

**State of Illinois
South Cook
Intermediate
Service Center #4**

FINANCIAL AUDIT

**FOR THE YEAR ENDED
JUNE 30, 2023**

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

South Cook Intermediate Service Center #4
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June 30, 2023

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**South Cook Intermediate Service Center #4
Officials**

Executive Director
(Current and during the audit period)

Dr. Vanessa J. Kinder

Assistant Executive Director
(Current and during the audit period)

Dr. Anthony Marinello

Executive Assistant
(Current and during the audit period)

Ms. Beth Maloney

Bookkeeper
(Current and during the audit period)

Ms. Shelia Ivy

Office is located at:

253 West Joe Orr Road
Chicago Heights, Illinois 60411

**South Cook Intermediate Service Center #4
Financial Report Summary**

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

AUDITOR’S REPORT

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	–	1
Repeated audit findings	–	–
Prior recommendations implemented or not repeated	–	–

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>Findings (Government Auditing Standards)</i>			
None			
<i>Prior Findings Not Repeated (Government Auditing Standards)</i>			
2022-001	10	Controls over Financial Statement Preparation	Significant Deficiency

EXIT CONFERENCE

The South Cook Intermediate Service Center #4 waived an exit conference in a correspondence from Dr. Vanessa Kinder, Executive Director, on November 22, 2023.

South Cook Intermediate Service Center #4 Financial Statement Report Summary

The audit of the accompanying basic financial statements of the South Cook Intermediate Service Center #4 was performed by Roth & Company, LLP.

Based on their audit, the auditors expressed an unmodified opinion on the South Cook Intermediate Service Center #4's basic financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Directors
South Cook Intermediate Service Center #4

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the South Cook Intermediate Service Center #4, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the South Cook Intermediate Service Center #4's basic financial statements as listed in the table of contents.

In our opinion, the accompanying cash basis financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the South Cook Intermediate Service Center #4, as of June 30, 2023, and the respective changes in cash basis financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the 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 South Cook Intermediate Service Center #4, 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.

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The South Cook Intermediate Service Center #4 has presented its financial statements in accordance with the 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 cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 South Cook Intermediate Service Center #4'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the South Cook Intermediate Service Center #4's ability to continue as a going concern for a reasonable period of time.



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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Cook Intermediate Service Center #4's basic financial statements. The combining schedules of cash receipts, disbursements, and changes in cash and cash equivalents, and the budgetary comparison schedule 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 combining schedules of cash receipts, disbursements, and changes in cash and cash equivalents, and the budgetary comparison schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the cash basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2024 on our consideration of the South Cook Intermediate Service Center #4'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 South Cook Intermediate Service Center #4'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 South Cook Intermediate Service Center #4's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
January 8, 2024





**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

and

Board of Directors
South Cook Intermediate Service Center #4

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the South Cook Intermediate Service Center #4, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the South Cook Intermediate Service Center #4’s cash basis financial statements, and have issued our report thereon dated January 8, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the South Cook Intermediate Service Center #4’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 cash basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the South Cook Intermediate Service Center #4’s internal control. Accordingly, we do not express an opinion on the effectiveness of South Cook Intermediate Service Center #4’s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the South Cook Intermediate Service Center #4'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*.

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 South Cook Intermediate Service Center #4'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 South Cook Intermediate Service Center #4's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
January 8, 2024



**South Cook Intermediate Service Center #4
Schedule of Findings and Responses
For the Year Ended June 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements in Accordance with 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

**South Cook Intermediate Service Center #4
Summary Schedule of Prior Audit Finding Not Repeated
For the Year Ended June 30, 2023**

2022-001	Controls over Financial Statement Preparation	Not Repeated
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During the current audit, audit testing results indicated the South Cook Intermediate Service Center #4 implemented corrective action and included a more comprehensive review of financial statements preparation procedures.

BASIC FINANCIAL STATEMENTS

South Cook Intermediate Service Center #4
Cash Basis Statement of Activities and Net Position
As of and for the Year Ended June 30, 2023
Exhibit A

FUNCTIONS/PROGRAMS	Disbursements	Program Receipts		Net (Receipts) Disbursements and Changes in Net Position Primary Government		
		Charges for	Operating Grants	Governmental	Business-type	Total
		Services	& Contributions	Activities	Activities	
Primary government						
Governmental activities:						
Instructional services:						
Salaries	\$ 2,427,608	\$ 1,245,430	\$ 766,425	\$ (415,753)	\$ -	\$ (415,753)
Employee benefits	479,936	230,733	172,882	(76,321)	-	(76,321)
OPEB expense	8,159	2,132	4,542	(1,485)	-	(1,485)
Pension expense	103,673	51,105	38,230	(14,338)	-	(14,338)
Purchased services	975,157	412,845	408,359	(153,953)	-	(153,953)
Supplies and materials	412,271	124,179	214,390	(73,702)	-	(73,702)
Other objects	6,571	4,759	-	(1,812)	-	(1,812)
Capital outlay	42,513	-	-	(42,513)	-	(42,513)
Intergovernmental:						
Payments to other governments	25,000	-	-	(25,000)	-	(25,000)
Administrative:						
On-behalf payments	845,311	-	-	(845,311)	-	(845,311)
Total governmental activities	5,326,199	2,071,183	1,604,828	(1,650,188)	-	(1,650,188)
Business-type activities:						
Instructional	349,987	604,793	-	-	254,806	254,806
Total business-type activities	349,987	604,793	-	-	254,806	254,806
Total primary government	\$ 5,676,186	\$ 2,675,976	\$ 1,604,828	(1,650,188)	254,806	(1,395,382)
General receipts:						
Local sources				16,472	-	16,472
State sources				1,211,297	-	1,211,297
On-behalf payments				845,311	-	845,311
Interest				64,442	42,393	106,835
Total general receipts				2,137,522	42,393	2,179,915
CHANGE IN CASH BASIS NET POSITION				487,334	297,199	784,533
CASH BASIS NET POSITION						
BEGINNING OF YEAR				4,057,730	763,061	4,820,791
CASH BASIS NET POSITION						
END OF YEAR				\$ 4,545,064	\$ 1,060,260	\$ 5,605,324
CASH BASIS NET POSITION						
Restricted				\$ 1,578,394	\$ -	\$ 1,578,394
Unrestricted				2,966,670	1,060,260	4,026,930
TOTAL CASH BASIS NET POSITION				\$ 4,545,064	\$ 1,060,260	\$ 5,605,324

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

South Cook Intermediate Service Center #4
Governmental Funds

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

	General Fund	Education Fund	Institute Fund	Total Governmental Funds
RECEIPTS:				
Local sources	\$ 1,722,107	\$ -	\$ 365,549	\$ 2,087,656
State sources	1,211,297	1,310,914	-	2,522,211
Federal sources	-	293,913	-	293,913
Interest	-	-	64,442	64,442
On-behalf payments	320,601	-	-	320,601
Total receipts	<u>3,254,005</u>	<u>1,604,827</u>	<u>429,991</u>	<u>5,288,823</u>
DISBURSEMENTS:				
Instructional services:				
Salaries	1,420,576	880,427	126,605	2,427,608
Employee benefits	254,027	198,597	27,312	479,936
Pension expense	51,839	43,917	7,917	103,673
OPEB expense	2,941	5,218	-	8,159
Purchased services	459,112	469,102	46,943	975,157
Supplies and materials	161,905	246,280	4,086	412,271
Other objects	6,571	-	-	6,571
On-behalf payments	320,601	-	-	320,601
Intergovernmental:				
Payments to other governments	25,000	-	-	25,000
Capital outlay	14,859	-	27,654	42,513
Total disbursements	<u>2,717,431</u>	<u>1,843,541</u>	<u>240,517</u>	<u>4,801,489</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>536,574</u>	<u>(238,714)</u>	<u>189,474</u>	<u>487,334</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	553,220	-	-	553,220
Transfers out	(553,220)	-	-	(553,220)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS	536,574	(238,714)	189,474	487,334
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>2,515,773</u>	<u>415,997</u>	<u>1,125,960</u>	<u>4,057,730</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 3,052,347</u>	<u>\$ 177,283</u>	<u>\$ 1,315,434</u>	<u>\$ 4,545,064</u>
CASH BASIS FUND BALANCES				
Restricted	\$ -	\$ 262,960	\$ 1,315,434	\$ 1,578,394
Assigned	2,786,322	-	-	2,786,322
Unassigned	266,025	(85,677)	-	180,348
TOTAL CASH BASIS FUND BALANCES	<u>\$ 3,052,347</u>	<u>\$ 177,283</u>	<u>\$ 1,315,434</u>	<u>\$ 4,545,064</u>

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

South Cook Intermediate Service Center #4
Proprietary Funds

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

	Business-type Activities Enterprise Funds		Total
	Workshop Fund	Nonmajor Enterprise Fund	
		Fingerprinting Fund	
OPERATING RECEIPTS:			
Charges for services	\$ 593,453	\$ 11,340	\$ 604,793
OPERATING DISBURSEMENTS:			
Salaries	93,271	10,694	103,965
Employee benefits	31,325	934	32,259
Pension expense	6,469	744	7,213
OPEB expense	695	-	695
Purchased services	185,701	11,559	197,260
Supplies	4,085	-	4,085
Capital outlay	-	4,510	4,510
Total operating disbursements	321,546	28,441	349,987
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	271,907	(17,101)	254,806
NONOPERATING RECEIPTS			
Interest	42,393	-	42,393
NET CHANGE IN CASH AND CASH EQUIVALENTS	314,300	(17,101)	297,199
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	706,947	56,114	763,061
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 1,021,247	\$ 39,013	\$ 1,060,260
CASH BASIS NET POSITION			
Unrestricted	\$ 1,021,247	\$ 39,013	\$ 1,060,260

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

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Measurement Focus and Basis of Accounting section of this note, these financial statements are presented in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United State of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the cash basis of accounting.

The South Cook Intermediate Service Center #4 (ISC #4 or Center) was formed under the provisions of the State of Illinois, Illinois State Board of Education (ISBE).

A. DATE OF MANAGEMENT’S REVIEW

Management has evaluated subsequent events through January 8, 2024, the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

The portion of Cook County, Illinois, outside of the City of Chicago, constitutes a Regional Office of Education established pursuant to Section 3A-4 of the Illinois School Code (105 ILCS 5/3A-4) and has an oversight board responsible for the duties and programs specified in Section 3A-17 of the Illinois School Code administered through three (3) Intermediate Service Centers (North Cook, West Cook, and South Cook).

The purpose of South Cook Intermediate Service Center #4 is to provide services designed to be responsive to the needs of the schools in South Cook County, Illinois. This area includes the following school districts and the associated special education cooperatives:

Summit School Dist. #104	Evergreen Park School Dist. #124
Central Stickney School Dist. #110	Worth School Dist. #127
North Palos School Dist. #117	Blue Island School Dist. #130
Oak Lawn-Hometown School Dist. #123	Orland Park School Dist. #135
Alsip/Hazelgreen/Oak Lawn School Dist. #126	Midlothian School Dist. #143
Palos Heights School Dist. #128	Arbor Park School Dist. #145
Patton School Dist. #133	Dolton West School Dist. #148
Forest Ridge School Dist. #142	South Holland School Dist. #151
Prairie-Hills School Dist #144	Homewood School Dist. #153

(Continued)

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Harvey/Dixmoor School Dist. #147	Calumet City School Dist. #155
South Holland School Dist. #150	Lansing School Dist. #158
Hazel Crest School Dist. #152 ½	Flossmoor School Dist. #161
Burnham School Dist. #154 ½	Brookwood School Dist. #167
Hoover/Schrum School Dist. #157	Chicago Heights School Dist. #170
Country Club Hills School Dist. #160	Steger School Dist. #194
Park Forest-Chicago Heights School Dist. #163	Lemont Twp. H.S. Dist. #210
Ford Heights School Dist. #169	Community H.S. Dist. #218
Sandridge School Dist. #172	Bremen Community H.S. Dist. #228
Bicom Twp. H.S. Dist. #206	Evergreen Park H.S. Dist. #231
Argo Community H.S. Dist. #217	Indian Springs School Dist. #109
Rich Twp. H.S. Dist. #227	Lemont-Bromberek School Dist. #113A
Consolidated H.S. Dist. #230	Ridgeland School Dist. #122
Willow Springs School Dist. #108	Atwood Heights School Dist. #125
Burbank School Dist. #111	Chicago Ridge School Dist. #127 ½
Palos Com. Cons. School Dist. #118	Calumet Park School Dist. #132
Kirby School Dist. #140	Matteson School Dist. #162
Posen-Robbins School Dist. #143 ½	Community Consolidated School Dist. #168
Tinley Park School Dist. #146	Sunnybrook School Dist. #171
Dolton School Dist. #149	Thornton Twp. H.S. Dist. #205
Harvey School Dist. #152	T-F Township H.S. Dist. #215
Thornton School Dist. #154	Reavis H.S. Dist. #220
Lincoln School Dist. #156	Oak Lawn Community H.S. Dist. #229
Elementary District School Dist. #159	H-F Community H.S. Dist. #233

South Cook Intermediate Service Center #4 is governed by a board. The administrative agent designated for this Center is Chicago Heights, School District 170. In accordance with the Illinois School Code (105 ILCS 2/3.62), the services to be made available shall include the planning, implementation and evaluation of the following:

- Education for Gifted Children;
- Computer Technology Education;
- Mathematics, Science and Reading Resources for teachers, including continuing education, in-service training, and staff development; and,
- Teacher Certification.

South Cook Intermediate Service Center #4 may also provide training, technical assistance, coordination and planning in other program areas. ISBE shall promulgate rules and regulations necessary to operate South Cook Intermediate Service Center #4.

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. SCOPE OF REPORTING ENTITY

The South Cook Intermediate Service Center #4's reporting entity includes all related organizations for which they exercise oversight responsibility.

The South Cook Intermediate Service Center #4 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the South Cook Intermediate Service Center #4 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the South Cook Intermediate Service Center #4 does not control the assets, operations, or management of the districts or joint agreements. In addition, the South Cook Intermediate Service Center #4 is not aware of any entity, which would exercise such oversight as to result in the South Cook Intermediate Service Center #4 being considered a component unit of the entity.

D. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Cash Basis Statement of Activities and Net Position) reports information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The South Cook Intermediate Service Center #4 also has business-type activities that rely on fees and charges for support.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct expenses of a given function are offset by

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

E. GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements include a Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents for all major governmental funds and nonmajor funds aggregated.

F. PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary fund financial statements include a Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents for each major proprietary fund and nonmajor funds aggregated.

Operating receipts in the proprietary funds are those receipts that are generated from the primary operations of the fund. All other receipts, if any, are reported as non-operating receipts. Operating disbursements are those disbursements for expenses that are essential to the primary operations of the fund. All other receipts and disbursements, if any, are reported as non-operating items.

G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

South Cook Intermediate Service Center #4 maintains its financial records on the basis of cash receipts and disbursements and the financial statements are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. In addition, other economic assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not arise from a cash transaction

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

or event are not reported. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles.

Under the terms of grant agreements, South Cook Intermediate Service Center #4 funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is South Cook Intermediate Service Center #4's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

H. FUND ACCOUNTING

The South Cook Intermediate Service Center #4 uses funds to maintain its financial records during the year. The operations of each fund are accounted for with a separate set of self-balancing accounts that constitutes its assets, net position or fund balance, receipts and disbursements. The resources allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

Governmental Funds

Governmental funds are those through which most governmental functions typically are reported. The acquisition, use and balances of the expendable financial resources are accounted for through governmental funds.

The South Cook Intermediate Service Center #4 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the South Cook Intermediate Service Center #4 and is used to account for financial resources within the territorial boundaries of the Center except those required to be accounted for and reported in another fund. General Funds include the following:

RISE and General State Aid - Regional Institute for Scholastic Excellence (RISE) is an alternative school program serving students

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

from grades 6-12 who are eligible for suspension or expulsion, or who have been suspended or may be expelled, due to gross misconduct. The RISE program is offered to students by the local public school districts serviced by the South Cook Intermediate Service Center #4 as an optional educational opportunity for students who may be expelled, are suspended, or at risk of failure or dropout. General State Aid Funds received from ISBE resulting from students attending the RISE school are also accounted for in this fund.

Local - This program is used for the general operation of the Center, located at 253 West Joe Orr Road, Chicago Heights, Illinois.

Spelling Bee - This program is used to account for local monies received for, and payment of, expenditures by the Spelling Bee program which administers the Regional Scripps Spelling Bee and provides for the champion and a parent to attend the National Spelling Bee in Washington, DC.

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

Education Fund - This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:

McKinney-Vento Education for Homeless Children and Youth - This program uses federal funds to provide training and technical assistance to school districts to assist school officials in understanding and complying with the McKinney-Vento Act.

Regional Safe Schools - This program provides funding for an alternative school program for disruptive youth in grades 6-12 whom have been removed from the regular school setting due to continuous disruptions in the classroom.

ROE/ISC Operations - This program is used to account for grant monies received, and payment of, expenditures for ISC administrative operations. Program funding is used to assist schools in all areas of school improvement.

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

South Cook Mathematics Initiative - This program is used to account for grant monies received, and payment of, expenditures to improve the teaching and learning of mathematics for grades 6-9.

Digital Equity - This program provides funding to close the digital divide and enabling digital-age teaching and learning. Funds are used to provide students with technology tools and home internet access necessary for technology-rich remote learning experiences.

Truants Alternative/Optional Education Program - Initiative focusing on truancy prevention, intervention, and remediation services. The program also provides access to vital resources in order to link students with unmet needs to the community services designed to meet those needs.

American Rescue Plan - This program is used to account for federal grant monies received and disbursements paid to address gaps in opportunity and the novel coronavirus disease 2019 (COVID-19) pandemic's impact on interrupted learning.

Social Emotional Learning and Trauma Response - This reimbursement grant is to fund for expenses to ensure that districts, in partnership with social emotional learning (SEL) and trauma coaches, will identify, develop, and implement programs and activities to address the safety and well-being needs of students and staff.

Title II - Teacher Quality - Teacher Residencies - This program is used to account for federal grant monies received, and payment of, expenditures related to implementing and operating an effective innovative teacher residency program.

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

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds

Proprietary funds are those which account for resources from fees charged directly to those entities or individuals that use its services. Proprietary funds are as follows:

Major Proprietary Fund - The South Cook Intermediate Service Center #4 reports the following proprietary fund as a major fund:

Workshop Fund - This fund is used to account for the various fees charged for local workshops that provide professional development to area educators.

Nonmajor Proprietary Fund - The South Cook Intermediate Service Center #4 reports the following nonmajor proprietary fund:

Fingerprinting Fund - The Fingerprinting Fund is used to account for the administration of the Fingerprinting Program.

I. GOVERNMENTAL FUND BALANCES

In the governmental fund financial statements, cash basis fund balances classified as follows:

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

Restricted fund balance - The portion of a governmental fund's net position that is subject to external enforceable legal restrictions. The following fund balances are restricted by grant agreements or contracts: ROE/ISC Operations, Truants Alternative/Optional Education, and American Rescue Plan. The Institute Fund is restricted by Illinois Statute.

Committed fund balance - The portion of a governmental fund's net position with self-imposed constraints or limitations that have been placed at the highest level of decision making. The South Cook Intermediate Service Center #4 has no committed fund balances.

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assigned fund balance - The portion of a governmental fund's net position for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Executive Director. The South Cook Intermediate Service Center #4 has an assigned fund balance in the General Fund's RISE and General State Aid.

Unassigned fund balance - The portion of a governmental fund's net position that are expendable financial resources in a governmental fund that are not designated for a specific purpose. The following General Fund presents an unassigned fund balance: Local. The following Education fund accounts have an unassigned fund deficit: McKinney-Vento Education for Homeless Children and Youth, Regional Safe Schools, South Cook Mathematics Initiative, and Social Emotional Learning and Trauma Response.

J. CASH BASIS NET POSITION

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

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

Unrestricted net position - consists of cash balances not meeting the definition of the preceding category. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

K. BUDGET INFORMATION

The South Cook Intermediate Service Center #4 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Fund. Certain programs have separate budgets and are required to report to ISBE; however, none of the annual budgets have been legally adopted nor are they required to do so. Comparisons of budgeted and actual results are presented as supplemental information.

Budgetary comparison schedules have been provided in supplementary schedules for the following funds: McKinney-Vento Education for Homeless Children and Youth, Regional Safe Schools, ROE/ISC

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operations, Digital Equity, Truants Alternative/Optional Education, American Rescue Plan, and Title II - Teacher Quality - Teacher Residencies.

L. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on deposit. The South Cook Intermediate Service Center #4 considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

M. INTERFUND ACTIVITY

Interfund activity is reported as either services provided, reimbursements or transfers. Services provided, deemed to be at market or near market rates, are treated as receipts and disbursements. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

N. INDIRECT COSTS

The South Cook Intermediate Service Center #4 may charge funds for centralized expenses, which may include an administrative overhead component. These interfund administrative overhead charges are not eliminated and are included in the direct expenses of the fund they are charged to and in revenue of the fund they are charged from.

O. NEW ACCOUNTING PRONOUNCEMENTS

In fiscal year 2023, the South Cook Intermediate Service Center #4 implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. This statement increases the usefulness of governments' financial statements by requiring recognition of a right-to-use subscription asset and corresponding subscription liability for subscription-based information technology arrangements. The South Cook Intermediate Service Center #4 did not have any contracts that meet the SBITA requirements and capitalization threshold. Other GASB statements effective for fiscal year 2023 did not have a significant effect on the South Cook Intermediate Service Center #4's financial statements.

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 2 DEPOSITS AND INVESTMENTS

The South Cook Intermediate Service Center #4 does not have a formal investment policy. The South Cook Intermediate Service Center #4 is allowed to invest in securities as authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7.

BANK DEPOSITS

At June 30, 2023, the carrying amount of the South Cook Intermediate Service Center #4's government-wide deposits were \$5,605,324, including \$3,400,980 held on deposit with Bloom Township School Treasurer, an imprest account totaling \$10,000, \$200 cash on hand, \$1,979,577 investment in Illinois Funds, and separate deposit accounts totaling \$214,567. The bank balances for the imprest account and separate deposit accounts were \$5,990 and \$214,567, respectively, which were fully covered by federal depository insurance. Risk category was not determinable for the amount pooled and held on deposit with a separate legal governmental agency (Bloom Township School Treasurer).

Custodial Credit Risk - Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the Center's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the South Cook Intermediate Service Center #4's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the South Cook Intermediate Service Center #4.

INVESTMENTS

The South Cook Intermediate Service Center #4's, only investments are internally pooled in the Illinois Funds. As of June 30, 2023, the South Cook Intermediate Service Center #4 had investments with carrying and fair value of \$1,979,577 invested in Illinois Funds.

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

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 2 DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk - The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market 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 - Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund's investment policy limits investment categories to not exceed 25% of the portfolio with the exception of cash equivalents and U.S. Treasury securities. Further certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

NOTE 3 DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

IMRF Plan Description

The South Cook Intermediate Service Center #4'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 South Cook Intermediate Service Center #4's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-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. 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).

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

Employees Covered by Benefit Terms

As of December 31, 2022, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	19
Inactive Plan Members entitled to but not yet receiving benefits	53
Active Plan Members	22
Total	94

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

Contributions

As set by statute, the South Cook Intermediate Service Center #4'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 South Cook Intermediate Service Center #4's annual contribution rate for calendar year 2022 was 8.61% and for the calendar year 2023 the rate is 5.31%. For the fiscal year ended 2023, South Cook Intermediate Service Center #4 contributed \$73,932 to the plan. The South Cook Intermediate Service Center #4 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.

Teachers' Retirement System of the State of Illinois

Plan Description

The South Cook Intermediate Service Center #4 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

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

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 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 Tier 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.

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 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 South Cook Intermediate Service Center #4.

On-behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the South Cook Intermediate Service Center #4. For the year ended June 30, 2023, State of Illinois contributions recognized by the South Cook Intermediate Service Center #4 were based on the State's proportionate share of the pension expense associated with the South Cook Intermediate Service Center #4, and the South Cook Intermediate Service Center #4 recognized receipts and disbursements of \$714,247 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were \$7,664.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the South Cook Intermediate Service Center #4, there is a statutory requirement for the South Cook Intermediate Service Center #4 to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$279,216 were paid from federal and special trust funds that required employer contributions of \$29,290.

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 South Cook

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

Intermediate Service Center #4 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, 2023, the South Cook Intermediate Service Center #4 did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

THIS Plan Description

The South Cook Intermediate Service Center #4 participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (CMS) as of July 1, 2013. CMS administers the plan with the cooperation of the TRS.

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (Continued)

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 South Cook Intermediate Service Center #4. For the year ended June 30, 2023, State of Illinois contributions recognized by the South Cook Intermediate Service Center #4 were based on the State's proportionate share of the collective net OPEB liability associated with the South Cook Intermediate Service Center #4, and recognized receipts and disbursements of (\$189,537) in OPEB contributions from the State of Illinois.

South Cook Intermediate Service Center #4 Contributions to the THIS Fund

The South Cook Intermediate Service Center #4 also makes contributions to the THIS Fund. The South Cook Intermediate Service Center #4 THIS Fund contribution was 0.67 percent during the year ended June 30, 2023, 0.67, 0.92 and 0.92 percent for the years ended June 30, 2022, 2021, and 2020, respectively. For the year ended June 30, 2023, the South Cook Intermediate Service Center #4 paid \$8,854 to the THIS Fund, which was 100 percent of the required contributions. For the years ended June 30, 2022, June 30, 2021, and June 30, 2020, the South Cook Intermediate Service Center #4 paid \$11,675, \$11,027, and \$11,689 to the THIS Fund, respectively, which was 100 percent of the required contributions.

Further Information on the THIS Fund

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

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Teacher Retirement System - Health Insurance Plan

Plan Description and Actuarial Valuation

In addition to providing the pension benefits described in Note 3, the South Cook Intermediate Service Center #4 provides postemployment health care benefits (OPEB) for retired TRS employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the South Cook Intermediate Service Center #4 and can be amended by board approval. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

For financial statement purposes, an actuarial valuation is required to be performed at least every two years. As a result of this requirement, the South Cook Intermediate Service Center #4 had an actuarial valuation for the year ended June 30, 2022. The results are described below.

Eligibility Provisions

Select employees eligible to retire under TRS are eligible for the postemployment health care benefits.

Benefits Provided

The South Cook Intermediate Service Center #4 provides continued health insurance coverage at the blended employer rate to all eligible retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the South Cook Intermediate Service Center #4 retirement plan. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from South Cook Intermediate Service Center #4's insurance provider.

Membership

At June 30, 2022, membership consisted of:

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Inactive employees or beneficiaries currently receiving benefits	–
Inactive employees entitled to but not yet receiving benefits	–
Active employees fully eligible to receive plan benefits	22
Total	22
Number of Participating Employers	1

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.

IMRF - Health Insurance Plan

Plan Description and Actuarial Valuation

In addition to providing the pension benefits described in Note 3, the South Cook Intermediate Service Center #4 provides postemployment health care benefits (OPEB) for retired IMRF employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the South Cook Intermediate Service Center #4 and can be amended by board approval. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

For financial statement purposes, an actuarial valuation is required to be performed at least every two years. As a result of this requirement, the South Cook Intermediate Service Center #4 had an actuarial valuation for the year ended June 30, 2022. The results are described below.

Eligibility Provisions

Employees eligible to retire under IMRF are eligible for the postemployment health care benefits.

Benefits Provided

The South Cook Intermediate Service Center #4 provides continued health insurance coverage at the blended employer rate to all eligible retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (Continued)

for retirement under the South Cook Intermediate Service Center #4 retirement plan. Retirees pay the full cost of the coverage. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from South Cook Intermediate Service Center #4's insurance provider.

Membership

At June 30, 2022, membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	–
Inactive employees entitled to but not yet receiving benefits	–
Active employees	17
Total	17
 Number of Participating Employers	 1

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.

The employer contributions and benefit payments are related to the increase in active premiums due to the presence of retirees in the determination of blended retiree/active premiums.

NOTE 5 LEASE COMMITMENT

On March 27, 2018, the South Cook Intermediate Service Center #4 entered into a lease agreement for copiers amounting to \$365. The lease ended on March 27, 2023.

On June 23, 2023, the South Cook Intermediate Service Center #4 entered into a new lease agreement for copiers. The term of the lease is 60 months with a monthly lease payment of \$1,562.

The South Cook Intermediate Service Center #4 leased a portion of the Worthridge School building for classroom, office and activity rooms for an annual rent of \$142,054 payable monthly at \$11,838 per month. The lease runs from July 1, 2022 to June 30, 2023. The lease agreement shall automatically

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 5 LEASE COMMITMENT (Continued)

renew for an additional one-year term unless either party send a written notice to the other party of their intent not to renew before July 1st of the last year of the then current lease term. All terms of the lease agreement shall apply to the renewed lease agreement unless the parties otherwise mutually agree.

Total rental payment for the year ended June 30, 2023 related to these leases, was \$145,341. Future minimum lease payments under these leases for the next five years and thereafter are as follows:

<u>Fiscal Year Ending in June 30:</u>	<u>Amount</u>
2024	\$ 160,798
2025	18,744
2026	18,744
2027	18,744
2028	18,744
Thereafter	-
Total	<u>\$ 235,774</u>

NOTE 6 RISK MANAGEMENT

The South Cook Intermediate Service Center #4 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. South Cook Intermediate Service Center #4 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 7 ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries of the executive director and assistant executive director on-behalf of the South Cook Intermediate Service Center #4:

State of Illinois	
Executive Director Salary	\$ 127,908
Executive Director Fringe Benefits	39,019
Assistant Executive Director Salary	115,116
Assistant Executive Director Fringe Benefits	<u>38,558</u>
Total	<u>\$ 320,601</u>

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 7 ON-BEHALF PAYMENTS (Continued)

Salary and benefit data for the Executive Director and Assistant Executive Director were calculated based on data provided by ISBE. These amounts have been recorded in the accompanying governmental fund financial statements as State receipts and disbursements.

The South Cook Intermediate Service Center #4 also recorded \$524,710 in receipts and disbursements as on-behalf payments from ISBE for the South Cook Intermediate Service Center #4's share of the State's Teachers' Retirement System (TRS) pension expense and Teacher's Health Insurance Security Fund (THIS) OPEB benefit in the Cash Basis Statement of Activities and Net Position. In addition, the South Cook Intermediate Service Center #4 has not included any on-behalf payments related to the State's TRS pension expense and THIS OPEB expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$	320,601
ROE's share of TRS pension expense		714,247
THIS fund OPEB benefit		<u>(189,537)</u>
Total	\$	<u><u>845,311</u></u>

NOTE 8 INTERFUND ACTIVITIES

Interfund transfers in/out to other fund balances at June 30, 2023 consist of the following individual transfers in/out to other funds in the governmental fund Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents. These transfers were made in order to meet operating cost needs in the receiving fund.

Fund	Transfers In	Transfers Out
General Fund:		
RISE and General State Aid	\$ —	\$ 553,220
Local	<u>553,220</u>	<u>—</u>
Total	<u><u>\$ 553,220</u></u>	<u><u>\$ 553,220</u></u>

South Cook Intermediate Service Center #4
Notes to the Financial Statements
June 30, 2023

NOTE 9 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The following funds had deficit fund balances at June 30, 2023:

Special Revenue Fund - Education Fund:

McKinney- Vento Education for Homeless Children and Youth	\$ 16,953
Regional Safe School	21,465
South Cook Mathematics Initiative	5,000
Social Emotional Learning and Trauma Response	42,259

The deficit fund balances for these funds will generally be eliminated during the fiscal year ending June 30, 2024 by reducing expenditures or transferring unrestricted funds.

SUPPLEMENTARY INFORMATION

South Cook Intermediate Service Center #4
General Fund Accounts

Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 1

	RISE and General State Aid	Local	Spelling Bee	Totals
RECEIPTS:				
Local sources	\$ 1,692,557	\$ 16,472	\$ 13,078	\$ 1,722,107
State sources	1,211,297	-	-	1,211,297
On-behalf payments	-	320,601	-	320,601
Total receipts	<u>2,903,854</u>	<u>337,073</u>	<u>13,078</u>	<u>3,254,005</u>
DISBURSEMENTS:				
Instructional services:				
Salaries	1,275,562	145,014	-	1,420,576
Employee benefits	203,438	50,589	-	254,027
Pension expense	38,157	13,682	-	51,839
OPEB expense	2,127	814	-	2,941
Purchased services	330,826	113,498	14,788	459,112
Supplies and materials	97,648	61,102	3,155	161,905
Other objects	-	6,571	-	6,571
Administrative:				
On-behalf payments	-	320,601	-	320,601
Intergovernmental:				
Payments to other governments	-	25,000	-	25,000
Capital outlay	-	14,859	-	14,859
Total disbursements	<u>1,947,758</u>	<u>751,730</u>	<u>17,943</u>	<u>2,717,431</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>956,096</u>	<u>(414,657)</u>	<u>(4,865)</u>	<u>536,574</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	553,220	-	553,220
Transfers out	(553,220)	-	-	(553,220)
Total other financing sources (uses)	<u>(553,220)</u>	<u>553,220</u>	<u>-</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS	402,876	138,563	(4,865)	536,574
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>2,383,446</u>	<u>127,462</u>	<u>4,865</u>	<u>2,515,773</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 2,786,322</u>	<u>\$ 266,025</u>	<u>\$ -</u>	<u>\$ 3,052,347</u>
CASH BASIS FUND BALANCES				
Assigned	\$ 2,786,322	\$ -	\$ -	\$ 2,786,322
Unassigned	-	266,025	-	266,025
TOTAL CASH BASIS FUND BALANCES	<u>\$ 2,786,322</u>	<u>\$ 266,025</u>	<u>\$ -</u>	<u>\$ 3,052,347</u>

South Cook Intermediate Service Center #4
Education Fund Accounts
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 2

	McKinney-Vento Education for Homeless Children and Youth	Regional Safe Schools	ROE/ISC Operations	South Cook Mathematics Initiative	Digital Equity
RECEIPTS:					
State sources	\$ -	\$ 389,880	\$ 907,038	\$ -	\$ -
Federal sources	135,198	-	-	-	13,826
Total receipts	<u>135,198</u>	<u>389,880</u>	<u>907,038</u>	<u>-</u>	<u>13,826</u>
DISBURSEMENTS:					
Instructional services:					
Salaries	6,362	302,805	512,728	-	-
Employee benefits	1,605	84,953	112,039	-	-
Pension expense	457	16,806	26,654	-	-
OPEB expense	12	4,007	1,199	-	-
Purchased services	244,907	11,210	103,946	-	-
Supplies and materials	152,436	1,559	40,141	-	109
Total disbursements	<u>405,779</u>	<u>421,340</u>	<u>796,707</u>	<u>-</u>	<u>109</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(270,581)	(31,460)	110,331	-	13,717
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>253,628</u>	<u>9,995</u>	<u>1,201</u>	<u>(5,000)</u>	<u>(13,717)</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ (16,953)</u>	<u>\$ (21,465)</u>	<u>\$ 111,532</u>	<u>\$ (5,000)</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES					
Restricted	\$ -	\$ -	\$ 111,532	\$ -	\$ -
Unassigned	(16,953)	(21,465)	-	(5,000)	-
TOTAL CASH BASIS FUND BALANCES	<u>\$ (16,953)</u>	<u>\$ (21,465)</u>	<u>\$ 111,532</u>	<u>\$ (5,000)</u>	<u>\$ -</u>

South Cook Intermediate Service Center #4
Education Fund Accounts
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2023
Schedule 2 (Continued)

	Truants Alternative/ Optional Education	American Rescue Plan	Social Emotional Learning and Trauma Response	Title II - Teacher Quality - Teacher Residencies	Total
RECEIPTS:					
State sources	\$ 13,996	\$ -	\$ -	\$ -	\$ 1,310,914
Federal sources	-	-	51,958	92,931	293,913
Total receipts	<u>13,996</u>	<u>-</u>	<u>51,958</u>	<u>92,931</u>	<u>1,604,827</u>
DISBURSEMENTS:					
Instructional services:					
Salaries	31,154	-	27,378	-	880,427
Employee benefits	-	-	-	-	198,597
Pension expense	-	-	-	-	43,917
OPEB expense	-	-	-	-	5,218
Purchased services	6,269	7,450	53,320	42,000	469,102
Supplies and materials	-	28,854	13,519	9,662	246,280
Total disbursements	<u>37,423</u>	<u>36,304</u>	<u>94,217</u>	<u>51,662</u>	<u>1,843,541</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(23,427)	(36,304)	(42,259)	41,269	(238,714)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>129,909</u>	<u>81,250</u>	<u>-</u>	<u>(41,269)</u>	<u>415,997</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 106,482</u>	<u>\$ 44,946</u>	<u>\$ (42,259)</u>	<u>\$ -</u>	<u>\$ 177,283</u>
CASH BASIS FUND BALANCES					
Restricted	\$ 106,482	\$ 44,946	\$ -	\$ -	\$ 262,960
Unassigned	-	-	(42,259)	-	(85,677)
TOTAL CASH BASIS FUND BALANCES	<u>\$ 106,482</u>	<u>\$ 44,946</u>	<u>\$ (42,259)</u>	<u>\$ -</u>	<u>\$ 177,283</u>

South Cook Intermediate Service Center #4
Education Fund Accounts
Budgetary Comparison Schedule - Cash Basis
For the Year Ended June 30, 2023
Schedule 3

	McKinney-Vento Education for Homeless Children and Youth				Regional Safe Schools			
	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	\$ -	\$ -	\$ -	\$ -	\$ 389,880	\$ 389,880	\$ 389,880	\$ -
Federal sources	157,730	157,730	135,198	(22,532)	-	-	-	-
Total receipts	157,730	157,730	135,198	(22,532)	389,880	389,880	389,880	-
DISBURSEMENTS:								
Instructional services:								
Salaries	53,040	5,040	6,362	(1,322)	294,026	294,026	302,805	(8,779)
Employee benefits, including pension and OPEB expense	1,678	1,678	2,074	(396)	93,595	93,595	105,766	(12,171)
Purchased services	99,975	142,475	244,907	(102,432)	-	-	11,210	(11,210)
Supplies and materials	3,037	8,537	152,436	(143,899)	2,259	2,259	1,559	700
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	157,730	157,730	405,779	(248,049)	389,880	389,880	421,340	(31,460)
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	(270,581)	\$ (270,581)	\$ -	\$ -	(31,460)	\$ (31,460)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR			253,628				9,995	
CASH AND CASH EQUIVALENTS END OF YEAR			<u>\$ (16,953)</u>				<u>\$ (21,465)</u>	

South Cook Intermediate Service Center #4
Education Fund Accounts
Budgetary Comparison Schedule - Cash Basis
For the Year Ended June 30, 2023
Schedule 3 (Continued)

	ROE/ISC Operations				Digital Equity			
	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	\$ 907,038	\$ 907,038	\$ 907,038	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	27,212	27,212	13,826	(13,386)
Total receipts	907,038	907,038	907,038	-	27,212	27,212	13,826	(13,386)
DISBURSEMENTS:								
Instructional services:								
Salaries	625,143	570,943	512,728	58,215	-	-	-	-
Employee benefits, including pension and OPEB expense	164,808	141,360	139,892	1,468	-	-	-	-
Purchased services	88,753	110,650	103,946	6,704	-	-	-	-
Supplies and materials	28,334	84,085	40,141	43,944	-	-	109	(109)
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	27,212	27,212	-	27,212
Total disbursements	907,038	907,038	796,707	110,331	27,212	27,212	109	27,103
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	110,331	\$ 110,331	\$ -	\$ -	13,717	\$ 13,717
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR			<u>1,201</u>				<u>(13,717)</u>	
CASH AND CASH EQUIVALENTS END OF YEAR			<u>\$ 111,532</u>				<u>\$ -</u>	

South Cook Intermediate Service Center #4
 Education Fund Accounts
 Budgetary Comparison Schedule - Cash Basis
 For the Year Ended June 30, 2023
 Schedule 3 (Continued)

	Truants Alternative/Optional Education				American Rescue Plan			
	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	\$ 143,905	\$ 143,905	\$ 13,996	\$ (129,909)	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	325,000	325,000	-	(325,000)
Total receipts	143,905	143,905	13,996	(129,909)	325,000	325,000	-	(325,000)
DISBURSEMENTS:								
Instructional services:								
Salaries	132,905	132,905	31,154	101,751	-	-	-	-
Employee benefits, including pension and OPEB expense	-	-	-	-	-	-	-	-
Purchased services	11,000	11,000	6,269	4,731	290,000	290,000	7,450	282,550
Supplies and materials	-	-	-	-	35,000	35,000	28,854	6,146
Other objects	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	143,905	143,905	37,423	106,482	325,000	325,000	36,304	288,696
CHANGE IN CASH AND CASH EQUIVALENTS	\$ -	\$ -	(23,427)	\$ (23,427)	\$ -	\$ -	(36,304)	\$ (36,304)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR			<u>129,909</u>				<u>81,250</u>	
CASH AND CASH EQUIVALENTS END OF YEAR			<u>\$ 106,482</u>				<u>\$ 44,946</u>	

South Cook Intermediate Service Center #4
Education Fund Accounts
Budgetary Comparison Schedule - Cash Basis
For the Year Ended June 30, 2023
Schedule 3 (Continued)

	<u>Title II - Teacher Quality - Teacher Residencies</u>			
	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
RECEIPTS:				
State sources	\$ -	\$ -	\$ -	\$ -
Federal sources	200,000	200,000	92,931	(107,069)
Total receipts	<u>200,000</u>	<u>200,000</u>	<u>92,931</u>	<u>(107,069)</u>
DISBURSEMENTS:				
Instructional services:				
Salaries	85,832	2,786	-	2,786
Employee benefits, including pension and OPEB expense	1,230	1,230	-	1,230
Purchased services	75,738	159,356	42,000	117,356
Supplies and materials	37,200	30,220	9,662	20,558
Other objects	-	6,408	-	6,408
Capital outlay	-	-	-	-
Total disbursements	<u>200,000</u>	<u>200,000</u>	<u>51,662</u>	<u>148,338</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	41,269	<u>\$ 41,269</u>
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR			<u>(41,269)</u>	
CASH AND CASH EQUIVALENTS END OF YEAR			<u>\$ -</u>	