BRADLEY SCHOOL DISTRICT NO. 61

Annual Financial Report

As of and for the Year Ended
June 30, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Bradley School District No. 61
111 North Crosswell Avenue
Bradley, Illinois 60915

Report on Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Bradley School District No. 61, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Bradley School District No. 61's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion on Governmental Activities

Management has not obtained an actuarial valuation of its other postemployment benefit (OPEB) plan as of June 30, 2014, and accordingly, has not recorded any OPEB-related expenses, liabilities, and has not presented the note disclosures for the year ended June 30, 2014. Accounting principles generally accepted in the United States of America require the District to obtain an actuarial valuation at least biennially. The amount by which this departure would affect the assets, net position, and revenues of the governmental activities has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of the governmental activities of Bradley School District No. 61 as of June 30, 2014, and the changes in modified cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of each major fund, and the aggregate remaining fund information of Bradley School District No. 61 as of June 30, 2014, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the District's basic financial statements. The other supplementary information on pages 39 to 63 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Office of Management and Budget Circular A133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The other supplementary information on pages 38 to 62 and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to 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, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2014 on our consideration of Bradley School District No. 61's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bradley School District No. 61's internal control over financial reporting and compliance.

Smith, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
September 22, 2014

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INDEPENDENT AUDITOR'S 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*

To the Board of Education
Bradley School District No. 61
111 North Crosswell Avenue
Bradley, Illinois 60915

We have audited, 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, the modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Bradley School District No. 61, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Bradley School District No. 61's basic financial statements and have issued our report thereon dated September 22, 2014. Our opinion on the government activities was qualified because the District omitted post-employment benefit information for June 30, 2014. Our opinions on each major fund and aggregate remaining fund information were unmodified.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bradley School District No. 61's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness: 2014-001

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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*.

Bradley School District No. 61's Response to Finding

Bradley School District No. 61's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Smith, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
September 22, 2014

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Education
Bradley School District No. 61
111 North Crosswell Avenue
Bradley, Illinois 60915

Report on Compliance for Each Major Federal Program

We have audited Bradley School District No. 61's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Bradley School District No. 61's major federal programs for the year ended June 30, 2014. Bradley School District No. 61's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance 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, 2014.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, 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 the District'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 a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weakness or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Smith, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
September 22, 2014

Our discussion and analysis of Bradley School District No. 61's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the School District's financial statements, which begin on page 14.

FINANCIAL HIGHLIGHTS

- As of June 30, 2014, the District had assets of $26,288,925 and liabilities of $3,245,972. The resulting net position for the year was $23,042,953.

- The total net position of the District decreased by $143,576 during fiscal year 2014, from $23,186,529 in fiscal year 2013.

- Fund balance of all of the District's funds decreased by $1,454,975, resulting in an ending fund balance of $5,866,711. The decrease is largely the result of the completion of a construction project at Bradley East Elementary School.

- Fund balance of the District's operating funds (Educational, Operations & Maintenance, Transportation, and Working Cash) decreased by $1,499,830 resulting in an ending fund balance of $5,741,916. Again, this decrease is largely the result of the completion of a construction project at Bradley East Elementary School.

- During fiscal year 2014, the District had direct operating fund expenditures (Educational, Operations & Maintenance, Transportation, and Working Cash) of $17,185,571. This amount exceeded direct operating fund revenues (funds generated through property tax collections, State, Federal, and other local revenue, etc.) of $15,777,395 by $1,408,176. Other financing sources and uses totaled $50,949 which was for the sale of technology equipment.

- When comparing current and prior fiscal year operating fund revenues and expenditures, these figures represent an approximate 4.39% increase in revenues, and an approximate 6.45% increase in expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities – Modified Cash Basis – provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the district's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities – Modified Cash Basis

Our analysis of the District as a whole begins on page 14. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities – Modified Cash Basis – report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *modified cash basis of accounting*, which is a basis of accounting other than generally accepted in the United States of America. Revenues are recorded when received and expenditures are recorded when paid.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or *financial position*. Over time, increases or decreases in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base and the annual attendance of the District, to assess the overall *health* of the District.

The Statement of Net Position and the Statement of Activities – Modified Cash Basis – provide perspective of the District as a whole.

* Governmental activities – Most of the District's basic services are reported here, including instruction, transportation, employee benefits, and plant operations and maintenance. Property taxes, user fees, and state and federal grants finance most of these activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's Governmental Funds begins on page 16. The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Education).

* Governmental Funds – Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified cash basis accounting, which is a basis of accounting other than generally accepted in the United States of America. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations on pages 17 and 19.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its employees' medical plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 20 and 21. We exclude these activities from the Districts' other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

The District's combined net position decreased $143,576. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

Table 1
Net Position

	2014	2013
Assets:		
Cash	$ 2,667,383	$ 3,388,848
Investments	3,199,043	3,933,816
Capital assets, net of accumulated depreciation	20,422,499	19,378,851
Total Assets	$26,288,925	$26,701,515
Liabilities:		
Current	$ (285)	$ 268,729
Long-term	3,246,257	3,246,257
Total Liabilities	3,245,972	3,514,986
Net Position:		
Net investment in capital assets	17,176,242	18,794,844
Restricted for:		
Debt service	62,402	29,736
Capital projects	250,000	-
Other purposes	62,393	50,204
Unrestricted	5,491,916	4,311,745
Total Net Position	23,042,953	23,186,529
Total Liabilities and Net Position	$26,288,925	$26,701,515

Net position of the District's governmental activities decreased by 0.62%. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, were $5.5 million this year.

Table 2
Changes in Net Position

	2014	2013
Program Revenues:		
Charges for services	$ 346,853	$ 283,518
Operating grants	5,904,588	5,337,515
Capital grants	250,000	-
Total Program Revenues	6,501,441	5,621,033
General Revenues:		
Property taxes	8,163,467	7,882,796
Replacement taxes	408,076	389,374
Investment earnings	23,947	26,816
Grants	4,132,390	3,997,745
Impact fees	14,900	-
Gain (loss) on sale of assets	(173,068)	56,812
Miscellaneous	40,066	100,299
Total Revenues Collected	19,111,219	18,074,875
Expenditures Disbursed:		
Instruction	11,902,502	11,569,600
Support services	5,697,576	5,495,379
Payments to other districts/governmental units	622,273	584,727
Interest expense	94,455	66,202
Unallocated depreciation	937,989	914,686
Total Expenditures Disbursed	19,254,795	18,630,594
Net increase (decrease)	(143,576)	(555,719)
Beginning net position	23,186,529	23,742,248
Ending net position	$23,042,953	$23,186,529

Governmental Activities

The cost of all governmental activities this year was approximately $19.2 million. As shown in the Statement of Activities on page 15, the amount that our taxpayers ultimately financed for these activities through taxes was about $8.6 million. The cost paid on behalf of those who directly benefited from the programs was about $0.35 million, and other governments and organizations that subsidized certain programs with grants and contributions accounted for about $10 million. The remaining costs were paid from accumulated net position.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the governmental funds balance sheet on page 16) reported a combined fund balance of $5.87 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2014, the District had $20.4 million invested in a broad range of capital assets, including equipment, buildings, and land. More detailed information about the District's capital assets is presented in Note 5 to the financial statements.

Table 3
Capital Assets at Year-End

	2014	2013
Land	$ 984,531	$ 984,531
Construction in progress	-	67,078
Buildings	16,829,796	15,322,132
Temporary buildings	369,892	388,310
Improvements	867,467	855,098
Equipment	1,370,813	1,761,702
Total Capital Assets	$20,422,499	$19,378,851

Capital asset values are reported net of accumulated depreciation. Unallocated depreciation expense for the year was $937,989.

Debt

At year-end, the District had $3,246,257 in bonds and capital leases outstanding.

Table 4
Outstanding Debt at Year-End

	2014	2013
School bonds	$3,095,000	$3,225,000
Capital leases	151,257	289,008
	$3,246,257	$3,514,008

The State limits the amount of general obligation debt that the District can issue to 6.9% of the assessed value of all taxable property within the District limits. The District's outstanding general obligation debt is significantly below this $14.4 million state-imposed limit. More detailed information about the District's long-term liabilities is presented in note 3 to the financial statements.

General Fund Budgeting Highlights

The School District's budget is prepared according to Illinois law and is based on accounting for certain transactions on the cash basis of accounting.

While the District's budget for the General (Educational) Fund anticipated direct expenditures exceeding direct revenues by $351,037, the actual variance was an excess of $48,779. This variance is largely the result of the unexpected receipt of some State categorical grant funds. Additionally, continued measures toward conservative spending remained high-priority as the goal of minimizing deficiency as much as possible is kept in focus.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect financial operations in the future:

- The largest segment of the District's revenues comes from property taxes. As a District impacted by the Property Tax Extension Limitation Law (PTELL), requests for property tax increases are limited to the lesser of the consumer price index (CPI) or five percent. The result is expenditure growth that often outpaces property tax revenue growth. Looking forward to the next two budget years, the CPI for 2012 (which impacts the 2014-2015 budget) is 1.7% and the CPI for 2013 (which impacts the 2015-2016 budget) is 1.5%.

- The uncertainty of funding at the State level continues to be of concern for the District. Funding for General State Aid will be prorated at 89.1% of the actual entitlement for fiscal year 2015. The result is a loss of entitlement equal to $524,067. Additionally, transportation funding remains prorated at less than 75%. Lastly, the permanency of the temporary income tax increase remains in question, and the result of that increase being allowed to sunset is widely debated. The District does not anticipate this uncertainty to resolve itself in the near future and management continues toward the goal of minimizing deficiency as much as possible.

- Going forward, the District is anticipating meager (near 1.0%) overall growth in revenues in years to come.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance and Business Operations, Bradley School District No. 61, 111 North Crosswell Avenue, Bradley, Illinois 60915.

Bradley School District No. 61
Statement of Net Position-Modified Cash Basis
June 30, 2014

	Governmental Activities
Assets	
Cash	$ 2,667,383
Investments	3,199,043
Capital assets, net of accumulated depreciation	20,422,499
Total assets	26,288,925
Liabilities	
Payroll deductions and withholdings	(285)
Noncurrent liabilities:	
Bonds payable - due within one year	165,000
Bonds payable - due in more than one year	2,930,000
Capital lease payable - due within one year	49,473
Capital lease payable - due in more than one year	101,784
Total noncurrent liabilities	3,246,257
Total liabilities	3,245,972
Net Position	
Net investment in capital assets	17,176,242
Restricted for:	
Debt service	62,402
Capital projects	250,000
Other purposes	62,393
Unrestricted	5,491,916
Total net position	$ 23,042,953

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Statement of Activities-Modified Cash Basis
For the year ended June 30, 2014

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities					
Instruction:					
Regular programs	$ 5,768,908	$ 40,719	$ 278,323	$ -	$ (5,449,866)
Pre-K programs	403,464	-	-	-	(403,464)
Special education programs	2,884,563	158,554	1,399,114	-	(1,326,895)
Other instructional programs	757,619	4,573	655,887	-	(97,159)
State retirement contributions	2,710,221	-	2,710,221	-	-
Support services:					
Pupils	864,283	-	56,908	-	(807,375)
Instructional staff	567,077	-	-	-	(567,077)
General administration	786,264	-	-	-	(786,264)
School administration	790,791	-	-	-	(790,791)
Business	783,741	142,089	449,016	-	(192,636)
Transportation	467,737	-	355,119	-	(112,618)
Operation and maintenance	1,173,025	918	-	250,000	(922,107)
Central	43,188	-	-	-	(43,188)
Community services	221,470	-	-	-	(221,470)
Interest and fees	94,455	-	-	-	(94,455)
Depreciation expense-unallocated	937,989	-	-	-	(937,989)
Total governmental activities	$19,254,795	$ 346,853	$ 5,904,588	$ 250,000	(12,753,354)
General revenues:					
Taxes:					
Property taxes					8,163,467
Corporate personal property replacement taxes					408,076
State grants					4,132,390
Impact fees					14,900
Investment income					23,947
Gain (loss) on sale of assets					(173,068)
Miscellaneous					40,066
Total general revenues					12,609,778
Change in net position					(143,576)
Net position - beginning					23,186,529
Net position - ending					$ 23,042,953

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Governmental Funds
Balance Sheet-Modified Cash Basis
June 30, 2014

	General (Educational) Fund	Operations and Maintenance	Transportation	Working Cash	Total Non-major Funds	Total Governmental Funds
Assets:						
Cash	$ 414,652	$ 468,176	$ 591,033	$ 1,068,709	$ 124,813	$ 2,667,383
Investments	3,141,043	8,000	25,000	25,000	-	3,199,043
Other	-	-	1,300	-	-	1,300
Total assets	$ 3,555,695	$ 476,176	$ 617,333	$ 1,093,709	$ 124,813	$ 5,867,726
Liabilities						
Payroll deductions and withholdings	$ 313	$ 684	$ -	$ -	$ 18	$ 1,015
Fund balances:						
Restricted for:						
Municipal retirement/social security	-	-	-	-	61,159	61,159
Debt service	-	-	-	-	62,402	62,402
Capital projects	-	250,000	-	-	-	250,000
Tort	-	-	-	-	1,234	1,234
Committed for:						
Working cash	-	-	-	1,093,709	-	1,093,709
Assigned:						
Operations and maintenance	-	225,492	-	-	-	225,492
Transportation	-	-	617,333	-	-	617,333
Unassigned	3,555,382	-	-	-	-	3,555,382
Total fund balances	3,555,382	475,492	617,333	1,093,709	124,795	5,866,711
Total liabilities and fund balances	$ 3,555,695	$ 476,176	$ 617,333	$ 1,093,709	$ 124,813	$ 5,867,726

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2014

Total fund balances - governmental funds	$	5,866,711
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds as assets		20,422,499
Long-term liabilities are not due and payable in the current period and therefore, are not reported as a fund liability in governmental funds		(3,246,257)
Net position of governmental activities	$	23,042,953

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances-Modified Cash Basis
For the year ended June 30, 2014

	Educational	Operations and Maintenance	Transportation	Working Cash	Total Non-Major Funds	Total Governmental Funds
Revenues:						
Local sources:						
Property taxes	$ 6,369,298	$ 774,559	$ 199,107	$ 78,770	$ 741,733	$ 8,163,467
Corporate personal property replacement taxes	362,576	-	-	-	45,500	408,076
Other	232,960	918	-	-	9,387	243,265
State sources	5,496,409	527,646	355,119	-	-	6,379,174
Federal sources	1,356,137	-	-	-	-	1,356,137
Investment income	20,463	2,556	98	779	51	23,947
Total revenues	13,837,843	1,305,679	554,324	79,549	796,671	16,574,066
Revenues for "on behalf" payments	2,710,221	-	-	-	-	2,710,221
Total revenues	16,548,064	1,305,679	554,324	79,549	796,671	19,284,287
Expenditures:						
Instruction:						
Regular programs	5,708,081	-	-	-	60,827	5,768,908
Pre-K Programs	386,192	-	-	-	17,272	403,464
Special education programs	2,136,386	-	-	-	125,904	2,262,290
Other instructional programs	725,704	-	-	-	31,915	757,619
Supporting services:						
Pupils	831,772	-	-	-	32,511	864,283
Instructional staff	530,988	-	-	-	36,089	567,077
General administration	774,930	-	-	-	11,334	786,264
School administration	743,252	-	-	-	47,539	790,791
Business	210,608	-	-	-	9,223	219,831
Transportation	-	-	421,493	-	46,244	467,737
Food	530,625	-	-	-	33,285	563,910
Operations and maintenance	221,684	875,850	-	-	75,491	1,173,025
Central	43,188	-	-	-	-	43,188
Community services	216,891	-	-	-	4,579	221,470
Payments to other districts/governmental units	622,273	-	-	-	-	622,273
Debt services:						
Principal	-	-	-	-	267,751	267,751
Interest	-	-	-	-	93,299	93,299
Other	-	-	-	-	1,156	1,156
Capital outlay	106,490	2,099,164	-	-	-	2,205,654
Total direct expenditures	13,789,064	2,975,014	421,493	-	894,419	18,079,990
Expenditures for "on behalf" payments	2,710,221	-	-	-	-	2,710,221
Total expenditures	16,499,285	2,975,014	421,493	-	894,419	20,790,211
Excess (deficiency) of revenues over expenditures	48,779	(1,669,335)	132,831	79,549	(97,748)	(1,505,924)
Other financing sources (uses):						
Abatement of working cash fund	-	500,000	-	(500,000)	-	-
Sale of equipment	50,949	-	-	-	-	50,949
Revenues pledged for capital lease payments	(52,347)	(90,256)	-	-	142,603	-
Total other financing sources (uses)	(1,398)	409,744	-	(500,000)	142,603	50,949
Net change in fund balance	47,381	(1,259,591)	132,831	(420,451)	44,855	(1,454,975)
Fund balance - beginning of year	3,508,001	1,735,083	484,502	1,514,160	79,940	7,321,686
Fund balance - end of year	$ 3,555,382	$ 475,492	$ 617,333	$ 1,093,709	$ 124,795	$ 5,866,711

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2014

Net change in fund balances - total governmental funds	$ (1,454,975)
Amounts reported for governmental activities in the statement of activities are different because:	
The payment/refunding of principal on long-term debt is reflected as an expense/other use on the fund level statements, but is reported as a reduction of liabilities on the entity wide statements	267,751
Depreciation on capital assets is not reflected on the fund level statements, but is reported as an expense on the entity wide statements	(937,989)
Proceeds from the sale of capital assets are reported as revenue on the fund level statements, but only the gain/loss on the sale is reported on the entity wide statements	(224,017)
The acquisition of capital assets is reported as an expense on the fund level statements, but is capitalized as an asset on the entity wide statements	2,205,654
Change in net positon of governmental activities - entity wide statements	$ (143,576)

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Statement of Fiduciary Net Position-Modified Cash Basis
June 30, 2014

	Medical Trust Fund	Agency Funds	Total
Assets			
Cash	$ 1,869,050	$ 54,197	$ 1,923,247
Investments	99,000	-	99,000
Total assets	1,968,050	54,197	2,022,247
Liabilities			
Due to activity fund organizations	-	54,197	54,197
Net Position			
Assets held in trust for medical claims	$ 1,968,050	$ -	$ 1,968,050

The accompanying notes are an integral part of the financial statements.

Bradley School District No. 61
Statement of Changes in Fiduciary Net Position-Modified Cash Basis
For the year ended June 30, 2014

	Medical Trust Fund
Additions	
District contributions	$2,211,414
Employee contributions	370,003
Retiree contributions	37,358
Investment income	1,040
Total additions	2,619,815
Deductions	
Medical benefits	1,883,777
Professional fees	542,380
Insurance benefits	27,325
Miscellaneous charges	3,176
Total deductions	2,456,658
Change in net position	163,157
Net position, beginning of the year	1,804,893
Net position, end of the year	$1,968,050

The accompanying notes are an integral part of the financial statements.

Note 1 – Summary of Significant Accounting Policies

Bradley School District No. 61 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type within the limitations of the modified cash basis of accounting. The following is a summary of the more significant accounting policies of the District:

Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by the Government Accounting Standards Board have been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

The District is a member of one joint agreement, the Kankakee Area Special Education Cooperative. There are nine school districts in this joint agreement. Each member district has a financial responsibility for annual and special agreements. Financial statements can be obtained from the administrative offices at 1 Stuart Drive, Kankakee, Illinois 60901.

The joint agreement has been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationship criteria; and is therefore excluded from the accompanying financial statements.

Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e, the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities", that is, activities normally supported by taxes and governmental revenues. The District has no operating activities that would be considered "business activities".

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) amounts paid by the recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Note 1 – Summary of Significant Accounting Policies

Governmental Funds Financial Statements

Governmental Funds financial statements are organized and operated on the basis of funds and are used to account for the District'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, liabilities, fund balance, revenues, and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental funds and fiduciary funds; the fiduciary funds are excluded from the government-wide financial statements.

Measurement Focus and Basis of Accounting

Measurement Focus

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

The government-wide financial statements and fiduciary funds are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

Governmental fund statements are reported using a "current financial resources" measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

The financial statements are presented using a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, capital assets and related depreciation and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

Note 1 – Summary of Significant Accounting Policies (Continued)

If the District utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide and fiduciary financials would be presented on the accrual basis of accounting.

Major Governmental Funds:

General Fund – (Educational Fund) the general operating fund of the District. It accounts for and reports all financial resources not accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

Operations and Maintenance Fund – accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund – accounts for all revenues and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Working Cash Fund – accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the General Fund and the Operations and Maintenance and Transportation Funds. Money loaned by the Working Cash Fund to other funds must be repaid within one year. As allowed by the School Code of Illinois, this fund may be permanently abolished and become a part of the General Fund or it may be partially abated to any other fund of the District.

Non-Major Funds:

Debt Service Fund – accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Municipal Retirement/Social Security Fund – accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Capital Projects Fund – accounts for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

Tort Fund – accounts for revenue levied for tort immunity purposes and the related expenditures.

Fire Prevention and Safety Fund – accounts for revenue levied for purposes of fire prevention, safety, energy conservation or school security and related expenditures.

Note 1 – Summary of Significant Accounting Policies (Continued)

Fiduciary Funds – account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These funds are custodial in nature and do not involve measurement of results of operations; therefore, they are not included in the governmental financial statements.

Agency Funds – include Student Activity Funds, Convenience Accounts and Other Trust and Agency Funds. 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 District 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 or cultural purposes. Convenience Accounts track and record assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

Medical Trust Fund – The Medical Expense Benefit Trust Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature and do not involve measurement of results of operations; therefore, they are not included in the governmental financial statements.

Deposits and Investments

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

The District maintains commingled accounts for several funds for operating activity, with accounting control over each fund's balance in the account.

The District also follows the practice of pooling excess cash for investment purposes. Each fund's portion of total investments is under accounting control. Earnings are prorated to each fund when recognized as revenue. Investments are reported at cost, which approximates fair value.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2013 levy resolution was approved during the December 12, 2013 Board of Education meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

Property taxes are collected by the County Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments the following year: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 30 days of the respective installment dates. The 2012 levy was recognized as income during fiscal year 2014.

Note 1 – Summary of Significant Accounting Policies (Continued)

Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, and the balance is then allocated to the remaining funds at the discretion of the District.

Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, maintenance vehicles and various equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than $500 and useful life greater than one year. Such assets are recorded at historical cost or estimated historical costs if purchased or constructed. Donated capital assets are not recorded since they do not result from a cash transaction.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Buildings	20-50
Equipment	5-10

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

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental funds report the face amount of debt issued as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance Classifications

The governmental fund financial statements present fund balances that are based on classifications representing the extent to which the School District is bound to honor the constraints or restrictions on the specific purposes for which the amounts in these respective governmental funds may be used. The classifications used in these governmental fund financial statements are as follows:

- Non-spendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e., not cash or cash equivalents) or (b) are legally or contractually required to be maintained intact. Examples of such items might include inventories and prepaid items.

Note 1 – Summary of Significant Accounting Policies (Continued)

- Restricted: This classification includes amounts for which constraints have been placed on their use by either (a) externally imposed creditors, grantors, contributors, laws or regulations, or (b) imposed or restricted by law through constitutional provisions or enabling legislation. Such restricted funds might include amounts for capital projects related to developer donations and impact fees, debt service retirement monies, municipal retirement fund and social security fund contributions, tort related activities, health and life safety approved projects, and any funds or assets donated or bequeathed to the school district for a particular purpose.
- Committed: This classification includes amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purposes, unless the constraints are removed by subsequent similar action of the Board of Education. This classification may also include contractual obligations to the extent that existing resources have specifically been committed for use in satisfying those contractual requirements.
- Assigned: This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose, but are neither formally restricted nor committed. This intent can be expressed by the Board of Education or their delegation to the Superintendent through the budgetary process. This classification also includes any remaining fund balances for governmental funds except for the Educational Fund.
- Unassigned: This classification includes any residual fund balances for the Educational Fund, including interest earned as long as it is not restricted in use by law or decree, except as any of those amounts may be restricted, committed or assigned as described above. This classification also includes any negative residual fund balances of any other governmental funds that cannot be eliminated or offset by use of assigned fund balance amounts.

The School District typically uses restricted fund balances first whenever possible, followed by committed fund balances next, and then assigned fund balances third, before using any unassigned fund balances last, as described above. However, the School District reserves the right to spend unassigned resources first and defer the use of the other classified funds if the Board of Education and Administration believe it is in the best interest of the School District to do so.

Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

Other

In accordance with GASB No. 24, 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.

Note 1 – Summary of Significant Accounting Policies (Continued)

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses/expenditures. Actual results could differ from these estimates.

Note 2 – Deposits and Investments

At year-end, the District had the following investments:

Investments:

	Rating	Maturities	Interest Rate	Carrying Value	Fair Value	Percent of Portfolio
Deposits classified as investments on Exhibit A:						
Certificates of Deposit		Between 1 Month and 2 years		$3,199,043	$3,199,043	100.0%

The District has adopted a formal written investments and cash management policy.

Interest Rate Risk. The District's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's policy states investments shall provide sufficient liquidity to enable the District to meet all operating requirements that may be reasonably anticipated. Additionally, the District's policy is in conformance with the provisions of the Illinois Public Funds Investment Act.

Credit Risk. Under State law, limits are imposed as to investments in commercial paper, corporate bonds, and mutual funds in which the District may invest. The District's investment policy does not further limit its investment choices.

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. It is not registered with the SEC as an investment company. Investments are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

As of June 30, 2014, all of the District's pooled investments exposed to credit risk (which consisted of $1,180,347 reported as cash) were rated "AAAm" by Standard & Poor's.

Note 2 – Deposits and Investments (Continued)

Concentration of Credit Risk. The District's investment policy states investments shall be diversified to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions. The District shall diversify its investments to the best of its ability based upon the type of funds invested, available institutions to invest in, and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral or additional insurance in the event of default or failure of the financial institution holding the funds. As of June 30, 2014, the bank balance of the District's deposits and investments with financial institutions totaled $7,050,734, all of which were insured or collateralized with collateral held by the District's agent in the District's name.

Custodial Credit Risk – Investments. With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments be secured by private insurance or collateral.

Note 3 – Long-Term Liabilities

Changes in Long-Term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2014.

	Beginning Balance	Additions	Payments/Refundings	Ending Balance
General obligation bonds:				
Series 2006	$ 295,000	$ -	$130,000	$ 165,000
Series 2012A	1,355,000	-	-	1,355,000
Series 2012B	1,575,000	-	-	1,575,000
	$3,225,000	$ -	$130,000	$3,095,000
Capital lease obligations:				
Computer lease	$ 202,696	$ -	$ 51,439	$ 151,257
Modular classroom lease	86,312	-	86,312	-
	$ 289,008	$ -	$137,751	$ 151,257

Series 2006 bonds, original issue $475,000, dated October 1, 2006, provide for the serial retirement of principal on October 1 beginning in fiscal year 2013 and interest payable on October 1 and April 1 of each year at a rate of 4.1 to 4.375 percent. The purpose of this bond was to provide the District with building funds.

Series 2012A bonds, original issue $1,355,000, dated November 29, 2012, provide for serial retirement of principal on October 1 beginning in fiscal year 2016 and interest payable on October 1 and April 1 of each year at rates of 1.23 to 2.65 percent. The purpose of this bond issue was to provide the District with working cash funds.

Note 3 – Long-Term Liabilities (Continued)

Series 2012B bonds, original issue $1,575,000, dated November 29, 2012, provide for serial retirement of principal on October 1 beginning in fiscal year 2023 and interest payable on October 1 and April 1 of each year at rates of 3.0 to 4.0 percent. The purpose of this bond issue was to provide the District with working cash funds and to partial refund the Series 2006 bond issue.

Proceeds of $131,919 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for a portion of future debt service payments on the 2006 bonds. As a result, $45,000 (bonds due in fiscal year 2015) are considered to be defeased and the liability for these bonds has been removed from the District's financial statements.

Capital lease for Apple computers, dated March 14, 2013, providing for annual payments of $52,346, including interest at a rate of 1.9% per annum through July 15, 2016. Amount recorded as equipment at June 30, 2014 was $202,696 with accumulated depreciation of $20,270. Interest expense of $907 has been recorded as an expense on the Statement of Activities.

Capital lease for a modular classroom, dated July 10, 2009, providing for annual payments of $90,256 including interest at a rate of 4.57%. Amount recorded as equipment at June 30, 2014, was $460,447 with accumulated depreciation of $90,555. Interest expense of $3,945 has been recorded as an expense on the Statement of Activities.

Annual debt service requirements to maturity for general obligation bonds are as follows for governmental type activities:

	Principal	Interest	Total
2015	$ 165,000	$ 82,173	$ 247,173
2016	170,000	77,518	247,518
2017	180,000	75,103	255,103
2018	185,000	72,048	257,048
2019	190,000	68,304	258,304
2020-2024	1,105,000	255,849	1,360,849
2025-2028	1,100,000	67,950	1,167,950
Total	$3,095,000	$698,945	$3,793,945

Minimum future lease payments are as follows:

2015	$ 52,346
2016	52,346
2017	52,346
Total minimum lease payments	157,038
Less: amount representing interest	(5,781)
Present value of minimum lease payments	$ 151,257

Note 4 – Legal Debt Margin

The legal debt margin is calculated as follows:

Assessed valuation – 2013	$207,997,911
Debt limit – 6.9% of assessed valuation	$ 14,351,856
Less general long-term debt	3,246,257
Legal debt margin	$ 11,105,599

Note 5 – Capital Assets

Capital asset activity for the District for the year ended June 30, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 984,531	$ -	$ -	$ 984,531
Construction in progress	67,078	-	67,078	-
Total capital assets not being depreciated	1,051,609	-	67,078	984,531
Capital assets being depreciated:				
Buildings	22,113,750	1,973,523	-	24,087,273
Temporary buildings	460,447	-	-	460,447
Improvements	1,889,969	111,060	-	2,001,029
Equipment	5,781,395	188,149	447,886	5,521,658
Total capital assets being depreciated	30,245,561	2,272,732	447,886	32,070,407
Less Accumulated Depreciation for:				
Buildings	6,791,618	465,859	-	7,257,477
Temporary buildings	72,137	18,418	-	90,555
Improvements	1,034,871	98,691	-	1,133,562
Equipment	4,019,693	355,021	223,869	4,150,845
Total accumulated depreciation	11,918,319	937,989	223,869	12,632,439
Net capital assets being depreciated	18,327,242	1,334,743	224,017	19,437,968
Net governmental activities capital assets	$19,378,851	$1,334,743	$ 291,095	$20,422,499

Depreciation expense was recognized in the operating activities of the District as follows:

Depreciation expenses – governmental activities – unallocated	$937,989

Note 6 – Restricted Net Position

The government-wide statement of net position reports the following restricted balances:

Restricted by enabling legislation	$124,795
Capital grant-unspent funds	250,000
	$374,795

Note 7 – Interfund Transfers

The District made the following transfers during the year:

From	To	Amount	Purpose
General (Educational)	Debt service	$ 52,347	Provide funds for capital lease payment
Operations and Maintenance	Debt service	$ 90,256	Provide funds for capital lease payment
Working Cash	Operations and Maintenance	$500,000	Abatement of working cash to provide funds for the Bradley East building project

Note 8 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except for workers' compensation insurance, described in the following paragraph, the District purchases commercial insurance for these risks. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The District has entered into an agreement with the Illinois Public Risk Fund. The pooling agreement permits public agencies within the meaning of the Intergovernmental Cooperation Act of the State of Illinois to provide a means whereby members of the Fund could contract with each other to protect against liability or loss under the Workers' Compensation and Occupational Diseases Laws of the State of Illinois.

The District's cost is based on rates determined by the Trustees of the Fund, applied to its payroll costs and adjusted for its loss experience. Members of the Fund may also be subject to additional contributions not to exceed 10 percent of such member's contribution for the most recent fiscal year of the Fund if additional reserves are deemed necessary by the Fund's trustees. No additional assessments have been made as of the current year-end.

Note 9 – Retirement Systems

The retirement plans of the District 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 District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each District retirement system is discussed below.

Teachers' Retirement System

The District 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.

Note 9 – Retirement Systems (Continued)

TRS members include all active nonannuitants who 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 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, 2013 and 2012.

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

On Behalf Contributions. The State of Illinois makes employer pension contributions on behalf of the District. 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 District recognized revenue and expenditures of $2,637,301 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2013 and June 30, 2012, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 28.05 percent ($2,040,524) and 24.91 percent ($1,798,175), 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, 2014 were $43,602. Contributions for the years ending June 30, 2013 and June 30, 2012 were $42,850 and $42,467, 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 has been in effect since 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. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2014, the District 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 District contribution was 28.05 and 24.91 percent, respectively. For the year ended June 30, 2014, salaries totaling $69,726 were paid from federal and special trust funds that required District contributions of $24,690. For the years ended June 30, 2013 and June 30, 2012, required District contributions were $31,804 and $25,719, respectively.

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 146.5 percent and applies when the member is age 55 at retirement.

Note 9 – Retirement Systems (Continued)

For the year ended June 30, 2014, the District paid $-0- to TRS for employer contributions under the ERO program. For the years ended June 30, 2013 and June 30, 2012, the District paid $55,391 and $-0-, 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, 2014, the District paid $9,166 to TRS for employer contributions due on salary increases in excess of 6 percent. For the year ended June 30, 2013 and June 30, 2012, the District paid $1,602 and $-0-, 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 (17.29 percent of salary during the year ended June 30, 2014).

  For the year ended June 30, 2014, the District paid $-0- to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2013 and June 30, 2012, the District paid $-0- and $-0-, 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, 2013. The report for the year ended June 30, 2014 is expected to be available in late 2014.

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, Illinois 62794-9253. The most current report is also available on the TRS Web site at http://trs.illinois.gov.

THIS Fund Employer Contributions

The District 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 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.

Note 9 – Retirement Systems (Continued)

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 CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the state 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 the 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 the THIS Fund from active members which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were $72,921, and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the year ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. State contributions on behalf of District employees were $67,969 and $64,433, respectively.

Employer contributions to THIS Fund. The employer (District) also makes contributions to the 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 June 30, 2012, respectively. For the year ended June 30, 2014, the District paid $54,127 to the THIS Fund. For the years ended June 30, 2013 and June 30, 2012, the District paid $50,977 and $48,325, 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 found on the website of the Illinois Auditor General: http://www.auditor.Illinois.gov/Audit-Reports/ABC-List.asp. The current reports are listed under "Central Management Services". Prior reports are available under "Healthcare and Family Services".

Illinois Municipal Retirement Fund

Plan Description. The District'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 District 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.

Note 9 – Retirement Systems (Continued)

Funding Policy. As set by statute, the District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District annual required contribution rate for calendar year 2013 was 12.11 percent. The District 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 2013 was $261,391.

Three-Year Trend Information for the Regular Plan

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	$261,391	100%	$-0-
12/31/12	283,560	100%	-0-
12/31/11	274,091	100%	-0-

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, 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 District 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 District Regular plan's unfunded actuarial accrued liability at December 31, 2011 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, 2013, the most recent actuarial valuation date, the Regular plan was 72.01 percent funded. The actuarial accrued liability for benefits was $5,084,406 and the actuarial value of assets was $3,661,256, resulting in an underfunded actuarial accrued liability (UAAL) of $1,423,150. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was $2,158,471 and the ratio of the UAAL to the covered payroll was 66 percent.

The schedule of funding progress, presented as other supplementary 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.

Note 10 – Joint Agreement

During the current year, the District paid the Kankakee Area Special Education Cooperative $191,867 for tuition and professional development and received $358,164 in flow through grants from the Cooperative.

Note 11 - Budgetary Data

The budgeted amounts for the Governmental Funds are adopted on the cash basis.

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

1. The Administration submits to the Board of Education 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. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.

4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education 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.

Expenditures in the Debt Service Fund exceeded the budgeted amounts for the year.

Note 12 – Contingencies

The District has received funding from state and federal grants in the current and prior years which are subject to audits by the granting agencies. The District believes any adjustments that may arise from these audits will be insignificant to District operations.

IMRF 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)
12/31/13	$3,661,256	$5,084,406	$1,423,150	72.01%	$2,158,471	65.93%
12/31/12	3,487,505	5,146,409	1,658,904	67.77%	2,312,886	71.72%
12/31/11	3,632,555	5,264,382	1,631,827	69.00%	2,239,305	72.87%

On a market value basis, the actuarial value of assets as of December 31, 2013 is $4,443,250. On a market basis, the funded ratio would be 87.39%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Bradley School District 61. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local Sources:			
General tax levy	$ 6,260,000	$ 6,321,158	$ 61,158
Special education levy	47,000	48,140	1,140
Corporate personal property replacement taxes	361,000	362,576	1,576
Special education tuition-other districts	14,000	-	(14,000)
Earnings on investments	23,000	20,463	(2,537)
Food services	153,000	142,089	(10,911)
Pupil activities	5,660	4,573	(1,087)
Textbooks	43,000	40,719	(2,281)
Impact fees	-	14,900	14,900
Contributions	6,100	7,269	1,169
Prior year refunds	41,800	19,407	(22,393)
Other	5,000	4,003	(997)
Total local sources	6,959,560	6,985,297	25,737
State sources:			
General state aid	3,855,140	3,854,744	(396)
Special education - private facility tuition	290,000	279,250	(10,750)
Special education - extraordinary	220,000	270,562	50,562
Special education - personnel	370,000	483,930	113,930
Special education - orphanage - individual	5,000	(4,130)	(9,130)
Special education - summer school	13,000	11,338	(1,662)
Bilingual education downstate	30,000	20,991	(9,009)
State free lunch & breakfast	13,000	8,001	(4,999)
Early childhood block grant	499,500	570,588	71,088
Other restricted revenue	1,120	1,135	15
Total state sources	5,296,760	5,496,409	199,649
Federal sources:			
National lunch program	380,000	348,828	(31,172)
School breakfast program	105,000	92,187	(12,813)
Title I-low income	295,000	277,188	(17,812)
Special education - preschool flow-through	15,200	10,258	(4,942)
Special education - I.D.E.A. flow-through	290,000	347,906	57,906
Title III-English language acquisition	18,000	15,737	(2,263)
Title II-teacher quality	52,000	48,571	(3,429)
Medicaid administrative outreach	60,000	56,908	(3,092)
Medicaid fee for service	45,000	158,554	113,554
Total federal sources	1,260,200	1,356,137	95,937
Total revenues	13,516,520	13,837,843	321,323

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Expenditures:			
Instruction:			
Regular programs:			
Salaries	$ 4,614,015	$ 4,547,039	$ (66,976)
Employee benefits	920,000	925,673	5,673
Purchased services	72,300	66,549	(5,751)
Supplies and materials	173,000	168,469	(4,531)
Capital outlay	18,000	4,677	(13,323)
Other	800	351	(449)
Total regular programs	5,798,115	5,712,758	(85,357)
Pre-K Programs			
Salaries	283,844	281,338	(2,506)
Employee benefits	95,200	88,610	(6,590)
Purchased services	-	462	462
Supplies and materials	4,831	15,782	10,951
Total Pre-K programs	383,875	386,192	2,317
Special education programs:			
Salaries	1,658,100	1,662,134	4,034
Employee benefits	470,310	446,239	(24,071)
Purchased services	3,300	1,995	(1,305)
Supplies and materials	12,000	11,971	(29)
Other	100	120	20
Total special education programs	2,143,810	2,122,459	(21,351)
Special education programs-Pre-K:			
Salaries	14,750	12,998	(1,752)
Employee benefits	-	(303)	(303)
Supplies and materials	866	1,232	366
Total special education programs-Pre-K	15,616	13,927	(1,689)
Remedial and supplemental programs K-12:			
Salaries	83,859	141,626	57,767
Employee benefits	17,600	40,621	23,021
Purchased services	7,358	4,574	(2,784)
Supplies and materials	44,971	67,163	22,192
Capital outlay	62,404	20,028	(42,376)
Total remedial and supplemental programs	216,192	274,012	57,820

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
CTE programs:			
Supplies and materials	200	211	11
Total CTE programs	200	211	11
Interscholastic programs:			
Salaries	121,000	130,829	9,829
Purchased services	13,000	9,776	(3,224)
Supplies and materials	7,000	8,719	1,719
Capital outlay	5,000	-	(5,000)
Other	14,000	8,991	(5,009)
Total interscholastic programs	160,000	158,315	(1,685)
Summer school:			
Supplies and materials	-	33	33
Total summer school	-	33	33
Gifted:			
Salaries	66,800	66,460	(340)
Employee benefits	16,900	16,881	(19)
Purchased services	100	40	(60)
Supplies and materials	700	1,916	1,216
Other	10,500	5,740	(4,760)
Total gifted	95,000	91,037	(3,963)
Bilingual programs:			
Salaries	222,555	169,330	(53,225)
Employee benefits	58,000	52,100	(5,900)
Purchased services	200	-	(200)
Supplies and materials	2,500	694	(1,806)
Total bilingual programs	283,255	222,124	(61,131)
Total instruction	9,096,063	8,981,068	(114,995)
Support services:			
Pupils:			
Attendance and social work services:			
Salaries	197,200	189,933	(7,267)
Employee benefits	47,700	41,855	(5,845)
Other	9,000	17,720	8,720
Total attendance and social work services	253,900	249,508	(4,392)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Health services:			
Salaries	161,460	137,148	(24,312)
Employee benefits	27,800	26,914	(886)
Purchased services	1,000	1,139	139
Supplies and materials	2,500	3,886	1,386
Capital outlay	-	1,650	1,650
Other	200	46	(154)
Total health services	192,960	170,783	(22,177)
Psychological services:			
Salaries	119,400	87,812	(31,588)
Employee benefits	16,900	16,881	(19)
Total psychological services	136,300	104,693	(31,607)
Speech pathology and audiology services:			
Salaries	181,300	173,340	(7,960)
Employee benefits	41,300	41,217	(83)
Purchased services	92,000	93,881	1,881
Total speech pathology and audiology services	314,600	308,438	(6,162)
Instructional staff:			
Improvement of instruction services:			
Salaries	120,355	138,146	17,791
Employee benefits	27,205	24,986	(2,219)
Purchased services	125,179	85,267	(39,912)
Supplies and materials	4,527	8,863	4,336
Other	300	1,773	1,473
Total improvement of instruction services	277,566	259,035	(18,531)
Education media:			
Salaries	183,905	175,552	(8,353)
Employee benefits	37,500	38,816	1,316
Purchased services	2,200	1,483	(717)
Supplies and materials	29,800	34,648	4,848
Capital outlay	77,950	68,978	(8,972)
Other	2,300	4,100	1,800
Total education media	333,655	323,577	(10,078)
Assessment and testing:			
Purchased services	19,000	17,354	(1,646)
Total assessment and testing	19,000	17,354	(1,646)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
General administration:			
Board of Education:			
Salaries	12,250	2,625	(9,625)
Employee benefits	118,600	112,751	(5,849)
Purchased services	156,050	148,509	(7,541)
Supplies and materials	1,500	3,557	2,057
Other	32,000	41,197	9,197
Total board of education	320,400	308,639	(11,761)
Executive administration:			
Salaries	199,500	200,731	1,231
Employee benefits	49,000	48,697	(303)
Purchased services	45,000	42,117	(2,883)
Supplies and materials	4,000	5,268	1,268
Capital outlay	4,000	1,893	(2,107)
Other	7,500	8,987	1,487
Total executive administration	309,000	307,693	(1,307)
Special area administration:			
Salaries	85,800	85,783	(17)
Employee benefits	16,900	16,903	3
Purchased services	5,000	17,033	12,033
Total special area administration	107,700	119,719	12,019
Tort immunity services:			
Purchased services	56,725	40,772	(15,953)
Total tort immunity services	56,725	40,772	(15,953)
School administration:			
Office of the principal:			
Salaries	550,000	557,985	7,985
Employee benefits	153,100	149,771	(3,329)
Purchased services	52,350	17,505	(34,845)
Supplies and materials	14,800	13,134	(1,666)
Other	7,000	4,857	(2,143)
Total office of the principal	777,250	743,252	(33,998)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Business:			
Direction of business support services:			
Salaries	87,750	99,177	11,427
Employee benefits	16,900	16,903	3
Purchased services	2,000	1,848	(152)
Supplies and materials	500	-	(500)
Other	600	891	291
Total business support services	107,750	118,819	11,069
Fiscal services:			
Salaries	40,000	40,000	-
Employee benefits	37,500	33,509	(3,991)
Purchased services	11,100	16,002	4,902
Supplies and materials	3,500	-	(3,500)
Other	3,310	2,278	(1,032)
Total fiscal services	95,410	91,789	(3,621)
Operations and maintenance:			
Purchased services	28,300	25,631	(2,669)
Supplies and materials	191,000	196,053	5,053
Total operations and maintenance	219,300	221,684	2,384
Food services:			
Salaries	223,900	214,301	(9,599)
Employee benefits	38,500	39,100	600
Purchased services	10,600	7,955	(2,645)
Supplies and materials	300,461	264,564	(35,897)
Capital outlay	5,000	514	(4,486)
Other	5,650	4,705	(945)
Total food services	584,111	531,139	(52,972)
Internal services:			
Capital outlay	1,000	-	(1,000)
Total internal services	1,000	-	(1,000)
Central:			
Information services:			
Supplies and materials	1,900	128	(1,772)
Total information services	1,900	128	(1,772)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Data processing services:			
Supplies and materials	29,000	38,766	9,766
Capital outlay	-	8,750	8,750
Total data processing services	29,000	47,516	18,516
Other support services:			
Purchased services	58,987	4,294	(54,693)
Total other support services	58,987	4,294	(54,693)
Total support services	4,196,514	3,968,832	(227,682)
Community services:			
Salaries	166,120	163,010	(3,110)
Employee benefits	33,800	33,762	(38)
Purchased services	5,080	5,905	825
Supplies and materials	10,410	14,214	3,804
Total community services	215,410	216,891	1,481
Payments to other districts and governmental units			
Other payments to in state governments	4,570	-	(4,570)
Payments-special education-tuition	355,000	622,273	267,273
Total payments to other districts/gov't units	359,570	622,273	262,703
Provision for contingencies	-	-	-
Total expenditures	13,867,557	13,789,064	(78,493)
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(351,037)	48,779	(399,816)
Other financing sources (uses):			
Sale of capital assets	50,949	50,949	-
Revenue pledged to pay capital leases	(52,347)	(52,347)	-
Total other financing sources (uses)	(1,398)	(1,398)	-
Excess (deficiency) of revenues over expenditures	$ (352,435)	47,381	$ (399,816)
Fund balance, beginning of year		3,508,001	
Fund balance, end of year		$ 3,555,382	

Bradley School District No. 61
Operations and Maintenance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	$ 767,000	$ 774,559	$ 7,559
Earnings on investments	300	2,556	2,256
Rentals	-	918	918
Total local sources	767,300	778,033	10,733
State sources:			
General state aid	277,646	277,646	-
Infrastructure improvements-planning/construction	-	250,000	250,000
Total state sources	277,646	527,646	250,000
Total revenues	1,044,946	1,305,679	260,733
Expenditures:			
Facilities acquisition and construction services:			
Purchased services	160,000	3,967	(156,033)
Capital outlay	2,028,700	2,026,915	(1,785)
Total facilities acquisition and construction services	2,188,700	2,030,882	(157,818)
Operations and maintenance of plant services:			
Salaries	424,305	420,312	(3,993)
Employee benefits	91,100	77,599	(13,501)
Purchased services	222,600	306,360	83,760
Supplies and materials	47,000	67,566	20,566
Capital outlay	55,300	72,249	16,949
Other	500	46	(454)
Total operations and maintenance of plant services	840,805	944,132	103,327
Provision for contingencies	-	-	-
Total expenditures	3,029,505	2,975,014	(54,491)
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(1,984,559)	(1,669,335)	(315,224)
Other financing sources (uses):			
Abatement of working cash fund	500,000	500,000	-
Revenues pledged to pay capital leases	(90,256)	(90,256)	-
Total other financing sources (uses)	409,744	409,744	-
Excess (deficiency) of revenues over expenditures	$ (1,574,815)	(1,259,591)	$ (315,224)
Fund balance, beginning of year		1,735,083	
Fund balance, end of year		$ 475,492	

Bradley School District No. 61
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	$ 240,500	$ 242,871	$ 2,371
Earnings on investments	25	11	(14)
Other	9,387	9,387	-
Total local sources	249,912	252,269	2,357
Total revenues	249,912	252,269	2,357
Expenditures:			
Debt service:			
Bond/lease principal retired	267,751	267,751	-
Bond/lease interest	93,299	93,299	-
	361,050	361,050	-
Debt service - other	600	1,156	556
Total expenditures	361,650	362,206	556
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(111,738)	(109,937)	(1,801)
Other financing sources (uses):			
Transfer for payment of capital leases	142,603	142,603	-
Total other financing sources (uses)	142,603	142,603	-
Excess (deficiency) of revenues over expenditures	$ 30,865	32,666	$ (1,801)
Fund balance, beginning of year		29,736	
Fund balance, end of year		$ 62,402	

Bradley School District No. 61
Transportation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	$ 197,000	$ 199,107	$ 2,107
Earnings on investments	50	98	48
Total local sources	197,050	199,205	2,155
State sources:			
Transportation - regular	56,000	98,648	42,648
Transportation - special education	200,000	246,471	46,471
Early childhood block grant	6,000	10,000	4,000
Total state sources	262,000	355,119	93,119
Total revenues	459,050	554,324	95,274
Expenditures:			
Support services:			
Pupil transportation services:			
Salaries	296,500	282,913	(13,587)
Employee benefits	60,600	57,177	(3,423)
Purchased services	11,300	18,848	7,548
Supplies and materials	65,000	62,230	(2,770)
Other	1,000	325	(675)
Total pupil transportation services	434,400	421,493	(12,907)
Provision for contingencies	-	-	-
Total expenditures	434,400	421,493	(12,907)
Excess (deficiency) of revenues over expenditures	$ 24,650	132,831	$ 108,181
Fund balance, beginning of year		484,502	
Fund balance, end of year		$ 617,333	

Bradley School District No. 61
Municipal Retirement/Social Security Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levies	$ 296,800	$ 299,755	$ 2,955
Social security/medicare only levy	197,300	199,107	1,807
Corporate replacement taxes	41,000	45,500	4,500
Earnings on investments	100	40	(60)
Total local sources	535,200	544,402	9,202
Total revenues	535,200	544,402	9,202
Expenditures:			
Instruction:			
Regular programs	64,399	60,827	(3,572)
Pre-K Programs	15,687	17,272	1,585
Special education programs	157,699	124,073	(33,626)
Special education programs-Pre-K	2,640	1,831	(809)
Remedial and supplemental programs K-12	5,100	10,377	5,277
Interscholastic programs	3,650	4,209	559
Gifted programs	1,000	964	(36)
Bilingual programs	14,700	16,365	1,665
Total instruction	264,875	235,918	(28,957)
Support services:			
Pupils:			
Attendance and social work services	2,700	2,515	(185)
Health services	13,500	26,338	12,838
Psychological services	1,700	1,230	(470)
Speech pathology and audiology	2,400	2,428	28
Instructional staff:			
Improvement of instructional staff	3,287	2,677	(610)
Educational media	35,400	33,412	(1,988)
General administration:			
Board of education	150	201	51
Executive administration	10,300	9,930	(370)
Special area administration	1,200	1,203	3
School administration:			
Office of the principal	53,200	47,539	(5,661)
Business:			
Direction of business support	1,400	1,389	(11)
Fiscal services	13,500	7,834	(5,666)
Operation and maintenance of plant	74,919	75,491	572
Pupil transportation	47,110	46,244	(866)
Food services	32,900	33,285	385
Total support services	293,666	291,716	(1,950)
Community services	2,384	4,579	2,195
Provision for contingencies	-	-	-
Total expenditures	560,925	532,213	(28,712)
Excess (deficiency) of revenues over expenditures	$ (25,725)	12,189	$ (37,914)
Fund balance, beginning of year		48,970	
Fund balance, end of year		$ 61,159	

Bradley School District No. 61
Working Cash Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2014

	Final Budget	Actual	Actual Over Or (Under) Budget
Local sources:			
General tax levy	$ 78,000	$ 78,770	$ 770
Earnings on investments	500	779	279
Total local sources	78,500	79,549	1,049
Total revenues	78,500	79,549	1,049
Other financing sources (uses):			
Abatement of working cash fund	(500,000)	(500,000)	-
Total other financing sources (uses)	(500,000)	(500,000)	-
Excess (deficiency) of revenues over expenditures	$ (421,500)	(420,451)	$ 1,049
Fund balance, beginning of year		1,514,160	
Fund balance, end of year		$ 1,093,709	

Bradley School District No. 61
Student Activity Funds
For the year ended June 30, 2014

	Beginning of Year	Receipts	Disbursements	End of Year
Student Council	$ 1,422	$ 7,619	$ 7,985	$ 1,056
Donations	3,691	2,250	1,621	4,320
Flower Fund	606	-	234	372
East	10,437	17,188	18,676	8,949
West	6,066	29,022	28,839	6,249
Central	11,402	23,741	28,824	6,319
Central Band	1,335	10,248	10,606	977
Central Chorus	567	6,545	5,044	2,068
Yearbook	1,466	5,600	6,192	874
Cap and Gown	2,688	1,954	3,281	1,361
Newspaper	453	-	49	404
Student Council West	6,821	6,001	4,270	8,552
Central Cheerleading	-	10,957	5,914	5,043
	9,548	2,993	4,888	7,653
Total	$ 56,502	$ 124,118	$ 126,423	$ 54,197

Bradley School District No. 61
Assessed Valuations, Tax Rates and Extensions

	2013	2012	2011	2010	2009
Assessed valuation	$ 207,997,911	$ 218,895,974	$ 224,476,276	$ 237,017,014	$ 232,581,667
Tax rates					
Educational	3.116	2.889	2.710	2.549	2.473
Tort immunity	0.000	0.000	0.000	0.000	0.000
Special education	0.023	0.022	0.020	0.018	0.018
Operations and maintenance	0.398	0.354	0.336	0.304	0.309
Bond and interest	0.119	0.111	0.102	0.096	0.097
Transportation	0.061	0.091	0.090	0.107	0.108
Municipal retirement	0.154	0.137	0.146	0.091	0.083
Social security	0.089	0.091	0.087	0.082	0.075
Working cash	0.042	0.036	0.034	0.034	0.033
Total	4.002	3.731	3.525	3.281	3.196
Extensions					
Educational	$ 6,481,007	$ 6,323,905	$ 6,083,307	$ 6,041,564	$ 5,751,745
Tort immunity	-	-	-	-	-
Special education	48,672	48,157	44,895	42,663	41,865
Operations and maintenance	827,416	774,892	754,240	720,532	718,677
Bond and interest	247,310	242,975	228,966	227,536	225,604
Transportation	126,463	199,195	202,029	253,608	251,188
Municipal retirement	320,525	299,887	327,735	215,685	193,043
Social security	184,702	199,195	195,294	194,354	174,436
Working cash	87,567	78,803	76,322	80,586	76,752
Total	$ 8,323,660	$ 8,167,009	$ 7,912,789	$ 7,776,528	$ 7,433,310
Total collected		$ 8,163,467	$ 7,882,796	$ 7,762,322	$ 7,434,186
Percentage collected		99.96%	99.62%	99.82%	100.01%

Bradley School District No. 61
Schedule of Long Term Debt

Due Year End June 30,	General Obligation School Bonds 2006 Principal	General Obligation School Bonds 2006 Interest	General Obligation School Bonds 2012A Principal	General Obligation School Bonds 2012A Interest	General Obligation School Bonds 2006 Principal	General Obligation School Bonds 2006 Interest	Total
2015	$ 165,000	$ 3,609	$ -	$ 29,014	$ -	$ 49,550	$ 247,173
2016	-	-	170,000	27,968	-	49,550	247,518
2017	-	-	180,000	25,553	-	49,550	255,103
2018	-	-	185,000	22,498	-	49,550	257,048
2019	-	-	190,000	18,754	-	49,550	258,304
2020	-	-	200,000	14,046	-	49,550	263,596
2021	-	-	210,000	8,613	-	49,550	268,163
2022	-	-	220,000	2,915	-	49,550	272,465
2023	-	-	-	-	230,000	44,950	274,950
2024	-	-	-	-	245,000	36,675	281,675
2025	-	-	-	-	255,000	29,175	284,175
2026	-	-	-	-	270,000	21,300	291,300
2027	-	-	-	-	280,000	13,050	293,050
2028	-	-	-	-	295,000	4,425	299,425
Total	$ 165,000	$ 3,609	$ 1,355,000	$ 149,361	$ 1,575,000	$ 545,975	$ 3,793,945

Due Year End June 30,	Capital Lease Computers 2013 Principal	Capital Lease Computers 2013 Interest
2015	$ 49,473	$ 2,873
2016	50,413	1,933
2017	51,371	975
Total	$ 151,257	$ 5,781

Bradley School District No. 61
Operating Cost and Tuition Charge
June 30, 2014

	Year ended June 30,	
	2014	**2013**
Average Daily Attendance	1,455	1,501
Operating Costs:		
Educational	$ 13,789,064	$ 14,133,923
Operations and Maintenance	2,975,014	911,917
Debt Service	362,206	442,472
Transportation	421,493	1,098,935
Municipal Retirement/Social Security	532,213	533,758
Subtotal	18,079,990	17,121,005
Less revenues/expenditures of nonregular programs:		
Pre-K programs	419,525	500,847
Summer school	33	0
Capital outlay	2,205,654	1,137,320
Debt principal retired	267,751	376,270
Community services	221,470	193,373
Payments to other district/governmental units	622,273	584,727
Subtotal	3,736,706	2,792,537
Operating costs	14,343,284	14,328,468
Operating cost per pupil	$ 9,855	$ 9,549
Tuition charge:		
Operating costs	$ 14,343,284	$ 14,328,468
Less-revenues for specific programs	2,954,942	2,765,657
Net operating costs	11,388,342	11,562,811
Depreciation allowance	937,989	914,686
Allowable tuition costs	$ 12,326,331	$ 12,477,497
Per Capita Tuition Charge	$ 8,469	$ 8,315

Bradley School District No. 61
Statements of Assets and Liabilities Arising From Cash Transactions
All Funds and Account Groups
June 30, 2014

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Agency Funds	Account Groups: General Fixed Assets	Account Groups: General Long-Term Debt
Assets:												
Cash	$ 414,652	$ 468,176	$ 62,402	$ 591,033	$ 61,177	$ -	$ 1,068,709	$ 1,234	$ -	$ 1,915,643	$ -	$ -
Investments	3,141,043	8,000	-	25,000	-	-	25,000	-	-	99,000	-	-
Property and equipment	-	-	-	-	-	-	-	-	-		20,422,499	-
Other	-	-	-	1,300	-	-	-	-	-	-	-	-
Amount available in Debt Service fund	-	-	-	-	-	-	-	-	-	-	-	62,402
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	-	-	-	3,183,855
Total assets	$ 3,555,695	$ 476,176	$ 62,402	$ 617,333	$ 61,177	$ -	$ 1,093,709	$ 1,234	$ -	$ 2,014,643	$ 20,422,499	$ 3,246,257
Liabilities:												
Payroll withholdings	$ 313	$ 684	$ -	$ -	$ 18	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to organizations	-	-	-	-	-	-	-	-	-	46,593	-	-
Bonds and loans payable	-	-	-	-	-	-	-	-	-	-	-	3,246,257
Total liabilities	313	684	-	-	18	-	-	-	-	46,593	-	3,246,257
Fund balances:												
Investment in general fixed assets	-	-	-	-	-	-	-	-	-	-	20,422,499	-
Restricted for:												
Municipal retirement/social security	-	-	-	-	61,159	-	-	-	-	-	-	-
Debt service	-	-	62,402	-	-	-	-	-	-	-	-	-
Capital projects	-	250,000	-	-	-	-	-	-	-	-	-	-
Tort	-	-	-	-	-	-	-	1,234	-	-	-	-
Health benefits	-	-	-	-	-	-	-	-	-	1,968,050	-	-
Committed for:												
Working cash	-	-	-	-	-	-	1,093,709	-	-	-	-	-
Assigned:												
Operations and maintenance	-	225,492	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	617,333	-	-	-	-	-	-	-	-
Unassigned	3,555,382	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	3,555,382	475,492	62,402	617,333	61,159	-	1,093,709	1,234	-	1,968,050	20,422,499	-
Total liabilities and fund balance	$ 3,555,695	$ 476,176	$ 62,402	$ 617,333	$ 61,177	$ -	$ 1,093,709	$ 1,234	$ -	$ 2,014,643	$ 20,422,499	$ 3,246,257

Bradley School District No. 61
Statement of Receipts, Disbursements, Other Financing Sources and Uses and Changes in Fund Balances
All Funds
For the year ended June 30, 2014

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Revenues:									
Local sources	$ 6,985,297	$ 778,033	$ 252,269	$ 199,205	$ 544,402	$ -	$ 79,549	$ -	$ -
State sources	5,496,409	527,646	-	355,119	-	-	-	-	-
Federal sources	1,356,137	-	-	-	-	-	-	-	-
Total direct revenues	13,837,843	1,305,679	252,269	554,324	544,402	-	79,549	-	-
Revenues for "on behalf" payments	2,710,221	-	-	-	-	-	-	-	-
Total revenues	16,548,064	1,305,679	252,269	554,324	544,402	-	79,549	-	-
Expenditures:									
Instruction	8,981,068	-	-	-	235,918	-	-	-	-
Supporting services	3,968,832	2,975,014	-	421,493	291,716	-	-	-	-
Community services	216,891	-	-	-	4,579	-	-	-	-
Payments to other districts and governmental units	622,273	-	-	-	-	-	-	-	-
Debt services	-	-	362,206	-	-	-	-	-	-
Total direct expenditures	13,789,064	2,975,014	362,206	421,493	532,213	-	-	-	-
Expenditures for "on behalf" payments	2,710,221	-	-	-	-	-	-	-	-
Total expenditures	16,499,285	2,975,014	362,206	421,493	532,213	-	-	-	-
Excess (deficiency) of revenues over expenditures	48,779	(1,669,335)	(109,937)	132,831	12,189	-	79,549	-	-
Other financing sources (uses):									
Sale of capital assets	50,949	-	-	-	-	-	-	-	-
Revenues pledged for capital lease payments	(52,347)	(90,256)	142,603	-	-	-	-	-	-
Transfers in (out)	-	500,000	-	-	-	-	(500,000)	-	-
Total other financing sources (uses)	(1,398)	409,744	142,603	-	-	-	(500,000)	-	-
Excess (deficiency) of revenues received and other financing sources (uses) over expenditures disbursed	47,381	(1,259,591)	32,666	132,831	12,189	-	(420,451)	-	-
Fund balance - beginning of year	3,508,001	1,735,083	29,736	484,502	48,970	-	1,514,160	1,234	-
Fund balance - end of year	$ 3,555,382	$ 475,492	$ 62,402	$ 617,333	$ 61,159	$ -	$ 1,093,709	$ 1,234	$ -

Bradley School District No. 61
Statement of Revenues Received - All Funds
For the year ended June 30, 2014

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Revenues from local sources									
Ad valorem taxes levied by local education agency									
General levy	$ 6,321,158	$ 774,559	$ 242,871	$ 199,107	$ 299,755	$ -	$ 78,770	$ -	$ -
Special education levy	48,140	-	-	-	-	-	-	-	-
Social security/medicare only levy	-	-	-	-	199,107	-	-	-	-
Total ad valorem taxes levied by LEA	6,369,298	774,559	242,871	199,107	498,862	-	78,770	-	-
Payments in lieu of taxes									
Corporate personal property replacement taxes	362,576	-	-	-	45,500	-	-	-	-
Total payments in lieu of taxes	362,576	-	-	-	45,500	-	-	-	-
Earnings on investments									
Interest on investments	20,463	2,556	11	98	40	-	779	-	-
Total earnings on investments	20,463	2,556	11	98	40	-	779	-	-
Food service									
Sales to pupils - lunch	71,023	-	-	-	-	-	-	-	-
Sales to pupils - breakfast	10,370	-	-	-	-	-	-	-	-
Sales to pupils - a la carte	58,944	-	-	-	-	-	-	-	-
Sales to adults	1,752	-	-	-	-	-	-	-	-
Total food service	142,089	-	-	-	-	-	-	-	-
Pupil activities									
Admissions - athletic	4,251	-	-	-	-	-	-	-	-
Other pupil activity revenue	322	-	-	-	-	-	-	-	-
Total pupil activities	4,573	-	-	-	-	-	-	-	-
Textbooks									
Rentals - regular textbooks	40,719	-	-	-	-	-	-	-	-
Total textbooks	40,719	-	-	-	-	-	-	-	-
Other revenue from local sources									
Rentals	-	918	-	-	-	-	-	-	-
Contributions	7,269	-	-	-	-	-	-	-	-
Impact fees from municipal governments	14,900	-	-	-	-	-	-	-	-
Refund of prior year's expenditures	19,407	-	9,387	-	-	-	-	-	-
Other	4,003	-	-	-	-	-	-	-	-
Total other revenue from local sources	45,579	918	9,387	-	-	-	-	-	-
Total revenues from local sources	6,985,297	778,033	252,269	199,205	544,402	-	79,549	-	-
Revenues from state sources									
General state aid- Sec. 18-8.05	3,854,744	277,646	-	-	-	-	-	-	-
Total unrestricted grants-in-aid	3,854,744	277,646	-	-	-	-	-	-	-
Restricted grants-in-aid									
Special education									
Special education - private facility tuition	279,250	-	-	-	-	-	-	-	-
Special education - extraordinary	270,562	-	-	-	-	-	-	-	-
Special education - personnel	483,930	-	-	-	-	-	-	-	-
Special education - orphanage - individual	(4,130)	-	-	-	-	-	-	-	-
Special education - summer school	11,338	-	-	-	-	-	-	-	-
Total special education	1,040,950	-	-	-	-	-	-	-	-

Bradley School District No. 61
Statement of Revenues Received - All Funds
For the year ended June 30, 2014

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Bilingual									
Bilingual education - downstate - TPI	20,991	-	-	-	-	-	-	-	-
Total bilingual education	20,991	-	-	-	-	-	-	-	-
State free lunch & breakfast	8,001	-	-	-	-	-	-	-	-
Transportation									
Transportation - regular/vocational	-	-	-	98,648	-	-	-	-	-
Transportation - special education	-	-	-	246,471	-	-	-	-	-
Total transportation	-	-	-	345,119	-	-	-	-	-
Early childhood - block grant	570,588	-	-	10,000	-	-	-	-	-
Infrastructure improvements-planning/construction	-	250,000	-	-	-	-	-	-	-
Other restricted revenue from state sources	1,135	-	-	-	-	-	-	-	-
Total restricted grants-in-aid	1,641,665	250,000	-	355,119	-	-	-	-	-
Total revenues from state sources	5,496,409	527,646	-	355,119	-	-	-	-	-
Revenues from federal sources									
Food service									
National school lunch program	348,828	-	-	-	-	-	-	-	-
School breakfast program	92,187	-	-	-	-	-	-	-	-
Total food service	441,015	-	-	-	-	-	-	-	-
Title I									
Title I - Low income	277,188	-	-	-	-	-	-	-	-
Total Title I	277,188	-	-	-	-	-	-	-	-
Federal special education									
Fed - spec education - preschool flow-through	10,258	-	-	-	-	-	-	-	-
Fed - spec education - IDEA - flow through/low incidence	347,906	-	-	-	-	-	-	-	-
Total federal - special education	358,164	-	-	-	-	-	-	-	-
Title III - English language acquisition	15,737	-	-	-	-	-	-	-	-
Title II - Teacher quality	48,571	-	-	-	-	-	-	-	-
Medicaid matching funds - administrative outreach	56,908	-	-	-	-	-	-	-	-
Medicaid matching funds - fees-for-service program	158,554	-	-	-	-	-	-	-	-
Total restricted grants-in-aid received from the federal government through thru the state	1,356,137	-	-	-	-	-	-	-	-
Total revenues from federal sources	1,356,137	-	-	-	-	-	-	-	-
Total direct revenues	$ 13,837,843	$ 1,305,679	$ 252,269	$ 554,324	$ 544,402	$ -	$ 79,549	$ -	$ -

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2014

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Educational Fund										
Instruction										
Regular programs	$ 4,547,039	$ 925,673	$ 66,549	$ 168,469	$ 4,677	$ 351	$ -	$ -	$ 5,712,758	$ 5,798,115
Pre-K programs	281,338	88,610	462	15,782	-	-	-	-	386,192	383,875
Special education programs	1,662,134	446,239	1,995	11,971	-	120	-	-	2,122,459	2,143,810
Special education programs-Pre K	12,998	(303)	-	1,232	-	-	-	-	13,927	15,616
Remedial and supplemental K-12 programs	141,626	40,621	4,574	67,163	20,028	-	-	-	274,012	216,192
CTE programs	-	-	-	211	-	-	-	-	211	200
Interscholastic programs	130,829	-	9,776	8,719	-	8,991	-	-	158,315	160,000
Summer school programs	-	-	-	33	-	-	-	-	33	-
Gifted programs	66,460	16,881	40	1,916	-	5,740	-	-	91,037	95,000
Bilingual programs	169,330	52,100	-	694	-	-	-	-	222,124	283,255
Total instruction	7,011,754	1,569,821	83,396	276,190	24,705	15,202	-	-	8,981,068	9,096,063
Support services										
Support services - pupils										
Attendance & social work services	189,933	41,855	-	-	-	17,720	-	-	249,508	253,900
Health services	137,148	26,914	1,139	3,886	1,650	46	-	-	170,783	192,960
Psychological services	87,812	16,881	-	-	-	-	-	-	104,693	136,300
Speech pathology & audiology services	173,340	41,217	93,881	-	-	-	-	-	308,438	314,600
Total support services - pupils	588,233	126,867	95,020	3,886	1,650	17,766	-	-	833,422	897,760
Support services - instructional staff										
Improvement of instruction services	138,146	24,986	85,267	8,863	-	1,773	-	-	259,035	277,566
Educational media services	175,552	38,816	1,483	34,648	68,978	4,100	-	-	323,577	333,655
Assessment and testing	-	-	17,354	-	-	-	-	-	17,354	19,000
Total support services - instructional staff	313,698	63,802	104,104	43,511	68,978	5,873	-	-	599,966	630,221
Support services - general administration										
Board of education services	2,625	112,751	148,509	3,557	-	41,197	-	-	308,639	320,400
Executive administration services	200,731	48,697	42,117	5,268	1,893	8,987	-	-	307,693	309,000
Service area administrative services	85,783	16,903	17,033	-	-	-	-	-	119,719	107,700
Tort immunity services	-	-	40,772	-	-	-	-	-	40,772	56,725
Total support services - general administration	289,139	178,351	248,431	8,825	1,893	50,184	-	-	776,823	793,825
Support services - school administration										
Office of the principal services	557,985	149,771	17,505	13,134	-	4,857	-	-	743,252	777,250
Total support services - school administration	557,985	149,771	17,505	13,134	-	4,857	-	-	743,252	777,250
Support services - business										
Direction of business support	99,177	16,903	1,848	-	-	891	-	-	118,819	107,750
Fiscal services	40,000	33,509	16,002	-	-	2,278	-	-	91,789	95,410
Operation & maintenance of plant services	-	-	25,631	196,053	-	-	-	-	221,684	219,300
Food services	214,301	39,100	7,955	264,564	514	4,705	-	-	531,139	584,111
Internal services	-	-	-	-	-	-	-	-	-	1,000
Total support services - business	353,478	89,512	51,436	460,617	514	7,874	-	-	963,431	1,007,571
Support services - central										
Information services	-	-	-	128	-	-	-	-	128	1,900
Data processing services	-	-	-	38,766	8,750	-	-	-	47,516	29,000
Total support services - central	-	-	-	38,894	8,750	-	-	-	47,644	30,900
Other support services	-	-	4,294	-	-	-	-	-	4,294	58,987
Total support services	2,102,533	608,303	520,790	568,867	81,785	86,554	-	-	3,968,832	4,196,514
Community services	163,010	33,762	5,905	14,214	-	-	-	-	216,891	215,410
Payments to other government units (in-state) tuition										
Payments for special education programs-tuition	-	-	-	-	-	622,273	-	-	622,273	359,570
Total payments to other govt units (in-state) tuition	-	-	-	-	-	622,273	-	-	622,273	359,570
Provisions for contingencies										-
Total direct expenditures	9,277,297	2,211,886	610,091	859,271	106,490	724,029	-	-	13,789,064	13,867,557
Excess (deficiency) of revenues over expenditures									48,779	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2014

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Operations and Maintenance Fund										
Support services										
Support services - business										
Facilities acquisition & construction services	-	-	3,967	-	2,026,915	-	-	-	2,030,882	2,188,700
Operation & maintenance of plant services	420,312	77,599	306,360	67,566	72,249	46	-	-	944,132	840,805
Total support services - business	420,312	77,599	310,327	67,566	2,099,164	46	-	-	2,975,014	3,029,505
Total support services	420,312	77,599	310,327	67,566	2,099,164	46	-	-	2,975,014	3,029,505
Provisions for contingencies										-
Total direct expenditures	420,312	77,599	310,327	67,566	2,099,164	46	-	-	2,975,014	3,029,505
Excess (deficiency) of revenues over expenditures									(1,669,335)	
Debt Service Fund										
Debt services										
Debt services - interest										
Long term debt	-	-	-	-	-	93,299	-	-	93,299	93,299
Total debt services - interest	-	-	-	-	-	93,299	-	-	93,299	93,299
Debt service - principal retired	-	-	-	-	-	267,751	-	-	267,751	267,751
Debt service - other	-	-	-	-	-	1,156	-	-	1,156	600
Total debt services	-	-	-	-	-	362,206	-	-	362,206	361,650
Provisions for contingencies										-
Total direct expenditures	-	-	-	-	-	362,206	-	-	362,206	361,650
Excess (deficiency) of revenues over expenditures									$ (109,937)	
Transportation Fund										
Support services										
Support services - business										
Pupil transportation services	282,913	57,177	18,848	62,230	-	325	-	-	421,493	434,400
Total support services - business	282,913	57,177	18,848	62,230	-	325	-	-	421,493	434,400
Total support services	282,913	57,177	18,848	62,230	-	325	-	-	421,493	434,400
Provisions for contingencies										-
Total direct expenditures	282,913	57,177	18,848	62,230	-	325	-	-	421,493	434,400
Excess (deficiency) of revenues over expenditures									$ 132,831	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2014

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Municipal Retirement/Social Security Fund										
Instruction										
Regular programs	-	60,827	-	-	-	-	-	-	60,827	64,399
Pre-K programs	-	17,272	-	-	-	-	-	-	17,272	15,687
Special education programs	-	124,073	-	-	-	-	-	-	124,073	157,699
Special education programs-Pre K	-	1,831	-	-	-	-	-	-	1,831	2,640
Remedial and supplemental programs	-	10,377	-	-	-	-	-	-	10,377	5,100
Interscholastic programs	-	4,209	-	-	-	-	-	-	4,209	3,650
Gifted programs	-	964	-	-	-	-	-	-	964	1,000
Bilingual programs	-	16,365	-	-	-	-	-	-	16,365	14,700
Total instruction	-	235,918	-	-	-	-	-	-	235,918	264,875
Support services										
Support services - pupils										
Attendance & social work services	-	2,515	-	-	-	-	-	-	2,515	2,700
Health services	-	26,338	-	-	-	-	-	-	26,338	13,500
Psychological services	-	1,230	-	-	-	-	-	-	1,230	1,700
Speech pathology & audiology services	-	2,428	-	-	-	-	-	-	2,428	2,400
Total support services - pupils	-	32,511	-	-	-	-	-	-	32,511	20,300
Support services - instructional staff										
Improvement of instruction services	-	2,677	-	-	-	-	-	-	2,677	3,287
Educational media services	-	33,412	-	-	-	-	-	-	33,412	35,400
Total support services - instructional staff	-	36,089	-	-	-	-	-	-	36,089	38,687
Support services - general administration										
Board of education services	-	201	-	-	-	-	-	-	201	150
Executive administration services	-	9,930	-	-	-	-	-	-	9,930	10,300
Service area administrative services	-	1,203	-	-	-	-	-	-	1,203	1,200
Total support services - general administration	-	11,334	-	-	-	-	-	-	11,334	11,650
Support services - school administration										
Office of the principal services	-	47,539	-	-	-	-	-	-	47,539	53,200
Total support services - school administration	-	47,539	-	-	-	-	-	-	47,539	53,200
Support services - business										
Direction of business support services	-	1,389	-	-	-	-	-	-	1,389	1,400
Fiscal services	-	7,834	-	-	-	-	-	-	7,834	13,500
Operation & maintenance of plant services	-	75,491	-	-	-	-	-	-	75,491	74,919
Pupil transportation services	-	46,244	-	-	-	-	-	-	46,244	47,110
Food services	-	33,285	-	-	-	-	-	-	33,285	32,900
Total support services - business	-	164,243	-	-	-	-	-	-	164,243	169,829
Total support services	-	291,716	-	-	-	-	-	-	291,716	293,666
Community services	-	4,579	-	-	-	-	-	-	4,579	2,384
Provisions for contingencies										-
Total direct expenditures	-	532,213	-	-	-	-	-	-	532,213	560,925
Excess (deficiency) of revenues over expenditures									$ 12,189	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2014

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Capital Projects Fund										
Support services										
Support services - business										
Facilities acquisition & construction services	-	-	-	-	-	-	-	-	-	-
Total support services	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures									$ -	
Tort Fund										
Support services										
Support services - central administration										
Worker's compensation	-	-	-	-	-	-	-	-	-	-
Insurance payments	-	-	-	-	-	-	-	-	-	-
Total support services	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures									$ -	
Fire Prevention and Safety Fund										
Support services										
Support services - business										
Facilities acquisition & construction services	-	-	-	-	-	-	-	-	-	-
Operation & maintenance of plant services	-	-	-	-	-	-	-	-	-	-
Total support services - business	-	-	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-	-	-
Total support services	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures									$ -	

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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2014

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 Year 7/1/12-6/30/13 (C)	Receipts/Revenues Year 7/1/13-6/30/14 (D)	Expenditure/Disbursements[4] Year 7/1/12-6/30/13 (E)	Expenditure/Disbursements[4] Year 7/1/13-6/30/14 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
US Department of Education-Pass-through from Illinois State Board of Education									
Title I - Low Income	84.010	2013-4300	183,208	125,879	302,616	6,471	n/a	309,087	327,588
Title I - Low Income	84.010	2014-4300		151,309		300,685	61,793	n/a	362,478
Total 84.010			*183,208*	*277,188*	*302,616*	*307,156*			
Title II - Teacher Quality	84.367	2013-4932	34,262	17,841	49,473	2,630	n/a	52,103	61,229
Title II - Teacher Quality	84.367	2014-4932		30,730		51,218	11,721	n/a	62,939
Total 84.367			*34,262*	*48,571*	*49,473*	*53,848*			
Title III-Lang Inst Prog-Limited Eng-LIPLEP	84.365	2013-4909	13,264	5,186	18,450		n/a	18,450	18,450
Title III-Lang Inst Prog-Limited Eng-LIPLEP	84.365	2014-4909		10,551		15,072	n/a	15,072	15,072
Total 84.365			*13,264*	*15,737*	*18,450*	*15,072*			

• (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.

Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2014

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 Year 7/1/12-6/30/13 (C)	Receipts/Revenues Year 7/1/13-6/30/14 (D)	Expenditure/Disbursements[4] Year 7/1/12-6/30/13 (E)	Expenditure/Disbursements[4] Year 7/1/13-6/30/14 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
Total US Department of Education Pass-through from Illinois State Board of Education			**230,734**	**341,496**	**370,539**	**376,076**			
US Department of Education-Pass-through from Kankakee Area Special Education Co-Op:									
Special Education Preschool Flowthrough	84.173	2014-4600		9,539		15,196	n/a	n/a	n/a
Special Education Preschool Flowthrough	84.173	2013-4600	14,474	719	14,474	719	n/a	n/a	n/a
Special Education IDEA Flowthrough	84.027	2014-4620		207,869		284,778	n/a	n/a	n/a
Special Education IDEA Flowthrough	84.027	2013-4620	171,345	140,037	303,555	7,827	n/a	n/a	n/a
Total Special Education Cluster-IDEA			*185,819*	*358,164*	*318,029*	*308,520*			
Total US Department of Education-Pass-through from Kankakee Area Special Education Co-Op			**185,819**	**358,164**	**318,029**	**308,520**			
Total US Department of Education			***416,553***	***699,660***	***688,568***	***684,596***			

• (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.

Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2014

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 Year 7/1/12-6/30/13 (C)	Receipts/Revenues Year 7/1/13-6/30/14 (D)	Expenditure/Disbursements[4] Year 7/1/12-6/30/13 (E)	Expenditure/Disbursements[4] Year 7/1/13-6/30/14 (F)	Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
US Department of Health and Human Services-Pass-through from Illinois Healthcare and Family Services:									
Medical Assistance Program	93.778	2014		59,279		59,279	n/a	n/a	n/a
Total US Department of Health and Human Services			***0***	***59,279***	***0***	***59,279***			
US Department of Defense-Pass-through from Illinois State Board of Education:									
Commodities (non-cash) (M)	10.555	2014		7,813		7,813	n/a	n/a	n/a
Total US Department of Defense			***0***	***7,813***	***0***	***7,813***			
US Department of Agriculture-Pass-through from Illinois State Board of Education:									
National School Lunch (M)	10.555	2013-4210	320,363	56,978	320,363	56,978	n/a	n/a	n/a
National School Lunch (M)	10.555	2014-4210		291,850		291,850	n/a	n/a	n/a
School Breakfast (M)	10.553	2013-4220	87,334	16,809	87,334	16,809	n/a	n/a	n/a
School Breakfast (M)	10.553	2014-4220		75,378		75,378	n/a	n/a	n/a
Commodities (non-cash) (M)	10.555	2014		37,396		37,396			
Commodities (non-cash) (M)	10.555	2013	37,494		37,494		n/a	n/a	n/a
Total US Department of Agriculture-Pass-through from Illinois State Board of Education			***445,191***	***478,411***	***445,191***	***478,411***			
Total-Child Nutrition Cluster (M)			*445,191*	*486,224*	*445,191*	*486,224*			
Total Federal Awards			***861,744***	***1,245,163***	***1,133,759***	***1,230,099***			

• (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.

Bradley School District No. 61
Notes to the Schedule of Expenditures of Federal Awards
As of and for the year ended June 30, 2014

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Bradley School District No. 61 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Other Disclosures

Subrecipients – None

Amount of federal insurance in effect during the year – None

Loan/Loan guarantees outstanding at year-end - $-0-

Bradley School District No. 61
Summary of Auditor's Results
As of and for the year ended June 30, 2014

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Qualified – governmental activities
Unmodified – major funds and aggregate remaining fund information

Internal control over financial reporting:

- Material weakness(es) identified? X yes ____ no
- Significant deficiency(ies)? ____ yes X none reported

Noncompliance material to financial statements noted? ____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ____ yes X no
- Significant deficiency(ies) identified? ____ yes X none reported

Type of auditor's report issued on compliance on major programs: Unmodified

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

Identification of major programs

CFDA Number(s)	Name of Federal Program or Cluster
10.553/10.555	Child Nutrition Cluster

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

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

Bradley School District No. 61
Schedule of Findings and Questioned Costs
As of and for the year ended June 30, 2014

Section II – Financial Statement Findings Required to be Reported Under Generally Accepted Government Auditing Standards

Finding No:	2014-001
This finding is:	X New _____ Repeat from Prior Year?
Criteria:	In order to detect and correct errors, bank reconciliations should be prepared and compared to the accounting records each month end. Any differences should be investigated and corrected.
Condition:	Bank reconciliation as of June 30, 2014 did not agree to the accounting records.
Context:	The District's records were adjusted by $264,332, increasing both the cash balances and receipts as originally reported by the District.
Effect:	Receipts and cash were understated by $264,332.
Cause:	The bookkeeper is new to the District and did not understand the need to compare the reconciliations to the accounting records.
Recommendation:	The District's Director of Finance/Business Operations will provide additional training to the bookkeeper.

Section III – Federal Award Findings and Questioned Costs

Current Year Findings: None

Bradley School District No. 61
Summary Schedule of Prior Year Endings
As of and for the year ended June 30, 2014

Summary Schedule of Prior Year Findings

Prior Year Findings: None

Bradley School District No. 61
Corrective Action Plan for the Current Year Audit Findings
As of and for the year ended June 30, 2014

Corrective Action Plan

Finding No.:	2014-001
Condition:	Bank reconciliation as of June 30, 2014 did not agree to the accounting records
Plan:	The District's Director of Finance/Business Operations will provide additional training to the bookkeeper.
Anticipated Date of Cooperation:	Immediately
Name of Contact Person:	Tamara Mitchell, Director of Finance/Business Operations