

State of Illinois
REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS,
EDGAR, MOULTRIE AND SHELBY COUNTIES

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



REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>Page</u>
Agency Officials	1
Compliance Report Summary	2
Financial Statement Report Summary	3
Financial Section	
Independent Auditors' Report	4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> - Independent Auditors' Report	7
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance - Independent Auditors' Report	9
Schedule of Findings and Questioned Costs	12
Financial Statement Findings	13
Federal Award Findings	14
Summary Schedule of Prior Audit Findings Not Repeated	15
Management's Discussion and Analysis	16A
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements	
Governmental Funds - Balance Sheet	19
Governmental Funds - Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	20
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances	21
Governmental Funds - Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	22
Proprietary Funds - Statement of Net Position	23
Proprietary Funds - Statement of Revenues, Expenses, and Changes in Fund Net Position	24
Proprietary Funds - Statement of Cash Flows	25
Fiduciary Fund - Statement of Fiduciary Net Position	26
Fiduciary Fund - Statement of Changes in Fiduciary Net Position	27
Notes to Financial Statements	28

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Required Supplementary Information	
Illinois Municipal Retirement Fund - Schedule of Changes in the Net Pension Liability & Related Ratios	59
Illinois Municipal Retirement Fund - Schedule of Employer Contributions	60
Teachers' Retirement System of the State of Illinois - Schedule of the Employer's Proportionate Share of the Net Pension Liability & Schedule of Employer Contributions	61
Teachers' Health Insurance Security Fund - Schedule of Employer Contributions	62
Teachers' Health Insurance Security Fund - Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability	63
Supplemental Information	
General Fund Accounts	
Combining Schedule of Accounts	64
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	65
Education Fund Accounts	
Combining Schedule of Accounts	66
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	70
Budgetary Comparison Schedules	
Illinois Violence Prevention Authority	74
Truants Alternative/Optional Education	75
Regional Safe Schools	76
ROE/ISC Operations	77
Regional Safe Schools Coop Education	78
Elevating Special Education - FY21	79
Elevating Special Education - FY22	80
ESSER I	81
ESSER Digital Equity	82
ESSER II	83
ESSER II Digital Equity	84
ESSER III	85
Homeless - FY21	86
Homeless - FY22	87
ARP Homeless	88

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Supplemental Information (Continued)	
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	90
Fiduciary Funds	
Combining Statement of Fiduciary Net Position - Custodial Funds	91
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	92
Schedule of Disbursements to School District Treasurers and Other Entities	93
Schedule of Expenditures of Federal Awards	96
Notes to the Schedule of Expenditures of Federal Awards	97

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

AGENCY OFFICIALS

For the Year Ended June 30, 2022

Regional Superintendent (current and during the audit period)

Dr. Kyle Thompson

Assistant Regional Superintendent (current and during the audit period)

Dr. Zakry Standerfer

Office is located at:

730 7th Street
Charleston, Illinois 61920

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

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.

AUDITORS' REPORTS

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
-----------------	-------------	--------------------	---------------------

FINDINGS (GOVERNMENT AUDITING STANDARDS)

There were no findings for the year ended June 30, 2022

FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)

There were no findings for the year ended June 30, 2022

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

2021-001	15	Improper Financial Statement Reporting of a Grant	Material Weakness
----------	----	---	-------------------

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

There were no findings for the year ended June 30, 2021.

EXIT CONFERENCE

The Regional Office of Education #11 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2022. Throughout the audit, numerous meetings were held between the auditors and Regional Office officials to discuss matters contained in this audit report.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements.



613 Broadway Avenue
P.O. Box 945
Mattoon, Illinois 61938

(217) 235-4747
www.westcpa.com

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, 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

As discussed in Note 1 in the notes to the financial statements, for the year ended June 30, 2022, the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11 adopted new accounting guidance Governmental Accounting Standards Board (GASB) Statement #87 – *Leases*. 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 accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Illinois Municipal Retirement Fund – Schedule of Changes in Net Pension Liability and Related Ratios, Illinois Municipal Retirement Fund – Schedule of Employer Contributions, Teachers' Retirement System of the State of Illinois – Schedule of Employer's Proportionate Share of the Net Pension Liability and Schedule of Employer Contributions, Teachers' Health Insurance Security Fund – Schedule of Employer Contributions, and Teachers' Health Insurance Security Fund – Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability on pages 16 and 59 through 63 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, Schedule of Disbursements to School District Treasurers and Other Entities, and the Schedule of Expenditures of 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 combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, the Schedule of Disbursements to School District Treasurers and Other Entities, and the Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2023, on our consideration of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois
April 19, 2023



613 Broadway Avenue
P.O. Box 945
Mattoon, Illinois 61938

(217) 235-4747
www.westcpa.com

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

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements, and have issued our report thereon dated April 19, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Mattoon, Illinois

April 19, 2023



613 Broadway Avenue
P.O. Box 945
Mattoon, Illinois 61938

(217) 235-4747
www.westcpa.com

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

INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

Opinion on the Major Federal Program

As Special Assistant Auditors for the Auditor General, we have audited Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's major federal programs for the year ended June 30, 2022. Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's federal programs.

Auditors' 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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Auditors' 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

Mattoon, Illinois
April 19, 2023

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION I – SUMMARY OF AUDITORS' RESULTS
For the year ended June 30, 2022

Financial Statements in accordance with GAAP

Type of auditors' report issued: UNMODIFIED

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

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

Type of auditors' 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 X no

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
----------------------------------	---

84.196A	Education for Homeless Children and Youth
---------	---

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

Auditee qualified as low-risk auditee? yes X no

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2022

No findings were noted for the year ended June 30, 2022.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the year ended June 30, 2022

2021-001	Improper Financial Statement Reporting of a Grant	Not repeated
----------	---	--------------

The Regional Office of Education #11 continues to track the revenues and expenditures separately internally but combines them when preparing the financial statements. This prevents the revenues and expenditures from being overstated when presented on the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

The Regional Office of Education #11 for the Counties of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2022. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements which follow.

Financial Highlights

- Within the Governmental Funds, the General Fund fund balance increased from \$1,106,159 in FY21 to \$1,427,723 in FY22, and the Institute Fund fund balance increased from \$195,076 in FY21 to \$209,204 in FY22. The General Fund was affected by revenues exceeding expenditures in State Aid Evidence Based Funding (EBF) for the Youth Services RSSP and the Youth Services Truancy Program. The Institute Fund had increased revenue due to the timing of teacher licensure renewals and revenues exceeded expenditures for FY22. The Education Fund increased from \$39,947 in FY21 to \$76,424 in FY22 due to revenues exceeding expenditures in the Child Nutrition Program. The Non-Major Fund fund balance decreased from \$8,314 in FY21 to \$6,291 in FY22. This was due to the extreme bus driver shortage in our region and having to conduct multiple trainings below the minimum number of participants which therefore create expenditures that exceed revenues for those trainings.
- Within the Proprietary Fund, Local Workshops total net position increased from \$185,545 in FY21 to \$189,971 in FY22, and the Local Service Fees decreased from \$11,641 in FY21 to \$10,483 in FY22. The increase in the Local Workshops fund was due to lower expenses for Entry Level Driver Training (ELDT) training supplies. The decrease in the Local Service Fees fund was due to depreciation on the new testing computers purchased during the year.

Using This Report

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

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office's financial activities.
- The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the Regional Office of Education #11 as a whole and present an overall view of the Office's finances.
- The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- Notes to the financial statements provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements and supplementary information provides detailed information about the General Fund, the Education Fund, and the Nonmajor Funds.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Reporting the Office as a Whole

The Statement of Net Position and the Statement of Activities

The government-wide statements report information about the Regional Office of Education #11 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Office's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Office's net position and how it has changed. Net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, are one way to measure the Office's financial health or position.

- Over time, increases or decreases in the net position can be an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the Regional Office's overall health, additional non-financial factors, such as new laws, rules, regulations, and actions by officials at the state level need to be considered.

In the government-wide financial statements, the Regional Office of Education #11's activities are divided into two categories.

- Governmental activities: Most of the Regional Office of Education #11's basic services are included here, such as local, State, and federal grant-funded programs, support services, and administration.
- Business-type activities: The Regional Office of Education #11 charges fees to help cover costs of certain services and workshops it provides.

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds – not the Regional Office of Education as a whole. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education #11 established other funds to control and manage money for particular purposes.

The Regional Office of Education #11 has the following types of funds:

1. Governmental funds account for all of the Office's services. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. Because this information does not encompass the additional long-term focus of the government-wide financial statements, a reconciliation between the governmental fund financial statements and the government-wide financial statements follow each of the related governmental fund financial statements. The Office's governmental funds include the General Fund and the Special Revenue Funds. The governmental funds' required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Reporting the Office as a Whole (continued)

2. Proprietary Funds are used to account for registration fees for workshops and other services sponsored by the Regional Office of Education #11. The proprietary funds' required financial statements include a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Fund Net Position, and Statement of Cash Flows.

3. Fiduciary funds are used to account for assets held by the Regional Office of Education #11 in a trust capacity or as an agent for individuals and private or governmental organizations. The fiduciary funds' required financial statements include a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The Regional Office of Education #11 excludes these assets from the government-wide financial statements because it cannot use these assets to finance its operations.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the financial position. The Regional Office's governmental activities net position at the end of FY22 totaled \$866,271. This compared to \$287,373 at the end of FY21. The analysis that follows provides a summary of the Office's net position at June 30, 2022 and June 30, 2021 for the governmental and business-type activities.

**Condensed Statement of Net Position
Governmental Activities**

	2022	2021	Increase/ (Decrease)
Current assets	\$ 1,984,861	\$ 1,564,715	\$ 420,146
Capital assets:			
Right-of-use asset, net of amortization	47,884	-	47,884
Equipment and leasehold improvements, net of depreciation	96,909	48,835	48,074
Net pension asset	343,359	107,726	235,633
Total assets	2,473,013	1,721,276	751,737
Total deferred outflows of resources	153,540	258,725	(105,185)
Current liabilities	267,966	215,121	52,845
Lease liability, net of current portion	36,930	-	36,930
Net OPEB liability	580,540	718,081	(137,541)
Net pension liability	59,438	69,613	(10,175)
Total liabilities	944,874	1,002,815	(57,941)
Total deferred inflows of resources	815,408	689,813	125,595
Net position:			
Net investment in capital assets	96,909	48,835	48,074
Restricted - for educational purposes	651,140	351,161	299,979
Unrestricted	118,222	(112,623)	230,845
Total net position	\$ 866,271	\$ 287,373	\$ 578,898

Net position increased from \$287,373 to \$866,271 due to revenues exceeding expenditures in State Aid Evidence Based Funding (EBF) for the Youth Services RSP and the Youth Services Truancy Program.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Government-Wide Financial Analysis (continued)

**Condensed Statement of Net Position
Business-Type Activities**

	2022	2021	Increase/ (Decrease)
Current assets	\$ 197,029	\$ 197,675	\$ (646)
Capital assets:			
Right-of-use asset, net of amortization	98	-	98
Equipment and leasehold improvements, net of depreciation	3,610	-	3,610
Total assets	<u>200,737</u>	<u>197,675</u>	<u>3,062</u>
Current liabilities	<u>283</u>	<u>489</u>	<u>(206)</u>
Net position:			
Net investment in capital assets	3,610	-	3,610
Unrestricted	<u>196,844</u>	<u>197,186</u>	<u>(342)</u>
Total net position	<u>\$ 200,454</u>	<u>\$ 197,186</u>	<u>\$ 3,268</u>

The Regional Office of Education #11 uses its business-type net position to provide workshops and training services to school districts in the Region. The increase in total net position was primarily due to increased revenues from Local Workshops due to increased workshops being housed at school districts.

The following analysis shows the changes in net position for governmental and business-type activities for the years ended June 30, 2022 and June 30, 2021.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Government-Wide Financial Analysis (continued)

Condensed Statement of Activities
Governmental Activities

	2022	2021	Increase/ (Decrease)
Revenues:			
Program revenues:			
Operating grants and contributions	\$ 1,277,747	\$ 959,086	\$ 318,661
General revenues:			
Local sources	377,209	448,156	(70,947)
State sources	1,428,701	1,232,380	196,321
On-behalf payment	655,786	913,346	(257,560)
Interest	2,497	1,053	1,444
	3,741,940	3,554,021	187,919
Expenses:			
Program expenses:			
Instructional services			
Salaries and benefits	1,262,799	1,132,761	130,038
Purchased services	459,294	361,485	97,809
Supplies and materials	76,507	124,985	(48,478)
Other objects	6,073	4,518	1,555
Depreciation expense	14,066	4,503	9,563
Amortization expense	12,944	-	12,944
OPEB expense (benefit)	(1,643)	28,513	(30,156)
Pension expense (benefit)	(96,158)	(38,825)	(57,333)
Interest on lease liability	177	-	177
Intergovernmental			
Payments to other governmental units	773,197	648,148	125,049
Administrative expenses:			
On-behalf payments - state	655,786	913,346	(257,560)
	3,163,042	3,179,434	(16,392)
Change in net position	578,898	374,587	204,311
Net position - beginning	287,373	(87,214)	374,587
Net position - ending	\$ 866,271	\$ 287,373	\$ 578,898

Revenues for governmental activities were \$3,741,940 and expenses were \$3,163,042. The revenues increased due to addition of several new grants including ESSER Digital Equity II & ARP McKinney-Vento Homeless Children & Youth. The expenses decreased due to decreased On-behalf TRS Pension expense.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Government-Wide Financial Analysis (continued)

Condensed Statement of Activities
Business-Type Activities

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>
Revenues:			
Program revenues:			
Charges for services	\$ 52,751	\$ 65,224	\$ (12,473)
General revenues:			
Interest	355	1,098	(743)
Total revenues	<u>53,106</u>	<u>66,322</u>	<u>(13,216)</u>
Expenses:			
Charges for services:			
Salaries and benefits	6,516	5,626	890
Purchased services	39,992	42,804	(2,812)
Supplies and materials	2,231	3,096	(865)
Amortization - leases	196	-	196
Depreciation	902	-	902
Interest expense	1	-	1
Total expenses	<u>49,838</u>	<u>51,526</u>	<u>(1,688)</u>
Change in net position	3,268	14,796	(11,528)
Net position - beginning	<u>197,186</u>	<u>182,390</u>	<u>14,796</u>
Net position - ending	<u>\$ 200,454</u>	<u>\$ 197,186</u>	<u>\$ 3,268</u>

Revenues for the business-type activities were \$53,106 and expenses were \$49,838 resulting in an overall increase in total net position of \$3,268. Purchased services decreased from FY21 to FY22 due to fewer workshop presenter fees paid from Local Workshop funds and Depreciation increased due to purchasing of new testing computers.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Financial Highlights of the Regional Office of Education #11 Funds

As previously noted, the Regional Office of Education #11 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund Highlights:

- The return on investments (certificates of deposit, short term investments, and interest earned on float), decreased significantly as interest rates fell on the certificates of deposit. The rates on the CD's decreased from .35% to 0.30%.
- County support for the Regional Office of Education #11 decreased from \$280,192 for the counties' FY21 ending November 30, 2021 to \$248,560 for the counties' FY22 ending November 30, 2022.
- The Youth Services Program funding increased from \$1,213,203 in FY21 to \$1,426,557 for FY22 for State Aid Evidence Based Funding (EBF), for the Youth Services Regional Safe Schools, and the Youth Services TAOEP Program. Several new grants started in FY22 with funding as follows: the ESSER II Digital Equity grant funding in FY22 was \$30,843, the ESSER III grant funding was \$224,758, and the ARP McKinney-Vento Homeless grant funding in FY22 was \$455,667. Other grant funds increased and decreased as follows: The Elevating Special Education grant funding increased from \$72,017 in FY21 to \$108,129 in FY22, the ESSER I grant funding decreased from \$3,999 in FY21 to \$150 in FY22, the Regional Safe Schools Coop grant decreased from \$39,861 in FY21 to \$39,770 in FY22, the Homeless grant increased from \$477,031 in FY21 to \$479,884 in FY22, the Regional Safe Schools grant decreased from \$85,864 in FY21 to \$85,002 in FY22, and the ROE/ISC Operations grant decreased from \$128,361 in FY21 to \$127,036 in FY22.
- The Regional Office of Education #11 was awarded the Area 4 Lead Liaison for the FY20 McKinney Education for Homeless Children grant. This is a 3 year award and ended in FY22. The Area 4 Lead Liaison is also the lead on the ARP McKinney-Vento Homeless grant which began in FY22. It was applied for again in FY23 and was awarded and will continue on until FY25. The revenue increased from \$365,920 to \$431,606 due to receiving additional funding from ISBE from rollover funds. Total expenditures increased from \$365,919 to \$432,902. The majority of the revenue is paid to other governmental units for the subgrantee awards.
- State funding for the grants are current in FY22. Federal Revenue in the amount of \$1,298 for the FY22 McKinney Education of Homeless Children grant and in the amount of \$6,588 for the FY22 ARP McKinney-Vento Homeless grant was received after 60 days. This was due to subgrantee expenses prior to June 30, 2022 being reported late and therefore the expenditure report was not submitted to ISBE for reimbursement until Sept. 20th, 2022.

Proprietary Fund Highlights:

The Regional Office of Education #11's Local Workshop Fund increased net position in FY22. Workshops in FY22 had lower presenter fees from vendors and lower purchased services due to fewer workshops but revenues still exceeded expenditures to result in a continued increase in net position. The operating revenues in the Local Workshop Fund were decreased due to the number of in district workshops from \$48,458 in FY21 to \$36,347. Expenditures decreased as well from \$39,056 in FY21 to \$32,275. The number of participants in the local testing services remained consistent from FY21 to FY22. The Regional Office of Education #11 Local Service Fees Fund decreased net position in FY22. The operating revenues in the Local Service Fees Fund decreased minimally from \$16,766 in FY21 to \$16,404 in FY22. Expenditures increased from \$12,470 in FY21 to \$17,562 due to increased salaries and benefits as well as supplies and depreciation from new testing computer purchases resulting in a decrease in net position from \$11,641 in FY21 to \$10,483 in FY22.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Financial Highlights of the Regional Office of Education #11 Funds (continued)

Budgetary Highlights:

The Regional Office of Education #11 annually adopts budgets although not legally required to do so. All grant budgets are prepared by the Regional Office of Education #11 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Office's actual financial activity are included in the supplementary information of this report.

Capital Assets

Capital Assets were affected by the adoption of GASB 87, as the reporting of right-of-use assets and associated amortization was implemented during FY22. The right-of-use assets were added at \$60,828 and \$295 for governmental and business-type activities, respectively. Various laptops were purchased with federal digital equity grant funding. The Regional Office of Education #11 replaced the roof on the office building located at 730 7th street in FY15 at a cost of \$30,846 and will continue to depreciate it over 40 years. During FY22 carpeting at the ROE #11 office was replaced at a cost of \$27,920, and it will be depreciated over 15 years.

Economic Factors and Next Year's Budget

At the time these financial statements were prepared and audited, the Regional Office was aware of several existing circumstances that could affect its financial health in the future.

- The State of Illinois calculation of State Aid continued to utilize an evidence based funding formula which tiers school districts and regional offices of education based on enrollment and needs. The evidence based funding for the Youth Services TAOEP Program will no longer be split or paid to Lakeland College as part of the services provided to truant youth.
- The interest rate on investments remains low.
- The majority of grants have increased or remained the same from previous levels.
- The State of Illinois funding for most grant programs has been timely on the payments from the schedule for funding for FY22.
- County Board support of the Regional Office of Education #11 will decrease from \$248,560 for FY22 to \$239,552 for FY23.

Contacting the Regional Office's Financial Management

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education #11 at 730 7th Street, Charleston, IL 61920.

BASIC FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF NET POSITION

June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets			
Current assets:			
Cash and cash equivalents	\$ 1,635,264	\$ 89,707	\$ 1,724,971
Investments	55,187	105,531	160,718
Prepaid expense	5,098	282	5,380
Accounts receivable	183	479	662
Due from other governments:	289,129	1,030	290,159
Total current assets	<u>1,984,861</u>	<u>197,029</u>	<u>2,181,890</u>
Noncurrent assets:			
Capital assets:			
Right-of-use asset, net of amortization	47,884	98	47,982
Equipment and leasehold improvements, net of depreciation	96,909	3,610	100,519
Net pension asset	343,359	-	343,359
Total noncurrent assets	<u>488,152</u>	<u>3,708</u>	<u>491,860</u>
Total assets	<u>2,473,013</u>	<u>200,737</u>	<u>2,673,750</u>
Deferred outflows of resources			
Deferred outflows related to OPEB	119,981	-	119,981
Deferred outflows related to pensions	33,559	-	33,559
Total deferred outflows of resources	<u>153,540</u>	<u>-</u>	<u>153,540</u>
Liabilities			
Current liabilities:			
Accounts payable	3,608	184	3,792
Payroll liabilities	81,380	-	81,380
Due to other governments:	171,954	-	171,954
Lease liability, current portion	11,024	99	11,123
Total current liabilities	<u>267,966</u>	<u>283</u>	<u>268,249</u>
Noncurrent liabilities:			
Lease liability, net of current portion	36,930	-	36,930
Net OPEB liability	580,540	-	580,540
Net pension liability	59,438	-	59,438
Total noncurrent liabilities	<u>676,908</u>	<u>-</u>	<u>676,908</u>
Total liabilities	<u>944,874</u>	<u>283</u>	<u>945,157</u>
Deferred inflows of resources			
Deferred inflows related to OPEB	423,005	-	423,005
Deferred inflows related to pensions	392,403	-	392,403
Total deferred inflows of resources	<u>815,408</u>	<u>-</u>	<u>815,408</u>
Net position			
Net investment in capital assets	96,909	3,610	100,519
Restricted for educational purposes	651,140	-	651,140
Unrestricted	118,222	196,844	315,066
Total net position	<u>\$ 866,271</u>	<u>\$ 200,454</u>	<u>\$ 1,066,725</u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
Primary Government:						
Governmental Activities:						
Instructional Services:						
Salaries and benefits	\$ 1,262,799	\$ -	\$ 561,507	\$ (701,292)	\$ -	\$ (701,292)
Purchased services	459,294	-	295,425	(163,869)	-	(163,869)
Supplies and materials	76,507	-	37,360	(39,147)	-	(39,147)
Other objects	6,073	-	-	(6,073)	-	(6,073)
Depreciation expense	14,066	-	-	(14,066)	-	(14,066)
Amortization expense	12,944	-	-	(12,944)	-	(12,944)
OPEB expense (benefit)	(1,643)	-	-	1,643	-	1,643
Pension expense (benefit)	(96,158)	-	30,571	126,729	-	126,729
Intergovernmental:						
Payments to other governmental units	773,197	-	324,519	(448,678)	-	(448,678)
Interest on lease liability	177	-	-	(177)	-	(177)
Capital Outlay	-	-	28,365	28,365	-	28,365
Administrative:						
On-behalf payments - State	655,786	-	-	(655,786)	-	(655,786)
Total governmental activities	<u>3,163,042</u>	<u>-</u>	<u>1,277,747</u>	<u>(1,885,295)</u>	<u>-</u>	<u>(1,885,295)</u>
Business-type activities						
Charges for services	49,838	52,751	-	-	2,913	2,913
Total business-type activities	<u>49,838</u>	<u>52,751</u>	<u>-</u>	<u>-</u>	<u>2,913</u>	<u>2,913</u>
Total primary government	<u>\$ 3,212,880</u>	<u>\$ 52,751</u>	<u>\$ 1,277,747</u>	<u>(1,885,295)</u>	<u>2,913</u>	<u>(1,882,382)</u>
General Revenues:						
Local sources				377,209	-	377,209
State sources				1,428,701	-	1,428,701
On-behalf payments				655,786	-	655,786
Interest income				2,497	355	2,852
Total general revenues				<u>2,464,193</u>	<u>355</u>	<u>2,464,548</u>
Change in net position				578,898	3,268	582,166
Net position, beginning of year				287,373	197,186	484,559
Net position, end of year				<u>\$ 866,271</u>	<u>\$ 200,454</u>	<u>\$ 1,066,725</u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 BALANCE SHEET
 GOVERNMENTAL FUNDS

June 30, 2022

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 1,326,638	\$ 93,004	\$ 209,436	\$ 6,186	\$ -	\$ 1,635,264
Investments	36,643	18,544	-	-	-	55,187
Prepaid expense	5,070	-	20	8	-	5,098
Accounts receivable	-	-	-	183	-	183
Due from other funds	168,300	-	-	-	(168,300)	-
Due from other governments	22,264	266,865	-	-	-	289,129
Total assets	<u>\$ 1,558,915</u>	<u>\$ 378,413</u>	<u>\$ 209,456</u>	<u>\$ 6,377</u>	<u>\$ (168,300)</u>	<u>\$ 1,984,861</u>
Liabilities:						
Accounts payable	\$ 1,396	\$ 1,874	\$ 252	\$ 86	\$ -	\$ 3,608
Payroll liabilities	52,813	28,567	-	-	-	81,380
Due to other funds	-	168,300	-	-	(168,300)	-
Due to other governments	76,684	95,270	-	-	-	171,954
Total liabilities	<u>130,893</u>	<u>294,011</u>	<u>252</u>	<u>86</u>	<u>(168,300)</u>	<u>256,942</u>
Deferred inflows of resources:						
Unavailable revenue	299	7,978	-	-	-	8,277
Fund Balance:						
Nonspendable	5,070	-	20	8	-	5,098
Restricted	-	84,308	209,184	6,283	-	299,775
Assigned	1,400,517	-	-	-	-	1,400,517
Unassigned	22,136	(7,884)	-	-	-	14,252
Total fund balance	<u>1,427,723</u>	<u>76,424</u>	<u>209,204</u>	<u>6,291</u>	<u>-</u>	<u>1,719,642</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,558,915</u>	<u>\$ 378,413</u>	<u>\$ 209,456</u>	<u>\$ 6,377</u>	<u>\$ (168,300)</u>	<u>\$ 1,984,861</u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

June 30, 2022

Total fund balances - governmental funds		\$ 1,719,642
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.		8,277
Lease related asset and liability are recorded net of their associated costs on the statement of net position:		
Right-of-use asset	\$ 47,884	
Liability	<u>(47,954)</u>	(70)
Equipment and leasehold improvements used in governmental activities are not financial resources and therefore, are not reported in the funds.		96,909
Pension & OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources	\$ 153,540	
Deferred inflows of resources	<u>(815,408)</u>	(661,868)
Long-term assets and liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension asset	\$ 343,359	
Net pension liability	(59,438)	
Net OPEB liability	<u>(580,540)</u>	<u>(296,619)</u>
Net position of governmental activities		<u>\$ 866,271</u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

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

For the Year Ended June 30, 2022

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 324,497	\$ 31,064	\$ 44,588	\$ 8,124	\$ 408,273
State sources	1,426,856	447,776	-	1,554	1,876,186
State sources - payments made on behalf of region	309,376	-	-	-	309,376
Federal sources	-	791,019	-	-	791,019
Interest	1,945	66	485	1	2,497
Total revenues	<u>2,062,674</u>	<u>1,269,925</u>	<u>45,073</u>	<u>9,679</u>	<u>3,387,351</u>
Expenditures:					
Instructional services					
Salaries and benefits	674,506	561,507	17,701	9,085	1,262,799
Purchased services	199,660	251,126	6,548	1,960	459,294
Supplies and materials	38,098	37,360	923	126	76,507
Other objects	2,290	-	3,783	-	6,073
OPEB expense	5,512	-	-	-	5,512
Pension expense	16,164	30,571	1,990	531	49,256
Payments made on behalf of region	309,376	-	-	-	309,376
Intergovernmental:					
Payments to other governmental units	448,678	324,519	-	-	773,197
Debt Service					
Repayment of lease liability	12,874	-	-	-	12,874
Interest	177	-	-	-	177
Lease right-of-use-asset	60,828	-	-	-	60,828
Capital outlay	33,775	28,365	-	-	62,140
Total expenditures	<u>1,801,938</u>	<u>1,233,448</u>	<u>30,945</u>	<u>11,702</u>	<u>3,078,033</u>
Excess of revenues over expenditures	<u>260,736</u>	<u>36,477</u>	<u>14,128</u>	<u>(2,023)</u>	<u>309,318</u>
Other financing sources (uses):					
Lease liability	60,828	-	-	-	60,828
Total other financing sources (uses)	<u>60,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,828</u>
Net change in fund balance	321,564	36,477	14,128	(2,023)	370,146
Fund balance (deficit), beginning of year	<u>1,106,159</u>	<u>39,947</u>	<u>195,076</u>	<u>8,314</u>	<u>1,349,496</u>
Fund balance (deficit), end of year	<u>\$ 1,427,723</u>	<u>\$ 76,424</u>	<u>\$ 209,204</u>	<u>\$ 6,291</u>	<u>\$ 1,719,642</u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

Net change in fund balances \$ 370,146

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

Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.

Reported in the funds - current year	\$ 8,277	
Reported in the funds - prior year	(98)	8,179

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	\$ 62,140	
Depreciation	(14,066)	
Amortization - leases	(12,944)	35,130

Governmental funds report lease payments as expenditures. However, in the Statement of Activities, the lease payments reduce the remaining lease liability recorded on the statement of net position.

12,874

Certain expenses in the Statement of Activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds.

OPEB contribution	\$ 5,512	
OPEB benefit	1,643	
Pension contribution	49,256	
Pension benefit	96,158	152,569

For leases used in governmental funds in which the Regional Office is the lessee, an expenditure is recorded in the governmental funds for the amount of the present value of the future lease; however, in the statement activities, the present value of the future lease is recognized as a capital asset and amortized over the life of the lease. In addition, the lease liability provides current financial resources to governmental funds; however, the transaction does not have any effect on net position.

Lease right-of-use asset (expenditure)	60,828	
Lease liability (other financing source)	(60,828)	-

Change in net position of governmental activities \$ 578,898

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2022

	Business-Type Activities- Enterprise Funds		Total
	Local Workshops	Nonmajor Fund - Local Service Fees	
Assets			
Current assets:			
Cash and cash equivalents	\$ 83,098	\$ 6,609	\$ 89,707
Investments	105,531	-	105,531
Prepaid expense	278	4	282
Accounts receivable	75	404	479
Due from other governments	1,030	-	1,030
Total current assets	190,012	7,017	197,029
Noncurrent assets:			
Capital assets:			
Right-of-use asset, net of amortization	98	-	98
Equipment, net of depreciation	-	3,610	3,610
Total noncurrent assets	98	3,610	3,708
Total assets	190,110	10,627	200,737
Liabilities			
Current liabilities:			
Accounts payable	40	144	184
Lease liability	99	-	99
Total current liabilities	139	144	283
Net Position			
Net investment in capital assets	-	3,610	3,610
Unrestricted	189,971	6,873	196,844
Total net position	\$ 189,971	\$ 10,483	\$ 200,454

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended June 30, 2022

	Business-Type Activities- Enterprise Funds		Total
	Local Workshops	Nonmajor Fund - Local Service Fees	
Operating revenues			
Local sources	\$ 36,347	\$ 16,404	\$ 52,751
Total operating revenues	36,347	16,404	52,751
Operating expenses			
Salaries and benefits	736	5,780	6,516
Purchased services	30,350	9,642	39,992
Supplies and materials	993	1,238	2,231
Amortization - leases	196	-	196
Depreciation	-	902	902
Total operating expenses	32,275	17,562	49,837
Operating income (loss)	4,072	(1,158)	2,914
Nonoperating revenues (expenses)			
Interest income	355	-	355
Interest expense	(1)	-	(1)
Total nonoperating revenues (expenses)	354	-	354
Change in net position	4,426	(1,158)	3,268
Total net position, beginning of year	185,545	11,641	197,186
Total net position, end of year	\$ 189,971	\$ 10,483	\$ 200,454

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2022

	Business-Type Activities- Enterprise Funds		
	Local Workshops	Nonmajor Fund - Local Service Fees	Total
Cash flows from operating activities:			
Workshop receipts	\$ 36,252	\$ 16,545	\$ 52,797
Payments to suppliers and providers of goods and services	(31,388)	(11,133)	(42,521)
Payments to employees	(736)	(5,780)	(6,516)
Net cash provided (used) by operating activities	<u>4,128</u>	<u>(368)</u>	<u>3,760</u>
Cash flows from capital and related financing activities:			
Payments on lease liability	(196)	-	(196)
Purchase of capital assets	-	(4,512)	(4,512)
Net cash (used for) capital and related financing activities	<u>(196)</u>	<u>(4,512)</u>	<u>(4,708)</u>
Cash flows from investing activities:			
Net investment activity	(347)	-	(347)
Interest received on investments	355	-	355
Net cash provided by investing activities	<u>8</u>	<u>-</u>	<u>8</u>
Net increase/(decrease) in cash and cash equivalents	3,940	(4,880)	(940)
Cash and cash equivalents - beginning of year	<u>79,158</u>	<u>11,489</u>	<u>90,647</u>
Cash and cash equivalents - end of year	<u>\$ 83,098</u>	<u>\$ 6,609</u>	<u>\$ 89,707</u>
Reconciliation of operating income to net cash provided/(used) by operating activities:			
Operating income	\$ 4,072	\$ (1,158)	\$ 2,914
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Amortization	196	-	196
Depreciation	-	902	902
(Increase)/decrease in assets:			
Accounts receivable	100	141	241
Due from other governments	(195)	-	(195)
Prepaid expense	8	(1)	7
Increase/(decrease) in liabilities:			
Accounts payable	(53)	(252)	(305)
Net cash provided/(used) by operating activities	<u>\$ 4,128</u>	<u>\$ (368)</u>	<u>\$ 3,760</u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

June 30, 2022

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 2,729</u>
Total assets	<u><u>\$ 2,729</u></u>
Net position	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 2,729</u>
Total net position	<u><u>\$ 2,729</u></u>

The notes to the financial statements are an integral part of this statement.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended June 30, 2022

	<u>Custodial Funds</u>
Additions:	
Local Sources:	
Program fees	\$ 4,500
Payments from Illinois Department of Revenue:	
County school facility occupation tax	<u>12,512,406</u>
Total Additions	<u>12,516,906</u>
Deductions:	
Program expenses	1,771
Payments to local school districts	<u>12,512,406</u>
Total Deductions	<u>12,514,177</u>
Net increase (decrease) in Fiduciary Net Position	2,729
Net Position, beginning of year	<u>-</u>
Net Position, end of year	<u><u>\$ 2,729</u></u>

The notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education #11 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to State controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; to serve as the official advisor and assistant of school officers and teachers; to conduct teachers institutes as well as to aid and encourage the formation of other teachers meetings and assist in their management; evaluate the schools in the region; examine evidence of indebtedness; file and keep the returns of elections required to be returned to the Regional Superintendent's office; and file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #11's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; performing and reporting on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions and to carry out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurer's bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts within the region are properly bonded.

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 the appropriate bond and that the district has certified publication of the annual financial report. The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

For the period ended June 30, 2022 the Regional Office of Education #11 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education #11. Such activities are reported as a single major special revenue fund (i.e. within the Education Fund).

SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #11 reporting entity includes all related organizations for which they exercise oversight responsibility.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SCOPE OF THE REPORTING ENTITY (Continued)

The Regional Office of Education #11 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Regional Office of Education #11, 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 Regional Office of Education #11 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 Regional Office of Education #11 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #11 is not aware of any entity which would exercise such oversight as to result in the Regional Office of Education #11 being considered a component unit of the entity.

NEW ACCOUNTING PRONOUNCEMENT

For the fiscal year ended June 30, 2022, the Regional Office of Education No. 11 implemented Governmental Accounting Standards Board (GASB) Statement No. 87 – *Leases*. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The implementation of GASB Statement No. 87 required changes to the Regional Office of Education No. 11's financial statement reporting related to their leases as further described in Note 13. Various other GASB Statements that became effective under the audited period ended June 30, 2022 did not affect the financial statements of the Regional Office of Education #11.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #11's activities with most of the interfund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education #11 has two business-type activities that rely on fees and charges for support.

The Regional Office of Education #11's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #11 accompanied by a total column. These statements are presented on an "economic resources" measurement as prescribed by GASB Statement No. 34. All of the Regional Office of Education #11's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services, and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

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 are reported as separate columns in the fund financial statements.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Concluded)

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, such as payables, receivables, and 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 and proprietary fund Statement of Net Position and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the proprietary fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated. The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent shortfalls in cash flow within grant programs and funds.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances 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.

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual i.e., when both measurable and available. Available means collectible within the current period, typically 60 days, or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid. Revenue received after the Regional Office's availability period is reported as deferred inflows of resources in the fund statements and is reported as current revenue in the Statement of Activities.

PROPRIETARY FUND FINANCIAL STATEMENTS

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

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The governmental funds financial statements focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #11; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Under the terms of grant agreements, Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues. For unrestricted fund balance, committed funds are used first, then assigned funds, then unassigned, if any.

FUND ACCOUNTING

The Regional Office of Education #11 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #11 uses governmental, proprietary, and fiduciary funds.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are reported. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets and deferred outflows of resources are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as a fund balance.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

As prescribed by GASB Statement No. 34, governmental and proprietary fund reporting focuses on the major funds rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: 1) total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and 2) total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #11 has presented all major funds that met the above qualifications.

The Regional Office of Education #11 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #11. It is used to account for and report all financial resources in the region except those required to be accounted and reported for in other funds. General Funds include the following:

County Support - This fund is used to account for financial resources except those required to be accounted for in other funds.

Direct Service - This fund is used to account for interest that is earned on deposits in the Distributive Fund's interest-bearing checking account in fiscal years that interest earned exceeds bank charges.

Grow Your Own - This fund accounts for the revenue received for the Grow Your Own grant project. Revenues will be used to pay administrative expenses incurred during recruiting & communicating with potential and upcoming teachers and communicating with school districts and area colleges & universities.

Youth Services - This program accounts for the general state aid, Lake Land Pathways and non grant expenditures for the Truancy Program and Regional Safe Schools Program which are youth service activities.

Major 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. Major special revenue funds include the following:

Education Fund - The 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:

CEO Program (formerly Douglas County CEO Program) - The purpose of this program is to guide and mentor students in business skills. This program is comprised of classroom activities, tours, and presentations from area businesses.

Illinois Violence Prevention Authority - This program accounts for state funds received to develop and implement the operation of violence prevention activities in Regional Office of Education #11.

Truants Alternative/Optional Education - This program accounts for the proceeds from State grants expended under a program to reduce student truancy.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

Child Nutrition - this program was formed to help fight hunger and obesity by providing healthy meals to children.

Regional Safe Schools - This program accounts for the proceeds from the Regional Safe Schools monies. The program concentrates on the education of students who have been expelled from the school districts served by Regional Office of Education #11.

ROE/ISC Operations - This fund accounts for the grant monies received for and in payment of expenditures for assisting schools in all areas of school improvement.

Regional Safe Schools Coop Education - This program's goal is to assist suspended or expelled students from the school districts served by Regional Office of Education #11 to become reoriented and motivated to complete their education by allowing a student to participate in career-related classroom and structured cooperative work.

Elevating Special Education - This fund is used to account for a federal grant used to partner, design, & implement professional development services including trainings, mentoring, & coaching that will improve special education.

Elementary and Secondary School Emergency Relief (ESSER) I - This fund is used to account for a federal grant that provides 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 across the nation.

Elementary and Secondary School Emergency Relief (ESSER) Digital Equity - This fund is used to account for a federal grant that enables digital-age teaching and learning due to COVID-19 and provide students with technology tools and home internet access necessary for technology-rich remote learning experiences.

Elementary and Secondary School Emergency Relief (ESSER) II - This fund is used to account for a federal grant that provides 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 across the nation.

Elementary and Secondary School Emergency Relief (ESSER) II Digital Equity - This fund is used to account for a federal grant that enables digital-age teaching and learning due to COVID-19 and provide students with technology tools and home internet access necessary for technology-rich remote learning experiences.

Elementary and Secondary School Emergency Relief (ESSER) III - This fund is used to account for a federal grant 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 across the nation.

Homeless - This fund is used to account for a federal grant that covers all regions within Area IV to facilitate the educational success of homeless children and youths.

American Rescue Plan (ARP) Homeless - This fund is used to account for a federal grant that covers the seven areas of the state to assist school district homeless liaisons in each area in implementing the requirements of the McKinney-Vento Homeless Assistance Act and the American Rescue Plan.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Concluded)

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

The Regional Office of Education #11 reports the following nonmajor governmental funds:

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

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

Bus Driver Training - This fund accounts for the fees charged for annual training courses. Proceeds from these fees are used to pay administrative expenses incurred pertaining to the program.

PROPRIETARY FUND

Proprietary Funds are those in which revenues and expenses related to services provided to organizations on a cost reimbursement basis are reported.

The Regional Office of Education #11 reports the following major proprietary fund:

Local Workshops - The local workshops fund is used to account for the workshop registration fees and expenses related to workshops sponsored by the Regional Office of Education #11.

The Regional Office of Education #11 reports the following nonmajor proprietary fund:

Local Service Fees – The local service fees fund is used to account for the local fees and expenses related to specific services provided by the Regional Office of Education #11 including fingerprinting and testing.

FIDUCIARY FUND

Custodial Funds - Custodial Funds are used to account for fiduciary activities that are not required to be reported in another fiduciary fund type. The Regional Office of Education #11's Custodial Funds include the following:

County School Facility Occupation Tax - This fund receives County School Facility Occupation Tax collected by the Illinois Department of Revenue for distribution to school districts in any county authorizing this tax.

Regional Trustee Fund - This fund accounts for the proceeds from the sale of school properties, royalties, and other receipts by the Superintendent that are forwarded to school districts. It is also used to account for detachment request fees received from landowners. The remainder of fees after expenses of the detachment hearing are returned to the landowner.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUND BALANCES

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

Nonspendable Fund Balance – The portion of a Governmental Fund’s fund balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance is for prepaid insurance from the County Support, Direct Service, Youth Services, Institute, General Education Development and Bus Driver Training funds.

Restricted Fund Balance – The portion of a Governmental Fund’s fund balance that is subject to external enforceable legal restrictions. The following accounts’ fund balances are restricted by grant agreements, contracts, or Illinois Statute: Truants Alternative / Optional Education, Regional Safe Schools, ROE/ISC Operations, Child Nutrition, Institute, General Education Development, and Bus Driver Training.

Committed Fund Balance – The portion of a Governmental Fund’s fund balance with self-imposed constraints or limitations that have been placed at the highest level of decision making. There are no accounts presenting a committed fund balance.

Assigned Fund Balance – The portion of a Governmental Fund’s fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts’ fund balances are assigned: County Support, Direct Service, Grow Your Own and Youth Services.

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is in the Direct Service, ESSER II Digital Equity, ESSER III, Homeless, and ARP Homeless funds.

NET POSITION

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 that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on deposit.

INVENTORY

Inventory is not recorded. The cost is recorded as an expenditure at the time individual inventory items are purchased.

CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$1,000 or more and estimated useful lives of greater than two years are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Office Equipment and Furniture	5-10 years
Computer Equipment	3-10 years
Other Equipment	5-20 years
Leasehold Improvements	15-40 years

COMPENSATED ABSENCES

Sick pay must be accumulated but does not vest with the employee. Vacation time is awarded at the beginning of the fiscal year but must be used during the current fiscal year and cannot be carried over from year to year; therefore, it is considered immaterial by management and not reflected in the basic financial statements.

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the Regional Office of Education #11's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Regional Office of Education #11's OPEB Plan and additions to/deductions from the Regional Office of Education #11's fiduciary net position have been determined on the same basis as they are reported by the Regional Office of Education #11's Plan. For this purpose, the Regional Office of Education #11's Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES (Concluded)

Deferred inflows of resources - Deferred inflows of resources represent an acquisition of fund balance/net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Deferred inflows of resources on the governmental funds Balance Sheet consist of grant receivables not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of items not yet recognized as an offset to pension and OPEB expense.

LEASES

The Regional Office of Education #11 determines if an arrangement is a lease at the inception of the contract. If a lease is present and the Regional Office of Education #11 is the lessee, a right-of-use asset and lease liability should be recognized, unless the lease is a short-term lease. The right-of-use assets represent the right to use the underlying assets for the lease term and the lease liabilities represent the obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Short-term leases have a maximum term of 12 months or less, including options to extend, regardless of whether the extension is expected to be exercised. If a lease is cancelable by either the lessee or lessor, the lease term is the noncancelable period of the lease, including any notice periods. Short-term leases do not require the reporting of a right-of-use asset or lease liability. Instead, the lease payments are reported as expenditures or expenses, as applicable, based on the payments provided for in the lease contract.

ESTIMATES

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

BUDGET INFORMATION

The Regional Office of Education #11 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 the Illinois State Board of Education; however, none of the annual budgets have been legally adopted nor are they required to be. Comparisons of budgeted and actual results are presented as supplemental information. Budget information has been provided in supplementary schedules for the following funds: Illinois Violence Prevention Authority, Truants Alternative/Optional Education, Regional Safe Schools, ROE/ISC Operations, Regional Safe Schools Coop Education, Elevating Special Education, ESSER I, ESSER Digital Equity, ESSER II, ESSER II Digital Equity, ESSER III, Homeless, and ARP Homeless.

2 DEPOSITS AND INVESTMENTS

The Regional Office of Education #11 does not have a formal investment policy. The Regional Office of Education #11 is allowed to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

2 DEPOSITS AND INVESTMENTS (Concluded)

A. DEPOSITS

At June 30, 2022, the carrying amount of the Regional Office of Education #11's government-wide and Fiduciary fund deposits, which do not include The Illinois Funds accounts, were \$1,658,781 and \$2,729, respectively, and the bank balances totaled \$1,748,348. At June 30, 2022, \$375,073 of the Regional Office of Education #11's cash deposits were insured by the Federal Deposit Insurance Corporation. Another \$1,373,275 was collateralized by securities pledged by the Regional Office's financial institution on behalf of the Regional Office.

B. INVESTMENTS

As of June 30, 2022, the Regional Office of Education #11's investments totaled \$160,718. Investments consisted of certificates of deposit which are considered deposits and, as such, are included in the deposits note (2A) above.

At June 30, 2022, the carrying amount of the Regional Office of Education #11's deposits in The Illinois Funds for governmental activities totaled \$226,727 and the bank balances totaled \$226,727. 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 #11's governmental activities.

CREDIT RISK

At June 30, 2022, The Illinois Funds had earned Fitch's highest investment grade rating of AAAmmf 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 and operates in a manner consistent with Securities and Exchange Commission Rule 2a-7 (17 CFR 270.2a-7)

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 10% of assets invested in short-term obligations of any one corporation or limited liability company, 10% 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.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND

IMRF PLAN DESCRIPTION

The Regional Office of Education #11's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and their beneficiaries. The Regional Office of Education #11'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 document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

BENEFITS PROVIDED

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

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the 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, 2021, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	13
Inactive Plan Members entitled to but not yet receiving benefits	4
Active Plan Members	6
Total	<u>23</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

CONTRIBUTIONS

As set by statute, the Regional Office of Education #11'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 #11's annual contribution rate for calendar year 2021 was 16.01%. For the fiscal year ended June 30, 2022, the Regional Office of Education contributed \$32,508 to the plan. The Regional Office of Education #11 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.

NET PENSION ASSET

The Regional Office of Education #11's net pension asset was measured as of December 31, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 - 2019.

- For **Non-Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

ACTUARIAL ASSUMPTIONS (Concluded)

- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2021:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Fixed Income	25.00%	-0.60%
Real Estate	10.00%	3.30%
Alternatives	10.00%	
Private Equity		5.50%
Hedge Funds		N/A
Commodities		1.70%
Cash Equivalents	<u>1.00%</u>	-0.90%
Total	<u><u>100.00%</u></u>	

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

SINGLE DISCOUNT RATE

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2021. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 1.84%, and the resulting single discount rate is 7.25%.

CHANGES IN THE NET PENSION LIABILITY (ASSET)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2020	\$ 1,959,820	\$ 2,067,546	\$ (107,726)
Changes for the year:			
Service Cost	23,971	-	23,971
Interest on the Total Pension Liability	137,471	-	137,471
Differences Between Expected and Actual Experience of the Total Pension Liability	(14,563)	-	(14,563)
Contributions - Employer	-	40,507	(40,507)
Contributions - Employees	-	11,783	(11,783)
Net Investment Income	-	331,347	(331,347)
Benefit Payments, including Refunds of Employee Contributions	(161,149)	(161,149)	-
Other (Net Transfer)	-	(1,125)	1,125
Net Changes	(14,270)	221,363	(235,633)
Balances at December 31, 2021	\$ 1,945,550	\$ 2,288,909	\$ (343,359)

SENSITIVITY OF THE NET PENSION LIABILITY (ASSET) TO CHANGES IN THE DISCOUNT RATE

The following presents the plan's net pension liability (asset), calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension Liability (Asset)	\$ (123,568)	\$ (343,359)	\$ (507,188)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Concluded)

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended June 30, 2022, the Regional Office of Education #11 recognized pension expense (benefit) of (\$98,075). At June 30, 2022, the Regional Office of Education #11 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ 3,976
Changes of assumptions	-	3,587
Net difference between projected and actual earnings on pension plan investments	-	306,880
Total Deferred Amounts to be recognized in pension expense in future periods	-	314,443
<i>Pension contributions made subsequent to the measurement date</i>	10,793	-
Total Deferred Amounts Related to Pensions	\$ 10,793	\$ 314,443

\$10,793, reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2023.

Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows/(Inflows) of Resources
2022	\$ (80,405)
2023	(124,384)
2024	(72,057)
2025	(37,597)
2026	-
Thereafter	-
Total	\$ (314,443)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

PLAN DESCRIPTION

The Regional Office of Education #11 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 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, 2021, 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 #11.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

ON BEHALF CONTRIBUTIONS TO TRS

The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #11. For the year ended June 30, 2022, the State of Illinois contributions recognized by the Regional Office of Education #11 were based on the State's proportionate share of the pension expense associated with the Regional Office of Education #11, and the Regional Office of Education #11 recognized revenue and expenditures of \$357,304 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 ending June 30, 2022 were \$4,772 and are deferred because they were paid after the June 30, 2021 measurement date.

FEDERAL AND SPECIAL TRUST FUND CONTRIBUTIONS

When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #11, there is a statutory requirement for the Regional Office of Education #11 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 employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$116,158 were paid from federal and special trust funds that required employer contributions of \$11,976. These contributions are deferred because they were paid after the June 30, 2021 measurement date.

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 #11 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 a TRS service credit. For the year ended June 30, 2022, the Regional Office of Education #11 paid no payments 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.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2022, the Regional Office of Education #11 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the employer follows below:

Employer's proportionate share of the net pension liability	\$ 59,438
State's proportionate share of the net pension liability associated with the employer	4,981,521
Total	\$ 5,040,959

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The Regional Office of Education #11's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2021, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2021, the Regional Office of Education #11's proportion was 0.00007619 percent, which is a decrease of 0.00000455 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Regional Office of Education #11 recognized pension expense of \$357,304 and revenue of \$357,304 for support provided by the State. For the year ended June 30, 2022, the ROE recognized pension expense of \$1,917. At June 30, 2022, the Regional Office of Education #11 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 341	\$ 244
Net difference between projected and actual earnings on pension plan investments	-	3,987
Changes of assumptions	26	294
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,651	73,435
Employer contributions subsequent to the measurement date	16,748	-
Total	\$ 22,766	\$ 77,960

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

\$16,748 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year ending June 30:	Net Deferred Outflows / (Inflows) of Resources
2023	\$ (39,643)
2024	(24,167)
2025	(4,756)
2026	(2,953)
2027	(423)
	\$ (71,942)

ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.25 percent
Salary increase:	varies by amount of service credit
Investment rate of return:	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2021 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2017.

The long-term (20-year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

ACTUARIAL ASSUMPTIONS (Concluded)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. equities large cap	16.7%	6.2%
U.S. equities small/mid cap	2.2%	7.4%
International equities developed	10.6%	6.9%
Emerging market equities	4.5%	9.2%
U.S. bonds core	3.0%	1.6%
Cash equivalents	2.0%	0.1%
TIPS	1.0%	0.8%
International debt developed	1.0%	0.4%
Emerging international debt	4.0%	4.4%
Real estate	16.0%	5.8%
Private Debt	10.0%	6.5%
Hedge Funds	10.0%	3.9%
Private equity	15.0%	10.4%
Infrastructure	4.0%	6.3%
Total	100.0%	

**Based on the 2020 Horizon Survey of Capital Market Assumptions*

DISCOUNT RATE

At June 30, 2021, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2020 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefits recipients. Tier 1's liability is partially-funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE REGIONAL OFFICE OF EDUCATION #11'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Regional Office of Education #11's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Regional Office of Education #11's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Employer's proportionate share of the net pension liability	\$ 73,613	\$ 59,438	\$ 47,664

TRS FIDUCIARY NET POSITION

Detailed information about the TRS's fiduciary net position as of June 30, 2021 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

5 TEACHER HEALTH INSURANCE SECURITY FUND

THIS PLAN DESCRIPTION

The Regional Office of Education #11 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 Department of Central Management Services (Department) as of July 1, 2013. The Department 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 Illinois Department of Central Management Services (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.

The 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 #11. For the year ended June 30, 2022, State of Illinois contributions recognized by the Regional Office of Education #11 were based on the State's proportionate share of the collective net OPEB liability associated with the Regional Office of Education #11, and recognized revenue and expenditures of (\$10,894) in OPEB contributions from the State of Illinois.

EMPLOYER CONTRIBUTIONS TO THE THIS FUND

The Regional Office of Education #11 also makes contributions to the THIS Fund. The Regional Office of Education #11's THIS Fund contribution was 0.67 percent during the year ended June 30, 2022, and 0.92 and 0.92 percent during the years ended June 30, 2021 and June 30, 2020, respectively. For the year ended June 30, 2022, the Regional Office of Education #11 paid \$5,512 to the THIS Fund. For the years ended June 30, 2021 and 2020, the Regional Office of Education #11 paid \$6,285 and \$6,251 to the THIS Fund, respectively, which was 100 percent of the required contributions.

FURTHER INFORMATION ON 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".

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

5 TEACHER HEALTH INSURANCE SECURITY FUND (Continued)

ACTUARIAL ASSUMPTIONS

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend used for fiscal year 2022 based on expected increases used to develop average costs. For fiscal years ending on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

SINGLE DISCOUNT RATE

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

Since the THIS fund is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 1.92 percent as of June 30, 2021, and 2.45 percent as of June 30, 2020.

SENSITIVITY OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE.

The following presents the Regional Office of Education #11's proportionate share of the collective net OPEB liability, as well as what the ROE's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.92 percent) or 1-percentage-point higher (2.92 percent) than the current discount rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Employer's proportionate share of the collective net OPEB liability	\$ 697,348	\$ 580,540	\$ 487,877

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

5 TEACHER HEALTH INSURANCE SECURITY FUND (Continued)

SENSITIVITY OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES.

The following presents the Regional Office of Education #11's collective net OPEB liability, calculated using the current healthcare cost trend rates as well as what the Regional Office of Education #11's collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

	1% Decrease*	Healthcare Cost Trend Rates	1% Increase**
Employer's proportionate share of the collective net OPEB liability	\$ 464,717	\$ 580,540	\$ 737,776

**One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate rate of 3.25% in 2038.*

***One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.*

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

At June 30, 2022, the Regional Office of Education #11 reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to the Regional Office of Education #11. The amount recognized by the Regional Office of Education #11 as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Regional Office of Education #11 were as follow:

Employer's proportionate share of the collective net OPEB liability	\$ 580,540
State's proportionate share of the collective net OPEB liability associated with the employer	787,167
Total	\$ 1,367,707

The collective net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2020, and was rolled forward to the June 30, 2021 measurement date. The Regional Office of Education #11's proportion of the collective net OPEB liability was based on a projection of the Regional Office of Education #11's long-term share of contributions to the OPEB plan relative to the projected contributions of the Regional Office of Education #11, actuarially determined. At June 30, 2021, the Regional Office of Education #11's proportion was 0.002632 percent, which was a decrease of 0.000054 from its proportion measured as of June 30, 2020 (0.002686 percent). The State's support and total are for disclosure purposes only.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

5 TEACHER HEALTH INSURANCE SECURITY FUND (Continued)

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (Continued)

For the year ended June 30, 2022, the Regional Office of Education #11 recognized OPEB expense of (\$10,894) and revenue of (\$10,894) for support provided by the State. For the year ended June 30, 2022, the Regional Office of Education #11 recognized OPEB benefit of \$1,643. At June 30, 2022, the Regional Office of Education #11 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 27,157
Changes of assumptions	201	217,387
Net difference between projected and actual earnings on OPEB plan investments	9	11
Changes in proportion and differences between employer contributions and proportionate share of contributions	114,259	178,450
Employer contributions subsequent to the measurement date	5,512	-
Total Deferred Amounts Related to OPEB	\$ 119,981	\$ 423,005

\$5,512 reported as deferred outflows of resources related to OPEB resulting from Regional Office of Education #11 contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Regional Office of Education #11's OPEB expense as follows:

Year Ending June 30,	Net Deferred Outflows / (Inflows) of Resources
2023	\$ (42,093)
2024	(42,093)
2025	(42,093)
2026	(42,091)
2027	(42,092)
Thereafter	(98,074)
Total	\$ (308,536)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

5 TEACHER HEALTH INSURANCE SECURITY FUND (Concluded)

THIS FIDUCIARY NET POSITION

Detailed information about the THIS Fund fiduciary net position as of June 30, 2021, is available in the separately issued THIS Financial Report.

6 OTHER POSTEMPLOYMENT BENEFITS

GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* notes that an implicit subsidy occurs when employers offer inactive employees the opportunity to participate in the same health insurance pool as active employees at the same blended premium rates. The subsidy is created by the difference in the premium inactive/retirees would pay if purchasing insurance separately from the ROE group and the lower blended rate they pay by being included in the group. The implicit rate subsidy must be recorded as a liability under GASB Statement No. 75 to be paid out when the employee either retires or becomes disabled.

The Regional Office of Education #11 did not have a group insurance plan for its IMRF employees. Rather than procure a group plan for its IMRF employees, the Regional Office of Education #11 purchased a plan for each individual IMRF employee with varying premium based upon the individual such as the individual's age, as opposed to the group as a whole. Because of the way the ROE purchased insurance for its employees, an implicit subsidy is not created and, therefore, no OPEB liability is accumulated or recorded in the Regional Office of Education #11's financial statements.

7 DUE TO/FROM OTHER FUNDS

Interfund due to/from other fund balances at June 30, 2022 consist of the following individual due to/from other funds in the governmental fund balance sheet. The balances between governmental funds were eliminated in the government-wide Statement of Net Position. Interfund loans were made for the purpose of providing cash to funds that were awaiting reimbursements from grantors.

Fund	Due From Other Funds	Due To Other Funds
General Fund		
County Support	\$ 8,901	\$ -
Youth Services	159,399	-
Education Fund		
Illinois Violence Prevention Authority	-	8,901
Homeless	-	108,222
Homeless ARP	-	1,399
Elevating Special Education	-	22,972
ESSER Digital Equity	-	15,214
ESSER II Digital Equity	-	6,512
ESSER III	-	5,080
	\$ 168,300	\$ 168,300

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

8 ON BEHALF PAYMENTS

The State of Illinois paid the following salaries, benefits, and contributions on behalf of the Regional Office of Education #11:

Regional Superintendent Salary	\$	124,308
Regional Superintendent Fringe Benefit (Includes State paid insurance)		35,531
Assistant Regional Superintendent Salary		111,876
Assistant Regional Superintendent Fringe Benefit (Includes State paid insurance)		<u>37,661</u>
 Total	 \$	 <u><u>309,376</u></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. These amounts have been recorded in the accompanying financial statements as State revenue and expenditures.

The Regional Office of Education #11 recorded \$357,304 in revenue and expenses 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 #11 recorded (\$10,894) in revenue and expenses 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 #11 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	\$	309,376
ROE #11's share of TRS pension expense		357,304
ROE #11's share of THIS OPEB expense (benefit)		<u>(10,894)</u>
 Total	 \$	 <u><u>655,786</u></u>

9 CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education #11 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements. The following equipment and leasehold improvements are separated by fund. The following table provides a summary of changes in equipment and leasehold improvements for the year ended June 30, 2022:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
Governmental Activities:				
General Funds				
County Support	\$ 89,730	\$ 31,880	\$ 500	\$ 121,110
Direct Service	2,335	-	-	2,335
Youth Services	<u>35,693</u>	<u>1,895</u>	<u>609</u>	<u>36,979</u>
 Total for General Funds	 <u>127,758</u>	 <u>33,775</u>	 <u>1,109</u>	 <u>160,424</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

9 CAPITAL ASSETS (Continued)

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental Activities:				
Special Revenue Funds				
Major Funds				
Education Funds				
ROE/ISC Operations	6,590	-	-	6,590
ESSER Digital Equity	-	17,020	-	17,020
ESSER II Digital Equity	-	11,345	-	11,345
Driver Ed	1,628	-	-	1,628
Regional Safe Schools	63,377	-	5,569	57,808
Title I-Reading First Part B SEA	1,910	-	-	1,910
Title II-Teacher Quality	890	-	-	890
Technology Enhancing Education	4,916	-	-	4,916
No Kid Hungry	626	-	-	626
Rural Education Achievement Program	1,550	-	-	1,550
Child Nutrition Program	7,373	-	-	7,373
Total for Education Funds	88,860	28,365	5,569	111,656
Non-Major Funds				
GED	1,285	-	-	1,285
Bus Driver Training	1,031	-	-	1,031
Total for Non-Major Funds	2,316	-	-	2,316
Total - Governmental Activities	218,934	62,140	6,678	274,396
Less: Accumulated Depreciation	170,099	14,066	6,678	177,487
Investment in Equipment and Leasehold Improvements, Net Governmental Activities				
	\$ 48,835	\$ 48,074	\$ -	\$ 96,909
Business-Type Activities:				
Local Service Fees	\$ -	\$ 4,512	\$ -	\$ 4,512
Local Workshops	14,404	-	1,349	13,055
Total - Business Type Activities	14,404	4,512	1,349	17,567
Less: Accumulated Depreciation	14,404	902	1,349	13,957
Investment in Equipment, Net Business-Type Activities				
	\$ -	\$ 3,610	\$ -	\$ 3,610

Equipment and leasehold improvements are depreciated using the straight-line method over the estimated useful lives of the assets. As of June 30, 2022, the leasehold improvements had a cost of \$76,220 and accumulated depreciation of \$14,272. Depreciation expense for the year ended June 30, 2022 of \$14,066 and \$902 was charged to governmental activities instructional services and business-type activities, respectively.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

9 CAPITAL ASSETS (Concluded)

The following table provides a summary of changes in right-of-use assets for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental Activities:				
General Funds				
County Support	\$ -	\$ 5,612	\$ -	\$ 5,612
Youth Services	-	55,216	-	55,216
Total for General Funds	-	60,828	-	60,828
Total - Governmental Activities	-	60,828	-	60,828
Less: Accumulated Amortization	-	12,944	-	12,944
Investment in Right-Of-Use Assets, Net Governmental Activities	<u>\$ -</u>	<u>\$ 47,884</u>	<u>\$ -</u>	<u>\$ 47,884</u>
Business-Type Activities:				
Local Workshops	\$ -	\$ 295	\$ -	\$ 295
Less: Accumulated Amortization	-	197	-	197
Investment in Right-Of-Use Assets, Net Business-Type Activities	<u>\$ -</u>	<u>\$ 98</u>	<u>\$ -</u>	<u>\$ 98</u>

Right-of-use assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset. Amortization expense for the year ended June 30, 2022 of \$12,944 and \$197 was charged to governmental activities instructional services and business-type activities, respectively. Additional information on these assets can be found in Note 13, Leases.

10 RISK MANAGEMENT

The Regional Office of Education #11 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. The Regional Office of Education #11 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past four years.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

11 DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education #11's General Fund, Education Fund, and Local Workshops Fund have funds due from and due to various other governmental units which consist of the following at June 30, 2022:

Due from Other Governments:

General Fund	
Local School Districts	\$ 5,407
Illinois State Board of Education	299
Universal Service Administrative Co. - Federal Funds	16,558
Education Fund	
Illinois State Board of Education - Federal Funds	234,409
Regional Office of Education #9 - Federal Funds	22,972
Illinois Comptroller - State Funds	9,484
Local Workshops	
Local School Districts	<u>1,030</u>
Total	<u><u>\$ 290,159</u></u>

Due to Other Governments:

General Fund	
Lake Land College	\$ 40,160
Charleston CUSD #1 - Local Funds	30,724
Regional Offices of Education	5,800
Education Fund	
Illinois State Board of Education - State Funds	606
Regional Offices of Education	<u>94,664</u>
Total	<u><u>\$ 171,954</u></u>

12 CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for Regional Office of Education #11 for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Governmental Activities:					
Net TRS pension liability	\$ 69,613	\$ -	\$ (10,175)	\$ 59,438	N/A
Lease liability	-	60,828	(12,874)	47,954	11,024
Net OPEB liability	<u>718,081</u>	-	<u>(137,541)</u>	<u>580,540</u>	N/A
Governmental activities, long-term liabilities	<u>\$ 787,694</u>	<u>\$ 60,828</u>	<u>\$ (160,590)</u>	<u>\$ 687,932</u>	<u>\$ 11,024</u>
Business-type Activities:					
Lease liability	-	295	(196)	99	99
Business-type activities, long-term liabilities	<u>\$ -</u>	<u>\$ 295</u>	<u>\$ (196)</u>	<u>\$ 99</u>	<u>\$ 99</u>

IMRF is reporting a net pension asset, rather than a net pension liability, at June 30, 2022.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2022

13 LEASES

As lessee, the Regional Office of Education #11 leases various items including its office facilities, Bridges Alternative School Program, Regional Safe Schools Program, and four copiers under noncancellable leases. The leases range in duration from 12 months to 5 years and, in most instances, provide for renewal options, which the Regional Office of Education #11 has intention of exercising.

The lease arrangement for the Regional Office of Education #11's office facilities with Coles County has a base rental payment calculated based on retiring the debt incurred by the lessor to acquire the building. During the fiscal year ended June 30, 2022, the remaining bond obligations of the lessor were paid in full and the lessor adjusted the required rental payment to \$0. The lessee is responsible for paying for the costs of reasonable maintenance and upkeep as described in the terms of the agreement.

The Regional Office of Education #11's cost of right-of-use assets as of June 30, 2022 for the governmental and business-type activities was \$60,828 and \$295, respectively. The right-of-use assets consist of \$55,216 of buildings and \$5,907 of equipment. The accumulated amortization of right-of-use assets as of June 30, 2022 for the governmental and business-type activities was \$12,944 and \$197, respectively. Interest expense of \$177 and \$1 was attributable to lease payments on right-of-use assets for the governmental and business-type activities, respectively, for the year ended June 30, 2022.

Following is a maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2022:

For the Year Ending June 30,	Amount	Principal	Interest
2023	\$ 11,274	\$ 11,123	\$ 151
2024	9,300	9,183	117
2025	9,300	9,216	84
2026	9,300	9,249	51
2027	9,300	9,282	18
Thereafter	-	-	-
Total	48,474	48,053	421
Interest expense	(421)		
Amounts recognized in the statement of net position	<u>\$ 48,053</u>		

14 CONTINGENCIES

The Regional Office of Education #11 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 #11 believes any adjustments that may arise will be insignificant to the Regional Office of Education #11's operations.

15 DEFICIT FUND BALANCES

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

ESSER II Digital Equity	\$ (1)
ESSER III	(1)
Homeless	(1,294)
ARP Homeless	(6,588)

The deficit fund balances for these funds will be eliminated during the fiscal year ending June 30, 2023 when unavailable revenue is recognized as revenue.

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

ILLINOIS MUNICIPAL RETIREMENT FUND -
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
(UNAUDITED)
Last 10 Calendar Years
(schedule to be built prospectively from 2014)

Calendar Year Ended December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 23,971	\$ 17,895	\$ 17,703	\$ 16,265	\$ 16,052	\$ 15,802	\$ 15,445	\$ 15,856
Interest on the Total Pension Liability	137,471	136,307	133,973	132,626	128,837	122,742	115,679	109,371
Differences Between Expected and Actual Experience of the Total Pension Liability	(14,563)	42,585	24,222	24,664	105,228	61,199	66,324	(17,393)
Changes of Assumptions	-	(30,501)	-	47,318	(65,392)	-	-	67,051
Benefit Payments, including Refunds of Employee Contributions	(161,149)	(145,395)	(142,225)	(143,009)	(127,960)	(110,428)	(96,482)	(87,231)
Net Change in Total Pension Liability	(14,270)	20,891	33,673	77,864	56,765	89,315	100,966	87,654
Total Pension Liability - Beginning	1,959,820	1,938,929	1,905,256	1,827,392	1,770,627	1,681,312	1,580,346	1,492,692
Total Pension Liability - Ending (A)	<u>\$ 1,945,550</u>	<u>\$ 1,959,820</u>	<u>\$ 1,938,929</u>	<u>\$ 1,905,256</u>	<u>\$ 1,827,392</u>	<u>\$ 1,770,627</u>	<u>\$ 1,681,312</u>	<u>\$ 1,580,346</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 40,507	\$ 47,781	\$ 24,474	\$ 28,441	\$ 21,147	\$ 17,877	\$ 19,413	\$ 29,967
Contributions - Employees	11,783	11,401	8,407	8,447	9,174	8,196	7,351	6,955
Net Investment Income	331,347	303,503	357,767	(90,863)	278,498	139,473	37,799	112,481
Benefit Payments, including Refunds of Employee Contributions	(161,149)	(145,395)	(142,225)	(143,009)	(127,960)	(110,428)	(96,482)	(87,231)
Other (Net Transfer)	(1,125)	(1,422)	(1,814)	(1,462)	(1,503)	(1,867)	(5,320)	(1,485)
Net Change in Plan Fiduciary Net Position	221,363	215,868	246,609	(198,446)	179,356	53,251	(37,239)	60,687
Plan Fiduciary Net Position - Beginning	2,067,546	1,851,678	1,605,069	1,803,515	1,624,159	1,570,908	1,608,147	1,547,460
Plan Fiduciary Net Position - Ending (B)	<u>\$ 2,288,909</u>	<u>\$ 2,067,546</u>	<u>\$ 1,851,678</u>	<u>\$ 1,605,069</u>	<u>\$ 1,803,515</u>	<u>\$ 1,624,159</u>	<u>\$ 1,570,908</u>	<u>\$ 1,608,147</u>
Net Pension Liability (Asset) - Ending (A) - (B)	\$ (343,359)	\$ (107,726)	\$ 87,251	\$ 300,187	\$ 23,877	\$ 146,468	\$ 110,404	\$ (27,801)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	117.65%	105.50%	95.50%	84.24%	98.69%	91.73%	93.43%	101.76%
Covered Payroll	\$ 253,011	\$ 245,790	\$ 186,827	\$ 185,529	\$ 177,857	\$ 162,967	\$ 158,342	\$ 154,548
Net Pension Liability as a Percentage of Covered Payroll	-135.71%	-43.83%	46.70%	161.80%	13.42%	89.88%	69.73%	(17.99%)

Notes to Schedule:

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

Changes in assumptions:

For 2014, changes are primarily from adopting IMRF specific mortality tables with fully generational projection scale MP-2014 (base year 2014) developed from the RP-2014 mortality tables.

For 2015, changes are primarily from a change in the calculated single discount rate from 7.49% in 2014 to 7.47% in 2015.

For 2016, changes are primarily from a change in the calculated single discount rate from 7.47% in 2015 to 7.50% in 2016.

For 2017, changes are primarily from adopting IMRF specific mortality tables with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.

For 2018, the assumed investment rate of return was lowered from 7.50% to 7.25%.

For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

ILLINOIS MUNICIPAL RETIREMENT FUND -
SCHEDULE OF EMPLOYER CONTRIBUTIONS
(UNAUDITED)

For the years ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015

Fiscal Year Ended June 30,	(a) Actuarially Determined Contribution	(a) Actual Contribution	(a) Contribution Deficiency (Excess)	(a) Covered Payroll	(a) Actual Contribution as a Percentage of Covered Payroll
2015	\$ 25,238	\$ 25,238	\$ -	\$ 157,940	15.98%
2016	18,743	18,743	-	161,118	11.63%
2017	19,768	19,768	-	172,808	11.44%
2018	24,931	24,931	-	182,751	13.64%
2019	26,186	26,186	-	184,154	14.22%
2020	34,523	34,523	-	208,617	16.55%
2021	44,511	44,511	-	249,675	17.83%
2022	32,508	32,508	-	267,425	12.16%

(a) These amounts have been converted from IMRF's calendar year end to the entity's fiscal year end utilizing information from the entity's records and therefore will not agree to the IMRF actuarial report issued on March 24, 2022 for the period ended December 31, 2021.

Notes to Schedule:

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

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2021 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2021 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	22-year closed period.
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25% including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
<i>Mortality:</i>	For non-disabled retirees, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2019, actuarial valuation. Note two year lag between valuation and rate setting.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY (UNAUDITED)
Teacher's Retirement System of the State of Illinois

For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015
(Amounts presented are for the years ended June 30, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014)

	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*
Employer's proportion of the net pension liability	0.0000761913%	0.0000807431%	0.0000930853%	0.0001147210%	0.0004073021%	0.0001083299%	0.0001340302%	0.0001604454%
Employer's proportionate share of the net pension liability	\$ 59,438	\$ 69,613	\$ 75,500	\$ 89,419	\$ 311,171	\$ 85,511	\$ 87,803	\$ 97,644
State's proportionate share of the net pension liability associated with the employer	4,981,521	5,452,441	5,373,234	6,125,585	4,860,971	4,639,912	3,805,001	3,901,041
Total	\$ 5,040,959	\$ 5,522,054	\$ 5,448,734	\$ 6,215,004	\$ 5,172,142	\$ 4,725,423	\$ 3,892,804	\$ 3,998,685
Employer's covered payroll	\$ 683,113	\$ 679,473	\$ 730,418	\$ 821,709	\$ 656,502	\$ 584,558	\$ 612,412	\$ 677,719
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	8.7%	10.2%	10.3%	10.9%	47.4%	14.6%	14.3%	14.4%
Plan fiduciary net position as a percentage of the total pension liability	45.1%	37.8%	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)

Teacher's Retirement System of the State of Illinois

For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily-required contribution	\$ 16,748	\$ 6,588	\$ 3,941	\$ 5,687	\$ 15,373	\$ 16,781	\$ 4,195	\$ 4,718	\$ 5,725
Contributions in relation to the statutorily-required contribution	16,748	6,588	3,941	5,683	19,700	16,781	4,195	4,718	5,725
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ 4	\$ (4,327)	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 822,711	\$ 683,113	\$ 679,473	\$ 730,418	\$ 821,709	\$ 656,502	\$ 584,558	\$ 612,412	\$ 677,719
Contributions as a percentage of covered payroll	2.0%	1.0%	0.6%	0.8%	2.4%	2.6%	0.7%	0.8%	0.8%

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

Notes to Required Supplementary Information

Changes of assumptions

For the 2021 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2020-2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. These assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

TEACHERS' HEALTH INSURANCE SECURITY FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)
For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, and 2016

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 5,512	\$ 6,285	\$ 6,251	\$ 6,720	\$ 7,231	\$ 5,515	\$ 4,676
Contributions in relation to the statutorily required contribution	<u>5,512</u>	<u>6,285</u>	<u>6,251</u>	<u>6,720</u>	<u>7,231</u>	<u>5,515</u>	<u>4,676</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Employer's covered payroll	\$ 822,711	\$ 683,113	\$ 679,473	\$ 730,418	\$ 821,709	\$ 656,502	\$ 584,558
Contributions as a percentage of covered payroll	0.67%	0.92%	0.92%	0.92%	0.88%	0.84%	0.80%

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

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

TEACHERS' HEALTH INSURANCE SECURITY FUND
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE
COLLECTIVE NET OPEB LIABILITY (UNAUDITED)
For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018 and 2017
(Amounts presented are for the years ended June 30, 2021, 2020, 2019, 2018, 2017 and 2016)

	2021	2020	2019	2018	2017	2016
Employer's proportion of the collective net OPEB liability	0.002632%	0.002686%	0.002957%	0.003468%	0.002854%	0.002510%
Employer's proportionate share of the collective net OPEB liability	\$ 580,540	\$ 718,081	\$ 818,560	\$ 913,647	\$ 740,567	\$ 686,042
State's proportionate share of the collective net OPEB liability associated with the employer	787,167	972,841	1,108,517	1,226,759	972,587	951,191
Total	<u>\$ 1,367,707</u>	<u>\$ 1,690,922</u>	<u>\$ 1,927,077</u>	<u>\$ 2,140,406</u>	<u>\$ 1,713,154</u>	<u>\$ 1,637,233</u>
Employer's covered payroll	\$ 683,113	\$ 679,473	\$ 730,418	\$ 821,709	\$ 656,502	\$ 584,558
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	84.98%	105.68%	112.07%	111.19%	112.80%	117.36%
Plan fiduciary net position as a percentage of the total OPEB liability	1.40%	0.70%	0.25%	(0.07%)	(0.17%)	(0.22%)

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

Notes to Required Supplementary Information:

Changes to Benefit Term

For the 2021 measurement year, there were no changes of benefit terms from the prior period.

Changes of Assumptions

	2021	2020
Inflation	2.5 percent	2.5 percent
Salary Increase	Depends on Service and ranges from 9.5% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.	Depends on Service and ranges from 9.5% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend for fiscal year ending 2022 based on expected increases used to develop average costs. For fiscal years on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years after 2020, trend starts at 8.25% for non-Medicare costs and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

SUPPLEMENTAL INFORMATION

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND

JUNE 30, 2022

	County Support	Direct Service	Grow Your Own	Youth Services	Total
Assets					
Cash and cash equivalents	\$ 313,165	\$ 25,674	\$ 1,549	\$ 986,250	\$ 1,326,638
Investments	36,643	-	-	-	36,643
Prepaid expense	4,004	5	-	1,061	5,070
Due from other funds	8,901	-	-	159,399	168,300
Due from other governments	299	5,407	-	16,558	22,264
Total assets	\$ 363,012	\$ 31,086	\$ 1,549	\$ 1,163,268	\$ 1,558,915
Liabilities					
Accounts payable	\$ 845	\$ -	\$ -	\$ 551	\$ 1,396
Payroll liabilities	-	-	-	52,813	52,813
Due to other funds	-	-	-	-	-
Due to other governments	-	2,800	-	73,884	76,684
Total liabilities	845	2,800	-	127,248	130,893
Deferred inflows of resources					
Unavailable revenue	299	-	-	-	299
Fund Balance					
Nonspendable	4,004	5	-	1,061	5,070
Assigned	357,864	6,145	1,549	1,034,959	1,400,517
Unassigned	-	22,136	-	-	22,136
Total fund balance	361,868	28,286	1,549	1,036,020	1,427,723
Total liabilities, deferred inflows of resources, and fund balance	\$ 363,012	\$ 31,086	\$ 1,549	\$ 1,163,268	\$ 1,558,915

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GENERAL FUND ACCOUNTS

For the Year Ended June 30, 2022

	County Support	Direct Service	Grow Your Own	Youth Services	Total
Revenues					
Local sources	\$ 264,077	\$ 60,420	\$ -	\$ -	\$ 324,497
State sources	299	-	-	1,426,557	1,426,856
State sources-payments made on behalf of region	309,376	-	-	-	309,376
Interest	62	1,788	-	95	1,945
Total revenues	573,814	62,208	-	1,426,652	2,062,674
Expenditures					
Instructional services:					
Salaries and benefits	139,415	4,291	-	530,800	674,506
Purchased services	61,744	61,311	4,174	72,431	199,660
Supplies and materials	13,243	25	-	24,830	38,098
Other objects	378	1,912	-	-	2,290
Payments made on behalf of region	309,376	-	-	-	309,376
OPEB expense	5,512	-	-	-	5,512
Pension expense	8,981	482	-	6,701	16,164
Intergovernmental:					
Payments to other governmental units	-	-	-	448,678	448,678
Debt Service					
Repayment of lease liability	3,739	-	-	9,135	12,874
Interest	12	-	-	165	177
Lease right-of-use-asset	5,612	-	-	55,216	60,828
Capital Outlay	31,880	-	-	1,895	33,775
Total expenditures	579,892	68,021	4,174	1,149,851	1,801,938
Excess of revenues over expenditures	(6,078)	(5,813)	(4,174)	276,801	260,736
Other financing sources (uses)					
Lease liability	5,612	-	-	55,216	60,828
Total other financing sources (uses)	5,612	-	-	55,216	60,828
Net change in fund balance	(466)	(5,813)	(4,174)	332,017	321,564
Fund balance, beginning of year	362,334	34,099	5,723	704,003	1,106,159
Fund balance, end of year	<u>\$ 361,868</u>	<u>\$ 28,286</u>	<u>\$ 1,549</u>	<u>\$ 1,036,020</u>	<u>\$ 1,427,723</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2022

	CEO Program	Illinois Violence Prevention Authority	Truants Alternative/ Optional Education	Child Nutrition
Assets				
Cash and cash equivalents	\$ 1,644	\$ -	\$ 16,961	\$ 65,761
Investments	-	-	-	-
Due from other governments	-	9,484	-	-
Total assets	\$ 1,644	\$ 9,484	\$ 16,961	\$ 65,761
Liabilities				
Accounts payable	\$ -	\$ 583	\$ -	\$ -
Payroll liabilities	1,552	-	16,959	-
Due to other funds	-	8,901	-	-
Due to other governments	-	-	-	-
Total liabilities	1,552	9,484	16,959	-
Deferred inflows of resources				
Unavailable revenue	92	-	-	-
Fund balance (deficit)				
Restricted	-	-	2	65,761
Unassigned	-	-	-	-
Total fund balance (deficit)	-	-	2	65,761
Total liabilities, deferred inflows of resources, and fund balance (deficit)	\$ 1,644	\$ 9,484	\$ 16,961	\$ 65,761

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2022

	Regional Safe Schools	ROE/ISC Operations	Regional Safe Schools Coop Education	Elevating Special Education
Assets				
Cash and cash equivalents	\$ 5,005	\$ -	\$ 1,579	\$ -
Investments	-	18,544	-	-
Due from other governments	-	-	-	22,972
Total assets	\$ 5,005	\$ 18,544	\$ 1,579	\$ 22,972
Liabilities				
Accounts payable	\$ -	\$ -	\$ 1,291	\$ -
Payroll liabilities	4,686	-	-	-
Due to other funds	-	-	-	22,972
Due to other governments	318	-	288	-
Total liabilities	5,004	-	1,579	22,972
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balance (deficit)				
Restricted	1	18,544	-	-
Unassigned	-	-	-	-
Total fund balance (deficit)	1	18,544	-	-
Total liabilities, deferred inflows of resources, and fund balance (deficit)	\$ 5,005	\$ 18,544	\$ 1,579	\$ 22,972

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2022

	ESSER I	ESSER Digital Equity	ESSER II	ESSER II Digital Equity
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other governments	-	15,214	-	6,511
Total assets	\$ -	\$ 15,214	\$ -	\$ 6,511
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payroll liabilities	-	-	-	-
Due to other funds	-	15,214	-	6,512
Due to other governments	-	-	-	-
Total liabilities	-	15,214	-	6,512
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balance (deficit)				
Restricted	-	-	-	-
Unassigned	-	-	-	(1)
Total fund balance (deficit)	-	-	-	(1)
Total liabilities, deferred inflows of resources, and fund balance (deficit)	\$ -	\$ 15,214	\$ -	\$ 6,511

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS

JUNE 30, 2022

	ESSER III	Homeless	ARP Homeless	Total
Assets				
Cash and cash equivalents	\$ -	\$ 2,054	\$ -	\$ 93,004
Investments	-	-	-	18,544
Due from other governments	5,079	175,468	32,137	266,865
Total assets	<u>\$ 5,079</u>	<u>\$ 177,522</u>	<u>\$ 32,137</u>	<u>\$ 378,413</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,874
Payroll liabilities	-	5,370	-	28,567
Due to other funds	5,080	108,222	1,399	168,300
Due to other governments	-	63,926	30,738	95,270
Total liabilities	<u>5,080</u>	<u>177,518</u>	<u>32,137</u>	<u>294,011</u>
Deferred inflows of resources				
Unavailable revenue	-	1,298	6,588	7,978
Fund balance (deficit)				
Restricted	-	-	-	84,308
Unassigned	(1)	(1,294)	(6,588)	(7,884)
Total fund balance (deficit)	<u>(1)</u>	<u>(1,294)</u>	<u>(6,588)</u>	<u>76,424</u>
Total liabilities, deferred inflows of resources, and fund balance (deficit)	<u>\$ 5,079</u>	<u>\$ 177,522</u>	<u>\$ 32,137</u>	<u>\$ 378,413</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2022

	CEO Program	Illinois Violence Prevention Authority	Truants Alternative/ Optional Education	Child Nutrition
Revenues				
Local sources	\$ 31,064	\$ -	\$ -	\$ -
State sources	-	35,253	159,351	1,970
Federal sources	-	-	-	100,876
Interest	-	-	1	4
Total revenues	31,064	35,253	159,352	102,850
Expenditures				
Instructional services:				
Salaries and benefits	30,435	30,583	141,462	-
Purchased services	254	1,272	16,113	50,500
Supplies and materials	-	-	226	8,047
Pension expense	375	3,398	1,551	-
Intergovernmental:				
Payments to other governmental units	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	31,064	35,253	159,352	58,547
Net change in fund balance	-	-	-	44,303
Fund balance (deficit), beginning of year	-	-	2	21,458
Fund balance (deficit), end of year	\$ -	\$ -	\$ 2	\$ 65,761

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2022

	Regional Safe Schools	ROE/ISC Operations	Regional Safe Schools Coop Education	Elevating Special Education
Revenues				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	84,684	127,036	39,482	-
Federal sources	-	-	-	102,145
Interest	-	61	-	-
Total revenues	84,684	127,097	39,482	102,145
Expenditures				
Instructional services:				
Salaries and benefits	82,206	77,838	32,068	87,614
Purchased services	375	36,273	2,345	4,834
Supplies and materials	1,163	5,309	5,069	573
Pension expense	941	7,616	-	9,124
Intergovernmental:				
Payments to other governmental units	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	84,685	127,036	39,482	102,145
Net change in fund balance	(1)	61	-	-
Fund balance (deficit), beginning of year	2	18,483	-	-
Fund balance (deficit), end of year	\$ 1	\$ 18,544	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2022

	ESSER I	ESSER Digital Equity	ESSER II	ESSER II Digital Equity
Revenues				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	150	19,310	406	16,411
Interest	-	-	-	-
Total revenues	<u>150</u>	<u>19,310</u>	<u>406</u>	<u>16,411</u>
Expenditures				
Instructional services:				
Salaries and benefits	-	-	-	-
Purchased services	-	2,111	-	-
Supplies and materials	150	179	406	5,067
Pension expense	-	-	-	-
Intergovernmental:				
Payments to other governmental units	-	-	-	-
Capital Outlay	-	17,020	-	11,345
Total expenditures	<u>150</u>	<u>19,310</u>	<u>406</u>	<u>16,412</u>
Net change in fund balance	-	-	-	(1)
Fund balance (deficit), beginning of year	-	-	-	-
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2022

	ESSER III	Homeless	ARP Homeless	Total
Revenues				
Local sources	\$ -	\$ -	\$ -	31,064
State sources	-	-	-	447,776
Federal sources	11,437	431,606	108,678	791,019
Interest	-	-	-	66
Total revenues	11,437	431,606	108,678	1,269,925
Expenditures				
Instructional services:				
Salaries and benefits	10,223	68,317	761	561,507
Purchased services	-	59,397	77,652	251,126
Supplies and materials	130	10,880	161	37,360
Pension expense	1,085	6,394	87	30,571
Intergovernmental:				
Payments to other governmental units	-	287,914	36,605	324,519
Capital Outlay	-	-	-	28,365
Total expenditures	11,438	432,902	115,266	1,233,448
Net change in fund balance	(1)	(1,296)	(6,588)	36,477
Fund balance (deficit), beginning of year	-	2	-	39,947
Fund balance (deficit), end of year	\$ (1)	\$ (1,294)	\$ (6,588)	\$ 76,424

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ILLINOIS VIOLENCE PREVENTION AUTHORITY

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 38,800	\$ 38,800	\$ 35,253
Total revenues	<u>38,800</u>	<u>38,800</u>	<u>35,253</u>
Expenditures			
Instructional services:			
Salaries and benefits	33,059	33,059	30,583
Purchased services	4,974	4,974	1,272
Supplies and materials	767	767	-
Pension expense	-	-	3,398
Total expenditures	<u>38,800</u>	<u>38,800</u>	<u>35,253</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE / OPTIONAL EDUCATION

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 159,351	\$ 159,351	\$ 159,351
Interest	-	-	1
Total revenues	<u>159,351</u>	<u>159,351</u>	<u>159,352</u>
Expenditures			
Instructional services:			
Salaries and benefits	149,489	143,389	141,462
Purchased services	9,136	15,236	16,113
Supplies and materials	726	726	226
Pension expense	-	-	1,551
Total expenditures	<u>159,351</u>	<u>159,351</u>	<u>159,352</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>2</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 85,002	\$ 85,002	\$ 84,684
Total revenues	<u>85,002</u>	<u>85,002</u>	<u>84,684</u>
Expenditures			
Instructional services:			
Salaries and benefits	84,148	84,148	82,206
Purchased services	354	354	375
Supplies and materials	500	500	1,163
Pension expense	-	-	941
Total expenditures	<u>85,002</u>	<u>85,002</u>	<u>84,685</u>
Net change in fund balance	-	-	(1)
Fund balance (deficit), beginning of year	-	-	2
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 127,036	\$ 127,036	\$ 127,036
Interest	-	-	61
Total revenues	<u>127,036</u>	<u>127,036</u>	<u>127,097</u>
Expenditures			
Instructional services:			
Salaries and benefits	86,328	87,263	77,838
Purchased services	39,433	34,713	36,273
Supplies and materials	1,275	5,060	5,309
Pension expense	-	-	7,616
Total expenditures	<u>127,036</u>	<u>127,036</u>	<u>127,036</u>
Net change in fund balance	-	-	61
Fund balance (deficit), beginning of year	-	-	<u>18,483</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,544</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS COOP EDUCATION

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 39,770	\$ 39,770	\$ 39,482
Total revenues	39,770	39,770	39,482
Expenditures			
Instructional services:			
Salaries and benefits	32,365	32,365	32,068
Purchased services	3,405	2,190	2,345
Supplies and materials	4,000	5,215	5,069
Total expenditures	39,770	39,770	39,482
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ELEVATING SPECIAL EDUCATION - FY21

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 72,017	\$ 72,017	\$ 20,422
Total revenues	<u>72,017</u>	<u>72,017</u>	<u>20,422</u>
Expenditures			
Instructional services:			
Salaries and benefits	29,400	29,400	17,370
Purchased services	20,567	20,567	1,072
Supplies and materials	22,050	22,050	25
Pension expense	-	-	1,955
Total expenditures	<u>72,017</u>	<u>72,017</u>	<u>20,422</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), September 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ELEVATING SPECIAL EDUCATION - FY22

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 108,129	\$ 108,129	\$ 81,723
Total revenues	<u>108,129</u>	<u>108,129</u>	<u>81,723</u>
Expenditures			
Instructional services:			
Salaries and benefits	82,554	82,554	70,244
Purchased services	21,500	21,500	3,762
Supplies and materials	4,075	4,075	548
Pension expense	-	-	7,169
Total expenditures	<u>108,129</u>	<u>108,129</u>	<u>81,723</u>
Net change in fund balance	-	-	-
Fund balance (deficit), October 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ESSER I

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 150	\$ 150	\$ 150
Total revenues	<u>150</u>	<u>150</u>	<u>150</u>
Expenditures			
Instructional services:			
Supplies and materials	<u>150</u>	<u>150</u>	<u>150</u>
Total expenditures	<u>150</u>	<u>150</u>	<u>150</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ESSER Digital Equity

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 70,361	\$ 70,361	\$ 19,310
Total revenues	<u>70,361</u>	<u>70,361</u>	<u>19,310</u>
Expenditures			
Instructional services:			
Purchased services	8,400	3,000	2,111
Supplies and materials	61,961	42,041	179
Capital Outlay	-	25,320	17,020
Total expenditures	<u>70,361</u>	<u>70,361</u>	<u>19,310</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ESSER II

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 13,853	\$ 13,853	\$ 406
Total revenues	<u>13,853</u>	<u>13,853</u>	<u>406</u>
Expenditures			
Instructional services:			
Purchased services	2,800	2,800	-
Supplies and materials	<u>11,053</u>	<u>11,053</u>	<u>406</u>
Total expenditures	<u>13,853</u>	<u>13,853</u>	<u>406</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ESSER II Digital Equity

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 30,843	\$ 30,843	\$ 16,411
Total revenues	<u>30,843</u>	<u>30,843</u>	<u>16,411</u>
Expenditures			
Instructional services:			
Supplies and materials	5,783	8,668	5,067
Capital Outlay	<u>25,060</u>	<u>22,175</u>	<u>11,345</u>
Total expenditures	<u>30,843</u>	<u>30,843</u>	<u>16,412</u>
Net change in fund balance	-	-	(1)
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1)</u></u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ESSER III

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 224,758	\$ 224,758	\$ 11,437
Total revenues	224,758	224,758	11,437
Expenditures			
Instructional services:			
Salaries and benefits	211,977	211,977	10,223
Purchased services	1,352	1,352	-
Supplies and materials	11,429	11,429	130
Pension expense	-	-	1,085
Total expenditures	224,758	224,758	11,438
Net change in fund balance	-	-	(1)
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	\$ -	\$ -	\$ (1)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
HOMELESS - FY21

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 233,513	\$ 477,031	\$ 14,932
Total revenues	<u>233,513</u>	<u>477,031</u>	<u>14,932</u>
Expenditures			
Instructional services:			
Salaries and benefits	37,055	49,588	-
Purchased services	188,433	3,583	7
Supplies and materials	8,025	1,997	-
Intergovernmental:			
Payments to other governmental units	-	421,863	14,927
Total expenditures	<u>233,513</u>	<u>477,031</u>	<u>14,934</u>
Net change in fund balance	-	-	(2)
Fund balance (deficit), beginning of year	-	-	2
Fund balance (deficit), August 31, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
HOMELESS - FY22

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 370,190	\$ 479,884	\$ 416,674
Total revenues	<u>370,190</u>	<u>479,884</u>	<u>416,674</u>
Expenditures			
Instructional services:			
Salaries and benefits	54,546	57,908	68,317
Purchased services	12,055	6,155	59,390
Supplies and materials	1,962	637	10,880
Pension expense	-	-	6,394
Intergovernmental:			
Payments to other governmental units	<u>301,627</u>	<u>415,184</u>	<u>272,987</u>
Total expenditures	<u>370,190</u>	<u>479,884</u>	<u>417,968</u>
Net change in fund balance	-	-	(1,294)
Fund balance (deficit), September 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,294)</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ARP HOMELESS

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 455,667	\$ 455,667	\$ 108,678
Total revenues	455,667	455,667	108,678
Expenditures			
Instructional services:			
Salaries and benefits	-	1,190	761
Purchased services	35,500	90,350	77,652
Supplies and materials	5,866	6,826	161
Pension expense	-	-	87
Intergovernmental:			
Payments to other governmental units	414,301	357,301	36,605
Total expenditures	455,667	455,667	115,266
Net change in fund balance	-	-	(6,588)
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	\$ -	\$ -	\$ (6,588)

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2022

	General Education Development	Bus Driver Training	Total
Assets			
Cash and cash equivalents	\$ 2,515	\$ 3,671	\$ 6,186
Accounts receivable	133	50	183
Prepaid expense	3	5	8
Total assets	\$ 2,651	\$ 3,726	\$ 6,377
Liabilities			
Accounts payable	\$ 12	\$ 74	\$ 86
Total liabilities	12	74	86
Fund balance			
Nonspendable	3	5	8
Restricted	2,636	3,647	6,283
Total fund balance	2,639	3,652	6,291
Total liabilities and fund balance	\$ 2,651	\$ 3,726	\$ 6,377

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended June 30, 2022

	General Education Development	Bus Driver Training	Total
Revenues			
Local sources	\$ 3,472	\$ 4,652	\$ 8,124
State sources	-	1,554	1,554
Interest	-	1	1
	<u>3,472</u>	<u>6,207</u>	<u>9,679</u>
Total revenues			
Expenditures			
Salaries and benefits	2,857	6,228	9,085
Purchased services	299	1,661	1,960
Supplies and materials	110	16	126
Pension expense	321	210	531
	<u>3,587</u>	<u>8,115</u>	<u>11,702</u>
Total expenditures			
Net change in fund balance	(115)	(1,908)	(2,023)
Fund balance, beginning of year	<u>2,754</u>	<u>5,560</u>	<u>8,314</u>
Fund balance, end of year	<u>\$ 2,639</u>	<u>\$ 3,652</u>	<u>\$ 6,291</u>

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS

JUNE 30, 2022

	County School Facility Occupation Tax	Regional Trustee Fund	Total
Assets			
Cash and cash equivalents	\$ -	\$ 2,729	\$ 2,729
Total assets	\$ -	\$ 2,729	\$ 2,729
Net Position			
Restricted for:			
Individuals, organizations, and other governments	\$ -	\$ 2,729	\$ 2,729
Total net position	\$ -	\$ 2,729	\$ 2,729

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS

For the Year Ended June 30, 2022

	<u>County School Facility Occupation Tax</u>	<u>Regional Trustee Fund</u>	<u>Total</u>
Additions:			
Local Sources:			
Program fees	\$ -	\$ 4,500	\$ 4,500
Payments from Department of Revenue:			
County school facility occupation tax	<u>12,512,406</u>	<u>-</u>	<u>12,512,406</u>
Total Additions	<u>12,512,406</u>	<u>4,500</u>	<u>12,516,906</u>
Deductions:			
Program expenses	-	1,771	1,771
Payments to local school districts	<u>12,512,406</u>	<u>-</u>	<u>12,512,406</u>
Total Deductions	<u>12,512,406</u>	<u>1,771</u>	<u>12,514,177</u>
Net increase (decrease) in Fiduciary Net Position	-	2,729	2,729
Net Position, beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>
Net Position, end of the year	<u><u>\$ -</u></u>	<u><u>\$ 2,729</u></u>	<u><u>\$ 2,729</u></u>

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES

For the Year Ended June 30, 2022

Program Description	Arcola CUSD #306	Arthur CUSD #305	Beecher City CUSD #20	Casey- Westfield CUSD #C4	Central A&M CUSD #21	Charleston CUSD #1	Cowden- Herrick CUSD #3A	Cumberland CUSD #77	Dieterich CUSD #30
Coles County School Facility Occupation Tax	\$ 14,733	\$ 6,419	\$ -	\$ 7,746	\$ -	\$ 2,795,364	\$ -	\$ -	\$ -
Cumberland County School Facility Occupation Tax	-	-	-	35,037	-	1,183	-	379,127	11,467
Douglas County School Facility Occupation Tax	645,132	383,656	-	-	-	-	-	-	-
Edgar County School Facility Occupation Tax	-	-	-	-	-	-	-	-	-
Shelby County School Facility Occupation Tax	-	-	13,945	-	212,554	-	138,068	-	-
	<u>\$ 659,865</u>	<u>\$ 390,075</u>	<u>\$ 13,945</u>	<u>\$ 42,783</u>	<u>\$ 212,554</u>	<u>\$ 2,796,547</u>	<u>\$ 138,068</u>	<u>\$ 379,127</u>	<u>\$ 11,467</u>

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (Continued)
 For the Year Ended June 30, 2022

Program Description	Edgar CUSD #6	Georgetown CUSD #4	Heritage CUSD #8	Kansas CUSD #3	Marshall CUSD #C2	Mattoon CUSD #2	Neoga CUSD #3	Oakland CUSD# 5	Okaw Valley CUSD #302	Pana CUSD #8
Coles County School Facility Occupation Tax	\$ -	\$ -	\$ -	\$ 9,833	\$ -	\$ 3,248,835	\$ 22,638	\$ 194,902	\$ -	\$ -
Cumberland County School Facility Occupation Tax	-	-	-	-	-	649	148,110	-	-	-
Douglas County School Facility Occupation Tax	-	-	1,870	-	-	-	-	51,016	-	-
Edgar County School Facility Occupation Tax	151,675	1,024	-	86,938	512	-	-	8,109	-	-
Shelby County School Facility Occupation Tax	-	-	-	-	-	-	49,094	-	80,339	113,511
	<u>\$ 151,675</u>	<u>\$ 1,024</u>	<u>\$ 1,870</u>	<u>\$ 96,771</u>	<u>\$ 512</u>	<u>\$ 3,249,484</u>	<u>\$ 219,842</u>	<u>\$ 254,027</u>	<u>\$ 80,339</u>	<u>\$ 113,511</u>

REGIONAL OFFICE OF EDUCATION #11
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (Concluded)

For the Year Ended June 30, 2022

Program Description	Paris CUSD #4	Paris CUSD #95	Salt Fork CUSD #512	Shelbyville CUSD #4	Shiloh CUSD #1	Stew-Stras CUSD #5A	Teutopolis CUSD #50	Tuscola CUSD #301	Villa Grove CUSD #302	Windsor CUSD #1	Total
Coles County School Facility Occupation Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,808	\$ 6,305,278
Cumberland County School Facility Occupation Tax	-	-	-	-	-	-	29,297	-	-	-	604,870
Douglas County School Facility Occupation Tax	-	-	-	-	147,875	-	-	893,044	539,736	540	2,662,869
Edgar County School Facility Occupation Tax	316,788	660,233	2,263	-	108,961	-	-	-	-	-	1,336,503
Shelby County School Facility Occupation Tax	-	-	-	637,133	-	201,796	10,250	-	-	146,196	1,602,886
	<u>\$ 316,788</u>	<u>\$ 660,233</u>	<u>\$ 2,263</u>	<u>\$ 637,133</u>	<u>\$ 256,836</u>	<u>\$ 201,796</u>	<u>\$ 39,547</u>	<u>\$ 893,044</u>	<u>\$ 539,736</u>	<u>\$ 151,544</u>	<u>\$ 12,512,406</u>

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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
US Department of Education:				
<i>Pass through Illinois State Board of Education</i>				
Education for Homeless Children and Youth				
McKinney Education for Homeless Children	M 84.196A	21-4920-00	\$ 14,927	\$ 14,932
McKinney Education for Homeless Children	M 84.196A	22-4920-00	272,987	417,968
			<u>287,914</u>	<u>432,900</u>
Education Stabilization Fund				
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief -Homeless Children and Youth				
COVID 19 - American Rescue Plan - Homeless Children and Youth	84.425W	22-4998-HM	36,605	115,266
			<u>36,605</u>	<u>115,266</u>
COVID-19 Elementary and Secondary School Emergency Relief Fund				
COVID-19 - Elementary and Secondary School Emergency Relief - Digital Equity Formula	84.425D	21-4998-DE	-	19,310
COVID-19 - Elementary and Secondary School Emergency Relief - Digital Equity Formula	84.425D	22-4998-D2	-	16,411
COVID 19 - Elementary and Secondary School Emergency Relief (ESSER)	84.425D	22-4998-ER	-	150
COVID 19 - Elementary and Secondary School Emergency Relief (ESSER II)	84.425D	21-4998-E2	-	406
Total Elementary and Secondary School Emergency Relief			<u>-</u>	<u>36,277</u>
COVID-19 Federal Programs - ARP - LEA American Rescue Plan (ESSER III)				
COVID 19 - Elementary and Secondary School Emergency Relief (ESSER III)	84.425U	22-4998-E3	-	11,437
			<u>-</u>	<u>11,437</u>
Total for Education Stabilization Fund			<u>-</u>	<u>162,980</u>
<i>Pass through Regional Office of Education #9</i>				
Special Education - State Personnel Development				
Elevating Special Education Grants	84.323A	21-4631-00	-	20,422
Elevating Special Education Grants	84.323A	22-4631-00	-	81,723
			<u>-</u>	<u>102,145</u>
Total U.S. Department of Education			<u>324,519</u>	<u>698,025</u>
US Department of Agriculture:				
<i>Pass through Illinois State Board of Education</i>				
Child Nutrition Cluster				
School Breakfast Program	10.553	21-4220-00		5,019
School Breakfast Program	10.553	22-4220-00		13,347
Total School Breakfast Program			<u>-</u>	<u>18,366</u>
National School Lunch Program	10.555	21-4210-00		8,799
National School Lunch Program	10.555	21-4210-SN		8,640
National School Lunch Program	10.555	22-4210-00		20,998
National School Lunch Program				
Non-Cash Awards - Federal Commodities	10.555	None		5,719
Total National School Lunch Program			<u>-</u>	<u>44,156</u>
Total Child Nutrition Cluster			<u>-</u>	<u>62,522</u>
COVID 19 - Pandemic EBT Administrative costs	10.649	21-4210-BT		614
			<u>-</u>	<u>614</u>
Total U.S. Department of Agriculture			<u>-</u>	<u>63,136</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 324,519</u>	<u>\$ 761,161</u>

(M) Program was audited as a major program.

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

REGIONAL OFFICE OF EDUCATION #11
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Regional Office of Education #11 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 Federal 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 #11, 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 #11.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual 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 #11 has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3 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.

4 NON-CASH ASSISTANCE

The amount of federal commodities reported on the schedule is the value of federal commodities received by the Regional Office of Education #11 and priced as prescribed by the Illinois State Board of Education.