



**STATE OF ILLINOIS
DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

**FINANCIAL AUDIT
For the Year Ended June 30, 2021**

**Performed as Special Assistant Auditors
For the Auditor General, State of Illinois**

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

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**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16**

OFFICIALS

Regional Superintendent
(current and during the audit period)

Ms. Amanda Christensen

Assistant Regional Superintendent
(current and during the audit period)

Mr. Jeff Smith

Office is located at:

2500 N. Annie Glidden Road, Suite C
DeKalb, Illinois 60115

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
FINANCIAL REPORT SUMMARY**

The financial audit testing performed in this audit was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

AUDITOR’S REPORTS

The auditor’s reports do not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	-	3
Repeated audit findings	-	2
Prior recommendations implemented or not repeated	3	-

Details of audit findings are presented in a separate report section.

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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Findings (Government Auditing Standards)

None

Prior Audit Findings not Repeated (Government Auditing Standards)

2020-001	13	Controls Over Financial Statement Preparation	Material Weakness
2020-002	13	Inadequate Controls Over Bank Reconciliation Process	Significant Deficiency
2020-003	13	Delay of Audit	Noncompliance

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
FINANCIAL REPORT SUMMARY**

EXIT CONFERENCE

DeKalb County Regional Office of Education No. 16 waived an exit conference in a correspondence from Amanda Christensen, Regional Superintendent, on February 22, 2022.

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of DeKalb County Regional Office of Education No. 16 was performed by Adelfia LLC.

Based on their audit, the auditors expressed an unmodified opinion on the DeKalb County Regional Office of Education No. 16's basic financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DeKalb County Regional Office of Education No. 16, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the DeKalb County Regional Office of Education No. 16's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 financial statements are free from material misstatement.

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

and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the DeKalb County Regional Office of Education No. 16, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Illinois Municipal Retirement Fund – Schedule of the Employer's Proportionate Share of the Net Pension Liability and Related Ratios, Illinois Municipal Retirement Fund – Schedule of Employer Contributions, Teachers' Retirement System of the State of Illinois – Schedule of the Employer's Proportionate Share of the Net Pension Liability and Schedule of Employer Contributions, Teachers' Health Insurance Security Fund – Schedule of the Employer's Proportionate Share of the Collective Net Other Postemployment Benefit Liability and Schedule of Employer Contributions on pages 14 through 22 and 65 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DeKalb County Regional Office of Education No. 16's basic financial statements. The combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to Other Entities – Distributive Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to Other Entities – Distributive Fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to Other Entities – Distributive Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2022 on our consideration of the DeKalb County Regional Office of Education No. 16's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Dekalb County Regional Office of Education No. 16's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the DeKalb County Regional Office of Education No. 16's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
April 19, 2022



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DeKalb County Regional Office of Education No. 16, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the DeKalb County Regional Office of Education No. 16’s basic financial statements, and have issued our report thereon dated April 19, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the DeKalb County Regional Office of Education No. 16’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the DeKalb County Regional Office of Education No. 16’s internal control. Accordingly, we do not express an opinion on the effectiveness of the DeKalb County Regional Office of Education No. 16’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the DeKalb County Regional Office of Education No. 16's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the DeKalb County Regional Office of Education No. 16's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the DeKalb County Regional Office of Education No. 16's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
April 19, 2022

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITOR’S RESULTS
For the Year Ended June 30, 2021**

Financial Statements in accordance with GAAP

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes no

Significant deficiency(ies) identified?

_____ yes none reported

Noncompliance material to financial statements noted?

_____ yes no

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2021**

None

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2021**

Not Applicable

**DEKALB COUNTY
REGIONAL OFFICE OF EDUCATION NO. 16
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the Year Ended June 30, 2021**

2020-001 Controls Over Financial Statement Preparation Not Repeated

During the current audit, the Regional Office of Education No. 16 implemented corrective action and contracted with a new CPA firm to address these requirements for Fiscal Year 2021.

2020-002 Inadequate Controls Over Bank Reconciliation Not Repeated

During the current audit, the Regional Office of Education No. 16 implemented corrective actions to address this.

2020-003 Delay of Audit Not Repeated

During the current audit, the Regional Office of Education No. 16 was able to provide completed financial statements in an auditable form by the August 31 deadline.

MANAGEMENT'S DISCUSSION AND ANALYSIS

DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021

The DeKalb County Regional Office of Education No. 16 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2021. We encourage readers to consider this information in conjunction with the DeKalb County Regional Office of Education No. 16's financial statements, which follow.

2021 FINANCIAL HIGHLIGHTS

- General Fund revenues decreased from \$919,422 in fiscal year 2020 to \$918,813 in fiscal year 2021. General Fund expenditures decreased from \$906,849 in fiscal year 2020 to \$840,924 in fiscal year 2021. The decrease in revenues is due to decrease in grants from local sources. The decrease in expenditures is due to decrease in purchased services during the fiscal year.
- Institute Fund revenues increased from \$33,936 in fiscal year 2020 to \$36,194 in fiscal year 2021. Expenses in the Institute Fund decreased from \$24,705 in fiscal year 2020 to \$2,436 in fiscal year 2021. The increase in revenues is due to increase in applications and renewals for educator licensure. The decrease in expenses is due to decrease in salaries and benefits as well as supplies and materials during the fiscal year.
- Education Fund revenues increased from \$829,952 in fiscal year 2020 to \$897,803 in fiscal year 2021. Expenditures increased from \$816,365 in fiscal year 2020 to \$898,713 in fiscal year 2021. The Education Fund is made up of grants that can vary greatly from year to year as some programs have increased funding while others see a funding decrease or are discontinued.
- Government-wide revenues increased from \$1,854,260 in fiscal year 2020 to \$1,974,616 in fiscal year 2021. Government-wide expenses increased from \$1,804,399 in fiscal year 2020 to \$1,821,240 in fiscal year 2021. The increase in revenues is primarily due to increased State and federal grants received this year. The increase in expenditures is due to the corresponding increase in salaries and benefits for the new grants/programs.

DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the DeKalb County Regional Office of Education No. 16's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the DeKalb County Regional Office of Education No. 16 as a whole and present an overall view of the DeKalb County Regional Office of Education No. 16's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the DeKalb County Regional Office of Education No. 16's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which the DeKalb County Regional Office of Education No. 16 acts solely as an agent or custodian for the benefit of those outside of the DeKalb County Regional Office of Education No. 16.

Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with information about the Teachers' Retirement System and Illinois Municipal Retirement Fund pension (assets) liabilities and employer contributions, as well as Teachers' Health Insurance Security Fund OPEB liability and employer contributions.

Supplementary Information provides detailed information about the major and nonmajor funds and the budgetary information for some of the ROE's grants.

Figure A-1 summarizes the major features of the DeKalb County Regional Office of Education No. 16's financial statements, including the portion of the DeKalb County Regional Office of Education No. 16's activities they cover and the types of information contained.

DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021

<i>Figure A-1</i> <i>Major Features of the Government-wide and Fund Financial Statements</i>				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire DeKalb County Regional Office of Education No. 16 (except fiduciary funds)	The activities of DeKalb County Regional Office of Education No. 16 that are not proprietary or fiduciary, such as grants and statutory funds.	Activities DeKalb County Regional Office of Education No. 16 operates similar to private businesses: Workshops.	Instances in which the DeKalb County Regional Office of Education No. 16 administers resources on behalf of someone else.
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Activities 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Revenues, Expenses, and Changes in Fund Net Position ▪ Statement of Cash Flows 	<ul style="list-style-type: none"> ▪ Statement of Fiduciary Net Position ▪ Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term.	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both short-term and long-term.
Type of deferred outflow/inflow information	Consumption/acquisition of net position that is applicable to a future reporting period.	Consumption/acquisition of fund balance that is applicable to a future reporting period.	Consumption/acquisition of net position that is applicable to a future period.	Consumption/acquisition of net position that is applicable to a future reporting period.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

**DeKalb County
Regional Office of Education No. 16
Management’s Discussion and Analysis
June 30, 2021**

REPORTING THE DEKALB COUNTY REGIONAL OFFICE OF EDUCATION NO. 16’S FINANCIAL ACTIVITIES

Government-wide Financial Statements

The government-wide financial statements report information about the DeKalb County Regional Office of Education No. 16 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the DeKalb County Regional Office of Education No. 16’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year’s revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report the DeKalb County Regional Office of Education No. 16’s net position and how it has changed. Net position - the difference between the DeKalb County Regional Office of Education No. 16’s assets plus deferred outflows and liabilities plus deferred inflows - are one way to measure the DeKalb County Regional Office of Education No. 16’s financial health or financial position. Over time, increases or decreases in the DeKalb County Regional Office of Education No. 16’s net position are an indicator of whether financial position is improving or deteriorating. To assess the DeKalb County Regional Office of Education No. 16’s overall health, additional nonfinancial factors, such as changes in the DeKalb County Regional Office of Education No. 16’s grant funding and the condition of facilities need to be considered.

In the government-wide financial statements, the DeKalb County Regional Office of Education No. 16’s activities are reported as:

Governmental activities: All of the DeKalb County Regional Office of Education No. 16’s services are included here, such as Regional Safe Schools instruction and instructional staff support services and administration. Federal and state grant proceeds finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the DeKalb County Regional Office of Education No. 16’s funds, focusing on its most significant or “major” funds - not the DeKalb County Regional Office of Education No. 16 as a whole. Funds are accounting devices the DeKalb County Regional Office of Education No. 16 uses to keep track of specific sources of funding and spending on particular programs.

DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021

Funds are accounting devices the DeKalb County Regional Office of Education No. 16 uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law. The DeKalb County Regional Office of Education No. 16 establishes other funds to control and manage money for particular purposes, such as accounting for special revenue funds, or to show that it is properly using certain revenues, such as federal grants.

The DeKalb County Regional Office of Education No. 16 has two kinds of funds:

- 1) *Governmental funds*: All of the DeKalb County Regional Office of Education No. 16's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the DeKalb County Regional Office of Education No. 16's programs.

The DeKalb County Regional Office of Education No. 16's governmental funds include the General Fund and Special Revenue Funds.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances.

- 2) *Fiduciary funds*: The DeKalb County Regional Office of Education No. 16 is the trustee, or fiduciary, for assets that belong to others. These funds include the Custodial Fund.

Custodial Fund - This fund reports fiduciary activities that are not required to be reported in a trust fund. The DeKalb County Regional Office of Education No. 16 reports the net position and changes in net position of the State and federal funds from the State Board of Education, which it distributes to school districts and other organizations.

DeKalb County Regional Office of Education No. 16 excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The required financial statement for fiduciary funds includes a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021

Government-wide Financial Analysis

The net position may serve, over time, as a useful indicator of a government's financial position. In the case of the DeKalb County Regional Office of Education No. 16, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$523,796 as of June 30, 2021.

The following table presents a summary of the DeKalb County Regional Office of Education No. 16's net position for the fiscal years ended June 30, 2021 and 2020.

CONDENSED STATEMENT OF NET POSITION

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Assets		
Current assets	\$ 836,786	\$ 689,862
Noncurrent asset	72,143	—
Total assets	<u>908,929</u>	<u>689,862</u>
 Deferred Outflows of Resources		
Deferred outflows related to pensions	43,252	25,245
Deferred outflows related to OPEB	119,839	95,026
Total deferred outflows of Resources	<u>163,091</u>	<u>120,271</u>
 Liabilities		
Current liabilities	217,905	172,942
Noncurrent liabilities	158,243	133,464
Total liabilities	<u>376,148</u>	<u>306,406</u>
 Deferred Inflows of Resources		
Deferred inflows related to pensions	144,433	119,063
Deferred inflows related to OPEB	27,643	14,244
Total Deferred Inflows of Resources	<u>172,076</u>	<u>133,307</u>
 Net position		
Restricted - other	321,590	297,518
Unrestricted	202,206	72,902
Total net position	<u>\$ 523,796</u>	<u>\$ 370,420</u>

**DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021**

Changes in net position. The DeKalb County Regional Office of Education No. 16's total revenue for the fiscal year ended June 30, 2021 and June 30, 2020 were \$1,974,616 and \$1,854,260, respectively. The total cost of all programs and services for 2021 and 2020 were \$1,821,240 and \$1,804,399, respectively. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and 2020.

CHANGES IN NET POSITION

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues		
Operating grants and contributions	\$ 829,765	\$ 785,599
General revenues		
Local sources	460,795	425,692
State source	203,684	202,391
On-behalf payments	480,135	439,881
Interest income	237	697
Total revenues	<u>1,974,616</u>	<u>1,854,260</u>
Expenses:		
Program expenses		
Instructional services	994,804	1,025,107
Intergovernmental		
Payments to other governments	346,301	339,411
Administrative expenses		
On-behalf payments	480,135	439,881
Total expenses	<u>1,821,240</u>	<u>1,804,399</u>
Change in net position	153,376	49,861
Net position, beginning of year	<u>370,420</u>	<u>320,559</u>
Net position, end of year	<u>\$ 523,796</u>	<u>\$ 370,420</u>

**DeKalb County
Regional Office of Education No. 16
Management’s Discussion and Analysis
June 30, 2021**

Operating grants and contributions and general revenues from local, State, and federal sources account for 76% of the total revenues in fiscal year 2021. The DeKalb County Regional Office of Education No. 16’s expenses primarily relate to instructional services, which account for 55% of the total expenditures.

INDIVIDUAL FUND ANALYSIS

As previously noted, the DeKalb County Regional Office of Education No. 16 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of the DeKalb County Regional Office of Education No. 16 as a whole is reflected in its governmental funds, as well. As the DeKalb County Regional Office of Education No. 16 completed the year, its governmental funds reported an increase in fund balance of \$107,478 from last year’s ending fund balance of \$511,403.

Governmental Fund Highlights

The General Fund’s fund balance increased in fiscal year 2021 to \$297,291 from the previously reported amount of \$219,402 for fiscal year 2020.

The Institute Fund balance increased in fiscal year 2021 to \$254,548 from the previously reported amount of \$220,790 for fiscal year 2020.

The Education Fund balance slightly decreased in fiscal year 2021 to \$28,395 from the previously reported amount of \$29,305 for fiscal year 2020.

BUDGETARY HIGHLIGHTS

DeKalb County Regional Office of Education No. 16 is not required to adopt annual budgets for all funds under its control and is not legally required to do so. DeKalb County Regional Office of Education No. 16 submits its budget to the State Board of Education and all other grantors that require it. The budgets may be amended during the year utilizing procedures prescribed by the particular grantor. Over the course of the year, DeKalb County Regional Office of Education No. 16 amended certain operating budgets to reflect additional revenue and expenditures associated with the additional services needed and provided. Budgetary comparison schedules are provided for various grant specific funds as supplementary information.

**DeKalb County
Regional Office of Education No. 16
Management's Discussion and Analysis
June 30, 2021**

IMPACT OF COVID-19 PANDEMIC

As a result of the COVID-19 pandemic, economic uncertainties have arisen which may negatively impact the operations and financial condition of the Regional Office of Education No. 16. The potential impact and duration of the pandemic is unknown as of the date the financial statements were available to be issued.

The DeKalb County Regional Office of Education No. 16 continued to function efficiently while its staff were sheltered at home due to the pandemic. Additionally, some DeKalb County Regional Office of Education No. 16 staff were considered essential workers and continued to work on site. The DeKalb County Regional Office of Education No. 16 is no longer working remotely and is at full capacity at all its physical locations.

If the pandemic continues for longer than anticipated, it is possible that the ROE's revenue stream for the Fiscal Year 2022 could be negatively impacted. However, DeKalb County Regional Office of Education No. 16 management has no such expectation at this time.

ECONOMIC FACTORS BEARING ON THE DEKALB COUNTY REGIONAL OFFICE OF EDUCATION NO. 16'S FUTURE

At the time these financial statements were prepared and audited, the DeKalb County Regional Office of Education No. 16 was aware of several existing circumstances that could significantly affect its financial health in the future.

- The DeKalb ROE is expecting consistent funding from major grants during the current fiscal year.
- Grant payments to the DeKalb ROE have been delayed. The DeKalb ROE has used its reserves for short-term cash flow concerns.

CONTACTING THE DEKALB COUNTY REGIONAL OFFICE OF EDUCATION NO. 16'S FINANCIAL MANAGEMENT

This financial report is designed to provide the DeKalb County Regional Office of Education No. 16's citizens, taxpayers, customers and constituents with a general overview of the DeKalb County Regional Office of Education No. 16's finances and to demonstrate the DeKalb County Regional Office of Education No. 16's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the DeKalb County Regional Office of Education No. 16, 2500 N. Annie Glidden Road, Suite C, DeKalb, Illinois 60115.

BASIC FINANCIAL STATEMENTS

**DeKalb County
Regional Office of Education No. 16
Statement of Net Position
June 30, 2021**

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 765,254
Accounts receivable	190
Due from other governments	71,342
Total current assets	836,786
Noncurrent asset:	
Net pension asset	72,143
TOTAL ASSETS	\$ 908,929
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	43,252
Deferred outflows related to OPEB	119,839
Total deferred outflows of resources	163,091
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	\$ 428
Due to other governments	162,150
Unearned revenue	55,327
Total current liabilities	217,905
Noncurrent liabilities:	
Net pension liability	13,998
Net OPEB liability	144,245
Total noncurrent liabilities	158,243
TOTAL LIABILITIES	376,148
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	144,433
Deferred inflows related to OPEB	27,643
Total deferred inflows of resources	172,076
NET POSITION	
Restricted - other	321,590
Unrestricted	202,206
TOTAL NET POSITION	\$ 523,796

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

DeKalb County
Regional Office of Education No. 16
Statement of Activities
For the Year Ended June 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expenses) Revenues and Change in in Net Position
	Expenses	Operating Grants and Contributions	Governmental Activities
Governmental activities:			
Instructional services:			
Salaries and benefits	\$ 655,247	\$ 407,332	\$ (247,915)
Pension benefit	(47,603)	-	47,603
OPEB expense	24,579	-	(24,579)
Purchased services	290,487	173,089	(117,398)
Supplies and materials	72,094	42,982	(29,112)
Intergovernmental:			
Payment to other governments	346,301	206,362	(139,939)
Administrative:			
On-behalf payments - local	62,832	-	(62,832)
On-behalf payments - State	417,303	-	(417,303)
Total governmental activities	\$ 1,821,240	\$ 829,765	(991,475)
General revenues:			
Local sources			460,795
State sources			203,684
Interest income			237
On-behalf payments - local			62,832
On-behalf payments - State			417,303
Total general revenues			1,144,851
Change in net position			153,376
Net position, beginning of year			370,420
Net position, end of year			\$ 523,796

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

DeKalb County
Regional Office of Education No. 16
Governmental Funds
Balance Sheet
June 30, 2021

	General Fund	Institute Fund	Education Fund	Nonmajor Special Revenue Funds	Eliminations	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 228,355	\$ 254,548	\$ 243,894	\$ 38,457	\$ -	\$ 765,254
Accounts receivable	-	-	-	190	-	190
Due from other governments	23,263	-	48,079	-	-	71,342
Due from other funds	48,765	-	-	-	(48,765)	-
TOTAL ASSETS	300,383	254,548	291,973	38,647	(48,765)	836,786
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable and accrued expenses	428	-	-	-	-	428
Due to other governments	-	-	162,150	-	-	162,150
Due to other funds	2,664	-	46,101	-	(48,765)	-
Unearned revenue	-	-	55,327	-	-	55,327
Total liabilities	3,092	-	263,578	-	(48,765)	217,905
FUND BALANCES						
Restricted	-	254,548	28,395	38,647	-	321,590
Assigned	160,269	-	-	-	-	160,269
Unassigned	137,022	-	-	-	-	137,022
Total fund balances	297,291	254,548	28,395	38,647	-	618,881
TOTAL LIABILITIES AND FUND BALANCES	\$ 300,383	\$ 254,548	\$ 291,973	\$ 38,647	\$ (48,765)	\$ 836,786

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

DeKalb County
Regional Office of Education No. 16
Governmental Funds
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021

Total fund balances - governmental funds	\$	618,881
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Non-current assets related to pension benefits are collected but are not payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension asset		72,143
Pension & OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:		
Deferred Outflows related to Pensions	\$ 43,252	
Deferred Outflows related to OPEB	119,839	
Deferred Inflows related to Pensions	(144,433)	
Deferred Inflows related to OPEB	<u>(27,643)</u>	(8,985)
Noncurrent liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Net pension liability - TRS	(13,998)	
Net OPEB liability	<u>(144,245)</u>	<u>(158,243)</u>
Net position of governmental activities	\$	<u><u>523,796</u></u>

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

DeKalb County
Regional Office of Education No. 16
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	General Fund	Institute Fund	Education Fund	Special Revenue Funds	Nonmajor Funds	Total Governmental Funds
REVENUES:						
Local sources	\$ 358,402	\$ 36,061	\$ 62,521	\$ 3,811		\$ 460,795
State sources	202,391	-	753,368	1,293		957,052
Federal sources	-	-	81,914	-		81,914
Interest income	104	133	-	-		237
On-behalf payments - local	62,832	-	-	-		62,832
On-behalf payments - State	295,084	-	-	-		295,084
Total revenues	918,813	36,194	897,803	5,104		1,857,914
EXPENDITURES:						
Instructional services:						
Salaries and benefits	96,310	-	587,328	-		683,638
Pension expense	-	-	-	-		-
OPEB expense	-	-	-	-		-
Purchased services	174,785	2,436	104,903	8,363		290,487
Supplies and materials	9,522	-	62,572	-		72,094
Intergovernmental:						
Payments to other governments	202,391	-	143,910	-		346,301
Administrative						
On-behalf payments - local	62,832	-	-	-		62,832
On-behalf payments - State	295,084	-	-	-		295,084
Total expenditures	840,924	2,436	898,713	8,363		1,750,436
NET CHANGE IN FUND BALANCES	77,889	33,758	(910)	(3,259)		107,478
FUND BALANCES, BEGINNING OF YEAR	219,402	220,790	29,305	41,906		511,403
FUND BALANCES, END OF YEAR	\$ 297,291	\$ 254,548	\$ 28,395	\$ 38,647		\$ 618,881

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

**DeKalb County
Regional Office of Education No. 16
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2021**

Net change in fund balances	\$	107,478
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are therefore not considered "available" revenues and are deferred in the governmental funds.		
Prior year unavailable revenue		(5,517)
Governmental funds report pension/OPEB contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned, net of employer contributions is reported as pension/OPEB expense (benefit).		
Pension:		
Employer contributions	\$ 28,133	
Cost of benefits, earned	47,603	75,736
OPEB:		
Employer contributions	258	
Cost of benefits, earned	(24,579)	(24,321)
Change in net position of governmental activities	\$	153,376

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

DeKalb County
Regional Office of Education No. 16
Fiduciary Fund
Statement of Fiduciary Net Position
For the Year Ended June 30, 2021

	Custodial Fund - Distributive Fund
ASSETS	
Due from other government:	\$ 33,861
LIABILITIES	
Due to other government:	33,861
NET POSITION	
Restricted for other government:	\$ -

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

**DeKalb County
Regional Office of Education No. 16
Fiduciary Fund
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021**

	Custodial Fund - Distributive Fund
ADDITIONS	
Collections of state and federal funds from State Board of Education for school districts and other entities	\$ 526,170
DEDUCTIONS	
Payments to school districts and other entities	526,170
CHANGE IN NET POSITION	-
NET POSITION, BEGINNING OF YEAR	-
NET POSITION, END OF YEAR	\$ -

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

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of DeKalb County Regional Office of Education No. 16 (the ROE) are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. The more significant accounting policies established by GAAP and used by the ROE are discussed below.

Reporting Entity

The DeKalb County Regional Office of Education No. 16 was created when an Educational Service Region became a Regional Office of Education on August 7, 1995. The DeKalb County Regional Office of Education No. 16 operates under the School Code (105 ILCS 5/3 and 5/3A). The Regional Office of Education No. 16 encompasses DeKalb County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of the DeKalb County Regional Office of Education No. 16 and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The functions of the DeKalb County Regional Office of Education No. 16 also include, but are not limited to, the following:

- Processing teachers licensures;
- Teaching initial and refresher classes for school bus drivers within the DeKalb County Regional Office of Education No. 16;
- Review life/safety requirements for schools in conjunction with the State of Illinois;
- Issuing newsletters regarding new Illinois life/safety requirements;
- Monitoring compliance with State laws and Department of Education policies and procedures;
- Providing directions to teachers and school officials on science, art, and teaching methods;
- Implementing the Illinois State Board of Education's (ISBE) Policy Programs; and
- Encouraging camaraderie among teachers through the teachers' institute.

A. **Scope of the Reporting Entity**

The DeKalb County Regional Office of Education No. 16's reporting entity includes all related organizations for which it exercises oversight responsibility.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The DeKalb County Regional Office of Education No. 16 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the DeKalb County Regional Office of Education No. 16, including joint agreements which serve pupils from numerous school districts, should be included within its financial reporting entity. The criteria include but are not limited to, whether the DeKalb County Regional Office of Education No. 16 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The DeKalb County Regional Office of Education No. 16 has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the Regional Office of Education No. 16's financial statements. In addition, the DeKalb County Regional Office of Education No. 16 is not aware of any entity which would exercise such oversight as to result in the DeKalb County Regional Office of Education No. 16 being considered a component unit of the entity.

B. Basis of Presentation

The DeKalb County Regional Office of Education No. 16's basic financial statements include both government-wide financial statements (reporting the DeKalb County Regional Office of Education No. 16 as a whole) and fund financial statements (reporting the DeKalb County Regional Office of Education No. 16's major and other funds).

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the DeKalb County Regional Office of Education No. 16 as a whole. They include all funds of the DeKalb County Regional Office of Education No. 16. Fiduciary funds are excluded from the government-wide financial statements. The Statement of Net Position and the Statement of Activities include the governmental activities. Governmental activities for the DeKalb County Regional Office of Education No. 16 include programs supported primarily by state and federal grants and other intergovernmental revenues. Internal balances and activities within the DeKalb County Regional Office of Education No. 16's governmental funds are eliminated in the government-wide financial statements.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 clearly identifiable with a specific function. 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 and 2) grants, contributions and interest restricted to meeting the operational requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting.

Fund Financial Statements

Fund financial statements of the DeKalb County Regional Office of Education No. 16 are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. The DeKalb County Regional Office of Education No. 16's funds are organized into two major categories: governmental and fiduciary funds. An emphasis is placed on major funds within the fund financial statements. A fund is considered major if it is the primary operating fund of the DeKalb County Regional Office of Education No. 16 or meets the following criteria:

1. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.
2. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

The focus of the governmental funds' measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the ROE:

General Fund - The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted and reported for in another fund. The General Fund is always considered a major fund. The following accounts are included in the General Fund:

General - This fund accounts for monies received for, and payment of, expenditures in connection with general administration activities.

Illinois Empower - This fund accounts for monies received for, and payment of, expenditures for the purposes of allowing schools in the region to determine the best approach for improvements in the student population.

Fingerprinting - This fund is used to account for the administration of the Fingerprinting Program. Revenues are received from member school districts and private entities and are assigned by the Regional Superintendent's internal policy to fingerprinting related expenses.

Other Professional Testing Services - This fund accounts for money received for the establishment and running of the new Testing Center (lab). Testing includes all Pearson VUE tests and the ETS Paraprofessional Assessment.

Special Revenue Funds - These funds are used to account for and report the proceeds of the specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. The DeKalb County Regional Office of Education No. 16 maintains three major special revenue funds and one non-major special revenue fund.

Education Fund - This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs. The DeKalb County Regional Office of Education No. 16's Education Fund accounts include the following:

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Early Childhood - This fund is used to account for grant monies received for, and payment of, expenditures for developing and operating programs for parents of young children.

Regional Safe Schools - This fund is used to account for a grant that provides additional staff and materials for the alternative schools in the region.

ROE/ISC Operation - This fund is used to account for monies received for the administration of the ROE/ISC Operation program.

Alternative Education - This fund is used to account for a grant that provides for funding for the alternative schools within the region.

McKinney Education for Homeless Children - This fund is used to account for grant monies received for, and payment of, expenditures for programs for educating homeless children.

Pilot Regional Safe Schools Cooperative - This fund is used to account for a grant that provides additional staff and materials for the alternative schools in the region.

Rural Education Achievement Program - This fund is used to account for grant monies received to provide rural local education agencies with financial assistance to fund initiatives aimed at improving student academic achievement.

Early Learning - This fund is used to account for funds received for a kindergarten readiness project.

National School Lunch Program - This fund accounts for money received from the federal government for nutritionally balanced lunches to school children.

School Breakfast Program - This fund accounts for money received from the state and used to pay for students school breakfast.

Feasibility Study - This fund accounts for monies received from the state to be used for reorganization purposes.

State Free Lunch and Breakfast - This fund accounts for money received from the state and used to pay for free lunch and breakfast for students.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summer Food Service Program - This fund accounts for money received from the state and used to provide nutritious meals to children during the summer months when school is not in session.

Governor's Emergency Education Relief Fund (GEER) - This program accounts for emergency assistance provided by the Governor as a result of the Novel Coronavirus Disease 2019 (COVID-19).

Elementary and Secondary School Emergency Relief (ESSER I) - This program accounts for grant monies received, and expenditures incurred for emergency assistance as a result of the COVID-19 under the Coronavirus Aid, Relief and Economic Security (CARES) Act enacted on March 27, 2020.

Elementary and Secondary School Emergency Relief II (ESSER II) - This program accounts for grant monies received, and expenditures incurred for emergency assistance as a result of the COVID-19 under the CARES Act enacted on December 27, 2020.

Elementary and Secondary School Emergency Relief - Kishwaukee Education Consortium (ESSER - KEC) - This program accounts for grant monies received, and expenditures incurred for emergency assistance as a result of the COVID-19 under the CARES Act pass-through from Kishwaukee Education Consortium.

Digital Equity - This program accounts for grant monies received, and expenditures incurred for electronic device for remote learning for kids as a result of the COVID-19.

Illinois Action for Children - This fund accounts for monies received for work related to the Community-Based Planning for Expansion project.

Community Mental Health - This fund accounts for monies received for work related to community mental health services in DeKalb county.

Reorganization Incentive Feasibility Study - This fund accounts for monies received from the State to be used for reorganization purposes.

Institute Fund - This fund is used to account for the stewardship of the assets held in trust for the benefit of the DeKalb County Regional Office of

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Education No. 16's teachers. Fees are collected from teacher license registrations. Monies are expended to conduct teachers' institutes, conferences, and workshops and defray expenses related to technology improvements and administrative processing of licenses. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds include the following:

General Education Development - This fund is used to account for the administration of the general educational development testing program. Revenues are received from testing and diploma fees and are restricted for supplies and materials to support the general educational development program.

Bus Permit - This fund accounts for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Fiduciary Fund - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the DeKalb County Regional Office of Education No. 16 under a trust agreement, or equivalent arrangement that has certain characteristics, for individuals, private organizations, or other governments and are not available to support the DeKalb County Regional Office of Education No. 16's own programs. The DeKalb County Regional Office of Education No. 16 does not have any trust funds. The DeKalb County Regional Office of Education No. 16 fiduciary fund include the following:

Custodial Fund - is used to report fiduciary activities that are not required to be reported in a trust fund. The DeKalb County Regional Office of Education No. 16's custodial fund account for amounts collected and distributed on behalf of another government or organization. The DeKalb County Regional Office of Education No. 16 maintains the following custodial fund:

Distributive Fund - The ROE received state and federal funds from the State Board of Education, which it distributes to school districts and other organizations.

Board of Trustees - The source of this account is from the petitions of citizens wishing to change school districts. There are no transactions for fiscal year 2021 and no balance in this fund as of June 30, 2021.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 grantor 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. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end. Revenues received more than 60 days after the end of the current period are unavailable revenue in the governmental fund financial statements but not recognized as current revenue in the government-wide financial statements.

Intergovernmental revenues (shared revenues, grants, and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the DeKalb County Regional Office of Education No. 16.

The DeKalb County Regional Office of Education No. 16 records on-behalf payments made by DeKalb County and the State to the Teachers' Retirement System and Teachers' Health Insurance Security Fund as revenue and expenditures.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses and other long-term obligations, which are recognized when paid. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, the DeKalb County Regional Office of Education No. 16 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding sources available to finance the program. It is the DeKalb County Regional Office of

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Education No. 16's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned, then unassigned, if any.

The DeKalb County Regional Office of Education No. 16 maintains its financial records on a cash basis. The financial statements of the DeKalb County Regional Office of Education No. 16 are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balances, and Net Position

The following accounting policies are followed in preparing the balance sheet:

Cash and cash equivalents - The DeKalb County Regional Office of Education No. 16 considers cash on hand, checking accounts, savings accounts, money market accounts, and short term investments with maturity dates under 3 months to be cash and cash equivalents.

Receivables, net of allowances - The carrying amount of grants receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will be collected. The allowance is based on management's assessment of collectability of receivables. All receivables deemed to be uncollectible are written off to the allowance. There were no allowance as of June 30, 2021.

Deferred outflows of resources - Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Pensions - For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Retirement System of the State of Illinois (TRS) and Illinois Municipal Retirement System (IMRF) and additions to/deductions from TRS' and IMRF's fiduciary net position have been determined on the same basis as they are reported by TRS and IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred inflows of resources - Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough to be used to pay liabilities of the current period. Deferred inflows of resources in the governmental fund financial statements consist of grant receivables not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of unrecognized items not yet charged to pension and OPEB expense.

Postemployment benefits other than pension (OPEB) - For purposes of measuring the DeKalb County Regional Office of Education No. 16's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the DeKalb County Regional Office of Education No. 16 OPEB Plan and additions to/deductions from the DeKalb County Regional Office of Education No. 16's fiduciary net position have been determined on the same basis as they are reported by the DeKalb County Regional Office of Education No. 16's Plan. For this purpose, the DeKalb County Regional Office of Education No. 16's Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Fund balance - Fund balance is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in a governmental fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

Nonspendable fund balance - The portion of a governmental fund's net position that is not available to be spent, either short term or long term, in either form or through legal restrictions. There are no accounts presenting a nonspendable fund balance.

Restricted fund balance - The portion of a governmental fund's net position that is subject to external enforceable legal restrictions. The following fund balances are restricted by Illinois Statute: Institute Fund, General Education Development and Bus Permit. Education Fund's Early Learning fund balance is restricted by a grant agreement or contract.

Committed fund balance - The portion of a governmental fund's net position with self-imposed constraints or limitations that have been placed

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

at the highest level of decision making. There are no accounts presenting a committed fund balance.

Assigned fund balance - The portion of a governmental fund's net position to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The total of the fund balance of the Illinois Empower, Fingerprinting, and Other Professional Testing Services are considered assigned.

Unassigned fund balance - Available expendable resources in a governmental fund that are not designated for a specific purpose. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for these purposes. The General Fund is considered unassigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balance is available, the ROE considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the ROE considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the ROE has provided otherwise in its commitment or assignment action.

Net Position - Net position presents the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources in the Statement of Net Position. Net Position of the Regional Office of Education are classified as follows:

Restricted Net Position - consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted Net Position - the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets

The ROE acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have budgets that are required to be reported to and approved by ISBE. However, none of the annual budgets have been legally adopted nor are they required to be. Comparison of budgeted and actual results is presented as supplementary information. Budgetary comparison schedules have been provided in the supplementary schedules for the following funds: Early Childhood, Regional Safe Schools, ROE/ISC Operation, Alternative Education, McKinney Education for Homeless Children, Pilot Regional Safe School Cooperative, GEER, ESSER I, ESSER II, ESSER - KEC, and Digital Equity.

F. Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

G. New Accounting Pronouncement

In 2021, the DeKalb County Regional Office of Education No. 16 implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. GASB Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Due to the implementation of this statement, the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position was presented for the ROE's Custodial Fund - Distributive Fund.

The ROE also implemented GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, and applicable sections of GASB Statement No. 92, *Omnibus 2020*. The implementation of these standards did not have a significant effect on the ROE's financial statements.

NOTE 2 CASH AND CASH EQUIVALENTS

The deposits of DeKalb County Regional Office of Education No. 16 monies are governed by the provisions of the Illinois Compiled Statutes.

DeKalb County
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At June 30, 2021, the carrying amount of the DeKalb County Regional Office of Education No. 16's deposits was \$765,089 and the bank balance was \$834,466.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the DeKalb County Regional Office of Education No. 16's deposits may not be returned. The DeKalb County Regional Office of Education No. 16 does not have a deposit policy for custodial credit risk. The DeKalb County Regional Office of Education No. 16's deposits were covered by FDIC insurance of \$250,000 at June 30, 2021 and additionally covered by collateral held by the financial institution in the DeKalb County Regional Office of Education No. 16's name.

The DeKalb County Regional Office of Education No. 16 does not have a formal investment policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund and are considered cash equivalents. As of June 30, 2021, the ROE had \$165 in the Illinois Funds Money Market Fund. The fair value of the ROE's position in this fund is equal to the value of the DeKalb County Regional Office of Education No. 16's fund shares. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has AAAM ratings from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United States government or agencies related to the United States. Assets of the fund not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year.

NOTE 3 CAPITAL ASSETS

Capital assets are acquired using the governmental resources of DeKalb County, therefore, the existing balance of capital assets is not presented.

NOTE 4 DUE FROM/TO OTHER GOVERNMENTS

Amounts due from/to other governments as of June 30, 2021 are as follows:

Due from other governments:

Education Fund:	
Illinois State Board of Education	\$ 47,694
Local governments	385
General Fund:	
Local governments	23,263
Custodial Fund:	
Local governments	33,861
Total	\$ 105,203

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
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NOTE 4 DUE FROM/TO OTHER GOVERNMENTS (Continued)

Due to other governments:	
Education Fund:	
Local governments	\$ 162,150
Custodial Fund:	
Local governments	33,861
Total	\$ 196,011

NOTE 5 DISPOSITION OF DISTRIBUTIVE FUND INTEREST

Revenues are partially derived from interest on deposits of the various funds under the jurisdiction of DeKalb County Regional Office of Education No. 16. A substantial portion of these interest earnings have been earned on monies which are passed through from the Illinois State Board of Education to the various school districts within the County of DeKalb. The Regional Office of Education is allowed to keep all interest earned.

NOTE 6 ON-BEHALF PAYMENTS

Salaries of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois. All other salaries are paid by DeKalb County. Pension plan contributions associated with these salaries are also paid, respectively, by the State of Illinois and DeKalb County. In addition to the amounts listed below, the DeKalb County Regional Office of Education No. 16 reimburses the County for salaries and pension plan contributions for other employees.

The State of Illinois, or as specified the county, paid the following salaries, benefits, and contributions on-behalf of the DeKalb County Regional Office of Education No. 16:

Regional Superintendent salary	\$ 122,592
Regional Superintendent benefits (includes State paid insurance)	24,145
Assistant Regional Superintendent salary	110,328
Assistant Regional Superintendent benefits (includes State paid insurance)	38,019
County on-behalf payments	62,832
Total	\$ 357,916

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
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NOTE 6 ON-BEHALF PAYMENTS

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the ISBE. The data for the county employee was provided by the county. The on-behalf payments are reflected as revenues and expenditures in the General Fund.

The DeKalb County Regional Office of Education No. 16 also recorded \$116,771 in revenue and expenses as on-behalf payments from ISBE for the DeKalb County Regional Office of Education No. 16's share of the State's TRS pension expense in the Statement of Activities. In addition, the DeKalb County Regional Office of Education No. 16 recorded \$5,448 in revenue and expenses as on-behalf payments from CMS for the Regional Office's share of the State's THIS contributions in the Statement of Activities. Further, the DeKalb County Regional Office of Education No. 16 has not included any on-behalf payments related to the State's TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois and county on-behalf payments	\$ 357,916
DeKalb County Regional Office of Education No. 16's share of TRS pension expense	116,771
THIS fund contributions	5,448
Total	\$ 480,135

NOTE 7 DEFINED BENEFIT PENSION PLANS

The retirement plans of the DeKalb County Regional Office of Education No. 16 include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the DeKalb County Regional Office of Education No. 16. The DeKalb County Regional Office of Education No. 16 is required to contribute at an actuarially determined rate. The DeKalb County Regional Office of Education No. 16 reimburses DeKalb County for the IMRF contributions made for the participating employees. Each retirement system is discussed below.

Teachers' Retirement System of the State of Illinois

Plan Description

The DeKalb County Regional Office of Education No. 16 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing

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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2020>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different than Tier 1.

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted

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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lumpsum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lumpsum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

Contributions

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the DeKalb County Regional Office of Education No. 16.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the DeKalb County Regional Office of Education No. 16. For the year ended June 30, 2021, State of Illinois contributions recognized by the DeKalb County Regional Office of Education No. 16 were based on the State's proportionate share of the pension expense associated with the DeKalb County Regional Office of Education No. 16, and the DeKalb County Regional Office of Education No. 16 recognized revenue and expenditures of \$116,771 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021 were \$438, and are deferred because they were paid after the June 30, 2020 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the DeKalb County Regional Office of Education No. 16, there is a statutory requirement for the DeKalb County Regional Office of Education No. 16 to pay an employer pension

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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, no contributions were required for salaries made from federal and special trust funds.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The DeKalb County Regional Office of Education No. 16 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2020, the DeKalb County Regional Office of Education No. 16 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the DeKalb County Regional Office of Education No. 16 as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the DeKalb County Regional Office of Education No. 16 follows:

DeKalb County
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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

DeKalb County Regional Office of Education No. 16's proportionate share of the net pension liability	\$	13,998
State's proportionate share of the net pension liability associated with the DeKalb County Regional Office of Education No. 16		<u>1,096,431</u>
Total	\$	<u><u>1,110,429</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The DeKalb County Regional Office of Education No. 16's proportion of the net pension liability was based on the DeKalb County Regional Office of Education No. 16's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2020, the DeKalb County Regional Office of Education No. 16's proportion was .0000162366 percent, which was an increase of .0000043685 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 recognized pension expense of \$116,771 and revenue of \$116,771 for support provided by the State. For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 recognized pension income of \$56,041. At June 30, 2021, the DeKalb County Regional Office of Education No. 16 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 136	\$ 4
Net difference between projected and actual earnings on pension plan investments	418	-
Changes of assumptions	57	147
Changes in proportion and differences between the DeKalb County Regional Office of Education No. 16 contributions and proportionate share of contributions	7,459	12,543
Employer contributions subsequent to the measurement date	<u>438</u>	<u>-</u>
Total	<u><u>\$ 8,508</u></u>	<u><u>\$ 12,694</u></u>

DeKalb County
Regional Office of Education No. 16
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June 30, 2021

NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

\$438 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ended June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (10,244)
2023	2,385
2024	1,914
2025	1,053
2026	268
Total	<u>\$ (4,624)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

The long-term (20-year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by

DeKalb County
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Notes to the Financial Statements
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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	16.5%	6.1%
U.S. equities small/mid cap	2.3%	7.2%
International equities developed	12.2%	7.0%
Emerging market equities	3.0%	9.4%
U.S. bonds core	7.0%	2.2%
U.S. bonds high yield	2.5%	4.1%
International debt developed	3.1%	1.5%
Emerging international debt	3.2%	4.5%
Real estate	16.0%	5.7%
Private debt	5.2%	6.3%
Hedge funds	10.0%	4.3%
Private equity	15.0%	10.5%
Infrastructure	4.0%	6.2%
Total	100.0%	

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2020 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

Sensitivity of the DeKalb County Regional Office of Education No. 16's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the DeKalb County Regional Office of Education No. 16's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the DeKalb County Regional Office of Education No. 16's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
DeKalb County Regional Office of Education No. 16's proportionate share of the net pension liability	\$ 16,992	\$ 13,998	\$ 11,534

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2020 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Illinois Municipal Retirement Fund

Plan Descriptions

The DeKalb County Regional Office of Education No. 16 contributes, through DeKalb County, to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. However, the DeKalb County Regional Office of Education No. 16's participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both DeKalb County and the DeKalb County Regional Office of Education No. 16 combined. All disclosures for an agent plan can be found in DeKalb County's annual financial report.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized

DeKalb County
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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

as an expense and liability when due and payable. Investments are reported at fair value. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

**DeKalb County
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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

Contributions

As set by statute, the DeKalb County Regional Office of Education No. 16's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The DeKalb County Regional Office of Education No. 16's annual contribution rate for calendar year 2020 was 9.72%. For the fiscal year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 contributed \$27,695 to the plan. The DeKalb County Regional Office of Education No. 16 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the DeKalb County Regional Office of Education No. 16's reported a liability for its proportionate share of the net pension liability that reflected a reduction for County pension support provided to the employer. The County's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related County support, and the total portion of the net pension liability that was associated with the employer were as follows:

DeKalb County Regional Office of Education No. 16's	
proportionate share of the net pension asset	\$ 72,143
County's proportionate share of the net pension asset associated with the DeKalb County Regional Office of Education No. 16	5,489,886
Total	\$ 5,562,029

The ROE's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The ROE's proportion of the net pension liability was based on the ROE's share of contributions to the plan for the measurement year ended December 31, 2020, relative to the projected contributions of all participating IMRF employers and the County during that period. At December 31, 2020, the ROE's proportion was 1.30%, which is an increase of 0.52% from its proportion measured as of December 31, 2019.

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NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 recognized pension expense of 8,438. At June 30, 2021, the DeKalb County Regional Office of Education No. 16 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Difference between expected and actual experience	\$ 20,037	\$ 4,301
Changes in assumptions	—	7,220
Net difference between projected and actual earnings on pension plan investments	—	120,218
Total deferred amounts to be recognized in pension expense in future periods	20,037	131,739
Pension contributions made subsequent to the measurement date	14,707	—
Total Deferred Amounts Related to Pension	\$ 34,744	\$ 131,739

\$14,707 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Inflows of Resources
2021	\$ (33,015)
2022	(10,822)
2023	(48,147)
2024	(19,718)
Thereafter	—
Total	\$ (111,702)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For **non-disabled retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Portfolio Target Percentage	Projected Ten- Year Return
Domestic Equity	37%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	
Private Equity		6.95%
Hedge Funds		N/A
Commodities		2.85%
Cash Equivalents	1%	0.70%
Total	100%	

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021**

NOTE 7 DEFINED BENEFIT PENSION PLANS (Continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. the long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and
2. tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

Discount Rate Sensitivity

The following presents the DeKalb County Regional Office of Education No. 16's proportionate share of the net pension liability (asset), calculated using a Single Discount Rate of 7.25%, as well as what the DeKalb County Regional Office of Education No. 16's proportionate share of the net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower 6.25%	Current Discount 7.25%	1% Higher 8.25%
Net Pension Liability (Asset)	\$ 97,239	\$ (72,143)	\$ (207,754)

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

Plan Description

The DeKalb County Regional Office of Education No. 16 participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Illinois Department of Central Management Services (CMS) as of July 1, 2013. The CMS administers the plan with the cooperation of the TRS.

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 required all active contributors to TRS who are not employees of the State to make a contribution to the THIS Fund.

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

On-behalf Contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the DeKalb County Regional Office of Education No. 16. For the year ended June 30, 2021, State of Illinois contributions recognized by the DeKalb County Regional Office of Education No. 16 were based on the State's proportionate share of the collective net OPEB liability associated with the DeKalb County Regional Office of Education No. 16, and recognized revenue and expenditures of \$5,448 in OPEB contributions from the State of Illinois.

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (Continued)

DeKalb County Regional Office of Education No. 16 contributions to the THIS Fund

The DeKalb County Regional Office of Education No. 16 also makes contributions to the THIS Fund. The DeKalb County Regional Office of Education No. 16 THIS Fund contribution was 0.92 percent during the year ended June 30, 2021 and 0.92, 0.92 and 0.88 percent during the years ended June 30, 2020, June 30, 2019 and June 30, 2018, respectively. For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 paid \$694 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2020, June 30, 2019, and June 30, 2018, the DeKalb County Regional Office of Education No. 16 paid \$1,255, \$887 and \$433, respectively, which was 100 percent of the required contributions.

Further information on the THIS Fund

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

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants, mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since the THIS fund is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity’s index’s “20-year Municipal GO AA Index” has been selected. The discount rates are 3.13 percent as of June 30, 2019, and 2.45 percent as of June 30, 2020.

Sensitivity of the DeKalb County Regional Office of Education No. 16’s Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate

The following presents the DeKalb County Regional Office of Education No. 16’s proportionate share of the collective net OPEB liability, as well as what the ROE’s proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current discount rate:

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
DeKalb County Regional Office of Education No. 16’s proportionate share of the collective net OPEB liability	\$ 173,517	\$ 144,245	\$ 121,285

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Sensitivity of the DeKalb County Regional Office of Education No. 16's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table shows the DeKalb County Regional Office of Education No. 16's net OPEB liability as of June 30, 2020, using current trend rates and sensitivity trend rates that are either 1-percentage-point higher or lower. The current claims trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease^a	Healthcare Cost Trend Rates	1% Increase^b
DeKalb County Regional Office of Education No. 16's proportionate share of the collective net OPEB liability	\$ 116,121	\$ 144,245	\$ 182,567

^a One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.

^b One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the DeKalb County Regional Office of Education No. 16 reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to the DeKalb County Regional Office of Education No. 16. The amount recognized by the DeKalb County Regional Office of Education No. 16 as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the DeKalb County Regional Office of Education No. 16 were as follows:

DeKalb County Regional Office of Education No. 16's proportionate share of the collective net OPEB liability	\$ 144,245
State's proportionate share of the collective net OPEB liability associated with the DeKalb County Regional Office of Education No. 16	195,471
Total	\$ 339,716

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (Continued)

The collective net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward to the June 30, 2020 measurement date. The DeKalb County Regional Office of Education No. 16's proportion of the collective net OPEB liability was based on a projection of the DeKalb County Regional Office of Education No. 16's long-term share of contributions to the OPEB plan relative to the projected contributions of the DeKalb County Regional Office of Education No. 16, actuarially determined. At June 30, 2020, the DeKalb County Regional Office of Education No. 16's proportion was 0.000540 percent, which was an increase of 0.000148 percent from its proportion measured as of June 30, 2019 (0.0003920 percent). The State's support and total are for disclosure purposes only.

For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 recognized OPEB expense of \$5,448 and revenue of \$5,448 for support provided by the State. For the year ended June 30, 2021, the DeKalb County Regional Office of Education No. 16 recognized OPEB expense of \$24,579. At June 30, 2021, the DeKalb County Regional Office of Education No. 16 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ —	\$ 3,832
Changes of assumptions	49	23,793
Net difference between projected and actual earnings on OPEB plan investments	—	4
Changes in proportion and differences between the DeKalb County Regional Office of Education No. 16 contributions and proportionate share of contributions	119,096	14
Employer contributions subsequent to the measurement date	694	—
Total Deferred Amounts Related to OPEB	\$ 119,839	\$ 27,643

\$694 reported as deferred outflows of resources related to OPEB resulting from the DeKalb County Regional Office of Education No. 16 contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending

DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (Continued)

June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the DeKalb County Regional Office of Education No. 16's OPEB expense as follows:

Year Ended June 30:	Net Deferred Outflows of Resources
2022	\$ 12,485
2023	12,485
2024	12,485
2025	12,485
2026	12,485
Thereafter	29,077
Total	\$ 91,502

THIS Fiduciary Net Position

Detailed information about the THIS Fund fiduciary net position as of June 30, 2020, is available in the separately issued THIS Financial Report.

NOTE 9 LONG-TERM LIABILITIES

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Governmental activities				
Net pension liability - TRS	\$ 9,626	\$ 4,372	\$ -	\$ 13,998
Net pension liability - IMRF	15,328	-	(15,328)	-
Net OPEB liability - THIS	108,510	35,735	-	144,245
Total	\$ 133,464	\$ 40,107	\$ (15,328)	\$ 158,243

**DeKalb County
Regional Office of Education No. 16
Notes to the Financial Statements
June 30, 2021**

NOTE 10 INTERFUND ACTIVITY

Due to/from Other Funds

Interfund receivables and payables, primarily made to cover cash deficits within pooled cash accounts, as of June 30, 2021 were:

	Due From	Due To
General Fund:		
General	\$ 48,765	\$ –
Illinois Empower	–	2,664
Education Fund:		
McKinney Education for Homeless		
Children	–	18,577
GEER	–	1,296
ESSER I	–	1,712
Digital Equity	–	24,131
Illinois Action for Children	–	385
Total	\$ 48,765	\$ 48,765

NOTE 11 RISK MANAGEMENT

The DeKalb County Regional Office of Education No. 16 is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. The DeKalb County Regional Office of Education No. 16 assumes liability for any deductibles and claims in excess of coverage limitations. There has been no significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the year.

NOTE 12 DATE OF MANAGEMENT’S REVIEW

Management has evaluated subsequent events through April 19, 2022, the date when the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION
(Other than Management's Discussion and Analysis)

DeKalb County
Regional Office of Education No. 16
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Related Ratios
Illinois Municipal Retirement Fund
For the Year Ended June 30, 2021
(Unaudited)

Calendar year ended December 31,	<u>2020</u>	<u>2019</u>	<u>2018</u>
ROE No. 16's proportion of the net pension liability			
ROE No. 16's proportionate share of the net pension liability (asset)	1.29706%	0.77932%	0.49921%
County's proportionate share of the net pension liability (asset)	\$ (72,143)	\$ 15,328	\$ 64,759
associated with ROE No. 16	<u>(5,489,886)</u>	<u>1,951,504</u>	<u>12,907,497</u>
Total	<u>\$ (5,562,029)</u>	<u>\$ 1,966,832</u>	<u>\$ 12,972,256</u>
Employer's covered payroll	\$ 243,779	\$ 138,985	\$ 92,088
Employer's proportionate share of the net pension liability/(asset)			
as a percentage of its covered payroll	-29.59%	11.03%	70.32%
Plan fiduciary net position as a percentage of the total pension liability	104.89%	98.18%	87.74%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

DeKalb County
Regional Office of Education No. 16
Schedule of Employer Contributions
Illinois Municipal Retirement Fund
For the Year Ended June 30, 2021
(Unaudited)

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2021	\$ 27,695	\$ 27,695	\$ -	\$ 213,623	12.96%
2020	17,501	17,465	36	138,793	12.58%
2019	8,627	8,599	28	80,541	10.68%
2018	9,411	9,460	(49)	89,302	10.59%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2020 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2020 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	23-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
<i>Mortality:</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2018, actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

DeKalb County
Regional Office of Education No. 16
Schedule of the Employer's Proportionate Share of the Net Pension Liability
Teachers' Retirement System of the State of Illinois
For the Year Ended June 30, 2021
(Unaudited)

	FY 2020*	FY 2019*	FY 2018*
Employer's proportion of the net pension liability	0.0000162366%	0.0000118681%	0.0000068615%
Employer's proportionate share of the net pension liability	\$ 13,998	\$ 9,626	\$ 5,348
State's proportionate share of the net pension liability associated with the employer	1,096,431	685,073	366,375
Total	<u>\$ 1,110,429</u>	<u>\$ 694,699</u>	<u>\$ 371,723</u>
Employer's covered payroll	\$ 136,468	\$ 96,387	\$ 49,153
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	10.3%	10.0%	10.9%
Plan fiduciary net position as a percentage of the total pension liability	37.80%	39.60%	40.00%

* The amounts presented were determined as of the prior fiscal-year end.

Schedule of Employer Contributions
Teachers' Retirement System of the State of Illinois
(Unaudited)

	FY 2021	FY 2020	FY 2019	FY 2018
Statutorily-required contribution	\$ 438	\$ 792	\$ 644	\$ 1,266
Contributions in relation to the statutorily-required contribution	438	792	650	1,244
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>22</u>
Employer's covered payroll	\$ 75,433	\$ 136,468	\$ 96,387	\$ 49,153
Contributions as a percentage of covered payroll	0.58%	0.58%	0.67%	2.58%

** The information in both schedules will accumulate until a full 10-year trend is presented as required by Statement No. 68.

Notes to Required Supplementary Information

Changes of assumptions

For the 2020-2016 measurement years, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit and were consistent in 2019 and 2020. These actuarial assumptions were based on an experience study dated September 18, 2018.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

DeKalb County
Regional Office of Education No. 16
Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability
Teachers' Health Insurance Security Fund
For the Year Ended June 30, 2021*
(Unaudited)

	2020	2019	2018
Employer's proportion of the collective net OPEB liability	0.000540	0.000392%	0.0002070%
Employer's proportionate share of the collective net OPEB liability	\$ 144,245	\$ 108,510	\$ 54,628
State's proportionate share of the collective net OPEB liability associated with the employer	195,471	147,018	73,429
Total	<u>\$ 339,716</u>	<u>\$ 255,528</u>	<u>\$ 128,057</u>
Employer's covered payroll	\$ 136,468	\$ 96,387	\$ 49,153
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	105.7%	112.6%	111.1%
Plan fiduciary net position as a percentage of the total OPEB liability	0.70%	0.25%	-0.07%

* The amounts presented were determined as of the prior fiscal-year end.

Schedule of Employer Contributions
Teachers' Health Insurance Security Fund
For the Year Ended June 30, 2021
(Unaudited)

	2021	2020	2019	2018
Statutorily-required contribution	\$ 694	\$ 1,255	\$ 887	\$ 433
Contributions in relation to the statutorily-required contribution	694	1,255	887	433
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 75,433	\$ 136,468	\$ 96,387	\$ 49,153
Contributions as a percentage of covered payroll	0.92%	0.92%	0.92%	0.88%

The information in both schedules will accumulate until a full 10-year trend is presented as required by Statement No. 75.

Notes to This Required Supplementary Information

Changes of assumptions

For the 2020 and 2019 measurement year, the assumed investment rate of return was of 0 percent, including an inflation rate of 2.50 percent. For the 2018 and 2017 measurement years, the assumed investment rate of return was of 0 percent, including an inflation rate of 2.75 percent. Salary increases were assumed to vary by service credit and were the same for the 2018 and 2017 measurement years. For the 2018 measurement period, the actual trend was used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for the Excise Tax. For the 2017 measurement period, actual trend was used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for the Excise Tax.

SUPPLEMENTAL INFORMATION

DeKalb County
Regional Office of Education No. 16
General Fund
Combining Schedule of Accounts
June 30, 2021

	General	Illinois Empower	Fingerprinting	Other Professional Testing Services	Total
ASSETS					
Cash and cash equivalents	\$ 88,257	\$ 43,386	\$ 86,083	\$ 10,629	\$ 228,355
Due from other governments	-	22,703	59	501	23,263
Due from other funds	48,765	-	-	-	48,765
TOTAL ASSETS	<u>137,022</u>	<u>66,089</u>	<u>86,142</u>	<u>11,130</u>	<u>300,383</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	-	-	428	-	428
Due to other funds	-	2,664	-	-	2,664
Total liabilities	-	2,664	428	-	3,092
FUND BALANCES					
Assigned	-	63,425	85,714	11,130	160,269
Unassigned	137,022	-	-	-	137,022
Total fund balances	<u>137,022</u>	<u>63,425</u>	<u>85,714</u>	<u>11,130</u>	<u>297,291</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 137,022</u>	<u>\$ 66,089</u>	<u>\$ 86,142</u>	<u>\$ 11,130</u>	<u>\$ 300,383</u>

**DeKalb County
Regional Office of Education No. 16
General Fund**

**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2021**

	General	Illinois Empower	Fingerprinting	Professional Testing Services	Other Total
REVENUES					
Local sources	\$ 103,770	\$ 227,731	\$ 18,297	\$ 8,604	\$ 358,402
State sources	202,391	-	-	-	202,391
Interest income	104	-	-	-	104
On-behalf payments - local	62,832	-	-	-	62,832
On-behalf payments - State	295,084	-	-	-	295,084
Total revenues	<u>664,181</u>	<u>227,731</u>	<u>18,297</u>	<u>8,604</u>	<u>918,813</u>
EXPENDITURES					
Instructional services:					
Salaries and benefits	72	76,221	18,414	1,603	96,310
Purchased services	14,359	148,217	7,877	4,332	174,785
Supplies and materials	9,172	-	72	278	9,522
Intergovernmental:					
Payments to other governments	202,391	-	-	-	202,391
Administrative:					
On-behalf payments - local	62,832	-	-	-	62,832
On-behalf payments - State	295,084	-	-	-	295,084
Total expenditures	<u>583,910</u>	<u>224,438</u>	<u>26,363</u>	<u>6,213</u>	<u>840,924</u>
NET CHANGE IN FUND BALANCES	80,271	3,293	(8,066)	2,391	77,889
FUND BALANCES, BEGINNING OF YEAR	56,751	60,132	93,780	8,739	219,402
FUND BALANCES, END OF YEAR	<u>\$ 137,022</u>	<u>\$ 63,425</u>	<u>\$ 85,714</u>	<u>\$ 11,130</u>	<u>\$ 297,291</u>

**DeKalb County
Regional Office of Education No. 16
Education Fund
Combining Schedule of Accounts
June 30, 2021**

	Early Childhood	Regional Safe Schools	ROE/ISC Operation	Alternative Education	McKinney Education for Homeless Children	Pilot Regional Safe Schools Cooperative	Rural Education Achievement Program
ASSETS							
Cash and cash equivalents	\$ 138,729	\$ 18,000	\$ 35,792	\$ -	\$ -	\$ 9,789	\$ -
Due from other governments	-	-	-	-	18,577	-	-
TOTAL ASSETS	138,729	18,000	35,792	-	18,577	9,789	-
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Due to other governments	132,383	18,000	-	-	-	9,789	-
Due to other funds	-	-	-	-	18,577	-	-
Unearned revenue	6,346	-	35,792	-	-	-	-
Total liabilities	138,729	18,000	35,792	-	18,577	9,789	-
FUND BALANCES							
Restricted	-	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 138,729	\$ 18,000	\$ 35,792	\$ -	\$ 18,577	\$ 9,789	\$ -

Schedule 3 (Continued)

DeKalb County
 Regional Office of Education No. 16
 Education Fund
 Combining Schedule of Accounts
 June 30, 2021

	Early Learning	National School Lunch Program	School Breakfast Program	Feasibility Study	State Free Lunch and Breakfast	Summer Food Service Program	GEER
Cash and cash equivalents	\$ 28,395	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-	3,274
TOTAL ASSETS	28,395	-	-	-	-	-	3,274
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Due to other governments	-	-	-	-	-	-	1,978
Due to other funds	-	-	-	-	-	-	1,296
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	3,274
FUND BALANCES							
Restricted	28,395	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 28,395	\$ -	\$ -	\$ -	\$ -	\$ -	3,274

Schedule 3 (Concluded)

DeKalb County
 Regional Office of Education No. 16
 Education Fund
 Combining Schedule of Accounts
 June 30, 2021

	ESSER I	ESSER II	ESSER - KEC	Digital Equity	Illinois Action for Children	Community Mental Health	Reorganization Incentive Feasibility Study	Totals
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,189	\$ -	\$ 243,894
Due from other governments	-	1,712	-	24,131	385	-	-	48,079
TOTAL ASSETS	-	1,712	-	24,131	385	13,189	-	291,973
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Due to other governments	-	-	-	-	-	-	-	162,150
Due to other funds	-	1,712	-	24,131	385	-	-	46,101
Unearned revenue	-	-	-	-	-	13,189	-	55,327
Total liabilities	-	1,712	-	24,131	385	13,189	-	263,578
FUND BALANCES								
Restricted	-	-	-	-	-	-	-	28,395
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 1,712	\$ -	\$ 24,131	\$ 385	\$ 13,189	\$ -	\$ 291,973

**DeKalb County
Regional Office of Education No. 16
Education Fund
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2021**

	Early Childhood	Regional Safe Schools	ROE/ISC Operation	Alternative Education	McKinney Education for Homeless Children	Pilot Regional Safe Schools Cooperative	Rural Education Achievement Program
REVENUES							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	343,712	73,588	84,801	165,683	-	38,789	-
Federal sources	-	-	-	-	33,651	-	4,653
Total revenues	343,712	73,588	84,801	165,683	33,651	38,789	4,653
EXPENDITURES							
Instructional services:							
Salaries and benefits	296,603	-	55,920	144,088	19,399	-	4,653
Purchased services	40,937	-	19,094	10,065	3,541	2,500	-
Supplies and materials	6,172	-	9,787	10,030	10,711	-	-
Intergovernmental:							
Payment to other governments	-	73,588	-	1,500	-	36,289	-
Total expenditures	343,712	73,588	84,801	165,683	33,651	38,789	4,653
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-	-	-	-
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DeKalb County
Regional Office of Education No. 16
Education Fund
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2021

	Early Learning	National School Lunch Program	School Breakfast Program	Feasibility Study	State Free Lunch and Breakfast	Summer Food Service Program	GEER
REVENUES							
Local sources	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	268	31,717	-
Federal sources	-	410	138	-	-	-	11,030
Total revenues	27,000	410	138	-	268	31,717	11,030
EXPENDITURES							
Instructional services:							
Salaries and benefits	23,729	-	-	-	-	-	-
Purchased services	1,931	-	-	825	-	-	11,030
Supplies and materials	1,425	-	-	-	-	-	-
Intergovernmental:							
Payment to other governments	-	410	138	-	268	31,717	-
Total expenditures	27,085	410	138	825	268	31,717	11,030
NET CHANGE IN FUND BALANCES	(85)	-	-	(825)	-	-	-
FUND BALANCES, BEGINNING OF YEAR	28,480	-	-	825	-	-	-
FUND BALANCES, END OF YEAR	\$ 28,395	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DeKalb County
Regional Office of Education No. 16
Education Fund
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2021

	ESSER I	ESSER II	ESSER - KEC	Digital Equity	Illinois Action for Children	Community Mental Health	Reorganization Incentive Feasibility Study	Totals
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,521	\$ -	\$ 62,521
State sources	-	-	-	-	2,060	-	12,750	753,368
Federal sources	552	1,712	5,637	24,131	-	-	-	81,914
Total revenues	552	1,712	5,637	24,131	2,060	35,521	12,750	897,803
EXPENDITURES								
Instructional services:								
Salaries and benefits	-	-	5,355	-	2,060	35,521	-	587,328
Purchased services	-	-	282	1,948	-	-	12,750	104,903
Supplies and materials	552	1,712	-	22,183	-	-	-	62,572
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	143,910
Total expenditures	552	1,712	5,637	24,131	2,060	35,521	12,750	898,713
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	-	(910)
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-	-	-	-	29,305
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,395

**DeKalb County
Regional Office of Education No. 16
Education Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021**

	Early Childhood				Regional Safe Schools				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Original	Final	Original	Final		
REVENUES									
State sources	\$ 350,058	\$ 350,058	\$ 343,712	\$ (6,346)	\$ 73,588	\$ 73,588	\$ 73,588	\$ -	\$ -
Federal sources	-	-	-	-	-	-	-	-	-
Total revenues	350,058	350,058	343,712	(6,346)	73,588	73,588	73,588	-	-
EXPENDITURES									
Instructional services:									
Salaries and benefits	35,331	40,763	296,603	(255,840)	-	-	-	-	-
Purchased services	313,967	303,056	40,937	262,119	-	-	-	-	-
Supplies and materials	760	6,239	6,172	67	-	-	-	-	-
Intergovernmental:									
Payment to other governments	-	-	-	-	73,588	73,588	73,588	-	-
Total expenditures	350,058	350,058	343,712	6,346	73,588	73,588	73,588	-	-
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING OF YEAR									
FUND BALANCES, END OF YEAR									

Schedule 5 (Continued)

DeKalb County
Regional Office of Education No. 16
Education Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	ROE/ISC Operation				Alternative Education					
	Budgeted Amounts		Actual Amounts	Variance with		Budgeted Amounts		Actual Amounts	Variance with	
	Original	Final		Final Budget	Original	Final	Final Budget		Final Budget	
REVENUES										
State sources	\$ 118,993	\$ 118,993	\$ 84,801	\$ (34,192)	\$ 165,683	\$ 165,683	\$ 165,683	\$ 165,683	\$ -	\$ -
Federal sources	-	-	-	-	-	-	-	-	-	-
Total revenues	118,993	118,993	84,801	(34,192)	165,683	165,683	165,683	165,683	-	-
EXPENDITURES										
Instructional services:										
Salaries and benefits	98,574	83,404	55,920	27,484	142,395	144,874	144,088	144,088	786	786
Purchased services	14,025	22,639	19,094	3,545	16,692	10,153	10,065	10,065	88	88
Supplies and materials	6,394	12,950	9,787	3,163	5,096	9,156	10,030	10,030	(874)	(874)
Intergovernmental:										
Payment to other governments	-	-	-	-	1,500	1,500	1,500	1,500	-	-
Total expenditures	118,993	118,993	84,801	34,192	165,683	165,683	165,683	165,683	-	-
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING OF YEAR										
FUND BALANCES, END OF YEAR										

Schedule 5 (Continued)

DeKalb County
Regional Office of Education No. 16
Education Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	McKinney Education for Homeless Children				Pilot Regional Safe Schools Cooperative						
	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget		
	Original	Final		Original	Final	Original	Final		Original	Final	
REVENUES											
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,789	\$ 38,789	\$ -	\$ -	\$ -
Federal sources	19,704	44,039	33,651	(10,388)	-	-	-	-	-	-	-
Total revenues	19,704	44,039	33,651	(10,388)	38,789	38,789	38,789	38,789	-	-	38,789
EXPENDITURES											
Instructional services:											
Salaries and benefits	13,498	26,882	19,399	7,483	-	-	-	-	-	-	-
Purchased services	1,860	5,280	3,541	1,739	2,500	2,500	2,500	2,500	-	-	2,500
Supplies and materials	4,346	11,877	10,711	1,166	-	-	-	-	-	-	-
Intergovernmental:											
Payment to other governments	-	-	-	-	36,289	36,289	36,289	36,289	-	-	36,289
Total expenditures	19,704	44,039	33,651	10,388	38,789	38,789	38,789	38,789	-	-	38,789
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING OF YEAR											
FUND BALANCES, END OF YEAR											

Schedule 5 (Continued)

DeKalb County
Regional Office of Education No. 16
Education Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	GEER				ESSER I			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
REVENUES								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	11,161	11,161	11,030	(131)	552	552	552	-
Total revenues	11,161	11,161	11,030	(131)	552	552	552	-
EXPENDITURES								
Instructional services:								
Salaries and benefits	-	-	-	-	-	-	-	-
Purchased services	11,161	11,161	11,030	131	-	-	-	-
Supplies and materials	-	-	-	-	552	552	552	-
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Total expenditures	11,161	11,161	11,030	131	552	552	552	-
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING OF YEAR								
FUND BALANCES, END OF YEAR								

Schedule 5 (Continued)

DeKalb County
Regional Office of Education No. 16
Education Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	ESSER II				ESSER - KEC			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
REVENUES								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	1,712	1,712	1,712	-	8,187	8,187	5,637	(2,550)
Total revenues	1,712	1,712	1,712	-	8,187	8,187	5,637	(2,550)
EXPENDITURES								
Instructional services:								
Salaries and benefits	-	-	-	-	7,141	7,141	5,355	1,786
Purchased services	-	-	-	-	1,046	1,046	282	764
Supplies and materials	1,712	1,712	1,712	-	-	-	-	-
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Total expenditures	1,712	1,712	1,712	-	8,187	8,187	5,637	2,550
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING OF YEAR								
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Schedule 5 (Concluded)

DeKalb County
Regional Office of Education No. 16
Education Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	Digital Equity				Total			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
REVENUES								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 747,111	\$ 747,111	\$ 706,573	\$ (40,538)
Federal sources	30,508	30,508	24,131	(6,377)	71,824	96,159	76,713	(19,446)
Total revenues	30,508	30,508	24,131	(6,377)	818,935	843,270	783,286	(59,984)
EXPENDITURES								
Instructional services:								
Salaries and benefits	-	-	-	-	296,939	303,064	521,365	(218,301)
Purchased services	6,508	6,508	1,948	4,560	367,759	362,343	89,397	272,946
Supplies and materials	24,000	24,000	22,183	1,817	42,860	66,486	61,147	5,339
Intergovernmental:								
Payment to other governments	-	-	-	-	111,377	111,377	111,377	-
Total expenditures	30,508	30,508	24,131	6,377	818,935	843,270	783,286	59,984
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING OF YEAR								
FUND BALANCES, END OF YEAR								

**DeKalb County
Regional Office of Education No. 16
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021**

	General Educational Development	Bus Permit	Totals
ASSETS			
Cash and cash equivalents	\$ 8,662	\$ 29,795	\$ 38,457
Accounts receivable	-	190	190
TOTAL ASSETS	8,662	29,985	38,647
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	-	-	-
Due to other funds	-	-	-
Total liabilities	-	-	-
FUND BALANCES			
Restricted	8,662	29,985	38,647
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,662	\$ 29,985	\$ 38,647

DeKalb County
Regional Office of Education No. 16
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2021

	General Educational Development	Bus Permit	Totals
REVENUES:			
Local sources	\$ 2,061	\$ 1,750	\$ 3,811
State sources	-	1,293	1,293
Total revenues	<u>2,061</u>	<u>3,043</u>	<u>5,104</u>
EXPENDITURES:			
Instructional services:			
Purchased services	<u>5,650</u>	<u>2,713</u>	<u>8,363</u>
NET CHANGE IN FUND BALANCES	(3,589)	330	(3,259)
FUND BALANCES, BEGINNING OF YEAR	<u>12,251</u>	<u>29,655</u>	<u>41,906</u>
FUND BALANCES, END OF YEAR	<u>\$ 8,662</u>	<u>\$ 29,985</u>	<u>\$ 38,647</u>

**DeKalb County
Regional Office of Education No. 16
Schedule of Disbursements to Other Entities
Distributive Fund
For the Year Ended June 30, 2021**

	<u>Kishwaukee Education Consortium</u>
Career and Technical Ed Improvement	\$ 387,495
V.E. Perkins Title IIC - Secondary	<u>138,675</u>
Total	<u><u>\$ 526,170</u></u>