

State of Illinois
KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

FINANCIAL AUDIT
(In Accordance with the Uniform Guidance)
FOR THE YEAR ENDED JUNE 30, 2023

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31

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KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31

OFFICIALS

Regional Superintendent (Current and during the audit period)

Ms. Patricia Dal Santo

Assistant Regional Superintendent (Current and during the audit period)

Ms. Deanna Oliver

Office is located at:

28 N. First Street
Geneva, Illinois 60134

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

COMPLIANCE REPORT SUMMARY

For the Year Ended June 30, 2023

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

AUDITOR'S REPORT

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

SUMMARY OF AUDIT FINDINGS

Number of	This Audit	Prior Audit
Audit findings	0	1
Repeated audit findings	0	0
Prior recommendations implemented or not repeated	1	1

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

Item No.	Page	Description	Finding Type
<i>FINDINGS (GOVERNMENT AUDITING STANDARDS)</i>			
None			
<i>FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)</i>			
None			
<i>PRIOR AUDIT FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)</i>			
None			
<i>PRIOR AUDIT FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)</i>			
2022-001	16	Inadequate Controls Over Grant Related Payroll Disbursements	Significant Deficiency

EXIT CONFERENCE

The Kane County Regional Office of Education No. 31 did not request an exit conference to discuss the audit for the year ended June 30, 2023.

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31
FINANCIAL STATEMENT REPORT SUMMARY

For the Year Ended June 30, 2023

The audit of the accompanying modified cash basis financial statements of the Kane County Regional Office of Education No. 31 was performed by GW & Associates PC.

Based on their audit, the auditors expressed an unmodified opinion on the Kane County Regional Office of Education No. 31's modified cash basis financial statements.



INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Kane County Regional Office of Education No. 31, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Kane County Regional Office of Education No. 31's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kane County Regional Office of Education No. 31, as of June 30, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Kane County Regional Office of Education No. 31, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kane County Regional Office of Education No. 31's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the Kane County Regional Office of Education No. 31's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Expenditures of Federal Awards, as required by Uniform Guidance are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the modified cash basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024, on our consideration of the Kane County Regional Office of Education No. 31's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Kane County Regional Office of Education No. 31's internal control over financial reporting and compliance.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 25, 2024



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

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kane County Regional Office of Education No. 31, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Kane County Regional Office of Education No. 31's modified cash basis financial statements, and we have issued our report thereon dated March 25, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Kane County Regional Office of Education No. 31's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Kane County Regional Office of Education No. 31's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kane County Regional Office of Education No. 31'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 Kane County Regional Office of Education No. 31's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 25, 2024



**INDEPENDENT AUDITOR'S
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

As Special Assistant Auditors for the Auditor General, we have audited compliance by the Kane County Regional Office of Education No. 31 with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Kane County Regional Office of Education No. 31's major federal programs for the year ended June 30, 2023. The Kane County Regional Office of Education No. 31's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Kane County Regional Office of Education No. 31 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Kane County Regional Office of Education No. 31 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Kane County Regional Office of Education No. 31's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Kane County Regional Office of Education No. 31's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Kane County Regional Office of Education No. 31's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Kane County Regional Office of Education No. 31's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Kane County Regional Office of Education No. 31's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Kane County Regional Office of Education No. 31's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Kane County Regional Office of Education No. 31's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control

over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

[FIRM SIGNATURE ON FILE]

Hillside, Illinois
March 25, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

KANE COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 31
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements in Accordance with Modified Cash Basis

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiency identified?	None reported
• Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material weakness identified?	No
• Significant deficiency identified?	No
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance With 2 CFR 200.516(a)?	No

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.425	COVID-19 - Education Stabilization Fund

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

Auditee qualified as low-risk auditee? No

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

Section II - Financial Statement Findings

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

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

Section III - Federal Award Findings

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

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS

For the Year Ended June 30, 2023

Corrective Action Plan

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

KANE COUNTY
REGIONAL OFFICE OF EDUCATION NO. 31

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED

For the Year Ended June 30, 2023

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
2022-001	Inadequate Controls Over Grant Related Payroll Disbursements	Not Repeated
	For the current audit, no errors in controls over grant related payroll disbursements were noted.	

BASIC FINANCIAL STATEMENTS

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 13,078,513	\$ 429,388	\$ 13,507,901
Due from other governments	6,907	-	6,907
Investments	2,176,240	-	2,176,240
Total current assets	15,261,660	429,388	15,691,048
Noncurrent assets:			
Capital assets, net	25,940	57,715	83,655
Total assets	\$ 15,287,600	\$ 487,103	\$ 15,774,703
NET POSITION			
Net investment in capital assets	25,940	57,715	83,655
Restricted for educational purposes	2,619,692	-	2,619,692
Unrestricted	12,641,968	429,388	13,071,356
Total net position	\$ 15,287,600	\$ 487,103	\$ 15,774,703

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2023

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Primary Government Business-Type Activities</u>	<u>Total</u>
Functions/programs:						
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 1,800,209	\$ -	\$ 2,013,439	\$ 213,230	\$ -	\$ 213,230
Purchased services	956,643	-	1,066,674	110,031	-	110,031
Supplies and materials	211,432	-	237,208	25,776	-	25,776
Other objects	723	-	811	88	-	88
Pension	54,382	-	67,252	12,870	-	12,870
OPEB	1,947	-	2,184	237	-	237
Capital outlay	127,438	-	181,319	53,881	-	53,881
Depreciation	5,350	-	-	(5,350)	-	(5,350)
Intergovernmental:						
Payments to other governments	<u>8,069,968</u>	<u>-</u>	<u>9,053,804</u>	<u>983,836</u>	<u>-</u>	<u>983,836</u>
Total governmental activities	11,228,092	-	12,622,691	1,394,599	-	1,394,599
Business-type activities						
Operating	<u>1,005,651</u>	<u>736,770</u>	<u>-</u>	<u>-</u>	<u>(268,881)</u>	<u>(268,881)</u>
Total primary government	<u>\$ 12,233,743</u>	<u>\$ 736,770</u>	<u>\$ 12,622,691</u>	<u>1,394,599</u>	<u>(268,881)</u>	<u>1,125,718</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2023**

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government</u>	
			<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General revenues:					
Local sources			345,974	-	345,974
Interest			252,153	-	252,153
Transfers			<u>(398,038)</u>	<u>398,038</u>	<u>-</u>
Total general revenues			<u>200,089</u>	<u>398,038</u>	<u>598,127</u>
Changes in net position			1,594,688	129,157	1,723,845
Net position at beginning of year			<u>13,692,912</u>	<u>357,946</u>	<u>14,050,858</u>
Net position at end of year			<u>\$ 15,287,600</u>	<u>\$ 487,103</u>	<u>\$ 15,774,703</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General Fund	Education Fund	Institute Fund
ASSETS			
Cash and cash equivalents	\$ 10,458,821	\$ 211,959	\$ 2,168,994
Due from other funds	177,374	-	-
Due from other governments	6,907	-	-
Investments	2,176,240	-	-
Total assets	\$ 12,819,342	\$ 211,959	\$ 2,168,994
LIABILITIES AND FUND BALANCES (DEFICIT)			
Liabilities:			
Due to other funds	\$ -	\$ 177,374	\$ -
Fund balances (deficit):			
Restricted	-	211,959	2,168,994
Assigned	3,404,089	-	-
Unassigned	9,415,253	(177,374)	-
Total fund balances (deficit)	12,819,342	34,585	2,168,994
Total liabilities and fund balances (deficit)	\$ 12,819,342	\$ 211,959	\$ 2,168,994

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Nonmajor Special Revenue Funds	Total Governmental Funds
ASSETS	<u> </u>	<u> </u>
Cash and cash equivalents	\$ 238,739	\$ 13,078,513
Due from other funds	-	177,374
Due from other governments	-	6,907
Investments	<u>-</u>	<u>2,176,240</u>
Total assets	<u>\$ 238,739</u>	<u>\$ 15,439,034</u>
LIABILITIES AND FUND BALANCES (DEFICIT)		
Liabilities:		
Due to other funds	<u>\$ -</u>	<u>\$ 177,374</u>
Fund balances (deficit):		
Restricted	238,739	2,619,692
Assigned	-	3,404,089
Unassigned	<u>-</u>	<u>9,237,879</u>
Total fund balances (deficit)	<u>238,739</u>	<u>15,261,660</u>
Total liabilities and fund balances (deficit)	<u>\$ 238,739</u>	<u>\$ 15,439,034</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET - MODIFIED CASH BASIS TO THE STATEMENT OF
NET POSITION - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2023**

Total fund balance - governmental funds	\$ 15,261,660
Amounts reported for governmental activities in the Statement of Net Position - Modified Basis are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>25,940</u>
Net position of governmental activities	<u>\$ 15,287,600</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT) - MODIFIED
CASH BASIS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Education Fund</u>	<u>Institute Fund</u>
Revenues:			
Local sources	\$ 28,768	\$ 5,575	\$ 286,196
State sources	9,585,431	1,562,053	-
Federal sources	-	1,472,056	-
Interest	<u>247,465</u>	<u>-</u>	<u>4,688</u>
Total revenues	<u>9,861,664</u>	<u>3,039,684</u>	<u>290,884</u>
Expenditures:			
Instructional services:			
Salaries and benefits	403,019	1,397,190	-
Purchased services	208,381	598,744	132,634
Supplies and materials	29,675	180,718	860
Other objects	24	-	139
Pension	21,375	33,007	-
OPEB	672	1,275	-
Intergovernmental:			
Payments to other governments	7,838,649	231,319	-
Capital outlay	<u>38,216</u>	<u>117,520</u>	<u>-</u>
Total expenditures	<u>8,540,011</u>	<u>2,559,773</u>	<u>133,633</u>
Excess of revenues over expenditures	<u>1,321,653</u>	<u>479,911</u>	<u>157,251</u>
Other financing sources (uses):			
Transfers in	93,401	2,042	-
Transfers out	<u>(352,042)</u>	<u>(141,439)</u>	<u>-</u>
Total other financing sources (uses)	<u>(258,641)</u>	<u>(139,397)</u>	<u>-</u>
Net changes in fund balances	1,063,012	340,514	157,251
Fund balances (deficit) at beginning of year	<u>11,756,330</u>	<u>(305,929)</u>	<u>2,011,743</u>
Fund balances at end of year	<u>\$ 12,819,342</u>	<u>\$ 34,585</u>	<u>\$ 2,168,994</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT) - MODIFIED
CASH BASIS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

	Nonmajor Special Revenue Funds	Total Governmental Funds
	<u> </u>	<u> </u>
Revenues:		
Local sources	\$ 25,435	\$ 345,974
State sources	3,151	11,150,635
Federal sources	-	1,472,056
Interest	-	252,153
	<u> </u>	<u> </u>
Total revenues	<u>28,586</u>	<u>13,220,818</u>
Expenditures:		
Instructional services:		
Salaries and benefits	-	1,800,209
Purchased services	16,884	956,643
Supplies and materials	179	211,432
Other objects	560	723
Pension	-	54,382
OPEB	-	1,947
Intergovernmental:		
Payments to other governments	-	8,069,968
Capital outlay	-	155,736
	<u> </u>	<u> </u>
Total expenditures	<u>17,623</u>	<u>11,251,040</u>
Excess of revenues over expenditures	<u>10,963</u>	<u>1,969,778</u>
Other financing sources (uses):		
Transfers in	-	95,443
Transfers out	-	(493,481)
	<u> </u>	<u> </u>
Total other financing sources (uses)	<u>-</u>	<u>(398,038)</u>
Net changes in fund balances	10,963	1,571,740
Fund balances (deficit) at beginning of year	<u>227,776</u>	<u>13,689,920</u>
Fund balances at end of year	<u>\$ 238,739</u>	<u>\$ 15,261,660</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT) - MODIFIED CASH BASIS
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

Net changes in fund balances - governmental funds \$ 1,571,740

Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets that are capitalized is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized expenditures (\$28,298) exceeded depreciation (\$5,350) in the current period.

22,948

Change in net position of governmental activities \$ 1,594,688

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF NET POSITION - MODIFIED CASH BASIS -
PROPRIETARY FUNDS
JUNE 30, 2023**

	Business-type Activities		
	ESC	Nonmajor	Total
ASSETS	Professional Development	Funds	Total
Current assets:			
Cash and cash equivalents	\$ 273,752	\$ 155,636	\$ 429,388
Noncurrent assets:			
Capital assets, net	57,715	-	57,715
Total assets	\$ 331,467	\$ 155,636	\$ 487,103
NET POSITION			
Net investment in capital assets	\$ 57,715	\$ -	\$ 57,715
Unrestricted	273,752	155,636	429,388
Net position	\$ 331,467	\$ 155,636	\$ 487,103

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
MODIFIED CASH BASIS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023**

	<u>Business-type Activities</u>		
	<u>ESC</u>		
	<u>Professional</u>	<u>Nonmajor</u>	
	<u>Development</u>	<u>Funds</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 391,808	\$ 344,962	\$ 736,770
Operating expenses:			
Salaries and benefits	145,225	62,554	207,779
Purchased services	380,073	261,301	641,374
Supplies and materials	87,717	1,996	89,713
Depreciation	21,214	-	21,214
Pension	2,144	2,964	5,108
OPEB	549	-	549
Other objects	4,077	1,423	5,500
Capital outlay	34,414	-	34,414
Total operating expenses	<u>675,413</u>	<u>330,238</u>	<u>1,005,651</u>
Operating income (loss)	<u>(283,605)</u>	<u>14,724</u>	<u>(268,881)</u>
Transfers in (out):			
Transfers in	489,154	-	489,154
Transfers out	<u>-</u>	<u>(91,116)</u>	<u>(91,116)</u>
Total transfers in (out)	<u>489,154</u>	<u>(91,116)</u>	<u>398,038</u>
Changes in net position	205,549	(76,392)	129,157
Net position at beginning of year	<u>125,918</u>	<u>232,028</u>	<u>357,946</u>
Net position at end of year	<u>\$ 331,467</u>	<u>\$ 155,636</u>	<u>\$ 487,103</u>

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS -
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	<u>Business-type Activities</u>		
	<u>ESC</u>		
	<u>Professional</u>	<u>Nonmajor</u>	<u>Total</u>
	<u>Development</u>	<u>Funds</u>	
Cash flows from operating activities:			
Receipts from customers	\$ 391,808	\$ 344,962	\$ 736,770
Payments to suppliers and providers of goods and services	(506,281)	(264,720)	(771,001)
Payments to employees	<u>(147,918)</u>	<u>(65,518)</u>	<u>(213,436)</u>
Net cash provided by (used for) operating activities	(262,391)	14,724	(247,667)
Cash flows from noncapital financing activities:			
Transfers from (to) other funds	<u>489,154</u>	<u>(91,116)</u>	<u>398,038</u>
Net increase (decrease) in cash and cash equivalents	226,763	(76,392)	150,371
Cash and cash equivalents at beginning of year	<u>46,989</u>	<u>232,028</u>	<u>279,017</u>
Cash and cash equivalents at end of year	<u>\$ 273,752</u>	<u>\$ 155,636</u>	<u>\$ 429,388</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (283,605)	\$ 14,724	\$ (268,881)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	<u>21,214</u>	<u>-</u>	<u>21,214</u>
Net cash provided by (used for) operating activities	<u>\$ (262,391)</u>	<u>\$ 14,724</u>	<u>\$ (247,667)</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED
CASH BASIS - FIDUCIARY FUNDS - CUSTODIAL FUNDS
JUNE 30, 2023**

ASSETS	
Cash and cash equivalents	\$ -
LIABILITIES	
Due to other governments	<u>6,907</u>
NET POSITION (DEFICIT)	
Unrestricted	<u>\$ (6,907)</u>

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

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
MODIFIED CASH BASIS - FIDUCIARY FUNDS - CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023**

Additions:	
State and federal funds collected for other entities	\$ 2,378,551
Funds held for other entities	<u>320,775</u>
Total additions	<u>2,699,326</u>
Deductions:	
State and federal funds distributed to other entities	2,378,551
Funds held for other entities	<u>397,783</u>
Total deductions	<u>2,776,334</u>
Changes in net position	(77,008)
Net position at beginning of year	<u>70,101</u>
Net position (deficit) at end of year	<u><u>\$ (6,907)</u></u>

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

NOTES TO FINANCIAL STATEMENTS

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the basic financial statements of the Kane County Regional Office of Education No. 31 ("ROE No. 31") have been prepared in conformity with the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, as applicable to governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The ROE No. 31 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Kane County.

The Regional Superintendent of Schools is the chief administrative officer of the region and is elected to the position for a four-year term. The Regional Superintendent is responsible for the supervision and control of the school districts.

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art, and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health, and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. 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 ROE No. 31 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters. The ROE No. 31 exercises no oversight responsibility on financial interdependency, selection of governing authority, designation of management, or the ability to significantly influence the operations of any other outside agencies. Control or dependency is determined on the basis of budget adoption, taxing authority, funding, and apportionment of the respective governing order. Therefore, no other agency has been included as a component unit of the ROE No. 31's financial statements. In addition, the ROE No. 31 is not aware of any entity that would exercise oversight as to result in the ROE No. 31 being considered a component unit of the entity.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

B. Government-wide and Fund Financial Statements

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

The Statement of Net Position - Modified Cash Basis includes all of the ROE No. 31's assets, including capital assets, and liabilities in accordance with the modified cash basis of accounting. The Statement of Activities - Modified Cash Basis demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

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

Certain eliminations have been made as prescribed by governmental accounting standards in regard to interfund activities, such as, payables, receivables and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due from/to on the governmental fund Balance Sheet - Modified Cash Basis and the proprietary fund Statement of Net Position - Modified Cash Basis, and as other sources and other uses on the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) - Modified Cash Basis and on the proprietary fund Statement of Revenues, Expenses, and Changes in Net Position - Modified Cash Basis. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position - Modified Cash Basis have been eliminated.

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

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

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

The government-wide statements report using the economic resources measurement focus, while the governmental fund financial statements report using the current financial resources measurement focus. Since the governmental fund financial statements are presented on a different measurement focus than the government-wide statements (due mainly to inclusion of capital assets and long-term debt activity in the government-wide presentation) a reconciliation is presented, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

Basis of accounting refers to when revenues received and expenses or expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The ROE No. 31 maintains its accounting records for all funds on the modified cash basis of accounting. Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions, with the exception of interfund receivables and payables. Their revenues are recognized when they are received, and expenses or expenditures are recognized when paid. Generally accepted accounting principles require the recognition of revenue when it becomes “measurable” and “available” as net current assets and, generally, expenses or expenditures when the related fund liability is incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the ROE No. 31's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

It is the ROE No. 31's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

1. Governmental Funds

The ROE No. 31 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the ROE No. 31 and is used to account for all financial resources except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the ROE No. 31. Included in this fund are:

Regional Program Development - Accounts for monies received for, and payment of expenditures to provide for the general improvement and expansion of education within ROE No. 31 including the educational program for the students at the Kane County Juvenile Justice Center (Youth Home Education).

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

General State Aid - Accounts for the grant monies received for, and payment of expenditures for Regional Learning Academy supplements.

Youth Home Education - Account for the grant monies received for, and payment of expenditures to provide an educational program for the students at the Kane County Juvenile Justice Center.

Local Truancy - Accounts for revenues from local sources to address the truancy problem in Kane County.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. Included among these funds are:

Education Fund - This special revenue 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:

Regional Safe Schools - Accounts for the grant monies received for, and payment of expenditures of the alternative school program for at-risk youth, creating alternative placement for those students.

Truants' Alternative and Optional Education Program (TAOEP) - Accounts for grant monies received for, and payment of expenditures of the Truants' Alternative Program.

Title II – Teacher Quality - Leadership - Accounts for grant monies received for, and payment of expenditures incurred in providing professional development training to teachers for improvement of instruction in the classroom.

Title I – School Improvement and Accountability - Accounts for the grant monies received for, and payment of expenditures of the Title I - Accountability grant. This grant provides school districts with funds to carry out their school improvement and corrective action responsibilities under Section 1116 (c) of Title I while offering students in schools identified for improvement and corrective action the opportunity to transfer to another higher performing public school, including a public charter within the district.

McKinney Education for Homeless Children - Accounts for grant monies received for, and payment of expenditures to provide counseling and educational support to homeless children and their families. The programs are funded by a Federal Stewart B. McKinney Education for Homeless Children and Youth Grant administered through the Will County Regional Office of Education No. 56.

ROE/ISC Operations - Accounts for grant monies received for, and payment of expenditures in assisting schools in all areas of school improvement.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Title I Delinquent - Accounts for the revenues and expenditures associated with ongoing professional development for administrators and teachers for the improvement of students' reading.

Regional Safe School (RSS) Cooperative Education - In cooperation with Gifford Street High School, ROE No. 31 will provide a program fostering enhanced experiences of employment related to their current CTE courses. A focus of the program will be on assisting students to locate career opportunities where advancement is possible.

Elementary and Secondary School Emergency School Relief II (ESSER II) - Accounts for grant monies received for, and payment of expenditures of, the Elementary and Secondary School Emergency Relief II Fund (ESSER II). This grant provides emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. Funds may be used for any purposes listed in section 18003(d) of the CARES Act and Section 313 of the CRRSA.

Elementary and Secondary School Emergency School Relief (ESSER) - Accounts for grant monies received for, and payment of expenditures of the Elementary and Secondary School Emergency Relief Fund (ESSER). This grant provides emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. Funds may be used for any purposes listed in section 18003(d) of the CARES Act.

COPS Office School Violence Prevention Program Award (COPS Grant) - Accounts for an award for \$210,540 in federal funds over a three-year award period under the 2020 COPS Office School Violence Prevention Program (SVPP). ROE No. 31 may use SVPP award funds to improve security at schools and on school grounds within their jurisdiction through evidence-based school safety programs.

Digital Equity Formula - Elementary and Secondary Relief - Accounts for grant monies received for, and payment of expenditures to assist school districts in closing the digital divide and enabling digital-age teaching and learning. School districts may use funds to provide students with technology tools and home internet access necessary for technology-rich remote learning experiences.

Elementary and Secondary School Emergency School Relief III ARP (ESSER III) - Under the Elementary and Secondary School Emergency Relief III ARP Fund (ESSER III), the Department awards grants to State educational agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. LEAs must provide services to students and teachers in public schools as required under the American Rescue Plan Act of 2021.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Digital Equity Formula - Elementary and Secondary Relief II - To assist school districts in closing the digital divide and enabling digital-age teaching and learning. School districts may use funds to provide students with technology tools necessary for technology-rich learning experiences. All purchases must be prioritized first to ensure 1:1 ratio of devices to students.

American Rescue Plan for Homeless Children and Youth - Accounts for grant monies received for and payment of expenditures to provide services to all identified children and youth experiencing homelessness. Funds support efforts to identify homeless children and youth and provide them with comprehensive, wrap-around services that address needs arising from the COVID-19 pandemic and allow them to attend school and participate fully in all school activities. The program is administered through the Will County Regional Office of Education No. 56.

American Rescue Plan - Community Partnership Grant - Accounts for grant monies received for and payment of expenditures for the purpose of addressing gaps in opportunities and the COVID-19 pandemic's impact on interrupted learning by developing or expanding relationships between schools, community-based organizations, and mental health providers to benefit the well-being of children, parents, and school staff.

Institute Fund - To account for the stewardship of the assets held for the benefit of the teachers. Fees are collected from registration of teachers' licenses. Monies are expended to conduct teachers' institutes, conferences, and workshops. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds - The ROE No. 31 reported the following special revenue funds as nonmajor governmental funds:

General Educational Development (GED) - Accounts for the revenues and expenditures associated with the processing of applications for the high school level test of General Education Development and the issuance of diplomas upon the successful completion of the examination.

Bus Driver Training - Accounts for the revenues received from individuals and contractors to sponsor instructional training courses for school bus drivers.

2. Proprietary Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

The ROE No. 31 reports the following proprietary funds:

Education Service Center (ESC) Professional Development - Accounts for local monies received for, and payment of expenditures from workshops conducted by ROE No. 31. Also accounts for local revenues and disbursements related to the Academy Program.

Nonmajor Proprietary Funds - The ROE No. 31 reported the following proprietary funds as nonmajor proprietary funds:

Technology - A collaboration between the Northeastern Illinois Regional Offices of Education to provide computer workshops for the teachers of Northern Illinois. This fund is locally funded by Area 1, which is comprised of Northeastern Illinois Regional Offices of Education.

Kane County Library Resources Consortium - Accounts for monies received for, and payment of expenditures for the Kane County Public Schools Library Resources program.

Visual Media Cooperative - Accounts for funds received and disbursed by the Regional Superintendent as administrative agent for the Kane County Visual Media Cooperative. The Visual Media Cooperative is a cooperative of school districts, which maintains a library of educational films. New and replacement films and videos are financed from rental charges to users.

Kane County Human Resources Consortium - Accounts for monies received for, and payment of expenditures for the Kane County Human Resources Consortium program.

Criminal Background Investigation - Accounts for the fees received from the school districts to pay for the processing of fingerprinting the substitute teachers and expenditures incurred providing this service to the school districts.

3. Fiduciary Funds

Fiduciary funds are used to account for assets held by the ROE No. 31 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Custodial funds are used to report fiduciary activities that are not required to be reported as another fiduciary fund type. Custodial funds include the following:

Distributive - Accounts for state and federal funds appropriated to Valley Education for Employment System and to school districts which are paid through the ROE No. 31. These proceeds are received and disbursed to these entities and accounted for in a trustee capacity.

RSAC - The ROE No. 31 serves as a fiscal agent on behalf of the Illinois Association of Regional School Superintendents (IARSS) for the Raising Student Achievement Conference. As the committee chair for the conference is employed by the ROE No. 31, administrative services to coordinate the conference registrations and related expenditures of hosting the conference are the responsibility of the ROE No. 31.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Illinois Coalition for Education At-Risk Youth - The ROE No. 31 serves as a fiscal agent on behalf of the Illinois Coalition for Education At-Risk Youth (ICEARY). As a committee chair for ICEARY is employed by the ROE No. 31, administrative services related to membership dues and conference registrations and related expenditures are the responsibility of the ROE No. 31.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

The ROE No. 31 considers cash on hand, checking accounts, savings accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that ROE No. 31 deposit funds under its control into accounts insured by the federal governments, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

Statutes authorize the ROE No. 31 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

2. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due from/to other funds" in the fund financial statements. Balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Capital Assets

Capital assets are reported in the applicable columns in the government-wide financial statements. Capital assets, such as equipment, are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Office equipment and furniture	3 - 7
Leasehold improvements	7

In the fund financial statements, capital assets used in governmental operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

4. Equity Classifications

Government-wide and Proprietary Fund Statements

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

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

Restricted net position - Consists of restricted assets reduced by liabilities related to those assets.

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

Governmental Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets and liabilities in a governmental fund. The following types of fund balances may be presented on the governmental funds' Balance Sheet - Modified Cash Basis, the General Fund and Education Fund Combining Schedules of Accounts - Modified Cash Basis, and the Nonmajor Special Revenue Funds Combining Balance Sheet - Modified Cash Basis:

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

Restricted Fund Balance - the portion of a governmental fund's fund balance that is subject to external enforceable legal restrictions. The following accounts' fund balances are restricted by grant agreements or contracts: Regional Safe Schools, Truants Alternative / Optional Education, McKinney Education for Homeless Children, ROE/ISC Operations, Title I Delinquent, American Rescue Plan for Homeless Children and Youth, and RSS Cooperative Education. The following funds are restricted by Illinois Statute: Institute, General Education Development, and Bus Driver Training.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

Assigned Fund Balance - the portion of a governmental fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts comprise assigned fund balance: Youth Home Education and Local Truancy.

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The unassigned fund balance is made up of the Regional Program Development, General State Aid, COPS Grant, ESSER III, Digital Equity Formula - Elementary and Secondary Relief II, and American Rescue Plan - Community Partnership Grant.

2. BUDGETS AND BUDGETARY ACCOUNTING

The ROE No. 31 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the State agencies, primarily the Illinois State Board of Education, are prepared and submitted to the granting agencies for approval as part of the grant awards process. The granting agencies must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules have been presented for the following grants: Regional Safe Schools, Truants Alternative and Optional Education, ROE/ISC Operations, Regional Safe Schools Educational Cooperative, ESSER II, Digital Equity Formula - Elementary and Secondary Relief, ESSER III, Digital Equity Formula - Elementary and Secondary Relief II, and American Rescue Plan - Community Partnership Grant. A Budgetary Comparison Schedule was also prepared for the COPS Grant, which is a grant that is received directly from the federal government.

3. USE OF ESTIMATES

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

4. DEPOSITS AND INVESTMENTS

A. Deposits

At June 30, 2023, the carrying amount of the ROE No. 31's deposits for the governmental activities, business-type activities, and fiduciary funds were \$13,078,513, \$429,388 and \$0, respectively. The bank balances, including certificates of deposit of \$2,176,240, totaled \$15,736,705, all of which was secured by federal depository insurance, collateralized with securities held by the pledging financial institution's trust department in the ROE No. 31's name, or covered by private share insurance and were, therefore, not exposed to custodial credit risk.

B. Investments

The ROE No. 31's investments consisted of certificates of deposit with original maturity dates of more than three months. Certificates of deposit comprised the \$2,176,240 shown as investments for governmental activities. Certificates of deposit are considered deposits and, as such, are included in the deposits note (4A) above.

At June 30, 2023, the carrying amount of the ROE No. 31's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$295,248. The bank balance invested in the Illinois Funds Money Market Fund was \$295,248. This fund enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the ROE No. 31's governmental activities.

Credit Risk

At June 30, 2023, the Illinois Funds Money Market Fund had a rating of AAmmf from Fitch's. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

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.

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.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

5. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The ROE No. 31 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The ROE No. 31 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

6. CONTINGENCIES

The Regional Office of Education No. 31 has received funding from federal and state grants in the current and prior years which are subject to audits by granting agencies. The ROE No. 31 believes any adjustments that may arise will be insignificant to the ROE No. 31's operations.

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental activities:				
Capital assets being depreciated:				
Office equipment	\$ 166,904	\$ 28,298	\$ (3,006)	\$ 192,196
Less accumulated depreciation for:				
Office equipment	<u>(163,912)</u>	<u>(5,350)</u>	<u>3,006</u>	<u>(166,256)</u>
Governmental activities capital assets, net	<u>\$ 2,992</u>	<u>\$ 22,948</u>	<u>\$ -</u>	<u>\$ 25,940</u>
Business-type activities:				
Capital assets being depreciated:				
Office equipment	\$ 195,073	\$ -	\$ (39,422)	\$ 155,651
Less accumulated depreciation for:				
Office equipment	<u>(116,144)</u>	<u>(21,214)</u>	<u>39,422</u>	<u>(97,936)</u>
Business-type activities capital assets, net	<u>\$ 78,929</u>	<u>\$ (21,214)</u>	<u>\$ -</u>	<u>\$ 57,715</u>

Depreciation expense was charged to functions/programs of the Regional Office of Education No. 31 as follows:

Governmental activities:	
Instructional services	<u>\$ 5,350</u>
Business-type activities:	
Operating expenses	<u>\$ 21,214</u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

8. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

Plan Description

The ROE No. 31 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://www.trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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, 2023, 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. 31. ROE No. 31 paid \$3,857 on behalf of employees for the year ended June 30, 2023.

2.2 formula contributions - Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023 were \$1,829.

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

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, there were no salaries paid from federal and special trust funds that required employer contributions.

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 employer 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 required for members granted sick leave days in excess of the normal allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the ROE No. 31 made no payments 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.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

B. Illinois Municipal Retirement Fund

Plan Description

The ROE No. 31's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and their beneficiaries. The ROE No. 31's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable 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.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Contributions

As set by statute, the ROE No. 31'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. 31's annual contribution rate for calendar years 2023 and 2022 were 5.15% and 6.73%, respectively. For the fiscal year ended June 30, 2023, the ROE No. 31 contributed \$53,804 to the plan. The ROE No. 31 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.

C. Net Pension Liability

Because of the use of the modified cash basis of accounting framework in the preparation of these financial statements, the ROE No. 31's net pension liability is not reported in the financial statements as a liability. In accordance with the modified cash basis of accounting, pension expenditures are only reported when contributions are paid by the ROE No. 31 to the plan.

9. OTHER POSTEMPLOYMENT BENEFITS

A. Teachers' Health Insurance Security Fund

Plan Description

The ROE No. 31 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 cost. The THIS fund is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding Chicago Public School System. THIS includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the state to contribute to the THIS Fund.

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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.

Employer Contributions to the THIS Fund

The Regional Office of Education No. 31 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year end June 30, 2023. For the year ended June 30, 2023, the ROE No. 31 paid \$2,496 to the THIS Fund.

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."

B. Other Postemployment Benefits - Health Insurance

Plan Description

ROE No. 31 provides postemployment health care benefits (OPEB) for retired ROE No. 31 employees through Kane County's single employer defined benefit plan sponsor. The benefits, benefit levels, employee contributions and employer contributions are governed by Kane County and can be amended by Kane County through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and Illinois Compiled Statutes (ILCS). The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the ROE No. 31's governmental activities.

Eligibility Provisions

Full-Time Employees

Regular Plan Tier 1 (enrolled in IMRF prior to January 1, 2011):

At least 55 years old with at least 8 years of credited service (reduced pension)

At least 60 years old with at least 8 years of credited service (full pension)

Regular Plan Tier 2 (first enrolled in IMRF on or after January 1, 2011):

At least 62 years old and at least 10 years of credited service (reduced pension)

At least 67 years old and at least 10 years of credited service (full pension)

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Benefits Provided

Kane County provides continued health insurance coverage at the blended employer rate to all eligible ROE No. 31 retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The ROE No. 31 offers the health insurance plan to full-time IMRF employees. Retirees pay the full cost of coverage. Eligible spouse or dependent coverage may continue should the retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse or dependent is responsible for the full cost of coverage.

Contributions

There were no contributions paid to the plan during the fiscal year ended June 30, 2023.

10. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the ROE No. 31 to execute a bond of not less than \$100,000 on the Regional Superintendent. The ROE No. 31 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

11. LEASE

The ROE No. 31 entered into an operating lease agreement for an office building that expires on July 31, 2030. The lease is payable in monthly installments that increase annually. Lease expense for the building for the fiscal year ended June 30, 2023 was \$123,301.

The following is a schedule of future minimum lease payments required under the operating lease:

2024	\$	107,524
2025		120,945
2026		125,068
2027		129,356
2028		133,815
Thereafter		<u>293,702</u>
 Total	 \$	 <u><u>910,410</u></u>

KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

12. INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2023, interfund receivables and payables were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 177,374	\$ -
Education Fund	-	177,374
Totals	\$ 177,374	\$ 177,374

The interfund balances consisted of loans between individual funds that were used to cover cash shortages in the individual funds.

13. ON-BEHALF PAYMENTS

The ROE No. 31 received on-behalf payments for employee salaries and benefits from the Kane County and the State of Illinois for the following items:

Kane County:	
Salaries and benefits	\$ 493,367
Purchased services	133,543
Total Kane County	\$ 626,910
State of Illinois:	
Regional Superintendent-salary	\$ 127,908
Regional Superintendent-benefits (includes State paid insurance)	39,014
Assistant Regional Superintendent-salary	115,116
Assistant Regional Superintendent-benefits (includes State paid insurance)	7,269
Total State of Illinois	\$ 289,307

The ROE No. 31 received \$211,090 in on-behalf payments from ISBE for the ROE No. 31's share of the State's Teachers' Retirement System (TRS) pension expense. The ROE No. 31 also received \$3,449 in on behalf payments from the State for the ROE No. 31's share of the State's Teachers' Health Insurance Security (THIS) OPEB expense.

Due to the ROE No. 31 reporting on the modified cash basis of accounting, the on-behalf payments are not recorded in the financial statements as the amounts were not received or disbursed in cash.

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

14. DEFICIT FUND BALANCE/NET POSITION

The following individual funds carried the following deficit balances as of June 30, 2023:

Education Fund:		
COPS Grant	\$	591
ESSER III		148,397
Digital Equity Formula - Elementary and Secondary Relief II		4,516
American Rescue Plan Community Partnership Grant		23,870
Custodial Fund:		
RSAC		6,907

The ROE No. 31 intends to reduce these deficits by receiving revenue and/or making interfund transfers in future periods.

15. SCHEDULE OF TRANSFERS

During the year ended June 30, 2023, the Regional Office of Education No. 31 reported the following transfers:

Fund	Transfers In	Transfers Out
General Fund	\$ 93,401	\$ 352,042
Education Fund	2,042	141,439
ESC Professional Fund	489,154	-
Nonmajor Proprietary Funds	-	91,116
Totals	\$ 584,597	\$ 584,597

The transfers were made to cover cash shortfalls in the ESC Professional Fund and to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, such as indirect costs received from grants and then remitted to funds where the costs were paid.

16. DUE TO/FROM OTHER GOVERNMENTS

At June 30, 2023, the custodial funds owed the General Fund \$6,907.

SUPPLEMENTARY INFORMATION

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - GENERAL FUND
 JUNE 30, 2023**

	<u>Regional Program Development</u>	<u>General State Aid</u>	<u>Youth Home Education</u>
ASSETS			
Cash and cash equivalents	\$ 375,605	\$ 6,679,127	\$ 3,357,678
Due from other funds	-	177,374	-
Due from other governments	-	6,907	-
Investments	<u>-</u>	<u>2,176,240</u>	<u>-</u>
Total assets	<u>\$ 375,605</u>	<u>\$ 9,039,648</u>	<u>\$ 3,357,678</u>
FUND BALANCES			
Assigned	\$ -	\$ -	\$ 3,357,678
Unassigned	<u>375,605</u>	<u>9,039,648</u>	<u>-</u>
Total fund balances	<u>\$ 375,605</u>	<u>\$ 9,039,648</u>	<u>\$ 3,357,678</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - GENERAL FUND
 JUNE 30, 2023**

	<u>Local Truancy</u>	<u>Total</u>
ASSETS		
Cash and cash equivalents	\$ 46,411	\$ 10,458,821
Due from other funds	-	177,374
Due from other governments	-	6,907
Investments	<u>-</u>	<u>2,176,240</u>
Total assets	<u>\$ 46,411</u>	<u>\$ 12,819,342</u>
FUND BALANCES		
Assigned	\$ 46,411	\$ 3,404,089
Unassigned	<u>-</u>	<u>9,415,253</u>
Total fund balances	<u>\$ 46,411</u>	<u>\$ 12,819,342</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
GENERAL FUND ACCOUNTS
YEAR ENDED JUNE 30, 2023**

	<u>Regional Program Development</u>	<u>General State Aid</u>	<u>Youth Home Education</u>
Revenues:			
Local sources	\$ 15,225	\$ 399	\$ 2,414
State sources	-	8,754,130	831,301
Interest	<u>217,675</u>	<u>29,790</u>	<u>-</u>
Total revenues	<u>232,900</u>	<u>8,784,319</u>	<u>833,715</u>
Expenditures:			
Instructional services:			
Salaries and benefits	-	115,376	287,643
Purchased services	168,612	8,698	30,399
Supplies and materials	20,675	-	9,000
Other objects	24	-	-
Pension	4,106	5,422	11,847
OPEB	672	-	-
Intergovernmental:			
Payments to other governments	-	7,838,649	-
Capital outlay	<u>38,216</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>232,305</u>	<u>7,968,145</u>	<u>338,889</u>
Excess of revenues over expenditures	<u>595</u>	<u>816,174</u>	<u>494,826</u>
Other financing sources (uses):			
Transfers in	13,138	80,263	-
Transfers out	<u>-</u>	<u>(352,042)</u>	<u>-</u>
Total other financing sources (uses)	<u>13,138</u>	<u>(271,779)</u>	<u>-</u>
Net changes in fund balances	13,733	544,395	494,826
Fund balances at beginning of year	<u>361,872</u>	<u>8,495,253</u>	<u>2,862,852</u>
Fund balances at end of year	<u>\$ 375,605</u>	<u>\$ 9,039,648</u>	<u>\$ 3,357,678</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
 GENERAL FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2023**

	Local Truancy	Total
Revenues:		
Local sources	\$ 10,730	\$ 28,768
State sources	-	9,585,431
Interest	-	247,465
	<u>10,730</u>	<u>9,861,664</u>
Total revenues		
Expenditures:		
Instructional services:		
Salaries and benefits	-	403,019
Purchased services	672	208,381
Supplies and materials	-	29,675
Other objects	-	24
Pension	-	21,375
OPEB	-	672
Intergovernmental:		
Payments to other governments	-	7,838,649
Capital outlay	-	38,216
	<u>672</u>	<u>8,540,011</u>
Total expenditures		
Excess of revenues over expenditures	<u>10,058</u>	<u>1,321,653</u>
Other financing sources (uses):		
Transfers in	-	93,401
Transfers out	-	(352,042)
	<u>-</u>	<u>(258,641)</u>
Total other financing sources (uses)		
Net changes in fund balances	10,058	1,063,012
Fund balances at beginning of year	<u>36,353</u>	<u>11,756,330</u>
Fund balances at end of year	<u>\$ 46,411</u>	<u>\$ 12,819,342</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - EDUCATION FUND
 JUNE 30, 2023**

	<u>Regional Safe Schools</u>	<u>Truants Alternative/ Optional Education</u>	<u>Title II - Teacher Quality Leadership</u>
ASSETS			
Cash and cash equivalents	\$ 4,816	\$ 113,575	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to other funds	\$ -	\$ -	\$ -
Fund balances (deficits):			
Restricted	4,816	113,575	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>4,816</u>	<u>113,575</u>	<u>-</u>
Total liabilities and fund balances (deficits)	<u>\$ 4,816</u>	<u>\$ 113,575</u>	<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - EDUCATION FUND
 JUNE 30, 2023**

	<u>Title I - School Improvement and Accountability</u>	<u>McKinney Education for Homeless Children</u>	<u>ROE/ISC Operations</u>
ASSETS			
Cash and cash equivalents	<u>\$ -</u>	<u>\$ 57,220</u>	<u>\$ 18,526</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances (deficits):			
Restricted	-	57,220	18,526
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>-</u>	<u>57,220</u>	<u>18,526</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 57,220</u>	<u>\$ 18,526</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - EDUCATION FUND
 JUNE 30, 2023**

	<u>Title I Delinquent</u>	<u>RSS Cooperative Education</u>	<u>ESSER II</u>
ASSETS			
Cash and cash equivalents	\$ 3,238	\$ 574	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to other funds	\$ -	\$ -	\$ -
Fund balances (deficits):			
Restricted	3,238	574	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>3,238</u>	<u>574</u>	<u>-</u>
Total liabilities and fund balances (deficits)	<u>\$ 3,238</u>	<u>\$ 574</u>	<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - EDUCATION FUND
 JUNE 30, 2023**

	<u>ESSER</u>	<u>COPS Grant</u>	Digital Equity Formula - Elementary and Secondary Relief
ASSETS			
Cash and cash equivalents	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to other funds	<u>\$ -</u>	<u>\$ 591</u>	<u>\$ -</u>
Fund balances (deficits):			
Restricted	-	-	-
Unassigned	<u>-</u>	<u>(591)</u>	<u>-</u>
Total fund balances (deficits)	<u>-</u>	<u>(591)</u>	<u>-</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - EDUCATION FUND
 JUNE 30, 2023**

	<u>ESSER III</u>	<u>Digital Equity Formula - Elementary and Secondary Relief II</u>	<u>American Rescue Plan for Homeless Children and Youth</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 14,010
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Due to other funds	<u>\$ 148,397</u>	<u>\$ 4,516</u>	<u>\$ -</u>
Fund balances (deficits):			
Restricted	-	-	14,010
Unassigned	<u>(148,397)</u>	<u>(4,516)</u>	<u>-</u>
Total fund balances (deficits)	<u>(148,397)</u>	<u>(4,516)</u>	<u>14,010</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,010</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS -
 MODIFIED CASH BASIS - EDUCATION FUND
 JUNE 30, 2023**

	American Rescue Plan - Community Partnership Grant	Totals
ASSETS	<u> </u>	<u> </u>
Cash and cash equivalents	\$ -	\$ 211,959
LIABILITIES AND FUND BALANCES (DEFICITS)		
Liabilities:		
Due to other funds	<u>\$ 23,870</u>	<u>\$ 177,374</u>
Fund balances (deficits):		
Restricted	-	211,959
Unassigned	<u>(23,870)</u>	<u>(177,374)</u>
Total fund balances (deficits)	<u>(23,870)</u>	<u>34,585</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 211,959</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED
 CASH BASIS - EDUCATION FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2023**

	<u>Regional Safe Schools</u>	<u>Truants Alternative/ Optional Education</u>	<u>Title II - Teacher Quality Leadership</u>
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	338,908	323,585	-
Federal sources	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>338,908</u>	<u>323,585</u>	<u>-</u>
Expenditures:			
Instructional services:			
Salaries and benefits	98,464	36,531	-
Purchased services	8,231	130,647	-
Supplies and materials	-	12,172	-
Pension	415	1,881	-
OPEB	479	-	-
Intergovernmental:			
Payments to other governments	231,319	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>338,908</u>	<u>181,231</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>142,354</u>	<u>-</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>(28,779)</u>	<u>(6,679)</u>
Total other financing sources (uses)	<u>-</u>	<u>(28,779)</u>	<u>(6,679)</u>
Net changes in fund balances (deficits)	-	113,575	(6,679)
Fund balances (deficits) at beginning of year	<u>4,816</u>	<u>-</u>	<u>6,679</u>
Fund balances (deficits) at end of year	<u>\$ 4,816</u>	<u>\$ 113,575</u>	<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED
 CASH BASIS - EDUCATION FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2023**

	<u>Title I - School Improvement and Accountability</u>	<u>McKinney Education for Homeless Children</u>	<u>ROE/ISC Operations</u>
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	810,309
Federal sources	-	58,072	-
	<hr/>	<hr/>	<hr/>
Total revenues	-	58,072	810,309
	<hr/>	<hr/>	<hr/>
Expenditures:			
Instructional services:			
Salaries and benefits	-	85,013	625,772
Purchased services	-	3,131	81,249
Supplies and materials	-	-	-
Pension	-	3,389	22,229
OPEB	-	-	796
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	91,533	730,046
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	-	(33,461)	80,263
	<hr/>	<hr/>	<hr/>
Other financing sources (uses):			
Transfers in	2,035	-	-
Transfers out	-	-	(80,263)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	2,035	-	(80,263)
	<hr/>	<hr/>	<hr/>
Net changes in fund balances (deficits)	2,035	(33,461)	-
	<hr/>	<hr/>	<hr/>
Fund balances (deficits) at beginning of year	(2,035)	90,681	18,526
	<hr/>	<hr/>	<hr/>
Fund balances (deficits) at end of year	<u>\$ -</u>	<u>\$ 57,220</u>	<u>\$ 18,526</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED
 CASH BASIS - EDUCATION FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2023**

	<u>Title I Delinquent</u>	<u>RSS Cooperative Education</u>	<u>ESSER II</u>
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	89,251	-
Federal sources	<u>129,894</u>	<u>-</u>	<u>9,349</u>
Total revenues	<u>129,894</u>	<u>89,251</u>	<u>9,349</u>
Expenditures:			
Instructional services:			
Salaries and benefits	-	89,251	-
Purchased services	44,436	-	10,250
Supplies and materials	8,243	-	-
Pension	-	-	-
OPEB	-	-	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	<u>36,651</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>89,330</u>	<u>89,251</u>	<u>10,250</u>
Excess (deficiency) of revenues over expenditures	<u>40,564</u>	<u>-</u>	<u>(901)</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances (deficits)	40,564	-	(901)
Fund balances (deficits) at beginning of year	<u>(37,326)</u>	<u>574</u>	<u>901</u>
Fund balances (deficits) at end of year	<u><u>\$ 3,238</u></u>	<u><u>\$ 574</u></u>	<u><u>\$ -</u></u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED
 CASH BASIS - EDUCATION FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2023**

	<u>ESSER</u>	<u>COPS Grant</u>	<u>Digital Equity Formula - Elementary and Secondary Relief</u>
Revenues:			
Local sources	\$ -	\$ 5,575	\$ -
State sources	-	-	-
Federal sources	<u>1,925</u>	<u>144,853</u>	<u>30,939</u>
Total revenues	<u>1,925</u>	<u>150,428</u>	<u>30,939</u>
Expenditures:			
Instructional services:			
Salaries and benefits	-	-	-
Purchased services	-	27,000	11,839
Supplies and materials	1,932	104,579	-
Pension	-	-	-
OPEB	-	-	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>19,100</u>
Total expenditures	<u>1,932</u>	<u>131,579</u>	<u>30,939</u>
Excess (deficiency) of revenues over expenditures	<u>(7)</u>	<u>18,849</u>	<u>-</u>
Other financing sources (uses):			
Transfers in	7	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>7</u>	<u>-</u>	<u>-</u>
Net changes in fund balances (deficits)	-	18,849	-
Fund balances (deficits) at beginning of year	<u>-</u>	<u>(19,440)</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ -</u>	<u>\$ (591)</u>	<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED
CASH BASIS - EDUCATION FUND ACCOUNTS
YEAR ENDED JUNE 30, 2023**

	<u>ESSER III</u>	<u>Digital Equity Formula - Elementary and Secondary Relief II</u>	<u>American Rescue Plan for Homeless Children and Youth</u>
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	-
Federal sources	<u>768,759</u>	<u>60,194</u>	<u>82,500</u>
Total revenues	<u>768,759</u>	<u>60,194</u>	<u>82,500</u>
Expenditures:			
Instructional services:			
Salaries and benefits	351,724	-	-
Purchased services	183,965	-	41,971
Supplies and materials	23,868	13,025	7,481
Pension	-	-	-
OPEB	-	-	-
Intergovernmental:			
Payments to other governments	-	-	-
Capital outlay	<u>31,956</u>	<u>27,061</u>	<u>-</u>
Total expenditures	<u>591,513</u>	<u>40,086</u>	<u>49,452</u>
Excess (deficiency) of revenues over expenditures	<u>177,246</u>	<u>20,108</u>	<u>33,048</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances (deficits)	177,246	20,108	33,048
Fund balances (deficits) at beginning of year	<u>(325,643)</u>	<u>(24,624)</u>	<u>(19,038)</u>
Fund balances (deficits) at end of year	<u><u>\$ (148,397)</u></u>	<u><u>\$ (4,516)</u></u>	<u><u>\$ 14,010</u></u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - MODIFIED
 CASH BASIS - EDUCATION FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2023**

	American Rescue Plan - Community Partnership Grant	Totals
	<u> </u>	<u> </u>
Revenues:		
Local sources	\$ -	\$ 5,575
State sources	-	1,562,053
Federal sources	<u>185,571</u>	<u>1,472,056</u>
Total revenues	<u>185,571</u>	<u>3,039,684</u>
Expenditures:		
Instructional services:		
Salaries and benefits	110,435	1,397,190
Purchased services	56,025	598,744
Supplies and materials	9,418	180,718
Pension	5,093	33,007
OPEB	-	1,275
Intergovernmental:		
Payments to other governments		231,319
Capital outlay	<u>2,752</u>	<u>117,520</u>
Total expenditures	<u>183,723</u>	<u>2,559,773</u>
Excess (deficiency) of revenues over expenditures	<u>1,848</u>	<u>479,911</u>
Other financing sources (uses):		
Transfers in	-	2,042
Transfers out	<u>(25,718)</u>	<u>(141,439)</u>
Total other financing sources (uses)	<u>(25,718)</u>	<u>(139,397)</u>
Net changes in fund balances (deficits)	(23,870)	340,514
Fund balances (deficits) at beginning of year	<u>-</u>	<u>(305,929)</u>
Fund balances (deficits) at end of year	<u>\$ (23,870)</u>	<u>\$ 34,585</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 REGIONAL SAFE SCHOOLS (FY 2022)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 339,307	\$ 339,307	\$ -
Expenditures:			
Instructional services:			
Salaries and benefits	88,821	88,821	-
Purchased services	17,039	17,039	4,816
Supplies and materials	2,128	2,128	-
Intergovernmental:			
Payments to other governments	<u>231,319</u>	<u>231,319</u>	<u>-</u>
Total expenditures	<u>339,307</u>	<u>339,307</u>	<u>4,816</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(4,816)
Fund balance at beginning of year			<u>4,816</u>
Fund balance at end of year			<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 REGIONAL SAFE SCHOOLS (FY 2023)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 338,908	\$ 338,908	\$ 338,908
Expenditures:			
Instructional services:			
Salaries and benefits	99,000	99,000	98,464
Purchased services	8,589	8,589	3,415
Pension	-	-	415
OPEB	-	-	479
Intergovernmental:			
Payments to other governments	<u>231,319</u>	<u>231,319</u>	<u>231,319</u>
Total expenditures	<u>338,908</u>	<u>338,908</u>	<u>334,092</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	4,816
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ 4,816</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 TRUANTS ALTERNATIVE AND OPTIONAL EDUCATION (FY 2023)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 323,585	\$ 323,585	\$ 323,585
Expenditures:			
Instructional services:			
Salaries and benefits	258,885	47,262	36,531
Purchased services	57,741	263,588	130,647
Supplies and materials	6,959	12,735	12,172
Pension	<u>-</u>	<u>-</u>	<u>1,881</u>
Total expenditures	<u>323,585</u>	<u>323,585</u>	<u>181,231</u>
Excess of revenues over expenditures	-	-	142,354
Other financing uses:			
Transfers out	<u>-</u>	<u>-</u>	<u>(28,779)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	113,575
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ 113,575</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 ROE/ISC OPERATIONS (FY 2022)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 296,562	\$ 296,562	\$ -
Expenditures:			
Instructional services:			
Salaries and benefits	252,200	252,200	18,347
Purchased services	41,500	41,500	179
Supplies and materials	<u>2,862</u>	<u>2,862</u>	<u>-</u>
Total expenditures	<u>296,562</u>	<u>296,562</u>	<u>18,526</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(18,526)
Fund balance at beginning of year			<u>18,526</u>
Fund balance at end of year			<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 ROE/ISC OPERATIONS (FY 2023)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 810,309	\$ 810,309	\$ 810,309
Expenditures:			
Instructional services:			
Salaries and benefits	707,008	729,061	607,425
Purchased services	103,301	81,248	81,070
Pension	-	-	22,229
OPEB	-	-	796
Total expenditures	<u>810,309</u>	<u>810,309</u>	<u>711,520</u>
Excess of revenues over expenditures	-	-	98,789
Other financing uses:			
Transfers out	-	-	(80,263)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	18,526
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ 18,526</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 REGIONAL SAFE SCHOOLS EDUCATIONAL COOPERATIVE (FY 2022)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 61,858	\$ 61,858	\$ -
Expenditures:			
Instructional services:			
Salaries and benefits	<u>61,858</u>	<u>61,858</u>	<u>574</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(574)
Fund balance at beginning of year			<u>574</u>
Fund balance at end of year			<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 REGIONAL SAFE SCHOOLS EDUCATIONAL COOPERATIVE (FY 2023)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	\$ 89,251	\$ 89,251	\$ 89,251
Expenditures:			
Instructional services:			
Salaries and benefits	<u>89,251</u>	<u>89,251</u>	<u>88,677</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	574
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ 574</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 ESSER II (FY 2021)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	\$ 70,533	\$ 70,533	\$ -
Expenditures:			
Instructional services:			
Salaries and benefits	14,424	14,424	-
Purchased services	33,234	33,234	901
Supplies and materials	4,875	4,875	-
Capital outlay	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Total expenditures	<u>70,533</u>	<u>70,533</u>	<u>901</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(901)
Fund balance at beginning of year			<u>901</u>
Fund balance at end of year			<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 ESSER II (FY 2023)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	\$ 10,466	\$ 10,466	\$ 9,349
Expenditures:			
Instructional services:			
Purchased services	<u>10,466</u>	<u>10,466</u>	<u>9,349</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 COPS GRANT
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Local sources	\$ 70,180	\$ 70,180	\$ 5,575
Federal sources	<u>210,540</u>	<u>210,540</u>	<u>144,853</u>
Total revenues	<u>280,720</u>	<u>280,720</u>	<u>150,428</u>
Expenditures:			
Instructional services:			
Purchased services	67,720	78,720	27,000
Supplies and materials	<u>213,000</u>	<u>202,000</u>	<u>104,579</u>
Total expenditures	<u>280,720</u>	<u>280,720</u>	<u>131,579</u>
Net change in fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	18,849
Fund balance (deficit) at beginning of year			<u>(19,440)</u>
Fund balance (deficit) at end of year			<u>\$ (591)</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 DIGITAL EQUITY FORMULA -
 ELEMENTARY AND SECONDARY RELIEF (FY 2023)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	\$ 31,056	\$ 31,056	\$ 30,939
Expenditures:			
Instructional services:			
Purchased services	11,900	11,900	11,839
Capital outlay	<u>19,156</u>	<u>19,156</u>	<u>19,100</u>
Total expenditures	<u>31,056</u>	<u>31,056</u>	<u>30,939</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-
Fund balance at beginning of year			<u>-</u>
Fund balance at end of year			<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 ESSER III (FY 2022)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	\$ 1,660,110	\$ 1,660,110	\$ 768,759
Expenditures:			
Instructional services:			
Salaries and benefits	783,376	881,535	351,724
Purchased services	755,500	678,928	183,965
Supplies and materials	79,380	49,827	23,868
Capital outlay	<u>41,854</u>	<u>49,820</u>	<u>31,956</u>
Total expenditures	<u>1,660,110</u>	<u>1,660,110</u>	<u>591,513</u>
Net change in fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	177,246
Fund balance (deficit) at beginning of year			<u>(325,643)</u>
Fund balance (deficit) at end of year			<u>\$ (148,397)</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 DIGITAL EQUITY FORMULA - ELEMENTARY
 AND SECONDARY RELIEF II (FY 2022)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	\$ 69,012	\$ 69,012	\$ 60,194
Expenditures:			
Instructional services:			
Supplies and materials	30,762	30,762	13,025
Capital outlay	<u>38,250</u>	<u>38,250</u>	<u>27,061</u>
Total expenditures	<u>69,012</u>	<u>69,012</u>	<u>40,086</u>
Net change in fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	20,108
Fund balance (deficit) at beginning of year			<u>(24,624)</u>
Fund balance (deficit) at end of year			<u>\$ (4,516)</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
 EDUCATION FUND ACCOUNT
 AMERICAN RESCUE PLAN - COMMUNITY PARTNERSHIP GRANT (FY 2022)
 YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
Federal sources	\$ 323,529	\$ 323,529	\$ 185,571
Expenditures:			
Instructional services:			
Salaries and benefits	187,896	187,896	110,435
Purchased services	120,132	120,132	56,025
Supplies and materials	12,501	12,501	9,418
Pension expense	-	-	5,093
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>2,752</u>
Total expenditures	<u>323,529</u>	<u>323,529</u>	<u>183,723</u>
Excess of revenues over expenditures	-	-	1,848
Other financing uses:			
Transfers out	<u>-</u>	<u>-</u>	<u>(25,718)</u>
Net change in fund balance (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>(23,870)</u>
Fund balance at beginning of year			<u>-</u>
Fund balance (deficit) at end of year			<u>\$ (23,870)</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS -
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2023**

	General Education Development	Bus Driver Training	Total
ASSETS			
Cash and cash equivalents	<u>\$ 149,046</u>	<u>\$ 89,693</u>	<u>\$ 238,739</u>
FUND BALANCES			
Restricted	<u>\$ 149,046</u>	<u>\$ 89,693</u>	<u>\$ 238,739</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - MODIFIED CASH
 BASIS - NONMAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2023**

	General Education Development	Bus Driver Training	Total
Revenues:			
Local sources	\$ 6,634	\$ 18,801	\$ 25,435
State sources	<u>-</u>	<u>3,151</u>	<u>3,151</u>
Total revenues	<u>6,634</u>	<u>21,952</u>	<u>28,586</u>
Expenditures:			
Purchased services	810	16,074	16,884
Supplies and materials	-	179	179
Other objects	<u>172</u>	<u>388</u>	<u>560</u>
Total expenditures	<u>982</u>	<u>16,641</u>	<u>17,623</u>
Net changes in fund balances	5,652	5,311	10,963
Fund balances at beginning of year	<u>143,394</u>	<u>84,382</u>	<u>227,776</u>
Fund balances at end of year	<u>\$ 149,046</u>	<u>\$ 89,693</u>	<u>\$ 238,739</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF NET POSITION - MODIFIED
 CASH BASIS - NONMAJOR PROPRIETARY FUNDS
 JUNE 30, 2023**

	<u>Technology</u>	<u>Kane County Library Resources Consortium</u>	<u>Visual Media Cooperative</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 95,716	\$ -	\$ -
	<u> </u>	<u> </u>	<u> </u>
NET POSITION			
Unrestricted	\$ 95,716	\$ -	\$ -
	<u> </u>	<u> </u>	<u> </u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF NET POSITION - MODIFIED
 CASH BASIS - NONMAJOR PROPRIETARY FUNDS
 JUNE 30, 2023**

	<u>Kane County Human Resources Consortium</u>	<u>Criminal Background Investigation</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	<u>\$ 12,418</u>	<u>\$ 47,502</u>	<u>\$ 155,636</u>
NET POSITION			
Unrestricted	<u>\$ 12,418</u>	<u>\$ 47,502</u>	<u>\$ 155,636</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION - MODIFIED CASH
 BASIS - NONMAJOR PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2023**

	<u>Technology</u>	<u>Kane County Library Resources Consortium</u>	<u>Visual Media Cooperative</u>
Operating revenues:			
Charges for services	\$ 19,066	\$ 81,536	\$ -
Operating expenses:			
Salaries and benefits	-	-	-
Purchased services	1,466	81,536	9,919
Supplies and materials	1,996	-	-
Pension	-	-	-
Other objects	62	-	-
Total operating expenses	<u>3,524</u>	<u>81,536</u>	<u>9,919</u>
Operating income (loss)	15,542	-	(9,919)
Transfers out	<u>-</u>	<u>(7,406)</u>	<u>-</u>
Change in net position	15,542	(7,406)	(9,919)
Net position at beginning of year	<u>80,174</u>	<u>7,406</u>	<u>9,919</u>
Net position at end of year	<u>\$ 95,716</u>	<u>\$ -</u>	<u>\$ -</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION - MODIFIED CASH
 BASIS - NONMAJOR PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2023**

	Kane County Human Resources Consortium	Criminal Background Investigation	Total
	<u> </u>	<u> </u>	<u> </u>
Operating revenues:			
Charges for services	\$ 73,250	\$ 171,110	\$ 344,962
Operating expenses:			
Salaries and benefits	-	62,554	62,554
Purchased services	60,832	107,548	261,301
Supplies and materials	-	-	1,996
Pension	-	2,964	2,964
Other objects	-	1,361	1,423
Total operating expenses	<u>60,832</u>	<u>174,427</u>	<u>330,238</u>
Operating income (loss)	12,418	(3,317)	14,724
Transfers out	<u>(83,710)</u>	<u>-</u>	<u>(91,116)</u>
Change in net position	(71,292)	(3,317)	(76,392)
Net position at beginning of year	<u>83,710</u>	<u>50,819</u>	<u>232,028</u>
Net position at end of year	<u>\$ 12,418</u>	<u>\$ 47,502</u>	<u>\$ 155,636</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF CASH FLOWS - MODIFIED
 CASH BASIS - NONMAJOR PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2023**

	<u>Technology</u>	<u>Kane County Library Resources Consortium</u>	<u>Visual Media Cooperative</u>
Cash flows from operating activities:			
Receipts from customers	\$ 19,066	\$ 81,536	\$ -
Payments to suppliers and providers of goods and services	(3,524)	(81,536)	(9,919)
Payments to employees	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used for) operating activities	15,542	-	(9,919)
Cash flows from noncapital financing activities:			
Transfer to other funds	<u>-</u>	<u>(7,406)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	15,542	(7,406)	(9,919)
Cash and cash equivalents at beginning of year	<u>80,174</u>	<u>7,406</u>	<u>9,919</u>
Cash and cash equivalents at end of year	<u><u>\$ 95,716</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 15,542	\$ -	\$ (9,919)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used for) operating activities	<u><u>\$ 15,542</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (9,919)</u></u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
COMBINING STATEMENT OF CASH FLOWS - MODIFIED
CASH BASIS - NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023**

	<u>Kane County Human Resources Consortium</u>	<u>Criminal Background Investigation</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers	\$ 73,250	\$ 171,110	\$ 344,962
Payments to suppliers and providers of goods and services	(60,832)	(108,909)	(264,720)
Payments to employees	<u>-</u>	<u>(65,518)</u>	<u>(65,518)</u>
Net cash provided by (used for) operating activities	12,418	(3,317)	14,724
Cash flows from noncapital financing activities:			
Transfer to other funds	<u>(83,710)</u>	<u>-</u>	<u>(91,116)</u>
Net increase (decrease) in cash and cash equivalents	(71,292)	(3,317)	(76,392)
Cash and cash equivalents at beginning of year	<u>83,710</u>	<u>50,819</u>	<u>232,028</u>
Cash and cash equivalents at end of year	<u><u>\$ 12,418</u></u>	<u><u>\$ 47,502</u></u>	<u><u>\$ 155,636</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 12,418	\$ (3,317)	\$ 14,724
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used for) operating activities	<u><u>\$ 12,418</u></u>	<u><u>\$ (3,317)</u></u>	<u><u>\$ 14,724</u></u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF FIDUCIARY NET POSITION -
 MODIFIED CASH BASIS - CUSTODIAL FUNDS
 JUNE 30, 2023**

	<u>Distributive</u>	<u>RSAC</u>	<u>ICEARY</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
LIABILITIES				
Due to other governments	-	6,907	-	6,907
NET POSITION (DEFICIT)				
Restricted for other entities	-	-	-	-
Unrestricted	-	(6,907)	-	(6,907)
Total net position (deficit)	\$ -	\$ (6,907)	\$ -	\$ (6,907)

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
 MODIFIED CASH BASIS - CUSTODIAL FUNDS
 YEAR ENDED JUNE 30, 2023**

	<u>Distributive</u>	<u>RSAC</u>	<u>ICEARY</u>	<u>Total</u>
Additions:				
State and federal funds collected for other entities	\$ 2,378,551	\$ -	\$ -	\$ 2,378,551
Funds held for other entities	<u>-</u>	<u>208,360</u>	<u>112,415</u>	<u>320,775</u>
Total additions	<u>2,378,551</u>	<u>208,360</u>	<u>112,415</u>	<u>2,699,326</u>
Deductions:				
State and federal funds distributed to other entities	2,378,551	-	-	2,378,551
Funds held for other entities	<u>-</u>	<u>256,487</u>	<u>141,296</u>	<u>397,783</u>
Total deductions	<u>2,378,551</u>	<u>256,487</u>	<u>141,296</u>	<u>2,776,334</u>
Changes in net position	-	(48,127)	(28,881)	(77,008)
Net position at beginning of year	<u>-</u>	<u>41,220</u>	<u>28,881</u>	<u>70,101</u>
Net position (deficit) at end of year	<u>\$ -</u>	<u>\$ (6,907)</u>	<u>\$ -</u>	<u>\$ (6,907)</u>

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education:				
Passed-through Illinois State Board of Education:				
COVID-19 - Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief (M)	84.425D	23-4998-ER	\$ -	\$ 1,925
Elementary and Secondary School Emergency Relief II (M)	84.425D	21-4998-E2	-	901
Elementary and Secondary School Emergency Relief II (M)	84.425D	23-4998-E2	-	9,349
Elementary and Secondary School Emergency Relief III (M)	84.425U	22-4998-E3	-	591,513
Elementary and Secondary Relief - Community Partnership Grant (M)	84.425D	22-4998-CP	-	213,348
Elementary and Secondary Relief - Digital Equity Formula (M)	84.425D	23-4998-DE	-	30,939
Elementary and Secondary Relief - Digital Equity Formula II (M)	84.425D	22-4998-D2	-	<u>40,086</u>
Total COVID-19 - Education Stabilization Fund			-	888,061
Passed-through St. Charles CUSD 303:				
Title I Delinquent	84.013	23-4306-00	-	89,330
Passed-through Will County Regional Office of Education:				
McKinney-Vento Education for Homeless Children and Youth	84.196A	23-4920-00	-	91,533
COVID-19 - American Rescue Plan for Homeless Children and Youth (M)	84.425W	23-4998-HM	-	<u>49,452</u>
Total Department of Education			-	1,118,376
U.S. Department of Justice:				
COPS Office School Violence Prevention Program	16.710		-	<u>131,579</u>
Total expenditures of federal awards			<u>\$ -</u>	<u>\$ 1,249,955</u>

(M) denotes major program

The accompanying notes are an integral part of this schedule.

**KANE COUNTY REGIONAL OFFICE OF EDUCATION NO. 31
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal awards activity of Kane County Regional Office of Education No. 31 ("ROE No. 31") under the programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the ROE No. 31, it is not intended to and does not present the modified cash basis financial position and changes in fund balance/net position of the ROE No. 31.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent credits made in the normal course of business to amounts reported as expenditures in prior years. The ROE No. 31 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3. NONCASH ASSISTANCE

ROE No. 31 did not receive noncash assistance during the fiscal year.