

STATE OF ILLINOIS
MADISON COUNTY
REGIONAL OFFICE OF EDUCATION NO. 41

FINANCIAL AUDIT
FOR THE YEAR ENDED JUNE 30, 2023

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

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41

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MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41

OFFICIALS

For the Year Ended June 30, 2023

Regional Superintendent (Current and during the audit period)

Mr. Robert W. Werden

Assistant Regional Superintendent (Current and during the audit period)

Dr. Tricia Blackard

Offices are located at:

157 N. Main Street, Suite 438
Edwardsville, Illinois 62025-1966

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
 FINANCIAL REPORT SUMMARY

For the Year Ended June 30, 2023

FINANCIAL REPORT SUMMARY

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

AUDITOR'S REPORT

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

SUMMARY OF AUDIT FINDINGS

Number of	This Audit	Prior Audit
Audit findings	0	2
Repeated audit findings	0	0
Prior recommendations implemented or not repeated	2	2

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

SUMMARY OF FINDINGS AND RESPONSES

Item No.	Page	Description	Finding Type
FINDINGS (<i>GOVERNMENT AUDITING STANDARDS</i>)			
None			
PRIOR FINDINGS NOT REPEATED (<i>GOVERNMENT AUDITING STANDARDS</i>)			
2022-001	12	Delay of Audit	Noncompliance
2022-002	12	Internal Controls Over Financial Statement Preparation	Material Weakness

EXIT CONFERENCE

Madison County Regional Office of Education No. 41 did not request an exit conference to discuss the audit for the year ended June 30, 2023.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
FINANCIAL STATEMENT REPORT SUMMARY

For the Year Ended June 30, 2023

The audit of the accompanying modified cash basis financial statements of Madison County Regional Office of Education No. 41 was performed by GW & Associates PC.

Based on their audit, the auditors expressed an unmodified opinion on Madison County Regional Office of Education No. 41's modified cash basis financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Madison County Regional Office of Education No. 41, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Madison County Regional Office of Education No. 41's basic financial statements as listed in the table of contents.

In our opinion, the accompanying modified cash basis financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Madison County Regional Office of Education No. 41, as of June 30, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Madison County Regional Office of Education No. 41, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on the effectiveness of the Madison County Regional Office of Education No. 41's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Madison County Regional Office of Education No. 41's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Madison County Regional Office of Education No. 41's basic financial statements. The modified cash basis combining schedules of accounts, the modified cash basis budgetary comparison schedules, and the modified cash basis combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the modified cash basis combining schedules of accounts, the modified cash basis budgetary comparison schedules, and the modified cash basis combining fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the modified cash basis of accounting as described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2024, on our consideration of the Madison County Regional Office of Education No. 41's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Madison County Regional Office of Education No. 41'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 Madison County Regional Office of Education No. 41's internal control over financial reporting and compliance.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 14, 2024



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Madison County Regional Office of Education No. 41 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Madison County Regional Office of Education No. 41's modified cash basis financial statements, and we have issued our report thereon dated March 14, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Madison County Regional Office of Education No. 41's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the modified cash basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Madison County Regional Office of Education No. 41's internal control. Accordingly, we do not express an opinion on the effectiveness of the Madison County Regional Office of Education No. 41's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison County Regional Office of Education No. 41's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Madison County Regional Office of Education No. 41'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 Madison County Regional Office of Education No. 41's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 14, 2024

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements in Accordance with the Modified Cash Basis

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiency identified?	No
• Noncompliance material to financial statements noted?	No

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2023

Section II - Financial Statement Findings

No findings were noted for the year ended June 30, 2023.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS

For the Year Ended June 30, 2023

Corrective Action Plan

No findings were noted for the year ended June 30, 2023.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED

For the Year Ended June 30, 2023

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
2022-001	Delay of Audit During the current audit, Madison County Regional Office of Education No. 41 provided financial statements in auditable form on August 29, 2023, prior to the August 31, 2023, deadline.	Not Repeated
2022-002	Internal Controls Over Financial Statement Preparation During the current audit, material audit adjustments were not identified in order for the financial statements of the Regional Office of Education No. 41 to be fairly stated.	Not Repeated

BASIC FINANCIAL STATEMENTS

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2023**

EXHIBIT A

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,692,682	\$ 722,991	\$ 2,415,673
Certificates of Deposit	512,901	-	512,901
Internal balances	-	-	-
Total current assets	<u>2,205,583</u>	<u>722,991</u>	<u>2,928,574</u>
TOTAL ASSETS	<u>2,205,583</u>	<u>722,991</u>	<u>2,928,574</u>
LIABILITIES			
Current liabilities:			
Due to other governments	<u>2,939</u>	-	<u>2,939</u>
Total current liabilities	<u>2,939</u>	-	<u>2,939</u>
TOTAL LIABILITIES	<u>2,939</u>	-	<u>2,939</u>
NET POSITION			
Restricted for educational purposes	1,210,278	-	1,210,278
Unrestricted	<u>992,366</u>	<u>722,991</u>	<u>1,715,357</u>
TOTAL NET POSITION	<u>\$ 2,202,644</u>	<u>\$ 722,991</u>	<u>\$ 2,925,635</u>

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

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT B

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS							
Primary government							
Governmental activities:							
Instructional services							
Salaries	\$ 1,150,432	\$ 588,597	\$ 943,881	\$ -	\$ 382,046	\$ -	\$ 382,046
Benefits	320,028	174,017	279,055	-	133,044	-	133,044
Purchased services	202,491	103,601	156,206	-	57,316	-	57,316
Supplies and materials	108,658	55,593	88,950	-	35,885	-	35,885
Other Objects	3,451	1,766	2,543	-	858	-	858
Capital expenditures	12,062	-	-	-	(12,062)	-	(12,062)
Pension Expense	13,694	-	-	-	(13,694)	-	(13,694)
OPEB Expense	6,399	-	-	-	(6,399)	-	(6,399)
Intergovernmental							
Payments to other governments	-	-	-	-	-	-	-
Administrative							
On-Behalf payments - Local	604,436	-	604,436	-	-	-	-
Total governmental activities	<u>2,421,651</u>	<u>923,574</u>	<u>2,075,071</u>	<u>-</u>	<u>576,994</u>	<u>-</u>	<u>576,994</u>
Business-type activities:							
Professional development	208,869	269,944	-	-	-	61,075	61,075
Total business-type activities	<u>208,869</u>	<u>269,944</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,075</u>	<u>61,075</u>
Total primary government	<u>\$ 2,630,520</u>	<u>\$ 1,193,518</u>	<u>\$ 2,075,071</u>	<u>\$ -</u>	<u>576,994</u>	<u>61,075</u>	<u>638,069</u>
General revenues:							
Interest					38,087	14,330	52,417
Miscellaneous Income					120	-	120
Total general revenues					<u>38,207</u>	<u>14,330</u>	<u>52,537</u>
Change in net position					615,201	75,405	690,606
Net position - beginning					<u>1,587,443</u>	<u>647,586</u>	<u>2,235,029</u>
Net position - ending					<u>\$ 2,202,644</u>	<u>\$ 722,991</u>	<u>\$ 2,925,635</u>

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

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
GOVERNMENTAL FUNDS
BALANCE SHEET - MODIFIED CASH BASIS
JUNE 30, 2023**

EXHIBIT C

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Eliminations	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 782,688	\$ 371,788	\$ 459,240	\$ 78,966	\$ -	\$ 1,692,682
Certificates of Deposit	209,353	-	303,548	-	-	512,901
Due from other funds	8,769	-	-	-	-	8,769
TOTAL ASSETS	<u>1,000,810</u>	<u>371,788</u>	<u>762,788</u>	<u>78,966</u>	<u>-</u>	<u>2,214,352</u>
LIABILITIES						
Due to other funds	-	8,769	-	-	-	8,769
Due to other governments	-	2,939	-	-	-	2,939
TOTAL LIABILITES	<u>-</u>	<u>11,708</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,708</u>
FUND BALANCES (DEFICIT)						
Restricted	-	368,524	762,788	78,966	-	1,210,278
Assigned	1,008,409	-	-	-	-	1,008,409
Unassigned	(7,599)	(8,444)	-	-	-	(16,043)
Total fund balances	<u>1,000,810</u>	<u>360,080</u>	<u>762,788</u>	<u>78,966</u>	<u>-</u>	<u>2,202,644</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,000,810</u>	<u>\$ 371,788</u>	<u>\$ 762,788</u>	<u>\$ 78,966</u>	<u>\$ -</u>	<u>\$ 2,214,352</u>

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

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41

EXHIBIT D

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Federal sources	\$ -	\$ 197,796	\$ -	\$ -	\$ 197,796
State sources	465,181	805,868	-	1,790	1,272,839
Local sources	715,200	80,431	102,014	25,929	923,574
Miscellaneous	-	-	120	-	120
Interest Income	14,538	3,525	19,054	970	38,087
On-behalf payments - Local	604,436	-	-	-	604,436
Total revenues	<u>1,799,355</u>	<u>1,087,620</u>	<u>121,188</u>	<u>28,689</u>	<u>3,036,852</u>
EXPENDITURES					
Instructional services					
Salaries	497,736	644,189	-	8,507	1,150,432
Benefits	185,874	139,661	-	892	326,427
Pension	2,369	11,325	-	-	13,694
Purchased services	96,155	90,361	12,102	3,873	202,491
Supplies and materials	49,978	54,997	243	3,440	108,658
Miscellaneous	100	3,000	351	-	3,451
On-behalf payments - local	604,436	-	-	-	604,436
Capital expenditures	-	12,062	-	-	12,062
Total expenditures	<u>1,436,648</u>	<u>955,595</u>	<u>12,696</u>	<u>16,712</u>	<u>2,421,651</u>
NET CHANGE IN FUND BALANCES	362,707	132,025	108,492	11,977	615,201
FUND BALANCES, BEGINNING OF YEAR	<u>638,103</u>	<u>228,055</u>	<u>654,296</u>	<u>66,989</u>	<u>1,587,443</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,000,810</u>	<u>\$ 360,080</u>	<u>\$ 762,788</u>	<u>\$ 78,966</u>	<u>\$ 2,202,644</u>

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

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 JUNE 30, 2023**

EXHIBIT E

	Business-Type Activities - Enterprise Funds		
	ROE Administrative	SIP-Enterprise Workshop	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 596,341	\$ 126,650	\$ 722,991
Total current assets	<u>596,341</u>	<u>126,650</u>	<u>722,991</u>
NET POSITION			
Unrestricted	<u>596,341</u>	<u>126,650</u>	<u>722,991</u>
TOTAL NET POSITION	<u><u>\$ 596,341</u></u>	<u><u>\$ 126,650</u></u>	<u><u>\$ 722,991</u></u>

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

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - MODIFIED CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2023**

EXHIBIT F

	Business-Type Activities - Enterprise Funds		
	ROE Administrative	SIP- Enterprise Workshop	Total
OPERATING REVENUES			
Charges for services	\$ 200,673	\$ 69,271	\$ 269,944
OPERATING EXPENSES			
Salaries	2,000	-	2,000
Benefits	949	-	949
Purchased services	102,432	66,571	169,003
Supplies and materials	16,286	7,961	24,247
Miscellaneous	10,670	-	10,670
Payment to other Governments	2,000	-	2,000
Total operating expenses	<u>134,337</u>	<u>74,532</u>	<u>208,869</u>
OPERATING INCOME	<u>66,336</u>	<u>(5,261)</u>	<u>61,075</u>
NONOPERATING REVENUES			
Interest	12,463	1,867	14,330
Total nonoperating revenues	<u>12,463</u>	<u>1,867</u>	<u>14,330</u>
CHANGE IN NET POSITION	78,799	(3,394)	75,405
NET POSITION, BEGINNING OF YEAR	<u>517,542</u>	<u>130,044</u>	<u>647,586</u>
NET POSITION, END OF YEAR	<u>\$ 596,341</u>	<u>\$ 126,650</u>	<u>\$ 722,991</u>

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

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2023**

EXHIBIT G

	Business-Type Activities - Enterprise Funds		
	ROE Administrative	SIP- Enterprise Workshop	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts for workshops and services	\$ 200,673	\$ 69,271	\$ 269,944
Payments to suppliers and providers of goods and services	(131,388)	(74,532)	(205,920)
Payments to employees	(2,949)	-	(2,949)
Net cash provided by (used for) operating activities	<u>66,336</u>	<u>(5,261)</u>	<u>61,075</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Amounts paid to other funds	(1,999)	-	(1,999)
Cash used for noncapital financing activities	<u>(1,999)</u>	<u>-</u>	<u>(1,999)</u>
CASH FLOWS FROM INVESTING ACTIVITY:			
Proceeds from Certificate of Deposits	-	-	-
Interest income	12,463	1,867	14,330
Cash provided by investing activity	<u>12,463</u>	<u>1,867</u>	<u>14,330</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	76,800	(3,394)	73,406
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>519,541</u>	<u>130,044</u>	<u>649,585</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 596,341</u>	<u>\$ 126,650</u>	<u>\$ 722,991</u>

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

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education No. 41 was formed under the provisions of the State of Illinois, Illinois State Board of Education.

A. Date of Management's Review

Management has evaluated subsequent events through March 14, 2024, the date when the financial statements were available to be issued.

B. Financial Reporting Entity

The Regional Office operates under the School Code (Articles 5/3 and 5/3A of *Illinois Compiled Statutes*, Chapter 105). The Regional Office of Education No. 41 encompasses Madison County. The Regional Superintendent of Schools (Regional Superintendent) serves as chief administrative officer of the Regional Office of Education No. 41 and is elected pursuant to Article 3, *Illinois Compiled Statutes*, Chapter 105.

The Regional Superintendent is charged with the 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; to file and keep returns of elections required to be returned to the Regional Superintendent's office; and to file and keep the reports and statements returned by school treasurers and trustees.

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education No. 41's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; to perform and report 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 carrying out other related duties required or permitted by law.

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurer's bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts under the Regional Superintendent's control 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 see that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report.

The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

For the period ended June 30, 2023, the Regional Office of Education No. 41 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education No. 41. Such activities are reported as a single major fund (Education Fund).

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Scope of Reporting Entity

The Regional Office of Education No. 41's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education No. 41 has developed criteria to determine whether outside agencies with activities that benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in the financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education No. 41 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education No. 41 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education No. 41 is not aware of any entity which would exercise such oversight as to result in the Regional Office of Education No. 41 being considered a component unit of the entity.

D. Government-Wide Financial Statements

The Statement of Net Position-Modified Cash Basis and the Statement of Activities-Modified Cash Basis are government-wide financial statements. They report information on all of the non-fiduciary activities of the Regional Office of Education No. 41. The effect of interfund activity has been removed from these statements. Governmental activities are supported by intergovernmental revenues and are reported separate from business-type activities, which rely, to a significant extent, on fees and charges for services.

The Statement of Net Position-Modified Cash Basis and the Statement of Activities-Modified Cash Basis are presented on an "economic resources" measurement focus, within the limitation of the modified cash basis of accounting as described below. All of the Regional Office of Education No. 41's assets and liabilities arising from cash transactions, are included in the accompanying Statement of Net Position-Modified Cash Basis. The Statement of Activities-Modified Cash Basis 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 to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

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 funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and reported in a single column.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Government-Wide Financial Statements (Concluded)

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, such as, 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-Modified Cash Basis and proprietary fund Statement of Net Position-Modified Cash Basis and as other financing sources and uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances-Modified Cash Basis and the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position-Modified Cash Basis. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. Interfund activities between governmental funds and business-type funds remain as internal balances on the government-wide financial statements.

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

E. Proprietary Fund Financial Statements

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

Proprietary funds are accounted for using the "economic resources" measurement focus, within the limitation of the modified cash basis of accounting. Accordingly, all assets and liabilities arising from cash transactions are included on the Statement of Net Position-Modified Cash Basis. The Statement of Revenues, Expenses and Changes in Fund Net Position-Modified Cash Basis present increases (revenues) and decreases (expenses) in total net position. Under the modified cash basis of accounting receipts are recognized in the period in which they are received while disbursements are recognized in the period in which the liability is disbursed.

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

F. Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet-Modified Cash Basis and a Statement of Revenues, Expenditures and Changes in Fund Balances-Modified Cash Basis for all major governmental funds and non-major funds aggregated.

Governmental fund financial statements are reported using the current financial resources measurement focus, as applied to the modified cash basis of accounting. Only current financial assets are generally included on their balance sheet. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measurement of available spendable financial resources at the end of the period.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Measurement Focus and Basis of Accounting

The government-wide Statement of Net Position-Modified Cash Basis and Statement of Activities-Modified Cash Basis and the fund financial statements are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenditures when they result from cash transactions with the exception that tangible non-cash assistance is recorded. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. In addition, capital assets, the post-employment liabilities and related expenses, deferred inflows and deferred outflows, if applicable, are not recorded in these financial statements.

If the Regional Office utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide financials would be presented on the accrual basis of accounting.

Under the terms of grant agreements, Regional Office of Education No. 41 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 resources available to finance the program. It is Regional Office of Education No. 41's policy to first apply restricted funds, then unrestricted resources as they are needed. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned, if any.

H. Fund Accounting

The Regional Office of Education No. 41 uses funds to maintain its financial records during the year. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The Regional Office of Education No. 41 uses governmental and proprietary funds.

Governmental Funds

Governmental funds are those through which most governmental functions of the Regional Office of Education No. 41 are typically reported. Reporting for governmental funds focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as a fund balance.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Continued)

Governmental Funds (Continued)

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets, liabilities, 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, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education No. 41 has presented all major funds that met the above qualifications.

The Regional Office of Education No. 41 reports the following major governmental funds:

General Fund - The General Fund is used to account for resources traditionally associated with government which are not required, legally or by sound financial management, to be accounted and reported for in another fund. The General Fund is always considered a major fund. The General Fund includes the following accounts:

ROE Administrative - Accounts for monies received for, and payment of, expenditures associated with the operations of the Regional Office of Education No. 41's general administrative activities.

Evidence Based Funding (formerly called General State Aid) - Accounts for monies received for, and payment of, expenditures for regional learning academy supplements.

Lighthouse Educational Assistance Program (LEAP) - Accounts for tuition monies received for, and payment of, expenditures for the administration of an educational facility within a drug rehabilitation center.

ETC Day Program - Accounts for tuition fees received from school districts used for providing special education and therapeutic services to behaviorally disordered and emotionally disturbed students under the Educational Therapy Center (ETC).

ETC Unemployment Reserve - Accounts for local monies received and accumulated to be used to defray unemployment and related expenses in case the ETC ceases to exist.

Suspension Temporary Option Program - Accounts for monies received for the administration of the Suspension Temporary Option Program (STOP) serving students in the Collinsville, Highland, and Troy school districts.

Madison County Detention Center (MCDC) - Accounts for monies received for, and payment of, expenditures for the administration of an educational facility within a county detention center.

Teacher Retirement System (TRS) and Teacher Health Insurance Security (THIS) - Accounts for pension and insurance contributions collected and disbursed to the TRS of the State of Illinois.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Continued)

Governmental Funds (Continued)

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

Truants Alternative and Optional Education Project - Accounts for grant monies received for, and payment of, expenditures for the truancy prevention program including monitoring of truant students.

Vocational Adjustment Counselor - Accounts for grant monies received for, and payment of, expenditures to provide rehabilitation counseling for individuals in secondary work experience and resource materials for families and educators of children who are transitioning from school to post-secondary activities.

Regional Safe Schools - Accounts for grant monies received for, and payment of, expenditures to provide alternative school program for at-risk students. The program also provides placement for students who are suspended and/or are ineligible.

Teacher Quality Leadership - Accounts for grant monies received for, and payment of, expenditures to improve instructional services in school districts.

McKinney-Vento Homeless Children - Accounts for grant monies received for, and payment of, expenditures associated with counseling and educational support to homeless children and their families.

American Rescue Plan (ARP)-McKinney-Vento Homeless Children - Accounts for grant monies received for, and payment of, expenditures supporting efforts to identify homeless children and youth and provide them with comprehensive services that address needs arising from the COVID-19 pandemic and allow them to attend school and participate in school activities.

Other Federal Programs Emergency Relief - Accounts for grant monies received for and payment of COVID relief funds and support of remote educational opportunities or upgrading technological support received from American Rescue Plan(ARP)-Elementary School Emergency Relief (ESSER) III.

ETC Lunch Account Program - Accounts for State monies received for, and payment of, expenditures for providing free and reduced priced meals to students under the Educational Therapy Center (ETC).

ROE / ISC Operations (formerly School Improvement) - Accounts for grant monies received for, and payment of, expenditures for the ROE/ISC Operations grant, as well as transactions associated with the operations of the Regional Office of Education No. 41.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Accounting (Concluded)

Governmental Funds (Concluded)

Institute Fund - Accounts for registration and renewal fees related to teachers' certificates. Funds collected from registration and renewal fees are expended to defray costs incidental to teachers' institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor 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. Nonmajor special revenue funds include the following:

General Education Development (GED) - Accounts for the administration of the GED Testing Program. Revenues consist of fees collected for testing, diplomas and materials.

Bus Driver Training - Accounts for bus drivers' permit fees which may be expended for bus drivers' refresher courses.

Proprietary Funds

Proprietary funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education No. 41 on a cost reimbursement basis are reported.

Major Proprietary Funds - The Regional Office of Education No. 41 reports the following proprietary funds as major funds:

ROE Administrative - Enterprise - Accounts for monies received for, and payment of, expenditures associated with other miscellaneous enterprise activities of the Regional Office of Education No. 41. This fund also accounts for reimbursements from other funds for general administrative expenses.

School Improvement Plan (SIP) Workshop - Enterprise - Accounts for workshop fees received for, and payment of, expenses related to various trainings conducted by the Regional Office of Education No. 41.

I. Governmental Cash Basis Fund Balances

Fund balance is the difference between assets and liabilities in a governmental fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet-Modified Cash Basis and Governmental Funds Combining Schedule of Accounts-Modified Cash Basis:

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Governmental Cash Basis Fund Balances (Concluded)

Non-spendable - the portion of a Governmental Fund's fund balance that are not available to be spent, either short-term or long-term, in either form or through legal restrictions. There are no accounts presenting a non-spendable fund balance.

Restricted - the portion of a Governmental Fund's fund balance that are subject to external enforceable legal restrictions. The following fund balances are restricted by grant agreements or contracts: Truants Alternative and Optional Education Project, Vocational Adjustment Counselor, ETC Lunch Account Program, and ROE ISC Operations, The following funds are restricted by Illinois Statute: Institute Fund, General Education Development, and Bus Driver Training.

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

Assigned - the portion of a Governmental Fund's fund balance that 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 comprise assigned fund balance: Evidence Based Funding, ETC Day Program, and Suspension Temporary Option Program.

Unassigned - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is made up of the Madison County Detention Center, Regional Safe Schools, McKinney-Vento Homeless Children, and ARP-McKinney-Vento Homeless Children.

J. Modified Cash Basis Net Position

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

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

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

K. New Accounting Pronouncement

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, (GASB 96) issued May 2020, is effective for the fiscal year ended June 30, 2023. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires the note disclosures regarding a SBITA. The Regional Office of Education No. 41's is adopting this Statement as of the year ended June 30, 2023, however, the adoption has no impact on the financial statements as the Regional Office of Education No. 41 reports on a modified cash basis of accounting and considers all SBITAs as non-cash transactions and records all SBITA payments as period expenditures in the governmental funds.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

K. New Accounting Pronouncement (Concluded)

Other GASB Statements effective in fiscal year 2023 did not have a significant effect on the Regional Office of Education No. 41's financial statements.

L. Cash and Cash Equivalents

The Regional Office of Education No. 41 considers all cash and all highly liquid investments (including restricted assets) with an original maturity of three months or less from the date of acquisition to be cash equivalents.

M. Interfund Due To/From

The recordings of due from and due to other funds are a result of various borrowings between funds during the year.

N. Compensated Absences

Compensated absences do not vest or accumulate and are recorded as expenditures when used.

O. Budgetary Data

The Regional Office of Education No. 41 acts as the administrative agent for certain grant programs that are accounted for within the Education Fund. These programs have separate budgets and are required to be reported to the Illinois State Board of Education and Illinois Department of Human Services; however, none of the annual budgets have been legally adopted, nor are they required to do so. Certain programs within the Special Revenue Fund do not have separate budgets. Comparisons of budgeted and actual results for the following programs are presented as supplementary information: Truants Alternative and Optional Education Project, Regional Safe Schools, McKinney – Vento Homeless Children, ARP-McKinney-Vento Homeless Children, and ROE ISC Operations.

NOTE 2: CASH AND CASH EQUIVALENTS

The Regional Office of Education No. 41's investment policy is to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7.

Deposits

At June 30, 2023, the carrying amount of the Regional Office of Education No. 41's government-wide deposits, excluding petty cash of \$400, was \$2,415,273, and the bank balance was \$2,490,391. The difference between the above amounts primarily represents checks that have been issued but have not yet cleared the bank as of June 30, 2023. At June 30, 2023, \$501,000 of the Regional Office of Education No. 41's cash deposits were insured by the Federal Deposit Insurance Corporation. The remaining \$1,442,163 was collateralized by securities pledged by the Regional Office of Education No. 41's financial institution in the name of the Regional Office, and \$547,228 was invested in the Illinois Funds Money Market Fund. At June 30, 2023, the Illinois Funds Money Market Fund had a Fitch AAmmf rating.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS (CONCLUDED)

Investments

The investment policy requires that funds should be invested solely in investments authorized by 30 ILCS 235/2 and 6 and 105 ILCS 5/8-7. As of June 30, 2023, the Regional Office of Education No. 41 had investments with carrying and fair values of \$512,901 invested in Certificates of Deposits that were FDIC insured or collateralized.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Regional Office of Education's deposits and investments in certificates of deposit may not be returned to it. The Regional Office of Education No. 41 does not have a formal deposit policy for custodial credit risk but follows the Public Funds Investment Act (30 ILCS 235/2 and 6), and Section 8-7 of the School Code.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Regional Office of Education No. 41 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Regional Office of Education No. 41 is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6), and Section 8-7 of the School Code. The Regional Office of Education No. 41 has no investment policy that would further limit its investment choices. As of June 30, 2023, the Regional Office of Education No. 41 was in compliance with these guidelines.

NOTE 3: PENSION AND RETIREMENT COMMITMENTS

A. Teachers' Retirement System of the State of Illinois (TRS)

Plan Description

The Madison County Regional Office of Education No. 41 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3: PENSION AND RETIREMENT COMMITMENTS (CONTINUED)

A. Teachers' Retirement System of the State of Illinois (TRS) (Continued)

Benefits provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2022, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education No. 41.

On behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the employer.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were \$5,019.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3: PENSION AND RETIREMENT COMMITMENTS (CONCLUDED)

A. Teachers' Retirement System of the State of Illinois (TRS) (Concluded)

Contributions (Concluded)

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 41, there is a statutory requirement for the Regional Office of Education No. 41 to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$36,016 were paid from federal and special trust funds that required employer contributions of \$3,778.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education No. 41 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the Regional Office of Education No. 41 paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

Additional contributions. Contributions related to an underpayment in previous fiscal years in the amount of \$4,897 were paid during the fiscal year.

B. Illinois Municipal Retirement Fund

There are other non-certified employees paid by, and considered employees of, county government. As such, related retirement obligations associated with these employees are the responsibilities of county government. Retirement contributions for non-certified employees made by Madison County to the Illinois Municipal Retirement Fund (IMRF) during the fiscal year 2023 amounted to \$19,219. This amount is included in the local on-behalf revenue and related expense. Moreover, GASB Statement No. 68 in relation to IMRF is not applicable to Regional Office of Education No. 41 since the Madison County bears the cost of salaries, benefits and the payment of future pension liabilities of these non-certified employees.

NOTE 4: OTHER POST EMPLOYMENT BENEFITS

A. Defined Benefit Plan - Madison County Health Plan

Plan Description. The Regional Office of Education No. 41 employees are covered by the Madison County (the County) health insurance plan. The County provides postemployment health care for eligible retired employees and their dependents through a single employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the County and can be amended by the County Board through its personnel manual and union contracts. An irrevocable trust has not been established

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

A. Defined Benefit Plan - Madison County Health Plan (Concluded)

by the County to account for the plan and accordingly the plan is not accounted for as a trust fund. The plan does not issue a separate report.

Benefits Provided. The Regional Office of Education No. 41 provides postemployment health care for eligible retired employees and their dependents through the County. Employees who terminate after meeting the age and service requirements for retirement are eligible to continue their health care plan coverage with the County by paying the monthly premium rate. The benefit levels are the same as those afforded to active employees. The benefits include general outpatient and inpatient medical services; mental, nervous, and substance abuse care; vision care, dental care; and prescriptions. Because the actuarial cost of health benefits for retirees exceeds the average amount paid by retirees, the additional cost is paid by the County and is the basis for the OPEB obligation accounted for under GASB Statement No. 75. The Regional Office of Education No. 41 reimburses the County for health insurance coverage for active non-administrative ROE No. 41 employees. These non-administrative employees are classified under "Other Education" below.

Membership. At November 30, 2022 (the County's fiscal year end), membership consisted of:

	Education Admin	Other Education	Total
Active participants	7	20	27
Retired participants	2	1	3
Total	9	21	30

Funding Policy. The County negotiates the contribution percentages between the County and employees through the union contracts and the personnel policy. The Regional Office of Education No. 41 employees follow these contracts and policies. All retirees contribute 100% of the blended premium to the plan and the County contributes the remainder to cover the cost of providing the benefits to the retirees via the insured plan (pay-as-you-go). GASB Statement No. 75 requires recognition of the current expense of OPEB based on each governing body's annual required contribution, but does not require funding of the related liability. For the fiscal year ended November 30, 2022, the County contributed \$9,021.

Eligibility. Employees are eligible to retire from the Regional Office of Education No. 41 and continue their health coverage after meeting the age and service requirements for retirement. IMRF Tier 1 employees can retire at age 55 with 35 years of service or at age 60 with 8 years of service. Early retirement is also available for employees at age 55 with 8 years of service. IMRF Tier 2 employees can retire at age 62 with 35 years of service or at age 67 with 10 years of service. Early retirement is also available for employees at age 62 and 10 years of service.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4: OTHER POST EMPLOYMENT BENEFITS (CONCLUDED)

B. Teachers' Health Insurance Security Fund

THIS Plan Description

The Regional Office of Education No. 41 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. A percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On-behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 41.

Employer contributions to the THIS Fund

The Regional Office of Education No. 41 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the years ending June 30, 2023 and June 30, 2022, and 0.92 percent during the year ending June 30, 2021. For the year ended June 30, 2023, the Regional Office of Education No. 41 paid \$6,399 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2022 and 2021, the Regional Office of Education No. 41 paid \$5,198 and \$7,270 to the THIS Fund, respectively, which was 100 percent of the required contribution.

Further information on the THIS Fund

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

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5: INTERFUND DUE FROM (TO) OTHER FUNDS

As of June 30, 2023, amounts due from (to) other funds consist of the following:

Fund	Due From Other Funds	Due To Other Funds
General Fund - Evidence Based Funding	\$ 138,321	\$ -
General Fund - Madison County Detention Center	-	7,599
General Fund - E T C Day Program	-	121,953
Education Fund - Vocational Adjustment Counselor	-	607
Education Fund - McKinney Vento Homeless Children	-	1,112
Education Fund - ARP McKinney Vento Homeless Children	-	5,040
Education Fund - Regional Safe Schools	-	2,010
	138,321	138,321
Less: Amounts due within the General Fund	(129,552)	(129,552)
Total	\$ 8,769	\$ 8,769

The amount due to the general fund from interfund borrowing is to cover short-term cash deficits.

NOTE 6: DUE FROM (TO) OTHER GOVERNMENTS

The Regional Office of Education No. 41's Education Fund has funds due to various governmental units which consist of the following:

Due to Other Governments:	
Illinois State Board of Education	\$ 2,939

NOTE 7: INTERFUND TRANSFERS

The transfer balances between governmental funds are eliminated in the government-wide Statement of Activities; however, the transfers between the governmental funds and the business-type funds are not eliminated. For the current fiscal year, there were no interfund transfers.

NOTE 8: COMMITMENTS AND CONTINGENCIES

In the normal course of operations, the Regional Office of Education No. 41 receives grant funds from various federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Significant losses are covered by the commercial insurance for all major programs: property, liability, and workman's compensation. During the year ended June 30, 2023, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9: ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries of the Regional Superintendent and the Assistant Regional Superintendent and contributions on-behalf of the Regional Office of Education No. 41.

State of Illinois	
Regional Superintendent salary	\$ 127,908
Regional Superintendent benefits (includes State paid insurance)	40,650
Assistant Regional Superintendent salary	115,116
Assistant Regional Superintendent benefits (includes State paid insurance)	25,318
	\$ 308,992

Salary and benefit data for the Regional Superintendent and the Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education (ISBE). Because the Regional Office prepares their financial statements in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, the state on-behalf payments are not reflected in the Regional Office's financial statements as these amounts are remitted directly to the superintendents.

In addition, a significant portion of the operating expenditures of the Regional Office of Education No. 41 are paid by Madison County, Illinois, in accordance with the statutes. The breakdown of the County on-behalf payments for the year ended June 30, 2023 is as follows:

Madison County	
Salaries of office workers paid by the Madison County	\$ 442,915
Rent of office space	19,800
Madison County's share in health insurance contributions	87,780
Madison County's share in retirement contributions	53,941
Total Madison County	\$ 604,436

These amounts have been recorded in the accompanying governmental fund financial statements as local revenue and expenditures as these amounts are remitted to the Regional Office of Education No. 41.

NOTE 10: DEFICIT FUND BALANCE

The General Fund's Madison County Detention Center has a deficit fund balance totaling \$7,599 as of June 30, 2023. The Education Fund's Regional Safe Schools, McKinney-Vento Homeless Children, and ARP-McKinney-Vento Homeless Children have deficit fund balances of \$2,292, \$1,112, and \$5,040 as of June 30, 2023.

NOTE 11: LEASE COMMITMENTS

The Madison County Regional Office of Education No. 41 (ROE #41) is committed under a lease agreement for office space for the ROE #41's School Improvement Program (SIP) and GED Testing program. The office space is located at 1310 North Main Street in Edwardsville, Illinois. The lease was effective on December 1, 2017, and expires on November 30, 2027. In FY 2018, ROE No. 41 paid \$100,000 for the ten year lease.

SUPPLEMENTARY INFORMATION

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
GENERAL FUND
COMBINING SCHEDULE OF ACCOUNTS - MODIFIED CASH BASIS
JUNE 30, 2023**

SCHEDULE 1

	ROE Administrative	Evidence Based Funding	Lighthouse Educational Assistance Program	ETC Day Program	ETC Unemployment Reserve
ASSETS					
Cash and cash equivalents	\$ -	\$ 756,207	\$ -	\$ 200	\$ -
Certificates of Deposit	-	-	-	209,353	-
Due from other funds	-	138,321	-	-	-
TOTAL ASSETS	-	894,528	-	209,553	-
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Due to other funds	-	-	-	121,953	-
TOTAL LIABILITIES	-	-	-	121,953	-
FUND BALANCES (DEFICITS)					
Assigned	-	894,528	-	87,600	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	-	894,528	-	87,600	-
TOTAL LIABILITIES, AND FUND BALANCES (DEFICIT)	\$ -	\$ 894,528	\$ -	\$ 209,553	\$ -

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
GENERAL FUND
COMBINING SCHEDULE OF ACCOUNTS - MODIFIED CASH BASIS
JUNE 30, 2023**

**SCHEDULE 1
(Concluded)**

	Suspension Temporary Option Program	Madison County Detention Center	TRS & THIS	Eliminations	Total
ASSETS					
Cash and cash equivalents	\$ 26,281	\$ -	\$ -	\$ -	\$ 782,688
Certificates of Deposit	-	-	-	-	209,353
Due from other funds	-	-	-	(129,552)	8,769
TOTAL ASSETS	<u>26,281</u>	<u>-</u>	<u>-</u>	<u>(129,552)</u>	<u>1,000,810</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Due to other funds	-	7,599	-	(129,552)	-
TOTAL LIABILITIES	<u>-</u>	<u>7,599</u>	<u>-</u>	<u>(129,552)</u>	<u>-</u>
FUND BALANCES (DEFICITS)					
Assigned	26,281	-	-	-	1,008,409
Unassigned	-	(7,599)	-	-	(7,599)
TOTAL FUND BALANCES (DEFICITS)	<u>26,281</u>	<u>(7,599)</u>	<u>-</u>	<u>-</u>	<u>1,000,810</u>
TOTAL LIABILITIES, AND FUND BALANCES (DEFICIT)	<u>\$ 26,281</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (129,552)</u>	<u>\$ 1,000,810</u>

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41

SCHEDULE 2

GENERAL FUND ACCOUNT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2023

	ROE Administrative	Evidence Based Funding	Lighthouse Educational Assistance Program	ETC Day Program	ETC Unemployment Reserve
REVENUES					
State sources	\$ -	\$ 465,181	\$ -	\$ -	\$ -
Local sources	-	223,819	-	235,438	-
Interest Income	-	10,413	-	3,852	-
On-behalf payments - Local	574,214	18,435	-	11,787	-
Total revenues	<u>574,214</u>	<u>717,848</u>	<u>-</u>	<u>251,077</u>	<u>-</u>
EXPENDITURES					
Salaries	-	204,480	-	149,457	-
Benefits	-	51,800	-	30,427	-
Pension	-	589	-	581	-
Purchased services	-	66,937	-	23,853	-
Supplies and materials	-	30,867	-	18,706	-
Miscellaneous	-	-	-	100	-
On-behalf payments - Local	574,214	18,435	-	11,787	-
Total expenditures	<u>574,214</u>	<u>373,108</u>	<u>-</u>	<u>234,911</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	344,740	-	16,166	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	549,788	-	71,434	-
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ 894,528</u>	<u>\$ -</u>	<u>\$ 87,600</u>	<u>\$ -</u>

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
GENERAL FUND ACCOUNT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023**

**SCHEDULE 2
(Concluded)**

	Suspension Temporary Option Program	Madison County Detention Center	TRS & THIS	Total
REVENUES				
State sources	\$ -	\$ -	\$ -	\$ 465,181
Local sources	51,125	122,346	82,472	715,200
Interest Income	273	-	-	14,538
On-behalf payments - Local	-	-	-	604,436
Total revenues	<u>51,398</u>	<u>122,346</u>	<u>82,472</u>	<u>1,799,355</u>
EXPENDITURES				
Salaries	41,146	102,653	-	497,736
Benefits	9,399	11,010	83,238	185,874
Pension	239	960	-	2,369
Purchased services	2,819	2,546	-	96,155
Supplies and materials	-	405	-	49,978
Miscellaneous	-	-	-	100
On-behalf payments - Local	-	-	-	604,436
Total expenditures	<u>53,603</u>	<u>117,574</u>	<u>83,238</u>	<u>1,436,648</u>
NET CHANGE IN FUND BALANCES	(2,205)	4,772	(766)	362,707
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>28,486</u>	<u>(12,371)</u>	<u>766</u>	<u>638,103</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 26,281</u>	<u>\$ (7,599)</u>	<u>\$ -</u>	<u>\$ 1,000,810</u>

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO.41
EDUCATION FUND
COMBINING SCHEDULE OF ACCOUNTS - MODIFIED CASH BASIS
JUNE 30, 2023**

SCHEDULE 3

	<u>Truants Alternative and Optional Education Project</u>	<u>Vocational Adjustment Counselor</u>	<u>Regional Safe Schools</u>	<u>Teacher Quality Leadership Grant</u>	<u>McKinney - Vento Homeless Children</u>
ASSETS					
Cash and cash equivalents	\$ 829	\$ 269,555	\$ -	\$ -	\$ -
TOTAL ASSETS	<u>829</u>	<u>269,555</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Due to other funds	-	607	2,010	-	1,112
Due to other governments	213	-	282	-	-
TOTAL LIABILITIES	<u>213</u>	<u>607</u>	<u>2,292</u>	<u>-</u>	<u>1,112</u>
FUND BALANCES (DEFICITS)					
Restricted	616	268,948	-	-	-
Unassigned	-	-	(2,292)	-	(1,112)
TOTAL FUND BALANCES (DEFICITS)	<u>616</u>	<u>268,948</u>	<u>(2,292)</u>	<u>-</u>	<u>(1,112)</u>
TOTAL LIABILITIES, AND FUND BALANCES (DEFICIT)	<u>\$ 829</u>	<u>\$ 269,555</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO.41
EDUCATION FUND
COMBINING SCHEDULE OF ACCOUNTS - MODIFIED CASH BASIS
JUNE 30, 2023**

**SCHEDULE 3
(Concluded)**

	ARP -McKinney - Vento Homeless Children	Other Federal Programs Emergency Relief	ETC Lunch Account Program	ROE ISC Operations	Total
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 16,339	\$ 85,065	\$ 371,788
TOTAL ASSETS	<u>-</u>	<u>-</u>	<u>16,339</u>	<u>85,065</u>	<u>371,788</u>
LIABILITIES					
Due to other funds	5,040	-	-	-	8,769
Due to other governments	-	-	-	2,444	2,939
TOTAL LIABILITIES	<u>5,040</u>	<u>-</u>	<u>-</u>	<u>2,444</u>	<u>11,708</u>
FUND BALANCES (DEFICITS)					
Restricted	-	-	16,339	82,621	368,524
Unassigned	(5,040)	-	-	-	(8,444)
TOTAL FUND BALANCES (DEFICITS)	<u>(5,040)</u>	<u>-</u>	<u>16,339</u>	<u>82,621</u>	<u>360,080</u>
TOTAL LIABILITIES, AND FUND BALANCES (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,339</u>	<u>\$ 85,065</u>	<u>\$ 371,788</u>

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO.41

SCHEDULE 4

EDUCATION FUND ACCOUNTS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Truants Alternative and Optional Education Project</u>	<u>Vocational Adjustment Counselor</u>	<u>Regional Safe Schools</u>	<u>Teacher Quality Leadership Grant</u>	<u>McKinney - Vento Homeless Children</u>
REVENUES					
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ 95,697
State sources	87,514	143,352	134,802	-	-
Local sources	-	80,001	-	-	-
Interest Income	-	3,311	-	-	-
Total revenues	<u>87,514</u>	<u>226,664</u>	<u>134,802</u>	<u>-</u>	<u>95,697</u>
EXPENDITURES					
Instructional services					
Salaries	66,471	143,260	110,800	-	47,099
Benefits	16,162	34,530	20,662	-	11,706
Pension	287	463	674	-	3,949
Purchased services	3,283	25,785	2,543	-	9,521
Supplies and materials	750	1,434	123	-	12,896
Miscellaneous	-	3,000	-	-	-
Capital Expenditures	-	-	-	-	673
Total expenditures	<u>86,953</u>	<u>208,472</u>	<u>134,802</u>	<u>-</u>	<u>85,844</u>
NET CHANGE IN FUND BALANCES	<u>561</u>	<u>18,192</u>	<u>-</u>	<u>-</u>	<u>9,853</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>55</u>	<u>250,756</u>	<u>(2,292)</u>	<u>-</u>	<u>(10,965)</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 616</u>	<u>\$ 268,948</u>	<u>\$ (2,292)</u>	<u>\$ -</u>	<u>\$ (1,112)</u>

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO.41
EDUCATION FUND ACCOUNTS**

**SCHEDULE 4
(Concluded)**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023**

	ARP -McKinney - Vento Homeless Children	Other Federal Programs Emergency Relief	ETC Lunch Account Program	ROE ISC Operations	Total
REVENUES					
Federal sources	\$ 58,728	\$ 5,193	\$ 38,178	\$ -	\$ 197,796
State sources	-	-	184	440,016	805,868
Local sources	-	-	430	-	80,431
Interest Income	-	-	214	-	3,525
Total revenues	<u>58,728</u>	<u>5,193</u>	<u>39,006</u>	<u>440,016</u>	<u>1,087,620</u>
EXPENDITURES					
Instructional services					
Salaries	\$ 4,338	4,072	-	268,149	644,189
Benefits	1,434	1,121	-	54,046	139,661
Pension	52	-	-	5,900	11,325
Purchased services	9,143	-	33,024	7,062	90,361
Supplies and materials	18,971	-	-	20,823	54,997
Miscellaneous	-	-	-	-	3,000
Capital Expenditures	-	-	-	11,389	12,062
Total expenditures	<u>33,938</u>	<u>5,193</u>	<u>33,024</u>	<u>367,369</u>	<u>955,595</u>
NET CHANGE IN FUND BALANCES	<u>24,790</u>	<u>-</u>	<u>5,982</u>	<u>72,647</u>	<u>132,025</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>(29,830)</u>	<u>-</u>	<u>10,357</u>	<u>9,974</u>	<u>228,055</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ (5,040)</u>	<u>\$ -</u>	<u>\$ 16,339</u>	<u>\$ 82,621</u>	<u>\$ 360,080</u>

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
 BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 5

	Truants Alternative and Optional Education Project			Regional Safe Schools			McKinney-Vento Homeless Children		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final		Original	Final	
REVENUES									
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,725	\$ 72,725	\$ 95,697
State sources	87,514	87,514	87,514	134,802	134,802	134,802	-	-	-
Local sources	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-
Total revenues	<u>87,514</u>	<u>87,514</u>	<u>87,514</u>	<u>134,802</u>	<u>134,802</u>	<u>134,802</u>	<u>72,725</u>	<u>72,725</u>	<u>95,697</u>
EXPENDITURES									
Salaries	66,916	66,916	66,471	110,787	110,787	110,800	40,195	40,195	47,099
Benefits	16,083	16,083	16,162	20,602	20,602	20,662	13,173	13,173	11,706
Pension	-	-	287	665	665	674	-	-	3,949
Purchased services	3,765	3,765	3,283	2,625	2,625	2,543	8,000	8,000	9,521
Supplies and materials	750	750	750	123	123	123	11,357	11,357	12,896
Capital Expenditures	-	-	-	-	-	-	-	-	673
Miscellaneous	-	-	-	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-	-	-	-
Total expenditures	<u>87,514</u>	<u>87,514</u>	<u>86,953</u>	<u>134,802</u>	<u>134,802</u>	<u>134,802</u>	<u>72,725</u>	<u>72,725</u>	<u>85,844</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	561	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>	9,853
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			55			(2,292)			(10,965)
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ 616</u>			<u>\$ (2,292)</u>			<u>\$ (1,112)</u>

MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
 BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS
 EDUCATION FUND ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 5
 (Concluded)

	ARP -McKinney - Vento Homeless Children			ROE ISC Operations			Total		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final		Original	Final	
REVENUES									
Federal sources	\$ 149,201	\$ 149,201	\$ 58,728	\$ -	\$ -	\$ -	\$ 221,926	\$ 221,926	\$ 154,425
State sources			-	440,016	440,016	440,016	662,332	662,332	662,332
Local sources			-	-	-	-	-	-	-
Interest Income			-	-	-	-	-	-	-
Total revenues	<u>149,201</u>	<u>149,201</u>	<u>58,728</u>	<u>440,016</u>	<u>440,016</u>	<u>440,016</u>	<u>884,258</u>	<u>884,258</u>	<u>816,757</u>
EXPENDITURES									
Salaries	42,000	42,000	4,338	347,075	313,837	268,149	606,973	573,735	496,857
Benefits	9,701	9,701	1,434	78,350	70,940	54,046	137,909	130,499	104,010
Pension	-	-	52	799	1,447	5,900	1,464	2,112	10,862
Purchased services	61,500	61,500	9,143	7,572	7,572	7,062	83,462	83,462	31,552
Supplies and materials	36,000	36,000	18,971	6,220	33,520	20,823	54,450	81,750	53,563
Capital Expenditures	-	-	-	-	12,700	11,389	-	12,700	12,062
Miscellaneous	-	-	-	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-	-	-	-
Total expenditures	<u>149,201</u>	<u>149,201</u>	<u>33,938</u>	<u>440,016</u>	<u>440,016</u>	<u>367,369</u>	<u>884,258</u>	<u>884,258</u>	<u>708,906</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>24,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>72,647</u>	<u>\$ -</u>	<u>\$ -</u>	<u>107,851</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			<u>(29,830)</u>			<u>9,974</u>			<u>(33,058)</u>
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ (5,040)</u>			<u>\$ 82,621</u>			<u>\$ 74,793</u>

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
JUNE 30, 2023**

SCHEDULE 6

	<u>General Education Development</u>	<u>Bus Driver Training</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 19,899	\$ 59,067	\$ 78,966
TOTAL ASSETS	<u>19,899</u>	<u>59,067</u>	<u>78,966</u>
FUND BALANCES			
Restricted	19,899	59,067	78,966
TOTAL FUND BALANCES	<u>\$ 19,899</u>	<u>\$ 59,067</u>	<u>\$ 78,966</u>

**MADISON COUNTY REGIONAL OFFICE OF EDUCATION NO. 41
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023**

SCHEDULE 7

	General Education Development	Bus Driver Training	Total
REVENUES			
State sources	\$ -	\$ 1,790	\$ 1,790
Local sources	15,599	10,330	25,929
Interest Income	223	747	970
Total revenues	<u>15,822</u>	<u>12,867</u>	<u>28,689</u>
EXPENDITURES			
Salaries	2,507	6,000	8,507
Benefits	77	815	892
Purchased services	3,572	301	3,873
Supplies and materials	3,218	222	3,440
Total expenditures	<u>9,374</u>	<u>7,338</u>	<u>16,712</u>
NET CHANGE IN FUND BALANCES	6,448	5,529	11,977
FUND BALANCES, BEGINNING OF YEAR	<u>13,451</u>	<u>53,538</u>	<u>66,989</u>
FUND BALANCES, END OF YEAR	<u>\$ 19,899</u>	<u>\$ 59,067</u>	<u>\$ 78,966</u>