

**Iroquois and
Kankakee Counties
Regional Office of
Education No. 32**

FINANCIAL AUDIT
(In Accordance with the
Uniform Guidance)

**FOR THE YEAR ENDED
JUNE 30, 2022**

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

Iroquois and Kankakee Counties Regional Office of Education No. 32

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**Iroquois and Kankakee Counties Regional Office of Education No. 32
Officials**

Regional Superintendent
(August 1, 2022 to current)

Mr. Frank Petkunas

Regional Superintendent
(During the audit period through July 31, 2022)

Dr. Gregg Murphy

Assistant Regional Superintendent
(August 1, 2022 to current)

Ms. Patricia High

Assistant Regional Superintendent
(During the audit period through July 31, 2022)

Mr. Frank Petkunas

Office is located at:

1 Stuart Drive
Kankakee, Illinois 60901

**Iroquois and Kankakee Counties Regional Office of Education No. 32
Compliance Report Summary**

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

AUDITOR’S REPORT

The auditor’s reports on compliance and internal controls 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	1	1
Repeated audit findings	1	1
Prior recommendations implemented or not repeated	–	2

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>Findings (Government Auditing Standards)</i>			
2022-001	13	Controls over Financial Statement Preparation	Significant Deficiency
<i>Findings and Questioned Costs (Federal Compliance)</i>			
None			
<i>Prior Audit Findings Not Repeated (Government Auditing Standards)</i>			
None			
<i>Prior Audit Findings Not Repeated (Federal Compliance)</i>			
None			

EXIT CONFERENCE

The finding and recommendation appearing in this report was discussed with Agency personnel at an exit conference on March 21, 2023. Attending from the Regional Office of Education No. 32 were Frank Petkunas, Regional Superintendent, Patricia High, Assistant Regional Superintendent, and, Kay Williams, Finance Officer; and from Roth & Co., LLP were Leilani Rodrigo, Partner, and Syndelle Manuel, Manager. Response to the recommendation was provided by Kay Williams, Finance Officer, on March 23, 2023.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Financial Statement Report Summary

The audit of the accompanying basic financial statements of the Iroquois and Kankakee Counties Regional Office of Education No. 32 was performed by Roth & Co., LLP.

Based on their audit, the auditors expressed an unmodified opinion on the Iroquois and Kankakee Counties Regional Office of Education No. 32's basic financial statements.

INDEPENDENT AUDITOR'S 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 modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Iroquois and Kankakee Counties Regional Office of Education No. 32, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Iroquois and Kankakee Counties Regional Office of Education No. 32's basic financial statements as listed in the table of contents.

In our opinion, the accompanying modified cash basis financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Iroquois and Kankakee Counties Regional Office of Education No. 32, as of June 30, 2022, and the respective changes in modified cash basis financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as 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* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Iroquois and Kankakee Counties Regional Office of Education No. 32, 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 to the financial statements which described the basis of accounting. Beginning with fiscal year 2022, the Iroquois and Kankakee Counties Regional Office of Education No. 32 has presented its financial statements in accordance with the modified cash

basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). 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 the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 auditor's 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 the Iroquois and Kankakee Counties Regional Office of Education No. 32'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 the Iroquois and Kankakee Counties Regional Office of Education No. 32'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 as a whole that collectively comprise the Iroquois and Kankakee Counties Regional Office of Education No. 32's basic financial statements. The modified cash basis combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements, the Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund, and the Schedule of Expenditures and Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 modified cash basis combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements, the Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund, and the Schedule of Expenditures and Federal Awards, as required by the Uniform Guidance, are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the modified 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 23, 2023 on our consideration of the Iroquois and Kankakee Counties Regional Office of Education No. 32'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 Iroquois and Kankakee Counties Regional Office of Education No. 32'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 Iroquois and Kankakee Counties Regional Office of Education No. 32's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
March 23, 2023





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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Iroquois and Kankakee Counties Regional Office of Education No. 32, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Iroquois and Kankakee Counties Regional Office of Education No. 32’s modified cash basis financial statements, and have issued our report thereon dated March 23, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Iroquois and Kankakee Counties Regional Office of Education No. 32’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 modified cash basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Iroquois and Kankakee Counties Regional Office of Education No. 32’s internal control. Accordingly, we do not express an opinion on the effectiveness of Iroquois and Kankakee Counties Regional Office of Education No. 32’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. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iroquois and Kankakee Counties Regional Office of Education No. 32's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Iroquois and Kankakee Counties Regional Office of Education No. 32's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Iroquois and Kankakee Counties Regional Office of Education No. 32's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Iroquois and Kankakee Counties Regional Office of Education No. 32's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Iroquois and Kankakee Counties Regional Office of Education No. 32'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 Iroquois and Kankakee Counties Regional Office of Education No. 32's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
March 23, 2023





**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Iroquois and Kankakee Counties Regional Office of Education No. 32’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Iroquois and Kankakee Counties Regional Office of Education No. 32’s major federal programs for the year ended June 30, 2022. The Iroquois and Kankakee Counties Regional Office of Education No. 32’s major federal programs are identified in the summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Iroquois and Kankakee Counties Regional Office of Education No. 32’s complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Iroquois and Kankakee Counties Regional Office of Education No. 32 and to meet our other ethical responsibilities, in accordance with 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 on compliance for each major federal program. Our audit does not provide a legal determination of the Iroquois and Kankakee Counties Regional Office of Education No. 32’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Iroquois and Kankakee Counties Regional Office of Education No. 32's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Iroquois and Kankakee Counties Regional Office of Education No. 32's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Iroquois and Kankakee Counties Regional Office of Education No. 32's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Iroquois and Kankakee Counties Regional Office of Education No. 32's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Iroquois and Kankakee Counties Regional Office of Education No. 32's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Iroquois and Kankakee Counties Regional Office of Education No. 32's internal control over compliance. Accordingly, no such opinion is expressed.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

SIGNED ORIGINAL ON FILE

Chicago, Illinois
March 23, 2023



Iroquois and Kankakee Counties Regional Office of Education No. 32
Schedule of Findings and Questioned Costs
Section I - Summary of Auditor's Results
For the Year Ended June 30, 2022

Financial Statements in Accordance with Modified Cash Basis of Accounting

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:
 Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.959	Block Grants for Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee Yes No

Iroquois and Kankakee Counties Regional Office of Education No. 32
Schedule of Findings and Questioned Costs
Section II - Financial Statement Findings
For the Year Ended June 30, 2022

FINDING 2022-001 - Controls over Financial Statement Preparation (Repeat from Finding 21-001, 20-001, and 19-001)

CRITERIA/SPECIFIC REQUIREMENT:

The School Code 105 ILCS 5/2-3.17a allows a Regional Office of Education or Educational Service Center to utilize a cash basis, modified cash basis, or generally accepted accounting principles (GAAP) basis of accounting to prepare financial statements for audit. The Iroquois and Kankakee Counties Regional Office of Education No. 32 (ROE No. 32) has chosen to utilize the modified cash basis of accounting for financial statement reporting. The ROE No. 32 is required to maintain a system of controls over the preparation of financial statements in accordance with its selected basis of accounting.

The Regional Office of Education No. 32's internal controls over financial reporting should include adequately trained personnel with the knowledge, skills, and experience to prepare financial statements and include all related disclosures as required by the Governmental Accounting Standards Board (GASB). GASB Statement No. 87, *Leases*, provides guidance regarding properly identifying lease contracts and determining contracts that qualify as a lease under GASB Statement No. 87.

CONDITION:

During review of the ROE No. 32's financial information, it was noted the ROE No. 32 did not have adequate controls to ensure financial statement balances were accurate. While ROE No. 32 did maintain records to indicate the balances of financial statement accounts, material audit adjustments were proposed in order to ensure those balances were accurate for the basis of accounting selected for financial statement presentation. ROE No. 32 implemented GASB Statement No. 87, *Leases*, for fiscal year 2022. ROE No. 32 erroneously identified and recorded a lease contract that does not qualify as a lease under GASB Statement No. 87, requiring an adjustment to report accurate balances.

The ROE No. 32 subsequently revised its financial statements to correct the errors noted above.

EFFECT:

The ROE No. 32's management or its employees, in the normal course of performing their assigned functions, may not prevent or detect and correct financial statement misstatements and disclosure errors and omissions in a timely manner.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Schedule of Findings and Questioned Costs
Section II - Financial Statement Findings
For the Year Ended June 30, 2022

FINDING 2022-001 - Controls over Financial Statement Preparation (Repeat from Finding 21-001, 20-001, and 19-001) (Continued)

CAUSE:

The ROE No. 32's management indicated when the new standard was implemented, they did not timely and effectively detect all material adjustments needed in order to present financial statements in accordance with modified cash basis of accounting.

RECOMMENDATION:

The ROE No. 32 should implement comprehensive preparation and/or review procedures as part of their internal controls over the preparation of financial statements to ensure the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of the basis of accounting selected for financial statements, GASB pronouncements, and knowledge of the Regional Office of Education's activities and operations.

MANAGEMENT'S RESPONSE:

While the ROE No. 32's management does agree that the financial statement balances that were initially presented were not accurate as related to GASB Statement No. 87, it is important to emphasize that it was ROE No. 32's management that detected the misstatement of February 8, 2023, and brought it to the attention of the auditors at that time. An adjustment was then recorded to correct the financial statements.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Schedule of Findings and Questioned Costs
Section III - Federal Award Findings
For the Year Ended June 30, 2022

INSTANCES OF NONCOMPLIANCE:

None

SIGNIFICANT DEFICIENCIES:

None

MATERIAL WEAKNESSES:

None

Iroquois and Kankakee Counties Regional Office of Education No. 32
Corrective Action Plan for Current Year Audit Findings
For the Year Ended June 30, 2022

FINDING 2022-001 - Controls over Financial Statement Preparation (Repeat from Finding 21-001, 20-001, and 19-001)

CONDITION:

During review of the Iroquois and Kankakee Counties Regional Office of Education No. 32's (ROE No. 32) financial information, it was noted the ROE No. 32 did not have adequate controls to ensure financial statement balances were accurate. While ROE No. 32 did maintain records to indicate the balances of financial statement accounts, material audit adjustments were proposed in order to ensure those balances were accurate for the basis of accounting selected for financial statement presentation. ROE No. 32 implemented GASB Statement No. 87, *Leases*, for fiscal year 2022. ROE No. 32 erroneously identified and recorded a lease contract that does not qualify as a lease under GASB Statement No. 87, requiring an adjustment to report accurate balances.

The ROE No. 32 subsequently revised its financial statements to correct the errors noted above.

PLAN:

New GASB pronouncements will be revised in the future to determine whether they affect the financial statements. Financial statements will be reviewed to ensure accuracy prior to approval for submission.

ANTICIPATED DATE OF COMPLETION:

June 30, 2023

CONTACT PERSON:

Frank Petkunas, Regional Superintendent

Iroquois and Kankakee Counties Regional Office of Education No. 32
Summary Schedule of Prior Findings Not Repeated
For the Year Ended June 30, 2022

None

BASIC FINANCIAL STATEMENTS

Iroquois and Kankakee Counties Regional Office of Education No. 32
Statement of Net Position - Modified Cash Basis
June 30, 2022
Exhibit A

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,673,184	\$ 1,682,848	\$ 6,356,032
Noncurrent assets:			
Capital assets, net	54,911	20,757	75,668
TOTAL ASSETS	4,728,095	1,703,605	6,431,700
NET POSITION			
Net investment in capital assets	54,911	20,757	75,668
Restricted - other	85,075	-	85,075
Unrestricted	4,588,109	1,682,848	6,270,957
TOTAL NET POSITION	\$ 4,728,095	\$ 1,703,605	\$ 6,431,700

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2022
Exhibit B

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Changes in Net Position					
	Expenses	Program Revenues		Primary Government		Total
		Charges for Services	Operating Grants & Contributions	Governmental Activities	Business-Type Activities	
Primary government						
Governmental activities:						
Instructional services:						
Salaries	\$ 1,608,691	\$ -	\$ 1,554,681	\$ (54,010)	\$ -	\$ (54,010)
Employee benefits	187,314	-	285,877	98,563	-	98,563
Pension expense	109,356	-	-	(109,356)	-	(109,356)
OPEB expense	4,215	-	-	(4,215)	-	(4,215)
Purchased services	293,129	-	435,262	142,133	-	142,133
Supplies and materials	163,998	-	116,520	(47,478)	-	(47,478)
Other objects	6,834	-	6,904	70	-	70
Capital outlay	15,916	-	15,916	-	-	-
Depreciation	2,474	-	-	(2,474)	-	(2,474)
Intergovernmental:						
Payments to other governments	109,235	-	110,339	1,104	-	1,104
Administrative:						
On-behalf payments	560,882	-	-	(560,882)	-	(560,882)
Total governmental activities	<u>3,062,044</u>	<u>-</u>	<u>2,525,499</u>	<u>(536,545)</u>	<u>-</u>	<u>(536,545)</u>
Business-type activities:						
Professional development	394,384	486,447	-	-	92,063	92,063
Total business-type activities	<u>394,384</u>	<u>486,447</u>	<u>-</u>	<u>-</u>	<u>92,063</u>	<u>92,063</u>
Total primary government	<u>\$ 3,456,428</u>	<u>\$ 486,447</u>	<u>\$ 2,525,499</u>	<u>(536,545)</u>	<u>92,063</u>	<u>(444,482)</u>
General revenues:						
Local sources				559,427	-	559,427
On-behalf payments				560,882	-	560,882
Interest				4,027	1,530	5,557
Total general revenues				<u>1,124,336</u>	<u>1,530</u>	<u>1,125,866</u>
CHANGE IN NET POSITION				587,791	93,593	681,384
NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)				<u>4,140,304</u>	<u>1,610,012</u>	<u>5,750,316</u>
NET POSITION, END OF YEAR				<u>\$ 4,728,095</u>	<u>\$ 1,703,605</u>	<u>\$ 6,431,700</u>

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Governmental Funds
Balance Sheet - Modified Cash Basis
June 30, 2022
Exhibit C

	<u>General Fund</u>	<u>Education Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Eliminations</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 4,368,672	\$ 47,945	\$ 244,455	\$ -	\$ 4,661,072
Due from other funds	208,558	-	-	(207,325)	1,233
TOTAL ASSETS	<u>4,577,230</u>	<u>47,945</u>	<u>244,455</u>	<u>(207,325)</u>	<u>4,662,305</u>
LIABILITIES					
Due to other funds	-	207,325	-	(207,325)	-
Total liabilities	<u>-</u>	<u>207,325</u>	<u>-</u>	<u>(207,325)</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	-	47,945	244,455	-	292,400
Unassigned	4,577,230	(207,325)	-	-	4,369,905
Total fund balances (deficit)	<u>4,577,230</u>	<u>(159,380)</u>	<u>244,455</u>	<u>-</u>	<u>4,662,305</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 4,577,230</u>	<u>\$ 47,945</u>	<u>\$ 244,455</u>	<u>\$ (207,325)</u>	<u>\$ 4,662,305</u>

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Governmental Funds
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position - Modified Cash Basis
June 30, 2022
Exhibit D

Total fund balances - governmental funds	\$ 4,662,305
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds.

Capital assets, net	\$ 54,911	
Less internal service fund capital assets included in internal service fund net position below	<u>(49,227)</u>	5,684

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Position.

Internal service fund net position is:		<u>60,106</u>
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Net position of governmental activities	<u><u>\$ 4,728,095</u></u>
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The accompanying notes are an integral part of the financial statements.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Governmental Funds
Statement of Revenues, Expenditures,
and Changes in Fund Balances - Modified Cash Basis
For the Year Ended June 30, 2022
Exhibit E

	General Fund	Education Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
RECEIPTS				
Local sources	\$ 471,649	\$ -	\$ 64,797	\$ 536,446
State sources	1,169,574	509,348	1,538	1,680,460
Federal sources	-	845,039	-	845,039
On-behalf payments	304,023	-	-	304,023
Interest	3,594	10	383	3,987
Total receipts	<u>1,948,840</u>	<u>1,354,397</u>	<u>66,718</u>	<u>3,369,955</u>
DISBURSEMENTS				
Instructional services:				
Salaries	655,550	828,704	54,887	1,539,141
Employee benefits	69,956	99,244	7,329	176,529
Pension expense	36,903	64,003	1,369	102,275
OPEB expense	4,215	-	-	4,215
Purchased services	252,882	168,756	9,273	430,911
Supplies and materials	25,801	89,082	472	115,355
Other objects	1,083	635	5,116	6,834
On-behalf payments	304,023	-	-	304,023
Intergovernmental:				
Payments to other governments	600	108,635	-	109,235
Capital outlay	-	22,351	-	22,351
Total disbursements	<u>1,351,013</u>	<u>1,381,410</u>	<u>78,446</u>	<u>2,810,869</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>597,827</u>	<u>(27,013)</u>	<u>(11,728)</u>	<u>559,086</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7	-	-	7
Transfers out	-	(7)	-	(7)
Total other financing sources (uses)	<u>7</u>	<u>(7)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	597,834	(27,020)	(11,728)	559,086
FUND BALANCES (DEFICIT), BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>3,979,396</u>	<u>(132,360)</u>	<u>256,183</u>	<u>4,103,219</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 4,577,230</u>	<u>\$ (159,380)</u>	<u>\$ 244,455</u>	<u>\$ 4,662,305</u>

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2022
Exhibit F

Net change in fund balances \$ 559,086

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures; however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 6,435	
Depreciation expense	<u>(751)</u>	5,684

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

23,021

Change in net position of governmental activities \$ 587,791

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Proprietary Funds
Statement of Net Position - Modified Cash Basis
June 30, 2022
Exhibit G

	Business-type Activities Enterprise Funds				Total	Governmental Activities
	Safe Schools Local	Truant Local	Professional Development	Nonmajor Enterprise Funds		Internal Service Fund
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 1,212,852	\$ 35,275	\$ 187,402	\$ 247,319	\$ 1,682,848	\$ 12,112
Noncurrent assets:						
Capital assets, net	20,757	-	-	-	20,757	49,227
TOTAL ASSETS	<u>1,233,609</u>	<u>35,275</u>	<u>187,402</u>	<u>247,319</u>	<u>1,703,605</u>	<u>61,339</u>
LIABILITIES						
Current liabilities:						
Due to other funds	-	-	-	-	-	1,233
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,233</u>
NET POSITION						
Net investment in capital assets	20,757	-	-	-	20,757	49,227
Unrestricted	1,212,852	35,275	187,402	247,319	1,682,848	10,879
TOTAL NET POSITION	<u>\$ 1,233,609</u>	<u>\$ 35,275</u>	<u>\$ 187,402</u>	<u>\$ 247,319</u>	<u>\$ 1,703,605</u>	<u>\$ 60,106</u>

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis
For the Year Ended June 30, 2022
Exhibit H

	Business-type Activities Enterprise Funds				Total	Governmental Activities
	Safe Schools Local	Truant Local	Professional Development	Nonmajor Enterprise Funds		Internal Service Fund
OPERATING RECEIPTS						
Charges for services	\$ 107,217	\$ 45,892	\$ 277,546	\$ 55,792	\$ 486,447	\$ 198,940
OPERATING DISBURSEMENTS						
Salaries	6,239	49,267	167,146	8,394	231,046	69,550
Employee benefits	842	9,510	19,167	642	30,161	10,785
Pension expense	37	5,325	666	992	7,020	7,081
Purchased services	27,714	8,518	44,619	26,397	107,248	38,177
Supplies and materials	6,353	1,535	4,882	1,862	14,632	48,643
Depreciation expense	1,391	-	-	-	1,391	1,723
Other	-	-	2,886	-	2,886	-
Total operating disbursements	42,576	74,155	239,366	38,287	394,384	175,959
OPERATING INCOME (LOSS)	64,641	(28,263)	38,180	17,505	92,063	22,981
NONOPERATING RECEIPTS						
Interest	1,097	52	180	201	1,530	40
NET CHANGE IN NET POSITION	65,738	(28,211)	38,360	17,706	93,593	23,021
NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	1,167,871	63,486	149,042	229,613	1,610,012	37,085
NET POSITION - END OF YEAR	\$ 1,233,609	\$ 35,275	\$ 187,402	\$ 247,319	\$ 1,703,605	\$ 60,106

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Proprietary Funds
Statement of Cash Flows - Modified Cash Basis
For the Year Ended June 30, 2022
Exhibit I

	Business-type Activities Enterprise Funds				Total	Governmental Activities
	Safe Schools Local	Truant Local	Professional Development	Nonmajor Enterprise Fund Fund		Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 107,217	\$ 45,892	\$ 277,546	\$ 55,792	\$ 486,447	\$ 198,940
Payments to suppliers and providers of goods and services	(34,067)	(10,053)	(52,387)	(28,259)	(124,766)	(86,820)
Payments to employees	(7,118)	(64,102)	(186,979)	(10,028)	(268,227)	(87,416)
Net cash provided by (used in) operating activities	<u>66,032</u>	<u>(28,263)</u>	<u>38,180</u>	<u>17,505</u>	<u>93,454</u>	<u>24,704</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	-	-	-	-	-	(49,000)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Payment on advances from other funds	-	-	-	-	-	(539)
CASH FLOWS FROM INVESTING ACTIVITY						
Interest	1,097	52	180	201	1,530	40
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	67,129	(28,211)	38,360	17,706	94,984	(24,795)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>1,145,723</u>	<u>63,486</u>	<u>149,042</u>	<u>229,613</u>	<u>1,587,864</u>	<u>36,907</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,212,852</u>	<u>\$ 35,275</u>	<u>\$ 187,402</u>	<u>\$ 247,319</u>	<u>\$ 1,682,848</u>	<u>\$ 12,112</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 64,641	\$ (28,263)	\$ 38,180	\$ 17,505	\$ 92,063	\$ 22,981
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
Depreciation	1,391	-	-	-	1,391	1,723
Net cash provided by (used in) operating activities	<u>\$ 66,032</u>	<u>\$ (28,263)</u>	<u>\$ 38,180</u>	<u>\$ 17,505</u>	<u>\$ 93,454</u>	<u>\$ 24,704</u>

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Fiduciary Funds
Statement of Fiduciary Net Position - Modified Cash Basis
June 30, 2022
Exhibit J

	Custodial Funds
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 228
TOTAL ASSETS	228
 NET POSITION	
Restricted for other governments	228
TOTAL NET POSITION	\$ 228

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Fiduciary Funds
Statement of Changes in Fiduciary Net Position - Modified Cash Basis
For the Year Ended June 30, 2022
Exhibit K

	Custodial Funds
ADDITIONS	
Grants collected for other governments	\$ 1,329,103
Rents collected for other governments	48,000
Other collections for other governments	25,280
Interest	47
Total additions	1,402,430
DEDUCTIONS	
Payments of grants to other governments	1,329,103
Payments of rents to other governments	48,000
Payments of other collections to other governments	25,280
Total deductions	1,402,383
NET INCREASE IN FIDUCIARY NET POSITION	47
NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	181
NET POSITION - END OF YEAR	\$ 228

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Iroquois and Kankakee Counties Regional Office of Education No. 32 (Regional Office of Education No. 32) is presented to assist in understanding the Regional Office of Education No. 32's financial statements. The financial statements and notes are representations of the Regional Office of Education No. 32's management who is responsible for the integrity and objectivity of the financial statements. As discussed further in the "Measurement Focus and Basis of Accounting" section of this note, these financial statements are presented on the modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Boards (GASB) pronouncements, which have been applied in these financial statements to the extent that they are applicable to the modified cash basis of accounting.

As more fully disclosed in Notes 1 and 15, as of July 1, 2021, the Regional Office of Education No. 32 changed its basis of accounting to the modified cash basis special purpose framework from generally accepted accounting principles as applicable to governmental entities.

A. DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through March 23, 2023, the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

The Regional Office of Education No. 32 was created by Illinois Public Act 76-735, as amended, effective August 7, 1995. The Regional Office operates under the School Code (105 ILCS 5/3 and 5/3A). The region encompasses Iroquois and Kankakee 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;

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring 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. 32 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. 32 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. 32's financial statements. In addition, the Regional Office of Education No. 32 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education No. 32 being considered a component unit of the entity.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position - Modified Cash Basis and the Statement of Activities - Modified Cash Basis) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. An exception to this general rule relates to interfund services provided by the internal service funds. Elimination of these charges would distort the direct costs reported for the various functions concerned. Governmental activities, which normally are supported by intergovernmental are reported separately from the business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position - Modified Cash Basis includes all of the Regional Office of Education No. 32's assets, including capital assets. The Statement of Activities - Modified Cash Basis demonstrates the degree to

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Certain eliminations have been made as prescribed by governmental accounting standards in regard to interfund activities, such as, transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet - Modified Cash Basis and the Proprietary Fund Statement of Net Position - Modified Cash Basis, and as transfers in/out on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position - Modified Cash Basis have been eliminated.

Governmental fund financial statements include a Balance Sheet - Modified Cash Basis and a Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

Proprietary fund financial statements include a Statement of Net Position - Modified Cash Basis, a Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis, and a Statement of Cash Flows - Modified Cash Basis for each major proprietary fund and nonmajor funds aggregated.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide statements report using the economic resources measurement focus, while the governmental fund financial statements report using the current financial resources measurement focus. Since the governmental fund financial statements are presented on a different measurement focus than the government-wide statements (due mainly to inclusion of capital assets in the government-wide presentation) a reconciliation is presented, which briefly explains the adjustments necessary to transform the fund based financial statement into the governmental column of the government-wide presentation.

Basis of accounting refers to when revenues received and expenses or expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The Regional Office of Education No. 32 maintains its accounting records for all funds on the modified cash basis of accounting. Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions. Their revenues are recognized when they are received, and expenses or expenditures are recognized when paid. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with accounting principles generally accepted in the United States of America.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Regional Office of Education No. 32's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

It is the Regional Office of Education No. 32's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. GOVERNMENTAL FUNDS

The Regional Office of Education No. 32 reports the following major governmental funds:

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

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

Evidence-Based Funding - This fund accounts for Evidence-Based Funding grant monies received from the Illinois State Board of Education and the related payment of expenditures for the regional learning academy supplements.

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:

Child Nutrition - This fund accounts for Child Nutrition monies used to provide breakfast and lunch through the National School Breakfast Program, National School Lunch Program, and State Free Lunch and Breakfast Program to students enrolled in the Regional Alternative Attendance Center and Students All Learning Together Program.

Child Protection Data Courts (CPDC) Project - These funds, received from the Administrative Office of the Illinois Courts (AOIC), are used to perform data collection, and provide monies for on-site visits, local CPDC meetings, CPDC project networking meetings, data-related activity, and technical assistance.

Substance Use Prevention Services - These funds, received from the Department of Human Services/Division of Alcoholism and Substance Abuse, are used to reduce the non-medical use of prescription drugs among youth and to increase and/or maintain the participation of public schools in the Illinois Youth Survey.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

HUD Supportive Housing - This fund accounts for grant monies received from the U.S. Department of Housing and Urban Development for the Supportive Housing grant. Funds are used to provide case management, information and referral, and transportation services for homeless families with children, helping the families to meet their basic needs and obtain permanent housing.

Family Violence Coordinating Council - This fund accounts for funds received from the Illinois Criminal Justice Information Authority to provide community awareness, coordination, and training to impede family violence.

Justice Self-Represented Litigant Coordinator - This grant is to be used to support the designated Self-Represented Litigant Coordinator to create or update self-help booklets; translate booklets into Spanish; record self-help videos; supervise storage, distribution, and maintenance of self-help booklets and videos; ensure Justice Corps fellows, clerk offices, and public libraries have access to materials; and publicize materials at the courthouse and on the Circuit website.

McKinney Education for Homeless Children - This fund accounts for grant monies associated with a federal program designed to provide counseling and education support to homeless children and their families. This program is funded by the Stewart B. McKinney Education for Homeless Children and Youth grant and passed through the Regional Office of Education No. 11.

Partnerships for Success - This fund accounts for federal grant monies received for the Drug-Free Communities Support Program from the White House Office of National Drug Control Policy in cooperation with the Substance Abuse and Mental Health Services Administration. The goals of the program are to establish and strengthen community collaboration in support of local efforts to prevent youth substance use.

Regional Safe Schools - This program works with students in grades 6-12 who have been suspended multiple times or expelled from school, allowing them to continue their education. It provides instructional services and materials for the alternative school program for at-risk youth, creating alternative placement for those students into a safe school program.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regional Safe Schools Cooperative Education - The program is specifically aimed at assisting suspended or expelled youth to become reoriented and motivated through a combination of paid work experience related to existing career opportunities with potential for advancement. The program prepares the student to complete their education by participating in career-related classroom(s) and structure cooperative work experience provided by a private sector.

Regional Office of Education/Intermediate Service Centers (ROE/ISC) Operations - This fund accounts for the funding of the Regional Office of Education No. 32 pursuant to the Illinois Administrative Code which mandates the Regional Office to provide professional development activities in the fundamental learning areas, gifted education, administrators' academy, school improvement, technology and other activities based upon the needs of local school districts and State and federal mandates.

Teen Reach - This fund accounts for grant monies received and expenditures incurred for the Teen Reach (Responsibility, Education, Achievement, Caring and Hope) program implemented by the Illinois Department of Human Services. The program focuses on improving academic performance, preventing violence and risky behaviors, encouraging parental involvement, and creating opportunities for recreation and sports activities for the youth ages 6-17.

Title II Teacher Quality - Leadership Grant - Evaluation Training - This program accounts for the proceeds of a grant passed through the Illinois State Board of Education to establish teacher and principal evaluation systems to ensure teachers and leaders receive targeted support and improvement opportunities, and to improve student learning.

Truants' Alternative - This fund provides alternative educational program services to truant students referred from local schools to the Regional Office of Education No. 32. It offers prevention and intervention services, which include case management, home visits, school visits, student advocacy, wraparound, referrals to community agencies, and technical assistance to individual school districts and the community.

Elementary and Secondary School Emergency Relief - The purpose of the Elementary and Secondary School Emergency Relief Grant is to prevent, prepare for, and respond to coronavirus; domestically or internationally.

Iroquois and Kankakee Counties Regional Office of Education No. 32
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Elementary and Secondary Relief - Digital Professional Learning - The purpose of the Elementary and Secondary Relief-Digital Professional Learning is to assist school districts in enabling digital-age teaching and learning.

Elementary and Secondary Relief - Digital Equity Grant - The purpose of the Elementary and Secondary Relief - Digital Equity Grant is to assist school districts in closing the digital divide and enabling digital-age teaching and learning. School districts may use funds to provide students with technology tools and/or home internet access necessary for technology-rich remote learning experiences.

Elementary and Secondary Emergency Relief 1-E2 - The purpose of the Elementary and Secondary Relief 1-E2 grant is to provide local educational agencies with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools.

American Rescue Plan - Local Educational Agency (ARP-LEA) (ESSER III) - E3 - The purpose of the ARP-LEA (ESSER III) - E3 grant is to provide local educational agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools.

Social Emotional Learning and Trauma Response - The purpose of the Social Emotional Learning and Trauma Response Program serves to ensure that districts, in partnership with social-emotional and trauma coaches, will identify, develop, and implement a comprehensive plan to address the safety and well-being of student and staff.

Area IV IL EMPOWER Primary Partner - IL-EMPOWER is the Statewide System of Support for districts serving schools in comprehensive or targeted status pursuant to the ESSA (Every Student Succeeds Act) Accountability Plan. This program is to improve school culture through social-emotional learning and culturally responsive teaching and leading standards.

Drug Free Communities-CDC - These funds are a collaborative effort between the Office of National Drug Control Policy (ONDCP) and the Substance Abuse and Mental Health Services Administration (SAMHSA). The purpose of DFC funding is to address two major goals: 1) establish

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

and strengthen collaboration among communities, public and private non-profit agencies, and federal, State, local and tribal governments to support the efforts of community coalitions, and 2) reduce substance abuse among youth and over time, among adults.

Additionally, the Regional Office of Education No. 32 reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. Nonmajor special revenue funds include the following:

Bus Driver Training - This fund accounts for State and local receipts and expenses as a result of training school district bus drivers.

General Education Development - This fund accounts for proceeds earned from students who participate in the high school equivalence program. These proceeds are used to pay the administrative expenses incurred to administer the GED program.

Institute - This fund accounts for teacher license registration, issuance and evaluation fees for processing licenses, and expenses of meetings of a professional nature. The Regional Superintendent uses these proceeds to pay administration expenses incurred on behalf of the teachers' institute licenses, workshops, and general meetings. All funds generated remain restricted until expended only on the aforementioned activities.

Tallman's Boys - This fund is used for the needs of the boys in Kankakee County including the supervision, support, maintenance, medical or hospital care, education, general assistance, or welfare of the boys of Kankakee County who are wards of the Court, or who are dependent, delinquent, homeless, or needful of supervision, care, education, or training to assist in their development into useful and respectful citizens. The boys who may be subject of aid from the Trust are limited to those under the age of 21 years and who are of Protestant religious faith or whose parent or parents were of Protestant religious faith.

Project Care Healthy Decision - This fund accounts for revenue received and expenditures incurred in providing a suicide hotline for students.

Iroquois and Kankakee Counties Regional Office of Education No. 32
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. PROPRIETARY FUNDS

Enterprise Funds - Enterprise funds are proprietary funds that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to external entities or the general public on a continuing basis should be financed or recovered primarily through user charges.

The Regional Office of Education No. 32 reports the following *major enterprise funds*:

Safe Schools - Local - This fund accounts for local revenues and disbursements related to the Safe School program.

Truant - Local - This fund accounts for local revenues and disbursements related to the Truant program.

Professional Development - This fund accounts for local revenues and disbursements for Professional Development Programs.

The Regional Office of Education No. 32 reports the following *nonmajor enterprise funds*:

Criminal Background Investigation - This fund accounts for the assessments received from the school districts to pay for the processing of fingerprinting the substitute teachers and expenditures incurred providing this service to the school districts.

Family Violence Coordinating Councils Local - This fund accounts for funds received to provide community awareness, coordination, and training to impede family violence.

Life Education - Local - This fund accounts for local revenues received and related disbursements for the Life Education program.

Services Provided HUD - This fund accounts for local revenues and disbursements in providing supplemental education for students from low-income families.

Internal Service Funds - Internal service funds are used to account for activities that provide goods or services to other funds on a cost-reimbursement basis.

Iroquois and Kankakee Counties Regional Office of Education No. 32
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Regional Office of Education No. 32 reports the following *internal service funds*:

Copier Fees - This fund is used to categorize any revenues and expenses related to in-house copying.

Shared Expense A - This fund is used to categorize shared revenues and expenses associated with the facility at 50 W. Industrial Park Drive, Kankakee, Illinois that houses our Regional Alternative Attendance Center, Students All Learning Together, Regional Instructional Center (RIC), Life Education Programs (LEC) which consist of Substance Abuse Prevention Services, Strategic Prevention Framework - Partnership for Success (SPF-PFS), Drug Free Communities (DFC), Teen REACH, and Family Violence Coordinating Council (FVCC), and Local LEC.

Shared Expense B - This fund is used to categorize shared revenues and expenses associated with the facility at 1 Stuart Drive, Kankakee, that houses the I-KAN Regional Office of Education offices.

Shared Expense C - This fund is used to categorize shared revenues and expenses associated with the entire facility at 50 W. Industrial Park Drive and 1 Stuart Drive, Kankakee, Illinois without the Kankakee Valley Theater Association.

Shared Expense D - This fund is used to categorize shared revenues and expenses associated with the entire facility at 50 W. Industrial Park Drive and 1 Stuart Drive, Kankakee, Illinois with the Kankakee Valley Theater Association.

G. FIDUCIARY FUNDS

Custodial Funds - Custodial Funds are used to account for fiduciary activities that are not required to be reported as another fiduciary fund type. Custodial funds include the following:

Distributive Fund - This fund distributes federal and State funds to school districts and other entities under the oversight of the Regional Superintendent. Interest revenue earned on the custodial funds collected is part of the overall revenue of the General Fund. This treatment is in accordance with an agreement between the Regional Office of Education No. 32 and all the school boards within the Iroquois and Kankakee Counties Regional Office of Education No. 32.

Iroquois and Kankakee Counties Regional Office of Education No. 32
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Petitions and Detachment - This fund accounts for the receipts and disbursements related to petitions filed for annexation or detachment of school district boundaries.

Impact Fees - This fund accounts for fees paid by applicants for a new dwelling that lies within specific school districts in Kankakee County. These fees are utilized by the school districts to offset costs associated with new growth in the school district.

Tenant Rental - This fund accounts for rent paid from the tenant occupying the same building as the Regional Office of Education No. 32. This rent is passed through Regional Office of Education No. 32 to Kankakee County to help cover insurance and other costs associated with the building.

Reorganization Feasibility Study - This fund is used to pay for required studies of the financial and educational impacts of school district consolidations.

H. DEPOSITS AND INVESTMENTS

The Regional Office of Education No. 32 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that Regional Office of Education No. 32 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. 32 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.

I. INTERFUND RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” in the fund financial statements. Balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. CAPITAL ASSETS

Capital assets are reported in the applicable columns in the government-wide and proprietary fund financial statements. Capital assets, such as equipment, are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Office, equipment, and furniture	5-10
Computer equipment	3-5
Other equipment	5-20
Improvements	20

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

K. EQUITY CLASSIFICATIONS

Government-wide and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets - Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings, if any, that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - Results when constraints placed on the use of resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted net position - The net amount of the assets and liabilities that are not included in the determination of net investment in capital assets or the restricted component of net position.

Governmental Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets and liabilities in a governmental fund. The following types of fund balances may be presented on the Governmental Funds Balance Sheet - Modified Cash Basis, the General Fund and Education Funds Combining Schedule of Accounts - Modified Cash Basis, and the Nonmajor Special Revenue Funds Combining Balance Sheet - Modified Cash Basis:

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 funds 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 funds are restricted by Illinois Statute: Bus Driver Training, General Education Development, and Institute. The following accounts are restricted by a grant agreement or contract: Child Nutrition, Regional Safe Schools Cooperative Education Program, ROE/ISC Operations, Social Emotional Learning and Trauma Response Program, Tallman's Boys, and Project Care Healthy Decision.

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 funds 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. There are no funds presenting an assigned fund balance.

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

following General Fund accounts have unassigned fund balances: General Operations and Evidence-Based Funding. The following Education Fund accounts have unassigned fund deficits: CPDC Project, Substance Use Prevention Services, HUD Supportive Housing, Family Violence Coordinating Council, McKinney Education for Homeless Children, Teen Reach, ARP-LEA (ESSER III) - E3 and Drug Free Communities-CDC.

L. NEW ACCOUNTING PRONOUNCEMENTS

In fiscal year 2022, the Regional Office of Education No. 32 implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Significant adjustments were recorded in accordance with the implementation of this standard. Other GASB statements effective for fiscal year 2022 did not have a significant effect on the Regional Office of Education No. 32's financial statements.

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education No. 32 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 the Illinois State Board of Education are prepared and submitted to the State Board for approval as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgets are also prepared for certain other grant funding. Budgetary Comparison Schedules have been presented for the following grants: CPDC Project, Substance Use Prevention Services, Family Violence Coordinating Council, Justice Self-Represented Litigant Coordinator, McKinney Education for Homeless Children, Regional Safe Schools, Regional Safe Schools Cooperative Education, ROE/ISC Operations, Teen Reach, Title II - Teacher Quality Leadership - Evaluation Training, Truants' Alternative/Optional Education, Elementary and Secondary School Emergency Relief, Elementary and Secondary Relief Digital Professional Learning, Elementary and Secondary Relief Digital Equity, Elementary and Secondary School Emergency Relief 1-E2, ARP-LEA (ESSER III) - E3, Area IV IL Empower Primary Partner, and Drug Free Communities-CDC.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 3 USE OF ESTIMATES

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 4 INTEREST ON DISTRIBUTIVE FUND ACCOUNTS

Illinois State Board of Education (ISBE) funds received by the Regional Office of Education No. 32 for the Distributive Fund accrue interest for the period of time between the receipt of funds and clearance of checks to the recipient. In accordance with an agreement dated May 24, 1988 with the school district boards served, interest earned on Distributive Fund deposits is transferred to the General Fund to offset wire service and other bank charges incurred by the Distributive Fund. Distributive Fund interest earned and related charges are recognized as revenues received and expenditures disbursed in the General Fund.

NOTE 5 DEPOSITS AND INVESTMENTS

Deposits

At June 30, 2022, the carrying amount of the Regional Office of Education No. 32's deposits, which do not include Illinois Funds accounts, for the governmental activities and business-type activities were \$4,562,964 and \$1,682,848, respectively. The bank balances totaled \$6,281,086 all of which was secured by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department in the Regional Office of Education No. 32's name, and were, therefore, not exposed to custodial credit risk.

Investments

At June 30, 2022, the carrying amount of the Regional Office of Education No. 32's deposits in the Illinois Funds for the governmental activities and fiduciary funds were \$110,220 and \$228, respectively. The bank balance invested in the Illinois Funds was \$110,488. 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. 32's governmental activities.

Credit Risk

At June 30, 2022, the Illinois Funds had earned a Fitch's highest investment

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 5 DEPOSITS AND INVESTMENTS (Continued)

grade rating of AAmmf for a government-managed money market fund. 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 provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

Interest Rate Risk

The Illinois Funds, 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 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

According to The Illinois Funds' investment policy, "the majority of The Illinois Funds' investments will be in direct obligations of the United States Treasury and United States Government Agencies and Instrumentalities and cash equivalents." The Illinois Funds' investment portfolio shall limit investments to a maximum of 5% of assets invested in short-term obligations of any one corporation, 5% of assets invested in long-term obligations of any one corporation or limited liability company, and 3% of assets invested in any single issuer of municipal securities issued by counties or municipal corporations of the State of Illinois, among other investment portfolio limitations.

NOTE 6 RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The Regional Office of Education No. 32 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation claims; and natural disasters. The Regional Office of Education No. 32 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 7 CONTINGENCIES

The Regional Office of Education No. 32 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. 32 believes that any other adjustments that may arise will be insignificant to the Regional Office of Education No. 32's operations.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 8 CAPITAL ASSETS

In accordance with GASB Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, Regional Office of Education No. 32 has reported capital assets in the government-wide Statement of Net Position - Modified Cash Basis. Purchases are reported as capital outlay in the governmental fund statements. Purchases of business-type activities are capitalized when purchased. The following table provides a summary of changes in capital assets for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental activities:				
Capital assets being depreciated:				
Equipment	\$ 49,201	\$ 55,435	\$ -	\$ 104,636
Less: Accumulated depreciation				
Equipment	(47,251)	(2,474)	-	(49,725)
Governmental activities				
Investment in capital assets, net	\$ 1,950	\$ (52,961)	\$ -	\$ 54,911
Business-type activities:				
Capital assets being depreciated:				
Improvements	\$ 27,830	\$ -	\$ -	\$ 27,830
Less: Accumulated depreciation				
Improvements	(5,682)	(1,391)	-	(7,073)
Business-type activities				
Investment in capital assets, net	\$ 22,148	\$ (1,391)	\$ -	\$ 20,757

Depreciation expense was charged to Instructional Services (functions/programs) of the Regional Office of Education No. 32 as follows:

Governmental activities:	
Instructional services	\$ 2,474

Depreciation expense was charged to Professional Development (functions/programs) of the Regional Office of Education No. 32 as follows:

Business-type activities:	
Professional development	\$ 1,391

NOTE 9 RETIREMENT FUND COMMITMENTS

Teachers' Retirement System of the State of Illinois

Plan description

The Regional Office of Education No. 32 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 <https://www.trsil.org/financial/acfrs/fy2021>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
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NOTE 9 RETIREMENT FUND COMMITMENTS (Continued)

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, 2024. One program allows retiring Tier 1 members 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.

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, 2022, 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. 32.

On behalf contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 32. For the year ended June 30, 2022, State of Illinois contributions recognized by the Regional Office of Education No. 32 were based on the State's proportionate share of the pension expense associated with the Regional Office of Education No. 32, and the Regional Office of Education No. 32 recognized revenues and expenditures of \$264,934 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, 2022 were \$3,649.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
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NOTE 9 RETIREMENT FUND COMMITMENTS (Continued)

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. 32, there is a statutory requirement for the Regional Office of Education No. 32 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, 2022, the Regional Office of Education No. 32 pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$7,002 were paid from federal and special trust funds that required employer contributions of \$722.

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. 32 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the Regional Office of Education No. 32 did not make any employer contributions to TRS for employer contributions due on salary increases 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. 32'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. 32's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple employer public pension fund. 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.

NOTE 9 RETIREMENT FUND COMMITMENTS (Continued)

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).

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

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

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

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (Continued)

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	20
Inactive Plan Members entitled to but not yet receiving benefits	26
Active Plan Members	27
Total	73

Contributions

As set by statute, the Regional Office of Education No. 32’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 Regional Office of Education No. 32’s annual contribution rates for calendar years 2022 and 2021 were 10.00% and 12.13%, respectively.

For the fiscal year 2022, the Regional Office of Education No. 32 contributed \$112,005 to the plan. The Regional Office of Education No. 32 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.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

THIS Plan Description

The Regional Office of Education No. 32 participates in the Teachers' Health Insurance Security (THIS) Fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Illinois Department of Central Management Services (CMS) as of July 1, 2013. The CMS administers the plan with the cooperation of the Teachers' Retirement System (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. 32. For the year ended June 30, 2022, State of Illinois contributions recognized by the Regional Office of Education No. 32 were based on the State's proportionate share of the collective net OPEB liability associated with the Regional Office of Education No. 32, and recognized revenues and expenditures of a \$(8,075) in OPEB contributions from the State of Illinois.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Regional Office of Education No. 32 Contributions to the THIS Fund

The Regional Office of Education No. 32 also makes contributions to the THIS Fund. The Regional Office of Education No. 32 THIS Fund contribution was 0.67 percent during the year ended June 30, 2022. For the year ended June 30, 2022, the Regional Office of Education No. 32 paid \$4,215 to the THIS Fund 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” (<http://www.auditor.illinois.gov/Auditor-Reports/CMS-THISF.asp>). Prior reports are available under “Healthcare and Family Services”

Health Plan for IMRF Employees

Plan Description

The Regional Office of Education No. 32 provides a single-employer defined-benefit postemployment healthcare plan to retirees who participate in the IMRF retirement plan. This plan extends the same health benefits to annuitants as to active employees in the IMRF plan. The Governmental Accounting Standards Board (GASB) issued Statement No.’s 74 and 75 that established generally accepted accounting principles for the annual financial statements for postemployment benefit plans other than pension plans.

Eligibility Provisions

Employees must satisfy the eligibility requirements of the Illinois Municipal Retirement Fund.

- Regular Plan Tier 1 (Enrolled in IMRF Prior to January 1, 2011)
 - At least 55 years old and at least 8 years of credited service (reduced pension)
 - At least 60 years old and at least 8 years of credited service (full pension)
- Regular Plan Tier 2 (First Enrolled in IMRF On or After January 1, 2011)
 - At least 62 years old and at least 10 years of credited service (reduced pension)
 - At least 67 years old and at least 10 years of credited service (full pension)

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefits Provided

The Regional Office of Education No. 32 provides continued health insurance coverage at the blended employer rate to all eligible Regional Office of Education No. 32 retirees in accordance with Illinois Compiled Statutes. Eligible retirees may continue coverage into retirement on the medical plan on a pay-all basis. Coverage is also available for eligible dependents on a pay-all basis. Coverage can continue upon the participant reaching Medicare eligibility. Coverage for dependents can continue upon the death of the retiree given that contributions continue.

Covered Employees

As of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

	IMRF
Inactive Plan Members or beneficiaries currently receiving benefit payments	–
Inactive Plan Members entitled to but not yet receiving benefits	–
Active Plan Members	27
Total	27

Funding Policy and Contributions

There is no funding policy that exists for the postretirement plan at this time as the total OPEB liabilities are currently an unfunded obligation. There were no contributions or benefit to the plan during the year ended June 30, 2022.

NOTE 11 BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education No. 32 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education No. 32 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 12 INTERFUND ACTIVITIES

Interfund due to/from fund balances at June 30, 2022 consist of the following individual due to/from other funds in the Governmental Fund Balance Sheet - Modified Cash Basis. The purpose of interfund borrowing was to cover temporary shortfalls in cash flow within grant programs and funds.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund		
Evidence-Based Funding	\$ 208,558	\$ -
Education Fund		
CPDC Project	-	176
Substance Use Prevention Services	-	145,139
HUD Supportive Housing	-	3,823
Family Violence Coordinating Council	-	15,924
McKinney Education for Homeless Children	-	17,489
Teen Reach	-	12,792
ARP-LEA (ESSER III) - E3	-	3,280
Drug Free Communities-CDC	-	8,702
Internal Service Funds		
Shared Expense C	-	1,233
Total	<u>\$ 208,558</u>	<u>\$ 208,558</u>

Interfund transfers in/out to other fund balances at June 30, 2022 consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis. Transfer was made to close the Partnerships for Success Fund.

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
General Operations	\$ 7	\$ -
Education Fund		
Partnerships for Success	-	7
Total	<u>\$ 7</u>	<u>\$ 7</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 13 ON-BEHALF PAYMENTS

The Regional Office of Education No. 32 received on-behalf payments for employee salaries and benefits from the State of Illinois for the following items:

State of Illinois	
Regional Superintendent Salary	\$ 124,308
Regional Superintendent Fringe Benefits	34,680
Assistant Regional Superintendent Salary	111,876
Assistant Regional Superintendent Fringe Benefits	<u>33,159</u>
Total	<u>\$ 304,023</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education (ISBE). The on-behalf payments are reflected as receipts and disbursements of the General Fund.

The Regional Office of Education No. 32 recorded \$264,934 in receipts and disbursements as on-behalf payments from ISBE for the Regional Office's share of the State's Teachers' Retirement System (TRS) pension expense in the Statement of Activities. The Regional Office of Education No. 32 also recorded \$(8,075) in receipts and disbursements as on-behalf payments from the State for the Regional Office's share of the State's Teachers Health Insurance Security (THIS) OPEB expense in the Statement of Activities. In addition, the Regional Office of Education No. 32 has not included any on-behalf payments related to the State's TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$ 304,023
ROE's share of TRS pension expense	264,934
THIS fund OPEB benefit	<u>(8,075)</u>
Total	<u>\$ 560,882</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 14 DEFICIT FUND BALANCES/NET POSITION

The following individual funds had negative fund balances/net position as of June 30, 2022:

Education Fund	
CPDC Project	\$ 176
Substance Use Prevention Services	145,139
HUD Supporting Housing Program	3,823
Family Violence Coordinating Council	15,924
McKinney Education for Homeless Children	17,489
Teen Reach	12,792
ARP-LEA (ESSER III) - E3	3,280
Drug Free Communities-CDC	8,702
Internal Service Funds	
Shared Expense C	1,233

The deficit fund balances for these funds will generally be eliminated during the fiscal year ending June 30, 2023 by reducing expenditures or transferring unrestricted.

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE

As of July 1, 2021, the Regional Office of Education No. 32 adopted the modified cash basis of accounting. The financial statements had previously been prepared using generally accepted accounting principles, using full accrual accounting for the government-wide, proprietary fund, and fiduciary fund statements and the modified accrual basis of accounting for the governmental fund type financial statements. As a result of the change in accounting principle, the beginning of the year assets (except for cash, capital assets, and interfund balances), liabilities (except for interfund balances), deferred inflows and deferred outflows were reversed through the opening balance of net position/fund balances (deficit) as follows:

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE (Continued)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net position, June 30, 2021, as previously reported	\$ 3,526,321	\$ 1,774,252	\$ 5,300,573
Due from other governments	(292,847)	(17,490)	(310,337)
Prepaid expenses	(10,000)	(375,395)	(385,395)
Net pension asset	(204,872)	(12,890)	(217,762)
Deferred outflows related to pensions	(304,669)	(54,071)	(358,740)
Deferred outflows related to OPEB	(139,725)	(37,226)	(176,951)
Accounts payable	9,103	483	9,586
Unearned revenue	3,446	29,219	32,665
Net pension liability	35,709	9,513	45,222
OPEB liability	423,719	98,033	521,752
Deferred inflows related to pensions	851,673	130,990	982,663
Deferred inflows related to OPEB	242,446	64,594	307,040
Net position, June 30, 2021, as restated	<u>\$ 4,140,304</u>	<u>\$ 1,610,012</u>	<u>\$ 5,750,316</u>

	<u>General Fund</u>	<u>Education Fund</u>	<u>Nonmajor Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Fund balances (deficit), June 30, 2021, as previously reported	\$ 4,107,603	\$ (10,459)	\$ 252,724	\$ 4,349,868
Due from other governments	(145,917)	(146,930)	—	(292,847)
Prepaid expenses	(8,153)	—	—	(8,153)
Accounts payable	321	8,769	13	9,103
Unearned revenue	—	—	3,446	3,446
Unavailable	25,542	16,260	—	41,802
Fund balances (deficit), June 30, 2021, as restated	<u>\$ 3,979,396</u>	<u>\$ (132,360)</u>	<u>\$ 256,183</u>	<u>\$ 4,103,219</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE (Continued)

	Business-type Activities				Governmental Activities	
	Safe Schools Local	Truant Local	Professional Development	Nonmajor Enterprise Funds	Total	Internal Service Funds
Net position, June 30, 2021, as previously reported	\$ 1,535,506	\$ 56,405	\$ (17,064)	\$ 199,405	\$ 1,774,252	\$ 38,932
Due from other governments	-	-	(17,490)	-	(17,490)	-
Prepaid expenses	(375,395)	-	-	-	(375,395)	(1,847)
Net pension asset	-	(10,885)	(445)	(1,560)	(12,890)	-
Deferred outflows related to pensions	(1,861)	(7,076)	(44,120)	(1,014)	(54,071)	-
Deferred outflows related to OPEB	(1,516)	-	(35,710)	-	(37,226)	-
Accounts payable	-	-	108	375	483	-
Unearned revenue	-	-	400	28,819	29,219	-
Net pension liability	387	-	9,126	-	9,513	-
OPEB liability	3,992	-	94,041	-	98,033	-
Deferred inflows related to pensions	4,127	25,042	98,233	3,588	130,990	-
Deferred inflows related to OPEB	2,631	-	61,963	-	65,594	-
Net position, June 30, 2021, as restated	<u>\$ 1,167,871</u>	<u>\$ 63,486</u>	<u>\$ 149,042</u>	<u>\$ 229,613</u>	<u>\$ 1,610,012</u>	<u>\$ 37,085</u>

	General Operations	Evidence-Based Funding	CPDC Project	Substance Use Prevention Services	HUD Supportive Housing
	Fund balances (deficit), June 30, 2021, as previously reported	\$ 108,410	\$ 3,999,193	\$ -	\$ (2,970)
Due from other governments	(145,917)	-	(106)	(85,960)	(4,431)
Prepaid expenses	(8,153)	-	-	-	-
Accounts payable	49	272	-	-	-
Unavailable revenue	25,542	-	-	2,972	-
Fund balances (deficit), June 30, 2021, as restated	<u>\$ (20,069)</u>	<u>\$ 3,999,465</u>	<u>\$ (106)</u>	<u>\$ (85,958)</u>	<u>\$ (4,433)</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE (Continued)

	<u>Family Violence Coordinating Council</u>	<u>McKinney Education for Homeless Children</u>	<u>Teen Reach</u>	<u>Title II-Teacher Quality Leadership- Evaluation Training</u>	<u>Elementary and Secondary School Emergency Relief</u>
Fund balances (deficit), June 30, 2021, as previously reported	\$ -	\$ (13,288)	\$ -	\$ -	\$ -
Due from other governments	(5,788)	(17,243)	(21,793)	(28)	(25)
Prepaid expenses	-	-	-	-	-
Accounts payable	354	-	8,415	-	-
Unavailable revenue	-	13,288	-	-	-
Fund balances (deficit), June 30, 2021, as restated	<u>\$ (5,434)</u>	<u>\$ (17,243)</u>	<u>\$ (13,378)</u>	<u>\$ (28)</u>	<u>\$ (25)</u>
	<u>Elementary and Secondary Relief Digital Professional Learning</u>	<u>Elementary and Secondary Relief Digital Equity</u>	<u>Area IV IL Empowerment Primary Partner</u>	<u>Drug Free Communities- CDC</u>	
Fund balances (deficit), June 30, 2021, as previously reported	\$ -	\$ -	\$ -	\$ -	
Due from other governments	(53)	(30)	(753)	(10,720)	
Prepaid expenses	-	-	-	-	
Accounts payable	-	-	-	-	
Unavailable revenue	-	-	-	-	
Fund balances (deficit), June 30, 2021, as restated	<u>\$ (53)</u>	<u>\$ (30)</u>	<u>\$ (753)</u>	<u>\$ (10,720)</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Financial Statements
June 30, 2022

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE (Continued)

	<u>Bus Driver</u>	<u>Institute</u>	<u>Criminal Background Investigation</u>	<u>Family Violence Coordinating Councils Local</u>	<u>Life Education Local</u>
Fund balances (deficit), June 30, 2021, as previously reported	\$ 27,610	\$ 155,838	\$ 15,789	\$ 533	\$ 180,089
Net pension asset	-	-	(1,560)	-	-
Deferred outflows related to pensions	-	-	(1,014)	-	-
Accounts payable	-	13	324	18	33
Unearned revenue	3,446	-	100	-	28,719
Deferred inflows related to pensions	-	-	3,588	-	-
Fund balances (deficit), June 30, 2021, as restated	<u>\$ 31,056</u>	<u>\$ 155,851</u>	<u>\$ 17,227</u>	<u>\$ 551</u>	<u>\$ 208,841</u>
	<u>Shared Expenses C</u>	<u>Distributive</u>			
Fund balances/Net position, June 30, 2021, as previously reported	\$ 75	\$ -			
Prepaid expenses	(1,847)	-			
Due from other government	-	(28,279)			
Due to other government	-	28,460			
Fund balances (deficit)/Net position, June 30, 2021, as restated	<u>\$ (1,772)</u>	<u>\$ 181</u>			

SUPPLEMENTARY INFORMATION

Iroquois and Kankakee Counties Regional Office of Education No. 32
General Fund Accounts
Combining Schedule of Accounts - Modified Cash Basis
June 30, 2022
Schedule 1

	General Operations	Evidence- Based Funding	Total
ASSETS			
Cash and cash equivalents	\$ 77,518	\$ 4,291,154	\$ 4,368,672
Due from other funds	-	208,558	208,558
	77,518	4,499,712	4,577,230
FUND BALANCES			
Unassigned	\$ 77,518	\$ 4,499,712	\$ 4,577,230

Iroquois and Kankakee Counties Regional Office of Education No. 32
General Fund Accounts
Combining Schedule of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 2

	General Operations	Evidence- Based Funding	Total
RECEIPTS			
Local sources	\$ 471,649	\$ -	\$ 471,649
State sources	-	1,169,574	1,169,574
On-behalf payments	304,023	-	304,023
Interest	61	3,533	3,594
Total receipts	<u>775,733</u>	<u>1,173,107</u>	<u>1,948,840</u>
DISBURSEMENTS			
Instructional services:			
Salaries	223,598	431,952	655,550
Employee benefits	43,300	26,656	69,956
Pension expense	22,967	13,936	36,903
OPEB expense	-	4,215	4,215
Purchased services	69,001	183,881	252,882
Supplies and materials	13,581	12,220	25,801
Other	1,083	-	1,083
On-behalf payments	304,023	-	304,023
Intergovernmental:			
Payments to other governmental units	600	-	600
Total disbursements	<u>678,153</u>	<u>672,860</u>	<u>1,351,013</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	<u>97,580</u>	<u>500,247</u>	<u>597,827</u>
OTHER FINANCING SOURCE			
Transfers in	<u>7</u>	<u>-</u>	<u>7</u>
NET CHANGE IN FUND BALANCES	97,587	500,247	597,834
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>(20,069)</u>	<u>3,999,465</u>	<u>3,979,396</u>
FUND BALANCES - END OF YEAR	<u>\$ 77,518</u>	<u>\$ 4,499,712</u>	<u>\$ 4,577,230</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Combining Schedule of Accounts - Modified Cash Basis
 June 30, 2022
 Schedule 3

	Child Nutrition	CPDC Project	Substance Use Prevention Services	HUD Supportive Housing	Family Violence Coordinating Council	Justice Self- Represented Litigant Coordinator
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 18,465	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ASSETS	<u>18,465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES						
Current liabilities:						
Due to other funds	-	176	145,139	3,823	15,924	-
FUND BALANCES (DEFICIT)						
Restricted	18,465	-	-	-	-	-
Unassigned	-	(176)	(145,139)	(3,823)	(15,924)	-
Total fund balances (deficit)	<u>18,465</u>	<u>(176)</u>	<u>(145,139)</u>	<u>(3,823)</u>	<u>(15,924)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ 18,465</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Combining Schedule of Accounts - Modified Cash Basis
 June 30, 2022
 Schedule 3 (Continued)

	McKinney Education for Homeless Children	Partnerships for Success	Regional Safe Schools	Regional Safe Schools Cooperative Education	ROE/ISC Operations	Teen Reach
ASSETS						
Current assets:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1	\$ 1	\$ -
TOTAL ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
LIABILITIES						
Current liabilities:						
Due to other funds	17,489	-	-	-	-	12,792
FUND BALANCES (DEFICIT)						
Restricted	-	-	-	1	1	-
Unassigned	(17,489)	-	-	-	-	(12,792)
Total fund balances (deficit)	<u>(17,489)</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>(12,792)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Combining Schedule of Accounts - Modified Cash Basis
 June 30, 2022
 Schedule 3 (Continued)

	Title II - Teacher Quality Leadership - Evaluation Training	Truants' Alternative	Elementary and Secondary School Emergency Relief	Elementary and Secondary Relief - Digital Professional Learning	Elementary and Secondary Relief - Digital Equity	Elementary and Secondary School Emergency Relief 1-E2
ASSETS						
Current assets:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES						
Current liabilities:						
Due to other funds	-	-	-	-	-	-
FUND BALANCES (DEFICIT)						
Restricted	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Education Fund Accounts
Combining Schedule of Accounts - Modified Cash Basis
June 30, 2022
Schedule 3 (Continued)

	ARP-LEA (ESSER III) - E3	Social Emotional Learning and Trauma Response	Area IV IL EMPOWER Primary Partner	Drug Free Communities- CDC	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ -	\$ 29,478	\$ -	\$ -	\$ 47,945
TOTAL ASSETS	<u>-</u>	<u>29,478</u>	<u>-</u>	<u>-</u>	<u>47,945</u>
LIABILITIES					
Current liabilities:					
Due to other funds	3,280	-	-	8,702	207,325
FUND BALANCES (DEFICIT)					
Restricted	-	29,478	-	-	47,945
Unassigned	(3,280)	-	-	(8,702)	(207,325)
Total fund balances (deficit)	<u>(3,280)</u>	<u>29,478</u>	<u>-</u>	<u>(8,702)</u>	<u>(159,380)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	<u>\$ -</u>	<u>\$ 29,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,945</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Education Fund Accounts
Combining Schedule of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 4

	Child Nutrition	CPDC Project	Substance Use Prevention Services	HUD Supportive Housing	Family Violence Coordinating Council	Justice Self- Represented Litigant Coordinator
RECEIPTS						
State sources	\$ 408	\$ -	\$ -	\$ -	\$ 28,664	\$ 1,825
Federal sources	44,857	3,063	375,253	53,378	-	-
Interest	10	-	-	-	-	-
Total receipts	<u>45,275</u>	<u>3,063</u>	<u>375,253</u>	<u>53,378</u>	<u>28,664</u>	<u>1,825</u>
DISBURSEMENTS						
Instructional services:						
Salaries	450	-	264,684	37,899	18,639	-
Employee benefits	34	-	34,664	2,624	1,426	-
Pension expense	-	-	27,461	3,798	156	-
Purchased services	31,469	551	52,663	6,483	18,172	75
Supplies and materials	359	2,582	54,762	1,964	761	2,040
Other	-	-	200	-	-	-
Intergovernmental:						
Payments to other governmental units	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total disbursements	<u>32,312</u>	<u>3,133</u>	<u>434,434</u>	<u>52,768</u>	<u>39,154</u>	<u>2,115</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>12,963</u>	<u>(70)</u>	<u>(59,181)</u>	<u>610</u>	<u>(10,490)</u>	<u>(290)</u>
OTHER FINANCING USES						
Transfers out	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	12,963	(70)	(59,181)	610	(10,490)	(290)
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>5,502</u>	<u>(106)</u>	<u>(85,958)</u>	<u>(4,433)</u>	<u>(5,434)</u>	<u>290</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 18,465</u>	<u>\$ (176)</u>	<u>\$ (145,139)</u>	<u>\$ (3,823)</u>	<u>\$ (15,924)</u>	<u>\$ -</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Education Fund Accounts
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Schedule 4 (Continued)

	McKinney Education for Homeless Children	Partnerships for Success	Regional Safe Schools	Regional Safe Schools Cooperative Education	ROE/ISC Operations	Teen Reach
RECEIPTS						
State sources	\$ -	\$ -	\$ 84,318	\$ 39,711	\$ 126,849	\$ -
Federal sources	55,273	-	-	-	-	123,344
Interest	-	-	-	-	-	-
Total receipts	<u>55,273</u>	<u>-</u>	<u>84,318</u>	<u>39,711</u>	<u>126,849</u>	<u>123,344</u>
DISBURSEMENTS						
Instructional services:						
Salaries	38,722	-	78,887	33,673	101,386	11,078
Employee benefits	5,238	-	4,131	5,444	16,828	847
Pension expense	3,528	-	459	195	7,405	273
Purchased services	5,200	-	635	273	850	1,239
Supplies and materials	2,831	-	206	126	380	251
Other	-	-	-	-	-	435
Intergovernmental:						
Payments to other governmental units	-	-	-	-	-	108,635
Capital outlay	-	-	-	-	-	-
Total disbursements	<u>55,519</u>	<u>-</u>	<u>84,318</u>	<u>39,711</u>	<u>126,849</u>	<u>122,758</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(246)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586</u>
OTHER FINANCING USES						
Transfers out	-	(7)	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>(246)</u>	<u>(7)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>(17,243)</u>	<u>7</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>(13,378)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (17,489)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (12,792)</u>

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Schedule 4 (Continued)

	Title II - Teacher Quality Leadership - Evaluation Training	Truants' Alternative	Elementary and Secondary School Emergency Relief	Elementary and Secondary Relief - Digital Professional Learning	Elementary and Secondary Relief - Digital Equity	Elementary and Secondary School Emergency Relief 1-E2
RECEIPTS						
State sources	\$ -	\$ 227,573	\$ -	\$ -	\$ -	\$ -
Federal sources	28	-	1,138	53	27,012	11,127
Interest	-	-	-	-	-	-
Total receipts	<u>28</u>	<u>227,573</u>	<u>1,138</u>	<u>53</u>	<u>27,012</u>	<u>11,127</u>
DISBURSEMENTS						
Instructional services:						
Salaries	-	177,798	1,023	-	-	-
Employee benefits	-	22,939	78	-	-	-
Pension expense	-	13,206	-	-	-	-
Purchased services	-	12,420	12	-	1,911	11,127
Supplies and materials	-	1,210	-	-	2,720	-
Other	-	-	-	-	-	-
Intergovernmental:						
Payments to other governmental units	-	-	-	-	-	-
Capital outlay	-	-	-	-	22,351	-
Total disbursements	<u>-</u>	<u>227,573</u>	<u>1,113</u>	<u>-</u>	<u>26,982</u>	<u>11,127</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>28</u>	<u>-</u>	<u>25</u>	<u>53</u>	<u>30</u>	<u>-</u>
OTHER FINANCING USES						
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	28	-	25	53	30	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>(28)</u>	<u>-</u>	<u>(25)</u>	<u>(53)</u>	<u>(30)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
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Schedule 4 (Continued)

	ARP-LEA (ESSER III) - E3	Social Emotional Learning and Trauma Response	Area IV IL EMPOWER Primary Partner	Drug Free Communities- CDC	Total
RECEIPTS					
State sources	\$ -	\$ -	\$ -	\$ -	\$ 509,348
Federal sources	7,058	36,000	753	106,702	845,039
Interest	-	-	-	-	10
Total receipts	<u>7,058</u>	<u>36,000</u>	<u>753</u>	<u>106,702</u>	<u>1,354,397</u>
DISBURSEMENTS					
Instructional services:					
Salaries	2,892	4,902	-	56,671	828,704
Employee benefits	103	553	-	4,335	99,244
Pension expense	228	1,039	-	6,255	64,003
Purchased services	30	28	-	25,618	168,756
Supplies and materials	7,085	-	-	11,805	89,082
Other	-	-	-	-	635
Intergovernmental:					
Payments to other governmental units	-	-	-	-	108,635
Capital outlay	-	-	-	-	22,351
Total disbursements	<u>10,338</u>	<u>6,522</u>	<u>-</u>	<u>104,684</u>	<u>1,381,410</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(3,280)</u>	<u>29,478</u>	<u>753</u>	<u>2,018</u>	<u>(27,013)</u>
OTHER FINANCING USES					
Transfers out	-	-	-	-	(7)
NET CHANGE IN FUND BALANCES	<u>(3,280)</u>	<u>29,478</u>	<u>753</u>	<u>2,018</u>	<u>(27,020)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>-</u>	<u>-</u>	<u>(753)</u>	<u>(10,720)</u>	<u>(132,360)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (3,280)</u>	<u>\$ 29,478</u>	<u>\$ -</u>	<u>\$ (8,702)</u>	<u>\$ (159,380)</u>

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	CPDC Project - FY2021				CPDC Project - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	3,241	6,117	2,860	(3,257)	4,939	4,939	203	(4,736)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>3,241</u>	<u>6,117</u>	<u>2,860</u>	<u>(3,257)</u>	<u>4,939</u>	<u>4,939</u>	<u>203</u>	<u>(4,736)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Pension expense	-	-	-	-	-	-	-	-
Purchased services	2,641	2,753	172	2,581	4,544	4,544	379	4,165
Supplies and materials	600	3,364	2,582	782	395	395	-	395
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>3,241</u>	<u>6,117</u>	<u>2,754</u>	<u>3,363</u>	<u>4,939</u>	<u>4,939</u>	<u>379</u>	<u>4,560</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>106</u>	<u>\$ 106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(176)</u>	<u>\$ (176)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>(106)</u>				<u>-</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ (176)</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
Education Fund Accounts
Budgetary Comparison Schedules - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 5 (Continued)

	Substance Use Prevention Services - FY2021				Substance Use Prevention Services - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 39,238	\$ 39,238	\$ -	\$ (39,238)	\$ -	\$ -	\$ -	\$ -
Federal sources	339,599	346,796	85,960	(260,836)	386,034	443,939	289,293	(154,646)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>378,837</u>	<u>386,034</u>	<u>85,960</u>	<u>(300,074)</u>	<u>386,034</u>	<u>443,939</u>	<u>289,293</u>	<u>(154,646)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	256,378	245,980	-	245,980	256,800	266,873	264,684	2,189
Employee benefits	34,352	30,901	-	30,901	38,458	38,745	34,664	4,081
Pension expense	30,331	25,696	-	25,696	28,402	27,910	27,461	449
Purchased services	36,687	44,170	-	44,170	43,334	55,028	52,663	2,365
Supplies and materials	20,889	39,087	-	39,087	18,840	53,623	54,762	(1,139)
Other	200	200	-	200	200	200	200	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,560	-	1,560
Total disbursements	<u>378,837</u>	<u>386,034</u>	<u>-</u>	<u>386,034</u>	<u>386,034</u>	<u>443,939</u>	<u>434,434</u>	<u>9,505</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>85,960</u>	<u>\$ 85,960</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(145,141)</u>	<u>\$ (145,141)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)				<u>(85,958)</u>			<u>2</u>	
FUND BALANCES (DEFICIT) - END OF YEAR				<u>\$ 2</u>			<u>\$ (145,139)</u>	

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Budgetary Comparison Schedules - Modified Cash Basis
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Schedule 5 (Continued)

	Family Violence Coordinating Council - FY2021				Family Violence Coordinating Council - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 38,800	\$ 38,800	\$ 5,788	\$ (33,012)	\$ 38,800	\$ 38,800	\$ 22,876	\$ (15,924)
Federal sources	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>38,800</u>	<u>38,800</u>	<u>5,788</u>	<u>(33,012)</u>	<u>38,800</u>	<u>38,800</u>	<u>22,876</u>	<u>(15,924)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	18,273	19,683	-	19,683	18,636	18,636	18,639	(3)
Employee benefits	1,807	1,933	-	1,933	1,582	1,582	1,426	156
Pension expense	-	-	-	-	-	-	156	(156)
Purchased services	17,577	14,458	354	14,104	17,982	17,982	17,818	164
Supplies and materials	1,143	2,726	-	2,726	600	600	761	(161)
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>38,800</u>	<u>38,800</u>	<u>354</u>	<u>38,446</u>	<u>38,800</u>	<u>38,800</u>	<u>38,800</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>5,434</u>	<u>\$ 5,434</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(15,924)</u>	<u>\$ (15,924)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>(5,434)</u>				<u>-</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ (15,924)</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
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 Schedule 5 (Continued)

	Justice Self-Represented Litigant Coordinator - FY2021				Justice Self-Represented Litigant Coordinator - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 2,025	\$ 2,025	\$ -	\$ (2,025)	\$ 1,825	\$ 1,825	\$ 1,825	\$ -
Federal sources	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>2,025</u>	<u>2,025</u>	<u>-</u>	<u>(2,025)</u>	<u>1,825</u>	<u>1,825</u>	<u>1,825</u>	<u>-</u>
DISBURSEMENTS								
Instructional services:								
Salaries	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Pension expense	-	-	-	-	-	-	-	-
Purchased services	83	83	13	70	75	75	62	13
Supplies and materials	1,942	1,942	277	1,665	1,750	1,750	1,763	(13)
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>2,025</u>	<u>2,025</u>	<u>290</u>	<u>1,735</u>	<u>1,825</u>	<u>1,825</u>	<u>1,825</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>(290)</u>	<u>\$ (290)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>290</u>				<u>-</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
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 For the Year Ended June 30, 2022
 Schedule 5 (Continued)

	McKinney Education for Homeless Children - FY2021				McKinney Education for Homeless Children - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	30,715	65,846	3,955	(61,891)	48,887	81,888	51,318	(30,570)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>30,715</u>	<u>65,846</u>	<u>3,955</u>	<u>(61,891)</u>	<u>48,887</u>	<u>81,888</u>	<u>51,318</u>	<u>(30,570)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	23,181	23,181	-	23,181	26,650	40,781	38,722	2,059
Employee benefits	4,016	4,016	-	4,016	4,574	6,519	5,238	1,281
Pension expense	2,877	2,877	-	2,877	2,946	4,359	3,528	831
Purchased services	451	9,973	-	9,973	12,341	23,285	5,200	18,085
Supplies and materials	190	25,799	-	25,799	2,376	6,844	2,831	4,013
Other	-	-	-	-	-	100	-	100
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>30,715</u>	<u>65,846</u>	<u>-</u>	<u>65,846</u>	<u>48,887</u>	<u>81,888</u>	<u>55,519</u>	<u>26,369</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>3,955</u>	<u>\$ 3,955</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(4,201)</u>	<u>\$ (4,201)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)				<u>(17,243)</u>			<u>(13,288)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR				<u>\$ (13,288)</u>			<u>\$ (17,489)</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
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Schedule 5 (Continued)

	Regional Safe Schools - FY2022				Regional Safe Schools Cooperative Education Program - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 84,318	\$ 84,318	\$ 84,318	\$ -	\$ 39,711	\$ 39,711	\$ 39,711	\$ -
Federal sources	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>84,318</u>	<u>84,318</u>	<u>84,318</u>	<u>-</u>	<u>39,711</u>	<u>39,711</u>	<u>39,711</u>	<u>-</u>
DISBURSEMENTS								
Instructional services:								
Salaries	77,993	77,993	78,887	(894)	32,773	32,773	33,673	(900)
Employee benefits	4,590	4,590	4,131	459	6,383	6,383	5,444	939
Pension expense	452	452	459	(7)	190	190	195	(5)
Purchased services	948	948	635	313	260	260	273	(13)
Supplies and materials	335	335	206	129	105	105	126	(21)
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>84,318</u>	<u>84,318</u>	<u>84,318</u>	<u>-</u>	<u>39,711</u>	<u>39,711</u>	<u>39,711</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>-</u>				<u>1</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ 1</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
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Schedule 5 (Continued)

	ROE/ISC Operations - FY2022				Teen Reach - FY2021			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 126,849	\$ 126,849	\$ 126,849	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	122,083	122,083	21,793	(100,290)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>126,849</u>	<u>126,849</u>	<u>126,849</u>	<u>-</u>	<u>122,083</u>	<u>122,083</u>	<u>21,793</u>	<u>(100,290)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	101,392	101,392	101,386	6	10,861	10,861	-	10,861
Employee benefits	15,913	15,913	16,828	(915)	948	948	-	948
Pension expense	7,812	7,812	7,405	407	297	297	-	297
Purchased services	800	800	850	(50)	4,323	4,323	-	4,323
Supplies and materials	932	932	380	552	208	208	-	208
Other	-	-	-	-	435	435	-	435
Intergovernmental:								
Payments to other governmental units	-	-	-	-	105,011	105,011	8,415	96,596
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>126,849</u>	<u>126,849</u>	<u>126,849</u>	<u>-</u>	<u>122,083</u>	<u>122,083</u>	<u>8,415</u>	<u>113,668</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>13,378</u>	<u>\$ 13,378</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>1</u>				<u>(13,378)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ 1</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Budgetary Comparison Schedules - Modified Cash Basis
 For the Year Ended June 30, 2022
 Schedule 5 (Continued)

	Teen Reach - FY2022				Title II - Teacher Quality Leadership - Evaluation Training - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	122,083	122,083	101,551	(20,532)	1,483	1,483	28	(1,455)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>122,083</u>	<u>122,083</u>	<u>101,551</u>	<u>(20,532)</u>	<u>1,483</u>	<u>1,483</u>	<u>28</u>	<u>(1,455)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	11,079	11,079	11,078	1	-	-	-	-
Employee benefits	848	848	847	1	-	-	-	-
Pension expense	272	272	273	(1)	-	-	-	-
Purchased services	5,104	5,104	1,239	3,865	1,483	1,483	-	1,483
Supplies and materials	182	182	251	(69)	-	-	-	-
Other	435	435	435	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	104,163	104,163	100,220	3,943	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>122,083</u>	<u>122,083</u>	<u>114,343</u>	<u>7,740</u>	<u>1,483</u>	<u>1,483</u>	<u>-</u>	<u>1,483</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>(12,792)</u>	<u>\$ (12,792)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>28</u>	<u>\$ 28</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>-</u>				<u>(28)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ (12,792)</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
Education Fund Accounts
Budgetary Comparison Schedules - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 5 (Continued)

	Truants' Alternative/Optional Education - FY2022				Elementary and Secondary School Emergency Relief - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 227,573	\$ 227,573	\$ 227,573	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	1,115	1,115	1,138	23
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>227,573</u>	<u>227,573</u>	<u>227,573</u>	<u>-</u>	<u>1,115</u>	<u>1,115</u>	<u>1,138</u>	<u>23</u>
DISBURSEMENTS								
Instructional services:								
Salaries	174,973	174,973	177,798	(2,825)	1,024	1,024	1,023	1
Employee benefits	25,397	25,397	22,939	2,458	78	78	78	-
Pension expense	14,592	14,592	13,206	1,386	-	-	-	-
Purchased services	11,384	11,384	12,420	(1,036)	13	13	12	1
Supplies and materials	1,227	1,227	1,210	17	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>227,573</u>	<u>227,573</u>	<u>227,573</u>	<u>-</u>	<u>1,115</u>	<u>1,115</u>	<u>1,113</u>	<u>2</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>25</u>	<u>\$ 25</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>-</u>				<u>(25)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Budgetary Comparison Schedules - Modified Cash Basis
 For the Year Ended June 30, 2022
 Schedule 5 (Continued)

	Elementary and Secondary Relief - Digital Professional Learning - FY2021				Elementary and Secondary Relief - Digital Equity - FY2021			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	5,180	5,180	53	(5,127)	67,918	67,918	30	(67,888)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>5,180</u>	<u>5,180</u>	<u>53</u>	<u>(5,127)</u>	<u>67,918</u>	<u>67,918</u>	<u>30</u>	<u>(67,888)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	4,166	4,166	-	4,166	-	-	-	-
Employee benefits	937	937	-	937	-	-	-	-
Pension expense	-	-	-	-	-	-	-	-
Purchased services	27	27	-	27	11,822	11,822	-	11,822
Supplies and materials	50	50	-	50	56,096	56,096	-	56,096
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>5,180</u>	<u>5,180</u>	<u>-</u>	<u>5,180</u>	<u>67,918</u>	<u>67,918</u>	<u>-</u>	<u>67,918</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>53</u>	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ -</u>	<u>30</u>	<u>\$ 30</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>(53)</u>				<u>(30)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Budgetary Comparison Schedules - Modified Cash Basis
 For the Year Ended June 30, 2022
 Schedule 5 (Continued)

	Elementary and Secondary Relief - Digital Equity - FY2022				Elementary and Secondary School Emergency Relief 1-E2 - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	28,519	28,519	26,982	(1,537)	11,127	11,127	11,127	-
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>28,519</u>	<u>28,519</u>	<u>26,982</u>	<u>(1,537)</u>	<u>11,127</u>	<u>11,127</u>	<u>11,127</u>	<u>-</u>
DISBURSEMENTS								
Instructional services:								
Salaries	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Pension expense	-	-	-	-	-	-	-	-
Purchased services	2,000	2,000	1,911	89	11,127	11,127	11,127	-
Supplies and materials	2,720	2,720	2,720	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	23,799	23,799	22,351	1,448	-	-	-	-
Total disbursements	<u>28,519</u>	<u>28,519</u>	<u>26,982</u>	<u>1,537</u>	<u>11,127</u>	<u>11,127</u>	<u>11,127</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>-</u>				<u>-</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
Education Fund Accounts
Budgetary Comparison Schedules - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 5 (Continued)

	ARP-LEA (ESSER III) - E3				Area IV IL EMPOWER Primary Partner - FY2021			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	220,358	220,358	7,058	(213,300)	279,247	30,529	753	(29,776)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>220,358</u>	<u>220,358</u>	<u>7,058</u>	<u>(213,300)</u>	<u>279,247</u>	<u>30,529</u>	<u>753</u>	<u>(29,776)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	148,262	148,262	2,892	145,370	29,650	8,595	-	8,595
Employee benefits	62,112	61,912	103	61,809	7,769	1,826	-	1,826
Pension expense	-	-	228	(228)	-	-	-	-
Purchased services	1,700	1,900	30	1,870	18,342	10,108	-	10,108
Supplies and materials	-	-	7,085	(7,085)	1,866	5,000	-	5,000
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	8,284	8,284	-	8,284	221,620	5,000	-	5,000
Total disbursements	<u>220,358</u>	<u>220,358</u>	<u>10,338</u>	<u>210,020</u>	<u>279,247</u>	<u>30,529</u>	<u>-</u>	<u>30,529</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>(3,280)</u>	<u>\$ (3,280)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>753</u>	<u>\$ 753</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)							<u>(753)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ (3,280)</u>				<u>\$ -</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
 Education Fund Accounts
 Budgetary Comparison Schedules - Modified Cash Basis
 For the Year Ended June 30, 2022
 Schedule 5 (Continued)

	Drug Free Communities-CDC - FY2021				Drug Free Communities-CDC - FY2022			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	125,000	125,000	39,772	(85,228)	125,000	125,000	66,930	(58,070)
Interest	-	-	-	-	-	-	-	-
Total receipts	<u>125,000</u>	<u>125,000</u>	<u>39,772</u>	<u>(85,228)</u>	<u>125,000</u>	<u>125,000</u>	<u>66,930</u>	<u>(58,070)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	53,716	53,716	13,316	40,400	53,716	53,716	43,355	10,361
Employee benefits	9,978	9,311	1,101	8,210	9,978	9,311	3,234	6,077
Pension expense	5,073	5,073	1,615	3,458	5,073	5,073	4,640	433
Purchased services	36,999	37,666	5,502	32,164	36,999	37,666	20,116	17,550
Supplies and materials	16,434	16,434	7,519	8,915	16,434	16,434	4,286	12,148
Other	300	300	-	300	300	300	-	300
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	2,500	2,500	-	2,500	2,500	2,500	-	2,500
Total disbursements	<u>125,000</u>	<u>125,000</u>	<u>29,053</u>	<u>95,947</u>	<u>125,000</u>	<u>125,000</u>	<u>75,631</u>	<u>49,369</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>10,719</u>	<u>\$ 10,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(8,701)</u>	<u>\$ (8,701)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)			<u>(10,720)</u>				<u>(1)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR			<u>\$ (1)</u>				<u>\$ (8,702)</u>	

Iroquois and Kankakee Counties Regional Office of Education No. 32
Nonmajor Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2022
Schedule 6

	Bus Driver Training	General Education Development	Institute	Tallman's Boys	Project Care Healthy Decision	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 28,115	\$ 16,129	\$ 146,480	\$ 50,196	\$ 3,535	\$ 244,455
FUND BALANCES						
Restricted	\$ 28,115	\$ 16,129	\$ 146,480	\$ 50,196	\$ 3,535	\$ 244,455

Iroquois and Kankakee Counties Regional Office of Education No. 32
Nonmajor Special Revenue Funds
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 7

	Bus Driver Training	General Education Development	Institute	Tallman's Boys	Project Care Healthy Decision	Total
RECEIPTS						
Local sources	\$ 4,759	\$ 2,533	\$ 43,005	\$ 14,500	\$ -	\$ 64,797
State sources	1,538	-	-	-	-	1,538
Interest	28	16	295	41	3	383
Total receipts	<u>6,325</u>	<u>2,549</u>	<u>43,300</u>	<u>14,541</u>	<u>3</u>	<u>66,718</u>
DISBURSEMENTS						
Instructional services:						
Salaries	5,455	3,330	38,429	7,673	-	54,887
Employee benefits	400	237	6,105	587	-	7,329
Pension expense	409	310	650	-	-	1,369
Purchased services	3,002	207	2,083	3,981	-	9,273
Supplies and materials	-	184	288	-	-	472
Other	-	-	5,116	-	-	5,116
Total disbursements	<u>9,266</u>	<u>4,268</u>	<u>52,671</u>	<u>12,241</u>	<u>-</u>	<u>78,446</u>
NET CHANGE IN FUND BALANCES	(2,941)	(1,719)	(9,371)	2,300	3	(11,728)
FUND BALANCE - BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>31,056</u>	<u>17,848</u>	<u>155,851</u>	<u>47,896</u>	<u>3,532</u>	<u>256,183</u>
FUND BALANCE - END OF YEAR	<u>\$ 28,115</u>	<u>\$ 16,129</u>	<u>\$ 146,480</u>	<u>\$ 50,196</u>	<u>\$ 3,535</u>	<u>\$ 244,455</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Nonmajor Proprietary Funds
Combining Statement of Net Position - Modified Cash Basis
June 30, 2022
Schedule 8

	Criminal Background Investigation	Family Violence Coordinating Councils Local	Life Education - Local	Services Provided HUD	Total
ASSETS:					
Current assets:					
Cash and cash equivalents	\$ 8,261	\$ 456	\$ 233,553	\$ 5,049	\$ 247,319
NET POSITION:					
Unrestricted	\$ 8,261	\$ 456	\$ 233,553	\$ 5,049	\$ 247,319

Iroquois and Kankakee Counties Regional Office of Education No. 32
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses,
and Changes in Net Position - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 9

	Criminal Background Investigation	Family Violence Coordinating Councils Local	Life Education - Local	Services Provided HUD	Total
OPERATING RECEIPTS					
Charges for services	\$ 13,560	\$ 44	\$ 39,405	\$ 2,783	\$ 55,792
OPERATING DISBURSEMENTS					
Salaries	8,394	-	-	-	8,394
Employee benefits	642	-	-	-	642
Pension expense	992	-	-	-	992
Purchased services	12,508	139	13,050	700	26,397
Supplies and materials	-	-	1,830	32	1,862
Total operating disbursements	22,536	139	14,880	732	38,287
OPERATING INCOME (LOSS)	(8,976)	(95)	24,525	2,051	17,505
NONOPERATING RECEIPTS					
Interest	10	-	187	4	201
NET CHANGE IN NET POSITION	(8,966)	(95)	24,712	2,055	17,706
NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	17,227	551	208,841	2,994	229,613
NET POSITION - END OF YEAR	\$ 8,261	\$ 456	\$ 233,553	\$ 5,049	\$ 247,319

Iroquois and Kankakee Counties Regional Office of Education No. 32
Nonmajor Proprietary Funds
Combining Statement of Cash Flows - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 10

	Criminal Background Investigation	Family Violence Coordinating Councils Local	Life Education - Local	Services Provided HUD	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 13,560	\$ 44	\$ 39,405	\$ 2,783	\$ 55,792
Payments to suppliers and providers of goods and services	(12,508)	(139)	(14,880)	(732)	(28,259)
Payments to employees	(10,028)	-	-	-	(10,028)
Net cash provided by (used in) operating activities	<u>(8,976)</u>	<u>(95)</u>	<u>24,525</u>	<u>2,051</u>	<u>17,505</u>
CASH FLOWS FROM INVESTING ACTIVITY					
Interest	<u>10</u>	<u>-</u>	<u>187</u>	<u>4</u>	<u>201</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,966)	(95)	24,712	2,055	17,706
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>17,227</u>	<u>551</u>	<u>208,841</u>	<u>2,994</u>	<u>229,613</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,261</u>	<u>\$ 456</u>	<u>\$ 233,553</u>	<u>\$ 5,049</u>	<u>\$ 247,319</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (8,976)	\$ (95)	\$ 24,525	\$ 2,051	\$ 17,505
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>\$ (8,976)</u>	<u>\$ (95)</u>	<u>\$ 24,525</u>	<u>\$ 2,051</u>	<u>\$ 17,505</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Internal Service Funds
Combining Statement of Net Position - Modified Cash Basis
June 30, 2022
Schedule 11

	<u>Copier Fees</u>	<u>Shared Expense A</u>	<u>Shared Expense B</u>	<u>Shared Expense C</u>	<u>Shared Expense D</u>	<u>Total</u>
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 12,112	\$ -	\$ -	\$ -	\$ -	\$ 12,112
Noncurrent assets:						
Capital assets, net	49,227	-	-	-	-	49,227
TOTAL ASSETS	<u>61,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,339</u>
LIABILITIES						
Current liabilities:						
Due to other funds	-	-	-	1,233	-	1,233
NET POSITION						
Net investment in capital assets	49,227	-	-	-	-	49,227
Unrestricted	12,112	-	-	(1,233)	-	10,879
TOTAL NET POSITION	<u>\$ 61,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,233)</u>	<u>\$ -</u>	<u>\$ 60,106</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Internal Service Funds
Combining Statement of Revenues, Expenses,
and Changes in Net Position - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 12

	<u>Copier Fees</u>	<u>Shared Expense A</u>	<u>Shared Expense B</u>	<u>Shared Expense C</u>	<u>Shared Expense D</u>	<u>Total</u>
OPERATING RECEIPTS						
Charges for services	\$ 29,735	\$ 92,374	\$ 8,188	\$ 63,490	\$ 5,153	\$ 198,940
OPERATING DISBURSEMENTS						
Salaries	-	30,072	-	39,478	-	69,550
Employee benefits	-	3,971	-	6,814	-	10,785
Pension expense	-	3,075	-	4,006	-	7,081
Purchased services	5,570	10,981	6,613	10,642	4,371	38,177
Supplies and materials	-	44,275	1,575	2,011	782	48,643
Depreciation expense	1,723	-	-	-	-	1,723
Total operating disbursements	<u>7,293</u>	<u>92,374</u>	<u>8,188</u>	<u>62,951</u>	<u>5,153</u>	<u>175,959</u>
OPERATING INCOME	<u>22,442</u>	<u>-</u>	<u>-</u>	<u>539</u>	<u>-</u>	<u>22,981</u>
NONOPERATING RECEIPTS						
Interest	40	-	-	-	-	40
NET CHANGE IN NET POSITION	22,482	-	-	539	-	23,021
NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>38,857</u>	<u>-</u>	<u>-</u>	<u>(1,772)</u>	<u>-</u>	<u>37,085</u>
NET POSITION - END OF YEAR	<u>\$ 61,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,233)</u>	<u>\$ -</u>	<u>\$ 60,106</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Internal Service Funds
Combining Statement of Cash Flows - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 13

	<u>Copier Fees</u>	<u>Shared Expense A</u>	<u>Shared Expense B</u>	<u>Shared Expense C</u>	<u>Shared Expense D</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from internal services provided	\$ 29,735	\$ 92,374	\$ 8,188	\$ 63,490	\$ 5,153	\$ 198,940
Payments to suppliers and providers of goods and services	(5,570)	(55,256)	(8,188)	(12,653)	(5,153)	(86,820)
Payments to employees	-	(37,118)	-	(50,298)	-	(87,416)
Net cash provided by operating activities	<u>24,165</u>	<u>-</u>	<u>-</u>	<u>539</u>	<u>-</u>	<u>24,704</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(49,000)	-	-	-	-	(49,000)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Payment on advances from other funds	-	-	-	(539)	-	(539)
CASH FLOWS FROM INVESTING ACTIVITY						
Interest	40	-	-	-	-	40
DECREASE IN CASH AND CASH EQUIVALENTS						
	(24,795)	-	-	-	-	(24,795)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR						
	36,907	-	-	-	-	36,907
CASH AND CASH EQUIVALENTS - END OF YEAR						
	<u>\$ 12,112</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,112</u>
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 22,442	\$ -	\$ -	\$ 539	\$ -	\$ 22,981
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	1,723	-	-	-	-	1,723
Net cash provided by operating activities	<u>\$ 24,165</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 539</u>	<u>\$ -</u>	<u>\$ 24,704</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Custodial Funds
Combining Statement of Fiduciary Net Position - Modified Cash Basis
June 30, 2022
Schedule 14

	<u>Distributive Fund</u>	<u>Petitions and Detachment</u>	<u>Impact Fees</u>	<u>Tenant Rental</u>	<u>Reorganization Feasibility Study</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 228	\$ -	\$ -	\$ -	\$ -	\$ 228
NET POSITION						
Restricted for other governments	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Custodial Funds
Combining Statement of Changes in Fiduciary Net Position - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 15

	Distributive	Petitions and Detachment	Impact Fees	Tenant Rental	Reorganization Feasibility Study	Total
ADDITIONS:						
Grants collected for other governments	\$ 1,329,103	\$ -	\$ -	\$ -	\$ -	\$ 1,329,103
Rents collected for other governments	-	-	-	48,000	-	48,000
Other collections for other governments	-	-	25,280	-	-	25,280
Interest	47	-	-	-	-	47
Total additions	<u>1,329,150</u>	<u>-</u>	<u>25,280</u>	<u>48,000</u>	<u>-</u>	<u>1,402,430</u>
DEDUCTIONS:						
Payments of grants to other governments	1,329,103	-	-	-	-	1,329,103
Payments of rents to other governments	-	-	-	48,000	-	48,000
Payments of other collections to other governments	-	-	25,280	-	-	25,280
Total deductions	<u>1,329,103</u>	<u>-</u>	<u>25,280</u>	<u>48,000</u>	<u>-</u>	<u>1,402,383</u>
NET INCREASE IN FIDUCIARY NET POSITION	47	-	-	-	-	47
NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 15)	<u>181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181</u>
NET POSITION - END OF YEAR	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Distributive Fund
Schedule of Disbursements to School District Treasurers and Other Entities - Distributive Fund - Modified Cash Basis
For the Year Ended June 30, 2022
Schedule 16

	<u>Iroquois Area Del #370</u>	<u>Kankakee Regional System #120</u>	<u>Kankakee Area Career Center</u>	<u>Total</u>
State Funds				
Career and Technical Ed Improvement	\$ 149,591	\$ 853,912	\$ -	\$ 1,003,503
Transportation - Regular and Vocational	-	-	25,861	25,861
Total State Funds	<u>149,591</u>	<u>853,912</u>	<u>25,861</u>	<u>1,029,364</u>
Federal Funds				
CTE - Perkins - Secondary	23,594	230,307	-	253,901
Elementary and Secondary School Emergency Relief	-	22,525	23,313	45,838
Total Federal Funds	<u>23,594</u>	<u>252,832</u>	<u>23,313</u>	<u>299,739</u>
Total Disbursements	<u>\$ 173,185</u>	<u>\$ 1,106,744</u>	<u>\$ 49,174</u>	<u>\$ 1,329,103</u>

Iroquois and Kankakee Counties Regional Office of Education No. 32
Schedule of Expenditures of Federal Awards - Modified Cash Basis
For the Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through/ Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed-Through Regional Office of Education No. 11				
Education for Homeless Children and Youth				
<i>McKinney Education for Homeless Children</i>	84.196A	2022-4920-00	\$ -	\$ 55,519
Passed-Through Illinois State Board of Education				
Education Stabilization Fund				
<i>COVID-19 - Elementary and Secondary School</i>				
<i>Emergency Relief</i>	84.425D	22-4998-ER-32	-	1,113
<i>COVID-19 - Elementary and Secondary School</i>				
<i>Emergency Relief 1-E2</i>	84.425D	21-4998-E2-32	-	11,127
<i>COVID-19 - ARP-LEA (ESSER III) - E3</i>	84.425U	22-4998-E3-32	-	10,338
Passed-Through Regional Office of Education No. 39				
<i>COVID-19 - Social Emotional Learning and</i>				
<i>Trauma Response Program</i>	84.425	2022-4998-SE	-	6,522
<i>Total Education Stabilization Fund</i>				
			-	29,100
Passed-Through Illinois State Board of Education				
Charter Schools				
<i>COVID-19 - Elementary and Secondary</i>				
<i>Relief - Digital Equity</i>	84.282A	22-4998-D2-32	-	26,982
TOTAL U.S. DEPARTMENT OF EDUCATION			-	111,601
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Drug-Free Communities Support Program Grants				
<i>Drug Free Communities - CDC</i>	93.276	22-499919	-	75,632
<i>Drug Free Communities - CDC</i>	93.276	21-499919	-	29,052
<i>Total Drug Free Communities Support Program Grants</i>			-	104,684
Passed-Through Illinois Department of Human Services				
Block Grants for Prevention and Treatment of Substance Abuse				
<i>Substance Use Prevention Services</i>	(M) 93.959	22-499919S	-	434,434
Temporary Assistance for Needy Families				
<i>Teen Reach</i>	93.558	FCSAR04826	97,189	97,189
<i>Teen Reach</i>	93.558	FCSZR04826	8,415	8,415
<i>Total Teen Reach</i>			105,604	105,604
Passed-Through the Administrative Office of the Illinois Courts				
State Court Improvement Program				
<i>Child Protection Data Courts Project</i>	93.586	CIP Data G-2103	-	379
<i>Child Protection Data Courts Project</i>	93.586	CIP Data G-2005	-	2,754
<i>Total Child Protection Data Courts Project</i>			-	3,133
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 105,604	\$ 647,855

The accompanying notes are an integral part of this schedule.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Schedule of Expenditures of Federal Awards - Modified Cash Basis
For the Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through/ Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>U.S. DEPARTMENT OF TREASURY</u>				
Passed-Through Illinois Department of Human Services				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds <i>Teen Reach</i>	21.027	FCSAR04826	\$ 3,031	\$ 17,154
TOTAL U.S. DEPARTMENT OF TREASURY			3,031	17,154
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Continuum of Care Program				
<i>HUD Supportive Housing Program</i>	14.267	IL0282L5T122013	-	41,078
<i>HUD Supportive Housing Program</i>	14.267	IL0282L5T121912	-	11,690
<i>Total Continuum of Care Program</i>			-	52,768
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			-	52,768
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<u>CHILD NUTRITION CLUSTER:</u>				
Passed-Through Illinois State Board of Education				
School Breakfast Program				
<i>School Breakfast Program</i>	10.553	2022-4220-00	-	8,121
<i>School Breakfast Program</i>	10.553	2021-4220-00	-	1,975
<i>Total School Breakfast Program</i>			-	10,096
National School Lunch Program				
<i>National School Lunch Program</i>	10.555	2022-4210-00	-	11,934
<i>National School Lunch Program</i>	10.555	2022-4210-SC	-	7,174
<i>National School Lunch Program</i>	10.555	2021-4210-00	-	2,919
<i>Total National School Lunch Program</i>			-	22,027
TOTAL CHILD NUTRITION CLUSTER			-	32,123
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 108,635	\$ 861,501

(M) Program was audited as a major program.

The accompanying notes are an integral part of this schedule.

Iroquois and Kankakee Counties Regional Office of Education No. 32
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

NOTE 1 BASIS OF PREPARATION

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Regional Office of Education No. 32 under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Professional Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the Regional Office of Education No. 32, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Regional Office of Education No. 32.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Regional Office of Education No. 32 has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 INSURANCE IN EFFECT DURING THE YEAR

Property coverage for the office was \$550,000, and general liability coverage was \$1,000,000 per occurrence and \$3,000,000 aggregate. All of the federal awards pay workers' compensation, unemployment insurance, and medical insurance for the current fiscal year based on the employees and the amount of their pay expended by each federal award.

NOTE 4 NONCASH ASSISTANCE

This is not applicable as no federal awards were expended in the form of noncash assistance.

NOTE 5 LOANS/LOAN GUARANTEES/INTEREST SUBSIDIES

This is not applicable as the entity did not have any loans/loan guarantees/interest subsidies outstanding at year-end.