

**STATE OF ILLINOIS
LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35**

**FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
FOR THE YEAR ENDED JUNE 30, 2023**

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35**

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**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35**

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**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
OFFICIALS**

Regional Superintendent
(current and during the audit period)

Mr. Christopher B. Dvorak

Assistant Regional Superintendent
(current and during the audit period)

Mr. Ryan Myers

Office is located at:

119 West Madison Street, Room 102
Ottawa, Illinois 61350

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMPLIANCE REPORT SUMMARY**

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMPLIANCE REPORT SUMMARY - CONTINUED**

EXIT CONFERENCE

The LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 waived holding an exit conference to discuss the results of the financial audit for the year ended June 30, 2023 in a communication dated January 25, 2024.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 was performed by MCK CPAs & Advisors.

Based on their audit, the auditors expressed unmodified opinions on the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's basic financial statements.



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INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35’s basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is 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 GAAS. In our opinion, the supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2024, on our consideration of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35’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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35’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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35’s internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Bloomington, Illinois
January 25, 2024



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's basic financial statements, and have issued our report thereon dated January 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's internal control. Accordingly, we do not express an opinion on the effectiveness of LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Bloomington, Illinois
January 25, 2024



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INDEPENDENT AUDITORS' 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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35's major federal programs for the year ended June 30, 2023. The LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 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, 2023.

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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 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 audit opinions on compliance for each major federal program.

Our audit does not provide a legal determination of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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 LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35'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.

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Bloomington, Illinois
January 25, 2024

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section I: Summary of Auditors' Results

Financial Statements in accordance with GAAP

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

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

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

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.425	Education Stabilization Fund

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

Auditee qualified as low-risk auditee? Yes No

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section II: Financial Statement Findings

There are no financial statement findings reported in the current year.

Section III: Federal Award Findings

There are no federal award findings reported in the current year.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
FOR THE YEAR ENDED JUNE 30, 2023**

Financial Statement Findings

There were no audit findings in the prior year.

Federal Award Findings

There were no audit findings in the prior year.

MANAGEMENT'S DISCUSSION & ANALYSIS

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

The LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 (ROE) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2023 with comparative information for the year ended June 30, 2022. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements that follow.

2023 Financial Highlights

- Within the Governmental Funds, the General Fund revenues increased from the previous year, by \$334,964 (38%) from \$882,066 in FY 2022 to \$1,217,030 in FY 2023. This was primarily as a result of the additional GSA Evidence Based Funding (EBF), which brought in revenue of \$608,756 in FY 2023, an increase of \$234,731. In addition, LaSalle County Funding was added to the General Fund in the amount of \$75,441 in revenue. The General Fund's expenditures increased by \$146,866 (28%) from \$515,609 in FY 2022 to \$662,475 in FY 2023. The expenditure increase occurred due to the increased revenues, therefore increasing the expenses paid from the General Fund, such as salaries, benefits, and capital outlay.
- Within the Governmental Funds, the Special Revenue Funds' revenues increased by \$499,079 (31%) from \$1,605,955 in FY 2022 to \$2,105,034 in FY 2023. Grant funding increased overall from FY 2022 to FY 2023 with the Community Partnership Grant and the increased ROE ISC grant dollars. The Special Revenue Funds' expenditures increased by \$480,374 (30%) from \$1,590,179 in FY 2022 to \$2,070,553 in FY 2023. The expenditure increase is in proportion to the increase in revenues and is due to expenses paid from the grants, such as salaries, benefits and purchased services.
- The Enterprise Funds' revenues increased by \$12,118 (7%) from \$184,777 in FY 2022 to \$196,895 in FY 2023. This increase was due to increases in Excellence in Education, RSSP Student Activities, and Workshop revenues. The Enterprise Funds' expenditures increased by \$28,182 (24%) from \$115,424 in FY 2022 to \$143,606 in FY 2023.

Using This Report

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

- *Management's Discussion and Analysis* introduces financial statements and provides an analytical overview of the ROE's financial activities.
- The *Government-wide financial statements* consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the ROE as a whole and present an overall view of the ROE's finances.
- *Fund financial statements* report the ROE's operations in more detail than the government-wide statements by providing information about the most significant funds.
- *Notes to the financial statements* provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- *Required supplementary information and supplementary information* further explains and supports the financial statements and provides detailed information about the non-major funds.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Reporting the Regional Office of Education No. 35 as a Whole

The Statement of Net Position and the Statement of Activities

Government-wide Financial Statements

The Government-wide financial statements report information about the ROE as a whole. The Statement of Net Position includes all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *Net Position*. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid using Generally Accepted Accounting Principles.

The Government-wide financial statements report the ROE’s net position and how it has changed. Net Position - the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources – is one way to measure the ROE’s financial condition.

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

Fund Financial Statements

The fund financial statements provide detailed information about the ROE’s funds. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by State law. The ROE established other funds to control and manage money for particular purposes.

The ROE has three kinds of funds:

- (1) **Governmental funds** account for those funds through which most governmental functions of the ROE are financed. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at the year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the ROE’s programs. The ROE’s Governmental Funds include: the General Fund and the Special Revenue Funds. The governmental funds required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

- (2) **Proprietary funds** account for resources from fees charged directly to those entities or individuals that use its services. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by government-wide financial statements but with more detail for major and non-major enterprise funds. The proprietary funds required financial statements include a Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.
- (3) **Fiduciary funds** are used to account for assets held by the ROE in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature. The fiduciary funds required financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Government-Wide Financial Analysis

As noted earlier, net position, when examined over time, may serve as an indicator of the financial health of the ROE. The net position at the end of FY 2022 and 2023 totaled \$1,588,413 and \$2,522,994 respectively. The increase in the net position is related to the GASB 68 and 75 pronouncements. The deferred inflows decreased and the deferred outflows related to these pronouncements increased in FY 2023. In addition, the General Funds increase and grant funding increase also contributed. The analysis that follows provides a summary of the ROE's net position as of June 30, 2022 and 2023.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current assets	\$ 2,614,313	\$ 2,128,303	\$ 539,060	\$ 484,077	\$ 3,153,373	\$ 2,612,380
Capital assets, net	--	--	13,839	6,450	13,839	6,450
Net pension asset	--	255,624	--	50,213	--	305,837
TOTAL ASSETS	2,614,313	2,383,927	552,899	540,740	3,167,212	2,924,667
DEFERRED OUTFLOWS OF RESOURCES						
	233,685	143,591	17,005	4,157	250,690	147,748
Current liabilities	64,982	168,008	--	--	64,982	168,008
Net pension liability	117,215	32,548	10,437	--	127,652	32,548
OPEB liabilities	104,723	333,899	--	--	104,723	333,899
TOTAL LIABILITIES	286,920	534,455	10,437	--	297,357	534,455
DEFERRED INFLOWS OF RESOURCES						
	597,551	908,924	--	40,623	597,551	949,547
NET POSITION						
Net investment in capital assets	--	--	13,839	6,450	13,839	6,450
Restricted - other	343,432	564,575	--	50,213	343,432	614,788
Unrestricted	1,620,095	519,564	545,628	447,611	2,165,723	967,175
TOTAL NET POSITION	\$ 1,963,527	\$ 1,084,139	\$ 559,467	\$ 504,274	\$ 2,522,994	\$ 1,588,413

The ROE's net position increased by \$934,581 during FY 2023. An increase of \$879,388 occurred in the Governmental Activities and an increase of \$55,193 occurred in the Business-Type Activities. The increase in Governmental Activities is mostly due to GASB 68 and 75 and decreases in inflows and increases in outflows associated with those pronouncements, as well as increased General Funds and increased grant funding. The increase in Business-Type Activities is primarily attributed to this as well.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

CHANGES IN NET POSITION

The following analysis shows the changes in Net Position for the years ended June 30, 2023 and 2022.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services	\$ 648,596	\$ 541,918	\$ 196,895	\$ 184,777	\$ 845,491	\$ 726,695
Operating grants and contributions	2,057,251	1,345,607	--	--	2,057,251	1,345,607
General revenues:						
Fees for services	4,800	4,800	--	--	4,800	4,800
Interest income	3,745	1,182	1,904	924	5,649	2,106
On-behalf payments	861,828	796,143	--	--	861,828	796,143
Total revenues	<u>3,576,220</u>	<u>2,689,650</u>	<u>198,799</u>	<u>185,701</u>	<u>3,775,019</u>	<u>2,875,351</u>
Expenses:						
Salaries	1,092,683	806,456	58,803	46,492	1,151,486	852,948
Benefits	159,395	93,688	9,028	2,965	168,423	96,653
Pension expense	(209,524)	(249,073)	4,967	(11,653)	(204,557)	(260,726)
OPEB expense	(54,122)	(23,890)	--	--	(54,122)	(23,890)
Purchased services	452,600	189,771	50,155	52,730	502,755	242,501
Supplies and materials	53,944	163,997	17,075	11,584	71,019	175,581
Capital outlay	51,333	21,001	946	10,968	52,279	31,969
Miscellaneous	2,700	2,140	166	178	2,866	2,318
Depreciation	--	--	2,466	2,160	2,466	2,160
On-behalf payments	861,828	796,143	--	--	861,828	796,143
Intergovernmental:						
Payments to other governmental units	285,995	205,202	--	--	285,995	205,202
Total expenses	<u>2,696,832</u>	<u>2,005,435</u>	<u>143,606</u>	<u>115,424</u>	<u>2,840,438</u>	<u>2,120,859</u>
Income before transfers	879,388	684,215	55,193	70,277	934,581	754,492
Transfers	--	--	--	--	--	--
Change in Net Position	879,388	684,215	55,193	70,277	934,581	754,492
Net Position, beginning	<u>1,084,139</u>	<u>399,924</u>	<u>504,274</u>	<u>433,997</u>	<u>1,588,413</u>	<u>833,921</u>
Net Position, ending	<u>\$1,963,527</u>	<u>\$ 1,084,139</u>	<u>\$ 559,467</u>	<u>\$ 504,274</u>	<u>\$ 2,522,994</u>	<u>\$ 1,588,413</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Governmental Activities

Revenues for governmental activities were \$3,576,220 and expenses were \$2,696,832. Total governmental activities revenues increased by \$886,570. This was mostly as a result of increased General Funds and increased grant funding. Expenses for governmental activities increased by \$691,397. This was in proportion to the increased revenues.

Business-Type Activities

Revenues for business-type activities were \$198,799 and expenditures were \$143,606. Total Business-Type Activities Revenue increased by \$13,098. Expenses increased by \$28,182. The increase in revenue can be attributed to increased fees for services in the Workshop and Excellence in Education funds. The increase in expenses can be attributed to the increased spending in the Excellence in Education and LaSalle County Area Purchasing Coop funds.

Financial Analysis of the ROE Funds

As previously noted, the ROE uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The ROE's Governmental Funds reported combined fund balances of \$2,549,331.

Governmental Fund Highlights

- The FY 2023 grant revenues increased from the prior year, including an increase in the ROE ISC grant funds and the addition of the Community Partnership grant and SEL grant. There were no grant revenues considered unavailable for FY 2023. State Funding increased due to the increase in the ROE ISC grant funds. Federal Funding increased due to the Community Partnership and SEL funds.
- LaSalle County support for the Regional Office of Education No. 35 remained level, with a slight decrease. Marshall and Putnam Counties were absorbed into Regional Office of Education No. 35 on July 1, 2015. These counties are invoiced monthly for a share of the cost of various service and personnel, such as Professional Development, truancy officers, and technology coordinators. Putnam County paid a total of \$15,201 in FY 2023. Marshall County paid a total of \$20,785 in FY 2023.

Proprietary Fund Highlights

Total proprietary fund net position increased by \$55,193 (11%). The net increase in the proprietary funds is attributed to the increased revenue in the Excellence in Education funds and RSSP Student Activities fund.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Fiduciary Fund Highlights

There was a decrease of \$13,250 (3%) in distributive fiduciary funds additions for FY 2023. In FY 2023, there were 2 remaining units that receive their payments through the ROE. Transactions during FY 2023 represent mainly transfers in and out of funds for the Distributive Fund.

Budgetary Highlights

The ROE annually prepares budgets for several funds which serve as a guideline for activities and expenditures. The Regional Superintendent annually prepares an Office Operations Budget and submits it to the LaSalle County Board for their approval. The Office Operations Budget covers a fiscal year which runs from December 1 to November 30. All grant budgets are prepared by the ROE and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Additionally, all ROE funds are reported to the Advisory Board.

Capital Assets

The ROE's capital assets include office equipment, computers, audio-visual equipment, and office furniture. The ROE maintains an inventory of capital assets which have been accumulated over time. For FY 2023, the ROE had the following capital purchase which met the capitalization threshold: the purchase of office flooring for \$9,855.

The total depreciation expense for FY 2023 was \$2,466. Accumulated depreciation through FY 2023 amounted to \$18,532.

Economic Factors and Next Year's Budget

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

- The interest rate on investments remains low and will impact interest earned.
- Some current grants remained level for FY 2023. The ROE ISC grant increased from \$119,786 in FY 2022 to \$327,851 in FY 2023. In addition, the Community Partnership Grant and the SEL Grant were awarded in the amounts of \$323,529 and \$56,357, respectively. The current grants are predicted to remain level for FY 2024.
- The ROE was once again awarded the Truancy Grant for FY 2023 in the amount of \$139,995.
- The ROE began their second year in the Student Service Coop program that brought in \$298,531 in revenue for FY 2023, and expect to bring in the same amount in FY 2024.
- Marshall and Putnam Counties have been paying a monthly invoice, amounting to a total of approximately \$36,000 annually, to the Regional Office for ROE services. These additional funds are used to help pay the costs of ROE ISC operations, such as purchased services and salaries.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

- General State Aid is calculated through an Evidence-Based Funding Model with intent to fund the ROE Safe School program at an adequate amount. For FY 2023, Evidence Based Funding calculation funded the program at \$608,756, an increase of \$234,731. For FY 2024, Evidence Based Funding is expected to increase by approximately \$72,000.
- County Board support for Regional Office of Education No. 35 will be increased by approximately 4% for FY 2024. Funding by Putnam and Marshall Counties will remain level.
- The Regional Office of Education No. 35, as of July 1, 2023, became the employer for five county employees currently paid directly by LaSalle County. This resulted in the ROE paying these employees through direct ROE payroll, and LaSalle County reimbursing the ROE monthly for the cost of these employees.

Contacting the ROE's Financial Management

This financial report is designed to provide the ROE's citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education No. 35 at 119 W. Madison St., Room No. 102, Ottawa, IL 61350.

BASIC FINANCIAL STATEMENTS

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
STATEMENT OF NET POSITION
JUNE 30, 2023**

EXHIBIT A

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,940,068	\$ 507,277	\$ 2,447,345
Investments	344,180	26,433	370,613
Accounts receivable	20	-	20
Prepaid expenses	3,977	-	3,977
Due from other governmental units	326,068	5,350	331,418
Total current assets	<u>2,614,313</u>	<u>539,060</u>	<u>3,153,373</u>
Noncurrent assets			
Capital assets, net	-	13,839	13,839
Total noncurrent assets	<u>-</u>	<u>13,839</u>	<u>13,839</u>
TOTAL ASSETS	<u>2,614,313</u>	<u>552,899</u>	<u>3,167,212</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	164,606	17,005	181,611
Deferred outflows related to OPEB	69,079	-	69,079
Total deferred outflows of resources	<u>233,685</u>	<u>17,005</u>	<u>250,690</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued expenses	48,369	-	48,369
Unearned revenues	16,613	-	16,613
Total current liabilities	<u>64,982</u>	<u>-</u>	<u>64,982</u>
Noncurrent liabilities			
Net pension liability	117,215	10,437	127,652
OPEB liabilities	104,723	-	104,723
Total noncurrent liabilities	<u>221,938</u>	<u>10,437</u>	<u>232,375</u>
TOTAL LIABILITIES	<u>286,920</u>	<u>10,437</u>	<u>297,357</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	139,728	-	139,728
Deferred inflows related to OPEB	457,823	-	457,823
Total deferred inflows of resources	<u>597,551</u>	<u>-</u>	<u>597,551</u>
NET POSITION			
Net investment in capital assets	-	13,839	13,839
Unrestricted	1,620,095	545,628	2,165,723
Restricted - other	343,432	-	343,432
TOTAL NET POSITION	<u>\$ 1,963,527</u>	<u>\$ 559,467</u>	<u>\$ 2,522,994</u>

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

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

EXHIBIT C

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>	<u>Fairmount Minerals Grants</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 1,663,161	\$ 47,035	\$ 78,214	\$ 106,461	\$ 45,197	\$ 1,940,068
Investments	269,893	-	34,891	-	39,396	344,180
Accounts receivable	-	-	-	-	20	20
Prepaid expenses	3,977	-	-	-	-	3,977
Due from other funds	321,390	-	-	-	-	321,390
Due from other governmental units	18,344	307,684	-	-	40	326,068
Total assets	<u>2,276,765</u>	<u>354,719</u>	<u>113,105</u>	<u>106,461</u>	<u>84,653</u>	<u>2,935,703</u>
DEFERRED OUTFLOWS OF RESOURCES						
	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	<u>2,276,765</u>	<u>354,719</u>	<u>113,105</u>	<u>106,461</u>	<u>84,653</u>	<u>2,935,703</u>
LIABILITIES						
Accounts payable and accrued expenses	40,547	7,822	-	-	-	48,369
Due to other funds	13,706	307,684	-	-	-	321,390
Unearned revenues	16,613	-	-	-	-	16,613
Total liabilities	<u>70,866</u>	<u>315,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,372</u>
DEFERRED INFLOWS OF RESOURCES						
	-	-	-	-	-	-
FUND BALANCES						
Nonspendable	3,977	-	-	-	-	3,977
Restricted	-	39,213	113,105	106,461	84,653	343,432
Assigned	940,961	-	-	-	-	940,961
Unassigned	1,260,961	-	-	-	-	1,260,961
Total fund balances	<u>2,205,899</u>	<u>39,213</u>	<u>113,105</u>	<u>106,461</u>	<u>84,653</u>	<u>2,549,331</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
	<u>\$ 2,276,765</u>	<u>\$ 354,719</u>	<u>\$ 113,105</u>	<u>\$ 106,461</u>	<u>\$ 84,653</u>	<u>\$ 2,935,703</u>

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 BALANCE SHEET TO THE STATEMENT OF NET POSITION
 GOVERNMENTAL FUNDS
 JUNE 30, 2023**

EXHIBIT D

Total fund balances - governmental funds		\$ 2,549,331
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore are not reported in the governmental funds as follows:</p>		
Deferred outflows of resources	233,685	
Deferred inflows of resources	<u>(597,551)</u>	(363,866)
<p>Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Net pension liability		(117,215)
OPEB liabilities		<u>(104,723)</u>
Net position of governmental activities		<u><u>\$ 1,963,527</u></u>

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

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT E

	General Fund	Education Fund	Institute Fund	Fairmount Minerals Grants	Nonmajor Special Revenue Funds	Total Governmental Funds
REVENUES						
Federal sources	\$ -	\$ 862,277	\$ -	\$ -	\$ -	\$ 862,277
State sources	608,756	574,833	-	-	1,383	1,184,972
Local sources	605,202	-	41,890	10,000	6,306	663,398
Interest	3,072	-	458	-	215	3,745
On-behalf payments	-	607,672	-	-	-	607,672
Total revenues	1,217,030	2,044,782	42,348	10,000	7,904	3,322,064
EXPENDITURES						
Instructional services:						
Salaries	424,177	667,681	825	-	-	1,092,683
Benefits	57,024	102,308	63	-	-	159,395
Pension expenditures	6,566	15,878	59	-	-	22,503
OPEB expenditures	2,234	1,969	-	-	-	4,203
Purchased services	109,719	301,130	8,072	26,423	7,256	452,600
Supplies and materials	25,527	22,167	6,081	-	169	53,944
Miscellaneous	1,594	686	-	-	420	2,700
On-behalf payments	-	607,672	-	-	-	607,672
Intergovernmental:						
Payments to other governmental units	-	285,995	-	-	-	285,995
Capital outlay	35,634	15,699	-	-	-	51,333
Total expenditures	662,475	2,021,185	15,100	26,423	7,845	2,733,028
NET CHANGE IN FUND BALANCES	554,555	23,597	27,248	(16,423)	59	589,036
FUND BALANCES, BEGINNING OF YEAR	1,651,344	15,616	85,857	122,884	84,594	1,960,295
FUND BALANCES, END OF YEAR	\$ 2,205,899	\$ 39,213	\$ 113,105	\$ 106,461	\$ 84,653	\$ 2,549,331

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023**

EXHIBIT F

Net change in fund balances	\$ 589,036
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report employer pension contributions as pension expenditures. Employer pension contributions made after the measurement date are deferred on the Statement of Activities.</p>	10,960
<p>Governmental funds report employer OPEB contributions as OPEB expenditures. Employer OPEB contributions made after the measurement date are deferred on the Statement of Activities.</p>	4,203
<p>Certain expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>	
<p style="padding-left: 40px;">Pension expense (net of employer pension contributions not deferred)</p>	221,067
<p style="padding-left: 40px;">OPEB expense</p>	54,122
Change in net position of governmental activities	\$ 879,388

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

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

EXHIBIT G

	Business Type Activities - Enterprise Funds					Total
	Workshop	LaSalle County Area Purchasing Coop.	Criminal Background Investigation	Excellence in Education	Nonmajor Proprietary Funds	
ASSETS						
Current assets						
Cash and cash equivalents	\$ 112,214	\$ 296,046	\$ 67,066	\$ 12,386	\$ 19,565	\$ 507,277
Investments	-	26,433	-	-	-	26,433
Due from other governmental units	5,350	-	-	-	-	5,350
Total current assets	117,564	322,479	67,066	12,386	19,565	539,060
Noncurrent assets						
Equipment, net	13,035	-	804	-	-	13,839
Total noncurrent assets	13,035	-	804	-	-	13,839
TOTAL ASSETS	130,599	322,479	67,870	12,386	19,565	552,899
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	-	17,005	-	-	-	17,005
Total deferred outflows of resources	-	17,005	-	-	-	17,005
LIABILITIES						
Current liabilities						
	-	-	-	-	-	-
Noncurrent liabilities						
Net pension liability	-	10,437	-	-	-	10,437
Total noncurrent liabilities	-	10,437	-	-	-	10,437
TOTAL LIABILITIES	-	10,437	-	-	-	10,437
DEFERRED INFLOWS OF RESOURCES						
	-	-	-	-	-	-
NET POSITION						
Unrestricted	117,564	329,047	67,066	12,386	19,565	545,628
Net investment in capital assets	13,035	-	804	-	-	13,839
TOTAL NET POSITION	\$ 130,599	\$ 329,047	\$ 67,870	\$ 12,386	\$ 19,565	\$ 559,467

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

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT H

	Business Type Activities - Enterprise Funds					
	LaSalle					Total
	Workshop	County Area Purchasing Coop.	Criminal Background Investigation	Excellence in Education	Nonmajor Proprietary Funds	
OPERATING REVENUES						
Fees for services	\$ 57,654	\$ 106,056	\$ 11,745	\$ 17,290	\$ 4,150	\$ 196,895
OPERATING EXPENSES						
Salaries	-	53,527	5,276	-	-	58,803
Benefits	-	8,841	187	-	-	9,028
Pension expense	-	4,967	-	-	-	4,967
Purchased services	22,073	10,507	1,849	14,789	937	50,155
Supplies and materials	9,246	1,748	66	3,488	2,527	17,075
Capital outlay	946	-	-	-	-	946
Miscellaneous	-	166	-	-	-	166
Depreciation	1,752	-	714	-	-	2,466
Total operating expenses	34,017	79,756	8,092	18,277	3,464	143,606
OPERATING INCOME (LOSS)	23,637	26,300	3,653	(987)	686	53,289
NONOPERATING REVENUES						
Interest	1,741	163	-	-	-	1,904
CHANGE IN NET POSITION	25,378	26,463	3,653	(987)	686	55,193
NET POSITION, BEGINNING OF YEAR	105,221	302,584	64,217	13,373	18,879	504,274
NET POSITION, END OF YEAR	\$ 130,599	\$ 329,047	\$ 67,870	\$ 12,386	\$ 19,565	\$ 559,467

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

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT I

	Business Type Activities - Enterprise Funds					Total
	Workshop	LaSalle County Area Purchasing Coop.	Criminal Background Investigation	Excellence in Education	Nonmajor Proprietary Funds	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts for workshops and services	\$ 54,470	\$ 106,056	\$ 11,745	\$ 17,290	\$ 4,150	\$ 193,711
Payments to employees	-	(53,527)	(5,276)	-	-	(58,803)
Payments to suppliers and providers of goods and services	(32,265)	(19,050)	(2,102)	(18,277)	(3,464)	(75,158)
Net cash provided by (used for) operating activities	22,205	33,479	4,367	(987)	686	59,750
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES:						
Payments related to acquisition of capital assets	(9,855)	-	-	-	-	(9,855)
Net cash used in capital and financing activities	(9,855)	-	-	-	-	(9,855)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Purchases of Investments	-	(163)	-	-	-	(163)
Interest	1,741	163	-	-	-	1,904
Net cash provided by investing activities	1,741	-	-	-	-	1,741
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,091	33,479	4,367	(987)	686	51,636
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	98,123	262,567	62,699	13,373	18,879	455,641
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 112,214	\$ 296,046	\$ 67,066	\$ 12,386	\$ 19,565	\$ 507,277
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ 23,637	\$ 26,300	\$ 3,653	\$ (987)	\$ 686	\$ 53,289
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	1,752	-	714	-	-	2,466
Effects of changes in assets, deferred outflows, liabilities and deferred inflows:						
Due from other governmental units	(3,184)	-	-	-	-	(3,184)
Net pension asset	-	50,213	-	-	-	50,213
Net pension liability	-	10,437	-	-	-	10,437
Deferred outflows of resources	-	(12,848)	-	-	-	(12,848)
Deferred inflows of resources	-	(40,623)	-	-	-	(40,623)
Net cash provided by (used for) operating activities	\$ 22,205	\$ 33,479	\$ 4,367	\$ (987)	\$ 686	\$ 59,750

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2023**

EXHIBIT J

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ -</u>
TOTAL ASSETS	<u><u>-</u></u>
LIABILITIES	
Due to other governmental units	<u>-</u>
TOTAL LIABILITIES	<u><u>-</u></u>
NET POSITION	
Restricted for other individuals and governments	<u>-</u>
TOTAL NET POSITION	<u><u>\$ -</u></u>

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023**

EXHIBIT K

	<u>Custodial Funds</u>
ADDITIONS	
Education collections for local governments	<u>\$ 454,308</u>
TOTAL ADDITIONS	<u>454,308</u>
DEDUCTIONS	
Education disbursements to local governments	<u>466,888</u>
TOTAL DEDUCTIONS	<u>466,888</u>
Net decrease in fiduciary net position	(12,580)
NET POSITION, beginning of year	<u>12,580</u>
NET POSITION, end of year	<u><u>\$ -</u></u>

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 (ROE) conform to accounting principles generally accepted in the United States of America for governmental entities. The following is a summary of the significant accounting policies.

A. Reporting Entity

The LaSalle, Marshall, and Putnam Counties Regional Office of Education No. 35 (ROE) operates under the School Code (105 ILCS 5/3 and 5/3A). The ROE encompasses LaSalle, Marshall, and Putnam Counties, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of the region and is elected to the position for a four-year term pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The Regional Superintendent is responsible for the supervision and control of the school districts. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general State aid, State categorical grants, and various other sources.

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 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.

B. Scope of the Reporting Entity

The ROE's reporting entity includes all related organizations for which the ROE exercises oversight responsibility. The ROE has developed criteria to determine whether outside agencies with activities which benefit the citizens of the ROE, including joint agreements which serve pupils from numerous school districts, should be included within its financial reporting entity. The criteria include but are not limited to, whether the ROE exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The ROE has determined that no other outside agency meets any of the above criteria and, therefore, no other agency has been included as a component unit in the financial statements. In addition, the ROE is not aware of any entity which would exercise such oversight as to result in the Regional Office being considered a component unit of the entity.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. New Accounting Pronouncements

During the year ended June 30, 2023, the ROE adopted the following Governmental Accounting Standards Board (GASB) Statements:

- GASB Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement were to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement was issued to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this statement were to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs), and providing uniform guidance for accounting and financial reporting for transactions that meet that definition.
- GASB Statement No. 99, *Omnibus 2022*. This statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.

None of these standards had a significant impact on the ROE's financial statements.

D. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the ROE that are governmental in nature and those that are considered business-type activities. *Governmental activities* normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. *Business-type activities* normally are supported by operating revenues which include amounts assessed or received from local sources for the ROE programs.

The Statement of Net Position presents the ROE's nonfiduciary assets and liabilities (and deferred inflows and outflows of resources, if any) with the differences reported as Net Position.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting 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*. Major individual funds are reported as separate columns in the fund financial statements.

Fund financial statements of the ROE are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures/expenses. The ROE's funds are organized into three major categories: governmental, proprietary, and fiduciary funds.

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

The government-wide, the proprietary fund, and the fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues of proprietary funds include amounts assessed or received from local sources for the ROE programs. Non-operating revenue includes interest earned on cash deposit accounts.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The ROE considers revenues as available if they are collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended before any amounts will be reimbursed; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time that all eligibility requirements imposed by the provider have been met unless the resources are not measurable or available as described above.

When restricted, committed, assigned and unassigned resources are available for use, it is the ROE's policy to use restricted resources first, and then committed, assigned and finally unassigned resources as they are needed.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The ROE records on-behalf payments made by the State and LaSalle County for salaries and benefits (including the Teachers' Retirement System or the Illinois Municipal Retirement Fund, as applicable) as revenues and expenditures.

F. Fund Accounting

The accounts of the ROE are organized on the basis of funds. The ROE maintains individual funds as required by the State of Illinois. The resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

G. Governmental Fund Types

Governmental Funds are those through which most governmental functions of the ROE are financed. The acquisition, use and balances of the ROE's expendable financial resources and the related liabilities are accounted for through governmental funds.

General Fund - The General Fund is used to account for resources traditionally associated with government which are not required, legally or by sound financial management, to be accounted and reported for in another fund. The General Fund is always considered a major fund. The following accounts are included in the General Fund:

General - to account for the general operating fund. It has been used to record expenditures in connection with general administration activities.

Regional Safe Schools Program (RSSP) Student - to account for monies received for assistance in funding shortfalls for student activities.

Title II - Teacher Quality (from schools) - to account for the administration of monies from various local schools to be used for the Title II – Teacher Quality programs.

Marshall and Putnam County Funding - to account for monies billed and received from Marshall and Putnam counties relating to the shared services of the technology director, truancy officers, and licensure personnel.

Student Services Coop (from schools) - to account for the administration of monies from various local schools to be used for attendance and homeless services for school districts.

General State Aid – Evidence Based Funding (EBF) - to account for grant monies received for, and payment of, expenditures for regional learning academy supplements.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LaSalle County Funding - to account for monies received for, and payment of, expenditures for ROE employees' costs.

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 specified purposes other than debt service and capital projects. The ROE reported the following special revenue funds as major governmental funds:

Education Fund - to account for State and Federal grant monies received for, and payment of, administering numerous grant awards which include:

McKinney Education for Homeless Children - to account for grant monies received for, and payment of, expenditures associated with a Federal program designed to provide counseling and educational support to homeless children and their families. The programs are funded by a Federal Stewart B. McKinney Education for Homeless Children and Youth Grant administered through the Illinois State Board of Education.

Regional Safe Schools - this fund is an alternative schooling program for disruptive youth, creating alternative placement for those students who are suspended and/or are deemed ineligible.

Truants Alternative Programs - to account for grant monies received for, and payment of, providing truancy prevention programming and monitoring truants.

Professional Learning Community Elementary and Secondary School Emergency Relief Fund (PLC Capacity Builder ESSER) - this fund was used to account for emergency relief funds to help in closing the digital divide and enabling digital-age teaching and learning and to address the impact of Novel Coronavirus Disease 2019 (COVID-19). The ROE is the fiscal agent for these dollars.

Emergency Assistance to Non-Public Schools Elementary and Secondary School Emergency Relief Fund (EANS ESSER) - to account for grant monies received for, and payment of, providing services or assistance to eligible non-public schools to address educational disruptions caused by the COVID-19 emergency.

ROE/ISC Operations - to account for grant monies received for, and payment of, assisting schools in all areas of school improvement.

Workforce Investment Act (WIA) Youth Activities - to account for grant monies received for, and payment of, a dropout recovery program to help low-income youth, between the ages of 14 and 21, acquire the educational and occupational skills, training, and support needed to achieve academic and employment success and successfully transition to careers and productive adulthood.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Social Emotional Learning and Trauma Response Elementary and Secondary School Emergency Relief Fund (SEL ESSER) - to account for grant monies received for, and payment to ensure that districts, in partnership with social-emotional and trauma coaches, will identify, develop, and implement a comprehensive plan to address the safety and well-being needs of students and staff.

Community Partnership - to account for grant monies received for, and payment to develop and expand the current relationships between schools, community-based organizations, and child and family mental health providers to benefit the well-being of children, parents and school staff.

Regional Work Experience Career Exploration Program (RWECEP) - to account for monies from the State of Illinois for expenditures aimed at assisting suspended or expelled youth to become reoriented and motivated through a combination of paid work experience related to existing career opportunities with potential for advancement. The program prepares the student to complete their education by participating in career-related classroom(s) and structure cooperative work experience provided by the private sector. The purpose of the program is to increase safety and promote the learning environment in school.

National School Breakfast Program - to account for grant monies received for, and payment of, expenditures of the program for the National School Breakfast fund.

National School Lunch Program - to account for the grant monies received for, and payment of, expenditures of the program for the National School Lunch fund.

State Free Lunch & Breakfast Program - to account for the proceeds received and expended in the operations of the free lunch and breakfast program.

Homeless American Rescue Plan - 1 (ARP-1) - to account for grant monies received for, and payment of, expenditures associated with the American Rescue Plan Elementary and Secondary School Emergency Relief – Homeless Children. These funds are used for emergency relief, including providing counseling and educational support to homeless children and their families and to 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.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Homeless Consortium - to account for grant monies received for, and payment of, expenditures associated with the American Rescue Plan Elementary and Secondary School Emergency Relief – Homeless Children. These funds are used for emergency relief, including providing counseling and educational support to homeless children and their families and to 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.

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

Fairmount Minerals Grants - to account for funds received from Fairmount Minerals to promote instructional innovation and nutritional wellness in LaSalle County Schools.

Nonmajor Special Revenue Funds - The ROE reported the following special revenue funds as nonmajor governmental funds:

General Educational Development (GED) - to account for the administration of the GED Testing Program. Revenues are received from testing and diploma fees.

School Bus Driver Training - to account for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Annexation and Sales Petition - to account for fees collected for expenditures incurred in publishing and filing petition requests.

H. Proprietary Fund Types

Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. All assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, and transfers relating to the government's business activities in which changes in net position or cost recovery are measured, are accounted for through proprietary funds (enterprise and internal service funds). Generally accepted accounting principles for proprietary funds are similar to those applicable to businesses in the private sector; the measurement focus is on determining operating income, financial position, and cash flows.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Enterprise Funds - to account for resources from fees charged directly to those entities or individuals that use its services. The ROE reported the following enterprise funds as major proprietary funds:

Workshop - to account for local revenues and disbursements related to various workshops conducted by the ROE which are not accounted for in a separate fund.

LaSalle County Area Purchasing Coop. - to account for maintenance of cooperative purchasing program for the benefit of the ROE's various school districts and other surrounding counties' school districts.

Criminal Background Investigation - to account for the assessments received from the school districts to pay for the processing of background checks of substitute teachers and expenditures incurred providing this service to the school districts.

Excellence in Education - to account for the fees and local revenues received and related disbursements while performing activities related to the Excellence in Education program.

Nonmajor Proprietary Funds - The ROE reported the following enterprise funds as nonmajor proprietary funds:

Evaluation and Training - to account for local revenues received for curriculum mapping and evaluation trainings.

ParaPro - to account for the fees and local revenues received and related disbursements for testing the proficiency of prospective teacher aids.

RSSP Student Activities - to account for funds received for and payment of expenditures to assist with an incentive program for RSSP students through fund raising activities.

I. Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the ROE in a trustee capacity or as an agent for individuals, private organizations, and/or other governments.

Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial Funds include Distributive.

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Net Position

Net Position of the ROE is classified as follows:

Net Investment in Capital Assets – consists of the ROE’s capital assets, net of accumulated depreciation, reduced by the outstanding debt attributable to the acquisition of those assets. There is no outstanding debt related to these assets at this time.

Restricted Net Position – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted Net Position – consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of *Restricted Net Position* or *Net Investment in Capital Assets*.

K. Governmental Fund Balances

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

Nonspendable Fund Balance - the portion of a Governmental Fund’s Net Position that is not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance reported is for prepaid expenses from General and General State Aid-EBF accounts (in the General Fund).

Restricted Fund Balance - the portion of the Governmental Fund’s Net Position that is subject to external enforceable legal restrictions. The following funds’ and accounts’ fund balances are restricted by grant agreements or contracts: Fairmount Minerals Grants, National School Breakfast Program, National School Lunch Program, and State Free Lunch & Breakfast Program. The following funds’ fund balances are restricted by Illinois statute: Institute, General Educational Development, School Bus Driver Training, and Annexation and Sales Petition.

Committed Fund Balance - the portion of a Governmental Fund’s Net Position with self-imposed constraints or limitations that has been placed at the highest level of decision making. The ROE has no committed fund balances.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned Fund Balance - the portion of a Governmental Fund's Net Position denoted for an intended use of the resources. The accounts with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts' fund balances were assigned: RSSP Student, Title II – Teacher Quality (from Schools), Marshall and Putnam County Funding, and Student Services Coop (from Schools).

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The accounts with unassigned fund balances are: General and General State Aid-EBF.

L. Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Non-exchange transactions, in which the ROE receives value without directly giving value in return, include grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the ROE must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the ROE on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

M. Budgets and Budgetary Information

The ROE did not formally adopt a budget for the year ended June 30, 2023 and is not legally required to do so. The Illinois State Board of Education requires budgets for certain State and Federal programs. These budgets were used to prepare Budgetary Comparison Schedules for the following accounts within the Education Fund: McKinney Education for Homeless Children, Regional Safe Schools, Truants Alternative Programs, RWECEP, ROE/ISC Operations, Community Partnership, Homeless ARP-1, and Homeless Consortium.

N. Cash and Cash Equivalents

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the ROE are considered to be cash equivalents.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Investments

The ROE's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the ROE to purchase certain obligations of the U.S. Treasury, Federal agencies and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds.

P. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

Capital assets are recorded at cost at time of acquisition or fair value at the date of donation. The ROE capitalizes items costing \$5,000 or more and intangible assets costing \$25,000 or more. Depreciation is calculated on a straight-line basis over the estimated useful lives (five to seven years) of the respective assets.

Q. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an expense until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense or OPEB expense and contributions from the employer after the measurement date but before the end of the reporting period. Deferred inflows of resources include primarily the unamortized portion of the net difference between projected and actual earnings on pension and OPEB plan investments.

R. Estimates

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

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Postemployment Benefits Other Than Pension (OPEB)

For purposes of measuring the ROE's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the ROE's OPEB Plan, and additions to/deductions from the ROE's fiduciary net position have been determined on the same basis as they are reported by the ROE's Plan. For this purpose, the ROE's Plans recognize benefit payments when due and payable in accordance with the benefit terms. For the ROE's Plan described in Note 7, the ROE's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense for the ROE's single-employer defined benefit OPEB plan have been actuarially determined using the Alternative Measurement Method.

T. Compensated Absences

Full-time employees earn up to 20 vacation days for a full year of service. Vacation days must be used by the end of the fiscal year and may not be carried over to the following year. Seasonal and part-time employees do not earn vacation days. No pay for unused vacation days will be received by an employee when they leave the Regional Office of Education No. 35 or at any time during their employment; therefore, no liability is accrued.

U. Inventories

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

NOTE 2 - DEPOSITS AND INVESTMENTS

In the accompanying financial statements, certificates of deposit are reported as investments because the original maturities of the certificates exceed 90 days. For risk disclosure purposes, those certificates of deposit are deposits. The money market accounts described below are reported as cash equivalents in the accompanying financial statements. For risk disclosure purposes, the money market accounts are investments.

Deposits

The ROE utilizes several different bank accounts for its various activities. The book balance of such accounts is \$2,817,958 at June 30, 2023, while the bank balance was \$2,893,116. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2023. Of the total bank balance as of June 30, 2023, \$716,836 was insured by Federal depository insurance, and \$2,176,280 was collateralized by securities pledged by the ROE's financial institution that were held by the financial institution's agent but not in the name of the ROE.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Investments

As of June 30, 2023, the ROE had investments with carrying and fair values as follows:

Investment Type	Carrying Amount	Fair Value
Illinois Funds Money Market	\$15,985	\$15,985
	\$15,985	\$15,985

Credit Risk

At June 30, 2023, *The Illinois Funds* has earned the highest investment grade rating (AAAmf) for a government-managed money market fund. The rating is based on Fitch's analysis of the pool's credit quality, market price exposure and management. The rating demonstrates that the fund has an extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. This is accomplished through prudent investment practices and strict internal controls. Safety of principal is the foremost objective of the investment program. Illinois Funds investments are executed and managed in a manner that seeks to ensure the preservation of capital in the portfolio. Fitch's highest rating (AAAmf) is proof positive that the safety objective is met. 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 Investments Act, 30 ILCS 235.

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 investments while maintaining immediate access to the funds. The investment policy of the Illinois Funds Money Market Fund states that a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Fair Value Measurements

The ROE's financial instruments consist principally of cash and cash equivalents, including the above-mentioned certificates of deposit and money market accounts. The fair value of a financial instrument is the amount that would be received in an asset sale or paid to transfer a liability in an orderly transaction between unaffiliated market participants. Assets and liabilities measured at fair value are categorized based on whether the inputs are observable in the market and the degree that the inputs are observable. The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels (with Level 3 being the lowest) defined as follows:

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Level 1: Quoted prices in active markets for identical assets or liabilities that the agency has the ability to access.

Level 2: Observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

The fair value of the ROE’s certificates of deposit and money market accounts was determined based on “Level 1” inputs. The valuation techniques used to measure the fair value of the “Level 1” instruments were valued based on quoted market prices from observable market data. The ROE does not have any financial instruments in the “Level 2” or “Level 3” category.

There have been no changes in Level 1, Level 2, and Level 3 and no changes in valuation techniques for these assets for the year ended June 30, 2023.

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

Governmental Activities – There are no capital assets within Governmental Activities.

Business-type Activities

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
Equipment	\$ 22,516	\$ 9,855	\$ (11,220)	\$ 21,151
Less: accumulated depreciation	16,066	2,466	(11,220)	7,312
Capital assets, net	\$ 6,450	\$ 7,389	\$ -	\$ 13,839

Depreciation expense in the amount of \$2,466 was charged to the Professional Development activity.

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NOTE 4 - DUE FROM (TO) OTHER GOVERNMENTAL UNITS

The ROE’s Governmental, Proprietary, and Fiduciary Funds have amounts due from/to the following governmental agencies:

DUE FROM OTHER GOVERNMENTAL UNITS	
Illinois State Board of Education	\$ 292,394
Other Regional Offices of Education/Districts	39,024
Total	\$ 331,418

NOTE 5 - INTERFUND TRANSACTIONS

(a) Transfers From/To Other Funds

There were no interfund transfers for the year ended June 30, 2023.

(b) Due From/To Other Funds

The following is a summary of amounts due from/to other funds as of June 30, 2023:

Fund	Due From	Due To
General Fund - General State Aid-EBF	\$ 321,390	\$ -
General Fund - LaSalle County Funding	-	13,706
Education Fund - WIA Youth Activities	-	13,540
Education Fund - PLC ESSER	-	104,440
Education Fund - EANS ESSER	-	1,750
Education Fund - Community Partnership	-	177,703
Education Fund - Homeless Consortium	-	10,251
Total	\$ 321,390	\$ 321,390

These interfund loans were necessitated by the State, governmental units, and/or schools not timely paying their obligations to the ROE (or other entities which in turn paid the ROE). Each of these interfund loans was repaid by the end of August 2023.

NOTE 6 - RETIREMENT PLANS

The ROE’s employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by the ROE on behalf of the ROE staff employees and grant coordinators. Employees paid by LaSalle County also participate in the Illinois Municipal Retirement Fund and those contributions are paid by LaSalle County. Participation is required for all ROE employees who:

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JUNE 30, 2023**

NOTE 6 - RETIREMENT PLANS (continued)

- a. Occupy a job normally requiring 1,000 hours or more per year or 600 hours or more per year for employees who worked for any IMRF employer prior to January 1, 1982;
- b. Are paid on a regular payroll from County or ROE funds;
- c. Were under age sixty when first entering employment; and
- d. Are not covered by another State created retirement system for the same service.

Employees not qualifying above are considered as “nonparticipating employees” and are covered under Social Security.

The Regional Superintendent and Assistant Regional Superintendent of the ROE are paid by the State of Illinois and participate in the Teachers’ Retirement System.

Illinois Municipal Retirement Fund

IMRF Plan Description

The ROE’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and their beneficiaries. The ROE’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 (RSI). The report is available for download at www.imrf.org.

Benefits Provided

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

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 6 - RETIREMENT PLANS (continued)

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

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

Employees Covered by Benefit Terms

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

<u>IMRF</u>	
Retirees and Beneficiaries currently receiving benefits	19
Inactive Plan Members entitled to but not yet receiving benefits	39
Active Plan Members	14
Total	<div style="border-top: 1px solid black; border-bottom: 3px double black; width: 100%; margin: 0;"></div> 72

Contributions

As set by statute, the ROE’s Regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The ROE’s annual contribution rate for calendar year 2022 was 7.2%. For the fiscal year ended June 30, 2023, the ROE contributed \$16,598 to the plan. The ROE also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension (Asset)/Liability

The ROE’s net pension (asset)/liability was measured as of December 31, 2022. The total pension (asset)/liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The amount is included in the Prepaids/Accrued Expense on the Statement of Fiduciary Net Position.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability as of December 31, 2022:

LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 6 - RETIREMENT PLANS (continued)

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Fair Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For **Non-Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020 were used.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2022:

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NOTE 6 - RETIREMENT PLANS (continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	35.50%	6.50%
International Equity	18.00%	7.60%
Fixed Income	25.50%	4.90%
Real Estate	10.50%	6.20%
Alternative Investments	9.50%	6.25-9.90%
Cash Equivalents	1%	4.00%
TOTAL	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2022. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

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JUNE 30, 2023**

NOTE 6 - RETIREMENT PLANS (continued)

Changes in the Net Pension (Asset)/Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset)/Liability (A) - (B)
Balances at December 31, 2021	\$ 1,642,124	\$ 1,947,961	\$ (305,837)
Changes for the year:			
Service Cost	23,562	-	23,562
Interest on the Total Pension Liability	115,922	-	115,922
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	44,478	-	44,478
Changes of Assumptions	-	-	-
Contributions - Employer	-	25,239	(25,239)
Contributions - Employees	-	16,779	(16,779)
Net Investment Income	-	(271,749)	271,749
Benefit Payments, including Refunds			
of Employee Contributions	(109,972)	(109,972)	-
Other (Net Transfer)	-	9,727	(9,727)
Net Changes	73,990	(329,976)	403,966
Balances at December 31, 2022	\$ 1,716,114	\$ 1,617,985	\$ 98,129

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

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

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension (Asset)/Liability	\$ 289,090	\$ 98,129	\$ (57,348)

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - RETIREMENT PLANS (continued)

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

For the year ended June 30, 2023, the ROE recognized pension (income) expense of \$42,120. At June 30, 2023, the ROE reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 20,584	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	135,204	-
	<hr/>	<hr/>
Total Deferred Amounts to be recognized in pension expense in future periods	155,788	-
	<hr/>	<hr/>
<i>Pension Contributions made subsequent to the Measurement Date</i>	3,128	-
	<hr/>	<hr/>
Total Deferred Amounts Related to Pensions	\$ 158,916	\$ -
	<hr/> <hr/>	<hr/> <hr/>

\$3,128 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2024.

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

Year Ending December 31	Net Deferred Outflows / (Inflows) of Resources
2023	\$ 6,950
2024	21,224
2025	45,441
2026	82,173
2027	-
Thereafter	-
Total	\$ 155,788
	<hr/> <hr/>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - RETIREMENT PLANS (continued)

Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

Plan Description

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

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

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 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 than 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.

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NOTE 6 - RETIREMENT PLANS (continued)

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 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, 2022 was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

- **On-behalf Contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the ROE. For the year ended June 30, 2023, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the pension expense associated with the ROE, and the ROE recognized revenue and expenditures of \$201,166 in pension contributions from the state of Illinois.
- **2.2 Formula Contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023 were \$3,638, and are deferred because they were paid after the June 30, 2022 measurement date.
- **Federal and Special Trust Fund Contributions.** When TRS members are paid from federal and special trust funds administered by the ROE, there is a statutory requirement for the ROE to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 6 - RETIREMENT PLANS (continued)

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$44,137 were paid from federal and special trust funds that required employer contributions of \$4,630. These contributions are deferred because they were paid after the June 30, 2022 measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the ROE paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2022, the ROE reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the ROE. The state’s support and total are for disclosure purposes only. The amount recognized by the ROE as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the ROE were as follows:

ROE’s proportionate share of the net pension liability	\$	29,523
State’s proportionate share of the net pension liability associated with the ROE		2,560,957
Total	\$	2,590,480

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The ROE’s proportion of the net pension liability was based on the ROE’s share of contributions to TRS for the measurement year ended June 30, 2022, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2022, the ROE’s proportion was 0.0000352138 percent, which was a decrease of 0.0000065089 from its proportion measured as of June 30, 2021.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 6 - RETIREMENT PLANS (continued)

For the year ended June 30, 2023, the ROE recognized pension expense of \$201,166 and revenue of \$201,166 for support provided by the state. For the year ended June 30, 2023, the ROE recognized pension income of \$246,677. At June 30, 2023, the ROE reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 59	\$ 163
Net difference between projected and actual earnings on pension plan investments	27	-
Changes of assumptions	136	56
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,205	139,509
Employer contributions subsequent to the measurement date	8,268	-
Total	\$ 22,695	\$ 139,728

\$8,268 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ending June 30	Net Deferred Outflows / (Inflows) of Resources
2024	\$ (114,678)
2025	(3,651)
2026	(5,063)
2027	(1,475)
2028	(434)
Total	\$ (125,301)

Actuarial assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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NOTE 6 - RETIREMENT PLANS (continued)

In the June 30, 2022 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2021 actuarial valuation, mortality rates were based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.3%	5.73 %
U.S. equities small/mid cap	1.9%	6.78 %
International equities developed	14.1%	6.56 %
Emerging market equities	4.7%	8.55 %
U.S. bonds core	6.9%	1.15 %
Cash Equivalents	1.2%	(0.32)%
TIPS	0.5%	0.33 %
International debt developed	1.2%	6.56 %
Emerging international debt	3.7%	3.76 %
Real estate	16.0%	5.42 %
Private debt	12.5%	5.29 %
Hedge funds	4.0%	3.48 %
Private equity	15.0%	10.04 %
Infrastructure	2.0%	5.86 %
Total	100%	

Discount rate

At June 30, 2022, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2021 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 6 - RETIREMENT PLANS (continued)

Based on those assumptions, TRS’s fiduciary net position at June 30, 2022 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1’s liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the ROE’s proportionate share of the net pension liability to changes in the discount rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
ROE’s proportionate share of the net pension liability	\$ 36,107	\$ 29,523	\$ 24,064

TRS fiduciary net position

Detailed information about the TRS’s fiduciary net position as of June 30, 2022 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Change in Net Pension Liabilities

The following is a summary of the changes in the ROE’s net pension liabilities:

	June 30, 2022	Additions	Deletions	June 30, 2023
Net pension liability (asset) - IMRF	\$ (305,837)	\$ 403,966	\$ -	\$ 98,129
Net pension liability – TRS	32,548	-	(3,025)	29,523
Total net pension liability (asset)	<u>\$ (273,289)</u>	<u>\$ 403,966</u>	<u>\$ (3,025)</u>	<u>\$ 127,652</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS

HEALTH INSURANCE

Plan Description

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

Eligibility Provisions

Full-Time Employees-IMRF

Tier I IMRF Full-Time employees age 55 with at least 8 years of service are covered.

Tier II IMRF Full-Time employees age 62 with at least 10 years of service are covered.

Benefits Provided

The ROE provides continued health insurance coverage at the blended employer rate to all eligible retirees in accordance with the Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The ROE offers the Medical PPO Plan, as well as Dental, Vision, and Life Insurance to full-time IMRF employees and retirees. The following coverage provisions apply:

Retirees-IMRF

Pre-65 Coverage: IMRF Retirees may continue ROE health insurance in retirement; however, they are responsible for paying the full cost of the medical premium, including the cost for spousal coverage. Should the retiree pass away, surviving spouse coverage will also terminate.

Post-65 Coverage: IMRF Retirees are not allowed to remain on ROE health insurance once Medicare eligible. Retirees must seek outside coverage or purchase a Medicare supplement plan from the ROE insurance provider.

Membership

As of June 30, 2023, membership consisted of:

Inactive Employees Currently Receiving Benefit Payments	0
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	0
Active Employees	<u>12</u>
Total	<u>12</u>

Participant count is shown as of the Fiscal Year-End date. The data is assumed to be a reasonable representation of data as of the Measurement Date and may have been collected on or before the Fiscal Year-End Date.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

The above total active employee counts include 2 IMRF participants who have waived medical coverage. If an employee has waived active medical coverage, it is assumed they will elect coverage in the retiree medical plan at 1/3 the rate of active employees currently with coverage. The above census counts also include 7 TRS participants who are not eligible to participate in ROE insurance upon retirement. They have been included for count purposes but are creating no liability for the ROE.

Funding Policy and Contributions

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

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

Any contributions from Other ROE Resources and Benefit Payments from Other ROE Resources refers to contributions made to and benefit payments made from the OPEB Plan that were not directly made to or from the OPEB Trust.

Total OPEB Liability

The total OPEB liability for the current fiscal year has been developed based on the actuarial valuation date of July 1, 2022, and adjusted to the measurement date of June 30, 2023, based on procedures that conform to the Alternative Measurement Method and generally accepted actuarial principles and practices.

Actuarial Assumptions

The following are the significant assumptions used:

- The **Discount Rate used for the Total OPEB Liability** was Beginning of Year 3.54% and End of Year 3.65%.
- The **Long-Term Expected Rate of Return on Plan Assets** is not applicable as the OPEB obligation is unfunded.
- The **High Quality 20 Year Tax-Exempt G.O. Bond Rate** used was Beginning of Year 3.54% and End of Year 3.65%.
- The **Salary Increase** assumption of 2.50% was based on a review of the IMRF Experience Study Report dated December 14, 2020.
- For **Annual Blended Premiums**, premiums charged for coverage of retiree and spouse under age 65 are \$7,381 and \$7,381 respectively.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
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JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

- For **Healthcare Trend Rates**, the initial trend rate is based on the 2022 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range. For fiscal years on and after 2021, the trend starts at 7.30% for both non-Medicare costs and post-Medicare costs and gradually decreases to an ultimate trend of 5.00%. No adjustment has been made to the trend for the impact of COVID-19. This impact may result in material changes in claims in 2020 and beyond. Information about the course of the disease is highly variable and changing daily. Some of the variables include projected inflation rates including localized outbreaks, the cost of care of COVID-19 patients, the amount of postponed and avoided medical care services, the amount and timing of the catch-up of deferred care, the impact of COVID-19 on other conditions such as stress and depression, impacts on general economic conditions, and other factors.
- The **Retiree Contribution Rates** are the same as the Healthcare Trend Rates.
- The **Starting Per Capita Costs** are 2.898 for IMRF employees under Age 65 and 2.025 for IMRF employees over Age 65.
- **Mortality Rates:** IMRF Mortality follows PubG-2010(B) Improved Generationally using MP-2020 Improved Rates weighted per IMRF Experience Study Report dated December 14, 2020; Age 83 for males, Age 87 for females.

All mortality rates are adjusted for retirement status. IMRF spouses use the same mortality tables as retirees.

The retirement rates shown above were used to estimate assumed retirement ages. Termination and disability rates were used to estimate probabilities of working to retirement age. Mortality rates shown above were used to estimate assumed ages at death.

Assumptions follow the guidance in GASB 74/75 for the Alternative Measurement Method where noted.

Assumption Changes

The assumed rate on High Quality 20-year Tax-Exempt G.O. Bonds was changed from 3.54% to 3.65% for the current year. The underlying index used is the Bond Buyer 20-Bond GO Index as discussed in more detail later in this section. The choice of index is unchanged from the prior year. The rate has been updated to the current Fiscal Year End based on changes in market conditions as reflected in the Index. The change was made to reflect understanding of the requirements of GASB under Statement 74 and Statement 75.

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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Since the ROE does not have a trust dedicated exclusively to the payment of OPEB benefits, the discount rate used in the determination of the Total OPEB Liability was also changed from 3.54% to 3.65%.

Municipal Bond Rate

The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The beginning of year rate is the 3.54% rate, and the end of year rate is the 3.65% rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

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

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

Discount Rate

The discount rate used in the determination of the Total OPEB liability is based on a combination of the expected long-term rate of return on plan assets and the municipal bond rate. If the employer does not have a trust dedicated exclusively to the payment of OPEB benefits, as is the case with the ROE, then only the municipal bond rate is used in determining the Total OPEB liability.

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

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

Inflation Rate

The Long-Term Inflation Expectation used is 2.25%, which is an underlying component of the discount rate and assumed health care trend rates.

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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2022	\$ 15,894
Changes for the year:	
Service Cost	550
Interest	563
Actuarial Experience	-
Assumption Changes	(1,644)
Contributions - Employer	-
Contributions - Employees	-
Contributions- Other	-
Net Investment Income	-
Benefit Payments	-
Administrative Expense	-
Net Changes	(531)
Balance at June 30, 2023	\$ 15,363

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the ROE's total OPEB liability calculated using a discount rate of 3.65%, as well as what the ROE's total OPEB liability would be if it were calculated using a single discount rate that is 1% lower (2.65%) or 1% higher (4.65%) than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
ROE's total OPEB liability	\$ 18,905	\$ 15,363	\$ 12,715

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the ROE's total OPEB liability, calculated using the healthcare cost trend rates as well as what the ROE's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or higher than the current healthcare cost trend rates. The key trend rates are 7.30% in 2022 decreasing to an ultimate trend rate of 5.00% in 2032 for both non-Medicare and post-Medicare coverage.

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
ROE's total OPEB liability	\$ 12,466	\$ 15,363	\$ 19,222

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

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

For the year ended June 30, 2023, the ROE recognized OPEB income of \$531. At June 30, 2023, the ROE reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Amounts Related to OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in OPEB Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total Deferred Amounts to be recognized in OPEB expense in future periods	-	-
<i>OPEB Contributions made subsequent to the Measurement Date*</i>	-	-
Total Deferred Amounts Related to OPEB	\$ -	\$ -

*Contributions subsequent to the measurement date may be recognized as a reduction to the total OPEB liability. The amount is not known as of the date of this report. Subsequent to the measurement date, the following amounts will be recognized in OPEB expense in the upcoming years:

Year Ending June 30,	Net Deferred Outflows / (Inflows) of Resources
2024	\$ -
2025	-
2026	-
2027	-
2028	-
Thereafter	-
Total	\$ -

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

TEACHERS' HEALTH INSURANCE SECURITY FUND (THIS)

THIS Plan Description

The ROE participates in the Teachers' Health Insurance Security (THIS) Fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits. Annuitants not enrolled in Medicare may participate in the State-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

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 TRS who are not employees of the State to make a contribution to the THIS fund.

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

Contributions

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

The State of Illinois makes employer retiree health insurance contributions on behalf of the ROE. For the year ended June 30, 2023, State of Illinois contributions recognized by the ROE were based on the State's proportionate share of the collective net OPEB liability associated with the ROE, and recognized revenue and expenditures of \$52,990 in OPEB contributions from the State of Illinois.

• **Employer contributions to the THIS Fund**

The ROE also makes contributions to the THIS Fund. The employer THIS Fund contribution was .67 percent during the year ended June 30, 2023 and .67 and .92 percent during the years ended June 30, 2022 and June 30, 2021, respectively. For the year ended June 30, 2023, the ROE paid \$4,202 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2022 and June 30, 2021, the ROE paid \$2,414 and \$3,443 respectively, which was 100 percent of the required contributions.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

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.”

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

At June 30, 2023, the ROE reported a liability for its proportionate share of the collective net OPEB liability (first amount shown below) that reflected a reduction for State OPEB support provided to the ROE. The state’s support and total are for disclosure purposes only. The amount recognized by the ROE as its proportionate share of the collective net OPEB liability, the related state support, and the total portion of the collective net OPEB liability that was associated with the ROE were as follows:

ROE’s proportionate share of the collective net OPEB liability	\$	89,360
State’s proportionate share of the collective net OPEB liability associated with the ROE		121,557
Total	\$	210,917

The collective net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2021 but was rolled forward to the June 30, 2022 measurement date. The ROE’s proportion of the collective net OPEB liability was based on a projection of the ROE’s long-term share of contributions to the OPEB plan relative to the projected contributions of the ROE, actuarially determined. At June 30, 2022, the ROE’s proportion was 0.001306 percent, which was a decrease of 0.000136 from its proportion measured as of June 30, 2021 (0.001442 percent).

For the year ended June 30, 2023, the ROE recognized OPEB expense of \$52,990 and revenue of \$52,990 for support provided by the State. For the year ended June 30, 2023, the ROE recognized OPEB income of \$53,591. At June 30, 2023, the ROE reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13	\$ 58,446
Net difference between projected and actual earnings on OPEB plan investments	-	2
Changes of assumptions	81	220,428
Changes in proportion and differences between employer contributions and proportionate share of contributions	64,783	178,947
Employer contributions subsequent to the measurement date	4,202	-
Total	\$ 69,079	\$ 457,823

\$4,202 reported as deferred outflows of resources related to OPEB resulting from ROE contributions subsequent to the measurement date and before the end of the fiscal year will be recognized as a reduction of the collective net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30	Net Deferred Outflows / (Inflows) of Resources
2024	\$ (50,119)
2025	(50,119)
2026	(50,119)
2027	(50,119)
2028	(50,122)
Thereafter	(142,348)
Total	\$ (392,946)

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75 percent, net of OPEB plan investment expense, including inflation for all plan years.
Healthcare cost trend rates	Trend for fiscal year 2023 based on actual premium increases. For non-medicare costs, trend rates start at 8.00% and gradually decreases to an ultimate trend of 4.25% in 2039. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.

Mortality

Mortality rates for retirement and beneficiary annuitants were based on the PubT-2010 Retiree Mortality Table, adjusted for TRS experience. For disabled annuitants, mortality rates were based on the PubNS-2010 Non-Safety Disabled Retiree Table. Mortality rates for pre-retirement were based on the PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

Single Discount Rate

The State, school districts, and active members contribute .90 percent, .67 percent, .90 percent of pay, respectively, for fiscal year 2022. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 1.92 percent at June 30, 2021, and 3.69 percent at June 30, 2022, was used to measure the total OPEB liability.

Sensitivity of the ROE's proportionate share of the collective net OPEB liability to changes in the discount rate

The following presents the ROE's proportionate share of the collective net OPEB liability calculated using the discount rate of 3.69 percent, as well as what the ROE's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.69 percent) or 1 percentage point higher (4.69 percent) than the current discount rate:

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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
ROE's proportionate share of the collective net OPEB liability	\$ 99,347	\$ 89,360	\$ 79,163

Sensitivity of the ROE's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates

The following presents the ROE's proportionate share of the collective net OPEB liability as of June 30, 2022, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower.

	1% Decrease^b	Healthcare Cost Trend Rates^a	1% Increase^c
ROE's proportionate share of the collective net OPEB liability	\$ 75,538	\$ 89,360	\$ 104,595

^a *Current healthcare trend rates-Pre-Medicare per capita cost: 6.00% in 2023, 8.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2039. Post-Medicare per capita cost: 3.22% in 2023, 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.81% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2039.*

^b *One percentage point decrease in healthcare trend rates-Pre-Medicare per capita costs: 5.00% in 2023, 7.00% in 2024, decreasing by .25% per year to an ultimate trend rate of 3.25% in 2039. Post-Medicare per capita costs: 2.22% in 2023, 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 4.81% in 2034, decreasing ratably to an ultimate trend rate of 3.25% in 2039.*

^c *One percentage point increase in healthcare trend rates-Pre-Medicare per capita costs: 7.00% in 2023, 9.00% in 2024, decreasing by .25% per year to an ultimate trend rate of 5.25% in 2039. Post-Medicare per capita costs: 4.22% in 2023, 1.00% from 2024 to 2028, 20.42% from 2029 to 2033, 6.81% in 2034 decreasing ratably to an ultimate trend of 5.25% in 2039.*

THIS Fiduciary Net Position

Detailed information about the THIS Fund fiduciary net position as of June 30, 2022 is available in the separately issued THIS Financial Report.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (continued)

Changes in OPEB Liabilities

The following is a summary of the changes in the ROE’s OPEB liabilities:

	June 30, 2022	Additions	Deletions	June 30, 2023
Total OPEB liability - IMRF	\$ 15,894	\$ -	\$ (531)	\$ 15,363
Net OPEB liability – THIS	318,005	-	(228,645)	89,360
Total OPEB liabilities	<u>\$ 333,899</u>	<u>\$ -</u>	<u>\$ (229,176)</u>	<u>\$ 104,723</u>

NOTE 8 - COMMON BANK ACCOUNT

The ROE maintains several bank accounts. The various funds of the ROE are comingled in these accounts but accounted for in separate funds.

NOTE 9 - INTEREST ON DISTRIBUTIVE FUND

The June interest earned on distributive fund receipts is transferred after the end of each fiscal year to the General Fund by the written consent of all affected school boards and other entities. The other eleven months is transferred in June of the current fiscal year. The funds are utilized by the Regional Superintendent to purchase computer equipment, develop in-service activities and other innovative programs, as well as assist with the necessary operating expenses of the ROE office.

NOTE 10 - ON-BEHALF PAYMENTS FOR SALARIES AND BENEFITS

The salaries and benefits of the Superintendent and Assistant Superintendent of the ROE are paid for by the State of Illinois. Teachers’ Retirement System (TRS) contributions for the Superintendent, Assistant Superintendent, and qualifying employees of the ROE are paid by the State of Illinois, in accordance with applicable State of Illinois Law. Teachers’ Health Insurance Security (THIS) contributions for qualifying employees are paid by the State of Illinois, in accordance with applicable State of Illinois Law. Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent were calculated based on data provided by the Illinois State Board of Education.

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NOTE 10 - ON-BEHALF PAYMENTS FOR SALARIES AND BENEFITS (continued)

The breakdown of the State of Illinois on-behalf payments is as follows:

Regional Superintendent (RS) salary	\$ 127,908
Regional Superintendent benefits (includes State paid insurance)	40,831
Assistant Regional Superintendents (ARS) salary	115,116
Assistant Regional Superintendents benefits (includes State paid insurance)	40,055
TRS contributions for RS & ARS & THIS contributions for ROE employees	25,493
Subtotal on-behalf payments by the State of Illinois	<u>\$ 349,403</u>

As discussed in Note 6, the ROE also recognized \$201,166 of on-behalf payments for the ROE’s share of the State’s TRS pension expense. As discussed in Note 7, the ROE also recognized \$52,990 of on-behalf payments for the ROE’s share of the State’s THIS OPEB expense.

Subtotal on-behalf payments by the State of Illinois	\$ 349,403
ROE’s share of TRS pension expense	201,166
ROE’s share of OPEB expense	52,990
Total on-behalf payments by the State of Illinois	<u>\$ 603,559</u>

Salaries and benefits of six ROE employees are paid for by LaSalle County. There are two Truant Officers and four clerical personnel.

The breakdown of the LaSalle County on-behalf payments is as follows:

Truant Officer salaries	\$ 91,275
Truant Officer benefits	34,029
Clerical salaries	97,313
Clerical benefits	35,652
Total on-behalf payments by LaSalle County	<u>\$ 258,269</u>

Salary and benefit data for the Truant Officers and the clerical staff were calculated based on data provided by LaSalle County Board.

NOTE 11 - OTHER DISCLOSURES

Accounting principles generally accepted in the United States of America require disclosure of certain information concerning individual funds (which are presented only in combination on the financial statements). Funds having deficit fund balances and funds which overextended appropriations during the year are required to be disclosed.

- A. There were no funds/accounts with a deficit fund balance at June 30, 2023.
- B. There were no funds that overexpended appropriations during the year ended June 30, 2023.

LASALLE, MARSHALL, AND PUTNAM COUNTIES
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NOTES TO FINANCIAL STATEMENTS
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NOTE 12 - LEASES

The ROE annually enters into a rental agreement with the LaSalle/Putnam County Educational Alliance for Special Education (LEASE) for the use of office space for its Regional Safe School Program. The lease term is from July 1, 2022 to June 30, 2023 at a rate of \$12,500 per quarter. The rent paid for the year ended June 30, 2023 was \$50,000.

The ROE has entered into a lease agreement for the use of a printer/copier/scanner at the Regional Safe School. The lease term is from May 2021 to April 2026 at a rate of \$206 per month. The rent paid for the year ended June 30, 2023 was \$2,472. The future minimum lease payments are \$2,472 for the fiscal year ending June 30, 2024 through the fiscal year ending June 30, 2025. The future minimum lease payment for the fiscal year ending June 30, 2026 is \$2,060.

NOTE 13 - RISK MANAGEMENT

The ROE purchases a commercial insurance policy and is covered for all risk. There have been no significant reductions in coverage during the fiscal year. Settlement amounts have not exceeded insurance coverage for any of the three prior years.

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS)**

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION #35
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) & RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE**

Calendar Year Ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 23,562	\$ 19,372	\$ 19,443	\$ 19,623	\$ 16,075	\$ 32,732	\$ 29,065	\$ 22,546	\$ 31,000
Interest on the Total Pension Liability	115,922	111,824	108,566	101,691	99,021	94,328	102,777	93,303	82,384
Differences Between Expected and Actual Experience of the Total Pension Liability	44,478	50,142	49,622	73,550	23,925	69,856	(177,449)	59,632	26,333
Changes of Assumptions	-	-	(9,170)	-	36,762	(38,803)	-	-	52,106
Benefit Payments, including Refunds of Employee Contributions	(109,972)	(143,846)	(103,147)	(96,741)	(93,664)	(80,742)	(57,041)	(47,790)	(36,220)
Net Change in Total Pension Liability	73,990	37,492	65,314	98,123	82,119	77,371	(102,648)	127,691	155,603
Total Pension Liability - Beginning	1,642,124	1,604,632	1,539,318	1,441,195	1,359,076	1,281,705	1,384,353	1,256,662	1,101,059
Total Pension Liability - Ending (A)	\$ 1,716,114	\$ 1,642,124	\$ 1,604,632	\$ 1,539,318	\$ 1,441,195	\$ 1,359,076	\$ 1,281,705	\$ 1,384,353	\$ 1,256,662
Plan Fiduciary Net Position									
Contributions - Employer	\$ 25,239	\$ 27,760	\$ 21,319	\$ 7,316	\$ 11,521	\$ 13,070	\$ 35,450	\$ 33,348	\$ 23,944
Contributions - Employees	16,779	12,542	11,169	10,520	9,849	11,268	14,923	12,239	10,807
Net Investment Income	(271,749)	305,017	229,997	268,089	(100,938)	221,975	(105,923)	50,562	181,588
Benefit Payments, including Refunds of Employee Contributions	(109,972)	(143,846)	(103,147)	(96,741)	(93,664)	(80,742)	(57,041)	(47,790)	(36,220)
Other (Net Transfer)	9,727	41,653	15,964	14,104	35,822	2,575	1,108	(7,114)	(3,187)
Net Change in Plan Fiduciary Net Position	(329,976)	243,126	175,302	203,288	(137,410)	168,146	(111,483)	41,245	176,932
Plan Fiduciary Net Position - Beginning	1,947,961	1,704,835	1,529,533	1,326,245	1,463,655	1,295,509	1,406,992	1,365,747	1,188,815
Plan Fiduciary Net Position - Ending (B)	\$ 1,617,985	\$ 1,947,961	\$ 1,704,835	\$ 1,529,533	\$ 1,326,245	\$ 1,463,655	\$ 1,295,509	\$ 1,406,992	\$ 1,365,747
Net Pension Liability (Asset) - Ending (A) - (B)	\$ 98,129	\$ (305,837)	\$ (100,203)	\$ 9,785	\$ 114,950	\$ (104,579)	\$ (13,804)	\$ (22,639)	\$ (109,085)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.28%	118.62%	106.24%	99.36%	92.02%	107.69%	101.08%	101.64%	108.68%
Covered Payroll	\$ 350,555	\$ 278,714	\$ 248,189	\$ 233,774	\$ 213,357	\$ 250,390	\$ 331,618	\$ 271,979	\$ 240,162
Net Pension Liability (Asset) as a Percentage of Covered Payroll	27.99%	-109.73%	-40.37%	4.19%	53.88%	-41.77%	-4.16%	-8.32%	-45.42%

Notes to Schedule:

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

Changes in assumptions:

- For 2014, changes are primarily from adopting an IMRF specific mortality tables with fully generational projection scale MP-2014 (base year 2014) developed from the RP-2014 mortality tables.
- For 2015, changes are primarily from a change in the calculated single discount rate from 7.49% in 2014 to 7.47% in 2015.
- For 2016, changes are primarily from a change in the calculated single discount rate from 7.47% in 2015 to 7.50% in 2016.
- For 2017, changes are primarily from adopting an IMRF specific mortality tables with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.
- For 2018, the assumed investment rate of return was lowered from 7.50% to 7.25%.
- For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION #35
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE**

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$ 30,406	\$ 29,432	\$ 974	\$ 278,184	10.58%
2015	29,907	29,011	896	210,478	13.78%
2016	31,305	31,305	-	316,787	9.88%
2017	25,902	25,902	-	321,980	8.04%
2018	9,937	9,937	-	187,181	5.31%
2019	10,213	10,213	-	238,654	4.28%
2020	14,326	14,326	-	240,487	5.96%
2021	22,363	22,363	-	241,536	9.26%
2022	27,790	27,790	-	324,316	8.57%
2023	16,598	16,598	-	378,994	4.38%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method: Aggregate entry age = normal
Amortization Method: Level percentage of payroll, closed
Remaining Amortization Period: Non-taxing bodies: 10-year rolling period

Taxing bodies (Regular, SLEP and ECO groups): 21-year closed period.
 Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).

Asset Valuation Method: 5-year smoothed market; 20% corridor

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION #35
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 ILLINOIS MUNICIPAL RETIREMENT FUND
 MULTIYEAR SCHEDULE**

Notes to Schedule (Continued):

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate**

Methods and Assumptions Used to Determine 2022 Contribution Rates:

<i>Wage Growth:</i>	2.75%
<i>Price Inflation:</i>	2.25%
<i>Salary Increases:</i>	2.85% to 13.75%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
<i>Mortality:</i>	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements, projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation. There is a two year lag between valuation and rate setting.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2022*</u>	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>	<u>2014*</u>
Employer's proportion of the net pension liability	0.00003521%	0.00004172%	0.00005169%	0.00008828%	0.00001676%	0.00192485%	0.00177145%	0.00019803%	0.00002837%
Employer's proportionate share of the net pension liability	\$ 29,523	\$ 32,548	\$ 44,566	\$ 71,600	\$ 13,067	\$ 1,470,547	\$ 1,398,312	\$ 129,729	\$ 17,265
State's proportionate share of the net pension liability associated with the employer	<u>2,560,957</u>	<u>2,727,905</u>	<u>3,490,662</u>	<u>5,095,728</u>	<u>895,124</u>	<u>3,334,990</u>	<u>3,153,005</u>	<u>2,119,267</u>	<u>1,076,632</u>
Total	<u>\$ 2,590,480</u>	<u>\$ 2,760,453</u>	<u>\$ 3,535,228</u>	<u>\$ 5,167,328</u>	<u>\$ 908,191</u>	<u>\$ 4,805,537</u>	<u>\$ 4,551,317</u>	<u>\$ 2,248,996</u>	<u>\$ 1,093,897</u>
Employer's covered payroll	\$ 360,284	\$ 374,277	\$ 434,471	\$ 368,879	\$ 460,046	\$ 450,361	\$ 398,134	\$ 278,471	\$ 174,512
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	8.19%	8.70%	10.26%	19.41%	2.84%	326.53%	351.22%	46.59%	9.9%
Plan fiduciary net position as a percentage of the total pension liability	42.80%	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

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

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

Notes to Required Supplementary Information

Changes of assumptions

*For the 2022 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Sept 30, 2021.

*For the 2021-2017 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contributions	\$ 8,268	\$ 2,089	\$ 2,171	\$ 2,520	\$ 2,343	\$ 14,594	\$ 79,288	\$ 68,596	\$ 6,392	\$ 1,012
Contributions in relation to the statutorily-required contributions	<u>8,268</u>	<u>2,089</u>	<u>2,171</u>	<u>2,520</u>	<u>2,342</u>	<u>14,604</u>	<u>79,288</u>	<u>68,608</u>	<u>6,392</u>	<u>1,028</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (10)</u>	<u>\$ -</u>	<u>\$ (12)</u>	<u>\$ -</u>	<u>\$ (16)</u>
Employer's covered payroll	\$ 627,239	\$ 360,284	\$ 374,277	\$ 434,471	\$ 368,879	\$ 460,046	\$ 450,361	\$ 398,134	\$ 278,471	\$ 174,512
Contributions as a percentage of covered payroll	1.32%	0.58%	0.58%	0.58%	0.63%	3.17%	17.61%	17.23%	2.30%	0.59%

The schedule is presented to illustrate the requirement to show information for 10 years.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION #35
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB LIABILITY & RELATED RATIOS
POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS
FOR THE YEAR ENDED JUNE 30, 2023**

Measurement Date, June 30,	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 550	\$ 572	\$ 569	\$ 462	\$ 527	\$ 507
Interest	563	555	539	670	698	1,194
Differences Between Expected and Actual Experience	-	(3,035)	-	5,115	-	-
Changes in Assumptions	(1,644)	(7,891)	179	5,883	527	-
Benefit Payments	-	-	-	-	(15,036)	(13,986)
Net Change in Total OPEB Liability	<u>(531)</u>	<u>(9,799)</u>	<u>1,287</u>	<u>12,130</u>	<u>(13,284)</u>	<u>(12,285)</u>
Total OPEB Liability - Beginning	<u>15,894</u>	<u>25,693</u>	<u>24,406</u>	<u>12,276</u>	<u>25,560</u>	<u>37,845</u>
Total OPEB Liability - Ending	<u><u>\$ 15,363</u></u>	<u><u>\$ 15,894</u></u>	<u><u>\$ 25,693</u></u>	<u><u>\$ 24,406</u></u>	<u><u>\$ 12,276</u></u>	<u><u>\$ 25,560</u></u>
Covered Payroll	\$ 753,511	\$ 563,672	\$ 541,829	\$ 579,874	\$ 429,343	\$ 384,492
Total OPEB Liability as a Percentage of Covered Payroll	2.04%	2.82%	4.74%	4.21%	2.86%	6.65%

Notes to Schedule:

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

The current year information was developed in the completion of this report.

Covered-Employee Payroll is based on Total Covered Payroll for the postretirement plan Members during the Fiscal Year.

Changes of Benefit Terms

In the June 30, 2022 actuarial valuation, there have been no changes of benefit terms from the prior period.

Changes of Assumptions

The assumed rate on High Quality 20-year Tax-Exempt GO Bonds was changed from 3.54% to 3.65% for the current year. The underlying index used is the Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. The change was made to reflect our understanding of the requirements of GASB under Statement 74 and Statement 75. Since the ROE does not have a trust dedicated exclusively to the payment of OPEB benefits, the discount rate used in the determination of the Total OPEB liability was also changed from 3.54% to 3.65%.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION #35
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
SHARE OF THE COLLECTIVE NET OPEB LIABILITY
TEACHERS' HEALTH INSURANCE SECURITY FUND
LAST SEVEN FISCAL YEARS*†**

	FY22*	FY21*
Employer's proportion of the collective net OPEB liability	0.001306%	0.001442%
Employer's proportionate share of the collective net OPEB liability	\$ 89,360	\$ 318,005
State's proportionate share of the collective net OPEB liability associated with the employer	121,557	431,151
Total	\$ 210,917	\$ 749,156
Employer's covered payroll	\$ 360,284	\$ 374,277
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	24.8%	85.0%
Plan fiduciary net position as a percentage of the total OPEB liability	5.24%	1.40%

	FY20*	FY19*	FY18*	FY17*	FY16*
Employer's proportion of the collective net OPEB liability	0.001718%	0.001463%	0.001902%	0.001958%	0.001709%
Employer's proportionate share of the collective net OPEB liability	\$ 459,218	\$ 404,810	\$ 501,098	\$ 508,073	\$ 467,253
State's proportionate share of the collective net OPEB liability associated with the employer	622,052	548,126	672,903	667,144	647,892
Total	\$ 1,081,270	\$ 952,936	\$ 1,174,001	\$ 1,175,217	\$ 1,115,145
Employer's covered payroll	\$ 434,471	\$ 368,879	\$ 460,046	\$ 450,361	\$ 398,134
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	105.7%	109.7%	108.9%	112.8%	117.4%
Plan fiduciary net position as a percentage of the total OPEB liability	0.70%	0.25%	-0.07%	-0.17%	-0.22%

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

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

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION #35
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND
LAST EIGHT FISCAL YEARS†**

	FY23	FY22	FY21
Statutorily-required contribution	\$ 4,202	\$ 2,414	\$ 3,443
Contributions in relation to the statutorily-required contribution	<u>4,202</u>	<u>2,414</u>	<u>3,443</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 627,239	\$ 360,284	\$ 374,277
Contributions as a percentage of covered payroll	0.67%	0.67%	0.92%

	FY20	FY19	FY18	FY17	FY16
Statutorily-required contribution	\$ 3,997	\$ 3,393	\$ 4,048	\$ 3,783	\$ 3,185
Contributions in relation to the statutorily-required contribution	<u>3,997</u>	<u>3,393</u>	<u>4,048</u>	<u>3,783</u>	<u>3,185</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Employer's covered payroll	\$ 434,471	\$ 368,879	\$ 460,046	\$ 450,361	\$ 398,134
Contributions as a percentage of covered payroll	0.92%	0.92%	0.88%	0.84%	0.80%

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

Notes to THIS Required Supplementary Information

Changes of Benefit Term

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

Changes of Assumptions

The following OPEB-related assumption changes were made since the last actuarial valuation as of June 30, 2020:

- 1) The investment rate of return remained at 2.75% for the Actuarial valuation dated June 30, 2021.
- 2) The discount rate was changed from 1.92% at June 30, 2021 to 3.69% at June 30, 2022.
- 3) Per capita claim costs for plan year ended June 30, 2021 were updated based on projected claims and enrollment experience through June 30, 2022 and updated premium rates through plan year 2023.
- 4) Effective as of January 1, 2023, projected per capita costs reflect the newly established zero premium MAPD plan. Based on discussions with CMS, the MAPD costs are zero for calendar years 2023 through 2027, increase to \$42 per member per month in calendar year 2028, and increases ratably to \$102 per member per month in calendar year 2032. After 2032, costs increase according to the assumed trend rates.
- 5) The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2021, projected plan cost for plan year end June 30, 2022, premium changes through plan year end 2023, and the expectation for future trend increases after June 30, 2022.
- 6) Healthcare plan participation and lapse rates were updated based on observed experience.
- 7) The discount rate was changed from 1.92 percent at June 30, 2021 to 3.69% at June 30, 2022.

SUPPLEMENTARY INFORMATION

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 COMBINING SCHEDULE OF ACCOUNTS
 GENERAL FUND
 JUNE 30, 2023

SCHEDULE 1

	General	RSSP Student	Title II - Teacher Quality (from Schools)	Marshall and Putnam County Funding	Student Services Coop (from Schools)	General State Aid-EBF	LaSalle County Funding	Total
ASSETS								
Cash and cash equivalents	\$ 5,642	\$ 298,704	\$ 155,292	\$ 80,058	\$ 418,882	\$ 704,583	\$ -	\$ 1,663,161
Investments	269,893	-	-	-	-	-	-	269,893
Prepaid expenses	994	-	-	-	-	2,983	-	3,977
Due from other funds	-	-	-	-	-	321,390	-	321,390
Due from other governmental units	-	1,639	-	2,999	-	-	13,706	18,344
Total Assets	<u>276,529</u>	<u>300,343</u>	<u>155,292</u>	<u>83,057</u>	<u>418,882</u>	<u>1,028,956</u>	<u>13,706</u>	<u>2,276,765</u>
DEFERRED OUTFLOWS OF RESOURCES								
	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
	<u>276,529</u>	<u>300,343</u>	<u>155,292</u>	<u>83,057</u>	<u>418,882</u>	<u>1,028,956</u>	<u>13,706</u>	<u>2,276,765</u>
LIABILITIES								
Accounts payable and accrued expenses	-	-	-	-	-	40,547	-	40,547
Due to other funds	-	-	-	-	-	-	13,706	13,706
Unearned revenues	-	-	-	-	16,613	-	-	16,613
Total liabilities	-	-	-	-	16,613	40,547	13,706	70,866
DEFERRED INFLOWS OF RESOURCES								
	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	994	-	-	-	-	2,983	-	3,977
Assigned	-	300,343	155,292	83,057	402,269	-	-	940,961
Unassigned	275,535	-	-	-	-	985,426	-	1,260,961
Total fund balances	<u>276,529</u>	<u>300,343</u>	<u>155,292</u>	<u>83,057</u>	<u>402,269</u>	<u>988,409</u>	<u>-</u>	<u>2,205,899</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
	<u>\$ 276,529</u>	<u>\$ 300,343</u>	<u>\$ 155,292</u>	<u>\$ 83,057</u>	<u>\$ 418,882</u>	<u>\$ 1,028,956</u>	<u>\$ 13,706</u>	<u>\$ 2,276,765</u>

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 GENERAL FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 2

	<u>General</u>	<u>RSSP Student</u>	<u>Title II - Teacher Quality (from Schools)</u>	<u>Marshall and Putnam County Funding</u>	<u>Student Services Coop (from Schools)</u>	<u>General State Aid-EBF</u>	<u>LaSalle County Funding</u>	<u>Total</u>
REVENUES								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 608,756	\$ -	\$ 608,756
Local sources	4,800	161,482	28,962	35,986	298,531	-	75,441	605,202
Interest	998	-	-	-	-	2,074	-	3,072
Total revenues	<u>5,798</u>	<u>161,482</u>	<u>28,962</u>	<u>35,986</u>	<u>298,531</u>	<u>610,830</u>	<u>75,441</u>	<u>1,217,030</u>
EXPENDITURES								
Instructional services:								
Salaries	-	127,107	8,438	651	59,014	165,644	63,323	424,177
Benefits	-	17,941	173	9	7,485	20,648	10,768	57,024
Pension expenditures	-	1,009	59	-	2,811	1,658	1,029	6,566
OPEB expenditures	-	790	-	-	87	1,036	321	2,234
Purchased services	507	8,274	2,001	17,811	12,770	68,356	-	109,719
Supplies and materials	4,379	1,627	20	19	3,327	16,155	-	25,527
Miscellaneous	-	-	-	1,542	-	52	-	1,594
Capital outlay	-	-	-	2,142	-	33,492	-	35,634
Total expenditures	<u>4,886</u>	<u>156,748</u>	<u>10,691</u>	<u>22,174</u>	<u>85,494</u>	<u>307,041</u>	<u>75,441</u>	<u>662,475</u>
NET CHANGE IN FUND BALANCE	912	4,734	18,271	13,812	213,037	303,789	-	554,555
FUND BALANCES, BEGINNING OF YEAR	<u>275,617</u>	<u>295,609</u>	<u>137,021</u>	<u>69,245</u>	<u>189,232</u>	<u>684,620</u>	<u>-</u>	<u>1,651,344</u>
FUND BALANCES, END OF YEAR	<u>\$ 276,529</u>	<u>\$ 300,343</u>	<u>\$ 155,292</u>	<u>\$ 83,057</u>	<u>\$ 402,269</u>	<u>\$ 988,409</u>	<u>\$ -</u>	<u>\$ 2,205,899</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2023**

SCHEDULE 3

	McKinney Education for Homeless Children	Regional Safe Schools	Truants Alternative Programs	PLC Capacity Builder ESSER
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 7,822	\$ -
Due from other governmental units	-	-	-	104,440
Total assets	<u>-</u>	<u>-</u>	<u>7,822</u>	<u>104,440</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>7,822</u>	<u>104,440</u>
LIABILITIES				
Accounts payable and accrued expenses	-	-	7,822	-
Due to other funds	-	-	-	104,440
Total liabilities	<u>-</u>	<u>-</u>	<u>7,822</u>	<u>104,440</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,822</u>	<u>\$ 104,440</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2023**

**SCHEDULE 3
(CONTINUED)**

	<u>EANS ESSER</u>	<u>ROE/ISC Operations</u>	<u>WIA Youth Activities</u>	<u>SEL ESSER</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other governmental units	1,750	-	13,540	-
Total assets	<u>1,750</u>	<u>-</u>	<u>13,540</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u><u>1,750</u></u>	<u><u>-</u></u>	<u><u>13,540</u></u>	<u><u>-</u></u>
LIABILITIES				
Accounts payable and accrued expenses	-	-	-	-
Due to other funds	1,750	-	13,540	-
Total liabilities	<u>1,750</u>	<u>-</u>	<u>13,540</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u><u>\$ 1,750</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 13,540</u></u>	<u><u>\$ -</u></u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2023**

**SCHEDULE 3
(CONTINUED)**

	<u>Community Partnership</u>	<u>RWECEP</u>	<u>National School Breakfast Program</u>	<u>National School Lunch Program</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 15,263	\$ 22,612
Due from other governmental units	177,703	-	-	-
Total assets	<u>177,703</u>	<u>-</u>	<u>15,263</u>	<u>22,612</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u>177,703</u>	<u>-</u>	<u>15,263</u>	<u>22,612</u>
LIABILITIES				
Accounts payable and accrued expenses	-	-	-	-
Due to other funds	177,703	-	-	-
Total liabilities	<u>177,703</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	<u>-</u>	<u>-</u>	<u>15,263</u>	<u>22,612</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>15,263</u>	<u>22,612</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ 177,703</u>	<u>\$ -</u>	<u>\$ 15,263</u>	<u>\$ 22,612</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2023**

**SCHEDULE 3
(CONTINUED)**

	State Free Lunch & Breakfast Program	Homeless ARP-1	Homeless Consortium	Total
ASSETS				
Cash and cash equivalents	\$ 1,338	\$ -	\$ -	\$ 47,035
Due from other governmental units	-	-	10,251	307,684
Total assets	<u>1,338</u>	<u>-</u>	<u>10,251</u>	<u>354,719</u>
DEFERRED OUTFLOWS OF RESOURCES				
	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u>1,338</u>	<u>-</u>	<u>10,251</u>	<u>354,719</u>
LIABILITIES				
Accounts payable and accrued expenses	-	-	-	7,822
Due to other funds	-	-	10,251	307,684
Total liabilities	<u>-</u>	<u>-</u>	<u>10,251</u>	<u>315,506</u>
DEFERRED INFLOWS OF RESOURCES				
	-	-	-	-
FUND BALANCES				
Restricted	<u>1,338</u>	<u>-</u>	<u>-</u>	<u>39,213</u>
Total fund balances	<u>1,338</u>	<u>-</u>	<u>-</u>	<u>39,213</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ 1,338</u>	<u>\$ -</u>	<u>\$ 10,251</u>	<u>\$ 354,719</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2023**

SCHEDULE 4

	McKinney Education for Homeless Children	Regional Safe Schools	Truants Alternative Programs	PLC Capacity Builder ESSER
REVENUES				
Federal sources	\$ 19,405	\$ -	\$ -	\$ 267,684
State sources	-	74,236	139,995	-
On-behalf payments	-	-	125,304	-
Total revenues	19,405	74,236	265,299	267,684
EXPENDITURES				
Instructional services:				
Salaries	2,883	57,200	111,579	-
Benefits	42	8,856	21,385	-
Pension expenditures	-	1,068	2,854	-
OPEB expenditures	-	325	358	-
Purchased services	850	3,410	3,712	35,552
Supplies and materials	299	3,377	107	5,315
Miscellaneous	-	-	-	-
On-behalf payments	-	-	125,304	-
Intergovernmental:				
Payments to other governmental units	15,331	-	-	216,681
Capital outlay	-	-	-	10,136
Total expenditures	19,405	74,236	265,299	267,684
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ -	\$ -

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2023**

**SCHEDULE 4
(CONTINUED)**

	EANS ESSER	ROE/ISC Operations	WIA Youth Activities	SEL ESSER
REVENUES				
Federal sources	\$ 1,750	\$ -	\$ 104,085	\$ 56,357
State sources	-	327,851	-	-
On-behalf payments	-	482,368	-	-
Total revenues	<u>1,750</u>	<u>810,219</u>	<u>104,085</u>	<u>56,357</u>
EXPENDITURES				
Instructional services:				
Salaries	-	249,222	99,541	42,150
Benefits	-	38,813	3,581	8,825
Pension expenditures	-	3,709	-	4,886
OPEB expenditures	-	990	-	296
Purchased services	-	26,732	-	200
Supplies and materials	1,750	2,136	963	-
Miscellaneous	-	686	-	-
On-behalf payments	-	482,368	-	-
Intergovernmental:				
Payments to other governmental units	-	-	-	-
Capital outlay	-	5,563	-	-
Total expenditures	<u>1,750</u>	<u>810,219</u>	<u>104,085</u>	<u>56,357</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2023**

**SCHEDULE 4
(CONTINUED)**

	Community Partnership	RWECEP	National School Breakfast Program	National School Lunch Program
REVENUES				
Federal sources	\$ 323,529	\$ -	\$ 18,984	\$ 46,271
State sources	-	32,463	-	-
On-behalf payments	-	-	-	-
Total revenues	323,529	32,463	18,984	46,271
EXPENDITURES				
Instructional services:				
Salaries	74,203	30,100	-	-
Benefits	18,227	2,303	-	-
Pension expenditures	3,303	-	-	-
OPEB expenditures	-	-	-	-
Purchased services	221,483	6	117	9,068
Supplies and materials	6,313	54	-	-
Miscellaneous	-	-	-	-
On-behalf payments	-	-	-	-
Intergovernmental:				
Payments to other governmental units	-	-	9,319	23,442
Capital outlay	-	-	-	-
Total expenditures	323,529	32,463	9,436	32,510
NET CHANGE IN FUND BALANCE	-	-	9,548	13,761
FUND BALANCES, BEGINNING OF YEAR	-	-	5,715	8,851
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ 15,263	\$ 22,612

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2023**

**SCHEDULE 4
(CONTINUED)**

	State Free Lunch & Breakfast Program	Homeless ARP-1	Homeless Consortium	Total
REVENUES				
Federal sources	\$ -	\$ 8,539	\$ 15,673	\$ 862,277
State sources	288	-	-	574,833
On-behalf payments	-	-	-	607,672
Total revenues	<u>288</u>	<u>8,539</u>	<u>15,673</u>	<u>2,044,782</u>
EXPENDITURES				
Instructional services:				
Salaries	-	803	-	667,681
Benefits	-	276	-	102,308
Pension expenditures	-	58	-	15,878
OPEB expenditures	-	-	-	1,969
Purchased services	-	-	-	301,130
Supplies and materials	-	1,853	-	22,167
Miscellaneous	-	-	-	686
On-behalf payments	-	-	-	607,672
Intergovernmental:				
Payments to other governmental units	-	5,549	15,673	285,995
Capital outlay	-	-	-	15,699
Total expenditures	<u>-</u>	<u>8,539</u>	<u>15,673</u>	<u>2,021,185</u>
NET CHANGE IN FUND BALANCE	288	-	-	23,597
FUND BALANCES, BEGINNING OF YEAR	<u>1,050</u>	<u>-</u>	<u>-</u>	<u>15,616</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,338</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,213</u>

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 5

	McKinney Education for Homeless Children				Regional Safe Schools			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE								
Federal sources	\$ 19,405	\$ 19,405	\$ 19,405	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	74,236	74,236	74,236	-
On-behalf payments	-	-	-	-	-	-	-	-
Total revenue	19,405	19,405	19,405	-	74,236	74,236	74,236	-
EXPENDITURES								
Salaries	2,900	2,900	2,883	17	65,000	58,500	57,200	1,300
Benefits	350	350	42	308	3,600	10,100	8,856	1,244
Pension expenditures	-	-	-	-	-	-	1,068	(1,068)
OPEB expenditures	-	-	-	-	-	-	325	(325)
Purchased services	1,300	1,300	850	450	2,526	2,526	3,410	(884)
Supplies and materials	255	255	299	(44)	3,110	3,110	3,377	(267)
Miscellaneous	-	-	-	-	-	-	-	-
On-behalf payments to governments	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	14,600	14,600	15,331	(731)	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	19,405	19,405	19,405	-	74,236	74,236	74,236	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR			<u>-</u>				<u>-</u>	
FUND BALANCE, END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 5
 (CONTINUED)

	Truants Alternative Programs				RWECEP			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE								
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	139,995	139,995	139,995	-	32,463	32,463	32,463	-
On-behalf payments	-	-	125,304	125,304	-	-	-	-
Total revenue	139,995	139,995	265,299	125,304	32,463	32,463	32,463	-
EXPENDITURES								
Salaries	110,953	110,953	111,579	(626)	29,500	29,500	30,100	(600)
Benefits	25,207	25,207	21,385	3,822	2,257	2,257	2,303	(46)
Pension expenditures	-	-	2,854	(2,854)	-	-	-	-
OPEB expenditures	-	-	358	(358)	-	-	-	-
Purchased services	3,385	3,385	3,712	(327)	370	370	6	364
Supplies and materials	450	450	107	343	336	336	54	282
Miscellaneous	-	-	-	-	-	-	-	-
On-behalf payments to governments	-	-	125,304	(125,304)	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	139,995	139,995	265,299	(125,304)	32,463	32,463	32,463	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR			<u>-</u>				<u>-</u>	
FUND BALANCE, END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 5
 (CONTINUED)

	ROE/ISC Operations				Community Partnership			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE								
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ 323,529	\$ 323,529	\$ 323,529	\$ -
State sources	327,851	327,851	327,851	-	-	-	-	-
On-behalf payments	-	-	482,368	482,368	-	-	-	-
Total revenue	327,851	327,851	810,219	482,368	323,529	323,529	323,529	-
EXPENDITURES								
Salaries	250,494	246,594	249,222	(2,628)	92,500	72,500	74,203	(1,703)
Benefits	41,549	45,449	38,813	6,636	24,687	21,717	18,227	3,490
Pension expenditures	-	-	3,709	(3,709)	-	-	3,303	(3,303)
OPEB expenditures	-	-	990	(990)	-	-	-	-
Purchased services	26,408	26,408	26,732	(324)	201,170	222,750	221,483	1,267
Supplies and materials	3,300	3,300	2,136	1,164	5,172	6,562	6,313	249
Miscellaneous	1,400	1,400	686	714	-	-	-	-
On-behalf payments to governments	-	-	482,368	(482,368)	-	-	-	-
Intergovernmental:								
Payments to other governmental units	-	-	-	-	-	-	-	-
Capital outlay	4,700	4,700	5,563	(863)	-	-	-	-
Total expenditures	327,851	327,851	810,219	(482,368)	323,529	323,529	323,529	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR			<u>-</u>				<u>-</u>	
FUND BALANCE, END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 BUDGETARY COMPARISON SCHEDULES
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 5
 (CONTINUED)

	Homeless ARP-1				Homeless Consortium			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE								
Federal sources	\$ 45,000	\$ 45,000	\$ 8,539	\$ (36,461)	\$ 35,193	\$ 35,193	\$ 15,673	\$ (19,520)
State sources	-	-	-	-	-	-	-	-
On-behalf payments	-	-	-	-	-	-	-	-
Total revenue	45,000	45,000	8,539	(36,461)	35,193	35,193	15,673	(19,520)
EXPENDITURES								
Salaries	1,350	1,350	803	547	-	-	-	-
Benefits	164	164	276	(112)	-	-	-	-
Pension expenditures	-	-	58	(58)	-	-	-	-
OPEB expenditures	-	-	-	-	-	-	-	-
Purchased services	20,000	17,500	-	17,500	-	-	-	-
Supplies and materials	5,000	5,000	1,853	3,147	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
On-behalf payments to governments	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governmental units	18,486	20,986	5,549	15,437	35,193	35,193	15,673	19,520
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	45,000	45,000	8,539	36,461	35,193	35,193	15,673	19,520
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR			<u>-</u>				<u>-</u>	
FUND BALANCE, END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023**

SCHEDULE 6

	General Educational Development	School Bus Driver Training	Annexation and Sales Petition	Total
ASSETS				
Cash and cash equivalents	\$ 32,300	\$ 11,103	\$ 1,794	\$ 45,197
Investments	25,676	13,720	-	39,396
Accounts receivable	-	20	-	20
Due from other governmental units	-	40	-	40
Total assets	<u>57,976</u>	<u>24,883</u>	<u>1,794</u>	<u>84,653</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u><u>57,976</u></u>	<u><u>24,883</u></u>	<u><u>1,794</u></u>	<u><u>84,653</u></u>
LIABILITIES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	<u>57,976</u>	<u>24,883</u>	<u>1,794</u>	<u>84,653</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u><u>\$ 57,976</u></u>	<u><u>\$ 24,883</u></u>	<u><u>\$ 1,794</u></u>	<u><u>\$ 84,653</u></u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

SCHEDULE 7

	General Educational Development	School Bus Driver Training	Annexation and Sales Petition	Total
REVENUES				
State sources	\$ -	\$ 1,383	\$ -	\$ 1,383
Local sources	2,170	4,119	17	6,306
Interest	140	75	-	215
Total revenues	<u>2,310</u>	<u>5,577</u>	<u>17</u>	<u>7,904</u>
EXPENDITURES				
Purchased services	35	7,221	-	7,256
Supplies and materials	169	-	-	169
Miscellaneous	-	420	-	420
Total expenditures	<u>204</u>	<u>7,641</u>	<u>-</u>	<u>7,845</u>
NET CHANGE IN FUND BALANCES	2,106	(2,064)	17	59
FUND BALANCES, BEGINNING OF YEAR	<u>55,870</u>	<u>26,947</u>	<u>1,777</u>	<u>84,594</u>
FUND BALANCES, END OF YEAR	<u>\$ 57,976</u>	<u>\$ 24,883</u>	<u>\$ 1,794</u>	<u>\$ 84,653</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 JUNE 30, 2023**

SCHEDULE 8

	<u>Evaluation and Training</u>	<u>ParaPro</u>	<u>RSSP Student Activities</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,071	\$ 15,063	\$ 3,431	\$ 19,565
TOTAL ASSETS	<u>1,071</u>	<u>15,063</u>	<u>3,431</u>	<u>19,565</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Unrestricted	<u>1,071</u>	<u>15,063</u>	<u>3,431</u>	<u>19,565</u>
TOTAL NET POSITION	<u><u>\$ 1,071</u></u>	<u><u>\$ 15,063</u></u>	<u><u>\$ 3,431</u></u>	<u><u>\$ 19,565</u></u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

SCHEDULE 9

	<u>Evaluation and Training</u>	<u>ParaPro</u>	<u>RSSP Student Activities</u>	<u>Total</u>
OPERATING REVENUE				
Fees for services	\$ -	\$ -	\$ 4,150	\$ 4,150
OPERATING EXPENSES				
Purchased services	-	-	937	937
Supplies and materials	-	-	2,527	2,527
Total operating expenses	-	-	3,464	3,464
OPERATING INCOME	-	-	686	686
NET POSITION, BEGINNING OF YEAR	<u>1,071</u>	<u>15,063</u>	<u>2,745</u>	<u>18,879</u>
NET POSITION, END OF YEAR	<u>\$ 1,071</u>	<u>\$ 15,063</u>	<u>\$ 3,431</u>	<u>\$ 19,565</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

SCHEDULE 10

	<u>Evaluation and Training</u>	<u>ParaPro</u>	<u>RSSP Student Activities</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts for workshops and services	\$ -	\$ -	\$ 4,150	\$ 4,150
Payments to suppliers and providers of goods and services	-	-	(3,464)	(3,464)
Net cash provided by (used for) operating activities	-	-	686	686
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	-	686	686
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,071	15,063	2,745	18,879
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,071</u>	<u>\$ 15,063</u>	<u>\$ 3,431</u>	<u>\$ 19,565</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating income	\$ -	\$ -	\$ 686	\$ 686
Net cash provided by (used for) operating activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 686</u>	<u>\$ 686</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 JUNE 30, 2023**

SCHEDULE 11

	<u>Distributive</u>	<u>Total</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ -
TOTAL ASSETS	<u>-</u>	<u>-</u>
LIABILITIES		
Due to other governmental units	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
NET POSITION		
Restricted for other individuals and governments	-	-
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

SCHEDULE 12

	<u>Distributive</u>	<u>Total</u>
ADDITIONS		
Education collections for local governments	\$ 454,308	\$ 454,308
TOTAL ADDITIONS	<u>454,308</u>	<u>454,308</u>
DEDUCTIONS		
Education disbursements to local governments	<u>466,888</u>	<u>466,888</u>
TOTAL DEDUCTIONS	<u>466,888</u>	<u>466,888</u>
Net decrease in fiduciary net position	(12,580)	(12,580)
NET POSITION, beginning of year	<u>12,580</u>	<u>12,580</u>
NET POSITION, end of year	<u>\$ -</u>	<u>\$ -</u>

LASALLE, MARSHALL, AND PUTNAM COUNTIES

SCHEDULE 13

REGIONAL OFFICE OF EDUCATION NO. 35

SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES

DISTRIBUTIVE FUND

FOR THE YEAR ENDED JUNE 30, 2023

Program	Code	LEASE	L-P Area Voc. Center	Grand Total
General State Aid	3001/3002	\$ 375,766	\$ -	\$ 375,766
State Free Lunch & Breakfast	3360	296	-	296
Transportation - Regular and Vocational	3500	-	3,178	3,178
National School Lunch Program	4210	42,233	-	42,233
School Breakfast Program	4220	14,970	-	14,970
ESSER	499801	-	30,445	30,445
TOTAL		<u>\$ 433,264</u>	<u>\$ 33,623</u>	<u>\$ 466,887</u>

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 14

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed through Illinois State Board of Education				
Education Stabilization Fund				
Coronavirus Response and Relief Supplemental Appropriations Act, 2021 - Emergency Assistance to Non-Public Schools (CRRSA EANS) Program				
<i>EANS ESSER</i>	(M)	84.425R	\$ 1,750	
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)				
<i>Capacity Builder</i>	(M)	84.425U	561-58614-05-00-02	267,684
<i>Community Partnership</i>	(M)	84.425U	2022-4998-CP	323,529
American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth				
<i>McKinney Education for Homeless Children - Homeless Consortium</i>	(M)	84.425W	2022-4998-HL	15,673
			<u>608,636</u>	<u>432,854</u>
Passed through Regional Office of Education No. 4				
Education Stabilization Fund				
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)				
<i>Social Emotional Learning and Trauma Response</i>	(M)	84.425U	2023-4998-S3	56,357
Passed through Regional Office of Education No. 47				
Education for Homeless Children and Youth				
<i>McKinney Education for Homeless Children</i>		84.196	2023-4920-00	19,405
Education Stabilization Fund				
American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth				
<i>McKinney Education for Homeless Children</i>	(M)	84.425W	2022-4920-01	8,539
			<u>27,944</u>	<u>20,880</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>692,937</u>	<u>453,734</u>
<u>U.S. DEPARTMENT OF LABOR</u>				
Passed through Business Employment Skills Team - LaSalle County				
WIOA Youth Activities				
<i>WIA Youth Activities</i>		17.259	2023-4099-00	104,085
TOTAL U.S. DEPARTMENT OF LABOR			<u>\$ 104,085</u>	

(Continued)

LASALLE, MARSHALL, AND PUTNAM COUNTIES
 REGIONAL OFFICE OF EDUCATION NO. 35
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 14
 (CONTINUED)

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed through Illinois State Board of Education				
Child Nutrition Cluster				
National School Lunch Program				
<i>National School Lunch Program</i>	10.555	2023-4210-00	\$ 32,510	23,442
			32,510	23,442
School Breakfast Program				
<i>School Breakfast Program</i>	10.553	2023-4220-00	9,436	9,319
			9,436	9,319
Total Child Nutrition Cluster			41,946	32,761
TOTAL U.S. DEPARTMENT OF AGRICULTURE			41,946	32,761
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 838,968	486,495

(M) Program was audited as a major program

The accompanying notes are an integral part of this schedule.

**LASALLE, MARSHALL, AND PUTNAM COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 35
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Regional Office of Education No. 35 under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Regional Office of Education No. 35, it is not intended to and does not present the financial position, changes in net position, or cash flows of Regional Office of Education No. 35.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

Regional Office of Education No. 35 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – AMOUNTS PROVIDED TO SUBRECIPIENTS

The Regional Office of Education No. 35 passed through Capacity Builder funds to other Regional Offices of Education and Community Partnership funds to local YMCA’s.

NOTE 5 – EDUCATION STABILIZATION FUND

The Regional Office of Education No. 35 expended funds from several of the subprograms under the Education Stabilization Fund. These have been identified by their applicable alpha character in the attached Schedule of Expenditures of Federal Awards. The total amount of Education Stabilization Funds expended under all subprograms was \$673,532.