



**STATE OF ILLINOIS  
FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21**

**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**

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21**

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**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
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**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21**

**OFFICIALS**

Regional Superintendent  
(current and during the audit period)

Ms. Lorie LeQuatte

Assistant Regional Superintendent  
(current and during the audit period)

Ms. Mandy Horn

Office is located at:

Franklin County Office  
901 Public Square  
Benton, IL 62812

502 W. Jackson  
Marion, IL 62959

P.O. Box 96, 111 S. 5<sup>th</sup> Street  
Vienna, IL 62995

Project ECHO Alternative Program  
PO Box 238, 17428 Route 37  
Johnston City, IL 62951

ECHO Juvenile Detention Center Program  
409 E. Washington St.  
Benton, IL 62812

S.T.A.R. Quest Academy Regional Safe School Program (RSSP) – North  
PO Box 303, 17428 Route 37  
Johnston City, IL 62951

S.T.A.R. Quest Academy RSSP – South  
1102 West 10<sup>th</sup> Street  
Metropolis, IL 62960

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMPLIANCE REPORT SUMMARY**

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

**AUDITOR’S REPORTS**

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**

<b><u>Number of</u></b>	<b><u>This Audit</u></b>	<b><u>Prior Audit</u></b>
Audit findings	2	-
Repeated audit findings	-	-
Prior recommendations implemented or not repeated	-	-

**SUMMARY OF FINDINGS AND QUESTIONED COSTS**

<b><u>Item No.</u></b>	<b><u>Page</u></b>	<b><u>Description</u></b>	<b><u>Finding Type</u></b>
<i><b>Findings (Government Auditing Standards)</b></i>			
2023-001	16	Controls over Preparation of the Schedule of Expenditures of Federal Awards	Material Weakness
2023-002	19	Controls over Financial Statement Preparation	Significant Deficiency
<i><b>Findings and Questioned Costs (Federal Compliance)</b></i>			
2023-001	16	Controls over Preparation of the Schedule of Expenditures of Federal Awards	Material Weakness
<i><b>Prior Audit Findings not Repeated (Government Auditing Standards)</b></i>			
None			
<i><b>Prior Audit Findings not Repeated (Federal Compliance)</b></i>			
None			

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMPLIANCE REPORT SUMMARY (CONCLUDED)**

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Agency personnel at an exit conference on May 29, 2024. Attending from the Regional Office of Education No. 21 were Lorie LeQuatte, Regional Superintendent, Johna Schullian, Comptroller, and Alison Cross, Bookkeeper, and from Adelfia LLC were Carl Ong, Manager and Mavie Valera, Partner. Responses to the recommendation were provided by Lorie LeQuatte, Regional Superintendent, on May 29, 2024.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21 was performed by Adelfia LLC.

Based on their audit, the auditors expressed an unmodified opinion on Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's basic 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 cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21, as of June 30, 2023, and the respective changes in the cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with 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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21, and to meet our other 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 attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

### ***Auditor's 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 auditors' 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 aggregate, they would influence the judgment 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 judgment 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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, the Schedule of Cash Disbursements to School District Treasurers and Other Entities, 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 relate 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, the Schedule of Cash Disbursements to School District Treasurers and Other Entities, and the Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the 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 June 11, 2024, on our consideration of the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional

Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's internal control over financial reporting and compliance.

**SIGNED ORIGINAL ON FILE**

Chicago, Illinois

June 11, 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 cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21’s basic financial statements, and have issued our report thereon dated June 11, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21’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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21’s internal control. Accordingly, we do not express an opinion on the effectiveness of Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2023-002 to be a significant deficiency.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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*.

### Regional Office of Education No. 21's Responses to the Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the Regional Office of Education No. 21's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Regional Office of Education No. 21's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**SIGNED ORIGINAL ON FILE**

Chicago, Illinois  
June 11, 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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21 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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's major federal programs for the year ended June 30, 2023. The Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21 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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21 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 audit opinions on compliance for each major federal program. Our audit does not provide a legal determination of the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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 Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21'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***

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

*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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 to be a material weakness.

*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 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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The Franklin, Johnson, Massac, and

Williamson Counties Regional Office of Education No. 21's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21 is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

**SIGNED ORIGINAL ON FILE**

Chicago, Illinois

June 11, 2024

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION I – SUMMARY OF AUDITOR’S RESULTS  
For the Year Ended June 30, 2023**

**Financial Statements in accordance with Cash Basis**

Type of auditor’s report issued: *Unmodified*

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

Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major federal programs:  
 Material weakness(es) identified?  yes  no  
 Significant deficiency(ies) identified?  yes  none reported

Type of auditor’s report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  yes  no

Identification of major federal programs:

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

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

Auditee qualified as low-risk auditee?  yes  no

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2023**

**FINDING 2023-001 – Controls over Preparation of the Schedule of Expenditures of Federal Awards**

**Federal Program Name:** Education Stabilization Fund  
**Project No.:** 2022-4998 SE  
**ALN No.:** 84.425D  
**Passed Through:** Illinois State Board of Education  
**Federal Agency:** U.S. Department of Education

**CRITERIA/SPECIFIC REQUIREMENT:**

The Franklin, Johnson, Massac, and Williamson Counties Regional Office of Education No. 21 (ROE No. 21) is required to maintain a system of controls over the preparation of the Schedule of Expenditures of Federal Awards (SEFA). ROE No. 21’s internal controls over SEFA preparation should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review the SEFA to ensure that they are free of material misstatements and include all disclosures as required by federal guidelines.

Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, section 510 – Financial Statements, establishes criteria and requirements related to the preparation of the schedule of expenditures of Federal awards.

Title 2 CFR Part 200, Uniform Guidance, section 302 – Financial Management, requires grantees to identify, in their accounts, all Federal awards received and expended and the Federal programs under which the awards were received.

**CONDITION:**

During the review of ROE No. 21’s SEFA, it was noted ROE No. 21 does not have sufficient internal controls over the preparation of the SEFA to ensure all federal expenditures during the fiscal year were reported in the SEFA and information in the SEFA was accurately reported. We noted the following in the originally submitted SEFA for our review:

- 1) Federal expenditures from the New Principal Mentoring Program of \$63,495; Partners to LEAD-PTL2 of \$82,894; Leading while Learning Program of \$29,966; and The Bridge Project of \$11,479; were reported in the SEFA. We verified that the sources are not coming from Federal sources.
- 2) Assistance Listing Number 84.425D, Social Emotional Learning and Trauma Response passed-through to subrecipients amount of \$613,124 was not included on the SEFA.
- 3) Expenditures amounting to \$8,262 were incorrectly reported on the SEFA as Assistance Listing Number 97.036 Public Assistance Program.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2023**

**FINDING 2023-001 – Controls over Preparation of the Schedule of Expenditures of Federal Awards (Continued)**

The Regional Office of Education No. 21 subsequently revised its SEFA to correct these errors.

**QUESTIONED COSTS:**

None

**CONTEXT:**

Total expenditures of federal awards of all the programs were \$2,954,610 and passed through to subrecipients of \$517,652. Total expenditures of federal awards of the all the programs after the adjusted SEFA were \$2,758,514 and passed through to subrecipients of \$1,130,776.

**EFFECT:**

The Regional Office of Education No. 21’s management or its employees, in the normal course of performing their assigned functions, did not prevent or detect SEFA misstatements and disclosure omissions in a timely manner. In addition, inaccurate reporting of federal expenditures on the SEFA can change the required audit coverage to meet federal requirements and delay an audit beyond the reporting deadline.

**CAUSE:**

The Regional Office of Education No. 21’s management indicated this was an oversight.

**RECOMMENDATION:**

The Regional Office of Education No. 21 should implement comprehensive preparation and/or review procedures as part of their internal control over the preparation of the SEFA to ensure the SEFA, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of the applicable federal guidelines and knowledge of Regional Office of Education No. 21’s grant programs and activities.

**MANAGEMENT’S RESPONSE:**

Following the issuance of this finding, ROE No. 21 has engaged a new accounting firm to provide consultation on new grant agreements and ensure accuracy of ROE No. 21 reporting procedures.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2023**

**FINDING 2023-001 – Controls over Preparation of the Schedule of Expenditures of Federal Awards (Concluded)**

In addition, with reference to ROE No. 21 being cited solely for inaccuracies in financial statement preparation, new reconciliation procedures have been implemented to ensure accurate reporting of ROE No. 21 activity by outsourced services. ROE No. 21 is currently transitioning to a new service provider that meets our stringent accuracy standards and has the resources to closely collaborate with ROE No. 21 staff to ensure precise reporting of ROE No. 21 activity.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2023**

**FINDING 2023-002 – Controls over Financial Statement Preparation**

**CRITERIA/SPECIFIC REQUIREMENT:**

105 ILCS 5/2-3.17a allows a Regional Office of Education or Educational Service Center to utilize a cash basis, modified cash basis, or generally accepted accounting principles (GAAP) basis of accounting to prepare financial statements for audit. The Regional Office of Education No. 21 (ROE) has chosen to utilize the cash basis of accounting for financial reporting.

The ROE is required to maintain a system of controls over the preparation of financial statements, in accordance with its selected basis of accounting. ROE No. 21's internal controls over financial reporting should include adequately trained personnel with the knowledge and expertise to prepare and/or thoroughly review financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

**CONDITION:**

During the review of ROE No. 21's financial information, it was noted the ROE No. 21 did not have sufficient internal controls over the financial reporting process to ensure financial statement transactions were accurately reported as follows:

- A. During our review of grant agreements, we noted the program revenue that was passed-through Regional Office of Education No. 19 for New Principal Mentoring Program of \$58,762 and Partners to LEAD-PTL2 of \$76,610; Passed-through Regional Office of Education No. 17 Leading while Learning Program of \$28,270; were verified to be vendor contract agreements instead of subgrants. These revenues should have been reported as local sources instead of federal sources. Expenditures related to these programs should not be reported on the Schedule of Expenditures of Federal Awards (SEFA).
- B. During our review of pension contributions to the Defined Benefit Pension Plan pooled under the Illinois Municipal Retirement Fund (IMRF) and the Teacher's Retirement System of the State of Illinois (TRS), the amount reported as pension expense in the financial statements was overstated by \$30,828 and should have been included in the salaries and benefits expense. In addition, OPEB expense in the financial statements was understated by \$958.
- C. Changes from Items A & B above resulted in adjustments to the balances of various programs' cash account, revenue, and expenditure line items, as well as the corresponding Budget Comparison Schedules.
- D. Financial statement notes did not disclose a vehicle lease amounting to \$11,673 or copy machine leases amounting to \$12,230 as annual expenses.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION II – FINANCIAL STATEMENT FINDINGS  
For the Year Ended June 30, 2023**

**FINDING 2023-002 – Controls over Financial Statement Preparation (Concluded)**

The Regional Office of Education No. 21 subsequently revised its financial statements to correct these errors.

**EFFECT:**

The Regional Office of Education No. 21’s management or its employees, in the normal course of performing their assigned functions, did not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

**CAUSE:**

The Regional Office of Education No. 21’s management indicated this was an oversight.

**RECOMMENDATION:**

The Regional Office of Education No. 21 should implement comprehensive preparation and/or review procedures as part of their internal control over the preparation of financial statements to ensure the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual(s) possessing a thorough understanding of the basis of accounting selected for financial statements, GASB pronouncements, and knowledge of Regional Office of Education No. 21’s activities and operations.

**MANAGEMENT’S RESPONSE:**

Following the issuance of this finding, ROE No. 21 has engaged a new accounting firm to provide consultation on new grant agreements and ensure accuracy of ROE No. 21 reporting procedures.

In addition, with reference to ROE No. 21 being cited solely for inaccuracies in financial statement preparation, new reconciliation procedures have been implemented to ensure accurate reporting of ROE No. 21 activity by outsourced services. ROE No. 21 is currently transitioning to a new service provider that meets our stringent accuracy standards and has the resources to closely collaborate with ROE No. 21 staff to ensure precise reporting of ROE No. 21 activity.



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SECTION III – FEDERAL AWARD FINDINGS  
For the Year Ended June 30, 2023**

**INSTANCES OF NONCOMPLIANCE:**

None

**SIGNIFICANT DEFICIENCIES:**

None

**MATERIAL WEAKNESSES:**

See Finding 2023-001

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For the Year Ended June 30, 2023**

**Corrective Action Plan**

**FINDING 2023-001 – Controls over Preparation of the Schedule of Expenditures of Federal Awards**

**Federal Program Name:** Education Stabilization Fund  
**Project No.:** 2022-4998 SE  
**ALN No.:** 84.425D  
**Passed Through:** Illinois State Board of Education  
**Federal Agency:** U.S. Department of Education

**CONDITION:**

During the review of ROE No. 21’s SEFA, it was noted ROE No. 21 does not have sufficient internal controls over the preparation of the SEFA to ensure all federal expenditures during the fiscal year were reported in the SEFA and information in the SEFA was accurately reported. We noted the following in the originally submitted SEFA for our review:

- 1) Federal expenditures from the New Principal Mentoring Program of \$63,495; Partners to LEAD-PTL2 of \$82,894; Leading while Learning Program of \$29,966; and The Bridge Project of \$11,479; were reported in the SEFA. We verified that the sources are not coming from Federal sources.
- 2) Assistance Listing Number 84.425D, Social Emotional Learning and Trauma Response passed through to subrecipients amount of \$613,124 was not included on the SEFA.
- 3) Expenditures amounting to \$8,262 were incorrectly reported on the SEFA as Assistance Listing Number 97.036 Public Assistance Program.

The Regional Office of Education No. 21 subsequently revised its SEFA to correct these errors.

**PLAN:**

To prevent the recurrence of financial statement inaccuracies that occurred in FY23, ROE No. 21 has implemented the following actions to be carried out during the preparation of FY24 financial statements:

- 1) Implementing new financial statement reconciliation procedures.
- 2) Hiring local accounting consulting services with expertise in Illinois Regional Office of Education financial and operational guidelines.
- 3) Expanding ROE No. 21 Professional Development opportunities through collaboration with professional governmental accounting trainers to provide continuing education to internal and regional bookkeepers.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For the Year Ended June 30, 2023**

**Corrective Action Plan**

**FINDING 2023-001 – Controls over Preparation of the Schedule of Expenditures of Federal Awards (Concluded)**

**ANTICIPATED DATE OF COMPLETION:**

June 30, 2024

**CONTACT PERSON:**

Ms. Lorie LeQuatte, Regional Superintendent of Schools

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For the Year Ended June 30, 2023**

**Corrective Action Plan**

**FINDING 2023-002 – Controls over Financial Statement Preparation**

**CONDITION:**

During the review of ROE No. 21's financial information, it was noted the ROE No. 21 did not have sufficient internal controls over the financial reporting process to ensure financial statement transactions were accurately reported as follows:

- A. During our review of grant agreements, we noted the program revenue that was passed-through Regional Office of Education No. 19 for New Principal Mentoring Program of \$58,762 and Partners to LEAD-PTL2 of \$76,610; Passed-through Regional Office of Education No. 17 Leading while Learning Program of \$28,270; were verified to be vendor contract agreements instead of subgrants. These revenues should have been reported as local sources instead of federal sources. Expenditures related to these programs should not be reported on the Schedule of Expenditures of Federal Awards (SEFA).
- B. During our review of pension contributions to the Defined Benefit Pension Plan pooled under the Illinois Municipal Retirement Fund (IMRF) and the Teacher's Retirement System of the State of Illinois (TRS), the amount reported as pension expense in the financial statements was overstated by \$30,828, and should have been included in the salaries and benefits expense. In addition, OPEB expense in the financial statements was understated by \$958.
- C. Changes from Items A & B above resulted in adjustments to the balances of various programs' cash account, revenue, and expenditure line items, as well as the corresponding Budget Comparison Schedules.
- D. Financial statement notes did not disclose a vehicle lease amounting to \$11,673 or copy machine leases amounting to \$12,230 as annual expenses.

The Regional Office of Education No. 21 subsequently revised its financial statements to correct these errors.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
For the Year Ended June 30, 2023**

**Corrective Action Plan**

**FINDING 2023-002 – Controls over Financial Statement Preparation (Concluded)**

**PLAN:**

To prevent the recurrence of financial statement inaccuracies that occurred in FY23, ROE No. 21 has implemented the following actions to be carried out during the preparation of FY24 financial statements:

- 1) Implementing new financial statement reconciliation procedures.
- 2) Hiring local accounting consulting services with expertise in Illinois Regional Office of Education financial and operational guidelines.
- 3) Expanding ROE No. 21 Professional Development opportunities through collaboration with professional governmental accounting trainers to provide continuing education to internal and regional bookkeepers.

**ANTICIPATED DATE OF COMPLETION:**

June 30, 2024

**CONTACT PERSON:**

Ms. Lorie LeQuatte, Regional Superintendent of Schools

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED  
For the Year Ended June 30, 2023**

None

## BASIC FINANCIAL STATEMENTS

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
STATEMENT OF NET POSITION- CASH BASIS  
June 30, 2023**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 2,574,562	\$ 215,661	\$ 2,790,223
<b>TOTAL ASSETS</b>	2,574,562	215,661	2,790,223
<b>NET POSITION</b>			
Restricted for educational purposes	218,900	-	218,900
Unrestricted	2,355,662	215,661	2,571,323
<b>TOTAL NET POSITION</b>	\$ 2,574,562	\$ 215,661	\$ 2,790,223

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



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
STATEMENT OF ACTIVITIES- CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position			
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Governmental activities:							
Instructional services:							
Salaries and benefits	\$ 2,322,545	\$ -	\$ 1,783,313	\$ -	\$ (539,232)	\$ -	\$ (539,232)
Pension expense	60,871	-	53,752	-	(7,119)	-	(7,119)
OPEB expense	6,489	-	5,223	-	(1,266)	-	(1,266)
Purchased services	954,379	-	756,281	-	(198,098)	-	(198,098)
Supplies and materials	282,896	-	246,316	-	(36,580)	-	(36,580)
Capital outlay	55,506	-	53,386	-	(2,120)	-	(2,120)
Intergovernmental:							
Payments to other governmental units	1,263,112	-	1,162,874	-	(100,238)	-	(100,238)
Total governmental activities	4,945,798	-	4,061,145	-	(884,653)	-	(884,653)
Business-type activities:							
Professional development	230,230	257,954	-	-	-	27,724	27,724
Total business-type activities	230,230	257,954	-	-	-	27,724	27,724
Total primary government	\$ 5,176,028	\$ 257,954	\$ 4,061,145	\$ -	(884,653)	27,724	(856,929)
General receipts:							
Local sources					1,414,191	-	1,414,191
Interest					47,682	3,143	50,825
Total general revenues					1,461,873	3,143	1,465,016
Change in net position					577,220	30,867	608,087
Net position - beginning of year					1,997,342	184,794	2,182,136
Net position - end of year					\$ 2,574,562	\$ 215,661	\$ 2,790,223

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

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET- CASH BASIS  
 June 30, 2023

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,930,024	\$ (553,551)	\$ 165,356	\$ 32,733	\$ 2,574,562
<b>TOTAL ASSETS</b>	<u>\$ 2,930,024</u>	<u>\$ (553,551)</u>	<u>\$ 165,356</u>	<u>\$ 32,733</u>	<u>\$ 2,574,562</u>
<b>FUND BALANCES (DEFICIT)</b>					
Restricted	\$ -	\$ 20,811	\$ 165,356	\$ 32,733	\$ 218,900
Assigned	22,112	-	-	-	22,112
Unassigned	2,907,912	(574,362)	-	-	2,333,550
Total fund balances	<u>2,930,024</u>	<u>(553,551)</u>	<u>165,356</u>	<u>32,733</u>	<u>2,574,562</u>
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<u>\$ 2,930,024</u>	<u>\$ (553,551)</u>	<u>\$ 165,356</u>	<u>\$ 32,733</u>	<u>\$ 2,574,562</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES- CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund	Education Fund	Institute Fund	Nonmajor Special Revenue Funds	Total Governmental Funds
<b>REVENUES</b>					
Local sources	\$ 1,162,580	\$ 163,642	\$ 81,509	\$ 6,460	\$ 1,414,191
State sources	919,557	616,984	-	1,433	1,537,974
Federal sources	3,000	2,520,171	-	-	2,523,171
Interest income	44,514	-	2,684	484	47,682
Total revenues	<u>2,129,651</u>	<u>3,300,797</u>	<u>84,193</u>	<u>8,377</u>	<u>5,523,018</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	966,996	1,352,050	-	3,499	2,322,545
Pension expense	5,087	55,784	-	-	60,871
OPEB expense	2,866	3,623	-	-	6,489
Purchased services	236,305	682,887	32,357	2,830	954,379
Supplies and materials	105,597	170,598	6,701	-	282,896
Intergovernmental:					
Payments to other governmental units	-	1,263,112	-	-	1,263,112
Capital outlay	20,533	34,973	-	-	55,506
Total expenditures	<u>1,337,384</u>	<u>3,563,027</u>	<u>39,058</u>	<u>6,329</u>	<u>4,945,798</u>
Excess (deficiency) of revenues over (under) expenditures	<u>792,267</u>	<u>(262,230)</u>	<u>45,135</u>	<u>2,048</u>	<u>577,220</u>
Other financing sources (uses):					
Transfers in	-	1,378	-	-	1,378
Transfers out	(1,378)	-	-	-	(1,378)
Total other financing sources (uses)	<u>(1,378)</u>	<u>1,378</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	790,889	(260,852)	45,135	2,048	577,220
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR</b>	2,139,135	(292,699)	120,221	30,685	1,997,342
<b>FUND BALANCES (DEFICITS), END OF YEAR</b>	<u>\$ 2,930,024</u>	<u>\$ (53,551)</u>	<u>\$ 165,356</u>	<u>\$ 32,733</u>	<u>\$ 2,574,562</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
STATEMENT OF NET POSITION- CASH BASIS  
PROPRIETARY FUNDS  
JUNE 30, 2023**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Nonmajor Proprietary Fund</b>		
	<b>Enterprise/ Workshop</b>	<b>Paper Bid</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 226,064	\$ (10,403)	\$ 215,661
Total current assets	226,064	(10,403)	215,661
<b>NET POSITION</b>			
Unrestricted	226,064	(10,403)	215,661
<b>TOTAL NET POSITION</b>	<b>\$ 226,064</b>	<b>\$ (10,403)</b>	<b>\$ 215,661</b>

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

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION- CASH BASIS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities -</b>		
	<b>Enterprise Funds</b>		
	<b>Enterprise/ Workshop</b>	<b>Nonmajor Proprietary Fund Paper Bid</b>	<b>Total</b>
<b>OPERATING RECEIPTS</b>			
Charges for services	\$ 94,056	\$ 163,898	\$ 257,954
Total operating receipts	<u>94,056</u>	<u>163,898</u>	<u>257,954</u>
<b>OPERATING DISBURSEMENTS</b>			
Salaries and benefits	24,953	-	24,953
Pension expense	2,028	-	2,028
OPEB expense	156	-	156
Purchased services	34,560	-	34,560
Supplies and materials	6,628	161,905	168,533
Total operating disbursements	<u>68,325</u>	<u>161,905</u>	<u>230,230</u>
<b>OPERATING INCOME</b>	<u>25,731</u>	<u>1,993</u>	<u>27,724</u>
<b>NONOPERATING RECEIPTS</b>			
Interest	3,143	-	3,143
Total nonoperating receipts	<u>3,143</u>	<u>-</u>	<u>3,143</u>
<b>CHANGE IN NET POSITION</b>	28,874	1,993	30,867
<b>NET POSITION - BEGINNING</b>	<u>197,190</u>	<u>(12,396)</u>	<u>184,794</u>
<b>NET POSITION - ENDING</b>	<u>\$ 226,064</u>	<u>\$ (10,403)</u>	<u>\$ 215,661</u>

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

**EXHIBIT G**

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
STATEMENT OF FIDUCIARY NET POSITION- CASH BASIS  
FIDUCIARY FUND  
JUNE 30, 2023**

	<u><b>Custodial Funds</b></u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 42,236
Total Assets	<u>\$ 42,236</u>
<b>NET POSITION</b>	
Restricted for other purposes	\$ 42,236
Total Net Position	<u>\$ 42,236</u>

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

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION- CASH BASIS  
FIDUCIARY FUND  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Contributions	\$ 2,595
Sales tax collections for other governments	12,934,877
Grants and other collections for other governments	415,361
Total additions	13,352,833
 <b>DEDUCTIONS</b>	
Payments of interest and administrative costs	12,272
Payments for supplies and materials	2,489
Payments of sales tax to other governments	12,899,105
Payments of grants and other collections to other governments	409,341
Total deductions	13,323,207
Net change in fiduciary net position	29,626
 <b>NET POSITION, BEGINNING OF YEAR</b>	 12,610
 <b>NET POSITION, END OF YEAR</b>	 \$ 42,236

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

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Regional Office of Education No. 21 was formed under the provisions of the State of Illinois, Illinois State Board of Education. As discussed further, the financial statements are prepared on the cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. Financial Reporting Entity

The ROE operates under the School Code (Articles 5/3 and 5/3A of *Illinois Compiled Statutes*, Chapter 105). The Regional Office of Education No. 21 encompasses Franklin, Johnson, Massac, and Williamson Counties. The Regional Superintendent of Schools (Regional Superintendent) serves as chief administrative officer of the Regional Office of Education No. 21 and is elected pursuant to Article 3, *Illinois Compiled Statutes*, Chapter 105.

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

The Regional Superintendent is also charged with the responsibilities of conducting a special census, when required; providing notice of money distributed to treasurers, board presidents, clerks, and secretaries of school districts on or before each September 30; maintenance of a map and numbering of the Regional Office of Education No. 21 districts; providing township treasurers with a list of district treasurers; inspecting and approving building plans which comply with State law; to perform and report on annual building inspections; investigating bus drivers for valid bus driver permits and taking related action as may be required; maintaining a list of unfilled teaching positions, and to carry out other related duties required or permitted by law.



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. Financial Reporting Entity (Continued)

The Regional Superintendent is responsible for inspection and approval or rejection of school treasurer's bonds. The Regional Superintendent is also required to provide the State Board of Education with an affidavit showing that the treasurers of school districts under the Regional Superintendent's control are properly bonded. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for districts in the region or see that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report. The Regional Superintendent is required to provide opinions and advice related to controversies under school law.

For the period ended June 30, 2023, the Regional Office of Education No. 21 applied for, received, and administered numerous State and federal programs and grants in assistance and support of the educational activities of the school districts in Regional Office of Education No. 21. Such activities are reported as a single major fund (Education Fund).

The Regional Office of Education No. 21 also acts as the administrative agent for the Franklin County Regional Delivery System (a joint agreement). As administrative agent, the Regional Office of Education No. 21 is responsible for the receipt and distribution of the System's funding, as well as all necessary reporting requirements for the Illinois State Board of Education and other granting agencies.

B. Scope of Reporting Entity

The Regional Office of Education No. 21's reporting entity includes all related organizations for which they exercise oversight responsibility.

The Regional Office of Education No. 21 has developed criteria to determine whether outside agencies with activities that benefit the citizens of the region, including districts or joint agreements which serve pupils from numerous regions, should be included in the financial reporting entity. The criteria include, but are not limited to, whether the Regional Office of Education No. 21 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Scope of Reporting Entity (Continued)

The districts and joint agreements have been determined not to be a part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the Regional Office of Education No. 21 does not control the assets, operations, or management of the districts or joint agreements. In addition, the Regional Office of Education No. 21 is not aware of any entity which would exercise such oversight as to result in the Regional Office of Education No. 21 being considered a component unit of the entity.

Based on criteria above, the expenditures paid through the funds of Franklin, Johnson, Massac, and Williamson Counties, for operation of the Regional Office of Education No. 21, are not included in the reporting entity because it is the county boards that authorize, oversee, and control these expenditures.

C. Government-wide and Fund Financial Statements

The Statement of Net Position - Cash Basis and the Statement of Activities – Cash Basis are government-wide financial statements. They report information on all of the non-fiduciary activities of the Regional Office of Education No. 21. The effect of interfund activity has been removed from these statements. Governmental activities are supported by intergovernmental revenues and are reported separate from business-type activities, which rely, to a significant extent, on fees and charges for support.

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis are presented on an “economic resources” measurement focus, within the limitation of the cash basis of accounting as defined below, prescribed by GASB Statement No. 34. All of the Regional Office of Education No. 21’s cash basis assets are included in the accompanying Statement of Net Position - Cash Basis. The Statement of Activities - Cash Basis demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function. Program receipts include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program receipts are reported instead as general receipts.

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

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

C. Government-wide and Fund Financial Statements (Continued)

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, such as transfers. The purpose of interfund transfers is to cover temporary or permanent shortfalls in cash flow within grant programs and funds.

D. Proprietary Fund Financial Statements

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

Proprietary funds are accounted for using the “economic resources” measurement focus, within the limitation of the cash basis of accounting as defined below. Accordingly, all cash basis assets are included on the Statement of Net Position - Cash Basis. The Statement of Revenues, Expenses and Changes in Fund Net Position - Cash Basis presents increases (receipts) and decreases (disbursements) in total net position. Under the cash basis of accounting, receipts are recognized in the period in which they are received while disbursements are recognized in the period in which the liability is disbursed.

Operating receipts in the proprietary funds are those receipts that are generated from the primary operations of the fund. All other receipts, if any, are reported as nonoperating receipts. Operating disbursements are those disbursements that are essential to the primary operations of the fund. All other disbursements, if any, are reported as nonoperating disbursements.

E. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet - Cash Basis and a Statement of Revenues, Expenditures, and Changes in Fund Balances - Cash Basis for all major governmental funds and nonmajor funds aggregated.

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

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

F. Measurement Focus and Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental and component unit activities are presented using the “economic resources” measurement focus and the cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenditures when they result from cash transactions with the exception that tangible non-cash assistance is recorded. Fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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

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

Under the terms of grant agreements, Regional Office of Education No. 21 funds certain programs by a combination of specific cost-reimbursement grants and general receipts. Thus, when program disbursements are incurred, there are both restricted and unrestricted resources available to finance the program. It is the Regional Office of Education No. 21’s policy to first apply restricted funds, then unrestricted resources, as they are needed. For unrestricted funds, committed funds are used first, then assigned funds, then unassigned if any.

G. Fund Accounting

The Regional Office of Education No. 21 uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Regional Office of Education No. 21 uses governmental, proprietary, and fiduciary funds.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Governmental Funds*

Governmental funds are those through which most governmental functions of the Regional Office of Education No. 21 are typically reported. Reporting for governmental funds focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used.

As prescribed by GASB Statement No. 34, governmental fund reporting focuses on the major funds, rather than on the fund type. There is a two-step process for determining if a fund should be reported as a major fund: (1) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 10% of the corresponding total for the fund type, and (2) total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of an individual fund are at least 5% of the corresponding total for the total of all governmental and proprietary funds combined. Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor funds. The Regional Office of Education No. 21 has presented all major funds that met the above qualifications.

The Regional Office of Education No. 21 reports the following major governmental funds:

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

County Budget – Accounts for monies received from the Franklin, Johnson, Massac, and Williamson County Boards to help support the day-to-day staffing and expenses of the Regional Office of Education No. 21.

Education Careers Heightened Opportunity (ECHO) - Used to account for General State Aid monies and local monies received for the general operations of the alternative school.

General Operating - Used to accumulate miscellaneous receipts used to support the day-to-day expenses of the Regional Office of Education No. 21.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Governmental Funds* (Continued)

General Fund (Continued)

School Facility Occupation Tax (SFOT) Interest Allocation - Used to account for the interest earned on the Franklin and Williamson Counties School Facility Occupation Tax while it is held in the Regional Office of Education No. 21's accounts before each month's distribution. If the Regional Office of Education No. 21 has agreements in place with the school districts, the Regional Office of Education No. 21 may keep the interest earned.

General State Aid Safe Schools - Used to account for General State Aid monies and local monies received for programs – i.e., S.T.A.R. Quest Academy RSSP – for disruptive students in public schools served by the Regional Office of Education No. 21 who are eligible for suspension or expulsion.

Juvenile Detention Center - Used to account for local monies received from school districts to operate the educational program at the Franklin County Juvenile Detention Center.

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

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

McKinney - Vento Education for Homeless Children - This grant provides funds for providing information to schools, community members and government entities about the educational rights of and services for programs for homeless students.

American Rescue Plan – Homeless Children and Youth – This grant provides funds for implementing the requirements for the McKinney-Vento Homeless Assistance Act and the American Rescue Plan to provide families and children/youths experiencing homelessness and allow immediate enrollment and participation in school activities.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Governmental Funds* (Continued)

Education (Continued)

Substance Abuse Prevention and Treatment - The Regional Office of Education No. 21 is the administrative agent for the Department of Human Services funded Community Prevention Resources program which supports prevention professionals trained to assist communities and schools with the knowledge and skills for effective alcohol, tobacco, and other drug prevention.

State Free Lunch and Breakfast - This program is funded by State monies to provide free breakfast and lunch to eligible needy students enrolled in the Regional Safe Schools Program.

Federal Lunch and Breakfast - This program is funded by federal grants to provide reimbursement of meals through the school lunch and breakfast program and free or reduced-price meals for students enrolled in the Regional Safe Schools Program.

ROE/ISC Operations - Monies received from State sources to help support the administrative costs with quality and effectiveness as they perform identified State functions and services including continuous school improvement programs and services.

Regional Safe Schools - This fund provides alternative placement for those students in a safe school program.

Truants Alternative/Optional Education Program (TAOEP) - This program is devoted to ensuring that each referred at-risk student will be provided with individualized educational and supplemental services that meet the holistic needs of students in pursuit of their education development. TAOEP offerings include identification of at-risk students and dropouts, truancy intervention services, academic intervention and redemption, parental skills development, and network with community agencies and businesses.

Digital Equity - This fund is used to account for a federal grant that enables digital-age teaching and learning due to COVID-19 and provide students with technology tools and home internet access necessary for technology-rich remote learning experiences.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Governmental Funds* (Continued)

Education (Continued)

Elevating Special Educators - This grant is for the strong need to decrease gaps and weaknesses in services, infrastructure, and opportunities associated with improving the performance of students with disabilities and the overall student population. This grant allows better access to coordinated professional development in order to increase student growth and achievement, and additionally, an opportunity to recruit and retain highly qualified teachers.

TEAM LEAD - The TEAM LEAD Project, funded by USDE through the SEED Program, is focused on increasing principal effectiveness in areas that lead to increases in student achievement particularly in high-need schools. The purpose of the SEED Program is to increase the number of highly effective educators by supporting the implementation of evidence-based practices that prepare, develop, or enhance educators. TEAM LEAD will achieve the grant objective by implementing an evidence-based strategy that builds upon existing partnerships and practices to develop culturally competent schools' leaders from diverse backgrounds that can improve student outcomes, particularly for high-need students. TEAM LEAD represents an exceptional approach to increasing principal effectiveness by providing professional development and coaching support to current school leaders that improve instructional and administrative leadership and the school's climate and culture. The project aims to increase the positive impact leadership has on student outcomes.

Grow Your Own - To address the severe shortage of qualified teachers within Illinois rural and small school districts. Grant dollars are awarded to partners who have agreed to assist in programmatic implementation of the grant goals.

New Principal Mentoring Program - This program provides all new principals with access to individualized mentoring that builds leadership capacity and reduces principal turnover, particularly for leaders from underrepresented demographic groups and those serving in high-need schools. The State of Illinois provides funding to support delivery of principal mentoring to all new principals in their first year of principalship in Illinois. The statute and administrative rules allow for participation of second-year principals who request mentoring when sufficient funding is available.



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Governmental Funds* (Continued)

Education (Continued)

Community Partnership - This grant is used to develop and expand the current relationships between schools, community-based organizations, and child and family mental health providers to benefit the well-being of children, parents, and school staff.

Social Emotional Learning and Trauma Response - This fund is used to ensure that districts, in partnership with social emotional learning (SEL) and trauma coaches, will identify, develop, and implement a comprehensive plan to address the safety and well-being needs of students and staff.

ESSER III- This fund is used to support schools in the safe reopening and sustaining safe operations of schools while meeting the academic, social, emotional and mental health needs of students resulting from the COVID-19 pandemic.

The Bridge Project – This is used to work with superintendents and their teams to improve principal workforce diversity and retention.

Partners to LEAD-PTL2 – This fund is used to increase principal effectiveness in areas that lead to increases in student achievement.

Leading While Learning – This fund is used to address the principal shortage by identifying high-potential teachers and teacher leaders with principal certification.

Institute Fund - This fund is used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted to expenditures for specified purposes supporting programs as follows:

Institute - Used to account for examination, registration and renewal fees, and to defray expenses incidental to teacher’s institutes, workshops, and professional meetings.

Technology - Accounts for E-Rate technology reimbursements, as well as the purchase of technology-related supplies and services.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Governmental Funds* (Continued)

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

Bus Driver Permit Fund - Accounts for funds received from registrations and user fees which are used to test and train bus drivers.

General Education Development Fund - Accounts for the administration of the General Education Development (GED) Testing Program with revenues from testing and diploma fees used to pay administrative expenses incurred. Illinois law requires the Regional Superintendent of Schools of each county or counties to administer the GED test. The GED tests are given through Pearson VUE, an outside vendor, and are proctored by the Regional Office's staff in a computer lab located at John A. Logan College in Williamson County. Shawnee College in Ullin is another local Pearson VUE testing center for the southern counties of the Regional Office of Education No. 21.

*Proprietary Funds*

Proprietary funds are those in which revenues and expenses related to services provided to organizations inside the Regional Office of Education No. 21 on a cost reimbursement basis are reported:

Major Proprietary Funds - The Regional Office of Education No. 21 reports the following proprietary fund as a major fund:

Enterprise/Workshop - Used to account for revenues received from workshops held by the Regional Office of Education No. 21.

Nonmajor Proprietary Funds - The Regional Office of Education No. 21 reports the following proprietary fund as a nonmajor fund:

Paper Bid - This program is used to purchase paper in bulk for the schools in order to reduce their costs.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Fund Accounting (Continued)

*Fiduciary Funds*

Custodial funds are used to account for assets held by the Regional Office of Education No. 21 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Custodial funds include the following:

School Facility Occupation Tax - The Regional Office receives proceeds generated through the school facility occupation tax. Within thirty days, the Regional Superintendent must disburse those proceeds that it receives that are collected by the Illinois Department of Revenue to each school district that has territory located in the county in which the tax was collected. The proceeds must be disbursed on an enrollment basis and allocated based upon the number of each school district's resident pupils that reside within the county collecting the tax divided by the total number of students for all school districts within the county.

Franklin County Regional Delivery System (Joint Agreement) - The Franklin County Regional Delivery System consists of six Franklin County high schools whose students generate vocational credits which are reimbursed through CTEI and Perkins grants. The System's governing board, referred to as the Board of Control, consists of the six superintendents of the county high schools and the Regional Superintendent of Schools. The Board hires a System director, special populations coordinator, and programs of study/Partnerships for College and Career Success coordinator who assist the System director in compliance with the goals of the grants with regards to improvement of instruction and maintenance of high-quality programming. Some funds are earmarked for elementary schools in the county to advance their efforts in early career exploration.

Student Activity Fund - The Regional Office receives personal or business donations and fundraising proceeds to be used for the alternative school. The funds are used for educational purposes determined by the staff and students at the alternative school.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

H. Governmental Cash Basis Fund Balances

The following types of fund balances may be presented in the Governmental Funds Balance Sheet - Cash Basis and Governmental Funds Combining Schedule of Accounts - 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 funds with nonspendable fund balances.

Restricted Fund Balance - The portion of a governmental fund's fund balance that is subject to external enforceable legal restrictions. The following Education fund balances are restricted by grant agreements or contracts: State Free Lunch and Breakfast, Federal Lunch and Breakfast, and Grow Your Own. The following Institute fund balances are restricted by Illinois Statute: Institute and Technology. The following nonmajor special revenue funds are restricted by Illinois Statute: Bus Driver Permit and General Education Development.

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. The Regional Office of Education No. 21 has no committed fund balances.

Assigned Fund Balance - The portion of a governmental fund's fund balance for which an intended use of resources has been denoted. The accounts presented with assigned fund balance are specified for a particular purpose by the Regional Superintendent. The following General Fund account had an assigned fund balance: County Budget.

Unassigned Fund Balance - Available expendable financial resources in a governmental fund that are not designated for a specified purpose. The following General Fund accounts have unassigned fund balances (deficits): ECHO, General Operating, School Facility Occupation Tax Interest Allocation, General State Aid Safe Schools, and Juvenile Detention Center. The following Education Fund accounts have unassigned fund balances (deficits): McKinney Education for Homeless Children, American Rescue Plan – Homeless Children and Youth, Substance Abuse Prevention and Treatment, Elevating Special Educators, New Principal Mentoring Program, Community Partnership, Social Emotional Learning and Trauma Response, ESSER III, The Bridge Project, Partners to LEAD-PTL2, and Leading While Learning.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

I. Cash Basis Net Position

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

Restricted net position - Consists of restricted assets related to restricted funds.

Unrestricted net position - The net amount of assets that are not included in the determination of the restricted component of net position.

J. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit. The Regional Office of Education No. 21 considers all liquid investments, including certificates of deposit with an original maturity date of less than three months, to be cash equivalents.

K. Compensated Absences

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

L. Budget Information

The Regional Office of Education No. 21 acts as the administrative agent for certain grant programs that are accounted for within the Education Fund. These programs have separate budgets that are required to be reported to the Illinois State Board of Education and Illinois Department of Human Services; however, none of the annual budgets have been legally adopted, nor are they required to be. Certain programs within the Education Fund do not have separate budgets. Comparisons of budgeted and actual results for the following programs are presented as supplementary information: McKinney Education for Homeless Children, American Rescue - Homeless Children and Youth, Substance Abuse Prevention and Treatment, ROE/ISC Operations, Regional Safe Schools, Truants Alternative/Optional Education, Digital Equity, Elevating Special Educators, TEAM LEAD, New Principal Mentoring Program, Community Partnership, Social Emotional Learning and Trauma Response, ESSER III, The Bridge Project, Partners to LEAD-PTL2, and Leading While Learning.

M. Subsequent Events

Management has evaluated subsequent events through June 11, 2024, the date the financial statements were available to be issued.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

N. New Accounting Pronouncements

For the fiscal year ended June 30, 2023, the Regional Office of Education No. 21 implemented Governmental Accounting Standards Board (GASB) Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and certain provisions of GASB Statement No. 99, *Omnibus 2022*. The implementation of Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022* had no significant impact on the Regional Office of Education No. 21's financial statements.

**NOTE 2: CASH AND CASH EQUIVALENTS**

The *Illinois Compiled Statutes* authorize the Regional Office of Education No. 21 to make deposits and invest in U.S. Government, State of Illinois and municipal securities; certificates of deposit or time savings deposits insured by the FDIC; mortgage notes, bonds, or debentures issued by the Federal Housing Administration; bonds and other obligations of the Federal National Mortgage Association; commercial paper rated within the three highest classifications by at least two standard rating services; credit union shares; and the Illinois Public Treasurer's Investment Pool.

A. Deposits

At June 30, 2023, the carrying amount of the Regional Office of Education No. 21's government-wide and fiduciary fund deposits were \$2,790,223 and \$42,236, respectively and the bank balances were \$3,125,782.

At June 30, 2023, \$250,000 of the Regional Office of Education No. 21's cash deposits was insured by the Federal Deposit Insurance Corporation and \$2,873,841 was collateralized by pledged collateral not held in the Regional Office of Education No. 21's name.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)**

B. Investments

At June 30, 2023, the carrying amount of the Regional Office of Education No. 21's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$1,941. The bank balance invested in the Illinois Funds Money Market Fund was \$1,941. This fund enables custodians of public funds to have an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 21's governmental activities.

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of bank failure, the Regional Office of Education No. 21's deposits may not be returned to it. The Regional Office of Education No. 21 does not have a formal investment policy to guard against custodial credit risk but follows the Public Funds Investment Act (30 ILCS 235/2 and 6) and Section 8-7 of the School Code.

*Interest Rate Risk*

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Regional Office of Education No. 21 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk*

The Regional Office of Education No. 21 is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6), and Section 8-7 of the School Code. The Regional Office of Education No. 21 has no investment policy that would further limit its investment choices. As of June 30, 2023, the Regional Office of Education No. 21 was in compliance with these guidelines.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 3: DEFINED BENEFIT PENSION PLAN**

**IMRF Plan Description**

The Regional Office of Education No. 21's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Regional Office of Education No. 21's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public pension plan. 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](http://www.imrf.org).

**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected 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 credited 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
- ½ of the increase in the Consumer Price Index of the original pension amount.



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**NOTE 3: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Contributions**

As set by statute, the Regional Office of Education No. 21's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education No. 21's annual contribution rate for calendar year 2022 was 1.53%. For the fiscal year ended June 30, 2023, the Regional Office of Education contributed \$11,522 to the plan. The Regional Office of Education No. 21 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.

**NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

The Regional Office of Education No. 21 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/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 service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**  
**(CONTINUED)**

**Benefits Provided (Continued)**

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 retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

**Contributions**

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2022, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education No. 21.

**On-behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 21.

**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 \$6,188.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**  
**(CONTINUED)**

**Contributions (Continued)**

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 21, there is a statutory requirement for the Regional Office of Education No. 21 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, the employer contribution rate on salaries paid from federal funds was equal to the State's contribution rate and was much higher.

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$430,087 were paid from federal and special trust funds that required employer contributions of \$45,116.

**Employer retirement cost contributions.** Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education No. 21 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the Regional Office of Education No. 21 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent and no payments for sick leave days granted in excess of the normal annual allotment.

**NOTE 5: TEACHERS' HEALTH INSURANCE SECURITY FUND**

**THIS Plan Description**

The Regional Office of Education No. 21 participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5: TEACHERS' HEALTH INSURANCE SECURITY FUND (CONTINUED)**

**THIS Plan Description (Continued)**

THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

**Benefits Provided**

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provision 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 required all active contributors to TRS who are not employees of the State to make a contribution to the THIS Fund. A percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

**On-behalf Contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of Regional Office of Education No. 21.

**Employer Contributions to the THIS Fund**

The Regional Office of Education No. 21 makes contributions to the THIS Fund. The Employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2023, and 0.67 and 0.92 percent during the years ended June 30, 2022, and 2021, respectively. For the year ended June 30, 2023, the Regional Office of Education No. 21 paid \$7,148 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2022, and 2021, the Regional Office of Education No. 21 paid \$5,212 and \$5,198 to the THIS Fund, respectively, which was 100 percent of the required contribution.

**Further Information on the THIS Fund**

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

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6: OTHER POST-EMPLOYMENT BENEFITS – HEALTH INSURANCE**

The Regional Office of Education No. 21 provides a single employer defined benefit post-employment healthcare plan to retirees who participate in the IMRF retirement plan. This plan extends the same health benefits to annuitants as to active employees in the IMRF plan. The Governmental Accounting Standards Board (GASB) issued Statements No. 74 and 75 that established generally accepted accounting principles for the annual financial statements for post-employment benefit plans other than pension plans. The required information is as follows:

**Benefits Provided**

The Regional Office of Education No. 21 provides continued health insurance coverage at the blended employer rate to all eligible Regional Office of Education No. 21 retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The Regional Office of Education No. 21 offers the G543 PPO Blue PPO Gold 114 Plan as of January 1, 2020, to IMRF retirees. Retirees pay the full cost of coverage. Coverage continues until Medicare eligibility is reached. Dependent coverage ends at the same time as that for the retiree. If the retiree attains age 65 (eligible for Medicare) prior to the spouse, the spouse may continue to elect coverage through the Regional Office of Education No. 21 until the spouse attains age 65.

**Funding Policy and Contributions**

There is no funding policy that exists for the post-retirement plan at this time, as the total OPEB liabilities are currently an unfunded obligation. The employer contributions and benefit payments are related to the increase in active premiums due to the presence of retirees in the determination of blended retiree/active premiums. There are no retirees currently participating in the Regional Office of Education No. 21 insurance and no active employees are eligible to retire in the current year. The Regional Office made no contributions to the plan in the year ended June 30, 2023.

**NOTE 7: RISK MANAGEMENT**

The Regional Office of Education No. 21 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Office of Education No. 21 has purchased commercial insurance to cover these risks. During the year ended June 30, 2023, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past four years.

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 8: ON-BEHALF PAYMENTS**

The State of Illinois pays the following salaries and benefits on behalf of the Regional Office of Education No. 21:

Regional Superintendent Salary	\$ 127,908
Regional Superintendent Fringe Benefits (Includes State paid insurance)	25,702
Assistant Regional Superintendent Salary	115,116
Assistant Regional Superintendent Fringe Benefits (Includes State paid insurance)	43,251
<b>TOTAL</b>	<b><u><u>\$ 311,977</u></u></b>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education.

Due to the Regional Office of Education No. 21 reporting on the cash basis of accounting, the on-behalf payment are not recorded in the financial statements as the amounts were not received or disbursed in cash.

**NOTE 9: LEASE COMMITMENTS**

The Regional Office of Education No. 21 is committed under a lease agreement for office space for their Project ECHO and S.T.A.R location at 17428 Route 37 Johnston City, Illinois. An agreement commencing on July 1, 2019, and extending to June 30, 2024 requires monthly lease payments of \$4,000 a month. Lease expense for fiscal year 2023 was \$48,000.

During the year ended June 30, 2020, the Regional Office of Education No. 21 entered into a lease agreement for a copy machine in the Marion office. The lease began June 1, 2020, and ends August 1, 2023. The monthly payments are \$565 creating an annual expense of \$6,780.

During the year ended June 30, 2023, the Regional Office of Education No. 21 entered into lease agreements for seven copy machine in various offices and a vehicle. The leases began on July 1, 2023 and September 9, 2022, respectively. The monthly payments are \$1,019 and \$2,918, respectively, creating an annual expense of \$12,230 and \$11,673, respectively.

Future minimum operating lease payments are as follows:

<b>Year</b>	<b>Future Minimum</b>
<b>Ending</b>	<b>Lease Payments</b>
<b>June 30,</b>	<b></b>
2024	<u><u>\$ 71,903</u></u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10: INTERFUND TRANSFERS**

The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities; however, the transfers between the governmental funds and the business-type funds were not eliminated. For the current fiscal year, there were the following interfund transfers:

	Transfers In	Transfers Out
General Fund		
County	\$ -	\$ 1,298
ECHO	-	79
General State Aid Safe Schools	-	1
Special Revenue Fund - Education Funds		
Regional Safe Schools	1	-
Truants Alternative/Optional Education	96	-
Elevating Special Educators	1,202	-
ESSER III	79	-
Total	\$ 1,378	\$ 1,378

**NOTE 11: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The following funds have deficit fund balances/net position that may be due to timing of cash receipts and disbursements being on a cash basis and will be eliminated during the fiscal year ending June 30, 2024, when cash is received. For funds that ultimately have deficit fund balances/net position, the Regional Office of Education No. 21 intends to reduce expenditures or transfer unrestricted funds to compensate for the deficit fund balances.

The following funds had deficit fund balances at June 30, 2023:

Education Funds	
McKinney Education for Homeless Children	\$ 55,691
American Rescue Plan - Homeless Children and Youth	59,242
Substance Abuse Prevention & Treatment	52,822
Elevating Special Educators	75,546
New Principal Mentoring Program	25,335
Community Partnership	41,520
Social Emotional Learning and Trauma Response	232,733
ESSER III	12,014
The Bridge Project	11,479
Partners to LEAD-PTL2	6,284
Leading While Learning	1,696
Proprietary Funds	
Paper Bid	10,403

SUPPLEMENTAL INFORMATION



SCHEDULE 1

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF ACCOUNTS- CASH BASIS  
 GENERAL FUND  
 JUNE 30, 2023

	County Budget	ECHO	General Operating	SFOT Interest Allocation	General State Aid Safe Schools	Juvenile Detention Center	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 22,112	\$ 2,326,424	\$ 218,056	\$ 125,163	\$ 215,330	\$ 22,939	\$ 2,930,024
<b>TOTAL ASSETS</b>	<u>\$ 22,112</u>	<u>\$ 2,326,424</u>	<u>\$ 218,056</u>	<u>\$ 125,163</u>	<u>\$ 215,330</u>	<u>\$ 22,939</u>	<u>\$ 2,930,024</u>
<b>FUND BALANCES</b>							
Assigned	\$ 22,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,112
Unassigned	-	2,326,424	218,056	125,163	215,330	22,939	2,907,912
<b>TOTAL FUND BALANCES</b>	<u>22,112</u>	<u>2,326,424</u>	<u>218,056</u>	<u>125,163</u>	<u>215,330</u>	<u>22,939</u>	<u>2,930,024</u>
<b>TOTAL FUND BALANCES</b>	<u>\$ 22,112</u>	<u>\$ 2,326,424</u>	<u>\$ 218,056</u>	<u>\$ 125,163</u>	<u>\$ 215,330</u>	<u>\$ 22,939</u>	<u>\$ 2,930,024</u>

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES- CASH BASIS  
 GENERAL FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2023

	County Budget	ECHO	General Operating	SFOT Interest Allocation	General State Aid Safe Schools	Juvenile Detention Center	Total
<b>REVENUES</b>							
Local sources	\$ 320,600	\$ 500,863	\$ 65,993	\$ 109,080	\$ 63,312	\$ 102,732	\$ 1,162,580
State sources	-	739,298	-	-	180,259	-	919,557
Federal sources	-	3,000	-	-	-	-	3,000
Interest	357	29,780	2,765	8,868	2,744	-	44,514
Total revenues	320,957	1,272,941	68,758	117,948	246,315	102,732	2,129,651
<b>EXPENDITURES</b>							
Instructional services:							
Salaries and benefits	287,713	491,897	-	-	89,584	97,802	966,996
Pension expense	2,378	2,156	-	-	445	108	5,087
OPEB expense	-	2,204	-	-	223	439	2,866
Purchased services	43,835	97,175	50,323	234	38,578	6,160	236,305
Supplies and materials	6,825	80,650	1,743	53	16,300	26	105,597
Capital outlay	1,180	18,413	940	-	-	-	20,533
Total expenditures	341,931	692,495	53,006	287	145,130	104,535	1,337,384
Excess (deficiency) of revenues over (under) expenditures	(20,974)	580,446	15,752	117,661	101,185	(1,803)	792,267
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers out	(1,298)	(79)	-	-	(1)	-	(1,378)
Total other financing sources (uses)	(1,298)	(79)	-	-	(1)	-	(1,378)
<b>NET CHANGE IN FUND BALANCES</b>	(22,272)	580,367	15,752	117,661	101,184	(1,803)	790,889
<b>FUND BALANCES, BEGINNING OF YEAR</b>	44,384	1,746,057	202,304	7,502	114,146	24,742	2,139,135
<b>FUND BALANCES, END OF YEAR</b>	\$ 22,112	\$ 2,326,424	\$ 218,056	\$ 125,163	\$ 215,330	\$ 22,939	\$ 2,930,024

SCHEDULE 3

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF ACCOUNTS- CASH BASIS  
 EDUCATION FUND  
 JUNE 30, 2023

	McKinney Education for Homeless Children	American Rescue Plan - Homeless Children and Youth	Substance Abuse Prevention & Treatment	State Free Lunch and Breakfast	Federal Lunch and Breakfast
<b>ASSETS</b>					
Cash and cash equivalents	\$ (55,691)	\$ (59,242)	\$ (52,822)	\$ 4,512	\$ 13,568
<b>TOTAL ASSETS</b>	<u>\$ (55,691)</u>	<u>\$ (59,242)</u>	<u>\$ (52,822)</u>	<u>\$ 4,512</u>	<u>\$ 13,568</u>
<b>FUND BALANCES (DEFICITS)</b>					
Restricted	\$ -	\$ -	\$ -	\$ 4,512	\$ 13,568
Unassigned	(55,691)	(59,242)	(52,822)	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<u>(55,691)</u>	<u>(59,242)</u>	<u>(52,822)</u>	<u>4,512</u>	<u>13,568</u>
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<u>\$ (55,691)</u>	<u>\$ (59,242)</u>	<u>\$ (52,822)</u>	<u>\$ 4,512</u>	<u>\$ 13,568</u>

SCHEDULE 3

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF ACCOUNTS- CASH BASIS  
 EDUCATION FUND  
 JUNE 30, 2023

	ROE/ISC Operations	Regional Safe Schools	Truants Alternative/Opt ional Education	Digital Equity	Elevating Special Educators
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ (75,546)
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (75,546)</b>
FUND BALANCES (DEFICITS)					
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	-	-	-	-	(75,546)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75,546)</b>
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (75,546)</b>

SCHEDULE 3

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF ACCOUNTS- CASH BASIS  
 EDUCATION FUND  
 JUNE 30, 2023

	TEAM LEAD	Grow Your Own	New Principal Mentoring Program	Community Partnership	Social Emotional Learning and Trauma Response
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 2,731	\$ (25,335)	\$ (41,520)	\$ (232,733)
<b>TOTAL ASSETS</b>	\$ -	\$ 2,731	\$ (25,335)	\$ (41,520)	\$ (232,733)
<b>FUND BALANCES (DEFICITS)</b>					
Restricted	\$ -	\$ 2,731	\$ -	\$ -	\$ -
Unassigned	-	-	(25,335)	(41,520)	(232,733)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	-	2,731	(25,335)	(41,520)	(232,733)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	\$ -	\$ 2,731	\$ (25,335)	\$ (41,520)	\$ (232,733)

**SCHEDULE 3**

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING SCHEDULE OF ACCOUNTS- CASH BASIS  
EDUCATION FUND  
JUNE 30, 2023**

	<b>ESSER III</b>	<b>The Bridge Project</b>	<b>Partners to LEAD-PTL2</b>	<b>Leading While Learning</b>	<b>Total</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ (12,014)	\$ (11,479)	\$ (6,284)	\$ (1,696)	\$ (553,551)
<b>TOTAL ASSETS</b>	<u>\$ (12,014)</u>	<u>\$ (11,479)</u>	<u>\$ (6,284)</u>	<u>\$ (1,696)</u>	<u>\$ (553,551)</u>
<b>FUND BALANCES (DEFICITS)</b>					
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 20,811
Unassigned	(12,014)	(11,479)	(6,284)	(1,696)	(574,362)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<u>(12,014)</u>	<u>(11,479)</u>	<u>(6,284)</u>	<u>(1,696)</u>	<u>(553,551)</u>
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<u>\$ (12,014)</u>	<u>\$ (11,479)</u>	<u>\$ (6,284)</u>	<u>\$ (1,696)</u>	<u>\$ (553,551)</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES- CASH BASIS  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2023**

	McKinney Education for Homeless Children	American Rescue Plan - Homeless Children and Youth	Substance Abuse Prevention & Treatment	State Free Lunch and Breakfast	Federal Lunch and Breakfast
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	371	-
Federal sources	517,775	177,305	254,062	-	86,968
Total revenues	<u>517,775</u>	<u>177,305</u>	<u>254,062</u>	<u>371</u>	<u>86,968</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	112,084	-	125,147	-	30,362
Pension expense	1,244	-	1,333	-	2,055
OPEB expense	-	-	-	-	124
Purchased services	20,902	46,518	81,318	-	1,298
Supplies and materials	6,185	7,146	7,179	-	40,679
Intergovernmental:					
Payments to other governmental units	342,809	174,843	-	-	-
Capital outlay	-	4,517	-	-	-
Total expenditures	<u>483,224</u>	<u>233,024</u>	<u>214,977</u>	<u>-</u>	<u>74,518</u>
Excess (deficiency) of revenues over (under) expenditures	34,551	(55,719)	39,085	371	12,450
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	34,551	(55,719)	39,085	371	12,450
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR</b>	<u>(90,242)</u>	<u>(3,523)</u>	<u>(91,907)</u>	<u>4,141</u>	<u>1,118</u>
<b>FUND BALANCES (DEFICITS), END OF YEAR</b>	<u>\$ (55,691)</u>	<u>\$ (59,242)</u>	<u>\$ (52,822)</u>	<u>\$ 4,512</u>	<u>\$ 13,568</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES- CASH BASIS  
EDUCATION FUND ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2023**

	ROE/ISC Operations	Regional Safe Schools	Truants Alternative/Opt ional Education	Digital Equity	Elevating Special Educators
<b>REVENUES</b>					
Local sources	-	-	-	-	-
State sources	341,743	83,312	191,558	-	-
Federal sources	-	-	-	11,479	150,387
Total revenues	<u>341,743</u>	<u>83,312</u>	<u>191,558</u>	<u>11,479</u>	<u>150,387</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	245,039	80,674	165,098	-	138,547
Pension expense	2,025	211	1,404	-	8,898
OPEB expense	295	370	206	-	535
Purchased services	76,938	1,695	21,100	-	32,712
Supplies and materials	12,096	363	3,815	-	28,672
Intergovernmental:					
Payments to other governmental units	-	-	-	-	-
Capital outlay	5,350	-	-	8,275	3,018
Total expenditures	<u>341,743</u>	<u>83,313</u>	<u>191,623</u>	<u>8,275</u>	<u>212,382</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1)	(65)	3,204	(61,995)
Other financing sources (uses)					
Transfers in	-	1	96	-	1,202
Total other financing sources (uses)	<u>-</u>	<u>1</u>	<u>96</u>	<u>-</u>	<u>1,202</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	31	3,204	(60,793)
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR</b>	-	-	(31)	(3,204)	(14,753)
<b>FUND BALANCES (DEFICITS), END OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-(75,546)</u>



SCHEDULE 4

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES- CASH BASIS  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2023

	TEAM LEAD	Grow Your Own	New Principal Mentoring Program	Community Partnership	Social Emotional Learning and Trauma Response
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ 58,762	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	72,426	-	-	235,142	936,737
Total revenues	<u>72,426</u>	<u>-</u>	<u>58,762</u>	<u>235,142</u>	<u>936,737</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	22,472	-	5,154	86,656	196,473
Pension expense	2,306	-	531	7,139	13,869
OPEB expense	147	-	34	245	856
Purchased services	28,555	-	57,366	170,387	93,713
Supplies and materials	977	-	410	3,009	56,054
Intergovernmental:					
Payments to other governmental units	-	-	-	-	745,460
Capital outlay	7,110	-	-	610	6,093
Total expenditures	<u>61,567</u>	<u>-</u>	<u>63,495</u>	<u>268,046</u>	<u>1,112,518</u>
Excess (deficiency) of revenues over (under) expenditures	10,859	-	(4,733)	(32,904)	(175,781)
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	10,859	-	(4,733)	(32,904)	(175,781)
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR</b>	(10,859)	2,731	(20,602)	(8,616)	(56,952)
<b>FUND BALANCES (DEFICITS), END OF YEAR</b>	<u>\$ -</u>	<u>\$ 2,731</u>	<u>\$ (25,335)</u>	<u>\$ (41,520)</u>	<u>\$ (232,733)</u>

SCHEDULE 4

FRANKLIN, JOHNSON, MASSAC, AND WILLAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES- CASH BASIS  
 EDUCATION FUND ACCOUNTS  
 FOR THE YEAR ENDED JUNE 30, 2023

	ESSER III	The Bridge Project	Partners to LEAD-PTL2	Leading While Learning	Total
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ 76,610	\$ 28,270	\$ 163,642
State sources	-	-	-	-	616,984
Federal sources	77,890	-	-	-	2,520,171
Total revenues	<u>77,890</u>	<u>-</u>	<u>76,610</u>	<u>28,270</u>	<u>3,300,797</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	62,307	10,185	47,390	24,462	1,352,050
Pension expense	5,902	1,048	3,615	4,204	55,784
OPEB expense	377	67	224	143	3,623
Purchased services	20,338	179	28,807	1,061	682,887
Supplies and materials	1,059	-	2,858	96	170,598
Intergovernmental:					
Payments to other governmental units	-	-	-	-	1,263,112
Capital outlay	-	-	-	-	34,973
Total expenditures	<u>89,983</u>	<u>11,479</u>	<u>82,894</u>	<u>29,966</u>	<u>3,563,027</u>
Excess (deficiency) of revenues over (under) expenditures	(12,093)	(11,479)	(6,284)	(1,696)	(262,230)
Other financing sources (uses)					
Transfers in	79	-	-	-	1,378
Total other financing sources (uses)	<u>79</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,378</u>
<b>NET CHANGE IN FUND BALANCES</b>	(12,014)	(11,479)	(6,284)	(1,696)	(260,852)
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR</b>	-	-	-	-	(292,699)
<b>FUND BALANCES (DEFICITS), END OF YEAR</b>	<u>\$ (12,014)</u>	<u>\$ (11,479)</u>	<u>\$ (6,284)</u>	<u>\$ (1,696)</u>	<u>\$ (553,551)</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
MCKINNEY EDUCATION FOR HOMELESS CHILDREN  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUES</b>			
Federal sources	\$ 464,683	\$ 552,225	\$ 517,775
Total revenues	464,683	552,225	517,775
 <b>EXPENDITURES</b>			
Instructional services:			
Salaries and benefits	122,810	122,810	112,084
Pension expense	-	-	1,244
Purchased services	34,043	34,043	20,902
Supplies and materials	7,850	14,392	6,185
Intergovernmental:			
Payments to other governments	299,980	380,980	342,809
Total expenditures	464,683	552,225	483,224
Net change in fund balance	\$ -	\$ -	34,551
FUND BALANCE (DEFICIT) - BEGINNING			(90,242)
FUND BALANCE (DEFICIT) - ENDING			\$ (55,691)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
AMERICAN RESCUE PLAN- HOMELESS CHILDREN AND YOUTH  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 923,816	\$ 923,816	\$ 177,305
Total revenues	923,816	923,816	177,305
EXPENDITURES			
Instructional services:			
Salaries and benefits	67,114	29,454	-
Purchased services	192,972	207,972	46,518
Supplies and materials	4,000	18,660	7,146
Intergovernmental:			
Payments to other governments	659,730	659,730	174,843
Capital outlay	-	8,000	4,517
Total expenditures	923,816	923,816	233,024
Net change in fund balance	\$ -	\$ -	(55,719)
FUND BALANCE (DEFICIT) - BEGINNING			(3,523)
FUND BALANCE (DEFICIT) - ENDING			\$ (59,242)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION #21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
SUBSTANCE ABUSE PREVENTION AND TREATMENT  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 247,855	\$ 247,855	\$ 254,062
Total revenues	247,855	247,855	254,062
EXPENDITURES			
Instructional services:			
Salaries and benefits	142,642	142,642	125,147
Pension expense	-	-	1,333
Purchased services	91,837	91,837	81,318
Supplies and materials	13,376	13,376	7,179
Total expenditures	247,855	247,855	214,977
Net change in fund balance	\$ -	\$ -	39,085
FUND BALANCE (DEFICIT) - BEGINNING			(91,907)
FUND BALANCE (DEFICIT) - ENDING			\$ (52,822)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
ROE/ISC OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
State sources	\$ 341,743	\$ 341,743	\$ 341,743
Total revenues	341,743	341,743	341,743
EXPENDITURES			
Instructional services:			
Salaries and benefits	258,995	253,995	245,039
Pension expense	-	-	2,025
OPEB expense	-	-	295
Purchased services	67,260	65,760	76,938
Supplies and materials	9,488	15,988	12,096
Capital outlay	6,000	6,000	5,350
Total expenditures	341,743	341,743	341,743
Net change in fund balance	\$ -	\$ -	-
FUND BALANCE - BEGINNING			-
FUND BALANCE - ENDING			\$ -

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
REGIONAL SAFE SCHOOLS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUES</b>			
State sources	\$ 83,312	\$ 83,312	\$ 83,312
Total revenues	83,312	83,312	83,312
 <b>EXPENDITURES</b>			
Instructional services:			
Salaries and benefits	81,532	81,532	80,674
Pension expense	-	-	211
OPEB expense	-	-	370
Purchased services	1,365	1,365	1,695
Supplies and materials	415	415	363
Total expenditures	83,312	83,312	83,313
Excess of revenues over expenditures	-	-	(1)
 <b>OTHER FINANCING SOURCES</b>			
Transfers in	-	-	1
Total other financing sources	-	-	1
Net change in fund balance	\$ -	\$ -	-
 <b>FUND BALANCE - BEGINNING</b>			-
 <b>FUND BALANCE - ENDING</b>			\$ -

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
<b>REVENUES</b>			
State sources	\$ 191,558	\$ 191,558	\$ 191,558
Total revenues	191,558	191,558	191,558
 <b>EXPENDITURES</b>			
Instructional services:			
Salaries and benefits	164,719	164,719	165,098
Pension expense	-	-	1,404
OPEB expense	-	-	206
Purchased services	23,039	23,039	21,100
Supplies and materials	3,800	3,800	3,815
Total expenditures	191,558	191,558	191,623
Excess of revenues over expenditures	-	-	(65)
 <b>OTHER FINANCING SOURCES</b>			
Transfers in	-	-	96
Total other financing sources	-	-	96
Net change in fund balance	\$ -	\$ -	31
 <b>FUND BALANCE (DEFICIT) - BEGINNING</b>			(31)
 <b>FUND BALANCE - ENDING</b>			\$ -



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
DIGITAL EQUITY  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Federal sources	\$ 26,231	\$ 26,231	\$ 11,479
Total revenues	26,231	26,231	11,479
 EXPENDITURES			
Instructional services:			
Purchased services	7,631	9,581	-
Supplies and materials	9,750	600	-
Capital outlay	8,850	16,050	8,275
Total expenditures	26,231	26,231	8,275
Net change in fund balance	\$ -	\$ -	3,204
 FUND BALANCE (DEFICIT) - BEGINNING			(3,204)
 FUND BALANCE - ENDING			\$ -

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
ELEVATING SPECIAL EDUCATORS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 211,180	\$ 211,180	\$ 150,387
Total revenues	211,180	211,180	150,387
 EXPENDITURES			
Instructional services:			
Salaries and benefits	133,938	133,938	138,547
Pension expense	-	-	8,898
OPEB expense	-	-	535
Purchased services	65,276	65,276	32,712
Supplies and materials	8,716	8,716	28,672
Capital outlay	3,250	3,250	3,018
Total expenditures	211,180	211,180	212,382
Excess of revenues over expenditures	-	-	(61,995)
 OTHER FINANCING SOURCES			
Transfers in	-	-	1,202
Total other financing sources	-	-	1,202
Net change in fund balance	\$ -	\$ -	(60,793)
 FUND BALANCE (DEFICIT) - BEGINNING			(14,753)
 FUND BALANCE (DEFICIT) - ENDING			\$ (75,546)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
TEAM LEAD  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Federal sources	\$ 114,900	\$ 145,000	\$ 72,426
Total revenues	114,900	145,000	72,426
 EXPENDITURES			
Instructional services:			
Salaries and benefits	-	62,850	22,472
Pension expense	-	-	2,306
OPEB expense	-	-	147
Purchased services	109,800	71,050	28,555
Supplies and materials	5,100	2,600	977
Capital outlay	-	8,500	7,110
Total expenditures	114,900	145,000	61,567
Net change in fund balance	\$ -	\$ -	10,859
 FUND BALANCE (DEFICIT)- BEGINNING			(10,859)
 FUND BALANCE - ENDING			\$ -

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
NEW PRINCIPAL MENTORING PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Local sources	\$ 57,500	\$ 57,500	\$ 58,762
Total revenues	57,500	57,500	58,762
 EXPENDITURES			
Instructional services:			
Salaries and benefits	46,000	46,000	5,154
Pension expense	-	-	531
OPEB expense	-	-	34
Purchased services	11,500	11,500	57,366
Supplies and materials	-	-	410
Total expenditures	57,500	57,500	63,495
Net change in fund balance	\$ -	\$ -	(4,733)
 FUND BALANCE (DEFICIT) - BEGINNING			(20,602)
 FUND BALANCE (DEFICIT) - ENDING			\$ (25,335)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
COMMUNITY PARTNERSHIP  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Federal sources	\$ 323,529	\$ 323,529	\$ 235,142
Total revenues	323,529	323,529	235,142
 EXPENDITURES			
Instructional services:			
Salaries and benefits	121,459	121,459	86,656
Pension expense	-	-	7,139
OPEB expense	-	-	245
Purchased services	196,785	196,785	170,387
Supplies and materials	3,285	3,285	3,009
Capital outlay	2,000	2,000	610
Total expenditures	323,529	323,529	268,046
Net change in fund balance	\$ -	\$ -	(32,904)
FUND BALANCE (DEFICIT) - BEGINNING			(8,616)
FUND BALANCE (DEFICIT) - ENDING			\$ (41,520)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
SOCIAL EMOTIONAL LEARNING AND TRAUMA RESPONSE  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Federal sources	\$ 857,143	\$ 1,714,286	\$ 936,737
Total revenues	857,143	1,714,286	936,737
 EXPENDITURES			
Instructional services:			
Salaries and benefits	224,136	369,665	196,473
Pension expense	-	-	13,869
OPEB expense	-	-	856
Purchased services	182,152	251,352	93,713
Supplies and materials	30,855	86,169	56,054
Intergovernmental:			
Payments to other governments	414,000	996,600	745,460
Capital outlay	6,000	10,500	6,093
Total expenditures	857,143	1,714,286	1,112,518
Net change in fund balance	\$ -	\$ -	(175,781)
 FUND BALANCE (DEFICIT) - BEGINNING			(56,952)
 FUND BALANCE (DEFICIT) - ENDING			\$ (232,733)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
ESSER III  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Federal sources	\$ 89,904	\$ 89,904	\$ 77,890
Total revenues	89,904	89,904	77,890
 EXPENDITURES			
Instructional services:			
Salaries and benefits	83,941	67,879	62,307
Pension expense	-	-	5,902
OPEB expense	-	-	377
Purchased services	5,963	21,216	20,338
Supplies and materials	-	809	1,059
Total expenditures	89,904	89,904	89,983
 OTHER FINANCING SOURCES			
Transfers in	-	-	79
Total other financing sources	-	-	79
Net change in fund balance	\$ -	\$ -	(12,014)
 FUND BALANCE - BEGINNING			-
 FUND BALANCE (DEFICIT) - ENDING			\$ (12,014)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
BRIDGE PROJECT  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Local sources	\$ 25,795	\$ 25,795	\$ -
Total revenues	25,795	25,795	-
 EXPENDITURES			
Instructional services:			
Salaries and benefits	23,295	23,295	10,185
Pension expense	-	-	1,048
OPEB expense	-	-	67
Purchased services	2,500	2,500	179
Total expenditures	25,795	25,795	11,479
Net change in fund balance	\$ -	\$ -	(11,479)
 FUND BALANCE - BEGINNING			-
 FUND BALANCE (DEFICIT) - ENDING			\$ (11,479)



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE- CASH BASIS  
EDUCATION FUND ACCOUNTS  
PARTNERS TO LEAD - PTL2  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Local sources	\$ 161,907	\$ 161,907	\$ 76,610
Total revenues	161,907	161,907	76,610
 EXPENDITURES			
Instructional services:			
Salaries and benefits	103,907	103,907	47,390
Pension expense	-	-	3,615
OPEB expense	-	-	224
Purchased services	56,400	56,400	28,807
Supplies and materials	1,600	1,600	2,858
Total expenditures	161,907	161,907	82,894
Net change in fund balance	\$ -	\$ -	\$ (6,284)
 FUND BALANCE - BEGINNING			-
 FUND BALANCE (DEFICIT) - ENDING			\$ (6,284)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
BUDGETARY COMPARISON SCHEDULE  
EDUCATION FUND ACCOUNTS  
LEADING WHILE LEARNING  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Local sources	\$ 36,450	\$ 36,450	\$ 28,270
Total revenues	36,450	36,450	28,270
 EXPENDITURES			
Instructional services:			
Salaries and benefits	30,600	30,600	24,462
Pension expense	-	-	4,204
OPEB expense	-	-	143
Purchased services	5,600	5,600	1,061
Supplies and materials	250	250	96
Total expenditures	36,450	36,450	29,966
Net change in fund balance	\$ -	\$ -	\$ (1,696)
 FUND BALANCE - BEGINNING			-
 FUND BALANCE (DEFICIT) - ENDING			\$ (1,696)

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING SCHEDULE OF ACCOUNTS- CASH BASIS  
INSTITUTE FUND  
JUNE 30, 2023**

	<u>Institute</u>	<u>Technology</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 132,352	\$ 33,004	\$ 165,356
<b>TOTAL ASSETS</b>	<u>\$ 132,352</u>	<u>\$ 33,004</u>	<u>\$ 165,356</u>
<b>FUND BALANCES</b>			
Restricted	\$ 132,352	\$ 33,004	\$ 165,356
<b>TOTAL FUND BALANCES</b>	<u>\$ 132,352</u>	<u>\$ 33,004</u>	<u>\$ 165,356</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES- CASH BASIS  
INSTITUTE FUND  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Institute</u>	<u>Technology</u>	<u>Total</u>
<b>REVENUES</b>			
Local sources	\$ 42,573	\$ 38,936	\$ 81,509
Interest	2,201	483	2,684
Total revenues	<u>44,774</u>	<u>39,419</u>	<u>84,193</u>
<b>EXPENDITURES</b>			
Instructional services:			
Purchased services	16,703	15,654	32,357
Supplies and materials	6,551	150	6,701
Total expenditures	<u>23,254</u>	<u>15,804</u>	<u>39,058</u>
Net change in fund balances	21,520	23,615	45,135
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>110,832</u>	<u>9,389</u>	<u>120,221</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 132,352</u>	<u>\$ 33,004</u>	<u>\$ 165,356</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 COMBINING BALANCE SHEET- CASH BASIS  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2023**

	<b>Bus Driver Permit</b>	<b>General Education Development</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,732	\$ 26,001	\$ 32,733
<b>TOTAL ASSETS</b>	<b>\$ 6,732</b>	<b>\$ 26,001</b>	<b>\$ 32,733</b>
 <b>FUND BALANCES</b>			
Restricted	\$ 6,732	\$ 26,001	\$ 32,733
<b>TOTAL FUND BALANCES</b>	<b>\$ 6,732</b>	<b>\$ 26,001</b>	<b>\$ 32,733</b>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES- CASH BASIS  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Bus Driver Permit</u>	<u>General Education Development</u>	<u>Total</u>
<b>REVENUES</b>			
Local sources	\$ 3,360	\$ 3,100	\$ 6,460
State sources	1,433	-	1,433
Interest	120	364	484
Total revenues	<u>4,913</u>	<u>3,464</u>	<u>8,377</u>
<b>EXPENDITURES</b>			
Instructional services:			
Salaries and benefits	3,499	-	3,499
Purchased services	2,830	-	2,830
Total expenditures	<u>6,329</u>	<u>-</u>	<u>6,329</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,416)	3,464	2,048
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>8,148</u>	<u>22,537</u>	<u>30,685</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 6,732</u>	<u>\$ 26,001</u>	<u>\$ 32,733</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING STATEMENT OF FIDUCIARY NET POSITION- CASH BASIS  
CUSTODIAL FUNDS  
JUNE 30, 2023**

	<u>School Facility Occupation Tax</u>	<u>Franklin County Regional Delivery System</u>	<u>Student Activity</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 25,424	\$ 6,020	\$ 10,792	\$ 42,236
<b>TOTAL ASSETS</b>	<u>\$ 25,424</u>	<u>\$ 6,020</u>	<u>\$ 10,792</u>	<u>\$ 42,236</u>
<b>NET POSITION</b>				
Restricted for other purposes	\$ 25,424	\$ 6,020	\$ 10,792	\$ 42,236
<b>TOTAL NET POSITION</b>	<u>\$ 25,424</u>	<u>\$ 6,020</u>	<u>\$ 10,792</u>	<u>\$ 42,236</u>

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
REGIONAL OFFICE OF EDUCATION NO. 21  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION- CASH BASIS  
CUSTODIAL FUNDS  
JUNE 30, 2023**

	<b>School Facility Occupation Tax</b>	<b>Franklin County Regional Delivery System</b>	<b>Student Activity</b>	<b>Total</b>
<b>ADDITIONS</b>				
Contributions	\$ -	\$ -	\$ 2,595	\$ 2,595
Sales tax collections for other governments	12,934,877	-	-	12,934,877
Grants and other collections for other governments	-	415,361	-	415,361
Total additions	<u>12,934,877</u>	<u>415,361</u>	<u>2,595</u>	<u>13,352,833</u>
<b>DEDUCTIONS</b>				
Payments of interest and administrative costs	12,272	-	-	12,272
Payments for supplies and materials	-	-	2,489	2,489
Payments of sales tax to other governments	12,899,105	-	-	12,899,105
Payments of grants and other collections to other governments	-	409,341	-	409,341
Total deductions	<u>12,911,377</u>	<u>409,341</u>	<u>2,489</u>	<u>13,323,207</u>
Net change in fiduciary net position	23,500	6,020	106	29,626
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>1,924</u>	<u>-</u>	<u>10,686</u>	<u>12,610</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 25,424</u>	<u>\$ 6,020</u>	<u>\$ 10,792</u>	<u>\$ 42,236</u>



**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 SCHEDULE OF CASH DISBURSEMENTS TO SCHOOL DISTRICT  
 TREASURERS AND OTHER ENTITIES- CASH BASIS  
 FOR THE YEAR ENDED JUNE 30, 2023**

	<b><u>School Facility Occupation Tax</u></b>
AKIN CCSD #91	\$ 49,219
BENTON CCSD #47	626,575
BENTON CHSD #103	332,894
CARBONDALE CHSD #165	10,246
CARRIER MILLS-STONEFORT CUSD #2	23,473
CARTERVILLE CUSD #5	2,285,419
CHRISTOPHER CUSD #99	403,715
CRAB ORCHARD CUSD #3	473,151
EWING NORTHERN CCSD #115	118,619
FRANKFORT CUSD #168	824,304
GALATIA CUSD #1	13,227
GIANT CITY CCSD #130	35,110
GOREVILLE CUSD #1	974
HAMILTON COUNTY CUSD #10	4,837
HERRIN CUSD #4	2,236,565
JOHNSTON CITY CUSD #1	1,046,433
MARION CUSD #2	3,653,571
NEW SIMPSON HILL SD #32	1,920
SESSER VALIER CUSD #196	330,198
THOMPSONVILLE CUSD #174	155,744
ZEIGLER ROYALTON CUSD #188	272,911
	<u>\$ 12,899,105</u>

FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES  
 REGIONAL OFFICE OF EDUCATION NO. 21  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE 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
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<i>Passed through Illinois State Board of Education</i>				
<b>Education Stabilization Fund</b>				
<b>COVID-19 Elementary and Secondary School Emergency Relief Fund</b>				
Digital Equity Formula Grant	(M) 84.425D	2022-4998-D2	\$ -	\$ 8,275
Social Emotional Learning and Trauma Response	(M) 84.425D	2022-4998-SE	613,124	1,112,518
American Rescue Plan - Communit Partnership Grant	(M) 84.425U	2022-4998-CP	-	268,046
American Rescue Plan - Homeless Children and Youth Grant	(M) 84.425W	2022-4998-HM	174,843	233,024
Elementary and Secondary School Emergency Relief (ESSER III )Fund	(M) 84.425D	2022-4998-E3	-	89,983
			<u>787,967</u>	<u>1,711,846</u>
<b>TOTAL EDUCATION STABILIZATION FUND</b>			<u>787,967</u>	<u>1,711,846</u>
<i>Passed through Illinois State Board of Education</i>				
<b>Education of Homeless Children and Youth</b>				
McKinney Education for Homeless Children	84.196A	2022-4920-00	136,087	146,632
McKinney Education for Homeless Children	84.196A	2023-4920-RF	206,722	336,592
			<u>342,809</u>	<u>483,224</u>
<i>Passed through Illinois State University</i>				
<b>Supporting Effective Educator Development Program</b>				
Together Everyone Achieves More Through Integrated Leadership	84.423A	A18-0059-S013	-	61,567
<i>Passed through Regional Office of Education #9</i>				
<b>Special Education - State Personnel Development</b>				
Elevating Special Educators Grants	84.323A	2023-4631-00	-	212,382
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>1,130,776</u>	<u>2,469,019</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed through Illinois State Board of Education</i>				
<b>Child Nutrition Cluster</b>				
National School Lunch Program	10.555	2022-4210-00	-	20,085
National School Lunch Program	10.555	2023-4210-00	-	35,586
			<u>-</u>	<u>55,671</u>
School Breakfast Program	10.553	2022-4220-00	-	4,920
School Breakfast Program	10.553	2023-4220-00	-	13,927
Total Child Nutrition Cluster			<u>-</u>	<u>18,847</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>-</u>	<u>74,518</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed through Illinois Department of Human Services</i>				
<b>Block Grants for Prevention and Treatment of Substance Abuse</b>				
Substance Use Prevention	93.959	22-444-26-1552	-	214,977
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>-</u>	<u>214,977</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 1,130,776</u>	<u>\$ 2,758,514</u>

(M) Program was audited as a major program

**FRANKLIN, JOHNSON, MASSAC, AND WILLIAMSON COUNTIES**  
**REGIONAL OFFICE OF EDUCATION NO. 21**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Regional Office of Education No. 21 under 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 this schedule presents only a selected portion of the operations of the Regional Office of Education No. 21, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Regional Office of Education No. 21.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures on the schedule are reported on the cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles. 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 adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Regional Office of Education No. 21 has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 – NONCASH ASSISTANCE**

This is not applicable as no federal awards were expended in the form of noncash assistance.

**NOTE 4 – LOANS/LOAN GUARANTEES/INTEREST SUBSIDIES**

This is not applicable as the entity did not have any loans/loan guarantees/interest subsidies outstanding at year-end.