

**STATE OF ILLINOIS
GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**FINANCIAL AUDIT
For the year ended June 30, 2023**

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

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

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**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

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**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

OFFICIALS

Regional Superintendent (Current and during the audit period) Mr. Christopher Mehochko

Assistant Regional Superintendent (Current and during the audit period) Ms. Michelle Senffner

Offices are located at:

1320 Union Street
Morris, Illinois 60450

109 W. Ridge Street
Yorkville, Illinois 60560

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

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.

AUDITORS' REPORTS

The auditors' 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	2	2
Repeated audit findings	1	2
Prior recommendations implemented or not repeated	1	3

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

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page(s)</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)			
2023-001	10-11	Delay of Audit	Noncompliance
2023-002	12	Controls over Financial Statement Preparation	Material weakness
PRIOR AUDIT FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)			
2022-002	15	Controls over Grant Compliance	Noncompliance

EXIT CONFERENCE

The Grundy and Kendall Counties Regional Office of Education No. 24 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2023. Throughout the audit, numerous meetings were held between the auditors and Regional Office to discuss matters contained in this audit report.

Responses to the recommendations were provided by Christopher Mehochko, Regional Superintendent, via email on January 31, 2024.

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Grundy and Kendall Counties Regional Office of Education No. 24 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements.



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Mattoon, Illinois 61938

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INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grundy and Kendall Counties Regional Office of Education No. 24, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grundy and Kendall Counties Regional Office of Education No. 24, as of June 30, 2023, and the respective changes in financial position – cash basis thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Grundy and Kendall Counties Regional Office of Education No. 24 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter — Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Grundy and Kendall Counties Regional Office of Education No. 24's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Grundy and Kendall Counties Regional Office of Education No. 24's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements. The cash basis combining schedules of cash receipts, disbursements, and changes in cash and cash equivalents and the budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 cash basis combining schedules of cash receipts, disbursements, and changes in cash and cash equivalents and the budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the cash basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2024, on our consideration of the Grundy and Kendall Counties Regional Office of Education No. 24'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 the Grundy and Kendall Counties Regional Office of Education No. 24'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 Grundy and Kendall Counties Regional Office of Education No. 24's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois
March 21, 2024



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

INDEPENDENT AUDITORS' REPORT

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 cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grundy and Kendall Counties Regional Office of Education No. 24, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements, and have issued our report thereon dated March 21, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Grundy and Kendall Counties Regional Office of Education No. 24'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 Grundy and Kendall Counties Regional Office of Education No. 24's internal control. Accordingly, we do not express an opinion on the effectiveness of the Grundy and Kendall Counties Regional Office of Education No. 24'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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as finding 2023-002, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Grundy and Kendall Counties Regional Office of Education No. 24'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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as finding 2023-001.

Regional Office of Education No. 24's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Grundy and Kendall Counties Regional Office of Education No. 24's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. Grundy and Kendall Counties Regional Office of Education No. 24's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 Grundy and Kendall Counties Regional Office of Education No. 24'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 Grundy and Kendall Counties Regional Office of Education No. 24's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois
March 21, 2024

SCHEDULE OF FINDINGS AND RESPONSES

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITORS’ RESULTS
For the year ended June 30, 2023**

Section I – Summary of Auditors’ Results

Financial statements in accordance with Cash Basis

Type of auditors’ report issued: UNMODIFIED

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? yes X no

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2023**

Section II – Financial Statement Findings

FINDING NO. 2023-001 – Delay of Audit (Repeat of Prior Year Findings 22-001, 21-001, 20-001, 19-002, and 18-002)

Criteria/Specific Requirement:

Regional Office of Education No. 24 is subject to 105 ILCS 5/2-3.17a which requires the Auditor General’s office to cause an audit to be made, as of June 30th of each year, of the financial statements of all accounts, funds and other moneys in the care, custody or control of the regional superintendent of schools of each educational service region in the State and of each educational service center established in the School Code. The audit is to be conducted in accordance with Generally Accepted Government Auditing Standards. The Regional Office of Education or Educational Service Center may utilize a cash basis, modified cash basis, or generally accepted accounting principles (GAAP) basis of accounting to prepare the financial statements for audit. The ROE has chosen to use the cash basis of accounting for financial reporting.

In accordance with 105 ILCS 5/2-3.17a, the Auditor General has promulgated administrative rules and regulations to govern this process. Those rules, 74 Ill. Adm. Code 420.320 (c) (2), state that for audit purposes, each regional office of education and educational service center shall make available to the Auditor General or his designee all books and records deemed necessary to make and complete the required audits. The records shall be in auditable form by August 15 of the succeeding fiscal year. Financial reports are to be available no later than August 31 in order for the annual audit to be completed by an independent auditor selected by the Auditor General.

In addition, prudent business practices and transparency require timely preparation and completion of financial statements.

Condition:

The Regional Office of Education No. 24 did not provide completed financial statements in an auditable form by the August 31, 2023, deadline. The preliminary draft was provided to the auditors on November 29, 2023.

Effect:

When financial statements and records are not provided in a timely manner, delays in the audit occur and the usefulness of the financial statements and related findings resulting from the audit is impacted. Additionally, untimely financial statements could result in repercussions from granting agencies including a loss of funding.

Cause:

The Regional Office of Education No. 24 made changes to staff that handles the financials. A new Business Manager was hired along with an Office Assistant. Those two positions, along with the county paid employee, work together to reconcile all balances, complete payroll, and all other office financial information. The ROE contracts with a CPA firm to assist them with preparing the financial statements. The new ROE financial team has reconciled financials and is now currently on pace to meet the future deadlines.

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2023**

Section II – Financial Statement Findings (Continued)

FINDING NO. 2023-001 – Delay of Audit (Repeat of Prior Year Findings 22-001, 21-001, 20-001, 19-002 and 18-002) (Continued)

Recommendation:

The Regional Office of Education No. 24 should implement procedures to ensure compliance with 105 ILCS 5/2-3.17a and 74 Ill. Adm. Code 420.320 (c) (2). These financial statements need to be presented to the Auditor General’s independent auditors for audit by the August 31 deadline.

Management’s Response:

The new ROE financial team have made the necessary financial corrections. The team has reconciled financials and is now currently on pace to meet the future deadlines.

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2023**

Section II – Financial Statement Findings (Continued)

FINDING NO. 2023-002 – Controls over Financial Statement Preparation

Criteria/Specific Requirement:

The Regional Office of Education No. 24 is required to maintain a system of controls over the preparation of financial statements in accordance with the cash basis of accounting. The Regional Office’s internal controls over financial reporting should include adequately trained personnel with the knowledge, skills, and expertise to prepare and/or thoroughly review cash-basis financial statements to ensure that they are free of material misstatements and include all disclosures as required by the cash basis of accounting.

Condition:

The Regional Office does not have sufficient internal controls over the financial reporting process. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the cash-basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure errors and omissions in a timely manner. The Regional Office’s financial information required material adjusting and reclassifying entries to present the financial statements in accordance with the cash basis of accounting.

Effect:

Management or employees in the normal course of performing their assigned functions may not prevent or detect and correct financial statement misstatements and disclosure errors or omissions in a timely manner.

Cause:

The financial team discovered expenditures were incorrectly classified in the General Fund instead of the Education Fund grant programs. In addition, an error occurred with accounts being grouped on the financial statements.

Recommendation:

As a part of its internal control over the preparation of financial statements, including disclosures, the Regional Office of Education No. 24 should implement comprehensive preparation and/or review procedures to ensure that the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of applicable accounting principles and knowledge of the Regional Office of Education’s activities and operations.

Management’s Response:

The ROE financial team has corrected these errors and has established a protocol that has two different people viewing the classification of revenue and expenditures.

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**CORRECTIVE ACTION PLAN FOR
CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2023**

Corrective Action Plan

FINDING NO. 2023-001 – Delay of Audit (Repeat of Prior Year Findings 22-001, 21-001, 20-001, 19-002 and 18-002)

Condition:

The Regional Office of Education No. 24 did not provide completed financial statements in an auditable form by the August 31, 2023, deadline. The preliminary draft was provided to the auditors on November 29, 2023.

Plan:

The new ROE financial team have made the necessary financial corrections. The team has reconciled financials and is now currently on pace to meet the future deadlines.

Anticipated Date of Completion:

The new Business Manager was hired August 1, 2022. The Office Assistant was hired August 15, 2022. The team immediately began the work of getting back on schedule with the annual audits. The ROE has worked with a CPA firm and plans to be on schedule with the FY24 audit.

Name of contact person:

Honorable Christopher Mehochko, Regional Superintendent of Schools

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**CORRECTIVE ACTION PLAN FOR
CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2023**

FINDING NO. 2023-002 – Controls over Financial Statement Preparation

Condition:

The Regional Office does not have sufficient internal controls over the financial reporting process. While the Regional Office maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the cash-basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect and correct financial statement misstatements and disclosure errors and omissions in a timely manner. The Regional Office's financial information required material adjusting and reclassifying entries to present the financial statements in accordance with the cash basis of accounting.

Plan:

The ROE financial team has corrected these errors and has established a protocol that has two different people viewing the classification of revenue and expenditures.

Anticipated Date of Completion:

December 2023

Name of contact person:

Honorable Christopher Mehochko, Regional Superintendent of Schools.

**GRUNDY AND KENDALL COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 24**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the year ended June 30, 2023**

2022-002

Controls over Grant Compliance

Not repeated

During the current audit, audit testing results indicated that the Regional Office of Education No. 24 implemented corrective actions to improve controls over grant compliance. No noncompliance with grant expenditure reporting or budget requirements was noted.

BASIC FINANCIAL STATEMENTS

Grundy and Kendall Counties
Regional Office of Education No. 24
Cash Basis Statement of Activities and Net Position
As of and for the Year Ended June 30, 2023
Exhibit A

FUNCTIONS/PROGRAMS	Program Receipts			Net (Disbursements) Receipts and Changes in Cash Basis Net Position		
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Primary government:						
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 1,379,368	\$ 4,984	\$ 343,214	\$ (1,031,170)	\$ -	\$ (1,031,170)
Pension expense	7,953	44	1,171	(6,738)	-	(6,738)
OPEB expense	2,980	-	1,171	(1,809)	-	(1,809)
Purchased services	714,264	2,178	80,825	(631,261)	-	(631,261)
Supplies and materials	74,214	-	4,687	(69,527)	-	(69,527)
Other objects	4,097	1,507	-	(2,590)	-	(2,590)
Capital outlay	60,332	-	2,343	(57,989)	-	(57,989)
Intergovernmental:						
Payment to other government:	774,509	-	737,969	(36,540)	-	(36,540)
Administrative:						
On-behalf payments	435,744	-	-	(435,744)	-	(435,744)
Total governmental activities	<u>3,453,461</u>	<u>8,713</u>	<u>1,171,380</u>	<u>(2,273,368)</u>	<u>-</u>	<u>(2,273,368)</u>
Business-type activities:						
Professional development	33,590	31,905	-	-	(1,685)	(1,685)
Total primary government	<u>\$ 3,487,051</u>	<u>\$ 40,618</u>	<u>\$ 1,171,380</u>	<u>(2,273,368)</u>	<u>(1,685)</u>	<u>(2,275,053)</u>
General receipts:						
Local sources				380,978	-	380,978
State sources				1,768,318	-	1,768,318
On-behalf payments				435,744	-	435,744
Interest				19,427	-	19,427
Total general receipts				<u>2,604,467</u>	<u>-</u>	<u>2,604,467</u>
CHANGE IN CASH BASIS NET POSITION				331,099	(1,685)	329,414
CASH BASIS NET POSITION, BEGINNING OF YEAR				<u>1,345,017</u>	<u>55,697</u>	<u>1,400,714</u>
CASH BASIS NET POSITION, END OF YEAR				<u>\$ 1,676,116</u>	<u>\$ 54,012</u>	<u>\$ 1,730,128</u>
CASH BASIS NET POSITION						
Restricted				\$ 344,622	\$ -	\$ 344,622
Unrestricted				1,331,494	54,012	1,385,506
TOTAL CASH BASIS NET POSITION				<u>\$ 1,676,116</u>	<u>\$ 54,012</u>	<u>\$ 1,730,128</u>

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

**Grundy and Kendall Counties
Regional Office of Education No. 24
Governmental Funds**

**Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023**

Exhibit B

	Special Revenue Funds				Total Governmental Funds
	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	
RECEIPTS					
Local sources	\$ 270,877	\$ -	\$ 110,101	\$ 8,713	\$ 389,691
State sources	1,768,318	726,108	-	1,780	2,496,206
Federal sources	-	443,492	-	-	443,492
Interest	15,591	-	3,539	297	19,427
On-behalf payments	290,941	-	-	-	290,941
Total receipts	<u>2,345,727</u>	<u>1,169,600</u>	<u>113,640</u>	<u>10,790</u>	<u>3,639,757</u>
DISBURSEMENTS					
Instructional services:					
Salaries and benefits	1,025,298	340,543	-	13,527	1,379,368
Pension expense	6,249	1,590	-	114	7,953
OPEB expense	1,515	1,465	-	-	2,980
Purchased services	527,510	78,610	102,231	5,913	714,264
Supplies and materials	69,239	4,975	-	-	74,214
Other objects	-	-	-	4,097	4,097
Intergovernmental:					
Payments to other governments	40,000	734,509	-	-	774,509
Administrative					
On-behalf payments	290,941	-	-	-	290,941
Capital outlay	58,117	2,215	-	-	60,332
Total disbursements	<u>2,018,869</u>	<u>1,163,907</u>	<u>102,231</u>	<u>23,651</u>	<u>3,308,658</u>
CHANGES IN CASH AND CASH EQUIVALENTS	326,858	5,693	11,409	(12,861)	331,099
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,133,789</u>	<u>(85,454)</u>	<u>295,638</u>	<u>1,044</u>	<u>1,345,017</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,460,647</u>	<u>\$ (79,761)</u>	<u>\$ 307,047</u>	<u>\$ (11,817)</u>	<u>\$ 1,676,116</u>
CASH BASIS FUND BALANCES					
Restricted	\$ -	\$ 21,510	\$ 307,047	\$ 16,065	\$ 344,622
Assigned	776,202	-	-	-	776,202
Unassigned	684,445	(101,271)	-	(27,882)	555,292
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,460,647</u>	<u>\$ (79,761)</u>	<u>\$ 307,047</u>	<u>\$ (11,817)</u>	<u>\$ 1,676,116</u>

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

Grundy and Kendall Counties
Regional Office of Education No. 24
Proprietary Funds
Statement of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Exhibit C

	Business-type Activities				Totals
	Nonmajor Enterprise Funds				
	Criminal Backgrounds	Grundy County Summer School	Will County Summer School	Professional Teaching and Training Center	
OPERATING RECEIPTS					
Charges for services					
Tuition	\$ -	\$ 950	\$ -	\$ -	\$ 950
Registration fees	21,282	-	-	9,673	30,955
Total operating receipts	<u>21,282</u>	<u>950</u>	<u>-</u>	<u>9,673</u>	<u>31,905</u>
OPERATING DISBURSEMENTS					
Salaries and benefits	-	17,297	-	-	17,297
Pension expense	-	87	-	-	87
Purchased services	16,162	25	-	19	16,206
Total operating disbursements	<u>16,162</u>	<u>17,409</u>	<u>-</u>	<u>19</u>	<u>33,590</u>
CHANGES IN CASH AND CASH EQUIVALENTS	5,120	(16,459)	-	9,654	(1,685)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>38,042</u>	<u>(12,495)</u>	<u>348</u>	<u>29,802</u>	<u>55,697</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 43,162</u>	<u>\$ (28,954)</u>	<u>\$ 348</u>	<u>\$ 39,456</u>	<u>\$ 54,012</u>
CASH BASIS NET POSITION					
Unrestricted	<u>\$ 43,162</u>	<u>\$ (28,954)</u>	<u>\$ 348</u>	<u>\$ 39,456</u>	<u>\$ 54,012</u>

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

Grundy and Kendall Counties
Regional Office of Education No. 24
Fiduciary Funds
Statement of Cash Additions, Deductions, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Exhibit D

	<u>Private Purpose Scholarship Funds</u>		<u>Custodial Fund</u>	
	<u>Martha Slyther Scholarship Fund</u>	<u>Community Foundation Scholarship Fund</u>	<u>Distributive Fund</u>	<u>Total</u>
ADDITIONS				
Grants and other collections from other governments	\$ 259	\$ -	\$ 2,423,164	\$ 2,423,423
DEDUCTIONS				
Payments of grants and others to other government	1,065	-	2,626,092	2,627,157
CHANGE IN CASH AND CASH EQUIVALENTS	(806)	-	(202,928)	(203,734)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	8,454	500	316,992	325,946
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 7,648</u>	<u>\$ 500</u>	<u>\$ 114,064</u>	<u>\$ 122,212</u>
CASH BASIS FUND BALANCES				
Restricted for scholarships	\$ 7,648	\$ 500	\$ -	\$ 8,148
Restricted for other governments	-	-	114,064	114,064
TOTAL CASH BASIS FUND BALANCES	<u>\$ 7,648</u>	<u>\$ 500</u>	<u>\$ 114,064</u>	<u>\$ 122,212</u>

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

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Grundy and Kendall Counties Regional Office of Education No. 24 (Regional Office of Education No. 24) was formed under the provisions of the State of Illinois, Illinois State Board of Education. As discussed further, the financial statements are prepared on the cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP).

A. Reporting Entity

The Regional Office of Education No. 24 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Grundy and Kendall counties.

The Regional Superintendent of Schools is the chief administrative officer of the region and is elected to the position for a four-year term. The Regional Superintendent is responsible for the supervision and control of the school districts.

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art, and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health, and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report.

The Regional Office of Education No. 24 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters. The Regional Office of Education No. 24 exercises no oversight responsibility on financial interdependency, selection of governing authority, designation of management or the ability to significantly influence the operations of any other outside agencies. Control or dependency is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing order. Therefore, no other agency has been included as a component unit in the Regional Office of Education No. 24's financial statements. In addition, the Regional Office of Education No. 24 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education No. 24 being considered a component unit of another entity.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

Government-wide Financial Statement

The government-wide financial statement (i.e., Cash Basis Statement of Activities and Net Position) reports information on all of the nonfiduciary activities of the Regional Office of Education No. 24. For the most part, the effect of interfund activity has been removed from this statement. Governmental activities, which are normally supported by intergovernmental and local revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function or segment is offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts 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 or capital requirements of a particular function. Other items not properly included among program receipts are reported instead as general receipts.

Fund Financial Statement

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

The Regional Office of Education No. 24 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education No. 24 and is used to account for all financial resources except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the Regional Office of Education No. 24. Included in this fund are:

General School Fund - To account for the general operating fund. It has been used to record transactions in connection with general administrative activities.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payroll - To account for income received for and expenses paid for the payroll for certain employees who are paid by Grundy and Kendall Counties.

Grundy/Kendall Counties State Aid - To account for grant monies received for, and payment of expenditures for the unrestricted State grant-in aid to school districts which are directly received from the Illinois State Board of Education (ISBE).

Premier Local Revenue - To account for funds collected from students at the Morris campus to promote students' attendance and involvement.

Outdoor Education Cooperative - To account for funds received and disbursed for the Outdoor Education Cooperative.

Kendall County Special Education Cooperative - To account for funds received and disbursed for the Special Education Cooperative.

Distributive Interest Fund - To account for interest received on Distributive Fund assets to fund existing programs.

Education Fund - This special revenue 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 as follows:

Workforce Investment Act (WIA) Grant - To account for federal monies received and payment of expenditures for the Workforce Investment Act passed through Kane County. Training programs include tutoring, mentoring, and study skills training for underprivileged youth.

Truants Alternative and Optional Education Program (TAOEP) - To account for grant monies received for, and payment of expenditures for TAOEP. This program provides assistance to students and families when students have excessive absenteeism.

McKinney - Vento Education for Homeless Children and Youth - To account for grant monies received for and payment of expenditures associated with a federal program designed to provide counseling and educational support to homeless children and their families. The programs are funded by a Federal Stewart B. McKinney Education for Homeless Children and Youth Grant passed through the Will County Regional Office of Education No. 56.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ROE/ISC Operations - To account for monies passed through to the Professional Development Alliance.

Title II - Teacher Quality - Leadership Grant - To account for monies received from the State (federal dollars) to support school improvement services for schools in academic difficulty.

Regional Safe School - To account for the administration of monies to be used for the Regional Safe Schools Program Fund received from the ISBE. This fund is an alternative schooling program for disruptive youth, creating alternative placement for those students who are suspended and/or are deemed ineligible.

Digital Equity - To account for grant monies received for, and payment of expenditures in closing the digital divide and enabling digital-age teaching and learning.

American Rescue Plan - McKinney Vento - To account for grant monies received for, and payment of, disbursements for homeless children and youth due to novel coronavirus disease 2019 (COVID-19).

Elementary and Secondary School Emergency Relief I (ESSER I) - To account for grant monies received, and disbursements paid 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) - To account for grant monies received, and disbursements paid for emergency assistance as a result of the COVID-19 under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act enacted on December 27, 2020.

Emergency Assistance for Nonpublic Schools - To account for emergency assistance provided by the Governor as a result of the COVID-19 to Grundy and Kendall counties.

Institute Fund - This special revenue fund accounts for teacher licenses registration, issuance, and evaluation fees for processing licenses, and expenses of meetings of a professional nature. All funds generated remain restricted until expended only on the aforementioned activities.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Regional Office of Education No. 24 reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific receipt sources that are restricted or committed to disbursements for specific purposes other than debt service or capital projects. Included among these funds are:

School Bus Driver - To account for bus drivers' permit fees which may be expended for bus drivers' refresher courses.

General Education Development (GED) - To account for the Regional Office of Education's administration of the GED Testing Program. Revenues are received from testing and diploma fees.

Proprietary Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (disbursements) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of receipts and disbursements are appropriate for capital maintenance, public policy, management control accountability, or other purposes.

The Regional Office of Education No. 24 reports the following nonmajor proprietary funds:

Criminal Backgrounds - To account for receipts and disbursements associated with criminal background checks conducted by the Regional Office.

Grundy County Summer School - To account for receipts and disbursements associated with summer school programs conducted by the Grundy and Kendall Counties Regional Office of Education No. 24.

Will County Summer School - To account for receipts and disbursements associated with Will County summer school programs conducted by the Grundy and Kendall Counties Regional Office of Education No. 24.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Professional Training and Teaching Center (PTTC) - To account for receipts and disbursements associated with professional exams.

Fiduciary Funds

Fiduciary funds reporting focus 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. The Regional Office of Education No. 24 fiduciary funds include the following:

Private Purpose Scholarship Funds - To account for assets held by Regional Office of Education No. 24 under trust agreements which require income earned to be used to benefit individuals through scholarship awards. Private purpose scholarship funds include the following:

Martha Slyther Scholarship Fund - To account for the Martha Slyther Scholarship Fund which was received from an estate to be used for the purpose of providing scholarships to students in Kendall County.

Community Foundation Scholarship Fund - To account for the Community Foundation Scholarship Fund which was received from an individual to be used for the purpose of providing scholarships to students going into the medical field.

Custodial Fund - is used to report fiduciary activities that are not required to be reported in a trust fund. The Regional Office of Education No. 24's custodial fund accounts for amounts collected and distributed on behalf of another government or organization. The Regional Office of Education No. 24 maintains the following custodial fund:

Distributive Fund - To account for funds received and disbursed as a result of the Superintendent's responsibility to receive and distribute to treasurers of school districts and other agencies, monies due them from general State aid, State categorical grants, and various other sources.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting

The Regional Office of Education No. 24 maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Regional Office of Education No. 24 are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. In addition, other economic assets, deferred outflow of resources, liabilities, and deferred inflow of resources that do not arise from a cash transaction or event are not reported. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with GAAP.

The Regional Office of Education No. 24 records on-behalf payments made by Grundy and Kendall Counties and the State as receipts and disbursements.

Under the terms of grant agreements, the Regional Office of Education No. 24 funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the Regional Office of Education No. 24's policy to first apply cost-reimbursement grant resources to such programs and then general receipts.

When a reimbursement in governmental funds can be paid using either restricted or unrestricted resources, the Regional Office of Education No. 24's policy is generally to first apply the disbursement toward restricted fund balance and then to unrestricted classification, committed, assigned, and then unassigned fund balances.

Proprietary funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the Regional Office of Education No. 24's enterprise fund are charges to customers for sales and services. Operating disbursements for the enterprise fund include the cost of sales and services, and administrative expenses. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements.

D. Cash and Cash Equivalents

The Regional Office of Education No. 24 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

of 90 days or less to be cash and cash equivalents. State regulations require that Regional Office of Education No. 24 deposit funds under its control into accounts insured by the federal governments, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

Statutes authorize the Regional Office of Education No. 24 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

E. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statement is reported in the same manner as general receipts.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

F. Governmental Cash Basis Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Regional Office of Education No. 24 is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable Fund Balance - the portion of a governmental fund's fund balance 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 fund balance that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Truants Alternative and Optional Educational Program,

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

McKinney - Vento Education for Homeless Children and Youth, Title II - Teacher Quality - Leadership Grant, and American Rescue Plan - McKinney Vento. The following funds are restricted by Illinois Statute: Institute and School Bus Driver.

Committed Fund Balance - the portion of a governmental fund's fund balance with self-imposed constraints or limitations that have been placed 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 fund balance 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 following accounts comprise assigned fund balance: Grundy/Kendall Counties State Aid, Outdoor Education Cooperative, and Kendall County Special Education Cooperative.

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is made up of General School Fund, Payroll, Premier Local Revenue, WIA Grant, Regional Safe School, Digital Equity, Emergency Assistance for Nonpublic Schools, General Education Development, and Distributive Interest Fund.

G. Compensated Absences

Non-certified and certified employees who work 12 calendar months earn up to 20 vacation days for a full year of service. The accumulated total of vacation days may never exceed 30 days. In the event that a program terminates, no vacation days will be honored past the ending date of the program. Certified employees who work less than 12 calendar months per year do not earn vacation days, and therefore, no liability is accrued.

Employees receive up to 12 sick days annually and the unused portion is accumulated up to 180 days and carried forward. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay, and therefore, no liability is accrued.

H. Employer Contributions to Pension and OPEB Plans

The Regional Office of Education No. 24 recognizes the disbursement for employer contributions to pension and other employer postemployment

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

benefits (OPEB) plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for OPEB.

I. Budgets and Budgetary Accounting

The Regional Office of Education No. 24 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from State and federal agencies, primarily the ISBE, are prepared and submitted to the granting agencies for approval as part of the grant awards process. The granting agencies must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules has been presented for the following grants: WIA Grant, Truants Alternative and Optional Education Program, McKinney - Vento Education for Homeless Children and Youth, ROE/ISC Operations, Regional Safe School, Digital Equity, American Rescue Plan - McKinney Vento, ESSER I, and ESSER II.

J. New Accounting Pronouncements

In 2023, the Regional Office of Education No. 24 implemented GASB Statement No. 91, *Conduit Debt Obligation*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Available Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and applicable sections of GASB No. 99, *Omnibus 2022*. The implementation of these statements did not have a significant effect on the Regional Office of Education No. 24's financial statements.

K. Interest on Distributive Fund Accounts

The Regional Office of Education No. 24 has agreements with all districts in the region whereby the Regional Office of Education No. 24 is allowed to keep the interest received on Distributive Fund receipts for expenditures benefiting all districts.

NOTE 2 CASH AND CASH EQUIVALENTS

The deposit of the ROE monies is governed by the provisions of the Illinois Compiled Statutes.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 2 CASH AND CASH EQUIVALENTS (Continued)

Deposits

At June 30, 2023, the carrying amount of the Regional Office of Education No. 24's governmental activities, business-type activities, and fiduciary funds were \$1,676,116, \$54,012, and \$122,212, respectively. The bank balances totaled \$1,957,884, of which \$532,671 was covered by FDIC insurance, \$1,425,213 was collateralized.

At June 30, 2023, the carrying amount of the Regional Office of Education No. 24's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$119,135. The bank balance invested in the Illinois Funds Money Market Fund was \$119,135. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 24's governmental activities.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Regional Office of Education No. 24's deposits may not be returned to it. The Regional Office of Education No. 24 does not have a deposit policy for custodial risk.

Credit Risk. At June 30, 2023, the Illinois Funds Money Market Fund had a Fitch's AAmmf rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

Interest Rate Risk. The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market Fund states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Concentration of Credit Risk. Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund's investment policy limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 3 RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The Regional Office of Education No. 24 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education No. 24 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

NOTE 4 CONTINGENCIES

The Regional Office of Education No. 24 has received funding from Federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education No. 24 believes any adjustments that may arise will be insignificant to the Regional Office of Education No. 24's operations.

NOTE 5 BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education No. 24 to execute a bond of not less than \$100,000 on the Regional Superintendent.

The Regional Office of Education No. 24 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

NOTE 6 RETIREMENT FUND COMMITMENTS

Teachers' Retirement System of the State of Illinois

Plan Description

The Regional Office of Education No. 24 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. 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 <http://trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

NOTE 6 RETIREMENT FUND COMMITMENTS (Continued)

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 from 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 in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 member to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum 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.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 6 RETIREMENT FUND COMMITMENTS (Continued)

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, 2023, 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 Regional Office of Education No. 24.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 24. For the year ended June 30, 2023, State of Illinois contributions recognized by the Regional Office of Education No. 24 were based on the State's proportionate share of the pension expense associated with the Regional Office of Education No. 24, and the Regional Office of Education No. 24 recognized revenue and expenditures of \$216,167 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, 2023 were \$2,806.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 24, there is a statutory requirement for the Regional Office of Education No. 24 to pay an employer pension 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, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, 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 Regional Office of Education No. 24 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.

NOTE 6 RETIREMENT FUND COMMITMENTS (Continued)

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, 2023, the Regional Office of Education No. 24 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.

Illinois Municipal Retirement Fund

IMRF Plan Description

The Regional Office of Education No. 24's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education No. 24's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple employer public pension fund. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this note. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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

NOTE 6 RETIREMENT FUND COMMITMENTS (Continued)

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.

Contributions

As set by statute, the Regional Office of Education No. 24'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 ROE's annual contribution rate for calendar year 2022 was 0.83%. For fiscal year 2023, the Regional Office of Education No. 24 contributed \$5,147 to the plan. The Regional Office of Education No. 24 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.

Social Security

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

NOTE 7 OTHER POST EMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

Plan Description

The Regional Office of Education No. 24 participates in the Teacher's 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 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 Regional Office of Education No. 24. For the year ended June 30, 2023, State of Illinois contributions recognized by the Regional Office of Education No. 24 were based on the State's proportionate share of the collective net OPEB liability associated with the Regional Office of Education No. 24, and recognized receipts and disbursements of \$71,364 in OPEB benefit from the State of Illinois.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Regional Office of Education No. 24 Contributions to the THIS Fund

The Regional Office of Education No. 24 also makes contributions to THIS Fund. The Regional Office of Education No. 24 THIS Fund contribution was 0.67 percent during the year ended June 30, 2023 and 0.67, 0.92, 0.92, 0.92, 0.88, and 0.84 percent during the years ended June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, and, June 30, 2017, respectively. For the year ended June 30, 2023, the Regional Office of Education No. 24 paid \$2,980 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, and June 30, 2017, the Regional Office of Education No. 24 paid \$3,251, \$3,685, \$4,510, \$4,095, \$3,517, and \$3,402, to the THIS Fund, respectively, which was 100 percent of the required contribution.

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.”

NOTE 8 DEFICIT FUND BALANCES AND NET POSITION

The following individual funds carried the following deficit balances and net position as of June 30, 2023.

<u>Funds</u>	<u>Amount</u>
General Fund:	
Payroll	\$ 16,949
Education Fund:	
WIA Grant	49,953
Regional Safe School	7,940
Digital Equity	3,110
Emergency Assistance for Nonpublic Schools	40,268
Nonmajor Special Revenue Fund:	
General Education Development	27,882
Nonmajor Enterprise Fund:	
Grundy County Summer School	28,954
Total	<u>\$ 175,056</u>

The Regional Office of Education No. 24 anticipates reduction of expenditures or transfers of unrestricted funds will also be taken to reduce deficit fund balances.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 9 ON-BEHALF CONTRIBUTIONS

The State of Illinois paid the following salary and benefit contributions on-behalf of the Regional Office of Education No. 24:

Regional Superintendent Salary	\$	127,908
Assistant Regional Superintendent Salary		115,116
Regional Superintendent Benefits (includes State paid insurance)		40,650
Assistant Regional Superintendent Benefits (includes State paid insurance)		7,267
Total	\$	<u>290,941</u>

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the ISBE. The Regional Office of Education No. 24 recorded the on-behalf payments as both receipts and disbursements in the General Fund.

The Regional Office of Education No. 24 also recorded \$144,803 in receipts and disbursements as on-behalf payments from ISBE for the Regional Office of Education No. 24's share of the State's TRS pension expense and THIS OPEB benefit in the Statement of Activities. In addition, the Regional Office of Education No. 24 has not included any on-behalf payments related to the State's TRS pension expense and THIS OPEB benefit for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$	290,941
Regional Office of Education No. 24's share of TRS pension expense		216,167
Regional Office of Education No. 24's share of THIS Fund OPEB benefit		<u>(71,364)</u>
Total	\$	<u>435,744</u>

NOTE 10 LEASE COMMITMENT

The Regional Office of Education No. 24 extended its lease agreement for its alternative school location. The new lease term is July 1, 2023 through June 30, 2027. The agreement provides for a four-year extension and the landlord is to make certain leasehold improvements to the structure. The agreement required the Regional Office to place the sum of \$494,802 into a Strict Joint Order Escrow investment account upon execution of the lease. This amount will be decreased by base rent of \$131,714 each year. This will increase each year by the Consumer Price Index for all Urban Consumers (CPI-U).

Rental expense for the year ended June 30, 2023 was \$100,000.

**Grundy and Kendall Counties
Regional Office of Education No. 24
Notes to the Financial Statements
June 30, 2023**

NOTE 10 LEASE COMMITMENT (Continued)

Future minimum base rent payments to be paid by the Regional Office of Education No. 24 are as follows:

For the Years Ending June 30,	Amount
2024	\$ 100,000
2025	100,000
2026	100,000
2027	100,000
Total	<u>\$ 400,000</u>

NOTE 11 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 21, 2024, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Grundy and Kendall Counties
Regional Office of Education No. 24
General Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 1

	<u>General School Fund</u>	<u>Payroll</u>	<u>Grundy/Kendall Counties State Aid</u>	<u>Premier Local Revenue</u>
RECEIPTS				
Local sources	\$ 16,431	\$ 140,146	\$ -	\$ 1,160
State sources	-	-	1,768,318	-
On-behalf payments	290,941	-	-	-
Interest	9,806	-	-	-
Total receipts	<u>317,178</u>	<u>140,146</u>	<u>1,768,318</u>	<u>1,160</u>
DISBURSEMENTS				
Instructional services:				
Salaries and benefits	-	128,955	804,511	-
Pension expense	-	451	5,798	-
OPEB expense	-	-	1,515	-
Purchased services	16,520	-	468,371	-
Supplies and materials	799	-	67,718	327
Intergovernmental:				
Payments to other governments	-	-	40,000	-
Administrative:				
On-behalf payments	290,941	-	-	-
Capital outlay	-	-	58,117	-
Total disbursements	<u>308,260</u>	<u>129,406</u>	<u>1,446,030</u>	<u>327</u>
CHANGE IN CASH AND CASH EQUIVALENTS	8,918	10,740	322,288	833
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>654,150</u>	<u>(27,689)</u>	<u>423,183</u>	<u>31,466</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 663,068</u>	<u>\$ (16,949)</u>	<u>\$ 745,471</u>	<u>\$ 32,299</u>
CASH BASIS FUND BALANCES				
Assigned	\$ -	\$ -	\$ 745,471	\$ -
Unassigned	663,068	(16,949)	-	32,299
TOTAL CASH BASIS FUND BALANCES	<u>\$ 663,068</u>	<u>\$ (16,949)</u>	<u>\$ 745,471</u>	<u>\$ 32,299</u>

Grundy and Kendall Counties
Regional Office of Education No. 24
General Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 1 (Continued)

	Outdoor Education Cooperative	Kendall County Special Education Cooperative	Distributive Interest Fund	Totals
RECEIPTS				
Local sources	\$ 113,140	\$ -	\$ -	\$ 270,877
State sources	-	-	-	1,768,318
On-behalf payments	-	-	-	290,941
Interest	-	-	5,785	15,591
Total receipts	<u>113,140</u>	<u>-</u>	<u>5,785</u>	<u>2,345,727</u>
DISBURSEMENTS				
Instructional services:				
Salaries and benefits	91,832	-	-	1,025,298
Pension expense	-	-	-	6,249
OPEB expense	-	-	-	1,515
Purchased services	42,619	-	-	527,510
Supplies and materials	395	-	-	69,239
Intergovernmental:				
Payments to other governments	-	-	-	40,000
Administrative:				
On-behalf payments	-	-	-	290,941
Capital outlay	-	-	-	58,117
Total disbursements	<u>134,846</u>	<u>-</u>	<u>-</u>	<u>2,018,869</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(21,706)	-	5,785	326,858
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>27,846</u>	<u>24,591</u>	<u>242</u>	<u>1,133,789</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 6,140</u>	<u>\$ 24,591</u>	<u>\$ 6,027</u>	<u>\$ 1,460,647</u>
CASH BASIS FUND BALANCES				
Assigned	\$ 6,140	\$ 24,591	\$ -	\$ 776,202
Unassigned	-	-	6,027	684,445
TOTAL CASH BASIS FUND BALANCES	<u>\$ 6,140</u>	<u>\$ 24,591</u>	<u>\$ 6,027</u>	<u>\$ 1,460,647</u>

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 2

	<u>WIA Grant</u>	<u>Truants Alternative and Optional Education Program</u>	<u>McKinney - Vento Education for Homeless Children and Youth</u>	<u>ROE/ISC Operations</u>	<u>Title II - Teacher Quality - Leadership Grant</u>	<u>Regional Safe School</u>
RECEIPTS						
State sources	\$ -	\$ 129,884	\$ -	\$ 444,893	\$ -	\$ 151,331
Federal sources	144,257	-	12,000	-	-	-
Total receipts	<u>144,257</u>	<u>129,884</u>	<u>12,000</u>	<u>444,893</u>	<u>-</u>	<u>151,331</u>
DISBURSEMENTS						
Instructional services:						
Salaries and benefits	104,595	115,868	12,652	-	-	104,928
Pension expense	459	446	38	-	-	647
OPEB expense	-	519	-	-	-	946
Purchased services	27,989	2,340	3,160	-	-	33,570
Supplies and materials	2,570	772	150	-	-	-
Intergovernmental:						
Payments to other governments	-	-	-	444,893	-	-
Capital outlay	-	-	-	-	-	-
Total disbursements	<u>135,613</u>	<u>119,945</u>	<u>16,000</u>	<u>444,893</u>	<u>-</u>	<u>140,091</u>
CHANGE IN CASH AND CASH EQUIVALENTS	8,644	9,939	(4,000)	-	-	11,240
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>(58,597)</u>	<u>4,612</u>	<u>5,436</u>	<u>-</u>	<u>3,842</u>	<u>(19,180)</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ (49,953)</u>	<u>\$ 14,551</u>	<u>\$ 1,436</u>	<u>\$ -</u>	<u>\$ 3,842</u>	<u>\$ (7,940)</u>
CASH BASIS FUND BALANCES						
Restricted	\$ -	\$ 14,551	\$ 1,436	\$ -	\$ 3,842	\$ -
Unassigned	(49,953)	-	-	-	-	(7,940)
TOTAL CASH BASIS FUND BALANCES	<u>\$ (49,953)</u>	<u>\$ 14,551</u>	<u>\$ 1,436</u>	<u>\$ -</u>	<u>\$ 3,842</u>	<u>\$ (7,940)</u>

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 2 (Continued)

	<u>Digital Equity</u>	<u>American Rescue Plan - McKinney Vento</u>	<u>ESSER I</u>	<u>ESSER II</u>	<u>Emergency Assistance for Nonpublic Schools</u>	<u>Totals</u>
RECEIPTS						
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 726,108
Federal sources	28,173	5,000	2,215	3,983	247,864	443,492
Total receipts	<u>28,173</u>	<u>5,000</u>	<u>2,215</u>	<u>3,983</u>	<u>247,864</u>	<u>1,169,600</u>
DISBURSEMENTS						
Instructional services:						
Salaries and benefits	-	-	-	2,500	-	340,543
Pension expense	-	-	-	-	-	1,590
OPEB expense	-	-	-	-	-	1,465
Purchased services	9,112	2,439	-	-	-	78,610
Supplies and materials	-	-	-	1,483	-	4,975
Intergovernmental:						
Payments to other governments	-	-	-	-	289,616	734,509
Capital outlay	-	-	2,215	-	-	2,215
Total disbursements	<u>9,112</u>	<u>2,439</u>	<u>2,215</u>	<u>3,983</u>	<u>289,616</u>	<u>1,163,907</u>
CHANGE IN CASH AND CASH EQUIVALENTS	19,061	2,561	-	-	(41,752)	5,693
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>(22,171)</u>	<u>(880)</u>	<u>-</u>	<u>-</u>	<u>1,484</u>	<u>(85,454)</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ (3,110)</u>	<u>\$ 1,681</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (40,268)</u>	<u>\$ (79,761)</u>
CASH BASIS FUND BALANCES						
Restricted	\$ -	\$ 1,681	\$ -	\$ -	\$ -	\$ 21,510
Unassigned	(3,110)	-	-	-	(40,268)	(101,271)
TOTAL CASH BASIS FUND BALANCES	<u>\$ (3,110)</u>	<u>\$ 1,681</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (40,268)</u>	<u>\$ (79,761)</u>

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Budgetary Comparison Schedule
As of and for the Year Ended June 30, 2023
Schedule 3

	WIA Grant				Truants Alternative and Optional Education Program			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 119,763	\$ 119,945	\$ 129,884	\$ 9,939
Federal sources	176,000	149,619	144,257	(5,362)	-	-	-	-
Total receipts	176,000	149,619	144,257	(5,362)	119,763	119,945	129,884	9,939
DISBURSEMENTS								
Instructional services:								
Salaries and benefits	106,222	65,124	104,595	(39,471)	116,962	116,730	115,868	862
Pension expense	-	-	459	(459)	-	-	446	(446)
OPEB expense	-	-	-	-	-	-	519	(519)
Purchased services	68,822	84,289	27,989	56,300	2,393	2,443	2,340	103
Supplies and materials	956	206	2,570	(2,364)	408	772	772	-
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	176,000	149,619	135,613	14,006	119,763	119,945	119,945	-
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	8,644	\$ 8,644	\$ -	\$ -	9,939	\$ 9,939
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			<u>(58,597)</u>				<u>4,612</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ (49,953)</u>				<u>\$ 14,551</u>	

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Budgetary Comparison Schedule
As of and for the Year Ended June 30, 2023
Schedule 3 (Continued)

	McKinney - Vento Education for Homeless Children and Youth				ROE/ISC Operations			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 444,893	\$ 444,893	\$ 444,893	\$ -
Federal sources	16,000	16,000	12,000	(4,000)	-	-	-	-
Total receipts	16,000	16,000	12,000	(4,000)	444,893	444,893	444,893	-
DISBURSEMENTS								
Instructional services:								
Salaries and benefits	12,690	12,690	12,652	38	363,889	339,507	-	339,507
Pension expense	-	-	38	(38)	-	-	-	-
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	3,160	3,160	3,160	-	68,355	68,328	-	68,328
Supplies and materials	150	150	150	-	12,649	37,058	-	37,058
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	444,893	(444,893)
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	16,000	16,000	16,000	-	444,893	444,893	444,893	-
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	(4,000)	\$ (4,000)	\$ -	\$ -	-	\$ -
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			5,436				-	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 1,436</u>				<u>\$ -</u>	

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Budgetary Comparison Schedule
As of and for the Year Ended June 30, 2023
Schedule 3 (Continued)

	Regional Safe School				Digital Equity			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 140,090	\$ 140,090	\$ 151,331	\$ 11,241	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	31,284	31,284	28,173	(3,111)
Total receipts	140,090	140,090	151,331	11,241	31,284	31,284	28,173	(3,111)
DISBURSEMENTS								
Instructional services:								
Salaries and benefits	109,559	109,559	104,928	4,631	-	-	-	-
Pension expense	-	-	647	(647)	-	-	-	-
OPEB expense	-	-	946	(946)	-	-	-	-
Purchased services	30,531	30,531	33,570	(3,039)	10,702	10,702	9,112	1,590
Supplies and materials	-	-	-	-	20,582	20,582	-	20,582
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	140,090	140,090	140,091	(1)	31,284	31,284	9,112	22,172
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	11,240	\$ 11,240	\$ -	\$ -	19,061	\$ 19,061
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			<u>(19,180)</u>				<u>(22,171)</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ (7,940)</u>				<u>\$ (3,110)</u>	

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Budgetary Comparison Schedule
As of and for the Year Ended June 30, 2023
Schedule 3 (Continued)

	American Rescue Plan - McKinney Vento				ESSER I			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	20,000	20,000	5,000	(15,000)	2,215	2,215	2,215	-
Total receipts	20,000	20,000	5,000	(15,000)	2,215	2,215	2,215	-
DISBURSEMENTS								
Instructional services:								
Salaries and benefits	-	-	-	-	-	-	-	-
Pension expense	-	-	-	-	-	-	-	-
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	20,000	20,000	2,439	17,561	-	-	-	-
Supplies and materials	-	-	-	-	-	-	-	-
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	2,215	2,215	2,215	-
Total disbursements	20,000	20,000	2,439	17,561	2,215	2,215	2,215	-
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	2,561	<u>\$ 2,561</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			(880)				-	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 1,681</u>				<u>\$ -</u>	

Grundy and Kendall Counties
Regional Office of Education No. 24
Education Fund
Budgetary Comparison Schedule
As of and for the Year Ended June 30, 2023
Schedule 3 (Continued)

	ESSER II			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
RECEIPTS				
State sources	\$ -	\$ -	\$ -	\$ -
Federal sources	14,582	14,582	3,983	(10,599)
Total receipts	14,582	14,582	3,983	(10,599)
DISBURSEMENTS				
Instructional services:				
Salaries and benefits	2,500	2,500	2,500	-
Pension expense	-	-	-	-
OPEB expense	-	-	-	-
Purchased services	10,000	10,000	-	10,000
Supplies and materials	2,082	2,082	1,483	599
Intergovernmental:				
Payment to other governments	-	-	-	-
Capital outlay	-	-	-	-
Total disbursements	14,582	14,582	3,983	10,599
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	-	\$ -
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			-	
CASH AND CASH EQUIVALENTS, END OF YEAR			\$ -	

**Grundy and Kendall Counties
Regional Office of Education No. 24
Nonmajor Special Revenue Funds
Combining Statement of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 4**

	<u>School Bus Driver</u>	<u>General Education Development</u>	<u>Totals</u>
RECEIPTS			
Local sources	\$ 7,330	\$ 1,383	\$ 8,713
State sources	1,780	-	1,780
Interest	297	-	297
Total receipts	<u>9,407</u>	<u>1,383</u>	<u>10,790</u>
DISBURSEMENTS			
Instructional services:			
Salaries and benefits	-	13,527	13,527
Pension expense	-	114	114
Purchased services	5,875	38	5,913
Other objects	4,097	-	4,097
Total disbursements	<u>9,972</u>	<u>13,679</u>	<u>23,651</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(565)	(12,296)	(12,861)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>16,630</u>	<u>(15,586)</u>	<u>1,044</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 16,065</u>	<u>\$ (27,882)</u>	<u>\$ (11,817)</u>
CASH BASIS FUND BALANCES			
Restricted - others	\$ 16,065	\$ -	\$ 16,065
Unassigned	-	(27,882)	(27,882)
TOTAL CASH BASIS FUND BALANCES	<u>\$ 16,065</u>	<u>\$ (27,882)</u>	<u>\$ (11,817)</u>