

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

**FINANCIAL AUDIT
For the Year Ended June 30, 2022**

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

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

OFFICIALS

Regional Superintendent
(Current and during the audit period)

Honorable Aaron Mercier

Assistant Regional Superintendent
(Current and during the audit period)

Jen Newendyke

Office is located at:

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

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

FINANCIAL REPORT SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

SUMMARY OF FINDINGS AND RESPONSES

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

None

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

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

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

FINANCIAL REPORT SUMMARY (CONTINUED)

EXIT CONFERENCE

The Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2022. Throughout the audit, meetings were held between auditors and Regional Office officials to discuss matters obtained in this report.

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

FINANCIAL STATEMENT REPORT SUMMARY

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

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



INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, as of June 30, 2022, and the respective changes in cash basis financial position, thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the

basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2023 on our consideration of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control over financial reporting and compliance.

ORIGINAL SIGNATURE ON FILE

Clinton, Iowa
March 13, 2023



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's basic financial statements, and we have issued our report thereon dated March 13, 2023.

Report on Internal Control Over Financial Reporting

Management of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 is responsible for establishing and maintaining effective internal control over financial reporting (internal control).

In planning and performing our audit of the financial statements, we considered Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control. Accordingly, we do not express an opinion on the effectiveness of Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

ORIGINAL SIGNATURE ON FILE

Clinton, Iowa
March 13, 2023

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES
REGIONAL OFFICE OF EDUCATION #8
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2022**

Section I: Summary of Auditors' Results:

Financial Statements in accordance with the cash basis of accounting

Type of auditors' report issued: _____ Unmodified _____

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ yes _____ x no

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES
REGIONAL OFFICE OF EDUCATION #8
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2022**

Section II: Financial Statement Findings:

None

**CARROLL, JO DAVIESS, AND STEPHENSON COUNTIES
REGIONAL OFFICE OF EDUCATION #8
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
Year Ended June 30, 2022**

2021-001	Controls Over Financial Statement Preparation	Not Repeated
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During the current audit year no significant adjustments or corrections were proposed by auditors to the financial statements and disclosures in order for them to be accurately presented in accordance with the cash basis of accounting.

2021-002	Controls Over Bank Reconciliations	Not Repeated
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During the current audit year no errors or omissions were noted that related to bank reconciliations or the relating controls.

BASIC FINANCIAL STATEMENTS

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Cash Basis Statement of Activities and Net Position
As of and for the Year Ended June 30, 2022
Exhibit A

FUNCTIONS/PROGRAMS	Program Receipts			Net (Disbursement) Receipts and Changes in Cash Basis Net Position		
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Primary government:						
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 3,244,590	\$ 18,890	\$ 1,548,837	\$ (1,676,863)	\$ -	\$ (1,676,863)
Purchased services	337,146	11,346	185,712	(140,088)	-	(140,088)
Supplies and materials	156,328	183	111,427	(44,718)	-	(44,718)
Other objects	175,899	-	155,998	(19,901)	-	(19,901)
Intergovernmental:						
Payments to other governments	1,830,812	-	1,675,120	(155,692)	-	(155,692)
Administrative:						
On-behalf payments	300,868	-	-	(300,868)	-	(300,868)
Capital outlay	69,972	-	37,142	(32,830)	-	(32,830)
Total governmental activities	6,115,615	30,419	3,714,236	(2,370,960)	-	(2,370,960)
Business-type activities:						
Professional development	86,163	105,262	-	-	19,099	19,099
Total primary government	\$ 6,201,778	\$ 135,681	\$ 3,714,236	(2,370,960)	19,099	(2,351,861)
General receipts:						
Local sources				1,185,684	-	1,185,684
State sources				600,924	-	600,924
On-behalf payments				300,868	-	300,868
Total general receipts				<u>2,087,476</u>	<u>-</u>	<u>2,087,476</u>
CHANGE IN CASH BASIS NET POSITION				(283,484)	19,099	(264,385)
CASH BASIS NET POSITION, BEGINNING OF YEAR				<u>2,696,013</u>	<u>155,781</u>	<u>2,851,794</u>
CASH BASIS NET POSITION, END OF YEAR				<u>\$ 2,412,529</u>	<u>\$ 174,880</u>	<u>\$ 2,587,409</u>
CASH BASIS NET POSITION						
Restricted				\$ 991,115	\$ -	\$ 991,115
Unrestricted				1,421,414	174,880	1,596,294
TOTAL CASH BASIS NET POSITION				<u>\$ 2,412,529</u>	<u>\$ 174,880</u>	<u>\$ 2,587,409</u>

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

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

Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Exhibit B

	<u>Special Revenue Funds</u>			Total Governmental Funds
	General Fund	Education Fund	Other Nonmajor Funds	
RECEIPTS:				
Local sources	\$ 1,185,684	\$ 2,922	\$ 30,419	\$ 1,219,025
State sources	600,924	3,510,251	1,300	4,112,475
Federal sources	-	199,763	-	199,763
On-behalf payments	300,868	-	-	300,868
Total receipts	<u>2,087,476</u>	<u>3,712,936</u>	<u>31,719</u>	<u>5,832,131</u>
DISBURSEMENTS:				
Instructional services:				
Salaries	1,268,454	1,331,695	3,085	2,603,234
Benefits	285,111	355,955	290	641,356
Purchased services	133,584	201,539	2,023	337,146
Supplies and materials	33,607	122,688	33	156,328
Other objects	5,935	169,964	-	175,899
Intergovernmental:				
Payments to other governments	-	1,830,812	-	1,830,812
Administrative:				
On-behalf payments	300,868	-	-	300,868
Capital outlay	30,639	39,333	-	69,972
Total disbursements	<u>2,058,198</u>	<u>4,051,986</u>	<u>5,431</u>	<u>6,115,615</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>29,278</u>	<u>(339,050)</u>	<u>26,288</u>	<u>(283,484)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	155,023	54,118	-	209,141
Transfers out	(209,141)	-	-	(209,141)
Total other financing sources (uses)	<u>(54,118)</u>	<u>54,118</u>	<u>-</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>(24,840)</u>	<u>(284,932)</u>	<u>26,288</u>	<u>(283,484)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,588,357</u>	<u>1,000,238</u>	<u>107,418</u>	<u>2,696,013</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,563,517</u>	<u>\$ 715,306</u>	<u>\$ 133,706</u>	<u>\$ 2,412,529</u>
CASH BASIS FUND BALANCES				
Restricted	\$ -	\$ 857,409	\$ 133,706	\$ 991,115
Assigned	11,669	-	-	11,669
Unrestricted	1,551,848	(142,103)	-	1,409,745
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,563,517</u>	<u>\$ 715,306</u>	<u>\$ 133,706</u>	<u>\$ 2,412,529</u>

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

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Proprietary Fund
Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Exhibit C

	Business-Type Activities Enterprise Fund Workshops
OPERATING RECEIPTS:	
Charges for services	\$ 105,262
OPERATING DISBURSEMENTS:	
Salaries	29,041
Benefits	3,434
Purchased services	39,719
Supplies and materials	13,270
Capital outlay	699
Total disbursements	86,163
NET CHANGE IN CASH AND CASH EQUIVALENTS	19,099
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	155,781
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 174,880
CASH BASIS NET POSITION	
Unrestricted	\$ 174,880

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

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

Statement of Cash Additions, Deductions, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Exhibit D

	Private Purpose Trust Funds	Custodial Fund - Distributive Fund	Total
ADDITIONS:			
Rent	\$ 148,121	\$ -	\$ 148,121
Proceeds from sales of investments	708,009	-	708,009
Interest and dividends	28,944	-	28,944
Grants and sales tax collections for other governments	-	3,261,474	3,261,474
Total additions	<u>885,074</u>	<u>3,261,474</u>	<u>4,146,548</u>
DEDUCTIONS:			
Purchased services	50,245	-	50,245
Property taxes	33,427	-	33,427
Scholarships	141,250	-	141,250
Purchase of investments	644,627	-	644,627
Payments of grants and sales tax to other governments	-	3,238,160	3,238,160
Other miscellaneous	-	841	841
Total deductions	<u>869,549</u>	<u>3,239,001</u>	<u>4,108,550</u>
CHANGE IN CASH AND CASH EQUIVALENTS	15,525	22,473	37,998
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>111,387</u>	<u>841</u>	<u>112,228</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 126,912</u>	<u>\$ 23,314</u>	<u>\$ 150,226</u>
CASH BASIS FIDUCIARY NET POSITION			
Restricted for other governments	\$ -	\$ 23,314	\$ 23,314
Held in trust for other purposes	126,912	-	126,912
TOTAL CASH BASIS FIDUCIARY NET POSITION	<u>\$ 126,912</u>	<u>\$ 23,314</u>	<u>\$ 150,226</u>

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

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Carroll, Jo Daviess, and Stephenson Counties Regional Office of Education #8 (ROE) is an entity that is a result of an Education Service Region becoming a Regional Office of Education as of August 7, 1995. The ROE operates under the School Code (105 ILCS 5/3 and 5/3A). The ROE encompasses Carroll, Jo Daviess, and Stephenson Counties in Illinois. A Regional Superintendent of Schools serves as chief administrative officer and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The functions of the ROE include, but are not limited to the following:

- Processing teachers' licenses
- Teaching initial and refresher classes for school bus drivers within the ROE
- Reviewing life/safety requirements for schools in conjunction with the State of Illinois
- Issuing newsletters regarding new Illinois life/safety requirements
- Monitoring compliance with State laws and Department of Education's policies and procedures
- Providing directions to teachers and school officials on science, art and teaching methods
- Implementing the State Board of Education's Policy Programs
- Encouraging camaraderie among teachers through the teachers' institute

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

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

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

B. Basis of Presentation

The government-wide financial statement (i.e., Cash Basis Statement of Activities and Net Position) reports information on all of the nonfiduciary activities of the ROE. For the most part, the effect of inter-activity has been removed from this statement. The statement distinguishes between those activities of the ROE that are governmental in nature and those that are considered business-type activities. Governmental activities normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. Business-type activities normally are supported by amounts assessed or received from local sources for the ROE's programs.

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

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Cash Basis Statement of Activities and Net Position presents the ROE's nonfiduciary net position. Net position is reported in the following categories/components:

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

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

C. Fund Accounting

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

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

General Fund - accounts for resources traditionally associated with government which are not required, legally or by sound financial management, to be accounted for in another fund. The general fund is the operating fund of the ROE and is accounted and reported for as a major governmental fund in the financial statements.

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
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June 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following are included in the general fund:

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

ROE Programs and Services - used to account for monies received for, and payment, of disbursements in connection with Regional Alternative Program tuition, job bank, and bus booklets.

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

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

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

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

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

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

Carroll, Jo Daviess, and Stephenson Counties
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Notes to the Financial Statements
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

Carroll, Jo Daviess, and Stephenson Counties
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Notes to the Financial Statements
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

National School Lunch Program - used to account for grant monies received for, and payment of, disbursements for nutritionally balanced lunches to school children.

American Rescue Plan - McKinney Vento - used to account for grant monies received for, and payment of, disbursements for homeless children and youth due to COVID-19.

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

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

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

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

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

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

**Carroll, Jo Daviess, and Stephenson Counties
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June 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the ROE under a trust agreement, or equivalent arrangement that has certain characteristics, for individuals, private organizations, or other governments and are not available to support the ROE's own programs. The ROE's fiduciary funds include the following:

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

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

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

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

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

D. Measurement Focus and Basis of Accounting

The ROE maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the ROE are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. In addition, other economic assets, deferred outflow of resources, liabilities, and deferred inflow of resources that do not arise from cash transactions or events are not reported. Accordingly, the financial statements do not present the financial position and results of operations of the funds in accordance with GAAP.

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Under the terms of grant agreements, the ROE funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the ROE's policy to first apply cost-reimbursement grant resources to such programs and then general receipts.

When a reimbursement in governmental funds can be paid using either restricted or unrestricted resources, the ROE's policy is generally to first apply the disbursement toward restricted fund balance and then to unrestricted classification, committed, assigned and then unassigned fund balances.

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

Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the ROE's enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services, and administrative expenses. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

Governmental Cash Basis Fund Balance

Fund Balance is divided into five classifications based primarily on the extent to which the ROE is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

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

Restricted Fund Balance - The portion of a Governmental Fund's net position that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Education Fund - Truants' Alternative/Optional Education,

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Early Childhood Block Grants, Regional Safe Schools, Hearing and Vision Grant, and Elementary and Secondary School Emergency Relief Grant. The following fund balances are restricted by Illinois State Statute: Nonmajor Special Revenue Funds - General Educational Development, Bus Driver, and Institute.

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

Assigned Fund Balance - The portion of a Governmental Fund's net position to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The fund balance for Distributive Interest Fund is considered assigned.

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

E. Cash and Cash Equivalents

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

F. Accumulated Leave

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

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

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June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Employer Contributions to Pension and OPEB Plans

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

H. Internal Activity

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

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

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

I. Budgets and Budgetary Accounting

The ROE did not formally adopt a budget for the year ended June 30, 2022 and is not legally required to do so; subsequently, the accompanying financial statements are not presented on a budgetary basis whereby budget and actual receipts and disbursements are compared; however, ISBE requires budgets for certain State and federal programs. These budgets were used to prepare the Budgetary Comparison Schedule for the following programs: Truants' Alternative/Optional Education, Early Childhood Block Grants, Early Intervention Infants/Toddlers, Regional Safe Schools, ROE/ISC Operations, Workforce Investment Act, McKinney Homeless Grant, Elementary and Secondary School Emergency Relief Grant, Early Childhood Emergency Education Relief Grant, Digital Equity Grant, and American Rescue Plan - McKinney Vento.

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Notes to the Financial Statements
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. New Accounting Pronouncement

In 2022, the ROE implemented GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting for Interest Incurred before the End of a Construction Period*, GASB Statement No. 91, *Conduit Debt Obligations*, applicable sections of GASB No. 93, *Replacement of Interbank Offered Rates*, and applicable sections of GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The implementation of GASB Statement No. 87 improves accounting and financial reporting for leases by governments. The implementation of the GASB Statement Nos. 89, 91, 93, and 97 did not have a significant effect on the ROE's financial statement.

NOTE 2 CASH AND CASH EQUIVALENTS

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

Deposits

At June 30, 2022, the carrying amount of the ROE's cash was \$2,737,635 and the bank balance was \$2,851,848.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the ROE's deposits may not be returned. The ROE does not have a deposit policy for custodial credit risk. As of June 30, 2022, all of the ROE's deposits were either covered by FDIC insurance or covered by collateral held by the financial institution in the ROE's name.

Investments

The ROE's established investment policy follows the State of Illinois Public Funds Investment Act which authorizes the Regional Office of Education to purchase certain obligations of the U.S. Treasury, federal agencies, and instrumentalities; certificates of deposit and time deposits covered by Federal depository insurance; commercial paper of U.S. corporations with assets exceeding \$500,000,000, if such paper is rated at the highest classification established by at least two standard rating services; money market funds and the Illinois Funds. At June 30, 2022 the ROE had investments with carrying and fair values of \$113,116 invested in the Illinois Funds Money Market Fund. The ROE's investment in Illinois Funds has a Fitch's credit rating of AAmmf.

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June 30, 2022**

NOTE 2 CASH AND CASH EQUIVALENTS (Continued)

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

Interest Rate Risk

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

Credit Risk and Concentration of Credit Risk

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

A reconciliation of cash and cash equivalents is as follows:

<u>Cash and cash equivalents</u>	<u>Amount</u>
Governmental funds	\$ 2,412,529
Enterprise funds	174,880
Fiduciary funds	150,226
Total	<u>\$ 2,737,635</u>

NOTE 3 INTERFUND ACTIVITIES

Transfers in/out

Transfers are generally made to provide supplemental funding or move resources from the fund required to collect the resources to the fund required to expend the resources. As of June 30, 2022, interfund transfers for the year consisted of the following:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
General Fund:		
Counties Support	\$ 701	\$ —
ROE Programs and Services	152,491	—
Special Services	1,831	209,141
Education Fund:		
Early Childhood Block Grants	53,203	—
Early Intervention Infants/Toddlers	900	—

(Continued)

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June 30, 2022**

NOTE 3 INTERFUND ACTIVITIES (Continued)

Fund	Transfers in	Transfers out
ROE/ISC Operations	\$ 15	\$ –
Fiduciary Funds:		
E.H. Parriott Scholarship Trust		
Principal Fund	–	166,001
E.H. Parriott Scholarship Trust		
Income Fund	166,001	–
Total	\$ 375,142	\$ 375,142

NOTE 4 DEFINED BENEFIT PENSION PLAN

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

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

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

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

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

NOTE 4 DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement System

IMRF Plan Description

The ROE's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and their beneficiaries. The ROE's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this 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

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NOTE 4 DEFINED BENEFIT PENSION PLAN (Continued)

monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

Employees Covered by Benefit Terms

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

	IMRF
Retirees and Beneficiaries currently receiving benefits	44
Inactive Plan Members entitled to but not yet receiving benefits	58
Active Plan Members	54
Total	156

Contributions

As set by statute, the ROE’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The ROE’s annual contribution rate for calendar year 2021 was 8.75%. For the fiscal year ended 2022, the ROE contributed \$143,528 to the plan. The ROE also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Teachers’ Retirement System of the State of Illinois

Plan description

The ROE participates in the Teachers’ Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school

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NOTE 4 DEFINED BENEFIT PENSION PLAN (Continued)

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

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

Benefits provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on

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NOTE 4 DEFINED BENEFIT PENSION PLAN (Continued)

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, 2022, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the ROE.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the ROE.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022 were \$5,921.

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

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

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NOTE 4 DEFINED BENEFIT PENSION PLAN (Continued)

For the year ended June 30, 2022, the employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$2,198 were paid from federal and special trust funds that required employer contributions of \$213.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the ROE did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

NOTE 5 OTHER POSTEMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

Plan Description

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFITS (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 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.

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

On-Behalf Contributions to THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the ROE.

ROE Contributions to THIS Fund

The ROE also makes contributions to the THIS Fund. The ROE THIS Fund contribution was 0.67 percent during the year ended June 30, 2022 and 0.92 percent during the years ended June 30, 2021 and 2020. For the year ended June 30, 2022, the ROE paid \$6,804 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2021 and 2020, the ROE paid \$9,098 and \$8,749, to the THIS Fund, respectively, which was 100 percent of the required contribution.

Further Information on the THIS Fund

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

Health Insurance Plan

Plan Administration

The ROE’s defined benefit OPEB plan, Retiree’s Health Plan, provides OPEB for all permanent full-time general and public safety employees of the ROE. RHP is a single-employer defined benefit OPEB plan administered by the ROE. Article 11

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022**

NOTE 5 OTHER POSTEMPLOYMENT BENEFITS (Continued)

of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the ROE Board.

Eligibility Provisions

Full-Time Employees - IMRF

Tier I IMRF Full-Time employees:

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

Tier II IMRF Full-Time employees:

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

Benefits Provided

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

As of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Plan Membership

	Participants
Total active employees	28
Inactive employees currently receiving benefit payments	1
Inactive employees entitled to but not yet receiving benefit payments	—
Total	29

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022

NOTE 5 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Policy and Contributions

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

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

NOTE 6 LEASE INCOME

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

Rental income for the fiscal year ended June 30, 2022 was \$148,121.

NOTE 7 LEASE COMMITMENTS

The ROE is committed under long-term lease agreements for office space and equipment.

On June 11, 2013, the ROE entered into a lease agreement for office space located at 27 South State Avenue, Freeport, Illinois. The term of the lease is 10 years effective August 1, 2013, with original rent at \$2,268 per month with annual increases and is calculated with an incremental borrowing rate of 4.50%. A security deposit of \$5,833 was made upon the onset of the lease. Lease payments for the year ended June 30, 2022 totaled \$33,841.

On August 31, 2018, the ROE entered into a lease agreement for a copier and printers. The term of the lease is 60 months with monthly lease payments of \$990 required. It is calculated with an incremental borrowing rate of 4.50%. Lease payments for the year ended June 30, 2022 totaled \$11,880.

On January 6, 2020, the ROE entered into a lease agreement for a copier. The term of the lease is 60 months with monthly lease payments of \$192 required. It is calculated with an incremental borrowing rate of 4.50%. Lease payments for the year ended June 30, 2022 totaled \$2,304.

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022**

NOTE 7 LEASE COMMITMENTS (Continued)

On October 27, 2020, the ROE entered into a lease agreement for postage machines. The term of the lease is 63 months with quarterly lease payments of \$173 required. It is calculated with an incremental borrowing rate of 4.50%. Lease payments for the year ended June 30, 2022 totaled \$690.

Future minimum lease payments under these leases are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 47,911	\$ 1,636	\$ 49,547
2024	7,663	205	7,868
2025	1,972	61	2,033
2026	506	11	517
Total	<u>\$ 58,052</u>	<u>\$ 1,913</u>	<u>\$ 59,965</u>

NOTE 8 ON-BEHALF PAYMENTS

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

Regional Superintendent Salary	\$ 118,932
Assistant Regional Superintendent Salary	107,040
Regional Superintendent Benefits (includes State paid insurance)	40,460
Assistant Regional Superintendent Benefits (includes State paid insurance)	<u>34,436</u>
Total	<u>\$ 300,868</u>

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

NOTE 9 DISPOSITION OF DISTRIBUTIVE FUND INTEREST

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

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Notes to the Financial Statements
June 30, 2022**

NOTE 10 RISK MANAGEMENT

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

NOTE 11 DEFICIT FUND BALANCES/NET POSITION

The following individual funds carried the following deficit balances as of June 30, 2022:

Funds with Deficit Fund Balance	Amount
General Fund:	
Counties Support	\$ 9,183
ROE Programs and Services	542
Education Fund:	
Early Intervention Infants/Toddlers	128,868
Workforce Investment Act	8,716
McKinney Homeless Grant	4,519

NOTE 12 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 13, 2023, the date the financial statements were available to be issued.

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

SUPPLEMENTARY INFORMATION

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
General Fund
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 1

	Counties Support	ROE Programs and Services	Medical Reimbursement	Special Services	Distributive Interest Fund	Total
RECEIPTS:						
Local sources	\$ 135,516	\$ 83,611	\$ 5,316	\$ 960,271	\$ 970	\$ 1,185,684
State sources	-	-	-	600,924	-	600,924
On-behalf payments	300,868	-	-	-	-	300,868
Total receipts	<u>436,384</u>	<u>83,611</u>	<u>5,316</u>	<u>1,561,195</u>	<u>970</u>	<u>2,087,476</u>
DISBURSEMENTS:						
Instructional services:						
Salaries	69,640	148,203	-	1,050,611	-	1,268,454
Benefits	22,569	49,153	5,334	208,055	-	285,111
Purchased services	34,238	41,149	-	58,197	-	133,584
Supplies and materials	-	3,972	-	29,635	-	33,607
Other objects	1,500	100	-	4,335	-	5,935
Administrative:						
On-behalf payments	300,868	-	-	-	-	300,868
Capital outlay	-	-	-	30,639	-	30,639
Total disbursements	<u>428,815</u>	<u>242,577</u>	<u>5,334</u>	<u>1,381,472</u>	<u>-</u>	<u>2,058,198</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	7,569	(158,966)	(18)	179,723	970	29,278
OTHER FINANCING SOURCES (USES):						
Transfers in	701	152,491	-	1,831	-	155,023
Transfers out	-	-	-	(209,141)	-	(209,141)
Total other financing sources (uses)	<u>701</u>	<u>152,491</u>	<u>-</u>	<u>(207,310)</u>	<u>-</u>	<u>(54,118)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	8,270	(6,475)	(18)	(27,587)	970	(24,840)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>(17,453)</u>	<u>5,933</u>	<u>18</u>	<u>1,589,160</u>	<u>10,699</u>	<u>1,588,357</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ (9,183)</u>	<u>\$ (542)</u>	<u>\$ -</u>	<u>\$ 1,561,573</u>	<u>\$ 11,669</u>	<u>\$ 1,563,517</u>
CASH BASIS FUND BALANCES						
Assigned	\$ -	\$ -	\$ -	\$ -	\$ 11,669	\$ 11,669
Unassigned	(9,183)	(542)	-	1,561,573	-	1,551,848
TOTAL CASH BASIS FUND BALANCES	<u>\$ (9,183)</u>	<u>\$ (542)</u>	<u>\$ -</u>	<u>\$ 1,561,573</u>	<u>\$ 11,669</u>	<u>\$ 1,563,517</u>

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

Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022

Schedule 2

	Truants' Alternative/ Optional Education	Early Childhood Block Grants	Early Intervention Infants/ Toddlers	Regional Safe Schools	Hearing and Vision Grant	ROE/ISC Operations	Workforce Investment Act
RECEIPTS:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,922	\$ -	\$ -
State sources	119,733	2,540,387	699,488	56,011	1,750	92,882	-
Federal sources	-	-	-	-	-	-	94,533
Total receipts	119,733	2,540,387	699,488	56,011	4,672	92,882	94,533
DISBURSEMENTS:							
Instructional services:							
Salaries	75,707	610,379	434,401	45,586	2,614	87,600	68,733
Benefits	23,016	173,844	116,641	12,487	977	15,035	12,361
Purchased services	7,678	72,730	85,273	5,120	788	4,977	11,282
Supplies and materials	1,717	63,271	20,723	19	-	2,070	107
Other objects	11,349	133,336	21,698	-	-	-	3,059
Intergovernmental:							
Payments to other governments	-	1,806,048	-	-	-	-	-
Capital outlay	-	28,320	-	-	-	-	-
Total disbursements	119,467	2,887,928	678,736	63,212	4,379	109,682	95,542
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	266	(347,541)	20,752	(7,201)	293	(16,800)	(1,009)
OTHER FINANCING SOURCES:							
Transfers in	-	53,203	900	-	-	15	-
CHANGE IN CASH AND CASH EQUIVALENTS	266	(294,338)	21,652	(7,201)	293	(16,785)	(1,009)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	23,999	1,103,655	(150,520)	15,922	13,703	16,785	(7,707)
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 24,265	\$ 809,317	\$ (128,868)	\$ 8,721	\$ 13,996	\$ -	\$ (8,716)
CASH BASIS FUND BALANCES							
Restricted	\$ 24,265	\$ 809,317	\$ -	\$ 8,721	\$ 13,996	\$ -	\$ -
Unassigned	-	-	(128,868)	-	-	-	(8,716)
TOTAL CASH BASIS FUND BALANCES	\$ 24,265	\$ 809,317	\$ (128,868)	\$ 8,721	\$ 13,996	\$ -	\$ (8,716)

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 2 (Continued)

	McKinney Homeless Grant	Elementary and Secondary School Emergency Relief Grant	Early Childhood Emergency Education Relief Grant	Digital Equity Grant	National School Lunch Program	American Rescue Plan - McKinney Vento	Total
RECEIPTS:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,922
State sources	-	-	-	-	-	-	3,510,251
Federal sources	19,462	38,707	20,955	24,200	614	1,292	199,763
Total receipts	19,462	38,707	20,955	24,200	614	1,292	3,712,936
DISBURSEMENTS:							
Instructional services:							
Salaries	3,997	2,064	-	-	614	-	1,331,695
Benefits	1,089	505	-	-	-	-	355,955
Purchased services	3,122	7,982	-	2,053	-	534	201,539
Supplies and materials	9,611	14,023	-	11,147	-	-	122,688
Other objects	-	94	-	428	-	-	169,964
Intergovernmental:							
Payments to other governments	3,051	-	20,955	-	-	758	1,830,812
Capital outlay	-	558	-	10,455	-	-	39,333
Total disbursements	20,870	25,226	20,955	24,083	614	1,292	4,051,986
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,408)	13,481	-	117	-	-	(339,050)
OTHER FINANCING SOURCES:							
Transfers in	-	-	-	-	-	-	54,118
CHANGE IN CASH AND CASH EQUIVALENTS	(1,408)	13,481	-	117	-	-	(284,932)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	(3,111)	(12,371)	-	(117)	-	-	1,000,238
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ (4,519)	\$ 1,110	\$ -	\$ -	\$ -	\$ -	\$ 715,306
CASH BASIS FUND BALANCES							
Restricted	\$ -	\$ 1,110	\$ -	\$ -	\$ -	\$ -	\$ 857,409
Unassigned	(4,519)	-	-	-	-	-	(142,103)
TOTAL CASH BASIS FUND BALANCES	\$ (4,519)	\$ 1,110	\$ -	\$ -	\$ -	\$ -	\$ 715,306

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3

	Truants' Alternative/Optional Education				Early Childhood Block Grants				Early Intervention Infants/Toddlers			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
RECEIPTS:												
State sources	\$ 128,409	\$ 128,409	\$ 119,733	\$ (8,676)	\$ 2,700,655	\$ 2,700,655	\$ 2,540,387	\$ (160,268)	\$ 857,534	\$ 857,534	\$ 699,488	\$ (158,046)
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	128,409	128,409	119,733	(8,676)	2,700,655	2,700,655	2,540,387	(160,268)	857,534	857,534	699,488	(158,046)
DISBURSEMENTS:												
Instructional services:												
Salaries	88,550	81,550	75,707	5,843	657,892	602,717	610,379	(7,662)	533,596	504,437	434,401	70,036
Benefits	25,638	24,638	23,016	1,622	210,766	181,536	173,844	7,692	118,366	125,251	116,641	8,610
Purchased services	12,528	9,178	7,678	1,500	132,216	89,129	72,730	16,399	118,525	140,465	85,273	55,192
Supplies and materials	1,693	1,693	1,717	(24)	119,674	45,800	63,271	(17,471)	52,912	53,262	20,723	32,539
Other objects	-	11,350	11,349	1	-	148,331	133,336	14,995	34,135	34,119	21,698	12,421
Intergovernmental:												
Payments to other governments	-	-	-	-	1,575,407	1,597,132	1,806,048	(208,916)	-	-	-	-
Capital outlay	-	-	-	-	4,700	36,010	28,320	7,690	-	-	-	-
Total disbursements	128,409	128,409	119,467	8,942	2,700,655	2,700,655	2,887,928	(187,273)	857,534	857,534	678,736	178,798
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	266	\$ 266	\$ -	\$ -	(347,541)	\$ (347,541)	\$ -	\$ -	20,752	\$ 20,752
OTHER FINANCING SOURCES:												
Transfers in			-				53,203				900	
CHANGE IN CASH AND CASH EQUIVALENTS			266				(294,338)				21,652	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			23,999				1,103,655				(150,520)	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ 24,265</u>				<u>\$ 809,317</u>				<u>\$ (128,868)</u>	

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Regional Safe Schools				ROE/ISC Operations				Workforce Investment Act			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
RECEIPTS:												
State sources	\$ 59,135	\$ 59,135	\$ 56,011	\$ (3,124)	\$ 109,682	\$ 109,682	\$ 92,882	\$ (16,800)	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-	-	-	-	-	100,000	104,500	94,533	(9,967)
Total receipts	59,135	59,135	56,011	(3,124)	109,682	109,682	92,882	(16,800)	100,000	104,500	94,533	(9,967)
DISBURSEMENTS:												
Instructional services:												
Salaries	40,652	40,652	45,586	(4,934)	86,899	86,899	87,600	(701)	55,761	55,761	68,733	(12,972)
Benefits	12,155	12,155	12,487	(332)	15,513	15,513	15,035	478	9,953	9,277	12,361	(3,084)
Purchased services	6,328	6,328	5,120	1,208	6,200	6,200	4,977	1,223	34,086	35,899	11,282	24,617
Supplies and materials	-	-	19	(19)	1,070	1,070	2,070	(1,000)	200	153	107	46
Other objects	-	-	-	-	-	-	-	-	-	3,410	3,059	351
Intergovernmental:												
Payments to other governments	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	59,135	59,135	63,212	(4,077)	109,682	109,682	109,682	-	100,000	104,500	95,542	8,958
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	(7,201)	\$ (7,201)	\$ -	\$ -	(16,800)	\$ (16,800)	\$ -	\$ -	(1,009)	\$ (1,009)
OTHER FINANCING SOURCES:												
Transfers in			-				15				-	
CHANGE IN CASH AND CASH EQUIVALENTS			(7,201)				(16,785)				(1,009)	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			15,922				16,785				(7,707)	
CASH AND CASH EQUIVALENTS, END OF YEAR			\$ 8,721				\$ -				\$ (8,716)	

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	McKinney Homeless Grant				Elementary and Secondary School Emergency Relief Grant				Early Childhood Emergency Education Relief Grant			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
RECEIPTS:												
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	24,150	24,150	19,462	(4,688)	46,800	46,800	38,707	(8,093)	40,253	40,253	20,955	(19,298)
Total receipts	24,150	24,150	19,462	(4,688)	46,800	46,800	38,707	(8,093)	40,253	40,253	20,955	(19,298)
DISBURSEMENTS:												
Instructional services:												
Salaries	3,550	3,550	3,997	(447)	7,322	6,851	2,064	4,787	-	-	-	-
Benefits	1,020	1,020	1,089	(69)	2,077	950	505	445	-	-	-	-
Purchased services	4,640	4,640	3,122	1,518	13,529	13,957	7,982	5,975	-	-	-	-
Supplies and materials	7,000	7,000	9,611	(2,611)	21,302	24,484	14,023	10,461	38,679	-	-	-
Other objects	-	-	-	-	-	-	94	(94)	1,574	-	-	-
Intergovernmental:												
Payments to other governments	7,940	7,940	3,051	4,889	-	-	-	-	-	40,253	20,955	19,298
Capital outlay	-	-	-	-	2,570	558	558	-	-	-	-	-
Total disbursements	24,150	24,150	20,870	3,280	46,800	46,800	25,226	21,574	40,253	40,253	20,955	19,298
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ -	\$ -	(1,408)	\$ (1,408)	\$ -	\$ -	13,481	\$ 13,481	\$ -	\$ -	-	\$ -
OTHER FINANCING SOURCES:												
Transfers in			-				-				-	
CHANGE IN CASH AND CASH EQUIVALENTS			(1,408)				13,481				-	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			(3,111)				(12,371)				-	
CASH AND CASH EQUIVALENTS, END OF YEAR			\$ (4,519)				\$ 1,110				\$ -	

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Education Fund
Budgetary Comparison Schedules
As of and for the Year Ended June 30, 2022
Schedule 3 (Continued)

	Digital Equity Grant				American Rescue Plan - McKinney Vento			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget	Original	Final	Amounts	Final Budget
RECEIPTS:								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	23,924	23,924	24,200	276	45,000	45,000	1,292	(43,708)
Total receipts	23,924	23,924	24,200	276	45,000	45,000	1,292	(43,708)
DISBURSEMENTS:								
Instructional services:								
Salaries	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Purchased services	2,000	2,000	2,053	(53)	3,000	3,000	534	2,466
Supplies and materials	21,924	11,031	11,147	(116)	-	-	-	-
Other objects	-	429	428	1	-	-	-	-
Intergovernmental:								
Payments to other governments	-	-	-	-	42,000	42,000	758	41,242
Capital outlay	-	10,464	10,455	9	-	-	-	-
Total disbursements	23,924	23,924	24,083	(159)	45,000	45,000	1,292	43,708
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>117</u>	<u>\$ 117</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
OTHER FINANCING SOURCES:								
Transfers in			-				-	
CHANGE IN CASH AND CASH EQUIVALENTS			117				-	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			(117)				-	
CASH AND CASH EQUIVALENTS, END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Nonmajor Special Revenue Funds
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 4

	General Educational Development	Bus Driver	Institute	Total
RECEIPTS:				
Local sources	\$ 663	\$ 2,380	\$ 27,376	\$ 30,419
State sources	-	1,300	-	1,300
Total receipts	<u>663</u>	<u>3,680</u>	<u>27,376</u>	<u>31,719</u>
DISBURSEMENTS				
Instructional services:				
Salaries	-	2,356	729	3,085
Benefits	-	211	79	290
Purchased services	375	746	902	2,023
Supplies and materials	33	-	-	33
Total disbursements	<u>408</u>	<u>3,313</u>	<u>1,710</u>	<u>5,431</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	255	367	25,666	26,288
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>-</u>	<u>20,353</u>	<u>87,065</u>	<u>107,418</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 255</u>	<u>\$ 20,720</u>	<u>\$ 112,731</u>	<u>\$ 133,706</u>
CASH BASIS FUND BALANCES				
Restricted - other	<u>\$ 255</u>	<u>\$ 20,720</u>	<u>\$ 112,731</u>	<u>\$ 133,706</u>

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Private Purpose Trust Funds
Combining Schedule of Cash Additions, Deductions, and
Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2022
Schedule 5**

	E.H. Parriott Scholarship Trust Principal Fund	E.H. Parriott Scholarship Trust Income Fund	Total
ADDITIONS:			
Rent	\$ 148,121	\$ -	\$ 148,121
Proceeds from sales of investments	489,205	218,804	708,009
Interest and dividends	22,684	6,260	28,944
Total additions	<u>660,010</u>	<u>225,064</u>	<u>885,074</u>
DEDUCTIONS:			
Purchased services	100	50,145	50,245
Property taxes	-	33,427	33,427
Scholarships	-	141,250	141,250
Purchase of investments	475,507	169,120	644,627
Total deductions	<u>475,607</u>	<u>393,942</u>	<u>869,549</u>
EXCESS (DEFICIENCY) OF ADDITIONS OVER (UNDER) DEDUCTIONS	184,403	(168,878)	15,525
OTHER FINANCING SOURCES (USES):			
Transfers in	-	166,001	166,001
Transfers out	(166,001)	-	(166,001)
Total other financing sources (uses)	<u>(166,001)</u>	<u>166,001</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS	18,402	(2,877)	15,525
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,599</u>	<u>107,788</u>	<u>111,387</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 22,001</u>	<u>\$ 104,911</u>	<u>\$ 126,912</u>
CASH BASIS FIDUCIARY NET POSITION			
Held in trust for other purposes	<u>\$ 22,001</u>	<u>\$ 104,911</u>	<u>\$ 126,912</u>

**Carroll, Jo Daviess, and Stephenson Counties
Regional Office of Education #8
Schedule of Cash Disbursements to School District Treasurers and Other Entities
For the Year Ended June 30, 2022
Schedule 6**

	Vocational Education - Career and Tech. Grant	Voc. Ed - Perkins Title II Secondary	Jo Daviess County School Facilities Sales Tax	Total
Eagle Ridge Vocational Delivery System	\$ 304,887	\$ 44,609	\$ -	\$ 349,496
East Dubuque School District #119	-	-	576,241	576,241
Galena Unit School District #120	-	-	783,730	783,730
River Ridge Community Unit School District #210	-	-	424,791	424,791
Scales Mound Community Unit School District #211	-	-	249,453	249,453
Stockton Community Unit School District #206	-	-	501,851	501,851
Warren Community Unit School District #205	-	-	352,107	352,107
West Carroll Community Unit School District #314	-	-	491	491
Total	\$ 304,887	\$ 44,609	\$ 2,888,664	\$ 3,238,160