

**State of Illinois
ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49**

**FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
For the Year Ended June 30, 2022**

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49**

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**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49**

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**Rock Island County
Regional Office of Education No. 49
Officials
June 30, 2022**

Regional Superintendent
(Current and during the audit period)

Ms. Tammy Muerhoff

Assistant Regional Superintendent
(Current and during the audit period)

Mr. Jacob Smithers

Office is located at:

3430 Avenue of the Cities
Moline, Illinois 61265

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49**

COMPLIANCE REPORT SUMMARY

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

AUDITOR’S REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	2	2
Repeated audit findings	2	1
Prior recommendations implemented or not repeated	0	0

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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FINDINGS (*GOVERNMENT AUDITING STANDARDS*)

2022-001	14-15	Controls Over Financial Statement Preparation	Significant Deficiency
2022-002	16-17	Controls Over Timely Expenditure Report Submissions	Significant Deficiency

FINDINGS AND QUESTIONED COSTS (*FEDERAL COMPLIANCE*)

2022-002	18	Controls Over Timely Expenditure Report Submissions	Significant Deficiency
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PRIOR AUDIT FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)

None

PRIOR AUDIT FINDINGS NOT REPEATED (*FEDERAL COMPLIANCE*)

None

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49**

COMPLIANCE REPORT SUMMARY (CONTINUED)

EXIT CONFERENCE

The Rock Island County Regional Office of Education No. 49 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2022. Throughout the audit, meetings were held between auditors and Regional Office officials to discuss matters obtained in this report. Responses to the recommendations were provided by Honorable Tammy Muerhoff, Regional Superintendent, on March 31, 2023.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49**

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of Rock Island County Regional Office of Education No. 49 was performed by Winkel, Parker & Foster, CPA PC.

Based on their audit, the auditors expressed an unmodified opinion on Rock Island County Regional Office of Education No. 49's basic financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rock Island County Regional Office of Education No. 49, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Rock Island County Regional Office of Education No. 49'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 cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rock Island County Regional Office of Education No. 49, as of June 30, 2022, and the respective changes in cash basis financial position, thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* 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 Rock Island County Regional Office of Education No. 49, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

As discussed in Note 9 to the financial statements, beginning with fiscal year 2022, Rock Island County Regional Office of Education No. 49 has presented its financial statements in accordance with the cash basis of accounting described in Note 1. The cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Previous financial statements were presented in accordance with generally accepted accounting principles (GAAP). Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in

the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rock Island County Regional Office of Education No. 49's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rock Island County Regional Office of Education No. 49's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise Rock Island County Regional Office of Education No. 49's basic financial statements. The cash basis combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, the Schedule of Cash Disbursements to School District Treasurers and Other Entities - School Facility Occupation Tax, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the cash basis combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, the Schedule of Cash Disbursements to School District Treasurers and Other Entities - School Facility Occupation Tax, and the Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the cash basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023 on our consideration of Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49's internal control over financial reporting and compliance.

ORIGINAL SIGNATURE ON FILE

Clinton, Iowa
March 31, 2023



**Winkel, Parker
& Foster, CPA PC**

Certified Public Accountants & Consultants

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rock Island County Regional Office of Education No. 49, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Rock Island County Regional Office of Education No. 49's cash basis financial statements, and have issued our report thereon dated March 31, 2023. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rock Island County Regional Office of Education No. 49's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Rock Island County Regional Office of Education No. 49's internal control. Accordingly, we do not express an opinion on the effectiveness of Rock Island County Regional Office of Education No. 49's internal control.

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

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

audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2022-001 and 2022-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rock Island County Regional Office of Education No. 49'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*.

Rock Island County Regional Office of Education No. 49's Responses to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on Rock Island County Regional Office of Education No. 49's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Rock Island County Regional Office of Education No. 49's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Regional Office of Education No. 49's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rock Island County Regional Office of Education No. 49's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ORIGINAL SIGNATURE ON FILE

Clinton, Iowa
March 31, 2023



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

As Special Assistant Auditors for the Auditor General, we have audited Rock Island County Regional Office of Education No. 49's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Rock Island County Regional Office of Education No. 49's major federal programs for the year ended June 30, 2022. Rock Island County Regional Office of Education No. 49'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, Rock Island County Regional Office of Education No. 49 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, 2022.

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 Rock Island County Regional Office of Education No. 49 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49'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

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material

weaknesses. However, as described below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002 to be a significant deficiency.

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.

Internal Control Finding

Government Auditing Standards requires the auditor to perform limited procedures on Rock Island County Regional Office of Education No. 49's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Rock Island County Regional Office of Education No. 49's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Corrective Action Plan

Rock Island County Regional Office of Education No. 49 is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Rock Island County Regional Office of Education No. 49's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

ORIGINAL SIGNATURE ON FILE

Clinton, Iowa
March 31, 2023

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Section I: Summary of Auditor's Results:

Financial Statements in Accordance with the Cash Basis of Accounting as Described in Note 1 to the Financial Statements

Type of auditor's report issued: _____ Unmodified _____

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.287C	Twenty-first Century Community Learning Centers

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

Auditee qualified as low-risk auditee? _____ yes x no

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Section II: Financial Statement Findings:

FINDING 2022-001 - Controls Over Financial Statement Preparation (Repeat of findings 21-001, 20-001, 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1, 10-1, 09-1, 08-1, and 07-1)

Criteria/Specific Requirement:

The School Code 105 ILCS 5/2-3.17a allows a Regional Office of Education or Educational Service Center to utilize a cash basis, modified cash basis or generally accepted accounting principles (GAAP) basis of accounting to prepare the financial statements for audit. The Rock Island County Regional Office of Education No. 49 (ROE) has chosen to utilize the cash basis of accounting for financial statement reporting. The ROE is required to maintain a system of controls over the preparation of financial statements in accordance with its selected basis of accounting.

Condition:

Rock Island County Regional Office of Education No. 49 does not have sufficient internal controls over the financial reporting process. While Regional Office of Education No. 49 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the financial statements for management or employees in the normal course of performing their assigned functions to prevent, or detect and correct, financial statement misstatements and disclosure omissions in a timely manner.

During review of the Regional Office of Education No. 49's financial information prepared by the ROE, it was noted the ROE did not have adequate controls to ensure financial statement balances were accurate. While the ROE did maintain records to indicate the balances of financial statement accounts, audit adjustments were proposed in order to ensure those balances were accurate in accordance with the cash basis of accounting.

Effect:

Regional Office of Education No. 49's management or its employees, in the normal course of performing their assigned functions, may not prevent, or detect and correct, financial statement misstatements and disclosure errors and omissions in a timely manner.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Section II: Financial Statement Findings: (Continued)

FINDING 2022-001 - Controls Over Financial Statement Preparation (Repeat of findings 21-001, 20-001, 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1, 10-1, 09-1, 08-1, and 07-1) (Continued)

Cause:

Regional Office officials indicated they did not effectively detect all of the adjustments needed in order to present financial statements in accordance with the cash basis of accounting.

Auditor's Recommendation:

The Rock Island County Regional Office of Education No. 49 should implement comprehensive preparation and/or review procedures as part of their internal control over the preparation of financial statements to ensure the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of the basis of accounting selected for financial statements, GASB pronouncements, and knowledge of Regional Office of Education No. 49's activities and operations.

Management's Response:

The Rock Island County Regional Office of Education will obtain the necessary information, additional training, and support in order to ensure the financial statement balances are accurate in order to eliminate the need for audit adjustments to occur. The Rock Island County Regional Office of Education has contracted with an auditing firm to conduct the financial statement preparation to assist for the audit process in fiscal years 2018-2019, 2019-2020, 2020-2021, and 2021-2022 and will also contract with the auditing firm for these services for the 2022-2023 fiscal year. Also, an auditing firm has been contracted with in order to review records and financial information to prepare further for the preparation of the financial statement. A thorough review of the financial information will be conducted by the additional audit firm in order to determine further steps that can be taken to ensure the financial statements, including disclosures, are complete and accurate.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Section II: Financial Statement Findings: (Continued)

FINDING 2022-002 - Controls Over Timely Expenditure Report Submissions (Repeat of finding 21-002)

Federal Program: Twenty-First Century Community Learning Centers, Education Stabilization Fund

Project No.: 21-4421-13, 21-4421-15, 21-4421-25, 21-4998-EC

Assistance Listing Number: 84.287C, 84.425C

Passed-Through: Illinois State Board of Education

Federal Agency: U.S. Department of Education

Criteria/Specific Requirement:

The Illinois Grant Funds Recovery Act (30 ILCS 705/4) requires State grant recipients with awards in excess of \$25,000 to submit quarterly expenditure reports to reflect the progress of the grant program. The Illinois State Board of Education (ISBE) requires all grant recipients, regardless of amount awarded, to submit quarterly expenditure reports. The *State and Federal Grant Administration Policy, Fiscal Requirements, and Procedures* of the ISBE Division of Funding and Disbursement Services requires expenditure reports to be filed within 20 calendar days of the end of each reporting quarter and grant period end.

Condition:

Rock Island County Regional Office of Education No. 49's internal controls over expenditure report submission were not effective. It was noted that expenditure reports for Illinois State Board of Education grants were not submitted timely. Specifically, the following expenditure reports were not submitted timely:

Program	Quarter Ended	Submit Date	Days Late
Early Childhood - GEER	12/31/2021	2/1/2022	12

Program	Grant Period Ended	Submit Date	Days Late
Truants Alternative and Optional Education	8/31/2021	10/13/2021	23
Early Childhood Ages 0-3	8/31/2021	10/4/2021	14
Early Childhood Ages 3-5	8/31/2021	9/21/2021	1
ROE Operations Fund	8/31/2021	10/13/2021	23
Title IV - 21st Century Hanson Elementary School	8/31/2021	9/21/2021	1
Title IV - 21st Century Moline High School	8/31/2021	9/21/2021	1
Title IV - 21st Century Glenview Middle School	8/31/2021	9/21/2021	1

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Section II: Financial Statement Findings: (Continued)

FINDING 2022-002 - Controls Over Timely Expenditure Report Submissions (Repeat of finding 21-002) (Continued)

Questioned Costs:

None

Context:

Rock Island County Regional Office of Education No. 49 submitted 58 expenditure reports to the Illinois State Board of Education for grants with reporting dates ending during fiscal year 2022. Of those 58 reports, 8 were not timely.

Effect:

Grant programs could be frozen by the ISBE and future payments could be delayed if reports are not submitted in a timely manner.

Cause:

Regional Office officials indicated that they did not detect in a timely and effective manner that the expenditure reports had not been submitted prior to the due dates.

Auditor's Recommendation:

Rock Island County Regional Office of Education No. 49 should take appropriate steps to ensure the expenditure reports are filed within the prescribed guidelines set forth by ISBE.

Management's Response:

A new Bookkeeper has joined the team at the Rock Island County Regional Office of Education and, in conjunction with the Regional Superintendent and grant program personnel, a specific process has been established to review the specific due dates of the expenditure reports at the onset of the fiscal year. All pertinent information that is necessary for the completion of the reports are identified by the Regional Superintendent, grant program personnel, and accounting department personnel to provide in a readily available format in order to ensure successful completion of the report by the due date. Additionally, dates are identified for when the reports will be submitted to ISBE which is well in advance of the due dates. All accounting personnel have been cross trained in the process for expenditure report submittal in order to ensure the reports are submitted to ISBE by the prescribed due dates.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Section III: Federal Award Findings:

Instances of Material Noncompliance:

None noted

Significant Deficiencies in Internal Control:

**FINDING 2022-002 - Controls Over Timely Expenditure Report Submissions
(Repeat of finding 21-002) (finding details on pages 16-17)**

Material Weaknesses in Internal Control:

None noted

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
June 30, 2022**

FINDING 2022-001 - Controls Over Financial Statement Preparation (Repeat of findings 21-001, 20-001, 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1, 10-1, 09-1, 08-1, and 07-1)

Condition:

Rock Island County Regional Office of Education No. 49 does not have sufficient internal controls over the financial reporting process. While Regional Office of Education No. 49 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the financial statements for management or employees in the normal course of performing their assigned functions to prevent, or detect and correct, financial statement misstatements and disclosure omissions in a timely manner.

During review of the Regional Office of Education No. 49's financial information prepared by the ROE, it was noted the ROE did not have adequate controls to ensure financial statement balances were accurate. While the ROE did maintain records to indicate the balances of financial statement accounts, audit adjustments were proposed in order to ensure those balances were accurate in accordance with the cash basis of accounting.

Plan:

The Rock Island County Regional Office of Education will obtain the necessary information, additional training, and support in order to ensure the financial statement balances are accurate in order to eliminate the need for audit adjustments to occur. The Rock Island County Regional Office of Education has contracted with an auditing firm to conduct the financial statement preparation to assist for the audit process in fiscal years 2018-2019, 2019-2020, 2020-2021, and 2021-2022 and will also contract with the auditing firm for these services for the 2022-2023 fiscal year. Also, an auditing firm has been contracted with in order to review records and financial information to prepare further for the preparation of the financial statement.

Anticipated Completion Date:

Ongoing

Contact Person Responsible for Corrective Action:

Regional Superintendent, Tammy Muerhoff, Rock Island County Regional Office of Education No. 49

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
June 30, 2022**

FINDING 2022-002 - Controls Over Timely Expenditure Report Submissions

Federal Program: Twenty-First Century Community Learning Centers, Education Stabilization Fund

Project No.: 21-4421-13, 21-4421-15, 21-4421-25, 21-4998-EC

Assistance Listing Number: 84.287C, 84.425C

Passed-Through: Illinois State Board of Education

Federal Agency: U.S. Department of Education

Condition:

Rock Island County Regional Office of Education No. 49’s internal controls over expenditure report submission were not effective. It was noted that expenditure reports for Illinois State Board of Education grants were not submitted timely. Specifically, the following expenditure reports were not submitted timely:

Program	Quarter Ended	Submit Date	Days Late
Early Childhood - GEER	12/31/2021	2/1/2022	12

Program	Grant Period Ended	Submit Date	Days Late
Truants Alternative and Optional Education	8/31/2021	10/13/2021	23
Early Childhood Ages 0-3	8/31/2021	10/4/2021	14
Early Childhood Ages 3-5	8/31/2021	9/21/2021	1
ROE Operations Fund	8/31/2021	10/13/2021	23
Title IV - 21st Century Hanson Elementary School	8/31/2021	9/21/2021	1
Title IV - 21st Century Moline High School	8/31/2021	9/21/2021	1
Title IV - 21st Century Glenview Middle School	8/31/2021	9/21/2021	1

Plan:

A new Bookkeeper has joined the team at the Rock Island County Regional Office of Education and, in conjunction with the Regional Superintendent and grant program personnel, a specific process has been established to review the specific due dates of the expenditure reports at the onset of the fiscal year. All pertinent information that is necessary for the completion of the reports are identified by the Regional Superintendent, grant program personnel, and accounting department personnel to provide in a readily available format in order to ensure successful completion of the report by the due date. Additionally, dates are identified for when the reports will be submitted to ISBE which is well in advance of the due dates. All accounting personnel have been cross trained in the process for expenditure report submittal in order to ensure the reports are submitted to ISBE by the prescribed due dates.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
June 30, 2022**

FINDING 2022-002 - Controls Over Timely Expenditure Report Submissions (Continued)

Anticipated Completion Date:

Ongoing

Contact Person Responsible for Corrective Action:

Regional Superintendent, Tammy Muerhoff, Rock Island County Regional Office of Education
No. 49

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
June 30, 2022**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
	None	

BASIC FINANCIAL STATEMENTS

Rock Island County
Regional Office of Education No. 49
Cash Basis Statement of Activities and Net Position
As of and for the Year Ended June 30, 2022
Exhibit A

FUNCTIONS/PROGRAMS	Disbursements	Program Receipts		Net (Disbursements) Receipts and Changes in Cash Basis Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
PRIMARY GOVERNMENT						
Governmental activities:						
Instructional services:						
Salaries	\$ 1,495,273	\$ 26,244	\$ 1,388,238	\$ (80,791)	\$ -	\$ (80,791)
Benefits	243,570	4,290	230,115	(9,165)	-	(9,165)
Purchased services	1,108,528	19,936	965,730	(122,862)	-	(122,862)
Supplies and materials	146,836	-	139,578	(7,258)	-	(7,258)
Capital outlay	26,275	-	26,407	132	-	132
Intergovernmental:						
Payments to other governments	1,172,747	-	1,022,316	(150,431)	-	(150,431)
Administrative:						
On-behalf payments	381,026	-	-	(381,026)	-	(381,026)
Total governmental activities	4,574,255	50,470	3,772,384	(751,401)	-	(751,401)
Business-type activities:						
Professional development	259,869	105,550	-	-	(154,319)	(154,319)
Total business-type activities	259,869	105,550	-	-	(154,319)	(154,319)
TOTAL PRIMARY GOVERNMENT	\$ 4,834,124	\$ 156,020	\$ 3,772,384	(751,401)	(154,319)	(905,720)
General receipts:						
Local sources				70,084	-	70,084
State sources				99,098	-	99,098
On-behalf payments				381,026	-	381,026
Total general receipts				550,208	-	550,208
CHANGE IN CASH BASIS NET POSITION				(201,193)	(154,319)	(355,512)
CASH BASIS NET POSITION, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)				592,890	683,154	1,276,044
CASH BASIS NET POSITION, END OF YEAR	\$ 391,697			\$ 528,835	\$ 920,532	
CASH BASIS NET POSITION						
Restricted	\$ 505,382			\$ -	\$ 505,382	
Unrestricted	(113,685)			528,835	415,150	
TOTAL CASH BASIS NET POSITION	\$ 391,697			\$ 528,835	\$ 920,532	

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

Rock Island County
Regional Office of Education No. 49
Governmental Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Exhibit B

	General Fund	Education Fund	Institute	Nonmajor Special Revenue Funds	Total Governmental Funds
RECEIPTS					
Local sources	\$ 70,084	\$ -	\$ 46,686	\$ 3,784	\$ 120,554
State sources	99,098	2,879,848	-	1,259	2,980,205
Federal sources	-	891,277	-	-	891,277
On-behalf payments	381,026	-	-	-	381,026
Total receipts	<u>550,208</u>	<u>3,771,125</u>	<u>46,686</u>	<u>5,043</u>	<u>4,373,062</u>
DISBURSEMENTS					
Instructional services:					
Salaries	-	1,461,619	33,654	-	1,495,273
Benefits	-	238,036	5,534	-	243,570
Purchased services	69,094	1,013,885	21,237	4,312	1,108,528
Supplies and materials	-	146,836	-	-	146,836
Administrative:					
On-behalf payments	381,026	-	-	-	381,026
Intergovernmental:					
Payments to other governments	99,098	1,073,649	-	-	1,172,747
Capital outlay	-	26,275	-	-	26,275
Total disbursements	<u>549,218</u>	<u>3,960,300</u>	<u>60,425</u>	<u>4,312</u>	<u>4,574,255</u>
CHANGE IN CASH AND CASH EQUIVALENTS	990	(189,175)	(13,739)	731	(201,193)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)	<u>3,094</u>	<u>436,828</u>	<u>133,943</u>	<u>19,025</u>	<u>592,890</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 4,084</u>	<u>\$ 247,653</u>	<u>\$ 120,204</u>	<u>\$ 19,756</u>	<u>\$ 391,697</u>
CASH BASIS FUND BALANCES					
Restricted	\$ -	\$ 365,422	\$ 120,204	\$ 19,756	\$ 505,382
Assigned	4,084	-	-	-	4,084
Unassigned	-	(117,769)	-	-	(117,769)
TOTAL CASH BASIS FUND BALANCES	<u>\$ 4,084</u>	<u>\$ 247,653</u>	<u>\$ 120,204</u>	<u>\$ 19,756</u>	<u>\$ 391,697</u>

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

Rock Island County
Regional Office of Education No. 49
Proprietary Funds
Statement of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Exhibit C

	<u>Business-Type Activities</u> <u>Enterprise Fund - Workshops</u>
OPERATING RECEIPTS	
Charges for services	\$ 105,550
OPERATING DISBURSEMENTS	
Salaries	144,478
Benefits	13,677
Purchased services	84,505
Supplies and materials	10,273
Capital outlay	6,936
Total operating disbursements	259,869
CHANGE IN CASH AND CASH EQUIVALENTS	(154,319)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)	683,154
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 528,835
CASH BASIS NET POSITION	
Unrestricted	\$ 528,835

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

Rock Island County
Regional Office of Education No. 49
Fiduciary Fund
Statement of Cash Additions, Deductions, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Exhibit D

	Custodial Fund - School Facility Occupation Tax
ADDITIONS	
School Facility Occupation tax collections for school districts and other entities	\$ 14,065,062
DEDUCTIONS	
Payments to school districts and other entities	14,065,062
CHANGE IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ -
CASH BASIS FIDUCIARY NET POSITION	
Restricted for other governments	\$ -

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Rock Island County Regional Office of Education No. 49 was created when an Educational Service Region became a Regional Office of Education on August 7, 1995. The Rock Island County Regional Office of Education No. 49 operates under the School Code (105 ILCS 5/3 and 5/3A). The Regional Office of Education No. 49 encompasses Rock Island County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of the Rock Island County Regional Office of Education No. 49 and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. 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 functions of the Rock Island County Regional Office of Education No. 49 also include, but are not limited to, the following:

- Processing teacher licensures;
- Teaching initial and refresher classes for school bus drivers within the Rock Island County Regional Office of Education No. 49;
- Review life/safety requirements for schools in conjunction with the State of Illinois;
- Issuing newsletters regarding new Illinois life/safety requirements;
- Monitoring compliance with State laws and Department of Education policies and procedures;
- Providing directions to teachers and school officials on science, art, and teaching methods;
- Implementing the Illinois State Board of Education's (ISBE) Policy Programs; and
- Encouraging camaraderie among teachers through the teachers' institute.

A. Principles Used to Determine the Scope of the Reporting Entity

The Rock Island County Regional Office of Education No. 49's reporting entity includes all related organizations for which it exercises oversight responsibility.

The Rock Island County Regional Office of Education No. 49 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Rock Island County Regional Office of Education No. 49, 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 Rock Island County Regional Office of

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Education No. 49 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 Rock Island County Regional Office of Education No. 49 has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the Regional Office of Education No. 49's financial statements. In addition, the Rock Island County Regional Office of Education No. 49 is not aware of any entity which would exercise such oversight which would result in the Rock Island County Regional Office of Education No. 49 being considered a component unit of the entity.

As discussed further in the "Measurement Focus and Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Regional Office of Education's accounting policies.

B. Basis of Presentation

Government-wide Financial Statement

The government-wide financial statement (i.e., Cash Basis Statement of Activities and Net Position) reports information on all of the nonfiduciary activities of the Rock Island County Regional Office of Education No. 49. For the most part, the effect of interfund activity has been removed from this statement. Governmental activities, which are normally supported by intergovernmental and local revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function or segment is offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or

Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants, contributions and interest restricted to meeting the operational requirements or capital requirements of a particular function. Other items not properly included among program receipts are reported instead as general receipts.

The Cash Basis Statement of Activities and Net Position presents Rock Island County Regional Office of Education No. 49's nonfiduciary net position. Net position is reported in the following categories/components:

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

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

Fund Financial Statements

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statement. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

The Rock Island County Regional Office of Education No. 49 reports the following major governmental funds:

General Fund - This fund is used to account for resources traditionally associated with government which are not required, legally or by sound financial management, to be accounted for in another fund. The General Fund accounts include the following:

General State Aid - This program accounts for general State aid monies.

General Fund - This fund accounts for on-behalf payments made by Rock Island County and the State on the Rock Island County Regional Office of Education No. 49's behalf.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cafeteria Plan - This fund accounts for funds collected through payroll deductions from participating employees. The Rock Island County Regional Office of Education No. 49 is responsible for reimbursing the cost of employees' medical expenses.

Special Revenue Funds - These funds are used to account for and report the proceeds of specific receipt sources (other than fiduciary or major capital projects) that are restricted to disbursements for specified purposes. The Rock Island County Regional Office of Education No. 49's major Special Revenue Funds include the following:

Education Fund - This fund is used to account for and report the proceeds of specific receipt sources that are restricted by grant agreements or contracts to disbursements for specified purposes supporting education enhancement programs. The Rock Island County Regional Office of Education No. 49's Education Fund accounts include the following:

Title IV - 21st Century John Deere Middle School - This program accounts for grant monies received for, and payment of, disbursements of the 21st Century program at John Deere Middle School.

Title IV - 21st Century Moline High School - This program accounts for grant monies received for, and payment of, disbursements of the 21st Century program at Moline High School.

Title IV - 21st Century Glenview Middle School - This program accounts for grant monies received for, and payment of, disbursements of the 21st Century program at Glenview Middle School.

Title IV - 21st Century Hanson Elementary School - This program accounts for grant monies received for, and payment of, disbursements of the 21st Century program at Hanson Elementary School.

Title IV - 21st Century Wilson Middle School - This program accounts for grant monies received for, and payment of, disbursements of the 21st Century program at Wilson Middle School.

Title IV - 21st Century United Township High School - This program accounts for grant monies received for, and payment of, disbursements of the 21st Century program at United Township High School.

Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Early Childhood Ages 0-3 - This program accounts for grant monies received for, and payment of, disbursements of early childhood education for children ages 0-3.

Early Childhood Ages 3-5 - This program accounts for grant monies received for, and payment of, disbursements of early childhood education for children ages 3-5.

Truants Alternative and Optional Education - This program accounts for grant monies received for, and payment of, disbursements of the Truants Alternative and Optional Education Program.

McKinney Education for Homeless Children - This program accounts for grant monies received for, and payment of, disbursements for programs for educating homeless children.

Early Childhood Preschool for All Expansion - This program accounts for grant monies received to help, develop, enhance, and expand preschool programs that are of high quality.

ROE Operations Fund - This program accounts for the operating fund of the Rock Island County Regional Office of Education No. 49.

Regional Safe Schools Program - This program accounts for grant monies received for, and payments of, the Regional Safe Schools Program.

Nutrition Curriculum - This program accounts for community foundation monies received for building and increasing nutrition curriculum materials among school districts in Scott County, Iowa, and Rock Island County, Illinois.

AdvancED - This program is used to account for a program through AdvancED, which provides accreditation that is designated specifically for education service agencies.

Early Childhood - Governors Emergency Education Relief (GEER) - This program accounts for emergency assistance provided by the Governor as a result of the Novel Coronavirus Disease 2019 (COVID-19).

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Institute Fund - This fund is used to account for the stewardship of the assets held in trust for the benefit of the Rock Island County Regional Office of Education No. 49's teachers. Fees are collected from teacher license registrations. Monies are expended to conduct teachers' institutes, conferences, and workshops and defray expenses related to technology improvements and administrative processing of licenses. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds include the following:

General Education Development - This fund accounts for the administration of the General Education Development Testing Program. Receipts are received from testing and diploma fees.

School Bus Driver Training - This fund accounts for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Proprietary Fund - The Rock Island County Regional Office of Education No. 49's proprietary fund is the Enterprise Workshops Fund. This fund is used to account for workshops provided by the Rock Island County Regional Office of Education No. 49.

Fiduciary Fund - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the Rock Island County Regional Office of Education No. 49 under a trust agreement, or equivalent arrangement that has certain characteristics, for individuals, private organizations, or other governments and are not available to support the Rock Island County Regional Office of Education No. 49's own programs. The Rock Island County Regional Office of Education No. 49 does not have any trust funds. The Rock Island County Regional Office of Education No. 49's fiduciary fund includes the following:

Custodial Fund - This fund is used to report fiduciary activities that are not required to be reported in a trust fund. The Rock Island County Regional Office of Education No. 49's custodial fund accounts for amounts collected and distributed on behalf of another government or organization. The Rock Island County Regional Office of Education No. 49 maintains the following custodial fund:

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

School Facility Occupation Tax - This fund accounts for one percent sales tax collected by Rock Island County for school facility maintenance and improvements to be distributed to the school districts within the county.

C. Measurement Focus and Basis of Accounting

The Rock Island County Regional Office of Education No. 49 maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Regional Office of Education are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. In addition, other economic assets, deferred outflow of resources, liabilities, and deferred inflow of resources that do not arise from a cash transaction or event are not reported. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with GAAP.

The Rock Island County Regional Office of Education No. 49 records on-behalf payments made by Rock Island County and the State as receipts and disbursements.

Under the terms of grant agreements, the Rock Island County Regional Office of Education No. 49 funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the Rock Island County Regional Office of Education No. 49's policy to first apply cost-reimbursement grant resources to such programs and then general receipts.

When a reimbursement in governmental funds can be paid using either restricted or unrestricted resources, the Rock Island County Regional Office of Education No. 49's policy is generally to first apply the disbursement toward restricted fund balance and then to unrestricted classification, committed, assigned, and then unassigned fund balances.

Proprietary funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the Rock Island County Regional Office of Education No.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

49's Enterprise Fund are charges to customers for services provided in workshops. Operating disbursements for the Enterprise Fund include the cost of services, and administrative expenses. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements.

D. Cash and Cash Equivalents

The Rock Island County Regional Office of Education No. 49 considers cash on hand, checking accounts, savings accounts, money market accounts, and short-term investments with maturity dates under 3 months to be cash and cash equivalents.

E. Governmental Cash Basis Fund Balance

Fund Balance is divided into five classifications based primarily on the extent to which the Regional Office of Education No. 49 is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classification are as follows:

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. There are no accounts presenting a nonspendable fund balance.

Restricted fund balance - The portion of a governmental fund's net position that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Education Fund - Early Childhood Ages 0-3, Early Childhood Ages 3-5, Truants Alternative and Optional Education, McKinney Education for Homeless Children, Early Childhood Preschool for All Expansion, ROE Operations Fund, Regional Safe Schools Program, Nutrition Curriculum, and AdvancED. The following fund balances are restricted by Illinois Statute: Institute, General Education Development, and School Bus Driver Training.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assigned fund balance - The portion of a governmental fund's net position to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The Rock Island County Regional Office of Education No. 49 has an assigned fund balance in the General Fund's Cafeteria Plan.

Unassigned fund balance - Available expendable resources in a governmental fund that are not designated for a specific purpose. Unassigned fund balance may also include negative balances for any governmental fund if disbursements exceed amounts restricted, committed or assigned for these purposes. The unassigned fund balance is made up of the following: Education Fund - Title IV - 21st Century John Deere Middle School, Title IV - 21st Century Moline High School, Title IV - 21st Century Glenview Middle School, Title IV - 21st Century Hanson Elementary School, Title IV - 21st Century Wilson Middle School, Title IV - 21st Century United Township High School, and Early Childhood - GEER.

F. Employer Contributions to Pension and OPEB Plans

The Rock Island County Regional Office of Education No. 49 recognizes the disbursement for employer contributions to pension and other postemployment benefits (OPEB) plans when they are paid. As described in Notes 3 and 4, the employer contributions include portions for pension benefits and for OPEB.

G. Internal Activity

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

Internal allocations of overhead disbursements from one function to another or within the same function are eliminated on the Cash Basis Statement of Activities and Net Position. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

H. Budgets

The Rock Island County Regional Office of Education No. 49 does not adopt a formal budget for all receipts and disbursements of the governmental funds and is not required to do so. Certain programs administered by the Rock Island County Regional Office of Education No. 49 are subject to budget approval by ISBE including: Title IV - 21st Century John Deere Middle School, Title IV - 21st Century Moline High School, Title IV - 21st Century Glenview Middle School, Title IV - 21st Century Hanson Elementary School, Title IV - 21st Century Wilson Middle School, Title IV - 21st Century United Township High School, Early Childhood Ages 0-3, Early Childhood Ages 3-5, Truants Alternative and Optional Education, McKinney Education for Homeless Children, Early Childhood Preschool for All Expansion, ROE Operations Fund, Regional Safe Schools Program, and Early Childhood - GEER.

I. New Accounting Pronouncements

In 2022, the Rock Island County Regional Office of Education No. 49 implemented GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, GASB Statement No. 92, *Omnibus 2020*, GASB Statement No. 93, *Replacement of Interbank Offered Rates*, GASB Statement No. 97, *Certain Component Unit Criteria*, and GASB Statement No. 98, *The Annual Comprehensive Financial Report*.

GASB Statement No. 87 improves accounting and financial reporting for leases by governments. The implementation of GASB Statement Nos. 89, 92, 93, 97, and 98 does not have a significant impact to the Rock Island County Regional Office of Education No. 49's cash basis financial statements.

NOTE 2 CASH AND CASH EQUIVALENTS

The deposits of Rock Island County Regional Office of Education No. 49 monies are governed by the provisions of the Illinois Compiled Statutes.

NOTE 2 CASH AND CASH EQUIVALENTS (Continued)

Deposits

At June 30, 2022, the carrying amount of the Rock Island County Regional Office of Education No. 49's deposits was \$920,532 and the bank balance was \$1,450,510.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Rock Island County Regional Office of Education No. 49's deposits may not be returned. The Rock Island County Regional Office of Education No. 49 does not have a deposit policy for custodial credit risk. The Rock Island County Regional Office of Education No. 49's deposits were covered by FDIC insurance of \$250,000 at June 30, 2022 and additionally covered by collateral held by the financial institution in the Rock Island County Regional Office of Education No. 49's name.

Investments

The Rock Island County Regional Office of Education No. 49 does not have a formal investment policy. However, the Rock Island County Regional Office of Education No. 49 is authorized under the State of Illinois Public Funds Investment Act to invest in various financial instruments including Illinois Funds. At June 30, 2022 the Rock Island County Regional Office of Education No. 49 had investments with carrying and fair values of \$47,241 invested in the Illinois Funds Money Market Fund. The balance is included in the Institute Fund.

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

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

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 2 CASH AND CASH EQUIVALENTS (Continued)

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

A reconciliation of cash and cash equivalents is as follows:

	Carrying Amount
Governmental activities:	
Bank deposits	\$ 344,456
Illinois Funds	47,241
Business-type activities:	
Bank deposits	528,835
Total	\$ 920,532

NOTE 3 RETIREMENT FUND COMMITMENTS

The Rock Island County Regional Office of Education No. 49 participates in multiple retirements plans to provide retirement benefits to its employees. It should be noted that the actuarial accrued liabilities, deferred inflow of resources, and deferred outflow of resources are not recorded in the financial statements since the Rock Island County Regional Office of Education No. 49 uses the cash basis of accounting as disclosed in Note 1.

The retirement plans of the Rock Island County Regional Office of Education No. 49 include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the Rock Island County Regional Office of Education No. 49. The Rock Island County Regional Office of Education No. 49 is required to contribute at an actuarially determined rate. Each retirement system is discussed below.

Teachers' Retirement System of the State of Illinois

Plan Description

The Rock Island County Regional Office of Education No. 49 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing

NOTE 3 RETIREMENT FUND COMMITMENTS (Continued)

multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs/fy2021>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

NOTE 3 RETIREMENT FUND COMMITMENTS (Continued)

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lumpsum payment in exchange for accepting a lower, delayed annual increase.

The other allows inactive vested Tier 1 and 2 members to receive a partial lumpsum 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 Rock Island County Regional Office of Education No. 49.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the Rock Island County Regional Office of Education No. 49.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022 were \$3,384.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the Rock Island County Regional Office of Education No. 49, there is a statutory requirement for the Rock Island County Regional Office of Education No. 49 to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

NOTE 3 RETIREMENT FUND COMMITMENTS (Continued)

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

For the year ended June 30, 2022, the Rock Island County Regional Office of Education No. 49 pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, no contributions were required for salaries made from federal and special trust funds.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Rock Island County Regional Office of Education No. 49 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the Rock Island County Regional Office of Education No. 49 did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

Illinois Municipal Retirement Fund

IMRF Plan Description

The Rock Island County Regional Office of Education No. 49's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Rock Island County Regional Office of Education No. 49's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this note. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

NOTE 3 RETIREMENT FUND COMMITMENTS (Continued)

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms:

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 3 RETIREMENT FUND COMMITMENTS (Continued)

	IMRF
Retirees and Beneficiaries currently receiving benefits	10
Inactive Plan Member entitled to but not yet receiving benefits	21
Active Plan Members	17
Total	48

Contributions

As set by statute, the Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49's annual contribution rate for calendar year 2021 was 8.65%. For the fiscal year ended June 30, 2022, the Rock Island County Regional Office of Education No. 49 contributed \$55,963 to the plan. The Rock Island County Regional Office of Education No. 49 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.

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

Plan Description

The Rock Island County Regional Office of Education No. 49 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 covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Illinois Department of

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Central Management Services (CMS) as of July 1, 2013. The CMS administers the plan with the cooperation of the TRS.

Benefits Provided

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

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

On-behalf Contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the Rock Island County Regional Office of Education No. 49.

Rock Island County Regional Office of Education No. 49 Contributions to the THIS Fund

The Rock Island County Regional Office of Education No. 49 also makes contributions to the THIS Fund. The Rock Island County Regional Office of Education No. 49 THIS Fund contribution was 0.67 percent during the year ended June 30, 2022 and 0.92 during the years ended June 30, 2021 and June 30, 2020, respectively. For the year ended June 30, 2022, the Rock Island County Regional Office of Education No. 49 paid \$3,476 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2021 and June 30, 2020, the Rock Island County Regional Office of Education No. 49 paid \$4,591 and \$4,527, respectively, which was 100 percent of the required contributions.

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.”

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 5 ON-BEHALF PAYMENTS

The State of Illinois, or as specified, the county, paid the following salaries, benefits, and contributions on-behalf of the Rock Island County Regional Office of Education No. 49:

Regional Superintendent salary	\$	124,308
Regional Superintendent benefits (includes State paid insurance)		39,241
Assistant Regional Superintendent salary		111,876
Assistant Regional Superintendent benefits (includes State paid insurance)		39,251
County on-behalf payments		66,350
Total	\$	381,026

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the ISBE. The data for the county employee was provided by the county. The on-behalf payments are reflected as receipts and disbursements of the General Fund.

NOTE 6 DEFICIT FUND BALANCES

At June 30, 2022, the following funds had deficit fund balances:

Education Fund:		
Title IV - 21st Century John Deere Middle School	\$	14,966
Title IV - 21st Century Moline High School		18,843
Title IV - 21st Century Glenview Middle School		25,410
Title IV - 21st Century Hanson Elementary School		8,579
Title IV - 21st Century Wilson Middle School		25,809
Title IV - 21st Century United Township High School		20,239
Early Childhood - GEER		3,923
Total	\$	117,769

Deficits are mainly due to grant programs being on the reimbursement basis. Deficit balances will be corrected upon receiving grant reimbursement or from making transfers in from local sources.

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 7 RISK MANAGEMENT

The Rock Island County Regional Office of Education No. 49 is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. The Rock Island County Regional Office of Education No. 49 assumes liability for any deductibles and claims in excess of coverage limitations. There has been no significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the year.

NOTE 8 LEASE COMMITMENT

On April 5, 2021, the Rock Island County Regional Office of Education No. 49 entered into a lease agreement for the lease of copier machines. The lease has a 5-year term which expires on March 31, 2026 and requires monthly lease payments of \$1,868.

Total rental payments for the year were \$22,421. Future rental payments are as follows:

Fiscal Year	Amount
2023	\$ 22,421
2024	22,421
2025	22,421
2026	16,814
Total	\$ 84,077

NOTE 9 CHANGE IN BASIS OF ACCOUNTING

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

Prior to fiscal year 2022, the Regional Office of Education’s financial statements were prepared using the GAAP basis of accounting. Pursuant to the newly passed House Bill, the Rock Island County Regional Office of Education No. 49 has implemented the cash basis of accounting in the preparation of its financial statements as of and for the year ended June 30, 2022, as described in Note 1.

**Rock Island County
Regional Office of Education No. 49
Notes to the Financial Statements
June 30, 2022**

NOTE 9 CHANGE IN BASIS OF ACCOUNTING (Continued)

The effect of this change follows:

	Governmental Activities	Business-Type Activities
Net position June 30, 2021, as previously reported	\$ (558,037)	\$ 712,308
Effect of change in basis of accounting	1,150,927	(29,154)
Cash basis net position July 1, 2021, as restated	\$ 592,890	\$ 683,154
	Education Fund	Workshops
Cash and Cash Equivalents, June 30, 2021, as previously reported	\$ 585,050	\$ 534,932
Effect of change in basis of accounting	(148,222)	148,222
Cash and Cash Equivalents, July 1, 2021, as restated	\$ 436,828	\$ 683,154

NOTE 10 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 31, 2023, the date the financial statements were available to be issued.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTARY INFORMATION

Rock Island County
Regional Office of Education No. 49
General Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 1

	General State Aid	General Fund	Cafeteria Plan	Total
RECEIPTS				
Local sources	\$ -	\$ -	\$ 70,084	\$ 70,084
State sources	99,098	-	-	99,098
On-behalf payments	-	381,026	-	381,026
Total receipts	<u>99,098</u>	<u>381,026</u>	<u>70,084</u>	<u>550,208</u>
DISBURSEMENTS				
Instructional services:				
Purchased services	-	-	69,094	69,094
Intergovernmental:				
Payments to other governments	99,098	-	-	99,098
Administrative:				
On-behalf payments	-	381,026	-	381,026
Total disbursements	<u>99,098</u>	<u>381,026</u>	<u>69,094</u>	<u>549,218</u>
CHANGE IN CASH AND CASH EQUIVALENTS	-	-	990	990
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>3,094</u>	<u>3,094</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,084</u>	<u>\$ 4,084</u>
CASH BASIS FUND BALANCES				
Assigned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,084</u>	<u>\$ 4,084</u>

Rock Island County
Regional Office of Education No. 49
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 2

	Title IV - 21st Century John Deere Middle School	Title IV - 21st Century Moline High School	Title IV - 21st Century Glenview Middle School	Title IV - 21st Century Hanson Elementary School	Title IV - 21st Century Wilson Middle School	Title IV - 21st Century United Township High School
RECEIPTS						
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	145,328	165,770	197,502	95,068	146,616	84,083
Total receipts	<u>145,328</u>	<u>165,770</u>	<u>197,502</u>	<u>95,068</u>	<u>146,616</u>	<u>84,083</u>
DISBURSEMENTS						
Instructional services:						
Salaries	12,076	10,029	8,468	8,284	11,603	8,853
Benefits	925	930	854	780	892	741
Purchased services	2,918	2,809	2,833	2,805	2,761	358
Supplies and materials	208	75	33	75	222	75
Intergovernmental:						
Payments to other governments	107,700	134,860	183,549	86,567	124,083	94,295
Capital outlay	-	-	-	-	-	-
Total disbursements	<u>123,827</u>	<u>148,703</u>	<u>195,737</u>	<u>98,511</u>	<u>139,561</u>	<u>104,322</u>
CHANGE IN CASH AND CASH EQUIVALENTS	21,501	17,067	1,765	(3,443)	7,055	(20,239)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)	<u>(36,467)</u>	<u>(35,910)</u>	<u>(27,175)</u>	<u>(5,136)</u>	<u>(32,864)</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ (14,966)</u>	<u>\$ (18,843)</u>	<u>\$ (25,410)</u>	<u>\$ (8,579)</u>	<u>\$ (25,809)</u>	<u>\$ (20,239)</u>
CASH BASIS FUND BALANCES						
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	(14,966)	(18,843)	(25,410)	(8,579)	(25,809)	(20,239)
TOTAL CASH BASIS FUND BALANCES	<u>\$ (14,966)</u>	<u>\$ (18,843)</u>	<u>\$ (25,410)</u>	<u>\$ (8,579)</u>	<u>\$ (25,809)</u>	<u>\$ (20,239)</u>

Rock Island County
Regional Office of Education No. 49
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 2 (Continued)

	Early Childhood Ages 0-3	Early Childhood Ages 3-5	Truants Alternative and Optional Education	McKinney Education for Homeless Children	Early Childhood Preschool for All Expansion	ROE Operations Fund
RECEIPTS						
State sources	\$ 754,117	\$ 1,706,946	\$ 58,260	\$ -	\$ 141,141	\$ 131,184
Federal sources	-	-	-	43,990	-	-
Total receipts	<u>754,117</u>	<u>1,706,946</u>	<u>58,260</u>	<u>43,990</u>	<u>141,141</u>	<u>131,184</u>
DISBURSEMENTS						
Instructional services:						
Salaries	576,657	638,226	47,465	15,026	7,045	86,216
Benefits	109,710	100,399	6,878	2,094	1,040	8,029
Purchased services	195,424	744,291	4,236	10,900	18,099	25,216
Supplies and materials	16,074	104,491	-	5,199	596	2,760
Intergovernmental:						
Payments to other governments	-	178,585	-	-	114,521	-
Capital outlay	4,296	13,161	-	-	-	8,818
Total disbursements	<u>902,161</u>	<u>1,779,153</u>	<u>58,579</u>	<u>33,219</u>	<u>141,301</u>	<u>131,039</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(148,044)	(72,207)	(319)	10,771	(160)	145
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)	<u>211,501</u>	<u>349,838</u>	<u>9,944</u>	<u>(10,670)</u>	<u>2,999</u>	<u>7,102</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 63,457</u>	<u>\$ 277,631</u>	<u>\$ 9,625</u>	<u>\$ 101</u>	<u>\$ 2,839</u>	<u>\$ 7,247</u>
CASH BASIS FUND BALANCES						
Restricted	\$ 63,457	\$ 277,631	\$ 9,625	\$ 101	\$ 2,839	\$ 7,247
Unassigned	-	-	-	-	-	-
TOTAL CASH BASIS FUND BALANCES	<u>\$ 63,457</u>	<u>\$ 277,631</u>	<u>\$ 9,625</u>	<u>\$ 101</u>	<u>\$ 2,839</u>	<u>\$ 7,247</u>

Rock Island County
Regional Office of Education No. 49
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 2 (Continued)

	Regional Safe Schools Program	Nutrition Curriculum	AdvancED	Early Childhood - GEER	Total
RECEIPTS					
State sources	\$ 88,200	\$ -	\$ -	\$ -	\$ 2,879,848
Federal sources	-	-	-	12,920	891,277
Total receipts	<u>88,200</u>	<u>-</u>	<u>-</u>	<u>12,920</u>	<u>3,771,125</u>
DISBURSEMENTS					
Instructional services:					
Salaries	31,671	-	-	-	1,461,619
Benefits	4,764	-	-	-	238,036
Purchased services	1,235	-	-	-	1,013,885
Supplies and materials	790	1,384	-	14,854	146,836
Intergovernmental:					
Payments to other governments	47,500	-	-	1,989	1,073,649
Capital outlay	-	-	-	-	26,275
Total disbursements	<u>85,960</u>	<u>1,384</u>	<u>-</u>	<u>16,843</u>	<u>3,960,300</u>
CHANGE IN CASH AND CASH EQUIVALENTS	2,240	(1,384)	-	(3,923)	(189,175)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)	-	2,916	750	-	436,828
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,240</u>	<u>\$ 1,532</u>	<u>\$ 750</u>	<u>\$ (3,923)</u>	<u>\$ 247,653</u>
CASH BASIS FUND BALANCES					
Restricted	\$ 2,240	\$ 1,532	\$ 750	\$ -	\$ 365,422
Unassigned	-	-	-	(3,923)	(117,769)
TOTAL CASH BASIS FUND BALANCES	<u>\$ 2,240</u>	<u>\$ 1,532</u>	<u>\$ 750</u>	<u>\$ (3,923)</u>	<u>\$ 247,653</u>

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3

	Title IV - 21st Century John Deere Middle School				Title IV - 21st Century Moline High School			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	135,000	202,218	145,328	(56,890)	135,000	149,697	165,770	16,073
Total receipts	<u>135,000</u>	<u>202,218</u>	<u>145,328</u>	<u>(56,890)</u>	<u>135,000</u>	<u>149,697</u>	<u>165,770</u>	<u>16,073</u>
DISBURSEMENTS								
Instructional services:								
Salaries	8,652	9,343	12,076	(2,733)	8,602	8,602	10,029	(1,427)
Benefits	889	943	925	18	885	885	930	(45)
Purchased services	3,859	3,880	2,918	962	3,913	4,106	2,809	1,297
Supplies and materials	100	100	208	(108)	100	100	75	25
Intergovernmental:								
Payments to other governments	121,500	187,952	107,700	80,252	121,500	136,004	134,860	1,144
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>135,000</u>	<u>202,218</u>	<u>123,827</u>	<u>78,391</u>	<u>135,000</u>	<u>149,697</u>	<u>148,703</u>	<u>994</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	<u>21,501</u>	<u>\$ 21,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>17,067</u>	<u>\$ 17,067</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			<u>(36,467)</u>				<u>(35,910)</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ (14,966)</u>				<u>\$ (18,843)</u>	

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Title IV - 21st Century Glenview Middle School				Title IV - 21st Century Hanson Elementary School			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	135,000	207,395	197,502	(9,893)	138,000	138,000	95,068	(42,932)
Total receipts	<u>135,000</u>	<u>207,395</u>	<u>197,502</u>	<u>(9,893)</u>	<u>138,000</u>	<u>138,000</u>	<u>95,068</u>	<u>(42,932)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	8,802	8,802	8,468	334	8,802	8,802	8,284	518
Benefits	901	901	854	47	901	901	780	121
Purchased services	3,697	3,697	2,833	864	3,997	3,997	2,805	1,192
Supplies and materials	100	100	33	67	100	100	75	25
Intergovernmental:								
Payments to other governments	121,500	193,895	183,549	10,346	124,200	124,200	86,567	37,633
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>135,000</u>	<u>207,395</u>	<u>195,737</u>	<u>11,658</u>	<u>138,000</u>	<u>138,000</u>	<u>98,511</u>	<u>39,489</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	<u>1,765</u>	<u>\$ 1,765</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,443)</u>	<u>\$ (3,443)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			<u>(27,175)</u>				<u>(5,136)</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ (25,410)</u>				<u>\$ (8,579)</u>	

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Title IV - 21st Century Wilson Middle School				Title IV - 21st Century United Township High School			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	150,000	242,257	146,616	(95,641)	150,000	150,000	84,083	(65,917)
Total receipts	<u>150,000</u>	<u>242,257</u>	<u>146,616</u>	<u>(95,641)</u>	<u>150,000</u>	<u>150,000</u>	<u>84,083</u>	<u>(65,917)</u>
DISBURSEMENTS								
Instructional services:								
Salaries	9,502	10,922	11,603	(681)	9,502	9,502	8,853	649
Benefits	954	1,062	892	170	954	954	741	213
Purchased services	4,444	4,486	2,761	1,725	4,444	4,444	358	4,086
Supplies and materials	100	100	222	(122)	100	100	75	25
Intergovernmental:								
Payments to other governments	135,000	225,687	124,083	101,604	135,000	135,000	94,295	40,705
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	<u>150,000</u>	<u>242,257</u>	<u>139,561</u>	<u>102,696</u>	<u>150,000</u>	<u>150,000</u>	<u>104,322</u>	<u>45,678</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	<u>7,055</u>	<u>\$ 7,055</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(20,239)</u>	<u>\$ (20,239)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			<u>(32,864)</u>				<u>-</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ (25,809)</u>				<u>\$ (20,239)</u>	

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Early Childhood Ages 0-3				Early Childhood Ages 3-5			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 819,021	\$ 819,021	\$ 754,117	\$ (64,904)	\$ 1,965,351	\$ 1,638,022	\$ 1,706,946	\$ 68,924
Federal sources	-	-	-	-	-	-	-	-
Total receipts	819,021	819,021	754,117	(64,904)	1,965,351	1,638,022	1,706,946	68,924
DISBURSEMENTS								
Instructional services:								
Salaries	483,872	483,872	576,657	(92,785)	757,413	620,142	638,226	(18,084)
Benefits	102,179	99,179	109,710	(10,531)	97,112	79,831	100,399	(20,568)
Purchased services	227,443	213,243	195,424	17,819	855,448	648,199	744,291	(96,092)
Supplies and materials	5,527	14,527	16,074	(1,547)	19,000	44,672	104,491	(59,819)
Intergovernmental:								
Payments to other governments	-	-	-	-	231,378	228,378	178,585	49,793
Capital outlay	-	8,200	4,296	3,904	5,000	16,800	13,161	3,639
Total disbursements	819,021	819,021	902,161	(83,140)	1,965,351	1,638,022	1,779,153	(141,131)
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	<u>(148,044)</u>	<u>\$ (148,044)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(72,207)</u>	<u>\$ (72,207)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			<u>211,501</u>				<u>349,838</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 63,457</u>				<u>\$ 277,631</u>	

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Truants Alternative and Optional Education				McKinney Education for Homeless Children			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 58,318	\$ 58,318	\$ 58,260	\$ (58)	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	17,890	17,890	43,990	26,100
Total receipts	58,318	58,318	58,260	(58)	17,890	17,890	43,990	26,100
DISBURSEMENTS								
Instructional services:								
Salaries	47,124	47,124	47,465	(341)	11,823	11,823	15,026	(3,203)
Benefits	7,681	7,681	6,878	803	1,927	1,927	2,094	(167)
Purchased services	3,513	3,513	4,236	(723)	1,470	1,470	10,900	(9,430)
Supplies and materials	-	-	-	-	2,670	2,670	5,199	(2,529)
Intergovernmental:								
Payments to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	58,318	58,318	58,579	(261)	17,890	17,890	33,219	(15,329)
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	(319)	<u>\$ (319)</u>	<u>\$ -</u>	<u>\$ -</u>	10,771	<u>\$ 10,771</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			9,944				(10,670)	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 9,625</u>				<u>\$ 101</u>	

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Early Childhood Preschool for All Expansion				ROE Operations Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 141,343	\$ 141,343	\$ 141,141	\$ (202)	\$ 131,184	\$ 131,184	\$ 131,184	\$ -
Federal sources	-	-	-	-	-	-	-	-
Total receipts	<u>141,343</u>	<u>141,343</u>	<u>141,141</u>	<u>(202)</u>	<u>131,184</u>	<u>131,184</u>	<u>131,184</u>	<u>-</u>
DISBURSEMENTS								
Instructional services:								
Salaries	24,814	7,814	7,045	769	87,513	83,763	86,216	(2,453)
Benefits	6,257	523	1,040	(517)	7,781	7,494	8,029	(535)
Purchased services	10,655	14,271	18,099	(3,828)	29,599	28,736	25,216	3,520
Supplies and materials	-	-	596	(596)	1,791	3,291	2,760	531
Intergovernmental:								
Payments to other governments	99,617	118,735	114,521	4,214	-	-	-	-
Capital outlay	-	-	-	-	4,500	7,900	8,818	(918)
Total disbursements	<u>141,343</u>	<u>141,343</u>	<u>141,301</u>	<u>42</u>	<u>131,184</u>	<u>131,184</u>	<u>131,039</u>	<u>145</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	<u>(160)</u>	<u>\$ (160)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>145</u>	<u>\$ 145</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			<u>2,999</u>				<u>7,102</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 2,839</u>				<u>\$ 7,247</u>	

Rock Island County
Regional Office of Education No. 49
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Regional Safe Schools Program				Early Childhood - GEER			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
RECEIPTS								
State sources	\$ 88,173	\$ 88,173	\$ 88,200	\$ 27	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	48,853	48,853	12,920	(35,933)
Total receipts	88,173	88,173	88,200	27	48,853	48,853	12,920	(35,933)
DISBURSEMENTS								
Instructional services:								
Salaries	32,802	32,802	31,671	1,131	-	-	-	-
Benefits	5,827	5,827	4,764	1,063	-	-	-	-
Purchased services	1,844	1,270	1,235	35	35,928	30,788	-	30,788
Supplies and materials	200	774	790	(16)	-	15,140	14,854	286
Intergovernmental:								
Payments to other governments	47,500	47,500	47,500	-	12,925	2,925	1,989	936
Capital outlay	-	-	-	-	-	-	-	-
Total disbursements	88,173	88,173	85,960	2,213	48,853	48,853	16,843	32,010
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>	<u>2,240</u>	<u>\$ 2,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,923)</u>	<u>\$ (3,923)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 9)			<u>-</u>				<u>-</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 2,240</u>				<u>\$ (3,923)</u>	

Rock Island County
Regional Office of Education No. 49
Nonmajor Special Revenue Funds
Combining Schedule of Cash Receipts, Disbursements, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 4

	General Education Development	School Bus Driver Training	Total
RECEIPTS			
Local sources	\$ 1,918	\$ 1,866	\$ 3,784
State sources	-	1,259	1,259
Total receipts	1,918	3,125	5,043
DISBURSEMENTS			
Instructional services:			
Purchased services	-	4,312	4,312
	-	4,312	4,312
CHANGE IN CASH AND CASH EQUIVALENTS	1,918	(1,187)	731
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,743	9,282	19,025
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 11,661	\$ 8,095	\$ 19,756
CASH BASIS FUND BALANCES			
Restricted - other	\$ 11,661	\$ 8,095	\$ 19,756

Rock Island County
Regional Office of Education No. 49
Schedule of Cash Disbursements to School District Treasurers and Other Entities -
School Facility Occupation Tax
For the Year Ended June 30, 2022
Schedule 5

Program	Carbon Cliff- Barstow School District #36	Orion School District #223	United Township School District #30	Silvis School District #34	Sherrard Community Unit School District #200	Rockridge School District #300	Riverdale Community Unit School District #100	Moline - Coal Valley School District #40	Mercy County School District #404	Hampton School District #29	Erie Community Unit School District #1	East Moline School District #37	Colona School District #190	Rock Island School District #41	Total
School Facility Occupation Tax	\$ 180,097	\$ 30,952	\$ 1,061,046	\$ 423,991	\$ 234,185	\$ 672,361	\$ 722,284	\$ 4,751,807	\$ 6,263	\$ 149,570	\$ 18,130	\$ 1,704,865	\$ 651	\$ 4,108,860	\$ 14,065,062

**Rock Island County
Regional Office of Education No. 49
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. Department Of Education			
Passed-Through Illinois State Board of Education:			
Twenty-First Century Community Learning Centers			
(M) Title IV - 21st Century (Hanson Elementary School)	84.287C	22-4421-13	\$ 69,545
(M) Title IV - 21st Century (Hanson Elementary School)	84.287C	21-4421-13	28,966
(M) Title IV - 21st Century (Moline High School)	84.287C	22-4421-15	60,290
(M) Title IV - 21st Century (Moline High School)	84.287C	21-4421-15	88,413
(M) Title IV - 21st Century (Wilson Middle School)	84.287C	22-4421-19	110,779
(M) Title IV - 21st Century (Wilson Middle School)	84.287C	21-4421-19	28,782
(M) Title IV - 21st Century (Glenview Middle School)	84.287C	22-4421-25	162,059
(M) Title IV - 21st Century (Glenview Middle School)	84.287C	21-4421-25	33,678
(M) Title IV - 21st Century (John Deere Middle School)	84.287C	22-4421-35	81,625
(M) Title IV - 21st Century (John Deere Middle School)	84.287C	21-4421-35	42,202
(M) Title IV - 21st Century (United Township High School)	84.287C	22-4421-A2	104,322
			<u>810,661</u>
Education Stabilization Fund			
COVID-19 Early Childhood - GEER	84.425C	21-4998-EC	16,843
Total passed through Illinois State Board of Education			<u>827,504</u>
Passed-Through Lee, Ogle & Whiteside Counties ROE No. 47:			
Education for Homeless Children and Youth			
McKinney Education for Homeless Children	84.196A	22-4920-00	32,894
Education Stabilization Fund			
COVID-19 McKinney Education for Homeless Children	84.425W	22-4998-HM	325
Total passed through Lee, Ogle & Whiteside Counties ROE No. 47			<u>33,219</u>
Total passed through U.S. Department of Education			<u>860,723</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 860,723</u>

(M) Program was audited as a major program

The accompanying notes are an integral part of this schedule.

Rock Island County
Regional Office of Education No. 49
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Rock Island County Regional Office of Education No. 49 under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Regional Office of Education No. 49, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Rock Island County Regional Office of Education No. 49.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles. 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. The Rock Island County Regional Office of Education No. 49 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.