



**STATE OF ILLINOIS
CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
For the Year Ended June 30, 2021**

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

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**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

OFFICIALS

Regional Superintendent
(current and during the audit period)

Mr. Gary Lewis

Assistant Regional Superintendent
(current and during the audit period)

Ms. Donna Kaufman

Office is located at:

3358 Big Pine Trail,
Champaign, Illinois 61822

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
COMPLIANCE REPORT SUMMARY**

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

AUDITOR’S REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit finding	2	1
Repeated audit finding	1	-
Prior recommendation implemented or not repeated	-	1

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>Finding (Government Auditing Standards)</i>			
2021-001	14	Improper Application of Accounting Principles	Material Weakness
2021-002	17	Lack of Adequate Controls over the Review of Internal Controls over External Service Providers	Significant Deficiency

Findings and Questioned Costs (Federal Compliance)
None

Prior Audit Finding not Repeated (Government Auditing Standards)
None

Prior Audit Findings not Repeated (Federal Compliance)
None

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
COMPLIANCE REPORT SUMMARY**

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an informal exit conference on November 23, 2021. Attending from the Regional Office of Education No. 9 were Gary Lewis, Regional Superintendent; Julie Duran, Bookkeeper; and Amy Page, Payroll Specialist; and from Adelfia LLC were Maria Divina Valera, Stella Marie Santos, and Jennifer Roan, Partners. Responses to the recommendations were provided by Gary Lewis, Regional Superintendent, on March 16, 2022. The Regional Office did not request a formal exit conference at this time.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of Champaign and Ford Counties Regional Office of Education No. 9 was performed by Adelfia LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Champaign and Ford Counties Regional Office of Education No. 9's basic financial statements.



INDEPENDENT AUDITOR'S 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Champaign and Ford Counties Regional Office of Education No. 9, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Champaign and Ford Counties Regional Office of Education No. 9'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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Champaign and Ford Counties Regional Office of Education No. 9, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund – Schedule of the Employer’s Proportionate Share of the Net Pension Liability and Related Ratios, Illinois Municipal Retirement Fund – Schedule of Employer Contributions, Teachers’ Retirement System of the State of Illinois – Schedule of the Employer’s Proportionate Share of the Net Pension Liability and Schedule of Employer Contributions, Teachers’ Health Insurance Security Fund – Schedule of the Employer’s Proportionate Share of the Collective Net Other Postemployment Benefit Liability and Schedule of Employer Contributions, and Other Postemployment Benefits – Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 77 through 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Champaign and Ford Counties Regional Office of Education No. 9's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance 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 Expenditures of Federal Awards, as required by the Uniform Guidance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2022 on our consideration of the Champaign and Ford Counties Regional Office of Education No. 9'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 Champaign and Ford Counties Regional Office of Education No. 9'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 Champaign and Ford Counties Regional Office of Education No. 9's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
July 7, 2022



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Champaign and Ford Counties Regional Office of Education No. 9, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Champaign and Ford Counties Regional Office of Education No. 9’s basic financial statements, and have issued our report thereon dated July 7, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Champaign and Ford Counties Regional Office of Education No. 9’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 Champaign and Ford Counties Regional Office of Education No. 9’s internal control. Accordingly, we do not express an opinion on the effectiveness of Champaign and Ford Counties Regional Office of Education No. 9’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 Questioned Costs, 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 Questioned Costs 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 Questioned Costs as item 2021-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champaign and Ford Counties Regional Office of Education No. 9'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 No. 9's Responses to Findings

Champaign and Ford Counties Regional Office of Education No. 9's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Champaign and Ford Counties Regional Office of Education No. 9's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Champaign and Ford Counties Regional Office of Education No. 9's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Champaign and Ford Counties Regional Office of Education No. 9's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
July 7, 2022



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

We have audited Champaign and Ford Counties Regional Office of Education No. 9's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Champaign and Ford Counties Regional Office of Education No. 9's major federal programs for the year ended June 30, 2021. The Champaign and Ford Counties Regional Office of Education No. 9's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Champaign and Ford Counties Regional Office of Education No. 9's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Champaign and Ford Counties Regional Office of Education No.

9's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Champaign and Ford Counties Regional Office of Education No. 9's compliance.

Opinion on Each Major Federal Program

In our opinion, Champaign and Ford Counties Regional Office of Education No. 9 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Champaign and Ford Counties Regional Office of Education No. 9 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Champaign and Ford Counties Regional Office of Education No. 9's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Champaign and Ford Counties Regional Office of Education No. 9's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

SIGNED ORIGINAL ON FILE

Chicago, Illinois

July 7, 2022

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION I – SUMMARY OF AUDITOR’S RESULTS
For the Year Ended June 30, 2021**

Financial Statements in accordance with GAAP

Type of auditor’s report issued: *Unmodified*

Internal control over financial reporting:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes none reported

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

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

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.196A	Education of Homeless Children and Youth
84.425D	Elementary and Secondary School Emergency Relief

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

Auditee qualified as low-risk auditee? yes no

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2021**

FINDING 2021-001 – Improper Application of Accounting Principles

CRITERIA/SPECIFIC REQUIREMENT:

Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68*, require governments to record and present net accrued pension liabilities/assets, deferred outflows of resources, deferred inflows of resources, and pension expenses. These standards further prescribe the methods and assumptions that are to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of service.

GASB Implementation Guide on GASB Statement No. 68 Question Number 43 states liabilities for net pension liabilities associated with different pension plans may be aggregated for display, and pension assets for net pension assets associated with different pension plans may be aggregated for display. However, aggregated pension assets and aggregated pension liabilities should be separately displayed.

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. The new requirements change the definition of fiduciary activity and establish new financial reporting requirements for state and local governments that report fiduciary activity. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists.

CONDITION:

The Regional Office of Education No. 9 (ROE) reported an asset for its proportionate share of the net pension asset for the Illinois Municipal Retirement Fund (IMRF) pension plan amounting to \$643,177 and a liability for its proportionate share of the net pension liability for the Teacher's Retirement System (TRS) pension plan amounting to \$241,399. However, the Statement of Net Position did not separately display the net pension liability and reported a net pension asset of \$401,778 in the financial statements. Accordingly, the net position amount restricted for educational purposes was understated by \$241,399.

The draft financial statements originally submitted did not properly implement GASB No. 84. Beginning balances and transactions in the Payroll Clearing Fund (a custodial fund) included operations that are not fiduciary activities and should have been reported in the governmental and proprietary fund financial statements.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2021**

FINDING 2021-001 – Improper Application of Accounting Principles (Continued)

Following are the balances and transactions that are not fiduciary activities per GASB No. 84 and should have been reported in the proper funds:

<u>Governmental Activities</u>		
Cumulative interest income earned as of June 30, 2020 should have been reported as Fund Balance of the General Fund		\$13,355
Cash not reported in the Governmental Funds and Internal Service Fund		58,072
Accounts Payable not reported in the Governmental Funds and Internal Service Fund		45,142
<u>Proprietary Activities</u>		
Cumulative fingerprinting services income earned as of June 30, 2020 should have been reported as Net Position in a separate Proprietary Fund		22,541
Cash not reported in the Proprietary Fund		24,215
Accounts Payable not reported in the Proprietary Fund		1,100
Fingerprinting charges for services not reported in the Proprietary Fund		3,510
Expenses for purchased services not reported in the Proprietary Fund		2,936

In addition, beginning balances of \$2,392 and net transactions of \$4,830 that are fiduciary activities in the Payroll Clearing Fund were also not reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

There was also no disclosure related to GASB Statement No. 84 implementation. The ROE subsequently submitted revised financial statements implementing the requirements of GASB Statement No. 84.

EFFECT:

Improper application of generally accepted accounting principles resulted in inaccurate financial statement presentation and incomplete note disclosures.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2021**

FINDING 2021-001 – Improper Application of Accounting Principles (Concluded)

CAUSE:

The ROE management indicated this was an oversight.

RECOMMENDATION:

The Regional Office of Education No. 9 should establish procedures to ensure that financial statements be carefully reviewed for proper accounting and reporting in accordance with generally accepted accounting principles (GAAP). Additionally, ROE management should consider Public Act 102-0025, which allows a Regional Office to determine if changing from the GAAP basis to the cash or modified cash basis of accounting would be allowable or beneficial to the ROE and users of the ROE statements.

MANAGEMENT’S RESPONSE:

Management has considered Public Act 102-0025 and has decided to change from GAAP basis to the cash basis of accounting beginning with the Fiscal Year 2022 financial statements. Management will continue to work with a hired CPA firm to aid with closing the books at year end and preparing draft financial statements.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2021**

FINDING 2021-002 - Lack of Adequate Controls over the Review of Internal Controls over External Service Providers (Repeat from Finding 20-001)

CRITERIA/SPECIFIC REQUIREMENT:

The Regional Office of Education No. 9 is responsible for the design, implementation, and maintenance of internal controls related to information systems and operations to ensure resources and data are adequately protected from unauthorized or accidental disclosure, modifications, or destruction. This responsibility is not limited due to the process being outsourced.

Generally accepted information technology guidance endorses the review and assessment of internal controls related to information systems and operations to assure the accurate processing and security of information.

CONDITION:

As part of the audit process, we requested the Regional Office of Education No. 9 to provide a population of the service providers utilized. The Regional Office of Education No. 9 was able to identify service providers that provided various hosting and backup services for the Regional Office of Education No. 9.

During testing, the auditors noted the Regional Office of Education No. 9 had not:

- Developed a formal process for identifying service providers and for either obtaining the Service Organization Controls (SOC) reports from the service providers and related subservice organization or performing alternative procedures to determine the impact of such services on its internal control environment on an annual basis.
- Documented its review of each of the SOC reports, or performed alternative procedures, to evaluate any issues relevant to the ROE's internal controls.
- Monitored and documented the operation of the Complementary User Entity Controls (CUECs) relevant to the Regional Office of Education No. 9's operations.

EFFECT:

Without having obtained and reviewed a SOC report or another form of independent internal controls review, the Regional Office of Education No. 9 does not have assurance the external service provider's and its subservice organization's internal controls are adequate.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2021**

FINDING 2021-002 - Lack of Adequate Controls over the Review of Internal Controls over External Service Providers (Repeat from Finding 20-001) (Concluded)

CAUSE:

Regional Office of Education No. 9 Officials indicated that they understand the importance of a formal process to monitor service providers and did not realize the current process did not address all the issues noted.

RECOMMENDATION:

We recommend the Regional Office of Education No. 9 identify all third-party service providers and determine and document if a review of controls is required. If required, the Regional Office of Education No. 9 should:

- Obtain SOC reports or perform independent reviews of internal controls associated with outsourced systems including services provided by subservice organizations at least annually.
- Monitor and document the operation of the CUECs relevant to the Regional Office of Education No. 9's operations.
- Document its review of the SOC reports or perform alternative procedures to evaluate all significant issues to ascertain if a corrective action plan exists and when it will be implemented, any impacts to the Regional Office of Education No. 9, and any compensating controls.
- Review contracts with service providers to ensure applicable requirements over the independent review of internal controls are included.

MANAGEMENT'S RESPONSE:

We have begun to review the SOCs and we are in the process of documenting a formal process of review and will utilize that moving forward.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION III – FEDERAL AWARD FINDINGS
For the Year Ended June 30, 2021**

INSTANCES OF NONCOMPLIANCE:

None

SIGNIFICANT DEFICIENCIES:

None

MATERIAL WEAKNESSES:

None

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2021**

CORRECTIVE ACTION PLAN

FINDING 2021-001 – Improper Application of Accounting Principles

CONDITION:

The Regional Office of Education No. 9 (ROE) reported an asset for its proportionate share of the net pension asset for the Illinois Municipal Retirement Fund (IMRF) pension plan amounting to \$643,177 and a liability for its proportionate share of the net pension liability for the Teacher’s Retirement System (TRS) pension plan amounting to \$241,399. However, the Statement of Net Position did not separately display the net pension liability and reported a net pension asset of \$401,778 in the financial statements. Accordingly, the net position amount restricted for educational purposes was understated by \$241,399.

The draft financial statements originally submitted did not properly implement GASB No. 84. Beginning balances and transactions in the Payroll Clearing Fund (a custodial fund) included operations that are not fiduciary activities and should have been reported in the governmental and proprietary fund financial statements.

Following are the balances and transactions that are not fiduciary activities per GASB No. 84 and should have been reported in the proper funds:

<u>Governmental Activities</u>	
Cumulative interest income earned as of June 30, 2020 should have been reported as Fund Balance of the General Fund	\$13,355
Cash not reported in the Governmental Funds and Internal Service Fund	58,072
Accounts Payable not reported in the Governmental Funds and Internal Service Fund	45,142
<u>Proprietary Activities</u>	
Cumulative fingerprinting services income earned as of June 30, 2020 should have been reported as Net Position in a separate Proprietary Fund	22,541
Cash not reported in the Proprietary Fund	24,215
Accounts Payable not reported in the Proprietary Fund	1,100
Fingerprinting charges for services not reported in the Proprietary Fund	3,510
Expenses for purchased services not reported in the Proprietary Fund	2,936

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2021**

In addition, beginning balances of \$2,392 and net transactions of \$4,830 that are fiduciary activities in the Payroll Clearing Fund were also not reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

There was also no disclosure related to GASB Statement No. 84 implementation. The ROE subsequently submitted revised financial statements implementing the requirements of GASB Statement No. 84.

PLAN:

We have met with our company that prepares our documents for the audit and the changes have been made to meet what is required. We will continue to prepare the documents in this way moving forward.

ANTICIPATED DATE OF COMPLETION:

March 2022

CONTACT PERSON:

Mr. Gary Lewis, Regional Superintendent of Schools

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2021**

CORRECTIVE ACTION PLAN (Concluded)

FINDING 2021-002 - Lack of Adequate Controls over the Review of Internal Controls over External Service Providers (Repeat from Finding 20-001)

CONDITION:

As part of the audit process, we requested the Regional Office of Education No. 9 to provide a population of the service providers utilized. The Regional Office of Education No. 9 was able to identify service providers that provided various hosting and backup services for the Regional Office of Education No. 9.

During testing, the auditors noted the Regional Office of Education No. 9 had not:

- Developed a formal process for identifying service providers and for either obtaining the Service Organization Controls (SOC) reports from the service providers and related subservice organization or performing alternative procedures to determine the impact of such services on its internal control environment on an annual basis.
- Documented its review of each of the SOC reports, or performed alternative procedures, to evaluate any issues relevant to the ROE's internal controls.
- Monitored and documented the operation of the Complementary User Entity Controls (CUECs) relevant to the Regional Office of Education No. 9's operations.

PLAN:

We have begun to review the SOC's. We will meet in July to review any updated SOC's from our current vendors and any new vendors. We have implemented a policy to address the review and have to proceed. That will be available upon request.

ANTICIPATED DATE OF COMPLETION:

March 2022

CONTACT PERSON:

Mr. Gary Lewis, Regional Superintendent of Schools

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
SUMMARY SCHEDULE OF PRIOR FINDING NOT REPEATED
For the Year Ended June 30, 2021**

None

BASIC FINANCIAL STATEMENTS

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**STATEMENT OF NET POSITION
JUNE 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,952,993	\$ 184,523	\$ 3,137,516
Accounts receivable	114,575	6,175	120,750
Due from other governments	534,790	150,858	685,648
Prepaid expenses	35,075	-	35,075
Internal balances	(322,122)	322,122	-
Total current assets	<u>3,315,311</u>	<u>663,678</u>	<u>3,978,989</u>
Noncurrent assets:			
Capital assets, net	134,930	3,114	138,044
Net pension asset	643,177	-	643,177
Total noncurrent assets	<u>778,107</u>	<u>3,114</u>	<u>781,221</u>
Total assets	<u>4,093,418</u>	<u>666,792</u>	<u>4,760,210</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	817,095	-	817,095
Deferred outflows related to pensions	195,932	-	195,932
Total deferred outflows of resources	<u>1,013,027</u>	<u>-</u>	<u>1,013,027</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	196,992	10,493	207,485
Due to other governments	3,838	-	3,838
Lease payable, current	3,709	-	3,709
Unearned revenue	390,340	-	390,340
Total current liabilities	<u>594,879</u>	<u>10,493</u>	<u>605,372</u>
Noncurrent liabilities:			
Lease payable, noncurrent	7,948	-	7,948
Compensated absences	18,860	-	18,860
Net pension liability	241,399	-	241,399
OPEB liabilities	2,574,900	-	2,574,900
Total noncurrent liabilities	<u>2,843,107</u>	<u>-</u>	<u>2,843,107</u>
Total liabilities	<u>3,437,986</u>	<u>10,493</u>	<u>3,448,479</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	477,047	-	477,047
Deferred inflows related to pensions	913,227	-	913,227
Total deferred inflows of resources	<u>1,390,274</u>	<u>-</u>	<u>1,390,274</u>
NET POSITION			
Net investment in capital assets	123,273	3,114	126,387
Restricted for educational purposes	1,548,202	-	1,548,202
Unrestricted	(1,393,290)	653,185	(740,105)
Total net position	<u>\$ 278,185</u>	<u>\$ 656,299</u>	<u>\$ 934,484</u>

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

REGIONAL OFFICE OF EDUCATION NO. 9

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues		Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Primary Government					
			Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total		
Primary Government:								
Governmental activities:								
Instructional services:								
Salaries and benefits	\$ 3,570,064	\$ -	\$ 2,835,441	\$ (734,623)	\$ -	\$ -	\$ (734,623)	
Purchased services	859,520	-	600,429	(259,091)	-	-	(259,091)	
Supplies and materials	203,127	-	150,252	(52,875)	-	-	(52,875)	
Pension benefit	(160,952)	-	136,203	297,155	-	-	297,155	
OPEB expense	226,037	-	24,138	(201,899)	-	-	(201,899)	
Other objects	106,667	-	12,257	(94,410)	-	-	(94,410)	
Depreciation	69,997	-	-	(69,997)	-	-	(69,997)	
Intergovernmental:								
Payments to other governments	82,664	-	74,057	(8,607)	-	-	(8,607)	
Administrative:								
On-behalf payments - State	2,398,241	-	-	(2,398,241)	-	-	(2,398,241)	
Total governmental activities	7,355,365	-	3,832,777	(3,522,588)	-	-	(3,522,588)	
Business-type activities								
Charges for services	375,911	632,943	-	-	257,032	257,032	257,032	
Total business-type activities	375,911	632,943	-	-	257,032	257,032	257,032	
Total primary government	\$ 7,731,276	\$ 632,943	\$ 3,832,777	(3,522,588)	257,032	257,032	(3,265,556)	
General revenues:								
Local sources								
On-behalf payments - State					1,407,801	-	1,407,801	
Loss on disposal of capital assets					2,398,241	-	2,398,241	
Interest					(503)	-	(503)	
Total general revenues					1,896	296	2,192	
Change in net position					3,807,435	296	3,807,731	
Net position, beginning of year, as restated (see Note 14)					284,847	257,328	542,175	
Net position - end of year					(6,662)	398,971	392,309	
					\$ 278,185	\$ 656,299	\$ 934,484	

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General Fund	Education Fund	Institute	Non-Major Special Revenue Funds	Eliminations	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 1,694,857	\$ 600,657	\$ 545,489	\$ 76,324	\$ -	\$ 2,917,327
Accounts receivable	114,145	-	-	430	-	114,575
Due from other funds	88,077	-	-	-	(88,077)	-
Due from other governments	1,064	532,558	-	290	-	533,912
Prepaid expenses	2,475	32,600	-	-	-	35,075
Total assets	<u>\$ 1,900,618</u>	<u>\$ 1,165,815</u>	<u>\$ 545,489</u>	<u>\$ 77,044</u>	<u>\$ (88,077)</u>	<u>\$ 3,600,889</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ 116,191	\$ 76,218	\$ 104	\$ 2,624	\$ -	\$ 195,137
Due to other funds	-	410,199	-	-	(88,077)	322,122
Due to other governments	-	3,838	-	-	-	3,838
Unearned revenue	-	390,340	-	-	-	390,340
Total liabilities	<u>116,191</u>	<u>880,595</u>	<u>104</u>	<u>2,624</u>	<u>(88,077)</u>	<u>911,437</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	24,590	-	-	530	-	25,120
FUND BALANCES (DEFICITS)						
Restricted	-	285,220	545,385	73,890	-	904,495
Assigned	649,732	-	-	-	-	649,732
Unassigned	1,110,105	-	-	-	-	1,110,105
Total fund balances (deficits)	<u>1,759,837</u>	<u>285,220</u>	<u>545,385</u>	<u>73,890</u>	<u>-</u>	<u>2,664,332</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 1,900,618</u>	<u>\$ 1,165,815</u>	<u>\$ 545,489</u>	<u>\$ 77,044</u>	<u>\$ (88,077)</u>	<u>\$ 3,600,889</u>

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Total fund balances - governmental funds		\$ 2,664,332
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		134,930
Lease payable reflects capital lease payments related to capital assets that the Regional Office of Education #9 will recognize as an expense when paid in the governmental fund financial statements.		(11,657)
Some revenues will not be collected for several months after the Regional Office's fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.		25,120
Noncurrent assets related to pension benefits are collected but not payable in the current period and therefore, are not reported in the funds.		
Net pension asset		643,177
Pension & OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds.		
Deferred outflows of resources	\$ 1,013,027	
Deferred inflows of resources	<u>(1,390,274)</u>	(377,247)
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability	\$ (241,399)	
Compensated absences	(18,860)	
OPEB liabilities	<u>(2,574,900)</u>	(2,835,159)
The Internal Service Fund is used by management to charge the costs of general accounting services of the Regional Office of Education #9 to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		
Net Position - Internal Service	\$ 34,774	
Less capital assets of Internal Service Fund included in the total above	<u>(85)</u>	<u>34,689</u>
Net position of governmental activities		<u>\$ 278,185</u>

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

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Education Fund	Institute	Non-Major Special Revenue Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 1,241,058	\$ 40,297	\$ 60,902	\$ 13,854	\$ 1,356,111
State sources	688,735	2,503,770	-	1,373	3,193,878
State sources-on-behalf payments	290,651	-	-	-	290,651
Federal sources	11,284	982,873	-	-	994,157
Interest	1,115	133	430	72	1,750
Total revenues	2,232,843	3,527,073	61,332	15,299	5,836,547
Expenditures:					
Instructional services:					
Salaries and benefits	1,337,209	2,137,464	9,688	11,392	3,495,753
Purchased services	226,486	553,675	48,543	17,136	845,840
Supplies and materials	61,949	134,863	2,745	724	200,281
Pension expense	71,484	119,158	1,123	1,018	192,783
OPEB expense	11,821	15,123	-	-	26,944
On-behalf payments	290,651	-	-	-	290,651
Other objects	95,572	9,015	2,030	-	106,617
Intergovernmental:					
Payments to other governments	-	82,664	-	-	82,664
Capital outlay	4,607	42,226	-	-	46,833
Debt service:					
Repayment of long-term lease payable	3,543	-	-	-	3,543
Total expenditures	2,103,322	3,094,188	64,129	30,270	5,291,909
Net change in fund balances	129,521	432,885	(2,797)	(14,971)	544,638
Fund balances (deficits), beginning of year, as restated (see Note 14)	1,630,316	(147,665)	548,182	88,861	2,119,694
Fund balances, end of year	\$ 1,759,837	\$ 285,220	\$ 545,385	\$ 73,890	\$ 2,664,332

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Net change in fund balances		\$ 544,638
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>In the statement of activities, only the loss on the disposal of property is reported where as in the governmental funds, the proceeds from the disposal increase financial resources. Thus, the change in net position differs from the change in fund balance by the carrying amount of the assets disposed.</p>		
	(503)	
<p>The issuance of long-term debt (e.g. capital leases) provided current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:</p>		
Repayment of long-term lease payable		3,543
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	\$ 46,833	
Depreciation expense	<u>(69,997)</u>	(23,164)
<p>Some revenues will not be collected for several months after the Regional Office's fiscal year ends. They are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.</p>		
Current year unavailable revenue	\$ 25,120	
Prior year unavailable revenue	<u>(426,989)</u>	(401,869)
<p>Certain expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Current year decrease in compensated absences	\$ 3,075	
OPEB expense	(199,093)	
Pension expense	<u>353,737</u>	157,719
<p>The Internal Service Fund is used by management to charge the costs of general accounting services of the Regional Office of Education #9 to individual funds. The net expense of the internal service fund is reported with governmental activities excluding the related depreciation expense of \$145, which is included in the items above.</p>		
		<u>4,483</u>
Change in net position of governmental activities		<u>\$ 284,847</u>

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Local Workshops	Nonmajor Enterprise Funds	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 156,203	\$ 28,320	\$ 184,523	\$ 35,666
Accounts receivable	6,175	-	6,175	-
Due from other funds	322,122	-	322,122	-
Due from other governments	150,858	-	150,858	878
	<u>635,358</u>	<u>28,320</u>	<u>663,678</u>	<u>36,544</u>
Total current assets				
Noncurrent assets:				
Capital assets, net	3,114	-	3,114	85
	<u>638,472</u>	<u>28,320</u>	<u>666,792</u>	<u>36,629</u>
Total assets				
LIABILITIES				
Current liabilities:				
Accounts payable and accrued expenses	10,493	-	10,493	1,855
Total current liabilities	<u>10,493</u>	<u>-</u>	<u>10,493</u>	<u>1,855</u>
	<u>10,493</u>	<u>-</u>	<u>10,493</u>	<u>1,855</u>
Total liabilities				
NET POSITION				
Net investment in capital assets	3,114	-	3,114	85
Unrestricted	624,865	28,320	653,185	34,689
	<u>\$ 627,979</u>	<u>\$ 28,320</u>	<u>\$ 656,299</u>	<u>\$ 34,774</u>
Total net position				

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Local Workshops	Nonmajor Enterprise Funds	Total	
Operating revenues:				
Charges for services	\$ 620,267	\$ 12,676	\$ 632,943	\$ 98,302
Operating expenses:				
Salaries and benefits	221,509	-	221,509	77,389
Purchased services	116,790	12,139	128,929	13,680
Supplies and materials	24,627	-	24,627	2,846
Other objects	15	-	15	50
Depreciation	831	-	831	145
Total operating expenses	363,772	12,139	375,911	94,110
Operating income (loss)	256,495	537	257,032	4,192
Nonoperating revenue:				
Interest income	295	1	296	146
Total nonoperating revenue	295	1	296	146
Change in net position	256,790	538	257,328	4,338
Net position, beginning of year, as restated (see Note 14)	371,189	27,782	398,971	30,436
Net position, end of year	\$ 627,979	\$ 28,320	\$ 656,299	\$ 34,774

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal
	Local	Nonmajor		
	Workshops	Enterprise Funds	Total	Service Fund
Cash flows from operating activities:				
Receipts from customers	\$ 573,813	\$ 14,598	\$ 588,411	\$ 98,318
Payments to suppliers and providers of goods and services	(141,432)	(12,139)	(153,571)	(16,576)
Payments to employees	(229,466)	-	(229,466)	(75,988)
Net cash provided by operating activities	<u>202,915</u>	<u>2,459</u>	<u>205,374</u>	<u>5,754</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(2,349)	-	(2,349)	-
Net cash used for capital and related financing activities	<u>(2,349)</u>	<u>-</u>	<u>(2,349)</u>	<u>-</u>
Cash flows for noncapital financing activities:				
Payments for interfund borrowing, net	(130,611)	-	(130,611)	-
Net cash used for noncapital financing activities	<u>(130,611)</u>	<u>-</u>	<u>(130,611)</u>	<u>-</u>
Cash flows from investing activities:				
Interest earned	295	1	296	146
Net cash provided by investing activities	<u>295</u>	<u>1</u>	<u>296</u>	<u>146</u>
Net increase in cash and cash equivalents	70,250	2,460	72,710	5,900
Cash and cash equivalents - beginning of year	<u>85,953</u>	<u>25,860</u>	<u>111,813</u>	<u>29,766</u>
Cash and cash equivalents - end of year	<u>\$ 156,203</u>	<u>\$ 28,320</u>	<u>\$ 184,523</u>	<u>\$ 35,666</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 256,495	\$ 537	\$ 257,032	\$ 4,192
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	831	-	831	145
Increase in accounts receivable	(3,450)	-	(3,450)	-
Decrease (increase) in due from other governments	(43,004)	1,922	(41,082)	16
Increase (decrease) in accounts payable and accrued expenses	(7,957)	-	(7,957)	1,401
Net cash provided by operating activities	<u>\$ 202,915</u>	<u>\$ 2,459</u>	<u>\$ 205,374</u>	<u>\$ 5,754</u>

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

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	<u>Custodial Funds</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 18,690
Total assets	<u>18,690</u>
LIABILITIES	
Accounts payable and accrued expenses	11,306
Due to other governments	<u>162</u>
Total liabilities	<u>\$ 11,468</u>
NET POSITION	
Restricted for other purposes	<u>7,222</u>
Total net position	<u>\$ 7,222</u>

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

ADDITIONS:	<u>Custodial Funds</u>
Local Sources	\$ 716,301
Sales tax collections for other governments	<u>18,565,550</u>
Total Additions	<u>19,281,851</u>
DEDUCTIONS:	
Payments of sales tax to other governments	18,565,550
Payment of payroll expenses	<u>711,471</u>
Total Deductions	<u>19,277,021</u>
Net Change in Fiduciary Net Position	4,830
Net Position, beginning of the year, as restated (see Note 14)	<u>2,392</u>
Net Position, end of the year	<u><u>\$ 7,222</u></u>

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education No. 9 was created by Illinois Public Act 76-735, as amended, effective August 7, 1995. The Regional Office operates under the School Code (105 ILCS 5/3 and 5/3A). The region encompasses Champaign and Ford counties.

A. DATE OF MANAGEMENT’S REVIEW

Management has evaluated subsequent events through July 7, 2022, the date when the financial statements were available to be issued.

B. FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to State-controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; to serve as the official advisor and assistant of school officers and teachers; to conduct teachers institutes as well as to aid and encourage the formation of other teachers’ meetings and assist in their management; to evaluate the schools in the region; to examine evidence of indebtedness; to file and keep the returns of elections required to be returned to the Regional Superintendent’s office; and to file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education No. 9’s districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; performing and reporting on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions; and carrying out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurers’ bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts within the region are properly bonded.

The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report. The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

For the period ended June 30, 2021, the Regional Office of Education No. 9 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education No. 9. Such activities are reported as a single special revenue fund (Education Fund).

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. SCOPE OF THE REPORTING ENTITY

The Regional Office of Education No. 9's reporting entity includes all related organizations for which it exercises oversight responsibility.

The Regional Office of Education No. 9 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education No. 9 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education No. 9 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education No. 9 is not aware of any entity that would exercise such oversight as to result in the Regional Office of Education No. 9 being considered a component unit of the entity.

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education No. 9's activities, with most of the interfund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education has two business-type activities that rely on fees and charges for support.

The Regional Office of Education No. 9's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education No. 9 accompanied by a total column. These statements are presented on an "economic resources" measurement focus as prescribed by GASB Statement No. 34. All of the Regional Office of Education No. 9's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges for services and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Concluded)

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, such as payables, receivables, and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and on the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. Interfund activities between governmental funds and business-type funds remain as internal balances on the government-wide financial statements.

All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities. In the Statement of Activities, activities between governmental funds have been eliminated; however, transactions between governmental and business-type activities have not been eliminated.

The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent short falls in cash flow within grant programs and funds.

E. PROPRIETARY FUND FINANCIAL STATEMENTS

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

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Regional Office of Education No. 9 considers revenues to be available if they are collectible within 60 days after year-end. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable, with the exception of expenditures for prepaid items and other long-term obligations, which are recognized as liabilities when due, as well as expenditures related to compensated absences and claims and judgements which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues susceptible to accrual are recognized in the current fiscal period. Those revenues include local sources, State sources, federal sources, and interest. Unavailable revenues arise when potential revenue does not meet both the measurable and available criteria. Unearned revenues arise when resources are received prior to the government having legal claim to them. The revenues are subsequently recognized when both recognition criteria are met or when the government has legal claim to the resources. Revenues received after the Regional Office of Education No. 9's availability period are reported as deferred inflows of resources - unavailable revenue in the fund financial statements and are reported as current revenue in the Statement of Activities.

Under the terms of grant agreements, Regional Office of Education No. 9 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is Regional Office of Education No. 9's policy to first apply restricted funds to such programs, and then unrestricted funds. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned funds if any.

G. FUND ACCOUNTING

The Regional Office of Education No. 9 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education No. 9 uses governmental, proprietary, and fiduciary funds.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are reported. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets (including deferred outflows) and liabilities (including deferred inflows) is reported as fund balance.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets (including deferred outflows), liabilities (including deferred inflows), revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and (2) total assets (including deferred outflows), liabilities (including deferred inflows), revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education No. 9 has presented all major funds that met the above qualifications.

The Regional Office of Education No. 9 reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the Regional Office of Education No. 9 . It is used to account for the expenditures that benefit all school districts in the Region except those required to be accounted for and reported in other funds. General Funds include the following:

General Operations - Accounts for monies received for, and payment of, expenditures for the general administration of the Regional Office of Education No. 9 operations.

IL Learning Technology Purchase Program - Accounts for monies received for, and payment of, expenditures for a fund created as a consortium of Learning Technology Centers, Regional Offices of Educations and school districts to purchase software, hardware and peripherals at competitive pricing from accredited suppliers.

Regional Education Alternative for Developing Youth (READY) - Accounts for grant monies and local fees received for, and payment of, expenditures to administer an alternative school program for at-risk students in grades 6-12. The READY fund also includes the School Breakfast Program and National School Lunch Program. In addition, the READY program is funded by the General State Aid.

Major Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. Major special revenue funds include the following:

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Education Fund (Continued)

Area IV Learning Technology Hub - Accounts for the grant monies received for, and payment of, expenditures for programs that provide assistance to local districts and schools for the implementation and support of a comprehensive system that effectively uses technology in schools to improve student academic achievement.

Juvenile Detention Center - Accounts for monies received from the Urbana School District #116 to provide an educational program for the students serving time at the Juvenile Detention Center.

CTE State Leadership - Accounts for a grant that provides support, conferences (2 per year), and resources throughout the State for all educators. The focus is to address equity in CTE, integration of core academics and CTE content, and outreach to strengthen partnerships and accessibility for students to participate in CTE programs.

McKinney-Vento Homeless Children & Youth Program - Accounts for grant monies received for, and payment of, expenditures for federal Statewide grant under McKinney-Vento Homeless Children and Youth Program. This program provides assistance to schools who work with the homeless youth.

Other State Programs - This program accounts for grant monies that provide work cooperative education to students who are at risk of dropping out of school by offering the students a work-based experience.

Regional Safe Schools – To work with students in grades 6-12 who have been suspended multiple times or expelled from school, allowing them to continue their education. It accounts for aid provided by the State based on students that attend the Regional Educational Alternative for Developing Youth and Alternative School programs.

RtI Network - The Illinois RtI Network provides standardized professional development, technical assistance, and coaching to educators and parents throughout the State. These services focus on improving student performance in grades K-12 through the implementation of a multi-tiered system of instruction, intervention, and assessment, including RtI, with an emphasis on administrative leadership; scientific, research-based reading and math curricula and instruction at grades K-12; data-based decision making; universal screening and progress monitoring; and parent involvement. A standardized curriculum and a systematic professional development, technical assistance, and coaching structure are used to improve the consistency of project services.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Education Fund (Continued)

Schoolworks Operations - Accounts for a grant that provides professional development and training for teachers and administrators in Champaign, Ford and Vermilion Counties in the areas of gifted education, school improvement, staff development, and technology through workshops, study groups, on-site training, phone assistance, and consultation.

Title II Teacher Quality – Leadership - This program accounts for the proceeds of a grant from the Illinois State Board of Education (ISBE) to improve teacher effectiveness in the classroom.

Truants Alternative Optional Education (TAOEP) - This program accounts for grant monies received for and in payment of expenditures for optional education opportunities to school dropouts, potential dropouts, and truants of the Region.

Workforce Investment – This program accounts for grant monies received from the Department of Labor to promote youth employment programs for eligible youth, ages 14-24, who face barriers to education, training and employment.

Educating with Evidence en Espanol – Accounts for the proceeds of a grant received from the Library of Congress. The objectives of the grant are to provide 2 weeks of training and support for Two-Way Immersion teachers, grades 6-12, to develop quality assessment in Spanish.

Elevating Special Educators – This program accounts for the proceeds of a grant used to provide professional learning, mentoring, and coaching for special educators.

Elementary and Secondary School Emergency Relief – This program accounts for the proceeds of a grant used to provide educators and parents with professional learning opportunities that drive digital-age learning, integrate technology across subject areas, and help mitigate learning loss due to COVID-19.

Digital Professional Learning – This program accounts for the proceeds of a grant to assist the READY Program and JDC teaching in enabling digital-age teaching and learning.

Digital Equity – This program accounts for the proceeds of a grant to purchase electronic devices for all students to allow them access to remote learning.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUNDS (Continued)

Institute Fund - Accounts for teacher license registrations, issuance and evaluation fees for processing certificates, and expenses for meetings of a professional nature. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds - Nonmajor special revenue funds include the following:

General Education Development (GED) - Accounts for the receipts and expenses pertaining to the GED/High School Equivalency program for high school dropouts.

School Bus Driver Training - Accounts for State and local receipts and expenses as a result of training school district bus drivers.

PROPRIETARY FUNDS

Proprietary Funds – Proprietary funds account for revenues and expenses related to services provided to organizations inside the Region on a cost-reimbursement basis. The Regional Office of Education No. 9 reports the following proprietary funds:

Local Workshops - Accounts for monies received from registration fees for trainings and workshops conducted by the Regional Office of Education No. 9 for the school district administrators and professionals.

Nonmajor Enterprise Funds - Nonmajor enterprise funds consists of:

Fingerprinting Services – Accounts for revenues and expenditures related to the processing of fingerprinting for teachers.

HR Solutions (Tomlinson) - Accounts for monies received from participating school districts which are used to provide technical assistance and training on human resources issues.

The Regional Office of Education No. 9 reports the following internal service fund:

Internal Service Fund - Accounts for the general accounting services and other expenses provided to other operating areas and programs of the Regional Office of Education No. 9 on a cost-reimbursement basis.

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the Regional Office of Education No. 9 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. FUND ACCOUNTING (Concluded)

FIDUCIARY FUNDS (Concluded)

Custodial Funds – Custodial funds, which prior to GASB 84 were reported as agency funds, are used to report fiduciary activities that are not required to be reported as another fiduciary fund type. Custodial funds include the following:

County School Facility Sales Tax - This fund accounts for monies received from Champaign County representing 1% of the county's sales tax revenues. In accordance with the School Code 105 ILCS 5/3-14.31, proceeds from the sales tax revenues are distributed to the school districts in Champaign County based on student enrollment.

Payroll Clearing - This fund receives money from Facilitating Coordination in Agricultural Education (FCAE) to pay for FCAE payroll expenses, which the Regional Office of Education #9 processes.

Regional Board of Trustees - This fund accounts for the monies received from, and disbursed for, the activities of the Regional Board of Trustees.

H. GOVERNMENTAL FUND BALANCES

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

Nonspendable Fund Balance – The portion of a governmental fund's net position that is not available to be spent, either short term or long term, due to either their form or legal restrictions. The Regional Office of Education No. 9 has no nonspendable fund balances.

Restricted Fund Balance – The portion of a governmental fund's net position that is subject to external enforceable legal restrictions. The following fund balances are restricted by Illinois Statute or donor restrictions: Institute, Juvenile Detention Center, McKinney-Vento Homeless Children & Youth Program, General Education Development and Bus Driver Training.

Committed Fund Balance – The portion of a governmental fund's net position with self-imposed constraints or limitations that have been placed at the highest level of decision making. The Regional Office of Education No. 9 has no committed fund balances.

Assigned Fund Balance – The portion of a governmental fund's net position for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The IL Learning Technology Purchase Program Fund has an assigned fund balance.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. GOVERNMENTAL FUND BALANCES (Concluded)

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following fund balances are unassigned: General Operations, and Regional Education Alternative for Developing Youth.

I. NET POSITION

Equity is classified as net position and displayed in three components:

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

Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position – The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

J. CASH AND CASH EQUIVALENTS

The Champaign and Ford Counties Regional Office of Education No. 9's cash and cash equivalents are considered to be demand deposits and short-term investments. All interest income is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures, and Changes in Fund Balances.

K. CAPITAL ASSETS

Capital assets are reported in the applicable columns in the government-wide and proprietary fund financial statements. Capital assets purchased or acquired with an original cost of \$500 or more and estimated useful lives of greater than three years are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over 3-20 years.

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the employer after the measurement date but before the end of the employer’s reporting period.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position/fund balance that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of grant receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of unrecognized items that have not yet reduced pension and OPEB expense.

M. COMPENSATED ABSENCES

Non-certified and certified employees who work 12 calendar months earn up to 20 vacation days for a full year of service. The accumulated total of vacation days may never exceed 30 days. In the event that a program terminates, no vacation days will be honored past the ending date of the program. Certified employees who work less than 12 calendar months per year do not earn vacation days. Any accruals as of June 30th are reported as a liability for compensated absences in the basic financial statements.

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

N. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

For purposes of measuring the Regional Office of Education No. 9’s OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Regional Office of Education No. 9’s OPEB Plan and additions to/deductions from the Regional Office of Education No. 9’s fiduciary net position have been determined on the same basis as they are reported by the Regional Office of Education No. 9’s Plan. For this purpose, the Regional Office of Education No. 9’s Plan recognizes benefit payments when due and payable in accordance with the benefit terms. The Regional Office of Education No. 9’s OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense for the ROE’s single-employer defined benefit OPEB plan have been actuarially determined using the Alternative Measurement Method.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

O. BUDGET INFORMATION

The Regional Office of Education No. 9 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Funds. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted nor are they required to be. Certain programs within the General Fund and Special Revenue Funds do not have separate budgets. Comparisons of budgeted and actual results are presented as supplementary information. Budgetary comparison schedules have been provided in supplementary schedules for the following funds: Area IV Learning Technology Hub, CTE State Leadership, McKinney-Vento Homeless Children & Youth Program, Other State Programs, Regional Safe Schools, RtI Network, Schoolworks Operations, Title II Teacher Quality – Leadership, TAOEP, Elevating Special Educators, Elementary and Secondary School Emergency Relief, Digital Professional Learning, and Digital Equity.

P. NEW ACCOUNTING PRONOUNCEMENTS

In 2021, the Regional Office of Education No. 9 implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, GASB Statement No. 90, *Major Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, and GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The implementation of GASB Statement No. 84 established criteria for identifying fiduciary activities and provided guidance on reporting fiduciary activities. This Statement changed the Regional Office’s reporting of fiduciary activities and presentation of fiduciary fund financial statements. The implementation of GASB Statement No. 90, *Major Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, and GASB Statement No. 93, *Replacement of Interbank Offered Rates* had no significant impact on the Regional Office of Education No. 9’s financial statements.

NOTE 2 – CASH

A. DEPOSITS

At June 30, 2021, the carrying amounts of the Regional Office of Education No. 9’s government-wide fund and custodial fund deposits were \$3,137,512 and \$18,690, respectively, and the bank balances were \$3,239,820 and \$138,112, respectively. Of the total bank balances as of June 30, 2021, \$389,112 was secured by federal depository insurance and \$2,988,820 was collateralized by pledged securities.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the Regional Office of Education No. 9’s deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the Regional Office of Education No. 9’s investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the Regional Office of Education No. 9.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 – CASH (Concluded)

B. INVESTMENTS

At June 30, 2021, the carrying amount of the Regional Office of Education No. 9's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$4. The bank balance invested in the Illinois Funds Money Market Fund was \$4. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 9's governmental activities.

CREDIT RISK

At June 30, 2021, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

CONCENTRATION OF CREDIT RISK

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

INTEREST RATE RISK

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

NOTE 3 – DEFINED BENEFIT PENSION PLAN

The Regional Office of Education No. 9 contributes to the Illinois Municipal Retirement Fund (IMRF) for both Regional Office of Education No. 9 and Facilitating Coordination in Agricultural Education (FCAE) employees reported under Regional Office of Education No. 9's IMRF employer number. IMRF is an agent multiple-employer public employee retirement system; however, the Regional Office of Education No. 9's participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both the Regional Office of Education No. 9 and FCAE combined. The Regional Office of Education No. 9's proportion of the net pension liability, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions was based on the Regional Office of Education No. 9's share of contributions to IMRF for the fiscal year ended June 30, 2021, relative to the contributions made under the Regional Office of Education No. 9's IMRF employer number during that period.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

IMRF Plan Description

The Regional Office of Education No. 9’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education No. 9’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the following “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.

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.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

Contributions

As set by statute, the Regional Office of Education No. 9'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 Regional Office of Education No. 9's annual contribution rate for calendar year 2020 was 13.97%. For the fiscal year ended June 30, 2021, the Regional Office of Education No. 9 contributed \$145,567 to the plan. The Regional Office of Education No. 9 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Asset

At June 30, 2021, the Regional Office of Education No. 9 reported an asset of \$643,177 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Regional Office of Education No. 9's proportion of the net pension asset was based on the Regional Office of Education No. 9's actual contributions to the plan for the year ended June 30, 2021, relative to the actual contributions of the Regional Office of Education No. 9 and the FCAE as a whole. At June 30, 2021, the Regional Office of Education No. 9's proportion was 90.37% of the total contributions.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension asset at December 31, 2020:

- The **Actuarial Cost Method** used was Entry Age Normal
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.89% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions (Concluded)

- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation pursuant to an experience study from 2017 to 2019.
- For **non-disabled retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected scale MP-2020 were used.
- For **Disabled Retirees**, the Pub-2010, Amount Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected scale MP-2020 were used.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected scale MP-2020 were used.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Equities	37%	5.00%
International Equities	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	
Private Equity		6.95%
Hedge Funds		N/A
Commodities		2.85%
Cash Equivalents	1%	0.70%
Total	100%	

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2019	\$ 8,690,244	\$ 8,582,987	\$ 107,257
Changes for the year:			
Service Cost	95,377	-	95,377
Interest on the total pension liability	673,564	-	673,564
Differences between expected and actual experience of the total pension liability	(4,525)	-	(4,525)
Contributions - employer	-	135,100	(135,100)
Contributions - employees	-	49,592	(49,592)
Changes of assumptions	(59,329)	-	(59,329)
Net investment income	-	1,276,684	(1,276,684)
Benefit payments, including refunds of employee contributions	(395,179)	(395,179)	-
Other (net transfer)	-	(5,855)	5,855
Net changes	<u>309,908</u>	<u>1,060,342</u>	<u>(750,434)</u>
Balances at December 31, 2020	<u>\$ 9,000,152</u>	<u>\$ 9,643,329</u>	<u>\$ (643,177)</u>

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Continued)

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

The following presents the plan’s net pension liability (asset), calculated using a single discount rate of 7.25%, as well as what the plan’s net pension liability (asset) would be using a single discount rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension Liability (Asset)	\$ 388,314	\$ (643,177)	\$ (1,449,949)

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

For the year ending June 30, 2021, the Regional Office of Education No. 9 recognized a pension benefit of \$202,547. At June 30, 2021, the Regional Office of Education No. 9 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Deferred Amounts Related to Pensions</u>		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 877
Assumption changes	-	11,498
Net difference between projected and actual earnings on pension plan investments	-	807,555
Total Deferred Amount to be Recognized in Pension Expense in Future Periods	-	819,930
Pension Contributions Made Subsequent to the Measurement Date	75,337	-
Total Deferred Amounts Related to Pensions	\$ 75,337	\$ 819,930

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 – DEFINED BENEFIT PENSION PLAN (Concluded)

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

\$75,337 reported as deferred outflows of resources related to pensions resulting from Regional Office of Education No. 9 contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Net Deferred Inflows of Resources
2021	(271,030)
2022	(119,308)
2023	(304,259)
2024	(125,333)
Total	\$ (819,930)

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Plan Description

The Regional Office of Education No. 9 participates in the Teachers’ Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor’s approval. The TRS Board of Trustees is responsible for the System’s administration.

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

Benefits Provided

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

Tier II 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 II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I 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 II 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 III 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 are funded by bonds issued by the State of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education No. 9.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

On-behalf contributions. The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 9. For the year ended June 30, 2021, State of Illinois contributions recognized by the Regional Office of Education No. 9 were based on the State’s proportionate share of the collective net pension liability associated with the Regional Office of Education No. 9, and the Regional Office of Education No. 9 recognized revenue and expenditures of \$2,013,676 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 \$12,895, and are deferred because they were paid after the June 30, 2020, measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 9, there is a statutory requirement for the Regional Office of Education No. 9 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 \$329,708 were paid from federal and special trust funds that required employer contributions of \$34,322. These contributions are deferred because they were paid after the June 30, 2020 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education No. 9 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree’s final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the Regional Office of Education No. 9 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

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

At June 30, 2021, the Regional Office of Education No. 9 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the employer. The State’s support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the employer follows below:

Employer's proportionate share of the net pension liability	\$ 241,399
State's proportionate share of the net pension liability associated with the employer	<u>18,907,637</u>
Total	<u><u>\$ 19,149,036</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The Regional Office of Education No. 9’s proportion of the net pension liability was based on the employer’s share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2020, the Regional Office of Education No. 9’s proportion was .0002799960 percent, which was an increase of .000046017 percent from its proportion measured as of June 30, 2019.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

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

For the year ended June 30, 2021, the Regional Office of Education No. 9 recognized pension expense of \$2,013,676 and revenue of \$2,013,676 for support provided by the State. For the year ended June 30, 2021, the Regional Office of Education No. 9 recognized pension expense of \$41,595. At June 30, 2021, the Regional Office of Education No. 9 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,339	\$ 64
Net difference between projected and actual earnings on pension plan investments	7,208	-
Changes of assumptions	989	2,533
Changes in proportion and differences between employer contributions and proportionate share of contributions	62,842	90,700
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	73,378	93,297
Employer Contributions Made Subsequent to the Measurement Date	47,217	-
Total Deferred Amounts Related to Pensions	\$ 120,595	\$ 93,297

\$47,217 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (5,380)
2023	(21,692)
2024	(4,562)
2025	9,323
2026	2,392
Total	\$ (19,919)

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	varies by amount of service credit
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	16.50%	6.10%
U.S. equities small/mid cap	2.30%	7.20%
International equities developed	12.20%	7.00%
Emerging market equities	3.00%	9.40%
U.S. bonds core	7.00%	2.20%
U.S. bonds high yield	2.50%	4.10%
International debt developed	3.10%	1.50%
Emerging international debt	3.20%	4.50%
Real estate	16.00%	5.70%
Private debt	5.20%	6.30%
Hedge funds	10.00%	4.30%
Private equity	15.00%	10.50%
Infrastructure	4.00%	6.20%
Total	<u>100.00%</u>	

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

**CHAMPAIGN AND FORD COUNTIES
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NOTE 4 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)

Based on those assumptions, TRS’s fiduciary net position at June 30, 2020 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I’s liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Regional Office of Education No. 9’s proportionate share of the net pension liability to changes in the discount rate

The following presents the Regional Office of Education No. 9’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Regional Office of Education No. 9’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ 293,014	\$ 241,399	\$ 198,905

TRS fiduciary net position

Detailed information about the TRS’s fiduciary net position as of June 30, 2020, is available in the separately issued TRS *Comprehensive Annual Financial Report*.

NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND

THIS Plan Description

The Regional Office of Education No. 9 participates in the Teachers’ Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit post-employment 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 (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers’ Retirement System (TRS).

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

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 Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 required all active contributors to TRS who are not employees of the State to make a contribution to the THIS Fund.

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

On-behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 9. For the year ended June 30, 2021, State of Illinois contributions recognized by the Regional Office of Education No. 9 were based on the State’s proportionate share of the collective net OPEB liability associated with the Regional Office of Education No. 9, and recognized revenue and expenditures of \$93,914 in OPEB contributions from the State of Illinois.

Employer contributions to the THIS Fund

The Regional Office of Education No. 9 also makes contributions to the THIS Fund. The employer 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 Regional Office of Education No. 9 paid \$23,648 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2020 and 2019, the Regional Office of Education No. 9 paid \$21,021 and \$15,997 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.”

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

Actuarial Assumptions (Concluded)

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare costs and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017. The same assumptions were used in the June 30, 2018 valuation.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since the THIS fund is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity’s index’s “20-year Municipal GO AA Index” has been selected. The discount rates are 2.45% as of June 30, 2020, and 3.13% as of June 30, 2019.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

Sensitivity of the employer’s proportionate share of the collective net OPEB liability to changes in the discount rate.

The following presents the Regional Office of Education No. 9’s proportionate share of the collective net OPEB liability, as well as what the Regional Office of Education No. 9’s proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current discount rate:

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
Employer's proportionate share of the collective net OPEB liability	\$ 2,989,270	\$ 2,487,096	\$ 2,089,446

Sensitivity of the employer’s proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates.

The following table shows the Regional Office of Education No. 9’s proportionate share of the collective net OPEB liability as of June 30, 2020, using current trend rates and sensitivity trend rates that are either 1-percentage-point higher or lower. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease*	Healthcare Cost Trend Rates	1% Increase**
Employer's proportionate share of the collective net OPEB liability	\$ 2,000,472	\$ 2,487,096	\$ 3,145,181

* One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate rate of 3.25% in 2037.

** One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Continued)

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

At June 30, 2021, the Regional Office of Education No. 9 reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to the Regional Office of Education No. 9. The amount recognized by the Regional Office of Education No. 9 as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Regional Office of Education No. 9 were as follow:

Employer's proportionate share of the collective net OPEB liability	\$ 2,487,096
State's proportionate share of the collective net OPEB liability associated with the employer	<u>3,369,366</u>
Total	<u><u>\$ 5,856,462</u></u>

The collective net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward to the June 30, 2020 measurement date. The Regional Office of Education No. 9’s proportion of the collective net OPEB liability was based on a projection of the Regional Office of Education No. 9’s long-term share of contributions to the OPEB plan relative to the projected contributions of the Regional Office of Education No. 9, actuarially determined. At June 30, 2020, the Regional Office of Education No. 9’s proportion was 0.009303 percent, which was an increase of 0.001870 from its proportion measured as of June 30, 2019 (0.007433 percent). The State’s support and total are for disclosure purposes only.

For the year ending June 30, 2021, the Regional Office of Education No. 9 recognized OPEB expense of \$93,914 and revenue of \$93,914 for support provided by the State. For the year ending June 30, 2021, the Regional Office of Education No. 9 recognized OPEB expense of \$251,214. At June 30, 2021, the Regional Office of Education No. 9 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 – TEACHERS’ HEALTH INSURANCE SECURITY FUND (Concluded)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 66,079
Changes of assumptions	842	410,244
Net difference between projected and actual earnings on earnings on OPEB plan investments	-	71
Changes in proportion and differences between employer contributions and proportionate share of contributions	792,605	653
Employer contributions subsequent to the measurement date	23,648	-
 Total Deferred Amounts Related to OPEB	 \$ 817,095	 \$ 477,047

\$23,648 reported as deferred outflows of resources related to OPEB resulting from Regional Office of Education No. 9 contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Regional Office of Education No. 9’s OPEB expense as follows:

Year Ending June 30,	Net Deferred Outflows of Resources
2022	\$ 43,157
2023	43,157
2024	43,157
2025	43,157
2026	43,175
Thereafter	100,597
Total	\$ 316,400

THIS Fiduciary Net Position

Detailed information about the THIS Fund fiduciary net position as of June 30, 2020, is available in the separately issued THIS Financial Report.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE

Plan Description

The Regional Office of Education No. 9 provides a single-employer defined-benefit postemployment healthcare plan to retirees who participate in the IMRF retirement plan. This plan extends the same health benefits to annuitants as to active employees in the IMRF plan. The Governmental Accounting Standards Board (GASB) issued Statement No.’s 74 and 75 that established generally accepted accounting principles for the annual financial statements for postemployment benefit plans other than pension plans. The required information is as follows:

Eligibility Provisions

Full-Time Employees – IMRF

- Tier I IMRF Full-Time ROE employees age 55 with at least 8 years of service are covered.
- Tier II IMRF Full-Time ROE employees age 62 with at least 10 years of service are covered.

Full-Time Employees – TRS

TRS employees are not eligible to stay on ROE insurance coverage upon retirement.

Benefits Provided

The Regional Office of Education No. 9 provides continued health insurance coverage at the blended employer rate to all eligible Regional Office of Education No. 9 retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The Regional Office of Education No. 9 offers the following Health Alliance Medical Plans to full time IMRF employees: POS 1000D, POSC 1000E, and HSA 2800. Retirees pay the full cost of coverage, including the cost of spousal coverage. Coverage continues until Medicare eligibility is reached. If the retiree attains age 65 (eligible for Medicare) prior to their spouse, the spouse may continue to elect coverage through the Regional Office of Education No. 9 until the spouse attains age 65.

Membership

At June 30, 2021 membership consisted of:

Inactive Employees Currently Receiving Benefit Payments	1
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	21
TOTAL	<u><u>22</u></u>

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.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

Funding Policy and Contributions (Concluded)

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

The contributions of \$3,296 from Other ROE Resources and Benefit Payments of \$3,296 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.

Total OPEB Liability

The total OPEB liability for the current fiscal year has been developed based on the July 1, 2021 actuarial valuation date and adjusted to the June 30, 2021 measurement date based on procedures that conform to the Alternative Measurement Method and generally accepted actuarial principles and practices.

Actuarial Assumptions

Discount Rate used for the Total OPEB Liability	2.16%
Long-Term Expected Rate of Return on Plan Assets	N/A. OPEB obligation is unfunded.
High Quality 20 Year Tax-Exempt G.O. Bond Rate	2.16%
Salary Increases	2.50%
Annual Blended Premiums	Premiums charged for coverage of retiree under age 65 start at \$5,784 and increase to \$6,228 depending on the Health Alliance Medical Plan selected. Premiums charged for coverage of spouse under age 65 start at \$5,028 and increase to \$5,412 depending on the Health Alliance Medical Plan selected.
Healthcare Trend Rates	Initial trend rate is based on the 2021 Segal Health Plan Cost Trend Survey. For fiscal years on and after 2021, trend starts at 7.70% or 7.20% depending on the Health Alliance Medical Plan selected and gradually decreases to an ultimate trend of 5.00%.
Retiree Contribution Rates	Same as Healthcare Trend Rates.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

Actuarial Assumptions (Concluded)

Retirement Rates	Age 60 for Tier I IMRF Employees. Age 62 for Tier II IMRF Employees.
Termination & Disability Rates	Based on Rates from IMRF Experience Study Report dated November 8, 2017.
Mortality Rates	RP-2014 with Blue Collar Adjustment and MP-2016 Improvement, weighted per IMRF Experience Study dated November 8, 2017; Age 85 for males, Age 88 for females

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

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

All assumptions were made in accordance with the Alternative Measurement Method for GASB Statement 74/75.

Assumption Changes

Since the Regional Office of Education No. 9 switched medical plans available to retirees, the plan participation assumptions have been updated, as previously disclosed.

The assumed rate on High Quality 20-year Tax-Exempt G.O. Bonds was changed from 2.21% to 2.16% for the current year. The underlying index used is the Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current Fiscal Year end based on changes in market conditions as reflected in the Index. Assumptions follow the guidance in GASB 74/75 for the Alternative Measurement Method where noted.

Since the Regional Office of Education No. 9 does not have a trust dedicated exclusively to the payment of OPEB benefits, the discount rate used in the determination of the Total OPEB Liability was also changed from 2.21% to 2.16%.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances, beginning	\$ 116,277
Changes for the year:	
Service cost	2,329
Interest	2,533
Actuarial experience	(34,362)
Assumptions changes	4,323
Plan changes	-
Contributions - employer	-
Contributions - employee	-
Contributions - other	-
Benefit payments	(3,296)
Administrative expense	-
Net changes	(28,473)
Balance, ending	\$ 87,804

Discount Rate

The discount rate used in the determination of the total OPEB liability is based on a combination of the expected long-term rate of return on plan assets and the municipal bond rate. If the employer does not have a trust dedicated exclusively to the payment of OPEB benefits, as is the case with the Regional Office of Education No. 9, then only the municipal bond rate is used in determining the total OPEB liability.

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

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Continued)

Discount Rate (Concluded)

Municipal Bond Rate

The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The beginning of year rate is 2.21% and the end of year rate is 2.16%. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody’s Aa2 and Standard & Poor’s AA.

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

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

Sensitivity of the Discount Rate

The following presents the Regional Office of Education No. 9’s total OPEB liability calculated using a discount rate of 2.16%, as well as what the Regional Office of Education No. 9’s total OPEB liability would be if it were calculated using a single discount rate that is 1-percentage-point higher (3.16%) or 1-percentage-point lower (1.16%) than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Employer’s Total OPEB Liability	<u>\$ 97,231</u>	<u>\$ 87,804</u>	<u>\$ 79,914</u>

The sensitivity of the Total OPEB Liability to the discount rate is based primarily on two factors:

1. The duration of the plan’s expected benefit payments. Younger plans with benefit payments further in the future will be more sensitive to changes in the discount rate.
2. The funded percentage of the plan (ratio of the Net Position to the Total OPEB Liability). The higher the funded percentage, the higher the sensitivity to the discount rate.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE (Concluded)

Sensitivity of the Healthcare Trend Rates

The following presents the Regional Office of Education No. 9’s total OPEB liability, calculated using the healthcare cost trend rates as well as what the Regional Office of Education No. 9’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 7.20% in 2021 decreasing to an ultimate trend rate of 5.00% in 2031 for both non-Medicare coverage and post-Medicare coverage.

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Employer’s Total OPEB Liability	\$ 79,763	\$ 87,804	\$ 97,234

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

For the year ending June 30, 2021, the Regional Office of Education No. 9 recognized an OPEB benefit of \$25,177. At June 30, 2021 the Regional Office of Education No. 9 reported no deferred outflows of resources or deferred inflows of resources related to this health insurance plan.

NOTE 7 – LEASES

A. CAPITAL LEASES

The Regional Office of Education No. 9 has entered into a lease agreement as lessee for financing the acquisition of an office copier in the amount of \$20,832. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets account.

The future minimum capital lease obligation and the net present value of this lease payment as of June 30, 2021, is as follows:

2022		\$	4,166
2023			4,166
2024			4,168
Thereafter			-
Total minimum lease payment			12,500
Less: amount representing interest:			(843)
Present value of minimum lease payments		\$	11,657
Current Portion		\$	3,709

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 – LEASES (Concluded)

B. OPERATING LEASES

The Regional Office of Education No. 9 leases classroom and office space from Champaign-Urbana Mass Transit District. The Regional Office of Education No. 9 is committed through October 31, 2021 under the lease agreement which calls for monthly lease payments of \$14,476.

The Regional Office of Education No. 9 leases office space from TAG Along Associates, LP for \$3,617 and \$3,675 per month for eight months and four months, respectively. The lease runs from March 1, 2017 to February 28, 2027. Rent was increased by 1.60% on March 1, 2021, and will increase on March 1 of each year thereafter.

The Regional Office of Education No. 9 leases a copier from GFI Digital, Inc. for \$192 per month. The lease runs from January 1, 2021 to December 31, 2025.

Rent expense for the year ended June 30, 2021, was \$229,440. Future minimum rentals are as follows for the years ending June 30:

2022	\$	104,613
2023		47,640
2024		48,672
2025		49,776
2026		49,790
Thereafter		<u>33,000</u>
		<u>\$ 333,491</u>

NOTE 8 – CAPITAL ASSETS

In accordance with GASB Statement No. 34, the Regional Office of Education No. 9 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements. Purchases of capital assets by business-type activities are capitalized when purchased. The following table provides a summary of changes in total assets, accumulated depreciation, and investment in capital assets for the year ended June 30, 2021:

	<u>Balance</u>		<u>Balance</u>
	<u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>
			<u>June 30, 2021</u>
Governmental activities:			
Capital assets being depreciated:			
Equipment and office furniture	\$ 541,781	\$ 46,833	\$ (28,886)
Less accumulated depreciation	<u>(383,184)</u>	<u>(69,997)</u>	<u>28,383</u>
Governmental activities capital assets, net	<u>\$ 158,597</u>	<u>\$ (23,164)</u>	<u>\$ (503)</u>
			<u>\$ 134,930</u>

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 – CAPITAL ASSETS (Concluded)

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Business-type activities:				
Capital assets being depreciated:				
Equipment and office furniture	\$ 9,540	\$ 2,349	\$ -	\$ 11,889
Less accumulated depreciation	(7,944)	(831)	-	(8,775)
Business-type activities capital assets, net	\$ 1,596	\$ 1,518	\$ -	\$ 3,114

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2021, of \$69,997 and \$831 was charged to governmental activities instructional services function and business-type activities, respectively, on the government-wide Statement of Activities. Investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

NOTE 9 – RISK MANAGEMENT

The Regional Office of Education No. 9 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education No. 9 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2021, interfund receivables and payables were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 88,077	\$ -
Education Fund	-	410,199
Proprietary Fund	322,122	-
Totals	\$ 410,199	\$ 410,199

At June 30, 2021, the interfund balances consisted of loans between funds within the same pooled cash account. The loans were used to cover cash shortages in the Education Fund.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the Regional Office of Education No. 9:

Regional Superintendent - salary	\$ 122,592
Regional Superintendent - benefits (includes State paid insurance)	33,948
Assistant Regional Superintendent - salary	110,328
Assistant Regional Superintendent - benefits (includes State paid insurance)	23,783
	<u>\$ 290,651</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent were calculated based on data provided by the Illinois State Board of Education. These amounts have been recorded in the accompanying governmental fund financial statements as State revenue and expenditures.

The Regional Office of Education No. 9 also recorded \$2,013,676 in revenue and expenses as on-behalf payments from ISBE for the Regional Office’s share of the State’s Teachers’ Retirement System (TRS) pension expense in the Statement of Activities. The Regional Office of Education No. 9 recorded \$93,914 in revenue and expenses as on-behalf payments from the State for the Regional Office’s share of the State’s Teachers’ Health Insurance Security (THIS) OPEB expense in the Statement of Activities. In addition, the Regional Office of Education No. 9 has not included any on-behalf payments related to the State’s TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on behalf payments	\$ 290,651
ROE #9's share of TRS pension expense	2,013,676
ROE #9's share of THIS OPEB expense	93,914
Total	<u>\$ 2,398,241</u>

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 – DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education No. 9’s General Fund, Education Fund, Nonmajor Special Revenue Funds, Proprietary Fund, Internal Service Fund, and Custodial Fund have funds due to/from various other governmental units which consist of the following:

Due from Other Governments:

General Fund:	
Local Governments	<u>\$ 1,064</u>
Education Fund:	
Champaign County Regional Planning Commission	82,018
Illinois State Board of Education	289,712
Northern Illinois University	14,000
Local Governments	93,089
Regional Office of Education #11	18,687
Regional Office of Education #54	<u>35,052</u>
	<u>532,558</u>
Nonmajor Special Revenue Fund:	
Local Governments	<u>290</u>
Proprietary Fund:	
Local Governments	<u>150,858</u>
Internal Service Fund:	
Local Governments	<u>878</u>
Total	<u>\$ 685,648</u>

Due to Other Governments:

Education Fund:	
Illinois State Board of Education	<u>\$ 3,838</u>
Custodial Fund:	
Local Governments	<u>162</u>
Total	<u>\$ 4,000</u>

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 – LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2021 are summarized as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities:				
Net pension liability	\$ 297,033	\$ -	\$ 55,634	\$ 241,399
OPEB liabilities	2,173,476	401,424	-	2,574,900
Compensated absences	21,935	-	3,075	18,860
	<u>\$ 2,492,444</u>	<u>\$ 401,424</u>	<u>\$ 58,709</u>	<u>\$ 2,835,159</u>

Payments on the net pension liability, OPEB liabilities, and compensated absences are made by the governmental funds.

NOTE 14 – PRIOR PERIOD RESTATEMENT

Effective July 1, 2020, the Regional Office of Education #9 implemented the provisions of GASB Statement No. 84, *Fiduciary Activities* (GASB 84). This statement changes the definition of fiduciary activities, providing more refined guidance on how to determine if an activity is fiduciary in nature and therefore should be reported as such. The statement defines types of fiduciary funds, eliminating agency funds and replacing them with custodial funds. Under this guidance, all fiduciary funds will now report a net position and a statement of change in net position. Implementation of this standard resulted in the reclassification of \$2,392 from due to other governments to net position at June 30, 2020, in the Payroll Clearing Fund.

The Regional Office of Education #9 determined that cash balances of \$13,355 previously reported in the Payroll Clearing Fund (a Custodial Fund) should be reported in the General Operations Fund (a General Fund). The reclassified cash balance of \$13,355 at June 30, 2020 was interest income that accumulated in the Payroll Clearing Fund over several prior years.

In addition, the Regional Office of Education #9 determined that cash balances of \$22,541 previously reported in the Payroll Clearing Fund (a Custodial Fund) should be reported in the Fingerprinting Services Fund (a Proprietary Fund). The reclassified cash balance of \$22,541 at June 30, 2020 was the net effect of fingerprinting revenues and expenses that accumulated in the Payroll Clearing Fund over several years.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14 – PRIOR PERIOD RESTATEMENT (Continued)

Following is a summary of the prior period restatements:

	Custodial Funds	Payroll Clearing
Net position at June 30, 2020	\$ -	\$ -
Reclassification of net position	2,392	2,392
Net position, restated at June 30, 2020	<u>\$ 2,392</u>	<u>\$ 2,392</u>

	Governmental Activities	General Fund
Fund balance at June 30, 2020	\$ (20,017)	\$ 1,616,961
Reclassification of cash balance related to prior years' interest income earned	13,355	13,355
Fund balance, restated at June 30, 2020	<u>\$ (6,662)</u>	<u>\$ 1,630,316</u>

	Business-Type Activities	Nonmajor Enterprise Fund
Net position at June 30, 2020	\$ 376,430	\$ 5,241
Reclassification of cash balance related to fingerprinting services performed in prior years	22,541	22,541
Net position, restated at June 30, 2020	<u>\$ 398,971</u>	<u>\$ 27,782</u>

REQUIRED SUPPLEMENTARY INFORMATION

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

Calendar Year Ended December 31,	2020	2019	2018	2017	2016	2015	2014
ROE No. 9's proportion of the net pension liability	90.37%	89.85%	90.37%	87.71%	87.40%	87.71%	87.55%
ROE No. 9's proportionate share of the net pension liability (asset)	\$ (643,177)	\$ 107,257	\$ 737,833	\$ 517,240	\$ 288,646	\$ 214,262	\$ (603,478)
Facilitating Coordination in Agricultural Education's proportionate share of the net pension liability (asset) associated with ROE No. 9	<u>(68,538)</u>	<u>12,116</u>	<u>78,385</u>	<u>72,476</u>	<u>41,630</u>	<u>30,024</u>	<u>(85,817)</u>
Total	<u>█ \$ (711,715)</u>	<u>\$ 119,373</u>	<u>\$ 816,218</u>	<u>\$ 589,716</u>	<u>\$ 330,276</u>	<u>\$ 244,286</u>	<u>\$ (689,295)</u>
Employer's covered payroll	\$ 967,076	\$ 933,567	\$ 823,046	\$ 658,603	\$ 640,525	\$ 661,333	\$ 1,183,755
Employer's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-66.51%	11.49%	89.65%	78.54%	45.06%	32.40%	-50.98%
Plan fiduciary net position as a percentage of the total pension liability	107.10%	88.74%	91.01%	107.03%	95.94%	96.84%	109.65%

Notes to Schedule:

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2015	\$ 77,966	\$ 77,966	\$ -	\$ 694,978	11.22%
2016	50,362	50,362	-	654,945	7.69%
2017	52,974	52,974	-	661,765	8.00%
2018	80,535	80,535	-	692,886	11.62%
2019	82,727	82,727	-	886,043	9.34%
2020	98,607	98,607	-	951,691	10.36%
2021	145,567	145,567	-	1,028,449	14.15%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2020 Contribution Rates*

The actuarially determined contribution agrees to the actual contribution amount and does not materially differ from the calendar year contribution. A calendar year contribution can be obtained upon request.

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2020 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	23-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.25%
Price Inflation:	2.50%
Salary Increases:	3.35% to 14.25%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

Notes to Schedule (Continued)

Mortality:

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

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

* Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation; note two year lag between valuation and rate setting.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

	2020*	2019*	2018*	2017*	2016*	2015*	2014*
Employer's proportion of the net pension liability	0.0002799959%	0.0002339790%	0.0001973160%	0.0004126452%	0.0003150165%	0.0003212823%	0.0013960221%
Employer's proportionate share of the net pension liability	\$ 241,399	\$ 189,776	\$ 153,798	\$ 315,252	\$ 248,674	\$ 210,472	\$ 697,576
State's proportionate share of the net pension liability associated with the employer	18,907,637	13,506,156	10,535,782	8,950,520	10,697,887	8,797,883	17,911,792
Total	\$ 19,149,036	\$ 13,695,932	\$ 10,689,580	\$ 9,265,772	\$ 10,946,561	\$ 9,008,355	\$ 18,609,368
Employer's covered payroll	\$ 2,284,870	\$ 1,660,520	\$ 1,287,896	\$ 1,460,477	\$ 1,414,233	\$ 1,368,779	\$ 2,978,097
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	10.6%	11.4%	11.9%	21.6%	17.6%	15.4%	23.4%
Plan fiduciary net position as a percentage of the total pension liability	37.8%	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

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

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily-required contribution	\$ 47,217	\$ 31,832	\$ 16,985	\$ 10,479	\$ 19,257	\$ 11,500	\$ 11,500	\$ 10,887
Contributions in relation to the statutorily-required contribution	47,217	31,832	16,985	10,479	19,257	11,500	11,500	10,887
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 2,570,478	\$ 2,284,870	\$ 1,660,520	\$ 1,287,896	\$ 1,460,477	\$ 1,414,233	\$ 1,368,779	\$ 2,978,097
Contributions as a percentage of covered payroll	1.84%	1.39%	1.02%	0.81%	1.32%	0.81%	0.84%	0.37%

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

Notes to This Required Supplementary Information

Changes of assumptions

For the 2020, 2019, 2018, 2017, and 2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit and were consistent in 2019 and 2020. These actuarial assumptions were based on an experience study dated September 18, 2018.

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

For the 2014 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
TEACHER'S HEALTH INSURANCE SECURITY FUND
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)

	2020	2019*	2018*	2017*	2016*
Employer's proportion of the collective net OPEB liability	0.009302%	0.007433%	0.005962%	0.006609%	0.006425%
Employer's proportionate share of the collective net OPEB liability	\$ 2,487,096	\$ 2,057,199	\$ 1,570,714	\$ 1,574,731	\$ 1,756,139
State's proportionate share of the collective net OPEB liability associated with the employer	<u>3,369,366</u>	<u>2,785,649</u>	<u>2,109,143</u>	<u>1,644,110</u>	<u>2,066,046</u>
Total	<u>\$ 5,856,462</u>	<u>\$ 4,842,848</u>	<u>\$ 3,679,857</u>	<u>\$ 3,218,841</u>	<u>\$ 3,822,185</u>
Employer's covered payroll	\$ 2,284,870	\$ 1,660,520	\$ 1,287,896	\$ 1,460,477	\$ 1,414,233
Employer's proportionate share of the collective net OPEB liability as a percentage of covered payroll	108.85%	123.89%	121.96%	107.82%	124.18%
Plan fiduciary net position as a percentage of the collective total OPEB liability	0.70%	0.25%	-0.07%	-0.17%	-0.22%

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

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

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
TEACHER'S HEALTH INSURANCE SECURITY FUND
SCHEDULE OF THE EMPLOYER'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

Fiscal Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contribution as a Percentage of Covered Payroll
2021	\$ 23,648	\$ 23,648	\$ -	\$ 2,570,478	0.92%
2020	21,021	21,021	-	2,284,870	0.92%
2019	15,997	15,997	-	1,660,520	0.96%
2018	10,398	10,398	-	1,287,896	0.81%
2017	12,770	12,770	-	1,460,477	0.87%
2016	11,971	11,971	-	1,414,233	0.85%

Notes to Schedule

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

Change of Benefit Term

In the June 30, 2019 actuarial valuation, there have been no changes of benefit terms from the prior period.

Changes of Assumptions

For the 2018 and 2017 measurement years, the assumed investment rate of return was of 0 percent, including an inflation rate of 2.75 percent. Salary increases were assumed to depend on service and range from 9.25 percent at 1 year of service to 3.25 percent at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

For the 2020 and 2019 measurement year, the assumed investment rate of return was 0 percent, including an inflation rate of 2.50 percent. Salary increases were assumed to depend on service and range from 9.50 percent at 1 year of service to 4.00 percent at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption

For the 2020 measurement period, the actual trend was used for fiscal year 2020. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare costs and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021 †
(UNAUDITED)**

Total OPEB Liability	2021	2020	2019	2018
Service Cost	\$ 2,329	\$ 1,256	\$ 2,022	\$ 1,947
Interest Cost	2,533	3,865	3,899	3,795
Differences Between Expected and Actual Experience	(34,362)	(17,893)	-	-
Change in Assumptions	4,323	23,356	3,882	-
Benefit Payments	(3,296)	(3,296)	(3,151)	(2,931)
Net Change in Total OPEB Liability	(28,473)	7,288	6,652	2,811
Total OPEB Liability - Beginning	116,277	108,989	102,337	99,526
Total OPEB Liability - Ending	<u>\$ 87,804</u>	<u>\$ 116,277</u>	<u>\$ 108,989</u>	<u>\$ 102,337</u>
Covered Payroll	\$ 1,080,330	\$ 924,865	\$ 915,314	\$ 820,058
Total OPEB Liability as a Percentage of Covered Payroll	8.13%	12.57%	11.91%	12.48%

Notes to Schedule:

Changes of Benefit Terms

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

† The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

Assumption Changes

Since the Regional Office of Education #9 switched medical plans available to retirees, the plan participation assumptions have been updated, as previously disclosed.

The assumed rate on High Quality 20-year Tax-Exempt G.O. Bonds was changed from 2.21% to 2.16% for the current year. The underlying index used is the Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current Fiscal Year end based on changes in market conditions as reflected in the Index. Assumptions follow the guidance in GASB 74/75 for the Alternative Measurement Method where noted.

Since the Regional Office of Education #9 does not have a trust dedicated exclusively to the payment of OPEB benefits, the discount rate used in the determination of the Total OPEB Liability was also changed from 2.21% to 2.16%.

SUPPLEMENTAL INFORMATION

SCHEDULE 1

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
JUNE 30, 2021**

	General Operations	IL Learning Technology Purchase Program	Regional Education Alternative for Developing Youth	Total
ASSETS				
Cash and cash equivalents	\$ 111,672	\$ 558,199	\$ 1,024,986	\$ 1,694,857
Accounts receivable	418	113,727	-	114,145
Due from other funds	-	-	88,077	88,077
Due from other governments	1,019	-	45	1,064
Prepaid expenses	-	2,475	-	2,475
Total assets	\$ 113,109	\$ 674,401	\$ 1,113,108	\$ 1,900,618
LIABILITIES				
Accounts payable and accrued expenses	\$ 1,858	\$ 79	\$ 114,254	\$ 116,191
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	\$ 24,590	-	24,590
FUND BALANCES				
Assigned	-	649,732	-	649,732
Unassigned	111,251	-	998,854	1,110,105
Total fund balances	111,251	649,732	998,854	1,759,837
Total liabilities, deferred inflows of resources, and fund balances	\$ 113,109	\$ 674,401	\$ 1,113,108	\$ 1,900,618

SCHEDULE 2

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

	General Operations	IL Learning Technology Purchase Program	Regional Education Alternative for Developing Youth	Total
Revenues:				
Local sources	\$ 319,251	\$ 455,740	\$ 466,067	\$ 1,241,058
State sources	-	-	688,735	688,735
State sources-on-behalf payments	290,651	-	-	290,651
Federal sources	-	-	11,284	11,284
Interest	60	287	768	1,115
Total revenues	609,962	456,027	1,166,854	2,232,843
Expenditures:				
Instructional services:				
Salaries and benefits	155,610	159,389	1,022,210	1,337,209
Purchased services	68,927	42,038	115,521	226,486
Supplies and materials	10,715	18,381	32,853	61,949
Pension expense	18,930	20,041	32,513	71,484
OPEB expense	-	-	11,821	11,821
On-behalf payments	290,651	-	-	290,651
Other objects	77,176	13,729	4,667	95,572
Capital outlay	3,414	1,193	-	4,607
Debt service:				
Repayment of long-term lease payable	-	-	3,543	3,543
Total expenditures	625,423	254,771	1,223,128	2,103,322
Net change in fund balances	(15,461)	201,256	(56,274)	129,521
Fund balances, beginning of year, restated (see Note 14)	126,712	448,476	1,055,128	1,630,316
Fund balances, end of year	\$ 111,251	\$ 649,732	\$ 998,854	\$ 1,759,837

SCHEDULE 3

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
JUNE 30, 2021**

	Area IV Learning Technology Hub	Juvenile Detention Center	CTE State Leadership
ASSETS			
Cash and cash equivalents	\$ 11,582	\$ 175,409	\$ 97,024
Due from other governments	289,712	93,089	-
Prepaid expenses	-	-	32,600
	<u>\$ 301,294</u>	<u>\$ 268,498</u>	<u>\$ 129,624</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 11,582	\$ 7,447	\$ 3,668
Due to other funds	289,712	-	-
Due to other governments	-	-	3,838
Unearned revenue	-	-	122,118
	<u>301,294</u>	<u>7,447</u>	<u>129,624</u>
FUND BALANCES (DEFICITS)			
Restricted	-	261,051	-
	<u>-</u>	<u>261,051</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 301,294</u>	<u>\$ 268,498</u>	<u>\$ 129,624</u>

SCHEDULE 3

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
JUNE 30, 2021**

	McKinney - Vento Homeless Children & Youth Program	Other State Programs	Regional Safe Schools
ASSETS			
Cash and cash equivalents	\$ 10,515	\$ 6,328	\$ -
Due from other governments	32,687	-	-
Prepaid expenses	-	-	-
	<u>\$ 43,202</u>	<u>\$ 6,328</u>	<u>\$ -</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 346	\$ 6,328	\$ -
Due to other funds	18,687	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
	<u>19,033</u>	<u>6,328</u>	<u>-</u>
FUND BALANCES (DEFICITS)			
Restricted	<u>24,169</u>	<u>-</u>	<u>-</u>
	<u>24,169</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 43,202</u>	<u>\$ 6,328</u>	<u>\$ -</u>

SCHEDULE 3

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
JUNE 30, 2021

	Rtl Network	Schoolworks Operations	Title II Teacher Quality - Leadership
ASSETS			
Cash and cash equivalents	\$ 3,638	\$ 34,658	\$ -
Due from other governments	27,677	7,375	-
Prepaid expenses	-	-	-
Total assets	<u>\$ 31,315</u>	<u>\$ 42,033</u>	<u>\$ -</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 6,280	\$ 8,492	\$ -
Due to other funds	25,035	7,375	-
Due to other governments	-	-	-
Unearned revenue	-	26,166	-
Total liabilities	<u>31,315</u>	<u>42,033</u>	<u>-</u>
FUND BALANCES (DEFICITS)			
Restricted	-	-	-
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 31,315</u>	<u>\$ 42,033</u>	<u>\$ -</u>

SCHEDULE 3

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
JUNE 30, 2021

	TAOEP	Workforce Investment	Educating with Evidence en Espanol	Elevating Special Educators
ASSETS				
Cash and cash equivalents	\$ 13,974	\$ 430	\$ -	247,099
Due from other governments	-	82,018	-	-
Prepaid expenses	-	-	-	-
Total assets	\$ 13,974	\$ 82,448	\$ -	\$ 247,099
LIABILITIES				
Accounts payable and accrued expenses	\$ 13,974	\$ 13,058	\$ -	\$ 5,043
Due to other funds	-	69,390	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	242,056
Total liabilities	13,974	82,448	-	247,099
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	-
Total fund balances (deficits)	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 13,974	\$ 82,448	\$ -	\$ 247,099

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF ACCOUNTS (Concluded)
EDUCATION FUND
JUNE 30, 2021

	Elementary and Secondary School Emergency Relief	Digital Professional Learning	Digital Equity	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 600,657
Due from other governments	-	-	-	532,558
Prepaid expenses	-	-	-	32,600
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,165,815</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ 76,218
Due to other funds	-	-	-	410,199
Due to other governments	-	-	-	3,838
Unearned revenue	-	-	-	390,340
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>880,595</u>
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	285,220
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,220</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,165,815</u>

SCHEDULE 4

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

	Area IV Learning Technology Hub	Juvenile Detention Center	CTE State Leadership
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	1,604,397	180,815	221,857
Federal sources	329,038	-	-
Interest	-	126	-
Total revenues	<u>1,933,435</u>	<u>180,941</u>	<u>221,857</u>
Expenditures:			
Instructional services:			
Salaries and benefits	1,212,475	111,637	90,955
Purchased services	214,809	20,244	61,915
Supplies and materials	32,985	2,974	34,006
Pension expense	65,981	5,176	3,060
OPEB expense	8,378	724	678
Other objects	4,856	-	-
Intergovernmental:			
Payments to other governments	24,350	-	31,243
Capital outlay	14,346	-	-
Total expenditures	<u>1,578,180</u>	<u>140,755</u>	<u>221,857</u>
Net change in fund balances	355,255	40,186	-
Fund balances (deficits), beginning of year	<u>(355,255)</u>	<u>220,865</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ -</u>	<u>\$ 261,051</u>	<u>\$ -</u>

SCHEDULE 4

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

	McKinney - Vento		
	Homeless Children & Youth Program	Other State Programs	Regional Safe Schools
Revenues:			
Local sources	\$ 21,300	\$ -	\$ -
State sources	-	40,938	98,202
Federal sources	71,776	-	-
Interest	7	-	-
Total revenues	<u>93,083</u>	<u>40,938</u>	<u>98,202</u>
Expenditures:			
Instructional services:			
Salaries and benefits	39,836	38,050	-
Purchased services	17,690	1,110	98,202
Supplies and materials	11,990	762	-
Pension expense	4,443	677	-
OPEB expense	-	339	-
Other objects	-	-	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>73,959</u>	<u>40,938</u>	<u>98,202</u>
Net change in fund balances	19,124	-	-
Fund balances (deficits), beginning of year	<u>5,045</u>	<u>-</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ 24,169</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE 4

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

	Rtl Network	Schoolworks Operations	Title II Teacher Quality - Leadership
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	205,712	-
Federal sources	263,071	-	1,645
Interest	-	-	-
Total revenues	263,071	205,712	1,645
Expenditures:			
Instructional services:			
Salaries and benefits	239,076	148,172	-
Purchased services	11,402	34,024	1,645
Supplies and materials	1,088	6,194	-
Pension expense	8,138	10,244	-
OPEB expense	3,367	662	-
Other objects	-	3,383	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	-	3,710	-
Total expenditures	263,071	206,389	1,645
Net change in fund balances	-	(677)	-
Fund balances (deficits), beginning of year	-	677	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -

SCHEDULE 4

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

	TAOEP	Workforce Investment	Educating with Evidence en Espanol	Elevating Special Educators
Revenues:				
Local sources	\$ -	\$ -	\$ 18,997	\$ -
State sources	151,849	-	-	-
Federal sources	-	120,060	-	154,625
Interest	-	-	-	-
Total revenues	151,849	120,060	18,997	154,625
Expenditures:				
Instructional services:				
Salaries and benefits	119,231	95,508	-	42,524
Purchased services	18,334	8,140	-	56,129
Supplies and materials	2,594	8,018	-	9,635
Pension expense	11,407	8,341	-	1,691
OPEB expense	283	53	-	639
Other objects	-	-	-	776
Intergovernmental:				
Payments to other governments	-	-	-	27,071
Capital outlay	-	-	-	16,160
Total expenditures	151,849	120,060	-	154,625
Net change in fund balances	-	-	18,997	-
Fund balances (deficits), beginning of year	-	-	(18,997)	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -	\$ -

SCHEDULE 4

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Concluded)
EDUCATION FUND ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

	Elementary and Secondary School Emergency Relief	Digital Professional Learning	Digital Equity	Total
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ 40,297
State sources	-	-	-	2,503,770
Federal sources	2,075	5,560	35,023	982,873
Interest	-	-	-	133
Total revenues	2,075	5,560	35,023	3,527,073
Expenditures:				
Instructional services:				
Salaries and benefits	-	-	-	2,137,464
Purchased services	-	5,560	4,471	553,675
Supplies and materials	2,075	-	22,542	134,863
Pension expense	-	-	-	119,158
OPEB expense	-	-	-	15,123
Other objects	-	-	-	9,015
Intergovernmental:				
Payments to other governments	-	-	-	82,664
Capital outlay	-	-	8,010	42,226
Total expenditures	2,075	5,560	35,023	3,094,188
Net change in fund balances	-	-	-	432,885
Fund balances (deficits), beginning of year	-	-	-	(147,665)
Fund balances (deficits), end of year	\$ -	\$ -	\$ -	\$ 285,220

SCHEDULE 5

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
AREA IV LEARNING TECHNOLOGY HUB
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 1,578,180	\$ 1,249,142	\$ 1,604,397
Federal sources	-	329,038	329,038
Total revenues	1,578,180	1,578,180	1,933,435
Expenditures:			
Instructional services:			
Salaries and benefits	1,281,031	1,232,470	1,212,475
Purchased services	250,145	239,867	214,809
Supplies and materials	6,000	45,363	32,985
Pension expense	-	-	65,981
OPEB expense	-	-	8,378
Other objects	12,904	5,230	4,856
Intergovernmental:			
Payments to other governments	25,600	30,250	24,350
Capital outlay	2,500	25,000	14,346
Total expenditures	1,578,180	1,578,180	1,578,180
Net change in fund balances	\$ -	\$ -	355,255
Fund balance (deficit), beginning of year			(355,255)
Fund balance, end of year			\$ -

SCHEDULE 6

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
CTE STATE LEADERSHIP
FISCAL YEAR 2021 GRANT
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 250,000	\$ 250,000	\$ 127,882
Expenditures:			
Instructional services:			
Salaries and benefits	64,309	76,238	48,480
Purchased services	120,773	126,135	34,655
Supplies and materials	47,175	28,884	23,974
Pension expense	-	-	1,675
OPEB expense	-	-	355
Intergovernmental:			
Payments to other governments	17,743	18,743	18,743
Total expenditures	250,000	250,000	127,882
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 7

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
CTE STATE LEADERSHIP
FISCAL YEAR 2020 GRANT
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 250,000	\$ 250,000	\$ 93,975
Expenditures:			
Instructional services:			
Salaries and benefits	27,882	73,188	42,475
Purchased services	152,191	130,646	27,260
Supplies and materials	12,000	19,613	10,032
Pension expense	-	-	1,385
OPEB expense	-	-	323
Intergovernmental:			
Payments to other governments	57,927	26,553	12,500
Total expenditures	250,000	250,000	93,975
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 8

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
MCKINNEY-VENTO HOMELESS CHILDREN & YOUTH PROGRAM
FISCAL YEAR 2021 GRANT
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Local sources	\$ -	\$ -	\$ 21,300
Federal sources	37,769	95,025	62,571
Interest	-	-	7
	37,769	95,025	83,878
Expenditures:			
Instructional services:			
Salaries and benefits	17,058	47,167	32,533
Purchased services	14,769	39,625	17,637
Supplies and materials	5,942	8,233	10,992
Pension expense	-	-	3,592
	37,769	95,025	64,754
Net change in fund balances	\$ -	\$ -	19,124
Fund balance, July 1, 2020			5,045
Fund balance, end of year			\$ 24,169

SCHEDULE 9

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
MCKINNEY-VENTO HOMELESS CHILDREN & YOUTH PROGRAM
FISCAL YEAR 2020 GRANT
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
Federal sources	\$ 40,772	\$ 40,772	\$ 9,205
Expenditures:			
Instructional services:			
Salaries and benefits	24,145	24,145	7,303
Purchased services	13,627	13,627	53
Supplies and materials	3,000	3,000	998
Pension expense	-	-	851
Total expenditures	40,772	40,772	9,205
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			5,045
Fund balance, July 1, 2020			\$ 5,045

SCHEDULE 10

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
OTHER STATE PROGRAMS
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 40,938	\$ 40,938	\$ 40,938
Expenditures:			
Instructional services:			
Salaries and benefits	39,329	39,329	38,050
Purchased services	1,424	1,424	1,110
Supplies and materials	185	185	762
Pension expense	-	-	677
OPEB expense	-	-	339
Total expenditures	40,938	40,938	40,938
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 11

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 98,202	\$ 98,202	\$ 98,202
Expenditures:			
Instructional services:			
Purchased services	98,202	98,202	98,202
Total expenditures	98,202	98,202	98,202
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 12

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
RTI NETWORK
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
Federal sources	\$ 290,668	\$ 290,668	\$ 263,071
Expenditures:			
Instructional services:			
Salaries and benefits	263,739	263,739	239,076
Purchased services	24,298	24,298	11,402
Supplies and materials	2,631	2,631	1,088
Pension expense	-	-	8,138
OPEB expense	-	-	3,367
Total expenditures	290,668	290,668	263,071
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 13

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
SCHOOLWORKS OPERATIONS
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	138,452	138,452	205,712
	138,452	138,452	205,712
Total revenues	138,452	138,452	205,712
Expenditures:			
Instructional services:			
Salaries and benefits	92,287	105,312	148,172
Purchased services	38,828	26,329	34,024
Supplies and materials	5,000	2,200	6,194
Pension expense	-	-	10,244
OPEB expense	-	-	662
Other objects	337	542	3,383
Intergovernmental:			
Payments to other governments	500	500	-
Capital outlay	1,500	3,569	3,710
	1,500	3,569	3,710
Total expenditures	138,452	138,452	206,389
Net change in fund balances	\$ -	\$ -	(677)
Fund balance, beginning of year			677
Fund balance, end of year			\$ -

Note: Actual revenues and expenditures exceeded budgeted amounts due to the Regional Office of Education No. 9 including revenues received from the Regional Office of Education #54 and the related expenses. The Regional Office of Education No. 9 operates a program in which the Regional Office of Education No. 54 participates. The Regional Office of Education No. 54 provides funding received from the Illinois State Board of Education - ROE/ISC Operations Grant to the Regional Office of Education No. 9.

SCHEDULE 14

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TITLE II TEACHER QUALITY - LEADERSHIP
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 1,995	\$ 1,995	\$ 1,645
Expenditures:			
Instructional services:			
Salaries and benefits	45	45	-
Purchased services	1,950	1,950	1,645
Total expenditures	1,995	1,995	1,645
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 15

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE OPTIONAL EDUCATION PROGRAM
FISCAL YEAR 2021 GRANT
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 144,325	\$ 144,325	\$ 144,324
Expenditures:			
Instructional services:			
Salaries and benefits	126,914	126,914	115,390
Purchased services	15,825	15,825	15,488
Supplies and materials	1,586	1,586	2,222
Pension expense	-	-	10,941
OPEB expense	-	-	283
Total expenditures	144,325	144,325	144,324
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 16

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE OPTIONAL EDUCATION PROGRAM
FISCAL YEAR 2020 GRANT
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 90,232	\$ 90,232	\$ 7,525
Expenditures:			
Instructional services:			
Salaries and benefits	82,306	81,741	3,841
Purchased services	6,685	7,250	2,846
Supplies and materials	1,241	1,241	372
Pension expense	-	-	466
Total expenditures	90,232	90,232	7,525
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 17

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ELEVATING SPECIAL EDUCATORS
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
Federal sources	\$ 1,171,912	\$ 1,171,912	\$ 154,625
Expenditures:			
Instructional services:			
Salaries and benefits	138,200	138,200	42,524
Purchased services	645,427	645,427	56,129
Supplies and materials	7,200	7,200	9,635
Pension expense	-	-	1,691
OPEB expense	-	-	639
Other objects	2,000	2,000	776
Payments to other governments	370,085	370,085	27,071
Capital outlay	9,000	9,000	16,160
Total expenditures	1,171,912	1,171,912	154,625
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 18

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
Federal sources	\$ 2,075	\$ 2,075	\$ 2,075
Expenditures:			
Instructional services:			
Purchased services	2,075	-	-
Supplies and materials	-	2,075	2,075
Total expenditures	2,075	2,075	2,075
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 19

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
DIGITAL PROFESSIONAL LEARNING
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 5,560	\$ 5,560	\$ 5,560
Expenditures:			
Instructional services:			
Purchased services	5,560	5,560	5,560
Total expenditures	5,560	5,560	5,560
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 20

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
DIGITAL EQUITY
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 35,023	\$ 35,023	\$ 35,023
Expenditures:			
Instructional services:			
Purchased services	4,030	4,030	4,471
Supplies and materials	20,493	20,493	22,542
Capital outlay	10,500	10,500	8,010
Total expenditures	35,023	35,023	35,023
Net change in fund balances	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

SCHEDULE 21

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2021**

	<u>General Education Development</u>	<u>Bus Driver Training</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 59,332	\$ 16,992	\$ 76,324
Accounts receivable	-	430	430
Due from other governments	-	290	290
Total assets	<u>\$ 59,332</u>	<u>\$ 17,712</u>	<u>\$ 77,044</u>
LIABILITIES			
Accounts payable and accrued expenses	<u>\$ 1,445</u>	<u>\$ 1,179</u>	<u>\$ 2,624</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>-</u>	<u>530</u>	<u>530</u>
FUND BALANCES			
Restricted	<u>57,887</u>	<u>16,003</u>	<u>73,890</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 59,332</u>	<u>\$ 17,712</u>	<u>\$ 77,044</u>

SCHEDULE 22

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General Education Development	Bus Driver Training	Total
Revenues:			
Local sources	\$ 11,434	\$ 2,420	\$ 13,854
State sources	-	1,373	1,373
Interest	57	15	72
Total revenues	11,491	3,808	15,299
Expenditures:			
Instructional services:			
Salaries and benefits	6,067	5,325	11,392
Purchased services	16,116	1,020	17,136
Supplies and materials	724	-	724
Pension expense	655	363	1,018
Total expenditures	23,562	6,708	30,270
Net change in fund balances	(12,071)	(2,900)	(14,971)
Fund balances, beginning of year	69,958	18,903	88,861
Fund balances, end of year	\$ 57,887	\$ 16,003	\$ 73,890

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2021

	Fingerprinting Services	HR Solutions	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 23,115	\$ 5,205	\$ 28,320
Total assets	<u>23,115</u>	<u>5,205</u>	<u>28,320</u>
NET POSITION:			
Unrestricted	<u>23,115</u>	<u>5,205</u>	<u>28,320</u>
Total net position	<u>\$ 23,115</u>	<u>\$ 5,205</u>	<u>\$ 28,320</u>

SCHEDULE 24

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Fingerprinting Services	HR Solutions	Total
Operating revenues:			
Charges for services	\$ 3,510	\$ 9,166	\$ 12,676
Operating expenses:			
Purchased services	2,936	9,203	12,139
Total operating expenses	2,936	9,203	12,139
Operating income (loss)	574	(37)	537
Nonoperating revenues:			
Interest	-	1	1
Total nonoperating revenues	-	1	1
Change in net position	574	(36)	538
Net position, beginning of year, restated (see Note 14)	22,541	5,241	27,782
Net position, end of year	\$ 23,115	\$ 5,205	\$ 28,320

SCHEDULE 25

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Fingerprinting Services	HR Solutions	Total
Cash flows from operating activities:			
Receipts from customers	\$ 3,510	\$ 11,088	\$ 14,598
Payments to suppliers and providers of goods and services	(2,936)	(9,203)	(12,139)
Net cash provided by operating activities	574	1,885	2,459
Cash flows from investing activities:			
Interest earned	-	1	1
Net cash provided by investing activities	-	1	1
Net increase in cash and cash equivalents	574	1,886	2,460
Cash and cash equivalents - beginning of year	22,541	3,319	25,860
Cash and cash equivalents - end of year	\$ 23,115	\$ 5,205	\$ 28,320
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 574	\$ (37)	\$ 537
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Decrease in due from other governments	-	1,922	1,922
Net cash provided by operating activities	\$ 574	\$ 1,885	\$ 2,459

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021**

	<u>County School Facility Sales Tax</u>	<u>Payroll Clearing</u>	<u>Regional Board Of Trustees</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 18,528	\$ 162	\$ 18,690
Total Assets	-	18,528	162	18,690
LIABILITIES				
Accounts payable and accrued expenses	-	11,306	-	11,306
Due to other governments	-	-	162	162
Total Liabilities	-	11,306	162	11,468
NET POSITION				
Restricted for other purposes	-	7,222	-	7,222
Total Net Position	<u>\$ -</u>	<u>\$ 7,222</u>	<u>\$ -</u>	<u>\$ 7,222</u>

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021**

	<u>County School Facility Sales Tax</u>	<u>Payroll Clearing</u>	<u>Regional Board Of Trustees</u>	<u>Totals</u>
ADDITIONS:				
Local Sources	\$ -	\$ 716,301	\$ -	\$ 716,301
Sales tax collections for other governments	18,565,550	-	-	18,565,550
Total Additions	<u>18,565,550</u>	<u>716,301</u>	<u>-</u>	<u>19,281,851</u>
DEDUCTIONS:				
Payments of sales tax to other governments	18,565,550	-	-	18,565,550
Payment of payroll expenses	-	711,471	-	711,471
Total Deductions	<u>18,565,550</u>	<u>711,471</u>	<u>-</u>	<u>19,277,021</u>
Net Change in Fiduciary Net Position	-	4,830	-	4,830
Net Position, beginning of the year, restated (see Note 14)	<u>-</u>	<u>2,392</u>	<u>-</u>	<u>2,392</u>
Net Position, end of the year	<u>\$ -</u>	<u>\$ 7,222</u>	<u>\$ -</u>	<u>\$ 7,222</u>

CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. Department of Education				
<i>Passed through Illinois State Board of Education</i>				
Supporting Effective Instruction State Grants				
Title II - Teacher Quality - Leadership Grant	84.367A	2021-4935-02	\$ -	\$ 1,645
Special Education - State Personnel Development				
Elevating Special Educator Grants	84.323A	2021-4631-00		6,008
Elevating Special Educator Grants	84.323A	1000MY21533	27,071	148,617
			<u>27,071</u>	<u>154,625</u>
Elementary and Secondary School Emergency Relief Fund				
Covid 19 - Elementary & Secondary School Emergency Relief Grant	(M) 84.425D	2020-4998-ER	-	2,075
Covid 19 - Elementary & Secondary School Relief - Digital Equity	(M) 84.425D	2021-4998-DG	-	35,023
Covid 19 - Elementary & Secondary School Relief - Digital Professional Learning	(M) 84.425D	2021-4998-PL	-	5,560
Covid 19 - Elementary & Secondary School Emergency Relief Grant	(M) 84.425D	2021-4900-00	-	329,038
			<u>-</u>	<u>371,696</u>
<i>Passed through Regional Office of Education #11</i>				
Education of Homeless Children and Youth				
McKinney Education for Homeless Children	(M) 84.196A	2020-4920-00		9,205
McKinney Education for Homeless Children	(M) 84.196A	2021-4920-00		62,571
			<u>-</u>	<u>71,776</u>
<i>Passed through Regional Office of Education #47</i>				
Special Education - State Personnel Development				
IDEA - Improvement Grants - Part D	84.323A	2021-4631-00	-	263,071
Total U.S. Department of Education			<u>27,071</u>	<u>862,813</u>
U.S. Department of Agriculture				
<i>Passed through Illinois State Board of Education</i>				
Child Nutrition Cluster				
National School Lunch Program	10.555	2020-4210-00	-	1,433
National School Lunch Program	10.555	2021-4210-00	-	5,220
National School Lunch Program				
Non-Cash Awards - Federal Commodities	10.555	None	-	3,110
			<u>-</u>	<u>9,763</u>
School Breakfast Program	10.553	2020-4220-00	-	350
School Breakfast Program	10.553	2021-4220-00	-	1,171
			<u>-</u>	<u>1,521</u>
Total Child Nutrition Cluster			<u>-</u>	<u>11,284</u>
Total U.S. Department of Agriculture			<u>-</u>	<u>11,284</u>
U.S. Department of Labor				
<i>Passed through Champaign County</i>				
WIOA Cluster				
WIOA Youth Activities				
Title I Youth Services under WIOA	17.259	2020-4000-00	-	112,132
Title I Youth Services under WIOA	17.259	2021-4000-00	-	7,928
Total WIOA Cluster			<u>-</u>	<u>120,060</u>
Total U.S. Department of Labor			<u>-</u>	<u>120,060</u>
TOTAL			<u>\$ 27,071</u>	<u>\$ 994,157</u>

(M) Program was audited as a major program.

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CHAMPAIGN AND FORD COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 9**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Regional Office of Education No. 9 under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Professional Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the Regional Office of Education No. 9, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Regional Office of Education No. 9.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Regional Office of Education No. 9 has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – LOANS/LOAN GUARANTEES/INTEREST SUBSIDIES

This is not applicable as the entity did not have any loans/loan guarantees/interest subsidies outstanding at year-end.