



**STATE OF ILLINOIS
BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4**

**FINANCIAL AUDIT
For the Year Ended June 30, 2020**

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

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4**

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**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4**

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**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4**

OFFICIALS

Regional Superintendent
(Current and during the audit period)

Honorable Scott Bloomquist

Assistant Regional Superintendent
(Current and during the audit period)

Mrs. Allison Pierson

Office is located at:

300 Heart Boulevard
Loves Park, Illinois 61111

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
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.

AUDITOR’S REPORTS

The auditor’s 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	4	4
Repeated audit findings	3	1
Prior recommendations implemented or not repeated	1	6

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

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>Findings (Government Auditing Standards)</i>			
2020-001	11	Inadequate Internal Control over Receipts	Significant Deficiency
2020-002	13	Inadequate Controls Over Bank Reconciliation Process	Significant Deficiency
2020-003	15	Failure to Fully Insure and Collateralize Cash Balances	Significant Deficiency
2020-004	17	Delay of Audit	Noncompliance
<i>Prior Audit Findings not Repeated (Government Auditing Standards)</i>			
2019-001	23	Lack of Adequate Controls over Review of Internal Controls over External Service Providers	Significant Deficiency

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
FINANCIAL REPORT SUMMARY**

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an exit conference on January 15, 2025. Attending from the Regional Office of Education No. 4 were Scott Bloomquist, Regional Superintendent; and John Morrissey, CFO; and from Adelfia LLC was Maria Divina Valera, Partner and Carl Ong, Audit Manager. Responses to the recommendations were provided by Scott Bloomquist, Regional Superintendent, on January 23, 2025.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of Boone and Winnebago Counties Regional Office of Education No. 4 was performed by Adelfia LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Boone and Winnebago Counties Regional Office of Education No. 4's basic financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Boone and Winnebago Counties Regional Office of Education No. 4, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Boone and Winnebago Counties Regional Office of Education No. 4'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 the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for 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 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 cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Boone and Winnebago Counties Regional Office of Education No. 4, as of June 30, 2020, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Boone and Winnebago Counties Regional Office of Education No. 4's basic financial statements. The cash basis combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The cash basis combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are the responsibility of management and were derived from and relates 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 cash basis combining schedule of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the cash basis of accounting described in Note 1.

Emphasis of Matter- Basis of Accounting

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2025 on our consideration of the Boone and Winnebago Counties Regional Office of Education No. 4'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 Boone and Winnebago Counties Regional Office of Education No. 4'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 Boone and Winnebago Counties Regional Office of Education No. 4's internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

Chicago, Illinois

March 13, 2025



**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 cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Boone and Winnebago Counties Regional Office of Education No. 4 as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Boone and Winnebago Counties Regional Office of Education No. 4’s basic financial statements, and have issued our report thereon dated March 13, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Boone and Winnebago Counties Regional Office of Education No. 4’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 Boone and Winnebago Counties Regional Office of Education No. 4’s internal control. Accordingly, we do not express an opinion on the effectiveness of Boone and Winnebago Counties Regional Office of Education No. 4’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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2020-001, 2020-002, and 2020-003 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Boone and Winnebago Counties Regional Office of Education No. 4'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2020-004.

Regional Office of Education No. 4's Responses to Findings

Boone and Winnebago Counties Regional Office of Education No. 4's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Boone and Winnebago Counties Regional Office of Education No. 4's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Boone and Winnebago Counties Regional Office of Education No. 4'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 Boone and Winnebago Counties Regional Office of Education No. 4's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
March 13, 2025

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITOR’S RESULTS
For the Year Ended June 30, 2020**

Financial Statements in accordance with Cash Basis

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

yes no

Significant deficiency(ies) identified?

yes none reported

Noncompliance material to financial statements noted?

yes no

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-001 - Inadequate Internal Control over Receipts (Partial Repeat from Finding 19-002)

CRITERIA/SPECIFIC REQUIREMENT:

Sound internal controls require a policy on timeliness of deposits, either based on dollar threshold or defined timeframe, from the date of receipt. There should be documentation of the date when cash and checks are received. Supporting documentation should be maintained for receipt transactions.

CONDITION:

During our testing of receipts, we noted the following:

- 14 of 40 receipts tested (35%), totaling \$173,682, had no documentation when the checks were received. As a result, we were unable to determine whether non-electronic cash receipts were deposited in a timely manner.
- 1 of 40 receipts tested (3%) totaling \$1,000, did not have any supporting documentation.

EFFECT:

Failure to establish and maintain adequate internal controls over receipts increases the risk of revenue loss, theft, or other irregularities and may not be found within the normal course of operations.

CAUSE:

The Regional Office of Education No. 4 officials indicated the exceptions noted above relate primarily to miscellaneous receipts (principally those received non-electronically) and not necessarily all cash receipts. The exceptions noted were due primarily to oversight.

RECOMMENDATION:

The Regional Office of Education No. 4 should maintain adequate documentation to ensure cash receipts are deposited in a timely manner and receipts are properly supported.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-001 - Inadequate Internal Control over Receipts (Partial Repeat from Finding 19-002) (Concluded)

MANAGEMENT RESPONSE:

When this matter was called to management’s attention in May 2024 (as part of the audit of fiscal year 2019), management promptly implemented improved procedures regarding miscellaneous cash receipts including improved documentation and standards for prompt deposit to the bank. We believe our improved procedures have addressed the concerns of this finding.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-002 - Inadequate Controls Over Bank Reconciliation Process (Repeat from Finding 19-003)

CRITERIA/SPECIFIC REQUIREMENT:

Effective internal control policies require complete and accurate accounting records of all transactions of the entity. Sound internal controls require bank reconciliations to be performed accurately and promptly, no later than the end of the following month. Reconciling items should be investigated immediately, and adjustments made to the general ledger. Bank reconciliations should also be reviewed and approved by a person independent of the preparer in a timely manner.

CONDITION:

The Regional Office of Education No. 4 maintains 17 bank accounts. We tested 5 of 17 (29%) bank accounts and reviewed their monthly reconciliations and noted the following:

- 47 of 60 (78%) monthly bank reconciliations were missing the date of when the reconciliation was prepared, therefore we were unable to determine if the bank reconciliation was prepared timely.

EFFECT:

Failure to prepare bank reconciliations on a timely basis may lead to loss or misuse of assets due to improper control and monitoring of bank accounts. Delay in the preparation of bank reconciliations renders this internal control procedure ineffective for immediately detecting irregularities and inaccuracies in the financial records.

CAUSE:

Regional Office of Education No. 4 officials indicated the exceptions noted above were due to the volume of accounts, and lack of sufficient staff.

RECOMMENDATION:

The Regional Office of Education No. 4 should prepare monthly bank reconciliations no later than the end of the following month.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-002 - Inadequate Controls Over Bank Reconciliation Process (Repeat from Finding 19-003) (Concluded)

MANAGEMENT’S RESPONSE:

The Regional Office of Education No. 4 has taken steps to reduce the number of cash bank accounts necessary for the organization, and has also placed a higher priority on the timely completion of monthly bank reconciliations. When this matter was particularly called to management’s attention in May 2024 (as part of the audit of fiscal year 2019), management took prompt steps to assure that all bank reconciliations since that time were begun timely, and all reconciling items identified by the end of the following month. In most cases, the reconciling items are now resolved in a similar timeframe or shortly thereafter, allowing timely final completion of the bank reconciliations.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-003 - Failure to Fully Insure and Collateralize Cash Balances

CRITERIA/SPECIFIC REQUIREMENT:

The Regional Office of Education No. 4 is required to follow the Illinois Public Funds Investment Act (30 ILCS 235/6 (d)) (Act). The Act gives the authorization for deposits in excess of the federally insured limit to be covered by pledged collateral held by the financial institution's trust departments in the Regional Office of Education No. 4's name. In addition, prudent business practice requires that all cash and investments held by the financial institutions for the Regional Office of Education No. 4 be adequately covered by depository insurance or collateral.

CONDITION:

As of June 30, 2020, the ROE had fifteen cash and investment accounts with bank balances totaling \$6,823,423 at one financial institution. The Federal Deposit Insurance Corporation (FDIC) covers up to a maximum of \$250,000. The financial institution pledged collateral with a value of \$6,409,419. The ROE did not have depository insurance or collateral for the remaining \$164,004.

EFFECT:

Failure to fully insure and collateralize the full amount of cash and investment balances may result in monetary losses to the Regional Office of Education No. 4 in the event of a bank failure.

CAUSE:

The Regional Office of Education No. 4 officials indicated the exception noted above was due to oversight and the practical limitations of managing the daily fluctuations in cash and in the market value of pledged securities.

RECOMMENDATION:

The Regional Office of Education No. 4 should regularly monitor balances held with financial institutions and secure sufficient pledged collateral. The Regional Office should ensure the value of collateral remains adequate for the balance of the Regional Office's accounts according to the agreement in place.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-003 - Failure to Fully Insure and Collateralize Cash Balances (Concluded)

MANAGEMENT’S RESPONSE:

Pledged collateral is monitored and managed at least monthly by The Regional Office of Education No. 4 and its bank. In June 2020, a rapid decline in market value (tied to the effects of the COVID-19 pandemic) affected the adequacy of market value for collateral, resulting in the shortfall of market value as of June 30, 2020. It should be noted, however, that the face value of the pledged securities was significantly higher at all times than the market value. Should circumstances have dictated, holding only a small portion of the collateral securities to maturity would have eliminated the risk of financial loss.

Further, in the normal course of its responsibilities, the Regional Office of Education No. 4’s bank identified the need to pledge additional collateral to address a market value shortfall. It did so promptly in July 2020.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

FINDING 2020-004 – Delay of Audit (Repeat from Findings 19-004, 18-001, 17-001, 16-001)

CRITERIA/SPECIFIC REQUIREMENT:

The Regional Office of Education No. 4 (ROE) is subject to 105 ILCS 5/2-3.17a which requires the Auditor General’s office to cause an audit to be made, as of June 30th of each year, of the financial statements of all accounts, funds and other moneys in the care, custody or control of the regional superintendent of schools of each educational service region in the State and of each educational service center established in the School Code. The audit is to be conducted in accordance with Generally Accepted Government Auditing Standards. The ROE may utilize a cash basis, modified cash basis, or generally accepted accounting principles (GAAP) basis of accounting to prepare the financial statements for audit. The ROE has chosen the cash basis of accounting for financial reporting.

In accordance with 105 ILCS 5/2-3.17a, the Auditor General has promulgated administrative rules and regulations to govern this process. Those rules, 74 Ill. Adm. Code 420.320 (c) (2), state that for audit purposes, each regional office of education and educational service center shall make available to the Auditor General or his designee all books and records deemed necessary to make and complete the required audits. The records shall be in auditable form by August 15th of the succeeding fiscal year. Financial reports are to be available no later than August 31st in order for the annual audit to be completed by an independent auditor selected by the Auditor General. In addition, prudent business practices and transparency require timely preparation and completion of financial statements.

CONDITION:

The Regional Office of Education No. 4 did not provide completed financial statements in an auditable form by the August 31st deadline. The June 30, 2019, audit was not released until July 17, 2024. The completed June 30, 2020, financial statements were provided to auditors on July 30, 2024.

EFFECT:

When financial statements and records are not provided in a timely manner, delays in the audit occur and the usefulness of the financial statements and related findings resulting from the audit is impacted. Additionally, untimely financial statements could result in repercussions from granting agencies including a loss of funding.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the Year Ended June 30, 2020**

**FINDING 2020-004 – Delay of Audit (Repeat from Findings 19-004, 18-001, 17-001, 16-001)
(Concluded)**

CAUSE:

The Regional Office of Education No. 4 officials indicated that the initial delays that affected earlier years related to internal personnel issues and software program changes that caused the office to experience difficulty in providing information by the required timeline. Since those initial causes have been largely resolved, the Regional Office of Education No. 4 has experienced delays in the preparation of the financial statements and schedules which contributed to an inability to get caught up.

RECOMMENDATION:

The Regional Office of Education No. 4 should implement procedures to ensure compliance with 105 ILCS 5/2-3.17a and 74 Ill. Adm. Code 420.320 (c) (2). These financial statements need to be presented to the Auditor General’s independent auditors for audit by the August 31st deadline.

MANAGEMENT’S RESPONSE:

The Regional Office of Education No. 4 has changed to the cash basis of accounting (as was previously recommended) and has continued to engage a Certified Public Accounting firm to prepare all financial statements and schedules necessary for audit. The Regional Office of Education No. 4 expects that it can cooperate with an accelerated schedule of past due audits so that this matter may be fully resolved without significant further delay. The cooperation of the Illinois Auditor General will be sought in order to explore an accelerated audit schedule.

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2020**

CORRECTIVE ACTION PLAN

FINDING 2020-001 - Inadequate Internal Control over Receipts (Partial Repeat from Finding 19-002)

CONDITION:

During our testing of receipts, we noted the following:

- 14 of 40 receipts tested (35%), totaling \$173,682, had no documentation when the checks were received. As a result, we were unable to determine whether non-electronic cash receipts were deposited in a timely manner.
- 1 of 40 receipts tested (3%) totaling \$1,000, did not have any supporting documentation.

PLAN:

The Regional Office of Education No. 4 has implemented the recommendations that came from the audit of fiscal year 2019 (received April 2024) related to the internal control over miscellaneous cash receipts. Policies and practices implemented in 2024 address, among other matters, the documentation of check receipt dates and timely bank deposits. The Regional Office of Education No. 4 maintains supporting documentation for all cash receipts.

ANTICIPATED DATE OF COMPLETION:

April 30, 2024

CONTACT PERSON:

Mr. Scott Bloomquist, Regional Superintendent of Schools

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2020**

CORRECTIVE ACTION PLAN (Continued)

FINDING 2020-002 - Inadequate Controls Over Bank Reconciliation Process (Repeat from Finding 19-003)

CONDITION:

The Regional Office of Education No. 4 maintains 17 bank accounts. We tested 5 of 17 (29%) bank accounts and reviewed their monthly reconciliations and noted the following:

- 47 of 60 (78%) monthly bank reconciliations were missing the date of when the reconciliation was prepared, therefore we were unable to determine if the bank reconciliation was prepared timely.

PLAN:

The Regional Office of Education No. 4 has implemented the recommendations that came from the audit of fiscal year 2019 (received April 2024) related to controls over bank reconciliations.

The Regional Office of Education No. 4 has significantly reduced (from 17 to fewer than five) the number of cash bank accounts necessary for the organization. While this has not reduced the number of monthly transactions, it has reduced some overlapping administrative time in the bank reconciliation process.

Further, new personnel were assigned reconciliation tasks in early fiscal year 2024, and since that time, we believe that all reconciliations have been completed timely. In addition, certain steps are being taken on a more-frequently-than-monthly basis to reduce the need for significant reconciliation time at the end of each month.

ANTICIPATED DATE OF COMPLETION:

April 30, 2024

CONTACT PERSON:

Mr. Scott Bloomquist, Regional Superintendent of Schools

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2020**

CORRECTIVE ACTION PLAN (Continued)

FINDING 2020-003 - Failure to Fully Insure and Collateralize Cash Balances

CONDITION:

As of June 30, 2020, the ROE had fifteen cash and investment accounts with bank balances totaling \$6,823,423 at one financial institution. The Federal Deposit Insurance Corporation (FDIC) covers up to a maximum of \$250,000. The financial institution pledged collateral with a value of \$6,409,419. The ROE did not have depository insurance or collateral for the remaining \$164,004.

PLAN:

The Regional Office of Education No. 4 will work closely with its bank (or an alternate financial institution if necessary) to explore treasury management alternatives that could eliminate or reduce the need for pledged collateral. Alternatively, a solution may involve requesting a greater amount of pledged collateral (as compared to cash balances) so that market fluctuations are less likely to result in a collateral shortfall at any time. The fiscal and executive management of Regional Office of Education No. 4 will continue to document the market value of every monthly report of collateral to assure its adequacy. This has been the practice since at least January 2023. Prompt action will be taken to eliminate any shortfall in the market value of collateral, should such a shortfall be identified.

ANTICIPATED DATE OF COMPLETION:

March 31, 2025

CONTACT PERSON:

Mr. Scott Bloomquist, Regional Superintendent of Schools

**BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2020**

CORRECTIVE ACTION PLAN (Concluded)

FINDING 2020-004 – Delay of Audit (Repeat from Findings 19-004, 18-001, 17-001, 16-001)

CONDITION:

The Regional Office of Education No. 4 did not provide completed financial statements in an auditable form by the August 31st deadline. The June 30, 2019, audit was not released until July 17, 2024. The completed June 30, 2020, financial statements were provided to auditors on July 30, 2024.

PLAN:

The Regional Office of Education No. 4 (“ROE 4”) has taken several important steps that positively impact this condition.

- The implementation of new accounting software. (Begun in FY 2017)
- The engagement of a Certified Public Accounting firm to prepare all financial statements and schedules necessary for audit. (First engaged in 2021 for the fiscal year 2018)
- The change to a cash basis of accounting (implemented for the financial statements for FY 2019)
- Engaged new personnel for management of the fiscal affairs for ROE 4 (effective during FY 2024)

These factors all positively affect the ability of ROE 4 to meet the requirements for the audit of its financial statements.

Further, ROE 4 intends to solicit the assistance and cooperation of Illinois Auditor General to plan an accelerated schedule of audits that will allow it to eliminate this finding and come in full compliance with 105 ILCS 5/2-3.17a and 74 Ill. Adm. Code 420.320 (c) (2).

- It is anticipated that financial statements for fiscal years 2021 and 2022 will be made available in Spring 2025 so that an audit might be completed by Fall 2025.
- We further expect to produce financial statements for fiscal years 2023 and 2024 in Fall 2025 and that audits might be scheduled for completion in early-mid 2026.

If this schedule can be maintained, this condition may be eliminated for the FY2026 financial statements.

ANTICIPATED DATE OF COMPLETION:

August 31, 2026

CONTACT PERSON:

Mr. Scott Bloomquist, Regional Superintendent of Schools

BOONE AND WINNEBAGO COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 4
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the Year Ended June 30, 2020

2019-001	Lack of Adequate Controls over Review of Internal Controls over External Service Providers	Not Repeated
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During the current audit, the Regional Office of Education No. 4 implemented corrective action and implemented controls over review of internal controls over external service providers.

BASIC FINANCIAL STATEMENTS

Boone and Winnebago Counties
Regional Office of Education No. 4
Cash Basis Statement of Activities and Net Position
As of and for the Year Ended June 30, 2020

	Program Receipts			Net (Disbursement) Receipts and Changes in Cash Basis Net Position		
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS						
Primary government:						
Governmental activities:						
Instructional services						
Salaries and benefits	\$ 3,653,945	\$ -	\$ 826,194	\$ (2,827,751)	\$ -	\$ (2,827,751)
Pension expense	46,587	-	10,534	(36,053)	-	(36,053)
OPEB expense	23,270	-	5,262	(18,008)	-	(18,008)
Purchased services	354,684	-	80,198	(274,486)	-	(274,486)
Supplies and materials	230,257	-	52,063	(178,194)	-	(178,194)
Other objects	36,633	-	8,283	(28,350)	-	(28,350)
Intergovernmental:						
Payments to other governments	115,612	-	26,141	(89,471)	-	(89,471)
Administrative						
On-behalf payments - State	2,489,420	-	-	(2,489,420)	-	(2,489,420)
On-behalf payments - local	356,962	-	-	(356,962)	-	(356,962)
Capital outlay	14,259	-	3,224	(11,035)	-	(11,035)
Total governmental activities	7,321,629	-	1,011,899	(6,309,730)	-	(6,309,730)
Business-type activities:						
Professional development	210,460	247,786	-	-	37,326	37,326
Total business-type activities	210,460	247,786	-	-	37,326	37,326
Total primary government	\$ 7,532,089	\$ 247,786	\$ 1,011,899	(6,309,730)	37,326	(6,272,404)
General receipts:						
Local sources				1,736,193	10,204	1,746,397
State sources				2,867,205	-	2,867,205
On-behalf payments - State				2,489,420	-	2,489,420
On-behalf payments - local				356,962	-	356,962
Total general receipts				7,449,780	10,204	7,459,984
CHANGE IN CASH BASIS NET POSITION				1,140,050	47,530	1,187,580
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,				3,043,836	1,821,276	4,865,112
CASH BASIS NET POSITION, END OF YEAR				\$ 4,183,886	\$ 1,868,806	\$ 6,052,692
CASH BASIS NET POSITION						
Restricted				\$ 822,569	\$ -	\$ 822,569
Unrestricted				3,361,317	1,868,806	5,230,123
TOTAL CASH BASIS NET POSITION				\$ 4,183,886	\$ 1,868,806	\$ 6,052,692

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

Boone and Winnebago Counties
Regional Office of Education No. 4
Governmental Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Governmental Funds</u>
RECEIPTS:					
Federal sources	\$ 102,311	\$ 198,336	\$ -	\$ -	\$ 300,647
State sources	2,867,205	709,099	-	2,153	3,578,457
Local sources	1,415,100	174,840	96,559	49,694	1,736,193
On-behalf payments - State	297,125	-	-	-	297,125
On-behalf payments - local	356,962	-	-	-	356,962
Total revenues	<u>5,038,703</u>	<u>1,082,275</u>	<u>96,559</u>	<u>51,847</u>	<u>6,269,384</u>
DISBURSEMENTS:					
Instructional services:					
Salaries and benefits	2,838,770	794,814	1,271	19,090	3,653,945
Pension expense	34,687	11,900	-	-	46,587
OPEB expense	20,532	2,738	-	-	23,270
Purchased services	242,346	103,210	1,350	7,778	354,684
Supplies and materials	202,842	11,875	-	15,540	230,257
Other objects	23,864	-	4,843	7,926	36,633
Intergovernmental:					
Payments to other governments	61,430	54,182	-	-	115,612
Administrative:					
On-behalf payments - State	297,125	-	-	-	297,125
On-behalf payments - local	356,962	-	-	-	356,962
Capital expenditures	4,667	-	-	9,592	14,259
Total expenditures	<u>4,083,225</u>	<u>978,719</u>	<u>7,464</u>	<u>59,926</u>	<u>5,129,334</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	<u>955,478</u>	<u>103,556</u>	<u>89,095</u>	<u>(8,079)</u>	<u>1,140,050</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>955,478</u>	<u>103,556</u>	<u>89,095</u>	<u>(8,079)</u>	<u>1,140,050</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	<u>2,405,839</u>	<u>(17,157)</u>	<u>525,465</u>	<u>129,689</u>	<u>3,043,836</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,361,317</u>	<u>\$ 86,399</u>	<u>\$ 614,560</u>	<u>\$ 121,610</u>	<u>\$ 4,183,886</u>
CASH BASIS FUND BALANCES					
Restricted	\$ -	\$ 144,381	\$ 614,560	\$ 121,610	\$ 880,551
Assigned	3,079,398	-	-	-	3,079,398
Unassigned	281,919	(57,982)	-	-	223,937
TOTAL CASH BASIS FUND BALANCES	<u>\$ 3,361,317</u>	<u>\$ 86,399</u>	<u>\$ 614,560</u>	<u>\$ 121,610</u>	<u>\$ 4,183,886</u>

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

Boone and Winnebago Counties
Regional Office of Education No. 4
Proprietary Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020

	Business-Type Activities -		
	Enterprise Funds		
	Local Workshops	Nonmajor Enterprise Fund - Fingerprinting	Total
OPERATING RECEIPTS:			
Charges for services	\$ 231,148	\$ 16,638	\$ 247,786
Local sources	9,460	744	10,204
Total operating receipts	<u>240,608</u>	<u>17,382</u>	<u>257,990</u>
OPERATING DISBURSEMENTS:			
Salaries and benefits	72,658	-	72,658
Pension expense	2,515	-	2,515
OPEB expense	184	-	184
Purchased services	98,793	670	99,463
Supplies and materials	16,550	-	16,550
Other objects	10,956	1,424	12,380
Capital outlay	-	6,710	6,710
Total disbursements	<u>201,656</u>	<u>8,804</u>	<u>210,460</u>
CHANGE IN CASH AND CASH EQUIVALENTS	38,952	8,578	47,530
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,726,990</u>	<u>94,286</u>	<u>1,821,276</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,765,942</u>	<u>\$ 102,864</u>	<u>\$ 1,868,806</u>
CASH BASIS NET POSITION			
Unrestricted	<u>\$ 1,765,942</u>	<u>\$ 102,864</u>	<u>\$ 1,868,806</u>

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Fiduciary Fund
Cash Basis Statement of Fiduciary Net Position
June 30, 2020**

	<u>Agency Fund</u>
ASSETS	
Cash and cash equivalents	\$ <u>727,957</u>
NET POSITION	
Restricted for individuals, organizations, and other governments	\$ <u>727,957</u>

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Boone/Winnebago Counties Regional Office of Education No. 4 (ROE No. 4) operates under the School Code (Articles 3 and 3A of Illinois Compiled Statutes, Chapter 105). This encompasses Boone and Winnebago Counties, Illinois. The Regional Superintendent serves as chief administrative officer of the ROE No. 4 and is elected to the position for a four-year term pursuant to Article 3 of Illinois Compiled Statutes, Chapter 105.

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

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of the school districts on or before each September 30; maintenance of a map and numbering of the ROE No. 4's districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; performing and reporting on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions; and carrying out other related duties required or permitted by law.

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

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Scope of the Reporting Entity

The ROE No. 4's reporting entity includes all related organizations for which it exercises oversight responsibility.

The ROE No. 4 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in its financial reporting entity. The criteria include, but are not limited to, whether the ROE No. 4 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, other than the two agreements detailed below, have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the ROE No. 4 does not control the assets, operations, or management of the districts or joint agreements. In addition, the ROE No. 4 is not aware of any entity that would exercise such oversight as to result in the ROE No. 4 being considered a component unit of the entity.

On July 1, 1995, the ROE No. 4 entered into an intergovernmental agreement executed pursuant to the provisions of the Intergovernmental Cooperation Clause of the Illinois Constitution as well as the provisions of the Intergovernmental Cooperation Act of 1973 and the Illinois Admin. Code 525.110. The name of the Educational Service delivery system formed is known as the Kishwaukee Intermediate Delivery Systems (KIDS). Membership in KIDS is made up of the following Regional Offices of Education: Boone/Winnebago, DeKalb, and McHenry. The ROE No. 4 was designated as the administrative agent and has reported the activity of this agreement in their financial statements as a blended component unit.

On July 1, 1999, the ROE No. 4 entered into an intergovernmental agreement with several participating school districts of the region pursuant to the provisions of Intergovernmental Cooperation Clause of the Illinois Constitution and the provisions of the Intergovernmental Cooperation Act of 1973 to form an alternative school known as the Boone-Winnebago Regional Alternative School. Membership in the Regional Alternative School is

Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

extended to all public school districts in the region, and any school district desiring to participate may petition the Regional Alternative School Board to join. Membership is on a year-to-year basis. The Regional Alternative School Board is composed of the superintendent of each participating district and the Regional Superintendent of Schools. The Regional Superintendent was designated as the administrative, legal, and fiscal agent of the Regional Alternative School, and the Regional Office has reported the activity of this agreement in their financial statements as a blended component unit.

C. Basis of Presentation

The government-wide financial statement (i.e., Cash Basis Statement of Activities and Net Position) reports information on all of the nonfiduciary activities of the ROE No. 4. For the most part, the effect of inter-activity has been removed from this statement. The statement distinguishes between those activities of the ROE No. 4 that are governmental in nature and those that are considered business-type activities. Governmental activities normally are supported by operating grants and contributions, charges for services and intergovernmental revenues. Business-type activities normally are supported by amounts assessed or received from local sources for the ROE No. 4's programs.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include 1) charges to users who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Items not properly included among program receipts are reported instead as general receipts. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Cash Basis Statement of Activities and Net Position presents the ROE No. 4's nonfiduciary net position. Net position is reported in the following categories/components:

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

D. Fund Accounting

The accounts of the ROE No. 4 are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets arising from cash and cash equivalent transactions, fund balance, receipts received, and disbursements paid. The resources allocated to and accounted for in individual funds are based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following summarizes the fund types used:

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

General Fund - The General Fund is the operating fund of the ROE No. 4. It is used to account for the expenditures that benefit all school districts in the Region except those required to be accounted for in other funds. General Funds include the following:

Audiovisual Co-op - This fund accounts for monies received and disbursed by the Regional Superintendent as administrative agent for the Boone/Winnebago Audiovisual Co-op.

Credit Recovery - This fund accounts for monies received and disbursed in connection with a program that allows students who have previously failed classes an opportunity to capture credits toward graduation.

Educational Service Center No. 1 - This fund accounts for monies received and disbursed to support the activities of the Educational Service Center No. 1.

General Operations - This fund accounts for monies received and disbursed in connection with general administrative activities.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payroll - This fund accounts for all payroll costs disbursed by the ROE No. 4. Any fund that has payroll remits the money to the Payroll Fund as administering agent, which then disburses payments to employees, vendors, and payroll taxing authorities.

Regional Alternative School - General State Aid (GSA) - This program accounts for grant monies received and disbursed for the general operations of the Regional Alternative School.

Regional Learning Center - GSA - This program accounts for grant monies received and disbursed for the general operations of the Regional Learning Center.

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

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

McKinney-Vento Homeless Children and Youth - This program accounts for grant monies received and disbursed assisting school districts in identifying and providing assistance to at-risk students. This program offers services to homeless children and youth primarily who are of school age. Preschool-aged children also receive services to ensure access to early childhood and preschool programs.

Regional Safe Schools - This program accounts for grant monies received and disbursed for activities for disruptive students who are eligible for suspension or expulsion.

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

Technology for Success - This program accounts for monies received and disbursed incurred to create and support ongoing learning team focused on alignment of classroom-level assessment and instruction.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Title I - School Improvement & Accountability - The Illinois State Board of Education (ISBE) Quality Assurance Process consists of an external visit to audit each school every few years and an internal review that each school must conduct annually. The ROE No. 4 is charged with supporting and guiding schools through this complex school improvement process so that teaching and learning improve every year.

Title II - Teacher Quality - Leadership - This program accounts for grant monies received and disbursed to provide online training that is required by the Illinois Performance Evaluation Reform Act to train education administrators to evaluate other administrators and teachers. The program is designed to increase the number of highly qualified administrators and teachers, leading to increased student academic achievement.

Truants Alternative - This program accounts for grant monies received and disbursed for optional education opportunities to school dropouts, potential dropouts, and truants of the region.

Pilot Regional Safe School Cooperative Education Program - This program accounts for grant monies received and disbursed related to providing suspended or expelled youth at the Regional Safe School with alternative cooperative education including classroom work and experience in the private sector.

Individualized Education Programs (IEP) - This program accounts for grant monies received and disbursed related to facilitation services focused on developing mutually acceptable IEP for children with known or suspected disabilities.

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nonmajor Special Revenue Funds

General Education Development (GED) - Illinois law requires the Regional Superintendent of Schools of each county or counties to administer the GED test. Testing fees are used for test administration, testing materials, and diplomas on successful completion of the test.

Bus Driver Training - Experienced bus drivers must take a two-hour instructional refresher course annually, while all new drivers must take an eight-hour course in bus driver safety and first aid, prescribed by the ISBE and administered by the ROE No. 4.

Supervisory - This fund was developed by the General Assembly to help support the day-to-day activities of the Regional Superintendent.

Testing Center - This fund is used to account monies received and disbursed for activity provided from the new testing center operated by the ROE No. 4.

Richard Fairgrievies Scholarship Fund - This fund is used to account monies received and disbursed by tracking the activity of the scholarship fund that was established by family and friends of Dr. Fairgrievies.

Proprietary Funds

Proprietary Funds - Proprietary funds account for revenues and expenses related to services provided to organizations inside the Region on a cost-reimbursement basis. The ROE No. 4 reports the following enterprise funds:

Local Workshops - This enterprise fund tracks revenues received and expenses incurred in offering professional development workshops for teachers and administrators and other services for the school districts in Boone and Winnebago Counties.

Nonmajor Enterprise Fund - Nonmajor enterprise fund consists of:

Fingerprinting - This enterprise fund accounts for the activity to provide fingerprinting services for background checks for school district personnel.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Agency Funds - Agency funds are used to account for assets held by the ROE No. 4 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 and do not involve measurement of results of operations. The ROE No. 4 reports the following agency funds:

Career Education Associates of North Central Illinois (CEANCI) - This fund accounts for the assets held by the ROE No. 4 for the benefit of CEANCI, an intergovernmental agreement between the Belvidere, Byron, Harlem, Hononegah, North Boone, Oregon, Rockford, South Beloit, Stillman Valley, and Winnebago school districts for the purpose of directing the region's career and technical education programs. The policy-making CEANCI Board of Governors is composed of the school district superintendents. The ROE No. 4 serves as the administrative agent.

Boone County School Facility Occupation Tax - This fund accounts for the School Facility Occupation Tax receipts and distributions to the Boone County school districts. This tax is collected by the State on behalf of Boone County and remitted to the ROE No. 4 for distribution to the Boone County school districts.

E. Measurement Focus and Basis of Accounting

The ROE No. 4 maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the ROE No. 4 are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. In addition, other economic assets, deferred outflow of resources, liabilities, and deferred inflow of resources that do not arise from cash transactions and events are not reported.

Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with GAAP.

Under the terms of grant agreements, the ROE No. 4 funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the ROE No. 4's policy to first apply cost-reimbursement grant resources to such programs and then general receipts.

Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When a reimbursement in governmental funds can be paid using either restricted or unrestricted resources, the ROE No. 4's policy is generally to first apply the disbursement toward restricted fund balance and then to unrestricted classification, committed, assigned and then unassigned fund balances.

The ROE No. 4 records on-behalf payments made by the State to the Teachers' Retirement System (TRS) and the Teachers' Health Insurance Security Fund (THIS) as receipts and disbursements.

Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the ROE No. 4's enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services, and administrative expenses. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

F. Governmental Cash Basis Fund Balance

Fund Balance is divided into five classifications based primarily on the extent to which the ROE No. 4 is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classification are as follows:

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

Restricted Fund Balance - The portion of a Governmental Fund's net position that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Education Fund - Regional Safe Schools, ROE/ISC Operations, Technology for Success, Truants Alternative, and Pilot Regional Safe School Cooperative Education Program. The following fund balances are restricted by Illinois State Statute: Nonmajor Special Revenue Funds - General Education Development, Bus Driver Training, Testing Center, and Institute Fund.

Committed Fund Balance - The portion of a Governmental Fund's net position with self-imposed constraints or limitations that have been placed

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

at the highest level of decision making. There are no accounts presenting a committed fund balance.

Assigned Fund Balance - The portion of a Governmental Fund's net position to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts comprise assigned fund balance: Audiovisual Co-op, Educational Service Center No. 1, Regional Alternative School - GSA, and Regional Learning Center - GSA.

Unassigned Fund Balance - Available expendable financial resources in a governmental fund that are not designated for a specific purpose. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes. The unassigned fund balance is made up of the Credit Recovery, General Operations, Payroll, McKinney - Vento Homeless Children and Youth, Title I - School Improvement & Accountability, Title II - Teacher Quality - Leadership, and Individualized Education Programs.

G. Cash and Cash Equivalents

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

H. Employer Contributions to Pension and OPEB Plans

The ROE No. 4 recognizes the disbursement for employer contributions to pension and other employer postemployment benefits (OPEB) plans when they are paid. As described in Notes 3 and 4, the employer contributions include portions for pension benefits and for OPEB.

I. Internal Activity

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

J. Budget Information

Overall budgeting is not a legal requirement for the ROE No. 4. Formal budgets are not adopted for all funds; therefore budgetary comparison schedules are not included for certain programs in the financial statements.

The ROE No. 4 is the recipient of grants from ISBE for which comparison of budget and actual results are required. The comparison of budgeted and actual results for the following programs are reported as supplementary information:

Special Revenue Funds:

- Education Fund:
 - McKinney - Vento Homeless Children and Youth
 - Regional Safe Schools
 - ROE/ISC Operations
 - Title II - Teacher Quality - Leadership
 - Truants Alternative
 - Pilot Regional Safe School Cooperative Education Program

K. New Accounting Pronouncement

In 2020, the ROE No. 4 implemented Governmental Accounting Standards Board (GASB) Statement No. 95 - Postponement of the Effective Dates of Certain Authoritative Guidance. GASB Statement No. 95 extends the effective dates of certain accounting and financial reporting provisions that were first effective for reporting periods beginning after June 15, 2018. The primary objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 2 CASH AND CASH EQUIVALENTS

The ROE No. 4 is permitted to invest in securities as authorized by 30 ILCS-235/2 and 6 and 105 ILCS-5/8-7. It is the policy of the ROE No. 4 to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the ROE No. 4 and conforming to all State statutes governing the investment of public funds. This policy includes all funds under the care and control of the Regional Superintendent of Schools.

Deposits. At June 30, 2020, the carrying amounts of the ROE No. 4's government-wide fund and agency fund deposits were \$6,052,692 and \$727,957, respectively, and the bank balances were \$6,114,690 and \$921,452, respectively. Of the total bank balances as of June 30, 2020, \$250,000 was secured by federal depository insurance, \$212,719 was invested in the Illinois Funds Money Market Fund, and \$6,409,419 was fully collateralized. At June 30, 2020, the market value of the bank collateral was \$164,004 below bank balances.

Custodial Credit Risk. Custodial credit risk for deposits with financial institutions is the risk that, in the event of bank failure, the ROE No. 4's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the ROE No. 4's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral, by a written agreement, and held at an independent, third-party institution in the name of the ROE No. 4.

Investments. The ROE No. 4 has a formal investment policy that permits it to invest only in certain instruments, including, among others, securities guaranteed by the full faith and credit of the United States of America as to principal and interest; bonds, notes, and similar obligations of the United States of America; interest-bearing deposits or other direct obligations of any bank as defined by the Illinois Banking Act, 205 ILCS 5/1 et seq.; short-term obligations of U.S. corporations with assets exceeding \$500,000,000 if they are rated at the time of purchase at one of the three highest classifications by at least two standard rating services, if they do not exceed 10% of the corporation's outstanding obligations, and if no more than one-third of the ROE No. 4's funds are invested in commercial paper; and certain money market mutual funds registered under the Federal Investment Company Act of 1940, 14 U.S.C. 80a-1 et seq. As of June 30, 2020, the ROE No. 4 had investments with carrying and fair values of \$212,719 invested in the Illinois Funds Money Market Fund.

Credit Risk. At June 30, 2020, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 2 CASH AND CASH EQUIVALENTS (Continued)

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

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

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

NOTE 3 DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

IMRF Plan Description

The ROE No. 4'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 ROE No. 4's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the

**Boone and Winnebago Counties
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June 30, 2020**

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

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, 2019, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	51
Inactive Plan Member entitled to but not yet receiving benefits	35
Active Plan Members	24
Total	110

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

Contributions

As set by statute, the ROE No. 4's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The ROE No. 4's annual contribution rate for calendar year 2019 was 4.15%. For the fiscal year ended June 30, 2020, the ROE No. 4 contributed \$33,992 to the plan. The ROE No. 4 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Teachers' Retirement System of the State of Illinois

Plan Description

The ROE No. 4 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/fy2019>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 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.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

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. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lumpsum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lumpsum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2019, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the ROE No. 4.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the ROE No. 4. For the year ended June 30, 2020,

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 3 DEFINED BENEFIT PENSION PLAN (Continued)

State of Illinois contributions recognized by the ROE No. 4 were based on the State's proportionate share of the collective net pension liability associated with the ROE No. 4, and the ROE No. 4 recognized receipts and disbursements of \$2,032,797 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020, were \$14,797.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the ROE No. 4, there is a statutory requirement for the ROE No. 4 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, 2019.

Previously, the ROE No. 4 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, 2020, the ROE No. 4's pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$2,934 were paid from federal and special trust funds that required employer contributions of \$313.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The ROE No. 4 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the ROE No. 4 did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 4 OTHER POST EMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

THIS Plan Description

The ROE No. 4 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 postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (CMS) as of July 1, 2013. CMS administers the plan with the cooperation of the 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 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 ROE No. 4. For the year ended June 30, 2020, State of Illinois contributions recognized by the ROE No. 4 were based on the State's proportionate share of the collective net OPEB liability associated with the ROE No. 4, and recognized receipts and disbursements of \$159,498 in OPEB contributions from the State of Illinois.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 4 OTHER POST EMPLOYMENT BENEFITS (Continued)

Employer Contributions to the THIS Fund

The ROE No. 4 also makes contributions to the THIS Fund. The ROE No. 4 THIS Fund contribution was 0.92 percent during the year ended June 30, 2020 and 0.92, 0.88, 0.84, and 0.80 percent during the years ended June 30, 2019, June 30, 2018, June 30, 2017 and June 30, 2016, respectively. For the year ended June 30, 2020, the ROE No. 4 paid \$23,454 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2019, June 30, 2018, June 30, 2017, and June 30, 2016, the ROE No. 4 paid \$22,042, \$19,092, \$18,478 and \$17,176, respectively, which was 100 percent of the required contributions.

Further Information on the THIS Fund

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

Health Insurance Plan

Plan Administration

The ROE No. 4 provides a single-employer defined benefit post-employment healthcare plan to retirees who participate in the IMRF retirement plan. This plan extends the same health benefits as to active employees in the IMRF plan. Retirees pay the full cost of coverage.

Eligibility Provisions

Full-Time Employees - IMRF

Tier I IMRF Full-Time employees:

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

Tier II IMRF Full-Time employees:

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 4 OTHER POST EMPLOYMENT BENEFITS (Continued)

Full-Time Employees - TRS

Tier I TRS Full-Time employees:

- Age 55 with at least 20 years of service (Reduced Pension)
- Age 55 with at least 35 years of service (Full Pension)
- Age 60 with at least 10 years of service (Full Pension)
- Age 62 with at least 5 years of service (Full Pension)

Tier II TRS Full-Time employees:

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

Plan Membership

As of June 30, 2019, the measurement date, the following employees were covered by the benefit terms:

	Participants
Active employees fully eligible	5
Active employees not yet eligible	40
Retired plan members	—
Total	45

Funding Policy and Contributions

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

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

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

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 5 LEASE COMMITMENT

The ROE No. 4 leases the southeast wing, six additional rooms, and a storage area in the building at 100 Heart Boulevard, Loves Park, Illinois, from the City of Loves Park. The lease term is from August 1, 2011 to July 31, 2016; rent is \$3,800 per month. During the fiscal year, the Winnebago County paid for \$3,000 of the monthly rental payment or a total of \$36,000 and was recognized as on-behalf revenue and expense by the ROE No. 4. The ROE No. 4 exercised their option of the lease to extend the original lease agreement for ten years commencing August 1, 2016. All other terms and conditions of the lease agreement shall remain the same during the renewal term.

The ROE No. 4 leases classrooms and office space from the Rockford Board of Education School District #205 located at 5949 Safford Road, Rockford, Illinois. The lease term is from June 1, 2013 to June 30, 2018; rent is \$6,042 per month. Subsequent to June 30, 2018, the term of the lease is month-to-month.

In May 2020, the ROE No. 4 entered into an agreement to lease a building from the Board of Education School District No. 122 located at 1102 Evans Avenue, Machesney Park, Illinois. The lease term is from July 1, 2020 to June 30, 2022. Annual rent for the first year is \$145,158, while annual rent for the second year is \$150,818. In February 2022, the lease term was extended through June 30, 2025.

Rent expense for the year ended June 30, 2020, was \$93,112. Future minimum rentals are as follows for the years ending:

For the Years Ending June 30	Amount
2021	\$ 145,958
2022	161,089
2023	162,118
2024	165,530
2025	169,015
Thereafter	20,081
Total	<u>\$ 823,791</u>

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 6 ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries on behalf of the ROE No. 4:

Regional Superintendent salary	\$ 119,832
Regional Superintendent fringe benefits (includes State paid insurance)	33,246
Assistant Regional Superintendents salary	107,844
Assistant Regional Superintendent fringe benefits (includes State paid insurance)	<u>36,203</u>
Total	<u>\$ 297,125</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent were calculated based on data provided by the ISBE. The on-behalf payments are reflected as receipts and disbursements in the General Fund.

The ROE No. 4 also recorded \$2,192,295 in receipts and disbursements as on-behalf payments from ISBE for the ROE No. 4's share of the State's TRS pension expense and THIS Fund OPEB expense in the Cash Basis Statement of Activities and Net Position. In addition, the ROE No. 4 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	\$ 297,125
ROE No. 4's share of TRS pension expense	2,032,797
ROE No. 4's share of THIS OPEB expense	<u>159,498</u>
Total	<u>\$ 2,489,420</u>

Boone and Winnebago Counties provide the ROE No. 4 with staff and pay certain expenditures on behalf of the ROE No. 4. The expenditures paid on the ROE No. 4's behalf for the year ended June 30, 2020, were as follows:

Salaries and benefits	\$ 238,604
Purchased services and supplies	<u>118,358</u>
Total	<u>\$ 356,962</u>

The local on-behalf payments are reflected as receipts and disbursements in the General Fund.

**Boone and Winnebago Counties
Regional Office of Education No. 4
Notes to the Financial Statements
June 30, 2020**

NOTE 7 RISK MANAGEMENT

The ROE No. 4 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 ROE No. 4 has purchased commercial insurance to cover these risks. No losses have been incurred in excess of the amounts covered by insurance over the past three years.

NOTE 8 DEFICIT FUND BALANCES/NET POSITION

The following individual funds carried the following deficit balances as of June 30, 2020:

Funds with Deficit Fund Balances	Amount
General Fund:	
Credit Recovery	\$ 5,334
Education Fund:	
McKinney Vento Homeless Children and Youth	20,115
Title I - School Improvement & Accountability	24,598
Title II - Teacher Quality - Leadership	1,770
Individualized Education Programs	11,499

NOTE 9 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 13, 2025, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

Boone and Winnebago Counties Regional Office of Education No. 4
General Fund Account
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020

	<u>Audiovisual Co-op</u>	<u>Credit Recovery</u>	<u>Educational Service Center No. 1</u>	<u>General Operations</u>
RECEIPTS:				
Federal sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	130,314
Local sources	-	1,690	1,221	25,187
On-behalf payments - State	-	-	-	297,125
On-behalf payments - local	-	-	-	356,962
Total receipts	<u>-</u>	<u>1,690</u>	<u>1,221</u>	<u>809,588</u>
DISBURSEMENTS:				
Instructional services:				
Salaries and benefits	1,582	11,798	-	-
Pension expense	80	57	-	-
OPEB expense	-	98	-	-
Purchased services	8	-	-	5,030
Supplies and materials	-	-	-	7,367
Other objects	-	-	-	13,114
Intergovernmental:				
Payments to other governments	-	-	-	61,430
Administrative:				
On-behalf payments - State	-	-	-	297,125
On-behalf payments - local	-	-	-	356,962
Capital outlay	-	-	-	-
Total disbursements	<u>1,670</u>	<u>11,953</u>	<u>-</u>	<u>741,028</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(1,670)	(10,263)	1,221	68,560
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	<u>3,790</u>	<u>4,929</u>	<u>141,499</u>	<u>169,619</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,120</u>	<u>\$ (5,334)</u>	<u>\$ 142,720</u>	<u>\$ 238,179</u>
CASH BASIS FUND BALANCES				
Assigned	\$ 2,120	\$ -	\$ 142,720	\$ -
Unassigned	-	(5,334)	-	238,179
TOTAL CASH BASIS FUND BALANCES	<u>\$ 2,120</u>	<u>\$ (5,334)</u>	<u>\$ 142,720</u>	<u>\$ 238,179</u>

Boone and Winnebago Counties Regional Office of Education No. 4

General Fund Account

Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020

	Payroll	Regional Alternative School - GSA	Regional Learning Center - GSA	Total
RECEIPTS:				
Federal sources	\$ -	\$ -	\$ 102,311	\$ 102,311
State sources	-	1,159,114	1,577,777	2,867,205
Local sources	44,229	5,843	1,336,930	1,415,100
On-behalf payments - State	-	-	-	297,125
On-behalf payments - local	-	-	-	356,962
Total receipts	44,229	1,164,957	3,017,018	5,038,703
DISBURSEMENTS:				
Instructional services:				
Salaries and benefits	60,474	820,179	1,944,737	2,838,770
Pension expense	-	9,244	25,306	34,687
OPEB expense	-	6,596	13,838	20,532
Purchased services	341	60,608	176,359	242,346
Supplies and materials	-	47,152	148,323	202,842
Other objects	-	-	10,750	23,864
Intergovernmental:				
Payments to other governments	-	-	-	61,430
Administrative:				
On-behalf payments - State	-	-	-	297,125
On-behalf payments - local	-	-	-	356,962
Capital outlay	-	-	4,667	4,667
Total disbursements	60,815	943,779	2,323,980	4,083,225
CHANGE IN CASH AND CASH EQUIVALENTS	(16,586)	221,178	693,038	955,478
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	65,660	849,585	1,170,757	2,405,839
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 49,074	\$ 1,070,763	\$ 1,863,795	\$ 3,361,317
CASH BASIS FUND BALANCES				
Assigned	\$ -	\$ 1,070,763	\$ 1,863,795	\$ 3,079,398
Unassigned	49,074	-	-	281,919
TOTAL CASH BASIS FUND BALANCES	\$ 49,074	\$ 1,070,763	\$ 1,863,795	\$ 3,361,317

**Boone and Winnebago Counties
Regional Office of Education No. 4
Education Fund**

**Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020**

	McKinney - Vento Homeless Children and Youth	Regional Safe Schools	ROE/ISC Operations	Technology for Success	Title I - School Improvement & Accountability
RECEIPTS:					
Federal sources	\$ 131,575	\$ -	\$ -	\$ -	\$ -
State sources	-	180,326	178,339	-	-
Local sources	-	-	174,840	-	-
Total receipts	<u>131,575</u>	<u>180,326</u>	<u>353,179</u>	<u>-</u>	<u>-</u>
DISBURSEMENTS:					
Instructional services:					
Salaries and benefits	19,378	161,008	306,383	-	-
Pension expense	-	614	6,765	-	-
OPEB expense	-	1,055	1,552	-	-
Purchased services	2,573	-	47,499	-	-
Supplies and materials	752	-	9,839	-	-
Intergovernmental:					
Payments to other governments	54,182	-	-	-	-
Capital outlay	-	-	-	-	-
Total disbursements	<u>76,885</u>	<u>162,677</u>	<u>372,038</u>	<u>-</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS	54,690	17,649	(18,859)	-	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	<u>(74,805)</u>	<u>10,748</u>	<u>72,204</u>	<u>25,670</u>	<u>(24,598)</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ (20,115)</u></u>	<u><u>\$ 28,397</u></u>	<u><u>\$ 53,345</u></u>	<u><u>\$ 25,670</u></u>	<u><u>\$ (24,598)</u></u>
CASH BASIS FUND BALANCES					
Restricted	\$ -	\$ 28,397	\$ 53,345	\$ 25,670	\$ -
Unassigned	(20,115)	-	-	-	(24,598)
TOTAL CASH BASIS FUND BALANCES	<u><u>\$ (20,115)</u></u>	<u><u>\$ 28,397</u></u>	<u><u>\$ 53,345</u></u>	<u><u>\$ 25,670</u></u>	<u><u>\$ (24,598)</u></u>

**Boone and Winnebago Counties
Regional Office of Education No. 4
Education Fund
Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020**

	Title II - Teacher Quality - Leadership	Truants Alternative	Pilot Regional Safe School Cooperative Education Program	Individualized Education Programs	Total
RECEIPTS:					
Federal sources	\$ 300	\$ -	\$ -	\$ 66,461	\$ 198,336
State sources	-	300,941	49,493	-	709,099
Local sources	-	-	-	-	174,840
Total receipts	<u>300</u>	<u>300,941</u>	<u>49,493</u>	<u>66,461</u>	<u>1,082,275</u>
DISBURSEMENTS:					
Instructional services:					
Salaries and benefits	-	256,031	48,627	3,387	794,814
Pension expense	-	4,521	-	-	11,900
OPEB expense	-	131	-	-	2,738
Purchased services	1,800	14,314	294	36,730	103,210
Supplies and materials	-	1,284	-	-	11,875
Intergovernmental:					
Payments to other governments	-	-	-	-	54,182
Capital outlay	-	-	-	-	-
Total disbursements	<u>1,800</u>	<u>276,281</u>	<u>48,921</u>	<u>40,117</u>	<u>978,719</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(1,500)	24,660	572	26,344	103,556
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	<u>(270)</u>	<u>7,383</u>	<u>4,354</u>	<u>(37,843)</u>	<u>(17,157)</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ (1,770)</u>	<u>\$ 32,043</u>	<u>\$ 4,926</u>	<u>\$ (11,499)</u>	<u>\$ 86,399</u>
CASH BASIS FUND BALANCES					
Restricted	\$ -	\$ 32,043	\$ 4,926	\$ -	\$ 144,381
Unassigned	(1,770)	-	-	(11,499)	(57,982)
TOTAL CASH BASIS FUND BALANCES	<u>\$ (1,770)</u>	<u>\$ 32,043</u>	<u>\$ 4,926</u>	<u>\$ (11,499)</u>	<u>\$ 86,399</u>

**Boone and Winnebago Counties
Regional Office of Education No. 4
Education Fund
Budgetary Comparison Schedule - Cash Basis
As of and for the Year Ended June 30, 2020**

	McKinney - Vento Homeless Children and Youth			Regional Safe Schools			ROE/ISC Operations		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS:									
Federal sources	\$ 89,440	\$ 131,575	\$ 42,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	166,198	180,326	14,128	186,048	178,339	(7,709)
Local sources	-	-	-	-	-	-	-	174,840	174,840
Total receipts	<u>89,440</u>	<u>131,575</u>	<u>42,135</u>	<u>166,198</u>	<u>180,326</u>	<u>14,128</u>	<u>186,048</u>	<u>353,179</u>	<u>167,131</u>
DISBURSEMENTS:									
Instructional services:									
Salaries and benefits	19,267	19,378	(111)	164,213	161,008	3,205	152,784	306,383	(153,599)
Pension expense	-	-	-	-	614	(614)	-	6,765	(6,765)
OPEB expense	-	-	-	-	1,055	(1,055)	-	1,552	(1,552)
Purchased services	2,158	2,573	(415)	1,985	-	1,985	21,588	47,499	(25,911)
Supplies and materials	-	752	(752)	-	-	-	3,908	9,839	(5,931)
Other objects	-	-	-	-	-	-	-	-	-
Intergovernmental:									
Payments to other governments	68,015	54,182	13,833	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	7,768	-	7,768
Total expenditures	<u>89,440</u>	<u>76,885</u>	<u>12,555</u>	<u>166,198</u>	<u>162,677</u>	<u>3,521</u>	<u>186,048</u>	<u>372,038</u>	<u>(185,990)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>54,690</u>	<u>\$ 54,690</u>	<u>\$ -</u>	<u>17,649</u>	<u>\$ 17,649</u>	<u>\$ -</u>	<u>(18,859)</u>	<u>\$ (18,859)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,		<u>(74,805)</u>			<u>10,748</u>			<u>72,204</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR		<u>\$ (20,115)</u>			<u>\$ 28,397</u>			<u>\$ 53,345</u>	

**Boone and Winnebago Counties
Regional Office of Education No. 4
Education Fund
Budgetary Comparison Schedule - Cash Basis
As of and for the Year Ended June 30, 2020**

	Title II -Teacher Quality - Leadership			Truants Alternative			Pilot Regional Safe School Cooperative Education Program		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS:									
Federal sources	\$ -	\$ 300	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	3,568	-	(3,568)	269,302	300,941	31,639	48,878	49,493	615
Local sources	-	-	-	-	-	-	-	-	-
Total receipts	<u>3,568</u>	<u>300</u>	<u>(3,268)</u>	<u>269,302</u>	<u>300,941</u>	<u>31,639</u>	<u>48,878</u>	<u>49,493</u>	<u>615</u>
DISBURSEMENTS:									
Instructional services:									
Salaries and benefits	-	-	-	249,532	256,031	(6,499)	48,351	48,627	(276)
Pension expense	-	-	-	-	4,521	(4,521)	-	-	-
OPEB expense	-	-	-	-	131	(131)	-	-	-
Purchased services	3,568	1,800	1,768	18,720	14,314	4,406	527	294	233
Supplies and materials	-	-	-	1,050	1,284	(234)	-	-	-
Other objects	-	-	-	-	-	-	-	-	-
Intergovernmental:									
Payments to other governments	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Total expenditures	<u>3,568</u>	<u>1,800</u>	<u>1,768</u>	<u>269,302</u>	<u>276,281</u>	<u>(6,979)</u>	<u>48,878</u>	<u>48,921</u>	<u>(43)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>(1,500)</u>	<u>\$ (1,500)</u>	<u>\$ -</u>	<u>24,660</u>	<u>\$ 24,660</u>	<u>\$ -</u>	<u>572</u>	<u>\$ 572</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,		<u>(270)</u>			<u>7,383</u>			<u>4,354</u>	
CASH AND CASH EQUIVALENTS, END OF YEAR		<u>\$ (1,770)</u>			<u>\$ 32,043</u>			<u>\$ 4,926</u>	

**Boone and Winnebago Counties
Regional Office of Education No. 4
Nonmajor Special Revenue Funds**
**Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash and Cash Equivalents
As of and for the Year Ended June 30, 2020**

	General Education Development	Bus Driver Training	Supervisory	Testing Center	Richard Fairgrievs Scholarship Fund	Total
RECEIPTS:						
State sources	\$ -	\$ 2,153	\$ -	\$ -	\$ -	\$ 2,153
Local sources	6,586	7,735	-	35,373	-	49,694
Total receipts	<u>6,586</u>	<u>9,888</u>	<u>-</u>	<u>35,373</u>	<u>-</u>	<u>51,847</u>
DISBURSEMENTS:						
Instructional services:						
Salaries and benefits	-	-	-	19,090	-	19,090
Purchased services	316	7,310	-	152	-	7,778
Supplies and materials	8,889	17	-	6,634	-	15,540
Other objects	54	4,466	1,010	1,371	1,025	7,926
Capital outlay	-	-	-	9,592	-	9,592
Total disbursements	<u>9,259</u>	<u>11,793</u>	<u>1,010</u>	<u>36,839</u>	<u>1,025</u>	<u>59,926</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(2,673)	(1,905)	(1,010)	(1,466)	(1,025)	(8,079)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR,	<u>31,952</u>	<u>16,527</u>	<u>1,010</u>	<u>79,175</u>	<u>1,025</u>	<u>129,689</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 29,279</u>	<u>\$ 14,622</u>	<u>\$ -</u>	<u>\$ 77,709</u>	<u>\$ -</u>	<u>\$ 121,610</u>
CASH BASIS FUND BALANCES						
Restricted - other	<u>\$ 29,279</u>	<u>\$ 14,622</u>	<u>\$ -</u>	<u>\$ 77,709</u>	<u>\$ -</u>	<u>\$ 121,610</u>

Boone and Winnebago Counties
Regional Office of Education No. 4
Fiduciary Funds
Combining Schedule of Cash Basis Assets and Fiduciary Net Position
and Cash Additions, Deductions, and Changes in
Cash Basis Fiduciary Net Position
As of and for the Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2020</u>
<u>CAREER EDUCATION ASSOCIATES</u>				
<u>OF NORTH CENTRAL ILLINOIS</u>				
ASSETS				
Cash and cash equivalents	\$ 613,197	\$ 2,729,442	\$ 2,614,682	\$ 727,957
CASH BASIS NET POSITION	<u>\$ 613,197</u>	<u>\$ 2,729,442</u>	<u>\$ 2,614,682</u>	<u>\$ 727,957</u>
<u>BOONE COUNTY SCHOOL FACILITY</u>				
<u>OCCUPATION TAX</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 2,999,931	\$ 2,999,931	\$ -
CASH BASIS NET POSITION	<u>\$ -</u>	<u>\$ 2,999,931</u>	<u>\$ 2,999,931</u>	<u>\$ -</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 613,197	\$ 5,729,373	\$ 5,614,613	\$ 727,957
CASH BASIS NET POSITION	<u>\$ 613,197</u>	<u>\$ 5,729,373</u>	<u>\$ 5,614,613</u>	<u>\$ 727,957</u>

Boone and Winnebago Counties
Regional Office of Education No. 4
Boone County School Facility Occupation Tax
Schedule of Cash Disbursements to School District Treasurers and Other Entities
For the Year Ended June 30, 2020

District	Boone County School Facility Occupation Tax
Belvidere CUSD #100	\$ 2,483,339
Harvard CUSD #50	3,881
Hiawatha CUSD #426	4,693
North Boone CUSD #200	506,454
Rockford SD #205	1,412
Regional Office of Education #4	152
	\$ 2,999,931
	\$ 2,999,931