610									0	
66	Planning, Research, Development, & Evaluation Services	2620									0	
67	Information Services	2630									0	
68	Staff Services	2640									0	
69	Data Processing Services	2660									0	
70	Total Support Services - Central	2600	0	0	0	0	0	0	0	0	0	0
71	Other Support Services (Describe & Itemize)	2900	5,356	66	0	0	5,142	125,986			136,550	94,200
72	Total Support Services	2000	3,135,373	399,634	415,441	1,281,282	31,022	156,214	0	0	5,418,966	5,609,562
73	COMMUNITY SERVICES (ED)	3000	2,871	715	5,666	1,213	12,394				22,859	4,432
74	PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)											
75	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
76	Payments for Regular Programs	4110									0	
77	Payments for Special Education Programs	4120			428,719						428,719	500,000
78	Payments for Adult/Continuing Education Programs	4130									0	
79	Payments for CTE Programs	4140			38,460						38,460	40,000
80	Payments for Community College Programs	4170									0	
81	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
82	Total Payments to Dist & Other Govt Units (In-State)	4100			467,179						467,179	540,000
83	Payments for Regular Programs - Tuition	4210									0	
84	Payments for Special Education Programs - Tuition	4220									0	
85	Payments for Adult/Continuing Education Programs - Tuition	4230									0	
86	Payments for CTE Programs - Tuition	4240									0	
87	Payments for Community College Programs - Tuition	4270									0	
88	Payments for Other Programs - Tuition	4280									0	
89	Other Payments to In-State Govt Units	4290									0	
90	Total Payments to Other District & Govt Units (In State)	4200								0	0	0
91	Payments for Regular Programs - Transfers	4310									0	
92	Payments for Special Education Programs - Transfers	4320									0	
93	Payments for Adult/Continuing Ed Programs - Transfers	4330									0	

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Func #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
1												
2												
95	Payments for CTE Programs - Transfers	4340									0	0
96	Payments for Community College Program - Transfers	4370									0	0
97	Payments for Other Programs - Transfers	4380									0	0
98	Other Payments to In-State Govt Units - Transfers	4390			0						0	0
99	Total Payments to Other District & Govt Units - Transfers (In-State)	4300			0			0			0	0
100	Payments to Other Dist & Govt Units (Out-of-State)	4400									0	0
101	Total Payments to Other District & Govt Units	4000			467,179			0			467,179	540,000
102	DEBT SERVICES (ED)											
103	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
04	Tax Anticipation Warrants	5110									0	0
05	Tax Anticipation Notes	5120									0	0
06	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	0
07	State Aid Anticipation Certificates	5140									0	0
08	Other Interest on Short-Term Debt	5150									0	0
09	Total Interest on Short-Term Debt	5100						0			0	0
10	Debt Services - Interest on Long-Term Debt	5200									0	0
11	Total Debt Services	5000						0			0	0
12	PROVISIONS FOR CONTINGENCIES (ED)	6000									0	0
13	Total Direct Disbursements/Expenditures Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures		12,951,442	1,884,439	948,939	1,778,325	148,966	166,729	0	0	17,878,840	18,581,870
14											3,846	
15												
16	20 - OPERATIONS & MAINTENANCE FUND (O&M)											
17	SUPPORT SERVICES (O&M)											
18	SUPPORT SERVICES - PUPILS										0	
19	Other Support Services - Pupils (Describe & Itemize)	2190									0	
20	SUPPORT SERVICES - BUSINESS										0	
21	Direction of Business Support Services	2510									0	
22	Facilities Acquisition & Construction Services	2530									0	
23	Operation & Maintenance of Plant Services	2540	1,021,240	180,372	192,985	552,550	200,412				2,147,559	2,140,056
24	Pupil Transportation Services	2550									0	
25	Food Services	2560									0	
26	Total Support Services - Business	2500	1,021,240	180,372	192,985	552,550	200,412				2,147,559	2,140,056
27	Other Support Services (Describe & Itemize)	2900	0	0	0	0	0				0	1,000
28	Total Support Services	2000	1,021,240	180,372	192,985	552,550	200,412				2,147,559	2,141,056
29	COMMUNITY SERVICES (O&M)	3000	0	0	0	0	0				0	0
30	PAYMENTS TO OTHER DIST & GOVT UNITS (O&M)											
31	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)										0	
32	Payments for Special Education Programs	4120									0	
33	Payments for CTE Programs	4140									0	
34	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	0
35	Total Payments to Other Govt. Units (In-State)	4100									0	0
36	Payments to Other Govt. Units (Out of State)	4400									0	0
37	Total Payments to Other Dist & Govt Units	4000									0	0
38	DEBT SERVICES (O&M)	5000									0	0
39	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
40	Tax Anticipation Warrants	5110									0	0
41	Tax Anticipation Notes	5120									0	0

See Accompanying Notes to Financial Statements.

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Func#	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
1												
2												
42	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	0
43	State Aid Anticipation Certificates	5140									0	0
44	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	0
45	Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
46	DEBT SERVICE - INTEREST ON LONG-TERM DEBT	5200									0	0
47	Total Debt Services	5000									0	0
48	PROVISIONS FOR CONTINGENCIES (O&M)	6000									0	0
49	Total Direct Disbursements/Expenditures		1,021,240	180,372	192,985	552,550	200,412	0	0	0	2,147,559	2,141,056
50	Excess (Deficiency) of Receipts/Revenues/Over										(14,010)	
51												
52	30 - DEBT SERVICES (DS)											
53	PAYMENTS TO OTHER DIST & GOVT UNITS (DS)	4000									0	
54	DEBT SERVICES (DS)	5000										
55	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
56	Tax Anticipation Warrants	5110									0	
57	Tax Anticipation Notes	5120									0	
58	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
59	State Aid Anticipation Certificates	5140									0	445,000
60	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
61	Total Debt Services - Interest On Short-Term Debt	5100						0			0	445,000
62	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200						413,146			413,146	0
63	DEBT SERVICES - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) **	5300						1,137,947			1,137,947	1,000,000
64	DEBT SERVICES - OTHER (Describe & Itemize)	5400						1,485			1,485	129,620
65	Total Debt Services	5000						1,552,578			1,552,578	1,574,620
66	PROVISION FOR CONTINGENCIES (DS)	6000									0	0
67	Total Disbursements/Expenditures							1,552,578			1,552,578	1,574,620
68	Excess (Deficiency) of Receipts/Revenues/Over											
69	Disbursements/Expenditures										(123,445)	
70	40 - TRANSPORTATION FUND (TR)											
71	SUPPORT SERVICES (TR)											
72	Other Support Services - Pupils (Describe & Itemize)	2190	0	0	0	0	0	0	0	0	0	0
73	SUPPORT SERVICES - BUSINESS											
74	Pupil Transportation Services	2550	660,247	227,996	36,616	331,834	9,315	304	0	0	1,266,312	1,392,543
75	Other Support Services (Describe & Itemize)	2900	0	0	0	0	0	0	0	0	0	13,000
76	Total Support Services	2000	660,247	227,996	36,616	331,834	9,315	304	0	0	1,266,312	1,405,543
77	COMMUNITY SERVICES (TR)											
78	PAYMENTS TO OTHER DIST & GOVT UNITS (TR)	3000	0	0	0	0	0	0	0	0	0	0
79	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
80	Payments for Regular Programs	4110									0	0
81	Payments for Special Education Programs	4120									0	0
82	Payments for Adult/Continuing Education Programs	4130									0	0
83	Payments for CTE Programs	4140									0	0
84	Payments for Community College Programs	4170									0	0
85	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	0
86	Total Payments to Other Govt. Units (In-State)	4100						0			0	0

See Accompanying Notes to Financial Statements.

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
188	PAYMENTS TO OTHER GOVT UNITS (OUT-OF-STATE)	4000										
189	Total Payments to Other Dist & Govt Units	4000										
190	DEBT SERVICES (TR)											
191	DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
192	Tax Anticipation Warrants	5110										
193	Tax Anticipation Notes	5120										
194	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130										
195	State Aid Anticipation Certificates	5140										
196	Other Interest on Short-Term Debt (Describe & Itemize)	5150										
197	Total Debt Services - Interest On Short-Term Debt	5100										
198	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200						18,649			18,649	23,200
199	DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) ¹¹	5300						140,754			140,754	136,300
200	DEBT SERVICES - OTHER (Describe & Itemize)	5400									159,403	159,500
201	Total Debt Services							159,403			159,403	
202	PROVISION FOR CONTINGENCIES (TR)	6000										
203	Total Disbursements/Expenditures		660,247	227,996	36,616	331,834	9,315	159,707	0	0	1,425,715	1,565,043
204	Excess (Deficiency) of Receipts/Revenues Over											
205	Disbursements/Expenditures										115,200	
206	50 - MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (MR/SS)											
207	INSTRUCTION (MR/SS)											
208	Regular Programs	1100		88,731							88,731	101,018
209	Pre-K Programs	1125										
210	Special Education Programs (Functions 1200-1220)	1200		118,959							118,959	116,166
211	Special Education Programs - Pre-K	1225										
212	Remedial and Supplemental Programs - K-12	1250		3,485							3,485	4,388
213	Remedial and Supplemental Programs - Pre-K	1275										
214	Adult/Continuing Education Programs	1300										
215	CTE Programs	1400		4,972							4,972	6,940
216	Interscholastic Programs	1500		7,629							7,629	1,395
217	Summer School Programs	1600										
218	Gifted Programs	1650										
219	Driver's Education Programs	1700		571							571	
220	Bilingual Programs	1800		3,752							3,752	3,651
221	Truants' Alternative & Optional Programs	1900										
222	Total Instruction	1000		228,099							228,099	233,558
223	SUPPORT SERVICES (MR/SS)	2000										
224	SUPPORT SERVICES - PUPILS											
225	Attendance & Social Work Services	2110		1,293							1,293	1,358
226	Guidance Services	2120		11,657							11,657	11,689
227	Health Services	2130										
228	Psychological Services	2140		1,587							1,587	1,809
229	Speech Pathology & Audiology Services	2150										
230	Other Support Services - Pupils (Describe & Itemize)	2190										
231	Total Support Services - Pupils	2100		14,537							14,537	14,856
232	SUPPORT SERVICES - INSTRUCTIONAL STAFF											
233	Improvement of Instruction Services	2210		931							931	1,020
234	Educational Media Services	2220		4,253							4,253	5,079
235	Assessment & Testing	2230										
236	Total Support Services - Instructional Staff	2200		5,184							5,184	6,099

See Accompanying Notes to Financial Statements.

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
237	SUPPORT SERVICES - GENERAL ADMINISTRATION											
238	Board of Education Services	2310										
239	Executive Administration Services	2320		8,716							8,716	9,126
240	Service Area Administrative Services	2330										
241	Claims Paid from Self Insurance Fund	2361										
242	Workers' Compensation or Workers' Occupation Disease	2362										
243	Acts Payments	2363										
244	Unemployment Insurance Payments	2364										
245	Insurance Payments (Regular or Self-Insurance)	2365										
246	Risk Management and Claims Services Payments	2366										
247	Judgment and Settlements	2367		24							24	
248	Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2368										
249	Reciprocal Insurance Payments	2369										
250	Legal Services	2300		8,740							8,740	9,126
251	Total Support Services - General Administration			92,838							92,838	80,572
252	SUPPORT SERVICES - SCHOOL ADMINISTRATION											
253	Office of the Principal Services	2410										
254	Other Support Services - School Administration (Describe & Itemize)	2490		92,838							92,838	80,572
255	Total Support Services - School Administration			92,838							92,838	80,572
256	SUPPORT SERVICES - BUSINESS											
257	Direction of Business Support Services	2510		7,697							7,697	7,891
258	Fiscal Services	2520		18,760							18,760	17,340
259	Facilities Acquisition & Construction Services	2530										
260	Operation & Maintenance of Plant Services	2540		193,739							193,739	193,017
261	Pupil Transportation Services	2550		136,561							136,561	139,624
262	Food Services	2560		102,376							102,376	86,008
263	Internal Services	2570		459,133							459,133	443,880
264	Total Support Services - Business			789,606							789,606	780,729
265	SUPPORT SERVICES - CENTRAL											
266	Direction of Central Support Services	2610										
267	Planning, Research, Development, & Evaluation Services	2620										
268	Information Services	2630										
269	Staff Services	2640										
270	Data Processing Services	2650										
271	Total Support Services - Central											
272	Other Support Services (Describe & Itemize)	2900		697,935							697,935	697,930
273	Total Support Services	2000		1,278,367							1,278,367	1,252,463
274	COMMUNITY SERVICES (MR/SS)	3000		114							114	330
275	PAYMENTS TO OTHER DIST & GOVT UNITS (MR/SS)											
276	Payments for Special Education Programs	4120										
277	Payments for CTE Programs	4140										
278	Total Payments to Other Dist & Govt Units	4000										0
279	DEBT SERVICE (MR/SS)											
280	Tax Anticipation Warrants	5110										0
281	Tax Anticipation Notes	5120										0
282	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130										0

See Accompanying Notes to Financial Statements.

STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2012

	A	B	C	D	E	F	G	H	I	J	K	L
	Description	Func#	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
1												
2												
27	Other Interest or Short-Term Debt	5150									0	0
28	Total Debt Services - Interest on Short-Term Debt	5000						0			0	0
29	PROVISIONS FOR CONTINGENCIES (TF)	6000										
30	Total Disbursements/Expenditures		721,269	14	543,807	0	4,995	0	0	0	1,270,085	1,293,519
31	Excess (Deficiency) of Receipts/Revenues Over										(281,584)	
32												
33	90 - FIRE PREVENTION & SAFETY FUND (FP&S)											
34	SUPPORT SERVICES (FP&S)											
35	SUPPORT SERVICES - BUSINESS											
36	Facilities Acquisition & Construction Services	2530			69,851		214,409				284,260	310,500
37	Operation & Maintenance of Plant Services	2540									0	
38	Total Support Services - Business	2500	0	0	69,851	0	214,409	0	0	0	284,260	310,500
39	Other Support Services (Describe & Itemize)	2900										
40	Total Support Services	2000	0	0	69,851	0	214,409	0	0	0	284,260	310,500
41	PAYMENTS TO OTHER DIST & GOVT UNITS (FP&S)											
42	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	0
43	Total Payments to Other Dist & Govt Units	4000									0	0
44	DEBT SERVICES (FP&S)											
45	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
46	Tax Anticipation Warrants	5110									0	0
47	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	0
48	Total Debt Service - Interest on Short-Term Debt	5100									0	0
49	DEBT SERVICES - INTEREST ON LONG-TERM DEBT											
50	Debt Service - Payments of Principal on Long-Term Debt (Lease/Purchase Principal Retired)	5300									0	0
51	Total Debt Service	5000									0	0
52	PROVISION FOR CONTINGENCIES (FP&S)	6000										
53	Total Disbursements/Expenditures		0	0	69,851	0	214,409	0	0	0	284,260	310,500
54	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(95,314)	

	A	B	C	D	E	F
	SCHEDULE OF AD VALOREM TAX RECEIPTS					
	Description	Taxes Received 7-11 Thru 6-30-12 (from 2011 Levy & Prior Levies) *	Taxes Received (from the 2011 Levy)	Taxes Received (from 2010 & Prior Levies) (Column B - C)	Total Estimated Taxes (from the 2011 Levy)	Estimated Taxes Due (from the 2011 Levy) (Column E - C)
1						
2						
3		6,642,458	0	6,642,458	6,831,226	6,831,226
4	Educational	1,805,023	0	1,805,023	1,856,311	1,856,311
5	Operations & Maintenance	1,354,160	0	1,354,160	1,356,630	1,356,630
6	Debt Services **	722,015	0	722,015	742,525	742,525
7	Transportation	574,028	0	574,028	574,009	574,009
8	Municipal Retirement	0	0	0	0	0
9	Capital Improvements	180,504	0	180,504	185,631	185,631
10	Working Cash	966,050	0	966,050	966,024	966,024
11	Tort Immunity	180,504	0	180,504	185,631	185,631
12	Fire Prevention & Safety	180,504	0	180,504	185,631	185,631
13	Leasing Levy	144,405	0	144,405	148,505	148,505
14	Special Education	0	0	0	0	0
15	Area Vocational Construction	420,034	0	420,034	420,009	420,009
16	Social Security/Medicare Only	0	0	0	0	0
17	Summer School	0	0	0	0	0
18	Other (Describe & Itemize)	0	0	0	0	0
19	Totals	13,169,685	0	13,169,685	13,452,132	13,452,132
20						
21						
22						

* The formulas in column B are unprotected to be overridden when reporting on a ACCRUAL basis.

** All tax receipts for debt service payments on bonds must be recorded on line 6 (Debt Services).

SCHEDULE OF SHORT-TERM DEBT									
A	B	C	D	E	F	G	H	I	J
Description	Outstanding Beginning 07/01/11	Issued Through 06/30/12	Retired Through 06/30/12	Outstanding Ending 06/30/12	Retired 7/1/11 thru 6/30/12	Outstanding 6/30/12	Amount to be Provided for Payment on Long-Term Debt	Any differences described and itemized	Issued 7/1/11 thru 6/30/12
1									
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55									

Each type of debt issued must be identified separately with the amount:

- Working Cash Fund Bonds
- Funding Bonds
- Refunding Bonds
- Fire Prevent, Safety, Environmental and Energy Bonds
- Tort Judgment Bonds
- Building Bonds
- Other Lease Purchase
- Other Build America Bonds
- Other

**Schedule of Restricted Local Tax Levies and Selected Revenues Sources
Schedule of Tort Immunity Expenditures**

A	B	C	D	E	F	G	H	I	J	K
SCHEDULE OF RESTRICTED LOCAL TAX LEVIES AND SELECTED REVENUE SOURCES										
Description										
Account No										
1	Cash Basis Fund Balance as of July 1, 2011									
2	0									
3	RECEIPTS:									
4	10, 20, 40 or 50-1100									
5	Ad Valorem Taxes Received by District									
6	10, 20, 40, 50 or 60-1500									
7	Earnings on Investments									
8	10-1970									
9	Drivers' Education Fees									
10	30 or 60-1983									
11	School Facility Occupation Tax Proceeds									
12	10 or 20-3370									
13	Driver Education									
14	345									
15	Other Receipts (Describe & itemize on tab "Itemization 32")									
16	10, 20, 40 or 60-7200									
17	Sale of Bonds									
18	0									
19	Total Receipts									
20	144,750									
21	DISBURSEMENTS:									
22	10 or 50-1000									
23	Instruction									
24	20 or 60-2530									
25	Facilities Acquisition & Construction Services									
26	10, 20, 40-2360-2370									
27	Tort Immunity									
28	144,750									
29	DEBT SERVICE									
30	30-5200									
31	Debt Services - Interest on Long-Term Debt									
32	30-5300									
33	Debt Services - Payments of Principal on Long-Term Debt									
34	(Lease/Purchase Principal Retired)									
35	30-5400									
36	Debt Services Other (Describe & itemize on tab "Itemization 32")									
37	Total Debt Services									
38	0									
39	Other Disbursements (Describe & itemize on tab "Itemization 32")									
40	144,750									
41	Total Disbursements									
42	0									
43	Ending Cash Basis Fund Balance as of June 30, 2012									
44	0									
45	Reserved Fund Balance									
46	714									
47	Unreserved Fund Balance									
48	730									
49	0									
50	0									
51	0									
52	0									
53	0									
54	0									
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	A	B	C	D	E	F	G	H	I	J	K	L
		Acct #	Cost 7-1-11	Add: Additions 2011-12	Less: Deletions 2011-12	Cost 6-30-12	Life In Years	Accumulated Depreciation 7-1-11	Add: Depreciation Allowable 2011-12	Less: Depreciation Deletions 2011-12	Accumulated Depreciation 6-30-12	Balance Undepreciated 6-30-12
1												
2												
3	Schedule of Capital Outlay and Depreciation											
4	Description of Assets											
5	Works of Art & Historical Treasures	210				0					0	0
6	Land	220				1,390,161						1,390,161
7	Non-Depreciable Land	221	1,390,161			0	50				0	0
8	Depreciable Land	222										
9	Buildings	230	38,766,672	152,176		38,918,848	50	13,428,731	777,698		14,206,429	24,712,419
10	Permanent Buildings	231				0	25				0	0
11	Temporary Buildings	232						943,088	55,788		998,876	837,339
12	Improvements Other than Buildings (Infrastructure)	240	1,624,107	212,108		1,836,215	20					
13	Capitalized Equipment	250										
14	10 Yr Schedule	251	12,659,811	208,163		12,867,974	10	10,190,596	481,433		10,672,029	2,195,945
15	5 Yr Schedule	252	2,445,422	5,650		2,451,072	5	1,976,025	163,475		2,139,500	311,572
16	3 Yr Schedule	253				0	3				0	0
17	Construction in Progress	260				0	-					0
18	Total Capital Assets	200	56,886,173	578,097	0	57,464,270	10	26,538,440	1,478,394	0	28,016,834	29,447,436
19	Non-Capitalized Equipment	700				0			0			
20	Allowable Depreciation								1,478,394			

A		B		C		D		E	F
ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2011-12)									
<i>This schedule is completed for school districts only.</i>									
1									
2									
3									
4	Fund	Sheet, Row	ACCOUNT NO - TITLE				Amount		
5									
80	PER CAPITA TUITION CHARGE								
81									
82	LESS OFFSETTING RECEIPTS/REVENUES:								
83	TR	Revenues 9-14, L42, Col F	1411	Regular -Transp Fees from Pupils or Parents (In State)		\$		0	
84	TR	Revenues 9-14, L44, Col F	1413	Regular - Transp Fees from Other Sources (In State)				0	
85	TR	Revenues 9-14, L45, Col F	1415	Regular - Transp Fees from Co-curricular Activities (In State)				5,401	
86	TR	Revenues 9-14, L46, Col F	1416	Regular Transp Fees from Other Sources (Out of State)				0	
87	TR	Revenues 9-14, L51, Col F	1431	CTE - Transp Fees from Pupils or Parents (In State)				0	
88	TR	Revenues 9-14, L53, Col F	1433	CTE - Transp Fees from Other Sources (In State)				0	
89	TR	Revenues 9-14, L54, Col F	1434	CTE - Transp Fees from Other Sources (Out of State)				0	
90	TR	Revenues 9-14, L55, Col F	1441	Special Ed - Transp Fees from Pupils or Parents (In State)				0	
91	TR	Revenues 9-14, L57, Col F	1443	Special Ed - Transp Fees from Other Sources (In State)				0	
92	TR	Revenues 9-14, L58, Col F	1444	Special Ed - Transp Fees from Other Sources (Out of State)				0	
93	ED	Revenues 9-14, L75, Col C	1600	Total Food Service				825,673	
94	ED-O&M	Revenues 9-14, L82, Col C,D	1700	Total District/School Activity Income				223,788	
95	ED	Revenues 9-14, L84, Col C	1811	Rentals - Regular Textbooks				87,830	
96	ED	Revenues 9-14, L87, Col C	1819	Rentals - Other (Describe & Itemize)				0	
97	ED	Revenues 9-14, L88, Col C	1821	Sales - Regular Textbooks				0	
98	ED	Revenues 9-14, L91, Col C	1829	Sales - Other (Describe & Itemize)				0	
99	ED	Revenues 9-14, L92, Col C	1890	Other (Describe & Itemize)				0	
100	ED-O&M	Revenues 9-14, L95, Col C,D	1910	Rentals				43,481	
101	ED-O&M-TR	Revenues 9-14, L98, Col C,D,F	1940	Services Provided Other Districts				0	
102	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L104, Col C,D,E,F,G	1991	Payment from Other Districts				0	
103	ED	Revenues 9-14, L106, Col C	1993	Other Local Fees				0	
104	ED-O&M-TR	Revenues 9-14, L131, Col C,D,F	3100	Total Special Education				1,057,596	
105	ED-O&M-MR/SS	Revenues 9-14, L140, Col C,D,G	3200	Total Career and Technical Education				0	
106	ED-MR/SS	Revenues 9-14, L144, Col C,G	3300	Total Bilingual Ed				26,327	
107	ED	Revenues 9-14, L145, Col C	3360	State Free Lunch & Breakfast				29,783	
108	ED-O&M-MR/SS	Revenues 9-14, L146, Col C,D,G	3365	School Breakfast initiative				0	
109	ED-O&M	Revenues 9-14, L147, Col C,D	3370	Driver Education				44,867	
110	ED-O&M-TR-MR/SS	Revenues 9-14, L154, Col C,D,F,G	3500	Total Transportation				783,737	
111	ED	Revenues 9-14, L155, Col C	3610	Learning Improvement - Change Grants				0	
112	ED-O&M-TR-MR/SS	Revenues 9-14, L156, Col C,D,F,G	3660	Scientific Literacy				0	
113	ED-TR-MR/SS	Revenues 9-14, L157, Col C,F,G	3695	Truant Alternative/Optional Education				0	
114	ED-TR-MR/SS	Revenues 9-14, L159, Col C,F,G	3715	Reading Improvement Block Grant				0	
115	ED-TR-MR/SS	Revenues 9-14, L160, Col C,F,G	3720	Reading Improvement Block Grant - Reading Recovery				0	
116	ED-TR-MR/SS	Revenues 9-14, L161, Col C,F,G	3725	Continued Reading Improvement Block Grant				0	
117	ED-TR-MR/SS	Revenues 9-14, L162, Col C,F,G	3726	Continued Reading Improvement Block Grant (2% Set Aside)				0	
118	ED-O&M-TR-MR/SS	Revenues 9-14, L163, Col C,D,F,G	3766	Chicago General Education Block Grant				0	
119	ED-O&M-TR-MR/SS	Revenues 9-14, L164, Col C,D,F,G	3767	Chicago Educational Services Block Grant				0	
120	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L165, Col C,D,E,F,G	3775	School Safety & Educational Improvement Block Grant				0	
121	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L166, Col C,D,E,F,G	3780	Technology - Learning Technology Centers				0	
122	ED-TR	Revenues 9-14, L167, Col C,F	3815	State Charter Schools				0	
123	O&M	Revenues 9-14, L170, Col D	3925	School Infrastructure - Maintenance Projects				0	
124	ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L171, Col C-G,J	3999	Other Restricted Revenue from State Sources				6,959	
125	ED	Revenues 9-14, L180, Col C	4045	Head Start (Subtract)				0	
126	ED-O&M-TR-MR/SS	Revenues 9-14, L184, Col C,D,F,G	-	Total Restricted Grants-In-Aid Received Directly from Federal Govt				0	
127	ED-O&M-TR-MR/SS	Revenues 9-14, L191, Col C,D,F,G	-	Total Title V				0	
128	ED-MR/SS	Revenues 9-14, L201, Col C,G	-	Total Food Service				524,394	
129	ED-O&M-TR-MR/SS	Revenues 9-14, L211, Col C,D,F,G	-	Total Title I				275,910	
130	ED-O&M-TR-MR/SS	Revenues 9-14, L216, Col C,D,F,G	-	Total Title IV				0	
131	ED-O&M-TR-MR/SS	Revenues 9-14, L220, Col C,D,F,G	4620	Fed - Spec Education - IDEA - Flow Through/Low Incidence				182,589	
132	ED-O&M-TR-MR/SS	Revenues 9-14, L221, Col C,D,F,G	4625	Fed - Spec Education - IDEA - Room & Board				25,917	
133	ED-O&M-TR-MR/SS	Revenues 9-14, L222, Col C,D,F,G	4630	Fed - Spec Education - IDEA - Discretionary				0	
134	ED-O&M-TR-MR/SS	Revenues 9-14, L223, Col C,D,F,G	4699	Fed - Spec Education - IDEA - Other (Describe & Itemize)				0	
135	ED-O&M-MR/SS	Revenues 9-14, L228, Col C,D,G	4700	Total CTE - Perkins				0	
160	ED-O&M-DS-TR-MR/SS-Tort	Revenue Adjustments within range of C231 thru J258	4800	Total ARRA Program Adjustments				245,303	
161	ED,O&M,M/SS	Revenues 9-14, L260, Col C,D,G	4904	Advanced Placement Fee/International Baccalaureate				0	
162	ED-TR-MR/SS	Revenues 9-14, L261, Col C,F,G	4905	Emergency Immigrant Assistance				0	
163	ED-TR-MR/SS	Revenues 9-14, L262, Col C,F,G	4909	Title III - English Language Acquisition				0	
164	ED-TR-MR/SS	Revenues 9-14, L263, Col C,F,G	4910	Learn & Serve America				0	
165	ED-O&M-TR-MR/SS	Revenues 9-14, L264, Col C,D,F,G	4920	McKinney Education for Homeless Children				0	
166	ED-O&M-TR-MR/SS	Revenues 9-14, L265, Col C,D,F,G	4930	Title II - Eisenhower Professional Development Formula				0	
167	ED-O&M-TR-MR/SS	Revenues 9-14, L266, Col C,D,F,G	4932	Title II - Teacher Quality				129,195	
168	ED-O&M-TR-MR/SS	Revenues 9-14, L267, Col C,D,F,G	4960	Federal Charter Schools				0	
169	ED-O&M-TR-MR/SS	Revenues 9-14, L268, Col C,D,F,G	4991	Medicaid Matching Funds - Administrative Outreach				90,461	
170	ED-O&M-TR-MR/SS	Revenues 9-14, L269, Col C,D,F,G	4992	Medicaid Matching Funds - Fee-for-Service Program				94,076	
171	ED-O&M-TR-MR/SS	Revenues 9-14, L270, Col C,D,F,G	4998	Other Restricted Revenue from Federal Sources (Describe & Itemize)				0	
172									
173									
174									
175									
176									
177									
178									
179									
180									
181									

Total Allowance for PCTC Computation	\$	4,703,267
Net Operating Expense for PCTC Computation		18,960,760
Total Depreciation Allowance (from page 27, Col I)		1,478,394
Total Allowance for PCTC Computation		20,439,154
9 Mo ADA		2,646,75
Total Estimated PCTC *	\$	7,722.36

* The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE

ESTIMATED INDIRECT COST DATA

A	B	C	D	E	F	G	H
1	ESTIMATED INDIRECT COST RATE DATA						
2	SECTION I						
3	Financial Data To Assist Indirect Cost Rate Determination						
4	<i>(Source document for the computation of the Indirect Cost Rate is found in the "Expenditures (5-22" tab.)</i>						
5	ALL OBJECTS EXCLUDE CAPITAL OUTLAY. With the exception of line 11, enter the disbursements/expenditures included within the following functions charged directly to and reimbursed from federal grant programs. Also, include all amounts paid to or for other employees within each function that work with specific federal grant programs in the same capacity as those charged to and reimbursed from the same federal grant programs. For example, if a district received funding for a Title I clerk, all other salaries for Title I clerks performing like duties in that function must be included. Include any benefits and/or purchased services paid on or to persons whose salaries are classified as direct costs in the function listed.						
6	Support Services - Direct Costs (1-2000) and (5-2000)						
7	Direction of Business Support Services (1-2510) and (5-2510)			0			
8	Fiscal Services (1-2520) and (5-2520)			0			
9	Operation and Maintenance of Plant Services (1, 2, and 5-2540)			545,192			
10	Food Services (1-2560) Must be less than (P16, Col E-F, L62)			77,516			
11	Value of Commodities Received for Fiscal Year 2012 (Include the value of commodities when determining if an A-133 is required)			0			
12	Internal Services (1-2570) and (5-2570)			0			
13	Staff Services (1-2640) and (5-2640)			0			
14	Data Processing Services (1-2660) and (5-2660)			0			
15	SECTION II						
16	Estimated Indirect Cost Rate for Federal Programs						
17		Function	Indirect Costs	Restricted Program Direct Costs	Indirect Costs	Unrestricted Program Direct Costs	Indirect Costs
18	Instruction	1000		12,092,385		12,092,385	
19	Support Services:						
20	Pupil	2100		807,717		807,717	
21	Instructional Staff	2200		305,414		305,414	
22	General Admin.	2300		1,598,958		1,598,958	
23	School Admin	2400		1,621,592		1,621,592	
24	Business:						
25	Direction of Business Spt. Srv.	2510		224,427		224,427	
26	Fiscal Services	2520		154,391		154,391	
27	Oper. & Maint. Plant Services	2540		2,826,094		2,826,094	
28	Pupil Transportation	2550		1,393,558		1,393,558	
29	Food Services	2560		828,859		828,859	
30	Internal Services	2570		0		0	
31	Central:						
32	Direction of Central Spt. Srv.	2610		0		0	
33	Plan, Rsrch, Dvlp, Eval. Srv.	2620		0		0	
34	Information Services	2630		0		0	
35	Staff Services	2640		0		0	
36	Data Processing Services	2660		0		0	
37	Other:	2900		829,343		829,343	
38	Community Services	3000		10,579		10,579	
39	Total			22,314,499		3,204,912	
40				Restricted Rate		Unrestricted Rate	
41				Total Indirect Costs: 378,818		Total Indirect Costs: 3,204,912	
42				Total Direct Costs: 22,314,499		Total Direct Costs: 19,488,405	
43				= 1.70%		= 16.45%	
44							
45							

REPORT ON SHARED SERVICES OR OUTSOURCING

School Code, Section 17-1.1 (Public Act 97-0357)
Fiscal Year Ending June 30, 2012

Complete the following for attempts to improve fiscal efficiency through shared services or outsourcing in the prior, current and next fiscal years. For additional information, please see the following website: <http://www.isbe.net/sims/aftr/aftr.htm>.

6	7	8	9	10	11
	<input type="checkbox"/> Check if the schedule is not applicable.	Prior Fiscal Year	Current Fiscal Year	Next Fiscal Year	Name of the Local Education Agency (LEA) Participating in the Joint Agreement, Cooperative or Shared Service.
	Indicate with an (X) if Deficit Reduction Plan Is Required for Annual Budget			Barriers to Implementation	(Limit text to 200 characters, for additional space use line 33 and 38)
	Service or Function (Check all that apply)				
1	Curriculum Planning	X	X	X	Schools of Illinois Public Cooperative
2	Custodial Services				
3	Educational Shared Programs				
4	Employee Benefits	X	X	X	Illinois Energy Consortium-Natural Gas
5	Energy Purchasing				
6	Food Services				
7	Grant Writing				
8	Grounds Maintenance Services				
9	Insurance				
10	Investment Pools				
11	Legal Services				
12	Maintenance Services				
13	Personnel Recruitment	X	X	X	Regional Office of Education #3
14	Professional Development				
15	Shared Personnel	X	X	X	Eastern Illinois Area Special Education
16	Special Education Cooperatives				
17	STEM (science, technology, engineering and math) Program Offerings				
18	Supply & Equipment Purchasing				
19	Technology Services				
20	Transportation				
21	Vocational Education Cooperatives	X	X	X	Eastern Illinois Education for Employment System 340
22	All Other Joint/Cooperative Agreements	X	X	X	Regional Office of Education #3-Alternative Education Setting
23	Other				
24	Additional space for Column (D) - Barriers to Implementation:				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Division (N-330)
 100 North First Street
 Springfield, IL 62777-0001

School District Name: Effingham Community Unit School District
 RCDT Number: 03--25-0400-26

LIMITATION OF ADMINISTRATIVE COSTS WORKSHEET
 (Section 17-1.5 of the School Code)

Description	Funct. No.	Actual Expenditures, Fiscal Year 2012		Budgeted Expenditures, Fiscal Year 2013		Total
		(10) Educational Fund	(20) Operations & Maintenance Fund	(10) Educational Fund	(20) Operations & Maintenance Fund	
1. Executive Administration Services	2320	327,804				327,804
2. Special Area Administration Services	2330	0				0
3. Other Support Services - School Administration	2490	0				0
4. Direction of Business Support Services	2510	218,052	0			218,052
5. Internal Services	2570	0				0
6. Direction of Central Support Services	2610	0				0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.						0
8. Totals		545,856	0	0	0	545,856
9. Percent Increase (Decrease) for FY2013 (Budgeted) over FY2012 (Actual)						
						Enter Budget Data

CERTIFICATION

I certify that the amounts shown above as "Actual Expenditures, Fiscal Year 2012" agree with the amounts on the district's Annual Financial Report for Fiscal Year 2012. I also certify that the amounts shown above as "Budgeted Expenditures, Fiscal Year 2013" agree with the amounts on the budget adopted by the Board of Education.

(Date)

Signature of Superintendent

If line 9 is greater than 5% please check one box below.

The District is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing. Waiver resolution must be adopted no later than June 30.

The district is unable to waive the limitation by board action and will be requesting a waiver from the General Assembly pursuant to the procedures in Chapter 105 ILCS 5/2-3.25g. Waiver applications must be postmarked by August 17, 2012 to ensure inclusion in the Fall 2012 report, postmarked by January 18, 2013 to ensure inclusion in the Spring 2013 report, or postmarked by August 16, 2013 to ensure inclusion in the Fall 2013 report. Information on the waiver process can be found at www.isbe.net/isbewaivers/default.htm.

The district will amend their budget to become in compliance with the limitation. Budget amendments must be adopted no later than June 30.

This page is provided for detailed itemizations as requested within the body of the report.
Type Below.

Page 10, Line 74 - Other Food Services:

Education Fund:	
Vending Machine Sales	\$ 50,808

Page 10, Line 78 - Admissions - Other:

Educational Fund:	
Non-Athletic Fees	\$ 21,755

Page 11, Line 107 - Other Local Income:

Education Fund:	
EIASE Special Education Refund	\$ 158,631
Refunds & Reimbursements	50,157
EIEES Refund for 10% of Vocational Teachers	31,200
EIASE	9,351
Reimbursements from High School Activity Fund and Jr. High Activity Fund	11,205
Band Boosters Reimbursement	9,120
Prior Year Real Estate Taxes	13,928
Ameren and Santana Energy Refunds	8,811
Effingham Education Foundation Mentoring Program	15,820
	<u>\$ 308,223</u>

Operations & Maintenance:

Insurance Settlements	\$ 76,828
Refunds & Reimbursements	3,728
Farm Ground Rent	6,923
	<u>\$ 87,479</u>

Transportation Fund:

Insurance Refunds	\$ 3,052
Other Refunds	1,557
	<u>\$ 4,609</u>

Tort Fund:

Workers Compensation Refund	\$ 11,864
Other Refunds	1
	<u>\$ 11,865</u>

Page 12, Line 171 - Other Restricted Revenue:

Education Fund:	
National Board Certification Initiatives	\$ 5,176
State Library Grant	1,783
	<u>\$ 6,959</u>

Page 15, Line 40 - Other Support Pupils:

Student Expense	\$ 11,273
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Page 16, Line 72 - Other Support Services:

Miscellaneous Services	\$ 136,550
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Page 18, Line 164 - Debt Service Other:

Bond Fees	\$ 1,485
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Page 20, Line 271 - Other Support Services:

Miscellaneous Benefits	\$ 55
ERI - IMRF	697,880
	<u>\$ 697,935</u>

Page 26, Line 8 - Other Receipts:

Special Education:	
Mobile Home and Housing Authority Taxes	\$ 345

	A	B	C	D	E	F	G	H	
1	DEFICIT ANNUAL FINANCIAL REPORT (AFR) SUMMARY INFORMATION								
2	New Provisions in the School Code, Section 17-1 (105 ILCS 5/17-1)								
3	<p><i>Instructions: If the Annual Financial Report (AFR) reflects that a "deficit reduction plan" is required as calculated below, then the school district is to complete the "deficit reduction plan" in the annual budget and submit the plan to Illinois State Board of Education (ISBE) within 30 days after accepting the audit report. This may require the FY2013 annual budget to be amended to include a "deficit reduction plan" and narrative.</i></p>								
4	<p><i>The "deficit reduction plan" is developed using ISBE guidelines and format in the School District Budget Form 50-36. A plan is required when the operating funds listed below result in direct revenues (line 7) being less than direct expenditures (line 8) by an amount equal to or greater than one-third (1/3) of the ending fund balance (line 10). That is, if the ending fund balance is less than three times the deficit spending, the district must adopt and submit an original budget/amended budget with ISBE that provides a "deficit reduction plan" to balance the shortfall within the next three years.</i></p>								
5	DEFICIT AFR SUMMARY INFORMATION - Operating Funds Only <i>(All AFR pages must be completed to generate the following calculation)</i>								
6		EDUCATIONAL	OPERATIONS & MAINTENANCE	TRANSPORTATION	WORKING CASH	TOTAL			
7		17,882,686	2,133,549	1,540,915	207,096	21,764,246			
8		17,878,840	2,147,559	1,425,715		21,452,114			
9		3,846	(14,010)	115,200	207,096	312,132			
10		8,191,168	626,448	1,712,587	2,161,624	12,691,827			
11		Fund Balance - June 30, 2012							
12		Balanced - no deficit reduction plan is required.							
13									
14									

**ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)
DISTRICT/JOINT AGREEMENT
Year Ending June 30, 2012**

DISTRICT/JOINT AGREEMENT NAME Effingham Community Unit School Dis	RCDT NUMBER 03--025-0400-26	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER 00060-1501	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable) Mark Doan	NAME AND ADDRESS OF AUDIT FIRM Glass and Shuffett, Ltd. 1819 W. McCord , P.O. Box 489 Centralia		
ADDRESS OF AUDITED ENTITY (Street and/or P.O. Box, City, State, Zip Code) 2803 South Banker Effingham, IL 62401	E-MAIL ADDRESS gandscpa@sbcglobal.net		
	NAME OF AUDIT SUPERVISOR Lawrence J. Hoffek, CPA		
	CPA FIRM TELEPHONE NUMBER (618) 532-5683	FAX NUMBER (618) 532-5684	

THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE A-133 SINGLE AUDIT REPORT:

- A copy of the CPA firm's most recent peer review report and acceptance letter has been submitted to ISBE (either with the audit or under separate cover).
- Financial Statements including footnotes § .310 (a)
- Schedule of Expenditures of Federal Awards including footnotes § .310 (b)
- Independent Auditor's Report § .505
- Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* § .505
- Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 § .505
- Schedule of Findings and Questioned Costs § .505 (d)
- Summary Schedule of Prior Year Audit Findings § .315 (b)
- Corrective Action Plan § .315 (c)

THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:

- Copy of Federal Data Collection Form § .320 (b)

Effingham Community Unit School District No. 40
03--025-0400-26

A-133 SINGLE AUDIT INFORMATION CHECKLIST

The following checklist is **OPTIONAL**; it is not a required form for completion of A-133 Single Audit Information. The purpose of the checklist is to assist in determining if appropriate information has been correctly completed within the Annual Financial Report (AFR). This is not a complete listing of all A-133 requirements, but highlights some of the more common errors found during ISBE reviews.

GENERAL INFORMATION

1. **Signed** copies of audit opinion letters have been included with audit package submitted to ISBE.
2. All opinion letters use the **most current audit language** as mandated in SAS 115/SAS 117 and other pronouncements.
3. **ALL** Single Audit forms within the AFR Excel workbook have been completed, where appropriate.
 - For those forms that are not applicable, "N/A" or similar language has been indicated.
4. **ALL** Federal revenues reported in FRIS Report 0053 (Summary of Payments) are accounted for in the Schedule of Expenditures of Federal Awards (SEFA).
 Programs funded through ARRA are identified separately in SEFA
5. Federal revenues reported on the AFR reconcile to Federal revenues reported on the SEFA.
 - Verify or reconcile on reconciliation worksheet.
6. The total value of non-cash **COMMODITIES** has been included within the AFR on the **INDIRECT COSTS** page (IND COST INFO 30) on Line 12. It **should not** be included in the Statement of Revenues Received (REVENUES 9-14) within the AFR Accounts 4210 - 4299.
 Those accounts are specific cash programs, not non-cash assistance such as **COMMODITIES**.
7. Complete audit package (Data Collection Form, audit reports, etc.) has been submitted electronically to the Federal Audit Clearinghouse in Jeffersonville, Indiana.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

8. Programs funded through ARRA (Federal Stimulus funds) are identified separately from "regular" Federal programs
 - Program name includes "ARRA - " prefix
 - Correct ARRA CFDA and ISBE program numbers are listed
9. All prior year's projects are included and reconciled to final FRIS report amounts.
 - Including receipt/revenue and expenditure/disbursement amounts.
10. All current year's projects are included and reconciled to most recent FRIS report filed.
 - Including revenue and expenditure/disbursement amounts.
11. Differences in reported spending amounts on the SEFA and the final FRIS reports should be detailed and/or documented in a finding, with discrepancies reported as Questioned Costs.
12. Prior-year and Current-year Child Nutrition Programs (CNP) are included on the SEFA (with prior-year program showing total cash received):
 Project year runs from October 1 to September 30, so projects will cross fiscal year;
 This means that audited year revenues will include funds from both the prior year and current year projects.
13. Each CNP project should be reported on separate line (one line per project year per program).
14. Total CNP Revenue amounts are consistent with grant amounts awarded by ISBE for each program by project year.
15. Total CNP Expenditure amounts are consistent with grant amounts awarded by ISBE for each program by project year.
16. Exceptions should result in a finding with Questioned Costs.
17. The total value of **COMMODITIES** has been reported on the SEFA (CFDA 10.555).
 - The value is determined from the following, with each item on a separate line:
- * **Non-Cash Commodities**: Monthly Commodities Bulletin for April (From the Illinois Commodities System accessed through ISBE web site)
 Total commodities = A PAL Allocated + B PAL Allocated + Processing Deductions + Total Bonus Allocated
 Verify Non-Cash Commodities amount on ISBE web site: <http://www.isbe.net/business.htm>.
- * **Non-Cash Commodities**: Commodities information for non-cash items received through **Other Food Services**
 Districts should track separately through year; no specific report available from ISBE
 Verify Non-Cash Commodities amount through Other Food Services on ISBE web site: <http://www.isbe.net/business.htm>.
- * **Department of Defense Fresh Fruits and Vegetables** (District should track through year)
 - The two commodity programs should be reported on separate lines on the SEFA.
 Verify Non-Cash Commodities amount through DoD Fresh Fruits and Vegetables on ISBE web site: <http://www.isbe.net/business.htm>.
- * Amounts verified for **Fresh Fruits and Vegetables cash** grant program (ISBE code 4240)
 CFDA number: 10.582
18. **TOTALS** have been calculated for Federal revenue and expenditure amounts (Column totals).
19. Obligations and Encumbrances are included where appropriate.
20. **FINAL STATUS** amounts are calculated, where appropriate.
21. Medicaid Fee-for-Service funds, E-Rate reimbursements and Build America Bond interest subsidies have not been included on the SEFA.
22. **All** programs tested (not just Type A programs) are indicated by either an * or (M) on the SEFA.
23. **NOTES TO THE SEFA** within the AFR Excel workbook (SEFA-2) have been completed.
 Including, but not limited to:
24. Basis of Accounting
25. Name of Entity
26. Type of Financial Statements
27. Subrecipient information (Mark "N/A" if not applicable)
- * ARRA funds are listed separately from "regular" Federal awards

SUMMARY OF AUDITOR RESULTS/FINDINGS/CORRECTIVE ACTION PLAN

28. Audit opinions expressed in opinion letters match opinions reported in Summary.
29. **All** Summary of Auditor Results questions have been answered.
30. All tested programs are listed.
31. Correct testing threshold has been entered. (OMB A-133, §.520)

Findings have been filled out completely and correctly (if none, mark "N/A").

32. Financial Statement and/or Federal Awards Findings information has been completely filled out for each finding.
32. Finding completed for each Significant Deficiency and for each Material Weakness noted in opinion letters.
33. Separate finding for each Federal program (i.e., don't report same finding for multiple programs on one sheet).
34. Separate finding sheet for each finding on programs (e.g., excess interest earned and unallowable expenditures are two findings and should be reported separately, even if both are on same program).
35. Questioned Costs have been calculated where there are questioned costs.
36. Questioned Costs are separated by project year and by program.
37. Questioned Costs have been calculated for Interest Earned on **Excess Cash on Hand**.

- Should be based on actual amount of interest earned
- Questioned Cost amounts are broken out between programs if multiple programs are listed on the finding



38. A **CORRECTIVE ACTION PLAN** has been completed for each finding.

- Including Finding number, action plan details, projected date of completion, name and title of contact person

Effingham Community Unit School Distirct No. 40
03--025-0400-26

RECONCILIATION OF FEDERAL REVENUES

Annual Financial Report to Schedule of Expenditures of Federal Awards

TOTAL FEDERAL REVENUE IN AFR

Account Summary 7-8, Line 7	Account 4000	\$ 1,567,845
Flow-through Federal Revenues		
Revenues 9-14, Line 112	Account 2200	-
Value of Commodities		
Indirect Cost Info 30, Line 11		77,516
Less: Medicaid Fee-for-Service		
Revenues 9-14, Line 269	Account 4992	(94,076)
AFR TOTAL FEDERAL REVENUES:		<u>\$ 1,551,285</u>

ADJUSTMENTS TO AFR FEDERAL REVENUE AMOUNTS:

Reason for Adjustment:

Build America Bond Tax Credits		\$ (70,566)

ADJUSTED AFR FEDERAL REVENUES \$ 1,480,719

Total Current Year Federal Revenues Reported on SEFA:
Federal Revenues Column D \$ 1,480,719

Adjustments to SEFA Federal Revenues:

Reason for Adjustment:

ADJUSTED SEFA FEDERAL REVENUE: \$ 1,480,719

DIFFERENCE: \$ -

Effingham Community Unit School District No. 40
03-025-0400-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2012

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴ Year 7/1/09-6/30/10 (E)	Year 7/1/10-6/30/11 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/09-6/30/10 (C)	Year 7/1/10-6/30/11 (D)					
U.S. Department of Education:									
Passed Through Illinois State Board of Education:									
(m) Title I - Low Income	84.010	11-4300-00	400,058	0	308,696	30,652	0	339,348	400,058
(m) Title I - Low Income	84.010	12-4300-00	60,710	275,910	0	410,539	0	410,539	830,884
Subtotal - CFDA 84.010			460,768	275,910	308,696	441,191	0	749,887	
Title II - Teacher Quality	84.367	11-4932-00	171,410	0	145,219	20,403	0	165,622	172,287
Title II - Teacher Quality	84.367	12-4932-00	5,788	129,195	0	141,710	12,733	154,443	155,396
Subtotal - CFDA 84.367			177,198	129,195	145,219	162,113	12,733	320,065	
(m) ARRA - Title I - Low Income	84.389	11-4851-00	40,983	9,980	50,124	839	0	50,963	50,963
(m) ARRA - Education Jobs Funds	84.410	12-4880-00	0	9,576	0	9,576	0	9,576	9,576
Title IV - Safe & Drug Free	84.186	10-4400-00	10,384	0	10,251	133	0	10,384	10,687
Federal Special Educ. - IDEA Room & Board	84.027	11-4625-00	0	25,917	25,917	0	0	25,917	N/A
Subtotal			689,333	450,578	540,207	613,852	12,733	1,166,792	

• (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

- 1 To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
- 2 When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.
- 3 When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.
- 4 Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Effingham Community Unit School District No. 40
03-025-0400-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2012

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/09-6/30/10 (C)	Year 7/1/10-6/30/11 (D)	Year 7/1/09-6/30/10 (E)	Year 7/1/10-6/30/11 (F)			
Passed Through Illinois Area of Special Education:									
ARRA Special Education.									
IDEA Flow Thru	84.391	11-4857-00	194,320	155,181	334,593	14,908	0	349,501	496,627
IDEA Flow Thru	84.027	12-4620-00	0	182,589	0	182,589	0	182,589	182,589
Subtotal			194,320	337,770	334,593	197,497	0	532,090	
Total U.S. Department of Education			863,653	788,348	874,800	811,349	12,733	1,698,882	

• (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

- 1 To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
- 2 When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.
- 3 When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.
- 4 Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Effingham Community Unit School District No. 40
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2012

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/09-6/30/10 (C)	Year 7/1/10-6/30/11 (D)	Year 7/1/09-6/30/10 (E)	Year 7/1/10-6/30/11 (F)			
U.S. Department of Agriculture:									
Passed Through Illinois State Board of Education:									
(m) Federal School Lunch	10.555	11-4210-00	320,658	69,606	320,658	69,606	0	390,264	N/A
(m) Federal School Lunch	10.555	12-4210-00	0	327,037	0	327,037	0	327,037	N/A
(m) Non Cash Commodities	10.555	N/A	0	67,669	0	67,669	0	67,669	N/A
(m) Dept. of Defense Fresh Fruits and Vegetables	10.555	N/A	0	9,847	0	9,847	0	9,847	
Subtotal - CFDA 10.555			320,658	474,159	320,658	474,159	0	794,817	
(m) Federal School Breakfast	10.553	11-4220-00	91,879	19,987	91,879	19,987	0	111,866	N/A
(m) Federal School Breakfast	10.553	12-4220-00	0	101,706	0	101,706	0	101,706	N/A
Subtotal - CFDA 10.553			91,879	121,693	91,879	121,693	0	213,572	
(m) Summer Food Service Program	10.559	11-4225-00	0	6,019	2,247	3,772	0	6,019	N/A
(m) Summer Food Service Program	10.559	12-4225-00	0	0	0	4,039	0	4,039	N/A
Subtotal - CFDA 10.559			0	6,019	2,247	7,811	0	10,058	

• (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

⁴ Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Effingham Community Unit School District No. 40
03-025-0400-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2012

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/09-6/30/10 (C)	Year 7/1/10-6/30/11 (D)	Year 7/1/09-6/30/10 (E)	Year 7/1/10-6/30/11 (F)			
Fresh Fruits and Vegetables (Cash)	10.582	11-4240-00	3,729	39	3,768	0	0	3,768	N/A
Total U.S. Department of Agriculture			416,266	601,910	418,552	603,663	0	1,022,215	
U.S. Department of Health and Human Services:									
Passed Through Illinois Healthcare and Family Services:									
Medicaid - Adm. Outreach	93.778	11-4991-00	34,278	41,179	34,278	41,179	0	75,457	N/A
Medicaid - Adm. Outreach	93.778	12-4991-00	0	49,282	0	49,282	0	49,282	N/A
Total U.S. Department of Health and Human Services			34,278	90,461	34,278	90,461	0	124,739	
Total Federal Awards			1,394,197	1,480,719	1,327,630	1,505,473	12,733	2,845,836	

• (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

⁴ Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

Effingham Community Unit School District No. 40
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NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)
Year Ending June 30, 2012

Note 1: Basis of Presentation⁵

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of **Effingham Community Unit School District No. 40** and is presented on the **Cash Basis of Accounting**. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the **Basic** financial statements.

Note 2: Subrecipients⁶

There were no awards to subrecipients.

Program Title/Subrecipient Name	Federal CFDA Number	Amount Provided to Subrecipients
Note 3: Loans or Loan Guarantees:		
There were no federal loans or loan guarantees during the year.		
Note 4: Food Distribution:		
Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.		
Note 5: Amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree with amounts reported in the Program Financial Reports for programs which have filed final reports as of June 30, 2012 with the Illinois State Board of Education.		
Note 6: The District received no federal insurance during the year.		

⁵ This note is included to meet the Circular A-133 requirement that the schedule include notes that describe the significant accounting policies used in preparing the schedule.

⁶ Circular A-133 requires the schedule of expenditures of federal awards to include, to the extent practical, an identification of the total amount provided to subrecipients, from each federal program. Although this example includes the required subrecipie

Effingham Community Unit School District No. 40
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2012

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Adverse - Regulatory Basis
 (Unqualified, Qualified, Adverse, Disclaimer)

INTERNAL CONTROL OVER FINANCIAL REPORTING:

- Material weakness(es) identified? X YES NO
- Significant Deficiency(s) 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(s) identified that are not considered to be material weakness(es) YES X None Reported

Type of auditor's report issued on compliance for major programs: Unqualified
 (Unqualified, Qualified, Adverse, Disclaimer⁷)

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

IDENTIFICATION OF MAJOR PROGRAMS:⁸

CFDA NUMBER(S) ⁹	NAME OF FEDERAL PROGRAM or CLUSTER ¹⁰
84.010	Title I - Low Income
84.389	ARRA - Title I - Low Income
84.410	ARRA - Education Jobs Funds
10.555	Federal School Lunch/Non-Cash Commodities/DOD Fresh Fruits & Vegetables
10.553	Federal School Breakfast
10.559	Summer Food Service Programs

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000.00

Auditee qualified as low-risk auditee? YES X NO

⁷ If the audit report for one or more major programs is other than unqualified, indicate the type of report issued for each program. Example: "Unqualified for all major programs except for [name of program], which was qualified and [name of program], which was a disclaimer."
⁸ Major programs should generally be reported in the same order as they appear on the SEFA.
⁹ When the CFDA number is not available, include other identifying number, if applicable.
¹⁰ The name of the federal program or cluster should be the same as that listed in the SEFA. For clusters, auditors are only required to list the name of the cluster.

Effingham Community Unit School District No. 40
03--025-0400-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹ 12-01 **2. THIS FINDING IS:** New Repeat from Prior Year?
 Year originally reported? 06/30/11

3. Criteria or specific requirement
 Effective internal controls require the timely and accurate preparation of bank reconciliations.

4. Condition
 Monthly bank reconciliations are not being prepared timely and contain improper reconciling items.

5. Context¹²
 The June 30, 2012 bank statement was not reconciled to the financial records until September 2012.

6. Effect
 The lack of timely preparation of bank reconciliations and incorrect reconciling items subjects the District to possible misstatement and errors that may not be caught on a timely basis.

7. Cause
 The District's software has made the reconciliation process complicated and time consuming by posting inaccurate transactions. The District employee who prepares the reconciliation also has many other responsibilities that hinder the timely reconciliation of the account.

8. Recommendation
 We recommend that all monthly bank statements be reconciled to the financial records within thirty days of receipt and include proper reconciling items, and that a person independent of the bookkeeping function assist in preparing the bank reconciliations monthly.

9. Management's response¹³
 The District agrees with the finding and recommendation and will implement procedures to reconcile bank statements within thirty days of receipt and to include proper reconciling items.

For ISBE Review	
Date: _____	Resolution Criteria Code Number _____
Initials: _____	Disposition of Questioned Costs Code Letter _____

¹¹ A suggested format for assigning reference numbers is to use the last two digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2003 would be assigned a reference number of 02-01, 02-02, etc.
¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.
¹³ See paragraphs 5.18 through 5.20 and 7.38 through 7.42 of Government Auditing Standards for additional guidance on reporting management's response.

Effingham Community Unit School District No. 40
 03--025-0400-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ending June 30, 2012

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:¹⁴ _____ 2. THIS FINDING IS: New Repeat from Prior year?
 Year originally reported? _____

3. Federal Program Name and Year: _____

4. Project No.: _____ 5. CFDA No.: _____

6. Passed Through: _____

7. Federal Agency: _____

8. Criteria or specific requirement (including statutory, regulatory, or other citation)
 N/A - None

9. Condition¹⁵ _____

10. Questioned Costs¹⁶ _____

11. Context¹⁷ _____

12. Effect _____

13. Cause _____

14. Recommendation _____

15. Management's response¹⁸ _____

For ISBE Review	
Date: _____	Resolution Criteria Code Number: _____
Initials: _____	Disposition of Questioned Costs Code Letter: _____

¹⁴ See footnote 11.
¹⁵ Include facts that support the deficiency identified on the audit finding.
¹⁶ Identify questioned costs as required by sections 510(a)(3) and 510 (a) (4) of Circular A-133.
¹⁷ See footnote 12.
¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

Effingham Community Unit School District No. 40
03--025-0400-26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2012

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status²⁰</u>
[If there are no prior year audit findings, please submit schedule and indicate NONE]		
11-01	Monthly bank reconciliations are not being prepared timely and contain improper reconciling items.	Repeat
11-02	Expenditure reports contain expenses for employee benefits (Federal TRS) that were not paid at the time the reports were filed. Payment was not made until September 6, 2011.	Corrective action was taken by paying the TRS.

When possible, all prior findings should be on the same page

¹⁹ See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

Effingham Community Unit School District No. 40
03--025-0400-26
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS²¹
Year Ending June 30, 2012

Corrective Action Plan

Finding No.: 12-01

Condition:

Monthly bank reconciliations are not being prepared timely and contain improper reconciling items.

Plan:

FY 2012 was the first year that district cost of health insurance was not being accrued thru payroll, however, there are still some payroll expenses that are distorting the monthly reconciliations to cash. District personnel are preparing an additional balancing process of payroll items to flush out the items that are distorting cash. With the retirement of the Director of Business and the placement of a new Director of Business our district is in the process of reviewing job duties in our office in order to redistribute work to allow for timely reconciliation of payroll/bank accounts.

Anticipated Date of Completion: **January 31, 2013**

Name of Contact Person: **Sandra Devall**

Management Response: **The District agrees with the finding and recommendation and will implement procedures to reconcile bank statements within thirty days of receipt and to include proper reconciling items.**

²¹ See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.