

COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2011



**CAPITOL REGION EDUCATION COUNCIL
Hartford, Connecticut**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2011**



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CAPITOL REGION EDUCATION COUNCIL
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2011

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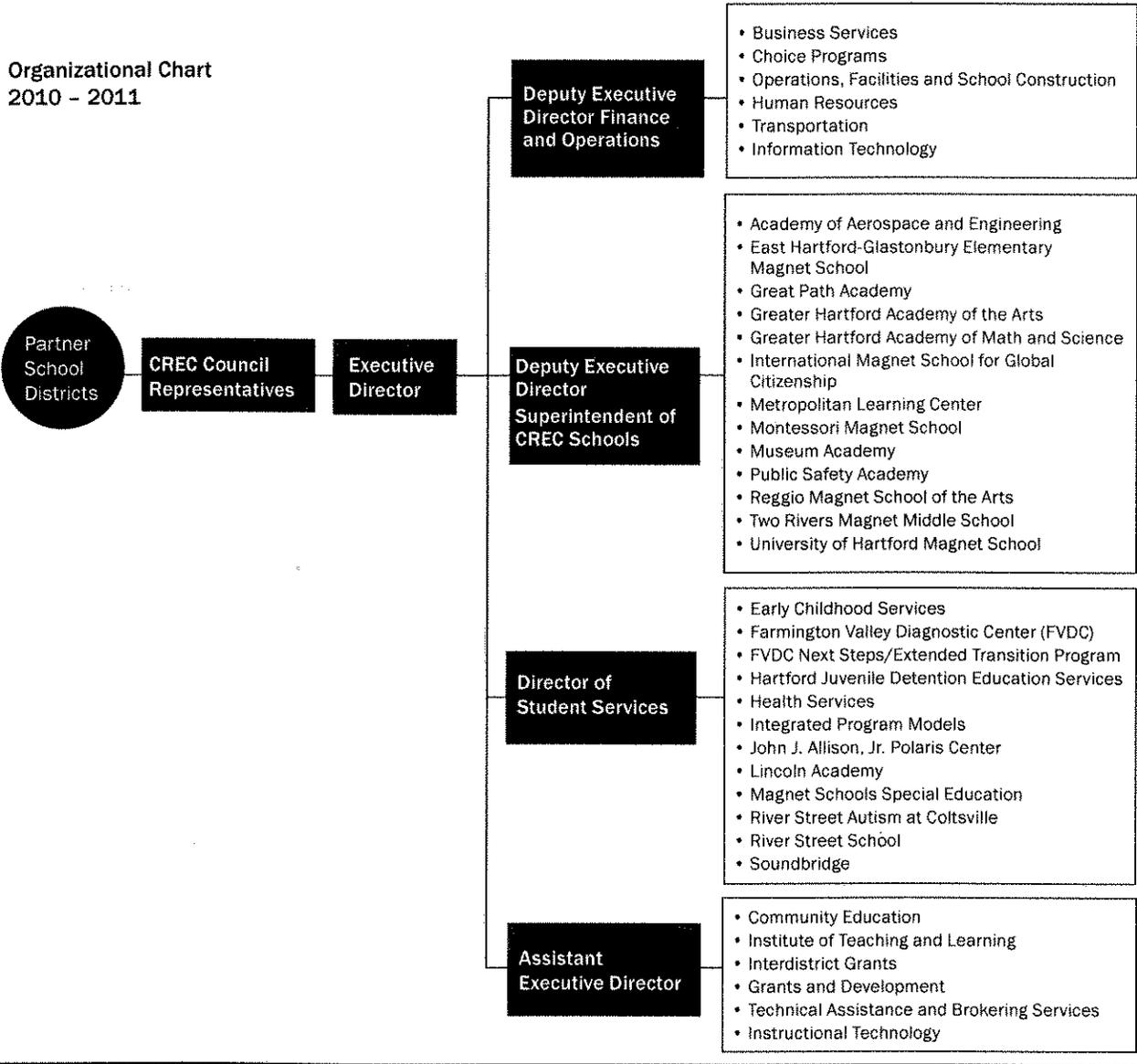
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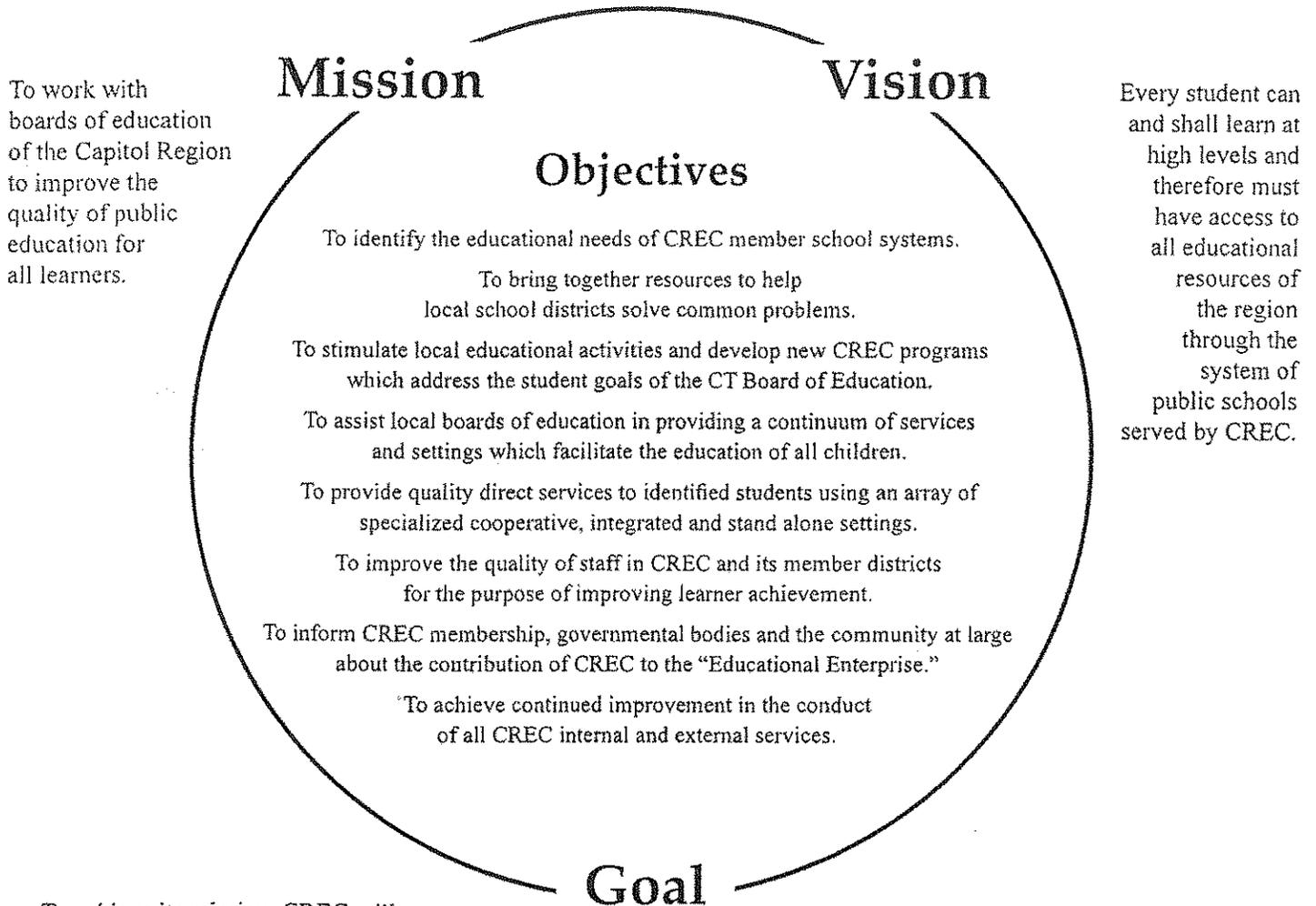
Introductory Section

**Organizational Chart
2010 - 2011**





Connecting People and Resources for Quality Education



To achieve its mission, CREC will:

- Promote cooperation and collaboration with local school districts and other organizations committed to the improved quality of public education.
- Provide cost effective services to member districts and clients.
- Listen and respond to client needs for the improved quality of public education.
- Provide leadership in the region through the quality of its services and its ability to identify and share quality services of its member districts and other organizations committed to public education.

CREC staff and programs shall work with local school systems to meet their needs and the needs of students.

- Each student in the public schools of the Capitol Region will demonstrate learning at ever higher levels.
- Each student in the public schools of the Capitol Region will demonstrate, by the end of the third grade, high levels of literacy.
- Each student in the public schools of the Capitol Region will participate in learning environments that more nearly reflect the diversity of the region's population.

Member Districts:

Avon • Berlin • Bloomfield • Bolton • Bristol • Canton • Cromwell • East Granby • East Hartford • East Windsor
 Ellington • Enfield • Farmington • Glastonbury • Granby • Hartford • Hartland • Manchester • New Britain
 New Hartford • Newington • Plainville • Portland • Region #10 • Rocky Hill • Simsbury • Somers • Southington
 South Windsor • Suffield • Vernon • West Hartford • Wethersfield • Windsor • Windsor Locks.

2010-2011 Governance

<p>Board of Directors Avon – Barbara Zuras Berlin – John Richards Bolton – Dr. John Hambrook, Vice Chair East Granby – Jeff Clark Enfield – Joyce Hall, Chair Hartford – David MacDonald Newington – Sharon Braverman Plainville – Becky Tyrrell Portland – Chris Phelps Southington – Jill Notar-Francesco, Sec/Treas. Windsor Locks – Brenda Ives</p> <p>Council Representatives Avon – Barbara Zuras Berlin – John Richards Bloomfield – Shirley Thompson Bolton – Dr. John Hambrook Bristol – Christopher C. Wilson Canton – Leslee Hill Cromwell – Shirley Banic East Granby – Jeff Clark East Hartford – Jeffrey Currey East Windsor – John Pica-Sneeden Ellington – Kristen Picard-Wambolt Enfield – Joyce P. Hall Farmington – Mary Grace Reed Glastonbury – Jeremy Grieveson Granby – Cal Heminway Hartford – David MacDonald Hartland – Amy Bourque Manchester – Mary-Jane Pazda New Britain – Sharon Beloin-Saavedra New Hartford – TBD Newington – Sharon Braverman Plainville – Becky Tyrrell Portland – Chris Phelps Region 10 – Beth Duffy Rocky Hill – Dilip Desai Simsbury – Lydia Tedone Somers – Joan Formeister Southington – Jill Notar-Francesco South Windsor – Sheila Appleton Suffield – MaryLou Sanborn Vernon – TBD West Hartford – Terry Schmitt Wethersfield – Tristan Stanziale Windsor Locks – Brenda Ives Windsor – Paul Panos</p>	<p>CREC Administration Bruce E. Douglas, Ph.D., <i>Executive Director</i></p> <p>Sarah J. Barzee, Ph.D., <i>Assistant Executive Director</i></p> <p>Donald P. Walsh, <i>Deputy Executive Director, Finance & Operations</i></p> <p>Denise Gallucci, <i>General Director, Magnet Schools</i></p> <p>Sandy Cruz-Serrano <i>Director, Operations</i></p> <p>Regina Terrell, <i>Director, Human Resources</i></p> <p>Deborah Richards, <i>Director, Student Services</i></p> <p>Andrew Tyskiewicz, <i>Director, Community Education</i></p> <p>Aura Alvarado <i>Director, Communications & Community Relations</i></p> <p>Roger LaFleur, <i>Director, School Construction</i></p> <p>Dina Crowl, <i>Director, Institute of Teaching & Learning</i></p> <p>Margaret MacDonald, Ph.D., <i>Director, Technical Assistance & Brokering Services</i></p> <p>Douglas Casey, <i>Director, Technology Services</i></p>
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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Capitol Region Education Council, Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danson

President

Jeffrey R. Emery

Executive Director

December 6, 2011

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**To the Board of Directors and Council,
Capitol Region Education Council:**

This is the Comprehensive Annual Financial Report (CAFR) of the Capitol Region Education Council (CREC) for the fiscal year ended June 30, 2011. The purpose of this report is to provide citizens, member boards of education, funders, grantor agencies and other interested parties with reliable financial information about CREC.

CREC's Business Services Division is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. We believe that the data presented in this annual report is accurate in all material aspects; it is presented in a manner designed to fairly set forth the financial position and results of operations of CREC, as measured by the financial activity of its funds. The report contains all disclosures necessary to enable the reader to gain an understanding of CREC's financial affairs.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

REPORTING ENTITY

CREC is the oldest and largest of Connecticut's six regional educational service centers (RESCs). CREC is governed by, and serves, its members - 35 public school districts of North Central Connecticut. CREC's mission is to improve the quality of public education through cooperative programs. CREC was established in 1966 as a cooperative effort of local school districts, organized under the provisions of the Connecticut General Statutes, Section 10-66 a-n.

Pursuant to C.G.S. 10-66c, CREC, as a regional educational service center, is a public educational authority acting on behalf of the State of Connecticut. The Internal Revenue Service has determined CREC to be an organization described in Section 170 (c) (1) of the Code. The Connecticut State Department of Education (SDE) is CREC's primary regulatory agency. Publicly elected board of education members appointed by each member school district serve on CREC's Council. The term of office of Council directors may not exceed three years. The Council appoints an executive director to serve as the executive agent of CREC.

CREC provides a diverse range of services in education, health and human services. Major services provided to member districts include regional programs providing education and related health services for children with disabilities in the least restrictive environment, magnet schools promoting integrated and quality education, early childhood intervention initiatives, staff development programs and technical assistance services. The financial information provided in the CAFR includes all CREC funds.

ECONOMIC CONDITION AND OUTLOOK

The agency's economic condition is dependent upon the extent to which the primary customers (local boards of education and the State) continue their utilization of CREC services. CREC responds to, and tries to anticipate, the needs of its member districts. CREC's challenge is to identify and meet the changing and expanding requirements of its region.

Through their purchase of CREC's services, both the State and the local school districts recognize the benefits of delivering educational services on a regional, cooperative basis. CREC's services remain in demand, even as the State and member school districts continue to address budgetary challenges. CREC's tradition of providing essential services with the flexibility to develop and modify program offerings based on market factors will continue, and CREC's consistent and significant growth over the past ten years suggests that growth may continue.

FUTURE PLANS

Quality and Integrated Education:

Public Act 97-290, An Act Enhancing Educational Choices and Opportunities, sets forth the basis for much of the continued growth expected in quality and integrated education program activities. Specifically, this act requires each school district to immediately provide educational opportunities for students to interact with students and teachers from varied racial, ethnic and economic backgrounds and from other communities.

CREC has long held quality, integrated education as its primary focus. As a leader in promoting diversity, the application of CREC's core beliefs, mission, goals and objectives has resulted in tangible progress toward achieving this goal in our region. We expect that our magnet school enrollment, the Choice program, Interdistrict grants and other funding will continue to increase through 2012 and beyond, as the State responds to racial and ethnic isolation in the Capitol Region through the 2008 Settlement Agreement in *Sheff v. O'Neill*.

CREC's Magnet Schools Division enrollment continues to grow. In 2011-2012, we are operating the Metropolitan Learning Center Magnet School in Bloomfield; the East Hartford/Glastonbury Elementary Magnet School in East Hartford; the Greater Hartford Academy of the Arts in Hartford; the Greater Hartford Academy of Math and Science in Hartford; the Academy of Aerospace & Engineering in Hartford and Bloomfield; the Montessori Magnet School in Hartford; Two Rivers Magnet Middle School in East Hartford; Great Path Academy in Manchester; the University of Hartford Magnet School in Hartford; the Museum Academy (formerly Charter School for Young Children) in Hartford; the International Magnet School for Global Citizenship in East Hartford; the Reggio Magnet School of the Arts in Avon and Simsbury; the CREC Public Safety Academy in Enfield, the Medical Professions and Teacher Preparation Academy in Windsor, and the Discovery Academy in Hartford. Our magnet school enrollment has grown to over 5,700 students and our magnet school budgets total \$80,564,910. The Magnet Schools Division will continue to grow because of the market demand and benchmarks of the 2008 Sheff agreement. It will continue to retain and attract new students by allowing them to focus on specific talents or interests, while studying a challenging core curriculum of language arts, mathematics, science, social studies and languages in a diverse environment.

The CREC Magnet Schools Division was awarded a three-year Federal Magnet School Assistance Program grant for \$11.5 million in 2010-2011 in support of magnet school development, recruitment and expansion in the region.

The Hartford Region Open Choice program currently serves approximately 1,481 students who attend 135 schools in 29 CREC districts during the current 2011-2012 school year. CREC manages the program and, with the assistance of the State Department of Education, will continue to expand the Choice Program in future years, through increased counseling and academic support, and through increased State funding based on the degree of district participation, highly effective Interdistrict programs, and improved and enhanced Choice and magnet school regional transportation services. CREC also operates an after-school academic remediation program and a

summer program targeting underperforming Choice students who attend suburban schools in Greater Hartford. The goal of the program is to assist our Choice students in the development of academic skills to perform at or above goal on CMT and CAPT tests, which they take in their receiving schools.

The Interdistrict grants program continues to respond to racial and ethnic isolation in the Capitol Region through 13 awarded grants in 2011-2012 totaling \$1,081,855.

Community Education Division:

The Community Education Division addresses the needs of adults and families in the Capitol Region and beyond through its operation of many community-based programs and by leading several statewide professional development initiatives.

Direct service programs include pre-vocational and literacy training, English as a Second Language classes, family literacy, continuing education and youth development initiatives. The division also delivers comprehensive training and technical assistance for adult educators, K-12 personnel, after school program staff, non-profit organization staff, and corporate employees. The division is the statewide professional development coordinator for Connecticut's 1,500 Adult Education teachers, 21st Century after school programs, teen parent programs, and Career and Technical Education programs. The work of the division extends throughout the region, the state, and beyond Connecticut's borders with a diverse clientele from both the public and private sectors.

Student Services Division:

The Student Services Division serves a diverse population of students and their families. While much of the effort has been to ensure the quality of existing programs, there has been significant expansion of programming and services over the past school year.

River Street School provides day and extended day and year services to students with autism and significant developmental delays, with a strong emphasis on applied behavioral analysis and a variety of support services based on individual student need. River Street's annex building, the Marcia Yulo Howard Center for Autism, houses classrooms for younger students transitioning to River Street School, the PASC (Program for the Assessment of Special Children), the Children's Therapy Services Clinic for children with sensory issues, and also contains the administrative offices for River Street's Autism Outreach program and the Integrated Program Models (IPM). River Street School has expanded its ability to provide outdoor experiences for students with the addition of a large, state-of-the-art pavilion.

The Farmington Valley Diagnostic Center (FVDC) is enhancing its transitional services for students and is providing additional opportunities for community internships and work experiences. In conjunction with the FVDC Advisory Committee, the Center continues to explore the feasibility of the expansion of services for students with social, emotional and behavioral concerns. This past summer, the Center expanded the summer school program to a younger and more diverse group of students.

The John J. Allison Jr. Polaris Center has expanded the services in its Mental Health Outpatient Clinic to serve young adults ages 18-21 and adults. The Polaris School continues to provide high quality educational and therapeutic services for students with social, emotional and behavioral concerns. The Lincoln Academy, whose mission is similar to FVDC's, has expanded and is now located in a separate wing of the Polaris Center. In addition, the Center has started two new academies. The ATLAS Program (Academy for Therapeutic Learning and Success) is designed for students with significant psychiatric challenges and the Connections Program addresses the needs of students who require a very alternative learning environment. All of the programs under the John J. Allison Jr. Polaris Center umbrella have developed a stronger focus on transition and job-related services, including a large catering business.

CREC continues to provide the educational program for the Hartford Juvenile Detention Center (JDC). CREC has also increased its emphasis on partnering with the Hartford Public Schools in an effort to re-engage students in the public school educational program when they leave detention and hired additional staff to focus on the transition of youth back to the public schools. CREC is working with the educational and residential programs of the JDC to implement Positive Behavioral Interventions and Supports (PBIS) in both settings.

Soundbridge continues to provide a continuum of services, including programs for young children who are hearing-impaired, in a state of the art facility, in public schools classrooms, and through many consultation services for students in their local districts. In addition, Soundbridge provides state-of-the-art audiological services as well as maintenance of hearing technology for students throughout the state. This year, through a variety of grant funds, Soundbridge expanded its creative arts program to include art, music and theater productions.

The Birth to Three and Family Enrichment Programs continue to provide direct service to families and children in the Hartford area. Family Enrichment conducts parent education through instructional sessions and support groups. Birth to Three continues to provide direct service to infants and toddlers with special needs. The staff works closely with families as partners in the upbringing of young children who may face multiple challenges. In addition, the Birth to Three Program sponsors professional development sessions for its staff and early interventionists throughout the region.

The Division of Student Services received a grant from the State Department of Bureau of Rehabilitation Services (BRS) to hire a Transition Resource Counselor to work with districts and families to prepare students for access to competitive employment, adult service agencies or community resources upon graduation.

School Construction Services:

CREC continues to provide planning and project management services to construct magnet schools, a service which CREC began to offer in 1996. Market demand, coupled with CREC's track record in this sensitive area, has resulted in our engagement to provide project management and related construction services to districts throughout Connecticut. Our school construction staff serves surrounding districts that are either contemplating or actively engaged in school construction projects. To date, we have been and/or are the sole project manager/owner's representative on over 20 projects currently in different phases, comprising over \$600 million in project costs.

CREC's construction services range from early master plan development, including education specifications and pre-construction services, to handling the entire construction process as a project/program manager and/or owner's representative. Our services also provide for verification of compliance with the educational program, financial reporting to the State Department of Education, project closeout and final audit. We also provide many preliminary services for school construction projects, such as facility audits, capital replacement plans, feasibility studies, educational specifications development, operations plans, and grant applications.

We continue our work as owner's representative in Bloomfield for the Laurel School, having successfully completed our contractual obligations for both the Carmen Arace and Metacomet renovation school projects. We also continue to provide services to New London's Nathan Hale Magnet School as that project reaches successful completion.

We continue to assist Goodwin College by providing project management services for the Connecticut River Academy, the Academy of Advanced Design and Technology, and their Early Childhood School.

We have successfully completed renovations of both the start-up and expansion of facilities for seven magnet schools and programs such as the Public Safety Academy, Reggio Arts Magnet, International Magnet School for Global Citizenship, Medical Professions and Teacher Preparation Academy, Museum Academy, Academy of Aerospace & Engineering, and Discovery Academy. In addition, we oversee the seven construction projects for each of permanent facilities for the above- mentioned programs which involve site acquisition, planning and zoning approval, design oversight, bidding, construction, and closeout.

Institute of Teaching and Learning:

The Institute of Teaching and Learning continues to provide many workshops, consultation services and consortium memberships to meet the needs of our partner districts. The diversely talented staff represents the spectrum of educational experience in all content areas and with all school age groups. Additionally, the staff is well-versed in both national and state initiatives that connect with local district school improvement plans. Apart from its many planned workshops, the Institute can tailor services to meet a school district's particular professional objectives.

Teaching and Learning consultants facilitate regional and content-specific curriculum councils. District leaders and department heads in the disciplines of science, math, and language arts meet monthly at CREC to network, share and deepen their knowledge of best practices, identify mutual needs and share resources.

The Institute's education specialists provide ongoing services to multiple districts in Greater Hartford, community based preschool programs and districts outside the Hartford area. Requests for services have included presentations for scheduled professional development days, program evaluations, on-site coaching and modeling for instructional strategies in the areas of literacy, numeracy, science, and early childhood. The Institute also sponsors notable national speakers, educational authors and researchers for presentations throughout the school year.

The Institute continues to enjoy a dynamic partnership with SDE's School Improvement Unit and the RESC Alliance. The partnership provides direct professional development and technical support to schools and districts that have been designated as needing improvement. As a result, the Institute will provide over 350 days of direct service to 13 districts. The services requested include: data team training and facilitation, support for using protocols to examine student work, implementing effective teaching strategies, differentiating instruction and curriculum development. Teaching and Learning will continue to partner with the state on CALI training in Differentiated Instruction, School and Instructional Data Teams, The Next Generation of Assessments and Improving School Climate.

The Common Assessment Consortium (CAC) was established in response to the needs of regional districts to develop standards-driven assessments. The overarching goal is to provide common tools for measuring progress toward the standards that are grade level appropriate, so that all students can achieve at high levels. A primary focus this past year was the infusion of a deep understanding of the Common Core State Standards in Mathematics and Language Arts. The K-2 Assessment Consortium completed its second year and will be incorporated into the work of the CREC CAC in 2012.

Other work of the Institute includes initiatives for the RESC Minority Teacher Recruiting Alliance, Montessori teacher training, management of Title III activities for CREC districts, professional development for the Sheff Management Plan and Hartford Region Open Choice Programs, and new developments through our Office for School Transformation.

Technical Assistance and Brokering Services Division (TABS):

The Technical Assistance and Brokering Services Division continues to respond to the needs of districts in the region and around the state by providing high quality, timely, professional development, training and assistance and other needed services.

TABS' Special Services Support Team (SSST) is in its sixth year of offering Connecticut's Advanced Alternate Route to Certification Program in Special Education and is approved by the State Department of Education to operate through 2014. This exciting, innovative course of study provides training and practical experiences for certified teachers in order to earn a cross endorsement in special education. This program has been very successful, graduating approximately 25-30 teachers each year, with a total of 125 graduates and an average of 99% of the students placed in special education teaching positions.

Districts that are interested in obtaining an independent review of their programs and services, such as special education, RTI (Response to Intervention), secondary transition, early intervention, student achievement, and related services (i.e. speech and language) have sought assistance from CREC's TABS division. We have provided over 40 reviews throughout Connecticut. TABS has also done feasibility studies for districts considering the reorganization of schools and programs. This year, we have worked closely with two boards of education to provide data, facilitation and problem-solving support in determining school closures.

TABS continues to work with the State Department of Education to provide leadership in the training of RESC, SDE and district staff on the COMPASS paraprofessional training curriculum. Since the participants became certified trainers in October 2008, over 2,000 paraprofessionals across the state have been trained in the COMPASS modules. This year, we worked collaboratively with SDE to develop and provide training on a module for school climate and new "bullying" legislation. The COMPASS modules have also sold nationally and internationally, with the Netherlands now included as a customer. This year, the COMPASS was translated into Dutch, and TABS trainers went to Amsterdam to train a group of educators in the use of the COMPASS with their paraprofessionals.

We are in the third year of providing an Assistive Technology (AT) Consortium to Connecticut districts and organizations. Membership in the consortium allows the 10 districts currently enrolled to send three staff to six professional development training sessions, receive a quarterly newsletter, and be connected to online discussion groups. AT Consortium members also are entitled to borrow assistive technology equipment from the lending library. The assistive technology library continues to grow, thanks to support from the CT Assistive Technology Project and donations from private vendors. We now can offer iPads that are loaded with useful applications for students with disabilities.

As part of an initiative to assist districts in designing and implementing positive school climate, TABS' Support Team is providing training to 15 schools and over 50 staff on Positive Behavior Intervention Supports (PBIS). PBIS provides a framework for schools to use that reinforces positive student behavior through changes in school structure and staff behaviors. This is the third year of the program, and we have added to our mix of customers alternate settings, such as USD 2 and the Juvenile Detention Center.

TABS' REACT (Regional Assessment and Consultation Team) service continues to provide highly qualified, certified professionals to help public schools, private schools and special educational agencies meet their staffing needs. Currently, TABS provides 13 districts and agencies with over 45 full and part-time paraprofessionals, associate instructors and speech language pathology assistants. 17 interim administrators, paraprofessionals, transition coordinators, occupational and physical therapists, tutors, behavior specialists, literacy coaches, and speech language pathologists are working for TABS in educational organizations across the state.

In addition to interim services, TABS continues to provide student evaluations in a number of related service areas. For the current school year (2011-12), TABS has contracts to conduct 20 evaluations in areas such as: assistive technology (AT) or augmentative alternative communication (AAC), vocational, occupational, bilingual speech language, bilingual psycho-educational or psychological assessments.

TABS continues to offer two online learning programs. Virtual Learning Academy provides over 80 courses for students in grades 2 through 12 to recover credits and stay on course for graduation. Students work at their own pace in their individual courses, and can take as many courses as needed throughout the year. Virtual High School offers over 140 AP, honors-level and career exploration courses to high school and gifted middle school students. These students interact with peers worldwide.

CREC's Office of Grants and Development, which operates within the TABS administrative structure, continues to serve school districts and organizations in their efforts to secure funding for a wide variety of programs. Currently, we continue to develop a cadre of grant writers and "vetters" who work on proposals for both CREC and districts across the state. CREC's relationships with corporate and private funders continues to grow through the work of the CREC Foundation. The Grants and Development Office seeks private funding for programs which include: after school programs, science technology, engineering, and math (STEM) projects, Family Resource Centers, Community Involvement in Student learning, Transition to Work or Post Secondary Education, School Climate, and 21st Century Learning Activities.

TABS continues to support the Connecticut Technical High School System by providing related services such as speech and language pathologists, clinical psychologists, psychiatrists, and occupational and physical therapists. We also coordinate most of their professional development, and develop and implement training such as Scientific Research Based Interventions (SRBI). We hire and provide GED examiners and tutors, technology specialists, and coordinate professional development and purchase materials and equipment for Department of Corrections.

Technology Services Division:

The Technology Services Division has expanded its delivery of services in response to evolving district needs. The division has launched a technology consortium that will help enable schools maintain support and professional development services despite district budget cuts. Components of the consortium include shared professional development resources, volume software discounts, library of technology policies, and tools to foster regional growth and collaboration. Both directly and through the consortium, CREC specialists work with district leaders to integrate 21st Century skills into new and existing curriculum. The division also continues to provide free hosting and training in the development of virtual courses, for K-12 and other audiences, to support "anytime, anywhere learning".

Tech Services has leveraged its existing knowledge of data-driven decision making into professional development and consulting services for schools, to provide school leaders and teachers with more timely and relevant information about student performance. Over the past year, significant improvements have occurred in the area of student and operational data collection, automation, and analysis. The division has aligned itself with key system providers - such as Microsoft, Naviance, Pearson, and ProTraxx - to provide volume purchasing discounts, contract negotiating, hosting, development, implementation, and management services to districts.

In the area of information technology, the division has expanded its consulting services beyond operational support to more strategic areas of systems planning and development. The division has conducted a number of extensive technology audits to assess districts' readiness for integrating 21st-Century skills into the classroom while introducing ways to reduce operational risks and expenses. The IT team provides end-to-end as well as contract support for districts and non-profit organizations across the state, resulting in accolades and employee performance awards for outstanding service.

Business Services Division:

CREC's Cooperative Purchasing effort continues to grow, offering school districts and other organizations a three-part program to save money and time. Locally, we bid on behalf of our clients for school, classroom, art and medical supplies, multi-purpose paper, assistive technology, audiovisual equipment and office machines, and HVAC filters and belts. In Connecticut and other New England states, CREC also promotes the PEPPM technology savings program, which is part of a nationwide offer of over 300,000 technology items. Finally, CREC has also joined 23 other states, through the Association of Educational Purchasing Agencies (AEPA), to offer nationally bid items such as furniture, flooring, athletic surfaces, vehicles and roofing.

In an effort to increase service quality and reduce district costs, senior Business Services and Transportation staff developed a 2008 pilot service which continues to provide special education students from participating districts with transportation to their out-of-district placement destinations.

Human Resources Division:

The Human Resources Division continues to serve districts with the Minority Teacher Recruiting Program, which places certified candidates on a year-round basis. Our annual Career Fair attracts students from area colleges and universities, veteran teachers, career changers and teachers who are relocating to Connecticut from other states.

FINANCIAL INFORMATION

CREC's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of CREC are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting standards. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: a) the cost of a control should not exceed the benefits likely to be derived, and b) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit:

As a recipient of federal and state funds, CREC is required to undergo a single audit in conformance with: a) the provisions of the Federal Single Audit Act of 1984 as amended in 1996, b) the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations* and c) the Connecticut State Single Audit Act. Information related to these single audits, including the schedule of federal and state financial assistance, the findings and recommendations and auditors' reports on the internal control structure, and our compliance with applicable laws and regulations, is issued under separate cover and is not included in this report.

As part of CREC's single audit described above, tests are conducted to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that CREC has complied with applicable laws and regulations. The results of CREC's single audit for the fiscal year ended June 30, 2011 provided no instances of material weakness in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls:

CREC maintains budgetary control at the program level. The objective of our budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget, as presented by the management of CREC and approved by the Council. The Business Services Division supports CREC's management in budget administration. CREC maintains a formal encumbrance system during the course of the fiscal year. Outstanding encumbrances lapse at year-end and are not recorded as budgetary expenditures. They may be re-encumbered in the succeeding year as expenditures against the newly-adopted budget.

OTHER INFORMATION

Independent Audit:

State statute requires an annual audit of the books of account, financial records and transactions of all CREC programs by independent certified public accountants appointed by the representative Council. This requirement has been complied with, and the independent auditor's report has been included in this report.

Awards and Acknowledgements:

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Capitol Region Education Council for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. This was the eighteenth consecutive year that CREC has received this award. In order to be awarded a Certificate of Achievement, CREC must publish an easily readable and efficiently organized CAFR that satisfies both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting this CAFR to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated service of the entire staff of the Business Services Division. We wish to express our appreciation to all members of the division who assisted with the preparation of this report.

We are grateful to our independent auditors, Blum, Shapiro & Company, P.C., for their professional assistance and advice during the course of this audit. Finally, we thank the members of our Council and our executive director for their support of CREC's financial operations.

Respectfully submitted,



Donald P. Walsh
Deputy Executive Director
Finance and Operations



Jeffrey E. Ivory
Comptroller

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Directors and Council
Capitol Region Education Council
Hartford, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Capitol Region Education Council as of and for the year ended June 30, 2011, which collectively comprise the Capitol Region Education Council's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Capitol Region Education Council's management. Our responsibility is to express opinions 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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Capitol Region Education Council's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Capitol Region Education Council as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2011 on our consideration of the Capitol Region Education Council's internal control over financial reporting and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 10, and the budgetary comparison information on page 42 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Capitol Region Education Council's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

Blum, Shapiro & Company, P.C.

December 6, 2011

**CAPITOL REGION EDUCATION COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

This section of the Capitol Region Education Council's (CREC) Comprehensive Annual Financial Report (CAFR) presents our discussion and analysis of the financial performance of CREC for the fiscal year ended June 30, 2011. Readers should refer to the transmittal letter at the beginning of this report and the financial statements that immediately follow this section.

FINANCIAL HIGHLIGHTS

- The total cost of CREC's programs was \$161.4 million.
- The General Fund reported a fund balance this year of \$14.4 million, up from \$11.0 million last year.
- During the year, CREC's governmental revenues of \$167.0 million were \$8.5 million greater than expenses for governmental activities (before transfers).
- CREC's net assets increased by \$8.5 million as a result of this year's operations. While net assets of our business-type activities increased by \$308 thousand, net assets of our governmental activities increased by nearly \$8.2 million.
- Overall, the growth in CREC's net assets reflected an increased demand by school districts for CREC's special education services, magnet enrollment and other specialized services, which include new programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

The CAFR contains general introductory information, the basic financial statements, and additional financial, economic and demographic information.

The basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The first two statements are government-wide statements that provide both short-term and long-term information about CREC's overall financial health. The fund financial statements provide detailed information about the individual parts of CREC - its governmental, proprietary and fiduciary funds.

Government-Wide Financial Statements

CREC is analyzed as a whole in Exhibits I and II. Exhibit I, the Statement of Net Assets, and Exhibit II, the Statement of Activities, present comprehensive financial information about all of the activities of CREC (except fiduciary activities) and provide short-term and long-term information about CREC's finances. Accounting methods used are similar to those of private sector companies. These statements report CREC's net assets and changes in them. CREC's net assets (the difference between assets and liabilities) are one way to measure CREC's financial health, or financial status. Over time, increases or decreases in CREC's net assets are one indicator of whether its financial health is improving or declining.

CREC's funds are divided into two types of activities:

- *Governmental activities* - Most of CREC's basic services are reported here, including education, health and human services. CREC's major services include regional programs that provide education and related health services for children with disabilities in the least restrictive environment, magnet schools that promote integrated and quality education, and early childhood programs that provide intervention initiatives. Federal and state grants, contracts, tuition, and room and board charges finance most of these activities.
- *Business-type activities* - CREC provides products and services directly to the public and other governmental agencies in exchange for fees. CREC's business activities include technical assistance consulting services, technology services, training, school facility services, and teaching and learning professional development workshops.

Fund Financial Statements

The fund financial statements begin with Exhibit III, and provide detailed information about the major funds – not CREC as a whole. CREC establishes categories of funds comprised of many individual funds to help control and manage financial activities for particular purposes, such as the Grants and Contracts Fund, to show that it is meeting its legal responsibilities for using revenues such as grants received for education from the State Department of Education. CREC's funds are divided into three categories: governmental, proprietary and fiduciary.

- *Governmental Funds (Exhibits III and IV)* - Most of CREC's basic programs and services are reported in governmental funds, and the exhibits focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. A fund represents a group of related accounts that are segregated for specific activities or objectives. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed, short-term view of CREC's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are greater or fewer financial resources that can be spent in the near future to finance CREC's programs. The relationship (or differences) between the information provided in the government-wide statements, where there is a longer term view, and the information presented in the governmental funds statements is described in a reconciliation included with the governmental fund financial statements.

CREC operates 78 governmental programs. The individual programs are described and their fund accounts are detailed in the Combining and Individual Fund Statements and Schedules section.

The CREC Council adopts an annual budget for each of its governmental programs. A budgetary comparison statement has been provided for the General Fund and the Special Revenue Fund to demonstrate compliance with the adopted budget.

- *Proprietary Funds (Exhibits V, VI and VII)* - Proprietary funds are reported in the same way as the government-wide statements. CREC has two types of proprietary funds:

CREC's 15 enterprise funds provide products and services directly to other Regional Education Service Centers (RESA), school districts and the public in exchange for fees. CREC regularly identifies specific service needs within the community and then establishes a means of delivery and pricing. The enterprise funds are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows.

Internal service funds are created to provide goods or services to other CREC programs, such as staff development and training, document reproduction, wide area network services, the defined contribution plan, a self-insured health insurance and workers compensation plan and a self-funded unemployment compensation plan.

- *Fiduciary Funds (Exhibit VIII)* - Fiduciary funds are used to account for assets CREC holds for the benefit of outside parties in a trustee or agency capacity. Examples of fiduciary funds are scholarship funds and student activities funds. These activities are excluded from CREC's other financial statements, because CREC cannot use these assets to finance its operations. CREC is responsible for ensuring that these reported assets are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

CREC's combined net assets increased \$8.5 million, or 11.7%, to \$81.8 million. This was due to greater demand for CREC services, which resulted in increased revenue as well as increased investment in capital assets. Current assets were also partially funded by an increase in current liabilities.

TABLE 1
NET ASSETS
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current assets	\$ 36,675	\$ 29,236	\$ 1,938	\$ 1,704	\$ 38,613	\$ 30,940
Capital assets, net of accumulated depreciation	62,272	59,369	14	12	62,286	59,381
Total assets	<u>98,947</u>	<u>88,605</u>	<u>1,952</u>	<u>1,716</u>	<u>100,899</u>	<u>90,321</u>
Current liabilities	12,089	10,116	2,088	2,160	14,177	12,276
Long-term liabilities outstanding	4,965	4,833			4,965	4,833
Total liabilities	<u>17,054</u>	<u>14,949</u>	<u>2,088</u>	<u>2,160</u>	<u>19,142</u>	<u>17,109</u>
Net Assets:						
Invested in capital assets, net of related debt	59,554	56,113	14	12	59,568	56,125
Restricted for:						
Trust purposes:						
Nonexpendable	17	17			17	17
Unrestricted	<u>22,322</u>	<u>17,526</u>	<u>(150)</u>	<u>(456)</u>	<u>22,172</u>	<u>17,070</u>
Total Net Assets	<u>\$ 81,893</u>	<u>\$ 73,656</u>	<u>\$ (136)</u>	<u>\$ (444)</u>	<u>\$ 81,757</u>	<u>\$ 73,212</u>

Net assets of CREC's governmental activities increased 11.2%, which reflected an increase in net assets invested in capital assets net of related debt due in large part from leasehold improvement in the magnet schools. Net assets of governmental activities without the capital assets increased \$5.3 million primarily due to higher magnet student enrollment and larger increases in special education services.

With regard to the financial position of the business-type activities, net assets increased by 69.4% or \$308 thousand. This increase was primarily due to School Construction Services and the Virtual High School program. Almost all the other business-type activities increased their net assets through increased revenue.

Governmental unrestricted net assets, the portion of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, increased from \$17.5 million at June 30, 2010 to \$22.3 million at June 30, 2011.

The unrestricted net assets of business-type activities increased by \$306 thousand, or 67.1%, from a deficit of \$456 thousand to a deficit of \$150 thousand. This was due primarily to decreased expenses and increased sales in professional and construction services and online training.

The adjusted revenues in governmental activities, net of the State of Connecticut contribution for teacher's retirement, was \$160.2 million this year and \$132.8 million last year, representing an increase of 20.7%. Expenditures remained stable, and related primarily to educating and providing services for CREC students and member districts. CREC's administrative activities represented 3.7% of total costs.

TABLE 2
CHANGES IN NET ASSETS
(In Thousands)

	Governmental		Business-Type		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 65,444	\$ 61,631	\$ 2,906	\$ 2,538	\$ 68,350	\$ 64,169
Operating grants and contributions	99,498	74,329	78	158	99,576	74,487
Capital grants and contributions	1,761	2,463			1,761	2,463
General revenues:						
Grants and contributions not restricted to specific programs	217	296			217	296
Unrestricted investment earnings	42	12			42	12
Total revenues	<u>166,962</u>	<u>138,731</u>	<u>2,984</u>	<u>2,696</u>	<u>169,946</u>	<u>141,427</u>
Program Expenses:						
Education	152,266	132,199			152,266	132,199
Facilities	824	736			824	736
Administration	5,235	5,128			5,235	5,128
Interest on debt	114	148			114	148
Montessori Training Center of New England			176	158	176	158
Learning Corridor Theatre			74	48	74	48
Cooperative purchasing			32	28	32	28
Regional fingerprinting services			123	95	123	95
Property rental			1	1	1	1
CASBO Support Services			2	3	2	3
Conference services			196	193	196	193
Technology sale of services			383	356	383	356
Technical assistance and brokering services			202	211	202	211
Community education			143	177	143	177
School facility services			881	564	881	564
School improvement center			749	724	749	724
Total program expenses	<u>158,439</u>	<u>138,211</u>	<u>2,962</u>	<u>2,558</u>	<u>161,401</u>	<u>140,769</u>
Change in net assets before transfers	8,523	520	22	138	8,545	658
Transfers	<u>(286)</u>	<u>(169)</u>	<u>286</u>	<u>169</u>	<u>-</u>	<u>-</u>
Increase in Net Assets	<u>\$ 8,237</u>	<u>\$ 351</u>	<u>\$ 308</u>	<u>\$ 307</u>	<u>\$ 8,545</u>	<u>\$ 658</u>

The most significant increases in government-wide expenditures were in salaries, which increased by \$5.8 million (7.7%) and other purchased services, which increased \$7.0 million (41.4%). These increased costs were for general wages for additional teachers and paraprofessionals in the expanding magnet school program, and transportation costs, which increased because of the expansion of the Magnet Transportation Services program.

Governmental Activities

Governmental activities revenue increased by \$28.2 million, or 20.4%. Approximately 39.2% of revenues came from charges for services and approximately 60.8% came from operating grants and contributions:

- An increase of 599 students and related tuitions fueled the increase in revenues. New programs as well as growth in existing programs and magnet schools in 2011 included Aerospace/Greater Hartford Academy of Math and Science (\$1.6 million), Two Rivers (\$1.4 million), Public Safety Academy (\$1.8 million), Magnet Cost Center (\$1.9 million), Greater Hartford Arts Academy (\$3.9 million), Magnet Transportation Services (\$4.1 million), International Magnet School for Global Citizenship (\$1.3 million), Charter School for Young Children (\$1.1 million) and Medical Professions and Teacher Preparation Academy (\$4 million) programs, which together generated \$21.1 million in increased revenue.
- The River Street School, Integrated Program Models and the Juvenile Detention Center were primarily responsible for the growth of revenue in the Student Services Division.

Along with the increased revenues, governmental expenditures increased by \$20.2 million, or 14.6%. This increase was caused by expenditures for new and expanding programs, general increases in salaries and benefits, and higher utility and transportation costs.

Business-Type Activities

Revenues of CREC's business-type activities (see Table 2) increased by 9.7% (\$3.0 million in 2011 compared to \$2.7 million in 2010) and expenses increased by 15.8%. Revenue exceeded expenses by \$308 thousand (after transfers). School Construction Services and Virtual High School expansion provided for the largest increase in business-type activities. We continue efforts to increase sales and lower expenses to make all services self-sufficient.

FUNDS FINANCIAL ANALYSIS

Governmental Funds

Governmental Funds (as presented on Exhibit III, the Balance Sheet) reported a combined fund balance of \$14.7 million, which increased from last year's \$11.5 million.

The net change in the fund balance of the General Fund was an increase of \$3.4 million. Program charges for leadership were \$1.2 million greater than expenditures, which increased the fund balance in the General Fund. However, the Student Services Division, which operates all of CREC's special education schools and programs, had combined revenues exceeding expenditures of \$2.3 million, which provided much of the fund balance growth in the General Fund. Metropolitan Learning Center Magnet School, Two Rivers Magnet Middle School, and the Public Safety Academy provided the largest growth in fund balance in the Magnet School Division. As the Magnet School Division matures, efficiencies in spending have had a positive effect on fund balance. The Greater Hartford Academy of the Arts continues to have negative fund balance due to its start up costs and relatively inefficient multi-site operations.

The Grants and Contracts Fund had a net decrease in fund balance of \$117 thousand. Three programs in the Grant and Contracts Fund were the major contributors to the net decrease in fund balance, as a result of reduced grant revenue and increasing expenditures. The Choice program, Employment Training program and the Early Education program, which includes the Infant Toddler program, were the largest contributors (\$476 thousand) to the net loss for the fund. State funds were not adequate to pay for the expenditures in these programs. The losses were offset by gains in Related Services, the Special Services Support Team and Birth to Three totaling \$342 thousand, as a result of increased services and district sales.

TABLE 3
GOVERNMENTAL FUND BALANCES
(In Thousands)

	<u>Fund Balance</u> <u>June 30, 2011</u>	<u>Fund Balance</u> <u>June 30, 2010</u>
General fund	\$ 14,428	\$ 11,049
Grants and contracts fund	(1,375)	(1,258)
Special revenue fund		0
Capital projects funds	680	760
Debt service funds	934	941
Permanent fund	<u>17</u>	<u>17</u>
Totals	<u>\$ 14,684</u>	<u>\$ 11,509</u>

Budget versus Actual

Cost containment of \$1.3 million at River Street accounted for the largest decrease in the budget-versus-actual amounts in the Student Services Division, along with \$1.3 million of CREC's Coltsville facility's actual expenses that were charged directly to the River Street School cost center.

Original Budget versus Amended Budget

Expanding enrollments and increased grant revenue were major factors in the amended budget increases.

Capital Projects

The decrease of \$79 thousand in fund balance was largely attributable to the Soundbridge program. A special education school was the most significant item in the Capital Projects Fund in fiscal year 2011. The major Capital Project activity for this year was the completion of the expanded Soundbridge facility in Wethersfield and CREC's expensing of its "local share" of those construction costs. Fund balance allocation from the special education schools to Capital Projects is required as the buildings age and capital repairs increase.

The Debt Service Fund and Permanent Fund remained relatively unchanged.

Proprietary Funds

Proprietary fund net assets were \$9.3 million at the end of fiscal 2011, an increase of \$2.7 million, or 40.6%. As previously mentioned, enterprise funds increased by \$308 thousand primarily due to School Construction Services and the Virtual High School program revenues.

TABLE 4
PROPRIETARY FUND NET ASSETS
(In Thousands)

	<u>Balance</u> <u>June 30, 2011</u>	<u>Balance</u> <u>June 30, 2010</u>
Enterprise Fund	\$ (136)	\$ (444)
Internal Service Fund	<u>9,458</u>	<u>7,077</u>
Totals	<u>\$ 9,322</u>	<u>\$ 6,633</u>

Net assets for the Internal Service Fund increased \$2.4 million, or 35.9%. This was mostly attributable to CREC's self-insurance fund, which realized a \$2.2 million increase in net income. Budgeted charges to CREC's programs for medical insurance remained flat, but due to the large increase in employees in the expanding magnet school programs, revenues grew. CREC's unemployment fund net assets increased \$92 thousand and the employee benefit fund net income increased by \$52 thousand. Most of CREC's internal service funds net assets also increased because expenses were lower than anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2011, CREC had \$62.3 million invested in a broad range of capital assets, including land, buildings, vehicles and equipment (see Table 5). Capital assets net of depreciation increased by \$2.9 million, or 4.7%. Current year additions totaled \$6.2 million, which included leasehold and building improvements, technology equipment and vehicles. Depreciation expense was \$3.3 million in 2010-2011. Leasehold improvements in the magnet schools and equipment were the primary causes for the increase in capital assets from the previous year.

TABLE 5
CAPITAL ASSETS AT YEAR-END (Net of Depreciation)
(In Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Land	\$ 2,225	\$ 2,225	\$	\$	\$ 2,225	\$ 2,225
Buildings and improvements	55,268	48,620			55,268	48,620
Vehicles	558	430			558	430
Furniture, fixtures and equipment	2,460	1,252	14	12	2,474	1,264
Construction in progress	1,761	6,842			1,761	6,842
Total	\$ 62,272	\$ 59,369	\$ 14	\$ 12	\$ 62,286	\$ 59,381

More detailed information about CREC's capital assets is presented in Note 1 and Note 5 to the financial statements.

Long-Term Debt

As of June 30, 2011, CREC had \$1.5 million in bonds and notes outstanding versus \$1.9 million last year, a decrease of 20.5% as shown in Table 6.

TABLE 6
OUTSTANDING DEBT, AT YEAR END
(In Thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Bonds payable	\$ 1,480	\$ 1,860	\$	\$	\$ 1,480	\$ 1,860
Notes payable	<u>65</u>	<u>82</u>	<u></u>	<u></u>	<u>65</u>	<u>82</u>
Total	<u>\$ 1,545</u>	<u>\$ 1,942</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,545</u>	<u>\$ 1,942</u>

The decrease in debt reflects the scheduled principal payments on CREC's outstanding bonds and notes. No additional debt was assumed during the fiscal year. CREC maintains a "BBB" rating from Standard & Poor's for its general obligation bonds.

Additional information on CREC's long-term debt and obligations can be found in Note 8 to the Financial Statements.

Connecticut General Statutes (C.G.S.) Section 10-66c defines the borrowing authority for RESCs. CREC was established and organized as a RESC under the provisions of C.G.S. Section 10-66a.-n. The statute does not define any limitations on the level or amount of debt which a RESC may borrow.

FACTORS AFFECTING CREC'S FUTURE

Parent Choice legislation has helped with enrollment goals, but a stable funding formula (including transportation funding) is needed to operate magnet schools properly. CREC is working with state legislators, SDE and magnet school stakeholders to address these issues.

The Choice program and the Interdistrict Grants funding should continue through 2012 and thereafter as the State continues to respond to educational inequities in the Capitol Region. Future funding will continue to rely on State's continued commitment to this issue.

CREC's continued financial strength is most evident in its special education school programs, where traditional revenue growth is expected to remain steady.

CREC's ability to develop and modify programs in special education, in school diversity and achievement, and in its general support of district needs, should provide continued growth for the agency.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of CREC's finances and to demonstrate CREC's accountability for the funds it receives to all readers of these statements. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to Donald P. Walsh, Deputy Executive Director, Finance and Operations, CREC, 111 Charter Oak Avenue, Hartford, CT 06106.

Basic Financial Statements

CAPITOL REGION EDUCATION COUNCIL

STATEMENT OF NET ASSETS

JUNE 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 19,815,130	\$ 1,040,064	\$ 20,855,194
Investments	82,359		82,359
Receivables	16,389,506	892,193	17,281,699
Prepaid items	388,646	6,319	394,965
Noncurrent assets:			
Capital assets not being depreciated	3,985,722		3,985,722
Capital assets, net of accumulated depreciation	58,285,867	13,874	58,299,741
Total assets	<u>98,947,230</u>	<u>1,952,450</u>	<u>100,899,680</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	9,789,923	132,539	9,922,462
Internal balances	(1,533,615)	1,533,615	-
Unearned revenue	3,832,695	345,946	4,178,641
Compensated absences		76,469	76,469
Noncurrent liabilities:			
Due within one year	1,189,243		1,189,243
Due in more than one year	3,775,840		3,775,840
Total liabilities	<u>17,054,086</u>	<u>2,088,569</u>	<u>19,142,655</u>
Net Assets:			
Invested in capital assets, net of related debt	59,554,252	13,874	59,568,126
Restricted for trust purposes:			
Nonexpendable	17,000		17,000
Unrestricted	22,321,892	(149,993)	22,171,899
Total Net Assets	<u>\$ 81,893,144</u>	<u>\$ (136,119)</u>	<u>\$ 81,757,025</u>

The accompanying notes are an integral part of the financial statements

**CAPITOL REGION EDUCATION COUNCIL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Education	\$ 152,266,179	\$ 65,377,228	\$ 99,453,140	\$ 1,760,795	\$ 14,324,984	\$	\$ 14,324,984
Facilities	824,101	23,771	20,415		(779,915)		(779,915)
Administration	5,235,336	42,569			(5,192,767)		(5,192,767)
Interest expense	113,999		24,704		(89,295)		(89,295)
Total governmental activities	<u>158,439,615</u>	<u>65,443,568</u>	<u>99,498,259</u>	<u>1,760,795</u>	<u>8,263,007</u>	<u>-</u>	<u>8,263,007</u>
Business-type activities:							
Montessori Training Center of New England	176,195	209,909				33,714	33,714
Learning Corridor Theater	74,132	85,243				11,111	11,111
Cooperative Purchasing	32,238	56,851				24,613	24,613
Regional Fingerprinting Services	123,080	139,830				16,750	16,750
Property Rental	852					(852)	(852)
CASBO Support Services	1,674	6,878				5,204	5,204
Conference Services	196,563	86,745				(109,818)	(109,818)
Technology Sale of Services	382,602	202,591	78,006			(102,005)	(102,005)
Technical Assistance Brokering Service	202,049	249,520				47,471	47,471
Community Education	142,684	187,708				45,024	45,024
School Facility Services	880,876	848,952				(31,924)	(31,924)
School Improvement Center	749,225	831,577				82,352	82,352
Total business-type activities	<u>2,962,170</u>	<u>2,905,804</u>	<u>78,006</u>	<u>-</u>	<u>-</u>	<u>21,640</u>	<u>21,640</u>
Total	<u>\$ 161,401,785</u>	<u>\$ 68,349,372</u>	<u>\$ 99,576,265</u>	<u>\$ 1,760,795</u>	<u>8,263,007</u>	<u>21,640</u>	<u>8,284,647</u>
General revenues:							
Grants and contributions not restricted to specific programs					217,345		217,345
Unrestricted investment earnings					42,145		42,145
Transfers					(285,762)	285,762	-
Total general revenues and transfers					<u>(26,272)</u>	<u>285,762</u>	<u>259,490</u>
Change in net assets					8,236,735	307,402	8,544,137
Net Assets at Beginning of Year					73,656,409	(443,521)	73,212,888
Net Assets at End of Year					<u>\$ 81,893,144</u>	<u>\$ (136,119)</u>	<u>\$ 81,757,025</u>

The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011

	<u>General Fund</u>	<u>Grants and Contracts Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 6,426,733	\$ 831,194	\$ 2,450,808	\$ 9,708,735
Investments	65,253		17,106	82,359
Accounts receivable	12,748,985	2,484,215	840,444	16,073,644
Due from other funds	4,246,786			4,246,786
Prepaid items	<u>128,434</u>	<u>5,038</u>	<u>101,000</u>	<u>234,472</u>
Total Assets	<u>\$ 23,616,191</u>	<u>\$ 3,320,447</u>	<u>\$ 3,409,358</u>	<u>\$ 30,345,996</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 6,381,611	\$ 1,200,660	\$ 412,966	\$ 7,995,237
Due to other funds		2,073,483	1,332,116	3,405,599
Deferred revenue	<u>2,806,952</u>	<u>1,421,090</u>	<u>32,854</u>	<u>4,260,896</u>
Total liabilities	<u>9,188,563</u>	<u>4,695,233</u>	<u>1,777,936</u>	<u>15,661,732</u>
Fund Balances:				
Nonspendable	128,434	5,038	118,000	251,472
Restricted		873,061	933,878	1,806,939
Committed			1,435,221	1,435,221
Assigned	4,860,000		267	4,860,267
Unassigned	<u>9,439,194</u>	<u>(2,252,885)</u>	<u>(855,944)</u>	<u>6,330,365</u>
Total fund balances	<u>14,427,628</u>	<u>(1,374,786)</u>	<u>1,631,422</u>	<u>14,684,264</u>
Total Liabilities and Fund Balances	<u>\$ 23,616,191</u>	<u>\$ 3,320,447</u>	<u>\$ 3,409,358</u>	<u>\$ 30,345,996</u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2011

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets:

Amounts reported for governmental activities in the statement of net assets
(Exhibit I) are different because of the following:

Fund balances - total governmental funds		\$ 14,684,264
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 93,508,402	
Less accumulated depreciation	<u>(31,291,408)</u>	
Net capital assets		62,216,994
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Receivable from the state for school construction projects		454,351
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net assets.		
		9,458,272
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds payable		(1,480,000)
Interest payable on bonds		(13,875)
Notes payable		(65,400)
Compensated absences		(1,036,125)
Capital lease		(1,171,937)
Net OPEB Obligation		<u>(1,153,400)</u>
Net Assets of Governmental Activities (Exhibit I)		<u>\$ 81,893,144</u>

The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Grants and Contracts Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Tuition	\$ 28,112,097	\$ 16,433	\$	\$ 28,128,530
Grants in aid	78,027,610	19,124,035	2,377,113	99,528,758
Room and board	1,545,004			1,545,004
Sales of services	32,637,388	3,403,648		36,041,036
Investment income	41,479		666	42,145
Other local revenues	1,233,510	561,633		1,795,143
Total revenues	<u>141,597,088</u>	<u>23,105,749</u>	<u>2,377,779</u>	<u>167,080,616</u>
Expenditures:				
Current:				
Salaries	72,749,877	9,176,677		81,926,554
Employee benefits	24,746,794	2,082,542		26,829,336
Purchased professional and technical services	3,178,543	1,614,401		4,792,944
Purchased property services	9,692,308	158,407		9,850,715
Other purchased services	15,953,903	8,075,068		24,028,971
Supplies	6,523,124	458,361		6,981,485
Property	6,039,631	163,043		6,202,674
Other objects	105,066	12,119	616,446	733,631
Debt service:				
Principal			396,350	396,350
Interest and fiscal charges			117,535	117,535
Capital outlay			2,346,996	2,346,996
Total expenditures	<u>138,989,246</u>	<u>21,740,618</u>	<u>3,477,327</u>	<u>164,207,191</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,607,842</u>	<u>1,365,131</u>	<u>(1,099,548)</u>	<u>2,873,425</u>
Other Financing Sources (Uses):				
Transfers in	2,289,667	150,486	713,296	3,153,449
Transfers out	(1,519,329)	(1,632,424)	(275,408)	(3,427,161)
Capital lease			575,000	575,000
Total other financing sources (uses)	<u>770,338</u>	<u>(1,481,938)</u>	<u>1,012,888</u>	<u>301,288</u>
Net Change in Fund Balances	3,378,180	(116,807)	(86,660)	3,174,713
Fund Balances at Beginning of Year	<u>11,049,448</u>	<u>(1,257,979)</u>	<u>1,718,082</u>	<u>11,509,551</u>
Fund Balances at End of Year	<u>\$ 14,427,628</u>	<u>\$ (1,374,786)</u>	<u>\$ 1,631,422</u>	<u>\$ 14,684,264</u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 3,174,713
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	6,174,990
Depreciation expense	(3,254,385)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts	(118,504)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond principal payments	380,000
Note principal payments	16,350
Capital lease payments	717,279
Capital lease financing	(575,000)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(225,902)
Accrued interest	3,536
Net OPEB expense	(437,600)

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

<u>2,381,258</u>

Change in Net Assets of Governmental Activities (Exhibit II)	<u>\$ 8,236,735</u>
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The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
JUNE 30, 2011

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Technology Sale of Services	School Improvement Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets:					
Current:					
Cash and cash equivalents	\$	\$	\$ 1,040,064	\$ 1,040,064	\$ 10,106,395
Accounts receivable	64,982	332,445	494,766	892,193	315,862
Due from other funds				-	692,428
Prepaid items			6,319	6,319	154,174
Total current assets	<u>64,982</u>	<u>332,445</u>	<u>1,541,149</u>	<u>1,938,576</u>	<u>11,268,859</u>
Noncurrent assets:					
Capital assets, net of accumulated depreciation	<u>648</u>	<u>6,182</u>	<u>7,044</u>	<u>13,874</u>	<u>54,595</u>
Total assets	<u>65,630</u>	<u>338,627</u>	<u>1,548,193</u>	<u>1,952,450</u>	<u>11,323,454</u>
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	11,926	40,431	80,182	132,539	1,780,811
Due to other funds	718,853	789,004	25,758	1,533,615	-
Deferred revenues	7,500	148,381	190,065	345,946	26,150
Compensated absences	<u>29,374</u>	<u>1,858</u>	<u>45,237</u>	<u>76,469</u>	<u>58,221</u>
Total liabilities	<u>767,653</u>	<u>979,674</u>	<u>341,242</u>	<u>2,088,569</u>	<u>1,865,182</u>
Net Assets:					
Invested in capital assets	648	6,182	7,044	13,874	54,595
Unrestricted	<u>(702,671)</u>	<u>(647,229)</u>	<u>1,199,907</u>	<u>(149,993)</u>	<u>9,403,677</u>
Total Net Assets	<u>\$ (702,023)</u>	<u>\$ (641,047)</u>	<u>\$ 1,206,951</u>	<u>\$ (136,119)</u>	<u>\$ 9,458,272</u>

The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Technology Sale of Services	School Improvement Center	Nonmajor Enterprise Funds	Total	
Operating Revenues:					
Sales of services	\$ 202,591	\$ 831,577	\$ 1,821,777	\$ 2,855,945	\$ 19,231,274
Other local revenues			49,859	49,859	2,097,681
Total operating revenues	<u>202,591</u>	<u>831,577</u>	<u>1,871,636</u>	<u>2,905,804</u>	<u>21,328,955</u>
Operating Expenses:					
Salaries	283,620	519,169	936,771	1,739,560	1,234,280
Employee benefits	66,199	98,344	229,557	394,100	16,899,607
Purchased professional and technical services	5,953	59,228	338,701	403,882	62,931
Purchased property services		75	29,126	29,201	54,447
Other purchased services	22,867	44,576	173,134	240,577	491,577
Supplies	2,843	15,188	99,375	117,406	41,151
Property		12,038	13,040	25,078	120,076
Depreciation	222	546	1,925	2,693	31,366
Other	898	61	8,714	9,673	212
Total operating expenses	<u>382,602</u>	<u>749,225</u>	<u>1,830,343</u>	<u>2,962,170</u>	<u>18,935,647</u>
Operating Income (Loss)	(180,011)	82,352	41,293	(56,366)	2,393,308
Nonoperating Revenues:					
Grants in aid	<u>78,006</u>			<u>78,006</u>	
Income (Loss) Before Transfers	(102,005)	82,352	41,293	21,640	2,393,308
Transfers In	198,028	7,050	407,212	612,290	43,257
Transfers Out	<u>(74,648)</u>	<u>(96,842)</u>	<u>(155,038)</u>	<u>(326,528)</u>	<u>(55,307)</u>
Change in Net Assets	21,375	(7,440)	293,467	307,402	2,381,258
Net Assets at Beginning of Year	<u>(723,398)</u>	<u>(633,607)</u>	<u>913,484</u>	<u>(443,521)</u>	<u>7,077,014</u>
Net Assets at End of Year	<u>\$ (702,023)</u>	<u>\$ (641,047)</u>	<u>\$ 1,206,951</u>	<u>\$ (136,119)</u>	<u>\$ 9,458,272</u>

The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Technology Sale of Services	School Improvement Center	Nonmajor Enterprise Funds	Total	
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ 240,230	\$ 815,081	\$ 1,730,294	\$ 2,785,605	\$ 21,293,746
Receipts from interfund services provided		13,693	5,353	19,046	4,374,526
Payments to suppliers	(21,121)	(92,578)	(694,758)	(808,457)	(715,472)
Payments to employees	(356,877)	(641,954)	(1,171,974)	(2,170,805)	(17,298,075)
Payments for interfund services used	(63,618)			(63,618)	(789,928)
Net cash provided by (used in) operating activities	(201,386)	94,242	(131,085)	(238,229)	6,864,797
Cash Flows from Noncapital Financing Activities:					
Grants in aid	78,006			78,006	
Transfers from other funds	198,028	7,050	407,212	612,290	43,257
Transfers out to other funds	(74,648)	(96,842)	(155,038)	(326,528)	(55,307)
Net cash provided by (used in) noncapital financing activities	201,386	(89,792)	252,174	363,768	(12,050)
Cash Flows from Capital and Related Financing Activities:					
Additions to property, plant and equipment		(4,450)		(4,450)	(13,093)
Net Increase in Cash and Cash Equivalents	-	-	121,089	121,089	6,839,654
Cash and Cash Equivalents at Beginning of Year	-	-	918,975	918,975	3,266,741
Cash and Cash Equivalents at End of Year	\$ -	\$ -	\$ 1,040,064	\$ 1,040,064	\$ 10,106,395
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating income (loss)	\$ (180,011)	\$ 82,352	\$ 41,293	\$ (56,366)	\$ 2,393,308
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	222	546	1,925	2,693	31,366
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	30,889	(65,571)	(77,918)	(112,600)	(57,459)
(Increase) decrease in other assets			(368)	(368)	(3,687)
Increase (decrease) in accounts payable and accrued liabilities	1,734	13,099	(44,522)	(29,689)	(789,928)
Increase (decrease) in compensated absences	2,648	1,048	6,576	10,272	887,372
Increase (decrease) in due to other funds	(63,618)	13,693	5,353	(44,572)	7,049
Increase (decrease) in due to other fund					4,374,526
Increase (decrease) in deferred revenues	6,750	49,075	(63,424)	(7,599)	22,250
Total adjustments	(21,375)	11,890	(172,378)	(181,863)	4,471,489
Net Cash Provided by (Used in) Operating Activities	\$ (201,386)	\$ 94,242	\$ (131,085)	\$ (238,229)	\$ 6,864,797

The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

JUNE 30, 2011

	<u>Agency Funds</u>
Assets:	
Cash and cash equivalents	\$ <u>383,041</u>
Liabilities:	
Accounts payable	\$ -
Fiduciary deposits	<u>383,041</u>
Total Liabilities	\$ <u>383,041</u>

The accompanying notes are an integral part of the financial statements

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Capitol Region Education Council (CREC) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies of CREC are described below.

A. Reporting Entity

The Capitol Region Education Council, a Regional Educational Service Center, was organized in 1966 under the provisions of the Connecticut General Statutes, Section 10-66a, as amended. CREC operates under a representative Council (one Council person from each member town) with a Board of Directors and an appointed Executive Director and provides the following services as authorized by statute: as a center for towns or regional boards of education to establish cooperative arrangements to provide special services, programs or activities to enable such boards to carry out the duties specified in the General Statutes.

Blended Component Unit - Capitol Region Education Council Foundation, Inc. (the Corporation) serves CREC and its members by providing financial and other support and it is governed by a Board of Directors comprised in majority by CREC's Board of Directors. The Corporation is reported as a special revenue fund.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of CREC. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tuition, room and board and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. CREC considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Interest associated with the current fiscal period is all considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by CREC.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CREC reports the following major governmental funds:

The *General Fund* is CREC's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Grants and Contracts Fund* is used to account for the proceeds of various education programs. The major source of revenue for this fund is state and federal assistance.

CREC reports the following major proprietary funds:

The *Technology Sale of Services Fund* is used to account for the operations of the Technology Center, which provides training on current business and education software of CREC staff and CREC districts.

The *School Improvement Center Fund* is used to account for the operation of a core set of key initiatives of teaching and learning to promote student achievement, such as Curriculum, Assessment and Instructional Services; Common Assessment Consortium; and Connecticut Accountability for Learning Initiatives.

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Additionally, CREC reports the following fund types:

The *Enterprise Funds* are used to account for the operations that are financed through user charges. The nonmajor Enterprise Funds include Montessori Training Center of New England, Learning Corridor Theater, Cooperative Purchasing, Regional Fingerprinting Services, Office of Communications, Staff Development, BEST Services, Property and Equipment Rental, CASBO Support Services, Conference Services, Technical Assistance Brokering Service, Community Education, and School Facility Services.

The *Internal Service Funds* are used to account for operations that are financed on a cost-reimbursement basis to programs within CREC's financial reporting entity. The Internal Service Funds include CREC Staff Development, CREC Wide Area Network, Copy Center, Self Insurance, CREC Unemployment, Workers' Compensation and Employee Benefit Fund.

The *Agency Funds* are used to account for assets held by CREC in an agent capacity for individuals, private organizations or other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds include RSS Equipment Escrow, River Street/Coltsville, Greater Hartford Academy of the Arts, Metropolitan Learning Center, Special Education Escrow, River Street School, Great Path Academy, Statewide RESCS Escrow, AAE/GHAMAS Escrow, Integrated Program Model, East Hartford/Glastonbury Magnet School Escrow, RESC Alliance Minority Recruiting, CREC Charter Oak Escrow, Polaris Student Activity, Choice Escrow, Two Rivers Escrow, Montessori Magnet School, IMS Escrow, Reggio Escrow and HASA Escrow.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. CREC has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

When both restricted and unrestricted resources are available for use, it is CREC's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

D. Deposits and Investments

CREC's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Property, plant and equipment of CREC is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	39
Building improvements	39
Land	Nondepreciable
Vehicles	7
Office equipment	7
Computer equipment	5
Machinery and equipment	7

H. Compensated Absences

Vacation benefits accumulate throughout the employment of an individual up to varying maximums. Earned vacation time accumulated by employees must be used in the subsequent year or it is forfeited. Employees in programs do not receive vacation pay for time not taken prior to the close of the program.

All vacation is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets.

J. Equity

Equity in the government-wide financial statements is defined as “net assets” and is classified in the following categories:

Invested in Capital Assets, Net of Related Debt - This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Assets - Net assets restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - This component consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Board of Directors and Council).

Assigned Fund Balance - For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts by the CREC Constitution.

Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Budgets for the General Fund and the Grants and Contracts Fund programs are authorized annually in accordance with procedures outlined in the CREC Constitution. The procedures for establishing the budgetary data reflected in the financial statements are as follows:

1. Program directors submit proposed operating budgets for the fiscal year to the Executive Director for approval and adjustment. The operating budgets include proposed expenditures and the means of financing those expenditures.
2. The adjusted budgets are submitted to the Board of Directors and Council where they are legally enacted through resolutions.
3. Program directors may modify budgets between line items within a program; however, any revisions that increase the total budgeted expenditures of any program must be approved by the Board of Directors and Council. The level of control at which expenditures may not legally exceed appropriations is the program level (i.e., Executive Director, Deputy Executive Director for the General Fund and Interdistrict Grants and Project Pact for the Special Revenue Funds).

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

The budgets are prepared on a modified accrual basis of accounting. On a budgetary basis, operating transfers in and out are classified as revenues and expenditures, respectively. All appropriations lapse at the end of the budget year. CREC has a formal purchase order system. CREC uses encumbrance accounting during the course of the year but cancels all unliquidated encumbrances prior to closing books.

Budgeted amounts are as originally adopted or as amended by the Board of Directors and Council. Supplemental appropriations were necessary during the year as new grants were received and new programs added.

The accompanying Statement of Revenues and Expenditures - General Fund and Major Special Revenue Fund - Budget and Actual (Non-GAAP Budgetary Basis) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Also, CREC does not recognize the contribution by the State of Connecticut for teachers' retirement (as discussed in Note 14) for budgetary purposes. Since not all programs included in the General Fund financial statements are budgeted, a reconciliation of the resultant accounting basis entity differences in excess of revenues and other sources over expenditures and other uses for the General Fund for the year ended June 30, 2011 are presented below.

	<u>General Fund GAAP Basis</u>	<u>Interprogram Eliminations</u>	<u>Non-Budgeted CREC General Program</u>	<u>General Fund Non-GAAP Budgetary Basis</u>
General Fund:				
Revenues and other financing sources	\$ 143,886,755	\$ 18,072,386	\$ (14,361,317)	\$ 147,597,824
Expenditures and other financing uses	<u>140,508,575</u>	<u>18,072,386</u>	<u>(13,187,898)</u>	<u>145,393,063</u>
Net Change in Fund Balance	\$ <u>3,378,180</u>	\$ <u>-</u>	\$ <u>(1,173,419)</u>	\$ <u>2,204,761</u>

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

B. Deficit Fund Equity

Fund balance and net asset deficits existed as of June 30, 2011 in the following funds/programs:

General Fund Programs:	
Grants and Development Office	\$ 501,865
Administrative Building Cost Center	571,998
Minority Teacher Recruiting	44,240
Project Literacy	68,309
Learning Corridor Cost Center	719,259
Aerospace and GHAMAS Magnet School	796,917
Polaris Center	1,162,709
Magnet School Cost Center	836,377
Special Education Transportation	21,417
Greater Hartford Academy of the Arts	3,644,016
Reggio Magnet School for the Arts	1,525,554
Charter School for Young Children on Asylum Hill	1,058,612
Medical Professions and Teacher Prep Academy	102,229
Special Revenue Fund:	
Grants and Contracts Fund:	
Capitol Region Choice Program	1,351,525
Suburban Youth Programs	2,875
Regional School Choice Office	679
Family Enrichment Services	60,861
Employment Training Program	392,486
Early Education Programs	442,935
Capital Projects Funds:	
Soundbridge Construction	754,944
Technology Sale of Services	702,023
School Improvement Center	641,047
Enterprise Funds:	
Conference Services	4,699
Internal Service Funds:	
Workers Compensation	6,675

These deficits will be covered by transfers from the General Fund.

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank,” as defined by the Statutes, which is not a “qualified public depository.”

The Connecticut General Statutes (Section 7-400) permit CREC to invest in: 1) obligations of the United States and its agencies; 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific funds with particular investment authority.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

A. Cash and Cash Equivalents

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, CREC’s deposit will not be returned. CREC does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has a place of business in the State of Connecticut.

Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$25,142,081 of CREC’s bank balance of \$25,142,081 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 22,566,653
Uninsured and collateral held by the pledging bank’s trust department, not in the CREC’s name	<u>2,575,428</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 25,142,081</u>

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2011, CREC's cash equivalents amounted to \$782,370. The following table provides a summary of CREC's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>	<u>Moody's</u>
State Tax Exempt Proceeds Fund (TEPF)*		
Treasury Obligations Fund	AAAm	Aaa

*Fund not rated

B. Investments

Investments as of June 30, 2011 in all funds are as follows:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Certificates of deposit	*	\$ <u>82,359</u>	\$ <u>82,359</u>	\$ <u>-</u>	\$ <u>-</u>

*Subject to coverage by federal depository insurance and collateralization as described under "Deposits" above.

Interest Rate Risk - CREC's investments have maximum final stated maturities of 15 years, unless specific authority is given to exceed. To the extent possible, CREC will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options. CREC has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk - CREC has no policy limiting an investment in any one issuer that is in excess of 5% of the CREC's total investments.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to CREC or that sells investments to or buys them for CREC), CREC will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. CREC does not have a policy for custodial credit risk. At June 30, 2011, CREC did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent, that were not in CREC's name.

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

4. RECEIVABLES

Receivables as of year end for CREC's individual major funds and nonmajor, internal service, business-type activities and fiduciary funds in the aggregate are as follows:

	<u>General</u>	<u>Grants and Contracts Funds</u>	<u>Nonmajor Funds</u>	<u>Internal Service Funds</u>	<u>Technology Sale of Services</u>	<u>School Improvement Center</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
Receivables:								
Accounts	\$ 12,294,624	\$ 2,484,215	\$	\$ 315,862	\$ 64,982	\$ 332,445	\$ 494,766	\$ 15,986,894
Intergovernmental	<u>454,361</u>	<u></u>	<u>840,444</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>1,294,805</u>
Total Receivables	<u>\$ 12,748,985</u>	<u>\$ 2,484,215</u>	<u>\$ 840,444</u>	<u>\$ 315,862</u>	<u>\$ 64,982</u>	<u>\$ 332,445</u>	<u>\$ 494,766</u>	<u>\$ 17,281,699</u>

Governmental funds report deferred revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
School Building Grant	\$ 454,351	\$
Grant drawdowns prior to meeting all eligibility requirements	<u></u>	1,421,090
Miscellaneous advance collections	<u></u>	<u>2,385,455</u>
Total Deferred/Unearned Revenue for Governmental Funds and Internal Service Funds	<u>\$ 454,351</u>	<u>\$ 3,806,545</u>

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,224,925	\$	\$	\$ 2,224,925
Construction in progress	6,842,058	1,760,797	(6,842,058)	1,760,797
Total capital assets not being depreciated	<u>9,066,983</u>	<u>1,760,797</u>	<u>(6,842,058)</u>	<u>3,985,722</u>
Capital assets being depreciated:				
Buildings and improvements	70,788,010	9,252,018		80,040,028
Vehicles	1,497,435	286,100	(103,550)	1,679,985
Furniture, fixtures and equipment	6,372,841	1,731,226		8,104,067
Total capital assets being depreciated	<u>78,658,286</u>	<u>11,269,344</u>	<u>(103,550)</u>	<u>89,824,080</u>
Less accumulated depreciation for:				
Buildings and improvements	(22,168,398)	(2,603,616)		(24,772,014)
Vehicles	(1,067,011)	(158,432)	103,550	(1,121,893)
Furniture, fixtures and equipment	(5,120,603)	(523,703)		(5,644,306)
Total accumulated depreciation	<u>(28,356,012)</u>	<u>(3,285,751)</u>	<u>103,550</u>	<u>(31,538,213)</u>
Total capital assets being depreciated, net	<u>50,302,274</u>	<u>7,983,593</u>	<u>-</u>	<u>58,285,867</u>
Governmental Activities Capital Assets, Net	<u>\$ 59,369,257</u>	<u>\$ 9,744,390</u>	<u>\$ (6,842,058)</u>	<u>\$ 62,271,589</u>
Business-type activities:				
Furniture, fixtures and equipment	\$ 84,497	\$ 4,450	\$	\$ 88,947
Less accumulated depreciation	<u>(72,380)</u>	<u>(2,693)</u>		<u>(75,073)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 12,117</u>	<u>\$ 1,757</u>	<u>\$ -</u>	<u>\$ 13,874</u>

Depreciation expense was charged to functions/programs of the government as follows:

Governmental activities:	
Education	\$ 3,151,367
Facilities	127,127
Administration	<u>7,257</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,285,751</u>
Business-type activities:	
Technology Sale of Services	\$ 222
School Improvement Center	546
Learning Corridor Theater	825
Property Rental	852
Construction Services	<u>248</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,693</u>

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund loans generally are a result of negative equity in pooled cash. The composition of interfund balances as of June 30, 2011 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants and Contracts Fund	\$ 2,073,483
	Nonmajor Governmental Funds	1,332,116
	Technology Sale of Services	718,853
	School Improvement Center	122,334
Internal Service Fund	School Improvement Center	666,670
	Nonmajor Enterprise Funds	<u>25,758</u>
Total		<u>\$ 4,939,214</u>

All balances are expected to be repaid within a year.

Interfund transfers are used to 1) to move revenues from the fund with collection authorization to the debt service funds as debt service principal and interest payments become due, and 2) to supplement revenues of other funds. The transfers that occurred during the year are as follows:

	<u>Transfers In</u>						<u>Total</u>
	<u>General Fund</u>	<u>Grants and Contracts Fund</u>	<u>Technology Sale of Services</u>	<u>School Improvement Center</u>	<u>Nonmajor Enterprise Funds</u>	<u>Nonmajor Governmental And Other Funds</u>	
Transfers out:							
General Fund	\$	\$ 150,486	\$ 198,028	\$ 7,050	\$ 407,212	\$ 756,553	\$ 1,519,329
Grants and Contracts Fund	1,632,424						1,632,424
Technology Sale of Services	74,648						74,648
School Improvement Center	96,842						96,842
Nonmajor Enterprise Funds	155,038						155,038
Nonmajor Governmental and Other Funds	<u>330,715</u>						<u>330,715</u>
Total Transfers Out	<u>\$ 2,289,667</u>	<u>\$ 150,486</u>	<u>\$ 198,028</u>	<u>\$ 7,050</u>	<u>\$ 407,212</u>	<u>\$ 756,553</u>	<u>\$ 3,808,996</u>

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

7. LEASES

Operating Leases

CREC conducts a significant portion of its operations from leased facilities which include several schools or portions of schools, other educational facilities and office space. In addition, CREC leases copiers for use in various schools. The leases are classified as operating leases, which do not give rise to property rights or lease obligations. In most cases, management expects leases will be renewed or replaced by other leases in the normal course of business.

Rental expense for all operating leases, including facility leases with terms of one year or less, for the year ended June 30, 2011 was \$2,849,681.

Capital Leases

CREC leases computer equipment and building improvements under capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

	Governmental Activities
Assets:	
Equipment	\$ 1,205,375
Building and improvement	432,876
Total assets	1,638,251
Less accumulated depreciation for:	
Equipment	(693,326)
Building and improvement	(125,108)
Total accumulated depreciation	(818,434)
Total	\$ 819,817

The future minimum lease obligations and the net present value of these payments as of June 30, 2011 were as follows:

Year Ending June 30	Amount
2012	\$ 645,471
2013	398,008
2014	139,590
2015	30,813
2016	15,407
	1,229,289
Total minimum lease payments	1,229,289
Less amount representing interest	(57,352)
Present Value of Minimum Lease Payments	\$ 1,171,937

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

8. LONG-TERM DEBT

General Obligation Bonds

Bonds represent a 20-year bond with original outstanding amount of \$6,650,000 and with a variable interest rate ranging from 4.5% to 6.75% due October 15, 2015. The bond was issued for school building renovation. The bond is secured by the general revenue-raising powers of CREC, and payment will be provided by General Fund and Debt Service Fund revenues.

Annual debt service requirements to maturity for the general obligation bond are as follows:

	Governmental Activities	
	Principal	Interest
2012	\$ 380,000	\$ 87,075
2013	275,000	64,969
2014	275,000	46,406
2015	275,000	27,844
2016	275,000	9,281
Total	\$ 1,480,000	\$ 235,575

Notes payable represent a 20-year mortgage payable due in annual installments of \$16,350 plus interest at 6% due in monthly installments through April 12, 2015. The loan with original amount of \$327,000 was issued to finance the purchase of a parking lot.

Annual debt service requirements to maturity for notes payable are as follows:

	Governmental Activities	
	Principal	Interest
2012	\$ 16,350	\$ 3,924
2013	16,350	2,943
2014	16,350	1,962
2015	16,350	981
Total	\$ 65,400	\$ 9,810

In addition, CREC has a credit line agreement that provides for borrowings up to \$10,000,000 as a revolving line of credit, with interest charged at the London Interbank Offering Rate. There was no balance due at June 30, 2011. The agreement contains various financial covenants.

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable	\$ 1,860,000	\$	\$ (380,000)	\$ 1,480,000	\$ 380,000
Notes payable	81,750		(16,350)	65,400	16,350
Capital leases	1,314,216	575,000	(717,279)	1,171,937	609,672
Net OPEB obligation	715,800	437,600		1,153,400	
Compensated absences	<u>861,395</u>	<u>969,346</u>	<u>(736,395)</u>	<u>1,094,346</u>	<u>183,221</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 4,833,161</u>	<u>\$ 1,981,946</u>	<u>\$ (1,850,024)</u>	<u>\$ 4,965,083</u>	<u>\$ 1,189,243</u>

For the governmental activities, compensated absences are generally liquidated by the General Fund.

9. RISK MANAGEMENT

CREC self-insures its employee health coverage. The plan is administered by an insurance company that processes and pays all claims, which are limited by stop-loss agreements, from the plan bank account. CREC maintains a balance in the account sufficient to fund the maximum allowable withdrawal by the insurance company. Claims are accrued at June 30, 2011 based on claims received subsequent to year-end within the allowable claim period. Claims of \$780,750 are reflected in the accrued expenses of the Internal Service Fund at June 30, 2011. All claims are reflected in the statement of net assets as current liabilities.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

	<u>Accrued Liability Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Accrued Liability Claim Payments</u>	<u>Accrued Liability End of Fiscal Year</u>
2009-10	\$ 885,292	\$ 11,807,005	\$ 11,959,347	\$ 732,950
2010-11	732,950	14,232,297	14,184,497	780,750

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

As of January 1, 1995, CREC self-insures its contributions to the State's unemployment fund. CREC maintains a balance in an account sufficient to fund expected unemployment claims. Claims paid through June 30, 2011 were \$490,395.

CREC purchases commercial insurance for other risks. There has been no reduction in insurance coverage and there have been no settlements that exceeded insurance coverage in the past three fiscal years.

10. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2011 are as follows:

	<u>General Fund</u>	<u>Grants and Contracts Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Prepays	\$ 128,434	\$ 5,038	\$ 101,000	\$ 234,472
Permanent fund			17,000	17,000
Restricted for:				
Education		873,061		873,061
Debt obligations			933,878	933,878
Committed to:				
School construction projects			1,435,221	1,435,221
Assigned to:				
Future obligations	2,885,000			2,885,000
Debt obligations	800,000			800,000
Capital improvements	50,000			50,000
Legal costs	50,000			50,000
Venture capital	75,000			75,000
Payroll	1,000,000			1,000,000
Education			267	267
Unassigned	9,439,194	(2,252,885)	(855,944)	6,330,365
Total Fund Balances	<u>\$ 14,427,628</u>	<u>\$ (1,374,786)</u>	<u>\$ 1,631,422</u>	<u>\$ 14,684,264</u>

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

11. CONTINGENT LIABILITIES

There are various suits and claims pending against CREC, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect CREC's financial position.

CREC has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, management believes such disallowances, if any, will not be material.

12. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

CREC provides medical, dental and life insurance benefits to eligible retirees and their spouses in accordance with Council resolutions and bargaining agreements. Teachers and certified administrators who retire directly from CREC and meet certain eligibility criteria may participate. CREC does not issue stand-alone financial statements for the other post employment benefits program.

At January 1, 2010, plan membership consisted of the following:

	Retiree Health Plan
Retired members	9
Spouses of retired members	4
Active plan members	<u>462</u>
Total Participants	<u><u>475</u></u>

Funding Policy

CREC's funding and payment of postemployment benefits are accounted for in the Self Insurance Fund, an Internal Service fund on a pay-as-you-go basis. As of June 30, 2011, CREC has not established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. Retired plan members and beneficiaries currently receiving benefits are required to contribute 100% of the cost for medical coverage. Spouse coverage continues on the death of the retiree as COBRA benefit.

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Annual OPEB Cost and Net OPEB Obligations

CREC's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the CREC's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the CREC's net OPEB obligation:

	Retiree Health Plan
Annual required contribution (ARC)	\$ 633,800
Interest on net OPEB obligation	28,600
Adjustment to annual required contribution	(39,800)
Annual OPEB cost (expense)	622,600
Contributions made	185,000
Increase in net OPEB obligation	437,600
Net OPEB obligation, beginning of year	715,800
Net OPEB Obligation, End of Year	\$ 1,153,400

CREC's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the fiscal years ended June 30, 2011 are presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/09	\$ 467,300	\$ 72,200	15.5%	\$ 395,100
6/30/10	471,100	150,400	31.9	715,800
6/30/11	622,600	185,000	29.7	1,153,400

CAPITOL REGION EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented below, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Funded Ratio (a/b)	Covered Payroll (c)	UFAL as a % of Covered Payroll ((b-a)/c)
1/1/08	\$ -	\$ 3,767,000	0%	\$ 26,811,993	14.0%
1/1/10	-	4,737,000	0%	37,110,259	12.8

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed
6/30/2009	\$ 467,300	\$ 72,200	15.5%
6/30/2010	477,300	150,400	31.5%
6/30/2011	633,800	185,000	29.2%

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The annual required contribution (ARC) reflects a 30-year, open, level dollar amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 4.0% investment rate of return. The annual healthcare cost trend rate is 10% initially, reduced by decrements of 1% per year to an ultimate rate of 5% for fiscal year 2015 and thereafter.

CAPITOL REGION EDUCATION COUNCIL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

13. EMPLOYEE RETIREMENT PLAN

Defined Contribution Pension Plan

The Capitol Region Education Council sponsors the CREC Savings and Retirement Plan, a 403(b) defined contribution pension plan established July 1, 1997 to provide benefits at retirement to all noncertified employees of CREC.

Plan members may elect to contribute up to the IRS maximum. CREC matches eligible member contributions up to 5% of covered salary. At June 30, 2011, there were 888 plan members. Diversified Investment Advisors administer the retirement plan. Plan provisions and contribution requirements are established and may be amended by the CREC Board.

Employer and plan member contributions are recognized in the period contributions are due. Employer and employee contributions for the year ended June 30, 2011 were \$1,031,735 and \$3,896,911, respectively.

Plan investments are participant directed. CREC has no fiduciary responsibility for the plan assets.

Teacher Retirement

Teachers participate in the State of Connecticut Teacher's Retirement System, a cost sharing plan with a special funding situation, under Section 10.183 of the General Statutes of the State of Connecticut. This is a multiple employer PERS. A teacher is eligible to receive a normal retirement benefit if he or she has:

- Attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or;
- Attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

CREC withholds 7.25% of all certified teachers' annual earnings and transmits the funds to the State Teachers' Retirement Board. CREC does not contribute to the plan. Prior to July 1, 1989, teachers were vested in their contributions up to 5% of their earnings prior to five years of service. After five years of service, teachers were fully vested in their own contributions. After 10 years of service, teachers are fully vested and entitled to a monthly pension benefit that is payable at the age of 60. The State of Connecticut contributes amounts based on the actuarial reserve basis described in C.G.S. Sections 10-183 b (7). The State's contribution to the plan on behalf of CREC for the fiscal year ended June 30, 2011 was \$6,767,915 and is recognized in the governmental funds GAAP-basis statement of revenues, expenditures and changes in fund balances. For the year ended June 30, 2011, teachers of CREC contributed \$3,097,624 to the plan, and covered payroll for the year was \$42,725,848.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

**Required Supplementary
Information**

CAPITOL REGION EDUCATION COUNCIL

**GENERAL FUND AND MAJOR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

FOR THE YEAR ENDED JUNE 30, 2011

	General Fund				Grants and Contracts Fund			
	Budget Amounts		Actual	Variance Positive (Negative)	Budget Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Tuition	\$ 26,718,722	\$ 26,718,722	\$ 28,112,097	\$ 1,393,375	\$ 5,000	\$ 5,000	\$ 16,433	\$ 11,433
Grants in aid	66,036,986	72,782,183	70,899,142	(1,883,041)	18,070,002	23,027,026	19,124,035	(3,902,991)
Room and board	1,475,492	1,492,184	1,545,004	52,820				-
Sales of services	34,023,966	35,892,672	32,637,388	(3,255,284)	3,197,606	3,763,280	3,403,648	(359,632)
Investment income			475	475				-
Other local revenues	270,047	492,949	1,233,510	740,561	122,705	266,116	561,633	295,517
Transfers in	13,144,040	13,325,203	13,170,208	(154,995)			150,486	150,486
Total revenues	141,669,253	150,703,913	147,597,824	(3,106,089)	21,395,313	27,061,422	23,256,235	(3,805,187)
Expenditures:								
Current:								
Special programs	134,724,317	143,739,546	138,443,227	5,296,319	21,395,313	27,061,422	23,373,042	3,688,380
Facilities	978,266	997,696	997,696	-				-
Administration	5,966,670	5,966,671	5,952,140	14,531				-
Total expenditures	141,669,253	150,703,913	145,393,063	5,310,850	21,395,313	27,061,422	23,373,042	3,688,380
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ -	2,204,761	\$ 2,204,761	\$ -	\$ -	(116,807)	\$ (116,807)
Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance because:								
Revenues and expenditures for CREC General Program are not budgeted			1,173,419					
Total Net Change in Fund Balance - GAAP Basis			\$ 3,378,180				\$ (116,807)	

Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

ADMINISTRATION PROGRAMS

CREC GENERAL - This program accounts for administrative revenues and Council-designated special purpose funds.

EXECUTIVE DIRECTOR - The office of the Executive Director directs the entire agency subject to the governance of its Council.

ASSISTANT EXECUTIVE DIRECTOR - The office of the Assistant Executive Director is responsible for the supervision and continued development of CREC's divisions of Community Education, Institute of Teaching and Learning, Technical Assistance and Brokering Services, Instructional Technology and Grants.

BUSINESS SERVICES - The division of Business Services, which includes the office of the Deputy Executive Director, Finance and Operations and the Comptroller, manages the receipt, accounting, investment and expenditure of monetary resources and the acquisition, inventory and disposition of physical resources and facilities of CREC. Accounting services, accounts payable, payroll services, accounts receivable, grants and budget management and loss prevention operate under the direction of Business Services.

HUMAN RESOURCES - Human Resources provides all personnel services to employees and programs, including hiring, benefit and salary administration, record keeping, and employee policy and procedure administration. CREC's Human Resources division also provides hiring and interviewing training to CREC LEAs, with particular emphasis on the Americans with Disabilities Act and sexual harassment awareness.

COMMUNICATIONS SERVICES - The office of Communications promotes CREC's mission, initiatives and accomplishments to school districts and other agencies. The office is also responsible for the production of CREC's Annual Report, media relations and internal communications.

STUDENT SERVICES - The division of Student Services manages programs that offer highly specialized services for children with autism, adolescents experiencing emotional and/or behavioral difficulties, children with hearing impairment, and students who are medically fragile. The division also offers an array of early childhood services, including services to children from birth to age three who demonstrate developmental difficulties. The division offers school-based health clinics in magnet schools, and an array of mental health interventions. It also oversees educational services to pre-adjudicated adolescents at the three Hartford detention centers. Finally, the Student Services Integrated Program Model program provides high-quality occupational therapy, physical therapy and speech therapy to districts and families in need.

INSTITUTE OF TEACHING AND LEARNING - Institute of Teaching and Learning provides services and support to local school districts and CREC schools in curriculum, instruction and school leadership.

GRANTS AND DEVELOPMENT OFFICE - The office of Grants and Development identifies funding sources from grants, contracts, foundations and benefactors and provides leadership and technical assistance in the preparation of grant proposals internally and externally.

TECHNICAL ASSISTANCE BROKERING SERVICES - The division of Technical Assistance and Brokering Services offers training, technical assistance and staffing services to assist school administrators and educators. The division provides highly customized consultation to meet the specific needs of districts and agencies in Response to Intervention, student and program evaluations, special education and related services, online learning, staff brokering and other areas.

FACILITIES

ADMINISTRATIVE BUILDING COST CENTER - The costs of operating CREC's central administrative building are met by rent paid on a proportionate basis by each of the programs using space at the facility.

SPECIAL PROGRAMS

CONNECTICUT ACADEMY FOR EDUCATIONAL LEADERS - The Connecticut Academy for Educational Leaders provides statewide professional development opportunities to central office administrators and supports research on topics of importance to public school leaders.

INTER DISTRICT GRANT OFFICE - The Inter District Grant Office directs, coordinates and develops inter district programs.

MINORITY TEACHER RECRUITING - The CREC Minority Teacher Recruiting Program assists local school districts in increasing the diversity of their teacher/administrator staffs.

JUVENILE DETENTION CENTER - The Juvenile Detention Center program provides instruction for pre-adjudicated youth in three locations in Hartford. Students placed in these centers are held while the courts determine their longer-term placements. The combined capacity of the three centers is approximately 100 students at a time, with an average length of stay ranging from one or two days to three months.

COLTSVILLE FACILITY - CREC currently operates a 50,000 square foot facility located at 34 Sequassen Street, Hartford. This program fund includes all the rent, utilities and property services at this facility, which is used as an extension of the River Street School and for other CREC programs and administrative offices.

PROJECT LITERACY - Project Literacy is a comprehensive approach to the reduction of reading failure in young children. It includes three major components: Reading Recovery® training for teachers and teacher leaders, Supportive Environment Development and paraprofessional training.

ALLIED HEALTH CAREER COLLABORATIVE - CREC serves as a fiscal agent for a collaborative program sponsored by the Towns of Newington, Glastonbury and Farmington. The purpose of the program is to introduce students to opportunities available to them through a career in health.

LEARNING CORRIDOR COST CENTER - Services provided at the Learning Corridor campus are centralized, and costs are charged back to the Montessori Magnet School, Greater Hartford Academy of Math and Science and the Greater Hartford Academy of the Arts. These services represent facility and operation costs for the campus.

MONTESSORI MAGNET SCHOOL - CREC manages and operates the Montessori Magnet School at the Learning Corridor in Hartford. As Connecticut's first inter district Montessori public magnet school, its mission is to provide a unique educational opportunity for children in a diverse learning environment.

EAST HARTFORD/GLASTONBURY MAGNET SCHOOL - CREC manages and operates the East Hartford/Glastonbury Magnet School in East Hartford. The school emphasizes science, computer and global education. The school will expand with the construction of a new building in 2012-2013.

ACADEMY OF AEROSPACE AND ENGINEERING/GREATER HARTFORD ACADEMY OF MATH AND SCIENCE MAGNET SCHOOL - CREC manages and operates this math/science-oriented magnet school at the Learning Corridor in Hartford. The mission of the Academy is to provide, through state-of-the-art technology, educational experiences that expand the teaching and learning of science, mathematics and technology in the classroom.

METROPOLITAN LEARNING CENTER MAGNET SCHOOL - CREC manages and operates the Metropolitan Learning Center Magnet School (MLC) in Bloomfield. MLC is a global studies magnet school and features a unique curriculum, an extended school day and extensive use of technology.

TWO RIVERS MAGNET MIDDLE SCHOOL - CREC manages and operates the Two Rivers Magnet Middle School in East Hartford. Two Rivers is a science and technology magnet school serving five diverse communities in the Capitol Region and is located at the convergence of the Connecticut and Hockanum rivers.

CREC PUBLIC SAFETY ACADEMY - CREC manages and operates the CREC Public Safety Academy in Enfield. The school is the first of its kind in Connecticut, and was developed in partnership with state and local public safety agencies. Academy students receive a rigorous academic curriculum and learn about careers in public safety from experts throughout the state. These careers include law enforcement, firefighting, emergency medical services, public safety communications and homeland security.

UNIVERSITY OF HARTFORD MAGNET SCHOOL - CREC manages and operates the University of Hartford Magnet School (UHMS) in Hartford. The curriculum focus for UHMS is the infusion of Dr. Howard Gardner's Theory of Multiple Intelligences into a PreK - fifth grade school environment.

SOUNDBRIDGE - Soundbridge is a highly specialized auditory and oral program for hearing impaired children from birth to 21 years of age. The program serves children in 90 Connecticut towns, with more than two-thirds of the children served in their home districts. The program also operates an Early Childhood Learning Center for typical and hearing impaired three-to-five year olds.

RIVER STREET SCHOOL - River Street School offers highly specialized educational programming for students who require a very predictable, structured environment. The school responds to the needs of school districts who are hard-pressed to provide these resources locally, during the school year and over the summer. River Street serves autistic, developmentally delayed, learning disabled, pervasive developmentally delayed and behaviorally disordered students. The school also operates two residential facilities, both licensed by the State Department of Developmental Services. The residential facilities provide services for students attending the River Street School.

POLARIS CENTER - The John J. Allison Polaris Center serves day students with severe emotional and behavior problems, through comprehensive treatment services and special education at middle school and high school levels. Services include individual, group and family therapy, adventure-based experiences and a full range of therapeutic activities.

MAGNET SCHOOL COST CENTER - This program provides for the central office services required exclusively for the magnet schools. It includes the office of the Superintendent of Magnet Schools, curriculum and instruction services, pupil services, special education services, transportation, and facilities operations for the CREC Magnet Schools. These costs are charged to the magnet schools.

INTEGRATED PROGRAM MODEL - The Integrated Program Model program provides a transdisciplinary approach of special education services to students with physical, cognitive and/or behavioral disabilities. The classrooms are located in public school settings where students can interact with their typical peers.

FARMINGTON VALLEY DIAGNOSTIC CENTER - The Farmington Valley Diagnostic Center provides specialized diagnostic and education services for children who are having difficulties in achieving success in their local school districts. CREC works in collaboration with local school districts in the Farmington Valley area to design and provide effective strategies to increase student learning.

SPECIAL EDUCATION TRANSPORTATION - This program serves districts by transporting special education students to their out-of-district school destinations. The program objectives are to increase service quality and reduce district costs. This is achieved by pairing neighboring districts whose students go to the same out-of-district schools and providing CREC vehicles driven by well-trained CREC employees.

GREATER HARTFORD ACADEMY OF THE ARTS - CREC manages and operates the Greater Hartford Academy of the Arts at the Learning Corridor and the Sawtooth Building at Coltsville in Hartford. The Academy teaches students vocal and instrumental music, theater, dance and creative writing. In addition to the beneficial arts experience, a major outcome of the program is the understanding that develops among students relating to cultural similarities. Relationships between the Academy and area universities have been developed to explore college credit and tuition abatement for Academy students.

CENTER FOR CREATIVE YOUTH - The Center for Creative Youth (CCY), located at Wesleyan University in Middletown, Connecticut, is an intensive, pre-college summer residential arts program that achieves quality and integrated education and a comprehensive multicultural curriculum. CCY is a national model program that has served thousands of students since 1977.

GREAT PATH ACADEMY - CREC manages and operates the Great Path Academy, located at Manchester Community College. Great Path is a grade 10 through 12 high school with a learning environment that provides students from diverse backgrounds with academic and life skills gained in a blend of high school and college experiences.

SCHOOL TRANSPORTATION MANAGEMENT SERVICES - This program centralizes the costs related to suburban transportation for the Hartford Public Magnet Schools.

INTERNATIONAL MAGNET SCHOOL FOR GLOBAL CITIZENSHIP - CREC manages and operates this school, which serves preschool through second grade students and which will expand in the future. The school focuses on developing knowledgeable, inquiring and caring young people who help create a better and more peaceful world through intercultural understanding and respect.

REGGIO MAGNET SCHOOL OF THE ARTS - CREC manages and operates this school, which serves preschool through second grade students and will expand in the future. The school is based on four guiding principals: children must have control over the direction of their learning; children must be able to learn through experiences of touching, moving, listening, seeing and hearing; children have a relationship with other children and with material items in the world that children must be allowed to explore; and children must have endless ways and opportunities to express themselves.

CHARTER SCHOOL FOR YOUNG CHILDREN ON ASYLUM HILL - CREC manages and operates this charter school, which is the result of a collaborative effort involving SDE, the Asylum Hill Congregational Church, Saint Joseph's College and CREC. The school was developed to help meet the benchmarks of the 2008 Sheff Settlement Agreement. CREC operates the school and is accountable to its independent board of directors. The charter school is designed to educate children from preschool through grade 3. The program currently serves 225 students from Hartford and its suburbs in an economically, racially and ethnically diverse setting.

LINCOLN ACADEMY - Working in collaboration with 10 local school districts, the Lincoln Academy provides short term, specialized diagnostic and education services for children who are having difficulty achieving success in their local school districts. The program serves up to 30 middle and high school-aged students at any one time. Students will participate in a 5.25 hour day of instructional, recreational and group activities. Individual, group and family counseling, as well as ongoing psychiatric consultation, is provided to the students.

MEDICAL PROFESSIONS AND TEACHER PREPARATION ACADEMY - CREC manages and operates the Medical Professions and Teacher Preparation Academy, which is located in Windsor. The Academy is designed to address the current and projected shortage areas in the medical and teaching professions. The Academy will expand in the future to serve students in grades 6-12 by Academy program offerings developed with the assistance of two partnering institutions, St. Francis Hospital and Medical Center and the University of Hartford.

DISCOVERY ACADEMY - CREC will manage and operate the Discovery Academy which opened in September 2011 and serves preschool students and in the future will serve PK-grade 5. The Academy will focus on developing strong foundational knowledge for students in four interrelated domains of STEM literacy: science, technology, engineering and mathematics.

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
BALANCE SHEET - BY PROGRAM
JUNE 30, 2011**

Administration

	CREC General	Executive Director	Assistant Executive Director	Business Services	Human Resources	Communications Services	Student Services	Institute of Teaching and Learning
ASSETS								
Cash and cash equivalents	\$ 3,232,680	\$ 12,199	\$ 11,842	\$ 140,525	\$ 37,211	\$ 31,841	\$ 20,994	\$ 11,552
Investments								
Accounts receivable	454,361	4,243		7,339				
Due from other funds	5,827,275			329,399				
Prepaid items				45,208				
Total Assets	<u>\$ 9,514,316</u>	<u>\$ 16,442</u>	<u>\$ 11,842</u>	<u>\$ 522,471</u>	<u>\$ 37,211</u>	<u>\$ 31,841</u>	<u>\$ 20,994</u>	<u>\$ 11,552</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 400,764	\$ 11,192	\$ 9,664	\$ 342,496	\$ 19,430	\$ 13,245	\$ 9,551	\$ 3,304
Due to other funds								
Deferred revenues	454,351	1,323		140,014				
Total liabilities	<u>855,115</u>	<u>12,515</u>	<u>9,664</u>	<u>482,510</u>	<u>19,430</u>	<u>13,245</u>	<u>9,551</u>	<u>3,304</u>
Fund Balances:								
Nonspendable				45,208				
Assigned	4,860,000							
Unassigned	3,799,201	3,927	2,178	(5,247)	17,781	18,596	11,443	8,248
Total fund balances	<u>8,659,201</u>	<u>3,927</u>	<u>2,178</u>	<u>39,961</u>	<u>17,781</u>	<u>18,596</u>	<u>11,443</u>	<u>8,248</u>
Total Liabilities and Fund Balances	<u>\$ 9,514,316</u>	<u>\$ 16,442</u>	<u>\$ 11,842</u>	<u>\$ 522,471</u>	<u>\$ 37,211</u>	<u>\$ 31,841</u>	<u>\$ 20,994</u>	<u>\$ 11,552</u>

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

	Administration		Facilities	Special Programs				
	Grants and Development Office	Technical Assistance Brokering Services	Administrative Building Cost Center	Connecticut Academy for Educ. Leaders	Interdistrict Grant Office	Minority Teacher Recruiting	Juvenile Detention Center	
ASSETS								
Cash and cash equivalents	\$	\$ 10,960	\$ 3,509,804	\$ 43,724	\$ 1,492	\$ 38,395	\$ 28,386	\$ 328,008
Investments								
Accounts receivable	165		466,108	9,579			1,650	815,662
Due from other funds			6,156,674					
Prepaid items			45,208					396
Total Assets	\$ 165	\$ 10,960	\$ 10,177,794	\$ 53,303	\$ 1,492	\$ 38,395	\$ 30,036	\$ 1,144,066
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 6,478	\$ 2,933	\$ 819,057	\$ 41,845	\$	\$ 3,189	\$ 74,276	\$ 15,458
Due to other funds	495,552		495,552	583,456				
Deferred revenues			595,688					
Total liabilities	502,030	2,933	1,910,297	625,301	-	3,189	74,276	15,458
Fund Balances:								
Nonspendable			45,208					396
Assigned			4,860,000					
Unassigned	(501,865)	8,027	3,362,289	(571,998)	1,492	35,206	(44,240)	1,128,212
Total fund balances	(501,865)	8,027	8,267,497	(571,998)	1,492	35,206	(44,240)	1,128,608
Total Liabilities and Fund Balances	\$ 165	\$ 10,960	\$ 10,177,794	\$ 53,303	\$ 1,492	\$ 38,395	\$ 30,036	\$ 1,144,066

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

	Special Programs							
	Coltsville Facility	Project Literacy	Allied Health Career Collaborative	Learning Corridor Cost Center	Montessori Magnet School	East Hartford/ Glastonbury Magnet School	Aerospace/ GHAMAS Magnet School	Metropolitan Learning Center Magnet School
ASSETS								
Cash and cash equivalents	\$ 18,506	\$	\$ 8,682	\$ 81,752	\$	\$ 481,009	\$	\$
Investments								
Accounts receivable				20,868	492,443	15,989	516,229	574,973
Due from other funds								500,208
Prepaid items						495	23,000	
Total Assets	<u>\$ 18,506</u>	<u>\$ -</u>	<u>\$ 8,682</u>	<u>\$ 102,620</u>	<u>\$ 492,443</u>	<u>\$ 497,493</u>	<u>\$ 539,229</u>	<u>\$ 1,075,181</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 18,506	\$	\$	\$ 821,879	\$ 79,334	\$ 27,093	\$ 181,106	\$ 182,162
Due to other funds		68,309			107,194		1,118,553	
Deferred revenues						28,543	36,487	28,930
Total liabilities	<u>18,506</u>	<u>68,309</u>	<u>-</u>	<u>821,879</u>	<u>186,528</u>	<u>55,636</u>	<u>1,336,146</u>	<u>211,092</u>
Fund Balances:								
Nonspendable						495	23,000	
Assigned								
Unassigned		(68,309)	8,682	(719,259)	305,915	441,362	(819,917)	864,089
Total fund balances	<u>-</u>	<u>(68,309)</u>	<u>8,682</u>	<u>(719,259)</u>	<u>305,915</u>	<u>441,857</u>	<u>(796,917)</u>	<u>864,089</u>
Total Liabilities and Fund Balances	<u>\$ 18,506</u>	<u>\$ -</u>	<u>\$ 8,682</u>	<u>\$ 102,620</u>	<u>\$ 492,443</u>	<u>\$ 497,493</u>	<u>\$ 539,229</u>	<u>\$ 1,075,181</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

	Special Programs								
	Two Rivers Magnet Middle School	CREC Public Safety Academy	University of Hartford Magnet School	Soundbridge	River Street School	Polaris Center	Magnet School Cost Center	Integrated Program Model	
ASSETS									
Cash and cash equivalents	\$	\$ 751	\$ 1,761	\$ 1,449	\$ 11,156	\$ 2,184	\$ 1,148,970	\$ 142,946	
Investments				12,792					
Accounts receivable		897,740	640,756	762,365	525,132	2,462,939	866,260	26,029	
Due from other funds		944,460		452,084	7,496,552			326,669	
Prepaid items							29,000	290,305	
Total Assets	\$	<u>1,842,200</u>	<u>\$ 641,507</u>	<u>\$ 764,126</u>	<u>\$ 991,457</u>	<u>\$ 9,970,647</u>	<u>\$ 868,444</u>	<u>\$ 1,203,999</u>	<u>\$ 759,920</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	\$	166,797	\$ 104,633	\$ 92,596	\$ 86,615	\$ 680,143	\$ 153,855	\$ 765,092	\$ 71,143
Due to other funds			346,972	204,786			1,877,298		
Deferred revenues		90,471		7,625	3,872			1,275,284	
Total liabilities		<u>257,268</u>	<u>451,605</u>	<u>305,007</u>	<u>90,487</u>	<u>680,143</u>	<u>2,031,153</u>	<u>2,040,376</u>	<u>71,143</u>
Fund Balances:									
Nonspendable								29,000	
Assigned									
Unassigned		1,584,932	189,902	459,119	900,970	9,290,504	(1,162,709)	(865,377)	688,777
Total fund balances		<u>1,584,932</u>	<u>189,902</u>	<u>459,119</u>	<u>900,970</u>	<u>9,290,504</u>	<u>(1,162,709)</u>	<u>(836,377)</u>	<u>688,777</u>
Total Liabilities and Fund Balances	\$	<u>1,842,200</u>	<u>\$ 641,507</u>	<u>\$ 764,126</u>	<u>\$ 991,457</u>	<u>\$ 9,970,647</u>	<u>\$ 868,444</u>	<u>\$ 1,203,999</u>	<u>\$ 759,920</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

	Special Programs							
	Farmington Valley Diagnostic Center	Special Education Transportation	Greater Hartford Academy of the Arts	Center for Creative Youth	Great Path Academy	School Transportation Management Services	International Magnet School for Global Citizenship	Reggio Magnet School of the Arts
ASSETS								
Cash and cash equivalents	\$	\$	\$ 8,791	\$ 322,749	\$ 53,257	\$ 163,558	\$ 246	\$ 783
Investments				52,461				
Accounts receivable	215,104	135,746	679,835		356,006	53,281	292,064	444,919
Due from other funds							533,953	
Prepaid items			5,126	24,253			906	
Total Assets	<u>\$ 215,104</u>	<u>\$ 135,746</u>	<u>\$ 693,752</u>	<u>\$ 399,463</u>	<u>\$ 409,263</u>	<u>\$ 216,839</u>	<u>\$ 827,169</u>	<u>\$ 445,702</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 10,626	\$ 46,983	\$ 246,781	\$ 24,827	\$ 198,240	\$ 216,839	\$ 73,231	\$ 999,893
Due to other funds	42,211	110,180	4,090,987					971,363
Deferred revenues	162,267			335,067	207,618			
Total liabilities	<u>215,104</u>	<u>157,163</u>	<u>4,337,768</u>	<u>359,894</u>	<u>405,858</u>	<u>216,839</u>	<u>73,231</u>	<u>1,971,256</u>
Fund Balances:								
Nonspendable			5,126	24,253			906	
Assigned								
Unassigned		(21,417)	(3,649,142)	15,316	3,405		753,032	(1,525,554)
Total fund balances	<u>-</u>	<u>(21,417)</u>	<u>(3,644,016)</u>	<u>39,569</u>	<u>3,405</u>	<u>-</u>	<u>753,938</u>	<u>(1,525,554)</u>
Total Liabilities and Fund Balances	<u>\$ 215,104</u>	<u>\$ 135,746</u>	<u>\$ 693,752</u>	<u>\$ 399,463</u>	<u>\$ 409,263</u>	<u>\$ 216,839</u>	<u>\$ 827,169</u>	<u>\$ 445,702</u>

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

	Special Programs				Total	Eliminations	Total
	Charter School for Young Children on Asylum Hill	Lincoln Academy	Medical Professions and Teacher Prep Academy	Discovery Academy			
ASSETS							
Cash and cash equivalents	\$ 761	\$	\$	\$ 27,613	\$ 2,873,205	\$	\$ 6,426,733
Investments					65,253		65,253
Accounts receivable	605,503	244,822	300,314		12,273,298		12,748,985
Due from other funds					10,217,562	(12,127,450)	4,246,786
Prepaid items				50	83,226		128,434
Total Assets	\$ 606,264	\$ 244,822	\$ 300,314	\$ 27,663	\$ 25,512,544	\$ (12,127,450)	\$ 23,616,191
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 99,792	\$ 11,099	\$ 40,858	\$ 27,663	\$ 5,520,709	\$	\$ 6,381,611
Due to other funds	1,529,984	218,920	361,685		11,048,442	(12,127,450)	-
Deferred revenues	35,100				2,211,264		2,806,952
Total liabilities	1,664,876	230,019	402,543	27,663	18,780,415	(12,127,450)	9,188,563
Fund Balances:							
Nonspendable				50	83,226		128,434
Assigned					-		4,860,000
Unassigned	(1,058,612)	14,803	(102,229)	(50)	6,648,903		9,439,194
Total fund balances	(1,058,612)	14,803	(102,229)	-	6,732,129	-	14,427,628
Total Liabilities and Fund Balances	\$ 606,264	\$ 244,822	\$ 300,314	\$ 27,663	\$ 25,512,544	\$ (12,127,450)	\$ 23,616,191

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT A-2

	Administration							
	CREC General	Executive Director	Assistant Executive Director	Business Services	Human Resources	Communications Services	Student Services	Institute of Teaching and Learning
Revenues:								
Tuition	\$	\$	\$	\$	\$	\$	\$	\$
Grants in aid	7,128,468							
Room and board								
Sales of services				1,416	50			
Investment income	41,004							
Other local revenues		32,418		6,340				
Total revenues	7,169,472	32,418	-	7,756	50	-	-	-
Expenditures:								
Current:								
Salaries		273,094	189,032	1,698,233	630,603	137,067	121,664	98,680
Employee benefits	6,767,915	19,245	17,666	453,171	172,391	45,877	33,225	13,747
Purchased professional and technical services		969	785	511,589	17,542	29,623	10,708	770
Purchased property services		8,160	49	18,856	49		147	
Other purchased services	27,911	5,061	9,250	169,586	22,064	13,513	8,054	4,254
Supplies		3,488	2,847	28,983	5,821	2,684	2,742	1,960
Property			975	152,417	729	467		548
Other uses of funds		5,250	875	21,851	1,100		2,432	462
Total expenditures	6,795,826	315,267	221,479	3,054,686	850,299	229,231	178,972	120,421
Excess (Deficiency) of Revenues over Expenditures	373,646	(282,849)	(221,479)	(3,046,930)	(850,249)	(229,231)	(178,972)	(120,421)
Other Financing Sources (Uses):								
Transfers in	7,191,845	368,742	300,884	3,297,522	954,470	273,994	215,960	131,379
Transfers out	(6,392,072)	(84,474)	(78,113)	(241,626)	(103,414)	(44,732)	(36,988)	(10,958)
Total other financing sources (uses)	799,773	284,268	222,771	3,055,896	851,056	229,262	178,972	120,421
Net Change in Fund Balances	1,173,419	1,419	1,292	8,966	807	31	-	-
Fund Balances at Beginning of Year	7,485,782	2,508	886	30,995	16,974	18,565	11,443	8,248
Fund Balances at End of Year	<u>\$ 8,659,201</u>	<u>\$ 3,927</u>	<u>\$ 2,178</u>	<u>\$ 39,961</u>	<u>\$ 17,781</u>	<u>\$ 18,596</u>	<u>\$ 11,443</u>	<u>\$ 8,248</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND**

EXHIBIT A-2

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	Administration		Facilities	Special Programs			
	Grants and Development Office	Technical Assistance Brokering Services	Administrative Building Cost Center	Connecticut Academy for Educ. Leaders	Interdistrict Grant Office	Minority Teacher Recruiting	Juvenile Detention Center
		Total					
Revenues:							
Tuition	\$	\$	\$ -	\$	\$	\$	\$ 1,685,288
Grants in aid			7,128,468	20,415		320,150	75,628
Room and board			-				
Sales of services	2,345		3,811	22,460		25,170	
Investment income			41,004				
Other local revenues			38,758	1,311			
Total revenues	2,345	-	7,212,041	44,186	-	345,320	1,760,916
Expenditures:							
Current:							
Salaries	145,326	75,266	3,368,965	96,048		67,749	68,259
Employee benefits	35,112	17,567	7,575,916	34,789		21,870	13,952
Purchased professional and technical services	6,945	408	579,339	1,848		156	50,215
Purchased property services			27,261	345,424			3,340
Other purchased services	3,685	6,066	269,444	56,397		2,198	187,420
Supplies	1,715	4,243	54,483	155,959		973	39,353
Property	3,968	933	160,037	139,493			22,961
Other uses of funds	940	1,553	34,463	1,464		295	364
Total expenditures	197,691	106,036	12,069,908	831,422	-	93,241	319,846
Excess (Deficiency) of Revenues over Expenditures	(195,346)	(106,036)	(4,857,867)	(787,236)	-	(93,241)	25,474
Other Financing Sources (Uses):							
Transfers in	182,963	183,017	13,100,776	852,849		102,670	
Transfers out	(771)	(76,982)	(7,070,130)	(166,274)		(6,884)	(25,473)
Total other financing sources (uses)	182,192	106,035	6,030,646	686,575	-	95,786	(25,473)
Net Change in Fund Balances	(13,154)	(1)	1,172,779	(100,661)	-	2,545	1
Fund Balances at Beginning of Year	(488,711)	8,028	7,094,718	(471,337)	1,492	32,661	(44,241)
Fund Balances at End of Year	\$ (501,865)	\$ 8,027	\$ 8,267,497	\$ (571,998)	\$ 1,492	\$ 35,206	\$ (44,240)

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT A-2

	Special Programs							
	Coltsville Facility	Project Literacy	Allied Health Career Collaborative	Learning Corridor Cost Center	Montessori Magnet School	East Hartford/ Glastonbury Magnet School	Aerospace/ GHAMAS Magnet School	Metropolitan Learning Center Magnet School
Revenues:								
Tuition	\$	\$	\$	\$	\$	\$	\$	\$
Grants in aid					3,772,501	2,800,251	3,951,788	7,759,032
Room and board								
Sales of services		76,200	22,998		1,259,809	647,103	2,209,123	2,418,023
Investment income								
Other local revenues							71,270	7,265
Total revenues	-	76,200	22,998	-	5,032,310	3,447,354	6,232,181	10,184,320
Expenditures:								
Current:								
Salaries			16,328		2,776,321	2,044,492	3,594,714	6,057,867
Employee benefits			1,634		677,493	479,379	711,822	1,227,870
Purchased professional and technical services		13,850		7,711	101,416	44,818	143,593	301,092
Purchased property services				1,239,434	43,161	244,550	163,734	531,886
Other purchased services		45,104	287	54,060	43,783	43,794	86,307	217,557
Supplies				1,178,516	161,948	72,219	228,856	482,981
Property					96,507	22,377	301,064	126,780
Other uses of funds		3,682		3,805	4,568	509	5,969	20,891
Total expenditures	-	62,636	18,249	2,483,526	3,905,197	2,952,138	5,236,059	8,966,924
Excess (Deficiency) of Revenues over Expenditures	-	13,564	4,749	(2,483,526)	1,127,113	495,216	996,122	1,217,396
Other Financing Sources (Uses):								
Transfers in				2,483,526				
Transfers out		(7,910)	(1,088)		(950,665)	(274,931)	(806,568)	(783,013)
Total other financing sources (uses)	-	(7,910)	(1,088)	2,483,526	(950,665)	(274,931)	(806,568)	(783,013)
Net Change in Fund Balances	-	5,654	3,661	-	176,448	220,285	189,554	434,383
Fund Balances at Beginning of Year	-	(73,963)	5,021	(719,259)	129,467	221,572	(986,471)	429,706
Fund Balances at End of Year	\$ -	\$ (68,309)	\$ 8,682	\$ (719,259)	\$ 305,915	\$ 441,857	\$ (796,917)	\$ 864,089

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT A-2

	Special Programs							
	Two Rivers Magnet Middle School	CREC Public Safety Academy	University of Hartford Magnet School	Soundbridge	River Street School	Polaris Center	Magnet School Cost Center	
Revenues:								
Tuition	\$	\$	\$	\$ 2,531,603	\$ 17,915,727	\$ 2,879,986	\$	\$ 1,006,111
Grants in aid	6,950,991	3,611,129	4,775,425	459,213		148,549	6,074,808	
Room and board					1,522,491			
Sales of services	3,061,457	1,848,962	2,099,894	2,653,809	6,539,173	327,498	34,117	1,926,653
Investment income				151				
Other local revenues	4,732	118,337	165,271	87,906	2,239	266,562		38,997
Total revenues	10,017,180	5,578,428	7,040,590	5,732,682	25,979,630	3,622,595	6,108,925	2,971,761
Expenditures:								
Current:								
Salaries	5,335,716	2,469,444	4,259,985	3,282,638	14,895,065	2,370,762	2,057,221	2,092,808
Employee benefits	1,208,841	568,203	849,463	915,087	4,493,701	690,150	333,404	571,659
Purchased professional and technical services	339,772	210,075	89,538	30,098	324,373	80,501	295,756	14,817
Purchased property services	470,325	752,510	387,942	221,562	1,067,517	72,666	25,433	51,596
Other purchased services	59,259	159,461	135,966	221,306	154,364	47,465	5,428,099	41,431
Supplies	460,152	355,711	399,836	171,225	550,672	249,869	97,501	6,252
Property	156,886	223,788	16,085	186,848	164,870	12,744	16,325	2,037
Other uses of funds	1,859	35	3,838		3,960	2,323	2,543	
Total expenditures	8,032,810	4,739,227	6,142,653	5,028,764	21,654,522	3,526,480	8,256,282	2,780,600
Excess (Deficiency) of Revenues over Expenditures	1,984,370	839,201	897,937	703,918	4,325,108	96,115	(2,147,357)	191,161
Other Financing Sources (Uses):								
Transfers in	1,312			46,686		119,128	2,586,305	258,465
Transfers out	(830,810)	(433,043)	(519,829)	(748,576)	(2,542,131)	(280,590)	(481,877)	(164,926)
Total other financing sources (uses)	(829,498)	(433,043)	(519,829)	(701,890)	(2,542,131)	(161,462)	2,104,428	93,539
Net Change in Fund Balances	1,154,872	406,158	378,108	2,028	1,782,977	(65,347)	(42,929)	284,700
Fund Balances at Beginning of Year	430,060	(216,256)	81,011	898,942	7,507,527	(1,097,362)	(793,448)	404,077
Fund Balances at End of Year	\$ <u>1,584,932</u>	\$ <u>189,902</u>	\$ <u>459,119</u>	\$ <u>900,970</u>	\$ <u>9,290,504</u>	\$ <u>(1,162,709)</u>	\$ <u>(836,377)</u>	\$ <u>688,777</u>

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT A-2

	Special Programs							
	Farmington Valley Diagnostic Center	Special Education Transportation	Greater Hartford Academy of the Arts	Center for Creative Youth	Great Path Academy	School Transportation Management Services	International Magnet School for Global Citizenship	Reggio Magnet School of the Arts
Revenues:								
Tuition	\$ 905,732		\$ 761,959	\$ 425,691			\$ 2,810,080	\$ 2,130,381
Grants in aid			8,858,116	218,489	2,996,412	7,666,612		
Room and board				22,513				
Sales of services	4,650	410,495	2,064,425	8,996	859,070		1,151,483	1,215,309
Investment income				324				
Other local revenues			151,980	17,372	36,904		89,511	96,206
Total revenues	910,382	410,495	11,836,480	693,385	3,892,386	7,666,612	4,051,074	3,441,896
Expenditures:								
Current:								
Salaries	582,257	431,612	5,956,990	258,958	2,160,601		1,915,364	2,196,696
Employee benefits	159,006	200,412	1,262,456	43,574	490,687		505,008	576,455
Purchased professional and technical services	10,997	4,522	141,151	4,138	21,469		41,377	97,025
Purchased property services	137,236	47,900	928,732	2,096	186,440		552,230	635,059
Other purchased services	5,208	63,200	140,096	349,088	434,155	7,524,252	35,252	58,834
Supplies	23,728	142,841	446,175	15,046	221,730		169,371	308,680
Property		343,461	2,941,194	708	1,465		177,967	227,876
Other uses of funds		(423)	4,339	50	2,223		4,025	3,034
Total expenditures	918,432	1,233,525	11,821,133	673,658	3,518,770	7,524,252	3,400,594	4,103,659
Excess (Deficiency) of Revenues over Expenditures	(8,050)	(823,030)	15,347	19,727	373,616	142,360	650,480	(661,763)
Other Financing Sources (Uses):								
Transfers in		787,736		22,600				
Transfers out	(97,160)	(104,606)	(1,626,814)	(39,863)	(319,332)	(142,360)	(417,420)	(296,810)
Total other financing sources (uses)	(97,160)	683,130	(1,626,814)	(17,263)	(319,332)	(142,360)	(417,420)	(296,810)
Net Change in Fund Balances	(105,210)	(139,900)	(1,611,467)	2,464	54,284	-	233,060	(958,573)
Fund Balances at Beginning of Year	105,210	118,483	(2,032,549)	37,105	(50,879)	-	520,878	(566,981)
Fund Balances at End of Year	\$ -	\$ (21,417)	\$ (3,644,016)	\$ 39,569	\$ 3,405	\$ -	\$ 753,938	\$ (1,525,554)

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**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT A-2

	<u>Special Programs</u>				<u>Total</u>	<u>Eliminations</u>	<u>Total</u>
	<u>Charter School for Young Children on Asylum Hill</u>	<u>Lincoln Academy</u>	<u>Medical Professions and Teacher Prep Academy</u>	<u>Discovery Academy</u>			
Revenues:							
Tuition	\$	\$	\$	\$	28,112,097	\$	\$ 28,112,097
Grants in aid	2,297,250		3,201,922		70,878,727		78,027,610
Room and board					1,545,004		1,545,004
Sales of services	377,353	571,274	798,073		32,611,117		32,637,388
Investment income					475		41,479
Other local revenues	38,889				1,193,441		1,233,510
Total revenues	2,713,492	571,274	3,999,995	-	134,340,861	-	141,597,088
Expenditures:							
Current:							
Salaries	1,521,738	366,511	1,394,401		69,284,864		72,749,877
Employee benefits	517,626	75,585	339,480		17,136,089		24,746,794
Purchased professional and technical services	78,352	21,358	105,097		2,597,356		3,178,543
Purchased property services	565,669	13,375	975,230		9,319,623		9,692,308
Other purchased services	19,534	6,500	58,203		15,628,062		15,953,903
Supplies	195,657	19,975	313,415		6,312,682		6,523,124
Property	50,774	8,255	639,129		5,740,101		6,039,631
Other uses of funds	400	390	460		69,139		105,066
Total expenditures	2,949,750	511,949	3,825,415	-	126,087,916	-	138,989,246
Excess (Deficiency) of Revenues over Expenditures	(236,258)	59,325	174,580	-	8,252,945	-	2,607,842
Other Financing Sources (Uses):							
Transfers in					6,408,428	(18,072,386)	2,289,667
Transfers out	(2,199)	(39,349)	(276,809)		(12,355,311)	18,072,386	(1,519,329)
Total other financing sources (uses)	(2,199)	(39,349)	(276,809)	-	(5,946,883)	-	770,338
Net Change in Fund Balances	(238,457)	19,976	(102,229)	-	2,306,062	-	3,378,180
Fund Balances at Beginning of Year	(820,155)	(5,173)	-	-	4,426,067	-	11,049,448
Fund Balances at End of Year	\$ (1,058,612)	\$ 14,803	\$ (102,229)	\$ -	\$ 6,732,129	\$ -	\$ 14,427,628

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT A-3

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special Programs:				
Tuition	\$ 26,718,722	\$ 26,718,722	\$ 28,112,097	\$ 1,393,375
Grants in aid	66,036,986	72,782,183	70,878,727	(1,903,456)
Room and board	1,475,492	1,492,184	1,545,004	52,820
Sales of services	34,023,966	35,892,672	32,611,117	(3,281,555)
Investment income			475	475
Other local revenues	270,047	492,949	1,193,441	700,492
Transfers	6,199,104	6,360,837	6,408,428	47,591
Total special programs	<u>134,724,317</u>	<u>143,739,547</u>	<u>140,749,289</u>	<u>(2,990,258)</u>
Administration/Facilities:				
Sales of services			26,271	26,271
Other local revenues			40,069	40,069
Transfers	6,944,936	6,964,366	6,761,780	(202,586)
Total administration/facilities	<u>6,944,936</u>	<u>6,964,366</u>	<u>6,848,535</u>	<u>(115,831)</u>
Total revenues	<u>141,669,253</u>	<u>150,703,913</u>	<u>147,597,824</u>	<u>(3,106,089)</u>
Expenditures:				
Administration:				
Executive Director	399,741	399,741	399,741	-
Assistant Executive Director	299,592	299,592	299,592	-
Business Services	3,297,524	3,297,524	3,296,312	1,212
Human Resources	953,719	953,719	953,713	6
Communications Services	273,995	273,995	273,963	32
Student Services	215,960	215,960	215,960	-
Institute of Teaching and Learning	131,380	131,380	131,379	1
Grants and Development Office	211,742	211,742	198,462	13,280
Technical Assistance Brokering Services	183,017	183,018	183,018	-
Total administration	<u>5,966,670</u>	<u>5,966,671</u>	<u>5,952,140</u>	<u>14,531</u>
Facilities:				
Administrative Building Cost Center	<u>978,266</u>	<u>997,696</u>	<u>997,696</u>	<u>-</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
GENERAL FUND**

EXHIBIT A-3

**SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Special Programs:				
Connecticut Academy for Education				
Leaders	\$ 2,900	\$ 2,900	\$	2,900
Interdistrict Grant Office	101,075	101,075	100,125	950
Minority Teacher Recruiting		347,146	345,319	1,827
Juvenile Detention Center	1,274,150	1,541,900	1,541,900	-
Coltsville Facility	1,252,540	1,252,540		1,252,540
Project Literacy		87,001	70,546	16,455
Allied Health Career Collaborative	23,000	23,000	19,337	3,663
Learning Corridor Cost Center	2,333,115	2,483,526	2,483,526	-
Montessori Magnet School	4,338,941	4,855,862	4,855,862	-
East Hartford/Glastonbury Magnet School	3,206,141	3,270,326	3,227,069	43,257
Aerospace/GHAMAS Magnet School	6,177,334	6,243,903	6,042,627	201,276
Metropolitan Learning Center Magnet School	9,728,601	10,060,718	9,749,937	310,781
Two Rivers Magnet Middle School	9,202,039	9,278,456	8,863,620	414,836
CREC Public Safety Academy	4,544,421	5,172,270	5,172,270	-
University of Hartford Magnet School	6,094,154	6,662,482	6,662,482	-
Soundbridge	5,784,502	5,784,502	5,777,340	7,162
River Street School	25,471,793	25,471,793	24,196,653	1,275,140
Polaris Center	4,029,425	4,029,425	3,807,070	222,355
Magnet School Cost Center	9,214,966	9,241,232	8,738,159	503,073
Integrated Program Model	3,240,395	3,240,395	2,945,526	294,869
Farmington Valley Diagnostic Center	1,139,700	1,139,700	1,015,592	124,108
Special Education Transportation	1,066,645	1,338,131	1,338,131	-
Greater Hartford Academy of the Arts	10,437,010	13,447,947	13,447,947	-
Center for Creative Youth	696,830	713,522	713,521	1
Great Path Academy	3,654,114	3,838,102	3,838,102	-
International Magnet School for Global Citizenship	3,364,051	3,818,014	3,818,014	-
Reggio Magnet School of the Arts	3,602,719	4,400,469	4,400,469	-
Charter School for Young Children on Asylum Hill	3,162,431	3,162,431	2,951,949	210,482
Lincoln Academy	396,000	551,300	551,298	2
School Transportation Management Services	8,077,254	8,077,254	7,666,612	410,642
Medical Professions	3,108,071	4,102,224	4,102,224	-
Total special programs	<u>134,724,317</u>	<u>143,739,546</u>	<u>138,443,227</u>	<u>5,296,319</u>
Total expenditures	<u>141,669,253</u>	<u>150,703,913</u>	<u>145,393,063</u>	<u>5,310,850</u>
Excess of Revenues over Expenditures	\$ <u>-</u>	\$ <u>-</u>	2,204,761	\$ <u>2,204,761</u>

Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance:

Revenue and expenditures for CREC General Program are not budgeted. Net change in fund balance for CREC General program is:

1,173,419

Net Change in Fund Balance - GAAP Basis

\$ 3,378,180

Special Revenue Fund

SPECIAL REVENUE FUND

GRANTS AND CONTRACTS FUND

INTER DISTRICT GRANTS - CREC receives a variety of special purpose SDE funded grants to promote and support collaborative cooperative efforts among CREC member towns.

PROJECT PACT - Project PACT (Perkins Access Consultation Team) provides consortium members with services that improve vocational programs in the area of technology education for all students, including those who are disadvantaged, have disabilities or have limited English proficiency.

TEACHING AMERICAN HISTORY - The Teaching American History program, funded under the Elementary and Secondary Education Act, is designed to raise student achievement by improving teachers' knowledge, understanding and appreciation of American history. CREC's initiative includes partnerships with school districts (Bolton, East Hartford, Manchester, Plainville, Regional District 10, Vernon and West Hartford), the University of Connecticut (the History Department, Neag School of Education and the Thomas J. Dodd Research Center), as well as a number of local museums and historical societies.

MAGNET SCHOOLS ASSISTANCE PROGRAM - CREC was awarded a three year \$11.5 million grant in 2010 to serve as lead agency for the Magnet Schools Assistance Program (MSAP). It is a consortium grant in partnership with the Hartford Public Schools, the State Department of Education and Goodwin College for the purpose of developing or restructuring eight (8) magnet schools in the Capitol Region. Funds are to be used primarily for activities associated with school startup, including curriculum and professional development, marketing, outreach and recruitment and partnership development.

SPECIAL SERVICES SUPPORT TEAM - Services provided by this program include consultation, training and staff development to State agencies and local school districts in special education and regular education initiatives.

RELATED SERVICES - Professional development, staffing and other services are provided for state agency programs. In addition, diagnostic services and grant coordination services are also provided.

CONNECTICUT TECHNICAL HIGH SCHOOLS PROFESSIONAL DEVELOPMENT - This program is supported by a three-year contract from the Department of Education to provide professional development to the State Technical High Schools.

SUMMER YOUTH EMPLOYMENT - CREC Summer Youth Employment Program serves students in the Greater Hartford area from July to August. This program focuses on project-based initiatives and service learning projects in partnership with other agencies.

CAPITOL REGION CHOICE PROGRAM - The Capitol Region Choice Program enables the voluntary attendance of children in schools beyond their traditional attendance borders in an effort to reduce racial, ethnic and economic isolation. This program includes administration and transportation costs.

SCHOOL TO CAREER INITIATIVES - School To Career Initiatives provide support to CREC school districts and others in the implementation of regional planning, school-based coordination, professional development, marketing and data collection. The Federal implementation funds received from the SDE allow CREC to disseminate guidance and curriculum materials to adult educators in the region.

SUBURBAN YOUTH PROGRAMS - Capital Workforce Partners funds CREC to serve in-school and out-of-school youth between the ages of 14 and 21 under the Workforce Investment Act.

PUPIL PARTNERS - Pupil Partners provides grant awards to schools whose proposals create partnerships between urban and suburban classrooms and/or schools for an integrated experience with a curricular focus.

ENTITLEMENT GRANTS ARRA FUNDS - CREC was awarded Federal ARRA entitlement grants: Title I, Improving Basic Programs; Title II-D Improving Technology; a National School Lunch Equipment Assistance Grant; and an Enhancing Education Through Technology Grant. The funds are to be used to improve student achievement and help close the achievement gap through teacher quality, assessment standards, school improvements and data systems.

ENTITLEMENT GRANTS FUNDS - CREC was awarded Federal entitlement grants: Title I, Improving Basic Programs; Title II-A, Teacher and Principal Training. The funds are used to reach one or more of five goals designed to improve student performance that the State Board of Education has adopted as part of the No Child Left Behind Act of 2001.

DEPARTMENT OF CORRECTIONS PROFESSIONAL DEVELOPMENT - A contract from the State Department of Corrections was awarded to provide a comprehensive program of professional development and training to faculty and administrators of the Unified School District Number 1.

COMMUNITY EDUCATION - The division of Community Education provides leadership, training and consulting services to improve the quality of adult education throughout Connecticut.

METACOMET RIDGE ACADEMY - Metacomet Ridge Academy brings together high school students from ten school districts to collaborate on an interdisciplinary study of the Metacomet Ridge, a unique geological asset that has played a significant role in the economic, social, political and historical development of Connecticut.

EQUAL SUMMER - EQUAL was a summer academic program that afforded students the opportunity to study one of three distinct curricula within a student population that is racially, ethnically and socioeconomically integrated. Funding was through an Inter district Cooperative Grant and small grants from private foundations.

REGIONAL SCHOOL CHOICE OFFICE - The State Department of Education has awarded CREC a contract to assist with the development and implementation of the major components of the Sheff Comprehensive Management Plan (CMP). Items in the plan include marketing, transportation, the magnet school lottery, surveys, a parent intake center and professional development.

FAMILY ENRICHMENT PROGRAM - Family Enrichment Program provides home-based family education and case management services to Hartford families who can benefit from a variety of services. The program serves families who have children between the ages of birth to 18 years old.

HARTFORD ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN (HAEYC) - This program is a local membership organization of the National Association for the Education of Young Children. HAEYC provides training opportunities, educational events and resources to members and to the general early childhood teacher community.

BIRTH TO THREE - The Birth to Three program receives funds from the State Department of Developmental Services to provide home-based early intervention services to infants, toddlers and their families. The Birth to Three program collaborates with school districts and health and social service agencies on behalf of the children/families served.

EMPLOYMENT TRAINING PROGRAM - CREC uses a variety of special purpose funds from SDE and the Federal Job Training Partnership Program to support efforts such as remedial reading instruction for students and to train and place young adults in the human services field.

EARLY EDUCATION PROGRAMS - The CREC Early Education initiative works to support, coordinate, enhance and expand the existing CREC Early Childhood programs. CREC recognizes that a significant number of children in Greater Hartford do not have the benefit of high-quality early childhood educational experiences, and these children enter kindergarten with developmental and learning deficits that are difficult or impossible to overcome. With this in mind, CREC's Early Education initiative works in partnership with the Connecticut State Department of Education, the U.S. Department of Education, local school districts and community agencies to improve existing services and support the establishment of early education centers that will expand the opportunities for all children in need of these programs.

SUPPLEMENTAL SERVICES - CREC received a contract to create an Early Childhood Assessment and develop high-quality assessments for all K-2 students for language arts, mathematics and science that are age appropriate, valid, reliable, and align with the Connecticut Grade Level Expectations (GLE's). In addition, CREC received a contract to support the new Teacher Education and Mentoring (TEAM) program by developing the professional growth modules, delivering training for mentors and other district personnel; and providing technical assistance in creating TEAM infrastructures.

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
BALANCE SHEET - BY PROGRAM
JUNE 30, 2011**

Grants and Contracts Fund

	<u>Interdistrict Grants</u>	<u>Project PACT</u>	<u>Teaching American History</u>	<u>MSAP Grant</u>	<u>Special Services Support Team</u>	<u>Related Services</u>	<u>Connecticut Technical High Schools</u>	<u>Summer Youth Employment</u>	<u>Capitol Region Choice Program</u>
ASSETS									
Cash and cash equivalents	\$ 145,305	\$ 9,527	\$ 15,453	\$	\$ 36,236	\$	\$	\$	\$
Accounts receivable		2,695		131,146	297,693	799,516	252,893	50,150	14,460
Prepaid items						2,007	1,507		891
Total Assets	<u>\$ 145,305</u>	<u>\$ 12,222</u>	<u>\$ 15,453</u>	<u>\$ 131,146</u>	<u>\$ 333,929</u>	<u>\$ 801,523</u>	<u>\$ 254,400</u>	<u>\$ 50,150</u>	<u>\$ 15,351</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	\$ 61,242	\$ 12,222	\$ 15,453	\$ 86,330	\$ 55,775	\$ 128,378	\$ 34,944	\$ 1,574	\$ 320,939
Due to other funds				44,816		282,651	147,675	41,591	228,009
Deferred revenues	80,584				207,603		6,871		817,928
Total liabilities	<u>141,826</u>	<u>12,222</u>	<u>15,453</u>	<u>131,146</u>	<u>263,378</u>	<u>411,029</u>	<u>189,490</u>	<u>43,165</u>	<u>1,366,876</u>
Fund Balances:									
Nonspendable						2,007	1,507		891
Restricted	3,479				70,551	388,487	63,403	6,985	
Unassigned									(1,352,416)
Total fund balances	<u>3,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,551</u>	<u>390,494</u>	<u>64,910</u>	<u>6,985</u>	<u>(1,351,525)</u>
Total Liabilities and Fund Balances	<u>\$ 145,305</u>	<u>\$ 12,222</u>	<u>\$ 15,453</u>	<u>\$ 131,146</u>	<u>\$ 333,929</u>	<u>\$ 801,523</u>	<u>\$ 254,400</u>	<u>\$ 50,150</u>	<u>\$ 15,351</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

Grants and Contracts Fund

	<u>School to Career Initiatives</u>	<u>Suburban Youth Programs</u>	<u>Pupil Partners</u>	<u>Entitlement Grants ARRA Funds</u>	<u>Entitlement Grants Funds</u>	<u>Department of Corrections Professional Development</u>	<u>Community Education</u>	<u>Metacomet Ridge Academy</u>	<u>EQUAL Summer</u>
ASSETS									
Cash and cash equivalents	\$ 124,844	\$ 3,779	\$ 4,157	\$ 22,818	\$	\$	\$	\$ 39,091	\$ 16,060
Accounts receivable	76,199				277,747	52,860	300,818		
Prepaid items									
Total Assets	<u>\$ 201,043</u>	<u>\$ 3,779</u>	<u>\$ 4,157</u>	<u>\$ 22,818</u>	<u>\$ 277,747</u>	<u>\$ 52,860</u>	<u>\$ 300,818</u>	<u>\$ 39,091</u>	<u>\$ 16,060</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	\$ 123,236	\$ 28	\$	\$ 17,235	\$ 9,586	\$ 4,755	\$ 100,225	\$ 39,091	\$
Due to other funds					260,596	17,770	140,824		
Deferred revenues	77,550	6,626		5,583	4,967	7,030	51,780		14,163
Total liabilities	<u>200,786</u>	<u>6,654</u>		<u>22,818</u>	<u>275,149</u>	<u>29,555</u>	<u>292,829</u>	<u>39,091</u>	<u>14,163</u>
Fund Balances:									
Nonspendable									
Restricted	257		4,157		2,598	23,305	7,989		1,897
Unassigned		(2,875)							
Total fund balances	<u>257</u>	<u>(2,875)</u>	<u>4,157</u>	<u>-</u>	<u>2,598</u>	<u>23,305</u>	<u>7,989</u>	<u>-</u>	<u>1,897</u>
Total Liabilities and Fund Balances	<u>\$ 201,043</u>	<u>\$ 3,779</u>	<u>\$ 4,157</u>	<u>\$ 22,818</u>	<u>\$ 277,747</u>	<u>\$ 52,860</u>	<u>\$ 300,818</u>	<u>\$ 39,091</u>	<u>\$ 16,060</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
BALANCE SHEET - BY PROGRAM (CONTINUED)
JUNE 30, 2011**

Grants and Contracts Fund

	Regional School Choice Office	Family Enrichment Services	Hartford Association for the Education of Young Children	Birth to Three	Employment Training Program	Early Education Programs	Supplemental Services	Total
ASSETS								
Cash and cash equivalents	\$ 36,455	\$	\$ 64,472	\$ 203,820	\$	\$	\$ 109,177	\$ 831,194
Accounts receivable	6,754		11,409	72,898	70,591	15,386	51,000	2,484,215
Prepaid items	633							5,038
Total Assets	\$ 43,842	\$ -	\$ 75,881	\$ 276,718	\$ 70,591	\$ 15,386	\$ 160,177	\$ 3,320,447
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 44,521	\$ 3,126	\$ 9,492	\$ 39,653	\$ 19,888	\$ 45,982	\$ 26,985	\$ 1,200,660
Due to other funds		54,023			443,189	412,339		2,073,483
Deferred revenues		3,712	66,389	55,200			15,104	1,421,090
Total liabilities	44,521	60,861	75,881	94,853	463,077	458,321	42,089	4,695,233
Fund Balances:								
Nonspendable	633							5,038
Restricted				181,865			118,088	873,061
Unassigned	(1,312)	(60,861)			(392,486)	(442,935)		(2,252,885)
Total fund balances	(679)	(60,861)	-	181,865	(392,486)	(442,935)	118,088	(1,374,786)
Total Liabilities and Fund Balances	\$ 43,842	\$ -	\$ 75,881	\$ 276,718	\$ 70,591	\$ 15,386	\$ 160,177	\$ 3,320,447

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT B-2

Grants and Contracts Fund

09

	<u>Interdistrict Grants</u>	<u>Project PACT</u>	<u>Teaching American History</u>	<u>MSAP Grant</u>	<u>Special Services Support Team</u>	<u>Related Services</u>	<u>Connecticut Technical High Schools</u>	<u>Summer Youth Employment</u>	<u>Capitol Region Choice Program</u>
Revenues:									
Tuition	\$ 2,373								
Grants in aid	1,365,325	28,555	360,877	1,042,481	91,223	864,991	666,233	276,467	6,410,878
Sales of services	3,500				1,188,344	1,752,877			34,710
Other local revenues	6,190				1,500	19,085			29,554
Total revenues	<u>1,377,388</u>	<u>28,555</u>	<u>360,877</u>	<u>1,042,481</u>	<u>1,281,067</u>	<u>2,636,953</u>	<u>666,233</u>	<u>276,467</u>	<u>6,475,142</u>
Expenditures:									
Current:									
Salaries	166,091	2,164	51,902	301,180	915,652	1,307,013	65,273	209,037	1,171,909
Employee benefits	14,097	1,314	15,600	112,690	153,558	321,471	18,452	27,491	224,859
Purchased professional and technical services	41,626	3,326	153,057	3,858	48,537	483,070	330,003	6,535	33,942
Purchased property services	5,000								17,893
Other purchased services	1,000,729	14,528	102,508	477,223	35,967	30,680	169,348	9,789	4,793,113
Supplies	19,059	5,711	5,409	58,371	11,963	67,425	3,498	9,974	19,743
Property				22,453	998	1,152			2,870
Other objects				2,633	295	479			
Total expenditures	<u>1,246,602</u>	<u>27,043</u>	<u>328,476</u>	<u>978,408</u>	<u>1,166,970</u>	<u>2,211,290</u>	<u>586,574</u>	<u>262,826</u>	<u>6,264,329</u>
Excess (Deficiency) of Revenues over Expenditures	<u>130,786</u>	<u>1,512</u>	<u>32,401</u>	<u>64,073</u>	<u>114,097</u>	<u>425,663</u>	<u>79,659</u>	<u>13,641</u>	<u>210,813</u>
Other Financing Sources (Uses):									
Transfers in					88,084	40,881			3,846
Transfers out	(130,784)	(1,512)	(32,401)	(64,073)	(128,596)	(285,121)	(62,378)	(13,646)	(390,519)
Total other financing sources (uses)	<u>(130,784)</u>	<u>(1,512)</u>	<u>(32,401)</u>	<u>(64,073)</u>	<u>(40,512)</u>	<u>(244,240)</u>	<u>(62,378)</u>	<u>(13,646)</u>	<u>(386,673)</u>
Net Change in Fund Balances	2	-	-	-	73,585	181,423	17,281	(5)	(175,860)
Fund Balances at Beginning of Year	3,477	-	-	-	(3,034)	209,071	47,629	6,990	(1,175,665)
Fund Balances at End of Year	<u>\$ 3,479</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,551</u>	<u>\$ 390,494</u>	<u>\$ 64,910</u>	<u>\$ 6,985</u>	<u>\$ (1,351,525)</u>

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**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

Grants and Contracts Fund

	School to Career Initiatives	Suburban Youth Programs	Pupil Partners	Entitlement Grants ARRA Funds	Entitlement Grants Funds	Department of Corrections Professional Development	Community Education	Metacommet Ridge Academy	EQUAL Summer
Revenues:									
Tuition	\$ 425,713			\$ 403,349	\$ 254,072	\$ 80,782	\$ 1,573,429	\$ 106,016	\$
Grants in aid		18,125			7,870		46,788		
Sales of services					114,160		215,000		
Other local revenues									
Total revenues	425,713	18,125	-	403,349	376,102	80,782	1,835,217	106,016	-
Expenditures:									
Current:									
Salaries	130,658	23,226		219,599	66,896	47,200	797,753	39,896	
Employee benefits	31,101	2,976		33,743	8,449	8,508	220,054	4,159	
Purchased professional and technical services	23,726	8		21,996	121,438	531	214,297	9,305	
Purchased property services	1,000						1,657		
Other purchased services	174,553	1,581		11,279	8,161	6,880	462,676	27,868	
Supplies	9,726	336		3,161	113,530	530	38,175	8,096	
Property	26,746			64,281			247		
Other objects							120		
Total expenditures	397,510	28,127	-	354,059	318,474	63,649	1,734,979	89,324	-
Excess (Deficiency) of Revenues over Expenditures	28,203	(10,002)	-	49,290	57,628	17,133	100,238	16,692	-
Other Financing Sources (Uses):									
Transfers in	425	10,000							
Transfers out	(28,697)			(49,290)	(57,628)	(17,134)	(100,238)	(16,692)	
Total other financing sources (uses)	(28,272)	10,000	-	(49,290)	(57,628)	(17,134)	(100,238)	(16,692)	-
Net Change in Fund Balances	(69)	(2)	-	-	-	(1)	-	-	-
Fund Balances at Beginning of Year	326	(2,873)	4,157	-	2,598	23,306	7,989	-	1,897
Fund Balances at End of Year	\$ 257	\$ (2,875)	\$ 4,157	\$ -	\$ 2,598	\$ 23,305	\$ 7,989	\$ -	\$ 1,897

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

EXHIBIT B-2

Grants and Contracts Fund

	Regional School Choice Office	Family Enrichment Services	Hartford Association for the Education of Young Children	Birth to Three	Employment Training Program	Early Education Programs	Supplemental Services	Total
Revenues:								
Tuition	\$	\$	\$	\$	\$	\$	\$	\$
Grants in aid	1,504,856	130,515	160,086	1,488,484	423,194	998,640	467,869	19,124,035
Sales of services			2,198	4,993	106,455	237,788		3,403,648
Other local revenues				116,425	32,650	27,069		561,633
Total revenues	1,504,856	130,515	162,284	1,609,902	576,359	1,263,497	467,869	23,105,749
Expenditures:								
Current:								
Salaries	1,043,588	82,802	102,292	974,959	516,004	653,183	288,400	9,176,677
Employee benefits	240,426	28,812	21,808	266,213	135,899	156,453	34,409	2,082,542
Purchased professional and technical services	22,270	479	8,982	19,480	856	10,948	56,131	1,614,401
Purchased property services		7,000		41,276	76,542	8,039		158,407
Other purchased services	152,607	4,656	9,918	53,283	30,414	469,597	27,710	8,075,068
Supplies	3,283	277	1,007	4,505	16,476	38,062	20,044	458,361
Property	24,959		985	9,690		8,662		163,043
Other objects	7,800		151	50	130	461		12,119
Total expenditures	1,494,933	124,026	145,143	1,369,456	776,321	1,345,405	426,694	21,740,618
Excess (Deficiency) of Revenues over Expenditures	9,923	6,489	17,141	240,446	(199,962)	(81,908)	41,175	1,365,131
Other Financing Sources (Uses):								
Transfers in				500	4,500		2,250	150,486
Transfers out	(10,602)	(6,488)	(17,141)	(153,660)	(12,209)	(10,187)	(43,428)	(1,632,424)
Total other financing sources (uses)	(10,602)	(6,488)	(17,141)	(153,160)	(7,709)	(10,187)	(41,178)	(1,481,938)
Net Change in Fund Balances	(679)	1	-	87,286	(207,671)	(92,095)	(3)	(116,807)
Fund Balances at Beginning of Year	-	(60,862)	-	94,579	(184,815)	(350,840)	118,091	(1,257,979)
Fund Balances at End of Year	\$ (679)	\$ (60,861)	\$ -	\$ 181,865	\$ (392,486)	\$ (442,935)	\$ 118,088	\$ (1,374,786)

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Grants and Contracts Fund				
Interdistrict Grants				
Revenues:				
Grants in aid	\$ 1,319,363	\$ 1,386,454	\$ 1,365,325	\$ (21,129)
Tuition	5,000	5,000	2,373	(2,627)
Sales of service			3,500	3,500
Other local revenue	5,000	5,000	6,190	1,190
Total revenues	<u>1,329,363</u>	<u>1,396,454</u>	<u>1,377,388</u>	<u>(19,066)</u>
Total expenditures	<u>1,329,363</u>	<u>1,396,454</u>	<u>1,377,386</u>	<u>19,068</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>
Project PACT				
Revenues:				
Grants in aid	\$ 64,580	\$ 64,580	\$ 28,555	\$ (36,025)
Total expenditures	<u>64,580</u>	<u>64,580</u>	<u>28,555</u>	<u>36,025</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Teaching American History				
Revenues:				
Grants in aid	\$ 333,333	\$ 360,877	\$ 360,877	\$ -
Total expenditures	<u>333,333</u>	<u>360,877</u>	<u>360,877</u>	<u>-</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MSAP Grant				
Revenues:				
Grants in aid	\$ -	\$ 2,800,000	\$ 1,042,481	\$ (1,757,519)
Total expenditures	<u>-</u>	<u>2,800,000</u>	<u>1,042,481</u>	<u>1,757,519</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Special Services Support Team				
Revenues:				
Grants in aid	\$ -	\$ 121,723	\$ 91,223	\$ (30,500)
Sales of services	1,243,370	1,298,167	1,188,344	(109,823)
Other local revenues			1,500	1,500
Transfers			88,084	88,084
Total revenues	<u>1,243,370</u>	<u>1,419,890</u>	<u>1,369,151</u>	<u>(50,739)</u>
Total expenditures	<u>1,243,370</u>	<u>1,419,890</u>	<u>1,295,566</u>	<u>124,324</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,585</u>	<u>\$ 73,585</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Related Services				
Revenues:				
Grants in aid	\$ 500,000	\$ 885,033	\$ 864,991	\$ (20,042)
Sales of services	1,113,935	1,611,381	1,752,877	141,496
Other local revenues			19,085	19,085
Transfers			40,881	40,881
Total revenues	<u>1,613,935</u>	<u>2,496,414</u>	<u>2,677,834</u>	<u>181,420</u>
Total expenditures	<u>1,613,935</u>	<u>2,496,414</u>	<u>2,496,411</u>	<u>3</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,423</u>	<u>\$ 181,423</u>
Connecticut Technical High Schools				
Revenues:				
Grants in aid	\$ 400,000	\$ 650,000	\$ 666,233	\$ 16,233
Total expenditures	<u>400,000</u>	<u>649,999</u>	<u>648,952</u>	<u>1,047</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 17,281</u>	<u>\$ 17,280</u>
Summer Youth Employment				
Revenues:				
Grants in aid	\$ 282,890	\$ 282,890	\$ 276,467	\$ (6,423)
Total expenditures	<u>282,890</u>	<u>282,890</u>	<u>276,472</u>	<u>6,418</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5)</u>	<u>\$ (5)</u>
Capitol Region Choice Program				
Revenues:				
Grants in aid	\$ 6,799,680	\$ 7,094,582	\$ 6,410,878	\$ (683,704)
Sales of services			34,710	34,710
Other local revenues			29,554	29,554
Transfers			3,846	3,846
Total revenues	<u>6,799,680</u>	<u>7,094,582</u>	<u>6,478,988</u>	<u>(615,594)</u>
Total expenditures	<u>6,799,680</u>	<u>7,094,582</u>	<u>6,654,848</u>	<u>439,734</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (175,860)</u>	<u>\$ (175,860)</u>

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**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
School to Career Initiatives				
Revenues:				
Grants in aid	\$ 567,750	\$ 814,436	\$ 425,713	\$ (388,723)
Transfers			425	425
Total revenues	<u>567,750</u>	<u>814,436</u>	<u>426,138</u>	<u>(388,298)</u>
Total expenditures	<u>567,750</u>	<u>814,436</u>	<u>426,207</u>	<u>388,229</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (69)</u>	<u>\$ (69)</u>
Suburban Youth Programs				
Revenues:				
Sales of services	\$ 20,231	\$ 33,662	\$ 18,125	\$ (15,537)
Transfers			10,000	10,000
Total revenues	<u>20,231</u>	<u>33,662</u>	<u>28,125</u>	<u>(5,537)</u>
Total expenditures	<u>20,231</u>	<u>33,662</u>	<u>28,127</u>	<u>5,535</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ (2)</u>
Entitlement Grants ARRA Funds				
Revenues:				
Grants in aid	\$ 380,185	\$ 403,349	\$ 403,349	\$ -
Total expenditures	<u>380,185</u>	<u>403,349</u>	<u>403,349</u>	<u>-</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entitlement Grants				
Revenues:				
Grants in aid	\$ 27,361	\$ 258,576	\$ 254,072	\$ (4,504)
Sales of services			7,870	7,870
Other local revenues	117,705	117,705	114,160	(3,545)
Total revenues	<u>145,066</u>	<u>376,281</u>	<u>376,102</u>	<u>(179)</u>
Total expenditures	<u>145,066</u>	<u>376,281</u>	<u>376,102</u>	<u>179</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Department of Corrections Professional Development				
Revenues:				
Grants in aid	\$ 150,375	\$ 150,375	\$ 80,782	\$ (69,593)
Total expenditures	<u>150,375</u>	<u>150,375</u>	<u>80,783</u>	<u>69,592</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>
Community Education				
Revenues:				
Grants in aid	\$ 1,362,365	\$ 1,846,494	\$ 1,573,429	\$ (273,065)
Sales of services			46,788	46,788
Other local revenues		143,411	215,000	71,589
Total revenues	<u>1,362,365</u>	<u>1,989,905</u>	<u>1,835,217</u>	<u>(154,688)</u>
Total expenditures	<u>1,362,365</u>	<u>1,989,906</u>	<u>1,835,217</u>	<u>154,689</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ 1</u>
Metacomet Ridge Academy				
Revenues:				
Grants in aid	\$ 106,016	\$ 106,016	\$ 106,016	\$ -
Total expenditures	<u>106,016</u>	<u>106,016</u>	<u>106,016</u>	<u>-</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Regional School Choice Office				
Revenues:				
Grants in aid	\$ 1,480,000	\$ 1,505,537	\$ 1,504,856	\$ (681)
Total expenditures	<u>1,480,000</u>	<u>1,505,537</u>	<u>1,505,535</u>	<u>2</u>
Deficiency of Revenues over Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(679)</u>	\$ <u>(679)</u>
Family Enrichment Services				
Revenues:				
Grants in aid	\$ 136,260	\$ 136,260	\$ 130,515	\$ (5,745)
Total expenditures	<u>136,260</u>	<u>136,260</u>	<u>130,514</u>	<u>5,746</u>
Excess of Revenues over Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1</u>	\$ <u>1</u>
Hartford Association for the Education of Young Children (HAEYC)				
Revenues:				
Grants in aid	\$ 183,650	\$ 183,650	\$ 160,086	\$ (23,564)
Sales of services			2,198	2,198
Total revenues	<u>183,650</u>	<u>183,650</u>	<u>162,284</u>	<u>(21,366)</u>
Total expenditures	<u>183,650</u>	<u>183,650</u>	<u>162,284</u>	<u>21,366</u>
Excess of Revenues over Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Birth to Three				
Revenues:				
Grants in aid	\$ 1,644,620	\$ 1,644,620	\$ 1,488,484	\$ (156,136)
Sales of services			4,993	4,993
Other local revenues			116,425	116,425
Transfers			500	500
Total revenues	<u>1,644,620</u>	<u>1,644,620</u>	<u>1,610,402</u>	<u>(34,218)</u>
Total expenditures	<u>1,644,620</u>	<u>1,644,620</u>	<u>1,523,116</u>	<u>121,504</u>
Excess of Revenues over Expenditures	\$ <u>-</u>	\$ <u>-</u>	\$ <u>87,286</u>	\$ <u>87,286</u>

(Continued on next page)

**CAPITOL REGION EDUCATION COUNCIL
SPECIAL REVENUE FUND
SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Employment Training Program				
Revenues:				
Grants in aid	\$ 812,364	\$ 812,364	\$ 423,194	\$ (389,170)
Other local revenue			32,650	32,650
Tuition			14,060	14,060
Sales of services	253,036	253,036	106,455	(146,581)
Transfers			4,500	4,500
Total revenues	<u>1,065,400</u>	<u>1,065,400</u>	<u>580,859</u>	<u>(484,541)</u>
Total expenditures	<u>1,065,400</u>	<u>1,065,400</u>	<u>788,530</u>	<u>276,870</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (207,671)</u>	<u>\$ (207,671)</u>
Early Education Programs				
Revenues:				
Grants in aid	\$ 1,079,716	\$ 1,079,716	\$ 998,640	\$ (81,076)
Sales of services	528,209	528,209	237,788	(290,421)
Other local revenue			27,069	27,069
Total revenues	<u>1,607,925</u>	<u>1,607,925</u>	<u>1,263,497</u>	<u>(344,428)</u>
Total expenditures	<u>1,607,925</u>	<u>1,607,925</u>	<u>1,355,592</u>	<u>252,333</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (92,095)</u>	<u>\$ (92,095)</u>
Supplemental Services				
Revenues:				
Grants in aid	\$ 439,494	\$ 439,494	\$ 467,869	\$ 28,375
Sales of services	38,825	38,825	-	(38,825)
Transfers			2,250	2,250
Total revenues	<u>478,319</u>	<u>478,319</u>	<u>470,119</u>	<u>(8,200)</u>
Total expenditures	<u>478,319</u>	<u>478,319</u>	<u>470,122</u>	<u>8,197</u>
Deficiency of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ (3)</u>

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUND

SPECIAL EDUCATION SCHOOLS CAPITAL PROJECTS - Accounts for the special education schools' renovations.

PUBLIC SAFETY ACADEMY CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the Public Safety Academy. Eligible and recognized costs are reimbursable by an SDE facilities grant.

EAST HARTFORD/GLASTONBURY MAGNET CONSTRUCTION - Accounts for site acquisition and construction of a school facility for the East Hartford/Glastonbury Magnet program. Eligible and recognized costs are reimbursable by an SDE facilities grant.

INTERNATIONAL MAGNET CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the International Magnet School for Global Citizenship. Eligible and recognized costs are reimbursable by an SDE facilities grant.

REGGIO MAGNET SCHOOL CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the Reggio Magnet School. Eligible and recognized costs are reimbursable by an SDE facilities grant.

SOUNDBRIDGE CONSTRUCTION - Accounts for renovation of the Soundbridge school facility in Wethersfield, Connecticut.

MEDICAL PROFESSIONS AND TEACHER PREPARATION ACADEMY CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the Medical Professions and Teacher Preparation Academy. Eligible and recognized costs are reimbursable by an SDE facilities grant.

RIVER STREET CONSTRUCTION - Accounts for site acquisition and renovation of a school facility for the River Street Program.

AEROSPACE AND ENGINEERING CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the Aerospace and Engineering Magnet School. Eligible and recognized costs are reimbursable by an SDE facilities grant.

MUSEUM ACADEMY CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the Museum Academy. Eligible and recognized costs are reimbursable by an SDE facilities grant.

DISCOVERY CENTER CONSTRUCTION - Accounts for the site acquisition and construction of a school facility for the Discovery Academy. Eligible and recognized costs are reimbursable by an SDE facilities grant.

CAPITAL LEASE - Accounts for CREC's capital leases.

PERMANENT FUND

NARKIN SCHOLARSHIP FUND - The Alvina Narkin Student Scholarship provides one yearly scholarship to students from CREC Soundbridge who are graduating from high school and are planning to go on to any post-secondary program.

DEBT SERVICE FUNDS

ADMINISTRATION CENTER PARKING LOT - Accounts for service of the debt on property of the Council located at 111 Charter Oak Avenue, Hartford.

BOND ISSUE COST CENTER - Accounts for the consolidated debt of the agency.

SPECIAL REVENUE FUND

CAPITOL REGION EDUCATION COUNCIL FOUNDATION INC. - The foundation supports CREC's public purpose of improving the quality of public education within Greater Hartford.

CAPITOL REGION EDUCATION COUNCIL

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2011

	Capital Projects Funds					
	Special Education Schools Capital Projects	Public Safety Academy Construction	East Hartford/ Glastonbury Magnet Construction	International Magnet Construction	Reggio Magnet School Construction	Soundbridge Construction
ASSETS						
Cash and cash equivalents	\$ 681,126	\$	\$	\$	\$	\$
Investments						
Accounts receivable		259,854		306,490	184,232	
Prepaid items		50,000			50,000	
Total Assets	\$ 681,126	\$ 309,854	\$ -	\$ 306,490	\$ 234,232	\$ -
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$	\$ 103,123	\$	\$ 194,855	\$ 22,677	\$ 33,638
Due to other funds		206,731		111,635	211,555	721,306
Deferred revenues						
Total liabilities	-	309,854	-	306,490	234,232	754,944
Fund Balances:						
Nonspendable		50,000			50,000	
Restricted						
Committed	681,126					
Assigned						
Unassigned		(50,000)			(50,000)	(754,944)
Total fund balance	681,126	-	-	-	-	(754,944)
Total Liabilities and Fund Balances	\$ 681,126	\$ 309,854	\$ -	\$ 306,490	\$ 234,232	\$ -

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2011

	Capital Projects Funds						Total Capital Projects Funds
	Medical Professions and Teacher	River Street Construction	Aerospace and Engineering Construction	Museum Academy Construction	Discovery Center Construction	Capital Lease	
ASSETS							
Cash and cash equivalents	\$ 69,917	\$ 754,095	\$	\$	\$ 11,525	\$	\$ 1,516,663
Investments							-
Accounts receivable			66,076	23,792			840,444
Prepaid items	1,000						101,000
Total Assets	<u>\$ 70,917</u>	<u>\$ 754,095</u>	<u>\$ 66,076</u>	<u>\$ 23,792</u>	<u>\$ 11,525</u>	<u>\$ -</u>	<u>\$ 2,458,107</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 38,169	\$	\$ 2,239	\$ 6,740	\$ 11,525	\$	\$ 412,966
Due to other funds			63,837	17,052			1,332,116
Deferred revenues	32,748						32,748
Total liabilities	<u>70,917</u>	<u>-</u>	<u>66,076</u>	<u>23,792</u>	<u>11,525</u>	<u>-</u>	<u>1,777,830</u>
Fund Balances:							
Nonspendable	1,000						101,000
Restricted							-
Committed		754,095					1,435,221
Assigned							-
Unassigned	(1,000)						(855,944)
Total fund balance	<u>-</u>	<u>754,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>680,277</u>
Total Liabilities and Fund Balances	<u>\$ 70,917</u>	<u>\$ 754,095</u>	<u>\$ 66,076</u>	<u>\$ 23,792</u>	<u>\$ 11,525</u>	<u>\$ -</u>	<u>\$ 2,458,107</u>

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CAPITOL REGION EDUCATION COUNCIL
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2011

	<u>Permanent Fund</u>	<u>Debt Service Funds</u>			<u>Special Revenues</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Narkin Scholarship Fund</u>	<u>Administration Center Parking Lot</u>	<u>Bond Issue Cost Center</u>	<u>Total Debt Service Funds</u>	<u>CREC Foundation Inc.</u>	
ASSETS						
Cash and cash equivalents	\$	\$	\$ 933,878	\$ 933,878	\$ 267	\$ 2,450,808
Investments	17,106			-		17,106
Accounts receivable				-		840,444
Prepaid items				-		101,000
Total Assets	<u>\$ 17,106</u>	<u>\$ -</u>	<u>\$ 933,878</u>	<u>\$ 933,878</u>	<u>\$ 267</u>	<u>\$ 3,409,358</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$	\$	\$	\$ -	\$	\$ 412,966
Due to other funds				-		1,332,116
Deferred revenues	106			-		32,854
Total liabilities	<u>106</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,777,936</u>
Fund Balances:						
Nonspendable	17,000					118,000
Restricted			933,878	933,878		933,878
Committed				-		1,435,221
Assigned				-	267	267
Unassigned				-		(855,944)
Total fund balance	<u>17,000</u>	<u>-</u>	<u>933,878</u>	<u>933,878</u>	<u>267</u>	<u>1,631,422</u>
Total Liabilities and Fund Balances	<u>\$ 17,106</u>	<u>\$ -</u>	<u>\$ 933,878</u>	<u>\$ 933,878</u>	<u>\$ 267</u>	<u>\$ 3,409,358</u>

CAPITOL REGION EDUCATION COUNCIL
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011

	Capital Projects Funds					
	Special Education Schools Capital Projects	Public Safety Academy Construction	East Hartford/ Glastonbury Magnet Construction	International Magnet Construction	Reggio Magnet School Construction	Soundbridge Construction
Revenues:						
Grants in aid	\$	\$ 568,096	\$	\$ 533,001	\$ 446,210	\$
Investment income						
Total revenues	<u>-</u>	<u>568,096</u>	<u>-</u>	<u>533,001</u>	<u>446,210</u>	<u>-</u>
Expenditures:						
Current:						
Other objects						
Debt service:						
Principal						
Interest and fiscal charges						
Capital outlay		475,823		461,058	374,267	286,609
Total expenditures	<u>-</u>	<u>475,823</u>	<u>-</u>	<u>461,058</u>	<u>374,267</u>	<u>286,609</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>92,273</u>	<u>-</u>	<u>71,943</u>	<u>71,943</u>	<u>(286,609)</u>
Other Financing Sources (Uses):						
Transfers in	123,658		53,457			30,000
Transfers out		(92,273)		(71,943)	(71,943)	
Proceeds from capital lease						
Total other financing sources (uses)	<u>123,658</u>	<u>(92,273)</u>	<u>53,457</u>	<u>(71,943)</u>	<u>(71,943)</u>	<u>30,000</u>
Net Change in Fund Balances	123,658	-	53,457	-	-	(256,609)
Fund Balances at Beginning of Year	<u>557,468</u>	<u>-</u>	<u>(53,457)</u>	<u>-</u>	<u>-</u>	<u>(498,335)</u>
Fund Balances at End of Year	<u>\$ 681,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (754,944)</u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011

	Capital Projects Funds						
	Medical Professions and Teacher	River Street Construction	Aerospace and Engineering Construction	Museum Academy Construction	Discovery Center Construction	Capital Lease	Total Capital Projects Funds
Revenues:							
Grants in aid	\$ 123,622	\$ -	\$ 66,075	\$ 23,791	\$ -	\$ -	\$ 1,760,795
Investment income							-
Total revenues	<u>123,622</u>	<u>-</u>	<u>66,075</u>	<u>23,791</u>	<u>-</u>	<u>-</u>	<u>1,760,795</u>
Expenditures:							
Current:							
Other objects							
Debt service:							
Principal							
Interest and fiscal charges							
Capital outlay	84,373		66,075	23,791		575,000	2,346,996
Total expenditures	<u>84,373</u>	<u>-</u>	<u>66,075</u>	<u>23,791</u>	<u>-</u>	<u>575,000</u>	<u>2,346,996</u>
Excess (Deficiency) of Revenues over Expenditures	<u>39,249</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(575,000)</u>	<u>(586,201)</u>
Other Financing Sources (Uses):							
Transfers in							207,115
Transfers out	(39,249)						(275,408)
Proceeds from capital lease						575,000	575,000
Total other financing sources (uses)	<u>(39,249)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>575,000</u>	<u>506,707</u>
Net Change in Fund Balances	-	-	-	-	-	-	(79,494)
Fund Balances at Beginning of Year	<u>-</u>	<u>754,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>759,771</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ 754,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 680,277</u>

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CAPITOL REGION EDUCATION COUNCIL

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

	Permanent Fund	Debt Service Funds			Special Revenues	Total Nonmajor Governmental Funds
	Narkin Scholarship Fund	Administration Center Parking Lot	Bond Issue Cost Center	Total Debt Service Funds	CREC Foundation Inc.	
Revenues:						
Grants in aid	\$	\$	\$	\$ -	\$ 616,318	\$ 2,377,113
Investment income			666	666		666
Total revenues	<u>-</u>	<u>-</u>	<u>666</u>	<u>666</u>	<u>616,318</u>	<u>2,377,779</u>
Expenditures:						
Current:						
Other objects				-	616,446	616,446
Debt service:						
Principal		16,350	380,000	396,350		396,350
Interest and fiscal charges		4,905	112,630	117,535		117,535
Capital outlay				-		2,346,996
Total expenditures	<u>-</u>	<u>21,255</u>	<u>492,630</u>	<u>513,885</u>	<u>616,446</u>	<u>3,477,327</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(21,255)</u>	<u>(491,964)</u>	<u>(513,219)</u>	<u>(128)</u>	<u>(1,099,548)</u>
Other Financing Sources (Uses):						
Transfers in		21,255	484,926	506,181		713,296
Transfers out				-		(275,408)
Proceeds from capital lease				-		575,000
Total other financing sources (uses)	<u>-</u>	<u>21,255</u>	<u>484,926</u>	<u>506,181</u>	<u>-</u>	<u>1,012,888</u>
Net Change in Fund Balances	-	-	(7,038)	(7,038)	(128)	(86,660)
Fund Balances at Beginning of Year	<u>17,000</u>	<u>-</u>	<u>940,916</u>	<u>940,916</u>	<u>395</u>	<u>1,718,082</u>
Fund Balances at End of Year	<u>\$ 17,000</u>	<u>\$ -</u>	<u>\$ 933,878</u>	<u>\$ 933,878</u>	<u>\$ 267</u>	<u>\$ 1,631,422</u>

**Nonmajor
Enterprise Funds**

NONMAJOR ENTERPRISE FUNDS

MONTESSORI TRAINING CENTER OF NEW ENGLAND (MTCNE) - This program was created to provide individuals the opportunity to become AMI (Association Montessori Internationale) certified teachers. The training center serves to promote education through the scientific discoveries of child development based on Maria Montessori's theories.

LEARNING CORRIDOR THEATER - The Theater of the Performing Arts was built at the Learning Corridor and is part of the Greater Hartford Academy of the Arts complex. The Theater has many performances given by professional/visiting artists.

COOPERATIVE PURCHASING - CREC's Cooperative Purchasing Program pools district purchasing power - statewide and nationally - to offer aggressive, pre-bid prices on a wide array of supplies and equipment to participating school districts throughout Connecticut and, to a lesser extent, other states.

REGIONAL FINGERPRINTING SERVICES - A law enacted in 1994 requires Connecticut school districts to fingerprint all new hires for state and national criminal history checks. CREC provides a fingerprinting service to its member districts.

OFFICE OF COMMUNICATIONS - This office helps our divisions communicate effectively with internal and external audiences and also offers its writing, editing, public relations, marketing, advertising and graphic design services to external clients.

STAFF DEVELOPMENT - Staff Development provides professional development opportunities, training and technical assistance to the educators in CREC's 35 districts. Revenue is provided by sales of program services.

BEST SERVICES - Funds collected are used to support the training of school district teachers as part of the Beginning Educators Support Training program.

PROPERTY AND EQUIPMENT RENTAL - CREC has tenants for available office space at some of its facilities. Equipment rental is also provided to programs.

CONNECTICUT ASSOCIATION OF SCHOOL BUSINESS OFFICIALS (CASBO) - CREC provides administrative and financial support services to the Connecticut Association of School Business Officials.

CONFERENCE SERVICES - Conference facilities and the CREC cafeteria at the CREC Central facility are made available to CREC programs and outside agencies. The related financial activity is accounted for in this fund.

TECHNICAL ASSISTANCE BROKERING SERVICES - This fund is used to account for the general provision of services TABS provides outside the scope of technical assistance and brokering. This fund currently includes online student services, employee assistance to districts and study skills programs for students.

COMMUNITY EDUCATION - The division of Community Education provides leadership, training and consulting services to improve the quality of adult education and deliver effective adult educator training and development across the state.

CONSTRUCTION SERVICES - CREC provides school construction-related technical assistance to school districts throughout Connecticut. These services include the development of educational specifications, planning, SDE filings, architectural review assistance, budgeting and construction program management. This fund also provides services to internal CREC construction projects.

CAPITOL REGION EDUCATION COUNCIL

NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS

JUNE 30, 2011

	<u>Montessori Training Center of New England</u>	<u>Learning Corridor Theater</u>	<u>Cooperative Purchasing</u>	<u>Regional Fingerprinting Services</u>	<u>Office of Communications</u>	<u>Staff Development</u>	<u>BEST Services</u>
Assets:							
Current:							
Cash and cash equivalents	\$ 110,912	\$	\$ 68,273	\$ 55,359	\$ 25,755	\$ 74,072	\$ 20,666
Accounts receivable	116,916	15,139	450	1,140			
Prepaid items							
Total current assets	<u>227,828</u>	<u>15,139</u>	<u>68,723</u>	<u>56,499</u>	<u>25,755</u>	<u>74,072</u>	<u>20,666</u>
Noncurrent:							
Capital assets, net		3,694					
Total assets	<u>227,828</u>	<u>18,833</u>	<u>68,723</u>	<u>56,499</u>	<u>25,755</u>	<u>74,072</u>	<u>20,666</u>
Liabilities:							
Current:							
Accounts payable and accrued liabilities	12,058	2,593	853	6,398			
Due to other funds		7,412					
Deferred revenue	106,194						
Compensated absences							
Total current liabilities	<u>118,252</u>	<u>10,005</u>	<u>853</u>	<u>6,398</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets:							
Invested in capital assets, net of related debt		3,694					
Unrestricted	<u>109,576</u>	<u>5,134</u>	<u>67,870</u>	<u>50,101</u>	<u>25,755</u>	<u>74,072</u>	<u>20,666</u>
Total Net Assets	<u>\$ 109,576</u>	<u>\$ 8,828</u>	<u>\$ 67,870</u>	<u>\$ 50,101</u>	<u>\$ 25,755</u>	<u>\$ 74,072</u>	<u>\$ 20,666</u>

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CAPITOL REGION EDUCATION COUNCIL

NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS (CONTINUED)

JUNE 30, 2011

	<u>Property and Equipment Rental</u>	<u>CASBO Support Services</u>	<u>Conference Services</u>	<u>Technical Assistance Brokering Service</u>	<u>Community Education</u>	<u>Construction Services</u>	<u>Total</u>
Assets:							
Current:							
Cash and cash equivalents	\$ 32,404	\$ 22,118	\$	\$ 246,131	\$ 99,530	\$ 284,844	\$ 1,040,064
Accounts receivable		3,386	15,397	20,430	24,738	297,170	494,766
Prepaid items			6,319				6,319
Total current assets	<u>32,404</u>	<u>25,504</u>	<u>21,716</u>	<u>266,561</u>	<u>124,268</u>	<u>582,014</u>	<u>1,541,149</u>
Noncurrent:							
Capital assets, net	<u>3,164</u>					186	7,044
Total assets	<u>35,568</u>	<u>25,504</u>	<u>21,716</u>	<u>266,561</u>	<u>124,268</u>	<u>582,200</u>	<u>1,548,193</u>
Liabilities:							
Current:							
Accounts payable and accrued liabilities	25		5,090	2,982	11,851	38,332	80,182
Due to other funds			18,346				25,758
Deferred revenue				4,350	79,521		190,065
Compensated absences			2,979		3,528	38,730	45,237
Total current liabilities	<u>25</u>	<u>-</u>	<u>26,415</u>	<u>7,332</u>	<u>94,900</u>	<u>77,062</u>	<u>341,242</u>
Net Assets:							
Invested in capital assets, net of related debt	3,164					186	7,044
Unrestricted	<u>32,379</u>	<u>25,504</u>	<u>(4,699)</u>	<u>259,229</u>	<u>29,368</u>	<u>504,952</u>	<u>1,199,907</u>
Total Net Assets	<u>\$ 35,543</u>	<u>\$ 25,504</u>	<u>\$ (4,699)</u>	<u>\$ 259,229</u>	<u>\$ 29,368</u>	<u>\$ 505,138</u>	<u>\$ 1,206,951</u>

CAPITOL REGION EDUCATION COUNCIL

**NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS**

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Montessori Training Center of New England</u>	<u>Learning Corridor Theater</u>	<u>Cooperative Purchasing</u>	<u>Regional Fingerprinting Services</u>	<u>Office of Communications</u>	<u>Staff Development</u>	<u>BEST Services</u>
Operating Revenues:							
Sales of services	\$ 209,909	\$ 85,243	\$ 56,851	\$ 139,830	\$	\$	\$
Other local revenues							
Total operating revenues	<u>209,909</u>	<u>85,243</u>	<u>56,851</u>	<u>139,830</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expenses:							
Salaries	76,398	23,627	10,988	35,434			
Employee benefits	9,883	10,038	819	11,013			
Purchased professional and technical services	59,162		8,425				
Purchased property services	1,637	18,229		7,200			
Other purchased services	18,354	218	9,079	68,795			
Supplies	5,546	14,056	40	638			
Property		7,139					
Depreciation		825					
Other	5,215		2,887				
Total operating expenses	<u>176,195</u>	<u>74,132</u>	<u>32,238</u>	<u>123,080</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Transfers	33,714	11,111	24,613	16,750	-	-	-
Transfers In	10,350						
Transfers Out	<u>(24,741)</u>	<u>(10,316)</u>	<u>(389)</u>				
Change in Net Assets	19,323	795	24,224	16,750	-	-	-
Net Assets at Beginning of Year	<u>90,253</u>	<u>8,033</u>	<u>43,646</u>	<u>33,351</u>	<u>25,755</u>	<u>74,072</u>	<u>20,666</u>
Net Assets and End of Year	<u>\$ 109,576</u>	<u>\$ 8,828</u>	<u>\$ 67,870</u>	<u>\$ 50,101</u>	<u>\$ 25,755</u>	<u>\$ 74,072</u>	<u>\$ 20,666</u>

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CAPITOL REGION EDUCATION COUNCIL
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Property and Equipment Rental</u>	<u>CASBO Support Services</u>	<u>Conference Services</u>	<u>Technical Assistance Brokering Service</u>	<u>Community Education</u>	<u>Construction Services</u>	<u>Total</u>
Operating Revenues:							
Sales of services	\$	\$ 6,878	\$ 86,745	\$ 249,520	\$ 137,849	\$ 848,952	\$ 1,821,777
Other local revenues					49,859		49,859
Total operating revenues	<u>-</u>	<u>6,878</u>	<u>86,745</u>	<u>249,520</u>	<u>187,708</u>	<u>848,952</u>	<u>1,871,636</u>
Operating Expenses:							
Salaries		1,250	90,753	19,642	41,489	637,190	936,771
Employee benefits		95	34,285	4,576	23,302	135,546	229,557
Purchased professional and technical services			250	166,185	28,074	76,605	338,701
Purchased property services			447		1,564	49	29,126
Other purchased services		314	2,841	10,666	40,000	22,867	173,134
Supplies		15	67,937	509	8,255	2,379	99,375
Property				471		5,430	13,040
Depreciation	852					248	1,925
Other			50			562	8,714
Total operating expenses	<u>852</u>	<u>1,674</u>	<u>196,563</u>	<u>202,049</u>	<u>142,684</u>	<u>880,876</u>	<u>1,830,343</u>
Income (Loss) Before Transfers	(852)	5,204	(109,818)	47,471	45,024	(31,924)	41,293
Transfers In			98,129	20,056	3,312	275,365	407,212
Transfers Out		(2,003)		(16,816)	(15,810)	(84,963)	(155,038)
Change in Net Assets	(852)	3,201	(11,689)	50,711	32,526	158,478	293,467
Net Assets at Beginning of Year	<u>36,395</u>	<u>22,303</u>	<u>6,990</u>	<u>208,518</u>	<u>(3,158)</u>	<u>346,660</u>	<u>913,484</u>
Net Assets and End of Year	<u>\$ 35,543</u>	<u>\$ 25,504</u>	<u>\$ (4,699)</u>	<u>\$ 259,229</u>	<u>\$ 29,368</u>	<u>\$ 505,138</u>	<u>\$ 1,206,951</u>

CAPITOL REGION EDUCATION COUNCIL

NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Montessori Training Center of New England</u>	<u>Learning Corridor Theater</u>	<u>Cooperative Purchasing</u>	<u>Regional Fingerprinting Services</u>	<u>Office of Communications</u>	<u>Staff Development</u>	<u>BEST Services</u>
Cash Flows from Operating Activities:							
Cash received from customers and users	\$ 156,912	\$ 97,428	\$ 58,090	\$ 141,423	\$	\$	\$
Cash received from interfund services provided		4,604					
Cash payments to suppliers	(83,383)	(57,110)	(19,578)	(85,603)			
Cash payments to employees	(91,423)	(34,606)	(12,809)	(47,381)			(450)
Net cash provided by (used in) operating activities	<u>(17,894)</u>	<u>10,316</u>	<u>25,703</u>	<u>8,439</u>	<u>-</u>	<u>-</u>	<u>(450)</u>
Cash Flows from Noncapital Financing Activities:							
Transfers from other funds	10,350						
Transfers to other funds	(24,741)	(10,316)	(389)				
Net cash provided by (used in) noncapital financing activities	<u>(14,391)</u>	<u>(10,316)</u>	<u>(389)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	(32,285)	-	25,314	8,439	-	-	(450)
Cash and Cash Equivalents at Beginning of Year	<u>143,197</u>	<u>-</u>	<u>42,959</u>	<u>46,920</u>	<u>25,755</u>	<u>74,072</u>	<u>21,116</u>
Cash and Cash Equivalents at End of Year	<u>\$ 110,912</u>	<u>\$ -</u>	<u>\$ 68,273</u>	<u>\$ 55,359</u>	<u>\$ 25,755</u>	<u>\$ 74,072</u>	<u>\$ 20,666</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:							
Operating income (loss)	\$ 33,714	\$ 11,111	\$ 24,613	\$ 16,750	\$	\$	\$
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation		825					
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	(22,091)	12,185	1,239	1,593			
(Increase) decrease in other assets							
Increase (decrease) in accounts payable and accrued liabilities	1,389	(18,409)	(149)	(9,493)			(450)
Increase (decrease) in compensated absences				(411)			
Increase (decrease) in due to other funds		4,604					
Increase (decrease) in deferred revenues	(30,906)						
Total adjustments	<u>(51,608)</u>	<u>(795)</u>	<u>1,090</u>	<u>(8,311)</u>	<u>-</u>	<u>-</u>	<u>(450)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (17,894)</u>	<u>\$ 10,316</u>	<u>\$ 25,703</u>	<u>\$ 8,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (450)</u>

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CAPITOL REGION EDUCATION COUNCIL
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Property and Equipment Rental</u>	<u>CASBO Support Services</u>	<u>Conference Services</u>	<u>Technical Assistance Brokering Service</u>	<u>Community Education</u>	<u>Construction Services</u>	<u>Total</u>
Cash Flows from Operating Activities:							
Cash received from customers and users	\$	\$ 6,878	\$ 98,276	\$ 267,020	\$ 222,622	\$ 681,645	\$ 1,730,294
Cash received from interfund services provided			749				5,353
Cash payments to suppliers	(4)	(329)	(68,006)	(185,649)	(101,399)	(93,697)	(694,758)
Cash payments to employees		(1,345)	(129,148)	(24,218)	(64,791)	(765,803)	(1,171,974)
Net cash provided by (used in) operating activities	<u>(4)</u>	<u>5,204</u>	<u>(98,129)</u>	<u>57,153</u>	<u>56,432</u>	<u>(177,855)</u>	<u>(131,085)</u>
Cash Flows from Noncapital Financing Activities:							
Transfers from other funds			98,129	20,056	3,312	275,365	407,212
Transfers to other funds		(2,003)		(16,816)	(15,810)	(84,963)	(155,038)
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>(2,003)</u>	<u>98,129</u>	<u>3,240</u>	<u>(12,498)</u>	<u>190,402</u>	<u>252,174</u>
Net Increase in Cash and Cash Equivalents	(4)	3,201	-	60,393	43,934	12,547	121,089
Cash and Cash Equivalents at Beginning of Year	<u>32,408</u>	<u>18,917</u>	<u>-</u>	<u>185,738</u>	<u>55,596</u>	<u>272,297</u>	<u>918,975</u>
Cash and Cash Equivalents at End of Year	<u>\$ 32,404</u>	<u>\$ 22,118</u>	<u>\$ -</u>	<u>\$ 246,131</u>	<u>\$ 99,530</u>	<u>\$ 284,844</u>	<u>\$ 1,040,064</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:							
Operating income (loss)	\$ (852)	\$ 5,204	\$ (109,818)	\$ 47,471	\$ 45,024	\$ (31,924)	\$ 41,293
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	852					248	1,925
Change in assets and liabilities:							
(Increase) decrease in accounts receivable			11,827	13,150	71,486	(167,307)	(77,918)
(Increase) decrease in other assets			(368)				(368)
Increase (decrease) in accounts payable and accrued liabilities	(4)		1,237	(7,818)	(23,506)	12,681	(44,522)
Increase (decrease) in compensated absences			(1,460)			8,447	6,576
Increase (decrease) in due to other funds			749				5,353
Increase (decrease) in deferred revenues			(296)	4,350	(36,572)		(63,424)
Total adjustments	<u>848</u>	<u>-</u>	<u>11,689</u>	<u>9,682</u>	<u>11,408</u>	<u>(145,931)</u>	<u>(172,378)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (4)</u>	<u>\$ 5,204</u>	<u>\$ (98,129)</u>	<u>\$ 57,153</u>	<u>\$ 56,432</u>	<u>\$ (177,855)</u>	<u>\$ (131,085)</u>

Internal Service Funds

INTERNAL SERVICE FUNDS

CREC STAFF DEVELOPMENT - Funds contributed by all CREC operating programs that support a coordinated internal staff development program for all CREC staff members.

CREC WIDE AREA NETWORK - This fund centralizes organization-wide technology costs and allocates costs to the internal users of these services.

COPY CENTER - The CREC Copy Center offers a variety of services including copying, offset printing, mailing and assembly of printed materials to CREC programs, interested school systems and nonprofit organizations.

SELF INSURANCE - CREC's employee health insurance is primarily provided by a self-insured fund administered by Blue Cross/Blue Shield of Connecticut. This program accounts for all CREC health insurance activity and is responsible for maintaining the required reserves to provide health insurance coverage.

CREC UNEMPLOYMENT - The CREC Unemployment Fund is a self-funded program to cover unemployment compensation costs incurred by the agency. CREC funds its unemployment claims to the State Unemployment Compensation Fund under the reimbursement method as opposed to the taxable method.

WORKERS' COMPENSATION - The Workers' Compensation Fund is a self-insured program to cover workers compensation costs incurred by the agency. This program started on July 1, 2010 and accounts for all CREC workers compensation activity. It funds the required reserves and excess insurance coverage.

EMPLOYEE BENEFIT FUND - CREC sponsors the CREC 403(b) Retirement Plan, which was established July 1, 1997. It provides benefits at retirement to all non-certified employees of CREC. CREC matches eligible member contributions up to 5% of covered salary.

CAPITOL REGION EDUCATION COUNCIL

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS

JUNE 30, 2011

	<u>CREC Staff Development</u>	<u>CREC Wide Area Network</u>	<u>Copy Center</u>	<u>Self Insurance</u>	<u>CREC Unemployment</u>	<u>Workers' Compensation</u>	<u>Employee Benefit Fund</u>	<u>Total</u>
Assets:								
Current:								
Cash and cash equivalents	\$ 225,195	\$ 253,916	\$ 172,174	\$ 7,220,369	\$ 1,065,434	\$	\$ 1,169,307	\$ 10,106,395
Accounts receivable		312,892		2,970				315,862
Due from other funds						692,428		692,428
Prepaid items	21,060		35,614			97,500		154,174
Total current assets	<u>246,255</u>	<u>566,808</u>	<u>207,788</u>	<u>7,223,339</u>	<u>1,065,434</u>	<u>789,928</u>	<u>1,169,307</u>	<u>11,268,859</u>
Noncurrent:								
Capital assets, net		53,955	640					54,595
Total assets	<u>246,255</u>	<u>620,763</u>	<u>208,428</u>	<u>7,223,339</u>	<u>1,065,434</u>	<u>789,928</u>	<u>1,169,307</u>	<u>11,323,454</u>
Liabilities:								
Current:								
Accounts payable and accrued liabilities	48,429	69,378	5,525	797,733	63,143	796,603		1,780,811
Deferred revenue	26,150							26,150
Compensated absences		56,180	1,737	304				58,221
Total liabilities	<u>74,579</u>	<u>125,558</u>	<u>7,262</u>	<u>798,037</u>	<u>63,143</u>	<u>796,603</u>	<u>-</u>	<u>1,865,182</u>
Net Assets:								
Invested in capital assets, net of related debt		53,955	640					54,595
Unrestricted	171,676	441,250	200,526	6,425,302	1,002,291	(6,675)	1,169,307	9,403,677
Total Net Assets	<u>\$ 171,676</u>	<u>\$ 495,205</u>	<u>\$ 201,166</u>	<u>\$ 6,425,302</u>	<u>\$ 1,002,291</u>	<u>\$ (6,675)</u>	<u>\$ 1,169,307</u>	<u>\$ 9,458,272</u>

CAPITOL REGION EDUCATION COUNCIL
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011

	CREC Staff Development	CREC Wide Area Network	Copy Center	Self Insurance	CREC Unemployment	Workers' Compensation	Employee Benefit Fund	Total
Operating Revenues:								
Sales of services	\$ 152,021	\$ 1,749,762	\$ 213,712	\$ 14,272,274	\$ 589,573	\$ 1,112,687	\$ 1,141,245	\$ 19,231,274
Other local revenues	12,150			2,085,531				2,097,681
Total operating revenues	<u>164,171</u>	<u>1,749,762</u>	<u>213,712</u>	<u>16,357,805</u>	<u>589,573</u>	<u>1,112,687</u>	<u>1,141,245</u>	<u>21,328,955</u>
Operating Expenses:								
Salaries	14,665	937,242	44,648	178,818		58,907		1,234,280
Employee benefits	8,917	281,897	17,339	13,976,038	490,395	1,036,064	1,088,957	16,899,607
Purchased professional and technical services	20,725	10,336		17,495	6,775	7,600		62,931
Purchased property services		24,085	30,362					54,447
Other purchased services	53,188	324,484	99,039	(1,156)		16,022		491,577
Supplies	11,943	457	15,042	13,090		619		41,151
Property	1,325	118,751						120,076
Depreciation		29,652	1,714					31,366
Other				212				212
Total operating expenses	<u>110,763</u>	<u>1,726,904</u>	<u>208,144</u>	<u>14,184,497</u>	<u>497,170</u>	<u>1,119,212</u>	<u>1,088,957</u>	<u>18,935,647</u>
Income (Loss) Before Transfers	53,408	22,858	5,568	2,173,308	92,403	(6,525)	52,288	2,393,308
Transfers In	30	38,427		4,800				43,257
Transfers Out	(15,194)	(26,440)	(13,505)	(18)		(150)		(55,307)
Change in Net Assets	38,244	34,845	(7,937)	2,178,090	92,403	(6,675)	52,288	2,381,258
Net Assets at Beginning of Year	<u>133,432</u>	<u>460,360</u>	<u>209,103</u>	<u>4,247,212</u>	<u>909,888</u>	<u>-</u>	<u>1,117,019</u>	<u>7,077,014</u>
Net Assets at End of Year	<u>\$ 171,676</u>	<u>\$ 495,205</u>	<u>\$ 201,166</u>	<u>\$ 6,425,302</u>	<u>\$ 1,002,291</u>	<u>\$ (6,675)</u>	<u>\$ 1,169,307</u>	<u>\$ 9,458,272</u>

CAPITOL REGION EDUCATION COUNCIL
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011

	CREC Staff Development	CREC Wide Area Network	Copy Center	Self Insurance	CREC Unemployment	Workers' Compensation	Employee Benefit Fund	Total
Cash Flows from Operating Activities:								
Cash received from customers and users	\$ 186,421	\$ 1,690,983	\$ 213,712	\$ 16,359,125	\$ 589,573	\$ 1,112,687	\$ 1,141,245	\$ 21,293,746
Cash received from interfund services provided				4,374,526				4,374,526
Cash payments to suppliers	(78,202)	(437,816)	(136,672)	(31,766)	(6,775)	(24,241)		(715,472)
Cash payments to employees	(23,767)	(1,241,842)	(64,180)	(14,099,792)	(481,169)	(298,368)	(1,088,957)	(17,298,075)
Cash payments for interfund services used						(789,928)		(789,928)
Net cash provided by (used in) operating activities	<u>84,452</u>	<u>11,325</u>	<u>12,860</u>	<u>6,602,093</u>	<u>101,629</u>	<u>150</u>	<u>52,288</u>	<u>6,864,797</u>
Cash Flows from Noncapital Financing Activities:								
Transfers from other funds	30	38,427		4,800				43,257
Transfers to other funds	(15,194)	(26,440)	(13,505)	(18)		(150)		(55,307)
Net cash provided by (used in) noncapital financing activities	<u>(15,164)</u>	<u>11,987</u>	<u>(13,505)</u>	<u>4,782</u>	<u>-</u>	<u>(150)</u>	<u>-</u>	<u>(12,050)</u>
Cash Flows from Capital and Related Financing Activities:								
Additions to property, plant and equipment		(13,093)						(13,093)
Net Increase (Decrease) in Cash and Cash Equivalents	69,288	10,219	(645)	6,606,875	101,629	-	52,288	6,839,654
Cash and Cash Equivalents at Beginning of Year	<u>155,907</u>	<u>243,697</u>	<u>172,819</u>	<u>613,494</u>	<u>963,805</u>	<u>-</u>	<u>1,117,019</u>	<u>3,266,741</u>
Cash and Cash Equivalents at End of Year	<u>\$ 225,195</u>	<u>\$ 253,916</u>	<u>\$ 172,174</u>	<u>\$ 7,220,369</u>	<u>\$ 1,065,434</u>	<u>\$ -</u>	<u>\$ 1,169,307</u>	<u>\$ 10,106,395</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:								
Operating income (loss)	\$ 53,408	\$ 22,858	\$ 5,568	\$ 2,173,308	\$ 92,403	\$ (6,525)	\$ 52,288	\$ 2,393,308
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation		29,652	1,714					31,366
Change in assets and liabilities:								
(Increase) decrease in accounts receivable		(58,779)		1,320				(57,459)
(Increase) decrease in other assets	(7,050)		3,363					(3,687)
(Increase) decrease in due from other funds						(789,928)		(789,928)
Increase (decrease) in accounts payable and accrued liabilities	15,844	8,587	3,110	54,002	9,226	796,603		887,372
Increase (decrease) in compensated absences		9,007	(895)	(1,063)				7,049
Increase (decrease) in due to other funds				4,374,526				4,374,526
Increase (decrease) in deferred revenues	22,250							22,250
Total adjustments	<u>31,044</u>	<u>(11,533)</u>	<u>7,292</u>	<u>4,428,785</u>	<u>9,226</u>	<u>6,675</u>	<u>-</u>	<u>4,471,489</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 84,452</u>	<u>\$ 11,325</u>	<u>\$ 12,860</u>	<u>\$ 6,602,093</u>	<u>\$ 101,629</u>	<u>\$ 150</u>	<u>\$ 52,288</u>	<u>\$ 6,864,797</u>

Fiduciary Funds

FIDUCIARY FUNDS

RIVER STREET SCHOOL EQUIPMENT ESCROW - Earnings from activities for equipment and contributions from others held by CREC on behalf of the River Street School.

RIVER STREET SCHOOL-COLTSVILLE - Earnings from student activity projects and contributions from others held by CREC on behalf of the River Street School students at Coltsville.

GREATER HARTFORD ACADEMY OF THE ARTS - Student activity funds held on behalf of the students of the Academy to be used to further special activities at the school.

METROPOLITAN LEARNING CENTER - Funds earned by the students of MLC from special projects, held by CREC to be used to finance future projects and activities.

SPECIAL EDUCATION ESCROW - Funds held on behalf of member districts for special education.

RIVER STREET SCHOOL - Earnings from student activity projects and contributions from others held by CREC on behalf of the River Street School students.

GREAT PATH ACADEMY - Funds held on behalf of the students of the school.

STATEWIDE RESCS ESCROW - Funds held by CREC as fiduciary of the CT RESC Alliance to be used to support joint activities.

ACADEMY OF AEROSPACE AND ENGINEERING/GREATER HARTFORD ACADEMY OF MATHEMATICS AND SCIENCE MAGNET SCHOOL ESCROW - Student activity funds held on behalf of the students of the Academy to be used to further special activities at the school.

INTEGRATED PROGRAM MODEL - Student activity funds held on behalf of the students of the program.

EAST HARTFORD/GLASTONBURY MAGNET SCHOOL ESCROW - Student activity funds held on behalf of the students of the school.

RESC ALLIANCE MINORITY RECRUITING - Member district funds, held by CREC, used to further the Minority Recruiting Program.

CREC CHARTER OAK ESCROW - Funds contributed by CREC staff housed in the Central Administrative Building are used to support monthly staff activities.

POLARIS STUDENT ACTIVITY FUND - Funds held on behalf of the students of the Polaris Center.

CHOICE ESCROW - Funds held on behalf of the students of the Choice program.

TWO RIVERS ESCROW - Student activity funds held on behalf of the students of the school.

MONTESSORI MAGNET SCHOOL - Student activity funds held on behalf of the students of the school.

INTERNATIONAL MAGNET SCHOOL FOR GLOBAL CITIZENSHIP ESCROW - Student activity funds held on behalf of the students of the school.

REGGIO MAGNET SCHOOL OF THE ARTS ESCROW - Student activity funds held on behalf of the students of the school.

HARTFORD AREA SUPERINTENDENTS' ASSOCIATION - Activity funds held on behalf of the local superintendents association.

CAPITOL REGION EDUCATION COUNCIL

FIDUCIARY FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2011

	<u>RSS Equipment Escrow</u>	<u>River Street/ Coltsville</u>	<u>Greater Hartford Academy of the Arts</u>	<u>Metropolitan Learning Center</u>	<u>Special Education Escrow</u>	<u>River Street School</u>	<u>Great Path Academy</u>	<u>Statewide RESCS Escrow</u>	<u>AAE/ GHAMAS Escrow</u>	<u>Integrated Program Model</u>
Assets:										
Cash and cash equivalents	\$ <u>11,515</u>	\$ <u>18,001</u>	\$ <u>72,110</u>	\$ <u>20,905</u>	\$ <u>46,160</u>	\$ <u>137,666</u>	\$ <u>6,143</u>	\$ <u>(6,667)</u>	\$ <u>11,746</u>	\$ <u>235</u>
Liabilities:										
Fiduciary deposits	\$ <u>11,515</u>	\$ <u>18,001</u>	\$ <u>72,110</u>	\$ <u>20,905</u>	\$ <u>46,160</u>	\$ <u>137,666</u>	\$ <u>6,143</u>	\$ <u>(6,667)</u>	\$ <u>11,746</u>	\$ <u>235</u>

CAPITOL REGION EDUCATION COUNCIL
FIDUCIARY FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2011

	<u>East Hartford/ Glastonbury Magnet School Escrow</u>	<u>RESC Alliance Minority Recruiting</u>	<u>CREC Charter Oak Escrow</u>	<u>Polaris Student Activity</u>	<u>Choice Escrow</u>	<u>Two Rivers Escrow</u>	<u>Montessori Magnet School</u>	<u>IMS Escrow</u>	<u>Reggio Escrow</u>	<u>HASA Escrow</u>	<u>Total</u>
Assets:											
Cash and cash equivalents	\$ <u>3,109</u>	\$ <u>744</u>	\$ <u>3,266</u>	\$ <u>4,514</u>	\$ <u>4</u>	\$ <u>23,802</u>	\$ <u>15,251</u>	\$ <u>(74)</u>	\$ <u>580</u>	\$ <u>14,031</u>	\$ <u>383,041</u>
Liabilities:											
Fiduciary deposits	\$ <u>3,109</u>	\$ <u>744</u>	\$ <u>3,266</u>	\$ <u>4,514</u>	\$ <u>4</u>	\$ <u>23,802</u>	\$ <u>15,251</u>	\$ <u>(74)</u>	\$ <u>580</u>	\$ <u>14,031</u>	\$ <u>383,041</u>

CAPITOL REGION EDUCATION COUNCIL

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
ASSETS				
Cash and Cash Equivalents:				
RSS Equipment Escrow	\$ 11,515	\$	\$	\$ 11,515
River Street/Coltsville	23,368	2,705	8,072	18,001
Greater Hartford Arts Academy	101,799	40,368	70,057	72,110
Metropolitan Learning Center	18,560	2,345		20,905
Special Education Escrow	84,818	191,180	229,838	46,160
River Street School	134,785	14,395	11,514	137,666
Great Path Academy	9227		3,084	6,143
Statewide RESCS Escrow	5,113	62,000	73,780	(6,667)
AAE/GHAMAS Escrow	20,672	10,418	19,344	11,746
Integrated Program Model	235			235
East Hartford/Glastonbury Magnet School Escrow	2,947	440	278	3,109
RESC Alliance Minority Recruiting	744			744
CREC Charter Oak Escrow	349	3,493	576	3,266
Polaris Student Activity	3,369	3,124	1,979	4,514
Choice Escrow	1,504		1,500	4
Two Rivers Escrow	38,250		14,448	23,802
Montessori Magnet School	14,917	500	166	15,251
IMS Escrow	(74)			(74)
Reggio Escrow	681	6	107	580
HASA Escrow		23,729	9,698	14,031
	<u>472,779</u>	<u>354,703</u>	<u>444,441</u>	<u>383,041</u>
Total cash and cash equivalents				
	<u>472,779</u>	<u>354,703</u>	<u>444,441</u>	<u>383,041</u>
Other Assets:				
River Street School	400		400	-
	<u>400</u>		<u>400</u>	<u>-</u>
Total Assets	<u>\$ 473,179</u>	<u>\$ 354,703</u>	<u>\$ 444,841</u>	<u>\$ 383,041</u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
LIABILITIES				
Accounts Payable:				
Greater Hartford Academy of the Arts	\$ 613	\$	\$ 613	\$ -
AAE/GHAMAS Escrow	3,080	-	3,080	-
Total accounts payable	<u>3,693</u>	<u>-</u>	<u>3,693</u>	<u>-</u>
Fiduciary Deposits:				
RSS Equipment Escrow	11,515			11,515
River Street/Coltsville	23,368	2,705	8,072	18,001
Greater Hartford Academy of the Arts	101,186	40,368	69,444	72,110
Metropolitan Learning Center	18,560	2,345		20,905
Special Education Escrow	84,818	191,180	229,838	46,160
River Street School	135,185	14,395	11,914	137,666
Great Path Academy	9,227		3,084	6,143
Statewide RESCS Escrow	5,113	62,000	73,780	(6,667)
AAE/GHAMAS Escrow	17,592	10,418	16,264	11,746
Integrated Program Model	235			235
East Hartford/Glastonbury Magnet School Escrow	2,947	440	278	3,109
RESC Alliance Minority Recruiting	744			744
CREC Charter Oak Escrow	349	3,493	576	3,266
Polaris Student Activity	3,369	3,124	1,979	4,514
Choice Escrow	1,504		1,500	4
Two Rivers Escrow	38,250		14,448	23,802
Montessori Magnet School	14,917	500	166	15,251
IMS Escrow	(74)			(74)
Reggio Escrow	681	6	107	580
HASA Escrow		23,729	9,698	14,031
Total fiduciary deposits	<u>469,486</u>	<u>354,703</u>	<u>441,148</u>	<u>383,041</u>
Total Liabilities	<u>\$ 473,179</u>	<u>\$ 354,703</u>	<u>\$ 444,841</u>	<u>\$ 383,041</u>

**Capital Assets Used in the
Operation of Governmental Funds**

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

The following schedules present only the capital asset balances related to governmental funds. The assets are reported at historical cost or estimated historical cost.

CREC's capitalization policy requires the recording of capital assets with original cost of \$1,000 or more and an estimated useful life in excess of two years. Provision for depreciation is not included in the schedules.

CAPITOL REGION EDUCATION COUNCIL

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULE BY SOURCE

JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Governmental Funds Capital Assets:		
Land	\$ 2,224,925	\$ 2,224,925
Buildings and improvements	80,040,028	70,783,920
Vehicles	1,679,985	1,497,435
Furniture, fixtures and improvements	7,699,117	5,985,074
Construction in progress	<u>1,760,797</u>	<u>6,842,058</u>
Total	<u>\$ 93,404,852</u>	<u>\$ 87,333,412</u>
Investments in Governmental Funds Capital Assets by Source:		
General Fund	\$ 10,881,079	\$ 7,276,602
Special Revenue Fund	258,821	205,908
Capital Projects Fund	<u>82,264,952</u>	<u>79,850,902</u>
Total	<u>\$ 93,404,852</u>	<u>\$ 87,333,412</u>

CAPITOL REGION EDUCATION COUNCIL

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY

JUNE 30, 2011

	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Vehicles</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
Education	\$ 1,892,925	\$ 76,359,973	\$ 1,646,745	\$ 6,931,029	\$ 1,760,797	\$ 88,591,469
Facilities	332,000	3,675,966	33,240	294,756		4,335,962
Administration		4,089		473,332		477,421
Total	<u>\$ 2,224,925</u>	<u>\$ 80,040,028</u>	<u>\$ 1,679,985</u>	<u>\$ 7,699,117</u>	<u>\$ 1,760,797</u>	<u>\$ 93,404,852</u>

CAPITOL REGION EDUCATION COUNCIL

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED JUNE 30, 2011

	Governmental Funds Capital Assets July 1, 2010	Additions	Deductions	Governmental Funds Capital Assets June 30, 2011
Education	\$ 82,539,787	\$ 6,155,232	\$ (103,550)	\$ 88,591,469
Facilities	4,329,962	6,000		4,335,962
Administration	<u>463,663</u>	<u>13,758</u>		<u>477,421</u>
Total	<u>\$ 87,333,412</u>	<u>\$ 6,174,990</u>	<u>\$ (103,550)</u>	<u>\$ 93,404,852</u>

Statistical Section

Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail, to assist in the use of the information in the financial statements, notes to financial statements and required supplementary information.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

CAPITOL REGION EDUCATION COUNCIL

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS

(In Thousands)

		FISCAL YEAR								
		2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities:										
	Invested in capital assets, net of related debt	\$ 59,554	\$ 56,113	\$ 55,600	\$ 49,911	\$ 51,159	\$ 51,855	\$ 54,229	\$ 54,212	\$ 49,973
	Restricted	17	17	17	17	17	17	17	17	
	Unrestricted	<u>22,322</u>	<u>17,526</u>	<u>17,688</u>	<u>18,917</u>	<u>17,039</u>	<u>15,556</u>	<u>13,058</u>	<u>11,509</u>	<u>11,430</u>
	Total Governmental Activities Net Assets	<u>\$ 81,893</u>	<u>\$ 73,656</u>	<u>\$ 73,305</u>	<u>\$ 68,845</u>	<u>\$ 68,215</u>	<u>\$ 67,428</u>	<u>\$ 67,304</u>	<u>\$ 65,738</u>	<u>\$ 61,403</u>
Business-type activities:										
91	Invested in capital assets, net of related debt	\$ 14	\$ 12	\$ 8	\$ 9	\$ 13	\$ 17	\$ 37	\$ 45	\$ 75
	Unrestricted	<u>(150)</u>	<u>(456)</u>	<u>(759)</u>	<u>(929)</u>	<u>(849)</u>	<u>(635)</u>	<u>(300)</u>	<u>175</u>	<u>475</u>
	Total Business-Type Activities Net Assets	<u>\$ (136)</u>	<u>\$ (444)</u>	<u>\$ (751)</u>	<u>\$ (920)</u>	<u>\$ (836)</u>	<u>\$ (618)</u>	<u>\$ (263)</u>	<u>\$ 220</u>	<u>\$ 550</u>
Primary government:										
	Invested in capital assets, net of related debt	\$ 59,568	\$ 56,125	\$ 55,608	\$ 49,920	\$ 51,172	\$ 51,872	\$ 54,266	\$ 54,257	\$ 50,048
	Restricted	17	17	17	17	17	17	17	17	
	Unrestricted	<u>22,172</u>	<u>17,070</u>	<u>16,929</u>	<u>17,988</u>	<u>16,190</u>	<u>14,921</u>	<u>12,758</u>	<u>11,684</u>	<u>11,905</u>
	Total Primary Government Net Assets	<u>\$ 81,757</u>	<u>\$ 73,212</u>	<u>\$ 72,554</u>	<u>\$ 67,925</u>	<u>\$ 67,379</u>	<u>\$ 66,810</u>	<u>\$ 67,041</u>	<u>\$ 65,958</u>	<u>\$ 61,953</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

(2) CREC began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

CAPITOL REGION EDUCATION COUNCIL
CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(In Thousands)

TABLE 2

	FISCAL YEAR								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:									
Governmental activities:									
Education	\$ 152,266	\$ 132,199	\$ 126,040	\$ 125,235	\$ 94,926	\$ 94,321	\$ 88,144	\$ 79,591	\$ 69,789
Facilities	824	736	796	908	731	420	617	513	482
Administration	5,235	5,116	5,354	5,031	4,639	4,577	4,502	4,902	5,716
Interest on debt	114	148	149	222	216	242	265	294	317
Total governmental activities expenses	<u>158,439</u>	<u>138,199</u>	<u>132,339</u>	<u>131,396</u>	<u>100,512</u>	<u>99,560</u>	<u>93,528</u>	<u>85,300</u>	<u>76,304</u>
Business-type activities:									
Montessori Training Center of New England	176	158	241	143	123				
Learning Corridor Theater	74	48	76	63	52	73	86	9	65
Cooperative Purchasing	32	28	19	14	13	13	1	5	6
Regional Fingerprinting Service	123	95	89	74	80	62	66	49	60
Office of Communications				3	1				
Staff Development				2	3	15	9	4	9
BEST Services			15	19	4	1	3	2	29
Property Rental	1	1	1	1	1	18	27	47	35
CASBO Support Services	2	3	6	10	13	12	4	8	10
Conference Services	196	193	201	188	181	166	154	143	128
Technology Sale of Services	383	356	306	493	604	532	584	1,740	1,219
Farmington Valley Director							2	7	6
Technical Assistance Brokering Service	202	211	300	347	439	876	194	257	2,502
Understanding By Design						41	155	123	
Community Education	143	177	205	248	310	127	156	222	170
School Facility Services	881	564	309	283	273	326	388	330	174
School Improvement Center	749	724	839	795	991	653	394	136	64
Total business-type activities expense	<u>2,962</u>	<u>2,558</u>	<u>2,607</u>	<u>2,683</u>	<u>3,088</u>	<u>2,915</u>	<u>2,223</u>	<u>3,082</u>	<u>4,477</u>
Total Primary Government Expenses	<u>\$ 161,401</u>	<u>\$ 140,757</u>	<u>\$ 134,946</u>	<u>\$ 134,079</u>	<u>\$ 103,600</u>	<u>\$ 102,475</u>	<u>\$ 95,751</u>	<u>\$ 88,382</u>	<u>\$ 80,781</u>
Program revenues:									
Governmental activities:									
Charges for services:									
Education	\$ 65,377	\$ 61,538	\$ 60,747	\$ 58,383	\$ 50,013	\$ 48,644	\$ 41,074	\$ 36,633	\$ 32,266
Other activities	67	81	208	306	187	276	160	355	692
Operating grants and contributions	99,498	74,329	70,327	72,011	50,100	51,163	51,731	46,964	38,880
Capital grants and contributions	1,761	2,463	4,803	427		1,183	1,424	5,219	4,816
Total governmental activities program revenues	<u>166,703</u>	<u>138,411</u>	<u>136,085</u>	<u>131,127</u>	<u>100,300</u>	<u>101,266</u>	<u>94,389</u>	<u>89,171</u>	<u>76,654</u>
Business-type activities:									
Charges for services	2,906	2,538	2,833	2,592	2,853	2,351	1,905	2,793	3,393
Operating grants and contributions	78	158	174	154	118	166	8	15	1,330
Total business-type activities program revenues	<u>2,984</u>	<u>2,696</u>	<u>3,007</u>	<u>2,746</u>	<u>2,971</u>	<u>2,517</u>	<u>1,913</u>	<u>2,808</u>	<u>4,723</u>
Total Primary Government Program Revenues	<u>\$ 169,687</u>	<u>\$ 141,107</u>	<u>\$ 139,092</u>	<u>\$ 133,873</u>	<u>\$ 103,271</u>	<u>\$ 103,783</u>	<u>\$ 96,302</u>	<u>\$ 91,979</u>	<u>\$ 81,377</u>
Net (expense) revenue:									
Governmental activities	\$ 8,264	\$ 212	3,746	\$ (269)	\$ (212)	\$ 1,706	\$ 861	\$ 3,871	\$ 350
Business-type activities	22	138	400	63	(117)	(398)	(310)	(274)	246
Total Primary Government Net (Expense) Revenue	<u>\$ 8,286</u>	<u>\$ 350</u>	<u>\$ 4,146</u>	<u>\$ (206)</u>	<u>\$ (329)</u>	<u>\$ 1,308</u>	<u>\$ 551</u>	<u>\$ 3,597</u>	<u>\$ 596</u>
General revenues and other changes in net assets:									
Governmental activities:									
Grants and contributions not restricted to specific purposes	\$ 217	\$ 296	\$ 368	\$ 368	\$ 359	\$ 359	\$ 359	\$ 336	\$ 374
Unrestricted investment earnings	42	12	115	384	539	445	173	72	101
Extraordinary items						(2,343)			
Transfers	(286)	(169)	232	147	101	(43)	173	56	32
Total governmental activities	<u>(27)</u>	<u>139</u>	<u>715</u>	<u>899</u>	<u>999</u>	<u>(1,582)</u>	<u>705</u>	<u>464</u>	<u>507</u>
Business-type activities:									
Transfers	286	169	(232)	(147)	(101)	43	(173)	(56)	(32)
Total business-type activities	<u>286</u>	<u>169</u>	<u>(232)</u>	<u>(147)</u>	<u>(101)</u>	<u>43</u>	<u>(173)</u>	<u>(56)</u>	<u>(32)</u>
Total Primary Government	<u>\$ 259</u>	<u>\$ 308</u>	<u>\$ 483</u>	<u>\$ 752</u>	<u>\$ 898</u>	<u>\$ (1,539)</u>	<u>\$ 532</u>	<u>\$ 408</u>	<u>\$ 475</u>
Changes in net assets:									
Governmental activities	\$ 8,237	\$ 351	\$ 4,461	\$ 630	\$ 787	\$ 124	\$ 1,566	\$ 4,335	\$ 857
Business-type activities	308	307	168	(84)	(218)	(355)	(483)	(330)	214
Total Primary Government	<u>\$ 8,545</u>	<u>\$ 658</u>	<u>\$ 4,629</u>	<u>\$ 546</u>	<u>\$ 569</u>	<u>\$ (231)</u>	<u>\$ 1,083</u>	<u>\$ 4,005</u>	<u>\$ 1,071</u>

Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) CREC began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

CAPITOL REGION EDUCATION COUNCIL

TABLE 3

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(In Thousands)

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund:										
Reserved	\$	\$ 34	\$ 34	\$ 34	\$ 34	\$ 73	\$ 73	\$ 34	\$ 64	\$ 59
Unreserved		11,015	11,335	11,147	10,805	9,497	8,796	8,474	8,242	8,163
Nonspendable		128								
Assigned		4,860								
Unassigned		9,439								
Total General Fund	\$	<u>14,427</u>	<u>11,049</u>	<u>11,369</u>	<u>11,181</u>	<u>10,839</u>	<u>9,570</u>	<u>8,869</u>	<u>8,508</u>	<u>8,222</u>
All other governmental funds:										
Reserved	\$	\$ 958	\$ 985	\$ 987	\$ 1,014	\$ 1,015	\$ 1,001	\$ 1,173	\$ 1,166	\$ 1,156
Unreserved, reported in:										
Special revenue funds		(1,258)	(970)	(630)	(361)	(335)	(435)	(40)	63	251
Capital projects funds		760	1,076	1,205	101	(399)	(405)	(668)	(968)	(1,480)
Nonspendable		123								
Restricted		1,807								
Committed		1,435								
Unassigned		(3,109)								
Total All Other Governmental Funds	\$	<u>256</u>	<u>460</u>	<u>1,091</u>	<u>1,562</u>	<u>754</u>	<u>161</u>	<u>465</u>	<u>261</u>	<u>(73)</u>

Note: Schedule prepared on the modified accrual basis of accounting.

CAPITOL REGION EDUCATION COUNCIL

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(In Thousands)

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues:										
Tuition	\$ 28,129	\$ 27,526	\$ 28,930	\$ 28,653	\$ 24,881	\$ 22,259	\$ 20,092	\$ 18,268	\$ 16,402	\$ 15,287
Grants in aid	99,529	75,506	73,515	67,768	46,153	51,752	51,588	49,381	44,139	47,431
Room and board	1,545	1,441	1,740	3,916	4,195	3,770	3,443	3,249	3,387	3,338
Sales of services	36,041	32,858	31,108	30,509	25,218	23,655	19,429	18,380	12,808	10,027
Investment income	42	12	112	381	537	442	171	71	100	273
Other local revenues	1,795	1,506	1,279	768	330	299	598	340	388	279
Total revenues	<u>167,081</u>	<u>138,849</u>	<u>136,684</u>	<u>131,995</u>	<u>101,314</u>	<u>102,177</u>	<u>95,321</u>	<u>89,689</u>	<u>77,224</u>	<u>76,635</u>
Expenditures:										
Current:										
Special Programs	148,445	125,660	120,088	103,156	90,594	90,471	87,025	77,331	66,579	67,405
Facilities/Service Center	831	746	804	762	673	551	494	429	422	527
Administration	12,070	11,154	10,724	25,919	7,843	7,231	5,826	5,727	5,560	4,920
Debt service:										
Principal	396	396	396	396	396	367	356	371	351	351
Interest	118	144	170	247	223	248	272	295	317	339
Capital outlay	2,347	2,398	5,704	1,205	780	2,982	1,479	6,278	3,626	7,325
Total expenditures	<u>164,207</u>	<u>140,498</u>	<u>137,886</u>	<u>131,685</u>	<u>100,509</u>	<u>101,850</u>	<u>95,452</u>	<u>90,431</u>	<u>76,855</u>	<u>80,867</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>2,874</u>	<u>(1,649)</u>	<u>(1,202)</u>	<u>310</u>	<u>805</u>	<u>327</u>	<u>(131)</u>	<u>(742)</u>	<u>369</u>	<u>(4,232)</u>
Other Financing Sources (Uses):										
Transfers in	3,153	2,624	2,005	3,107	2,540	3,129	2,086	2,063	2,359	1,782
Transfers out	(3,427)	(2,720)	(1,735)	(3,043)	(2,382)	(3,136)	(1,898)	(1,974)	(2,327)	(1,758)
Proceeds from debt obligation										
Proceeds from capital lease	575	795	649	775	780	500		1,059		
Total other financing sources (uses)	<u>301</u>	<u>699</u>	<u>919</u>	<u>839</u>	<u>938</u>	<u>493</u>	<u>188</u>	<u>1,148</u>	<u>32</u>	<u>24</u>
Net Change in Fund Balances	<u>\$ 3,175</u>	<u>\$ (950)</u>	<u>\$ (283)</u>	<u>\$ 1,149</u>	<u>\$ 1,743</u>	<u>\$ 820</u>	<u>\$ 57</u>	<u>\$ 406</u>	<u>\$ 401</u>	<u>\$ (4,208)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>0.3%</u>	<u>0.4%</u>	<u>0.4%</u>	<u>0.5%</u>	<u>0.6%</u>	<u>0.6%</u>	<u>0.7%</u>	<u>0.8%</u>	<u>0.9%</u>	<u>0.9%</u>

Note: Schedule prepared on the modified accrual basis of accounting.

**CAPITOL REGION EDUCATION COUNCIL
REVENUE BY SOURCE
ALL FUND TYPES**

<u>Member Boards of Education</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Avon	\$ 548,712	\$ 579,641	\$ 509,459	\$ 411,644	\$ 432,721
Berlin	742,160	726,204	657,617	602,847	512,471
Bloomfield	1,139,277	1,140,537	1,195,271	1,080,427	1,247,505
Bolton	225,870	284,310	341,121	445,621	293,054
Bristol	936,771	977,271	1,053,757	949,988	915,772
Canton	158,256	203,650	109,770	86,471	177,844
Cromwell	138,847	158,573	92,149	70,232	136,558
East Granby	264,326	313,790	242,423	308,632	275,928
East Hartford	2,496,924	1,843,998	1,737,077	1,231,268	910,516
East Windsor	633,544	807,616	784,166	640,913	622,158
Ellington	714,953	580,350	469,247	408,981	333,729
Enfield	937,047	958,631	985,477	706,461	645,983
Farmington	1,038,033	748,938	866,012	815,686	498,101
Glastonbury	2,280,294	2,013,650	1,855,129	1,723,785	1,480,456
Granby	296,598	301,230	356,496	238,508	208,631
Hartford	11,259,478	10,084,944	9,709,037	11,748,752	8,503,666
Hartland	795	48	47	195	872
Manchester	2,113,986	1,922,503	2,201,824	2,103,398	1,729,777
New Britain	2,857,201	2,048,833	1,539,669	1,155,155	1,054,410
New Hartford	149,434	108,282	34,142	25,227	21,955
Newington	994,352	893,253	824,313	599,836	715,973
Plainville	498,222	398,034	441,249	500,873	597,783
Portland	110,652	118,385	231,044	163,000	173,460
Rocky Hill	683,043	734,365	526,987	465,500	441,104
Simsbury	1,146,014	1,611,403	1,111,469	1,067,371	880,541
Somers	594,394	473,200	402,289	318,045	295,063
South Windsor	1,429,102	1,147,482	1,158,877	839,836	806,468
Southington	2,287,214	2,160,268	1,484,531	1,350,307	1,138,220
Suffield	856,628	648,704	693,565	502,231	426,362
Vernon	1,301,144	1,093,255	892,226	1,098,644	1,141,140
West Hartford	1,512,521	1,360,541	780,713	830,273	706,950
Wethersfield	1,579,678	1,605,587	1,063,339	631,898	669,057
Windsor	2,288,517	2,577,284	1,963,023	1,692,897	1,262,231
Windsor Locks	572,338	458,985	435,466	525,145	592,509
Regional District #10	437,340	391,081	187,447	355,341	197,232
Revenue from Member Boards of Education	<u>45,223,666</u>	<u>41,474,825</u>	<u>36,936,428</u>	<u>35,668,388</u>	<u>30,046,200</u>
<u>Other Sources</u>					
Other LEAs and Agencies	53,949,072	46,852,209	50,892,112	63,781,900	42,379,052
State Grants	84,486,594	63,233,476	62,181,044	43,520,547	38,926,479
Federal Grants	5,544,364	4,394,233	3,899,042	3,802,135	3,062,660
Other Special Revenues	2,189,685	1,902,252	1,612,148	1,636,212	1,610,331
Revenue from Other Sources	<u>146,169,715</u>	<u>116,382,170</u>	<u>118,584,346</u>	<u>112,740,794</u>	<u>85,978,522</u>
Total Revenues	<u>\$ 191,393,381</u>	<u>\$ 157,856,995</u>	<u>\$ 155,520,774</u>	<u>\$ 148,409,182</u>	<u>\$ 116,024,722</u>

Source: Capitol Region Education Council Business Services Department

CAPITOL REGION EDUCATION COUNCIL

PRINCIPAL REVENUE PAYERS

CURRENT YEAR AND NINE YEARS AGO

<u>Clients</u>	<u>2011</u>	<u>2002</u>
Hartford	\$ 11,259,478	\$ 3,468,348
New Britain	2,857,201	721,271
East Hartford	2,496,924	268,155
Windsor	2,288,517	914,578
Southington	2,287,214	774,517
Glastonbury	2,280,294	683,133
Manchester	2,113,986	492,702
Wethersfield	1,579,678	781,385
West Hartford	1,512,521	483,636
South Windsor	1,429,102	141,007
Vernon	1,301,144	840,534
Springfield	1,225,329	872,897
Simsbury	1,146,014	464,341
Bloomfield	1,139,277	806,127
Farmington	1,038,033	363,947
Newington	994,352	334,596
Meriden	986,525	481,784
Enfield	937,047	467,918
Bristol	936,771	646,595
Coventry	876,734	51,612
Suffield	856,628	105,675

CAPITOL REGION EDUCATION COUNCIL

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(In Thousands, Except per Capita)

Fiscal Year	Governmental Activities			Total Primary Government	Program Enrollment	Debt Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases			
2011	\$ 1,480	\$ 65	\$ 1,172	\$ 2,717	5,071	0.54 %
2010	1,860	82	1,314	3,256	4,472	0.73
2009	2,240	98	1,240	3,578	4,008	0.89
2008	2,620	114	1,258	3,992	3,395	1.18
2007	3,000	131	993	4,124	3,361	1.23
2006	3,380	147	441	3,968	3,251	1.22
2005	3,730	167	373	4,270	3,228	1.32
2004	4,070	197	719	4,986	3,040	1.64
2003	4,425	229	88	4,742	2,719	1.74
2002	4,760	260	113	5,133	2,057	2.50
2001	5,095	292	163	5,550	1,533	3.62

Notes: Details regarding CREC's outstanding debt can be found in the notes to the financial statements.

CAPITOL REGION EDUCATION COUNCIL

CREC MEMBER DATA

	2000 Population	Population Growth 1990-2000	Number of Public Schools	District Reference Group (DRG)	District Enrollment as % of Estimated Student Population	% of Students Eligible for Free/Reduced- Priced Meals
Connecticut						
1 Avon	15,832	13.6%	5	B	N/A	4.2%
2 Berlin	18,215	8.5%	5	D	93.1%	6.3%
3 Bloomfield	19,587	0.5%	8	G	84.2%	44.6%
4 Bolton	5,017	9.7%	2	C	93.3%	8.8%
5 Bristol	60,062	(1.0)%	15	G	91.0%	38.5%
6 Canton	8,840	6.9%	4	C	92.2%	4.5%
7 Cromwell	12,871	4.8%	4	D	94.6%	15.2%
8 East Granby	4,745	10.3%	4	D	94.8%	1.9%
9 East Hartford	49,575	(1.7)%	14	H	92.3%	62.9%
10 East Windsor	9,818	(2.6)%	3	F	93.2%	29.0%
11 Ellington	12,921	15.4%	6	C	96.2%	7.6%
12 Enfield	45,212	(0.7)%	12	F	93.5%	29.6%
13 Farmington	23,641	14.7%	7	B	93.8%	7.8%
14 Glastonbury	31,876	14.2%	9	B	95.1%	7.1%
15 Granby	10,347	10.4%	5	B	95.7%	3.6%
16 Hartford	121,578	(13.0)%	47	I	95.7%	92.3%
17 Hartland	2,012	7.8%	1	E	99.5%	13.3%
18 Manchester	54,740	6.0%	13	G	89.7%	46.5%
19 New Britain	71,538	(5.2)%	15	I	93.0%	76.4%
20 Newington	29,306	0.3%	7	D	95.8%	17.8%
21 New Hartford	6,088	5.5%	3	C	92.7%	8.1%
22 Plainville	17,328	(0.4)%	5	F	95.1%	25.1%
23 Portland	8,732	3.7%	5	E	91.1%	10.1%
24 Regional District #10	16,473	34.4%	4	C	N/A	3.7%
25 Rocky Hill	17,966	8.5%	5	D	93.2%	8.8%
26 Simsbury	23,234	5.5%	7	B	90.4%	6.4%
27 Somers	10,417	14.4%	3	C	96.1%	5.8%
28 South Windsor	24,412	10.5%	7	B	94.5%	8.6%
29 Southington	39,728	3.1%	11	D	92.6%	9.7%
30 Suffield	13,552	18.6%	4	C	94.7%	6.8%
31 Vernon	28,063	(6.0)%	7	G	94.5%	27.9%
32 West Hartford	63,589	5.8%	16	B	90.5%	18.1%
33 Wethersfield	26,271	2.4%	7	D	90.6%	17.2%
34 Windsor	28,237	1.5%	7	D	85.8%	28.4%
35 Windsor Locks	12,043	(2.5)%	4	F	95.8%	30.6%
Totals	<u>943,866</u>		<u>281</u>			

Source: State of Connecticut Department of Education CEDaR. Strategic School Profiles 09-10.

CAPITOL REGION EDUCATION COUNCIL

PER PUPIL EXPENSE

	Net Expense Per Pupil 2011	Net Expense Per Pupil 2010	Net Expense Per Pupil 2009	Net Expense Per Pupil 2008	Net Expense Per Pupil 2007	Net Expense Per Pupil 2006	Net Expense Per Pupil 2005	Net Expense Per Pupil 2004	Net Expense Per Pupil 2003	Net Expense Per Pupil 2002
Avon	\$ 12,159	\$ 11,585	\$ 11,282	\$ 10,822	\$ 10,301	\$ 10,216	\$ 9,874	\$ 9,301	\$ 9,447	\$ 8,875
Berlin	12,909	12,504	12,063	11,222	10,618	9,786	9,172	8,555	8,755	8,291
Bloomfield	17,254	16,432	15,881	14,712	13,855	12,855	12,464	11,548	11,017	10,172
Bolton	14,136	14,228	13,908	13,196	12,030	11,328	10,914	10,194	9,761	9,300
Bristol	12,259	12,138	11,652	10,991	10,606	9,973	9,570	9,105	8,477	8,310
Canton	12,561	12,583	12,006	11,993	11,116	10,480	9,937	9,440	9,065	8,574
Cromwell	12,784	12,698	12,000	11,936	11,620	10,793	10,067	9,482	9,516	9,125
East Granby	14,894	14,166	14,067	13,447	12,158	11,828	11,316	10,800	9,939	8,998
East Hartford	11,903	11,422	11,709	11,109	10,481	10,119	10,067	9,421	9,058	8,810
East Windsor	14,647	12,909	12,828	11,536	10,343	9,464	8,907	8,466	8,495	7,614
Ellington	10,716	10,545	10,595	10,165	9,842	9,574	9,227	8,982	8,518	8,195
Enfield	12,079	11,815	11,741	11,430	10,861	10,012	9,440	9,335	9,024	8,940
Farmington	13,163	12,620	11,968	11,868	11,338	10,513	9,566	9,199	9,056	8,540
Glastonbury	12,489	12,072	11,608	11,210	10,519	9,778	9,271	8,699	8,446	8,023
Granby	12,145	11,780	11,709	11,119	10,446	9,933	9,493	8,999	8,754	8,460
Hartford	17,941	17,531	16,202	15,717	15,448	14,365	13,236	12,366	12,151	12,136
Hartland	13,983	13,995	13,382	12,903	12,175	11,845	11,173	9,987	10,285	8,671
Manchester	13,654	13,392	13,163	12,960	12,025	11,201	10,320	10,003	9,618	9,055
New Britain	13,020	12,144	11,910	11,654	10,824	10,603	10,430	10,070	9,913	9,855
New Hartford	13,420	12,432	12,401	11,886	11,498	10,848	10,293	10,153	9,568	9,325
Newington	13,955	13,418	12,491	11,881	11,301	10,602	10,101	9,434	8,991	8,499
Plainville	13,455	13,147	12,915	12,456	11,655	10,951	10,598	10,142	9,723	9,105
Portland	12,676	11,971	12,159	12,056	11,289	11,343	10,504	9,918	9,280	8,767
Regional District #10	11,354	11,345	11,080	10,593	10,184	9,572	9,352	8,877	8,683	8,226
Rocky Hill	12,656	12,170	11,710	11,431	10,766	10,331	10,095	9,507	9,121	8,989
Simsbury	13,012	12,660	12,181	11,739	11,222	10,422	9,933	9,522	9,084	8,513
Somers	12,463	11,807	11,386	10,796	10,085	9,516	9,151	8,639	8,501	8,350
South Windsor	13,802	12,734	12,048	11,162	10,540	9,904	9,514	8,793	8,634	8,288
Southington	12,502	12,119	11,587	11,099	10,731	10,415	9,892	9,461	8,940	8,434
Suffield	12,566	12,238	11,859	10,820	10,133	9,439	8,957	8,400	8,147	7,563
Vernon	13,895	12,509	12,812	12,098	11,664	11,126	10,401	10,154	9,705	9,480
West Hartford	12,797	12,476	12,325	11,939	11,476	10,842	10,302	9,783	9,434	8,851
Wethersfield	13,057	12,964	12,948	11,861	11,234	10,767	10,254	9,371	9,182	8,843
Windsor	14,925	14,395	13,393	12,598	11,845	11,372	10,873	10,398	9,906	9,422
Windsor Locks	15,195	15,024	14,032	13,274	12,562	11,163	10,715	10,246	10,063	9,055

Source: State of Connecticut Department of Education Division of Grants Services website - unaudited

CAPITOL REGION EDUCATION COUNCIL

TOTAL POPULATION BY TOWN

FISCAL YEARS 2001 TO 2010

Town	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon	18,145	17,357	17,328	17,333	17,342	17,209	16,992	16,709	16,346	16,323
Berlin	19,901	20,467	20,364	20,254	20,137	19,590	19,471	19,322	19,116	18,281
Bloomfield	20,525	20,696	20,727	20,693	20,643	20,581	20,414	19,803	19,794	19,134
Bolton	4,977	5,155	5,117	5,116	5,142	5,170	5,173	5,199	5,154	5,140
Bristol	60,510	61,027	60,927	60,911	61,258	61,353	60,994	60,722	60,541	60,026
Canton	10,337	10,125	10,104	10,086	10,081	9,932	9,603	9,413	9,061	9,162
Cromwell	14,038	13,669	13,600	13,552	13,540	13,594	13,520	13,471	13,370	13,080
East Granby	5,155	5,210	5,155	5,122	5,082	5,058	5,018	4,977	4,910	4,880
East Hartford	51,318	48,634	48,571	48,697	48,934	49,173	49,416	49,596	49,650	49,734
East Windsor	11,201	11,041	10,822	10,617	10,563	10,447	10,261	10,185	10,095	9,958
Ellington	15,679	14,829	14,568	14,426	14,370	14,217	14,141	13,952	13,571	13,145
Enfield	44,635	45,259	44,895	45,011	45,297	45,441	45,567	45,539	45,379	44,987
Farmington	25,368	25,144	25,116	25,084	25,040	24,941	24,682	24,507	24,189	23,969
Glastonbury	34,467	33,353	33,263	33,169	33,077	33,089	32,852	32,789	32,575	32,985
Granby	11,292	11,220	11,219	11,215	11,187	11,088	10,989	10,869	10,696	10,721
Hartford	124,744	124,060	124,062	124,563	124,699	124,397	125,053	124,387	124,558	123,850
Hartland	2,114	2,087	2,079	2,077	2,090	2,082	2,078	2,068	2,053	1,993
Manchester	58,354	56,388	56,385	55,857	55,738	55,572	55,563	55,390	55,084	54,680
New Britain	73,253	70,548	70,486	70,664	70,855	71,254	71,832	71,572	71,589	71,665
New Hartford	6,994	6,763	6,728	6,736	6,794	6,746	6,662	6,548	6,413	6,202
Newington	30,599	29,818	29,699	29,619	29,586	29,676	29,646	29,695	29,623	29,349
Plainville	17,724	17,284	17,221	17,193	17,312	17,382	17,371	17,461	17,407	17,335
Portland	9,522	9,577	9,551	9,537	9,595	9,543	9,340	9,264	9,125	9,293
Regional District #10	14,980	14,774	14,710	14,707	14,749	14,668	14,478	14,303	14,069	13,744
Rocky Hill	19,754	18,827	18,852	18,808	18,835	18,760	18,620	18,528	18,305	17,683
Simsbury	23,507	23,648	23,615	23,659	23,660	23,656	23,460	23,496	23,421	23,740
Somers	11,469	11,215	10,984	10,850	10,888	10,877	10,888	10,870	10,608	10,502
Southington	43,130	42,534	42,250	42,142	42,249	42,077	41,723	41,397	40,943	40,227
South Windsor	25,751	26,258	25,966	25,940	26,030	25,985	25,586	25,270	24,846	24,773
Suffield	15,789	15,163	15,136	15,104	15,127	14,704	14,539	14,217	14,021	13,990
Vernon	29,205	30,182	29,839	29,620	29,672	29,491	29,338	29,206	28,718	27,861
West Hartford	63,362	60,852	60,495	60,486	60,794	61,173	61,392	61,424	61,365	61,578
Wethersfield	26,695	25,767	25,719	25,781	26,057	26,220	26,358	26,398	26,390	26,262
Windsor	29,060	29,014	28,851	28,754	28,703	28,778	28,652	28,565	28,519	27,731
Windsor Locks	12,502	12,517	12,495	12,491	12,444	12,411	12,333	12,256	12,237	11,919
Total CREC Membership	<u>986,056</u>	<u>970,462</u>	<u>966,899</u>	<u>965,874</u>	<u>967,570</u>	<u>966,335</u>	<u>964,005</u>	<u>959,368</u>	<u>953,741</u>	<u>945,902</u>

Source: State of Connecticut Department of Health - Estimated Population.

CAPITOL REGION EDUCATION COUNCIL

CREC MEMBER TOWNS AVERAGE DAILY MEMBERSHIP (ADM) - PUBLIC SCHOOL PUPILS

FISCAL YEARS 2002 TO 2011

<u>Town</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Avon	3,585	3,617	3,574	3,596	3,513	3,400	3,315	3,265	3,086	2,988
Berlin	3,167	3,219	3,267	3,313	3,323	3,410	3,426	3,414	3,355	3,381
Bloomfield	2,406	2,530	2,557	2,630	2,701	2,735	2,767	2,755	2,715	2,764
Bolton	829	839	845	869	922	941	942	969	996	976
Bristol	8,762	8,784	8,913	9,038	9,100	9,107	9,073	9,051	9,017	8,978
Canton	1,811	1,793	1,784	1,730	1,734	1,693	1,669	1,631	1,632	1,637
Cromwell	2,020	2,050	2,011	1,983	1,997	1,969	1,931	1,891	1,854	1,847
East Granby	924	939	906	914	938	903	892	896	896	903
East Hartford	8,027	8,009	7,918	8,064	8,358	8,363	8,144	8,198	8,243	8,106
East Windsor	1,397	1,476	1,526	1,556	1,616	1,635	1,662	1,653	1,628	1,628
Ellington	2,733	2,670	2,662	2,628	2,561	2,521	2,487	2,418	2,394	2,330
Enfield	6,052	6,215	6,399	6,436	6,580	6,716	6,792	6,860	6,953	6,843
Farmington	4,128	4,143	4,168	4,178	4,231	4,260	4,393	4,343	4,232	4,192
Glastonbury	6,991	6,999	7,036	7,021	6,931	6,879	6,802	6,732	6,555	6,406
Granby	2,206	2,259	2,205	2,261	2,258	2,233	2,214	2,203	2,163	2,093
Hartford	20,995	21,318	21,725	22,323	22,407	22,946	23,411	24,054	24,188	24,320
Hartland	319	317	337	339	351	359	379	392	378	405
Manchester	7,504	7,498	7,480	7,430	7,608	7,666	7,907	7,979	7,993	7,959
New Britain	10,856	10,874	10,814	10,982	11,224	11,249	11,171	11,070	10,930	10,837
New Hartford	1,131	1,146	1,157	1,142	1,156	1,150	1,179	1,154	1,176	1,156
Newington	4,501	4,504	4,525	4,552	4,578	4,587	4,612	4,599	4,641	4,524
Plainville	2,503	2,552	2,525	2,606	2,633	2,638	2,628	2,645	2,670	2,701
Portland	1,444	1,471	1,464	1,448	1,471	1,423	1,445	1,437	1,463	1,451
Regional District #10	2,770	2,810	2,829	2,823	2,809	2,804	2,731	2,705	2,639	2,633
Rocky Hill	2,626	2,674	2,640	2,626	2,606	2,563	2,488	2,489	2,503	2,432
Simsbury	4,819	4,926	4,961	4,967	4,991	5,063	5,053	5,035	5,017	4,998
Somers	1,620	1,634	1,702	1,707	1,716	1,724	1,722	1,731	1,712	1,663
Southington	6,843	6,826	6,817	6,882	6,871	6,801	6,771	6,743	6,676	6,688
South Windsor	4,684	4,808	4,965	5,084	5,190	5,238	5,161	5,277	5,154	5,083
Suffield	2,407	2,441	2,440	2,500	2,496	2,441	2,385	2,376	2,267	2,220
Vernon	3,771	3,738	3,638	3,757	3,802	3,849	3,989	4,023	4,017	4,068
West Hartford	10,450	10,315	10,111	9,997	10,130	9,995	9,935	9,853	9,732	9,608
Wethersfield	3,929	3,946	3,966	3,921	3,946	3,855	3,801	3,771	3,675	3,607
Windsor	4,152	4,272	4,461	4,560	4,651	4,655	4,696	4,714	4,699	4,608
Windsor Locks	1,891	1,917	1,972	1,964	2,038	2,072	2,063	2,028	2,050	2,104
Total CREC Membership	<u>154,254</u>	<u>155,529</u>	<u>156,300</u>	<u>157,827</u>	<u>159,437</u>	<u>159,843</u>	<u>160,036</u>	<u>160,354</u>	<u>159,299</u>	<u>158,137</u>

Source: State of Connecticut Department of Education Division of Grants Services website

**CAPITOL REGION EDUCATION COUNCIL
PROGRAM ENROLLMENT SUMMARY**

PROGRAM	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
East Hartford/Glastonbury Magnet School	262	261	251	257	255	249	258	258	259	277
Farmington Valley Diagnostic Center	21	25	16	32	15	16	17	11	13	10
Great Path Academy	283	234	165	111	89	84	83			
Greater Hartford Academy of the Arts	620	616	507	424	412	393	387	380	325	313
Greater Hartford Academy of Math & Science	410	348	283	211	232	202	204	211	199	175
Integrated Program Model	5	9	24	26	32	32	31	32	35	33
International Magnet School for Global Citizenship	244	182	125							
Lincoln Academy	9	3								
Medical Professions and Teaching Preparation Academy	179									
Metropolitan Learning Center	711	713	683	676	681	675	681	573	500	384
Montessori Magnet School	337	336	332	331	330	331	305	295	264	250
Polaris Center	47	53	68	89	82	68	56	65	53	51
Public Safety Academy	293	216	105							
Reggio Magnet School of the Arts	255	173	152							
River Street School	204	204	198	190	185	178	165	157	150	148
Soundbridge	103	89	98	61	57	59	64	65	69	75
Two Rivers Magnet Middle School	658	592	589	581	609	583	594	598	425	
Tunxis Middle College High School									76	81
University of Hartford Magnet School	430	418	412	406	382	381	383	395	351	260
TOTAL	5,071	4,472	4,008	3,395	3,361	3,251	3,228	3,040	2,719	2,057

Source: Capitol Region Education Council Business Services Department-Enrollment October 1

(Details provided on following pages)

CAPITOL REGION EDUCATION COUNCIL

EAST HARTFORD/GLASTONBURY MAGNET SCHOOL

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon										
Berlin										
Bloomfield										
Bolton										
Bristol										
Canton										
Cromwell										
East Granby										
East Hartford	124	134	136	133	137	134	151	149	155	173
East Windsor										
Ellington										
Enfield										
Farmington										
Glastonbury	123	120	115	124	118	115	107	109	104	104
Granby										
Hartford	12	7								
Hartland										
Manchester										
New Britain										
New Hartford										
Newington										
Plainville	1									
Portland										
Rocky Hill										
Simsbury										
Somers										
South Windsor	2									
Southington										
Suffield										
Vernon										
West Hartford										
Wethersfield										
Windsor										
Windsor Locks										
Region #10										
Non-Member LEAs										
TOTAL	<u>262</u>	<u>261</u>	<u>251</u>	<u>257</u>	<u>255</u>	<u>249</u>	<u>258</u>	<u>258</u>	<u>259</u>	<u>277</u>

(Continued on next page)

TABLE 12

CAPITOL REGION EDUCATION COUNCIL

FARMINGTON VALLEY DIAGNOSTIC CENTER

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon		2	1	5	2	2	3		1	
Berlin										
Bloomfield								1		
Bolton										
Bristol										
Canton	2	4		1	2				1	2
Cromwell										
East Granby	1	1		3	1		1	1		
East Hartford										
East Windsor										
Ellington										
Enfield										
Farmington	6	1	4	4	2	2	4	2	2	
Glastonbury										
Granby	1	2			2		3	2		
Hartford				1						
Hartland										
Manchester										
New Britain										1
New Hartford										
Newington										
Plainville	1	2	3	4	3	2		1	2	2
Portland										
Rocky Hill										
Simsbury	4	5	4	8	2	6	5	1	2	1
Somers										
South Windsor										
Southington	2	4	1	2		1	1	1	2	1
Suffield			1							
Vernon										
West Hartford										1
Wethersfield										
Windsor										
Windsor Locks									1	1
Region #10	4	4	2	4	1	3		2	2	1
Non-Member LEAs				0						
TOTAL	21	25	16	32	15	16	17	11	13	10

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

GREAT PATH ACADEMY
Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Avon							
Berlin	1						
Bloomfield	17	6	2	2			
Bolton	4	7	7	5	7	4	6
Bristol							
Canton							
Cromwell							
East Granby							
East Hartford	37	27	23	27	20	22	20
East Windsor	2						
Ellington		3			3	5	4
Enfield							
Farmington							
Glastonbury	5	7	15	15	12	12	12
Granby	2	3	1	1	5		
Hartford	114	103	59	19	14	14	14
Hartland							
Manchester	43	32	22	24	16	15	17
New Britain	9	6	4				
New Hartford							
Newington		2	3				
Plainville							
Portland							
Rocky Hill							
Simsbury			1				
Somers							
South Windsor	10	9	6	2			
Southington	1						
Suffield							
Vernon	7	1	2				
West Hartford	1	1					
Wethersfield	3						
Windsor	5	4	1	1			
Windsor Locks	2	1		1			
Region #10							
Non-Member LEAs	<u>20</u>	<u>22</u>	<u>19</u>	<u>14</u>	<u>12</u>	<u>12</u>	<u>10</u>
Total	<u>283</u>	<u>234</u>	<u>165</u>	<u>111</u>	<u>89</u>	<u>84</u>	<u>83</u>

(Continued on next page)

TABLE 12

CAPITOL REGION EDUCATION COUNCIL

GREATER HARTFORD ACADEMY OF THE ARTS

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon	9	8	8	5	6	4	3	3	3	3
Berlin	26	16	7	8	4	3	2			
Bloomfield	4	3	3	2	4	3	8	7	7	10
Bolton	3	3	3		2	6	4	5	5	3
Bristol	10	5	3		2	2		2	2	4
Canton	5	4	7	11	10	12	12	8	3	2
Cromwell	2	4	2	4	6	3	2	6	2	4
East Granby	2	3	1	2	2	2	2	3	2	2
East Hartford	9	18	15	7	7	8	5	6	5	6
East Windsor	1	4	2			1	3	4	1	2
Ellington	4	4	6	6	5	5	2			3
Enfield	6	7	6	7	5	5	10	10	10	9
Farmington	11	14	9	7	4	5	5	5	4	4
Glastonbury	26	28	22	19	19	25	21	25	23	13
Granby	12	13	8	6	4	6	9	9	12	11
Hartford	200	167	114	63	59	53	63	69	52	63
Hartland		2		2	2					
Manchester	11	14	20	17	13	12	12	12	10	15
New Britain	22	26	11	11	18	17	13	16	18	14
New Hartford	1	2	2	1		1	1			
Newington	15	8	8	11	12	16	14	17	14	9
Plainville	4	2	2			1			1	1
Portland	10	7	3	4	3	5	3		1	1
Rocky Hill	12	19	22	26	24	22	19	15	12	10
Simsbury	12	25	25	28	27	21	22	19	12	9
Somers	1	1	1							
South Windsor	7	9	5	4	7	7	6	7	8	6
Southington	29	21	12	15	16	10	12	14	15	15
Suffield	9	5	5	7	6	6	6	4	2	2
Vernon	12	13	10	8	4	5	6	5	3	2
West Hartford	27	31	27	26	25	19	27	25	20	17
Wethersfield	17	19	20	20	15	15	14	10	8	7
Windsor	9	11	13	15	11	12	8	8	6	3
Windsor Locks	5	6	4	4	6	9	9	9	8	9
Region #10	5	5	2		3	2	2	1	1	5
Non-Member LEAs	82	89	99	78	81	70	62	56	55	49
TOTAL	620	616	507	424	412	393	387	380	325	313

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

GREATER HARTFORD ACADEMY OF MATH & SCIENCE
Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon	4	4	6	6	6	3	2	1		
Berlin	7		2							
Bloomfield	5	8	9	10	11	10	10	12	10	10
Bolton						2	2	2	2	1
Bristol	5	1	1							
Canton	4	5	4	3	3	1	1			
Cromwell	2	1	1							
East Granby	1	1								
East Hartford	10	2								
East Windsor	2	1	1							
Ellington	3	4	6	2	5	9	7	5	3	
Enfield	1	3	1							
Farmington	12	9	8	7	8	6	8	8	8	6
Glastonbury	5	6	4		1	3		5	4	4
Granby	9	9	11	13	10	6	6	3	4	3
Hartford	117	114	87	49	62	56	64	77	71	63
Hartland										
Manchester	15	18	17	21	21	20	21	20	21	22
New Britain	22	16	12	15	16	16	16	14	16	15
New Hartford										
Newington	21	17	11	9	11	8	8	9	8	7
Plainville	4	3	1							
Portland	4	4	4							
Rocky Hill	31	31	25	24	27	24	24	26	22	16
Simsbury	4	7	8	9	10	8	8	8	5	7
Somers										
South Windsor	2	1								
Southington	25	23	12	12	10	4	4	4	5	5
Suffield	12	9	12	6	3	3				
Vernon	4	4	1			2	2	2		
West Hartford	18	12	10	4	3	3	1	2	2	
Wethersfield	19	11	13	13	13	8	8	5	9	8
Windsor	10	7	8	6	8	7	9	6	7	8
Windsor Locks	3	2								
Region #10	1	3	1							
Non-Member LEAs	28	12	7	2	4	3	3	2	2	
TOTAL	410	348	283	211	232	202	204	211	199	175

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

INTEGRATED PROGRAM MODEL
Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon										
Berlin				1	1	1	1	1	1	1
Bloomfield								1	1	1
Bolton									1	
Bristol			1							
Canton			1	1	1					
Cromwell										
East Granby										
East Hartford					1					
East Windsor										
Ellington							1	1	1	1
Enfield										
Farmington							1	1	1	
Glastonbury										
Granby										
Hartford			1	1	1	3	2	2	2	2
Hartland										
Manchester										
New Britain	1	1	3	3	1	1	1			
New Hartford								1		
Newington										
Plainville	2	1	2	2	3	3	3	2	2	3
Portland			1		1	1	1	1	1	1
Rocky Hill					1	1	1	1	2	1
Simsbury		1							1	1
Somers										
South Windsor										
Southington										
Suffield										
Vernon					1	1	1	1	4	4
West Hartford										
Wethersfield	1	1								1
Windsor										
Windsor Locks						1	1		1	
Region #10						1				
Non-Member LEAs	1	5	15	18	21	19	18	20	17	17
TOTAL	5	9	24	26	32	32	31	32	35	33

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

International Magnet School for Global Citizenship
Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Avon			
Berlin	3		1
Bloomfield			
Bolton			
Bristol			1
Canton			
Cromwell	1	1	1
East Granby			
East Hartford	31	14	8
East Windsor			1
Ellington	5	2	
Enfield	2	2	1
Farmington		1	1
Glastonbury	34	27	13
Granby			
Hartford	88	78	60
Hartland			
Manchester	15	5	5
New Britain	1	1	1
New Hartford			
Newington	4	5	4
Plainville			
Portland	1	2	2
Rocky Hill	1	3	4
Simsbury			
Somers			
South Windsor	14	13	5
Southington			
Suffield			
Vernon	10	7	5
West Hartford	2	2	5
Wethersfield	11	5	4
Windsor	1		
Windsor Locks			
Region #10			
Non-Member LEAs	<u>20</u>	<u>14</u>	<u>3</u>
TOTAL	<u><u>244</u></u>	<u><u>182</u></u>	<u><u>125</u></u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

Lincoln Academy
Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>	<u>2009</u>
Avon		
Berlin		
Bloomfield		
Bolton		
Bristol		
Canton		
Cromwell		
East Granby		
East Hartford	2	
East Windsor		
Ellington		
Enfield		
Farmington		
Glastonbury	1	
Granby		
Hartford		
Hartland		
Manchester	2	2
New Britain		
New Hartford		
Newington	1	
Plainville		
Portland		
Rocky Hill		
Simsbury		
Somers		
South Windsor	2	
Southington		
Suffield		
Vernon		
West Hartford		
Wethersfield		
Windsor		
Windsor Locks		
Region #10		
Non-Member LEAs	<u>1</u>	<u>1</u>
TOTAL	<u><u>9</u></u>	<u><u>3</u></u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

Medical Professions and Teaching Preparation Academy
 Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>
Avon	
Berlin	3
Bloomfield	6
Bolton	
Bristol	3
Canton	
Cromwell	
East Granby	
East Hartford	10
East Windsor	
Ellington	
Enfield	7
Farmington	1
Glastonbury	1
Granby	
Hartford	70
Hartland	
Manchester	9
New Britain	31
New Hartford	
Newington	4
Plainville	2
Portland	
Rocky Hill	2
Simsbury	
Somers	
South Windsor	4
Southington	1
Suffield	1
Vernon	7
West Hartford	8
Wethersfield	2
Windsor	
Windsor Locks	2
Region #10	
Non-Member LEAs	5
TOTAL	<u><u>179</u></u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

METROPOLITAN LEARNING CENTER

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon										
Berlin										
Bloomfield	129	141	138	136	141	138	134	105	92	71
Bolton										
Bristol	1									
Canton	1									
Cromwell										
East Granby	3	2	1							
East Hartford	27	24	4	9						
East Windsor	42	47	42	40	46	41	44	38	29	23
Ellington	1	1	1							
Enfield	58	43	42	40	43	38	41	33	28	17
Farmington										
Glastonbury	1									
Granby	1	2								
Hartford	207	214	221	209	200	197	191	173	149	111
Hartland										
Manchester	3	2	1	5						
New Britain	21	12	6	1						
New Hartford										
Newington										
Plainville	1									
Portland										
Rocky Hill										
Simsbury	2	2	1							
Somers										
South Windsor			1							
Southington										
Suffield	1	1	1							
Vernon	2	1		1						
West Hartford	3	4	8							
Wethersfield	3	3	2							
Windsor	152	150	150	168	186	200	203	160	147	116
Windsor Locks	51	63	64	67	65	61	68	64	55	46
Region #10	1									
Non-Member LEAs		1								
TOTAL	<u>711</u>	<u>713</u>	<u>683</u>	<u>676</u>	<u>681</u>	<u>675</u>	<u>681</u>	<u>573</u>	<u>500</u>	<u>384</u>

(Continued on next page)

TABLE 12

CAPITOL REGION EDUCATION COUNCIL

MONTESORI MAGNET SCHOOL
 Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Avon	2	2	2	2	1					
Berlin	2	2	2	1	1	1				
Bloomfield	14	15	17	25	29	31	30	29	32	33
Bolton								1	1	
Bristol	3	1	2							
Canton							1	2	2	
Cromwell	4	3	2	2	2	2	2			
East Granby										
East Hartford	22	27	27	28	25	26	21	19	13	14
East Windsor	2	1	1			1				
Ellington	3	1	1	1	2	2	2	2	2	2
Enfield	2				1				1	
Farmington		2		1						1
Glastonbury	3	1	1		1			1		
Granby										
Hartford	145	158	168	174	166	164	147	137	132	123
Hartland										
Manchester	13	9	8	10	12	12	17	14	12	9
New Britain	17	13	11	10	10	8	9	9	6	8
New Hartford	1	1	1	1	2					
Newington	11	3	2	2	2	4	3	4	4	2
Plainville	4	4	3	1	1	1	1	1		
Portland										
Rocky Hill	4	6	7	5	5	4	3	5	1	1
Simsbury	3	2	1	1	1					2
Somers										
South Windsor	3	1	1	1	2		1		1	1
Southington	1	2	2	2	1	1	1	1	1	1
Suffield										
Vernon	4	4	4					1	2	2
West Hartford	11	16	11	7	10	9	8	13	9	10
Wethersfield	14	13	12	13	11	9	8	4	1	1
Windsor	23	29	32	34	36	44	45	49	41	32
Windsor Locks						1				
Region #10	3			0	1	1			1	2
Non-Member LEAs	23	20	14	10	8	10	6	3	2	6
TOTAL	337	336	332	331	330	331	305	295	264	250

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

POLARIS CENTER
Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon										
Berlin				1		2				
Bloomfield	2	1	1	1	2	1	1	1	3	2
Bolton		1	2	1	1	1				1
Bristol				1	2		1	2	2	
Canton										
Cromwell	1							1	1	1
East Granby								1	1	
East Hartford		2	1	1		2	2	1	3	1
East Windsor	1	2	1	2	4	1		1	1	3
Ellington	1						1	1		
Enfield				1	1	1	2	1		1
Farmington		1								
Glastonbury		1	3	3			1			
Granby			2	1	1			1	1	2
Hartford	17	22	27	24	25	16	13	14	6	10
Hartland										
Manchester		3	9	9	4	7	1	7	4	2
New Britain	3	4	7	7	7	8	3	6	4	4
New Hartford										
Newington	1		2			2	1		1	
Plainville					1					1
Portland										
Rocky Hill									1	
Simsbury	1				1					
Somers							1			
South Windsor	2	1	1	2		1	2	2		1
Southington	1								1	2
Suffield										
Vernon	4	4	1	1	1	3	1	1		2
West Hartford		1		1	1	1		1	1	2
Wethersfield		2	1							1
Windsor	1	3	5	4	1	1	2	2	2	1
Windsor Locks				3	3		1			
Region #10		1								1
Non-Member LEAs	12	4	5	26	27	21	23	22	21	13
TOTAL	47	53	68	89	82	68	56	65	53	51

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

Public Safety Academy
Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Avon			
Berlin			
Bloomfield	12	3	
Bolton	1	1	1
Bristol	2		
Canton			
Cromwell			
East Granby	1	2	
East Hartford	39	19	4
East Windsor	9	5	4
Ellington	1	4	1
Enfield	44	33	17
Farmington	1		
Glastonbury	4	3	1
Granby	3	1	
Hartford	112	100	63
Hartland			
Manchester	9	8	5
New Britain	5	4	
New Hartford			
Newington	2	1	
Plainville	2	1	
Portland			
Rocky Hill	1		
Simsbury	1		
Somers			
South Windsor	2	6	3
Southington	1		
Suffield			
Vernon	13	5	2
West Hartford	3	1	
Wethersfield	3	4	1
Windsor	11	6	
Windsor Locks	5	6	2
Region #10			
Non-Member LEAs	<u>6</u>	<u>3</u>	<u>1</u>
TOTAL	<u>293</u>	<u>216</u>	<u>105</u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

Reggio Magnet School of the Arts
Student Enrollment by LEA (Continued)

<u>LEA</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Avon	28	22	22
Berlin	1	1	1
Bloomfield	2		
Bolton			
Bristol	9	3	3
Canton	12	11	4
Cromwell			
East Granby			
East Hartford	5	3	4
East Windsor			
Ellington			
Enfield			
Farmington	8	6	11
Glastonbury			
Granby			
Hartford	131	82	58
Hartland			
Manchester	1		
New Britain	2	4	3
New Hartford	2	2	3
Newington			1
Plainville	2		
Portland			
Rocky Hill			
Simsbury	13	18	17
Somers			
South Windsor			
Southington	4	3	3
Suffield			
Vernon	3		
West Hartford	15	15	15
Wethersfield		2	2
Windsor	1		1
Windsor Locks			
Region #10	8		1
Non-Member LEAs	<u>8</u>	<u>1</u>	<u>3</u>
TOTAL	<u><u>255</u></u>	<u><u>173</u></u>	<u><u>152</u></u>

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

RIVER STREET SCHOOL
Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon	1	1	1	1	1	1	1	1	1	
Berlin	4	1	4	4	4	3	4		1	
Bloomfield	2	3	5	7	6	4	4	3	3	4
Bolton	1	1	1	1	1					
Bristol	3	5	5	5	5	4	4	4	4	4
Canton					1					
Cromwell					1					1
East Granby	1	1	1	1	1	1	1	2	1	1
East Hartford	1	1	2			1	1	1	1	1
East Windsor	1	2	3	4	3	2	1	1	1	1
Ellington	2	3	3	3	1	1	1	1	1	1
Enfield	4	5	7	7	6	6	7	9	8	5
Farmington	3	2	2	2		2	1	3	3	3
Glastonbury	11	9	9	7	7	5	5	4	4	6
Granby	1	1								
Hartford	14	13	9	4	3	5	8	8	13	12
Hartland										
Manchester	5	5	8	6	7	3	5	4	3	3
New Britain	8	7	3	2	2	4	2	2	1	3
New Hartford	1	1				1	1	1	1	
Newington	4	4	3	3	4	4	4	3	2	2
Plainville					2	2	2	3	3	3
Portland										1
Rocky Hill	1	1	2	2	2	2	2	1		
Simsbury	3	2	4	4	3	3	2	3	3	1
Somers	4	3	3	3	3	2	2	2	2	3
South Windsor	3	3	4	3	3	3	3	1		
Southington	6	7	5	5	3	3	2	3	3	3
Suffield	5	6	6	5	4	2	2	3	1	1
Vernon	6	5	5	6	6	6	5	5	5	4
West Hartford	5	5	3	4	5	5	3	4	3	3
Wethersfield	4	5	2	2	2	3	3	5	5	4
Windsor	9	10	10	10	9	10	7	7	7	7
Windsor Locks	2		1	1	3	4	4	3	3	3
Region #10	1	2	1	1						
Non-Member LEAs	88	90	86	87	87	86	78	70	67	68
TOTAL	204	204	198	190	185	178	165	157	150	148

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

SOUNDBRIDGE

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon										
Berlin	1		2			1	3	2	2	
Bloomfield					3	4	5	5	4	3
Bolton										
Bristol	4	4	6	6	5	3	5	6	5	5
Canton										
Cromwell										
East Granby							1	1	1	1
East Hartford	3	2	3	3	3	3	1	2	1	1
East Windsor										
Ellington	1									
Enfield	1					2	2	2	2	2
Farmington	1	1								
Glastonbury	2		1			1	1			
Granby										
Hartford	4	5	6	6	6	7	8	11	14	14
Hartland										
Manchester	1	2	1	1	1	3	1	1		2
New Britain	4	4	2	4	5	6	4	4	5	5
New Hartford										
Newington	6	9	9	3	4	4	4	4	4	4
Plainville	1	1	1	1	1					
Portland										
Rocky Hill	8	4	4		2	2	2	2	2	2
Simsbury					1	3	3	3	2	3
Somers										
South Windsor	2	2	1	1		1	1	1	2	2
Southington	4	4	4	4	3	1	3	2	2	3
Suffield										
Vernon	1	1								
West Hartford									2	2
Wethersfield	33	28	33	5	4	6	6	6	6	5
Windsor	4	3	3	1						1
Windsor Locks	1	1	1	1	1	1	1	1	1	1
Region #10						1				
Non-Member LEAs	21	18	21	25	18	10	13	12	14	19
TOTAL	103	89	98	61	57	59	64	65	69	75

(Continued on next page)

CAPITOL REGION EDUCATION COUNCIL

TWO RIVERS MAGNET MIDDLE SCHOOL

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002
Avon									
Berlin	2								
Bloomfield	3	3	3	2					
Bolton	3	4							
Bristol	1		2						
Canton									
Cromwell	1								
East Granby									
East Hartford	185	132	133	144	153	137	132	130	93
East Windsor									
Ellington									
Enfield	8	3	2	1					
Farmington									
Glastonbury	33	48	67	67	72	80	94	92	71
Granby									
Hartford	123	161	157	146	146	138	128	135	90
Hartland									
Manchester	172	130	131	141	151	141	128	132	92
New Britain	28	16	6	4					
New Hartford									
Newington	1								
Plainville	1	1							
Portland	3	5							
Rocky Hill	2	2	1						
Simsbury									
Somers									
South Windsor	57	69	83	73	87	87	112	109	79
Southington	2	1	1						
Suffield	1								
Vernon	9	4							
West Hartford	3	4							
Wethersfield	2	2	1	1					
Windsor	1	1							
Windsor Locks	1								
Region #10		1							
Non-Member LEAs	16	5	2	2					
TOTAL	658	592	589	581	609	583	594	598	425

(Continued on next page)

TABLE 12

CAPITOL REGION EDUCATION COUNCIL

UNIVERSITY OF HARTFORD MAGNET SCHOOL

Student Enrollment by LEA (Continued)

LEA	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Avon	16	23	24	27	29	32	31	25	22	10
Berlin	2	1								
Bloomfield	12	13	16	17	15	11	11	16	14	9
Bolton										
Bristol	5	2								
Canton	1	1	1							
Cromwell										
East Granby										
East Hartford	16	9	9	8						
East Windsor										
Ellington	1									
Enfield	6	1	1	1						
Farmington	22	21	25	25	19	19	24	30	26	22
Glastonbury										
Granby										
Hartford	168	186	205	202	205	209	209	205	179	141
Hartland										
Manchester	4	1	2	2						
New Britain	33	23	7	4						
New Hartford										
Newington	2		1	1						
Plainville	3	1								
Portland	1									
Rocky Hill		1								
Simsbury	16	24	25	27	30	38	32	29	30	24
Somers										
South Windsor	3					2	2	2		
Southington	3	2								
Suffield	1									
Vernon	11	6								
West Hartford	57	58	56	54	47	41	42	50	51	33
Wethersfield	27	30	33	31	37	29	32	38	29	21
Windsor	8	8	6	7						
Windsor Locks		1								
Region #10	3	2								
Non-Member LEAs	9	4	1							
TOTAL	430	418	412	406	382	381	383	395	351	260

CAPITOL REGION EDUCATION COUNCIL

TUITION RATES PER STUDENT

Program Name	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
River Street Day Program	\$ 59,400	56,516	54,341	\$ 51,754	\$ 49,289	\$ 46,942	\$ 44,708	\$ 42,578	\$ 40,550	\$ 39,066	\$ 37,563
River Street Extended Day Program Summer	4,339	4,132	3,973	3,784	3,604	3,432	3,269	3,113	2,965	2,856	2,746
Group Home Regular	15,713	14,944	14,368	13,684	13,033	12,412	11,821	11,258	10,722	10,329	9,932
Academic Regular	19,343	18,412	17,704	16,861	16,058	15,293	14,565	13,872	13,211	12,727	12,238
Riverstreet Summer Program	5,620	5,352	5,147	4,902	4,668	4,446	4,235	4,034	3,841	3,701	3,559
Soundbridge Program Full Day	43,782	41,744	39,756	38,044	36,669	33,953	31,732	29,732	27,658	26,341	24,850
Half Day	23,638	22,500	21,531	20,703	19,955	18,477	17,268	15,268	14,203	13,527	12,761
Integrated Program Model	109,543	91,285	76,070	69,155	62,868	57,153	51,957	47,234	44,144	41,256	36,836
Integrated Program Model Summer Program	22,307	18,589	14,299	12,434	10,812	9,402	8,395	7,495	6,692	6,254	5,584
Polaris Center	58,113	54,247	52,161	49,677	47,311	45,058	42,912	40,869	38,923	37,498	35,712

Source: Capitol Region Education Council Business Services Department

CAPITOL REGION EDUCATION COUNCIL
WORKFORCE ANALYSIS
NUMBER OF EMPLOYEES LAST TEN YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Job Categories:											
Officials and managers	119	99	107	105	100	84	82	76	77	67	74
Professionals	659	614	639	603	511	504	487	497	448	448	319
Technicians	110	78	77	80	76	74	72	76	75	68	136
Office and clerical	98	88	87	88	86	82	81	79	80	78	78
Operatives (semi-skilled)	8	8	7	7	9	9	9	8	8	9	10
Service workers	380	353	389	345	325	315	276	282	274	180	158
Total Workforce Analysis	<u>1,374</u>	<u>1,240</u>	<u>1,306</u>	<u>1,228</u>	<u>1,107</u>	<u>1,068</u>	<u>1,007</u>	<u>1,018</u>	<u>962</u>	<u>850</u>	<u>775</u>

Source: CREC's Human Resource Department

CAPITOL REGION EDUCATION COUNCIL

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Education:										
Land	\$ 1,892,925	1,892,925	\$ 1,892,925	\$ 1,892,925	\$ 1,892,925	\$ 1,892,925	\$ 1,892,925	\$ 2,171,178	\$ 2,171,178	\$ 2,171,178
Buildings and improvements	76,359,973	67,113,954	66,059,698	64,044,935	63,985,134	60,529,341	51,681,596	52,418,497	52,282,372	51,689,327
Vehicles	1,630,345	1,464,195	1,241,764	1,045,797	1,061,739	909,719	747,816	864,380	769,287	769,287
Furniture, fixtures and equipment	6,931,029	5,226,655	5,389,902	5,024,525	4,841,774	5,380,876	4,818,264	4,073,652	2,872,151	3,589,895
Construction in progress	1,760,797	6,842,058	5,292,089	489,523	62,657	3,336,379	12,097,958	10,640,432	5,623,531	2,981,072
Facilities:										
Land	332,000	332,000	332,000	332,000	332,000	332,000	332,000	332,000	332,000	332,000
Buildings and improvements	3,680,055	3,669,966	3,669,966	3,660,566	3,367,706	3,276,720	3,123,235	3,123,235	3,123,235	3,124,220
Vehicles	49,640	33,240	14,435	14,435	14,435	14,435	14,435	3,085	3,085	3,085
Furniture, fixtures and equipment	294,756	294,756	298,841	288,464	279,107	278,143	273,421	249,248	215,660	1,246,047
Administration:										
Buildings and improvements										2,961
Vehicles										
Furniture, fixtures and equipment	473,332	463,663	579,360	606,219	590,207	784,661	773,350	686,648	627,627	585,578
Construction in progress						4,700	4,700			
Total	<u>\$ 93,404,852</u>	<u>87,333,412</u>	<u>\$ 84,770,980</u>	<u>\$ 77,399,389</u>	<u>\$ 76,427,684</u>	<u>\$ 76,739,899</u>	<u>\$ 75,759,700</u>	<u>\$ 74,562,355</u>	<u>\$ 68,020,126</u>	<u>\$ 66,494,650</u>