

Due to ROE on October 15th
Due to ISBE on November 15th
SD/JA/14

School District
 Joint Agreement

ILLINOIS STATE BOARD OF EDUCATION
School Business Services Division
100 North First Street, Springfield, Illinois 62777-0001
217/785-8779
Illinois School District/Joint Agreement
Annual Financial Report *
June 30, 2014

School District/Joint Agreement Information

School District/Joint Agreement Number:
19-022-0150-61
County Name:
DuPage

Name of School District/Joint Agreement:
Cooperative Association for Special Education
Address:
22W600 Butterfield Road
City:
Glen Ellyn

Email Address:
lbrendel@csesdupage.com
Zip Code:
60137

Accounting Basis:

CASH
 ACCRUAL

Certified Public Accountant Information

Name of Auditing Firm:
Baker Tilly Virchow Krause, LLP
Name of Audit Manager:
James White
Address:
1301 West 22nd Street, Suite 400
City:
Oak Brook State: **IL** Zip Code:
60523
Phone Number:
630-645-6247 Fax Number:
630-645-6297
IL License Number:
066-004260 Expiration Date:
Email Address:
James.White@bakertilly.com

Annual Financial Report

Type of Auditor's Report Issued:
Qualified Unqualified
Adverse
Disclaimer

Reviewed by District Superintendent/Administrator

A-133 Single Audit Status:

YES NO Are Federal expenditures greater than \$500,000?
 YES NO Is all A-133 Single Audit information completed and attached?
 YES NO Were any financial statement or federal awards findings issued?

Reviewed by Township Treasurer (Cook County only)

Reviewed by Regional Superintendent/Cook ISC

District Superintendent/Administrator Name (Type or Print):

Email Address:

Telephone:

Signature & Date:

Township Treasurer Name (type or print)

Email Address:

Telephone:

Signature & Date:

Regional Superintendent/Cook ISC Name (Type or Print):

Email Address:

Telephone:

Signature & Date:

* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter 1, Subchapter C (Part 100),
ISBE Form SD50-35/JA50-60 (05/14)

This form is based on 23 Illinois Administrative Code, Subtitle A, Chapter 1, 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).

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
October 14, 2014

This report is intended solely for the information and use of the Board of Education, management of the Cooperative Association for Special Education, and the Illinois State Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

The answers to questions 1 through 22 contained in the "Auditor's Questionnaire" on page 2 are based solely on the procedures performed and data obtained during the audit of the basic financial statements of the Cooperative as of and for the year ended June 30, 2014.

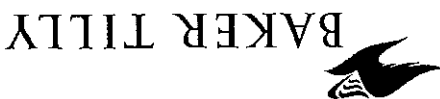
The accompanying Annual Financial Report (ISBE Form SD50-35/JA50-60), as of and for the year ended June 30, 2014, has been prepared in the form prescribed by the Illinois State Board of Education, is presented for purposes of additional analysis, and is not a required part of the basic financial statements referenced in the preceding paragraph. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the financial profile information, estimated financial profile summary, supplementary schedules, statistical section, estimated indirect cost rate for federal programs, report on shared services or outsourcing, administrative cost worksheet and itemization schedules, which were not audited and on which we render no opinion, has been subjected to the auditing procedures applied to the audit of the basic financial statements and certain other additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for those portions identified in the previous sentence as not audited, is fairly stated in all material respects, in relation to the basic financial statements as a whole.

We have audited the financial statements of the governmental activities, major fund and the aggregate remaining fund information of the Cooperative Association for Special Education (the "Cooperative") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Cooperative's basic financial statements, and have issued our report thereon dated October 14, 2014 which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole.

To the Board of Directors
Cooperative Association for Special Education
Glen Ellyn, Illinois

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Baker Tilly Virchow Krause, LLP
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bakertilly.com



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cooperative Association for Special Education (the "Cooperative") provides special education services to seven member districts, and is governed by an appointed Executive Board. The accounting policies of the Cooperative conform to the accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the Cooperative:

Reporting Entity

This report includes all of the funds of the Cooperative. The reporting entity for the Cooperative consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Cooperative has not identified any organizations that meet this criteria.

Basis of Presentation

The accounts of the District in the governmental fund financial statements are organized and operated on the basis of funds and account groups and are used to account for the Cooperative's general governmental activities. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures or expenses as appropriate. The minimum number of funds is maintained consistent with legal and managerial requirements. Account Groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

Measurement Focus and Basis of Accounting

The Cooperative has the following fund types and account groups:

Governmental Funds are used to account for the District's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources and pension expenditures.

Major Governmental Funds

Educational Fund - the general operating fund of the Cooperative. It accounts for all financial resources. This fund is primarily used for the instructional and administrative aspects of the Cooperative's operations. Revenues consist largely of state and federal government aid and tuition revenue.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Other Fund Types

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

Agency Funds - include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the Cooperative which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc. On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Certain state and federal aid and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the Cooperative and recognized as revenue at that time. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Liabilities and Net Position or Equity

Deposits and Investments

State statutes authorize the Cooperative to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

Fixed Assets

Fixed assets used in governmental fund types of the Cooperative are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Interest incurred during construction is not capitalized on general fixed assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Depreciation of general fixed assets is provided over the estimated useful lives using the straight-line method and is reflected within the general fixed assets account group for informational purposes only. Depreciation of general fixed assets is not charged to the operations of the Cooperative. The estimated useful lives of the equipment of the Cooperative is 5 to 10 years, respectively.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2014 are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

The Cooperative reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other long-term obligations that do not show evidence of indebtedness are not included in the general long-term debt account group.

For governmental fund types, bond premiums and discounts are recognized during the current period. Bond proceeds are reported as an "other financing source" net of the applicable premium or discount.

General Fixed Assets and General Long-Term Debt Account Groups

Account groups are used to establish accounting control and accountability for the Cooperative's general fixed assets and general long-term debt. The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

Fixed Assets - General fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as expenditures paid in the Governmental Funds and capitalized at cost in the General Fixed Assets Account Group. Donated general fixed assets are listed at estimated fair market value as of the date of acquisition. Depreciation accounting is not applicable, except to determine the per capita tuition charge. Interest costs incurred during construction are not capitalized as part of fixed assets.

Long-Term Debt - Long-term debt expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. The debt recorded in the Cooperative's General Long-Term Debt Account Group consists of serial bond issues, long-term debt retirements payable, and any other evidences of indebtedness.

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.

COOPERATIVE ASSOCIATION FOR SPECIAL EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

The Executive Board follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. The Administration submits to the Executive Board a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

3. Prior to September 30, the budget is legally adopted through passage of a resolution.

4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Executive Board is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.

5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.

6. All budget appropriations lapse at the end of the fiscal year.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the Cooperative's cash and investments was comprised of the following:

	Government-wide		Fiduciary	Total
Cash and investments	\$ 2,277,164	\$ 8,080	\$ 2,285,244	
Total	\$ 2,277,164	\$ 8,080	\$ 2,285,244	

For disclosure purposes, this amount is segregated into the following components:

Cash on hand	\$ 349			
PMA-ISDLAF+	2,284,895			
Total	\$ 2,285,244			

COOPERATIVE ASSOCIATION FOR SPECIAL EDUCATION
 NOTES TO BASIC FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Cooperative is restricted to investing funds in specific types of investment instruments.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAm and are valued at share price, which is the price for which the investment could be sold.

NOTE 4 - OPERATING LEASES

The Cooperative leases building and office facilities under noncancelable operating leases. Total costs for such leases were \$288,846 for the year ended June 30, 2014. At June 30, 2014, future minimum lease payments for these leases are as follows:

Year Ending June 30,	Amount
2015	\$ 294,623
2016	267,056
2017	272,397
2018	277,845
2019	41,322
2020-2024	42,148
Total	\$ 1,195,391

NOTE 5 - RISK MANAGEMENT

The Cooperative is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the Cooperative participates in the following public entity risk pools: SELF, Suburban School Cooperative Insurance Pool (SSCIP) and the Educational Benefit Cooperative (EBC). The Cooperative pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

The Cooperative participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment 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 not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (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 the 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 Cooperative. State contributions are intended to match contributions to THIS Fund from active members which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$75,677, and the Cooperative recognized revenues and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. For these years, state contributions on behalf of Cooperative employees were \$91,945 and \$83,365, respectively.

Employer Contributions to THIS Fund. The Cooperative also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014 and 0.69 and 0.66 percent during the years ended June 30, 2013 and 2012, respectively. For the years ended June 30, 2014, 2013 and 2012 the Cooperative paid \$56,172, \$68,958 and \$62,523 to the THIS Fund, respectively, which was 100 percent of the required contribution for those years.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The 2014 and 2013 reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

COOPERATIVE ASSOCIATION FOR SPECIAL EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Retirees' Health Plan

The Cooperative administers a single-employer defined benefit healthcare plan ("the Retirees' Health Plan"). The plan provides health insurance contributions for eligible retirees and their eligible dependents through the Cooperative's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their dependents receive healthcare insurance, at established contribution rates, for specified periods of time. The Retirees' Health Plan does not issue a publicly available financial report.

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the board and the union. The retiree is responsible for paying the full monthly premium. However, the Cooperative provides an annual reimbursement toward the premium cost at established rates. Effective August, 2009, the Cooperative will provide an annual stipend of \$2,700 toward substantiated health insurance for 6 years. Retirees prior to August, 2009 receive \$2,400 annually for 5 years. IMRF retirees are offered access to the active plan, where premiums are wholly paid by the retiree. Executive Directors receive 100% C.A.S.E.-paid benefits - including family coverage - on the Cooperative's health plan for a period of 5 years after retirement. For fiscal year 2014, the Cooperative contributed \$15,089 to the plan.

The Cooperative's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Cooperative's annual OPEB cost for the year, the amount actually contributed to the Retirees' Health Plan, and changes in the Cooperative's net OPEB obligation to the Retirees' Health Plan:

Annual required contribution	\$ 85,896
Interest on net OPEB obligation	18,662
Adjustment to annual required contribution	<u>(23,695)</u>
Annual OPEB cost	80,863
Contributions made	<u>(15,089)</u>
Increase in net OPEB obligation (asset)	65,774
Net OPEB Obligation (Asset) - Beginning of Year	<u>373,246</u>
Net OPEB Obligation (Asset) - End of Year	<u>\$ 439,020</u>

COOPERATIVE ASSOCIATION FOR SPECIAL EDUCATION
 NOTES TO BASIC FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

The Cooperative's annual OPEB cost, the percentage of annual OPEB cost contributed to the Retirees' Health Plan, and the net OPEB obligation for June 30, 2014 and the two preceding years are as follows:

<i>Fiscal Year Ended</i>	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2014	\$ 80,863	18.66 %	\$ 439,020
June 30, 2013	123,188	27.43 %	373,246
June 30, 2012	118,931	28.41 %	283,845

The funded status of the Retirees' Health Plan as of July 1, 2013, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 662,854
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 662,854
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 13,562,165
UAAL as a percentage of covered payroll	4.89%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan is understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 5 percent investment rate of return and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after six years. Both rates include a 2 percent inflation assumption. The actuarial value of the Retirees' Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The Retirees' Health Plan's unfunded actuarial accrued liability is being amortized as a level of percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2014 is 30 years.

NOTE 7 - RETIREMENT SYSTEMS

The retirement plans of the Cooperative include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the Cooperative. IMRF is funded through property taxes and a perpetual lien of the Cooperative's corporate personal property replacement tax. Each retirement system is discussed below.

Teachers' Retirement System

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

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

TRS members include all active nonannuitants that are employed by a TRS-covered employer to provide services for which teacher licensure is required. The active member contribution rate for the year ended June 30, 2014 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 the employees by the employer, are submitted to TRS by the Cooperative. The active member contribution rate was also 9.4 percent for the years ended June 30, 2013 and 2012.

On Behalf Contributions. The State of Illinois also makes contributions directly to TRS on behalf of the Cooperative's TRS-covered employees. For the year ended June 30, 2014, State of Illinois contributions were based on 35.41 percent of creditable earnings not paid from federal funds, and the Cooperative recognized revenue and expenditures of \$2,762,584 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2013 and 2012, the State of Illinois contributions rates as percentages of creditable earnings not paid from federal funds were 28.05 percent (\$2,803,304) and 24.91 percent (\$2,359,438), respectively.

The Cooperative makes other types of employer contributions directly to TRS:

COOPERATIVE ASSOCIATION FOR SPECIAL EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 7 - RETIREMENT SYSTEMS - (CONTINUED)

2.2 Formula Contributions. For the years ended June 30, 2014, 2013 and 2012, the Cooperative contributed 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for those years were \$45,250, \$57,965 and \$54,945, respectively.

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

For the year ended June 30, 2014, the employer pension contribution was 35.41 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2013 and 2012, the employer pension contribution was 28.05 and 24.91 percent of salaries paid from those funds, respectively. For the years ended June 30, 2014 and 2013, no salaries were paid from federal and special trust funds and there were no required employer contributions. For the year ended June 30 2012, required Cooperative contributions were \$346.

Early Retirement Option. The Cooperative 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 146.5 percent and applies when the member is age 55 at retirement. For the year ending June 30, 2014, the Cooperative paid \$79,873 to TRS for Cooperative contributions under the ERO program. For the year ended June 30, 2013, the Cooperative was not required to make payments to TRS for the ERO program. For the year ended June 30, 2012, the Cooperative paid \$77,227 in ERO contributions.

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, 2014, the Cooperative paid \$720 to TRS for employer contributions due on salary increases in excess of 6 percent. For the year ended June 30, 2013, the Cooperative was not required to make contributions to TRS for salary increases in excess of 6 percent. For the year ended June 30, 2012, the Cooperative paid \$3,791 to TRS for employer contributions due on salary increases in excess of 6 percent.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.29 percent of salary during the year ended June 30, 2014). For the year ended June 30, 2014, the Cooperative paid \$654 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2013 and 2012, the Cooperative did not grant sick leave days in excess of the normal annual allotment.

Further Information on TRS. TRS financial information, an explanation of TRS's 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, 2013. The report for the year ended June 30, 2014, is expected to be available in late 2014.

COOPERATIVE ASSOCIATION FOR SPECIAL EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 7 - RETIREMENT SYSTEMS - (CONTINUED)

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 website at <http://trs.illinois.gov>.

Illinois Municipal Retirement Fund

Plan Description. The Cooperative'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 Cooperative's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, Cooperative employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the Cooperative to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Cooperative's contribution rate for calendar year 2013 was 11.82 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2013 was 11.82 percent. The Cooperative 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 and Net Pension Obligation. The Cooperative's required contribution for calendar year 2013 was \$375,724. The Cooperative's annual pension cost, percentage of annual pension cost contributed, and net pension obligation for for the current year and each of the two preceding years were as follows:

<i>Fiscal Year Ended</i>			
	Percentage of Annual Pension Cost	Annual Pension Cost	Net Pension Obligation
June 30, 2014	100 %	\$ 375,724	-
June 30, 2013	100 %	345,913	-
June 30, 2012	100 %	310,159	-

The required contribution for fiscal year 2014 was determined as part of the December 31, 2011, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.50% 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 Cooperative plan assets was determined using techniques that smooth 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 Cooperative's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 10 year basis.

NOTE 7 - RETIREMENT SYSTEMS - (CONTINUED)

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 83.66 percent funded. The actuarial accrued liability for benefits was \$5,106,809 and the actuarial value of assets was \$4,272,233, resulting in an underfunded actuarial accrued liability (UAAL) of \$834,576. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$3,178,717 and the ratio of the UAAL to the covered payroll was 26.00 percent.

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

NOTE 8 - STATE AND FEDERAL AID CONTINGENCIES

The Cooperative has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grants. Management believes such disallowance, if any, would be immaterial.

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Statement of Revenues Received/Revenues, Expenses/Revenues, Other	
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INSTRUCTIONS/REQUIREMENTS: For School Districts/Agreements

All School Districts/Agreements must complete this form (Note: joint agreement supplemental/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 1, 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 "Options & Notes". These documents include: The Audit, Management letters, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Options & 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 Superintendents' office no later than October 15, annually.
3) Upon receipt, the Regional Superintendents' 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 Auditing Standards" were utilized. Single Audit Act A-133

Qualifications of Auditing Firm

School District/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.

PART A - FINDINGS

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.

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 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 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.

AUDITOR'S QUESTIONNAIRE

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 (Acct 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. In FY2014, identify those late payments recorded as Intergovernmental Receivables, Other Current Liabilities or Direct Receipts/Revenue. Payments should only be listed once.

23. Enter the date that the district used to accrue mandated categorical payments
Date: 8/30/2014

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
Deferred Revenues (490)						
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						
Direct Receipts/Revenue						
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						
Total						1,633,003

* 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:

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.

Baker Tilly Vitkov Kraus, LLP
Name of Audit Firm (print)

Signature
James Whitte

mm/dd/yyyy
10/14/2014

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61
FINANCIAL PROFILE INFORMATION																																																													
<i>Required to be completed for School Districts only.</i>																																																													
A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)																																																													
Tax Year 2013																																																													
Equalized Assessed Valuation (EAV):																																																													
0																																																													
B. Results of Operations *																																																													
* 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.																																																													
<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">Receipts/Revenues</td> <td style="width: 25%;">19,436,774</td> <td style="width: 25%;">Disbursements/Expenditures</td> <td style="width: 25%;">19,662,358</td> </tr> <tr> <td>Excess/(Deficiency)</td> <td>(225,584)</td> <td>Fund Balance</td> <td>4,425,923</td> </tr> </table>																															Receipts/Revenues	19,436,774	Disbursements/Expenditures	19,662,358	Excess/(Deficiency)	(225,584)	Fund Balance	4,425,923																							
Receipts/Revenues	19,436,774	Disbursements/Expenditures	19,662,358																																																										
Excess/(Deficiency)	(225,584)	Fund Balance	4,425,923																																																										
C. Short-Term Debt **																																																													
** The numbers shown are the sum of entries on page 25.																																																													
<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">CPRT Notes</td> <td style="width: 25%;">0</td> <td style="width: 25%;">TAWs</td> <td style="width: 25%;">0</td> </tr> <tr> <td>Other</td> <td>0</td> <td>TANs</td> <td>0</td> </tr> <tr> <td></td> <td></td> <td>TO/MP, Orders</td> <td>0</td> </tr> <tr> <td></td> <td></td> <td>GSA Certificates</td> <td>0</td> </tr> <tr> <td colspan="4" style="text-align: center;">Total</td> </tr> <tr> <td colspan="4" style="text-align: center;">0 = 0</td> </tr> </table>																															CPRT Notes	0	TAWs	0	Other	0	TANs	0			TO/MP, Orders	0			GSA Certificates	0	Total				0 = 0										
CPRT Notes	0	TAWs	0																																																										
Other	0	TANs	0																																																										
		TO/MP, Orders	0																																																										
		GSA Certificates	0																																																										
Total																																																													
0 = 0																																																													
D. Long-Term Debt																																																													
Check the applicable box for long-term debt allowance by type of district.																																																													
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">a. 6.9% for elementary and high school districts.</td> <td style="width: 50%;">0</td> </tr> <tr> <td>b. 13.8% for unit districts.</td> <td>0</td> </tr> </table>																															a. 6.9% for elementary and high school districts.	0	b. 13.8% for unit districts.	0																											
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b. 13.8% for unit districts.	0																																																												
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Long-Term Debt Outstanding:</td> <td style="width: 50%;">0</td> </tr> <tr> <td>c. Long-Term Debt (Principal only)</td> <td>0</td> </tr> <tr> <td>Outstanding:</td> <td>511</td> </tr> <tr> <td>Acct</td> <td>0</td> </tr> </table>																															Long-Term Debt Outstanding:	0	c. Long-Term Debt (Principal only)	0	Outstanding:	511	Acct	0																							
Long-Term Debt Outstanding:	0																																																												
c. Long-Term Debt (Principal only)	0																																																												
Outstanding:	511																																																												
Acct	0																																																												
E. Material Impact on Financial Position																																																													
If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods. Attach sheets as needed explaining each item checked.																																																													
<ul style="list-style-type: none"> Pending Litigation Material Decrease in EAV Material Increase/Decrease in Enrollment Adverse Arbitration Ruling Passage of Referendum Taxes Filed Under Protest Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB) Other Ongoing Concerns (Describe & Itemize) 																																																													
<i>Comments:</i>																																																													

ESTIMATED FINANCIAL PROFILE SUMMARY
 (Go to the following website for reference to the Financial Profile)
www.isbe.net/sfrms/pj/profile.htm

District Name: Cooperative Association for Special Education
District Code: 19-022-0150-61
County Name: DuPage

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1																	
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* 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.

Estimated 2015 Financial Profile Designation:

#DIV/0!

Percent #DIV/0!

#DIV/0! *

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 4,425,923.00 **Ratio** 0.228 **Score** 0.35
 19,436,774.00 **Weight** 1.05
 0.00

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 19,662,358.00 **Ratio** 1.012 **Score** 3
 19,436,774.00 **Adjustment** 0
 0.00 **Weight** 0.35
 Value 1.05

3. Days Cash on Hand:
 Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & O5, 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 2,277,164.00 **Days** 41.69 **Score** 2
 54,617.66 **Weight** 0.10
 0.20

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 **Percent #DIV/0!** **Score** 0.10
 0.00 **Weight** #DIV/0!

5. Percent of Long-Term Debt Margin Remaining:
 Long-Term Debt Outstanding (P3, Cell H37)
 Total Long-Term Debt Allowed (P3, Cell H31)

Total 0.00 **Percent #DIV/0!** **Score** 0.10
 0.00 **Weight** #DIV/0!

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2014

	A	B	C	D	E	F	G	H	I	J	K
	ASSETS	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)
3	CURRENT ASSETS (100)										
4	Cash (Accounts 111 through 115) 1	120	2,277,164	0	0	0	0	0	0	0	0
5	Investments	130	0	0	0	0	0	0	0	0	0
6	Taxes Receivable	140	0	0	0	0	0	0	0	0	0
7	Interfund Receivables	150	0	0	0	0	0	0	0	0	0
8	Intergovernmental Accounts Receivable	160	2,447,871	0	0	0	0	0	0	0	0
9	Other Receivables	170	0	0	0	0	0	0	0	0	0
10	Inventory	180	0	0	0	0	0	0	0	0	0
11	Prepaid Items	190	0	0	0	0	0	0	0	0	0
12	Other Current Assets (Describe & Itemize)		0	0	0	0	0	0	0	0	0
13	Total Current Assets		4,725,035	0	0	0	0	0	0	0	0
14	CAPITAL ASSETS (200)										
15	Works of Art & Historical Treasures	210									
16	Land	220									
17	Building & Building Improvements	230									
18	Site Improvements & Infrastructure	240									
19	Capitalized Equipment	250									
20	Construction in Progress	260									
21	Amount Available in Debt Service Funds	340									
22	Amount to be Provided for Payment on Long-Term Debt	350									
23	Total Capital Assets										
24	CURRENT LIABILITIES (400)										
25	Interfund Payables	410	0	0	0	0	0	0	0	0	0
26	Intergovernmental Accounts Payable	420	0	0	0	0	0	0	0	0	0
27	Other Payables	430	109,556	0	0	0	0	0	0	0	0
28	Contracts Payable	440	0	0	0	0	0	0	0	0	0
29	Loans Payable	460	0	0	0	0	0	0	0	0	0
30	Salaries & Benefits Payable	470	0	0	0	0	0	0	0	0	0
31	Payroll Deductions & Withholdings	480	189,556	0	0	0	0	0	0	0	0
32	Deferred Revenues & Other Current Liabilities	490	0	0	0	0	0	0	0	0	0
33	Due to Activity Fund Organizations	493	0	0	0	0	0	0	0	0	0
34	Total Current Liabilities		299,112	0	0	0	0	0	0	0	0
35	LONG-TERM LIABILITIES (500)										
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
37	Total Long-Term Liabilities										
38	Reserved Fund Balance	714	0	0	0	0	0	0	0	0	0
39	Unreserved Fund Balance	730	4,425,923	0	0	0	0	0	0	0	0
40	Investment in General Fixed Assets										
41	Total Liabilities and Fund Balance		4,725,035	0	0	0	0	0	0	0	0

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2014

A	B	L	M		N
			General Fixed Assets	General Long-Term Debt	
1					
2					
3					
4					
5					
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BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2014

A	B	C	D	E	F	G	H	I	J	K
1										
2										
3	RECEIPTS/REVENUES									
4	Local Sources	1000	12,921,333	0	0	0	0	0	0	0
5	Flow-Through Receipts/Revenues from One District to Another District	2000	229,823	0	0	0	0	0	0	0
6	State Sources	3000	1,593,002	0	0	0	0	0	0	0
7	Federal Sources	4000	4,752,616	0	0	0	0	0	0	0
8	Total Direct Receipts/Revenues		19,436,774	0	0	0	0	0	0	0
9	Receipts/Revenues for "On Behalf" Payments ²		2,838,261	0	0	0	0	0	0	0
10	Total Receipts/Revenues		22,275,035	0	0	0	0	0	0	0
11	DISBURSEMENTS/EXPENDITURES									
12	Instruction	1000	6,792,859	0	0	0	0	0	0	0
13	Support Services	2000	12,725,974	0	0	0	0	0	0	0
14	Community Services	3000	31,779	0	0	0	0	0	0	0
15	Payments to Other Districts & Governmental Units	4000	111,746	0	0	0	0	0	0	0
16	Debt Service	6000	0	0	0	0	0	0	0	0
17	Total Direct Disbursements/Expenditures		19,662,358	0	0	0	0	0	0	0
18	Disbursements/Expenditures for "On Behalf" Payments ²		2,838,261	0	0	0	0	0	0	0
19	Total Disbursements/Expenditures		22,500,619	0	0	0	0	0	0	0
20	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		(225,584)	0	0	0	0	0	0	0
21	OTHER SOURCES/USES OF FUNDS									
22	OTHER SOURCES OF FUNDS (7000)									
23	PERMANENT TRANSFER FROM VARIOUS FUNDS									
24	Abolishment of the Working Cash Fund ¹²	7110	0	0	0	0	0	0	0	0
25	Abatement of the Working Cash Fund ¹²	7110	0	0	0	0	0	0	0	0
26	Transfer of Working Cash Fund Interest	7120	0	0	0	0	0	0	0	0
27	Transfer Among Funds	7130	0	0	0	0	0	0	0	0
28	Transfer of Interest	7140	0	0	0	0	0	0	0	0
29	Transfer from Capital Project Fund to O&M Fund	7150	0	0	0	0	0	0	0	0
30	Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160	0	0	0	0	0	0	0	0
31	Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	7170	0	0	0	0	0	0	0	0
32	SALE OF BONDS (7200)									
33	Principal on Bonds Sold	7210	0	0	0	0	0	0	0	0
34	Premium on Bonds Sold	7220	0	0	0	0	0	0	0	0
35	Accrued Interest on Bonds Sold	7230	0	0	0	0	0	0	0	0
36	Sale or Compensation for Fixed Assets ⁶	7300	0	0	0	0	0	0	0	0
37	Transfer to Debt Service to Pay Principal on Capital Leases	7400	0	0	0	0	0	0	0	0
38	Transfer to Debt Service to Pay Interest on Capital Leases	7500	0	0	0	0	0	0	0	0
39	Transfer to Debt Service to Pay Principal on Revenue Bonds	7600	0	0	0	0	0	0	0	0
40	Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700	0	0	0	0	0	0	0	0
41	Transfer to Capital Projects Fund	7800	0	0	0	0	0	0	0	0
42	ISBE Loan Proceeds	7900	0	0	0	0	0	0	0	0
43	Other Sources Not Classified Elsewhere	7990	0	0	0	0	0	0	0	0
44	Total Other Sources of Funds		0	0	0	0	0	0	0	0
45	OTHER USES OF FUNDS (8000)									
46	PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (8100)									
47	Abolishment or Abatement of the Working Cash Fund ¹²		8110	0	0	0	0	0	0	0

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2014

A	B	C	D	E	F	G	H	I	J	K
1										
2	Transfer of Working Cash Fund Interest ¹²	8120								
48	Transfer Among Funds	8130	0	0						
49	Transfer of Interest	8140	0	0						
50	Transfer from Capital Project Fund to O&M Fund	8150								
51	Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund ⁴	8160								0
52	Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	8170								0
53	Taxes Pledged to Pay Principal on Capital Leases	8410								
54	Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420								
55	Other Revenues Pledged to Pay Principal on Capital Leases	8430								
56	Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440	0	0						
57	Taxes Pledged to Pay Interest on Capital Leases	8510								
58	Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520								
59	Other Revenues Pledged to Pay Interest on Capital Leases	8530								
60	Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540	0	0						
61	Taxes Pledged to Pay Principal on Revenue Bonds	8610								
62	Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620								
63	Other Revenues Pledged to Pay Principal on Revenue Bonds	8630								
64	Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640	0	0						
65	Taxes Pledged to Pay Interest on Revenue Bonds	8710								
66	Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720								
67	Other Revenues Pledged to Pay Interest on Revenue Bonds	8730								
68	Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740	0	0						
69	Taxes Transferred to Pay for Capital Projects	8810								
70	Grants/Reimbursements Pledged to Pay for Capital Projects	8820								
71	Other Revenues Pledged to Pay for Capital Projects	8830								
72	Fund Balance Transfers Pledged to Pay for Capital Projects	8840	0	0						
73	Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910	0	0						
74	Other Uses Not Classified Elsewhere	8990	0	0						
75	Total Other Uses of Funds		0	0						
76	Total Other Sources/Uses of Funds									
77	Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds		(225,584)	0						
78	Fund Balances - July 1, 2013		4,651,507	0						
79	Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)									
80	Fund Balances - June 30, 2014		4,425,923	0						
81										

A

B

C

D

E

REPORT ON SHARED SERVICES OR OUTSOURCING

School Code, Section 17-1.1 (Public Act 97-0357)

Fiscal Year Ending June 30, 2014

Cooperative Association for Special
19-022-0150-61

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.isde.net/sfms/sfmr.htm>.

		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
8	<input type="checkbox"/> Check if the schedule is not applicable.				
9	Indicate with an (X) if Deficit Reduction Plan is Required for Annual Budget ➔				
10	Service or Function (Check all that apply)			Barriers to Implementation	(Limit to 200 characters. For additional space, use lines 33 and 39)
11	Curriculum Planning				
12	Custodial Services				
13	Educational Shared Programs				Educational Benefit Cooperative
14	Employee Benefits	X	X		Illinois Energy Consortium
15	Energy Purchasing	X	X		Marquardt School District 15
16	Food Services	X	X		
17	Grant Writing				
18	Grounds Maintenance Services				
19	Insurance	X	X		SSCIP, SELF
20	Investment Pools	X	X		Illinois School District Liquid Asset Fund
21	Legal Services	X	X		Outsourced
22	Maintenance Services				
23	Personnel Recruitment				
24	Professional Development	X	X		Glenbard Township High School District 87
25	Shared Personnel	X	X		All seven CASE member districts
26	Special Education Cooperatives				
27	STEM (science, technology, engineering and math) Program Offerings				
28	Supply & Equipment Purchasing				
29	Technology Services				
30	Transportation				
31	Vocational Education Cooperatives				
32	All Other Joint/Cooperative Agreements				
33	Other				
34					
35	Additional space for Column (D) - Barriers to Implementation:				
36					
37					
38					
40	Additional space for Column (E) - Name of LEA:				
41					
42					
43					

	A	B	C	D	E
5	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/sfms/aifr.htm .				
44					

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

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

School District Name: Cooperative Association for Special Edu.
 RCDT Number: 19-022-0150-61

Description	Funct. No.	Actual Expenditures, Fiscal Year 2014		Budgeted Expenditures, Fiscal Year 2015	
		(10) Educational Fund	(20) Operations & Maintenance Fund	(10) Educational Fund	(20) Operations & Maintenance Fund
				Total	Total
1. Executive Administration Services	2320	1,197,774	0	1,197,774	0
2. Special Area Administration Services	2330	0	0	0	0
3. Other Support Services - School Administration	2490	0	0	0	0
4. Direction of Business Support Services	2510	704,262	0	704,262	0
5. Internal Services	2570	0	0	0	0
6. Direction of Central Support Services	2610	73,841	0	73,841	0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.				0	0
8. Totals		1,975,877	0	1,975,877	0
9. Percent Increase (Decrease) for FY2015 (Budgeted) over FY2014 (Actual)					Enter Budget Data

CERTIFICATION

I certify that the amounts shown above as "Actual Expenditures, Fiscal Year 2014" agree with the amounts on the district's Annual Financial Report for Fiscal Year 2014. I also certify that the amounts shown above as "Budgeted Expenditures, Fiscal Year 2015" 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 15, 2014 to ensure inclusion in the Fall 2014 report, postmarked by January 16, 2015 to ensure inclusion in the Spring 2014 report, or postmarked by August 14, 2015 to ensure inclusion in the Fall 2015 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.