



**STATE OF ILLINOIS  
DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17**

**FINANCIAL AUDIT  
(In Accordance with the Uniform Guidance)  
For the Year Ended June 30, 2021**

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17**

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**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17**

**OFFICIALS**

Regional Superintendent  
(current and during the audit period)

Mr. Mark Jontry

Assistant Regional Superintendent  
(current and during the audit period)

Ms. Molly Allen

Office is located at:

201 E. Grove St. Suite 300  
Bloomington, Illinois 61701

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMPLIANCE REPORT SUMMARY**

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

**AUDITOR’S REPORTS**

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

**SUMMARY OF AUDIT FINDINGS**

<b><u>Number of</u></b>	<b><u>This Audit</u></b>	<b><u>Prior Audit</u></b>
Audit findings	1	2
Repeated audit findings	-	1
Prior recommendations implemented or not repeated	2	2

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

**SUMMARY OF FINDINGS AND QUESTIONED COSTS**

<b><u>Item No.</u></b>	<b><u>Page</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
<i>Findings (Government Auditing Standards)</i>			
2021-001	14	Controls over Financial Statement Preparation	Material Weakness
<i>Findings and Questioned Costs (Federal Compliance)</i>			
None			
<i>Prior Audit Findings not Repeated (Government Auditing Standards)</i>			
2020-001	20	Delay of Audit	Noncompliance
2020-002	20	Inadequate Controls over Bank Reconciliation Process	Significant Deficiency
<i>Prior Audit Findings not Repeated (Federal Compliance)</i>			
None			

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMPLIANCE REPORT SUMMARY**

**EXIT CONFERENCE**

The finding and recommendation appearing in this report was discussed with Agency personnel at an exit conference on March 9, 2022. Attending from the Regional Office of Education No. 17 were Mark Jontry, Regional Superintendent; and Christy Kelson, Business Manager; and from Adelfia LLC were Maria Divina Valera, Stella Marie Santos, and Jennifer Roan, Partners. Response to the recommendation was provided by Mark Jontry, Regional Superintendent, on March 7, 2022.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17 was performed by Adelfia LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's basic financial statements.



## INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

### **Report on the Financial Statements**

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17, as of June 30, 2021, 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.

### **Other Matters**

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund – Schedule of Changes in the Net Pension Liability & Related Ratios, Illinois Municipal Retirement Fund – Schedule of Employer Contributions, Teachers’ Retirement System of the State of Illinois – Schedule of the Employer’s Proportionate Share of the Net Pension Liability & Schedule of Employer Contributions, Teachers’ Health Insurance Security Fund – Schedule of the Employer’s Proportionate Share of the Collective Net Other Postemployment Benefit Liability & Schedule of Employer Contributions, Postemployment Benefits Other than Pensions – Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 73 through 77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the 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.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2022 on our consideration of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17'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 Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17'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 Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's internal control over financial reporting and compliance.

**SIGNED ORIGINAL ON FILE**

Chicago, Illinois  
May 27, 2022



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

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17’s basic financial statements, and have issued our report thereon dated May 27, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17’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 Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17’s internal control. Accordingly, we do not express an opinion on the effectiveness of Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a material weakness.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17'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*.

### Regional Office of Education No. 17's Response to Finding

Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17'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 Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**SIGNED ORIGINAL ON FILE**

Chicago, Illinois  
May 27, 2022



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

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

Report on Compliance for Each Major Federal Program

We have audited Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's major federal programs for the year ended June 30, 2021. The Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Dewitt, Livingston, Logan, and Mclean Counties

Regional Office of Education No. 17's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's compliance.

#### Opinion on Each Major Federal Program

In our opinion, the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

#### Report on Internal Control Over Compliance

Management of Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Dewitt, Livingston, Logan, and Mclean Counties Regional Office of Education No. 17's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify

any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

**SIGNED ORIGINAL ON FILE**

Chicago, Illinois  
May 27, 2022

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION I – SUMMARY OF AUDITOR’S RESULTS  
For the Year Ended June 30, 2021**

**Financial Statements in accordance with GAAP**

Type of auditor’s report issued: *Unmodified*

Internal control over financial reporting:  
 Material weakness(es) identified?  yes  no  
 Significant deficiency(ies) identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  No

**Federal Awards**

Internal control over major federal programs:  
 Material weakness(es) identified?  yes  no  
 Significant deficiency(ies) identified?  yes  none reported

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

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

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.855	Distance Learning and Telemedicine Loans and Grants

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

Auditee qualified as low-risk auditee?  yes  no

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2021**

**FINDING 2021-001 – Controls over Financial Statement Preparation**

**CRITERIA/SPECIFIC REQUIREMENT:**

Effective June 25, 2021, Public Act 102-0025 allowed a Regional Office of Education or Educational Service Center to utilize a cash basis, modified cash basis or generally accepted accounting principles (GAAP) basis of accounting to prepare the financial statements for audit. The Regional Office of Education No. 17 has chosen to utilize the GAAP basis of accounting for financial statement reporting.

The Dewitt, Livingston, Logan, and McLean Counties Regional Office of Education No. 17 (ROE No. 17) is required to maintain a system of controls over the preparation of financial statements. ROE No. 17's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

GASB Statements No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68*, require governments to record and present net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources, and pension expenses. These standards further prescribe the methods and assumptions that are to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of service as well as required disclosures in the financial statements.

GASB Implementation Guide on GASB Statement No. 68 Question Number 43 states liabilities for net pension liabilities associated with different pension plans may be aggregated for display, and pension assets for net pension assets associated with different pension plans may be aggregated for display. However, aggregated pension assets and aggregated pension liabilities should be separately displayed.

**CONDITION:**

ROE No. 17 does not have sufficient internal controls over the financial reporting process. The financial statements submitted for audit contained errors and inaccuracies related to pension transactions as follows:

- 1) ROE No. 17 (ROE) reported an asset for its proportionate share of the net pension asset for the Illinois Municipal Retirement Fund (IMRF) pension plan amounting to \$409,843. However, this net pension asset was not separately reported from the net pension liability for the Teacher's Retirement System (TRS) in the financial statements, causing the net position restricted for educational purposes to be understated by \$409,843.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2021**

**FINDING 2021-001 – Controls over Financial Statement Preparation (Continued)**

- 2) ROE No. 17's proportionate share of the net pension liability for the TRS pension plan was \$145,052 but the ROE erroneously reported and disclosed TRS net pension liability amounting to \$120,565, which actually represents the amount of member contributions in fiscal year 2021.
- 3) Deferred inflows for assumption changes for IMRF amounting to \$45,747 were not included in the deferred inflows reported and disclosed or in the amortization worksheet for deferred inflows/outflows.
- 4) Contributions for IMRF disclosed in the notes to the financial statements amounting to \$91,896 did not agree to the contributions reported in the Required Supplementary Schedule of Employer Contributions of \$111,685.
- 5) The target allocation disclosed for IMRF used the prior year information and was not updated to reflect the current year's information.

As a result of the above errors, the related pension adjustments in the government-wide financial statements were inaccurately calculated and reported. The Regional Office of Education No. 17 subsequently revised its financial statements to adjust the pension related accounts in the financial statements and updated the notes to the financial statements.

**EFFECT:**

The Regional Office of Education No. 17 management or its employees, in the normal course of performing their assigned functions, did not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

**CAUSE:**

The Regional Office of Education No. 17's management indicated this was an oversight.

**RECOMMENDATION:**

The Regional Office of Education No. 17 should implement comprehensive preparation and/or review procedures as part of their internal control over the preparation of financial statements to ensure the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of the applicable generally accepted accounting principles, GASB pronouncements, and knowledge of Regional Office of Education No. 17's activities and operations.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2021**

**FINDING 2021-001 – Controls over Financial Statement Preparation (Concluded)**

Additionally, the Regional Office of Education No. 17 management should consider Public Act 102-0025 to determine if changing to the cash or modified cash basis would be allowable or beneficial to the Regional Office and users of the Regional Office financial statements.

**MANAGEMENT’S RESPONSE:**

The Regional Office is working with their accounting firm to prepare accurate financial statements and disclosures.

In addition, the Regional Office will be converting to a modified cash basis for financial reporting beginning in FY22.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION III – FEDERAL AWARD FINDINGS  
For the Year Ended June 30, 2021**

**INSTANCES OF NONCOMPLIANCE:**

None

**SIGNIFICANT DEFICIENCIES:**

None

**MATERIAL WEAKNESSES:**

None

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For Year Ended June 30, 2021**

**CORRECTIVE ACTION PLAN**

**FINDING 2021-001 – Controls over Financial Statement Preparation**

**CONDITION:**

ROE No. 17 does not have sufficient internal controls over the financial reporting process. The financial statements submitted for audit contained errors and inaccuracies related to pension transactions as follows:

- 1) ROE No. 17 (ROE) reported an asset for its proportionate share of the net pension asset for the Illinois Municipal Retirement Fund (IMRF) pension plan amounting to \$409,843. However, this net pension asset was not separately reported from the net pension liability for the Teacher's Retirement System (TRS) in the financial statements, causing the net position restricted for educational purposes to be understated by \$409,843.
- 2) ROE No. 17's proportionate share of the net pension liability for the TRS pension plan was \$145,052 but the ROE erroneously reported and disclosed TRS net pension liability amounting to \$120,565, which actually represents the amount of member contributions in fiscal year 2021.
- 3) Deferred inflows for assumption changes for IMRF amounting to \$45,747 were not included in the deferred inflows reported and disclosed or in the amortization worksheet for deferred inflows/outflows.
- 4) Contributions for IMRF disclosed in the notes to the financial statements amounting to \$91,896 did not agree to the contributions reported in the Required Supplementary Schedule of Employer Contributions of \$111,685.
- 5) The target allocation disclosed for IMRF used the prior year information and was not updated to reflect the current year's information.

As a result of the above errors, the related pension adjustments in the government-wide financial statements were inaccurately calculated and reported. The Regional Office of Education No. 17 subsequently revised its financial statements to adjust the pension related accounts in the financial statements and updated the notes to the financial statements.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For Year Ended June 30, 2021**

**CORRECTIVE ACTION PLAN (Concluded)**

**PLAN:**

The Regional Office is working with their accounting firm to ensure the firm has internal controls over their processes to ensure accounting standards are correctly applied when preparing the Regional Office's financial statements and disclosures.

**ANTICIPATED DATE OF COMPLETION:**

June 30, 2022

**CONTACT PERSON:**

Honorable Mark Jontry, Regional Superintendent of Schools

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED  
For the Year Ended June 30, 2021**

2020-001	Delay of Audit	Not Repeated
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During the current audit, the Regional Office of Education No. 17 was able to provide completed financial statements in an auditable form by the August 31 deadline.

2020-002	Inadequate Controls over Bank Reconciliation Process	Not Repeated
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During the current audit, the Regional Office of Education No. 17 performed the bank reconciliations on a timely basis.

## BASIC FINANCIAL STATEMENTS

## EXHIBIT A

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 2,861,720	\$ 130,372	\$ 2,992,092
Accounts receivable	-	12,524	12,524
Due from other governments:			
Local	182,902	-	182,902
State	32,150	-	32,150
Federal	669,190	-	669,190
Prepaid expenses	5,412	18	5,430
Total Current Assets	<u>3,751,374</u>	<u>142,914</u>	<u>3,894,288</u>
Noncurrent Assets:			
Capital assets, net of depreciation	835,924	3,362	839,286
Net pension asset	377,793	32,050	409,843
Total Noncurrent Assets	<u>1,213,717</u>	<u>35,412</u>	<u>1,249,129</u>
<b>TOTAL ASSETS</b>	<u>4,965,091</u>	<u>178,326</u>	<u>5,143,417</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to OPEB	333,162	28,264	361,426
Deferred outflows related to pensions	586,592	99,688	686,280
Total deferred outflows of resources	<u>919,754</u>	<u>127,952</u>	<u>1,047,706</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	2,825	-	2,825
Accrued salaries and benefits	78,514	-	78,514
Due to other government			
Local	1,728		1,728
Unearned revenue	695,703	5,937	701,640
Total Current Liabilities	<u>778,770</u>	<u>5,937</u>	<u>784,707</u>
Noncurrent Liabilities:			
OPEB liability	1,601,553	135,866	1,737,419
Net pension liability	133,709	11,343	145,052
Total Noncurrent Liabilities	<u>1,735,262</u>	<u>147,209</u>	<u>1,882,471</u>
<b>TOTAL LIABILITIES</b>	<u>2,514,032</u>	<u>153,146</u>	<u>2,667,178</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to OPEB	623,689	52,910	676,599
Deferred inflows related to pensions	2,130,006	230,622	2,360,628
Total deferred inflows of resources	<u>2,753,695</u>	<u>283,532</u>	<u>3,037,227</u>
<b>NET POSITION</b>			
Net investment in capital assets	835,924	3,362	839,286
Restricted - other	700,251	32,050	732,301
Unrestricted	(919,057)	(165,812)	(1,084,869)
<b>TOTAL NET POSITION</b>	<u>\$ 617,118</u>	<u>\$ (130,400)</u>	<u>\$ 486,718</u>

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

DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>FUNCTIONS/PROGRAMS</b>							
Primary Government:							
Governmental Activities:							
Instructional Services							
Salaries and benefits	\$ 2,441,188	\$ -	\$ 687,864	\$ (1,753,324)	\$ -	\$ -	\$ (1,753,324)
Purchased services	2,401,416	-	575,822	(1,825,594)	-	-	(1,825,594)
Supplies and materials	411,166	-	30,189	(380,977)	-	-	(380,977)
Other objects	5,096	-	-	(5,096)	-	-	(5,096)
Depreciation	60,078	-	-	(60,078)	-	-	(60,078)
Pension expense	32,768	-	-	(32,768)	-	-	(32,768)
OPEB expense	57,199	-	-	(57,199)	-	-	(57,199)
Intergovernmental:							
Payments to other governments	935,233	-	608,944	(326,289)	-	-	(326,289)
Capital outlay	-	-	479,321	479,321	-	-	479,321
Administrative:							
On-behalf payments - State	1,561,242	-	-	(1,561,242)	-	-	(1,561,242)
Total Governmental Activities	7,905,386	-	2,382,140	(5,523,246)	-	-	(5,523,246)
Business-Type Activities:							
Charges for services	591,931	541,280	-	-	(50,651)	-	(50,651)
Total Business-Type Activities	591,931	541,280	-	-	(50,651)	-	(50,651)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 8,497,317</b>	<b>\$ 541,280</b>	<b>\$ 2,382,140</b>	<b>(5,523,246)</b>	<b>(50,651)</b>	<b>(50,651)</b>	<b>(5,573,897)</b>
<b>GENERAL REVENUES:</b>							
Local sources				2,270,718	-	-	2,270,718
State sources				584,161	-	-	584,161
Federal sources				1,458,432	-	-	1,458,432
On-behalf payments - State				1,561,242	-	-	1,561,242
Loss on asset disposals				(24,482)	-	-	(24,482)
Transfer in (out)				1,460	(1,460)	-	-
Investment earnings				3,113	-	-	3,113
Total General Revenues and Transfers				5,854,644	(1,460)	-	5,853,184
CHANGE IN NET POSITION				331,398	(52,111)	-	279,287
NET POSITION - BEGINNING, RESTATED				285,720	(78,289)	-	207,431
NET POSITION - ENDING				\$ 617,118	\$ (130,400)	\$ -	\$ 486,718

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	General Fund	Education Fund	Nonmajor Special Revenue Funds	Eliminations	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,470,305	\$ 352,907	\$ 38,508	\$ -	\$ 2,861,720
Due from other funds	110,269	-	-	(110,269)	-
Due from other governments:					
Local	178,915	3,747	240	-	182,902
State	-	32,150	-	-	32,150
Federal	-	669,190	-	-	669,190
Prepaid expenditures	339	5,073	-	-	5,412
<b>TOTAL ASSETS</b>	<b>\$ 2,759,828</b>	<b>\$ 1,063,067</b>	<b>\$ 38,748</b>	<b>\$ (110,269)</b>	<b>\$ 3,751,374</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 2,825	\$ -	\$ 2,825
Accrued salaries and benefits	75,630	2,813	71	-	78,514
Due to other funds	60,468	49,801	-	(110,269)	-
Due to other governments:					
Local	1,589	-	139	-	1,728
Unearned revenue	-	695,703	-	-	695,703
Total Liabilities	<u>137,687</u>	<u>748,317</u>	<u>3,035</u>	<u>(110,269)</u>	<u>778,770</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	28,005	-	-	28,005
<b>FUND BALANCE (DEFICIT)</b>					
Nonspendable	339	-	-	-	339
Restricted	-	286,745	35,713	-	322,458
Assigned	15,779	-	-	-	15,779
Unassigned	2,606,023	-	-	-	2,606,023
Total Fund Balance (Deficit)	<u>2,622,141</u>	<u>286,745</u>	<u>35,713</u>	<u>-</u>	<u>2,944,599</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$ 2,759,828</b>	<b>\$ 1,063,067</b>	<b>\$ 38,748</b>	<b>\$ (110,269)</b>	<b>\$ 3,751,374</b>

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

TOTAL FUND BALANCE — GOVERNMENTAL FUNDS		\$ 2,944,599
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		835,924
Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are therefore not considered "available" revenues and are deferred inflows of resources in the governmental funds.		
Current year unavailable revenue		28,005
Noncurrent assets related to pension benefits are collected but not payable in the current period and therefore, are not reported in the funds.		
IMRF net pension asset	377,793	377,793
Pension and 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	\$ 919,754	
Deferred inflows of resources	(2,753,695)	(1,833,941)
Noncurrent liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
TRS net pension liability	\$ (133,709)	(133,709)
The OPEB obligations resulting from annual required contributions in excess of actual contributions are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(1,601,553)
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 617,118

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	Education Fund	Nonmajor Special Revenue Funds	Eliminations	Total Governmental Funds
<b>REVENUES</b>					
Local sources	\$ 2,073,728	\$ 89,574	\$ 107,416	\$ -	\$ 2,270,718
State sources	2,365,249	657,113	25,770	-	3,048,132
On-behalf payments - State	295,691	-	-	-	295,691
Federal sources	11,497	1,446,935	-	-	1,458,432
Investment earnings	2,720	-	393	-	3,113
Total Revenues	<u>4,748,885</u>	<u>2,193,622</u>	<u>133,579</u>	<u>-</u>	<u>7,076,086</u>
<b>EXPENDITURES</b>					
Instructional Services:					
Salaries and benefits	1,595,295	760,461	85,432	-	2,441,188
Pension expense	113,120	54,364	9,419	-	176,903
OPEB Expense	7,731	3,716	644	-	12,091
Purchased services	1,812,095	542,046	47,275	-	2,401,416
Supplies and materials	326,334	83,454	1,378	-	411,166
Other objects	4,986	-	110	-	5,096
Intergovernmental:					
Payments to other governments	219,493	715,740	-	-	935,233
On-behalf payments - State	295,691	-	-	-	295,691
Capital Outlay	478,220	1,101	-	-	479,321
Total Expenditures	<u>4,852,965</u>	<u>2,160,882</u>	<u>144,258</u>	<u>-</u>	<u>7,158,105</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	<u>(104,080)</u>	<u>32,740</u>	<u>(10,679)</u>	<u>-</u>	<u>(82,019)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	1,460	-	-	-	1,460
Repayment of capital lease payable	(664)	-	-	-	(664)
Total Other Financing Sources (Uses)	<u>796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>796</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(103,284)</u>	<u>32,740</u>	<u>(10,679)</u>	<u>-</u>	<u>(81,223)</u>
<b>FUND BALANCE - BEGINNING, RESTATED</b>	<u>2,725,425</u>	<u>254,005</u>	<u>46,392</u>	<u>-</u>	<u>3,025,822</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 2,622,141</u>	<u>\$ 286,745</u>	<u>\$ 35,713</u>	<u>\$ -</u>	<u>\$ 2,944,599</u>

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

NET CHANGE IN FUND BALANCE — GOVERNMENTAL FUNDS \$ (81,223)

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

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

Capital outlay	\$ 479,321	
Depreciation	(60,078)	
Loss on disposal of capital assets	<u>(24,482)</u>	394,761

The issuance of long-term debt (e.g. leases) provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

Repayment of capital lease payable	<u>\$ 664</u>	664
------------------------------------	---------------	-----

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.

Current year unavailable revenue	\$ 28,005	
Prior year unavailable revenue	<u>(109,836)</u>	(81,831)

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.

Pension contributions	\$ 176,903	
Pension expense	(32,768)	
OPEB contributions	12,091	
OPEB expense	<u>(57,199)</u>	<u>99,027</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 331,398

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

**EXHIBIT G**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2021**

	Business-Type Activities Enterprise Fund - Major	
	Professional Development	Total
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 130,372	\$ 130,372
Accounts receivable	12,524	12,524
Prepaid expense	18	18
Total current assets	142,914	142,914
Noncurrent assets:		
Capital assets, being depreciated, net	3,362	3,362
Net pension asset	32,050	32,050
Total noncurrent assets	35,412	35,412
<b>TOTAL ASSETS</b>	178,326	178,326
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to OPEB	28,264	28,264
Deferred outflows related to pensions	99,688	99,688
Total deferred outflows of resources	127,952	127,952
<b>LIABILITIES</b>		
Current liabilities:		
Unearned revenue	5,937	5,937
Total current liabilities	5,937	5,937
Noncurrent liabilities:		
Net OPEB liability	135,866	135,866
Net pension liability	11,343	11,343
Total noncurrent liabilities	147,209	147,209
<b>TOTAL LIABILITIES</b>	153,146	153,146
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to OPEB	52,910	52,910
Deferred inflows related to pensions	230,622	230,622
Total deferred inflows of resources	283,532	283,532
<b>NET POSITION</b>		
Net investment in capital assets	3,362	3,362
Restricted	32,050	32,050
Unrestricted	(165,812)	(165,812)
<b>TOTAL NET POSITION</b>	\$ (130,400)	\$ (130,400)

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

**EXHIBIT H**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Fund - Major	
	Professional Development	Total
<b>OPERATING REVENUES</b>		
Charges for services	\$ 541,280	\$ 541,280
Total Operating Revenues	541,280	541,280
<b>OPERATING EXPENSES</b>		
Salaries and benefits	271,891	271,891
Pension expense	5,558	5,558
OPEB expense	4,852	4,852
Purchased services	301,747	301,747
Supplies and materials	3,311	3,311
Other objects	1,385	1,385
Depreciation	3,187	3,187
Total Operating Expenses	591,931	591,931
<b>OPERATING INCOME (LOSS)</b>	(50,651)	(50,651)
<b>NONOPERATING REVENUE (EXPENSE)</b>		
Transfers in (out)	(1,460)	(1,460)
Total Nonoperating Revenue (Expense)	(1,460)	(1,460)
<b>CHANGE IN NET POSITION</b>	(52,111)	(52,111)
<b>TOTAL NET POSITION - BEGINNING</b>	(78,289)	(78,289)
<b>TOTAL NET POSITION - ENDING</b>	\$ (130,400)	\$ (130,400)

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

**EXHIBIT I**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Fund - Nonmajor	
	Professional Development	Total
Cash Flows from Operating Activities:		
Receipts from customers	\$ 543,072	\$ 543,072
Payments to suppliers and providers of goods and services	(306,461)	(306,461)
Payments to employees	(261,423)	(261,423)
Net Cash Used for Operating Activities	(24,812)	(24,812)
Cash Flows from Noncapital Financing Activities:		
Cash transfers from other funds	(1,460)	(1,460)
Net Cash Used for Noncapital Financing Activities	(1,460)	(1,460)
Net Decrease in Cash and Cash Equivalents	(26,272)	(26,272)
Cash and Cash Equivalents - Beginning	156,644	156,644
Cash and Cash Equivalents - Ending	\$ 130,372	\$ 130,372
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Operating Income (Loss)	\$ (50,651)	\$ (50,651)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation expense	3,187	3,187
(Increase) decrease in assets:		
Accounts receivable	2,876	2,876
Prepaid expense	(18)	(18)
Net pension asset	(32,050)	(32,050)
Deferred outflows	(14,900)	(14,900)
Increase (decrease) in liabilities:		
Unearned revenue	(1,084)	(1,084)
Net pension/OPEB liability	6,528	6,528
Deferred inflows	61,300	61,300
Net Cash Used for Operating Activities	\$ (24,812)	\$ (24,812)

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

**EXHIBIT J**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2021**

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,278
Due from other governments	
State	<u>1,074,686</u>
Total Assets	<u>1,075,964</u>
<b>LIABILITIES</b>	
Due to other governments	
Local	<u>1,074,686</u>
Total Liabilities	<u>1,074,686</u>
<b>NET POSITION</b>	
Restricted for:	
Individuals, organizations, and other governments	<u>1,278</u>
Total Net Position	<u>\$ 1,278</u>

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

**EXHIBIT K**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Custodial Funds</u>
ADDITIONS:	
Local Sources	
Local residents	\$ 1,500
State sources	
Illinois Comptroller	5,168,095
Illinois State Board of Education	1,272,845
Employee withholdings	8,509
Total Additions	<u>6,450,949</u>
DEDUCTIONS:	
Program administrative cost	233
Flow-through payments to vendors	6,704
Annexation application cost	1,653
Flow-through payments to school districts	6,440,940
Total Deductions	<u>6,449,530</u>
Net Increase (Decrease) in Fiduciary Net Position	1,419
Net Position, beginning of the year, Restated	<u>(141)</u>
Net Position, end of the year	<u>\$ 1,278</u>

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021**

ROE 17 NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The DeWitt, Livingston, Logan, and McLean Counties Regional Office of Education No. 17 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

**A. DATE OF MANAGEMENT’S REVIEW**

Management has evaluated subsequent events through May 27, 2022, the date when the financial statements were available to be issued.

**B. 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; to evaluate the schools in the region; to examine evidence of indebtedness; to file and keep the returns of elections required to be returned to the Regional Superintendent’s office; and to 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 No. 17’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 carrying out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurers’ 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 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, 2021, the Regional Office of Education No. 17 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 No. 17. Such activities are reported as a single special revenue fund (Education Fund).

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**C. SCOPE OF THE REPORTING ENTITY**

The Regional Office of Education No. 17's reporting entity includes all related organizations for which it exercises oversight responsibility.

The Regional Office of Education No. 17 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education No. 17 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 No. 17 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education No. 17 is not aware of any entity that would exercise such oversight as to result in the Regional Office of Education No. 17 being considered a component unit of the entity.

**D. 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 No. 17'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 has one business-type activity that relies on fees and charges for support.

The Regional Office of Education No. 17'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 No. 17 accompanied by a total column. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education No. 17'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.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Concluded)**

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.

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.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard 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. Interfund activities between governmental funds and business-type funds remain as due to/due from on the government-wide financial statements.

All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities. In the Statement of Activities, activities between governmental funds have been eliminated; however, transactions between governmental and business-type activities have not been eliminated.

The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent short falls in cash flow within grant programs and funds.

**E. 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 and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents 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.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**E. PROPRIETARY FUND FINANCIAL STATEMENTS (Concluded)**

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 nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

**F. 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, as are the fiduciary fund financial statements. 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 generally only current assets and current liabilities are included on their balance sheets. The 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 a specific purpose or project before any amounts will be paid to the Regional Office of Education No. 17; 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, Regional Office of Education No. 17 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 Regional Office of Education No. 17’s policy to first apply restricted funds to such programs, and then unrestricted funds. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned funds if any.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING

The Regional Office of Education No. 17 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 No. 17 uses governmental, proprietary, and fiduciary funds.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are reported. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources.

Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets (including deferred outflows) and liabilities (including deferred inflows) is reported as fund balance.

As prescribed by GASB Statement No. 34, governmental 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 (including deferred outflows), liabilities (including deferred inflows), 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 (including deferred outflows), liabilities (including deferred inflows), 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 No. 17 has presented all major funds that met the above qualifications.

The Regional Office of Education No. 17 reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the Regional Office of Education No. 17. It is used to account for the expenditures that benefit all school districts in the Region except those required to be accounted for and reported in other funds. General Funds include the following:

County Fund – This fund accounts for monies received from DeWitt, Livingston, Logan, and McLean counties. This support helps fund the operation of the Regional Office of Education No. 17.

Regional Safe Schools – General State Aid (GSA) – This program accounts for monies received for and in payment of expenditures for activities for disruptive students who are eligible for suspension or expulsion. In addition, this program includes State and federal lunch and breakfast programs.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

General Fund (Concluded)

Regional Alternative School – General State Aid (GSA) – This program accounts for monies received for and in payment of expenditures for the general operations of the Regional Alternative School.

Alternatives for a Better Environment (ABE) – This program is an environmental curriculum used at the Regional Alternative School in Pontiac involving beekeeping and building bat houses.

Heart of Illinois Low Incidence – This program promotes, establishes, and maintains comprehensive special education services for children with hearing, vision, and physical disabilities.

Cooperative Purchasing Fund (Paper Coop) – This fund is used to purchase paper and supplies in quantity as a single unit by participating schools in the Regional Office of Education No. 17.

Juvenile Justice Council – This is a program for At-Risk Diversion for students.

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

D.O.R.S Program Step Grant – This program is for severely handicapped students making the transition from high school to the workplace.

Career Links – This program provides support to students focusing on the 12 employability skills recognized by adult services agencies and assisting transition into post-secondary experiences.

Education Innovation and Research – This program accounts for grant monies received for and in payment of expenditures to improve principal leadership by increasing principal effectiveness and increasing student achievement in rural and high-need schools.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Education Fund (Continued)

Elementary and Secondary School Emergency Relief (ESSER) – This grant addresses the shortages of the access to technology for remote learning.

Juvenile Detention Center – This program provides educational programming for incarcerated youth.

McKinney Homeless Children and Youth – This program accounts for grant monies received and expended assisting school districts in identifying and providing assistance to at-risk students. This program offers services to homeless children and youth primarily who are of school age. Preschool-aged children also receive services to ensure access to early childhood and preschool programs.

RAS Special Projects – This program accounts for money awarded/donated to RAS Bloomington from local sources.

Regional Safe Schools – This program accounts for the Regional Safe Schools grant monies. The program concentrates on the education of students who have been expelled from school districts served by the Regional Office of Education No. 17.

Regional Safe Schools Cooperative – This program provides support for the individual needs and learning styles of students while focusing on twelve employability skills recognized by adult service agencies.

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

Secretary of State’s Literacy Grant – This program accounts for grant monies to serve parents and their children ages 0 to 5 who are enrolled in Evenstart or Heartland Head Start to provide activities that encourage literacy development and enable parents to be their child’s first and best teacher through workshops, field trips, and a partnership with the public libraries to provide activities.

Seeking Education Equity and Diversity (SEED) – This program supports the strengthening of leadership skills.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Concluded)

Education Fund (Concluded)

Title II – Teacher Quality – Leadership – This program accounts for grant monies received for and in payment of expenditures to provide online training that is required by the Illinois Performance Evaluation Reform Act to train education administrators to evaluate other administrators and teachers. The program is designed to increase the number of highly qualified administrators and teachers, leading to increased student academic achievement.

Transitional Specialist – This program is administered by the Illinois Department of Human Services to provide support for Individualized Education Plan (IEP) students to transition from high school to higher education and/or adult employment.

Distance Learning and Telemedicine – This program accounts for grant monies to provide advanced technology to rural schools.

The Regional Office of Education No. 17 reports the following Nonmajor Special Revenue Funds:

General Education Development (GED) – Illinois law requires the Regional Superintendent of Schools of each county or counties to administer the GED test. Testing fees are used for test administration, testing materials, and diplomas on successful completion of the test.

Bus Driver Training – Experienced bus drivers must take a two-hour instructional refresher course annually, while all new drivers must take an eight-hour course in bus driver safety and first aid, prescribed by the Illinois State Board of Education and administered by the Regional Office.

Institute – This fund accounts for fees collected for the registration and renewal of teaching licenses. These fees are used to defray administrative expenses incidental to teachers' institutes, workshops, or meetings of a professional nature that are designed to promote the professional growth of teachers or to defray the expense of any general or special meetings of teachers or school personnel. All funds generated remain restricted until expended only on the activities.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Concluded)

PROPRIETARY FUNDS

Proprietary Funds – Proprietary funds account for revenues and expenses related to services provided to organizations inside the Region on a cost-reimbursement basis. The Regional Office of Education No. 17 reports the following proprietary fund:

Professional Development – This enterprise fund tracks revenues received and expenses incurred in offering professional development workshops for teachers and administrators and other services for the school districts in DeWitt, Livingston, Logan, and McLean Counties.

FIDUCIARY FUNDS

Custodial Funds – Custodial funds are used to account for assets held by the Regional Office of Education No. 17 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Regional Office of Education No. 17 reports the following custodial funds:

Flex Spending Account – This fund accounts for the Regional Office of Education No. 17's employees' flex spending plan.

Regional Board of School Trustees Fund – This program accounts for the Regional Board of School Trustees' operating accounts.

School Facility Occupation Tax – This fund accounts for the assets held by the Regional Office of Education No. 17 to be distributed to local school districts. Monies are received from the State Comptroller for the School Facilities Occupation Tax and are disbursed to the school districts.

Distributive Fund – This fund distributes monies received from the State to the school districts and other entities. The school district boards within the Regional Office of Education No. 17's educational service regions have signed formal agreements that allow the Regional Office to retain any interest earned on Distributive Fund deposits during the year.

H. GOVERNMENTAL FUND BALANCES

Fund balance is the difference between assets plus deferred outflows of resources and liabilities plus 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:

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. GOVERNMENTAL FUND BALANCES (Concluded)

Nonspendable Fund Balance – The portion of a governmental fund’s net position that is not available to be spent, either short term or long term, due to either their form or legal restrictions. The Regional Office of Education #17 has nonspendable fund balances in Regional Alternative School-GSA and SEED programs.

Restricted Fund Balance – The portion of a governmental fund’s net position that is subject to external enforceable legal restrictions. The following fund balances are restricted by Illinois Statute: General Education Development, Bus Driver Training, and Institute. The following Education Funds are restricted by grantor or donor restrictions: D.O.R.S Program Step Grant and RAS Special Projects.

Committed Fund Balance – The portion of a governmental fund’s net position with self-imposed constraints or limitations that have been placed at the highest level of decision making. The Regional Office of Education #17 has no committed fund balances.

Assigned Fund Balance – The portion of a governmental fund’s net position for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following General Fund accounts have assigned fund balances: ABE and Juvenile Justice Council.

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The fund balances of the following General Fund accounts are comprised of unassigned fund balances: County Fund, Regional Safe Schools – GSA, Regional Alternative School – GSA and Heart of Illinois Low Incidence.

I. 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.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
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NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**J. CASH AND CASH EQUIVALENTS**

The DeWitt/Livingston/Logan/McLean Counties Regional Office of Education No. 17's cash and cash equivalents are considered to be demand deposits and short-term investments. All interest income is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures, and Changes in Fund Balances.

**K. 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.

**L. CAPITAL ASSETS**

Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than three years are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market 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 3-50 years.

**M. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

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

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of 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 consist of grant receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
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**JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**N. COMPENSATED ABSENCES**

Noncertified and certified employees who work 12 calendar months can earn up to 21 vacation days for a full year of service. No vacation time may be carried over to next year and will be lost if an employee does not use the time during the year. Therefore, the Regional Office of Education No. 17 did not accrue any vacation benefits for the current year. In the event that a program terminates, no vacation days will be honored past the ending date of the program. Certified employees who work less than 12 calendar months per year do not earn vacation days.

Employees receive up to 10 sick days annually and the unused portion is accumulated indefinitely. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay, and therefore, no liability is accrued.

**O. BUDGET INFORMATION**

The Regional Office of Education No. 17 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. 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. Certain programs within the General Fund and Special Revenue Funds do not have separate budgets. Comparisons of budgeted and actual results are presented as supplementary information. Budgetary comparison schedules have been provided in supplementary schedules for the following funds: Career Links, Education Innovation and Research, Elementary and Secondary School Emergency Relief (ESSER), McKinney Homeless Children and Youth, Regional Safe Schools, Regional Safe Schools Cooperative, ROE/ISC Operations, Secretary of State's Literacy Grant, SEED, Title II Teacher Quality – Leadership, and Distance Learning and Telemedicine.

**P. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)**

For purposes of measuring the Regional Office of Education No. 17'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 No. 17's OPEB Plan and additions to/deductions from the Regional Office of Education No. 17's fiduciary net position have been determined on the same basis as they are reported by the Regional Office of Education No. 17's Plan. For this purpose, the Regional Office of Education No. 17's Plan recognizes benefit payments when due and payable in accordance with the benefit terms. The Regional Office of Education No. 17's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense for the ROE's single-employer defined benefit OPEB plan have been actuarially determined using the Alternative Measurement Method.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
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JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

**Q. NEW PRONOUNCEMENTS**

In fiscal year 2021, the DeWitt/Livingston/Logan/McLean Counties Regional Office of Education No. 17 implemented Governmental Accounting Standards Board (GASB) Statement No. 84 – *Fiduciary Activities*, and GASB Statement No. 90 – *Majority Equity Interest – an amendment of GASB Statements No. 14 and 61*. GASB Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The implementation of GASB Statement No. 90 had no significant impact on the financial statements of the Regional Office.

**R. DEFERRED COMPENSATION**

The Regional Office offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all employees upon employment, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, disability, hardship, or unforeseeable emergency. All assets of the 403(b) plan are individually owned by participants. The Regional Office has no obligation to contribute to these plans and no obligations for any future pay-outs.

NOTE 2 – CASH

The Regional Office of Education No. 17's investment policy is to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7.

**A. DEPOSITS**

At June 30, 2021, the carrying amounts of the Regional Office of Education No. 17's government-wide and fiduciary fund deposits were \$2,992,092 and \$1,278, respectively, and the bank balances were \$3,345,573 and \$9,814 respectively. Of the total bank balances as of June 30, 2021, \$275,000 was secured by federal depository insurance, \$2,057,232 was fully collateralized, and \$1,023,155 was invested in the Illinois Funds Money Market Fund.

**CUSTODIAL CREDIT RISK**

Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the Regional Office of Education No. 17's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the Regional Office of Education No. 17's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the Regional Office of Education No. 17.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021**

NOTE 2 – CASH (Concluded)

**B. INVESTMENTS**

The Regional Office of Education No. 17's investment policy requires that funds should be invested solely in investments authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7. As of June 30, 2021, the Regional Office of Education No. 17 had investments with carrying and fair values of \$1,023,155 invested in the Illinois Funds Money Market Fund.

**CREDIT RISK**

At June 30, 2021, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

**CONCENTRATION OF CREDIT RISK**

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

**INTEREST RATE RISK**

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

NOTE 3 – DEFINED BENEFIT PENSION PLAN

**IMRF Plan Description**

The Regional Office of Education No. 17's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education No. 17's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this note. Details of all benefits are available from IMRF. 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 (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

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NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

**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, 2020, the following employees were covered by the benefit terms:

	<b>IMRF</b>
Retirees and Beneficiaries currently receiving benefits	52
Inactive Plan Members entitled to but not yet receiving benefits	30
Active Plan Members	14
<b>Total</b>	<b>96</b>

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NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

**Contributions**

As set by statute, the Regional Office of Education No. 17's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education No. 17's annual contribution rate for calendar year 2020 was 16.34%. For the fiscal year ended 2021, the Regional Office of Education No. 17 contributed \$111,685 to the plan. The Regional Office of Education No. 17 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 No. 17's net pension asset was measured as of December 31, 2020. 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 asset at December 31, 2020:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For active members, the Pub-2010, Amount Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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NOTE 3 – DEFINED BENEFIT PENSION PLAN (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, 2020:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	37%	5.00%
International Equities	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	
Private Equity		6.95%
Hedge Funds		N/A
Commodities		2.85%
Cash Equivalents	1%	0.70%
Total	<u>100%</u>	

**Single Discount Rate**

A Single Discount Rate of 7.25% was used to measure the total pension asset as of December 31, 2020. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (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 2.00%, and the resulting single discount rate is 7.25%.

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NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

**Changes in the Net Pension Liability (Asset)**

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (Asset) (A) - (B)</b>
<b>Balances at December 31, 2019</b>	\$ 6,559,668	\$ 6,341,411	\$ 218,257
<b>Changes for the year:</b>			
Service Cost	70,703	-	70,703
Interest on the Total Pension Liability	465,302	-	465,302
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	5,691	-	5,691
Changes of Assumptions	(45,747)	-	(45,747)
Contributions - Employer	-	109,771	(109,771)
Contributions - Employees	-	33,481	(33,481)
Net Investment Income	-	985,471	(985,471)
Benefit Payments, including Refunds of Employee Contributions	(403,391)	(403,391)	-
Other (Net Transfer)	-	(4,674)	4,674
Net Changes	92,558	720,658	(628,100)
<b>Balances at December 31, 2020</b>	<u>\$ 6,652,226</u>	<u>\$ 7,062,069</u>	<u>\$ (409,843)</u>

**Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate**

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

	<b>1% Lower 6.25</b>	<b>Current Discount 7.25</b>	<b>1% Higher 8.25</b>
<b>Net Pension Liability (Asset)</b>	\$ 283,195	\$ (409,843)	\$ (936,747)

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NOTE 3 – DEFINED BENEFIT PENSION PLAN (Concluded)

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

For the year ending June 30, 2021, the Regional Office of Education No. 17 recognized pension expense of \$24,509. At June 30, 2021, the Regional Office of Education No. 17 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 44,079	\$ -
Changes of assumptions	-	(45,747)
Net difference between projected and actual earnings on pension plan investments	-	(748,769)
Total Deferred Amounts to be recognized in pension expense in future periods	44,079	(794,516)
Pension Contributions made subsequent to the Measurement Date	56,358	-
Total Deferred Amounts Related to Pensions	<u>\$ 100,437</u>	<u>\$ (794,516)</u>

\$56,358 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<b>Year Ending December 31</b>	<b>Net Deferred Outflows/ (Inflows) of Resources</b>
2021	\$ (87,933)
2022	(205,020)
2023	(92,731)
2024	(257,568)
2025	(107,185)
Thereafter	-
Total	<u>\$ (750,437)</u>

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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

**Plan Description**

The Regional Office of Education No. 17 participates in the Teachers’ Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor’s approval. The TRS Board of Trustees is responsible for the System’s administration.

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

**Benefits provided**

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I 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 II 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 II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I 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 II 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 III 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.

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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

**Contributions**

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education No. 17.

**On-behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 17. For the year ended June 30, 2021, State of Illinois contributions recognized by the Regional Office of Education No. 17 were based on the State’s proportionate share of the collective net pension liability associated with the Regional Office of Education No. 17, and the Regional Office of Education No. 17 recognized revenue and expenditures of \$1,209,974 in pension contributions from the State of Illinois.

**2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021, were \$7,770, and are deferred because they were paid after the June 30, 2020, measurement date.

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 17, there is a statutory requirement for the Regional Office of Education No. 17 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, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$169,896 were paid from federal and special trust funds that required employer contributions of \$17,686. These contributions are deferred because they were paid after the June 30, 2020 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 employer 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.

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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the Regional Office of Education No. 17 made 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.

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

At June 30, 2020, the Regional Office of Education No. 17 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:

Employers proportionate share of the net pension liability	\$ 145,052
State’s proportionate share of the net pension liability associated with the employer	<u>11,361,188</u>
<b>Total</b>	<b><u>\$11,506,240</u></b>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The Regional Office of Education No. 17’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, 2020, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2020, the Regional Office of Education No. 17’s proportion was .0001682434 percent, which was an increase of .0000139274 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Regional Office of Education No. 17 recognized pension expense of \$1,209,974 and revenue of \$1,209,974 for support provided by the State. For the year ended June 30, 2021, the Regional Office of Education No. 17 recognized pension expense of \$13,817. At June 30, 2021, the Regional Office of Education No. 17 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,406	\$ -
Net difference between projected and actual earnings on pension plan investments	4,331	-
Change of assumptions	594	1,522
Changes in proportion and differences between employer contributions and proportionate share of contributions	554,056	1,564,590
Employer contributions subsequent to the measurement date	25,456	-
<b>Total</b>	<b><u>\$ 585,843</u></b>	<b><u>\$ 1,566,112</u></b>

\$25,456 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized by the Regional Office of Education No. 17 as a reduction of the net pension liabilities in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2022	\$ (159,104)
2023	(560,531)
2024	(287,528)
2025	546
2026	892
	<b><u>\$ (1,005,725)</u></b>

**Actuarial assumptions**

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

<b>Inflation</b>	2.50 percent
<b>Salary Increase</b>	varies by amount of service credit
<b>Investment rate of return</b>	7.00 percent, net of pension plan investment expense, including inflation

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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.5 %	6.1 %
U.S. equities small/mid cap	2.3	7.2
International equities developed	12.2	7.0
Emerging market equities	3.0	9.4
U.S. bonds core	7.0	2.2
U.S. bonds high yield	2.5	4.1
International debt developed	3.1	1.5
Emerging international debt	3.2	4.5
Real estate	16.0	5.7
Private debt	5.2	6.3
Hedge funds	10.0	4.3
Private equity	15.0	10.5
Infrastructure	4.0	6.2
<b>Total</b>	<u>100 %</u>	

**Discount Rate**

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

Based on those assumptions, TRS’s fiduciary net position at June 30, 2020 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1’s liability is partially funded by Tier 2 members, as the Tier 2 member contribution is

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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

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 No. 17’s proportionate share of the net pension liability to changes in the discount rate**

The following presents the Regional Office of Education No. 17’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ 176,066	\$ 145,052	\$ 119,518

**TRS fiduciary net position**

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

NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND

**THIS Plan Description**

The Regional Office of Education No. 17 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.

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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

**Benefits Provided (Concluded)**

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 requires all active contributors to TRS who are not employees of the State to make a contribution to the THIS Fund. A percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

**On-behalf contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 17. For the year ended June 30, 2021, State of Illinois contributions recognized by the Regional Office of Education No. 17 were based on the State’s proportionate share of the collective net OPEB liability associated with the Regional Office of Education No. 17, and recognized revenue and expenditures of \$55,577 in OPEB contributions from the State of Illinois.

**Employer contributions to the THIS Fund**

The Regional Office of Education No. 17 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2021, and 0.92 and 0.92 percent during the years ended June 30, 2020 and 2019, respectively. For the year ended June 30, 2021, the Regional Office of Education No. 17 paid \$12,324 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2020 and 2019, the Regional Office paid \$12,813 and \$11,383 to the THIS Fund, respectively, which was 100 percent of the required contribution.

**Further information on the THIS Fund**

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

**Actuarial Assumptions**

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

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.

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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

**Actuarial Assumptions (Continued)**

Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare 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.
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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, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

**Single Discount Rate**

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

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

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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

**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 No. 17’s proportionate share of the collective net OPEB liability, as well as what the ROE’s proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45percent) or 1-percentage-point higher (3.45 percent) than the current discount rate:

	<b>1% Decrease <u>(1.45%)</u></b>	<b>Current Discount Rate <u>(2.45%)</u></b>	<b>1% Increase <u>(3.45%)</u></b>
Employer’s proportionate share of the collective net OPEB liability	\$ 1,768,910	\$ 1,471,854	\$ 1,236,436

**Sensitivity of the employer’s proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates**

The following table shows the Regional Office of Education No. 17’s proportionate share of the collective net OPEB liability as of June 30, 2020, using current trend rates and sensitivity trend rates that are either 1-percentage-point higher or lower. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	<b><u>1% Decrease<sup>a</sup></u></b>	<b><u>Healthcare Cost Trend Rates</u></b>	<b><u>1% Increase<sup>b</sup></u></b>
Employer’s proportionate share of the collective net OPEB liability	\$ 1,183,785	\$ 1,471,854	\$ 1,861,170

<sup>a</sup> *One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate rate of 3.25% in 2037.*

<sup>b</sup> *One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.*

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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

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

At June 30, 2021, the Regional Office of Education No. 17 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 No. 17. The amount recognized by the Regional Office of Education No. 17 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 No. 17 were as follow:

Employer’s proportionate share of the collective net OPEB liability	\$ 1,471,854
State’s proportionate share of the collective net OPEB liability associated with the employer	<u>1,993,927</u>
<b>Total</b>	<b><u>\$ 3,465,781</u></b>

The collective net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward to the June 30, 2020 measurement date. The Regional Office of Education No. 17’s proportion of the collective net OPEB liability was based on a projection of the Regional Office of Education No. 17’s long-term share of contributions to the OPEB plan relative to the projected contributions of the Regional Office of Education No. 17, actuarially determined. At June 30, 2020, the Regional Office of Education No. 17’s proportion was 0.005505 percent, which was an increase of 0.000480 from its proportion measured as of June 30, 2019 (0.005025 percent). The State’s support and total are for disclosure purposes only.

For the year ending June 30, 2021, the Regional Office of Education No. 17 recognized OPEB expense of \$55,577 and revenue of \$55,577 for support provided by the State. For the year ending June 30, 2021, the Regional Office of Education No. 17 recognized OPEB expense of \$49,004. At June 30, 2021, the Regional Office of Education No. 17 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ -	\$ 39,106
Changes of assumptions	498	242,780
Net difference between projected and actual earnings on OPEB plan investments	-	42
Changes in proportion and differences between employer contributions and proportionate share of contributions	348,604	394,671
Employer contributions subsequent to the measurement date	<u>12,324</u>	<u>-</u>
Total Deferred Amounts Related to OPEB	<b><u>\$ 361,426</u></b>	<b><u>\$ 676,599</u></b>

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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Concluded)

\$12,324 reported as deferred outflows of resources related to OPEB resulting from DeWitt/Livingston/Logan/McLean Counties Regional Office of Education No. 17 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the DeWitt/Livingston/Logan/McLean Counties Regional Office of Education No. 17’s OPEB expense as follows:

<b>Year Ending June 30,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2022	\$ (44,929)
2023	(44,929)
2024	(44,929)
2025	(44,929)
2026	(44,918)
Thereafter	(102,863)
Total	\$ (327,497)

**THIS Fiduciary Net Position**

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

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE

**Plan Description**

The Regional Office of Education No. 17 provides a single-employer defined-benefit postemployment healthcare plan to retirees who participate in the IMRF retirement plan. This plan extends the same health benefits to annuitants as to active employees in the IMRF plan. The Governmental Accounting Standards Board (GASB) issued Statement No.’s 74 and 75 that established generally accepted accounting principles for the annual financial statements for postemployment benefit plans other than pension plans. The required information is as follows:

**Eligibility Provisions**

*Full-Time Employees – IMRF*

Tier I IMRF Full-Time ROE employees:

- Age 55 with at least 8 years of service (Reduced Pension)
- Age 55 with at least 30 years of service (Reduced Pension)
- Age 55 with at least 35 years of service (Full Pension)
- Age 60 with at least 8 years of service (Full Pension)

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**NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE** (Continued)

Tier II IMRF Full-Time ROE employees:

- Age 62 with at least 10 years of service (Reduced Pension)
- Age 62 with at least 30 years of service (Reduced Pension)
- Age 62 with at least 35 years of service (Full Pension)
- Age 67 with at least 10 years of service (Full Pension)

*Full-Time Employees – TRS*

Tier I TRS Full-Time employees:

- Age 55 with at least 20 years of service (Reduced Pension)
- Age 55 with at least 35 years of service (Full Pension)
- Age 60 with at least 10 years of service (Full Pension)
- Age 62 with at least 5 years of service (Full Pension)

Tier II TRS Full-Time employees:

- Age 62 with at least 10 years of service (Reduced Pension)
- Age 67 with at least 10 years of service (Full Pension)

**Benefits Provided**

The Regional Office of Education # 17 provides continued health insurance coverage at the blended employer rate to all eligible Regional Office of Education No. 17 retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The Regional Office of Education No. 17 offers the multiple United Healthcare Choice plans to full-time IMRF employees. IMRF employees may continue ROE health insurance in retirement, however, they are responsible for paying the full cost of the medical premium. Eligible Spouse/Dependent coverage may continue should the Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The Spouse/Dependent is responsible for the full cost of coverage. Retirees pay the full cost of coverage. TRS employees are not permitted to remain on ROE insurance and must seek outside coverage such as that offered through THIS.

**Membership**

At June 30, 2021 membership consisted of:

Inactive Employees Currently Receiving Benefit Payments	0
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	0
Active Employees	24
TOTAL	24

**Funding Policy and Contributions**

There is no funding policy that exists for the postretirement plan at this time, as the total OPEB liability is currently an unfunded obligation.

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**NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE** (Continued)

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

The contributions of \$5,882 from Other ROE Resources and Benefit Payments of \$5,882 from Other ROE Resources are contributions made to and benefit payments made from the OPEB Plan that were not directly made to or from the OPEB Trust.

**Total OPEB Liability**

The total OPEB liability for the current fiscal year has been developed based on the July 1, 2019 actuarial valuation date and adjusted to the June 30, 2021 measurement date based on procedures that conform to the Alternative Measurement Method and generally accepted actuarial principles and practices.

**Actuarial Assumptions**

Discount Rate used for the Total OPEB Liability	Beginning of the year 2.21%, End of the year 2.16%			
Long-Term Expected Rate of Return on Plan Assets	N/A			
High Quality 20 Year Tax-Exempt G.O. Bond Rate	Beginning of the year 2.21%, End of the year 2.16%			
Salary Increases	2.25%			
Annual Blended Premiums	Under Age 65		Age 65 & Over	
	<u>Retiree</u>	<u>Spouse</u>	<u>Retiree</u>	<u>Spouse</u>
	Choice 1000	\$8,559 \$7,995	\$8,559	\$7,995
	Choice 500	\$9,775 \$9,132	\$9,775	\$9,132
	Choice 2500	\$8,553 \$7,990	\$7,083	\$6,786
Healthcare Trend Rates	Initial trend rate is based on the 2020 Segal Health Plan Cost Trend Survey. For fiscal years on and after 2021, trend starts at 6.60% for both non-Medicare costs and post-Medicare costs and gradually decreases to an ultimate trend of 5.00%.			
Retiree Contribution Rates	Same as Healthcare Trend Rates.			

IMRF Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2016 Improvement Rates.

The retirement rates disclosed in the IMRF December 31, 2017 Actuarial Valuation were used to estimate the single retirement ages pursuant to the Alternative Measurement Method for GASB 74/75.

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NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

For any active IMRF participant who will not meet the service requirement necessary to retire at the single retirement ages, it is assumed they have prior service with a different employer and therefore will be eligible to retire. In the current valuation, there are no participants impacted by this assumption.

The mortality rates were used to estimate the single age at death per participant pursuant to the Alternative Measurement Method for GASB 74/75.

The probability of working to the assumed retirement age was determined based on the underlying termination rates pursuant to the Alternative Measurement Method for GASB 74/75.

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balances at July 1, 2020</b>	\$ 258,400
<b>Changes for the period:</b>	
Service Cost	5,736
Interest	5,646
Assumptions Changes	1,665
Benefit Payments	(5,882)
Net Changes	7,165
<b>Balance at June 30, 2021</b>	<b>\$ 265,565</b>

**Discount Rate**

The discount rate used in the determination of the total OPEB liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. If the employer does not have a trust dedicated exclusively to the payment of OPEB benefits, as is the case with the Regional Office of Education No. 17, then only the municipal bond rate is used in determining the total OPEB liability.

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NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

**Discount Rate (Concluded)**

If the postretirement plan is funded, cash flow projections are used to determine the extent which the plan’s future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan’s projected net position, the expected rate of return on plan investments is used to determine the portion of the net OPEB liability associated with those payments. To the extent future benefit payments are not covered by the plan’s projected net position, the municipal bond rate is used to determine the portion of the net OPEB liability associated with those payments.

Projected benefit payments are determined during the valuation process based on the assumptions. The expected contributions are based on the funding policy of the plan.

**Municipal Bond Rate**

The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The beginning and end of year rates are 2.21% and 2.16%, respectively. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody’s Aa2 and Standard & Poor’s AA.

The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody’s Investors Service’s Aa2 rating and Standard & Poor’s Corp.’s AA.

The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yield of the bonds.

**Sensitivity of the Discount Rate**

The following presents the Regional Office of Education No. 17’s total OPEB liability calculated using a discount rate of 2.16%, as well as what the ROE’s total OPEB liability would be if it were calculated using a single discount rate that is 1-percentage-point higher (3.16%) or 1-percentage-point lower (1.16%) than the current discount rate:

	<b><u>1% Decrease (1.16%)</u></b>	<b><u>Current Discount Rate (2.16%)</u></b>	<b><u>1% Increase (3.16%)</u></b>
Employer’s Total OPEB Liability	\$ 302,924	\$ 265,565	\$ 235,324

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
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NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS – HEALTH INSURANCE (Concluded)

**Sensitivity of the Healthcare Trend Rates**

The following presents the Regional Office of Education No. 17’s total OPEB liability, calculated using the healthcare cost trend rates as well as what the ROE’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 6.60% on and after 2021 decreasing to an ultimate trend rate of 5.00% in 2030 for both non-Medicare coverage and post-Medicare coverage..

	<b>1% Decrease (Varies)</b>	<b>Healthcare Cost Trend Rates (Varies)</b>	<b>1% Increase (Varies)</b>
Employer’s Total OPEB Liability	\$ 229,936	\$ 265,565	\$ 309,270

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

For the year ending June 30, 2021, the Regional Office of Education No. 17 recognized OPEB expense of \$13,047. At June 30, 2021 the Regional Office of Education No. 17 reported no deferred outflows of resources nor deferred inflows of resources related to OPEB.

NOTE 7 – OPERATING LEASES

The Regional Office of Education No. 17 leases classroom and office space from various parties. During fiscal year 2016, the Regional Office of Education No. 17 leased classroom and office space located at 905 W. Custer Avenue, Pontiac, Illinois, from the Bud Behrends, LLC, for \$2,208 per month. The original lease term was from July 1, 2013, to August 31, 2018 and was renewed for September 1, 2018, to August 31, 2023.

The Regional Office of Education No. 17 also leased classrooms and office space located at 402-408 W. Washington Street, Bloomington, Illinois, and storage space located at 405 W. Front Street, Bloomington, Illinois. The leases run from August 1, 2017, to July 31, 2022; rent was \$10,250 for the first six months of FY20 and \$10,500 for the last six months of FY20 and \$350 per month, respectively.

The Regional Office of Education No. 17 also leased administrative office space located at 200 W. Front Street, Suite 500D, Bloomington, Illinois. The original lease ran from January 1, 2013 to December 31, 2015 with auto-renewals every two years; rent is \$61,000 per year. The lease was renewed for an additional 24 months from January 1, 2018 through December 31, 2019 for \$67,000 per year. In January 2020, the lease was extended for a one year term from January 1, 2020 through December 31, 2020. The lease was terminated on December 31, 2020 when the Regional Office’s administrative offices moved to a new location.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
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NOTE 7 – OPERATING LEASES (Concluded)

During fiscal year 2017, the Regional Office of Education No. 17 leased classroom and office space located at 1301 W Washington St, Bloomington, Illinois for \$1,329 per quarter. The lease term is from July 1, 2020 to June 30, 2020, however, was terminated by the Regional Office on December 31, 2020 when the program was moved to a new location.

During fiscal year 2018, the Regional Office leased a Ricoh copier. The lease term is January 12, 2018 to January 11, 2023, and includes monthly lease payments of \$315.

During fiscal year 2020, the Regional Office leased a Xerox copier. The lease term was June 7, 2020 to June 6, 2025, and included monthly lease payments of \$290.

In November 2020 the Regional Office of Education No. 17 moved their administrative office to 201 E Grove Street, Bloomington, Illinois. The lease period is November 1, 2020 to October 31, 2025 requiring month lease payments of \$9,450.

Rent expense for the year ended June 30, 2021, was \$278,574. Future minimum rentals are as follows for the years ending June 30:

2021		\$ 277,356
2022		156,431
2023		121,296
2024		116,590
2025		37,800
Thereafter		-
		\$ 709,473

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NOTE 8 – CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education No. 17 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements. Purchases of capital assets by business-type activities are capitalized when purchased. The following table provides a summary of changes in total assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2021:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2021</u>
Governmental Activities				
Capital assets being depreciated:				
Office Equipment & Furniture	\$ 341,886	\$ 24,465	\$ (38,712)	\$ 327,639
Leasehold Improvements	490,194	454,855	(45,037)	900,012
Total Capital Assets	<u>832,080</u>	<u>479,320</u>	<u>(83,749)</u>	<u>1,227,651</u>
Less: Accumulated Depreciation	<u>(390,916)</u>	<u>(60,078)</u>	<u>59,267</u>	<u>(391,727)</u>
Governmental Activities				
Investment in Capital Assets, Net	<u>\$ 441,164</u>	<u>\$ 419,242</u>	<u>\$ (24,482)</u>	<u>\$ 835,924</u>
	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2021</u>
Business-Type Activities				
Capital assets being depreciated:				
Office Equipment & Furniture	\$ 13,080	\$ -	\$ (825)	\$ 12,255
Total Capital Assets	<u>13,080</u>	<u>-</u>	<u>(825)</u>	<u>12,255</u>
Less: Accumulated Depreciation	<u>(6,531)</u>	<u>(3,187)</u>	<u>825</u>	<u>(8,893)</u>
Business-Type Activities				
Investment in Capital Assets, Net	<u>\$ 6,549</u>	<u>\$ (3,187)</u>	<u>\$ -</u>	<u>\$ 3,362</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2021, of \$60,078 and \$3,187 was charged to governmental activities instructional services function and business-type activities, respectively, on the government-wide Statement of Activities. Investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

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NOTE 9 – RISK MANAGEMENT

The Regional Office of Education No. 17 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 No. 17 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 10 – INTERFUND ACTIVITY

**DUE TO/FROM OTHER FUNDS**

Interfund due to/from other fund balances at June 30, 2021, 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.

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 110,269	\$ 60,468
Education Fund	-	49,801
Totals	<u>\$ 110,269</u>	<u>\$ 110,269</u>

**TRANSFERS**

Interfund transfers in/out to other fund balances at June 30, 2021, consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Proprietary Funds Statement of Revenues, Expenses, and Changes in Fund Net Position. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,460	\$ -
Proprietary Fund	-	1,460
Totals	<u>\$ 1,460</u>	<u>\$ 1,460</u>

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NOTE 11 – DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education No. 17’s General Fund, Education Fund, Nonmajor Special Revenue Funds, and Fiduciary Fund have funds due to/from various other governmental units which consist of the following:

Due from Other Governments:	
General Fund	
Local Governments	\$ 178,915
Nonmajor Special Revenue Funds	
Local Governments	240
Education Fund	
Local Governments	3,747
Department of Labor	600,457
Illinois State Board of Education	100,883
Fiduciary Fund	
State Comptroller	1,010,639
Illinois State Board of Education	64,047
Total	<u>\$ 1,958,928</u>
Due to Other Governments:	
General Fund	
Local Governments	\$ 1,589
Nonmajor Special Revenue Funds	
Local Governments	139
Fiduciary Fund	
Local Governments	1,074,686
Total	<u>\$ 1,076,414</u>

NOTE 12 – ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education No. 17:

Regional Superintendent Salary	\$ 122,592
Assistant Regional Superintendent Salary	110,328
Regional Superintendent Benefits (Includes State-paid insurance)	24,185
Assistant Regional Superintendent Benefits (Includes State-paid insurance)	<u>38,586</u>
Total	<u>\$ 295,691</u>

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NOTE 12 – ON-BEHALF PAYMENTS (Concluded)

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent were calculated based on data provided by the Illinois State Board of Education. These amounts have been recorded in the accompanying governmental fund financial statements as State revenue and expenditures.

Regional Office of Education No. 17 also recorded \$1,209,974 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 No. 17 also recorded \$55,577 in revenue and expenses on-behalf payments from the State for the Regional Offices’ share of the State Teacher’s Health Insurance Security (THIS) OPEB expense in the Statement of Activities. In addition, the Regional Office of Education No. 17 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	\$	295,691
ROE No. 17’s share of TRS pension expense		1,209,974
State of Illinois THIS on-behalf payments		<u>55,577</u>
Total		<u>\$ 1,561,242</u>

NOTE 13 – LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2021 are summarized as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due within one year
Governmental activities:					
Net pension liability	\$ 343,390	\$ -	\$ (198,338)	\$ 145,052	\$ -
OPEB liability	1,649,259	88,160	-	1,737,419	-
Total	<u>\$ 1,992,649</u>	<u>\$ 88,160</u>	<u>\$ (198,338)</u>	<u>\$ 1,882,471</u>	<u>\$ -</u>

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**JUNE 30, 2021**

NOTE 14 – RECLASSIFICATION

In fiscal year 2021, the Regional Office of Education No. 17 implemented GASB Statement No. 84 which established criteria for identifying fiduciary activities. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Based on the new criteria, the custodial (former agency) funds Heart of Illinois Low Incidence and Paper Coop were required to be reclassified to a general fund.

The effect of these corrections on capital assets, net position and fund balance are as follows:

Governmental Activities Net Position:

Net position – Beginning	\$ 38,754
Effect of Reclassification	<u>246,966</u>
Net position, Beginning, Restated	<u>\$ 285,720</u>

Governmental Funds:

Fund Balance, Beginning	\$ 2,778,856
Effect of Reclassification	<u>246,966</u>
Fund Balance, Beginning, Restated	<u>\$ 3,025,822</u>

General Fund:

Fund Balance, Beginning	\$ 2,478,459
Effect of Reclassification	<u>246,966</u>
Fund Balance, Beginning, Restated	<u>\$ 2,725,425</u>

Fiduciary Fund – Custodial Funds

Net position – Beginning	\$ -
Effect of Reclassification	<u>(141)</u>
Net position, Beginning, Restated	<u>\$ (141)</u>

NOTE 15 – EFFECT OF COVID-19 PANDEMIC

On March 11, 2020, the World Health Organization (“WHO”) recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy. We believe the ultimate financial impact of the COVID-19 pandemic on the Regional Office is likely to be determined by factors which are uncertain, unpredictable, and outside of the control of the Regional Office. The situation surrounding COVID-19 remains fluid, and if disruptions do arise, they could materially adversely affect future revenues.

REQUIRED SUPPLEMENTARY INFORMATION

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY & RELATED RATIOS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**LAST SEVEN CALENDAR YEARS**  
**(UNAUDITED)**

Calendar Year Ended December 31,	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>							
Service Cost	\$ 70,703	\$ 73,889	\$ 70,577	\$ 86,746	\$ 96,955	\$ 93,113	\$ 90,794
Interest on the Total Pension Liability	465,302	447,215	437,545	428,972	493,148	390,432	331,043
Differences Between Expected and Actual Experience of the Total Pension Liability	5,691	119,426	46,392	145,245	(1,091,107)	1,216,038	(54,884)
Changes of Assumptions	(45,747)	-	152,770	(170,981)	-	-	160,500
Benefit Payments, including Refunds of Employee Contributions	(403,391)	(375,522)	(373,262)	(361,932)	(337,197)	(326,733)	(240,367)
<b>Net Change in Total Pension Liability</b>	<b>92,558</b>	<b>265,008</b>	<b>334,022</b>	<b>128,050</b>	<b>(838,201)</b>	<b>1,372,850</b>	<b>287,086</b>
<b>Total Pension Liability - Beginning</b>	<b>6,559,668</b>	<b>6,294,660</b>	<b>5,960,638</b>	<b>5,832,588</b>	<b>6,670,789</b>	<b>5,297,939</b>	<b>4,485,173</b>
<b>Total Pension Liability - Ending (A)</b>	<b>6,652,226</b>	<b>6,559,668</b>	<b>6,294,660</b>	<b>5,960,638</b>	<b>5,832,588</b>	<b>6,670,789</b>	<b>4,772,259</b>
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 109,771	\$ 78,398	\$ 99,673	\$ 152,346	\$ 131,042	\$ 162,115	\$ 173,508
Contributions - Employees	33,481	33,449	34,218	36,132	38,770	42,987	36,725
Net Investment Income	985,471	1,140,607	(254,491)	884,564	(71,197)	768,935	280,254
Benefit Payments, including Refunds of Employee Contributions	(403,391)	(375,522)	(373,262)	(361,932)	(337,197)	(326,733)	(240,367)
Other (Net Transfer)	(4,674)	(5,804)	(4,733)	(4,793)	5,411	(108,195)	(3,698)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>720,658</b>	<b>871,128</b>	<b>(498,595)</b>	<b>706,317</b>	<b>(233,171)</b>	<b>539,109</b>	<b>246,422</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>6,341,411</b>	<b>5,470,313</b>	<b>5,968,908</b>	<b>5,262,591</b>	<b>5,495,762</b>	<b>4,956,653</b>	<b>4,202,502</b>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<b>7,062,069</b>	<b>6,341,441</b>	<b>5,470,313</b>	<b>5,968,908</b>	<b>5,262,591</b>	<b>5,495,762</b>	<b>4,448,924</b>
<b>Net Pension Liability - Ending (A) - (B)</b>	<b>\$ (409,843)</b>	<b>\$ 218,227</b>	<b>\$ 824,347</b>	<b>\$ (8,270)</b>	<b>\$ 569,997</b>	<b>\$ 1,175,027</b>	<b>\$ 323,335</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	106.16%	96.67%	86.90%	100.14%	90.23%	82.39%	93.22%
<b>Covered Payroll</b>	\$ 671,793	\$ 699,987	\$ 717,076	\$ 797,930	\$ 861,550	\$ 955,269	\$ 816,123
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	-61.01%	31.18%	114.96%	-1.04%	66.16%	123.00%	39.62%

**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 an 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 an 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.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2021  
(UNAUDITED)**

<b>Fiscal Year Ended June 30,</b>	<b>(a) Actuarially Determined Contribution</b>	<b>(a) Actual Contribution</b>	<b>(a) Contribution Deficiency (Excess)</b>	<b>(a) Covered Payroll</b>	<b>(a) Actual Contribution as a Percentage of Covered Payroll</b>
2021	\$ 111,685	\$ 111,685	\$ -	\$ 689,534	16.20%
2020	91,080	91,080	-	666,183	13.67%
2019	90,054	90,054	-	735,683	12.24%
2018	120,331	120,331	-	753,130	15.98%
2017	145,519	145,519	-	882,758	16.48%
2016	141,549	141,549	-	881,330	16.06%
2015	160,711	160,711	-	848,827	18.93%

*(a) These amounts have been converted from a 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 26, 2021 for the period ended December 31, 2020.*

**Notes to Schedule:**

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

**Valuation Date:**

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

**Methods and Assumptions Used to Determine 2020 Contribution Rates:**

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	23-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
<i>Mortality:</i>	For non-disabled retirees, 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, 2018 actuarial valuation; note two year lag between valuation and rate setting.

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

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**SCHEDULE OF THE EMPLOYER'S PROPORTIONATE**  
**SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**  
**FOR THE YEAR ENDED JUNE 30, 2021 †**  
**(UNAUDITED)**

	FY20*	FY19*	FY18*	FY17*	FY16*	FY15*	FY14*
Employer's proportion of the net pension liability	0.0001682434%	0.0001543160%	0.0001991504%	0.00048554008%	0.0015870566%	0.0007247564%	0.0001844914%
Employer's proportionate share of the net pension liability	\$ 145,052	\$ 125,163	\$ 155,227	\$ 3,709,436	\$ 1,252,760	\$ 474,788	\$ 112,278
State's proportionate share of the net pension liability associated with the employer	\$ 11,361,188	\$ 8,907,703	\$ 10,633,733	\$ 10,350,842	\$ 11,490,256	\$ 6,916,269	\$ 7,001,785
<b>Total</b>	\$ 11,506,240	\$ 9,032,866	\$ 10,788,960	\$ 14,060,278	\$ 12,743,016	\$ 7,391,057	\$ 7,114,063
Employer's covered payroll	\$ 1,392,717	\$ 1,237,296	\$ 1,434,957	\$ 1,604,165	\$ 1,271,558	\$ 1,125,700	\$ 1,148,032
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	10.4%	10.1%	10.8%	231.2%	98.5%	42.2%	9.8%
Plan fiduciary net position as a percentage of the total pension liability	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.

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

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**  
**FOR THE YEAR ENDED JUNE 30, 2021 †**  
**(UNAUDITED)**

	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Statutorily-required contribution	\$ 25,456	\$ 25,750	\$ 18,262	\$ 46,564	\$ 201,185	\$ 61,080	\$ 25,395	\$ 6,659
Contributions in relation to the statutorily-required contribution	25,456	25,750	17,855	46,366	201,106	61,462	25,333	6,677
Contribution deficiency (excess)	\$ -	\$ -	\$ 407	\$ 198	\$ 79	\$ (382)	\$ 62	\$ (18)
Employer's covered payroll	\$ 1,339,614	\$ 1,392,717	\$ 1,237,296	\$ 1,434,957	\$ 1,604,165	\$ 1,271,558	\$ 1,125,700	\$ 1,148,032
Contributions as a percentage of covered payroll	1.90%	1.85%	1.44%	3.23%	12.54%	4.83%	2.25%	0.58%

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

**Notes to This Required Supplementary Information**  
*Changes of assumptions*

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

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

For the 2014 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. However, salary increases were assumed to vary by age.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE**  
**COLLECTIVE NET OTHER POSTEMPLOYMENT BENEFIT LIABILITY**  
**TEACHERS' HEALTH INSURANCE SECURITY FUND**  
**For the Year Ended June 30, 2021**  
**(UNAUDITED)**

	2020	2019	2018	2017	2016
Employer's proportion of the collective net OPEB liability	0.005505%	0.005025%	0.006016%	.006974%	.00528%
Employer's proportionate share of the collective net OPEB liability	\$ 1,471,854	\$ 1,390,859	\$ 1,585,056	\$ 1,809,646	\$ 1,443,360
State's proportionate share of the collective net OPEB liability associated with the employer	1,993,927	1,883,385	2,128,429	2,376,535	2,001,448
<b>Total</b>	<b>\$ 3,465,781</b>	<b>\$ 3,274,244</b>	<b>\$ 3,713,485</b>	<b>\$ 4,186,181</b>	<b>\$ 3,444,808</b>
Employer's covered payroll	\$ 1,392,717	\$ 1,237,296	\$ 1,434,957	\$ 1,604,165	\$ 1,271,558
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	105.7%	112.4%	110.5%	112.8%	113.5%
Plan fiduciary net position as a percentage of the total OPEB liability	0.70%	0.25%	-0.07%	-0.17%	-0.22%

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

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**TEACHERS' HEALTH INSURANCE SECURITY FUND**  
**For the Year Ended June 30, 2020**  
**(UNAUDITED)**

	2021	2020	2019	2018	2017	2016
Statutorily-required contribution	\$ 12,324	\$ 12,813	\$ 11,383	\$ 12,628	\$ 13,475	\$ 10,039
Contributions in relation to the statutorily-required contribution	12,324	12,813	11,383	12,628	13,475	10,039
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 1,339,614	\$ 1,392,717	\$ 1,237,296	\$ 1,434,957	\$ 1,604,165	\$ 1,271,558
Contributions as a percentage of covered payroll	0.92%	0.92%	0.92%	0.88%	0.84%	0.79%

\*The amounts presented for each fiscal year were determined as of the prior fiscal year end.

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 Schedule**

Changes of Benefit Terms

For the 2020 measurement year, there were no changes of benefit terms from the prior period.

Change of Assumptions

	Measurement year			
	2020	2019	2018	2017
Inflation	2.50 percent	2.50 percent	2.75 percent	2.75 percent
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.	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.	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Healthcare cost trend rates	Actual trend used for fiscal year 2020. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare costs and Medicare costs, respectively, 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.	Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare costs on and after 2022 to account for the Excise Tax.	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for the Excise Tax.	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for the Excise Tax.

DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
 POST EMPLOYMENT BENEFITS OTHER THAN PENSION  
 FOR THE YEAR ENDED JUNE 30, 2021 †  
 (UNAUDITED)

	FY21	FY20	FY19	FY18
<b>Total OPEB Liability</b>				
Service Cost	\$ 5,736	\$ 5,853	\$ 6,123	\$ 5,895
Interest Cost	5,646	9,001	4,958	4,700
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	113,015	-	-
Assumption Changes	1,665	(13,379)	6,757	-
Benefit Payments	(5,882)	(251)	(3,575)	(4,325)
<b>Net Change in Total OPEB Liability</b>	<b>7,165</b>	<b>114,239</b>	<b>14,263</b>	<b>6,270</b>
<b>Total OPEB Liability - Beginning</b>	<b>258,400</b>	<b>144,161</b>	<b>129,898</b>	<b>123,628</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 265,565</b>	<b>\$ 258,400</b>	<b>\$ 144,161</b>	<b>\$ 129,898</b>
<b>Covered Payroll</b>	<b>\$ 2,558,110</b>	<b>\$ 2,501,819</b>	<b>\$ 1,598,650</b>	<b>\$ 1,813,696</b>
<b>Employer's Total OPEB Liability as a Percentage of Covered Payroll</b>	<b>10.38%</b>	<b>10.33%</b>	<b>9.02%</b>	<b>7.16%</b>

**Notes to Schedule:**

Changes of Benefit Terms

In the June 30, 2021 actuarial valuation, there have been no changes of benefit terms from the prior period.

Changes of Assumptions

The assumed rate on High Quality 20-year Tax-Exempt G.O. Bonds was changed from 2.21% to 2.16% for the current year. The underlying index used is the Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current Fiscal Year end based on change in market conditions as reflected in the Index. The change was made to reflect our understanding of the requirements of GASB und Statement 74 and Statement 75.

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

SUPPLEMENTAL INFORMATION

DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 COMBINING SCHEDULE OF ACCOUNTS  
 GENERAL FUND ACCOUNTS  
 JUNE 30, 2021

	County Fund	Regional Safe Schools - GSA	Regional Alternative School - GSA	ABE	Heart of Illinois Low Incidence	Paper Coop	Juvenile Justice Council	TOTALS
<b>ASSETS</b>								
Cash and cash equivalents	\$ 55,257	\$ 469,176	\$ 1,763,722	\$ 779	\$ 168,871	\$ -	\$ 12,500	\$ 2,470,305
Due from other governments	-	-	110,269	-	-	-	-	110,269
Local	12,330	-	89,949	-	13,668	60,468	2,500	178,915
Prepaid expenses	-	-	339	-	-	-	-	339
<b>TOTAL ASSETS</b>	<b>\$ 67,587</b>	<b>\$ 469,176</b>	<b>\$ 1,964,279</b>	<b>\$ 779</b>	<b>\$ 182,539</b>	<b>\$ 60,468</b>	<b>\$ 15,000</b>	<b>\$ 2,759,828</b>
<b>LIABILITIES</b>								
Accrued salaries and benefits	\$ 949	\$ 24,311	\$ 50,370	\$ -	\$ -	\$ -	\$ -	\$ 75,630
Due to other funds	-	-	-	-	-	60,468	-	60,468
Due to other governments - Local	-	1,589	-	-	-	-	-	1,589
<b>Total Liabilities</b>	<b>949</b>	<b>25,900</b>	<b>50,370</b>	<b>-</b>	<b>-</b>	<b>60,468</b>	<b>-</b>	<b>137,687</b>
<b>FUND BALANCE</b>								
Nonspendable	-	-	339	-	-	-	-	339
Assigned	-	-	-	779	-	-	15,000	15,779
Unassigned	66,638	443,276	1,913,570	-	182,539	-	-	2,606,023
<b>Total Fund Balance (Deficit)</b>	<b>66,638</b>	<b>443,276</b>	<b>1,913,909</b>	<b>779</b>	<b>182,539</b>	<b>-</b>	<b>15,000</b>	<b>2,622,141</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 67,587</b>	<b>\$ 469,176</b>	<b>\$ 1,964,279</b>	<b>\$ 779</b>	<b>\$ 182,539</b>	<b>\$ 60,468</b>	<b>\$ 15,000</b>	<b>\$ 2,759,828</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GENERAL FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2021**

	County Fund	Regional Safe Schools - GSA	Regional Alternative School - GSA	ABE	Heart of Illinois Low Incidence	Paper Coop	Juvenile Justice Council	TOTALS
<b>REVENUES</b>								
Local sources	\$ 411,776	\$ 29,645	\$ 169,803	\$ -	1,214,279	223,225	\$ 25,000	\$ 2,073,728
State sources	-	538,960	1,681,797	-	144,492	-	-	2,365,249
On-behalf payments - State	295,691	-	-	-	-	-	-	295,691
Federal sources	-	11,497	-	-	-	-	-	11,497
Investment Earnings	-	834	1,817	-	69	-	-	2,720
<b>Total Revenues</b>	<b>707,467</b>	<b>580,936</b>	<b>1,853,417</b>	<b>-</b>	<b>1,358,840</b>	<b>223,225</b>	<b>25,000</b>	<b>4,748,885</b>
<b>EXPENDITURES</b>								
Instructional Services:								
Salaries and benefits	175,111	421,874	998,310	-	-	-	-	1,595,295
Pension expense	21,093	24,247	67,780	-	-	-	-	113,120
OPEB expense	1,441	1,657	4,633	-	-	-	-	7,731
Purchased services	115,745	128,661	266,415	-	1,278,774	-	22,500	1,812,095
Supplies and materials	10,456	38,874	53,373	406	-	223,225	-	326,334
Other objects	1,443	-	3,543	-	-	-	-	4,986
Capital outlay	10,168	-	468,052	-	-	-	-	478,220
Intergovernmental:								
Payments to governments	-	-	75,000	-	144,493	-	-	219,493
On-behalf expenditures - State	295,691	-	-	-	-	-	-	295,691
<b>Total Expenditures</b>	<b>631,148</b>	<b>615,313</b>	<b>1,937,106</b>	<b>406</b>	<b>1,423,267</b>	<b>223,225</b>	<b>22,500</b>	<b>4,852,965</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>76,319</b>	<b>(34,377)</b>	<b>(83,689)</b>	<b>(406)</b>	<b>(64,427)</b>	<b>-</b>	<b>2,500</b>	<b>(104,080)</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	1,460	-	-	-	-	-	-	1,460
Repayment of capital lease payable	(664)	-	-	-	-	-	-	(664)
<b>Total Other Financing Sources (Uses)</b>	<b>796</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>796</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>77,115</b>	<b>(34,377)</b>	<b>(83,689)</b>	<b>(406)</b>	<b>(64,427)</b>	<b>-</b>	<b>2,500</b>	<b>(103,284)</b>
<b>FUND BALANCE (DEFICIT) - BEGINNING, RESTATED</b>	<b>(10,477)</b>	<b>477,653</b>	<b>1,997,598</b>	<b>1,185</b>	<b>246,966</b>	<b>-</b>	<b>12,500</b>	<b>2,725,425</b>
<b>FUND BALANCE (DEFICIT) - ENDING</b>	<b>\$ 66,638</b>	<b>\$ 443,276</b>	<b>\$ 1,913,909</b>	<b>\$ 779</b>	<b>\$ 182,539</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ 2,622,141</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2021**

	D.O.R.S Program Step Grant	Career Links	Education Innovation and Research	ESSER
<b>ASSETS</b>				
Cash and cash equivalents	\$ 274,224	\$ -	\$ -	\$ -
Due from other governments:				
Local	-	3,747	-	-
State	-	-	-	-
Federal	-	-	42,062	4,534
Prepaid expenses	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 274,224</b>	<b>\$ 3,747</b>	<b>\$ 42,062</b>	<b>\$ 4,534</b>
<b>LIABILITIES</b>				
Accrued salaries and benefits	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	3,747	14,057	4,534
Unearned revenue	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>3,747</b>	<b>14,057</b>	<b>4,534</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	-	-	28,005	-
<b>FUND BALANCE (DEFICIT)</b>	<b>274,224</b>	<b>-</b>	<b>-</b>	<b>-</b>
Restricted				
Total Fund Balance (Deficit)	274,224	-	-	-
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE (DEFICIT)</b>	<b>\$ 274,224</b>	<b>\$ 3,747</b>	<b>\$ 42,062</b>	<b>\$ 4,534</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2021**

	Juvenile Detention Center	McKinney Homeless Children and Youth	RAS Special Projects	Regional Safe Schools
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	12,521	\$ -
Due from other governments:				
Local	-	-	-	-
State	-	-	-	-
Federal	-	22,137	-	-
Prepaid expenses	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 22,137</b>	<b>\$ 12,521</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
Accrued salaries and benefits	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	22,137	-	-
Unearned revenue	-	-	-	-
Total Liabilities	-	22,137	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>				
Restricted	-	-	12,521	-
Total Fund Balance (Deficit)	-	-	12,521	-
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 22,137</b>	<b>\$ 12,521</b>	<b>\$ -</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2021**

	Regional Safe Schools Cooperative	ROE/ISC Operations	Secretary of State's Literacy Grant	SEED
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 2,435	\$ -
Due from other governments:				
Local	-	-	-	-
State	-	-	-	29,610
Federal	-	-	-	-
Prepaid expenses	-	-	-	5,073
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,435</b>	<b>\$ 34,683</b>
<b>LIABILITIES</b>				
Accrued salaries and benefits	-	-	2,435	-
Due to other funds	-	-	-	5,326
Unearned revenue	-	-	-	29,357
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>2,435</b>	<b>34,683</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	-	-	-	-
<b>FUND BALANCE (DEFICIT)</b>				
Restricted	-	-	-	-
<b>Total Fund Balance (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE (DEFICIT)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,435</b>	<b>\$ 34,683</b>

**SCHEDULE 3**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS  
JUNE 30, 2021**

	Title II - Teacher Quality - Leadership	Transitional Specialist	Distance Learning and Telemedicine	TOTALS
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 63,727	\$ -	\$ 352,907
Due from other governments:				
Local	-	-	-	3,747
State	-	2,540	-	32,150
Federal	-	-	600,457	669,190
Prepaid expenses	-	-	-	5,073
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 66,267</b>	<b>\$ 600,457</b>	<b>\$ 1,063,067</b>
<b>LIABILITIES</b>				
Accrued salaries and benefits	-	378	-	2,813
Due to other funds	-	-	-	49,801
Unearned revenue	-	65,889	600,457	695,703
Total Liabilities	-	66,267	600,457	748,317
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	-	-	-	28,005
<b>FUND BALANCE (DEFICIT)</b>				
Restricted	-	-	-	286,745
Total Fund Balance (Deficit)	-	-	-	286,745
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 66,267</b>	<b>\$ 600,457</b>	<b>\$ 1,063,067</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2021**

	D.O.R.S Program Step Grant	Career Links	Education Innovation and Research	ESSER
<b>REVENUES</b>				
Local sources	\$ -	-	\$ -	-
State sources	135,514	-	-	-
Federal sources	-	50,000	177,831	60,856
Total Revenues	135,514	50,000	177,831	60,856
<b>EXPENDITURES</b>				
Instructional Services:				
Salaries and benefits	-	41,706	28,091	4,024
Pension expense	-	4,402	-	476
OPEB expense	-	301	-	33
Purchased services	-	236	137,218	12,027
Supplies and materials	-	3,355	-	43,195
Intergovernmental:				
Payments to other governments	115,283	-	-	-
Capital outlay	-	-	-	1,101
Total Expenditures	115,283	50,000	165,309	60,856
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	20,231	-	12,522	-
<b>NET CHANGE IN FUND BALANCE</b>	20,231	-	12,522	-
<b>FUND BALANCE (DEFICIT) - BEGINNING</b>	253,993	-	(12,522)	-
<b>FUND BALANCE (DEFICIT) - ENDING</b>	\$ 274,224	\$ -	\$ -	\$ -

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Juvenile Detention Center	McKinney Homeless Children and Youth	RAS Special Projects	Regional Safe Schools
<b>REVENUES</b>				
Local sources	\$ 49,732	\$ -	\$ 8,092	\$ -
State sources	-	-	-	121,691
Federal sources	-	62,940	-	-
Total Revenues	49,732	62,940	8,092	121,691
<b>EXPENDITURES</b>				
Instructional Services:				
Salaries and benefits	44,927	41,187	-	81,345
Pension expense	4,338	3,385	-	1,081
OPEB expense	296	231	-	74
Purchased services	-	10,812	3,000	39,191
Supplies and materials	171	7,325	5,105	-
Intergovernmental:				
Payments to other governments	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	49,732	62,940	8,105	121,691
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	(13)	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(13)	-
<b>FUND BALANCE (DEFICIT) - BEGINNING</b>	-	-	12,534	-
<b>FUND BALANCE (DEFICIT) - ENDING</b>	\$ -	\$ -	\$ 12,521	\$ -

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Regional Safe Schools Cooperative	ROE/ISC Operations	Secretary of State's Literacy Grant	SEED
<b>REVENUES</b>				
Local sources	\$ -	\$ -	\$ -	-
State sources	42,980	153,831	75,038	-
Federal sources	-	-	-	492,545
<b>Total Revenues</b>	<b>42,980</b>	<b>153,831</b>	<b>75,038</b>	<b>492,545</b>
<b>EXPENDITURES</b>				
Instructional Services:				
Salaries and benefits	34,222	56,218	59,869	232,590
Pension expense	452	4,062	-	17,958
OPEB expense	31	278	-	1,227
Purchased services	575	90,273	7,682	235,784
Supplies and materials	7,700	3,000	7,487	4,986
Intergovernmental:				
Payments to other governments	-	-	-	-
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>42,980</b>	<b>153,831</b>	<b>75,038</b>	<b>492,545</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT) - BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT) - ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

SCHEDULE 4

DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Title II - Teacher Quality - Leadership	Transitional Specialist	Distance Learning and Telemedicine	TOTALS
REVENUES				
Local sources	\$ -	\$ 31,750	\$ -	\$ 89,574
State sources	-	128,059	-	657,113
Federal sources	2,306	-	600,457	1,446,935
Total Revenues	2,306	159,809	600,457	2,193,622
EXPENDITURES				
Instructional Services:				
Salaries and benefits	-	136,282	-	760,461
Pension expense	-	18,210	-	54,364
OPEB expense	-	1,245	-	3,716
Purchased services	2,306	2,942	-	542,046
Supplies and materials	-	1,130	-	83,454
Intergovernmental:				
Payments to other governments	-	-	600,457	715,740
Capital outlay	-	-	-	1,101
Total Expenditures	2,306	159,809	600,457	2,160,882
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	32,740
NET CHANGE IN FUND BALANCE	-	-	-	32,740
FUND BALANCE (DEFICIT) - BEGINNING	-	-	-	254,005
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ -	\$ 286,745

**SCHEDULE 5**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
CAREER LINKS  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
<b>REVENUE</b>			
Federal sources	\$ 50,000	\$ 50,000	\$ 50,000
Total Revenue	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	46,410	46,410	41,706
Pension expense	-	-	4,402
OPEB expense	-	-	301
Purchased services	210	235	236
Supplies and materials	3,380	3,355	3,355
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
 NET CHANGE IN FUND BALANCE	 -	 -	 -
 FUND BALANCE (DEFICIT) - BEGINNING	 -	 -	 -
 FUND BALANCE (DEFICIT) - ENDING	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

**SCHEDULE 6**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
EDUCATION INNOVATION AND RESEARCH  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUE			
Federal sources	\$ 244,844	\$ 244,844	\$ 177,831
Total Revenue	244,844	244,844	177,831
EXPENDITURES			
Instructional Services:			
Salaries and benefits	-	-	28,091
Purchased services	244,844	244,844	137,218
Total Expenditures	244,844	244,844	165,309
NET CHANGE IN FUND BALANCE	-	-	12,522
FUND BALANCE - BEGINNING	-	-	(12,522)
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ -

SCHEDULE 7

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER)  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
<b>REVENUE</b>			
Federal sources	\$ 64,149	\$ 64,149	\$ 60,856
Total Revenue	<u>64,149</u>	<u>64,149</u>	<u>60,856</u>
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	1,625	4,591	4,024
Pension expense	-	-	476
OPEB expense	-	-	33
Purchased services	9,599	12,774	12,027
Supplies and materials	51,825	45,684	43,195
Capital outlay	1,100	1,100	1,101
Total Expenditures	<u>64,149</u>	<u>64,149</u>	<u>60,856</u>
 NET CHANGE IN FUND BALANCE	 -	 -	 -
 FUND BALANCE (DEFICIT) - BEGINNING	 <u>-</u>	 <u>-</u>	 <u>-</u>
 FUND BALANCE (DEFICIT) - ENDING	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>

**SCHEDULE 8**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
MCKINNEY HOMELESS CHILDREN AND YOUTH  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUE</b>			
Federal sources	\$ 32,005	\$ 67,921	\$ 62,940
Total Revenue	<u>32,005</u>	<u>67,921</u>	<u>62,940</u>
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	32,005	47,543	41,187
Pension expense	-	-	3,385
OPEB expense	-	-	231
Purchased services	-	9,659	10,812
Supplies and materials	-	10,719	7,325
Total Expenditures	<u>32,005</u>	<u>67,921</u>	<u>62,940</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE 9**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
REGIONAL SAFE SCHOOLS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUE</b>			
State sources	\$ 121,691	\$ 121,691	\$ 121,691
Total Revenue	121,691	121,691	121,691
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	82,691	82,691	81,345
Pension expense	-	-	1,081
OPEB expense	-	-	74
Purchased services	39,000	39,000	39,191
Total Expenditures	121,691	121,691	121,691
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE (DEFICIT) - BEGINNING	-	-	-
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ -

**SCHEDULE 10**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
REGIONAL SAFE SCHOOLS COOPERATIVE  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUE</b>			
State sources	\$ 42,980	\$ 42,980	\$ 42,980
Total Revenue	42,980	42,980	42,980
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	35,072	34,705	34,222
Pension expense	-	-	452
OPEB expense	-	-	31
Purchased services	1,508	575	575
Supplies and materials	6,400	7,700	7,700
Total Expenditures	42,980	42,980	42,980
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -

**SCHEDULE 11**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
ROE/ISC OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUE</b>			
State sources	\$ 153,831	\$ 153,831	\$ 153,831
Total Revenue	153,831	153,831	153,831
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	62,945	60,557	56,218
Pension expense	-	-	4,062
OPEB expense	-	-	278
Purchased services	84,896	90,274	90,273
Supplies and materials	5,990	3,000	3,000
Total Expenditures	153,831	153,831	153,831
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -

**SCHEDULE 12**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
SECRETARY OF STATE'S LITERACY GRANT  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUE</b>			
State sources	\$ 75,038	\$ 75,038	\$ 75,038
Total Revenue	75,038	75,038	75,038
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	62,742	62,742	59,869
Purchased services	7,881	7,881	7,682
Supplies and materials	4,415	4,415	7,487
Total Expenditures	75,038	75,038	75,038
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -

**SCHEDULE 13**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
SEED  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
<b>REVENUE</b>			
Federal sources	\$ 483,704	\$ 505,234	\$ 492,545
Total Revenue	<u>483,704</u>	<u>505,234</u>	<u>492,545</u>
<b>EXPENDITURES</b>			
Instructional Services:			
Salaries and benefits	348,704	353,216	232,590
Pension expense	-	-	17,958
OPEB expense	-	-	1,227
Purchased services	135,000	152,018	235,784
Supplies and materials	-	-	4,986
Total Expenditures	<u>483,704</u>	<u>505,234</u>	<u>492,545</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE 14**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 BUDGETARY COMPARISON SCHEDULE  
 EDUCATION FUND ACCOUNT  
 TITLE II - TEACHER QUALITY - LEADERSHIP  
 FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUE</b>			
Federal sources	\$ 2,336	\$ 2,336	\$ 2,306
Total Revenue	2,336	2,336	2,306
<b>EXPENDITURES</b>			
Instructional Services:			
Purchased services	2,336	2,336	2,306
Total Expenditures	2,336	2,336	2,306
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -

**SCHEDULE 15**

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNT  
DISTANCE LEARNING AND TELEMEDICINE  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUE			
Federal sources	\$ 608,944	\$ 608,944	\$ 600,457
Total Revenue	608,944	608,944	600,457
EXPENDITURES			
Intergovernmental:			
Payments to other governments	608,944	608,944	600,457
Total Expenditures	608,944	608,944	600,457
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE (DEFICIT) - BEGINNING	-	-	-
FUND BALANCE (DEFICIT) - ENDING	\$ -	\$ -	\$ -

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021**

	General Education Development	Bus Driver Training	Institute	TOTALS
<b>ASSETS</b>				
Cash and cash equivalents	\$ 30,154	\$ 5,499	\$ 2,855	\$ 38,508
Due from other governments:				
Local	-	240	-	240
<b>TOTAL ASSETS</b>	<b>\$ 30,154</b>	<b>\$ 5,739</b>	<b>\$ 2,855</b>	<b>\$ 38,748</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 2,825	\$ 2,825
Accrued salaries and benefits	-	71	-	71
Due to other government				
Local	-	139	-	139
Total Liabilities	-	210	2,825	3,035
<b>FUND BALANCES</b>				
Restricted	30,154	5,529	30	35,713
Total Fund Balances	30,154	5,529	30	35,713
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 30,154</b>	<b>\$ 5,739</b>	<b>\$ 2,855</b>	<b>\$ 38,748</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	General Education Development	Bus Driver Training	Institute	TOTALS
<b>REVENUES</b>				
Local sources	\$ 5,235	\$ 7,292	\$ 94,889	\$ 107,416
State sources	-	25,770	-	25,770
Investment earnings	-	-	393	393
Total Revenues	<u>5,235</u>	<u>33,062</u>	<u>95,282</u>	<u>133,579</u>
<b>EXPENDITURES</b>				
Salaries and benefits	-	7,598	77,834	85,432
Pension expense	-	304	9,115	9,419
OPEB expense	-	21	623	644
Purchased services	-	23,450	23,825	47,275
Supplies and materials	271	1,107	-	1,378
Other objects	-	-	110	110
Total Expenditures	<u>271</u>	<u>32,480</u>	<u>111,507</u>	<u>144,258</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>4,964</u>	<u>582</u>	<u>(16,225)</u>	<u>(10,679)</u>
<b>NET CHANGE IN FUND BALANCE</b>	4,964	582	(16,225)	(10,679)
<b>FUND BALANCE - BEGINNING</b>	<u>25,190</u>	<u>4,947</u>	<u>16,255</u>	<u>46,392</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 30,154</u>	<u>\$ 5,529</u>	<u>\$ 30</u>	<u>\$ 35,713</u>

SCHEDULE 18

DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 JUNE 30, 2021

	Flex Spending Account	Regional Board of School Trustees Fund	School Facility Occupation Tax	Distributive Fund	TOTALS
ASSETS					
Cash and cash equivalents	\$ 453	\$ 825	\$ -	\$ -	\$ 1,278
Due from other governments					
State			1,010,639	64,047	1,074,686
Total Assets	453	825	1,010,639	64,047	1,075,964
LIABILITIES					
Due to other governments					
Local	-	-	1,010,639	64,047	1,074,686
Total Liabilities	-	-	1,010,639	64,047	1,074,686
NET POSITION					
Restricted for:					
Individuals, organizations, and other governments	453	825	-	-	1,278
Total Net Position	\$ 453	\$ 825	\$ -	\$ -	\$ 1,278

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Flex Spending Account	Regional Board of School Trustees Fund	School Facility Occupation Tax	Distributive Fund	TOTALS
<b>ADDITIONS:</b>					
Local Sources					
Local residents	\$ -	\$ 1,500	\$ -	\$ -	\$ 1,500
State sources					
Illinois Comptroller	-	-	5,168,095	-	5,168,095
Illinois State Board of Education	-	-	-	1,272,845	1,272,845
Employee withholdings	8,509	-	-	-	8,509
Total Additions	<u>8,509</u>	<u>1,500</u>	<u>5,168,095</u>	<u>1,272,845</u>	<u>6,450,949</u>
<b>DEDUCTIONS:</b>					
Program administrative cost	233	-	-	-	233
Flow-through payments to vendor:					
Annexation application cost	6,704	-	-	-	6,704
Flow-through payments to school districts	-	1,653	-	-	1,653
Total Deductions	<u>6,937</u>	<u>1,653</u>	<u>5,168,095</u>	<u>1,272,845</u>	<u>6,440,940</u>
Net Increase (Decrease) in Fiduciary Net Position	1,572	(153)	-	-	1,419
Net Position, beginning of the year, Restated	(1,119)	978	-	-	(141)
Net Position, end of the year	<u>\$ 453</u>	<u>\$ 825</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,278</u>

SCHEDULE 20

DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 17  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES  
 DISTRIBUTIVE FUND  
 FOR THE YEAR ENDED JUNE 30, 2021

Program	Cornell CSD #426	Livingston County Special Services Unit	Heart of Illinois Low Incidence Hilia	Rooks Creek CCSD #425	Total
General State Aid	254,505	360,613	144,493	31,626	\$ 791,237
State Free Lunch & Breakfast	245	-	-	21	266
Transportation - Regular & Vocational	48,142	-	-	38,188	86,330
School Bus Driver Training	-	-	-	-	-
Regional Safe Schools	-	-	-	-	-
ROE/ISC Operations	-	-	-	-	-
Medicaid	-	157,941	-	-	157,941
Other State Program	-	-	-	-	-
National School Lunch Program	5,684	-	-	181	5,865
School Breakfast Program	1,390	-	-	31	1,421
Summer Food Service Program	40,384	-	-	27,126	67,510
Title I - Low Income	20,014	-	-	-	20,014
Title I - School Improvement & Accountability	59,256	-	-	-	59,256
Title IVA Student Support & Academic Enrich	5,000	-	-	1,404	6,404
Special Ed - Pre-School Flow Through	3,734	-	-	13,597	17,331
Special Ed - I.D.E.A. Flow Through	27,192	-	-	-	27,192
Title II - Teacher Quality	4,836	-	-	1,238	6,074
Title II - Teacher Quality - Leadership	-	-	-	-	-
Other Federal Program	18,821	3,107	-	4,076	26,004
<b>Total</b>	<b>\$ 489,203</b>	<b>\$ 521,661</b>	<b>\$ 144,493</b>	<b>\$ 117,488</b>	<b>\$ 1,272,845</b>

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 17  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2021**

<u>Federal Grantor/Pass Through Grantor, Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Passed through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b>U.S. Department of Agriculture</b>				
<i>Direct Award</i>				
Distance Learning and Telemedicine Loans and Grants	(M) 10.855	IL0731-A16	600,457	600,457
<i>Passed Through Illinois State Board of Education</i>				
Child Nutrition Cluster				
National School Lunch Program	10.555	2021-4210-00	-	\$ 8,161
School Breakfast Program	10.553	2021-4220-00	-	3,336
Total Child Nutrition Cluster			-	11,497
Total U.S. Department of Agriculture			<u>600,457</u>	<u>611,954</u>
<b>U.S. Department of Labor</b>				
<i>Passed Through United Workforce Development Board</i>				
WIOA Cluster				
WIOA Youth Activities				
Career Links	17.259	ISY-2020-06	-	50,000
Total WIOA Cluster			-	50,000
Total U.S. Department of Labor			-	<u>50,000</u>
<b>U.S. Department of Education</b>				
<i>Passed Through Illinois State Board of Education</i>				
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)				
Title II - Teacher Quality - Leadership Grant	84.367A	2021-4935-02	-	2,306
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	2021-4998-ER	-	60,856
<i>Passed Through Illinois State University</i>				
Supporting Effective Educator Development Program	84.423	A18-0059-S007	-	492,545
Education Innovation and Research	84.411	U411C170142	-	165,309
<i>Passed Through Regional Office of Education #11:</i>				
Education for Homeless Children and Youth				
McKinney Education for Homeless Children	84.196A	2021-4920-00	-	62,940
Total U.S. Department of Education			-	<u>783,956</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 600,457</u>	<u>\$ 1,445,910</u>

(M) Program was audited as a major program.

The accompanying notes are an integral part of this schedule.

**DEWITT, LIVINGSTON, LOGAN, AND MCLEAN COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 17**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2021**

NOTE 1 - REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Regional Office of Education No. 17 under programs of the federal government for the year ended June 30, 2021. 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 the Schedule presents only a selected portion of the operations of Regional Office of Education No. 17, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Regional Office of Education No. 17.

NOTE 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. Regional Office of Education No. 17 has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.