



STATE OF ILLINOIS

**DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19**

**FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)**

For the Year Ended June 30, 2020

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



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**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19**

For the Year Ended June 30, 2020

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**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19**

For the Year Ended June 30, 2020

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**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19**

For the Year Ended June 30, 2020

OFFICIALS

Regional Superintendent
(July 1, 2023 to current)

Ms. Amber Quirk

Regional Superintendent
(During audit period through June 30, 2023)

Dr. Darlene Ruscitti

Assistant Regional Superintendent of Business/CSBO
(Current and during audit period)

Dr. Jeremy Dotson

Assistant Regional Superintendent
(During audit period through June 30, 2023)

Ms. Amber Quirk

Offices are located at:

421 North County Farm Road
Wheaton, IL 60187-3999

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19**

For the Year Ended June 30, 2020

COMPLIANCE REPORT

SUMMARY

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

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

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

SUMMARY OF FINDINGS AND RESPONSES

Item No.	Page	Description	Finding Type
<i>Findings (Government Auditing Standard)</i>			
None			
<i>Findings and Questioned Costs (Federal Compliance)</i>			
None			
<i>Prior Audit Findings Not Repeated (Government Auditing Standards)</i>			
None			
<i>Prior Audit Findings Not Repeated (Federal Compliance)</i>			
None			

EXIT CONFERENCE

The DuPage County Regional Office of Education #19 did not request an exit conference.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19**

For the Year Ended June 30, 2020

FINANCIAL STATEMENT REPORT

SUMMARY

The audit of the accompanying basic financial statements of the DuPage County Regional Office of Education #19 was performed by Sikich LLP.

Based on their audit, the auditors expressed an unmodified opinion on the DuPage County Regional Office of Education #19's basic financial statements.

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INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education #19, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the DuPage County Regional Office of Education #19'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 of 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 auditor's 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 DuPage County Regional Office of Education #19, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year 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 required supplementary information consisting of the Schedule of the Employer's Proportionate Share of the Net Pension Liability - Teachers' Retirement System of the State of Illinois, Schedule of Employer Contributions - Teachers' Retirement System of the State of Illinois, Schedule of the Employer's Proportionate Share of the Net Pension Liability - Illinois Municipal Retirement Fund – DuPage County, Schedule of Employer Contributions - Illinois Municipal Retirement Fund – DuPage County, Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability - Teachers' Health Insurance Security Fund, Schedule of Employer Contributions - Teachers' Healthy Insurance Security Fund and Schedule of Changes in the Total OPEB Liability and Related Ratios - Other Postemployment Benefits – Other Health Insurance – on pages 65 through 71 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 the 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.

Emphasis of Matter

The DuPage County Regional Office of Education #19 has not presented a management's discussion and analysis that governmental 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 DuPage County Regional Office of Education #19'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 was 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 the 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 a report dated January 17, 2024 on our consideration of the DuPage County Regional Office of Education #19's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the DuPage County Regional Office of Education #19'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 the DuPage County Regional Office of Education #19's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Naperville, Illinois
January 17, 2024

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Naperville, IL 60563
630.566.8400

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the DuPage County Regional Office of Education #19, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the DuPage County Regional Office of Education #19's basic financial statements and have issued our report thereon dated January 17, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the ROE's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the ROE's internal control. Accordingly, we do not express an opinion on the effectiveness of the ROE'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ROE'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ROE'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 ROE's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Springfield, Illinois
January 17, 2024

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Naperville, IL 60563
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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 DuPage County Regional Office of Education #19's (the ROE) 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 ROE's major federal programs for the year ended June 30, 2020. The ROE's major federal program is 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 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 ROE'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 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 ROE'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 ROE's compliance.

Opinion on Each Major Federal Program

In our opinion, the ROE 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, 2020.

Report on Internal Control over Compliance

Management of the ROE 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 ROE'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 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 ROE'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that were not 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.

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Naperville, Illinois
January 17, 2024

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements in accordance with GAAP

Type of auditor's report issued: *unmodified*

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

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major federal programs:
 Material weakness(es) identified? _____ yes x no
 Significant deficiency(ies) identified? _____ yes x 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 x no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
-----------------------	-------------------------------------------

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

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

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**

For the Year Ended June 30, 2020

Section II - Financial Statement Findings

None

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**

For the Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs

None

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION #19
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED**

For the Year Ended June 30, 2020

Prior Audit Findings Not Repeated

None

BASIC FINANCIAL STATEMENTS

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,230,166	\$ 851,396	\$ 6,081,562
Accounts receivable	12,353	1,500	13,853
Due from other governments	681,698	51,728	733,426
Internal balances	19,816	(19,816)	-
Prepaid expenses	19,473	49,631	69,104
Total current assets	<u>5,963,506</u>	<u>934,439</u>	<u>6,897,945</u>
Non-current assets:			
Capital assets, net of depreciation	<u>159,520</u>	<u>12,308</u>	<u>171,828</u>
Total assets	<u>6,123,026</u>	<u>946,747</u>	<u>7,069,773</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions - TRS	37,360	-	37,360
Deferred outflows related to pensions - IMRF	350,026	-	350,026
Deferred outflows related to OPEB - THIS	525,032	-	525,032
Total deferred outflows of resources	<u>912,418</u>	<u>-</u>	<u>912,418</u>
LIABILITIES			
Current liabilities:			
Accounts payable	90,400	84,917	175,317
Accrued expenses	197,559	6,560	204,119
Due to other governments	208,087	2,597	210,684
Unearned revenue	67,374	112,139	179,513
Compensated absences	43,768	-	43,768
Total OPEB Liability - Other	12,514	-	12,514
Lease payable, current portion	8,469	-	8,469
Total current liabilities	<u>628,171</u>	<u>206,213</u>	<u>834,384</u>
Non-current liabilities:			
Lease payable, non-current portion	8,991	-	8,991
Net pension liability - TRS	121,563	-	121,563
Net pension liability - IMRF	523,698	-	523,698
Net OPEB liability - THIS	1,456,219	-	1,456,219
Total OPEB liability - Other	161,596	-	161,596
Total non-current liabilities	<u>2,272,067</u>	<u>-</u>	<u>2,272,067</u>
Total liabilities	<u>2,900,238</u>	<u>206,213</u>	<u>3,106,451</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions - TRS	170,827	-	170,827
Deferred inflows related to pensions - IMRF	398,105	-	398,105
Deferred inflows related to OPEB - THIS	194,479	-	194,479
Total deferred inflows of resources	<u>763,411</u>	<u>-</u>	<u>763,411</u>
NET POSITION			
Net investment in capital assets	142,060	12,308	154,368
Restricted for educational purposes	4,349,930	-	4,349,930
Unrestricted	<u>(1,120,195)</u>	<u>728,226</u>	<u>(391,969)</u>
Total net position	<u>\$ 3,371,795</u>	<u>\$ 740,534</u>	<u>\$ 4,112,329</u>

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
Instructional services:							
Salaries	\$ 2,242,994	\$ -	\$ 1,682,335	\$ -	\$ (560,659)	\$ -	\$ (560,659)
Benefits	335,007	-	229,409	-	(105,598)	-	(105,598)
Pension expense	201,604	-	95,587	-	(106,017)	-	(106,017)
OPEB expense	112,477	-	-	-	(112,477)	-	(112,477)
Purchased services	1,949,009	281,852	1,567,630	-	(99,527)	-	(99,527)
Supplies and materials	221,842	44,027	191,174	-	13,359	-	13,359
Other objects	1,309	-	-	-	(1,309)	-	(1,309)
Capital outlay	-	67,220	57,352	-	124,572	-	124,572
Depreciation	42,896	-	-	-	(42,896)	-	(42,896)
Intergovernmental:							
Payments to other governments	5,208,254	-	-	-	(5,208,254)	-	(5,208,254)
Administrative:							
State proportionate share - TRS and THIS	1,025,696	-	1,025,696	-	-	-	-
On behalf payments	1,517,315	-	1,517,315	-	-	-	-
Total governmental activities	12,858,403	393,099	6,366,498	-	(6,098,806)	-	(6,098,806)
Business-type activities:							
Other	790,149	846,385	-	-	-	56,236	56,236
Total primary government	\$ 13,648,552	\$ 1,239,484	\$ 6,366,498	\$ -	(6,098,806)	56,236	(6,042,570)
General revenues:							
Local sources					808,149	-	808,149
State sources					5,720,213	-	5,720,213
Investment income					403,905	759	404,664
Loss on disposal of capital assets					(1,524)	-	(1,524)
Transfers					(552,311)	552,311	-
Total general revenues and transfers					6,378,432	553,070	6,931,502
CHANGE IN NET POSITION					279,626	609,306	888,932
NET POSITION, BEGINNING OF YEAR					3,092,169	131,228	3,223,397
NET POSITION, END OF YEAR					\$ 3,371,795	\$ 740,534	\$ 4,112,329

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	Special Revenue				Total Governmental Funds
	General Fund	Institute Fund	Education Fund	Nonmajor Special Revenue Funds	
ASSETS					
Cash and cash equivalents	\$ 616,095	\$ 3,734,799	\$ 473,574	\$ 405,698	\$ 5,230,166
Accounts receivable	334	-	12,019	-	12,353
Due from other governments	84,053	-	597,645	-	681,698
Due from other funds	463,891	13,956	-	478	478,325
Prepaid expenses	982	1,786	16,705	-	19,473
Total assets	1,165,355	3,750,541	1,099,943	406,176	6,422,015
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
	\$ 1,165,355	\$ 3,750,541	\$ 1,099,943	\$ 406,176	\$ 6,422,015
LIABILITIES					
Accounts payable	\$ 9,882	\$ 2,263	\$ 74,855	\$ 3,400	\$ 90,400
Accrued expenses	39,441	783	157,335	-	197,559
Due to other governments	636	-	207,451	-	208,087
Due to other funds	22,094	16,197	420,218	-	458,509
Unearned revenue	-	-	65,314	2,060	67,374
Total liabilities	72,053	19,243	925,173	5,460	1,021,929
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	30,708	-	83,336	-	114,044
FUND BALANCE					
Nonspendable	982	1,786	16,705	-	19,473
Restricted	-	3,729,512	201,211	400,716	4,331,439
Unassigned	1,061,612	-	(126,482)	-	935,130
Total fund balance	1,062,594	3,731,298	91,434	400,716	5,286,042
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
	\$ 1,165,355	\$ 3,750,541	\$ 1,099,943	\$ 406,176	\$ 6,422,015

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2020

Total fund balance of governmental funds \$ 5,286,042

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities are not
financial resources and, therefore, are not reported
in the funds. 159,520

Receivables not collected within 60 days of year end are
not available soon enough to pay for the current
period's expenditures and, therefore, are unavailable
revenue in the funds. 114,044

Pension and OPEB related deferred outflows of resources
and deferred inflows of resources are not due and payable
in the current year and, therefore, are not reported in the
governmental funds as follows:

Deferred outflows of resources - TRS	37,360
Deferred outflows of resources - IMRF	350,026
Deferred outflows of resources - THIS	525,032
Deferred inflows of resources - TRS	(170,827)
Deferred inflows of resources - IMRF	(398,105)
Deferred inflows of resources - THIS	(194,479)
	<u>149,007</u>

Some liabilities are not due and payable in the current
period and, therefore, are not reported as liabilities
in the governmental funds.

Capital lease obligations	(17,460)
Compensated absences	(43,768)
Net pension liability - TRS	(121,563)
Net pension liability - IMRF	(523,698)
Net OPEB liability - THIS	(1,456,219)
Total OPEB liability - Other	(174,110)
	<u>(2,336,818)</u>

Net position of governmental activities \$ 3,371,795

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	<u>Special Revenue</u>				Total Governmental Funds
	General Fund	Institute Fund	Education Fund	Other Nonmajor Funds	
REVENUES:					
Local sources	\$ 1,120,325	\$ -	\$ 172,271	\$ 41,460	\$ 1,334,056
State sources	5,720,213	-	2,026,956	4,791	7,751,960
Federal sources	-	-	1,602,074	-	1,602,074
Interest income	4,452	398,223	1,230	-	403,905
On-behalf payments	1,517,315	-	-	-	1,517,315
Total revenues	<u>8,362,305</u>	<u>398,223</u>	<u>3,802,531</u>	<u>46,251</u>	<u>12,609,310</u>
EXPENDITURES:					
Instructional services:					
Salaries	327,454	-	1,897,771	-	2,225,225
Benefits	60,033	-	274,974	-	335,007
Pension expense	17,511	-	112,332	-	129,843
OPEB expense	2,937	-	9,714	-	12,651
Purchased services	135,480	25,023	1,776,171	12,335	1,949,009
Supplies and materials	11,994	4,084	204,015	1,749	221,842
Capital outlay	-	8,934	67,580	-	76,514
Intergovernmental:					
Payments to other governments	5,208,254	-	-	-	5,208,254
Administrative:					
On-behalf payments	1,517,315	-	-	-	1,517,315
Debt service:					
Repayment of long-term lease payable	7,977	-	-	-	7,977
Financing cost	1,309	-	-	-	1,309
Total expenditures	<u>7,290,264</u>	<u>38,041</u>	<u>4,342,557</u>	<u>14,084</u>	<u>11,684,946</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,072,041</u>	<u>360,182</u>	<u>(540,026)</u>	<u>32,167</u>	<u>924,364</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	341,072	-	500,235	-	841,307
Transfers out	(1,393,618)	-	-	-	(1,393,618)
Total other financing sources (uses)	<u>(1,052,546)</u>	<u>-</u>	<u>500,235</u>	<u>-</u>	<u>(552,311)</u>
NET CHANGE IN FUND BALANCE	19,495	360,182	(39,791)	32,167	372,053
FUND BALANCE, BEGINNING OF YEAR	<u>1,043,099</u>	<u>3,371,116</u>	<u>131,225</u>	<u>368,549</u>	<u>4,913,989</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,062,594</u>	<u>\$ 3,731,298</u>	<u>\$ 91,434</u>	<u>\$ 400,716</u>	<u>\$ 5,286,042</u>

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

STATE OF ILLINOIS
DUPAGE COUNTY
DUPAGE COUNTY REGIONAL OFFICE OF EDUCATION NO. 19
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, 2020

Net change in fund balance \$ 372,053

Amounts reported for governmental activities in the
Statement of Activities are different because:

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.

Capital outlay	\$ 76,514	
Depreciation and disposition losses	<u>(44,420)</u>	<u>32,094</u>

Some receivables will not be collected for several
months after fiscal year end, so they are
not considered as "available" revenue in the
governmental funds, and they are instead
counted as unavailable revenue. They are,
however, recorded as revenue in the
Statement of Activities.

Fiscal year 2019 unavailable revenue recognized in fiscal year 2020	(57,186)	
Fiscal year 2020 unavailable revenue	<u>114,044</u>	<u>56,858</u>

Some 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. These activities
consist of:

Decrease in capital lease obligations	7,977	
Increase in compensated absences	(17,769)	
Pension benefit - TRS	125,260	
Pension expense - IMRF	(197,021)	
OPEB expense - THIS	(126,261)	
OPEB benefit - Other	<u>26,435</u>	
		<u>(181,379)</u>

Change in net position of governmental activities \$ 279,626

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

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020**

	Business Type Activities - Enterprise Funds			
	Major Funds		Nonmajor Fund	
	Teacher Inservice for DuPage Educators	Local Services	Criminal Background Investigation	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 344,853	\$ 310,381	\$ 196,162	\$ 851,396
Accounts receivable	-	1,500	-	1,500
Due from other governments	-	44,501	7,227	51,728
Due from other funds	7,560	15,402	117	23,079
Prepaid expenses	8,412	41,219	-	49,631
Total current assets	<u>360,825</u>	<u>413,003</u>	<u>203,506</u>	<u>977,334</u>
Non-current assets:				
Capital assets, net of depreciation	<u>7,548</u>	<u>4,760</u>	<u>-</u>	<u>12,308</u>
Total assets	<u>368,373</u>	<u>417,763</u>	<u>203,506</u>	<u>989,642</u>
DEFERRED OUTFLOWS OF RESOURCES				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	49,380	35,537	-	84,917
Accrued expenses	-	6,560	-	6,560
Due to other governments	-	-	2,597	2,597
Due to other funds	26,080	5,498	11,317	42,895
Unearned revenue	96,597	15,542	-	112,139
Total current liabilities	<u>172,057</u>	<u>63,137</u>	<u>13,914</u>	<u>249,108</u>
DEFERRED INFLOWS OF RESOURCES				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	7,548	4,760	-	12,308
Unrestricted	<u>188,768</u>	<u>349,866</u>	<u>189,592</u>	<u>728,226</u>
TOTAL NET POSITION	<u>\$ 196,316</u>	<u>\$ 354,626</u>	<u>\$ 189,592</u>	<u>\$ 740,534</u>

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2020

	Business Type Activities - Enterprise Funds			Total
	Major Funds		Nonmajor Fund	
	Teacher Inservice for DuPage Educators	Local Services	Criminal Background Investigation	
OPERATING REVENUES:				
Local sources	\$ 256,918	\$ 519,320	\$ 70,147	\$ 846,385
OPERATING EXPENSES:				
Salaries	-	144,457	-	144,457
Benefits	-	16,781	-	16,781
Purchased services	68,654	355,030	46,740	470,424
Supplies and materials	-	20,495	-	20,495
Payment to other governments	134,252	-	-	134,252
Other objects	-	1,643	-	1,643
Depreciation	1,387	710	-	2,097
Total operating expenses	<u>204,293</u>	<u>539,116</u>	<u>46,740</u>	<u>790,149</u>
OPERATING INCOME (LOSS)	52,625	(19,796)	23,407	56,236
NONOPERATING REVENUES				
Investment income	<u>723</u>	<u>36</u>	<u>-</u>	<u>759</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	<u>53,348</u>	<u>(19,760)</u>	<u>23,407</u>	<u>56,995</u>
TRANSFERS				
Transfers in	-	603,146	-	603,146
Transfers out	<u>(1,369)</u>	<u>(49,466)</u>	<u>-</u>	<u>(50,835)</u>
Total transfers	<u>(1,369)</u>	<u>553,680</u>	<u>-</u>	<u>552,311</u>
CHANGE IN NET POSITION	51,979	533,920	23,407	609,306
NET POSITION, BEGINNING OF YEAR	<u>144,337</u>	<u>(179,294)</u>	<u>166,185</u>	<u>131,228</u>
NET POSITION, END OF YEAR	<u>\$ 196,316</u>	<u>\$ 354,626</u>	<u>\$ 189,592</u>	<u>\$ 740,534</u>

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2020

	Business Type Activities - Enterprise Funds			
	Major Funds		Nonmajor Fund	
	Teacher		Criminal	
	Inservice for DuPage Educators	Local Services	Investigation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts for workshops and services	\$ 269,626	\$ 495,169	\$ 76,908	\$ 841,703
Payments to suppliers and providers of goods and services	(210,510)	(420,405)	(53,080)	(683,995)
Payments to employees	-	(154,819)	-	(154,819)
Net cash provided by (used in) operating activities	<u>59,116</u>	<u>(80,055)</u>	<u>23,828</u>	<u>2,889</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interfund loans	(17,770)	(158,741)	(1,200)	(177,711)
Transfers from (to) other funds	(1,369)	553,680	-	552,311
Net cash provided by (used in) noncapital financing activities	<u>(19,139)</u>	<u>394,939</u>	<u>(1,200)</u>	<u>374,600</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:				
Purchase of capital assets	(8,935)	(4,539)	-	(13,474)
Net cash used in capital financing activities	<u>(8,935)</u>	<u>(4,539)</u>	<u>-</u>	<u>(13,474)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income	723	36	-	759
Net cash provided by investing activities	<u>723</u>	<u>36</u>	<u>-</u>	<u>759</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	31,765	310,381	22,628	364,774
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>313,088</u>	<u>-</u>	<u>173,534</u>	<u>486,622</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 344,853</u>	<u>\$ 310,381</u>	<u>\$ 196,162</u>	<u>\$ 851,396</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 52,625	\$ (19,796)	\$ 23,407	\$ 56,236
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,387	710	-	2,097
Effects of changes in assets and liabilities:				
Accounts receivable	-	(1,500)	-	(1,500)
Due from other governments	-	(15,408)	6,761	(8,647)
Prepaid expenses	77	(12,168)	-	(12,091)
Accounts payable	(7,681)	(31,069)	-	(38,750)
Accrued expenses	-	6,419	-	6,419
Due to other governments	-	-	(6,340)	(6,340)
Unearned revenue	12,708	(7,243)	-	5,465
Net cash provided by (used in) operating activities	<u>\$ 59,116</u>	<u>\$ (80,055)</u>	<u>\$ 23,828</u>	<u>\$ 2,889</u>

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

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the DuPage County Regional Office of Education No. 19 (ROE) substantially comply with the rules prescribed by the Illinois State Board of Education (ISBE). These accounting policies conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. Reporting Entity

The ROE operates under the School Code (Articles 5/3 and 5/3A of Illinois Compiled Statutes, Chapter 105). The ROE encompasses DuPage County. The Regional Superintendent of Schools (Regional Superintendent) serves as chief administrative officer of the ROE and is elected pursuant to Article 3, Illinois Compiled Statutes, Chapter 105. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The Regional Superintendent is charged with the responsibility for township fund lands; 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; evaluate the schools in the region; examine evidence of indebtedness; file and keep returns of elections required to be returned to the Regional Superintendent's office; and 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 school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education No. 19 districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans to ensure compliance 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 treasurer's bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts under his control are properly bonded.

The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for districts in the region, or see 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.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

For the period ended June 30, 2020, the ROE 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. 19.

The ROE reporting entity includes all related organizations for which they exercise oversight responsibility.

These are the only activities considered to be part of (controlled by or dependent on) the ROE, as determined by the application of the criteria set forth in Governmental Accounting Standards Board. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Regional Office to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Regional Office.

The districts 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 ROE does not control the assets, operations, or management of the districts. In addition, the ROE is not aware of any entity which would exercise such oversight as to result in the ROE being considered a component unit of the entity.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities are supported by intergovernmental revenues and are reported separate from business-type activities, which rely to a significant extent on fees and charges for support.

B. Government-wide and Fund Financial Statements

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and reported in a single column.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider 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 as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay current liabilities. The ROE considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues received more than 60 days after the end of the current period are deferred inflows of resources in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements. Expenditures generally are recorded when a liability is incurred.

Revenues from local sources consist primarily of fees charged to school districts for services rendered by the ROE. Miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Grant funds from the State of Illinois are considered to be earned to the extent of expenditures made under the provisions of the grant. Investment earnings are recorded as earned since they are measurable and available.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position. The accrual basis of accounting is utilized by the proprietary fund type. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when the related liability is incurred.

The proprietary fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the ROE's policy to use restricted resources first, then unrestricted resources as they are needed. For unrestricted fund balances, assigned funds are used first, then unassigned, if any.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The ROE reports the following major governmental funds:

General Fund – The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The ROE's General Fund accounts include the following:

- Reading First – This program is designed to provide professional development for teachers in schools participating in the Reading First program.
- ROE Operations – Used to accumulate miscellaneous receipts used to support the day-to-day expenses of the ROE, including General State Aid.
- Regional Safe Schools and General State Aid – These funds provide programs for disruptive students who are eligible for suspension or expulsion. The programs provide individually designed curriculum, social skills training, career exploration and work experience opportunities, and opportunities to work toward re-entry into the traditional programs, if appropriate.
- Area I – This revenue is received from local sources and used for expenses incurred for Area I programs.
- Truant Minors in Need of Supervision (TMINS) – These funds provide programs for one of the Alternative Learning Opportunities Programs (ALOP) that provides an alternative learning environment and includes individualized instruction, small classes and counseling sessions.
- Superintendent Leadership Collaborative – These funds are designated for those superintendents who wish to join a superintendent network group in DuPage County.
- Personnel Administrators Coming Together – These funds are designated for those Personnel Administrators who wish to join a personnel network group in DuPage County.
- DuPage County Curriculum Directors – These funds are designated for those Curriculum Directors who wish to join a curriculum network group in DuPage County.
- ALOP Safe School and GED Tuition – Local Unrestricted ALOP Student Tuition and Student Fees charged by the DuPage ROE to those school districts within DuPage County who have transferred their students into a ALOP or GED program at the DuPage ROE.
- Rebound – These funds provide programs for students who are suspended out-of-school for longer than four school days and must be provided with appropriate and available support services during the period of their suspension.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Special Revenue Funds – Accounts for and reports the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes. The ROE reported the following special revenue funds as major governmental funds:

- Institute Fund – This fund accounts for fees collected for the registration and renewal of teaching licenses. These fees are used to defray administrative expenses incidental to teachers' institutes, workshops, or meetings of a professional nature that are designed to promote the professional growth of teachers or for the purpose of defraying the expense of any general or special meeting of teachers or school personnel, which has been approved by the ROE. All funds generated remain restricted until expensed only on the aforementioned activities.

Education Fund – This fund accounts for and reports proceeds from sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:

- Regional Safe Schools – These grant funds provide programs for disruptive students who are eligible for suspension or expulsion. The programs provide individually designed curriculum, social skills training, career exploration and work experience opportunities, and opportunities to work toward re-entry into the traditional programs, if appropriate.
- Early Childhood Parenting Program – Accounts for monies received for, and payment of, expenditures for developing and operating programs for parents of young children.
- Truants' Alternative Program – Accounts for grant monies received for, and payment of, expenditures of providing support services and evaluating compliance with recommendations to DuPage County truants and their parents.
- McKinney Education for Homeless Children – This grant provides funds for providing information to schools, community members and government entities about the educational rights of homeless students.
- Title I – Grants to Local Educational Agencies – ROE #56 (System of Support (RESPRO)) – Grant monies in this fund are used to provide professional development activities to schools that are on Illinois' Academic Watch List. To be on the list, students in the buildings have not made Adequate Yearly Progress for at least two years. The funding sources for this grant are Title I, Title II, and State appropriated monies.
- Technology for Success – These funds provide a coordinated, statewide support infrastructure which assists school districts in planning for, implementing, assessing results and educating staff in the use of technology and telecommunications in curricular, instructional and administrative functions.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

- Social Emotional Learning Standards Professional Development Program (SEL-PDP) – This program provides training and technical assistance to incorporate social-emotional learning standards into daily instructions.
- Illinois New Principal Mentoring – These funds are intended to help support the State-wide program to ensure that every new principal in Illinois receives a high-quality mentoring experience that focuses on professional development experiences and enhances a new principal's leadership. In this program, new leaders receive mentoring from proven, trained mentors who are paired with new principals based on geography, grade level, and need.
- Teacher Mentoring Pilot Program – These funds are intended to help support the State-wide new teacher mentoring program that includes assigning a mentor teacher to each new teacher for a period of two years and providing professional development designed to ensure the growth of the new teachers' knowledge and skills.
- Career & Technical Education Improvement – These funds assist to develop the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs.
- ROE/ISC Operations – Monies received from local and State sources to help support the day-to-day operating expenses of the ROE.
- Title II Teacher Quality Leadership – Federal funds used to provide professional development training to teachers for improvement of instruction in the classroom.
- Title II Teacher Quality – Federal funds used to provide professional development training to teachers for improvement of instruction in the classroom.
- Spelling Bee – These funds are used to operate and track local Spelling Bee donations and program activities.
- Pilot Regional Safe Schools Cooperative Education Program (RSSPCE) – These funds assist in counseling students in the development of academic, career training, and behavior skills to better prepare them for the job market post-secondary education.
- Regional School Board Petition Grant – The Regional School Board Petition Grant upholds an account utilized for monies funded by residents within DuPage County who submit a petition against a DuPage County School Districts regarding annexation or detachment boundary matters. These funds are allocated to pay fees for publication, attorneys, court reporters and transcripts/manuscripts needed for board meetings and possible hearings by the Regional Board of School Trustees.
- Mathematics and Science Partnerships – Federal funds used to provide professional development programming and activities to improve the professional knowledge of STEM teachers from K-8 settings.

STATE OF ILLINOIS
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REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

- Education Innovation and Research – Federal funds used to improve public K-12 education for the neediest students and enable other educators to learn from these successful efforts.
- Supporting Effective Educator Development – This program supports the strengthening of leadership skills.
- Bureau of Justice Assistance (BJA) STOP – This grant is intended to support the STOP School Violence Act which is designed to improve school security by providing students and teachers with the tools they need to quickly recognize and respond to violent attacks, mitigate risk exposure, and prevent acts of violence.
- McCormick Foundation Grant – Support statewide middle school civics course implementation, which includes in-person and online teacher professional development, a train the trainer program in collaboration with regional teacher mentors throughout the state, and partnerships with colleges, universities, and other regional offices of education as host sites for teacher professional development.

Nonmajor Special Revenue Funds – All other special revenue funds not classified under the Education Fund are grouped under this fund for financial statement presentation.

- General Education Development – These funds are provided for the processing of applications for the high school level Test of General Educational Development and the issuance of diplomas upon the successful completion of the examination. Statutes require excess funds to be transferred into the Institute Fund.
- Bus Driver Training – These funds are collected from the issuance of school bus driver permits and are used to sponsor instructional training courses for school bus drivers.
- Supervisory – These funds are an annual appropriation of State common school funds for the expenses incurred in providing supervisory services.

Proprietary Funds

Proprietary Funds – Account for activities whose costs are funded by fees and charges. These fees and charges are paid by external users for goods or services.

The ROE reported the following proprietary funds as major funds:

- Teacher Inservice for DuPage Educators – This program is used for graduate courses offered to DuPage educators and administrators.
- Local Services – These funds are associated with workshops conducted by the ROE. In addition, this fund accounts for the revenues and expenses of the Administrator's Academy and Gifted Planning Activities.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The ROE reported the following proprietary fund as a nonmajor fund:

- Criminal Background Investigation – These funds are used to account for the assessments received from school districts to pay for the processing of fingerprinting the substitute teachers and expenditures incurred for providing the service to the school districts.

D. Revenues – Exchange and Non-exchange Transactions

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

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

E. Cash and Cash Equivalents

Cash consists of demand deposits. The ROE considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. There were no investments to be reported at fair value as of June 30, 2020.

F. Due From Other Governments

Due from other governmental units and agencies is reported at gross with no allowance for uncollectibles since management believes the amount of any uncollectible accounts is immaterial.

G. Capital Assets

Capital assets, which include building improvements and furniture and equipment, are reported in the applicable governmental column in the government-wide financial statements.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets (Continued)

General capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are recorded at acquisition value at the date of donation. The ROE records all capital items, which are individually greater than \$2,000, with a useful life of greater than one year, as capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and equipment	5-10
Building improvements	20

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

H. Compensated absences

Certain full-time employees earn vacation time according to their length of service ranging from 10 to 25 days per year. Vacation time must be used by August 31 following the end of the fiscal year. Upon termination, employees are paid for accrued, unused vacation time. The Regional Office of Education No. 19 records a liability associated with compensated absences.

I. Unearned Revenue

Grants and assistance received from other governmental units are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as unearned revenue.

STATE OF ILLINOIS
DUPAGE COUNTY
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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from TRS' and IMRF's fiduciary net positions have been determined on the same basis as they are reported by TRS and IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

K. Postemployment Benefits Other Than Pensions (OPEB)

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

L. Unavailable Revenue

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. Unavailable revenue in the governmental fund financial statements 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. Unavailable revenue consists of receivables not collected within 60 days after year end.

M. Deferred Outflows of Resources/Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an 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 represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the governmental funds consist of unavailable revenue. Deferred inflows of resources in the Statement of Net Position consist of unrecognized items not yet charged to pension and OPEB expense.

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Net Position

In the government-wide financial statements net position is displayed in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition 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 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.

O. Fund Balance

Fund Balance is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources in a Governmental Fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

Nonspendable – The portion of a Governmental Fund's fund balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balances reported for ROE Operations, Institute Fund, Regional Safe Schools, Early Childhood Parenting Program, Career & Technical Education Improvement, ROE/ISC Operations, Education Innovation and Research, and Supporting Effective Educator Development are nonspendable in form for prepaid expenses.

Restricted – The portion of a Governmental Fund's fund balance that is subject to external enforceable legal restrictions. The following fund balances are restricted by grant agreements or contracts: Early Childhood Parenting Program, System of Support (RESPRO), Technology for Success, Social Emotional Learning Standards Professional Development Program (SEL-PDP), Illinois New Principal Mentoring, Teacher Mentoring Pilot Program, ROE/ISC Operations, Spelling Bee, Regional School Board Petition Grant, and Mathematics and Science Partnerships. The following funds are restricted by Illinois Statute: Institute Fund, General Education Development, Bus Driver Training and Supervisory.

Committed – The portion of a Governmental Fund's fund balance 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 – The portion of a Governmental Fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balance are specified for a particular purpose by the Regional Superintendent. There are no accounts presenting an assigned fund balance.

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balance (Continued)

Unassigned – Available expendable financial resources in a Governmental Fund that are not designated for a specified purpose. The unassigned fund balance is made up of the following accounts: Reading First, ROE Operations, Area I, Truant Minors in Need of Supervision (TMINS), Superintendent Leadership Collaborative, Personnel Administrators Coming Together, ALOP Safe School and GED Tuition, Regional Safe Schools, Truants' Alternative Program, McKinney Education for Homeless Children, Career & Technical Education Improvement, Title II Teacher Quality Leadership, Title II Teacher Quality, Education Innovation and Research, Supporting Effective Educator Development, and Bureau of Justice Assistance (BJA) STOP.

P. Use of Estimates

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

Q. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

R. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are accounted for using the consumption method.

S. Budgetary Data

The ROE did not formally adopt a budget for the year ended June 30, 2020 and is not legally required to do so; subsequently, the accompanying financial statements are not presented on a budgetary basis whereby budget and actual revenues and expenditures are compared; however, the Illinois State Board of Education requires budgets for certain State and Federal programs. These budgets were used to prepare Budgetary Comparison Schedules for the following programs:

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Budgetary Data (Continued)

Special Revenue Funds:

- Education Fund:
 - Regional Safe Schools
 - Early Childhood Parenting Program
 - Truants' Alternative Program
 - Career & Technical Education Improvement
 - ROE/ISC Operations
 - Title II Teacher Quality Leadership
 - RSSPCE Pilot Regional Safe Schools Cooperative Education Program

T. New Accounting Pronouncements

In 2020, DuPage County Regional Office of Education No. 19 implemented Governmental Accounting Standards Board (GASB) Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 95 extends the effective dates of certain accounting and financial reporting provisions that were first effective for reporting periods beginning after June 15, 2018. The primary objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

U. Subsequent Events

Management has evaluated subsequent events through January 17, 2024, which was the date that these financial statements were available for issuance and determined that there were no significant non-recognized subsequent events through that date.

NOTE 2 – CASH AND CASH EQUIVALENTS

The ROE has adopted an investment policy to invest in those instruments as defined: bonds, notes, certificates of indebtedness, treasury bills and other securities now or hereafter issued by the United States of America, its agencies and allowable instrumentalities, interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, certificates of deposit with federally insured institutions that are collateralized or insured at levels to the organization in excess of the \$250,000 provided by the Federal Deposit Insurance Corporation coverage limit, collateralized repurchase agreements; commercial paper meeting all requirements, the Illinois Public Treasurer's Investment pool, the Illinois School District Liquid Asset Fund, investments may be made only in those savings banks or savings and loan associations which are insured by the FDIC, investments that are considered as derivatives are specifically excluded from the approved investments.

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Bank Deposits

Custodial Credit Risk – Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the ROE's deposits may not be returned to it. The ROE's investment policy requires deposits in excess of FDIC limits to be secured by collateral or private insurance held in safekeeping at a third party institution and evidenced by a written agreement. At June 30, 2020, the cash and cash equivalents book balance of the ROE totaled \$6,081,562 and the bank balances totaled \$6,752,159. All of the bank balances are covered by federal depository insurance or collateral held by the ROE. In addition, one of the ROE's deposits is collateralized by the District's agent for all public entity deposits in that bank for which the agent is a counterparty and is monitored by a third party.

Investments

Investments with maturity greater than one year at time of purchase, if any, are stated at fair value. The ROE categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The ROE held no investments to measure at fair value at June 30, 2020.

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the ROE will not be able to recover the value of its investments that are in possession of an outside party. The ROE currently does not have a policy for custodial credit risk for investments.

Interest Rate Risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment; generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in market interest rates. The ROE currently does not have an Interest Rate Risk policy; however, it is the ROE's practice to reduce its exposure to the risk by structuring the ROE's portfolio so that securities mature to meet the ROE's cash requirements for ongoing operations. As of June 30, 2020, all of the ROE's investments have investment maturities of less than three months.

**STATE OF ILLINOIS
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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

Another practice the ROE uses to reduce the Interest Rate Risk is to utilize the Illinois Funds Money Market Fund, which was created by the Illinois General Assembly, and enables custodians of public funds an investment option with competitive rates of return on fully collateralized investments and immediate access to the funds.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The ROE does not have a credit risk policy; however, it is the ROE's practice to limit its exposure to credit risk by investing in money markets that invest in U.S. Treasury cash reserves.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The ROE does not have a policy that specifically addresses concentration of risk. As of June 30, 2020, the ROE had \$3,396,450 of its cash deposits with a local bank that was fully collateralized. The investment in money market funds was \$3,355,709 including \$3,152,958 that is invested in the Illinois Funds investment pool is subject to the Illinois Fund's investment policy, which limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities.

NOTE 3 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2020 is as follows:

	<u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
Governmental Funds:				
Furniture and equipment	\$ 393,977	\$ 76,514	\$ 75,458	\$ 395,033
Building improvements	103,300	-	-	103,300
Total capital assets	<u>497,277</u>	<u>76,514</u>	<u>75,458</u>	<u>498,333</u>
Less: accumulated depreciation				
Furniture and equipment	275,111	39,181	73,934	240,358
Building improvements	94,740	3,715	-	98,455
Total accumulated depreciation	<u>369,851</u>	<u>42,896</u>	<u>73,934</u>	<u>338,813</u>
Capital assets, net	<u>\$ 127,426</u>	<u>\$ 33,618</u>	<u>\$ 1,524</u>	<u>\$ 159,520</u>
Proprietary Funds:				
Furniture and equipment	\$ 1,081	\$ 13,474	\$ -	\$ 14,555
Less: accumulated depreciation				
Furniture and equipment	150	2,097	-	2,247
Capital assets, net	<u>\$ 931</u>	<u>\$ 11,376</u>	<u>\$ -</u>	<u>\$ 12,308</u>

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 3 – CAPITAL ASSETS (Continued)

Depreciation expense was charged as follows:

Governmental Funds:	
Instructional Services	\$ 42,896
Proprietary Funds:	
Professional Development	<u>2,097</u>
Total depreciation expense	<u>\$ 44,993</u>

NOTE 4 – LEASE COMMITMENTS

The following is a summary of changes in lease commitments for the year ended June 30, 2020:

	<u>June 30,</u> <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30,</u> <u>2020</u>	<u>Due within</u> <u>one year</u>
Governmental Funds:					
Capital lease payable	\$ 25,437	\$ -	\$ 7,977	\$ 17,460	\$ 8,469

The ROE has entered into lease agreements as lessee for financing the acquisition of its copiers. These lease agreements qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets account.

The present value of future minimum lease payments and total minimum annual lease payments for capital leases recorded in the government-wide statement of net position at June 30, 2020 were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 9,286
2022	9,286
Total minimum lease payments	18,572
Less: amount representing interest	<u>1,112</u>
Present value of minimum lease payments	<u>\$ 17,460</u>

Total cost of assets under capital leases amounted to \$40,027 and the related accumulated depreciation amounted to \$24,016 for a depreciated balance of \$16,011 at June 30, 2020.

The ROE leases office space for operations. The agreements generally require the ROE to pay executor costs. Rental expense for the year ended June 30, 2020 was \$252,513.

The DuPage County Regional Office of Education No. 19 entered into a lease agreement for its Addison operations. The agreement commenced on July 1, 2019 and terminated on June 30, 2020. The lease calls for annual rent of \$119,807, payable in equal monthly installments.

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June 30, 2020**

NOTE 4 – LEASE COMMITMENTS (Continued)

On August 22, 2017 the DuPage County Regional Office of Education No. 19 entered into a lease agreement with DuPage County for office space. The agreement commenced on August 22, 2017 and terminates on November 30, 2021. The lease calls for sixteen quarterly installments of \$35,250, totaling \$564,000 over the term of the agreement. In the event the Regional Office of Education’s annual federal, state or county appropriations, including grants, is reduced from fiscal year 2017 levels or there are changes in state law that effect the Regional Office of Education’s performance, the lease can be amended to consider such events or be terminated early.

Future minimum lease payments required under operating leases which have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2020 were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 132,706
2022	55,294
Total	\$ 188,000

NOTE 5 – SALARIES AND PENSION PLAN CONTRIBUTIONS

The salaries of the Regional Superintendent and the Assistant Regional Superintendent are paid by the State of Illinois. The salaries of DuPage County employees that work for the Regional Office of Education No. 19 are paid by DuPage County. DuPage County pays for these employees’ salaries as well as the employer contributions made to postretirement medical plans (OPEB) and the Illinois Municipal Retirement Fund (IMRF). Postretirement medical plans (OPEB) obligations for DuPage County Regional Office of Education No. 19 employees are included in DuPage County’s postretirement medical plans (OPEB) obligation. IMRF pension plan obligations for DuPage County Regional Office of Education No. 19 employees are included in the statistics IMRF provides to DuPage County.

NOTE 6 – COMPENSATED ABSENCES

DuPage County Regional Office of Education No. 19 provides vacation time to certain full-time employees. Vacation time is based upon years of continuous employment. Upon termination employees receive pay for unused vacation earned. DuPage County Regional Office of Education No. 19 records a liability associated with compensated absences.

	<u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>	<u>Due within one year</u>
Governmental Funds:					
Compensated Absences	\$ 25,999	\$ 17,769	\$ -	\$ 43,768	\$ 43,768

STATE OF ILLINOIS
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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 7 – RETIREMENT FUND COMMITMENTS

Teachers' Retirement System of the State of Illinois

Plan description

DuPage County Regional Office of Education No. 19 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 nonannuitants 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://www.trsil.org/financial/cafrs/fy2019>; 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 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 3 hybrid retirement plan, but it has not yet gone into effect.

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Teachers' Retirement System of the State of Illinois (Continued)

Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. 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 Tier 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, 2019, 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 DuPage County Regional Office of Education No. 19.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of DuPage County Regional Office of Education No. 19. For the year ended June 30, 2020, State of Illinois contributions recognized by DuPage County Regional Office of Education No. 19 were based on the state's proportionate share of the pension expense associated with DuPage County Regional Office of Education No. 19, and DuPage County Regional Office of Education No. 19 recognized revenue and expenditures of \$939,339 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, 2020, were \$7,975 and are deferred because they were paid after the June 30, 2019 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by DuPage County Regional Office of Education No. 19, there is a statutory requirement for DuPage County Regional Office of Education No. 19 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.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Teachers' Retirement System of the State of Illinois (Continued)

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$10,977 were paid from federal and special trust funds that required employer contributions of \$1,170. These contributions are deferred because they were paid after the June 30, 2019 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. DuPage County Regional Office of Education No. 19 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, 2020, DuPage County Regional Office of Education No. 19 did not make any employer contributions to TRS for salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2020, DuPage County Regional Office of Education No. 19 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 follow below:

Employer's proportionate share of the net pension liability	\$ 121,563
State's proportionate share of the net pension liability associated with the employer	8,651,522
Total	\$ 8,773,085

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 and rolled forward to June 30, 2019. DuPage County Regional Office of Education No. 19's proportion of the net pension liability was based on DuPage County Regional Office of Education No. 19's share of contributions to TRS for the measurement year ended June 30, 2019, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2019, DuPage County Regional Office of Education No. 19's proportion was 0.0001498779 percent, which was an increase of 0.0000270180 percent from its proportion measured as of June 30, 2018.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19**
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Teachers' Retirement System of the State of Illinois (Continued)

For the year ended June 30, 2020, DuPage County Regional Office of Education No. 19 recognized pension expense of \$939,339 and revenue of \$939,339 for support provided by the state. For the year ended June 30, 2020, DuPage County Regional Office of Education No. 19 recognized a pension benefit of \$116,115. At June 30, 2020, DuPage County Regional Office of Education No. 19 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	\$ 1,994	\$ -
Net difference between projected and actual earnings on pension plan investments	192	-
Change of assumptions	2,724	2,334
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,305	168,493
Employer contributions subsequent to the measurement date	9,145	-
Total	\$ 37,360	\$ 170,827

\$9,145 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

<u>Year Ended June 30:</u>	Net Deferred Outflows/(Inflows) of Resources
2021	\$ (106,174)
2022	(44,309)
2023	1,227
2024	4,991
2025	1,653
	\$ (142,612)

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Teachers' Retirement System of the State of Illinois (Continued)

Actuarial assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

In the June 30, 2019 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, 2018 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used based 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	15.0%	6.3%
U.S. equities small/mid cap	2.0%	7.7%
International equities developed	13.6%	7.0%
Emerging market equities	3.4%	9.5%
U.S. bonds core	8.0%	2.2%
U.S. bonds high yield	4.2%	4.0%
International debt developed	2.2%	1.1%
Emerging international debt	2.6%	4.4%
Real estate	16.0%	5.2%
Real return	4.0%	1.8%
Absolute return	14.0%	4.1%
Private equity	15.0%	9.7%
Total	100.0%	

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Teachers' Retirement System of the State of Illinois (Continued)

Discount rate

At June 30, 2019, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2018 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.

Based on those assumptions, TRS's fiduciary net position at June 30, 2019 was projected to be available to make all projected future benefit payments to 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 DuPage County Regional Office of Education No. 19's proportionate share of the net pension liability to changes in the discount rate

The following presents DuPage County Regional Office of Education No. 19's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what DuPage County Regional Office of Education No. 19'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	Current	1% Increase
	(6.00%)	(7.00%)	(8.00%)
Regional Office of Education #33's proportionate share of the net pension liability	\$ 148,479	\$ 121,563	\$ 99,433

TRS fiduciary net position

Detailed information about the TRS's fiduciary net position as of June 30, 2019 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Illinois Municipal Retirement Fund

The DuPage County Regional Office of Education No. 19 contributes, through DuPage County, to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. However, the Regional Office of Education No. 19's participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both DuPage County and the Regional Office of Education No. 19 combined. All disclosures for an agent plan can be found in DuPage County's annual financial report.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable. Investments are reported at fair value.

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.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. DuPage County and the Regional Office of Education No. 19 are required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended 2019 was 10.05% of covered payroll. For the year ended June 30, 2020, salaries totaling \$1,085,294 were paid that required employer contributions of \$120,698, which was equal to the Regional Office of Education’s actual contributions.

Net Pension Liability

At June 30, 2020, the Regional Office of Education No. 19 reported a liability of \$523,698 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Regional Office of Education No. 19’s proportion of the net pension liability was based on the Regional Office of Education No. 19’s actual contributions to the plan for the year ended December 31, 2019 relative to the actual contributions of DuPage County as a whole. At June 30, 2020, the Regional Office of Education No. 19’s proportion was 0.34%, which was a decrease of 0.01% from its proportion measured as of December 31, 2019.

Actuarial Assumptions

The Regional Office of Education No.19’s net pension liability was measured as of December 31, 2019 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions:	
Inflation	2.50%
Salary increases	3.35% to 14.25%
Investment rate of return	7.25%
Asset valuation method	Market Value

**STATE OF ILLINOIS
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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

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 Health 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.

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, 2019:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Equities	37%	5.75%
International Equities	18%	6.50%
Fixed Income	28%	3.25%
Real Estate	9%	5.20%
Alternative Investments	7%	
Private Equity		7.60%
Hedge Funds		N/A
Commodities		3.60%
Cash Equivalents	1%	1.85%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that DuPage County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Based on those assumptions, the IMRF’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of project benefit payments to determine the total pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2020, the Regional Office of Education No. 19 recognized pension expense of \$317,719. At June 30, 2020, the Regional Office of Education No. 19 reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 59,076	\$ -
Net difference between projected and actual earnings on pension plan investments	-	398,105
Change of assumptions	48,167	-
Changes in proportion and differences between the ROE’s contributions and the ROE’s proportionate share of contributions	173,316	
Contributions subsequent to the measurement date	69,467	-
Total	\$ 350,026	\$ 398,105

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

Year Ending June 30:	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ 96,745
2022	(47,061)
2023	(7,261)
2024	(159,969)
Total	\$ (117,546)

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 7 – RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Regional Office of Education No. 19 calculated using the discount rate of 7.25% as well as what the Regional Office of Education No. 19's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability (Asset)	\$ 1,492,464	\$ 523,698	\$ (240,498)

Change in Net Pension Liabilities

The following is a summary of the changes in the Regional Office of Education No. 19's net pension liabilities:

	June 30, 2019	Additions	Deletions	June 30, 2020
Net pension liability – TRS	\$ 95,763	\$ 25,800	\$ -	\$ 121,563
Net pension liability – IMRF	976,756	-	453,058	523,698
Total net pension liability	\$ 1,072,519	\$ 25,800	\$ 453,058	\$ 645,261

STATE OF ILLINOIS
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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

THIS Plan Description

DuPage County Regional Office of Education No. 19 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 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).

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 DuPage County Regional Office of Education No. 19. For the year ended June 30, 2020, State of Illinois contributions recognized by DuPage County Regional Office of Education No. 19 were based on the State's proportionate share of the collective net OPEB liability associated with DuPage County Regional Office of Education No. 19, and recognized revenues and expenditures of \$86,357 in OPEB contributions from the State of Illinois.

Employer contributions to the THIS Fund

DuPage County Regional Office of Education No. 19 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2020, and 0.92 and 0.88 percent during the years ended June 30, 2019 and 2018, respectively. For the year ended June 30, 2020, DuPage County Regional Office of Education No. 19 paid \$12,651 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2019 and 2018, DuPage County Regional Office of Education No. 19 paid \$9,934 and \$8,961 to the THIS Fund, respectively.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Teachers' Health Insurance Security Fund (Continued)

Further information on the THIS Fund

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

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018 projected to the measurement date of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

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
Healthcare cost trend rates	Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare costs on and after 2022 to account for 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 annuitants 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, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

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, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.62 percent as of June 30, 2018, and 3.13 percent as of June 30, 2019.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

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 DuPage County Regional Office of Education No. 19's proportionate share of the collective net OPEB liability, as well as what DuPage County Regional Office of Education No. 19's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current discount rate:

	1% Decrease (2.13%)	Discount Rate (3.13%)	1% Increase (4.13%)
ROE's proportionate share of the collective net OPEB liability	\$ 1,750,774	\$ 1,456,219	\$ 1,223,390

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 DuPage County Regional Office of Education No. 19's collective net OPEB liability as of June 30, 2019, using current trend rates and sensitivity trend rates that are either 1-percentage-point higher or lower. The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.81% in 2027, for non-Medicare coverage, and 9.00% in 2020 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

	1% Decrease ^a	Healthcare Cost Trend Rates	1% Increase ^b
ROE's proportionate share of the collective net OPEB liability	\$ 1,176,419	\$ 1,456,219	\$ 1,833,870

^a One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate rate of 3.81% in 2027 for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.

^b One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.81% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

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NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

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, 2020, DuPage County Regional Office of Education No. 19 reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to DuPage County Regional Office of Education No. 19. The amount recognized by DuPage County Regional Office of Education No. 19 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 DuPage County Regional Office of Education No. 19 is as follows:

Employer's proportionate share of the collective net OPEB liability	\$ 1,456,219
State's proportionate share of the collective net OPEB liability associated with the employer	1,972,059
Total	\$ 3,428,278

The collective net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2018 and was rolled forward to the June 30, 2019 measurement date. DuPage County Regional Office of Education No. 19's proportion of the collective net OPEB liability was based on a projection of DuPage County Regional Office of Education No. 19's long-term share of contributions to the OPEB plan relative to the projected contributions of DuPage County Regional Office of Education No. 19, actuarially determined.

At June 30, 2019, DuPage County Regional Office of Education No. 19's proportion was 0.005261 percent, which was an increase of 0.001555 percent from its proportion measured as of June 30, 2018 (0.003706 percent). The State's support and total are for disclosure purposes only.

For the year ending June 30, 2020, DuPage County Regional Office of Education No. 19 recognized OPEB expense of \$86,357 and revenue of \$86,357 for support provided by the State. For the year ending June 30, 2020, DuPage County Regional Office of Education No. 19 recognized OPEB expense of \$138,912. At June 30, 2020, DuPage County Regional Office of Education No. 19 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Teachers' Health Insurance Security Fund (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 24,165
Net difference between projected and actual earnings on OPEB plan investments	-	47
Change of assumptions	552	166,930
Changes in proportion and differences between employer contributions and proportionate share of contributions	511,829	3,337
Employer contributions subsequent to the measurement date	12,651	-
Total	<u>\$ 525,032</u>	<u>\$ 194,479</u>

\$12,651 reported as deferred outflows of resources related to OPEB resulting from DuPage County Regional Office of Education No. 19 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in DuPage County Regional Office of Education No. 19's OPEB expense as follows:

<u>Year Ending June 30:</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2021	\$ 36,783
2022	36,783
2023	36,787
2024	36,796
2025	45,955
Thereafter	<u>124,798</u>
Total	<u>\$ 317,902</u>

THIS Fund Fiduciary Net Position

Detailed information about the THIS' fiduciary net position as of June 30, 2019, is available in the separately issued THIS financial report.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Other Postemployment Benefits – Other Health Insurance

Plan Description

DuPage County Regional Office of Education No. 19 provides a single-employer defined-benefit postemployment healthcare plan to retirees who participate in the IMRF and TRS retirement plans. This plan extends the same health benefits to annuitants as to active employees in the IMRF plan. The Governmental Accounting Standards Board (GASB) issued Statement No.'s 74 and 75 that established generally accepted accounting principles for the annual financial statements for postemployment benefit plans other than pension plans. The required information is as follows:

Eligibility Provisions

Full-Time Employees – IMRF

Tier I IMRF Full-Time employees:

Age 55 with at least 8 years of service (Reduced 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 67 with at least 10 years of service (Full Pension)

Full-Time Employees – TRS

Tier I TRS Full-Time employees:

Age 55 with at least 20 years of service

Age 55 with at least 35 years of service

Age 60 with at least 10 years of service

Age 62 with at least 5 years of service

Tier II IMRF Full-Time employees:

Age 62 with at least 10 years of service

Age 67 with at least 10 years of service

Benefits Provided

DuPage County Regional Office of Education No. 19 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. DuPage County Regional Office of Education No. 19 offers Medical HMO and PPO Plans to full-time IMRF and TRS employees. Retirees pay the full cost of coverage. Dependents may also continue coverage at the full cost. Coverage continues as long as required contributions are paid.

Membership

At June 30, 2020 membership consisted of:

Inactive employees currently receiving benefit payments	0
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	40
Total	40

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Other Postemployment Benefits – Other Health Insurance (Continued)

Funding Policy and Contributions

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

No benefit payments were reported during the year ended June 30, 2020.

Total OPEB Liability

The total OPEB liability for the current fiscal year has been developed based on the July 1, 2019 actuarial valuation date and adjusted to the June 30, 2020 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	High Quality 20 Year Tax-Exempt G.O. Bond Rate. Beginning of the fiscal year was 2.79%, end of fiscal year was 2.66%
Long-Term Expected Rate of Return on Plan Assets	N/A – OPEB obligation is unfunded
Salary Increases	4.00%
Annual Blended Premiums	HMO premiums charged for coverage of retiree and spouse are \$7,648 and \$6,578, respectively. PPO premiums charged for coverage of retiree and spouses are \$13,291 and \$15,285, respectively.
Healthcare Trend Rates	For fiscal years on and after 2020, the trend starts at 9.21% for HMO BA and 5.48% for BI Ch PPO and gradually decreases to an ultimate trend rate of 4.50% for both HMO BA and BI Ch PPO.
Retiree Contribution Rates	Same as Healthcare Trend Rates.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19**
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Other Postemployment Benefits – Other Health Insurance (Continued)

IMRF mortality assumptions follow the Pub-2010 Public Retirement Plans General Mortality Table. TRS mortality assumptions follow the Pub-2010 Public Retirement Plans Teachers Mortality Table.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2019	\$ 200,545
Changes for the period:	
Service Cost	12,514
Interest Cost	4,858
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(36,734)
Changes of Assumptions	3,778
Benefit Payments	-
Other changes	(10,851)
Net Change	(26,435)
 Balance at June 30, 2020	 \$ 174,110

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 investments 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 DuPage County Regional Office of Education No. 19, then only the municipal bond rate is used in determining the total OPEB liability.

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.

The municipal bond rate assumption is based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The rates used were from the Standard & Poor's Municipal Bond 20-Year High-Grade Rate Index. The beginning of year rate of 2.79% is the June 30, 2019 rate and the end of the year rate of 2.66% is the June 30, 2020 rate.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Other Postemployment Benefits – Other Health Insurance (Continued)

Sensitivity of the Discount Rate

The following presents DuPage County Regional Office of Education No. 19's total OPEB liability calculated using a discount rate of 2.66%, as well as what the total OPEB liability would be if it were calculated using a single discount rate that is 1-percentage-point higher (3.66%) or 1-percentage-point lower (1.66%) than the current discount rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
ROE's total OPEB liability	\$ 187,114	\$ 174,110	\$ 162,063

Sensitivity of the Healthcare Trend Rates

The following presents DuPage County Regional Office of Education No. 19's total OPEB liability, calculated using the healthcare cost trend rates as well as what the 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 9.21% for HMO BA and 5.48% for BI Ch PPO in 2020 decreasing to an ultimate trend rate of 4.50% in 2034 for both HP BA and BI Ch PPO.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
ROE's total OPEB liability	\$ 157,152	\$ 174,110	\$ 193,831

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

For the year ending June 30, 2020, DuPage County Regional Office of Education No. 19 recognized OPEB benefit of \$26,435. At June 30, 2020 DuPage County Regional Office of Education No. 19 reported no deferred outflows of resources or deferred inflows of resources related to OPEB.

Change in OPEB Liabilities

The following is a summary of the changes in the Regional Office of Education No. 19's net OPEB liability:

	July 1, 2019	Additions	Deletions	June 30, 2020
Net OPEB liability – THIS	\$ 976,363	\$ 479,856	\$ -	\$ 1,456,219
Total OPEB liability – Other	200,545	-	26,435	174,110
Net OPEB liability	\$ 1,176,908	\$ 479,856	\$ 26,435	\$ 1,630,329

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 9 – ON-BEHALF PAYMENTS

The breakdown of the on-behalf payments by the State of Illinois for the Regional Superintendent and the Assistant Regional Superintendent of the DuPage County Regional Office of Education No. 19 are as follows:

Regional Superintendent Salary	\$ 119,832
Regional Superintendent Benefits (includes State-paid insurance)	7,593
Assistant Regional Superintendent Salary	107,844
Assistant Regional Superintendent Benefits (includes State-paid insurance)	26,383
Salary and benefits of office employees paid by DuPage County	924,551
Other operating expense paid by DuPage County	<u>331,112</u>
Total on-behalf payments	<u><u>\$ 1,517,315</u></u>

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education (ISBE). DuPage County Regional Office of Education No. 19 recorded the on-behalf payments as both revenues and expenditures in the general fund.

DuPage County Regional Office of Education No. 19 also recorded \$1,025,696 in revenues and expenses as on-behalf payments from ISBE for DuPage County Regional Office of Education No. 19's share of the State's Teachers' Retirement System (TRS) pension expense and Teachers' Health Insurance Security Fund (THIS) OPEB expense in the Statement of Activities. In addition, DuPage County Regional Office of Education No. 19 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	\$ 1,517,315
Regional Office of Education No. 19's share of TRS pension expense	939,339
Regional Office of Education No. 19's share of THIS pension expense	<u>86,357</u>
Total on-behalf payments	<u><u>\$ 2,543,011</u></u>

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 10 – DUE FROM/TO OTHER GOVERNMENTS

The DuPage County Regional Office of Education No. 19 has funds due from and to various other governmental units which consist of the following:

Due From Other Governments

Governmental Funds:

General Fund		\$ 84,053
Local governments		
Education Fund		
Illinois State Board of Education		49,269
Local governments		548,376

Proprietary Funds:

Local Services		
Local governments		44,501
Nonmajor Fund		
Local governments		7,227
Total		7,227
		\$ 733,426

Due To Other Governments

Governmental Funds:

General Fund		
Illinois State Board of Education		\$ 365
Local governments		271
Education Fund		
Illinois State Board of Education		77,746
Local governments		129,705

Proprietary Funds:

Nonmajor Fund		
Local governments		2,597
Total		2,597
		\$ 210,684

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020**

NOTE 11 – DUE FROM/TO FUNDS

Interfund receivables and payables, primarily made to cover cash deficits within pooled cash accounts, as of June 30, 2020 were:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 463,891	\$ 22,094
Institute Fund	13,956	16,197
Education Fund	-	420,218
Nonmajor Special Revenue Funds	478	-
Teacher Inservice for DuPage Educators	7,560	26,080
Local Services	15,402	5,498
Nonmajor Proprietary Fund	117	11,317
	<u> </u>	<u> </u>
Total	<u>\$ 501,404</u>	<u>\$ 501,404</u>

The Regional Office of Education expects the majority of the obligations to be liquidated within one year.

NOTE 12 – TRANSFERS

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. The following is the detail of interfund transfers as of June 30, 2020:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
ROE Operations	\$ 126,391	\$ -
Truant Minors in Need of Supervision (TMINS)	187,058	-
DuPage County Curriculum Directors	2,444	-
ALOP Safe School and GED Tuition	-	1,393,618
Rebound	25,179	-
Education Fund		
Regional Safe Schools	491,658	-
RSSPCE	8,577	-
Teacher Inservice for DuPage Educators	-	1,369
Local Services	603,146	49,466
	<u> </u>	<u> </u>
Total	<u>\$ 1,444,453</u>	<u>\$ 1,444,453</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 13 – DEFICIT FUND BALANCES

At June 30, 2020, the following funds had deficit fund balances. They are expected to correct themselves in 2021, through payments from the State and transfers from local funds.

General Fund		
Truant Minors in Need of Supervision (TMINS)	\$	(18,940)
Superintendent Leadership Collaborative		(1,714)
Personnel Administrators Coming Together		(13,030)
Education Fund		
Truants' Alternative Program		(10,785)
McKinney Education for Homeless Children		(14,540)
Career & Technical Education Improvement		(1,342)
Title II Teacher Quality Leadership		(8,888)
Title II Teacher Quality		(428)
Education Innovation and Research		(52,319)
Supporting Effective Educator Development		(17,903)
Bureau of Justice Assistance (BJA) STOP		(15,732)

NOTE 14 – RISK MANAGEMENT

The Regional Office of Education is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; health claims of employees; and natural disasters. Insurance to cover these risks is provided through DuPage County. Claims from these risks have not exceeded commercial insurance coverage during the current fiscal year.

The Regional Office of Education also participates in the County's self-funded health insurance plan. The Regional Office of Education pays a monthly premium to cover the health insurance costs.

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 FOR THE YEAR ENDED JUNE 30, 2020*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Employer's proportion of the net pension liability	.0001498779%	.0001228599%	.0001099937%	.0003471089%	.0009824668%	.0010022574%
Employer's proportionate share of the net pension liability	\$ 121,563	\$ 95,763	\$ 84,033	\$ 273,994	\$ 643,615	\$ 609,957
State's proportionate share of the net pension liability associated with the employer	<u>8,651,522</u>	<u>6,560,161</u>	<u>5,785,012</u>	<u>5,932,048</u>	<u>4,287,726</u>	<u>3,125,156</u>
Total	<u>\$ 8,773,085</u>	<u>\$ 6,655,924</u>	<u>\$ 5,869,045</u>	<u>\$ 6,206,042</u>	<u>\$ 4,931,341</u>	<u>\$ 3,735,113</u>
Employer's covered payroll	\$ 1,079,780	\$ 1,018,338	\$ 782,291	\$ 750,229	\$ 708,554	\$ 589,179
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	11.3%	9.4%	10.7%	36.5%	90.8%	103.5%
Plan fiduciary net position as a percentage of the total pension liability	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

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

See Independent Auditor's Report.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily-required contribution	\$ 9,145	\$ 6,263	\$ 8,307	\$ 4,537	\$ 12,994	\$ 34,426	\$ 35,760
Contributions in relation to the statutorily-required contribution	<u>9,145</u>	<u>6,207</u>	<u>16,205</u>	<u>4,537</u>	<u>12,994</u>	<u>34,426</u>	<u>35,760</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ (7,898)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 1,375,134	\$ 1,079,780	\$ 1,018,338	\$ 782,291	\$ 750,229	\$ 708,554	\$ 589,179
Contributions as a percentage of covered payroll	0.67%	0.57%	1.59%	0.58%	1.73%	4.86%	6.07%

Notes to Required Supplementary Information

Changes of assumptions

For the 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 rate of return of 4.5 percent. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and 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 also 7.5 percent, including an inflation rate of 3.0 percent and a real rate of return of 4.5 percent. However, salary increases were assumed to vary by age.

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

See Independent Auditor's Report.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 ILLINOIS MUNICIPAL RETIREMENT FUND - DUPAGE COUNTY
 FOR THE YEAR ENDED JUNE 30, 2020
 (AMOUNTS PRESENTED ARE FOR LAST SIX CALENDAR YEARS)

	<u>December 31,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
Employer's proportion of the net pension liability	0.34%	0.35%	0.14%	0.16%	0.15%	0.16%
Employer's proportionate share of the net pension liability	\$ 523,698	\$ 976,756	\$ 134,257	\$ 319,516	\$ 317,849	\$ 120,960
Employer's covered payroll	\$ 1,126,994	\$ 878,575	\$ 512,343	\$ 360,267	\$ 295,105	\$ 322,444
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	46.5%	111.2%	26.2%	88.7%	107.7%	37.5%
Plan fiduciary net position as a percentage of the total pension liability	93.5%	84.0%	96.0%	86.5%	85.2%	90.3%

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

See Independent Auditor's Report.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - DUPAGE COUNTY
FOR THE YEAR ENDED JUNE 30, 2020
(AMOUNTS PRESENTED ARE FOR LAST SIX FISCAL YEARS)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 120,698	\$ 116,530	\$ 79,133	\$ 52,017	\$ 43,654	\$ 36,788
Contributions in relation to the actuarially determined contribution	<u>120,698</u>	<u>116,530</u>	<u>79,133</u>	<u>52,017</u>	<u>43,654</u>	<u>36,788</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 1,085,294	\$ 1,067,634	\$ 660,722	\$ 435,162	\$ 338,830	\$ 310,588
Contributions as a percentage of covered payroll	11.12%	10.91%	11.98%	11.95%	12.88%	11.84%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 25 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return of 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.50% compounded annually.

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

See Independent Auditor's Report.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19**
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE
SHARE OF THE COLLECTIVE NET OPEB LIABILITY
TEACHERS' HEALTH INSURANCE SECURITY FUND
FOR THE YEAR ENDED JUNE 30, 2020*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Employer's proportion of the collective net OPEB liability	.005261%	.003706%	.003397%	.287944%
Employer's proportionate share of the collective net OPEB liability	\$ 1,456,219	\$ 976,363	\$ 881,463	\$ 880,372
State's proportionate share of the collective net OPEB liability associated with the employer	<u>1,972,059</u>	<u>1,311,042</u>	<u>1,157,582</u>	<u>1,220,722</u>
Total	<u>\$ 3,428,278</u>	<u>\$ 2,287,405</u>	<u>\$ 2,039,045</u>	<u>\$ 2,101,094</u>
Employer's covered payroll	\$ 1,079,780	\$ 1,018,338	\$ 782,291	\$ 750,229
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	134.9%	95.9%	112.7%	117.3%
Plan fiduciary net position as a percentage of the total OPEB liability	0.25%	-0.07%	-0.17%	-0.22%

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

See Independent Auditor's Report.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily-required contribution	\$ 12,651	\$ 9,934	\$ 8,961	\$ 6,571	\$ 6,002
Contributions in relation to the statutorily-required contribution	<u>12,651</u>	<u>9,934</u>	<u>8,961</u>	<u>6,571</u>	<u>5,360</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 642</u>
Employer's covered payroll	\$ 1,375,134	\$ 1,079,780	\$ 1,018,338	\$ 782,291	\$ 750,229
Contributions as a percentage of covered payroll	0.92%	0.92%	0.88%	0.84%	0.71%

Notes to Required Supplementary Information

Changes of assumptions

For the 2020 and 2019 measurement years, the assumed investment rate of return was of 0 percent, including an inflation rate of 2.50 percent. 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 vary by service credit and were the same for the 2020, 2019, 2018, and 2017 measurement years. For the 2020 measurement period, the trend was 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. For the 2019 measurement period, the actual trend was used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare costs on and after 2022 to account for the Excise Tax. For the 2018 measurement period, the actual trend was used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for the Excise Tax. For the 2017 measurement period, actual trend was used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for the Excise Tax.

The information in both schedules will accumulate until a full 10-year trend is presented as required by Statement No. 75.

**STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF CHANGES IN THE TOTAL OPEB
LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS - OTHER HEALTH INSURANCE**

Fiscal Year Ended June 30,	2020	2019	2018
Total OPEB liability			
Service cost	\$ 12,514	\$ 9,738	\$ 9,022
Interest	4,858	5,477	5,785
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(36,734)	-	-
Changes of assumptions	3,778	6,529	3,113
Benefit payments	-	(11,468)	(9,357)
Other changes	(10,851)	749	610
Net Change in total OPEB liability	(26,435)	11,025	9,173
Total OPEB liability - beginning	<u>200,545</u>	<u>189,520</u>	<u>180,347</u>
Total OPEB liability - ending	<u>\$ 174,110</u>	<u>\$ 200,545</u>	<u>\$ 189,520</u>
 Covered payroll	 \$ 2,193,975	 \$ 1,704,166	 \$ 1,704,166
 Total OPEB liability as a percentage of covered payroll	 7.94%	 11.77%	 11.12%

Notes to Required Supplementary Information

Changes of assumptions

Changes of assumptions reflect a change in the discount rate:

 Fiscal year 2020 2.66%

 Fiscal year 2019 2.79%

 Fiscal year 2018 2.98%

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

SUPPLEMENTARY INFORMATION

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND ACCOUNTS
June 30, 2020

	Reading First	ROE Operations	Regional Safe Schools and General State Aid	Area I	Truant Minors in Need of Supervision (TMINS)
ASSETS					
Cash and cash equivalents	\$ 23,075	\$ -	\$ 368	\$ 1,576	\$ 3,909
Accounts receivable	-	334	-	-	-
Due from other governments	-	25,988	-	-	720
Due from other funds	-	25,576	-	-	-
Prepaid expenses	-	982	-	-	-
Total assets	<u>23,075</u>	<u>52,880</u>	<u>368</u>	<u>1,576</u>	<u>4,629</u>
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
	<u>\$ 23,075</u>	<u>\$ 52,880</u>	<u>\$ 368</u>	<u>\$ 1,576</u>	<u>\$ 4,629</u>
LIABILITIES					
Accounts payable	\$ -	\$ 7,451	\$ -	\$ -	\$ 117
Accrued expenses	-	9,509	-	-	22,732
Due to other governments	-	268	368	-	-
Due to other funds	-	9,664	-	-	-
Total liabilities	<u>-</u>	<u>26,892</u>	<u>368</u>	<u>-</u>	<u>22,849</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	25,988	-	-	720
FUND BALANCE (DEFICIT)					
Nonspendable	-	982	-	-	-
Unassigned	23,075	(982)	-	1,576	(18,940)
Total fund balance (deficit)	<u>23,075</u>	<u>-</u>	<u>-</u>	<u>1,576</u>	<u>(18,940)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)					
	<u>\$ 23,075</u>	<u>\$ 52,880</u>	<u>\$ 368</u>	<u>\$ 1,576</u>	<u>\$ 4,629</u>

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 COMBINING SCHEDULE OF ACCOUNTS (Continued)
 GENERAL FUND ACCOUNTS
 June 30, 2020

	Superintendent Leadership Collaborative	Personnel Administrators Coming Together	DuPage County Curriculum Directors	ALOP Safe School and GED Tuition	Rebound	Total
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 579,967	\$ 7,200	\$ 616,095
Accounts receivable	-	-	-	-	-	334
Due from other governments	-	-	-	57,345	-	84,053
Due from other funds	-	-	-	438,315	-	463,891
Prepaid expenses	-	-	-	-	-	982
Total assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,075,627</u>	<u>7,200</u>	<u>1,165,355</u>
DEFERRED OUTFLOWS OF RESOURCES						
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,075,627</u>	<u>\$ 7,200</u>	<u>\$ 1,165,355</u>
LIABILITIES						
Accounts payable	\$ 1,714	\$ 600	\$ -	\$ -	\$ -	\$ 9,882
Accrued expenses	-	-	-	-	7,200	39,441
Due to other governments	-	-	-	-	-	636
Due to other funds	-	12,430	-	-	-	22,094
Total liabilities	<u>1,714</u>	<u>13,030</u>	<u>-</u>	<u>-</u>	<u>7,200</u>	<u>72,053</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>30,708</u>
FUND BALANCE (DEFICIT)						
Nonspendable	-	-	-	-	-	982
Unassigned	(1,714)	(13,030)	-	1,071,627	-	1,061,612
Total fund balance (deficit)	<u>(1,714)</u>	<u>(13,030)</u>	<u>-</u>	<u>1,071,627</u>	<u>-</u>	<u>1,062,594</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)						
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,075,627</u>	<u>\$ 7,200</u>	<u>\$ 1,165,355</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the Year Ended June 30, 2022

	Reading First	ROE Operations	Regional Safe Schools and General State Aid	Area I	Truant Minors in Need of Supervision (TMINS)
REVENUES:					
Local sources	\$ -	\$ 170,775	\$ -	\$ 1,350	\$ -
State sources	-	-	5,208,254	-	-
Interest income	-	-	-	-	-
On-behalf payments	-	1,517,315	-	-	-
Total revenues	<u>-</u>	<u>1,688,090</u>	<u>5,208,254</u>	<u>1,350</u>	<u>-</u>
EXPENDITURES:					
Instructional services:					
Salaries	-	166,239	-	-	115,609
Benefits	-	12,899	-	-	46,424
Pension expense	-	16,576	-	-	671
OPEB expense	-	1,453	-	-	1,064
Purchased services	-	79,000	-	947	38,266
Supplies and materials	-	8,030	-	-	3,964
Intergovernmental:					
Payments to other governments	-	-	5,208,254	-	-
Administrative:					
On-behalf payments	-	1,517,315	-	-	-
Debt service:					
Repayment of long-term lease payable	-	7,977	-	-	-
Financing cost	-	1,309	-	-	-
Total expenditures	<u>-</u>	<u>1,810,798</u>	<u>5,208,254</u>	<u>947</u>	<u>205,998</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(122,708)</u>	<u>-</u>	<u>403</u>	<u>(205,998)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	126,391	-	-	187,058
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>126,391</u>	<u>-</u>	<u>-</u>	<u>187,058</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	-	3,683	-	403	(18,940)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>23,075</u>	<u>(3,683)</u>	<u>-</u>	<u>1,173</u>	<u>-</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 23,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,576</u>	<u>\$ (18,940)</u>

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
GENERAL FUND ACCOUNTS
For the Year Ended June 30, 2022

	Superintendent Leadership Collaborative	Personnel Administrators Coming Together	DuPage County Curriculum Directors	ALOP Safe School and GED Tuition	Rebound	Totals
REVENUES:						
Local sources	\$ -	\$ -	\$ -	\$ 926,300	\$ 21,900	\$ 1,120,325
State sources	-	-	-	511,959	-	5,720,213
Interest income	-	-	-	4,452	-	4,452
On-behalf payments	-	-	-	-	-	1,517,315
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,442,711</u>	<u>21,900</u>	<u>8,362,305</u>
EXPENDITURES:						
Instructional services:						
Salaries	-	-	-	-	45,606	327,454
Benefits	-	-	-	-	710	60,033
Pension expense	-	-	-	-	264	17,511
OPEB expense	-	-	-	-	420	2,937
Purchased services	1,714	13,030	2,444	-	79	135,480
Supplies and materials	-	-	-	-	-	11,994
Intergovernmental:						
Payments to other governments	-	-	-	-	-	5,208,254
Administrative:						
On-behalf payments	-	-	-	-	-	1,517,315
Debt service:						
Repayment of long-term lease payable	-	-	-	-	-	7,977
Financing cost	-	-	-	-	-	1,309
Total expenditures	<u>1,714</u>	<u>13,030</u>	<u>2,444</u>	<u>-</u>	<u>47,079</u>	<u>7,290,264</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,714)</u>	<u>(13,030)</u>	<u>(2,444)</u>	<u>1,442,711</u>	<u>(25,179)</u>	<u>1,072,041</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	2,444	-	25,179	341,072
Transfers out	-	-	-	(1,393,618)	-	(1,393,618)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,444</u>	<u>(1,393,618)</u>	<u>25,179</u>	<u>(1,052,546)</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	<u>(1,714)</u>	<u>(13,030)</u>	<u>-</u>	<u>49,093</u>	<u>-</u>	<u>19,495</u>
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,022,534</u>	<u>-</u>	<u>1,043,099</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ (1,714)</u>	<u>\$ (13,030)</u>	<u>\$ -</u>	<u>\$ 1,071,627</u>	<u>\$ -</u>	<u>\$ 1,062,594</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND ACCOUNTS
June 30, 2020

	Regional Safe Schools	Early Childhood Parenting Program	Truants' Alternative Program	McKinney Education for Homeless Children	System of Support (RESPRO)	Technology for Success	Social Emotional Learning Standards Professional Development Program (SEL-PDP)
ASSETS							
Cash and cash equivalents	\$ 60,667	\$ 76,146	\$ 3,869	\$ 1,565	\$ 65,085	\$ 23,416	\$ 32,444
Accounts receivable	-	-	-	-	-	-	-
Due from other governments	50,393	-	5,237	-	-	-	-
Prepaid expenses	2,370	1,583	-	-	-	-	-
Total assets	<u>113,430</u>	<u>77,729</u>	<u>9,106</u>	<u>1,565</u>	<u>65,085</u>	<u>23,416</u>	<u>32,444</u>
DEFERRED OUTFLOWS OF RESOURCES							
None	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 113,430</u>	<u>\$ 77,729</u>	<u>\$ 9,106</u>	<u>\$ 1,565</u>	<u>\$ 65,085</u>	<u>\$ 23,416</u>	<u>\$ 32,444</u>
LIABILITIES							
Accounts payable	\$ 7,771	\$ 18,133	\$ 468	\$ 391	\$ -	\$ -	\$ 1,200
Accrued expenses	74,355	30,480	15,373	-	-	-	-
Due to other governments	16,841	-	4,050	15,714	51,358	877	-
Due to other funds	-	-	-	-	-	3,740	-
Unearned revenue	-	25,888	-	-	-	-	-
Total liabilities	<u>98,967</u>	<u>74,501</u>	<u>19,891</u>	<u>16,105</u>	<u>51,358</u>	<u>4,617</u>	<u>1,200</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	<u>14,463</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT)							
Nonspendable	2,370	1,583	-	-	-	-	-
Restricted	-	1,645	-	-	13,727	18,799	31,244
Unassigned	(2,370)	-	(10,785)	(14,540)	-	-	-
Total fund balance (deficit)	<u>-</u>	<u>3,228</u>	<u>(10,785)</u>	<u>(14,540)</u>	<u>13,727</u>	<u>18,799</u>	<u>31,244</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)	<u>\$ 113,430</u>	<u>\$ 77,729</u>	<u>\$ 9,106</u>	<u>\$ 1,565</u>	<u>\$ 65,085</u>	<u>\$ 23,416</u>	<u>\$ 32,444</u>

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND ACCOUNTS
June 30, 2020

	Illinois New Principal Mentoring	Teacher Mentoring Pilot Program	Career & Technical Education Improvement	ROE/ISC Operations	Title II Teacher Quality Leadership	Title II Teacher Quality	Spelling Bee	RSSPCE
ASSETS								
Cash and cash equivalents	\$ 67,062	\$ 4,279	\$ 43,696	\$ 61,971	\$ -	\$ -	\$ 22,403	\$ 4,063
Accounts receivable	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	1,789	-	-	6,313
Prepaid expenses	-	-	908	10,577	-	-	-	-
Total assets	<u>67,062</u>	<u>4,279</u>	<u>44,604</u>	<u>72,548</u>	<u>1,789</u>	<u>-</u>	<u>22,403</u>	<u>10,376</u>
DEFERRED OUTFLOWS OF RESOURCES								
None	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 67,062</u>	<u>\$ 4,279</u>	<u>\$ 44,604</u>	<u>\$ 72,548</u>	<u>\$ 1,789</u>	<u>\$ -</u>	<u>\$ 22,403</u>	<u>\$ 10,376</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 6,417	\$ 12,244	\$ 1,000	\$ -	\$ -	\$ 398
Accrued expenses	-	-	103	8,836	-	-	-	9,978
Due to other governments	-	2,929	-	-	-	-	-	-
Due to other funds	-	-	-	-	9,677	428	-	-
Unearned revenue	-	-	39,426	-	-	-	-	-
Total liabilities	<u>-</u>	<u>2,929</u>	<u>45,946</u>	<u>21,080</u>	<u>10,677</u>	<u>428</u>	<u>-</u>	<u>10,376</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	-	-
FUND BALANCE (DEFICIT)								
Nonspendable	-	-	908	10,577	-	-	-	-
Restricted	67,062	1,350	-	40,891	-	-	22,403	-
Unassigned	-	-	(2,250)	-	(8,888)	(428)	-	-
Total fund balance (deficit)	<u>67,062</u>	<u>1,350</u>	<u>(1,342)</u>	<u>51,468</u>	<u>(8,888)</u>	<u>(428)</u>	<u>22,403</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)	<u>\$ 67,062</u>	<u>\$ 4,279</u>	<u>\$ 44,604</u>	<u>\$ 72,548</u>	<u>\$ 1,789</u>	<u>\$ -</u>	<u>\$ 22,403</u>	<u>\$ 10,376</u>

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 COMBINING SCHEDULE OF ACCOUNTS (Continued)
 EDUCATION FUND ACCOUNTS
 June 30, 2020

	Regional School Board Petition Grant	Mathematics and Science Partnerships	Education Innovation and Research	Supporting Effective Educator Development	Bureau of Justice Assistance (BJA) STOP	McCormick Foundation Grant	Totals
ASSETS							
Cash and cash equivalents	\$ 1,563	\$ 5,345	\$ -	\$ -	\$ -	\$ -	\$ 473,574
Accounts receivable	-	-	-	-	-	12,019	12,019
Due from other governments	-	-	329,749	157,591	46,573	-	597,645
Prepaid expenses	-	-	190	1,077	-	-	16,705
Total assets	<u>1,563</u>	<u>5,345</u>	<u>329,939</u>	<u>158,668</u>	<u>46,573</u>	<u>12,019</u>	<u>1,099,943</u>
DEFERRED OUTFLOWS OF RESOURCES							
None	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
	<u>\$ 1,563</u>	<u>\$ 5,345</u>	<u>\$ 329,939</u>	<u>\$ 158,668</u>	<u>\$ 46,573</u>	<u>\$ 12,019</u>	<u>\$ 1,099,943</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 1,839	\$ 16,777	\$ 8,217	\$ -	\$ 74,855
Accrued expenses	-	-	6,263	10,145	1,802	-	157,335
Due to other governments	-	2,818	108,977	3,887	-	-	207,451
Due to other funds	-	-	213,650	128,418	52,286	12,019	420,218
Unearned revenue	-	-	-	-	-	-	65,314
Total liabilities	<u>-</u>	<u>2,818</u>	<u>330,729</u>	<u>159,227</u>	<u>62,305</u>	<u>12,019</u>	<u>925,173</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	51,529	17,344	-	-	83,336
FUND BALANCE (DEFICIT)							
Nonspendable	-	-	190	1,077	-	-	16,705
Restricted	1,563	2,527	-	-	-	-	201,211
Unassigned	-	-	(52,509)	(18,980)	(15,732)	-	(126,482)
Total fund balance (deficit)	<u>1,563</u>	<u>2,527</u>	<u>(52,319)</u>	<u>(17,903)</u>	<u>(15,732)</u>	<u>-</u>	<u>91,434</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)							
	<u>\$ 1,563</u>	<u>\$ 5,345</u>	<u>\$ 329,939</u>	<u>\$ 158,668</u>	<u>\$ 46,573</u>	<u>\$ 12,019</u>	<u>\$ 1,099,943</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2022

	Regional Safe Schools	Early Childhood Parenting Program	Truants' Alternative Program	McKinney Education for Homeless Children	System of Support (RESPRO)	Technology for Success	Social Emotional Learning Standards Professional Development Program (SEL-PDP)
REVENUES:							
Local sources	\$ 3,792	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,742
State sources	473,612	933,919	124,246	-	-	-	-
Federal sources	-	-	-	51,200	-	-	-
Interest income	-	346	103	3	134	-	-
Total revenues	<u>477,404</u>	<u>934,265</u>	<u>124,349</u>	<u>51,203</u>	<u>134</u>	<u>-</u>	<u>6,742</u>
EXPENDITURES:							
Instructional services:							
Salaries	530,823	537,126	91,710	-	-	-	-
Benefits	38,551	116,016	14,044	-	-	-	-
Pension expense	7,075	58,186	4,866	-	-	-	-
OPEB expense	4,534	-	473	-	-	-	-
Purchased services	254,173	95,693	10,708	48,784	-	-	2,520
Supplies and materials	76,487	90,713	2,445	2,478	-	-	-
Capital outlay	14,890	34,822	-	-	-	-	-
Total expenditures	<u>926,533</u>	<u>932,556</u>	<u>124,246</u>	<u>51,262</u>	<u>-</u>	<u>-</u>	<u>2,520</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(449,129)	1,709	103	(59)	134	-	4,222
OTHER FINANCING SOURCES:							
Transfers in	491,658	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE (DEFICIT)	42,529	1,709	103	(59)	134	-	4,222
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	(42,529)	1,519	(10,888)	(14,481)	13,593	18,799	27,022
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ 3,228</u>	<u>\$ (10,785)</u>	<u>\$ (14,540)</u>	<u>\$ 13,727</u>	<u>\$ 18,799</u>	<u>\$ 31,244</u>

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the Year Ended June 30, 2022

	Illinois New Principal Mentoring	Teacher Mentoring Pilot Program	Career & Technical Education Improvement	ROE/ISC Operations	Title II Teacher Quality Leadership	Title II Teacher Quality	Spelling Bee	RSSPCE
REVENUES:								
Local sources	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,200	\$ -
State sources	-	-	62,476	356,958	-	-	-	75,745
Federal sources	-	-	-	-	13,601	-	-	-
Interest income	-	-	-	221	25	-	49	143
Total revenues	<u>20,000</u>	<u>-</u>	<u>62,476</u>	<u>357,179</u>	<u>13,626</u>	<u>-</u>	<u>6,249</u>	<u>75,888</u>
EXPENDITURES:								
Instructional services:								
Salaries	-	-	2,571	207,183	-	-	-	53,388
Benefits	-	-	294	34,891	-	-	-	15,530
Pension expense	-	-	27	5,512	-	-	-	310
OPEB expense	-	-	42	2,605	-	-	-	491
Purchased services	44	-	43,492	131,844	20,551	-	4,074	5,701
Supplies and materials	-	-	10,095	5,750	-	-	600	7,745
Capital outlay	-	-	5,956	5,956	-	-	-	-
Total expenditures	<u>44</u>	<u>-</u>	<u>62,477</u>	<u>393,741</u>	<u>20,551</u>	<u>-</u>	<u>4,674</u>	<u>83,165</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,956	-	(1)	(36,562)	(6,925)	-	1,575	(7,277)
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	8,577
NET CHANGE IN FUND BALANCE (DEFICIT)	19,956	-	(1)	(36,562)	(6,925)	-	1,575	1,300
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>47,106</u>	<u>1,350</u>	<u>(1,341)</u>	<u>88,030</u>	<u>(1,963)</u>	<u>(428)</u>	<u>20,828</u>	<u>(1,300)</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 67,062</u>	<u>\$ 1,350</u>	<u>\$ (1,342)</u>	<u>\$ 51,468</u>	<u>\$ (8,888)</u>	<u>\$ (428)</u>	<u>\$ 22,403</u>	<u>\$ -</u>

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the Year Ended June 30, 2020

	Regional School Board Petition Grant	Mathematics and Science Partnerships	Education Innovation and Research	Supporting Effective Educator Development	Bureau of Justice Assistance (BJA) STOP	McCormick Foundation Grant	Totals
REVENUES:							
Local sources	\$ 1,158	\$ 2,527	\$ -	\$ -	\$ -	\$ 131,852	\$ 172,271
State sources	-	-	-	-	-	-	2,026,956
Federal sources	-	-	810,857	582,811	143,605	-	1,602,074
Interest income	-	-	42	164	-	-	1,230
Total revenues	<u>1,158</u>	<u>2,527</u>	<u>810,899</u>	<u>582,975</u>	<u>143,605</u>	<u>131,852</u>	<u>3,802,531</u>
EXPENDITURES:							
Instructional services:							
Salaries	-	-	111,076	208,877	45,500	109,517	1,897,771
Benefits	-	-	9,379	24,187	1,644	20,438	274,974
Pension expense	-	-	12,263	23,168	264	661	112,332
OPEB expense	-	-	101	-	419	1,049	9,714
Purchased services	863	-	720,842	334,482	102,213	187	1,776,171
Supplies and materials	-	-	1,697	3,126	2,879	-	204,015
Capital outlay	-	-	893	5,063	-	-	67,580
Total expenditures	<u>863</u>	<u>-</u>	<u>856,251</u>	<u>598,903</u>	<u>152,919</u>	<u>131,852</u>	<u>4,342,557</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	295	2,527	(45,352)	(15,928)	(9,314)	-	(540,026)
OTHER FINANCING SOURCES:							
Transfers in	-	-	-	-	-	-	500,235
NET CHANGE IN FUND BALANCE (DEFICIT)	295	2,527	(45,352)	(15,928)	(9,314)	-	(39,791)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>1,268</u>	<u>-</u>	<u>(6,967)</u>	<u>(1,975)</u>	<u>(6,418)</u>	<u>-</u>	<u>131,225</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 1,563</u>	<u>\$ 2,527</u>	<u>\$ (52,319)</u>	<u>\$ (17,903)</u>	<u>\$ (15,732)</u>	<u>\$ -</u>	<u>\$ 91,434</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	Regional Safe Schools			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Local sources	\$ -	\$ -	\$ 3,792	\$ 3,792
State sources	<u>431,083</u>	<u>431,083</u>	<u>473,612</u>	<u>42,529</u>
Total revenues	<u>431,083</u>	<u>431,083</u>	<u>477,404</u>	<u>46,321</u>
EXPENDITURES:				
Instructional services:				
Salaries	370,214	370,214	530,823	(160,609)
Benefits	57,465	57,465	38,551	18,914
Pension expense	-	-	7,075	(7,075)
OPEB expense	-	-	4,534	(4,534)
Purchased services	3,404	3,404	254,173	(250,769)
Supplies and materials	-	-	76,487	(76,487)
Capital outlay	<u>-</u>	<u>-</u>	<u>14,890</u>	<u>(14,890)</u>
Total expenditures	<u>431,083</u>	<u>431,083</u>	<u>926,533</u>	<u>(495,450)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	-	(449,129)	(449,129)
OTHER FINANCING SOURCES:				
Transfers in	<u>-</u>	<u>-</u>	<u>491,658</u>	<u>491,658</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>	42,529	<u>\$ 42,529</u>
FUND BALANCE (DEFICIT), BEGINNING OF YEAR			<u>(42,529)</u>	
FUND BALANCE (DEFICIT), END OF YEAR			<u>\$ -</u>	

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE (Continued)
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	Early Childhood Parenting Program			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
State sources	\$ 969,000	\$ 982,430	\$ 933,919	\$ (48,511)
Interest income	-	-	346	346
Total revenues	969,000	982,430	934,265	(48,165)
EXPENDITURES:				
Instructional services:				
Salaries	494,600	489,220	537,126	(47,906)
Benefits	173,731	159,977	116,016	43,961
Pension expense	-	-	58,186	(58,186)
Purchased services	226,545	99,280	95,693	3,587
Supplies and materials	68,924	122,166	90,713	31,453
Other objects*	-	61,808	-	61,808
Capital outlay	5,200	49,979	34,822	15,157
Total expenditures	969,000	982,430	932,556	49,874
NET CHANGE IN FUND BALANCE	\$ -	\$ -	1,709	\$ 1,709
FUND BALANCE, BEGINNING OF YEAR			1,519	
FUND BALANCE, END OF YEAR			\$ 3,228	

*Other expenditures are comprised of indirect costs approved on the budget. These indirect costs are allocated to the applicable expenditure function in the actual amounts column.

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE (Continued)
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	Truants' Alternative Program			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
State sources	\$ 129,828	\$ 129,828	\$ 124,246	\$ (5,582)
Interest income	-	-	103	103
Total revenues	129,828	129,828	124,349	(5,479)
EXPENDITURES:				
Instructional services:				
Salaries	88,158	88,158	91,710	(3,552)
Benefits	29,762	27,250	14,044	13,206
Pension expense	-	-	4,866	(4,866)
OPEB expense	-	-	473	(473)
Purchased services	8,900	11,412	10,708	704
Supplies and materials	3,008	2,008	2,445	(437)
Capital outlay	-	1,000	-	1,000
Total expenditures	129,828	129,828	124,246	5,582
NET CHANGE IN				
FUND BALANCE (DEFICIT)	\$ -	\$ -	103	\$ 103
FUND BALANCE (DEFICIT), BEGINNING OF YEAR			(10,888)	
FUND BALANCE (DEFICIT), END OF YEAR			\$ (10,785)	

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE (Continued)
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	Career & Technical Education Improvement			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
State sources	\$ 105,255	\$ 105,255	\$ 62,476	\$ (42,779)
EXPENDITURES:				
Instructional services:				
Salaries	-	2,550	2,571	(21)
Benefits	-	450	294	156
Pension expense	-	-	27	(27)
OPEB expense	-	-	42	(42)
Purchased services	91,100	56,990	43,492	13,498
Supplies and materials	8,385	37,099	10,095	27,004
Capital outlay	5,770	8,166	5,956	2,210
Total expenditures	105,255	105,255	62,477	42,778
NET CHANGE IN				
FUND BALANCE (DEFICIT)	\$ -	\$ -	(1)	\$ (1)
FUND BALANCE (DEFICIT),				
BEGINNING OF YEAR				
			(1,341)	
FUND BALANCE (DEFICIT),				
END OF YEAR				
			\$ (1,342)	

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE (Continued)
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	ROE/ISC Operations			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
State sources	\$ 356,958	\$ 356,958	\$ 356,958	\$ -
Interest income	-	-	221	221
Total revenues	356,958	356,958	357,179	221
EXPENDITURES:				
Instructional services:				
Salaries	201,115	201,115	207,183	(6,068)
Benefits	56,700	56,700	34,891	21,809
Pension expense	-	-	5,512	(5,512)
OPEB expense	-	-	2,605	(2,605)
Purchased services	97,677	82,977	131,844	(48,867)
Supplies and materials	1,466	1,466	5,750	(4,284)
Capital outlay	-	14,700	5,956	8,744
Total expenditures	356,958	356,958	393,741	(36,783)
NET CHANGE IN				
FUND BALANCE	\$ -	\$ -	(36,562)	\$ (36,562)
FUND BALANCE, BEGINNING OF YEAR			88,030	
FUND BALANCE, END OF YEAR			\$ 51,468	

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE (Continued)
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	Title II Teacher Quality Leadership			
	Budgeted Amounts		Actual	Variance with
	Original	Final		
REVENUES:				
Federal sources	\$ 13,601	\$ 13,601	\$ 13,601	\$ -
Interest income	-	-	25	25
Total revenues	13,601	13,601	13,626	25
EXPENDITURES:				
Instructional services:				
Purchased services	13,601	13,601	20,551	(6,950)
NET CHANGE IN				
FUND BALANCE (DEFICIT)	\$ (13,601)	\$ (13,601)	(6,925)	\$ (6,925)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR			(1,963)	
FUND BALANCE (DEFICIT), END OF YEAR			\$ (8,888)	

This schedule is continued on the following page.

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
 BUDGETARY COMPARISON SCHEDULE (Continued)
 EDUCATION FUND ACCOUNTS
 For the Year Ended June 30, 2020

	RSSPCE			
	Pilot Regional Safe Schools Cooperative Education Program			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
State sources	\$ 75,745	\$ 75,745	\$ 75,745	\$ -
Interest income	-	-	143	143
Total revenues	<u>75,745</u>	<u>75,745</u>	<u>75,888</u>	<u>143</u>
EXPENDITURES:				
Instructional services:				
Salaries	48,500	51,400	53,388	(1,988)
Benefits	3,000	12,000	15,530	(3,530)
Pension expense	-	-	310	(310)
OPEB expense	-	-	491	(491)
Purchased services	19,100	7,200	5,701	1,499
Supplies and materials	<u>5,145</u>	<u>5,145</u>	<u>7,745</u>	<u>(2,600)</u>
Total expenditures	<u>75,745</u>	<u>75,745</u>	<u>83,165</u>	<u>(7,420)</u>
DEFICIENCY OF REVENUES				
UNDER EXPENDITURES	-	-	(7,277)	(7,277)
OTHER FINANCING SOURCES:				
Transfers in	<u>-</u>	<u>-</u>	<u>8,577</u>	<u>8,577</u>
NET CHANGE IN				
FUND BALANCE (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>	1,300	<u>\$ 1,300</u>
FUND BALANCE (DEFICIT),				
BEGINNING OF YEAR			<u>(1,300)</u>	
FUND BALANCE (DEFICIT),				
END OF YEAR			<u>\$ -</u>	

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2020

	General Education Development	Bus Driver Training	Supervisory	Totals
ASSETS				
Cash and cash equivalents	\$ 54,549	\$ 350,806	\$ 343	\$ 405,698
Due from other funds	-	478	-	478
Total assets	<u>54,549</u>	<u>351,284</u>	<u>343</u>	<u>406,176</u>
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u>\$ 54,549</u>	<u>\$ 351,284</u>	<u>\$ 343</u>	<u>\$ 406,176</u>
LIABILITIES				
Accounts payable	\$ -	\$ 3,400	\$ -	\$ 3,400
Unearned revenue	-	2,060	-	2,060
Total liabilities	-	5,460	-	5,460
DEFERRED INFLOWS OF RESOURCES				
None	-	-	-	-
FUND BALANCE				
Restricted	<u>54,549</u>	<u>345,824</u>	<u>343</u>	<u>400,716</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
	<u>\$ 54,549</u>	<u>\$ 351,284</u>	<u>\$ 343</u>	<u>\$ 406,176</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2020

	General Education <u>Development</u>	Bus Driver Training	<u>Supervisory</u>	<u>Totals</u>
REVENUES:				
Local sources	\$ 5,530	\$ 35,930	\$ -	\$ 41,460
State sources	-	4,791	-	4,791
Total revenues	<u>5,530</u>	<u>40,721</u>	<u>-</u>	<u>46,251</u>
EXPENDITURES:				
Instructional services:				
Purchased services	154	12,181	-	12,335
Supplies and materials	-	1,749	-	1,749
Total expenditures	<u>154</u>	<u>13,930</u>	<u>-</u>	<u>14,084</u>
NET CHANGE IN FUND BALANCE	5,376	26,791	-	32,167
FUND BALANCE, BEGINNING OF YEAR	<u>49,173</u>	<u>319,033</u>	<u>343</u>	<u>368,549</u>
FUND BALANCE, END OF YEAR	<u>\$ 54,549</u>	<u>\$ 345,824</u>	<u>\$ 343</u>	<u>\$ 400,716</u>

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor, Program or Cluster Title	Federal CFDA Number		Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Department of Justice:					
Direct Program					
STOP School Violence	16.839		2018-YS-BX-0087	\$ -	\$ 143,605
U.S. Department of Education:					
Direct Program					
Education Innovation and Research	84.411A	(M)	U411C170142	-	855,412
Passed-Through Will County Regional Office of Education No. 56:					
Education for Homeless Children and Youth <i>McKinney Education for Homeless Children</i>	84.196A		20-4920-00	-	51,200
Passed-Through Illinois State Board of Education:					
Improving Teacher Quality State Grants <i>Title II Teacher Quality Leadership</i>	84.367A		20-4935-02	-	13,601
Passed-Through Illinois State University:					
Supporting Effective Educator Development	84.423A		A18-0059-S008	-	598,180
Total U.S. Department of Education:				-	1,518,393
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ -	\$ 1,661,998

(M) Program was audited as a major program

STATE OF ILLINOIS
DUPAGE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 19
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2020

NOTE 1 – REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of DuPage County Regional Office of Education No. 19 under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the DuPage County Regional Office of Education No. 19, it is not intended to and does not present the financial position, changes in net position, or cash flows of the DuPage County Regional Office of Education No. 19.

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. DuPage County Regional Office of Education No. 19 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.