

**STATE OF ILLINOIS  
Carroll, Jo Daviess, and Stephenson Counties  
REGIONAL OFFICE OF EDUCATION #8**

**FINANCIAL AUDIT  
For the Year Ended June 30, 2021**

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

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION #8  
 TABLE OF CONTENTS**

	<b>PAGE</b>
<b>OFFICIALS</b> .....	1
<b>FINANCIAL REPORT SUMMARY</b> .....	2
<b>FINANCIAL STATEMENT REPORT SUMMARY</b> .....	4
 <b>FINANCIAL SECTION</b>	
Independent Auditors’ Report.....	5
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	8
Schedule of Findings and Responses .....	10
Corrective Action Plan for Current Year Audit Findings .....	14
Summary Schedule of Prior Audit Findings Not Repeated .....	16
 <b>BASIC FINANCIAL STATEMENTS</b> .....	 17
	 <b>EXHIBIT</b>
Government-wide Financial Statement:	
Cash Basis Statement of Activities and Net Position .....	A.....18
Fund Financial Statements:	
Governmental Funds - Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents .....	B.....19
Proprietary Fund - Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents.....	C.....20
Fiduciary Funds - Statement of Cash Additions, Deductions, and Changes in Cash and Cash Equivalents .....	D.....21
Notes to Financial Statements.....	22

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION #8  
 TABLE OF CONTENTS (CONTINUED)**

	<b>PAGE</b>
<b>SUPPLEMENTARY INFORMATION .....</b>	<b>46</b>
	<b>SCHEDULE</b>
General Fund:	
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents .....	1.....47
Education Fund:	
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents .....	2.....48
Budgetary Comparison Schedules .....	3.....50
Nonmajor Special Revenue Funds:	
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents .....	4.....54
Fiduciary Funds:	
Private Purpose Trust Funds:	
Combining Schedule of Cash Additions, Deductions, and Changes in Cash and Cash Equivalents .....	5.....55
Schedule of Cash Disbursements to School District Treasurers and Other Entities .....	6.....56

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8**

**OFFICIALS**

Regional Superintendent  
(Current and during the audit period)

Honorable Aaron Mercier

Assistant Regional Superintendent  
(Current and during the audit period)

Jen Newendyke

Office is located at:

27 S. State Avenue, Suite 101  
Freeport, Illinois 61032

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8**

**FINANCIAL REPORT SUMMARY**

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

**AUDITORS' REPORTS**

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

**SUMMARY OF AUDIT FINDINGS**

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

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

**SUMMARY OF FINDINGS AND RESPONSES**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
-----------------	-------------	--------------------	---------------------

**FINDINGS (*GOVERNMENT AUDITING STANDARDS*)**

2021-001	11-12	Controls Over Financial Statement Preparation	Material Weakness
2021-002	13	Controls Over Bank Reconciliations	Significant Deficiency

**PRIOR AUDIT FINDINGS NOT REPEATED (*GOVERNMENT AUDITING STANDARDS*)**

None

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8**

**FINANCIAL REPORT SUMMARY (CONTINUED)**

**EXIT CONFERENCE**

The Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2021. 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 Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 on January 26, 2022.

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8**

**FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 was performed by Winkel, Parker & Foster, CPA PC.

Based on their audit, the auditors expressed an unmodified opinion on Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements.



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

Certified Public Accountants & Consultants

## INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

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

As Special Assistant Auditors for the Auditor General, we have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes 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' Responsibility**

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

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

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



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, as of June 30, 2021, 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.

## **Emphasis of Matter**

As discussed in Note 12 to the financial statements, beginning with fiscal year 2021, Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 has presented its financial statements in accordance with the cash basis of accounting described in Note 1 and adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Previous financial statements were presented in accordance with generally accepted accounting principles (GAAP). Our opinion is not modified with respect to these matters.

## **Other Matters**

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

## **Basis of Accounting**

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 4, 2022 on our consideration of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8'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 Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8'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 Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control over financial reporting and compliance.

**ORIGINAL SIGNATURE ON FILE**

Clinton, Iowa

February 4, 2022

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

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements, and have issued our report thereon dated February 4, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8'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 Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control. Accordingly, we do not express an opinion on the effectiveness of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Responses, we did identify certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiency described in the

accompanying Schedule of Findings and Responses as item 2021-001 to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2021-002 to be a significant deficiency.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Regional Office of Education #8's Responses to Findings

Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

#### **ORIGINAL SIGNATURE ON FILE**

Clinton, Iowa  
February 4, 2022

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2021**

**Section I: Summary of Auditors' Results:**

**Financial Statements in accordance with GAAP**

Type of auditors' report issued: \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

Material weakness(es) identified?	<u>  x  </u>	yes	<u>      </u>	no
Significant deficiency(ies) identified?	<u>  x  </u>	yes	<u>      </u>	none reported

Noncompliance material to financial statements noted?        yes   x   no

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2021**

**Section II: Financial Statement Findings:**

**FINDING 2021-001 - Controls Over Financial Statement Preparation (Repeat of findings 20-001, 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1 and 10-1)**

**Criteria/Specific Requirement:**

Effective June 25, 2021, Public Act 102-0025 allowed that a Regional Office of Education or Educational Service Center may utilize a cash basis, modified cash basis, or generally accepted accounting principles basis of accounting to prepare the financial statements for audit. The Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 (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. The ROE's internal controls over financial reporting should include adequately trained personnel with the knowledge, skills, and experience to prepare financial statements and include all related disclosures as required by the Governmental Accounting Standards Board (GASB). GASB Statement No. 84 - *Fiduciary Activities* provides guidance regarding properly identifying fiduciary activities, determining the correct fiduciary fund type to use to report fiduciary activities, and presenting the financial statements of fiduciary funds.

**Condition:**

During review of the ROE's financial information, it was noted the ROE did not have adequate controls to ensure financial statement balances and disclosures were accurate. While the ROE did maintain records to indicate the balances of financial statement accounts, material audit adjustments and changes to the related disclosures were proposed in order to ensure those balances and disclosures were accurate and appropriate for the basis of accounting selected for financial statement presentation. The ROE implemented GASB Statement 84 - *Fiduciary Activities* for fiscal year 2021. The E.H. Parriott Scholarship Trust Principal and Trust Income Funds were misclassified as General Fund's instead of Fiduciary Fund's; the misclassification caused the ROE's financial statements to be materially misstated.

**Effect:**

ROE'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 or omissions in a timely manner.

**Cause:**

The ROE's management indicated that there was miscommunication between the contracted CPA firm and the new bookkeeper as the financial statements were prepared, regarding the classification of the Parriott Trust funds.

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2021**

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

**FINDING 2021-001 - Controls Over Financial Statement Preparation (Repeat of findings 20-001, 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1 and 10-1)**  
(Continued)

**Auditors' recommendation:**

As part of internal control over the preparation of financial statements, including disclosures, the ROE should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of the basis of accounting selected for financial statements, GASB pronouncements, and knowledge of the ROE's activities and operations.

**Management's Response:**

The ROE 8 has contracted with an outside company to prepare financial statements on a cash basis for the first time this year. The ROE 8 has also employed a new bookkeeper that is inexperienced in the requirements of financial reporting for a Regional Office of Education; this misclassification of funds has been corrected and will not be repeated. We will continue to work on our internal procedures and with our financial report preparer to improve our accuracy in reporting.

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2021**

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

**FINDING 2021-002 - Controls Over Bank Reconciliations**

**Criteria/Specific Requirement:**

Effective internal control policies require complete and accurate accounting records of all transactions of the entity. Sound internal controls require bank reconciliations to be performed accurately and promptly. Reconciling items should be investigated immediately, and adjustments made to the general ledger. Bank reconciliations should also be reviewed and approved by a person independent of the preparer in a timely manner.

**Condition:**

During our review of the June 2021 bank reconciliation, we noted a transfer in transit that was not properly reflected in the reconciliation or the general ledger. Although the bank reconciliation was performed and reviewed, it did not accurately reflect the transfer in transit and the relating receipt of funds was not properly recorded in the general ledger.

**Effect:**

Inaccurate bank reconciliations fail to detect and correct errors or omissions and result in inaccurate financial records and related reporting.

**Cause:**

The Regional Office of Education #8's management indicated that this error in reconciliation was a product of a new bookkeeper in training that did not understand how to properly record the receipt of funds.

**Auditors' Recommendation:**

The Regional Office of Education #8 should ensure transfers between bank accounts are properly accounted for in bank reconciliations and receipt of those funds is recorded upon initial collection. The Regional Office of Education #8 should ensure review of bank reconciliations includes reviewing the accounting treatment of receipts collected and transferred to other bank accounts.

**Management's Response:**

As a product of this finding, our bookkeeper is now keenly aware of how the receipt of funds should be recorded. This issue is a onetime occurrence due to a bookkeeper inexperienced with all of the ROE requirements on reconciliations; it is an error that won't happen again.



**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2021**

**FINDING 2021-001 - Controls Over Financial Statement Preparation (Repeat of findings 20-001, 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1 and 10-1)**

**Condition:**

During review of the ROE's financial information, it was noted the ROE did not have adequate controls to ensure financial statement balances and disclosures were accurate. While the ROE did maintain records to indicate the balances of financial statement accounts, material audit adjustments and changes to the related disclosures were proposed in order to ensure those balances and disclosures were accurate and appropriate for the basis of accounting selected for financial statement presentation. The ROE implemented GASB Statement 84 - Fiduciary Activities for fiscal year 2021. The E.H. Parriott Scholarship Trust Principal and Trust Income Funds were misclassified as General Fund's instead of Fiduciary Fund's; the misclassification caused the ROE's financial statements to be materially misstated.

**Plan:**

The ROE 8 has contracted with an outside company to prepare financial statements in accordance with a cash basis for the first time this year. Our bookkeeper will continue to consult with our contracted CPA firm as well as other ROE's with more experienced bookkeepers as she continues to learn the process of preparing financial reports. We will continue to work on our internal procedures and with our financial report preparer to improve our accuracy in reporting.

**Anticipated Completion Date:**

Ongoing

**Contact Person Responsible for Corrective Action:**

Regional Superintendent, Aaron Mercier, Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
Year Ended June 30, 2021**

**FINDING 2021-002 - Controls Over Bank Reconciliations**

**Condition:**

During our review of the June 2021 bank reconciliation, we noted a transfer in transit that was not properly reflected in the reconciliation or the general ledger. Although the bank reconciliation was performed and reviewed, it did not accurately reflect the transfer in transit and the relating receipt of funds was not properly recorded in the general ledger.

**Plan:**

The ROE 8 has contracted with an outside company to prepare financial statements in accordance with a cash basis for the first time this year. Our bookkeeper will continue to consult with our contracted CPA firm as well as other ROE's with more experienced bookkeepers as she continues to learn the process of financial reporting for the ROE. We will continue to work on our internal procedures and with our financial report preparer to improve our accuracy in reporting.

**Anticipated Completion Date:**

Ongoing

**Contact Person Responsible for Corrective Action:**

Regional Superintendent, Aaron Mercier, Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #8  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED  
Year Ended June 30, 2021**

None

## **BASIC FINANCIAL STATEMENTS**

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Cash Basis Statement of Activities and Net Position  
As of and For the Year Ended June 30, 2021  
Exhibit A

FUNCTIONS/PROGRAMS	Program Receipts			Net (Disbursement) Receipts and Changes in Cash Basis Net Position		
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
<b>Primary government:</b>						
<b>Governmental activities:</b>						
Instructional services:						
Salaries and benefits	\$ 3,002,029	\$ 6,268	\$ 1,683,320	\$ (1,312,441)	\$ -	\$ (1,312,441)
Purchased services	889,336	22,368	845,745	(21,223)	-	(21,223)
Supplies and materials	122,874	115	126,658	3,899	-	3,899
Other objects	228,383	-	241,058	12,675	-	12,675
Intergovernmental:						
Payments to other governments	971,679	-	1,066,375	94,696	-	94,696
Administrative:						
On-behalf payments	1,145,843	-	-	(1,145,843)	-	(1,145,843)
Capital outlay	151,767	-	122,572	(29,195)	-	(29,195)
<b>Total governmental activities</b>	<u>6,511,911</u>	<u>28,751</u>	<u>4,085,728</u>	<u>(2,397,432)</u>	<u>-</u>	<u>(2,397,432)</u>
<b>Business-type activities:</b>						
Professional development	68,208	75,210	-	-	7,002	7,002
<b>Total primary government</b>	<u>\$ 6,580,119</u>	<u>\$ 103,961</u>	<u>\$ 4,085,728</u>	<u>(2,397,432)</u>	<u>7,002</u>	<u>(2,390,430)</u>
General receipts:						
Local sources				1,283,897	-	1,283,897
State sources				562,437	-	562,437
On-behalf payments				1,145,843	-	1,145,843
Interest and dividends				161	-	161
Total general receipts				<u>2,992,338</u>	<u>-</u>	<u>2,992,338</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				594,906	7,002	601,908
<b>CASH BASIS NET POSITION, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>				2,101,107	148,779	2,249,886
<b>CASH BASIS NET POSITION, END OF YEAR</b>				<u>\$ 2,696,013</u>	<u>\$ 155,781</u>	<u>\$ 2,851,794</u>
<b>CASH BASIS NET POSITION</b>						
Restricted				\$ 1,281,482	\$ -	\$ 1,281,482
Unrestricted				1,414,531	155,781	1,570,312
<b>TOTAL CASH BASIS NET POSITION</b>				<u>\$ 2,696,013</u>	<u>\$ 155,781</u>	<u>\$ 2,851,794</u>

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

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Governmental Funds**

**Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents**  
**As of and For the Year Ended June 30, 2021**  
**Exhibit B**

	<u>Special Revenue Funds</u>			<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Education Fund</b>	<b>Other Nonmajor Funds</b>	
<b>RECEIPTS:</b>				
Local sources	\$ 1,284,058	\$ 3,280	\$ 28,751	\$ 1,316,089
State sources	562,437	3,867,798	1,215	4,431,450
Federal sources	-	213,435	-	213,435
On-behalf payments	294,203	-	-	294,203
Total receipts	<u>2,140,698</u>	<u>4,084,513</u>	<u>29,966</u>	<u>6,255,177</u>
<b>DISBURSEMENTS:</b>				
Instructional services:				
Salaries	1,186,886	1,198,000	4,228	2,389,114
Benefits	282,529	329,896	490	612,915
Purchased services	103,386	769,153	16,797	889,336
Supplies and materials	9,099	113,691	84	122,874
Other objects	7,787	220,596	-	228,383
Intergovernmental:				
Payments to other governments	-	971,679	-	971,679
Administrative:				
On-behalf payments	294,203	-	-	294,203
Capital outlay	42,592	109,175	-	151,767
Total disbursements	<u>1,926,482</u>	<u>3,712,190</u>	<u>21,599</u>	<u>5,660,271</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>	<u>214,216</u>	<u>372,323</u>	<u>8,367</u>	<u>594,906</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	150,686	-	1,037	151,723
Transfers out	(151,723)	-	-	(151,723)
Total other financing sources (uses)	<u>(1,037)</u>	<u>-</u>	<u>1,037</u>	<u>-</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	213,179	372,323	9,404	594,906
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>	<u>1,375,178</u>	<u>627,915</u>	<u>98,014</u>	<u>2,101,107</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,588,357</u>	<u>\$ 1,000,238</u>	<u>\$ 107,418</u>	<u>\$ 2,696,013</u>
<b>CASH BASIS FUND BALANCES</b>				
Restricted	\$ -	\$ 1,174,064	\$ 107,418	\$ 1,281,482
Assigned	10,699	-	-	10,699
Unrestricted	1,577,658	(173,826)	-	1,403,832
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 1,588,357</u>	<u>\$ 1,000,238</u>	<u>\$ 107,418</u>	<u>\$ 2,696,013</u>

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

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Proprietary Fund**  
**Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents**  
**As of and For the Year Ended June 30, 2021**  
**Exhibit C**

---

	<b>Business-Type Activities Enterprise Fund Workshops</b>
<b>OPERATING RECEIPTS:</b>	
Charges for services	\$ 75,210
<b>OPERATING DISBURSEMENTS:</b>	
Salaries	24,452
Benefits	3,546
Purchased services	35,090
Supplies and materials	5,120
Total disbursements	68,208
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	7,002
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	148,779
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 155,781
<b>CASH BASIS NET POSITION</b>	
Unrestricted	\$ 155,781

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

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Fiduciary Funds**

**Statement of Cash Additions, Deductions, and Changes in Cash and Cash Equivalents**  
**As of and For the Year Ended June 30, 2021**

**Exhibit D**

	<b>Private Purpose Trust Funds</b>	<b>Custodial Fund - Distributive Fund</b>	<b>Total</b>
<b>ADDITIONS:</b>			
Rent	\$ 148,274	\$ -	\$ 148,274
Proceeds from sales of investments	227,849	-	227,849
Proceeds from sales of capital assets	24,000	-	24,000
Interest and dividends	32,071	-	32,071
Grants and sales tax collections for other governments	-	2,331,968	2,331,968
Total additions	<u>432,194</u>	<u>2,331,968</u>	<u>2,764,162</u>
<b>DEDUCTIONS:</b>			
Purchased services	42,964	-	42,964
Property taxes	30,898	-	30,898
Scholarships	132,000	-	132,000
Purchase of investments	223,410	-	223,410
Payments of grants and sales tax to other governments	-	2,396,573	2,396,573
Total deductions	<u>429,272</u>	<u>2,396,573</u>	<u>2,825,845</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,922	(64,605)	(61,683)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>	<u>108,465</u>	<u>65,446</u>	<u>173,911</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 111,387</u>	<u>\$ 841</u>	<u>\$ 112,228</u>
<b>CASH BASIS FIDUCIARY NET POSITION</b>			
Restricted for other governments	\$ -	\$ 841	\$ 841
Held in trust for other purposes	<u>111,387</u>	<u>-</u>	<u>111,387</u>
<b>TOTAL CASH BASIS FIDUCIARY NET POSITION</b>	<u>\$ 111,387</u>	<u>\$ 841</u>	<u>\$ 112,228</u>

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



**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Notes to the Financial Statements  
June 30, 2021**

---

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity

Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 (ROE) is an entity that is a result of an Education Service Region becoming a Regional Office of Education as of August 7, 1995. The ROE operates under the School Code (105 ILCS 5/3 and 5/3A). The ROE encompasses Carroll, Jo Daviess, and Stephenson Counties in Illinois. A Regional Superintendent of Schools serves as chief administrative officer 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 ROE include, but are not limited to the following:

- Processing teachers' licenses
- Teaching initial and refresher classes for school bus drivers within the ROE
- Reviewing 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's policies and procedures
- Providing directions to teachers and school officials on science, art and teaching methods
- Implementing the State Board of Education's Policy Programs
- Encouraging camaraderie among teachers through the teachers' institute

The ROE's reporting entity includes all related organizations for which Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 exercises oversight responsibility.

The Superintendent has developed criteria to determine whether outside agencies with activities which benefit the citizens served by the ROE should be included within its financial reporting entity. The criteria includes, but is not limited to whether the Superintendent (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability or fiscal matters (i.e., financial budget approval, management of assets, etc.). The Superintendent has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the financial statements.

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

In addition, the Superintendent is not aware of any entity which would exercise such oversight which would result in the ROE being considered a component unit of another entity. The ROE is the Administrative Agent for two joint agreements - the Jo Daviess-Carroll Area Vocational Center and the Eagle Ridge Vocational System. These joint agreements are not considered part of the ROE's cash basis reporting entity and are not included in these financial statements.

The Jo Daviess-Carroll Area Vocational Center provides advanced vocational training to high school juniors and seniors and adults seeking retraining.

The Eagle Ridge Vocational Delivery System includes all the Jo Daviess County school districts and the West Carroll school districts in Carroll County. It allocates State vocational funding among member districts and updates vocational programs into sequential programs leading to marketable skills. The Delivery System reimburses the ROE for certain administrative costs.

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 ROE's accounting policies.

**B. Basis of Presentation**

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 ROE. For the most part, the effect of inter-activity has been removed from this statement. The statement distinguishes between those activities of the ROE that are governmental in nature and those that are considered business-type activities. Governmental activities normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. Business-type activities normally are supported by amounts assessed or received from local sources for the ROE's programs.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

identifiable with a specific function or segment. Program receipts include 1) charges to users who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Items not properly included among program receipts are reported instead as general receipts. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Cash Basis Statement of Activities and Net Position presents the ROE'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.

C. Fund Accounting

The accounts of the ROE are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets arising from cash and cash equivalent transactions, fund balance, receipts received, and disbursements paid. The resources allocated to and accounted for in individual funds are based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

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

General Fund - accounts 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 is the operating fund of the ROE and is accounted and reported for as a major governmental fund in the financial statements. The following are included in the general fund:

**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Notes to the Financial Statements  
June 30, 2021**

---

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

Counties Support - used to account for monies received for, and payment of, disbursements in connection with general administration activities. The source of these monies is from the three county boards for which the ROE serves.

ROE Programs and Services - an intergovernmental agreement used to provide services and programs such as criminal background investigations on substitute teachers and centralized scoring of standardized tests. This Intergovernmental Agreement is also used as an umbrella for grants and cooperative bidding.

Medical Reimbursement - collection of payroll deductions from participating employees. The Regional Superintendent is responsible for reimbursing the cost of employee's medical expenses.

Special Services - used to account for various miscellaneous disbursements as approved by the ROE. Receipts are primarily derived from interest earnings or invested cash and cash equivalents and reimbursements from other entities for administration and accounting for miscellaneous grants and programs.

Distributive Interest Fund - used to account for interest earned on flow-through funds to be distributed to local school districts received from the ISBE. The Superintendent uses the interest money to develop in-service activities and other innovative programs, with the consent of all affected school boards and other entities.

*Special Revenue Funds* - accounts and reports for the proceeds of specific receipt sources (other than those accounted for in the Fiduciary Funds) that are restricted to disbursements for specified purposes. The ROE reports the following special revenue funds as major governmental funds:

Education Fund - accounts and reports for the proceeds of specific receipt sources that are restricted by grant agreements or contracts to disbursements for specific purposes supporting education enhancement programs as follows:

Truants' Alternative/Optional Education - used to account for grant monies received for, and payment of, disbursements of the Truants' Alternative Program.

**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Notes to the Financial Statements  
June 30, 2021**

---

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

Early Childhood Block Grants - used to account for grant monies received for, and payment of, disbursements for developing and operating programs for parents of young children.

Early Intervention Infants/Toddlers - used to account for grant monies received for, and payment of, disbursements for an early intervention program for special needs children. Program is also called Community Access Point/System Point of Entry (CAP/SPOE).

Regional Safe Schools - used to account for grant monies received for, and payment of, alternative programs for disruptive youths in grades 6-12.

Hearing and Vision Grant - used to account for grant monies received for, and payment of, disbursements for conducting hearing and vision screenings for preschool children.

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

Workforce Investment Act - used to account for grant monies received for, and payment of, disbursements to provide financial and technical assistance to qualified recipients in order to support workforce investment activities.

McKinney Homeless Grant - used to ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children.

Title II - Teacher Quality - Leadership Program - used to account for grant monies received for, and payments of, disbursements to support programs associated with assisting new teachers.

Elementary and Secondary School Emergency Relief Grant - used to account for grant monies received for, and payments of, disbursements for the Regional Alternative Program for summer school and other COVID-19 related disbursements.

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

Early Childhood Emergency Education Relief Grant - used to account for grant monies received for, and payments of, disbursements for home learning kids and personal protective equipment supplies.

Digital Equity Grant - used to account for grant monies received for, and payments of, disbursements for electronic devices for remote learning for kids due to coronavirus disease (COVID-19).

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

General Educational Development - used to account for resources accumulated for, and payment of, disbursements of administering the General Educational Development test. Statute requires excess funds accumulated for periods exceeding three years to be transferred into the Institute Fund.

Bus Driver - used to account for resources accumulated for, and payment of, disbursements of issuing school bus driver permits and administering school bus driver training.

Institute - used to account for resources accumulated for, and payment of, disbursements of administering teachers' institutes, workshops, and meetings. All funds generated remain restricted until expended only on the aforementioned activities.

*Enterprise Funds* are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of receipts and disbursements are appropriate for public policy, management control accountability, or other purposes. The ROE reports the following major proprietary fund:

Workshops - used to account for workshops associated with various grant programs.

*Fiduciary Fund* reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the ROE 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 ROE's own programs. The ROE's Fiduciary Funds include the following:

Private Purpose Trust Funds - used to account for assets held by the ROE under trust agreements which require income earned to be used to benefit individuals through scholarship awards. The ROE private-purpose trust funds include the following:

E.H. Parriott Scholarship Trust Principal Fund - used to maintain the trust principal. Income is used to pay for scholarships.

E.H. Parriott Scholarship Trust Income Fund - used to account for day-to-day operations of the farm and to pay out scholarships from investment and farm income.

Custodial Fund is used to report fiduciary activities that are not required to be reported in a trust fund. The ROE's Custodial Fund accounts for amounts collected and distributed on behalf of another government or organization. The ROE maintains the following custodial fund:

Distributive Fund - Local, State, and federal funds are distributed to the ROE. The ROE is responsible for forwarding these monies to local school districts and others in Carroll, Jo Daviess, and Stephenson counties.

**D. Measurement Focus and Basis of Accounting**

The ROE maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the ROE 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.

Under the terms of grant agreements, the ROE funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus,

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the ROE'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 ROE'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.

The ROE records on-behalf payments made by the State to the Teachers' Retirement System and the Teachers' Health Insurance Security Fund (THIS) as receipts and disbursements.

Proprietary funds distinguish operating receipts and disbursements from non-operating 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 ROE's enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services, and administrative expenses. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

**Governmental Cash Basis Fund Balance**

Fund Balance is divided into five classifications based primarily on the extent to which the ROE 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 - Truants' Alternative/Optional Education, Early Childhood Block Grants, Regional Safe Schools, Hearing and Vision Grant, and ROE/ISC Operations. The following fund balances are restricted by Illinois State Statute: Nonmajor Special Revenue Funds - Bus Driver and Institute.



**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

*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.

*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 fund balance for Distributive Interest Fund is considered assigned.

*Unassigned Fund Balance* - Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is made up of Counties Support, ROE Programs and Services, Medical Reimbursement, Special Services, Early Intervention Infants/Toddlers, Workforce Investment Act, McKinney Homeless Grant, Elementary and Secondary School Emergency Relief Grant, and Digital Equity Grant.

E. Cash and Cash Equivalents

All short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

F. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the ROE's cash basis of accounting.

Employees receive 10 sick days and 2 personal business days annually. Personal leave days are not accumulated from one fiscal year to the next. Unused sick days are accumulated and carried forward. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay.

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

G. Employer Contributions to Pension and OPEB Plans

The ROE recognizes the disbursement for employer contributions to pension and OPEB plans when they are paid. As described in Notes 4 and 5, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

H. Internal Activity

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

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. 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 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.

I. Budgets and Budgetary Accounting

The ROE did not formally adopt a budget for the year ended June 30, 2021 and is not legally required to do so; subsequently, the accompanying financial statements are not presented on a budgetary basis whereby budget and actual revenues and expenditures are compared; however, ISBE requires budgets for certain State and federal programs. These budgets were used to prepare the Budgetary Comparison Schedule for the following programs: Truants' Alternative/Optional Education, Early Childhood Block Grants, Early Intervention Infants/Toddlers, Regional Safe Schools, ROE/ISC Operations, Workforce Investment Act, McKinney Homeless Grant, Title II - Teacher Quality - Leadership Program, Elementary and Secondary School Emergency Relief Grant, Early Childhood Emergency Education Relief Grant, and Digital Equity Grant.

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

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

J. New Accounting Pronouncement

In 2021, the ROE implemented GASB Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Due to the implementation of GASB Statement No. 84, the Distributive Interest Fund, which was previously reported in the Fiduciary Funds, was reclassified to the General Fund.

**NOTE 2      CASH AND CASH EQUIVALENTS**

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

Deposits

At June 30, 2021, the carrying amount of the ROE's cash was \$2,846,298 and the bank balance was \$3,307,146.

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the ROE's deposits may not be returned. The ROE does not have a deposit policy for custodial credit risk. As of June 30, 2021, all of the ROE's deposits were either covered by FDIC insurance or covered by collateral held by the financial institution in the ROE's name.

Investments

The ROE's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the Regional Office of Education to purchase certain obligations of the U.S. Treasury, federal agencies, and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds. At June 30, 2021 the ROE had investments with carrying and fair values of \$85,801 invested in the Illinois Funds Money Market Fund and \$31,923 in money market and other investment accounts related to the E.H. Parriott Scholarship Trust Funds. The ROE's investment in Illinois Funds has a Fitch's credit rating of AAmmf. The Illinois Fund is an external investment pool administered by the State Treasurer. The value of the Group's investment fund is

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

the same as the value of pool shares and the investments are reported by the State Treasurer at amortized cost. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provision of the Public Funds Investment Act (30 ILCS 235), the State Treasurer Act (15 ILCS 505/17) and the Deposit of State Moneys Act (15 ILCS 520/22.5).

*Interest Rate Risk*

The ROE does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk and Concentration of Credit Risk*

The ROE does not have a formal investment policy that would limit its investment choices or would limit the amount the ROE may invest in one issuer.

A reconciliation of cash and cash equivalents is as follows:

<u>Cash and cash equivalents</u>	<u>Amount</u>
Governmental funds	\$ 2,696,013
Enterprise funds	155,781
Fiduciary funds	112,228
Total	<u>\$ 2,964,022</u>

**NOTE 3 INTERFUND ACTIVITIES**

Transfers in/out

Transfers are generally made to provide supplemental funding or move resources from the fund required to collect the resources to the fund required to expend the resources. As of June 30, 2021, interfund transfers for the year consisted of the following:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
General Fund:		
ROE Programs and Services	\$ 150,686	\$ —
Special Services	—	151,723
Nonmajor Special Revenue Funds:		
General Educational Development	1,037	—
Fiduciary Funds:		
E.H. Parriott Scholarship Trust		
Principal Fund	—	166,696
E.H. Parriott Scholarship Trust		
Income Fund	166,696	
Total	<u>\$ 318,419</u>	<u>\$ 318,419</u>

**NOTE 4      DEFINED BENEFIT PENSION PLAN**

The ROE participates in multiple retirement plans to provide retirement benefits to its employees. It should be noted that the actuarial accrued liabilities, deferred inflows of resources and deferred outflows of resources are not recorded in the financial statements since the ROE uses the cash basis of accounting as disclosed in Note 1.

The ROE's employees are covered under the Illinois Municipal Retirement Fund. Contributions to the Fund are made by Carroll, Jo Daviess, and Stephenson Counties and the ROE through grant monies on behalf of the ROE staff employees and grant coordinators.

- a. Occupy a job normally requiring 600 hours or more per year;
- b. Are paid on a regular payroll from County or Regional Office of Education #8 funds;
- c. Were under age sixty when first entering employment; and
- d. Are not covered by another State created retirement system for the same service.

Employees not qualifying for the above are considered as "nonparticipating employees" and are covered under Social Security.

The Regional Superintendent and Assistant Regional Superintendent of the ROE are paid by the State of Illinois. Certain staff employees of the ROE's office are employed and paid by Carroll, Jo Daviess, or Stephenson counties (other support staff and grant coordinators are paid by the Region through grant monies). The ROE has no separate employee benefit plan.

**Illinois Municipal Retirement System**

**IMRF Plan Description**

The ROE's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The ROE's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of multi-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](http://www.imrf.org).

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

**NOTE 4      DEFINED BENEFIT PENSION PLAN (Continued)**

**Benefits Provided**

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

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

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

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

**Employees Covered by Benefit Terms**

As of December 31, 2020, the following employees were covered by the benefit terms:

**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 4      DEFINED BENEFIT PENSION PLAN (Continued)**

	<b>IMRF</b>
Retirees and Beneficiaries currently receiving benefits	37
Inactive Plan Members entitled to but not yet receiving benefits	55
Active Plan Members	44
Total	136

**Contributions**

As set by statute, the ROE’s regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The ROE’s annual contribution rate for calendar year 2020 was 9.33%. For the fiscal year ended 2021, the ROE contributed \$148,581 to the plan. The ROE also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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

**Plan description**

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

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

**NOTE 4      DEFINED BENEFIT PENSION PLAN (Continued)**

**Benefits provided**

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

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

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

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 lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and will be funded by bonds issued by the State of Illinois.

**Contributions**

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



**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

**NOTE 4      DEFINED BENEFIT PENSION PLAN (Continued)**

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the ROE.

***On behalf contributions to TRS.*** The State of Illinois makes employer pension contributions on behalf of the ROE. For the year ended June 30, 2021, State of Illinois contributions recognized by the ROE were based on the State's proportionate share of the pension expense associated with the ROE, and the ROE recognized revenue and expenditures of \$813,693 in pension contributions from the State of Illinois.

***2.2 formula contributions.*** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021 were \$5,734.

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

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

For the year ended June 30, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$2,649 were paid from federal and special trusts that required employer contributions of \$251.

***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 ROE 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.

**NOTE 4      DEFINED BENEFIT PENSION PLAN (Continued)**

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the ROE 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.

**NOTE 5      OTHER POSTMENTEMPLOYMENT BENEFITS**

**Teacher's Health Insurance Security Fund**

**Plan Description**

The ROE participates in the Teacher's Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (CMS) as of July 1, 2013. The CMS administers the plan with the cooperation of the TRS.

**Benefits Provided**

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

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.

**NOTE 5 OTHER POSTMENTEMPLOYMENT BENEFITS (Continued)**

**On Behalf Contributions to THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the ROE. For the year ended June 30, 2021, State of Illinois contributions recognized by the ROE were based on the State's proportionate share of the collective net OPEB liability associated with the ROE, and recognized receipts and disbursements of \$37,947 in OPEB contributions from the State of Illinois.

**ROE Contributions to THIS Fund**

The ROE also makes contributions to THIS Fund. The ROE THIS Fund contribution was 0.92 percent during the years ended June 30, 2021, 2020, and 2019. For the year ended June 30, 2021 the ROE paid \$9,098 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2020 and June 30, 2019, the ROE paid \$8,749 and \$8,880, to the THIS Fund, respectively, which was 100 percent of the required contribution.

**Further Information on the THIS Fund**

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

**Health Insurance Plan**

**Plan Administration**

The ROE's defined benefit OPEB plan, Retiree's Health Plan (RHP), provides OPEB for all permanent full-time general and public safety employees of the ROE. RHP is a single-employer defined benefit OPEB plan administered by the ROE. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the ROE.

**Eligibility Provisions**

*Full-Time Employees - IMRF*

Tier I IMRF Full-Time employees:

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

**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 5 OTHER POSTMENTEMPLOYMENT BENEFITS (Continued)**

Tier II IMRF Full-Time employees:

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

**Benefits Provided**

The ROE provides continued health insurance coverage at the blended employer rate to all eligible retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the ROE retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the ROE insurance provider.

As of June 30, 2021, the measurement date, the following employees were covered by the benefit terms:

**Plan Membership**

	<b>Participants</b>
Total active employees	45
Inactive employees currently receiving benefit payments	—
Inactive employees entitled to but not yet receiving benefit payments	—
Total	45

**Funding Policy and Contributions**

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

Contributions from other Regional Office of Education resources and benefit payments from other ROE resources are contributions made to and benefit payments made from the OPEB Plan that were not directly made to or from the OPEB Trust. There were no contributions or benefit payments from other Regional Office of Education resources.

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

**NOTE 6 LEASES**

The E.H. Parriott Scholarship Trust is the lessor of several parcels of farm land and attached buildings under various separate lease arrangements ranging from month-to-month rentals on buildings to 3-year noncancelable leases on farm land.

Rental income for the fiscal year ended June 30, 2021 was \$148,274. Future rental payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 112,545
2023	49,495
2024	5,160
Total	<u>\$ 167,200</u>

**NOTE 7 OPERATING LEASES**

On June 9, 2009, the ROE entered into a lease agreement with Oehlert Rentals LLC for office space located at 1770 West State Street in Sycamore, Illinois. The ROE has renewed the lease each subsequent fiscal year. The renewed lease agreement requires monthly lease payments of \$778 from July 1, 2021 through June 30, 2022.

On June 11, 2013, the ROE entered into a lease agreement with 27 State Centre LLC for office space located at 27 South State Avenue, Freeport, Illinois. The term of the lease is 10 years effective August 1, 2013, with original rent at \$2,268 per month with annual increases. A security deposit of \$5,833 was made upon the onset of the lease.

On May 1, 2020, the ROE entered into a lease agreement with The Atrium, LLC for office space at 404 North Galena Avenue, Dixon, Illinois. The lease has a one-year term beginning May 1, 2020 through April 30, 2021, with monthly lease payments of \$650. On April 15, 2021 the ROE renewed the lease for a period of May 1, 2021 through April 30, 2022, with monthly lease payments of \$650.

Total rent expense for the year was \$50,134. Future rental payments are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2022	\$ 40,341
2023	34,678
2024	2,896
Total	<u>\$ 77,915</u>

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

**NOTE 8 ON-BEHALF PAYMENTS**

The State of Illinois paid the following salary and benefit contributions on-behalf of the ROE:

Regional Superintendent Salary	\$	117,288
Assistant Regional Superintendent Salary		105,564
Regional Superintendent Benefits (includes State paid insurance)		38,443
Assistant Regional Superintendent Benefits (includes State paid insurance)		32,908
Total	\$	294,203

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the ISBE. The ROE recorded the on-behalf payments as both revenues and expenditures in the general fund.

The ROE also recorded \$851,640 in revenues and expenses as on-behalf payments from ISBE for the ROE's share of the State's Teachers' Retirement System (TRS) pension expense and Teacher's Health Insurance Security Fund (THIS) OPEB expense in the Cash Basis Statement of Activities and Net Position. In addition, the ROE has not included any on-behalf payments related to the State's TRS pension expense and THIS OPEB expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$	294,203
ROE's share of TRS pension expense		813,693
THIS fund pension expense		37,947
Total	\$	1,145,843

**NOTE 9 DISPOSITION OF DISTRIBUTIVE FUND INTEREST**

Interest earned on the investment of the Distributive Fund is remitted by the ROE in accordance with the Carroll, Jo Daviess, and Stephenson Intergovernmental Agreement.

**NOTE 10 RISK MANAGEMENT**

The ROE 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 ROE assumes liability for any deductibles and claims in excess of coverage

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

---

**NOTE 10 RISK MANAGEMENT (Continued)**

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 11 DEFICIT FUND BALANCES**

The following individual funds carried the following deficit balances as of June 30, 2021:

<b>Funds with Deficit Fund Balance</b>	<b>Amount</b>
General Fund:	
Counties Support	\$ 17,453
Education Fund:	
Early Intervention Infants/Toddlers	150,520
Workforce Investment Act	7,707
McKinney Homeless Grant	3,111
Elementary and Secondary School	
Emergency Relief Grant	12,371
Digital Equity Grant	117

**NOTE 12 CHANGE IN BASIS OF ACCOUNTING AND IMPLEMENTATION OF NEW ACCOUNTING STANDARDS**

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 2021, the ROE’s financial statements were presented under the generally accepted accounting principles (GAAP) basis of accounting. Pursuant to the newly passed House Bill, the ROE has implemented cash basis of accounting in the preparation of its financial statements as of and for the year ended June 30, 2021, as described in Note 1.

Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, was implemented during fiscal year 2021. The new requirements change the definition of fiduciary activity and establish new financial reporting requirements for state and local governments which report fiduciary activity.

**Carroll, Jo Daviess, and Stephenson Counties**  
**Regional Office of Education #8**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 12 CHANGE IN BASIS OF ACCOUNTING AND IMPLEMENTATION OF NEW ACCOUNTING STANDARDS (Continued)**

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>
Net position June 30, 2020, as previously reported	\$ (636,299)	\$ 161,422
Change to cash basis of accounting	<u>2,726,868</u>	<u>(12,643)</u>
Cash and Cash Equivalents June 30, 2020, as previously reported	2,090,569	148,779
Change to implement GASB No. 84	10,538	-
Net position July 1, 2020, as restated	<u>\$ 2,101,107</u>	<u>\$ 148,779</u>

	General <u>Fund</u>	Education <u>Fund</u>	Other Nonmajor <u>Funds</u>	Private Purpose <u>Trust Funds</u>	Custodial <u>Funds</u>
Net Position or Fund balance June 30, 2020, as previously reported	\$ 1,556,359	\$ 19,601	\$ 98,186	\$ 1,904,265	\$ -
Change to cash basis of accounting	<u>(337,084)</u>	<u>753,679</u>	<u>(172)</u>	<u>(1,823,172)</u>	<u>75,984</u>
Cash and Cash Equivalents June 30, 2020, as previously reported	1,219,275	773,280	98,014	81,093	75,984
Change to cash basis of accounting	145,365	(145,365)	-	27,372	-
Change to implement GASB No. 84	10,538	-	-	-	(10,538)
Cash and Cash Equivalents July 1, 2020, as restated	<u>\$ 1,375,178</u>	<u>\$ 627,915</u>	<u>\$ 98,014</u>	<u>\$ 108,465</u>	<u>\$ 65,446</u>

**NOTE 13 SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 4, 2022, the date the financial statements were available to be issued.

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



**SUPPLEMENTARY INFORMATION**

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
General Fund  
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents  
As of and For the Year Ended June 30, 2021  
Schedule 1

	Counties Support	ROE Programs and Services	Medical Reimbursement	Special Services	Distributive Interest Fund	Total
<b>RECEIPTS:</b>						
Local sources	\$ 141,647	\$ 104,381	\$ 7,000	\$ 1,030,869	\$ 161	\$ 1,284,058
State sources	-	-	-	562,437	-	562,437
On-behalf payments	294,203	-	-	-	-	294,203
Total receipts	<u>435,850</u>	<u>104,381</u>	<u>7,000</u>	<u>1,593,306</u>	<u>161</u>	<u>2,140,698</u>
<b>DISBURSEMENTS:</b>						
Instructional services:						
Salaries	76,291	136,116	-	974,479	-	1,186,886
Benefits	26,464	50,680	7,431	197,954	-	282,529
Purchased services	31,696	64,707	-	6,983	-	103,386
Supplies and materials	-	4,280	-	4,819	-	9,099
Other objects	2,282	(553)	-	6,058	-	7,787
Administrative:						
On-behalf payments	294,203	-	-	-	-	294,203
Capital outlay	-	1,956	-	40,636	-	42,592
Total disbursements	<u>430,936</u>	<u>257,186</u>	<u>7,431</u>	<u>1,230,929</u>	<u>-</u>	<u>1,926,482</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>4,914</u>	<u>(152,805)</u>	<u>(431)</u>	<u>362,377</u>	<u>161</u>	<u>214,216</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	150,686	-	-	-	150,686
Transfers out	-	-	-	(151,723)	-	(151,723)
Total other financing sources (uses)	<u>-</u>	<u>150,686</u>	<u>-</u>	<u>(151,723)</u>	<u>-</u>	<u>(1,037)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>4,914</u>	<u>(2,119)</u>	<u>(431)</u>	<u>210,654</u>	<u>161</u>	<u>213,179</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>	<u>(22,367)</u>	<u>8,052</u>	<u>449</u>	<u>1,378,506</u>	<u>10,538</u>	<u>1,375,178</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>(17,453)</u></u>	<u><u>5,933</u></u>	<u><u>18</u></u>	<u><u>1,589,160</u></u>	<u><u>10,699</u></u>	<u><u>1,588,357</u></u>
<b>CASH BASIS FUND BALANCES</b>						
Assigned	\$ -	\$ -	\$ -	\$ -	\$ 10,699	\$ 10,699
Unassigned	(17,453)	5,933	18	1,589,160	-	1,577,658
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u><u><u>(17,453)</u></u></u>	<u><u><u>5,933</u></u></u>	<u><u><u>18</u></u></u>	<u><u><u>1,589,160</u></u></u>	<u><u><u>10,699</u></u></u>	<u><u><u>1,588,357</u></u></u>

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Education Fund

Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents  
As of and For the Year Ended June 30, 2021  
Schedule 2

	Truants' Alternative/ Optional Education	Early Childhood Block Grants	Early Intervention Infants/ Toddlers	Regional Safe Schools	Hearing and Vision Grant	ROE/ISC Operations	Workforce Investment Act
<b>RECEIPTS:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 3,280	\$ -	\$ -
State sources	139,062	2,855,925	695,171	64,952	2,590	110,098	-
Federal sources	-	-	-	-	-	-	111,209
Total receipts	<u>139,062</u>	<u>2,855,925</u>	<u>695,171</u>	<u>64,952</u>	<u>5,870</u>	<u>110,098</u>	<u>111,209</u>
<b>DISBURSEMENTS:</b>							
Instructional services:							
Salaries	85,877	449,755	447,071	43,868	2,167	84,367	79,467
Benefits	27,067	137,592	125,882	7,565	971	15,150	14,120
Purchased services	7,685	643,738	78,904	5,698	1,105	7,879	16,113
Supplies and materials	1,069	43,895	11,299	2,936	508	2,495	704
Other objects	3,500	173,132	28,775	-	-	5,000	3,359
Intergovernmental:							
Payments to other governments	-	951,459	-	-	-	-	-
Capital outlay	-	69,370	24,479	-	-	1,275	-
Total disbursements	<u>125,198</u>	<u>2,468,941</u>	<u>716,410</u>	<u>60,067</u>	<u>4,751</u>	<u>116,166</u>	<u>113,763</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	13,864	386,984	(21,239)	4,885	1,119	(6,068)	(2,554)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>	<u>10,135</u>	<u>716,671</u>	<u>(129,281)</u>	<u>11,037</u>	<u>12,584</u>	<u>22,853</u>	<u>(5,153)</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 23,999</u>	<u>\$ 1,103,655</u>	<u>\$ (150,520)</u>	<u>\$ 15,922</u>	<u>\$ 13,703</u>	<u>\$ 16,785</u>	<u>\$ (7,707)</u>
<b>CASH BASIS FUND BALANCES</b>							
Restricted	\$ 23,999	\$ 1,103,655	\$ -	\$ 15,922	\$ 13,703	\$ 16,785	\$ -
Unassigned	-	-	(150,520)	-	-	-	(7,707)
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 23,999</u>	<u>\$ 1,103,655</u>	<u>\$ (150,520)</u>	<u>\$ 15,922</u>	<u>\$ 13,703</u>	<u>\$ 16,785</u>	<u>\$ (7,707)</u>

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Education Fund

Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents  
As of and For the Year Ended June 30, 2021  
Schedule 2 (Continued)

	McKinney Homeless Grant	Title II - Teacher Quality - Leadership Program	Elementary and Secondary School Emergency Relief Grant	Early Childhood Emergency Education Relief Grant	Digital Equity Grant	Total
<b>RECEIPTS:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,280
State sources	-	-	-	-	-	3,867,798
Federal sources	17,956	799	1,876	19,292	62,303	213,435
Total receipts	<u>17,956</u>	<u>799</u>	<u>1,876</u>	<u>19,292</u>	<u>62,303</u>	<u>4,084,513</u>
<b>DISBURSEMENTS:</b>						
Instructional services:						
Salaries	3,018	-	2,410	-	-	1,198,000
Benefits	913	-	636	-	-	329,896
Purchased services	602	799	1,201	-	5,429	769,153
Supplies and materials	4,675	-	9,260	-	36,850	113,691
Other objects	-	-	740	-	6,090	220,596
Intergovernmental:						
Payments to other governments	928	-	-	19,292	-	971,679
Capital outlay	-	-	-	-	14,051	109,175
Total disbursements	<u>10,136</u>	<u>799</u>	<u>14,247</u>	<u>19,292</u>	<u>62,420</u>	<u>3,712,190</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	7,820	-	(12,371)	-	(117)	372,323
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>	<u>(10,931)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>627,915</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ (3,111)</u>	<u>\$ -</u>	<u>\$ (12,371)</u>	<u>\$ -</u>	<u>\$ (117)</u>	<u>\$ 1,000,238</u>
<b>CASH BASIS FUND BALANCES</b>						
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,174,064
Unassigned	<u>(3,111)</u>	<u>-</u>	<u>(12,371)</u>	<u>-</u>	<u>(117)</u>	<u>(173,826)</u>
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ (3,111)</u>	<u>\$ -</u>	<u>\$ (12,371)</u>	<u>\$ -</u>	<u>\$ (117)</u>	<u>\$ 1,000,238</u>

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Education Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2021  
Schedule 3

	Truants' Alternative/Optional Education				Early Childhood Block Grants				Early Intervention Infants/Toddlers			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
<b>RECEIPTS:</b>												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	128,409	128,409	139,062	10,653	2,700,655	2,700,655	2,855,925	155,270	822,371	793,882	695,171	(98,711)
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	128,409	128,409	139,062	10,653	2,700,655	2,700,655	2,855,925	155,270	822,371	793,882	695,171	(98,711)
<b>DISBURSEMENTS:</b>												
Instructional services:												
Salaries	87,000	87,000	85,877	1,123	356,160	484,307	449,755	34,552	510,047	510,047	447,071	62,976
Benefits	26,881	23,881	27,067	(3,186)	100,525	143,541	137,592	5,949	122,064	123,584	125,882	(2,298)
Purchased services	13,028	12,528	7,685	4,843	587,961	252,654	643,738	(391,084)	127,959	88,607	78,904	9,703
Supplies and materials	1,500	1,500	1,069	431	53,764	47,747	43,895	3,852	33,723	14,195	11,299	2,896
Other objects	-	3,500	3,500	-	16,278	139,887	173,132	(33,245)	28,578	32,970	28,775	4,195
Intergovernmental:												
Payments to other governments	-	-	-	-	1,574,707	1,541,651	951,459	590,192	-	-	-	-
Capital outlay	-	-	-	-	11,260	90,868	69,370	21,498	-	24,479	24,479	-
Total disbursements	128,409	128,409	125,198	3,211	2,700,655	2,700,655	2,468,941	231,714	822,371	793,882	716,410	77,472
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>13,864</u>	<u>\$ 13,864</u>	<u>\$ -</u>	<u>\$ -</u>	<u>386,984</u>	<u>\$ 386,984</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(21,239)</u>	<u>\$ (21,239)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>			<u>10,135</u>				<u>716,671</u>				<u>(129,281)</u>	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			<u>\$ 23,999</u>				<u>\$1,103,655</u>				<u>\$ (150,520)</u>	

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Education Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2021  
Schedule 3 (Continued)

	Regional Safe Schools				ROE/ISC Operations				Workforce Investment Act			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
<b>RECEIPTS:</b>												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	59,955	59,955	64,952	4,997	110,098	110,098	110,098	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	114,129	117,000	111,209	(5,791)
Total receipts	59,955	59,955	64,952	4,997	110,098	110,098	110,098	-	114,129	117,000	111,209	(5,791)
<b>DISBURSEMENTS:</b>												
Instructional services:												
Salaries	40,270	40,270	43,868	(3,598)	88,000	85,700	84,367	1,333	58,477	58,484	79,467	(20,983)
Benefits	7,374	7,320	7,565	(245)	10,000	12,300	15,150	(2,850)	10,179	10,268	14,120	(3,852)
Purchased services	7,271	7,271	5,698	1,573	6,098	6,098	7,879	(1,781)	41,842	44,501	16,113	28,388
Supplies and materials	5,040	5,094	2,936	2,158	1,000	1,000	2,495	(1,495)	577	693	704	(11)
Other objects	-	-	-	-	5,000	5,000	5,000	-	3,054	3,054	3,359	(305)
Intergovernmental:												
Payments to other governments	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	1,275	(1,275)	-	-	-	-
Total disbursements	59,955	59,955	60,067	(112)	110,098	110,098	116,166	(6,068)	114,129	117,000	113,763	3,237
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>4,885</u>	<u>\$ 4,885</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(6,068)</u>	<u>\$ (6,068)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,554)</u>	<u>\$ (2,554)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>			<u>11,037</u>				<u>22,853</u>				<u>(5,153)</u>	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			<u>\$ 15,922</u>				<u>\$ 16,785</u>				<u>\$ (7,707)</u>	

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Education Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2021  
Schedule 3 (Continued)

	McKinney Homeless Grant				Title II - Teacher Quality - Leadership Program				Elementary and Secondary School Emergency Relief Grant			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
<b>RECEIPTS:</b>												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	17,900	17,900	17,956	56	818	818	799	(19)	6,863	6,863	1,876	(4,987)
Total receipts	17,900	17,900	17,956	56	818	818	799	(19)	6,863	6,863	1,876	(4,987)
<b>DISBURSEMENTS:</b>												
Instructional services:												
Salaries	3,550	3,550	3,018	532	-	-	-	-	2,756	2,411	2,410	1
Benefits	1,020	1,020	913	107	-	-	-	-	346	629	636	(7)
Purchased services	1,990	1,990	602	1,388	818	818	799	19	1,750	1,000	1,201	(201)
Supplies and materials	9,240	10,390	4,675	5,715	-	-	-	-	1,122	1,982	9,260	(7,278)
Other objects	-	-	-	-	-	-	-	-	889	841	740	101
Intergovernmental:												
Payments to other governments	2,100	950	928	22	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,900	17,900	10,136	7,764	818	818	799	19	6,863	6,863	14,247	(7,384)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>7,820</u>	<u>\$ 7,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(12,371)</u>	<u>\$ (12,371)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>			<u>(10,931)</u>				<u>-</u>				<u>-</u>	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			<u>\$ (3,111)</u>				<u>\$ -</u>				<u>\$ (12,371)</u>	

Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Education Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2021  
Schedule 3 (Continued)

	Early Childhood Emergency Education Relief Grant				Digital Equity Grant			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
<b>RECEIPTS:</b>								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	40,253	40,253	19,292	(20,961)	62,579	62,579	62,303	(276)
Total receipts	40,253	40,253	19,292	(20,961)	62,579	62,579	62,303	(276)
<b>DISBURSEMENTS:</b>								
Instructional services:								
Salaries	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	12,444	5,357	5,429	(72)
Supplies and materials	38,679	-	-	-	36,871	36,850	36,850	-
Other objects	1,574	-	-	-	6,090	6,090	6,090	-
Intergovernmental:								
Payments to other governments	-	40,253	19,292	20,961	-	-	-	-
Capital outlay	-	-	-	-	7,174	14,282	14,051	231
Total disbursements	40,253	40,253	19,292	20,961	62,579	62,579	62,420	159
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(117)</u>	<u>\$ (117)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>			<u>-</u>				<u>-</u>	
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			<u>\$ -</u>				<u>\$ (117)</u>	



Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
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, 2021  
Schedule 4

	General Educational Development	Bus Driver	Institute	Total
<b>RECEIPTS:</b>				
Local sources	\$ 1,040	\$ 2,360	\$ 25,351	\$ 28,751
State sources	-	1,215	-	1,215
Total receipts	<u>1,040</u>	<u>3,575</u>	<u>25,351</u>	<u>29,966</u>
<b>DISBURSEMENTS:</b>				
Instructional services:				
Salaries	1,376	1,721	1,131	4,228
Benefits	237	158	95	490
Purchased services	417	842	15,538	16,797
Supplies and materials	47	-	37	84
Total disbursements	<u>2,077</u>	<u>2,721</u>	<u>16,801</u>	<u>21,599</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	(1,037)	854	8,550	8,367
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>1,037</u>	<u>-</u>	<u>-</u>	<u>1,037</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	-	854	8,550	9,404
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>-</u>	<u>19,499</u>	<u>78,515</u>	<u>98,014</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 20,353</u>	<u>\$ 87,065</u>	<u>\$ 107,418</u>
<b>CASH BASIS FUND BALANCES</b>				
Restricted - other	<u>\$ -</u>	<u>\$ 20,353</u>	<u>\$ 87,065</u>	<u>\$ 107,418</u>

**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Private Purpose Trust Funds  
Combining Schedule of Cash Additions, Deductions, and  
Changes in Cash and Cash Equivalents  
As of and for the Year Ended June 30, 2021  
Schedule 5**

	<b>E.H. Parriott Scholarship Trust Principal Fund</b>	<b>E.H. Parriott Scholarship Trust Income Fund</b>	<b>Total</b>
<b>ADDITIONS:</b>			
Rent	\$ 148,274	\$ -	\$ 148,274
Proceeds from sales of investments	191,358	36,491	227,849
Proceeds from sales of capital assets	24,000	-	24,000
Interest and dividends	23,004	9,067	32,071
Total additions	<u>386,636</u>	<u>45,558</u>	<u>432,194</u>
<b>DEDUCTIONS:</b>			
Purchased services	-	42,964	42,964
Property taxes	-	30,898	30,898
Scholarships	-	132,000	132,000
Purchase of investments	218,410	5,000	223,410
Total deductions	<u>218,410</u>	<u>210,862</u>	<u>429,272</u>
<b>EXCESS (DEFICIENCY) OF ADDITIONS OVER (UNDER) DEDUCTIONS</b>	168,226	(165,304)	2,922
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	166,696	166,696
Transfers out	(166,696)	-	(166,696)
Total other financing sources (uses)	<u>(166,696)</u>	<u>166,696</u>	<u>-</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	1,530	1,392	2,922
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)</b>	<u>2,069</u>	<u>106,396</u>	<u>108,465</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 3,599</u>	<u>\$ 107,788</u>	<u>\$ 111,387</u>
<b>CASH BASIS FIDUCIARY NET POSITION</b>			
Held in trust for other purposes	<u>\$ 3,599</u>	<u>\$ 107,788</u>	<u>\$ 111,387</u>

**Carroll, Jo Daviess, and Stephenson Counties  
Regional Office of Education #8  
Schedule of Cash Disbursements to School District Treasurers and Other Entities  
For the Year Ended June 30, 2021  
Schedule 6**

	<b>Vocational Education - Career and Tech. Grant</b>	<b>Voc. Ed - Perkins Title II Secondary</b>	<b>Jo Daviess County School Facilities Sales Tax</b>	<b>Total</b>
Eagle Ridge Vocational Delivery System	\$ 403,745	\$ 55,585	\$ -	\$ 459,330
East Dubuque School District #119	-	-	386,313	386,313
Galena Unit School District #120	-	-	506,731	506,731
River Ridge Community Unit School District #210	-	-	295,702	295,702
Scales Mound Community Unit School District #211	-	-	164,863	164,863
Stockton Community Unit School District #206	-	-	348,299	348,299
Warren Community Unit School District #205	-	-	235,011	235,011
West Carroll Community Unit School District #314	-	-	324	324
<b>Total</b>	<b>\$ 403,745</b>	<b>\$ 55,585</b>	<b>\$ 1,937,243</b>	<b>\$ 2,396,573</b>