

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

**FINANCIAL AUDIT  
For the year ended June 30, 2022**

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

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

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

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

**OFFICIALS**

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

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

Offices are located at:

1320 Union Street  
Morris, Illinois 60450

109 W. Ridge Street  
Yorkville, Illinois 60560

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

**FINANCIAL REPORT SUMMARY**

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

**AUDITORS' REPORTS**

The auditors' reports do not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	2	5
Repeated audit findings	2	2
Prior recommendations implemented or not repeated	3	0

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

**SUMMARY OF FINDINGS AND RESPONSES**

<u>Item No.</u>	<u>Page(s)</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)			
2022-001	10-11	Delay of Audit	Noncompliance
2022-002	12	Controls over Grant Compliance	Noncompliance
PRIOR AUDIT FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)			
2021-002	15	Inadequate Census Data for Illinois Municipal Retirement Fund Employees	Material Weakness
2021-004	15	Inadequate Monitoring of Collateral on Deposits	Noncompliance
2021-005	15	Controls over Cash	Material Weakness

**EXIT CONFERENCE**

The Grundy and Kendall Counties Regional Office of Education No. 24 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2022. Throughout the audit, numerous meetings were held between the auditors and Regional Office to discuss matters contained in this audit report.

Responses to the recommendations were provided by Christopher Mehochko, Regional Superintendent, via email on November 16, 2023.

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

**FINANCIAL STATEMENT REPORT SUMMARY**

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

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



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P.O. Box 945  
Mattoon, Illinois 61938

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## **INDEPENDENT AUDITORS' REPORT**

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

As Special Assistant Auditors for the Auditor General, we have audited the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grundy and Kendall Counties Regional Office of Education No. 24, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grundy and Kendall Counties Regional Office of Education No. 24, as of June 30, 2022, and the respective changes in financial position – cash basis thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter — Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. Beginning with the year ended June 30, 2022, the financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Grundy and Kendall Counties Regional Office of Education No. 24's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Grundy and Kendall Counties Regional Office of Education No. 24's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements. The cash basis combining schedules of cash receipts, disbursements, and changes in cash and cash equivalents and the budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the cash basis combining schedules of cash receipts, disbursements, and changes in cash and cash equivalents and the budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the cash basis of accounting described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2024, on our consideration of the Grundy and Kendall Counties Regional Office of Education No. 24's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Grundy and Kendall Counties Regional Office of Education No. 24's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Grundy and Kendall Counties Regional Office of Education No. 24's internal control over financial reporting and compliance.

**SIGNED ORIGINAL ON FILE**

Mattoon, Illinois  
January 26, 2024



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Mattoon, Illinois 61938

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

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grundy and Kendall Counties Regional Office of Education No. 24, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Grundy and Kendall Counties Regional Office of Education No. 24's basic financial statements, and have issued our report thereon dated January 26, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Grundy and Kendall Counties Regional Office of Education No. 24's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Grundy and Kendall Counties Regional Office of Education No. 24's internal control. Accordingly, we do not express an opinion on the effectiveness of the Grundy and Kendall Counties Regional Office of Education No. 24's internal control.

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Grundy and Kendall Counties Regional Office of Education No. 24's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as findings 2022-001 and 2022-002.

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

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Grundy and Kendall Counties Regional Office of Education No. 24's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Grundy and Kendall Counties Regional Office of Education No. 24's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**SIGNED ORIGINAL ON FILE**

Mattoon, Illinois  
January 26, 2024

**SCHEDULE OF FINDINGS AND RESPONSES**

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

**SCHEDULE OF FINDINGS AND RESPONSES  
SECTION I – SUMMARY OF AUDITORS’ RESULTS  
For the year ended June 30, 2022**

**Section I – Summary of Auditors’ Results**

**Financial statements in accordance with Cash Basis**

Type of auditors’ report issued:	<u>UNMODIFIED</u>
Internal control over financial reporting:	
- Material weakness(es) identified?	<u>          </u> yes <u>  X  </u> no
- Significant deficiency(ies) identified?	<u>          </u> yes <u>  X  </u> none reported
Noncompliance material to financial statements noted?	<u>  X  </u> yes <u>          </u> no

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

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

**Section II – Financial Statement Findings**

**FINDING NO. 2022-001 – Delay of Audit** (Repeat of Prior Year Findings 21-001 20-001, 19-002, and 18-002)

**Criteria/Specific Requirement:**

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

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

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

**Condition:**

The Regional Office of Education No. 24 did not provide completed financial statements in an auditable form by the August 31, 2022, deadline. The preliminary draft was provided to the auditors on August 28, 2023.

**Effect:**

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

**Cause:**

Prior staff that handled the financials was unable to finalize records in a timely manner.

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

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

**Section II – Financial Statement Findings** (Continued)

**FINDING NO. 2022-001 – Delay of Audit** (Repeat of Prior Year Findings 21-001, 20-001, 19-002 and 18-002)  
(Continued)

**Recommendation:**

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

**Management’s Response:**

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

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

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

**Section II – Financial Statement Findings** (Continued)

**FINDING NO. 2022-002 – Controls over Grant Compliance** (Repeat of Prior Year Finding 21-003)

**Criteria/Specific Requirement:**

As a recipient of federal, State, and local funds from various grantor agencies, the Regional Office of Education No. 24 (ROE) must incorporate certain procedures into its operations in order to comply with the grant agreements with these entities.

The ROE is responsible for establishing and maintaining an internal control system over the completion of expenditure reports and budget requirements for grants administered by the Illinois State Board of Education.

**Condition:**

Auditors noted that expenditure reports for two grants, Digital Equity and Elementary and Secondary School Emergency Relief (ESSER) II, reported budgeted expenditures rather than actual expenditures per the accounting records. Expenditures were overreported by \$9,113 and \$3,983, respectively. In addition, for the Digital Equity grant, differences among line items between actual expenditures and budgeted amounts exceeded the thresholds permitted by the Illinois State Board of Education, so the budget should have been amended but was not.

**Effect:**

Submitting grant expenditure reports that do not accurately reflect expenditures and failure to comply with grant budget requirements could lead to the granting agency requesting reimbursement or loss of future grant funding.

**Cause:**

The new financial team discovered expenditures were classified incorrectly.

**Recommendation:**

The ROE should implement adequate internal controls to ensure that year-end expenditure reports match the trial balance. The ROE should ensure that budgeted and actual expenditures are compared periodically and at the end of the grant period and should amend grant budgets as needed when required by the grantor.

**Management's Response:**

The newly established ROE financial team reviews the expenditures on a monthly basis to ensure financial reports match trial balance figures.

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

**CORRECTIVE ACTION PLAN FOR  
CURRENT YEAR AUDIT FINDINGS  
For the year ended June 30, 2022**

**Corrective Action Plan**

**FINDING NO. 2022-001 – Delay of Audit** (Repeat of Prior Year Findings 21-001, 20-001, 19-002 and 18-002)

**Condition:**

The Regional Office of Education No. 24 did not provide completed financial statements in an auditable form by the August 31, 2022, deadline. The preliminary draft was provided to the auditors on August 28, 2023.

**Plan:**

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

**Anticipated Date of Completion:**

The new Business Manager was hired August 1, 2022. The Office Assistant was hired August 15, 2022. The team immediately began the work of getting back on schedule with the annual audits. The ROE has worked with a CPA firm and is ready to begin the FY23 audit process and plans to be on schedule with the FY24 audit.

**Name of contact person:**

Honorable Christopher Mehochko, Regional Superintendent of Schools

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

**CORRECTIVE ACTION PLAN FOR  
CURRENT YEAR AUDIT FINDINGS  
For the year ended June 30, 2022**

**FINDING NO. 2022-002 – Controls over Grant Compliance** (Repeat of Prior Year Finding 21-003)

**Condition:**

Auditors noted that expenditure reports for two grants, Digital Equity and Elementary and Secondary School Emergency Relief (ESSER) II, reported budgeted expenditures rather than actual expenditures per the accounting records. Expenditures were overreported by \$9,113 and \$3,983, respectively. In addition, for the Digital Equity grant, differences among line items between actual expenditures and budgeted amounts exceeded the thresholds permitted by the Illinois State Board of Education, so the budget should have been amended but was not.

**Plan:**

The newly established ROE financial team reviews the expenditures on a monthly basis to ensure financial reports match trial balance figures.

**Anticipated Date of Completion:**

The new Business Manager was hired August 1, 2022. The Office Assistant was hired August 15, 2022. The team immediately began the work of reviewing grant expenditures on a monthly basis. The team will continue to review grant expenditures on a monthly basis to ensure funds are recorded in a timely manner.

**Name of contact person:**

Honorable Christopher Mehochko, Regional Superintendent of Schools.

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

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

2021-002	Inadequate Census Data for Illinois Municipal Retirement Fund Employees	Not repeated
	<p>In the current year, the Regional Office of Education No. 24 switched to the cash basis of accounting. As a result, a pension liability, deferred inflows of resources, and deferred outflows of resources related to IMRF are no longer reported on the government-wide financial statements. The Regional Office continues to work with IMRF to correct the census data.</p>	
2021-004	Inadequate Monitoring of Collateral on Deposits	Not repeated
	<p>During fieldwork, auditors noted that the Regional Office of Education No. 24 receives and reviews monthly notices from their financial institutions regarding the value of collateral held to secure their deposits. The Regional Office requested the bank to change the date when collateral is adjusted to more closely coincide with the end of the month.</p>	
2021-005	Controls over Cash	Not repeated
	<p>During the current audit, audit testing results indicated that the Regional Office of Education No. 24 implemented corrective actions to improve controls over cash. Auditors noted that cash balances were materially fairly stated.</p>	

## **BASIC FINANCIAL STATEMENTS**

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Cash Basis Statement of Activities and Net Position**  
**As of and for the Year Ended June 30, 2022**  
**Exhibit A**

FUNCTIONS/PROGRAMS	Program Receipts			Net (Disbursements) Receipts and Changes in Cash Basis Net Position		
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
<b>Primary government:</b>						
<b>Governmental activities:</b>						
Instructional services:						
Salaries and benefits	\$ 1,329,285	\$ 5,398	\$ 375,538	\$ (948,349)	\$ -	\$ (948,349)
Pension expense	6,704	8	1,669	(5,027)	-	(5,027)
OPEB expense	3,251	-	835	(2,416)	-	(2,416)
Purchased services	617,785	2,782	75,942	(539,061)	-	(539,061)
Supplies and materials	47,563	-	3,338	(44,225)	-	(44,225)
Other objects	500	194	-	(306)	-	(306)
Capital outlay	49,047	-	-	(49,047)	-	(49,047)
Intergovernmental:						
Payment to other governments	446,950	-	377,208	(69,742)	-	(69,742)
Administrative:						
On-behalf payments	504,100	-	-	(504,100)	-	(504,100)
<b>Total governmental activities</b>	<u>3,005,185</u>	<u>8,382</u>	<u>834,530</u>	<u>(2,162,273)</u>	<u>-</u>	<u>(2,162,273)</u>
<b>Business-type activities:</b>						
Professional development	24,515	23,044	-	-	(1,471)	(1,471)
<b>Total primary government</b>	<u>\$ 3,029,700</u>	<u>\$ 31,426</u>	<u>\$ 834,530</u>	<u>(2,162,273)</u>	<u>(1,471)</u>	<u>(2,163,744)</u>
<b>General receipts:</b>						
Local sources				393,841	-	393,841
State sources				1,411,019	-	1,411,019
On-behalf payments				504,100	-	504,100
Interest				1,907	-	1,907
Total general receipts				<u>2,310,867</u>	<u>-</u>	<u>2,310,867</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				148,594	(1,471)	147,123
<b>CASH BASIS NET POSITION, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>				<u>1,196,424</u>	<u>57,168</u>	<u>1,253,592</u>
<b>CASH BASIS NET POSITION, END OF YEAR</b>				<u>\$ 1,345,018</u>	<u>\$ 55,697</u>	<u>\$ 1,400,715</u>
<b>CASH BASIS NET POSITION</b>						
Restricted				\$ 327,643	\$ -	\$ 327,643
Unrestricted				1,017,375	55,697	1,073,072
<b>TOTAL CASH BASIS NET POSITION</b>				<u>\$ 1,345,018</u>	<u>\$ 55,697</u>	<u>\$ 1,400,715</u>

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

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Governmental Funds**  
**Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Exhibit B**

	Special Revenue Funds				Total Governmental Funds
	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	
<b>RECEIPTS</b>					
Local sources	\$ 305,323	\$ -	\$ 88,518	\$ 8,382	\$ 402,223
State sources	1,411,019	376,488	-	1,834	1,789,341
Federal sources	-	456,208	-	-	456,208
Interest	560	-	1,053	294	1,907
On-behalf payments	283,985	-	-	-	283,985
Total receipts	<u>2,000,887</u>	<u>832,696</u>	<u>89,571</u>	<u>10,510</u>	<u>2,933,664</u>
<b>DISBURSEMENTS</b>					
Instructional services:					
Salaries and benefits	920,587	394,294	-	14,404	1,329,285
Pension expense	4,539	2,144	-	21	6,704
OPEB expense	1,947	1,304	-	-	3,251
Purchased services	480,523	78,543	51,292	7,427	617,785
Supplies and materials	44,065	3,498	-	-	47,563
Other objects	-	-	-	500	500
Intergovernmental:					
Payments to other governments	50,000	396,950	-	-	446,950
Administrative					
On-behalf payments	283,985	-	-	-	283,985
Capital outlay	49,047	-	-	-	49,047
Total disbursements	<u>1,834,693</u>	<u>876,733</u>	<u>51,292</u>	<u>22,352</u>	<u>2,785,070</u>
<b>CHANGES IN CASH AND CASH EQUIVALENTS</b>	166,194	(44,037)	38,279	(11,842)	148,594
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 11)</b>	<u>967,595</u>	<u>(41,416)</u>	<u>257,359</u>	<u>12,886</u>	<u>1,196,424</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,133,789</u>	<u>\$ (85,453)</u>	<u>\$ 295,638</u>	<u>\$ 1,044</u>	<u>\$ 1,345,018</u>
<b>CASH BASIS FUND BALANCES</b>					
Restricted	\$ -	\$ 15,375	\$ 295,638	\$ 16,630	\$ 327,643
Assigned	475,620	-	-	-	475,620
Unassigned	658,169	(100,828)	-	(15,586)	541,755
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 1,133,789</u>	<u>\$ (85,453)</u>	<u>\$ 295,638</u>	<u>\$ 1,044</u>	<u>\$ 1,345,018</u>

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

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Proprietary Funds**  
**Statement of Cash Receipts, Disbursements, and**  
**Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Exhibit C**

	Business-type Activities Nonmajor Enterprise Funds				Totals
	Criminal Backgrounds	Grundy County Summer School	Will County Summer School	Professional Teaching and Training Center	
<b>OPERATING RECEIPTS</b>					
Charges for services					
Tuition	\$ -	\$ 1,545	\$ -	\$ -	\$ 1,545
Registration fees	13,420	-	-	8,079	21,499
Total operating receipts	<u>13,420</u>	<u>1,545</u>	<u>-</u>	<u>8,079</u>	<u>23,044</u>
<b>OPERATING DISBURSEMENTS</b>					
Salaries and benefits	-	15,078	-	-	15,078
Pension expense	-	48	-	-	48
Purchased services	8,688	-	-	701	9,389
Total operating disbursements	<u>8,688</u>	<u>15,126</u>	<u>-</u>	<u>701</u>	<u>24,515</u>
<b>CHANGES IN CASH AND CASH EQUIVALENTS</b>	4,732	(13,581)	-	7,378	(1,471)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 11)</b>	<u>33,310</u>	<u>1,086</u>	<u>348</u>	<u>22,424</u>	<u>57,168</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 38,042</u>	<u>\$ (12,495)</u>	<u>\$ 348</u>	<u>\$ 29,802</u>	<u>\$ 55,697</u>
<b>CASH BASIS NET POSITION</b>					
Unrestricted	<u>\$ 38,042</u>	<u>\$ (12,495)</u>	<u>\$ 348</u>	<u>\$ 29,802</u>	<u>\$ 55,697</u>

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

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Fiduciary Funds**  
**Statement of Cash Additions, Deductions, and**  
**Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Exhibit D**

	<b>Private Purpose Scholarship Funds</b>		<b>Custodial Fund</b>	<b>Total</b>
	<b>Martha Slyther Scholarship Fund</b>	<b>Community Foundation Scholarship Fund</b>	<b>Distributive Fund</b>	
<b>ADDITIONS</b>				
Grants and other collections from other governments	\$ 7	\$ -	\$ 2,022,416	\$ 2,022,423
<b>DEDUCTIONS</b>				
Service charges	-	-	-	-
Scholarships and awards	1,065	-	-	1,065
Payments of grants and others to other government	-	-	1,819,489	1,819,489
Total deductions	<u>1,065</u>	<u>-</u>	<u>1,819,489</u>	<u>1,820,554</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,058)	-	202,927	201,869
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 11)</b>	<u>9,512</u>	<u>500</u>	<u>114,065</u>	<u>124,077</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 8,454</u>	<u>\$ 500</u>	<u>\$ 316,992</u>	<u>\$ 325,946</u>
<b>CASH BASIS FUND BALANCES</b>				
Restricted for scholarships	\$ 8,454	\$ 500	\$ -	\$ 8,954
Restricted for other governments	-	-	316,992	316,992
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 8,454</u>	<u>\$ 500</u>	<u>\$ 316,992</u>	<u>\$ 325,946</u>

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

A. Reporting Entity

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

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

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

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Government-wide and Fund Financial Statements

**Government-wide Financial Statement**

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

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function or segment is offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants, contributions and interest restricted to meeting the operational requirements or capital requirements of a particular function. Other items not properly included among program receipts are reported instead as general receipts.

**Fund Financial Statement**

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

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

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

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

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

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

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

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

Elementary and Secondary School Emergency Relief II (ESSER II) - To account for grant monies received, and disbursements paid for emergency assistance as a result of the COVID-19 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted on December 27, 2020.

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

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

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

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

Proprietary Funds

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

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

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

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

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

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

Fiduciary Funds

Fiduciary funds reporting focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. The Regional Office of Education No. 24 fiduciary funds include the following:

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

C. Measurement Focus and Basis of Accounting

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

**D. Cash and cash equivalents**

The Regional Office of Education No. 24 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that Regional Office of Education No. 24 deposit funds under its control into accounts insured by the federal governments, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

E. Interfund Transactions

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

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

F. Net Position

The Cash Basis Statement of Activities and Net Position presents the Regional Office of Education No. 24's nonfiduciary net position. Net position is reported in the following categories/components:

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

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

G. Governmental Cash Basis Fund Balance

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

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Restricted Fund Balance - the portion of a governmental fund's fund balance that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Truants Alternative Optional Educational Program, McKinney - Vento Education for Homeless Children and Youth, Title II - Teacher Quality - Leadership Grant, and Emergency Assistance for Nonpublic Schools. The following funds are restricted by Illinois Statute: Institute and School Bus Driver.

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

Assigned Fund Balance - the portion of a governmental fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts comprise assigned fund balance: Grundy/Kendall Counties State Aid, Outdoor Education Cooperative, and Kendall County Special Education Cooperative.

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

H. Compensated Absences

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

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

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

I. Employer Contributions to Pension and OPEB Plans

The Regional Office of Education No. 24 recognizes the disbursement for employer contributions to pension and other employer postemployment benefits (OPEB) plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for OPEB.

J. Budgets and Budgetary Accounting

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

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

K. New Accounting Pronouncements

In 2022, the Regional Office of Education No. 24 implemented GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, GASB Statement No. 92, *Omnibus 2020*, GASB Statement No. 93, *Replacement of Interbank Offered Rates*, GASB Statement No. 97, *Certain Component Unit Criteria*, and GASB Statement No. 98, *The Annual Comprehensive Financial Report*.

GASB Statement No. 87 improves accounting and financial reporting for leases by governments. The implementation of GASB Statement Nos. 89, 92, 93, 97, and 98 does not have a significant impact to the Regional Office of Education No. 24's cash basis financial statements.

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

L. Interest on Distributive Fund Accounts

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

**NOTE 2      CASH AND CASH EQUIVALENTS**

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

Deposits

At June 30, 2022, the carrying amount of the Regional Office of Education No. 24's governmental activities, business-type activities, and fiduciary funds were \$1,345,017, \$55,697, and \$325,946, respectively. The bank balances totaled \$1,685,310, of which \$562,577 was covered by FDIC insurance, \$1,108,553 was collateralized, and \$14,180 was uninsured and uncollateralized.

At June 30, 2022, the carrying amount of the Regional Office of Education No. 24's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$92,652. The bank balance invested in the Illinois Funds Money Market Fund was \$92,652. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 24's governmental activities.

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

*Credit Risk.* At June 30, 2022, the Illinois Funds Money Market Fund had a Fitch's AAAMf rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

*Interest Rate Risk.* The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds an investment option with a

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 2 CASH AND CASH EQUIVALENTS (Continued)**

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

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

**NOTE 3 RISK MANAGEMENT - CLAIMS AND JUDGMENTS**

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

**NOTE 4 CONTINGENCIES**

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

**NOTE 5 BOND**

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

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

**NOTE 6      RETIREMENT FUND COMMITMENTS**

**Teachers' Retirement System of the State of Illinois**

**Plan Description**

The Regional Office of Education No. 24 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/acfrs/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 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

**NOTE 6      RETIREMENT FUND COMMITMENTS (Continued)**

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 member to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and will be funded by bonds issued by the State of Illinois.

**Contributions**

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 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. 24.

***On-behalf contributions to TRS.*** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 24. For the year ended June 30, 2022, State of Illinois contributions recognized by the ROE were based on the State's proportionate share of with the pension expense associated with the Regional Office of Education No. 24, and the Regional Office of Education No. 24 recognized revenue and expenditures of \$210,134 in pension contributions from the State of Illinois.

***2.2 formula contributions.*** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022 were \$2,397.

***Federal and special trust fund contributions.*** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 24, there is a statutory requirement for the Regional Office of Education No. 24 to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

**NOTE 6 RETIREMENT FUND COMMITMENTS (Continued)**

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

For the year ended June 30, 2022, the employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, no contributions were required for salaries made from federal and special trust funds.

***Employer retirement cost contributions.*** Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education No. 24 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the Regional Office of Education No. 24 did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

**Illinois Municipal Retirement Fund**

**IMRF Plan Description**

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

**NOTE 6      RETIREMENT FUND COMMITMENTS (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.

**Contributions**

As set by statute, the Regional Office of Education No. 24's regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The ROE's annual contribution rate for calendar year 2021 was 0.81%. For the fiscal year ended 2022,

**NOTE 6 RETIREMENT FUND COMMITMENTS (Continued)**

the Regional Office of Education No. 24 contributed \$4,307 to the plan. The Regional Office of Education No. 24 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Social Security**

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

**NOTE 7 OTHER POST EMPLOYMENT BENEFITS**

**Teachers' Health Insurance Security Fund**

**Plan Description**

The Regional Office of Education No. 24 participates in the Teacher's Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (CMS) as of July 1, 2013. The CMS administers the plan with the cooperation of the TRS.

**Benefits Provided**

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 required all active contributors to TRS who are not employees of the State to make a contribution to the THIS Fund.

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 7      OTHER POST EMPLOYMENT BENEFITS (Continued)**

A percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

**On-Behalf Contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 24. For the year ended June 30, 2022, State of Illinois contributions recognized by the Regional Office of Education No. 24 were based on the State's proportionate share of the collective net OPEB liability associated with the Regional Office of Education No. 24, and recognized receipts and disbursements of \$9,981 in OPEB contributions from the State of Illinois.

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

The Regional Office of Education No. 24 also makes contributions to THIS Fund. The ROE THIS Fund contribution was 0.67 percent during the year ended June 30, 2022 and 0.92, 0.92, 0.92, 0.88, 0.84, and 0.80 percent during the years ended June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, June 30, 2017 and June 30, 2016, respectively. For the year ended June 30, 2022 the Regional Office of Education No. 24 paid \$3,251 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, June 30, 2017, and June 30, 2016, the ROE paid \$3,685, \$4,510, \$4,095, \$3,517, \$3,402, and \$3,065, 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."

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

**NOTE 8      DEFICIT FUND BALANCES**

The following individual funds carried the following deficit balances as of June 30, 2022.

<b>Funds with Deficit Fund Balances</b>	<b>Amount</b>
General Fund:	
Payroll	\$      27,689
Education Fund:	
WIA Grant	58,597
Regional Safe School	19,180
Digital Equity	22,171
American Rescue Plan - McKinney Vento	880
Nonmajor Special Revenue Fund:	
General Education Development	15,586
Nonmajor Enterprise Fund:	
Grundy County Summer School	12,495
Total	\$      156,598

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

**NOTE 9      ON-BEHALF CONTRIBUTIONS**

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

Regional Superintendent Salary	\$      124,308
Assistant Regional Superintendent Salary	111,876
Regional Superintendent Benefits (includes State paid insurance)	40,783
Assistant Regional Superintendent Benefits (includes State paid insurance)	7,018
Total	\$      283,985

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the ISBE. The Regional Office of Education No. 24 recorded the on-behalf payments as both revenues and expenditures in the general fund.

The ROE also recorded \$220,115 in revenues and expenses as on-behalf payments from ISBE for the Regional Office of Education No. 24's share of the State's TRS pension expense and THIS OPEB expense in the Statement of Activities.

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

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**NOTE 9 ON-BEHALF CONTRIBUTIONS (Continued)**

In addition, the Regional Office of Education No. 24 has not included any on-behalf payments related to the State's TRS pension expense and THIS OPEB expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$	283,985
Regional Office of Education No. 24's share of TRS pension expense		210,134
THIS fund pension expense		<u>9,981</u>
Total	\$	<u><u>504,100</u></u>

**NOTE 10 LEASE COMMITMENT**

On June 25, 2012, the Regional Office entered into a lease agreement for a new alternative school location. The lease term is July 1, 2015 through June 30, 2023. The agreement provides for a four-year extension and the landlord is to make certain leasehold improvements to the structure. The agreement required the Regional Office to place the sum of \$494,802 into a Strict Joint Order Escrow investment account upon execution of the lease. This amount will be decreased by base rent of \$131,714 each year. This will increase each year by the Consumer Price Index for all Urban Consumers (CPI-U).

Rental expense for the year ended June 30, 2022 was \$100,000.

Future minimum rentals for the year ending June 30, 2023 is \$100,000.

**NOTE 11 CHANGE IN BASIS OF ACCOUNTING**

On June 25, 2021, House Bill 1934 was passed which amends the School Code (105 ILCS 5/2-3.17a). Effective June 26, 2021, the Regional Office of Education or Educational Service Center may utilize a cash basis, modified cash basis, or Generally Accepted Accounting Principles (GAAP) basis of accounting in the preparation of the financial statements.

Prior to fiscal year 2022, the Regional Office of Education's financial statements were prepared using the GAAP basis of accounting. Pursuant to the newly passed House Bill, the Regional Office of Education No. 24 has implemented cash basis of accounting in the preparation of its financial statements as of and for the year ended June 30, 2022, as described in Note 1.

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Notes to the Financial Statements  
June 30, 2022**

**NOTE 11 CHANGE IN BASIS OF ACCOUNTING (Continued)**

The effect of this change follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Net position, beginning of year, as previously reported	\$ 800,572	\$ 57,498
Cumulative effect of change in accounting basis	395,852	(330)
Net position, beginning of year, as restated	\$ 1,196,424	\$ 57,168

	<b>General Fund</b>	<b>Education Fund</b>	<b>Institute Fund</b>	<b>Nonmajor Special Revenue Fund</b>	<b>Nonmajor Enterprise Fund</b>
Fund balances (deficit), beginning of year, as previously reported	\$ 937,946	\$ (12,890)	\$ 337,677	\$ 39,394	\$ 57,498
Cumulative effect of change in accounting basis	29,649	(28,526)	(80,318)	(26,508)	(330)
Fund balances (deficit), beginning of year, as restated	\$ 967,595	\$ (41,416)	\$ 257,359	\$ 12,886	\$ 57,168

**NOTE 12 SUBSEQUENT EVENTS**

Subsequent events have been evaluated through January 26, 2024, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**General Fund**  
**Combining Schedule of Cash Receipts, Disbursements, and**  
**Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Schedule I**

	<u>General School Fund</u>	<u>Payroll</u>	<u>Grundy/Kendall Counties State Aid</u>	<u>Premier Local Revenue</u>
<b>RECEIPTS</b>				
Local sources	\$ 40,182	\$ 118,552	\$ -	\$ 1,300
State sources	-	-	1,411,019	-
On-behalf payments	283,985	-	-	-
Interest	356	-	-	-
Total receipts	<u>324,523</u>	<u>118,552</u>	<u>1,411,019</u>	<u>1,300</u>
<b>DISBURSEMENTS</b>				
Instructional services:				
Salaries and benefits	-	122,063	700,648	-
Pension expense	-	942	3,597	-
OPEB expense	-	-	1,947	-
Purchased services	12,304	-	434,654	142
Supplies and materials	1,449	-	41,477	-
Intergovernmental:				
Payments to other governments	-	-	50,000	-
Administrative:				
On-behalf payments	283,985	-	-	-
Capital outlay	-	-	49,047	-
Total disbursements	<u>297,738</u>	<u>123,005</u>	<u>1,281,370</u>	<u>142</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	26,785	(4,453)	129,649	1,158
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 11)</b>	<u>627,365</u>	<u>(23,236)</u>	<u>293,534</u>	<u>30,308</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 654,150</u>	<u>\$ (27,689)</u>	<u>\$ 423,183</u>	<u>\$ 31,466</u>
<b>CASH BASIS FUND BALANCES</b>				
Assigned	\$ -	\$ -	\$ 423,183	\$ -
Unassigned	654,150	(27,689)	-	31,466
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 654,150</u>	<u>\$ (27,689)</u>	<u>\$ 423,183</u>	<u>\$ 31,466</u>

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**General Fund**  
**Combining Schedule of Cash Receipts, Disbursements, and**  
**Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 1 (Continued)**

	<b>Outdoor Education Cooperative</b>	<b>Kendall County Special Education Cooperative</b>	<b>Distributive Interest Fund</b>	<b>Totals</b>
<b>RECEIPTS</b>				
Local sources	\$ 145,289	\$ -	\$ -	\$ 305,323
State sources	-	-	-	1,411,019
On-behalf payments	-	-	-	283,985
Interest	-	-	204	560
Total receipts	<u>145,289</u>	<u>-</u>	<u>204</u>	<u>2,000,887</u>
<b>DISBURSEMENTS</b>				
Instructional services:				
Salaries and benefits	97,876	-	-	920,587
Pension expense	-	-	-	4,539
OPEB expense	-	-	-	1,947
Purchased services	33,423	-	-	480,523
Supplies and materials	1,139	-	-	44,065
Intergovernmental:				
Payments to other governments	-	-	-	50,000
Administrative:				
On-behalf payments	-	-	-	283,985
Capital outlay	-	-	-	49,047
Total disbursements	<u>132,438</u>	<u>-</u>	<u>-</u>	<u>1,834,693</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	12,851	-	204	166,194
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 11)</b>	<u>14,995</u>	<u>24,591</u>	<u>38</u>	<u>967,595</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 27,846</u>	<u>\$ 24,591</u>	<u>\$ 242</u>	<u>\$ 1,133,789</u>
<b>CASH BASIS FUND BALANCES</b>				
Assigned	\$ 27,846	\$ 24,591	\$ -	\$ 475,620
Unassigned	-	-	242	658,169
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 27,846</u>	<u>\$ 24,591</u>	<u>\$ 242</u>	<u>\$ 1,133,789</u>

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Education Fund**  
**Combining Schedule of Cash Receipts, Disbursements, and**  
**Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 2**

	WIA Grant	Truants Alternative Optional Educational Program	McKinney - Vento Education for Homeless Children and Youth	ROE/ISC Operations	Title II - Teacher Quality - Leadership Grant
<b>RECEIPTS</b>					
State sources	\$ -	\$ 99,738	\$ -	\$ 162,175	\$ -
Federal sources	159,036	-	14,500	-	-
Total receipts	<u>159,036</u>	<u>99,738</u>	<u>14,500</u>	<u>162,175</u>	<u>-</u>
<b>DISBURSEMENTS</b>					
Instructional services:					
Salaries and benefits	146,080	121,840	11,190	-	-
Pension expense	829	628	152	-	-
OPEB expense	-	578	-	-	-
Purchased services	6,746	1,550	2,583	-	-
Supplies and materials	2,469	500	529	-	-
Intergovernmental:					
Payments to other governments	-	-	-	162,175	-
Capital outlay	-	-	-	-	-
Total disbursements	<u>156,124</u>	<u>125,096</u>	<u>14,454</u>	<u>162,175</u>	<u>-</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,912	(25,358)	46	-	-
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>	<u>(61,509)</u>	<u>29,970</u>	<u>5,390</u>	<u>-</u>	<u>3,842</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ (58,597)</u></u>	<u><u>\$ 4,612</u></u>	<u><u>\$ 5,436</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,842</u></u>
<b>CASH BASIS FUND BALANCES</b>					
Restricted	\$ -	\$ 4,612	\$ 5,436	\$ -	\$ 3,842
Unassigned	(58,597)	-	-	-	-
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u><u>\$ (58,597)</u></u>	<u><u>\$ 4,612</u></u>	<u><u>\$ 5,436</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,842</u></u>

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Education Fund**  
**Combining Schedule of Cash Receipts, Disbursements, and**  
**Changes in Cash and Cash Equivalents**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 2 (Continued)**

	<u>Regional Safe School</u>	<u>Digital Equity</u>	<u>American Rescue Plan - McKinney Vento</u>	<u>ESSER II</u>	<u>Emergency Assistance for Nonpublic Schools</u>	<u>Totals</u>
<b>RECEIPTS</b>						
State sources	\$ 114,575	\$ -	\$ -	\$ -	\$ -	\$ 376,488
Federal sources	-	30,813	5,000	10,599	236,260	456,208
Total receipts	<u>114,575</u>	<u>30,813</u>	<u>5,000</u>	<u>10,599</u>	<u>236,260</u>	<u>832,696</u>
<b>DISBURSEMENTS</b>						
Instructional services:						
Salaries and benefits	115,184	-	-	-	-	394,294
Pension expense	535	-	-	-	-	2,144
OPEB expense	726	-	-	-	-	1,304
Purchased services	29,014	22,171	5,880	10,599	-	78,543
Supplies and materials	-	-	-	-	-	3,498
Intergovernmental:						
Payments to other governments	-	-	-	-	234,775	396,950
Capital outlay	-	-	-	-	-	-
Total disbursements	<u>145,459</u>	<u>22,171</u>	<u>5,880</u>	<u>10,599</u>	<u>234,775</u>	<u>876,733</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	(30,884)	8,642	(880)	-	1,485	(44,037)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>	<u>11,704</u>	<u>(30,813)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(41,416)</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ (19,180)</u>	<u>\$ (22,171)</u>	<u>\$ (880)</u>	<u>\$ -</u>	<u>\$ 1,485</u>	<u>\$ (85,453)</u>
<b>CASH BASIS FUND BALANCES</b>						
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 1,485	\$ 15,375
Unassigned	(19,180)	(22,171)	(880)	-	-	(100,828)
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ (19,180)</u>	<u>\$ (22,171)</u>	<u>\$ (880)</u>	<u>\$ -</u>	<u>\$ 1,485</u>	<u>\$ (85,453)</u>

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Education Fund**  
**Budgetary Comparison Schedule**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 3**

	WIA Grant				Truants Alternative Optional Education Program			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>RECEIPTS</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 119,686	\$ 119,686	\$ 99,738	\$ (19,948)
Federal sources	166,808	166,808	159,036	(7,772)	-	-	-	-
Total receipts	166,808	166,808	159,036	(7,772)	119,686	119,686	99,738	(19,948)
<b>DISBURSEMENTS</b>								
Instructional services:								
Salaries and benefits	99,622	99,622	146,080	(46,458)	116,839	116,839	121,840	(5,001)
Pension expense	-	-	829	(829)	-	-	628	(628)
OPEB expense	-	-	-	-	-	-	578	(578)
Purchased services	66,226	66,226	6,746	59,480	2,347	2,347	1,550	797
Supplies and materials	960	960	2,469	(1,509)	500	500	500	-
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	166,808	166,808	156,124	10,684	119,686	119,686	125,096	(5,410)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,912</b>	<b>\$ 2,912</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(25,358)</b>	<b>\$ (25,358)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>			<u>(61,509)</u>				<u>29,970</u>	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			<u>\$ (58,597)</u>				<u>\$ 4,612</u>	

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Education Fund**  
**Budgetary Comparison Schedule**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 3 (Continued)**

	McKinney - Vento Education for Homeless Children and Youth				ROE/ISC Operations			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>RECEIPTS</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 162,175	\$ 162,175	\$ 162,175	\$ -
Federal sources	14,500	14,500	14,500	-	-	-	-	-
Total receipts	14,500	14,500	14,500	-	162,175	162,175	162,175	-
<b>DISBURSEMENTS</b>								
Instructional services:								
Salaries and benefits	11,342	11,342	11,190	152	99,329	99,329	-	99,329
Pension expense	-	-	152	(152)	-	-	-	-
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	2,858	2,858	2,583	275	60,046	60,046	-	60,046
Supplies and materials	300	300	529	(229)	2,800	2,800	-	2,800
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	162,175	(162,175)
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	14,500	14,500	14,454	46	162,175	162,175	162,175	-
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	\$ -	\$ -	46	\$ 46	\$ -	\$ -	-	\$ -
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>			5,390				-	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			\$ 5,436				\$ -	

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Education Fund**  
**Budgetary Comparison Schedule**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 3 (Continued)**

	Regional Safe School				Digital Equity			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>RECEIPTS</b>								
State sources	\$ 137,491	\$ 137,491	\$ 114,575	\$ (22,916)	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	31,284	31,284	30,813	(471)
Total receipts	<u>137,491</u>	<u>137,491</u>	<u>114,575</u>	<u>(22,916)</u>	<u>31,284</u>	<u>31,284</u>	<u>30,813</u>	<u>(471)</u>
<b>DISBURSEMENTS</b>								
Instructional services:								
Salaries and benefits	108,497	108,497	115,184	(6,687)	-	-	-	-
Pension expense	-	-	535	(535)	-	-	-	-
OPEB expense	-	-	726	(726)	-	-	-	-
Purchased services	28,994	28,994	29,014	(20)	10,702	10,702	22,171	(11,469)
Supplies and materials	-	-	-	-	20,582	20,582	-	20,582
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>137,491</u>	<u>137,491</u>	<u>145,459</u>	<u>(7,968)</u>	<u>31,284</u>	<u>31,284</u>	<u>22,171</u>	<u>9,113</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(30,884)</u>	<u>\$ (30,884)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>8,642</u>	<u>\$ 8,642</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>			<u>11,704</u>				<u>(30,813)</u>	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			<u>\$ (19,180)</u>				<u>\$ (22,171)</u>	

**Grundy and Kendall Counties**  
**Regional Office of Education No. 24**  
**Education Fund**  
**Budgetary Comparison Schedule**  
**As of and for the Year Ended June 30, 2022**  
**Schedule 3 (Continued)**

	American Rescue Plan - McKinney Vento				ESSER II			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
<b>RECEIPTS</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	20,000	20,000	5,000	(15,000)	14,582	14,582	10,599	(3,983)
Total receipts	20,000	20,000	5,000	(15,000)	14,582	14,582	10,599	(3,983)
<b>DISBURSEMENTS</b>								
Instructional services:								
Salaries and benefits	-	-	-	-	2,500	2,500	-	2,500
Pension expense	-	-	-	-	-	-	-	-
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	20,000	20,000	5,880	14,120	10,000	10,000	10,599	(599)
Supplies and materials	-	-	-	-	2,082	2,082	-	2,082
Intergovernmental:								
Payment to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	20,000	20,000	5,880	14,120	14,582	14,582	10,599	3,983
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(880)</b>	<b>\$ (880)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR AS RESTATED (SEE NOTE 11)</b>				-				-
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>				<b>\$ (880)</b>				<b>\$ -</b>

**Grundy and Kendall Counties  
Regional Office of Education No. 24  
Nonmajor Special Revenue Funds  
Combining Schedule of Cash Receipts, Disbursements, and  
Changes in Cash and Cash Equivalents  
As of and for the Year Ended June 30, 2022  
Schedule 4**

	<u>School Bus Driver</u>	<u>General Education Development</u>	<u>Totals</u>
<b>RECEIPTS</b>			
Local sources	\$ 6,390	\$ 1,992	\$ 8,382
State sources	1,834	-	1,834
Interest	294	-	294
Total receipts	<u>8,518</u>	<u>1,992</u>	<u>10,510</u>
<b>DISBURSEMENTS</b>			
Instructional services:			
Salaries and benefits	-	14,404	14,404
Pension expense	-	21	21
Purchased services	6,501	926	7,427
Other objects	500	-	500
Total disbursements	<u>7,001</u>	<u>15,351</u>	<u>22,352</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	1,517	(13,359)	(11,842)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 11)</b>	<u>15,113</u>	<u>(2,227)</u>	<u>12,886</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 16,630</u>	<u>\$ (15,586)</u>	<u>\$ 1,044</u>
<b>CASH BASIS FUND BALANCES</b>			
Restricted - others	\$ 16,630	\$ -	\$ 16,630
Unassigned	-	(15,586)	(15,586)
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 16,630</u>	<u>\$ (15,586)</u>	<u>\$ 1,044</u>