

State of Illinois
KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
FOR THE YEAR ENDED JUNE 30, 2024

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
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KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
OFFICIALS

OFFICIALS

Regional Superintendent (Current and during the audit period)

Ms. Patricia Dal Santo

Assistant Regional Superintendent (Current and during the audit period)

Dr. Deanna Oliver

Office is located at:
28 N. First Street
Geneva, Illinois 60134

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

COMPLIANCE REPORT SUMMARY

For the Year Ended June 30, 2024

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

AUDITOR'S REPORT

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

SUMMARY OF AUDIT FINDINGS

Number of	This Audit	Prior Audit
Audit findings	0	0
Repeated audit findings	0	0
Prior recommendations implemented or not repeated	0	1

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

Item No.	Page	Description	Finding Type
<i>FINDINGS (GOVERNMENT AUDITING STANDARDS)</i>			
		None	
<i>FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)</i>			
		None	
<i>PRIOR AUDIT FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)</i>			
		None	
<i>PRIOR AUDIT FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)</i>			
		None	

EXIT CONFERENCE

The Kane County Regional Office of Education No. 31 did not request an exit conference to discuss the audit for the year ended June 30, 2024.

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31
FINANCIAL STATEMENT REPORT SUMMARY

For the Year Ended June 30, 2024

The audit of the accompanying modified cash basis financial statements of the Kane County Regional Office of Education No. 31 was performed by GW & Associates PC.

Based on their audit, the auditors expressed an unmodified opinion on the Kane County Regional Office of Education No. 31's modified cash basis financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Kane County Regional Office of Education No. 31, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Kane County Regional Office of Education No. 31's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kane County Regional Office of Education No. 31, as of June 30, 2024, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with modified 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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Kane County Regional Office of Education No. 31, and to meet our 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 your attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United State 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 modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kane County Regional Office of Education No. 31'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 Kane County Regional Office of Education No. 31's basic financial statements. The modified cash basis combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the modified cash basis combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Expenditures of Federal Awards, as required by Uniform Guidance are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the modified cash basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, on our consideration of the Kane County Regional Office of Education No. 31'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 Kane County Regional Office of Education No. 31'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 Kane County Regional Office of Education No. 31's internal control over financial reporting and compliance.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 31, 2025



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kane County Regional Office of Education No. 31, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Kane County Regional Office of Education No. 31's modified cash basis financial statements, and we have issued our report thereon dated March 31, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Kane County Regional Office of Education No. 31's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the modified cash basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kane County Regional Office of Education No. 31'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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Kane County Regional Office of Education No. 31's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kane County Regional Office of Education No. 31'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 Kane County Regional Office of Education No. 31's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 31, 2025



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

As Special Assistant Auditors for the Auditor General, we have audited compliance by the Kane County Regional Office of Education No. 31 with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Kane County Regional Office of Education No. 31's major federal programs for the year ended June 30, 2024. The Kane County Regional Office of Education No. 31's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Kane County Regional Office of Education No. 31 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the Kane County Regional Office of Education No. 31 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Kane County Regional Office of Education No. 31's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Kane County Regional Office of Education No. 31's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Kane County Regional Office of Education No. 31's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Kane County Regional Office of Education No. 31's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Kane County Regional Office of Education No. 31's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Kane County Regional Office of Education No. 31's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control

over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 31, 2025

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements in Accordance with Modified Cash Basis

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? No
- Significant deficiency identified? None reported
- Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness identified? No
- Significant deficiency identified? No

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

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

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
84.425	COVID-19 - Education Stabilization Fund

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

Auditee qualified as low-risk auditee? No

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section II - Financial Statement Findings

No findings were noted for the year ended June 30, 2024.

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section III - Federal Award Findings

No findings were noted for the year ended June 30, 2024.

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS

For the Year Ended June 30, 2024

Corrective Action Plan

No findings were noted for the year ended June 30, 2024.

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED

For the Year Ended June 30, 2024

No findings were noted for the year ended June 30, 2023.

BASIC FINANCIAL STATEMENTS

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 15,978,812	\$ 360,149	\$ 16,338,961
Investments	1,754,948	-	1,754,948
Total Current Assets	17,733,760	360,149	18,093,909
Noncurrent Assets:			
Capital assets, net	18,866	55,655	74,521
Total Assets	\$ 17,752,626	\$ 415,804	\$ 18,168,430
NET POSITION			
Net investment in capital assets	\$ 18,866	\$ 55,655	\$ 74,521
Restricted for educational purposes	2,617,412	-	2,617,412
Unrestricted	15,116,348	360,149	15,476,497
Total Net Position	\$ 17,752,626	\$ 415,804	\$ 18,168,430

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

YEAR ENDED JUNE 30, 2024

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Operating</u>		<u>Primary Government</u>		
		<u>Charges for Services</u>	<u>Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Functions/Programs:						
Governmental Activities:						
Instructional Services:						
Salaries and benefits	\$ 1,821,660	\$ -	\$ 2,057,954	\$ 236,294	\$ -	\$ 236,294
Purchased services	1,402,393	-	1,583,956	181,560	-	181,560
Supplies and materials	179,377	-	202,081	22,707	-	22,707
Other objects	930	-	1,486	556	-	556
Pension	55,847	-	62,407	6,560	-	6,560
OPEB	2,040	-	2,972	932	-	932
Capital outlay	136,529	-	154,532	18,003	-	18,003
Depreciation	7,074	-	-	(7,074)	-	(7,074)
Intergovernmental:						
Payments to other governments	9,555,506	-	10,793,484	1,237,978	-	1,237,978
Total Governmental Activities	<u>13,161,356</u>	<u>-</u>	<u>14,858,872</u>	<u>1,697,516</u>	<u>-</u>	<u>1,697,516</u>
Business-Type Activities:						
Operating	1,069,915	733,324	-	-	(336,591)	(336,591)
Total Primary Government	<u>\$ 14,231,271</u>	<u>\$ 733,324</u>	<u>\$ 14,858,872</u>	<u>1,697,516</u>	<u>(336,591)</u>	<u>1,360,925</u>
General Revenues and Transfers:						
Local sources				250,415	-	250,415
Interest				782,387	-	782,387
Transfers				(265,292)	265,292	-
Total General Revenues and Transfers				<u>767,510</u>	<u>265,292</u>	<u>1,032,802</u>
Changes in net position				2,465,026	(71,299)	2,393,727
Net position at beginning of year				<u>15,287,600</u>	<u>487,103</u>	<u>15,774,703</u>
Net position at end of year				<u>\$ 17,752,626</u>	<u>\$ 415,804</u>	<u>\$ 18,168,430</u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 13,361,400	\$ 100,149	\$ 2,250,500	\$ 266,763	\$ 15,978,812
Due from other funds	100,412	-	-	-	100,412
Investments	1,754,948	-	-	-	1,754,948
Total Assets	\$ 15,216,760	\$ 100,149	\$ 2,250,500	\$ 266,763	\$ 17,834,172
LIABILITIES AND FUND BALANCES (DEFICIT)					
Liabilities:					
Due to Other funds	\$ -	\$ 100,412	\$ -	\$ -	\$ 100,412
Fund Balances (Deficit):					
Restricted	-	100,149	2,250,500	266,763	2,617,412
Assigned	3,952,505	-	-	-	3,952,505
Unassigned	11,264,255	(100,412)	-	-	11,163,843
Total Fund Balances (Deficit)	15,216,760	(263)	2,250,500	266,763	17,733,760
Total Liabilities and Fund Balances (Deficit)	\$ 15,216,760	\$ 100,149	\$ 2,250,500	\$ 266,763	\$ 17,834,172

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
RECONCILIATION OF THE BALANCE SHEET - MODIFIED CASH BASIS
TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2024

Total fund balance - governmental funds	\$ 17,733,760
Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>18,866</u>
Net position of governmental activities	<u><u>\$ 17,752,626</u></u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
Revenue:					
Local sources	\$ 16,244	\$ -	\$ 200,244	\$ 33,927	\$ 250,415
State sources	11,289,648	2,418,416	-	3,237	13,711,301
Federal sources	-	1,147,571	-	-	1,147,571
Interest	686,689	-	86,488	9,210	782,387
Total Revenue	<u>11,992,581</u>	<u>3,565,987</u>	<u>286,732</u>	<u>46,374</u>	<u>15,891,674</u>
Expenditures:					
Instructional Services:					
Salaries and benefits	574,880	1,246,780	-	-	1,821,660
Purchased services	180,381	1,006,173	198,645	17,194	1,402,393
Supplies and materials	31,493	141,077	6,343	464	179,377
Other objects	-	-	238	692	930
Pension	24,970	30,877	-	-	55,847
OPEB	707	1,333	-	-	2,040
Intergovernmental:					
Payments to other governments	8,755,506	800,000	-	-	9,555,506
Capital outlay	-	136,529	-	-	136,529
Total Expenditures	<u>9,567,937</u>	<u>3,362,769</u>	<u>205,226</u>	<u>18,350</u>	<u>13,154,282</u>
Excess of revenues over expenditures	<u>2,424,644</u>	<u>203,218</u>	<u>81,506</u>	<u>28,024</u>	<u>2,737,392</u>
Other Financing Sources (Uses):					
Transfers in	46,482	591	-	-	47,073
Transfers out	(73,708)	(238,657)	-	-	(312,365)
Total other Financing Sources (Uses)	<u>(27,226)</u>	<u>(238,066)</u>	<u>-</u>	<u>-</u>	<u>(265,292)</u>
Net changes in fund balances	2,397,418	(34,848)	81,506	28,024	2,472,100
Fund balances at beginning of year	12,819,342	34,585	2,168,994	238,739	15,261,660
Fund balances (deficit) at end of year	<u>\$ 15,216,760</u>	<u>\$ (263)</u>	<u>\$ 2,250,500</u>	<u>\$ 266,763</u>	<u>\$ 17,733,760</u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) - MODIFIED CASH BASIS
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

Net changes in fund balances - governmental funds	\$	2,472,100
<p>Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:</p> <p style="margin-left: 40px;">Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets that are capitalized is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$7,074) exceeded capitalized expenditures (\$0) in the current period.</p>		
		<u>(7,074)</u>
Change in net position of governmental activities	\$	<u><u>2,465,026</u></u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activities		
	ESC Professional Development	Nonmajor Funds	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 218,405	\$ 141,744	\$ 360,149
Noncurrent Assets:			
Capital assets, net	55,655	-	55,655
Total Assets	\$ 274,060	\$ 141,744	\$ 415,804
NET POSITION			
Net investment in capital assets	\$ 55,655	-	\$ 55,655
Unrestricted	218,405	141,744	360,149
Total Net Position	\$ 274,060	\$ 141,744	\$ 415,804

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activities		
	ESC Professional Development	Nonmajor Funds	Total
Operating Revenues:			
Charges for services	\$ 380,522	\$ 352,802	\$ 733,324
Operating Expenses:			
Salaries and benefits	163,505	65,018	228,523
Purchased services	338,303	292,337	630,640
Supplies and materials	86,382	5,262	91,644
Depreciation	21,651	-	21,651
Pension	2,398	2,508	4,906
OPEB	580	-	580
Other objects	3,770	1,569	5,339
Capital outlay	86,632	-	86,632
Total Operating Expenses	703,221	366,694	1,069,915
Operating Income (Loss)	(322,699)	(13,892)	(336,591)
Transfers in (out):			
Transfers in	265,292	-	265,292
Total transfers in (out)	265,292	-	265,292
Changes in net position	(57,407)	(13,892)	(71,299)
Net position at beginning of year	331,467	155,636	487,103
Net position at end of year	\$ 274,060	\$ 141,744	\$ 415,804

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activities		
	ESC Professional Development	Nonmajor Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 380,522	\$ 352,802	\$ 733,324
Payments to suppliers and providers of goods and services	(515,087)	(299,168)	(814,255)
Payments to employees	(166,483)	(67,526)	(234,009)
Net cash flows from operating activities	<u>(301,048)</u>	<u>(13,892)</u>	<u>(314,940)</u>
Cash flows from noncapital financing activities:			
Transfers from (to) other funds	<u>265,292</u>	<u>-</u>	<u>265,292</u>
Cash flows from capital and related financing activities:			
Purchases of capital assets	<u>(19,591)</u>	<u>-</u>	<u>(19,591)</u>
Net decrease in cash and cash equivalents	(55,347)	(13,892)	(69,239)
Cash and cash equivalents, beginning of year	<u>273,752</u>	<u>155,636</u>	<u>429,388</u>
Cash and cash equivalents, end of year	<u>\$ 218,405</u>	<u>\$ 141,744</u>	<u>\$ 360,149</u>
Reconciliation of operating income (loss) to net cash change in operating activities:			
Operating loss	\$ (322,699)	\$ (13,892)	\$ (336,591)
Adjustment to reconcile operating loss to net cash flows from operating activities:			
Depreciation expense	<u>21,651</u>	<u>-</u>	<u>21,651</u>
Net cash flows from operating activities	<u>\$ (301,048)</u>	<u>\$ (13,892)</u>	<u>\$ (314,940)</u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
CUSTODIAL FUNDS
JUNE 30, 2024

ASSETS

Cash and cash equivalents	<u>\$ 28,418</u>
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NET POSITION

Restricted	<u><u>\$ 28,418</u></u>
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The notes to the financial statements are an integral part of these statements.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - MODIFIED CASH BASIS
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2024

Additions:	
State and federal funds collected for other entities	\$ 2,773,980
Funds held for other entities	<u>443,427</u>
Total Additions	<u>3,217,407</u>
Deductions:	
State and federal funds distributed to other entities	2,773,980
Funds held for other entities	<u>408,102</u>
Total Deductions	<u>3,182,082</u>
Changes in net position	35,325
Net position at beginning of year	<u>(6,907)</u>
Net position at end of year	<u><u>\$ 28,418</u></u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies

The accounting policies and presentation of the basic financial statements of the Kane County Regional Office of Education No. 31 ("ROE No. 31 ") have been prepared in conformity with the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, as applicable to governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting entity

The ROE No. 31 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Kane County.

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 ROE No. 31 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 ROE No. 31 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 apportionment of the respective governing order. Therefore, no other agency has been included as a component unit of the ROE No. 31's financial statements. In addition, the ROE No. 31 is not aware of any entity that would exercise oversight as to result in the ROE No. 31 being considered a component unit of the entity.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position - Modified Cash Basis and the Statement of Activities - Modified Cash Basis) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from the business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position - Modified Cash Basis includes all of the ROE No. 31's assets, including capital assets, and liabilities in accordance with the modified cash basis of accounting. The Statement of Activities - Modified Cash Basis demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements (continued)

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.

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

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Basis of accounting refers to when revenues received and expenses or expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The ROE No. 31 maintains its accounting records for all funds on the modified cash basis of accounting. Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions, with the exception of interfund receivables and payables. Their revenues are recognized when they are received, and expenses or expenditures are recognized when paid. Generally accepted accounting principles require the recognition of revenue when it becomes "measurable" and "available" as net current assets and, generally, expenses or expenditures when the related fund liability is incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the ROE No. 31 's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

It is the ROE No. 31 's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

1. Governmental Funds

The ROE No. 31 reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the ROE No. 31 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 ROE No. 31. Included in this fund are:

Regional Program Development – Accounts for monies received for, and payment of expenditures to provide for the general improvement and expansion of education within ROE No. 31 including the educational program for the students at the Kane County Juvenile Justice Center (Youth Home Education).

General State Aid – Accounts for the grant monies received for, and payment of expenditures for Regional Learning Academy supplements.

Youth Home Education – Account for the grant monies received for, and payment of expenditures to provide an educational program for the students at the Kane County Juvenile Justice Center.

Local Truancy – Accounts for revenues from local sources to address the truancy problem in Kane County.

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. Major funds include:

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:

Regional Safe Schools – Accounts for the grant monies received for, and payment of expenditures of the alternative school program for at-risk youth, creating alternative placement for those students.

Truants' Alternative and Optional Education Program (TAOEP) - Accounts for grant monies received for, and payment of expenditures of the Truants' Alternative Program.

McKinney Education for Homeless Children – Accounts for grant monies received for, and payment of expenditures 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 administered through the Will County Regional Office of Education No. 56.

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

Title I Delinquent – Accounts for the revenues and expenditures associated with ongoing professional development for administrators and teachers for the improvement of students' reading.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Regional Safe School (RSS) Cooperative Education – In cooperation with Gifford Street High School, ROE No. 31 will provide a program fostering enhanced experiences of employment related to their current CTE courses. A focus of the program will be on assisting students to locate career opportunities where advancement is possible.

COPS Office School Violence Prevention Program Award (COPS Grant) – Accounts for an award for \$210,540 in federal funds over a three-year award period under the 2020 COPS Office School Violence Prevention Program (SVPP). ROE No. 31 may use SVPP award funds to improve security at schools and on school grounds within their jurisdiction through evidence-based school safety programs.

Elementary and Secondary School Emergency School Relief ID ARP (ESSER III) – Under the Elementary and Secondary School Emergency Relief III ARP Fund (ESSER III), the Department awards grants to State educational agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. LEAs must provide services to students and teachers in public schools as required under the American Rescue Plan Act of 2021.

Digital Equity Formula - Elementary and Secondary Relief II – To assist school districts in closing the digital divide and enabling digital-age teaching and learning. School districts may use funds to provide students with technology tools necessary for technology-rich learning experiences. All purchases must be prioritized first to ensure 1: 1 ratio of devices to students.

American Rescue Plan for Homeless Children and Youth – Accounts for grant monies received for and payment of expenditures to provide services to all identified children and youth experiencing homelessness. Funds support efforts to identify homeless children and youth and provide them with comprehensive, wrap-around services that address needs arising from the COVID-19 pandemic and allow them to attend school and participate fully in all school activities. The program is administered through the Will County Regional Office of Education No. 56.

American Rescue Plan – Community Partnership Grant - Accounts for grant monies received for and payment of expenditures for the purpose of addressing gaps in opportunities and the COVID-19 pandemic's impact on interrupted learning by developing or expanding relationships between schools, community-based organizations, and mental health providers to benefit the well-being of children, parents, and school staff.

Institute Fund – To account for the stewardship of the assets held for the benefit of the teachers. Fees are collected from registration of teachers' licenses. Monies are expended to conduct teachers' institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds – The ROE No. 31 reported the following special revenue funds as nonmajor governmental funds:

General Educational Development (GED) – Accounts for the revenues and expenditures associated with the processing of applications for the high school level test of General Education Development and the issuance of diplomas upon the successful completion of the examination.

Bus Driver Training – Accounts for the revenues received from individuals and contractors to sponsor instructional training courses for school bus drivers.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

2. 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 (expenses, including depreciation) 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 period determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

The ROE No. 31 reports the following proprietary funds:

Education Service Center (ESC) Professional Development – Accounts for local monies received for, and payment of expenditures from workshops conducted by ROE No. 31. Also accounts for local revenues and disbursements related to the Academy Program.

Nonmajor Proprietary Funds – The ROE No. 31 reported the following proprietary funds as nonmajor proprietary funds:

Technology – A collaboration between the Northeastern Illinois Regional Offices of Education to provide computer workshops for the teachers of Northern Illinois. This fund is locally funded by Area 1, which is comprised of Northeastern Illinois Regional Offices of Education.

Kane County Library Resources Consortium – Accounts for monies received for, and payment of expenditures for the Kane County Public Schools Library Resources program.

Kane County Human Resources Consortium – Accounts for monies received for, and payment of expenditures for the Kane County Human Resources Consortium program.

Criminal Background Investigation – Accounts for the fees received from the school districts to pay for the processing of fingerprinting the substitute teachers and expenditures incurred providing this service to the school districts.

3. Fiduciary Funds

Fiduciary funds are used to account for assets held by the ROE No. 31 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Custodial funds include the following:

Distributive – Accounts for state and federal funds appropriated to Valley Education for Employment System and to school districts which are paid through the ROE No. 31. These proceeds are received and disbursed to these entities and accounted for in a trustee capacity.

RSAC – The ROE No. 31 serves as a fiscal agent on behalf of the Illinois Association of Regional School Superintendents (IARSS) for the Raising Student Achievement Conference. As the committee chair for the conference is employed by the ROE No. 31, administrative services to coordinate the conference registrations and related expenditures of hosting the conference are the responsibility of the ROE No. 31.

Illinois Coalition for Education At-Risk Youth – The ROE No. 31 serves as a fiscal agent on behalf of the Illinois Coalition for Education At-Risk Youth (ICEARY). As a committee chair for ICEARY is employed by the ROE No. 31, administrative services related to membership dues and conference registrations and related expenditures are the responsibility of the ROE No. 31.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

D. Assets, Liabilities, and Net Position or Fund Balance

1. Deposits and Investments

The ROE No. 31 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 ROE No. 31 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 ROE No. 31 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.

2. Interfund Transactions

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

3. Capital Assets

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

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

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

Assets	Years
Office equipment and furniture	3-7
Leasehold improvements	7

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

4. Net Position Classifications

Government-wide and Proprietary Fund Statements

Net position is displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

D. Assets, Liabilities, and Net Position or Fund Balance (continued)

Restricted Net Position – Consists of restricted assets reduced by liabilities related to those assets.

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

Governmental Fund Statements

The following types of fund balances may be presented on the governmental funds' Balance Sheet - Modified Cash Basis, the General Fund and Education Fund Combining Balance Sheet - Modified Cash Basis, and the Nonmajor Special Revenue Funds Combining Balance Sheet - Modified Cash Basis:

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

Restricted Fund Balance – the portion of a governmental fund's fund balance that is subject to external legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Regional Safe Schools, McKinney Education for Homeless Children, American Rescue Plan for Homeless Children and Youth, and RSS Cooperative Education. The following funds are restricted by Illinois Statute: Institute, General Education Development, and Bus Driver Training.

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

Assigned Fund Balance – the portion of a governmental fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts comprise assigned fund balance: Youth Home Education and Local Truancy.

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 the Regional Program Development, General State Aid, Title I Delinquent, ESSER III, and American Rescue Plan- Community Partnership Grant.

Note 2—Budgets and budgetary accounting

The ROE No. 31 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the State agencies, primarily the Illinois State Board of Education, 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 have been presented for the following grants: Regional Safe Schools, Truants' Alternative and Optional Education, ROE/ISC Operations, Regional Safe Schools Educational Cooperative, ESSER III, Digital Equity Formula – Elementary and Secondary Relief II, and American Rescue Plan – Community Partnership Grant. A Budgetary Comparison Schedule was also prepared for the COPS Grant, which is a grant that is received directly from the federal government.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 3—Deposits and investments

A. Deposits

At June 30, 2024, the carrying amount of the ROE No. 31's deposits for governmental activities, business-type activities and fiduciary funds were \$15,978,812, \$360,149, and \$28,418, respectively. The bank balances totaled \$17,164,954, all of which was secured by federal depository insurance, collateralized with securities held by the pledging financial institution's trust department in the ROE No. 31's name, or covered by private share insurance and were, therefore, not exposed to custodial credit risk.

B. Investments

The ROE No. 31 's investments consisted of certificates of deposit with original maturity dates of more than three months. Certificates of deposit comprised the \$1,754,948 amount shown as investments for governmental activities. All certificates of deposit were secured by federal depository insurance, collateralized with securities held by the pledging financial institution's trust department in the ROE No. 31's name, or covered by private share insurance and were, therefore, not exposed to custodial credit risk.

At June 30, 2024, the carrying amount of the ROE No. 31's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$129,324. The bank balance invested in the Illinois Funds Money Market Fund was \$129,324. 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 ROE No. 31 's governmental activities.

Credit Risk

At June 30, 2024, the Illinois Funds Money Market Fund had a rating of AAmmf from Fitch's. 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 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 33% 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 4—Risk management - claims and judgments

The ROE No. 31 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 ROE No. 31 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

The Illinois School Code (105 ILCS 5/3-2) directs the ROE No. 31 to execute a bond of not less than \$100,000 on the Regional Superintendent. The ROE No. 31 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 5—Contingencies

The Regional Office of Education No. 31 has received funding from federal and state grants in the current and prior years which are subject to audits by granting agencies. The ROE No. 31 believes any adjustments that may arise will be insignificant to the ROE No. 31 's operations.

Note 6—Use of estimates

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

Note 7—Capital assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental Activities:				
Capital assets being depreciated:				
Office equipment	\$ 192,196	\$ -	\$ (7,791)	\$ 184,405
Less accumulated depreciation for:				
Office equipment	(166,256)	(7,074)	7,791	(165,539)
Governmental activities capital assets, net	<u>\$ 25,940</u>	<u>\$ (7,074)</u>	<u>\$ -</u>	<u>\$ 18,866</u>
Business-Type Activities:				
Capital assets being depreciated:				
Office equipment	\$ 155,651	\$ 19,591	\$ -	\$ 175,242
Less accumulated depreciation for:				
Office equipment	(97,936)	(21,651)	-	(119,587)
Business-type activities capital assets, net	<u>\$ 57,715</u>	<u>\$ (2,060)</u>	<u>\$ -</u>	<u>\$ 55,655</u>

Depreciation expense was charged to functions/programs of the Regional Office of Education No. 31 as follows:

Governmental activities:	
Instructional services	<u>\$ 7,074</u>

Note 8—Retirement fund commitments

A. Teachers' retirement system of the state of Illinois

Plan Description

The ROE No. 31 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.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 8—Retirement fund commitments (continued)

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/acfrs/fy2023>; 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 services prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2024, 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 ROE No. 31. ROE No. 31 paid \$3,660 on behalf of employees for the year ended June 30, 2024.

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, 2024 were \$2,313.

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

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 8—Retirement fund commitments (continued)

as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2024, the employer pension contribution was 10.60 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2024, there were no salaries paid from federal and special trust funds that required employer contributions.

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

A one-time contribution is required for members granted sick leave days in excess of the normal allotment if those days are used as TRS service credit. For the year ended June 30, 2024, the ROE No. 31 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

B. Illinois municipal retirement fund

Plan Description

The ROE No. 31 's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and their beneficiaries. The ROE No. 31 's plan is managed by the Illinois Municipal Retirement Fund ("IMRF"), the administrator of an agent multiple employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriffs 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.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 8—Retirement fund commitments (continued)

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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Contributions

As set by statute, the ROE No. 31 '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 No. 31's annual contribution rate for calendar years 2024 and 2023 were 4.58% and 5.15%, respectively. For the fiscal year ended June 30, 2024, the ROE No. 31 contributed \$54,780 to the plan. The ROE No. 31 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.

C. Net pension liability

Because of the use of the modified cash basis of accounting framework in the preparation of these financial statements, the ROE No. 31 's net pension liability is not reported in the financial statements as a liability. In accordance with the modified cash basis of accounting, pension expenditures are only reported when contributions are paid by the ROE No. 31 to the plan.

Note 9—Other postemployment benefits

A. Teachers' Health Insurance Security Fund

Plan Description

The ROE No. 31 participates in the Teachers' Health Insurance Security ("THIS") Fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative cost. The THIS fund is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding Chicago Public School System. THIS includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

Benefits Provided

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

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 9—Other postemployment benefits (continued)

Employer Contributions to the THIS Fund

The Regional Office of Education No. 31 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year end June 30, 2024. For the year ended June 30, 2024, the ROE No. 31 paid \$2,620 to the THIS Fund.

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".

B. Other postemployment benefits - health insurance

Plan Description

ROE No. 31 provides postemployment health care benefits (OPEB) for retired ROE No. 31 employees through Kane County's single employer defined benefit plan sponsor. The benefits, benefit levels, employee contributions and employer contributions are governed by Kane County and can be amended by Kane County through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and Illinois Compiled Statutes (ILCS). The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the ROE No. 31 's governmental activities.

Eligibility Provisions

Full-Time Employees

Regular Plan Tier 1 (enrolled in IMRF prior to January 1, 2011):

At least 55 years old with at least 8 years of credited service (reduced pension)

At least 60 years old with at least 8 years of credited service (full pension)

Regular Plan Tier 2 (first enrolled in IMRF on or after January 1, 2011):

At least 62 years old and at least 10 years of credited service (reduced pension)

At least 67 years old and at least 10 years of credited service (full pension)

Benefits Provided

Kane County provides continued health insurance coverage at the blended employer rate to all eligible ROE No. 31 retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The ROE No. 31 offers the health insurance plan to full-time IMRF employees. Retirees pay the full cost of coverage. Eligible spouse or dependent coverage may continue should the retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse or dependent is responsible for the full cost of coverage.

Contributions

There were no contributions paid to the plan during the fiscal year ended June 30, 2024.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 10—Lease

The ROE No. 31 entered into an operating lease agreement for an office building that expires on July 31, 2030. The lease is payable in monthly installments that increase annually. Lease expense for the building for the fiscal year ended June 30, 2024 was \$137,653.

The following is a schedule of future minimum lease payments required under the operating lease:

2025	\$	126,776
2026		133,189
2027		137,477
2028		141,936
2029		146,574
Thereafter		164,047
Total	\$	849,999

Note 11—Interfund receivables and payables

At June 30, 2024, interfund receivables and payables were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 100,412	\$ -
Education Fund	-	100,412
	\$ 100,412	\$ 100,412

The interfund balances consisted of loans between individual funds that were used to cover cash shortages in the individual funds.

Note 12—On-behalf payments

The ROE No. 31 received on-behalf payments for employee salaries and benefits from the Kane County and the State of Illinois for the following items:

Kane County:	
Salaries and benefits	\$ 516,280
Purchased services	164,228
Total Kane County	\$ 680,508
State of Illinois:	
Regional Superintendent-salary	\$ 131,616
Regional Superintendent-benefits (includes State paid insurance)	41,294
Assistant Regional Superintendent-salary	118,452
Assistant Regional Superintendent-benefits (includes State paid insurance)	34,985
Total State of Illinois	\$ 326,347

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 12—On-behalf payments (continued)

The ROE No. 31 received \$221,469 in on-behalf payments from the Illinois State Board of Education (ISBE) for the ROE No. 31 's share of the State's Teachers' Retirement System (TRS) pension expense. The ROE No. 31 also received \$3,588 in on behalf payments from the State for the ROE No. 31 's share of the State's Teachers' Health Insurance Security (THIS) OPEB expense.

Due to the ROE No. 31 reporting on the modified cash basis of accounting, the on-behalf payments are not recorded in the financial statements as the amounts were not received or disbursed in cash.

Note 13—Deficit fund balance/net position

The following individual funds carried the following deficit balances as of June 30, 2024:

Education Fund	\$ 263
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Subfunds of the Educations Fund carried deficit balances as of June 30, 2024:

Title I Delinquent	\$ 36,409
ESSER III	28,839
American Rescue Plan – Community Partnership Plan	35,164

The ROE No. 31 intends to reduce these deficits by receiving revenue and/or making interfund transfers in future periods.

Note 14—Schedule of transfers

During the year ended June 30, 2024, the ROE No. 31 reported the following transfers:

Fund	Transfers In	Transfers Out
General Fund	\$ 46,482	\$ 73,708
Education Fund	591	238,657
ESC Professional Fund	265,292	-
	\$ 312,365	\$ 312,365

The transfers were made to cover cash shortfalls in the ESC Professional Fund and to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, such as indirect costs received from grants and then remitted to funds where the costs were paid.

Note 15—New Accounting Pronouncements

For the year ended June 30, 2024, ROE No. 31 implemented Government Accounting Standards Board (GASB) Statement No. 99, *Omnibus 2022*, and GASB Statement No. 100, *Accounting Changes and Error Corrections*. The implementation of these standards had no significant impact on the cash basis financial statements of ROE No. 31.

SUPPLEMENTARY INFORMATION

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - MODIFIED CASH BASIS
GENERAL FUND
JUNE 30, 2024

	Regional Program Development	General State Aid	Youth Home Education	Local Truancy	Total
ASSETS					
Cash and cash equivalents	\$ 421,437	\$ 8,987,458	\$ 3,902,655	\$ 49,850	\$ 13,361,400
Due from other funds	-	100,412	-	-	100,412
Investments	-	1,754,948	-	-	1,754,948
Total Assets	\$ 421,437	\$ 10,842,818	\$ 3,902,655	\$ 49,850	\$ 15,216,760
FUND BALANCES					
Assigned	-	-	3,902,655	49,850	3,952,505
Unassigned	421,437	10,842,818	-	-	11,264,255
Total Fund Balances	\$ 421,437	\$ 10,842,818	\$ 3,902,655	\$ 49,850	\$ 15,216,760

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GENERAL FUND ACCOUNTS
YEAR ENDED JUNE 30, 2024

	Regional Program Development	General State Aid	Youth Home Education	Local Truancy	Total
Revenue:					
Local sources	\$ 12,700	\$ -	\$ -	\$ 3,544	\$ 16,244
State sources	-	10,405,182	884,466	-	11,289,648
Interest	132,936	417,531	134,474	1,748	686,689
Total Revenue	145,636	10,822,713	1,018,940	5,292	11,992,581
Expenditures:					
Instructional Services:					
Salaries and benefits	-	176,243	398,637	-	574,880
Purchased services	114,105	7,420	57,003	1,853	180,381
Supplies and materials	27,158	-	4,335	-	31,493
Pension	4,316	6,666	13,988	-	24,970
OPEB	707	-	-	-	707
Intergovernmental:					
Payments to other governments	-	8,755,506	-	-	8,755,506
Total Expenditures	146,286	8,945,835	473,963	1,853	9,567,937
Excess of revenues over expenditures	(650)	1,876,878	544,977	3,439	2,424,644
Other Financing Sources (Uses):					
Transfers in	46,482	-	-	-	46,482
Transfers out	-	(73,708)	-	-	(73,708)
Total other Financing Sources (Uses)	46,482	(73,708)	-	-	(27,226)
Net changes in fund balances	45,832	1,803,170	544,977	3,439	2,397,418
Fund balances at beginning of year	375,605	9,039,648	3,357,678	46,411	12,819,342
Fund balances at end of year	\$ 421,437	\$ 10,842,818	\$ 3,902,655	\$ 49,850	\$ 15,216,760

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - MODIFIED CASH BASIS
EDUCATION FUND
JUNE 30, 2024

	Regional Safe Schools	Truants Alternative/ Optional Education	McKinney Education for Homeless Children
ASSETS			
Cash and cash equivalents	\$ 24,639	\$ -	\$ 66,456
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to Other funds	\$ -	\$ -	\$ -
Fund Balances (Deficits):			
Restricted	24,639	-	66,456
Unassigned	-	-	-
Total Fund Balances (Deficits)	24,639	-	66,456
Total Liabilities and Fund Balances (Deficits)	\$ 24,639	\$ -	\$ 66,456

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - MODIFIED CASH BASIS
EDUCATION FUND
JUNE 30, 2024

	ROE/ISC Operations	Title I Delinquent	RSS Cooperative Education
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 92
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to Other funds	\$ -	36,409	\$ -
Fund Balances (Deficits):			
Restricted	-	-	92
Unassigned	-	(36,409)	-
Total Fund Balances (Deficits)	-	(36,409)	92
Total Liabilities and Fund Balances (Deficits)	\$ -	\$ -	\$ 92

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - MODIFIED CASH BASIS
EDUCATION FUND
JUNE 30, 2024

	<u>COPS Grant</u>	<u>ESSER III</u>	<u>Digital Equity Formula - Elementary and Secondary Relief II</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to Other funds	\$ -	28,839	\$ -
Fund Balances (Deficits):			
Restricted	-	-	-
Unassigned	-	(28,839)	-
Total Fund Balances (Deficits)	-	(28,839)	-
Total Liabilities and Fund Balances (Deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - MODIFIED CASH BASIS
EDUCATION FUND
JUNE 30, 2024

	American Rescue Plan for Homeless Children and Youth	American Rescue Plan - Community Partnership Grant	Total
ASSETS			
Cash and cash equivalents	\$ 8,962	\$ -	\$ 100,149
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to Other funds	\$ -	35,164	\$ 100,412
Fund Balances (Deficits):			
Restricted	8,962	-	100,149
Unassigned	-	(35,164)	(100,412)
Total Fund Balances (Deficits)	8,962	(35,164)	(263)
Total Liabilities and Fund Balances (Deficits)	\$ 8,962	\$ -	\$ 100,149

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED CASH BASIS
EDUCATION FUND ACCOUNTS
YEAR ENDED JUNE 30, 2024

	Regional Safe Schools	Truants Alternative/ Optional Education	McKinney Education for Homeless Children
Revenue:			
State sources	\$ 1,159,732	\$ 323,585	\$ -
Federal sources	-	-	121,778
Total Revenue	<u>1,159,732</u>	<u>323,585</u>	<u>121,778</u>
Expenditures:			
Instructional Services:			
Salaries and benefits	94,433	104,200	79,130
Purchased services	162,221	264,597	2,800
Supplies and materials	11,096	5,777	28,244
Pension	434	4,176	2,368
OPEB	501	-	-
Intergovernmental:			
Payments to other governments	800,000	-	-
Capital outlay	20,224	-	-
Total Expenditures	<u>1,088,909</u>	<u>378,750</u>	<u>112,542</u>
Excess of revenues over expenditures	<u>70,823</u>	<u>(55,165)</u>	<u>9,236</u>
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(51,000)	(58,410)	-
Total other Financing Sources (Uses)	<u>(51,000)</u>	<u>(58,410)</u>	<u>-</u>
Net changes in fund balances	19,823	(113,575)	9,236
Fund balances (deficits) at beginning of year	4,816	113,575	57,220
Fund balances at end of year	<u>\$ 24,639</u>	<u>\$ -</u>	<u>\$ 66,456</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED CASH BASIS
EDUCATION FUND ACCOUNTS
YEAR ENDED JUNE 30, 2024

	ROE/ISC Operations	Title I Delinquent	RSS Cooperative Education
Revenue:			
State sources	\$ 809,586	\$ -	\$ 125,513
Federal sources	-	107,948	-
Total Revenue	<u>809,586</u>	<u>107,948</u>	<u>125,513</u>
Expenditures:			
Instructional Services:			
Salaries and benefits	620,406	-	97,631
Purchased services	93,183	42,604	-
Supplies and materials	18,526	18,252	9,373
Pension	17,976	-	-
OPEB	832	-	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	-	86,739	-
Total Expenditures	<u>750,923</u>	<u>147,595</u>	<u>107,004</u>
Excess of revenues over expenditures	<u>58,663</u>	<u>(39,647)</u>	<u>18,509</u>
Other Financing Sources (Uses):			
Transfers in	1	-	-
Transfers out	(77,190)	-	(18,991)
Total other Financing Sources (Uses)	<u>(77,189)</u>	<u>-</u>	<u>(18,991)</u>
Net changes in fund balances	(18,526)	(39,647)	(482)
Fund balances (deficits) at beginning of year	18,526	3,238	574
Fund balances at end of year	<u>\$ -</u>	<u>\$ (36,409)</u>	<u>\$ 92</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED CASH BASIS
EDUCATION FUND ACCOUNTS
YEAR ENDED JUNE 30, 2024

	<u>COPS Grant</u>	<u>ESSER III</u>	<u>Digital Equity Formula - Elementary and Secondary Relief II</u>
Revenue:			
State sources	\$ -	\$ -	\$ -
Federal sources	27,798	512,791	4,516
Total Revenue	<u>27,798</u>	<u>512,791</u>	<u>4,516</u>
Expenditures:			
Instructional Services:			
Salaries and benefits	-	98,511	-
Purchased services	27,797	283,623	-
Supplies and materials	-	11,099	-
Pension	-	-	-
OPEB	-	-	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	-	-	-
Total Expenditures	<u>27,797</u>	<u>393,233</u>	<u>-</u>
Excess of revenues over expenditures	<u>1</u>	<u>119,558</u>	<u>4,516</u>
Other Financing Sources (Uses):			
Transfers in	590	-	-
Transfers out	-	-	-
Total other Financing Sources (Uses)	<u>590</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	591	119,558	4,516
Fund balances (deficits) at beginning of year	<u>(591)</u>	<u>(148,397)</u>	<u>(4,516)</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ (28,839)</u>	<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED CASH BASIS
EDUCATION FUND ACCOUNTS
YEAR ENDED JUNE 30, 2024

	American Rescue Plan for Homeless Children and Youth	American Rescue Plan - Community Partnership Grant	Total
Revenue:			
State sources	\$ -	\$ -	\$ 2,418,416
Federal sources	22,000	350,740	1,147,571
Total Revenue	<u>22,000</u>	<u>350,740</u>	<u>3,565,987</u>
Expenditures:			
Instructional Services:			
Salaries and benefits	-	152,469	1,246,780
Purchased services	15,869	113,479	1,006,173
Supplies and materials	11,179	27,531	141,077
Pension	-	5,923	30,877
OPEB	-	-	1,333
Intergovernmental:			
Payments to other governments	-	-	800,000
Capital outlay	-	29,566	136,529
Total Expenditures	<u>27,048</u>	<u>328,968</u>	<u>3,362,769</u>
Excess of revenues over expenditures	<u>(5,048)</u>	<u>21,772</u>	<u>203,218</u>
Other Financing Sources (Uses):			
Transfers in	-	-	591
Transfers out	-	(33,066)	(238,657)
Total other Financing Sources (Uses)	<u>-</u>	<u>(33,066)</u>	<u>(238,066)</u>
Net changes in fund balances	(5,048)	(11,294)	(34,848)
Fund balances (deficits) at beginning of year	14,010	(23,870)	34,585
Fund balances at end of year	<u>\$ 8,962</u>	<u>\$ (35,164)</u>	<u>\$ (263)</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
REGIONAL SAFE SCHOOLS (FY 2023)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 338,908	\$ 338,908	\$ -
Expenditures:			
Instructional Services:			
Salaries and benefits	99,000	99,000	-
Purchased services	8,589	8,589	4,816
Pension	-	-	-
OPEB	-	-	-
Intergovernmental:			
Payments to other governments	231,319	231,319	-
Total Expenditures	<u>338,908</u>	<u>338,908</u>	<u>4,816</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(4,816)
Fund balance at beginning of year			<u>4,816</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
REGIONAL SAFE SCHOOLS (FY 2024)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 337,781	\$ 1,159,732	\$ 1,159,732
Expenditures:			
Instructional Services:			
Salaries and benefits	95,449	114,410	94,433
Purchased services	11,013	161,430	157,405
Supplies and materials	-	11,292	11,096
Other objects	-	-	-
Pension	-	-	434
OPEB	-	-	501
Intergovernmental:			
Payments to other governments	231,319	800,000	800,000
Capital outlay	-	21,600	20,224
Total Expenditures	<u>337,781</u>	<u>1,108,732</u>	<u>1,084,093</u>
Excess of revenues over expenditures	<u>-</u>	<u>51,000</u>	<u>75,639</u>
Other Financing Sources (Uses):			
Transfers out	<u>-</u>	<u>(51,000)</u>	<u>(51,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	24,639
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ 24,639</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
TRUANTS' ALTERNATIVE AND OPTIONAL EDUCATION (FY 2023)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 323,585	\$ 323,585	\$ -
Expenditures:			
Instructional Services:			
Salaries and benefits	258,885	47,262	8,445
Purchased services	57,741	219,400	88,328
Supplies and materials	6,959	12,735	988
Pension	-	-	404
Total Expenditures	<u>323,585</u>	<u>279,397</u>	<u>98,165</u>
Excess of revenues over expenditures	<u>-</u>	<u>44,188</u>	<u>(98,165)</u>
Other Financing Sources (Uses):			
Transfers out	<u>-</u>	<u>(44,188)</u>	<u>(15,410)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(113,575)
Fund balance at beginning of year			<u>113,575</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
TRUANTS' ALTERNATIVE AND OPTIONAL EDUCATION (FY 2024)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 323,585	\$ 323,585	\$ 323,585
Expenditures:			
Instructional Services:			
Salaries and benefits	138,615	99,527	95,755
Purchased services	174,970	176,212	176,269
Supplies and materials	10,000	4,846	4,789
Pension	-	-	3,772
Total Expenditures	<u>323,585</u>	<u>280,585</u>	<u>280,585</u>
Excess of revenues over expenditures	<u>-</u>	<u>43,000</u>	<u>43,000</u>
Other Financing Sources (Uses):			
Transfers out	<u>-</u>	<u>(43,000)</u>	<u>(43,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
ROE/ISC OPERATIONS (FY 2023)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenue:			
State sources	\$ 810,309	\$ 810,309	\$ -
Expenditures:			
Instructional Services:			
Salaries and benefits	707,008	729,061	-
Purchased services	103,301	81,248	-
Supplies and materials	-	-	18,526
Total Expenditures	<u>810,309</u>	<u>810,309</u>	<u>18,526</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(18,526)
Fund balance at beginning of year			<u>18,526</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
ROE/ISC OPERATIONS (FY 2024)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 809,586	\$ 809,586	\$ 809,586
Expenditures:			
Instructional Services:			
Salaries and benefits	677,741	639,832	620,406
Purchased services	131,845	92,564	93,183
Pension	-	-	17,976
OPEB	-	-	832
Total Expenditures	<u>809,586</u>	<u>732,396</u>	<u>732,397</u>
Excess of revenues over expenditures	<u>-</u>	<u>77,190</u>	<u>77,189</u>
Other Financing Sources (Uses):			
Transfers in	-	-	1
Transfers out	-	(77,190)	(77,190)
Total other Financing Sources (Uses)	<u>-</u>	<u>(77,190)</u>	<u>(77,189)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
REGIONAL SAFE SCHOOLS EDUCATIONAL COOPERATIVE (FY 2023)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 89,251	\$ 89,251	\$ -
Expenditures:			
Instructional Services:			
Salaries and benefits	89,251	89,251	-
Supplies and materials	-	-	574
Total Expenditures	<u>89,251</u>	<u>89,251</u>	<u>574</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(574)
Fund balance at beginning of year			<u>574</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
REGIONAL SAFE SCHOOLS EDUCATIONAL COOPERATIVE (FY 2024)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
State sources	\$ 97,630	\$ 125,513	\$ 125,513
Expenditures:			
Instructional Services:			
Salaries and benefits	97,630	97,630	97,631
Supplies and materials	-	8,892	8,799
Total Expenditures	<u>97,630</u>	<u>106,522</u>	<u>106,430</u>
Excess of revenues over expenditures	<u>-</u>	<u>18,991</u>	<u>19,083</u>
Other Financing Sources (Uses):			
Transfers out	<u>-</u>	<u>(18,991)</u>	<u>(18,991)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	92
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ 92</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
COPS GRANT
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenue:			
Local sources	\$ 70,180	\$ 70,180	\$ -
Federal sources	210,540	210,540	27,798
Total Revenue	<u>280,720</u>	<u>280,720</u>	<u>27,798</u>
Expenditures:			
Instructional Services:			
Purchased services	67,720	78,720	27,797
Supplies and materials	213,000	202,000	-
Total Expenditures	<u>280,720</u>	<u>280,720</u>	<u>27,797</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1</u>
Other Financing Sources (Uses):			
Transfers in	<u>-</u>	<u>-</u>	<u>590</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	591
Fund balance (deficit) at beginning of year			<u>(591)</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
ESSER III (FY 2022)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
Federal sources	\$ 1,660,110	\$ 1,660,110	\$ 148,397
Expenditures:			
Instructional Services:			
Salaries and benefits	783,376	881,535	-
Purchased services	755,500	678,928	-
Supplies and materials	79,380	49,827	-
Capital outlay	41,854	49,820	-
Total Expenditures	<u>1,660,110</u>	<u>1,660,110</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	148,397
Fund balance (deficit) at beginning of year			<u>(148,397)</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
ESSER III (FY 2024)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
Federal sources	\$ 393,234	\$ 393,234	\$ 364,394
Expenditures:			
Instructional Services:			
Salaries and benefits	98,511	98,511	98,511
Purchased services	282,433	282,433	283,623
Supplies and materials	12,290	12,290	11,099
Total Expenditures	<u>393,234</u>	<u>393,234</u>	<u>393,233</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(28,839)
Fund balance at beginning of year			<u>-</u>
Fund balance (deficit) at end of year			<u>\$ (28,839)</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
DIGITAL EQUITY FORMULA- ELEMENTARY AND SECONDARY RELIEF II (FY 2022)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenue:			
Federal sources	\$ 69,012	\$ 69,012	\$ 4,516
Expenditures:			
Instructional Services:			
Supplies and materials	30,762	30,762	-
Capital outlay	38,250	38,250	-
Total Expenditures	<u>69,012</u>	<u>69,012</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	4,516
Fund balance (deficit) at beginning of year			<u>(4,516)</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
AMERICAN RESCUE PLAN- COMMUNITY PARTNERSHIP GRANT (FY 2022)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
Federal sources	\$ 323,529	\$ 323,529	\$ 27,777
Expenditures:			
Instructional Services:			
Salaries and benefits	187,896	187,896	-
Purchased services	75,132	75,132	-
Supplies and materials	12,501	12,501	-
Capital outlay	3,000	3,000	-
Total Expenditures	<u>278,529</u>	<u>278,529</u>	<u>-</u>
Excess of revenues over expenditures	<u>45,000</u>	<u>45,000</u>	<u>27,777</u>
Other Financing Sources (Uses):			
Transfers out	<u>(45,000)</u>	<u>(45,000)</u>	<u>(3,907)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	23,870
Fund balance (deficit) at beginning of year			<u>(23,870)</u>
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
AMERICAN RESCUE PLAN- COMMUNITY PARTNERSHIP GRANT (FY 2023)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
Federal sources	\$ 311,471	\$ 311,471	\$ 212,782
Expenditures:			
Instructional Services:			
Salaries and benefits	142,200	160,402	112,508
Purchased services	99,471	85,912	84,327
Supplies and materials	25,000	24,500	17,691
Pension	-	-	4,261
Capital outlay	2,800	-	-
Total Expenditures	<u>269,471</u>	<u>270,814</u>	<u>218,787</u>
Excess of revenues over expenditures	<u>42,000</u>	<u>40,657</u>	<u>(6,005)</u>
Other Financing Sources (Uses):			
Transfers out	<u>(42,000)</u>	<u>(40,657)</u>	<u>(29,159)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(35,164)</u>
Fund balance at beginning of year			<u>-</u>
Fund balance (deficit) at end of year			<u>\$ (35,164)</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
EDUCATION FUND ACCOUNT
AMERICAN RESCUE PLAN- COMMUNITY PARTNERSHIP GRANT (FY 2024)
YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenue:			
Federal sources	\$ 110,182	\$ 110,182	\$ 110,181
Expenditures:			
Instructional Services:			
Salaries and benefits	42,385	42,385	39,961
Purchased services	29,154	29,154	29,152
Supplies and materials	9,077	9,077	9,840
Pension	-	-	1,662
Capital outlay	29,566	29,566	29,566
Total Expenditures	<u>110,182</u>	<u>110,182</u>	<u>110,181</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance at beginning of year			-
Fund balance at end of year			<u>\$ -</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	General Education Development	Bus Driver Training	Total
ASSETS			
Cash and cash equivalents	\$ 162,772	\$ 103,991	\$ 266,763
Total Assets	\$ 162,772	\$ 103,991	\$ 266,763
FUND BALANCES			
Restricted	162,772	103,991	266,763
Total Fund Balances	\$ 162,772	\$ 103,991	\$ 266,763

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024

	General Education Development	Bus Driver Training	Total
Revenue:			
Local sources	\$ 9,279	\$ 24,648	\$ 33,927
State sources	-	3,237	3,237
Interest	5,635	3,575	9,210
Total Revenue	<u>14,914</u>	<u>31,460</u>	<u>46,374</u>
Expenditures:			
Instructional Services:			
Purchased services	920	16,274	17,194
Supplies and materials	63	401	464
Other objects	205	487	692
Total Expenditures	<u>1,188</u>	<u>17,162</u>	<u>18,350</u>
Excess of revenues over expenditures	<u>13,726</u>	<u>14,298</u>	<u>28,024</u>
Net changes in fund balances	13,726	14,298	28,024
Fund balances (deficit) at beginning of year	<u>149,046</u>	<u>89,693</u>	<u>238,739</u>
Fund balances at end of year	<u>\$ 162,772</u>	<u>\$ 103,991</u>	<u>\$ 266,763</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING STATEMENT OF NET POSITION - MODIFIED CASH BASIS
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2024

	<u>Technology</u>	<u>Kane County Library Resources Consortium</u>	<u>Kane County Human Resources Consortium</u>	<u>Criminal Background Investigation</u>	<u>Total</u>
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 107,343	\$ -	\$ 27,018	\$ 7,383	\$ 141,744
Total Assets	<u>\$ 107,343</u>	<u>\$ -</u>	<u>\$ 27,018</u>	<u>\$ 7,383</u>	<u>\$ 141,744</u>
NET POSITION					
Unrestricted	\$ 107,343	\$ -	\$ 27,018	\$ 7,383	\$ 141,744
Total Net Position	<u>\$ 107,343</u>	<u>\$ -</u>	<u>\$ 27,018</u>	<u>\$ 7,383</u>	<u>\$ 141,744</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Technology	Kane County Library Resources Consortium	Kane County Human Resources Consortium	Criminal Background Investigation	Total
Operating Revenues:					
Charges for services	\$ 18,751	\$ 86,024	\$ 66,207	\$ 181,820	\$ 352,802
Operating Expenses:					
Salaries and benefits	-	-	-	65,018	65,018
Purchased services	1,853	86,024	51,607	152,853	292,337
Supplies and materials	5,213	-	-	49	5,262
Pension	-	-	-	2,508	2,508
Other objects	58	-	-	1,511	1,569
Total Operating Expenses	7,124	86,024	51,607	221,939	366,694
Operating Income (Loss)	11,627	-	14,600	(40,119)	(13,892)
Changes in net position	11,627	-	14,600	(40,119)	(13,892)
Net position at beginning of year	95,716	-	12,418	47,502	155,636
Net position at end of year	\$ 107,343	\$ -	\$ 27,018	\$ 7,383	\$ 141,744

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	<u>Technology</u>	<u>Kane County Library Resources Consortium</u>	<u>Kane County Human Resources Consortium</u>	<u>Criminal Background Investigation</u>	<u>Total</u>
Cash flows from operating activities:					
Receipts from customers	\$ 18,751	\$ 86,024	\$ 66,207	\$ 181,820	\$ 352,802
Payments to suppliers and providers of goods and services	(7,124)	(86,024)	(51,607)	(154,413)	(299,168)
Payments to employees	-	-	-	(67,526)	(67,526)
Net cash flows from operating activities	<u>11,627</u>	<u>-</u>	<u>14,600</u>	<u>(40,119)</u>	<u>(13,892)</u>
Net decrease in cash and cash equivalents	11,627	-	14,600	(40,119)	(13,892)
Cash and cash equivalents, beginning of year	95,716	-	12,418	47,502	155,636
Cash and cash equivalents, end of year	<u>\$ 107,343</u>	<u>\$ -</u>	<u>\$ 27,018</u>	<u>\$ 7,383</u>	<u>\$ 141,744</u>
Reconciliation of operating income (loss) to net cash change in operating activities:					
Operating income (loss)	\$ 11,627	\$ -	\$ 14,600	\$ (40,119)	\$ (13,892)
Net cash flows from operating activities	<u>\$ 11,627</u>	<u>\$ -</u>	<u>\$ 14,600</u>	<u>\$ (40,119)</u>	<u>\$ (13,892)</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBING STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
CUSTODIAL FUNDS
JUNE 30, 2024

	Distributive	RSAC	ICEARY	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ 28,418	\$ -	\$ 28,418
NET POSITION				
Restricted	\$ -	\$ 28,418	\$ -	\$ 28,418

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - MODIFIED CASH BASIS

CUSTODIAL FUNDS

YEAR ENDED JUNE 30, 2024

	<u>Distributive</u>	<u>RSAC</u>	<u>ICEARY</u>	<u>Total</u>
Additions:				
State and federal funds collected for other entities	\$ 2,773,980	\$ -	\$ -	\$ 2,773,980
Funds held for other entities	-	305,842	137,585	443,427
Total Additions	<u>2,773,980</u>	<u>305,842</u>	<u>137,585</u>	<u>3,217,407</u>
Deductions:				
State and federal funds distributed to other entities	2,773,980	-	-	2,773,980
Funds held for other entities	-	270,517	137,585	408,102
Total Deductions	<u>2,773,980</u>	<u>270,517</u>	<u>137,585</u>	<u>3,182,082</u>
Changes in net position	-	35,325	-	35,325
Net position at beginning of year	-	(6,907)	-	(6,907)
Net position at end of year	<u>\$ -</u>	<u>\$ 28,418</u>	<u>\$ -</u>	<u>\$ 28,418</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education:				
Passed-through Illinois State Board of Education:				
COVID-19 - Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief III (M)	84.425U	24-4998-E3	\$ -	\$ 393,233
Elementary and Secondary Relief - Community Partnership Grant (M)	84.425U	23-4998-C3	-	253,527
Elementary and Secondary Relief - Community Partnership Grant (M)	84.425D	24-4998-CP	-	<u>110,182</u>
Total COVID-19 - Education Stabilization Fund			-	756,942
Passed-through St. Charles CUSD 303:				
Title I Delinquent	84.013	24-4306-00	-	147,595
Passed-through Will County Regional Office of Education:				
McKinney- Vento Education for Homeless Children and Youth	84.196A	24-4920-00	-	112,542
COVID-19 - American Rescue Plan for Homeless Children and Youth (M)	84.425W	24-4998-HM	-	<u>27,048</u>
Total Department of Education			-	1,044,127
U.S. Department of Justice:				
COPS Office School Violence Prevention Program	16.710		-	<u>27,797</u>
Total expenditures of federal awards			<u>\$ -</u>	<u>\$ 1,071,924</u>

(M) denotes major program

The accompanying notes are an integral part of this schedule.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Note 1—Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal awards activity of Kane County Regional Office of Education No. 31 ("ROE No. 31") under the programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the ROE No. 31, it is not intended to and does not present the modified cash basis financial position and changes in fund balance/net position of the ROE No. 31.

Note 2—Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent credits made in the normal course of business to amounts reported as expenditures in prior years. The ROE No. 31 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3—Noncash Assistance

ROE No. 31 did not receive noncash assistance during the fiscal year.