

State of Illinois  
REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS,  
EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL AUDIT  
FOR THE YEAR ENDED JUNE 30, 2019

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



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2019

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REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2019

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REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

For the Year Ended June 30, 2019

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REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

AGENCY OFFICIALS

For the Year Ended June 30, 2019

Regional Superintendent (Current Effective July 1, 2019)	Dr. Kyle Thompson
Regional Superintendent (During the Audit Period)	Dr. Bobbi Mattingly
Assistant Regional Superintendent (Current Effective July 1, 2019)	Dr. Zakry Standerfer
Assistant Regional Superintendent (During the Audit Period)	Dr. Kyle Thompson

Office is located at:

730 7th Street  
Charleston, Illinois 61920

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL REPORT SUMMARY

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

**AUDITORS' REPORTS**

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

**SUMMARY OF AUDIT FINDINGS**

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

**SUMMARY OF FINDINGS AND RESPONSES**

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

There were no findings for the year ended June 30, 2019.

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

There were no findings for the year ended June 30, 2018.

**EXIT CONFERENCE**

The Regional Office of Education #11 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2019. Throughout the audit, numerous meetings were held between the auditors and Regional Office officials to discuss matters contained in this audit report.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements.



613 Broadway Avenue  
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Mattoon, Illinois 61938

(217) 235-4747  
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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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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.

### ***Auditors' Responsibility***

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

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

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



## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Illinois Municipal Retirement Fund – Schedule of Changes in Net Pension Liability and Related Ratios, Illinois Municipal Retirement Fund – Schedule of Employer Contributions, Teachers' Retirement System of the State of Illinois – Schedule of Employer's Proportionate Share of the Net Pension Liability and Schedule of Employer Contributions, Teachers' Health Insurance Security Fund – Schedule of Employer Contributions, and Teachers' Health Insurance Security Fund – Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability on pages 12 and 55 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements. The combining schedules of accounts, budgetary comparison schedules, combining fund financial statements, and Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2020, on our consideration of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting and compliance.

**SIGNED ORIGINAL ON FILE**

Mattoon, Illinois  
February 11, 2020



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Mattoon, Illinois 61938

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**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**

**INDEPENDENT AUDITORS' REPORT**

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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's basic financial statements, and have issued our report thereon dated February 11, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control over financial reporting (internal control) to determine the 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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11'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 Clark, Coles, Cumberland, Douglas, Edgar, Moultrie and Shelby Counties Regional Office of Education #11's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**SIGNED ORIGINAL ON FILE**

Mattoon, Illinois  
February 11, 2020

## SCHEDULE OF FINDINGS AND RESPONSES

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF FINDINGS AND RESPONSES  
SECTION I – SUMMARY OF AUDITORS' RESULTS  
For the year ended June 30, 2019

**Financial Statements in accordance with GAAP**

Type of auditors' report issued:

UNMODIFIED

Internal control over financial reporting:

- Material weakness identified?

       yes   X   no

- Significant deficiency(ies) identified?

       yes   X   none reported

Noncompliance material to financial  
statements noted?

       yes   X   no

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF FINDINGS AND RESPONSES  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the year ended June 30, 2019

No findings were noted for the year ended June 30, 2019.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED  
For the year ended June 30, 2019

Not applicable in the current year.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

The Regional Office of Education #11 for the Counties of Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2019. Readers are encouraged to consider the information in conjunction with the Regional Office's financial statements which follow.

**Financial Highlights**

- Within the Governmental Funds, the General Fund fund balance increased from \$475,576 in FY18 to \$637,680 in FY19, and the Institute Fund fund balance increased from \$161,322 in FY18 to \$170,647 in FY19. The General Fund was affected by an increase due to timing of the receipt of funding for county support and the expenditures decreased due to a lower amount for payments to other governmental units from the lower percent of funding to Lakeland Pathways for the Youth Services TAOEP program. The Institute Fund had decreased revenues due to the timing of teacher licensure renewals, but revenues still exceeded expenditures for FY19. The Education Fund decreased from \$(70,323) in FY18 to \$(103,229) in FY19 due to payments of funds that were behind in FY19.
- Within the Proprietary Fund, Local Workshops total net position decreased from \$180,368 in FY18 to \$163,097 in FY19, and the Local Service Fees decreased from \$7,562 in FY18 to \$7,330 in FY19. These increases are due to higher expenses than revenues. The decrease in total net position was primarily due to an increase in salaries & benefits paid from Local Workshops due to the Statewide System of Support and Math & Science Partnership grants ending during the first quarter of FY19.

**Using This Report**

This annual report consists of a series of financial statements and other information, as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Regional Office's financial activities.
- The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the Regional Office of Education as a whole and present an overall view of the Office's finances.
- The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Regional Office's operations in more detail than the government-wide statements by providing information about the most significant funds.
- Notes to the financial statements provide additional information that is needed for a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements and supplementary information provides detailed information about the General Fund, the Education Fund, and the Nonmajor Funds.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Reporting the Office as a Whole**

**The Statement of Net Position and the Statement of Activities**

The government-wide statements report information about the Regional Office of Education #11 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Office's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Office's net position and how it has changed. Net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, are one way to measure the Office's financial health or position.

- Over time, increases or decreases in the net position can be an indicator of whether financial position is improving or deteriorating, respectively.
- To assess the Regional Office's overall health, additional non-financial factors, such as new laws, rules, regulations, and actions by officials at the state level need to be considered.

In the government-wide financial statements, the Regional Office of Education #11's activities are divided into two categories.

- Governmental activities: Most of the Regional Office of Education #11's basic services are included here, such as local, State, and federal grant-funded programs, support services, and administration.
- Business-type activities: The Regional Office of Education #11 charges fees to help cover costs of certain services and workshops it provides.

The fund financial statements provide detailed information about the Regional Office's funds, focusing on its most significant or "major" funds – not the Regional Office of Education as a whole. Funds are accounting devices that allow the tracking of specific sources of funding and spending on particular programs. Some funds are required by state law. The Regional Office of Education #11 established other funds to control and manage money for particular purposes.

The Regional Office of Education #11 has the following types of funds:

1. Governmental funds account for all of the Office's services. These focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer resources that can be spent in the near future to finance the Office's programs. Because this information does not encompass the additional long-term focus of the government-wide financial statements, a reconciliation between the governmental fund financial statements and the government-wide financial statements follow each of the related governmental fund financial statements. The Office's governmental funds include the General Fund and the Special Revenue Funds. The governmental funds' required financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Reporting the Office as a Whole (continued)**

2. Proprietary Funds are used to account for registration fees for workshops and other services sponsored by the Regional Office of Education #11. The proprietary funds' required financial statements include a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Fund Net Position, and Statement of Cash Flows.
3. Fiduciary funds are used to account for assets held by the Regional Office of Education #11 in a trust capacity or as an agent for individuals and private or governmental organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary funds required financial statements include a Statement of Fiduciary Net Position. The Regional Office of Education #11 excludes these assets from the government-wide financial statements because it cannot use these assets to finance its operations.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the financial position. The Regional Office's governmental activities net position at the end of FY19 totaled \$(223,860). This compared to \$(246,802) at the end of FY18. The analysis that follows provides a summary of the Office's net position at June 30, 2019 and June 30, 2018 for the governmental and business-type activities.

**Condensed Statement of Net Position**  
**Governmental Activities**

	2019	2018	Increase/ (Decrease)
Current assets	\$ 1,047,508	\$ 943,257	\$ 104,251
Capital assets, net of depreciation	43,857	41,647	2,210
Total assets	<u>1,091,365</u>	<u>984,904</u>	<u>106,461</u>
Total deferred outflows of resources	<u>621,452</u>	<u>374,768</u>	<u>246,684</u>
Current liabilities	201,874	269,935	(68,061)
Net OPEB liability	913,647	740,567	173,080
Net pension liability	<u>389,606</u>	<u>335,048</u>	<u>54,558</u>
Total liabilities	<u>1,505,127</u>	<u>1,345,550</u>	<u>159,577</u>
Total deferred inflows of resources	<u>431,550</u>	<u>260,924</u>	<u>170,626</u>
Net position:			
Net investment in capital assets	43,857	41,647	2,210
Restricted - for educational purposes	207,632	200,213	7,419
Unrestricted	<u>(475,349)</u>	<u>(488,662)</u>	<u>13,313</u>
Total net position	<u>\$ (223,860)</u>	<u>\$ (246,802)</u>	<u>\$ 22,942</u>

Net position increased from \$(246,802) to \$(223,860) due to increased interest revenue and local revenue and decreased salaries and payments to other governmental units.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Government–Wide Financial Analysis (continued)**

**Condensed Statement of Net Position**

**Business-Type Activities**

	<u>2019</u>	<u>2018</u>	Increase/ (Decrease)
Current assets	\$ 171,656	\$ 188,113	\$ (16,457)
Capital assets, net of depreciation	-	69	(69)
Total assets	<u>171,656</u>	<u>188,182</u>	<u>(16,526)</u>
Current liabilities	<u>1,229</u>	<u>252</u>	<u>977</u>
Net position:			
Net investment in capital assets	-	69	(69)
Unrestricted	<u>170,427</u>	<u>187,861</u>	<u>(17,434)</u>
Total net position	<u>\$ 170,427</u>	<u>\$ 187,930</u>	<u>\$ (17,503)</u>

The Regional Office of Education #11 uses its business-type net position to provide workshops and training services to school districts in the Region. The decrease in total net position was primarily due to an increase in salaries & benefits paid from Local Workshops due to the Statewide System of Support and Math & Science Partnership grants ending during the first quarter of FY19.

The following analysis shows the changes in net position for governmental and business-type activities for the years ended June 30, 2019 and June 30, 2018.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Government-Wide Financial Analysis (continued)**

**Condensed Statement of Activities**  
**Governmental Activities**

	2019	2018	Increase/ (Decrease)
Revenues:			
Program revenues:			
Operating grants and contributions	\$ 809,138	\$ 928,129	\$ (118,991)
General revenues:			
Local sources	404,266	392,432	11,834
State sources	934,189	952,773	(18,584)
On-behalf payment	918,018	818,770	99,248
Interest	17,971	9,103	8,868
Total revenues	3,083,582	3,101,207	(17,625)
Expenses:			
Program expenses:			
Instructional services			
Salaries and benefits	1,029,780	1,142,057	(112,277)
Purchased services	322,774	346,103	(23,329)
Supplies and materials	69,959	71,637	(1,678)
Other objects	7,531	2,751	4,780
Depreciation expense	4,856	4,979	(123)
OPEB expense	85,955	67,510	18,445
Pension expense	104,213	110,626	(6,413)
Intergovernmental			
Payments to other governmental units	517,554	590,648	(73,094)
Administrative expenses:			
On-behalf payments - state	918,018	818,770	99,248
Total expenses	3,060,640	3,155,081	(94,441)
Change in net position	22,942	(53,874)	76,816
Net position - beginning	(246,802)	(192,928)	(53,874)
Net position - ending	\$ (223,860)	\$ (246,802)	\$ 22,942

Revenues for governmental activities were \$3,083,582 and expenses were \$3,060,640. The revenues decreased due to the ending of the Math and Science Partnership and System of Support grants. The expenses decreased due to a lower amount for payments to other governmental units from the lower percent of funding to Lakeland Pathways for the Youth Services TAOEP program.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Government-Wide Financial Analysis (continued)**

**Condensed Statement of Activities**

**Business-Type Activities**

	<u>2019</u>	<u>2018</u>	<u>Increase/ (Decrease)</u>
Revenues:			
Program revenues:			
Charges for services	\$ 55,460	\$ 46,034	\$ 9,426
General revenues:			
Interest	1,799	624	1,175
Total revenues	<u>57,259</u>	<u>46,658</u>	<u>10,601</u>
Expenses:			
Charges for services:			
Salaries and benefits	29,081	5,806	23,275
Purchased services	43,324	31,086	12,238
Supplies and materials	2,287	515	1,772
Depreciation expense	70	252	(182)
Total expenses	<u>74,762</u>	<u>37,659</u>	<u>37,103</u>
Change in net position	(17,503)	8,999	(26,502)
Net position - beginning	<u>187,930</u>	<u>178,931</u>	<u>8,999</u>
Net position - ending	<u>\$ 170,427</u>	<u>\$ 187,930</u>	<u>\$ (17,503)</u>

Revenues for the business-type activities were \$57,259 and expenses were \$74,762 resulting in an overall decrease in total net position of \$17,503. Salaries increased in FY18 to FY19 due to the loss of the Statewide System of Support and Math & Science Partnership Grant, resulting in a negative change in net position.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Financial Highlights of the Regional Office of Education #11 Funds**

As previously noted, the Regional Office of Education #11 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Fund Highlights:**

- The return on investments (certificates of deposit, short term investments, and interest earned on float), maintained the same levels except for the increase from the certificates of deposit. The rates on these CD's increased from 1.59% to 1.99%.
- County support for the Regional Office of Education #11 remained the same at \$285,290 for the counties' FY18 ending November 30, 2018 and FY19 ending November 30, 2019.
- The new Evidence Based Funding which began with FY18 continued in effect for FY19. Due to this the Youth Services Program funding decreased from \$950,976 in FY18 to \$931,556 in FY19 from General State Aid and General State Aid TAOEP. Other grant funds increased and decreased as follows: the Regional Safe Schools Cooperative Education grant decreased from \$40,697 in FY18 to \$39,827 in FY19, the Homeless grant increased from \$270,404 in FY18 to \$293,057 in FY19, the Title II Teacher Quality Leadership grant decreased from \$2,456 in FY18 to \$2,124 in FY19, and the ROE/ISC Operations grant increased from \$127,744 in FY18 to \$127,917 in FY19. While these amounts were available, not all grants expended the full amount available under the grants.
- The Regional Office of Education #11 was awarded the Area 4 Lead Liaison for the FY17 McKinney Education for Homeless Children grant. This is a 3 year award and will continue until FY19 when it will be applied for again. The revenue decreased from \$217,877 to \$188,758 due to payments from ISBE past 60 days of \$89,707. Total expenditures increased from \$217,877 in FY18 to \$278,465. The majority of the revenue is paid to other governmental units for the subgrantee awards.
- State funding for the grants which were behind schedule at the end of FY18 was received during FY19. Payments were also delayed past 60 days after the Regional Office of Education #11's FY19 year-end which resulted in decreased revenues. The Regional Safe Schools Coop Education, Truants Alternative/Optional Education, McKinney Education for Homeless Children, and Regional Safe Schools Grants all had unavailable revenues. Due to this the revenues were decreased from \$60,369 to \$36,209 for the Regional Safe Schools Coop Education Grant, from \$177,904 to \$105,860 for the Truants Alternative/Optional Education Grant, from \$217,877 to \$188,758 for the McKinney Education for Homeless Children Grant, and from \$125,284 to \$86,138 for the Regional Safe Schools Grant for FY19. The unavailable revenue due at the end of FY19 for the Math & Science Partnership Grant was received in the amount of \$65,053.
- The expenditures for the Math & Science Partnerships Grant and Area IV-System of Support Foundational Services Grant occurred during July & August 2018. Both grants ended August 31, 2018.

**Proprietary Fund Highlights:**

The Regional Office of Education #11's Local Workshop Fund & Local Service Fees Fund decreased net position in FY19. Workshops in FY19 had higher presenter fees and increased salary and benefits for Professional Development Coordinator. The operating revenues in the Local Workshop Fund were increased from \$31,831 in FY18 to \$38,716 in FY19 and expenditures increased from \$24,305 in FY18 to \$57,783 in FY19 due increased salary, benefits, & purchased services resulting in a decreased net position. The continued number of participants in the local testing services generated increased revenues. The operating revenues in the Local Service Fees Fund were increased from \$14,203 in FY18 to \$16,744 in FY19 and expenditures increased from \$13,354 in FY18 to \$16,979 in FY19 resulting in a slight decrease in net position.



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2019

**Financial Highlights of the Regional Office of Education #11 Funds (continued)**

**Budgetary Highlights:**

The Regional Office of Education #11 annually adopts budgets although not legally required to do so. All grant budgets are prepared by the Regional Office of Education #11 and submitted to the granting agency for approval. Amendments must be submitted under guidelines established by the granting agency. Schedules showing the budget amounts compared to the Office's actual financial activity are included in the supplementary information of this report.

**Capital Assets**

There were no material changes in capital assets from the previous year. The Regional Office of Education #11 replaced the roof on the office building located at 730 7th street in FY15 at a cost of \$30,846 and will continue to depreciate it over 40 years.

**Economic Factors and Next Year's Budget**

At the time these financial statements were prepared and audited, the Regional Office was aware of several existing circumstances that could affect its financial health in the future.

- The State of Illinois calculation of State Aid has changed to evidence based funding which tiers school districts and regional offices of education for FY18. Additional funding was received at the end of FY18 & FY19. FY20 Funding will be under the new funding formula for Regional Office of Educations which is based on enrollment and need.
- The interest rate on investments remains low.
- The majority of grants have increased or remained the same from previous levels. The Statewide System of Support and Math & Science Partnership Grant ended August 31, 2018.
- The State of Illinois funding for several programs are behind schedule. The Regional Safe Schools Coop Education, Truants Alternative/Optional Education, McKinney Education for Homeless Children, and Regional Safe Schools Grants are all behind schedule for funding.
- County Board support of the Regional Office of Education #11 will remain the same for the next fiscal year.

**Contacting the Regional Office's Financial Management**

This financial report is designed to provide the Regional Offices' citizens, taxpayers, clients, and other constituents with a general overview of its finances and to demonstrate the accountability for the money it receives. If the reader has questions concerning this report or needs additional financial information, please contact the Regional Superintendent of the Regional Office of Education #11 at 730 7th Street, Charleston, IL 61920.

## BASIC FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF NET POSITION

June 30, 2019

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 823,604	\$ 67,530	\$ 891,134
Investments	34,245	102,186	136,431
Prepaid expense	5,931	372	6,303
Accounts receivable	398	548	946
<b>Due from other governments:</b>			
Local	3,788	1,020	4,808
State	33,445	-	33,445
Federal	146,097	-	146,097
<b>Total current assets</b>	<b>1,047,508</b>	<b>171,656</b>	<b>1,219,164</b>
<b>Noncurrent assets:</b>			
Capital assets, net of depreciation	43,857	-	43,857
<b>Total assets</b>	<b>1,091,365</b>	<b>171,656</b>	<b>1,263,021</b>
<b>Deferred outflows of resources</b>			
Deferred outflows related to OPEB	230,315	-	230,315
Deferred outflows related to pensions	391,137	-	391,137
<b>Total deferred outflows of resources</b>	<b>621,452</b>	<b>-</b>	<b>621,452</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable	3,204	366	3,570
Payroll liabilities	80,975	13	80,988
<b>Due to other governments:</b>			
Local	117,695	-	117,695
Unearned revenue	-	850	850
<b>Total current liabilities</b>	<b>201,874</b>	<b>1,229</b>	<b>203,103</b>
<b>Noncurrent liabilities:</b>			
Net OPEB liability	913,647	-	913,647
Net pension liability	389,606	-	389,606
<b>Total noncurrent liabilities</b>	<b>1,303,253</b>	<b>-</b>	<b>1,303,253</b>
<b>Total liabilities</b>	<b>1,505,127</b>	<b>1,229</b>	<b>1,506,356</b>
<b>Deferred inflows of resources</b>			
Deferred inflows related to OPEB	136,709	-	136,709
Deferred inflows related to pensions	294,841	-	294,841
<b>Total deferred inflows of resources</b>	<b>431,550</b>	<b>-</b>	<b>431,550</b>
<b>Net position</b>			
Net investment in capital assets	43,857	-	43,857
Restricted for educational purposes	207,632	-	207,632
Unrestricted	(475,349)	170,427	(304,922)
<b>Total net position</b>	<b>\$ (223,860)</b>	<b>\$ 170,427</b>	<b>\$ (53,433)</b>

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

REGIONAL OFFICE OF EDUCATION #11  
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES  
 STATEMENT OF ACTIVITIES  
 For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:						
Governmental Activities:						
Instructional Services:						
Salaries and benefits	\$ 1,029,780	\$ -	\$ 416,404	\$ (613,376)	\$ -	\$ (613,376)
Purchased services	322,774	-	103,873	(218,901)	-	(218,901)
Supplies and materials	69,959	-	26,484	(43,475)	-	(43,475)
Other objects	7,531	-	-	(7,531)	-	(7,531)
Depreciation expense	4,856	-	-	(4,856)	-	(4,856)
OPEB expense	85,955	-	-	(85,955)	-	(85,955)
Pension expense	104,213	-	16,499	(87,714)	-	(87,714)
Intergovernmental:						
Payments to other governmental units	517,554	-	245,878	(271,676)	-	(271,676)
Administrative:						
On-behalf payments - State	918,018	-	-	(918,018)	-	(918,018)
Total governmental activities	<u>3,060,640</u>	<u>-</u>	<u>809,138</u>	<u>(2,251,502)</u>	<u>-</u>	<u>(2,251,502)</u>
Business-type activities						
Charges for services	74,762	55,460	-	-	(19,302)	(19,302)
Total business-type activities	<u>74,762</u>	<u>55,460</u>	<u>-</u>	<u>-</u>	<u>(19,302)</u>	<u>(19,302)</u>
Total primary government	<u>\$ 3,135,402</u>	<u>\$ 55,460</u>	<u>\$ 809,138</u>	<u>(2,251,502)</u>	<u>(19,302)</u>	<u>(2,270,804)</u>
General Revenues:						
Local sources				404,266	-	404,266
State sources				934,189	-	934,189
On-behalf payments				918,018	-	918,018
Interest				17,971	1,799	19,770
Total general revenues				<u>2,274,444</u>	<u>1,799</u>	<u>2,276,243</u>
Change in net position				22,942	(17,503)	5,439
Net position, beginning of year				<u>(246,802)</u>	<u>187,930</u>	<u>(58,872)</u>
Net position, end of year				<u>\$ (223,860)</u>	<u>\$ 170,427</u>	<u>\$ (53,433)</u>

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES  
BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2019

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Eliminations	Total Governmental Funds
<b>Assets:</b>						
Cash and cash equivalents	\$ 515,389	\$ 119,984	\$ 170,432	\$ 17,799	\$ -	\$ 823,604
Investments	16,289	17,956	-	-	-	34,245
Due from others	-	-	-	-	-	-
Prepaid expense	5,573	8	337	13	-	5,931
Accounts receivable	-	-	-	398	-	398
Due from other funds	177,543	-	-	-	(177,543)	-
Due from other governments						
Local	2,370	1,379	-	39	-	3,788
State	1,110	32,335	-	-	-	33,445
Federal	-	146,097	-	-	-	146,097
<b>Total assets</b>	<b><u>\$ 718,274</u></b>	<b><u>\$ 317,759</u></b>	<b><u>\$ 170,769</u></b>	<b><u>\$ 18,249</u></b>	<b><u>\$ (177,543)</u></b>	<b><u>\$ 1,047,508</u></b>
<b>Liabilities:</b>						
Accounts payable	\$ 1,657	\$ 1,425	\$ 122	\$ -	\$ -	\$ 3,204
Payroll liabilities	47,113	33,862	-	-	-	80,975
Due to other funds	2,137	175,406	-	-	(177,543)	-
Due to other governments						
Local	29,365	88,330	-	-	-	117,695
State	-	-	-	-	-	-
Federal	-	-	-	-	-	-
<b>Total liabilities</b>	<b><u>80,272</u></b>	<b><u>299,023</u></b>	<b><u>122</u></b>	<b><u>-</u></b>	<b><u>(177,543)</u></b>	<b><u>201,874</u></b>
Deferred inflows of resources:						
Unavailable revenue	322	121,965	-	60	-	122,347
Fund Balance:						
Nonspendable	5,573	8	337	13	-	5,931
Restricted	-	18,728	170,310	18,176	-	207,214
Assigned	578,131	-	-	-	-	578,131
Unassigned	53,976	(121,965)	-	-	-	(67,989)
<b>Total fund balance</b>	<b><u>637,680</u></b>	<b><u>(103,229)</u></b>	<b><u>170,647</u></b>	<b><u>18,189</u></b>	<b><u>-</u></b>	<b><u>723,287</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b><u>\$ 718,274</u></b>	<b><u>\$ 317,759</u></b>	<b><u>\$ 170,769</u></b>	<b><u>\$ 18,249</u></b>	<b><u>\$ (177,543)</u></b>	<b><u>\$ 1,047,508</u></b>

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

June 30, 2019

Total fund balances - governmental funds	\$	723,287
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.		122,347
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		43,857
Pension & OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources	\$ 621,452	
Deferred inflows of resources	<u>(431,550)</u>	189,902
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net OPEB liability		(913,647)
Net pension liability		<u>(389,606)</u>
Net position of governmental activities	\$	<u><u>(223,860)</u></u>

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2019

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 360,749	\$ 36,430	\$ 33,651	\$ 9,816	\$ 440,646
State sources	932,592	392,388	-	1,523	1,326,503
State sources - payments made on behalf of region	279,038	-	-	-	279,038
Federal sources	-	343,597	-	-	343,597
Interest	13,776	318	3,872	5	17,971
Total revenues	<u>1,586,155</u>	<u>772,733</u>	<u>37,523</u>	<u>11,344</u>	<u>2,407,755</u>
Expenditures:					
Instructional services					
Salaries and benefits	588,256	416,404	13,884	11,236	1,029,780
Purchased services	210,062	100,374	10,377	1,961	322,774
Supplies and materials	42,781	26,484	291	403	69,959
Other objects	5,719	-	1,812	-	7,531
OPEB expense	6,720	-	-	-	6,720
Pension expense	12,733	16,499	1,834	801	31,867
Payments made on behalf of region	279,038	-	-	-	279,038
Intergovernmental:					
Payments to other intergovernmental units	271,676	245,878	-	-	517,554
Capital outlay	7,066	-	-	-	7,066
Total expenditures	<u>1,424,051</u>	<u>805,639</u>	<u>28,198</u>	<u>14,401</u>	<u>2,272,289</u>
Net change in fund balance	162,104	(32,906)	9,325	(3,057)	135,466
Fund balance (deficit), beginning of year	<u>475,576</u>	<u>(70,323)</u>	<u>161,322</u>	<u>21,246</u>	<u>587,821</u>
Fund balance (deficit), end of year	<u>\$ 637,680</u>	<u>\$ (103,229)</u>	<u>\$ 170,647</u>	<u>\$ 18,189</u>	<u>\$ 723,287</u>

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2019

Net change in fund balances \$ 135,466

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

Some revenues will not be collected for several months after the Regional Office fiscal year ends; they are considered "unavailable" revenues and are deferred inflows of resources in the governmental funds.

Reported in the funds - current year	\$ 122,347	
Reported in the funds - prior year	<u>(85,500)</u>	36,847

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	\$ 7,066	
Depreciation	<u>(4,856)</u>	2,210

Certain expenses in the Statement of Activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds.

OPEB contribution	6,720	
OPEB expense	(85,955)	
Pension contribution	31,867	
Pension expense	<u>(104,213)</u>	<u>(151,581)</u>

Change in net position of governmental activities		<u><u>\$ 22,942</u></u>
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The notes to the financial statements are an integral part of this statement.



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

JUNE 30, 2019

	Business-Type Activities- Enterprise Funds		Total
	Local Workshops	Nonmajor Fund - Local Service Fees	
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 60,446	\$ 7,084	\$ 67,530
Investments	102,186	-	102,186
Prepaid expense	367	5	372
Accounts receivable	-	548	548
Due from other governments			
Local	1,020	-	1,020
Total current assets	164,019	7,637	171,656
Total assets	164,019	7,637	171,656
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	59	307	366
Payroll liabilities	13	-	13
Unearned revenue	850	-	850
Total current liabilities	922	307	1,229
<b>Net Position</b>			
Unrestricted	163,097	7,330	170,427
Total net position	\$ 163,097	\$ 7,330	\$ 170,427

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS

For the Year Ended June 30, 2019

	Business-Type Activities- Enterprise Funds		Total
	Local Workshops	Nonmajor Fund - Local Service Fees	
Operating revenues			
Local sources	\$ 38,716	\$ 16,744	\$ 55,460
Total operating revenues	<u>38,716</u>	<u>16,744</u>	<u>55,460</u>
Operating expenses			
Salaries and benefits	24,805	4,276	29,081
Purchased services	31,724	11,600	43,324
Supplies and materials	1,184	1,103	2,287
Depreciation	70	-	70
Total operating expenses	<u>57,783</u>	<u>16,979</u>	<u>74,762</u>
Operating loss	<u>(19,067)</u>	<u>(235)</u>	<u>(19,302)</u>
Nonoperating revenues			
Interest income	1,796	3	1,799
Total nonoperating revenue	<u>1,796</u>	<u>3</u>	<u>1,799</u>
Change in net position	(17,271)	(232)	(17,503)
Total net position, beginning of year	<u>180,368</u>	<u>7,562</u>	<u>187,930</u>
Total net position, end of year	<u>\$ 163,097</u>	<u>\$ 7,330</u>	<u>\$ 170,427</u>

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended June 30, 2019

	Business-Type Activities- Enterprise Funds		
	Local Workshops	Nonmajor Fund - Local Service Fees	Total
Cash flows from operating activities:			
Workshop receipts	\$ 38,546	\$ 16,352	\$ 54,898
Payments to suppliers and providers of goods and services	(32,834)	(12,595)	(45,429)
Payments to employees	(24,805)	(4,276)	(29,081)
Net cash used by operating activities	<u>(19,093)</u>	<u>(519)</u>	<u>(19,612)</u>
Cash flows from investing activities:			
Net investment activity	(1,773)	-	(1,773)
Interest received on investments	1,796	3	1,799
Net cash provided by investing activities	<u>23</u>	<u>3</u>	<u>26</u>
Net decrease in cash and cash equivalents	(19,070)	(516)	(19,586)
Cash and cash equivalents - beginning of year	79,516	7,600	87,116
Cash and cash equivalents - end of year	<u>\$ 60,446</u>	<u>\$ 7,084</u>	<u>\$ 67,530</u>
Reconciliation of operating loss to net cash used by operating activities:			
Operating loss	\$ (19,067)	\$ (235)	\$ (19,302)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Depreciation	70	-	70
(Increase)/decrease in assets:			
Accounts receivable	-	(392)	(392)
Due from other governments	(1,020)	-	(1,020)
Prepaid expense	56	(1)	55
Increase/(decrease) in liabilities:			
Accounts payable	18	109	127
Unearned revenue	850	-	850
Net cash used by operating activities	<u>\$ (19,093)</u>	<u>\$ (519)</u>	<u>\$ (19,612)</u>

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2019

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	<u>\$ -</u>
Total assets	<u><u>\$ -</u></u>
Liabilities	
Accounts payable	<u>\$ -</u>
Total liabilities	<u><u>\$ -</u></u>

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

NOTES TO FINANCIAL STATEMENTS

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2019

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Regional Office of Education #11 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

FINANCIAL REPORTING ENTITY

The Regional Superintendent is charged with responsibility for township fund lands; registration of the names of applicants for scholarships to State controlled universities; examinations and related duties; visitation of public schools; direction of teachers and school officers; to serve as the official advisor and assistant of school officers and teachers; to conduct teachers institutes as well as to aid and encourage the formation of other teachers meetings and assist in their management; evaluate the schools in the region; examine evidence of indebtedness; file and keep the 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 the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education #11's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; performing and reporting on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions and to carry 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 within the region are properly bonded.

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

For the period ended June 30, 2019 the Regional Office of Education #11 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 #11. Such activities are reported as a single major special revenue fund (i.e. within the Education Fund).

SCOPE OF THE REPORTING ENTITY

The Regional Office of Education #11 reporting entity includes all related organizations for which they exercise oversight responsibility.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

SCOPE OF THE REPORTING ENTITY (Continued)

The Regional Office of Education #11 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Regional Office of Education #11, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education #11 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education #11 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education #11 is not aware of any entity which would exercise such oversight as to result in the Regional Office of Education #11 being considered a component unit of the entity.

NEW ACCOUNTING PRONOUNCEMENT

In 2019, the Regional Office of Education #11 implemented Governmental Accounting Standards Board (GASB) Statement No. 83 – *Certain Asset Retirement Obligations*, and GASB Statement No. 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The Implementation of GASB Statement No. 83, and GASB Statement No. 88 had no significant impact on the financial statements of the Regional Office of Education #11.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Regional Office of Education #11's activities with most of the interfund activities removed. Governmental activities include programs supported primarily by State and federal grants and other intergovernmental revenues. The Regional Office of Education #11 has two business-type activities that rely on fees and charges for support.

The Regional Office of Education #11's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present a summary of governmental and business-type activities for the Regional Office of Education #11 accompanied by a total column. These statements are presented on an "economic resources" measurement as prescribed by GASB Statement No. 34. All of the Regional Office of Education #11's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services, and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, such as payables, receivables, and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the governmental fund Balance Sheet and proprietary fund Statement of Net Position and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the proprietary fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated. The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent shortfalls in cash flow within grant programs and funds.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

The governmental fund financial statements have been prepared in accordance with generally accepted accounting principles on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual i.e., when both measurable and available. Available means collectible within the current period, typically 60 days, or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses, and other long-term obligations, which are recognized when paid. Revenue received after the Regional Office's availability period is reported as deferred inflows of resources in the fund statements and is reported as current revenue in the Statement of Activities.

PROPRIETARY FUND FINANCIAL STATEMENTS

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

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



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

PROPRIETARY FUND FINANCIAL STATEMENTS (Continued)

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The governmental funds financial statements focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Regional Office of Education #11; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Under the terms of grant agreements, Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding resources available to finance the program. It is Clark, Coles, Cumberland, Douglas, Edgar, Moultrie, and Shelby Counties Regional Office of Education #11's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues. For unrestricted fund balance, committed funds are used first, then assigned funds, then unassigned, if any.

FUND ACCOUNTING

The Regional Office of Education #11 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education #11 uses governmental, proprietary, and fiduciary funds.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are reported. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets and deferred outflows of resources are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as a fund balance.

As prescribed by GASB Statement No. 34, governmental and proprietary fund reporting focuses on the major funds rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: 1) total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and 2) total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education #11 has presented all major funds that met the above qualifications.

The Regional Office of Education #11 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education #11. It is used to account for and report all financial resources in the region except those required to be accounted and reported for in other funds. General Funds include the following:

County Support - This fund is used to account for financial resources except those required to be accounted for in other funds.

Direct Service - This fund is used to account for interest that is earned on deposits in the Distributive Fund's interest-bearing checking account in fiscal years that interest earned exceeds bank charges.

Grow Your Own - This fund accounts for the revenue received for the Grow Your Own grant project. Revenues will be used to pay administrative expenses incurred during recruiting & communicating with potential and upcoming teachers and communicating with school districts and area colleges & universities.

Youth Services - This program accounts for the general state aid, Lake Land Pathways and non grant expenditures for the Truancy Program and Regional Safe Schools Program which are youth service activities.

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

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

Homeless - This program accounts for federal funds expended to facilitate the educational success of homeless children and youths.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

GOVERNMENTAL FUNDS (Continued)

Douglas County CEO Program - The purpose of this program is to guide and mentor students in business skills. This program is comprised of classroom activities, tours, and presentations from area businesses.

Illinois Violence Prevention Authority - This program accounts for state funds received to develop and implement the operation of violence prevention activities in Regional Office of Education #11.

Truants Alternative/Optional Education - This program accounts for the proceeds from State grants expended under a program to reduce student truancy.

Regional Safe Schools - This program accounts for the proceeds from the Regional Safe Schools monies. The program concentrates on the education of students who have been expelled from the school districts served by Regional Office of Education #11.

ROE/ISC Operations - This fund accounts for the grant monies received for and in payment of expenditures for assisting schools in all areas of school improvement.

Regional Safe Schools Coop Education - This program's goal is to assist suspended or expelled students from the school districts served by Regional Office of Education #11 to become reoriented and motivated to complete their education by allowing a student to participate in career-related classroom and structured cooperative work.

Math & Science Partnership - The purpose of the program is to increase the academic achievement of students in mathematics and science by enhancing the content knowledge and teaching skills of classroom teachers.

Title II - Teacher Quality Leadership - This fund is used to account for a federal grant used to provide professional development services to all schools that failed to make adequate yearly progress on Illinois Standards Achievement Test scores.

Area IV - System of Support - Foundational Services - The program was formed to provide districts and schools within the region professional development, networking and technical assistance representing best practices.

Child Nutrition - this program was formed to help fight hunger and obesity by providing healthy meals to children.

Institute Fund - This fund accounts for teacher license registration, issuance and evaluation fees for processing licenses, and expenses for meetings of a professional nature. All funds generated remain restricted until expended only on the aforementioned activities.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

The Regional Office of Education #11 reports the following nonmajor governmental funds:

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

General Education Development Fund (GED) - This fund accounts for proceeds earned from students who pay to participate in the high school equivalency program. These proceeds are used to pay administrative expenses incurred to administer the GED program.

Bus Driver Training - This fund accounts for the fees charged for annual training courses. Proceeds from these fees are used to pay administrative expenses incurred pertaining to the program.

PROPRIETARY FUND

Proprietary Funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education #11 on a cost reimbursement basis are reported.

The Regional Office of Education #11 reports the following major proprietary fund:

Local Workshops - The local workshops fund is used to account for the workshop registration fees and expenses related to workshops sponsored by the Regional Office of Education #11.

The Regional Office of Education #11 reports the following nonmajor proprietary fund:

Local Service Fees – The local service fees fund is used to account for the local fees and expenses related to specific services provided by the Regional Office of Education #11 including fingerprinting and testing.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

FIDUCIARY FUND

Agency Funds - Agency Funds are used to account for assets held by the Regional Office of Education #11 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Regional Office of Education #11's Agency Funds include the following:

County School Facility Occupation Tax - This fund receives County School Facility Occupation Tax collected by the Illinois Department of Revenue for distribution to school districts in any county authorizing this tax.

Regional Trustee Fund - This fund accounts for the proceeds from the sale of school properties, royalties, and other receipts by the Superintendent that are forwarded to school districts. It is also used to account for detachment request fees received from landowners. The remainder of fees after expenses of the detachment hearing are returned to the landowner.

GOVERNMENTAL FUND BALANCES

Fund Balance is the difference between assets and deferred outflows of resources and 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 Fund Balance – 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 balance is for prepaid insurance from the County Support, Direct Service, Youth Services, Institute, Child Nutrition, General Education Development and Bus Driver Training funds.

Restricted Fund Balance – The portion of a Governmental Fund's fund balance that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements, contracts, or Illinois Statute: ROE/ISC Operations, Child Nutrition, Institute, General Education Development, and Bus Driver Training.

Committed Fund Balance – 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 Fund Balance – The portion of a Governmental Fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts' fund balances are assigned: County Support, Direct Service, Grow Your Own and Youth Services.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

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

GOVERNMENTAL FUND BALANCES (Continued)

Unassigned Fund Balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is in the Direct Service Fund. Special revenue funds that present a deficit balance have also been reported as unassigned, which applies to Homeless, Illinois Violence Prevention Authority, Truants Alternative/Optional Education, Regional Safe Schools, and Regional Safe Schools Coop Education.

NET POSITION

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

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

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

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

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on deposit.

INVENTORY

Inventory is not recorded. The cost is recorded as an expenditure at the time individual inventory items are purchased.

CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$1000 or more and estimated useful lives of greater than two years are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Office Equipment and Furniture	5-10 years
Computer Equipment	3-10 years
Other Equipment	5-20 years

COMPENSATED ABSENCES

Sick pay must be accumulated but does not vest with the employee. Vacation time is awarded at the beginning of the fiscal year but must be used during the current fiscal year and cannot be carried over from year to year; therefore, it is considered immaterial by management and not reflected in the basic financial statements.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)**

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the Regional Office of Education #11's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Regional Office of Education #11's OPEB Plan and additions to/deductions from the Regional Office of Education #11's fiduciary net position have been determined on the same basis as they are reported by the Regional Office of Education #11's Plan. For this purpose, the Regional Office of Education #11's Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

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

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

Deferred inflows of resources on the governmental funds Balance Sheet consist of grant receivables not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of items not yet recognized as an offset to pension and OPEB expense.

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. Accordingly, actual results could differ from those estimates.

BUDGET INFORMATION

The Regional Office of Education #11 acts as the administrative agent for certain grant programs that are accounted for in the General and Education Fund. Certain programs have separate budgets and are required to report to the Illinois State Board of Education; however, none of the annual budgets have been legally adopted nor are they required to be. Comparisons of budgeted and actual results are presented as supplemental information. Budget information has been provided in supplementary schedules for the following funds: Homeless, Illinois Violence Prevention Authority, Truants Alternative/Optional Education, Regional Safe Schools, ROE/ISC Operations, Regional Safe Schools Coop Education, Math & Science Partnership, Title II - Teacher Quality Leadership, and Area IV - System of Support - Foundational Services.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

## 2 DEPOSITS AND INVESTMENTS

The Regional Office of Education #11 does not have a formal investment policy. The Regional Office of Education #11 is allowed to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7.

### A. DEPOSITS

At June 30, 2019, the carrying amount of the Regional Office of Education #11's government-wide and Agency fund deposits, which do not include The Illinois Funds accounts, were \$821,650 and \$0, respectively, and the bank balances totaled \$951,820. At June 30, 2019, \$371,130 of the Regional Office of Education #11's cash deposits was insured by the Federal Deposit Insurance Corporation. Another \$580,690 was collateralized by securities pledged by the Regional Office's financial institution on behalf of the Regional Office.

### B. INVESTMENTS

As of June 30, 2019, the Regional Office of Education #11's investments totaled \$136,431. Investments consisted of certificates of deposit which are considered deposits and, as such, are included in the deposits note (2A) above.

At June 30, 2019, the carrying amount of the Regional Office of Education #11's deposits in The Illinois Funds for governmental activities totaled \$205,735 and the bank balances totaled \$205,735. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education #11's governmental activities.

### CREDIT RISK

At June 30, 2019, The Illinois Funds had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants.

Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

### INTEREST RATE RISK

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

### CONCENTRATION OF CREDIT RISK

According to The Illinois Funds' investment policy, "the majority of The Illinois Funds' investments will be in direct obligations of the United States Treasury and United States Government Agencies and Instrumentalities and cash equivalents." Investment limitations include a maximum of 5% of its total assets in securities issued by any single commercial paper issuer, 5% of its assets in obligations of corporations or limited liability companies, and 25% of its total assets in any approved AAAM Money Market Fund.



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND**

IMRF PLAN DESCRIPTION

The Regional Office of Education #11's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education #11's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

BENEFITS PROVIDED

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

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

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

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

EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2018, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	15
Inactive Plan Members entitled to but not yet receiving benefits	3
Active Plan Members	4
Total	22

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

CONTRIBUTIONS

As set by statute, the Regional Office of Education #11's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education #11's annual contribution rate for calendar year 2018 was 15.33%. For the fiscal year ended June 30, 2019, the Regional Office of Education contributed \$26,186 to the plan. The Regional Office of Education #11 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NET PENSION LIABILITY

The Regional Office of Education #11's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- 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.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

ACTUARIAL ASSUMPTIONS (Continued)

- 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, 2018:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Fixed Income	28.00%	3.75%
Real Estate	9.00%	6.25%
Alternatives	7.00%	
Private Equity		8.50%
Hedge Funds		5.50%
Commodities		3.20%
Cash Equivalents	<u>1.00%</u>	2.50%
Total	<u><u>100.00%</u></u>	

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

SINGLE DISCOUNT RATE

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

CHANGES IN THE NET PENSION LIABILITY (ASSET)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2017	\$ 1,827,392	\$ 1,803,515	\$ 23,877
Changes for the year:			
Service Cost	16,265	-	16,265
Interest on the Total Pension Liability	132,626	-	132,626
Differences Between Expected and Actual Experience of the Total Pension Liability	24,664	-	24,664
Contributions - Employer	-	28,441	(28,441)
Contributions - Employees	-	8,447	(8,447)
Net Investment Income	-	(90,863)	90,863
Benefit Payments, including Refunds of Employee Contributions	(143,009)	(143,009)	-
Other (Net Transfer)	47,318	(1,462)	48,780
Net Changes	77,864	(198,446)	276,310
Balances at December 31, 2018	\$ 1,905,256	\$ 1,605,069	\$ 300,187

SENSITIVITY OF THE NET PENSION LIABILITY (ASSET) TO CHANGES IN THE DISCOUNT RATE

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension Liability (Asset)	\$ 517,585	\$ 300,187	\$ 127,615

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**3 DEFINED BENEFIT PENSION PLAN - ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended June 30, 2019, the Regional Office of Education #11 recognized pension expense of \$83,837. At June 30, 2019, the Regional Office of Education #11 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
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 35,716	\$ -
Changes of assumptions	26,003	6,600
Net difference between projected and actual earnings on pension plan investments	178,933	101,450
Total Deferred Amounts to be recognized in pension expense in future periods	240,652	108,050
<i>Pension contributions made subsequent to the measurement date</i>		
	12,011	-
Total Deferred Amounts Related to Pensions	\$ 252,663	\$ 108,050

\$12,011, 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 ending June 30, 2020.

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

Year Ending December 31	Net Deferred Outflows of Resources
2019	\$ 60,466
2020	14,926
2021	12,476
2022	44,734
2023	-
Thereafter	-
Total	\$ 132,602

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

#### **4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

##### PLAN DESCRIPTION

The Regional Office of Education #11 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

##### BENEFITS PROVIDED

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest 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. Disability and death benefits are also provided.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. 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 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the State of Illinois.

##### CONTRIBUTIONS

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

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, 2018 was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education #11.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)**

ON BEHALF CONTRIBUTIONS TO TRS

The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education #11. For the year ended June 30, 2019, the State of Illinois contributions recognized by the Regional Office of Education #11 were based on the State's proportionate share of collective net pension liability associated with the Regional Office of Education #11, and the Regional Office of Education #11 recognized revenue and expenditures of \$575,293 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 ending June 30, 2019 were \$4,232, and are deferred because they were paid after the June 30, 2018 measurement date.

FEDERAL AND SPECIAL TRUST FUND CONTRIBUTIONS

When TRS members are paid from federal and special trust funds administered by the Regional Office of Education #11, there is a statutory requirement for the Regional Office of Education #11 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.

Public Act 100-0340 set the employer contribution rate on salaries paid from federal funds to be the employer normal cost rate effective for the fiscal year 2018. Previously, the employer contribution rate on salaries paid from federal funds was equal to the State's contribution rate and were much higher. Since these contributions are normal cost contributions, which are considered employer specific liability contributions under GASB 68, the "federal funds" contributions are no longer includable for the purposes of allocating collective pension amounts. Any change in proportionate share resulting from this statutory change for individual employers will be recognized and amortized over the remaining services lives of all members beginning in the fiscal year 2018.

For the year ended June 30, 2019, the employer pension contribution was 9.85 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$14,730 were paid from federal and special trust funds that required employer contributions of \$1,451. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

EMPLOYER RETIREMENT COST CONTRIBUTIONS

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education #11 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. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

A one-time contribution is also required for members granted sick leave days in excess of normal annual allotment if those days are used as a TRS service credit. For the year ended June 30, 2019, the Regional Office of Education #11 paid no payments to TRS for employer contributions due on salary increases in excess of 6 percent, salary increases in excess of 3 percent, or for sick leave days granted in excess of the normal annual allotment.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)**

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2019, the Regional Office of Education #11 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the employer follows below:

Employers proportionate share of the net pension liability	\$	89,419
State's proportionate share of the net pension liability associated with the employer		6,125,585
Total		\$ 6,215,004

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. The Regional Office of Education #11's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2018, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2018, the Regional Office of Education #11's proportion was 0.0001147210 percent, which is a decrease of 0.0002925811 from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Regional Office of Education #11 recognized pension expense of \$575,293 and revenue of \$575,293 for support provided by the State. For the year ended June 30, 2019, the ROE recognized pension expense of \$20,376. At June 30, 2019, the Regional Office of Education #11 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	\$ 1,797	\$ 19
Net difference between projected and actual earnings on pension plan investments	-	274
Changes of assumptions	3,922	2,534
Changes in proportion and differences between employer contributions and proportionate share of contributions	127,072	183,964
Employer contributions subsequent to the measurement date	5,683	-
Total	\$ 138,474	\$ 186,791



REGIONAL OFFICE OF EDUCATION #11  
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NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Continued)**

\$5,683 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 ending June 30, 2020. 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:

Year ending June 30:	Net Deferred Outflows (Inflows) of Resources
2020	\$ (2,532)
2021	(275)
2022	48
2023	(33,385)
2024	(17,856)
	<u>\$ (54,000)</u>

ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50 percent
Salary increase:	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, 2018 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are based on a fully generational basis using projection table MP-2017. The same assumptions were used in the June 30, 2017 actuarial valuation with the exception of the

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:

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**4 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (Concluded)**

ACTUARIAL ASSUMPTIONS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. equities large cap	15.0%	6.70%
U.S. equities small/mid cap	2.0%	7.90%
International equities developed	13.6%	7.00%
Emerging market equities	3.4%	9.40%
U.S. bonds core	8.0%	2.20%
U.S. bonds high yield	4.2%	4.40%
International debt developed	2.2%	1.30%
Emerging international debt	2.6%	4.50%
Real estate	16.0%	5.40%
Real return	4.0%	1.80%
Absolute return	14.0%	3.90%
Private equity	15.0%	10.20%
Total	<u>100.0%</u>	

DISCOUNT RATE

At June 30, 2018, the discount rate used to measure the total pension liability was 7.00 percent, which is consistent with the June 30, 2017 rate used. 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, 2018 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefits recipients. Tier 1's liability is partially-funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE REGIONAL OFFICE OF EDUCATION #11'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Regional Office of Education #11's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Regional Office of Education #11'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.

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Employer's proportionate share of the net pension liability	\$ 109,664	\$ 89,419	\$ 73,116

TRS FIDUCIARY NET POSITION

Detailed information about the TRS's fiduciary net position as of June 30, 2018 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**5 TEACHER HEALTH INSURANCE SECURITY FUND**

THIS PLAN DESCRIPTION

The Regional Office of Education #11 participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

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.

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

ON BEHALF CONTRIBUTIONS TO THE THIS FUND

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education #11. For the year ended June 30, 2019, State of Illinois contributions recognized by the Regional Office of Education #11 were based on the State's proportionate share of the collective net OPEB liability associated with the Regional Office of Education #11, and recognized revenue and expenditures of \$63,687 in OPEB contributions from the State of Illinois.

EMPLOYER CONTRIBUTIONS TO THE THIS FUND

The Regional Office of Education #11 also makes contributions to the THIS Fund. The Regional Office of Education #11's THIS Fund contribution was 0.92 percent during the year ended June 30, 2019, and 0.88 and 0.84 percent during the years ended June 30, 2018 and June 30, 2017, respectively. For the year ended June 30, 2019, the Regional Office of Education #11 paid \$6,720 to the THIS Fund. For the years ended June 30, 2018 and 2017, the Regional Office of Education #11 paid \$7,231 and \$5,515 to the THIS Fund, respectively, which was 100 percent of the required contributions.

FURTHER INFORMATION ON 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".

REGIONAL OFFICE OF EDUCATION #11  
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NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**5 TEACHER HEALTH INSURANCE SECURITY FUND (Continued)**

ACTUARIAL ASSUMPTIONS

The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% 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 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post-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.

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-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

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 3.56 percent as of June 30, 2017, and 3.62 percent as of June 30, 2018.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**5 TEACHER HEALTH INSURANCE SECURITY FUND (Continued)**

**SENSITIVITY OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE.**

The following presents the Regional Office of Education #11's proportionate share of the collective net OPEB liability, as well as what the ROE'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 (2.62 percent) or 1-percentage-point higher (4.62 percent) than the current discount rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Employer's proportionate share of the collective net OPEB liability	\$ 1,098,589	\$ 913,647	\$ 767,700

**SENSITIVITY OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES.**

The following table shows the Regional Office of Education #11's collective net OPEB liability as of June 30, 2018, 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 2019 decreasing to an ultimate trend rate of 4.86% in 2026, for non-Medicare coverage, and 9.00% in 2019 decreasing to an ultimate trend rate of 4.50% in 2028 for Medicare coverage.

	1% Decrease*	Healthcare Cost Trend Rates	1% Increase**
Employer's proportionate share of the collective net OPEB liability	\$ 740,842	\$ 913,647	\$ 1,146,522

*\*One percentage point decrease in healthcare trend rates are 7.00% in 2019 decreasing to an ultimate rate of 3.86% in 2026 for non-Medicare coverage, and 8.00% in 2019 decreasing to an ultimate trend rate of 3.50% in 2028 for Medicare coverage.*

*\*\*One percentage point increase in healthcare trend rates are 9.00% in 2019 decreasing to an ultimate trend rate of 5.86% in 2026, for non-Medicare coverage, and 10.00% in 2019 decreasing to an ultimate trend rate of 5.50% in 2028 for Medicare coverage.*

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**5 TEACHER 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, 2019, the Regional Office of Education #11 reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to the Regional Office of Education #11. The amount recognized by the Regional Office of Education #11 as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Regional Office of Education #11 were as follow:

Employer's proportionate share of the collective net OPEB liability	\$ 913,647
State's proportionate share of the collective net OPEB liability associated with the employer	<u>1,226,759</u>
<b>Total</b>	<u><u>\$ 2,140,406</u></u>

The collective net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2017, and was rolled forward to the June 30, 2018 measurement date. The Regional Office of Education #11's proportion of the collective net OPEB liability was based on a projection of the Regional Office of Education #11's long-term share of contributions to the OPEB plan relative to the projected contributions of the Regional Office of Education #11, actuarially determined. At June 30, 2018, the Regional Office of Education #11's proportion was 0.003468 percent, which was an increase of 0.000614 from its proportion measured as of June 30, 2017 (0.002854 percent). The State's support and total are for disclosure purposes only.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**5 TEACHER HEALTH INSURANCE SECURITY FUND (Continued)**

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (Continued)

For the year ended June 30, 2019, the Regional Office of Education #11 recognized OPEB expense of \$63,687 and revenue of \$63,687 for support provided by the State. For the year ended June 30, 2019, the Regional Office of Education #11 recognized OPEB expense of \$85,955. At June 30, 2019, the Regional Office of Education #11 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,278
Changes of assumptions	-	133,042
Net difference between projected and actual earnings on OPEB plan investments	-	28
Changes in proportion and differences between employer contributions and proportionate share of contributions	223,595	361
Employer contributions subsequent to the measurement date	6,720	-
Total Deferred Amounts Related to OPEB	\$ 230,315	\$ 136,709

\$6,720 reported as deferred outflows of resources related to OPEB resulting from Regional Office of Education #11 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Regional Office of Education #11's OPEB expense as follows:

Year Ending June 30,	Net Deferred Outflows of Resources
2020	\$ 13,447
2021	13,447
2022	13,447
2023	13,447
2024	13,454
Thereafter	19,644
Total	\$ 86,886

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**5 TEACHER HEALTH INSURANCE SECURITY FUND (Concluded)**

THIS FIDUCIARY NET POSITION

Detailed information about the THIS Fund fiduciary net position as of June 30, 2018, is available in the separately issued THIS Financial Report.

**6 OTHER POSTEMPLOYMENT BENEFITS**

GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* notes that an implicit subsidy occurs when employers offer inactive employees the opportunity to participate in the same health insurance pool as active employees at the same blended premium rates. The subsidy is created by the difference in the premium inactive/retirees would pay if purchasing insurance separately from the ROE group and the lower blended rate they pay by being included in the group. The implicit rate subsidy must be recorded as a liability under GASB Statement No. 75 to be paid out when the employee either retires or becomes disabled.

The Regional Office of Education #11 did not have a group insurance plan for its IMRF employees. Rather than procure a group plan for its IMRF employees, the Regional Office of Education #11 purchased a plan for each individual IMRF employee with varying premium based upon the individual such as the individual's age, as opposed to the group as a whole. Because of the way the ROE purchased insurance for its employees, an implicit subsidy is not created and, therefore, no OPEB liability is accumulated or recorded in the Regional Office of Education #11's financial statements.

**7 DUE TO/FROM OTHER FUNDS**

Interfund due to/from other fund balances at June 30, 2019 consist of the following individual due to/from other funds in the governmental fund balance sheet. The balances between governmental funds were eliminated in the government-wide Statement of Net Position. Interfund loans were made for the purpose of providing cash to funds that were awaiting reimbursements from grantors.

Fund	Due From Other Funds	Due To Other Funds
General Fund		
County Support	\$ 13,732	\$ -
Direct Services	-	2,137
Youth Services	163,811	-
Education Fund		
Douglas County CEO Program	-	1,379
Illinois Violence Prevention Authority	-	10,216
Math & Science Partnership	-	-
Homeless	-	141,769
Truants Alternative/Optional Education	-	10,592
Regional Safe Schools	-	7,830
Regional Safe Schools Coop Education	-	3,620
	<u>\$ 177,543</u>	<u>\$ 177,543</u>



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**8 ON BEHALF PAYMENTS**

The State of Illinois paid the following salaries, benefits, and contributions on behalf of the Regional Office of Education #11:

Regional Superintendent Salary	\$ 117,600
Regional Superintendent Fringe Benefit (Includes State paid insurance)	20,794
Assistant Regional Superintendent Salary	105,840
Assistant Regional Superintendent Fringe Benefit (Includes State paid insurance)	<u>34,804</u>
 Total	 <u><u>\$ 279,038</u></u>

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

The Regional Office of Education #11 recorded \$575,293 in revenue and expenses as on behalf payments from ISBE for the Regional Office's share of the State's Teachers' Retirement System (TRS) pension expense in the Statement of Activities. The Regional Office of Education #11 recorded \$63,687 in revenue and expenses as on behalf payments from the State for the Regional Office's share of the State's Teachers' Health Insurance Security (THIS) OPEB expense in the Statement of Activities. In addition, the Regional Office of Education #11 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	\$ 279,038
ROE #11's share of TRS pension expense	575,293
ROE #11's share of THIS OPEB expense	<u>63,687</u>
 Total	 <u><u>\$ 918,018</u></u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**9 CAPITAL ASSETS**

In accordance with GASB Statement No. 34, the Regional Office of Education #11 has reported capital assets in the government-wide Statement of Net Position. Purchases are reported as capital outlay in the governmental fund statements. The following equipment is separated by fund. The following table provides a summary of changes in capital assets for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Governmental Activities:				
General Funds				
County Support	\$ 94,192	\$ 2,989	\$ 6,591	\$ 90,590
Direct Service	2,952	-	-	2,952
Youth Services	32,926	4,077	749	36,254
Total for General Funds	130,070	7,066	7,340	129,796
Special Revenue Funds				
Major Funds				
Education Funds				
Area IV - System of Support - Foundational Services	2,500	-	2,500	-
ROE/ISC Operations	500	-	-	500
Driver Ed	1,628	-	-	1,628
Regional Safe Schools	63,377	-	-	63,377
Title I-Reading First Part B SEA	1,910	-	-	1,910
Title II-Teacher Quality	890	-	-	890
Technology Enhancing Education	5,589	-	-	5,589
No Kid Hungry	626	-	-	626
Rural Education Achievement Program	1,550	-	-	1,550
Total for Education Funds	78,570	-	2,500	76,070
Non-Major Funds				
GED	1,285	-	-	1,285
Bus Driver Training	1,031	-	-	1,031
Total for Non-Major Funds	2,316	-	-	2,316
Total - Governmental Activities	210,956	7,066	9,840	208,182
Less: Accumulated Depreciation	169,309	4,856	9,840	164,325
Investment in Capital Assets, Net Governmental Activities	\$ 41,647	\$ 2,210	\$ -	\$ 43,857

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**9 CAPITAL ASSETS (Continued)**

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Business-Type Activities:				
Local Workshops	\$ 35,215	\$ -	\$ 16,663	\$ 18,552
Less: Accumulated Depreciation	<u>35,146</u>	<u>69</u>	<u>16,663</u>	<u>18,552</u>
Investment in Capital Assets, Net	<u>\$ 69</u>	<u>\$ (69)</u>	<u>\$ -</u>	<u>\$ -</u>

Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended June 30, 2019 of \$4,856 and \$69 was charged to governmental activities instructional services and business-type activities, respectively. Investment in capital assets is the component of net position that reports capital assets net of accumulated depreciation.

**10 RISK MANAGEMENT**

The Regional Office of Education #11 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education #11 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past four years.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**11 DUE TO/FROM OTHER GOVERNMENTS**

The Regional Office of Education #11's General Fund, Education Fund, and Other Nonmajor Funds have funds due from and due to various other governmental units which consist of the following at June 30, 2019:

Due from Other Governments:

General Fund		
Illinois Comptroller - State Funds	\$	1,110
Local School Districts		2,370
Education Fund		
Illinois State Board of Education - State Funds		22,119
Illinois State Board of Education - Federal Funds		146,097
Douglas County / Arcola Foundation - Local Funds		1,379
Illinois Comptroller - State Funds		10,216
Other Nonmajor Funds		
Local School Districts		39
Proprietary Funds		
Local School Districts		<u>1,020</u>
 Total	 \$	 <u><u>184,350</u></u>

Due to Other Governments:

General Fund		
Charleston CUSD #1 - Local Funds	\$	29,167
City of Paris - Local Funds		198
Education Fund		
Regional Offices of Education		<u>88,330</u>
 Total	 \$	 <u><u>117,695</u></u>

**12 CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for Regional Office of Education #11 for the year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Governmental Activities:				
Net pension liability	\$ 335,048	\$ 54,558	\$ -	\$ 389,606
Net OPEB liability	<u>740,567</u>	<u>173,080</u>	<u>-</u>	<u>913,647</u>
 Governmental activities, long-term liabilities	 <u><u>\$ 1,075,615</u></u>	 <u><u>\$ 227,638</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 1,303,253</u></u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended June 30, 2019

**13 OPERATING LEASES**

The Regional Office of Education #11 has entered into several operating lease agreements for its office facilities, Bridges Alternative School Program, Regional Safe Schools Program, and four copiers. During the year ended June 30, 2019 rentals under lease obligations were \$83,404. Future minimum rentals are as follows for the years ending June 30:

2020	\$	81,829
2021		56,629
2022		22,399
2023		1,975
2024		-
Thereafter		-
Total		\$ 162,832

**14 CONTINGENCIES**

The Regional Office of Education #11 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education #11 believes any adjustments that may arise will be insignificant to the Regional Office of Education #11's operations.

**15 DEFICIT FUND BALANCES**

The following individual funds had negative fund balances as of June 30, 2019:

Illinois Violence Prevention Authority	\$	10,216
Homeless		89,707
Truants Alternative/Optional Education		10,592
Regional Safe Schools		7,830
Regional Safe Schools Coop Education		3,620

The deficit fund balances for these funds will be eliminated during the fiscal year ending June 30, 2020 when unavailable revenue is recognized as revenue.

REQUIRED SUPPLEMENTARY INFORMATION  
(Other than Management's Discussion and Analysis)

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

ILLINOIS MUNICIPAL RETIREMENT FUND -  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY  
AND RELATED RATIOS  
(UNAUDITED)

For the years ended June 30, 2019, 2018, 2017, 2016, and 2015  
(Amounts presented are for the calendar years ended December 31, 2018, 2017, 2016, 2015, and 2014)

Calendar Year Ended December 31,	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>					
Service Cost	\$ 16,265	\$ 16,052	\$ 15,802	\$ 15,445	\$ 15,856
Interest on the Total Pension Liability	132,626	128,837	122,742	115,679	109,371
Differences Between Expected and Actual Experience of the Total Pension Liability	24,664	105,228	61,199	66,324	(17,393)
Changes of Assumptions	47,318	(65,392)	-	-	67,051
Benefit Payments, including Refunds of Employee Contributions	(143,009)	(127,960)	(110,428)	(96,482)	(87,231)
Net Change in Total Pension Liability	77,864	56,765	89,315	100,966	87,654
Total Pension Liability - Beginning	1,827,392	1,770,627	1,681,312	1,580,346	1,492,692
Total Pension Liability - Ending (A)	<u>\$ 1,905,256</u>	<u>\$ 1,827,392</u>	<u>\$ 1,770,627</u>	<u>\$ 1,681,312</u>	<u>\$ 1,580,346</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 28,441	\$ 21,147	\$ 17,877	\$ 19,413	\$ 29,967
Contributions - Employees	8,447	9,174	8,196	7,351	6,955
Net Investment Income	(90,863)	278,498	139,473	37,799	112,481
Benefit Payments, including Refunds of Employee Contributions	(143,009)	(127,960)	(110,428)	(96,482)	(87,231)
Other (Net Transfer)	(1,462)	(1,503)	(1,867)	(5,320)	(1,485)
Net Change in Plan Fiduciary Net Position	(198,446)	179,356	53,251	(37,239)	60,687
Plan Fiduciary Net Position - Beginning	1,803,515	1,624,159	1,570,908	1,608,147	1,547,460
Plan Fiduciary Net Position - Ending (B)	<u>\$ 1,605,069</u>	<u>\$ 1,803,515</u>	<u>\$ 1,624,159</u>	<u>\$ 1,570,908</u>	<u>\$ 1,608,147</u>
 Net Pension Liability (Asset) - Ending (A) - (B)	 \$ 300,187	 \$ 23,877	 \$ 146,468	 \$ 110,404	 \$ (27,801)
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 84.24%	 98.69%	 91.73%	 93.43%	 101.76%
 Covered Payroll	 \$ 185,529	 \$ 177,857	 \$ 162,967	 \$ 158,342	 \$ 154,548
 Net Pension Liability as a Percentage of Covered Payroll	 161.80%	 13.42%	 89.88%	 69.73%	 (17.99%)

Notes to Schedule:

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

ILLINOIS MUNICIPAL RETIREMENT FUND -  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
(UNAUDITED)

For the years ended June 30, 2019, 2018, 2017, 2016, and 2015

(Amounts presented are for the calendar years ended December 31, 2018, 2017, 2016, 2015, and 2014)

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$ 29,009	\$ 29,967	\$ (958)	\$ 154,548	19.39%
2015	19,413	19,413	-	158,342	12.26%
2016	17,877	17,877	-	162,967	10.97%
2017	21,147	21,147	-	177,857	11.89%
2018	28,442	28,441	1	185,529	15.33%

Notes to Schedule:

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

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate\*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2018 Contribution Rates:**

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	25 year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.50%
<i>Price Inflation:</i>	2.75%
<i>Salary Increases:</i>	3.75% to 14.50% including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
<i>Mortality:</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2016, actuarial valuation. Note two year lag between valuation and rate setting.



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY (UNAUDITED)  
Teacher's Retirement System of the State of Illinois  
For the Years Ended June 30, 2019, 2018, 2017, 2016, and 2015  
(Amounts presented are for the years ended June 30, 2018, 2017, 2016, 2015, and 2014)

	2018*	2017*	2016*	2015*	2014*
Employer's proportion of the net pension liability	0.0001147210%	0.0004073021%	0.0001083299%	0.0001340302%	0.0001604454%
Employer's proportionate share of the net pension liability	\$ 89,419	\$ 311,171	\$ 85,511	\$ 87,803	\$ 97,644
State's proportionate share of the net pension liability associated with the employer	<u>6,125,585</u>	<u>4,860,971</u>	<u>4,639,912</u>	<u>3,805,001</u>	<u>3,901,041</u>
<b>Total</b>	<b><u>\$ 6,215,004</u></b>	<b><u>\$ 5,172,142</u></b>	<b><u>\$ 4,725,423</u></b>	<b><u>\$ 3,892,804</u></b>	<b><u>\$ 3,998,685</u></b>
Employer's covered payroll	\$ 821,709	\$ 656,502	\$ 584,558	\$ 612,412	\$ 677,719
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	10.9%	47.4%	14.6%	14.3%	14.4%
Plan fiduciary net position as a percentage of the total pension liability	40.0%	39.3%	36.4%	41.5%	43.0%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
Teacher's Retirement System of the State of Illinois  
For the Years Ended June 30, 2019, 2018, 2017, 2016, 2015, and 2014

	2019	2018	2017	2016	2015	2014
Statutorily-required contribution	\$ 5,687	\$ 15,373	\$ 16,781	\$ 4,195	\$ 4,718	\$ 5,725
Contributions in relation to the statutorily-required contribution	<u>5,683</u>	<u>19,700</u>	<u>16,781</u>	<u>4,195</u>	<u>4,718</u>	<u>5,725</u>
Contribution deficiency (excess)	<u>\$ 4</u>	<u>\$ (4,327)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 730,418	\$ 821,709	\$ 656,502	\$ 584,558	\$ 612,412	\$ 677,719
Contributions as a percentage of covered payroll	0.8%	2.4%	2.6%	0.7%	0.8%	0.8%

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

Notes to Required Supplementary Information

Changes of assumptions

For the 2018, 2017 and 2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit, 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 a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ended 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 return of 4.5 percent. However, salary increases were assumed to vary by age.

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

TEACHERS' HEALTH INSURANCE SECURITY FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
For the Years Ended June 30, 2019, 2018, 2017, and 2016

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 6,720	\$ 7,231	\$ 5,515	\$ 4,676
Contributions in relation to the statutorily required contribution	<u>6,720</u>	<u>7,231</u>	<u>5,515</u>	<u>4,676</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 730,418	\$ 821,709	\$ 656,502	\$ 584,558
Contributions as a percentage of covered payroll	0.92%	0.88%	0.84%	0.80%

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

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

TEACHERS' HEALTH INSURANCE SECURITY FUND  
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE  
COLLECTIVE NET OPEB LIABILITY (UNAUDITED)  
For the Years Ended June 30, 2019, 2018 and 2017  
(Amounts presented are for the years ended June 30, 2018, 2017 and 2016)

	2018	2017	2016
Employer's proportion of the collective net OPEB liability	0.003468%	0.002854%	0.002510%
Employer's proportionate share of the collective net OPEB liability	\$ 913,647	\$ 740,567	\$ 686,042
State's proportionate share of the collective net OPEB liability associated with the employer	\$ 1,226,759	\$ 972,587	\$ 951,191
Total	\$ 2,140,406	\$ 1,713,154	\$ 1,637,233
Employer's covered payroll	\$ 821,709	\$ 656,502	\$ 584,558
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	111.19%	112.80%	117.36%
Plan fiduciary net position as a percentage of the total OPEB liability	(0.07%)	(0.17%)	(0.22%)

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

Notes to Required Supplementary Information:

**Changes to Benefit Term**

For the 2018 measurement year, there were no changes of benefit terms from the prior period.

**Changes of Assumptions**

For the 2018 and 2017 measurement years, the assumed investment rate of return was 0.0 percent, including an inflation rate of 2.75 percent. Salary increases were assumed to depend on service and range from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

SUPPLEMENTAL INFORMATION

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS  
GENERAL FUND

JUNE 30, 2019

	County Support	Direct Service	Grow Your Own	Youth Services	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 201,556	\$ 61,473	\$ 5,000	\$ 247,360	\$ 515,389
Investments	16,289	-	-	-	16,289
Prepaid expense	4,233	6	-	1,334	5,573
Due from other funds	13,732	-	-	163,811	177,543
Due from other governments					
Local	-	2,370	-	-	2,370
State	323	787	-	-	1,110
<b>Total assets</b>	<b>\$ 236,133</b>	<b>\$ 64,636</b>	<b>\$ 5,000</b>	<b>\$ 412,505</b>	<b>\$ 718,274</b>
<b>Liabilities</b>					
Accounts payable	\$ 365	\$ -	\$ -	\$ 1,292	\$ 1,657
Payroll liabilities	6,207	-	-	40,906	47,113
Due to other funds	-	2,137	-	-	2,137
Due to other governments					
Local	-	-	-	29,365	29,365
<b>Total liabilities</b>	<b>6,572</b>	<b>2,137</b>	<b>-</b>	<b>71,563</b>	<b>80,272</b>
<b>Deferred inflows of resources</b>					
Unavailable revenue	322	-	-	-	322
<b>Fund Balance</b>					
Nonspendable	4,233	6	-	1,334	5,573
Assigned	225,006	8,517	5,000	339,608	578,131
Unassigned	-	53,976	-	-	53,976
<b>Total fund balance</b>	<b>229,239</b>	<b>62,499</b>	<b>5,000</b>	<b>340,942</b>	<b>637,680</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 236,133</b>	<b>\$ 64,636</b>	<b>\$ 5,000</b>	<b>\$ 412,505</b>	<b>\$ 718,274</b>

REGIONAL OFFICE OF EDUCATION #11  
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 GENERAL FUND ACCOUNTS

For the Year Ended June 30, 2019

	County Support	Direct Service	Grow Your Own	Youth Services	Total
<b>Revenues</b>					
Local sources	\$ 306,023	\$ 45,226	\$ 5,000	\$ 4,500	\$ 360,749
State sources	-	1,036	-	931,556	932,592
State sources-payments made on behalf of region	279,038	-	-	-	279,038
Federal sources	-	-	-	-	-
Interest	93	13,594	-	89	13,776
<b>Total revenues</b>	<b>585,154</b>	<b>59,856</b>	<b>5,000</b>	<b>936,145</b>	<b>1,586,155</b>
<b>Expenditures</b>					
<b>Instructional services:</b>					
Salaries and benefits	146,206	4,877	-	437,173	588,256
Purchased services	72,617	54,157	-	83,288	210,062
Supplies and materials	9,199	541	-	33,041	42,781
Other objects	346	5,373	-	-	5,719
Payments made on behalf of region	279,038	-	-	-	279,038
OPEB expense	6,720	-	-	-	6,720
Pension expense	12,733	-	-	-	12,733
<b>Intergovernmental:</b>					
Payments to other governmental units	-	-	-	271,676	271,676
Capital outlay	2,989	-	-	4,077	7,066
<b>Total expenditures</b>	<b>529,848</b>	<b>64,948</b>	<b>-</b>	<b>829,255</b>	<b>1,424,051</b>
<b>Net change in fund balance</b>	<b>55,306</b>	<b>(5,092)</b>	<b>5,000</b>	<b>106,890</b>	<b>162,104</b>
Fund balance, beginning of year	173,933	67,591	-	234,052	475,576
Fund balance, end of year	<u>\$ 229,239</u>	<u>\$ 62,499</u>	<u>\$ 5,000</u>	<u>\$ 340,942</u>	<u>\$ 637,680</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS

JUNE 30, 2019

	Homeless	Douglas County CEO Program	Illinois Violence Prevention Authority	Truants Alternative/ Optional Education
<b>Assets</b>				
Cash and cash equivalents	\$ 84,696	\$ -	\$ -	\$ 13,705
Investments	-	-	-	-
Prepaid expenses	-	-	-	-
Due from other governments:				
Local	-	1,379	-	-
State	-	-	10,216	10,592
Federal	146,097	-	-	-
	<u>146,097</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 230,793</u>	<u>\$ 1,379</u>	<u>\$ 10,216</u>	<u>\$ 24,297</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payroll liabilities	694	-	-	13,705
Due to other funds	141,769	1,379	10,216	10,592
Due to other governments:				
Local	88,330	-	-	-
	<u>88,330</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>230,793</u>	<u>1,379</u>	<u>10,216</u>	<u>24,297</u>
Deferred inflows of resources				
Unavailable revenue	89,707	-	10,216	10,592
	<u>89,707</u>	<u>-</u>	<u>10,216</u>	<u>10,592</u>
Fund balance (deficit)				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	(89,707)	-	(10,216)	(10,592)
	<u>(89,707)</u>	<u>-</u>	<u>(10,216)</u>	<u>(10,592)</u>
Total fund balance (deficit)	<u>(89,707)</u>	<u>-</u>	<u>(10,216)</u>	<u>(10,592)</u>
Total liabilities, deferred inflows of resources, and fund balance (deficit)	<u>\$ 230,793</u>	<u>\$ 1,379</u>	<u>\$ 10,216</u>	<u>\$ 24,297</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS

JUNE 30, 2019

	Regional Safe Schools	ROE/ISC Operations	Regional Safe Schools Coop Education	Math & Science Partnership
<b>Assets</b>				
Cash and cash equivalents	\$ 10,426	\$ 9,038	\$ -	\$ -
Investments	-	17,956	-	-
Prepaid expense	-	-	-	-
Due from other governments:				
Local	-	-	-	-
State	7,830	-	3,620	-
Federal	-	-	-	-
<b>Total assets</b>	<b>\$ 18,256</b>	<b>\$ 26,994</b>	<b>\$ 3,620</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payroll liabilities	10,426	9,037	-	-
Due to other funds	7,830	-	3,620	-
Due to other governments:				
Local	-	-	-	-
<b>Total liabilities</b>	<b>18,256</b>	<b>9,037</b>	<b>3,620</b>	<b>-</b>
Deferred inflows of resources				
Unavailable revenue	7,830	-	3,620	-
Fund balance (deficit)				
Nonspendable	-	-	-	-
Restricted	-	17,957	-	-
Unassigned	(7,830)	-	(3,620)	-
<b>Total fund balance (deficit)</b>	<b>(7,830)</b>	<b>17,957</b>	<b>(3,620)</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources, and fund balance (deficit)</b>	<b>\$ 18,256</b>	<b>\$ 26,994</b>	<b>\$ 3,620</b>	<b>\$ -</b>



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF ACCOUNTS  
EDUCATION FUND ACCOUNTS

JUNE 30, 2019

	Title II - Teacher Quality Leadership	Area IV - System of Support - Foundational Services	Child Nutrition	Total
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 2,119	\$ 119,984
Investments	-	-	-	17,956
Prepaid expense	-	-	8	8
Due from other governments:				
Local	-	-	-	1,379
State	-	-	77	32,335
Federal	-	-	-	146,097
	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,097</u>
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,204</b>	<b>\$ 317,759</b>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>2,204</u></u>	<u><u>317,759</u></u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 1,425	\$ 1,425
Payroll liabilities	-	-	-	33,862
Due to other funds	-	-	-	175,406
Due to other governments:				
Local	-	-	-	88,330
	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,330</u>
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>1,425</b>	<b>299,023</b>
	<u>-</u>	<u>-</u>	<u>1,425</u>	<u>299,023</u>
<b>Deferred inflows of resources</b>				
Unavailable revenue	-	-	-	121,965
	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,965</u>
<b>Fund balance (deficit)</b>				
Nonspendable	-	-	8	8
Restricted	-	-	771	18,728
Unassigned	-	-	-	(121,965)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,965)</u>
<b>Total fund balance (deficit)</b>	<b>-</b>	<b>-</b>	<b>779</b>	<b>(103,229)</b>
	<u>-</u>	<u>-</u>	<u>779</u>	<u>(103,229)</u>
<b>Total liabilities, deferred inflows of resources, and fund balance (deficit)</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,204</b>	<b>\$ 317,759</b>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>2,204</u></u>	<u><u>317,759</u></u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2019

	Homeless	Douglas County CEO Program	Illinois Violence Prevention Authority	Truants Alternative/ Optional Education
<b>Revenues</b>				
Local sources	\$ -	\$ 36,430	\$ -	\$ -
State sources	-	-	34,525	105,860
Federal sources	188,758	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>188,758</b>	<b>36,430</b>	<b>34,525</b>	<b>105,860</b>
<b>Expenditures</b>				
<b>Instructional services:</b>				
Salaries and benefits	36,322	35,508	28,593	111,611
Purchased services	19,821	399	3,420	3,420
Supplies and materials	11,257	-	229	-
Pension expense	4,432	523	142	1,421
<b>Intergovernmental:</b>				
Payments to other governmental units	206,633	-	-	-
<b>Total expenditures</b>	<b>278,465</b>	<b>36,430</b>	<b>32,384</b>	<b>116,452</b>
<b>Net change in fund balance</b>	<b>(89,707)</b>	<b>-</b>	<b>2,141</b>	<b>(10,592)</b>
Fund balance (deficit), beginning of year	-	-	(12,357)	-
Fund balance (deficit), end of year	<u>\$ (89,707)</u>	<u>\$ -</u>	<u>\$ (10,216)</u>	<u>\$ (10,592)</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2019

	Regional Safe Schools	ROE/ISC Operations	Regional Safe Schools Coop Education	Math & Science Partnership
<b>Revenues</b>				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	86,138	127,917	36,207	-
Federal sources	-	-	-	66,752
Interest	-	315	2	-
<b>Total revenues</b>	<b>86,138</b>	<b>128,232</b>	<b>36,209</b>	<b>66,752</b>
<b>Expenditures</b>				
<b>Instructional services:</b>				
Salaries and benefits	83,642	106,287	-	1,465
Purchased services	790	11,849	584	31
Supplies and materials	533	2,706	-	-
Pension expense	1,171	7,078	-	203
<b>Intergovernmental:</b>				
Payments to other governmental units	-	-	39,245	-
<b>Total expenditures</b>	<b>86,136</b>	<b>127,920</b>	<b>39,829</b>	<b>1,699</b>
<b>Net change in fund balance</b>	<b>2</b>	<b>312</b>	<b>(3,620)</b>	<b>65,053</b>
Fund balance (deficit), beginning of year	(7,832)	17,645	-	(65,053)
Fund balance (deficit), end of year	<u>\$ (7,830)</u>	<u>\$ 17,957</u>	<u>\$ (3,620)</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
EDUCATION FUND ACCOUNTS

For the Year Ended June 30, 2019

	Title II - Teacher Quality Leadership	Area IV - System of Support - Foundational Services	Child Nutrition	Total
<b>Revenues</b>				
Local sources	\$ -	\$ -	\$ -	\$ 36,430
State sources	-	-	1,741	392,388
Federal sources	875	5,725	81,487	343,597
Interest	-	-	1	318
<b>Total revenues</b>	<b>875</b>	<b>5,725</b>	<b>83,229</b>	<b>772,733</b>
<b>Expenditures</b>				
<b>Instructional services:</b>				
Salaries and benefits	-	4,454	8,522	416,404
Purchased services	875	687	58,498	100,374
Supplies and materials	-	-	11,759	26,484
Pension expense	-	584	945	16,499
<b>Intergovernmental:</b>				
Payments to other governmental units	-	-	-	245,878
<b>Total expenditures</b>	<b>875</b>	<b>5,725</b>	<b>79,724</b>	<b>805,639</b>
Net change in fund balance	-	-	3,505	(32,906)
Fund balance (deficit), beginning of year	-	-	(2,726)	(70,323)
Fund balance (deficit), end of year	\$ -	\$ -	\$ 779	\$ (103,229)

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
HOMELESS

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 240,530	\$ 293,057	\$ 188,758
Total revenues	240,530	293,057	188,758
Expenditures			
Instructional services:			
Salaries and benefits	39,765	41,840	36,322
Purchased services	16,192	20,767	19,821
Supplies and materials	4,175	10,293	11,257
Pension expense	-	-	4,432
Intergovernmental:			
Payments to other governmental units	180,398	220,157	206,633
Total expenditures	240,530	293,057	278,465
Net change in fund balance	-	-	(89,707)
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	\$ -	\$ -	\$ (89,707)

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
ILLINOIS VIOLENCE PREVENTION AUTHORITY - FY18

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 31,000	\$ 31,000	\$ 12,357
Total revenues	<u>31,000</u>	<u>31,000</u>	<u>12,357</u>
Expenditures			
Instructional services:			
Salaries and benefits	28,996	29,026	-
Purchased services	1,574	1,622	-
Supplies and materials	430	352	-
Total expenditures	<u>31,000</u>	<u>31,000</u>	<u>-</u>
Net change in fund balance	-	-	12,357
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>(12,357)</u>
Fund balance (deficit), July 1, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
ILLINOIS VIOLENCE PREVENTION AUTHORITY - FY19

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 32,550	\$ 32,550	\$ 22,168
Total revenues	<u>32,550</u>	<u>32,550</u>	<u>22,168</u>
Expenditures			
Instructional services:			
Salaries and benefits	29,269	29,269	28,593
Purchased services	3,051	3,051	3,420
Supplies and materials	230	230	229
Pension expense	-	-	142
Total expenditures	<u>32,550</u>	<u>32,550</u>	<u>32,384</u>
Net change in fund balance	-	-	(10,216)
Fund balance (deficit), July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,216)</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
TRUANTS ALTERNATIVE / OPTIONAL EDUCATION

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 116,452	\$ 116,452	\$ 105,860
Total revenues	<u>116,452</u>	<u>116,452</u>	<u>105,860</u>
Expenditures			
Instructional services:			
Salaries and benefits	115,100	113,582	111,611
Purchased services	1,352	2,870	3,420
Pension expense	<u>-</u>	<u>-</u>	<u>1,421</u>
Total expenditures	<u>116,452</u>	<u>116,452</u>	<u>116,452</u>
Net change in fund balance	-	-	(10,592)
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (10,592)</u></u>



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
REGIONAL SAFE SCHOOLS - FY18

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 86,136	\$ 86,136	\$ 7,832
Total revenues	86,136	86,136	7,832
Expenditures			
Instructional services:			
Salaries and benefits	84,577	84,577	-
Purchased services	970	970	-
Supplies and materials	589	589	-
Pension expense	-	-	-
Total expenditures	86,136	86,136	-
Net change in fund balance	-	-	7,832
Fund balance (deficit), beginning of year	-	-	(7,832)
Fund balance (deficit), July 1, 2018	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
REGIONAL SAFE SCHOOLS - FY19

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 86,136	\$ 86,136	\$ 78,306
Total revenues	<u>86,136</u>	<u>86,136</u>	<u>78,306</u>
Expenditures			
Instructional services:			
Salaries and benefits	84,908	84,908	83,642
Purchased services	1,124	1,124	790
Supplies and materials	104	104	533
Pension expense	-	-	1,171
Total expenditures	<u>86,136</u>	<u>86,136</u>	<u>86,136</u>
Net change in fund balance	-	-	(7,830)
Fund balance (deficit), July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,830)</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
ROE/ISC OPERATIONS

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 127,917	\$ 127,917	\$ 127,917
Interest	-	-	315
Total revenues	<u>127,917</u>	<u>127,917</u>	<u>128,232</u>
Expenditures			
Instructional services:			
Salaries and benefits	109,337	112,812	106,287
Purchased services	14,620	12,065	11,849
Supplies and materials	3,960	3,040	2,706
Pension expense	-	-	7,078
Total expenditures	<u>127,917</u>	<u>127,917</u>	<u>127,920</u>
Net change in fund balance	-	-	312
Fund balance (deficit), beginning of year	-	-	17,645
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 17,957</u></u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
REGIONAL SAFE SCHOOLS COOP EDUCATION

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
State sources	\$ 39,827	\$ 39,827	\$ 36,207
Interest	-	-	2
Total revenues	<u>39,827</u>	<u>39,827</u>	<u>36,209</u>
Expenditures			
Instructional services:			
Purchased services	927	927	584
Supplies and materials	-	-	-
Intergovernmental:			
Payments to other governmental units	<u>38,900</u>	<u>38,900</u>	<u>39,245</u>
Total expenditures	<u>39,827</u>	<u>39,827</u>	<u>39,829</u>
Net change in fund balance	-	-	(3,620)
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (3,620)</u></u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
MATH & SCIENCE PARTNERSHIP - FY18

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 115,000	\$ 92,000	\$ 66,752
Total revenues	<u>115,000</u>	<u>92,000</u>	<u>66,752</u>
Expenditures			
Instructional services:			
Salaries and benefits	96,852	76,460	1,465
Purchased services	17,548	15,240	31
Supplies and materials	600	300	-
Pension expense	-	-	203
Total expenditures	<u>115,000</u>	<u>92,000</u>	<u>1,699</u>
Net change in fund balance	-	-	65,053
Fund balance (deficit), beginning of year	-	-	<u>(65,053)</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
TITLE II - TEACHER QUALITY LEADERSHIP

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 2,124	\$ 2,124	\$ 875
Total revenues	2,124	2,124	875
Expenditures			
Instructional services:			
Purchased services	2,124	2,124	875
Total expenditures	2,124	2,124	875
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	-	-	-
Fund balance (deficit), end of year	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
AREA IV - SYSTEM OF SUPPORT - FOUNDATIONAL SERVICES - FY18

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Federal sources	\$ 68,250	\$ 68,250	\$ 5,725
Total revenues	<u>68,250</u>	<u>68,250</u>	<u>5,725</u>
Expenditures			
Instructional services:			
Salaries and benefits	48,210	48,210	4,454
Purchased services	18,160	18,160	687
Supplies and materials	1,880	1,880	-
Pension expense	-	-	584
Total expenditures	<u>68,250</u>	<u>68,250</u>	<u>5,725</u>
Net change in fund balance	-	-	-
Fund balance (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2019

	General Education Development	Bus Driver Training	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 6,500	\$ 11,299	\$ 17,799
Accounts receivable	368	30	398
Prepaid expense	6	7	13
Due from other governments			
Local	-	39	39
State	-	-	-
	<u>6,874</u>	<u>11,375</u>	<u>18,249</u>
Total assets	<u>\$ 6,874</u>	<u>\$ 11,375</u>	<u>\$ 18,249</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 60</u>
<b>Fund balance</b>			
Nonspendable	6	7	13
Restricted	<u>6,868</u>	<u>11,308</u>	<u>18,176</u>
Total fund balance	<u>6,874</u>	<u>11,315</u>	<u>18,189</u>
Total deferred inflows of resources and fund balance	<u>\$ 6,874</u>	<u>\$ 11,375</u>	<u>\$ 18,249</u>



REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended June 30, 2019

	General Education Development	Bus Driver Training	Total
Revenues			
Local sources	\$ 4,726	\$ 5,090	\$ 9,816
State sources	-	1,523	1,523
Interest	2	3	5
	<u>4,728</u>	<u>6,616</u>	<u>11,344</u>
Total revenues			
Expenditures			
Salaries and benefits	4,419	6,817	11,236
Purchased services	285	1,676	1,961
Supplies and materials	264	139	403
Pension expense	575	226	801
	<u>5,543</u>	<u>8,858</u>	<u>14,401</u>
Total expenditures			
Net change in fund balance	(815)	(2,242)	(3,057)
Fund balance, beginning of year	<u>7,689</u>	<u>13,557</u>	<u>21,246</u>
Fund balance, end of year	<u>\$ 6,874</u>	<u>\$ 11,315</u>	<u>\$ 18,189</u>

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS

JUNE 30, 2019

	County School Facility Occupation Tax	Regional Trustee Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Due from other governments	\$ -	\$ -	\$ -
Total assets	\$ -	\$ -	\$ -
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ -
Due to other governments	\$ -	\$ -	\$ -
Total liabilities	\$ -	\$ -	\$ -

REGIONAL OFFICE OF EDUCATION #11  
CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended June 30, 2019

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<u>COUNTY SCHOOL FACILITY OCCUPATION TAX</u>				
Assets				
Due from other governments	\$ -	\$ 9,167,327	\$ 9,167,327	\$ -
Total assets	<u>\$ -</u>	<u>\$ 9,167,327</u>	<u>\$ 9,167,327</u>	<u>\$ -</u>
Liabilities				
Due to other governments	\$ -	\$ 9,167,327	\$ 9,167,327	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 9,167,327</u>	<u>\$ 9,167,327</u>	<u>\$ -</u>
<u>REGIONAL TRUSTEE FUND</u>				
Assets				
Cash and cash equivalents	\$ -	\$ 2,410	\$ 2,410	\$ -
Total assets	<u>\$ -</u>	<u>\$ 2,410</u>	<u>\$ 2,410</u>	<u>\$ -</u>
Liabilities				
Accounts payable	\$ -	\$ 2,410	\$ 2,410	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 2,410</u>	<u>\$ 2,410</u>	<u>\$ -</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets				
Cash and cash equivalents	\$ -	\$ 2,410	\$ 2,410	\$ -
Due from other governments	-	9,167,327	9,167,327	-
Total assets	<u>\$ -</u>	<u>\$ 9,169,737</u>	<u>\$ 9,169,737</u>	<u>\$ -</u>
Liabilities				
Accounts payable	\$ -	\$ 2,410	\$ 2,410	\$ -
Due to other governments	-	9,167,327	9,167,327	-
Total liabilities	<u>\$ -</u>	<u>\$ 9,169,737</u>	<u>\$ 9,169,737</u>	<u>\$ -</u>

REGIONAL OFFICE OF EDUCATION #11  
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES  
 For the Year Ended June 30, 2019

Program Description	Arcola CUSD #306	Arthur CUSD #305	Beecher City CUSD #20	Casey- Westfield CUSD #C4	Central A&M CUSD #21	Charleston CUSD #1	Cowden- Herrick CUSD #3A	Cumberland CUSD #77	Dieterich CUSD #30
Coles County School Facility Occupation Tax	\$ 12,274	\$ 6,143	\$ -	\$ 5,941	\$ -	\$ 1,948,384	\$ -	\$ -	\$ -
Cumberland County School Facility Occupation Tax	-	-	-	26,371	-	-	-	283,942	7,743
Douglas County School Facility Occupation Tax	467,620	318,580	-	-	-	-	-	-	-
Edgar County School Facility Occupation Tax	-	-	-	-	-	-	-	-	-
Shelby County School Facility Occupation Tax	-	-	8,950	-	145,191	-	111,614	-	-
	<u>\$ 479,894</u>	<u>\$ 324,723</u>	<u>\$ 8,950</u>	<u>\$ 32,312</u>	<u>\$ 145,191</u>	<u>\$ 1,948,384</u>	<u>\$ 111,614</u>	<u>\$ 283,942</u>	<u>\$ 7,743</u>

REGIONAL OFFICE OF EDUCATION #11  
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (Continued)  
 For the Year Ended June 30, 2019

Program Description	Edgar CUSD #6	Georgetown CUSD #4	Heritage CUSD #8	Kansas CUSD #3	Mattoon CUSD #2	Neoga CUSD #3	Oakland CUSD# 5	Okaw Valley CUSD #302	Pana CUSD #8	Paris CUSD #4
Coles County School Facility Occupation Tax	\$ -	\$ -	\$ -	\$ 7,185	\$ 2,452,513	\$ 22,586	\$ 137,716	\$ -	\$ -	\$ -
Cumberland County School Facility Occupation Tax	-	-	-	-	1,745	113,639	-	-	-	-
Douglas County School Facility Occupation Tax	-	-	1,021	-	1,021	-	36,550	-	-	-
Edgar County School Facility Occupation Tax	116,108	741	-	68,797	211	-	5,452	-	-	247,852
Shelby County School Facility Occupation Tax	-	-	-	-	344	41,120	-	53,389	88,186	-
	<u>\$ 116,108</u>	<u>\$ 741</u>	<u>\$ 1,021</u>	<u>\$ 75,982</u>	<u>\$ 2,455,834</u>	<u>\$ 177,345</u>	<u>\$ 179,718</u>	<u>\$ 53,389</u>	<u>\$ 88,186</u>	<u>\$ 247,852</u>

REGIONAL OFFICE OF EDUCATION #11  
 CLARK, COLES, CUMBERLAND, DOUGLAS, EDGAR, MOULTRIE AND SHELBY COUNTIES  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES (Concluded)  
 For the Year Ended June 30, 2019

Program Description	Paris CUSD #95	Salt Fork CUSD #512	Shelbyville CUSD #4	Shiloh CUSD #1	Stew-Stras CUSD #5A	Teutopolis CUSD #50	Tuscola CUSD #301	Villa Grove CUSD #302	Windsor CUSD #1	Total
Coles County School Facility Occupation Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,592,742
Cumberland County School Facility Occupation Tax	-	-	-	-	-	24,290	-	-	-	457,730
Douglas County School Facility Occupation Tax	-	-	-	114,831	-	-	622,415	416,518	-	1,978,556
Edgar County School Facility Occupation Tax	504,257	1,483	-	79,076	-	-	-	-	-	1,023,977
Shelby County School Facility Occupation Tax	-	-	429,242	-	123,317	5,255	-	-	107,714	1,114,322
	<u>\$ 504,257</u>	<u>\$ 1,483</u>	<u>\$ 429,242</u>	<u>\$ 193,907</u>	<u>\$ 123,317</u>	<u>\$ 29,545</u>	<u>\$ 622,415</u>	<u>\$ 416,518</u>	<u>\$ 107,714</u>	<u>\$ 9,167,327</u>