

**STATE OF ILLINOIS
CALHOUN, GREENE, JERSEY,
AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**FINANCIAL AUDIT
In accordance with the Uniform Guidance
For the year ended June 30, 2024**

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

REPO



**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

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REGIONAL OFFICE OF EDUCATION NO. 40**

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REGIONAL OFFICE OF EDUCATION NO. 40**

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**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

OFFICIALS

Regional Superintendent
(Current and during the audit period) Ms. Michelle Mueller

Assistant Regional Superintendent
(Current and during the audit period) Mr. Chad Hoesman

Offices are located at:

227 East 1st South Street
Carlinville, IL 62626

201 W. Exchange Street
Jerseyville, IL 62052

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

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.

AUDITORS' REPORTS

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

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	5	5
Repeated audit findings	5	4
Prior recommendations implemented or not repeated	-	1

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)			
2024-001	15A	Delay of Audit	Noncompliance
2024-002	15C	Controls over Cash	Material Weakness
2024-003	15D	Grant Reporting Noncompliance	Noncompliance
2024-004	15F	Controls over Payroll	Significant Deficiency and Noncompliance
2024-005	15H	Controls over Financial Statement Preparation	Material Weakness
FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)			
2024-004	16	Controls over Payroll	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

None

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

COMPLIANCE REPORT SUMMARY (Continued)

PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE)

2023-003	18	Grant Reporting Noncompliance	Material Weakness And Noncompliance
2023-005	18	Controls over Financial Statement Preparation	Material Weakness

EXIT CONFERENCE

The Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 opted not to have a formal exit conference during the audit for the year ended June 30, 2024. Throughout the audit, numerous meetings were held between the auditors and Regional Office officials to discuss matters contained in this audit report.

Responses to the recommendations were provided by Michelle Mueller, Regional Superintendent, via email on February 12, 2026.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's basic financial statements.



613 Broadway Avenue
Mattoon, Illinois 61938

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INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Audit of 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's basic financial statements as listed in the table of contents.

In our opinion, the accompanying cash basis financial statements 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40, as of June 30, 2024, and the respective changes in financial position-cash basis thereof for the year then ended in accordance with the 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* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 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 (GAAP). 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 described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's ability to continue as going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's basic financial statements. The cash basis combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the cash basis combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, 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 March 4, 2026 on our consideration of the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's internal control over financial reporting and compliance.

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Mattoon, Illinois
March 4, 2026



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

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's cash basis financial statements, and have issued our report thereon dated March 4, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 cash basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's internal control. Accordingly, we do not express an opinion on the effectiveness of the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 findings 2024-002 and 2024-005 to be material weaknesses.

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 deficiency described in the accompanying Schedule of Findings and Questioned Costs as finding 2024-004 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's cash basis financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying Schedule of Findings and Questioned Costs as findings 2024-001, 2024-003, and 2024-004.

Regional Office of Education No. 40's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's responses were not subjected to the other auditing procedures applied in the audit of the cash basis 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Mattoon, Illinois

March 4, 2026



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

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on Compliance for Each Major Federal Program

Opinion on the Major Federal Program

As Special Assistant Auditors for the Auditor General, we have audited the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's compliance 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 the Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's major federal program for the year ended June 30, 2024. Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on the 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's federal program.

Auditors' 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's compliance with the requirements of the 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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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 Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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.

Other Matters

Instance of Noncompliance

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as finding 2024-004. Our opinion on the major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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.

Corrective Action Plan

Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 is responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as finding 2024-004, to be a significant deficiency.

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.

Internal Control Finding

Government Auditing Standards requires the auditor to perform limited procedures on Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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.

Corrective Action Plan

Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 is responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40'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.

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Mattoon, Illinois
March 4, 2026

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION I – SUMMARY OF AUDITORS' RESULTS
For the year ended June 30, 2024**

Financial Statements in accordance with the Cash Basis of accounting

Type of auditors' report issued: UNMODIFIED

Internal control over financial reporting:

- Material weakness(es) identified? X yes no

- Significant deficiency(ies) identified? X yes none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes X no

- Significant deficiency(ies) identified? X yes none reported

Type of auditors' 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)? X yes no

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
----------------------------------	---

84.425D and 84.425U	Education Stabilization Fund
---------------------	------------------------------

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

Auditee qualified as low-risk auditee? yes X no

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-001 – Delay of Audit (Repeat of Finding 23-001, 22-001 and 21-001)

Criteria/Specific Requirement:

Regional Office of Education No. 40 is subject to 105 ILCS 5/2-3.17a which requires the Auditor General’s office to cause an audit to be made, as of June 30th of each year, of the financial statements of all accounts, funds and other moneys in the care, custody or control of the regional superintendent of schools of each educational service region in the State and of each educational service center established in the School Code. The audit is to be conducted in accordance with Generally Accepted Government Auditing Standards. The Regional Office of Education or Educational Service Center may utilize a cash basis, modified cash basis, or generally accepted accounting principles (GAAP) basis of accounting to prepare the financial statements for audit. The ROE utilizes the cash basis of accounting for financial statement reporting.

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

In addition, prudent business practices and transparency require timely preparation and completion of financial statements.

Condition:

The Regional Office of Education No. 40 did provide completed financial statements in an auditable form by the August 31 deadline. However, the audit was delayed significantly due to issues that the Regional Office of Education was trying to resolve with the June 30, 2023 financial statements.

Effect:

When delays in the audit occur, the usefulness of the financial statements and related findings resulting from the audit is impacted. Additionally, untimely audited financial statements could result in repercussions from granting agencies including a loss of funding.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-001 – Delay of Audit (Repeat of Finding 23-001, 22-001 and 21-001) (Continued)

Cause:

Due to the FY23 audit being delayed, the FY24 audit was not completed in a timely manner.

Auditors' Recommendation:

The Regional Office of Education No. 40 should implement procedures to ensure compliance with 105 ILCS 5/2-3.17a and 74 Ill. Adm. Code 420.320 (c) (2). Annual financial statements should be compiled on an accrual basis of accounting in accordance with GAAP, on the cash basis of accounting, or on the modified cash basis of accounting. These financial statements need to be presented to the Auditor General's independent auditors for audit by the August 31 deadline and the Regional Office of Education should reply timely to all audit requests.

Management's Response:

The ROE will implement procedures to ensure compliance with 105 ILCS 5/2-3.17a and 74 Ill. Adm. Code 420.320 (c) (2). Future financial statements will be presented to the Auditor General's independent auditors for audit by the August 31 deadline. The ROE will reply to the auditor's requests in a timely manner.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-002 – Controls over Cash (Repeat of Finding 23-002, 22-002 and 21-002)

Criteria/Specific Requirement:

Sound internal control requires bank reconciliations to be performed monthly to ensure all transactions have been recorded. The bank reconciliation process should include identifying and correcting all discrepancies between the bank records and the books in a timely manner. Sound internal control over cash also requires bank reconciliations to be completed and reviewed by the appropriate level of management on a monthly basis.

Condition:

Monthly bank reconciliations had significant unexplained variances and were not completed timely. The bank reconciliations for fiscal year 2024 were not completed accurately until the hired CPA firm helped prepare the 6/30/24 reconciliation while closing the books. The 6/30/24 bank reconciliation was not prepared until August 29, 2024.

Effect:

Failure to prepare accurate bank reconciliations on a timely basis may lead to loss or misuse of assets due to improper control and monitoring of bank accounts. Unreconciled and unresolved differences in the bank reconciliations also render the bank reconciliation process ineffective for identifying improper and unauthorized cash transactions and financial statement misstatements.

Cause:

The ROE's new administrative staff didn't have the necessary training to prepare accurate bank reconciliations on a timely basis.

Auditors' Recommendation:

As part of its internal controls over cash, the Regional Office of Education No. 40 should reconcile all bank statements every month and correct any discrepancies in a timely manner. In addition, Regional Office of Education No. 40's management should review bank reconciliations and document their review each month after the reconciliation has been completed.

Management's Response:

The ROE will reconcile all bank statements monthly and correct discrepancies in a timely manner. The ROE's management will review and document bank reconciliations monthly.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-003 – Grant Reporting Noncompliance (Partial Repeat of Finding 23-003, 22-004 and 21-007)

Criteria/Specific Requirement:

As a recipient of federal, State, and local funds from various grantor agencies, the Regional Office of Education No. 40 (ROE) must incorporate certain procedures into its operations in order to comply with the grant agreements with these entities.

The ROE is responsible for establishing and maintaining an internal control system over the completion of timely quarterly expenditure reports and budget requirements for grants administered by the Illinois State Board of Education. The Illinois State Board of Education requires expenditure reports to be filed within 20 days of the applicable end of each quarter.

The Illinois State Board of Education requires expenditure reports to be prepared on the cash basis of accounting. The expenditure reports submitted should reconcile directly to the ROE's general ledger and should only include expenditures that have already been paid.

Condition:

During the course of the audit, auditors noted that 3 of the 18 (17%) quarterly expenditure reports required by the Illinois State Board of Education were not submitted timely. These three quarterly expenditure reports were submitted 1-30 days late.

Auditors also noted that the 6/30/24 expenditure reports for the ROE/ISC Operations and Regional Safe Schools grants claimed \$5,064 and \$1,950 of expenditures, respectively, prior to the expenditures actually being paid by the ROE. The Illinois State Board of Education requires that expenditure reports be prepared on the cash basis of accounting. Therefore, an expenditure should not be submitted for reimbursement prior to the ROE paying for the expenditure.

Effect:

Lack of timely filed expenditure reports could result in a delay of grant funding. In addition, noncompliance with grant requirements could lead to the granting agency requesting reimbursement or the loss of grants for future periods.

Cause:

The ROE inadvertently submitted quarterly expenditure reports late. The ROE did not reconcile the adjusted general ledger amounts to the expenditure reports previously prepared. During the closing process, the ROE's hired CPA firm proposed adjustments, as necessary, to funds that are required to file expenditure reports. Those adjustments resulted in variances between the amounts reported on the expenditure report and the amounts reported in the general ledger.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-003 – Grant Reporting Noncompliance (Partial Repeat of Finding 23-003, 22-004 and 21-007) (Continued)

Auditors' Recommendation:

The ROE should implement adequate internal controls to ensure that expenditure reports are submitted timely and to ensure that expenditures reported on the expenditure reports agree to the actual expenditures recorded in the general ledger. The ROE should implement adequate internal controls to ensure that expenditures included on the expenditure reports have been paid by the ROE before the ROE requests reimbursement for the expenditures.

Management's Response:

The ROE will implement adequate internal controls to ensure that expenditure reports are submitted timely and to ensure that expenditures reported on expenditure reports agree with the actual expenditures recorded in the general ledger. The ROE will implement adequate internal controls to ensure that expenditures included on expenditure reports have been paid by the ROE before the ROE requests reimbursement for the expenditures.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-004 – Controls over Payroll (Repeat of Finding 23-004 and 22-005)

Federal Programs: Education Stabilization Fund (Elementary and Secondary School Emergency Relief Fund – Social Emotional Learning and Trauma Response)
Project No.: 2023-4998-S3
ALN No.: 84.425U
Passed Through: Illinois State Board of Education
Federal Agency: U.S. Department of Education

Criteria/Specific Requirement:

The Regional Office of Education No. 40 (ROE) is responsible for establishing and maintaining an internal control system over payroll to prevent errors or fraud. In addition, the *Grant Accountability and Transparency Act (GATA)* 30 ILCS 708/1 establishes that State grant programs are subject to the requirements set forth in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Uniform Guidance (2 CFR 200.430) requires charges for salaries and benefits to be supported by a system of internal controls which provide reasonable assurance that the charges are accurate and properly allocated. It also requires records to be used to support the distribution of employee salaries and benefits among specific activities if the employee works on multiple programs. It further states that budget estimates alone do not qualify as support for salary and benefit expenditures charged to federal and State grants.

The ROE is responsible for calculating payroll taxes and the related withholdings in compliance with requirements of the Internal Revenue Service and the Illinois Department of Revenue.

Condition:

During the course of audit fieldwork, auditors noted the following:

- The ROE did not use time and effort documentation to distribute salary and benefit costs for employees paid from multiple funding sources. The ROE budgeted amounts at the beginning of the year to allocate payroll expense to each fund; however, the ROE never reconciled the amounts expensed in the general ledger to the employees' submitted timesheets. Therefore, the ROE was unable to determine the reasonableness of the allocation of salaries and benefits amongst federal and State programs.
- For six out of the twenty-four (25%) payroll disbursements tested, the withholding information used to calculate the employees' pay did not agree to the Federal or Illinois Forms W-4 on file. For the federal program, auditors noted for 1 out of the 4 (25%) payroll disbursements tested, the withholding information used to calculate the employee's pay did not agree to the Federal or Illinois Forms W-4 on file.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDING AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-004 – Controls over Payroll (Repeat of Finding 23-004 and 22-005) (Continued)

Questioned Costs:

The ROE is unable to determine the amount of salaries and benefits that should be reported to the federal program since the employees' actual time spent on the program has not been documented.

Context:

The ROE is required to maintain adequate controls over payroll which include ensuring the allocation of wages amongst the various funds is reasonable and supported by the necessary information. The ROE is also required to maintain adequate controls over payroll to ensure that the calculation of payroll taxes and withholdings are in compliance with the requirements of the Internal Revenue Service and the Illinois Department of Revenue.

Effect:

Since time and effort documentation was not used to allocate the salary and benefit costs of certain employees, there is an increased risk the salary and benefit costs charged to the various federal and State programs do not reflect the actual time worked on the programs. In addition, due to the controls over payroll not operating effectively, the ROE could improperly calculate payroll withholdings resulting in employees getting paid incorrect amounts.

Cause:

The ROE's time sheets were not adequate to ensure that wages were properly allocated amongst the various grants. The lack of having the accurate Federal or Illinois Forms W-4 on file was an oversight by the ROE administrative staff.

Auditors' Recommendation:

We recommend the ROE use time and effort documentation to distribute salary and benefit costs for all employees. We also recommend the ROE implement the necessary controls over payroll to ensure that payroll is being properly prepared and calculated.

Management's Response:

The ROE will use time and effort documentation to distribute salary and benefit costs for all employees. The ROE will implement the necessary controls over payroll to ensure that payroll is being properly prepared and calculated.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDING AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-005 – Controls over Financial Statement Preparation (Partial Repeat of Finding 23-005)

Criteria/Specific Requirement:

The School Code 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. 40 (ROE) has chosen to utilize the cash basis of accounting for financial statement 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.

Condition:

The ROE does not have sufficient internal controls over the financial reporting process. While the ROE maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the cash basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure errors and omissions in a timely manner.

During review of the ROE's accounting records, auditors noted that the ROE's preliminary financial statements required material adjustments to the cash balance and salary disbursements for the General Fund in order to present the financial statements in accordance with the cash basis of accounting.

Effect:

The ROE's management or its employees, in the normal course of performing their assigned functions, may not prevent, or detect and correct, financial statement misstatements and disclosure errors and omissions in a timely manner.

Cause:

The ROE does not have a CPA on staff. The ROE staff will work with the hired CPA firm going forward to make sure that the financial statements are complete and accurate.

Auditors' Recommendation:

The ROE 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 the ROE's activities and operations.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDING AND QUESTIONED COSTS
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2024**

FINDING NO. 2024-005 – Controls over Financial Statement Preparation (Partial Repeat of Finding 23-005) (Continued)

Management's Response:

The ROE has implemented comprehensive preparation procedures to ensure the financial statements are complete and accurate. These procedures will be performed by a properly trained individual possessing a thorough understanding of the applicable accounting principles, GASB pronouncements, and knowledge of the ROE's activities and operations.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF FINDING AND QUESTIONED COSTS
SECTION III – FEDERAL AWARD FINDINGS
For the year ended June 30, 2024**

INSTANCES OF NONCOMPLIANCE:

FINDING 2024-004 – (finding details on pages 15F-15G)

SIGNIFICANT DEFICIENCIES:

FINDING 2024-004 – (finding details on pages 15F-15G)

MATERIAL WEAKNESSES:

None

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2024**

Corrective Action Plan

FINDING NO. 2024-001 – Delay of Audit (Repeat of Finding 23-001, 22-001 and 21-001)

Condition:

The Regional Office of Education No. 40 did provide completed financial statements in an auditable form by the August 31 deadline. However, the audit was delayed significantly due to issues that the Regional Office of Education was trying to resolve with the June 30, 2023 financial statements.

Plan:

Issues from the 2023 financial statements have been resolved. Moving forward, the ROE will provide completed financial statements in an auditable form by the August 31 deadline.

Anticipated Date of Completion:

July 1, 2026

Name of Contact Person:

Ms. Michelle Mueller, Regional Superintendent
Mr. Chad Hoesman, Assistant Regional Superintendent

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2024**

Corrective Action Plan

FINDING NO. 2024-002 – Controls over Cash (Repeat of Finding 23-002, 22-002 and 21-002)

Condition:

Monthly bank reconciliations had significant unexplained variances and were not completed timely. The bank reconciliations for fiscal year 2024 were not completed accurately until the hired CPA firm helped prepare the 6/30/24 reconciliation while closing the books. The 6/30/24 bank reconciliation was not prepared until August 29, 2024.

Plan:

The ROE will reconcile all bank statements monthly and correct discrepancies in a timely manner. The ROE's management will review and document bank reconciliations monthly.

Anticipated Date of Completion:

July 1, 2026

Name of Contact Person:

Ms. Michelle Mueller, Regional Superintendent
Mr. Chad Hoesman, Assistant Regional Superintendent

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2024**

Corrective Action Plan

FINDING NO. 2024-003 – Grant Reporting Noncompliance (Partial Repeat of Finding 23-003, 22-004 and 21-007)

Condition:

During the course of the audit, auditors noted that 3 of the 18 (17%) quarterly expenditure reports required by the Illinois State Board of Education were not submitted timely. These three quarterly expenditure reports were submitted 1-30 days late.

Auditors also noted that the 6/30/24 expenditure reports for the ROE/ISC Operations and Regional Safe Schools grants claimed \$5,064 and \$1,950 of expenditures, respectively, prior to the expenditures actually being paid by the ROE. The Illinois State Board of Education requires that expenditure reports be prepared on the cash basis of accounting. Therefore, an expenditure should not be submitted for reimbursement prior to the ROE paying for the expenditure.

Plan:

The ROE will establish internal controls to ensure timely and accurate submission of expenditure reports that match the actual general ledger records.

Anticipated Date of Completion:

July 1, 2026

Name of Contact Person:

Ms. Michelle Mueller, Regional Superintendent
Mr. Chad Hoesman, Assistant Regional Superintendent

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2024**

Corrective Action Plan

FINDING NO. 2024-004 – Controls over Payroll (Repeat of Finding 23-004 and 22-005)

Federal Programs: Education Stabilization Fund (Elementary and Secondary School Emergency Relief Fund – Social Emotional Learning and Trauma Response)
Project No.: 2023-4998-S3
ALN No.: 84.425U
Passed Through: Illinois State Board of Education
Federal Agency: U.S. Department of Education

Condition:

During the course of audit fieldwork, auditors noted the following:

- The ROE did not use time and effort documentation to distribute salary and benefit costs for employees paid from multiple funding sources. The ROE budgeted amounts at the beginning of the year to allocate payroll expense to each fund; however, the ROE never reconciled the amounts expensed in the general ledger to the employees' submitted timesheets. Therefore, the ROE was unable to determine the reasonableness of the allocation of salaries and benefits amongst federal and State programs.
- For six out of the twenty-four (25%) payroll disbursements tested, the withholding information used to calculate the employees' pay did not agree to the Federal or Illinois Forms W-4 on file. For the federal program, auditors noted for 1 out of the 4 (25%) payroll disbursements tested, the withholding information used to calculate the employee's pay did not agree to the Federal or Illinois Forms W-4 on file.

Plan:

The ROE will use time and effort documentation to distribute salary and benefit costs for all employees. The ROE will implement the necessary controls over payroll to ensure that payroll is being properly prepared and calculated.

Anticipated Date of Completion:

July 1, 2026

Name of Contact Person:

Ms. Michelle Mueller, Regional Superintendent
Mr. Chad Hoesman, Assistant Regional Superintendent

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2024**

Corrective Action Plan

FINDING NO. 2024-005 – Controls over Financial Statement Preparation (Partial Repeat of Finding 23-005)

Condition:

The ROE does not have sufficient internal controls over the financial reporting process. While the ROE maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the cash basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure errors and omissions in a timely manner.

During review of the ROE’s accounting records, auditors noted that the ROE’s preliminary financial statements required material adjustments to the cash balance and salary disbursements for the General Fund in order to present the financial statements in accordance with the cash basis of accounting.

Plan:

The ROE has implemented comprehensive preparation procedures to ensure the financial statements are complete and accurate. These procedures will be performed by a properly trained individual possessing a thorough understanding of the applicable accounting principles, GASB pronouncements, and knowledge of the ROE’s activities and operations. The ROE has hired an outside CPA firm to aid in the closing of the books and preparation of the financial statements.

Anticipated Date of Completion:

July 1, 2026

Name of Contact Person:

Ms. Michelle Mueller, Regional Superintendent
Mr. Chad Hoesman, Assistant Regional Superintendent

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED
For the year ended June 30, 2024**

FINDINGS (GOVERNMENT AUDITING STANDARDS)

None

FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)

2023-003	Grant Reporting Noncompliance	Not repeated
	During the current audit, audit testing results indicated that the Regional Office of Education No. 40 implemented corrective actions to improve controls over grant compliance. No noncompliance with grant expenditure reportings or budget requirements was noted for the major federal program for the year ended June 30, 2024.	
2023-005	Controls over Financial Statement Preparation	Not repeated
	During the current audit, audit testing results indicated the Regional Office of Education No. 40 implemented corrective actions and properly included the Schedule of Expenditures of Federal Awards in the financial statements.	

BASIC FINANCIAL STATEMENTS

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF NET POSITION – CASH BASIS
June 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 272,704	\$ 98,696	\$ 371,400
Total current assets	272,704	98,696	371,400
 NET POSITION			
Restricted for educational purposes	191,922	-	191,922
Unrestricted	80,782	98,696	179,478
Total net position	\$ 272,704	\$ 98,696	\$ 371,400

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF ACTIVITIES – CASH BASIS
For the year ended June 30, 2024**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Primary Government Business-Type Activities</u>	<u>Total</u>
FUNCTIONS/PROGRAMS						
Governmental activities:						
Instructional services:						
Salaries	\$ 1,383,540	\$ -	\$ 1,167,819	\$ (215,721)	\$ -	\$ (215,721)
Benefits	168,952	-	122,082	(46,870)	-	(46,870)
Purchased services	2,601,799	-	2,446,226	(155,573)	-	(155,573)
Supplies and materials	81,308	-	69,650	(11,658)	-	(11,658)
Other	5,000	-	4,843	(157)	-	(157)
Capital Outlay	3,251	-	3,251	-	-	-
Total governmental activities	<u>4,243,850</u>	<u>-</u>	<u>3,813,871</u>	<u>(429,979)</u>	<u>-</u>	<u>(429,979)</u>
Business-type activities						
Instructional	115,136	142,124	-	-	26,988	26,988
Total primary government	<u>4,358,986</u>	<u>142,124</u>	<u>3,813,871</u>	<u>(429,979)</u>	<u>26,988</u>	<u>(402,991)</u>
General revenues:						
				339,907	-	339,907
				5,713	-	5,713
				<u>345,620</u>	<u>-</u>	<u>345,620</u>
				(84,359)	26,988	(57,371)
Net position - beginning of year, as previously presented				335,820	71,708	407,528
Error correction				21,243	-	21,243
Net position - beginning of year, as restated				<u>357,063</u>	<u>71,708</u>	<u>428,771</u>
Net position - end of year				<u>\$ 272,704</u>	<u>\$ 98,696</u>	<u>\$ 371,400</u>

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF ASSETS AND FUND BALANCES – CASH BASIS
GOVERNMENTAL FUNDS
June 30, 2024**

	General Fund	Education Fund	Institute Fund
ASSETS			
Cash and cash equivalents	\$ 273,967	\$ (158,678)	\$ 141,572
Total assets	\$ 273,967	\$ (158,678)	\$ 141,572
FUND BALANCES			
Restricted	\$ -	\$ 31,227	\$ 141,572
Unassigned	273,967	(189,905)	-
Total fund balances (deficits)	\$ 273,967	\$ (158,678)	\$ 141,572

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF ASSETS AND FUND BALANCES – CASH BASIS (Concluded)
GOVERNMENTAL FUNDS
June 30, 2024**

	<u>Bus Driver Permit Fund</u>	<u>Nonmajor Special Revenue Fund - General Education Development Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 19,123	\$ (3,280)	\$ 272,704
Total assets	<u>\$ 19,123</u>	<u>\$ (3,280)</u>	<u>\$ 272,704</u>
FUND BALANCES			
Restricted	\$ 19,123	\$ -	\$ 191,922
Unassigned	<u>-</u>	<u>(3,280)</u>	<u>80,782</u>
Total fund balances (deficits)	<u>\$ 19,123</u>	<u>\$ (3,280)</u>	<u>\$ 272,704</u>

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS
GOVERNMENTAL FUNDS
For the year ended June 30, 2024**

	General Fund	Education Fund	Institute Fund
Receipts:			
Local sources	\$ 303,305	\$ 4,991	\$ 22,350
State sources	657,135	2,256,143	-
Federal sources	-	892,833	-
Interest	5,713	-	-
Total receipts	<u>966,153</u>	<u>3,153,967</u>	<u>22,350</u>
Disbursements:			
Instructional services:			
Salaries	657,178	717,157	-
Benefits	107,626	58,565	-
Purchased services	180,541	2,400,369	16,828
Supplies and materials	9,900	70,963	1
Other	-	5,000	-
Capital outlay	-	3,251	-
Total disbursements	<u>955,245</u>	<u>3,255,305</u>	<u>16,829</u>
Net change in fund balance	10,908	(101,338)	5,521
Fund balances (deficits), beginning of year, as previously reported	241,816	(57,340)	136,051
Error correction	21,243	-	-
Fund balances (deficits), beginning of year, as restated	<u>263,059</u>	<u>(57,340)</u>	<u>136,051</u>
Fund balances (deficits), end of year	<u>\$ 273,967</u>	<u>\$ (158,678)</u>	<u>\$ 141,572</u>

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS (Concluded)
GOVERNMENTAL FUNDS
For the year ended June 30, 2024**

	Bus Driver Permit Fund	Nonmajor Special Revenue Fund - General Education Development Fund	Total Governmental Funds
Receipts:			
Local sources	\$ 2,860	\$ 6,401	\$ 339,907
State sources	7,760	-	2,921,038
Federal sources	-	-	892,833
Interest	-	-	5,713
Total receipts	<u>10,620</u>	<u>6,401</u>	<u>4,159,491</u>
Disbursements:			
Instructional services:			
Salaries	-	9,205	1,383,540
Benefits	-	2,761	168,952
Purchased services	3,426	635	2,601,799
Supplies and materials	40	404	81,308
Other	-	-	5,000
Capital outlay	-	-	3,251
Total disbursements	<u>3,466</u>	<u>13,005</u>	<u>4,243,850</u>
Net change in fund balance	7,154	(6,604)	(84,359)
Fund balances (deficits), beginning of year, as previously reported	11,969	3,324	335,820
Error correction	-	-	21,243
Fund balances (deficits), beginning of year, as restated	<u>11,969</u>	<u>3,324</u>	<u>357,063</u>
Fund balances (deficits), end of year	<u>\$ 19,123</u>	<u>\$ (3,280)</u>	<u>\$ 272,704</u>

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF NET POSITION – CASH BASIS
PROPRIETARY FUNDS
June 30, 2024**

	Business-Type Activities			
	Enterprise Funds			
	Workshops	Olympiad Fund	Nonmajor Fund - Administrators' Academy	Total Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 53,111	\$ 45,266	\$ 319	\$ 98,696
Total assets	53,111	45,266	319	98,696
 NET POSITION				
Unrestricted	53,111	45,266	319	98,696
Total net position	\$ 53,111	\$ 45,266	\$ 319	\$ 98,696

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION – CASH BASIS
PROPRIETARY FUNDS
For the year ended June 30, 2024**

	Business-Type Activities			Total Funds
	Enterprise Funds			
	Workshops	Olympiad Fund	Nonmajor Fund - Administrators' Academy	
Operating revenues:				
Charges for services	\$ 120,074	\$ 22,050	\$ -	\$ 142,124
Operating expenses:				
Purchased services	104,619	3,363	-	107,982
Supplies and materials	4,437	2,717	-	7,154
Total operating expenses	109,056	6,080	-	115,136
Operating income	11,018	15,970	-	26,988
Net position - beginning of year	42,093	29,296	319	71,708
Net position - end of year	\$ 53,111	\$ 45,266	\$ 319	\$ 98,696

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS
FIDUCIARY FUNDS
June 30, 2024**

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ 15,068</u>
Total assets	<u>15,068</u>
NET POSITION	
Restricted for individuals, organizations and other governments	<u>15,068</u>
Total net position	<u><u>\$ 15,068</u></u>

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CASH BASIS
FIDUCIARY FUNDS
For the Year Ended June 30, 2024**

	<u>Custodial Funds</u>
Additions:	
Flow-through sales tax payments from State	\$ 6,457,547
Payments from Illinois State Board of Education	
State	481,845
Federal	<u>174,996</u>
Total additions	<u>7,114,388</u>
Deductions:	
Program expense	674,196
Flow-through sales tax payments to local districts	<u>6,457,042</u>
Total deductions	<u>7,131,238</u>
Net decrease in fiduciary net position	(16,850)
Net position, beginning of year	<u>31,918</u>
Net position, end of year	<u><u>\$ 15,068</u></u>

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

NOTES TO FINANCIAL STATEMENTS

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the basic financial statements of the Regional Office of Education No. 40 have been prepared in conformity with the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, as applicable to governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

During fiscal year ended June 30, 2022, the Regional Office of Education No. 40 changed its basis of accounting to the cash basis special purpose framework from generally accepted accounting principles as applicable to governmental entities. The following is a summary of the more significant accounting policies.

A. Reporting Entity

The Regional Office of Education No. 40 was created by Illinois Public Act 76-735, as amended, effective August 7, 1995. The Regional Office operates under the School Code (105 ILCS 5/3 and 5/3A). The region encompasses Calhoun, Greene, Jersey, and Macoupin counties.

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

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing directions to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report.

The Regional Office of Education No. 40 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters. The Regional Office of Education No. 40 exercises no oversight responsibility on financial interdependency, selection of governing authority, designation of management or the ability to significantly influence the operations of any other outside agencies. Control or dependency is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing order. Therefore, no other agency has been included as a component unit in the Regional Office of Education No. 40's financial statements. In addition, the Regional Office of Education No. 40 is not aware of any entity that would exercise oversight as to result in the Regional Office of Education No. 40 being considered a component unit of the entity.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

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

The Statement of Net Position – Cash Basis includes all of the Regional Office of Education No. 40's assets. The Statement of Activities – Cash Basis demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

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

Certain eliminations have been made as prescribed by governmental accounting standards in regards to interfund activities. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as other financing sources or uses on the governmental fund Statement of Receipts, Disbursements, and Changes in Fund Balances – Cash Basis and on the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position – Cash Basis. All internal balances in the Statement of Net Position – Cash Basis have been eliminated.

Governmental fund financial statements include a Statements of Assets and Fund Balances – Cash Basis and a Statement of Receipts, Disbursements, and Changes in Fund Balances – Cash Basis for all major governmental funds and nonmajor funds aggregated.

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.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

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

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

The government-wide Cash Basis Statement of Activities and Net Position and the fund financial statements are presented using a cash basis of accounting. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. This basis recognizes receipts and disbursements when they result from cash transactions. Fiduciary fund financial statements also report using this same focus and basis of accounting. 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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Regional Office of Education No. 40's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

It is the Regional Office of Education No. 40's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

1. **Governmental Funds**

The Regional Office of Education No. 40 reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Regional Office of Education No. 40. It is used to account for all financial resources, except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the Regional Office of Education No. 40. Included in this fund are:

Administrative Fund – This fund is the general operating fund of the Regional Office of Education No. 40. It is used to account for all financial resources except those required to be accounted for in another fund.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

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

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation** (Continued)

1. **Governmental Funds** (Continued)

General Fund (Continued)

Alternative Schools Fund – This fund accounts for monies received to educate, serve, and support students, at no cost to the students, in an effort to improve the quality of life of high school dropouts. The funds are used to provide basic skills, obtain high school credit, or prepare for the GED test.

Direct Services – This fund is used for student testing and cooperative services conducted through the Regional Office of Education for the benefit of member districts.

General State Aid – This fund accounts for General State Aid grant monies received from the Illinois State Board of Education and used for the general operations of the Regional Safe Schools program.

Jerseyville Office Account – Accounts for general operations at the Jerseyville Regional Office of Education No. 40.

Macoupin County Monies – Monies received from Macoupin County to pay Regional Office of Education No. 40 expenses, such as payroll, phone, rent and office supplies.

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

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

Regional Safe Schools – This program provides instruction services and materials for an alternative school program for at-risk youth who are eligible for suspension or expulsion from their home school districts, creating alternative placement for those students into a safe school program.

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

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

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

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation** (Continued)

1. **Governmental Funds** (Continued)

Education (Continued)

Teen Parent Services – This program is funded through local donations and provides diapers and other parenting supplies to teen parents involved in the Truants Alternative/Optional Education program.

Truants Alternative/Optional Education – This fund provides alternative educational program services to truant students referred from local schools to the Regional Office of Education No. 40. It offers prevention and intervention services, which include case management, home visits, school visits, student advocacy, wraparound, referrals to community agencies, and technical assistance to individual school districts and the community.

Regional Safe School Cooperative Education – The program is state funded and designed to motivate and encourage students to complete high school while enabling them to make a successful transition to postsecondary education, employment, or other career advancement opportunities.

Social Emotional Learning – This fund accounts for federal monies received from the Illinois State Board of Education to be used for social emotional learning and trauma response.

ESSER Grants – The Elementary and Secondary School Emergency Relief (ESSER) grants are federal monies received from the Illinois State Board of Education to provide emergency relief to local educational agencies during the Covid-19 pandemic.

School-Based Mental Health Services – The School-Based Mental Health Services grant is a grant received from Illinois State Board of Education to increase the number of credentialed mental health service providers providing school-based mental health services to students in local education agencies with demonstrated needs.

Advancing Wellness and Resiliency in Education (AWARE) – The AWARE grant is a grant received from the Illinois State Board of Education to develop a sustainable infrastructure for school-based mental health programs and services.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

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

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation** (Continued)

1. **Governmental Funds** (Continued)

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

Bus Driver Permit Fund – Accounts for funds received from the Illinois State Board of Education and registrations and user fees which are used to test and train bus drivers.

Non-major Fund - 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.

2. **Proprietary Funds**

Enterprise Funds – Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes. The Regional Office of Education No. 40 reports Workshops and the Olympiad Fund as major enterprise funds and the other as a nonmajor enterprise fund:

Workshops – This fund accounts for expenses incurred for workshops that offer either college credit or other professional development activities.

Olympiad Fund – Accounts for a four-day event involving gifted students using activities designed directly applicable to the State Learning Standards. These activities are intended to challenge students to exercise higher level intellectual skills and talents.

Non-Major Fund - Administrators' Academy – Accounts for the process by which local school administrators meet the legislated requirement for training and by which administrators may improve their skills in instructional and administrative leadership.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Fiduciary Funds

Fiduciary funds are used to account for assets held by the Regional Office of Education No. 40 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Custodial Funds, which prior to GASB 84 were reported as agency funds, are used to report fiduciary activities that are not required to be reported as another fiduciary fund type. Custodial funds include the following:

Central Illinois Rural Region Career & Technical Education System – This fund accounts for the assets held in trust for the benefit of the Central Illinois Rural Region Career & Technical Education System.

Trustee Fund – This fund accounts for monies received from individuals filing petitions requesting annexation or detachment of school district boundary hearings with the Regional Board of School Trustees. Monies are expended to cover hearing expenses.

School Facility Sales Tax – Voters in Calhoun, Greene, Jersey, and Macoupin Counties approved the use of a sales tax to be used exclusively for school facility capital projects. Regional Office of Education No. 40 is the fiscal agent for processing payments from the State of Illinois to the school districts.

D. Assets and Net Position or Fund Balance

1. Cash and Investments

The Regional Office of Education No. 40 considers cash on hand, checking accounts, savings accounts, money market accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that Regional Office of Education No. 40 deposit funds under its control into accounts insured by the federal governments, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

The Regional Office of Education No. 40 does not have a formal investment policy. Statutes authorize the Regional Office of Education No. 40 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

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

2. **Equity Classifications**

Government-wide and Proprietary Fund Statements

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

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

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

Governmental Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets and liabilities in a governmental fund. The following types of fund balances may be presented on the Governmental Funds Statement of Assets and Fund Balances – Cash Basis and the General Fund and Education Fund Combining Schedules 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. The Regional Office of Education No. 40 has no 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 accounts' fund balances are restricted by Illinois Statutes: Institute Fund and Bus Driver Permit Fund. The following accounts' fund balances are restricted by donor restrictions: Regional Safe Schools, ROE/ISC Operations, Teen Parent Services, Truants Alternative/Optional Education, Regional Safe School Cooperative Education, and ESSER Grants.

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. 40 has no committed fund balances.

Assigned Fund Balance - The portion of a governmental fund's fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The Regional Office of Education No. 40 has no assigned fund balances.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Equity Classifications (Continued)

Governmental Fund Statements (Continued)

Unassigned Fund Balance - Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following accounts comprise unassigned fund balance: Administrative, Alternative Schools Fund, Direct Services, General State Aid, Jerseyville Office Account, Macoupin County Monies, Social Emotional Learning, General Education Development Fund, School-Based Mental Health Services, and Advancing Wellness and Resiliency in Education.

E. New Accounting Pronouncements

The Regional Office of Education #40 has reviewed the Governmental Account Standards Board (GASB) Statements that became effective for fiscal year June 30, 2024 and has determined that none of the new Statements were applicable or had a material impact on the Regional Office's financial statements.

2. BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education No. 40 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board for approval as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgets are also prepared for certain grants awarded through other pass-through entities. Budgetary Comparison Schedules have been presented for the following grants: Regional Safe Schools, ROE/ISC Operations, Truants Alternative/Optional Education, Regional Safe School Cooperative Education, Social Emotional Learning Grant, ESSER Grants, School-Based Mental Health Services, and Advancing Wellness and Resiliency in Education.

3. DEPOSITS AND INVESTMENTS

At June 30, 2024, the carrying amount of the Regional Office of Education No. 40's deposits for the governmental activities, business-type activities, and fiduciary funds were \$272,058, \$98,696, and \$15,068, respectively. The bank balances, excluding Illinois Funds, for the governmental activities, business-type activities, and fiduciary funds totaled \$979,992 all of which was secured by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department in the Regional Office of Education No. 40's name, and were, therefore, not exposed to custodial credit risk. The Illinois Funds accounts had a total carrying amount of \$646 and bank balance of \$646 for the governmental activities at June 30, 2024. This amount is fully collateralized and not subject to credit risk.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

4. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

Plan Description

The Regional Office of Education No. 40 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/fy2023>; 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 consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

4. RETIREMENT FUND COMMITMENTS (Continued)

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

Benefits Provided (Continued)

The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

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, 2024, 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. 40.

On behalf contributions to TRS – The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 40.

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 due for the year ended June 30, 2024 were \$4,893 and the Regional Office of Education No. 40 only made contributions of \$4,663 for an underpayment of \$230.

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. 40, there is a statutory requirement for the Regional Office of Education No. 40 to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2024, the employer pension contribution was 10.60 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2024, salaries totaling \$3,000 were paid from federal and special trust funds that required employer contributions of \$318. The Regional Office of Education No. 40 remitted \$318 through June 30, 2024.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

4. **RETIREMENT FUND COMMITMENTS** (Continued)

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

Contributions (Continued)

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. 40 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, 2024, the Regional Office of Education No. 40 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

B. **Illinois Municipal Retirement Fund**

IMRF Plan Description

The Regional Office of Education No. 40'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. 40's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this note. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

4. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

Employees Covered by Benefit Terms

As of December 31, 2023, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	11
Inactive Plan Members entitled to but not yet receiving benefits	20
Active Plan Members	14
Total	45

Contributions

As set by statute, the Regional Office of Education No. 40'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. 40's annual contribution rate for calendar years 2023 and 2024 were 4.30% and 3.65%, respectively. For the fiscal year 2024, the Regional Office of Education No. 40 contributed \$17,134 to the plan. The Regional Office of Education No. 40 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.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

5. **OTHER POSTEMPLOYMENT BENEFITS**

A. **Teacher Health Insurance Security Fund**

THIS Plan Description

The Regional Office of Education No. 40 participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits.

Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

Benefits Provided

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

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

On-behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 40.

Employer contributions to the THIS Fund

The Regional Office of Education No. 40 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the years ended June 30, 2024, 2023 and 2022. For the year ended June 30, 2024, the Regional Office of Education No. 40 paid \$5,652 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2023 and 2022, the Regional Office of Education No. 40 paid \$4,511 and \$3,885 to the THIS Fund, respectively, which was 100 percent of the required contributions.

CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40

NOTES TO FINANCIAL STATEMENTS

5. **OTHER POSTEMPLOYMENT BENEFITS** (Continued)

A. **Teacher Health Insurance Security Fund** (Continued)

Further information on the THIS Fund

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

B. **Other Postemployment Benefits**

Plan Description

The Regional Office of Education No. 40 provides a single-employer defined-benefit postemployment healthcare plan to retirees who participate in the TRS or IMRF retirement plans. 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 Nos. 74 and 75 that established generally accepted accounting principles for the annual financial statements for postemployment benefit plans other than pension plans. The required information is as follows:

Benefits Provided

The Regional Office of Education No. 40 provides continued health insurance coverage at the blended employer rate to all eligible Regional Office of Education No. 40 retirees in accordance with Illinois Compiled Statutes, which creates an implicit subsidy of retiree health insurance. The Regional Office of Education No. 40 offers the health insurance plan to full-time TRS or IMRF employees. Retirees pay the full cost of coverage. Eligible spouse or dependent coverage may continue should the retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse or dependent is responsible for the full cost of the coverage. If the Retiree elects outside coverage (such as that offered through the Teacher Health Insurance Security Fund), the Regional Office of Education No. 40 does not pay for any portion of the premium in retirement nor provide a reimbursement/stipend for insurance costs.

Funding Policy and Contributions

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

Membership

There are no members participating in this plan.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

6. ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries and benefits on behalf of the Regional Office of Education No. 40:

State of Illinois:	
Regional Superintendent - salary	\$ 131,616
Regional Superintendent - benefits (includes State paid insurance)	27,989
Assistant Regional Superintendent - salary	118,452
Assistant Regional Superintendent - benefits (includes State paid insurance)	<u>41,649</u>
	<u>\$ 319,706</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education (ISBE). Because the Regional Office of Education No. 40 prepares their financial statements in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, the on-behalf payments are not reflected in the Regional Office of Education No. 40's financial statements.

7. RISK MANAGEMENT

The Regional Office of Education No. 40 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education No. 40 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

8. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education No. 40 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education No. 40 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

9. CONTINGENCIES

The Regional Office of Education No. 40 has received funding from federal and State grants in the current and prior years, which are subject to audits by granting agencies. The Regional Office of Education No. 40 believes any adjustments that may arise will be insignificant to the Regional Office of Education No. 40's operations.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

10. DEFICIT FUND BALANCE

The following funds had a negative fund balance as of June 30, 2024:

Alternative Schools Fund	\$	16,457
General State Aid		19,693
Social Emotional Learning		118,760
School-Based Mental Health Services		48,520
Advancing Wellness and Resiliency in Education		22,625
General Education Development Fund		3,280

The Regional Office of Education No. 40 anticipates additional funding to cover these deficits.

11. PRIOR PERIOD ADJUSTMENT

During fiscal year 2024, management determined that a deposit in transit existing at June 30, 2023 was not recorded in the prior year. As a result, cash and net position were understated in the Governmental Activities at June 30, 2023. The error has been corrected by adjusting beginning net position for fiscal year 2024. Specifically, this error was made in the General Fund – Jerseyville Office Account and cash and fund balance were adjusted by the same amount.

The effect of this adjustment on net position is as follows:

	Governmental Activities	Business-Type Activities	Total
6/30/2023, as previously reported	\$ 335,820	\$ 71,708	\$ 407,528
Error correction	21,243	-	21,243
6/30/2023, as restated	\$ 357,063	\$ 71,708	\$ 428,771

The effect of this adjustment on fund balance is as follows:

	General Fund	Jerseyville Office Account
6/30/2023, as previously reported	\$ 241,816	\$ 77,699
Error correction	21,243	21,243
6/30/2023, as restated	\$ 263,059	\$ 98,942

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

NOTES TO FINANCIAL STATEMENTS

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 4, 2026, the date when the financial statements were available to be issued. The Calhoun, Greene, Jersey, and Macoupin Counties Regional Office of Education No. 40 entered into a new lease agreement for a building in Carlinville on August 1, 2024. The lease term is September 27, 2024 to September 27, 2025, converting to a month-to-month tenancy thereafter. The lease includes monthly payments of \$1,500 per month.

SUPPLEMENTARY INFORMATION

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF ACCOUNTS – CASH BASIS
GENERAL FUND
June 30, 2024**

	Administrative	Alternative Schools Fund	Direct Services	General State Aid
ASSETS				
Cash and cash equivalents	\$ 32,272	\$ (16,457)	\$ 22,228	\$ (19,693)
Total assets	\$ 32,272	\$ (16,457)	\$ 22,228	\$ (19,693)
FUND BALANCES				
Unassigned	\$ 32,272	\$ (16,457)	\$ 22,228	\$ (19,693)
Total fund balances (deficits)	\$ 32,272	\$ (16,457)	\$ 22,228	\$ (19,693)

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF ACCOUNTS – CASH BASIS (Concluded)
GENERAL FUND
June 30, 2024**

	<u>Jerseyville Office Account</u>	<u>Macoupin County Monies</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 110,044	\$ 145,573	\$ 273,967
Total assets	<u>\$ 110,044</u>	<u>\$ 145,573</u>	<u>\$ 273,967</u>
FUND BALANCES			
Unassigned	\$ 110,044	\$ 145,573	\$ 273,967
Total fund balances (deficits)	<u>\$ 110,044</u>	<u>\$ 145,573</u>	<u>\$ 273,967</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS
GENERAL FUND ACCOUNTS
For the year ended June 30, 2024**

	Administrative	Alternative Schools Fund	Direct Services	General State Aid
Receipts:				
Local sources	\$ 10,252	\$ -	\$ 23,159	\$ 62,739
State sources	-	102,649	-	554,486
Interest	5,713	-	-	-
Total receipts	<u>15,965</u>	<u>102,649</u>	<u>23,159</u>	<u>617,225</u>
Disbursements:				
Instructional services:				
Salaries	-	38,665	1,166	486,388
Benefits	-	4,301	2,761	65,375
Purchased services	1,860	43,264	8,889	104,275
Supplies and materials	-	-	8,106	125
Total disbursements	<u>1,860</u>	<u>86,230</u>	<u>20,922</u>	<u>656,163</u>
Net change in fund balances	14,105	16,419	2,237	(38,938)
Fund balances (deficits), beginning of year, as previously presented	18,167	(32,876)	19,991	19,245
Error correction	-	-	-	-
Fund balance (deficits), beginning of year, as restated	<u>18,167</u>	<u>(32,876)</u>	<u>19,991</u>	<u>19,245</u>
Fund balances (deficits), end of year	<u>\$ 32,272</u>	<u>\$ (16,457)</u>	<u>\$ 22,228</u>	<u>\$ (19,693)</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS (Concluded)
GENERAL FUND ACCOUNTS
For the year ended June 30, 2024**

	Jerseyville Office Account	Macoupin County Monies	Total
Receipts:			
Local sources	\$ 128,734	\$ 78,421	\$ 303,305
State sources	-	-	657,135
Interest	-	-	5,713
Total receipts	128,734	78,421	966,153
Disbursements:			
Instructional services:			
Salaries	69,415	61,544	657,178
Benefits	27,128	8,061	107,626
Purchased services	19,566	2,687	180,541
Supplies and materials	1,523	146	9,900
Total disbursements	117,632	72,438	955,245
Net change in fund balances	11,102	5,983	10,908
Fund balances (deficits), beginning of year, as previously presented	77,699	139,590	241,816
Error correction	21,243	-	21,243
Fund balance (deficits), beginning of year, as restated	98,942	139,590	263,059
Fund balances (deficits), end of year	\$ 110,044	\$ 145,573	\$ 273,967

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF ACCOUNTS – CASH BASIS
EDUCATION FUND
June 30, 2024**

	<u>Regional Safe Schools</u>	<u>ROE/ISC Operations</u>	<u>Teen Parent Services</u>	<u>Truants Alternative/ Optional Education</u>
ASSETS				
Cash and cash equivalents	<u>\$ 10,540</u>	<u>\$ 5,000</u>	<u>\$ 1,000</u>	<u>\$ 13,033</u>
Total assets	<u><u>\$ 10,540</u></u>	<u><u>\$ 5,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 13,033</u></u>
FUND BALANCES				
Restricted	<u>\$ 10,540</u>	<u>\$ 5,000</u>	<u>\$ 1,000</u>	<u>\$ 13,033</u>
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u><u>\$ 10,540</u></u>	<u><u>\$ 5,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 13,033</u></u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF ACCOUNTS – CASH BASIS
EDUCATION FUND
June 30, 2024**

	Regional Safe School Cooperative Education	Social Emotional Learning	ESSER Grants
ASSETS			
Cash and cash equivalents	\$ 332	\$ (118,760)	\$ 1,322
Total assets	\$ 332	\$ (118,760)	\$ 1,322
FUND BALANCES			
Restricted	\$ 332	\$ -	\$ 1,322
Unassigned	-	(118,760)	-
Total fund balances (deficits)	\$ 332	\$ (118,760)	\$ 1,322

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF ACCOUNTS – CASH BASIS (Concluded)
EDUCATION FUND
June 30, 2024**

	School-Based Mental Health Services	Advancing Wellness and Resiliency in Education	Total
ASSETS			
Cash and cash equivalents	\$ (48,520)	\$ (22,625)	\$ (158,678)
Total assets	\$ (48,520)	\$ (22,625)	\$ (158,678)
FUND BALANCES			
Restricted	\$ -	\$ -	\$ 31,227
Unassigned	(48,520)	(22,625)	(189,905)
Total fund balances (deficits)	\$ (48,520)	\$ (22,625)	\$ (158,678)

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2024**

	Regional Safe Schools	ROE/ISC Operations	Teen Parent Services	Truants Alternative/ Optional Education
Receipts:				
Local sources	\$ 4,991	\$ -	\$ -	\$ -
State sources	152,550	305,958	-	-
Federal sources	-	-	-	-
Total receipts	<u>157,541</u>	<u>305,958</u>	<u>-</u>	<u>-</u>
Disbursements:				
Instructional services:				
Salaries	127,584	234,568	-	311
Benefits	4,236	17,459	-	31
Purchased services	7,937	44,282	-	503
Supplies and materials	7,431	1,343	-	1
Other	-	5,000	-	-
Capital outlay	<u>3,251</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>150,439</u>	<u>302,652</u>	<u>-</u>	<u>846</u>
Net change in fund balance	7,102	3,306	-	(846)
Fund balances (deficits), beginning of year	<u>3,438</u>	<u>1,694</u>	<u>1,000</u>	<u>13,879</u>
Fund balances (deficits), end of year	<u><u>\$ 10,540</u></u>	<u><u>\$ 5,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 13,033</u></u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2024**

	Regional Safe School Cooperative Education	Social Emotional Learning	ESSER Grants
Receipts:			
Local sources	\$ -	\$ -	\$ -
State sources	38,866	-	-
Federal sources	-	885,121	7,712
	<u>38,866</u>	<u>885,121</u>	<u>7,712</u>
Total receipts	<u>38,866</u>	<u>885,121</u>	<u>7,712</u>
Disbursements:			
Instructional services:			
Salaries	29,110	164,206	-
Benefits	1,972	5,627	-
Purchased services	4,541	742,006	-
Supplies and materials	3,244	20,748	-
Other	-	-	-
Capital outlay	-	-	-
	<u>38,867</u>	<u>932,587</u>	<u>-</u>
Total disbursements	<u>38,867</u>	<u>932,587</u>	<u>-</u>
Net change in fund balances	(1)	(47,466)	7,712
Fund balances (deficits), beginning of year	<u>333</u>	<u>(71,294)</u>	<u>(6,390)</u>
Fund balances (deficits), end of year	<u>\$ 332</u>	<u>\$ (118,760)</u>	<u>\$ 1,322</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES – CASH BASIS (Concluded)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2024**

	School-Based Mental Health Services	Advancing Wellness and Resiliency in Education	Total
Receipts:			
Local sources	\$ -	\$ -	\$ 4,991
State sources	1,415,762	343,007	2,256,143
Federal sources	-	-	892,833
	1,415,762	343,007	3,153,967
Total receipts			
Disbursements:			
Instructional services:			
Salaries	107,243	54,135	717,157
Benefits	27,367	1,873	58,565
Purchased services	1,311,059	290,041	2,400,369
Supplies and materials	18,613	19,583	70,963
Other	-	-	5,000
Capital outlay	-	-	3,251
	1,464,282	365,632	3,255,305
Total disbursements			
Net change in fund balances	(48,520)	(22,625)	(101,338)
Fund balances (deficits), beginning of year	-	-	(57,340)
Fund balances (deficits), end of year	\$ (48,520)	\$ (22,625)	\$ (158,678)

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS
For the year ended June 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Local sources	\$ -	\$ -	\$ 4,991
State sources	63,387	152,550	152,550
Total Revenues	<u>63,387</u>	<u>152,550</u>	<u>157,541</u>
Expenditures:			
Instructional services:			
Salaries	44,122	125,497	127,584
Benefits	1,148	3,232	4,236
Purchased services	7,448	10,225	7,937
Supplies and materials	7,669	9,396	7,431
Capital outlay	<u>3,000</u>	<u>4,200</u>	<u>3,251</u>
Total expenditures	<u>63,387</u>	<u>152,550</u>	<u>150,439</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	7,102
Fund balance, beginning of year			<u>3,438</u>
Fund balance, end of year			<u>\$ 10,540</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS
For the year ended June 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 305,958	\$ 305,958	\$ 305,958
Total revenues	305,958	305,958	305,958
Expenditures:			
Instructional services:			
Salaries	232,676	232,785	234,568
Benefits	21,699	22,247	17,459
Purchased services	42,171	41,514	44,282
Supplies and materials	5,412	5,412	1,343
Other	4,000	4,000	5,000
Total expenditures	305,958	305,958	302,652
Net change in fund balance	\$ -	\$ -	3,306
Fund balance, beginning of year			1,694
Fund balance, end of year			\$ 5,000

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION
For the year ended June 30, 2024**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 103,399	\$ 103,399	\$ -
Total Revenues	103,399	103,399	-
Expenditures:			
Instructional services:			
Salaries	74,837	74,837	311
Benefits	10,037	8,617	31
Purchased services	13,725	15,145	503
Supplies and materials	1,000	1,000	1
Intergovernmental:			
Payments to other governments	3,800	3,800	-
Total expenditures	103,399	103,399	846
Net change in fund balance	\$ -	\$ -	(846)
Fund balance, beginning of year			13,879
Fund balance, end of year			\$ 13,033

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOL COOPERATIVE EDUCATION
For the year ended June 30, 2024**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 38,866	\$ 38,866	\$ 38,866
Total Revenues	38,866	38,866	38,866
Expenditures:			
Instructional services:			
Salaries	29,690	29,690	29,110
Benefits	1,155	1,155	1,972
Purchased services	4,654	3,954	4,541
Supplies and materials	3,367	4,067	3,244
Total expenditures	38,866	38,866	38,867
Net change in fund balance	\$ -	\$ -	(1)
Fund balance, beginning of year			333
Fund balance, end of year			\$ 332

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
SOCIAL EMOTIONAL LEARNING GRANT (2022-4998-SE)
For the year ended June 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 857,143	\$ 1,714,286	\$ 120,047
Total Revenues	857,143	1,714,286	120,047
Expenditures:			
Instructional services:			
Salaries	129,100	252,100	-
Benefits	35,478	53,474	-
Purchased services	625,865	1,349,312	54,708
Supplies and materials	63,200	59,400	-
Intergovernmental:			
Payments to other governments	1,500	-	-
Capital outlay	2,000	-	-
Total expenditures	857,143	1,714,286	54,708
Net change in fund balance	\$ -	\$ -	65,339
Fund balance (deficit), beginning of year			(71,294)
Fund balance (deficit), end of FY22 grant period			\$ (5,955)

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
SOCIAL EMOTIONAL LEARNING GRANT (2023-4998-S3)
For the year ended June 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 857,143	\$ 857,143	\$ 545,812
Total Revenues	<u>857,143</u>	<u>857,143</u>	<u>545,812</u>
Expenditures:			
Instructional services:			
Salaries	158,100	165,480	164,206
Benefits	34,911	34,885	5,627
Purchased services	643,432	625,900	468,036
Supplies and materials	19,700	29,878	20,748
Capital outlay	1,000	1,000	-
Total expenditures	<u>857,143</u>	<u>857,143</u>	<u>658,617</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(112,805)
Fund balance (deficit), end of FY22 grant period			<u>(5,955)</u>
Fund balance (deficit), end of FY23 grant period			<u>\$ (118,760)</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
SOCIAL EMOTIONAL LEARNING GRANT (2024-4998-SE)
For the year ended June 30, 2024**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
Federal sources	\$ 219,262	\$ 219,262	\$ 219,262
Total Revenues	219,262	219,262	219,262
Expenditures:			
Instructional services:			
Purchased services	219,262	219,262	219,262
Total expenditures	219,262	219,262	219,262
Net change in fund balance	\$ -	\$ -	-
Fund balance (deficit), end of FY23 grant period			(118,760)
Fund balance (deficit), end of year			\$ (118,760)

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
ESSER GRANTS
For the year ended June 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Federal sources	\$ 65,679	\$ 65,679	\$ 7,712
Total Revenues	65,679	65,679	7,712
Expenditures:			
Instructional services:			
Salaries	51,073	51,073	-
Benefits	12,781	12,781	-
Purchased services	1,825	1,825	-
Total expenditures	65,679	65,679	-
Net change in fund balance	\$ -	\$ -	7,712
Fund balance (deficit), beginning of year			(6,390)
Fund balance (deficit), end of year			\$ 1,322

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
SCHOOL-BASED MENTAL HEALTH SERVICES
For the year ended June 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues:			
State sources	\$ 3,190,000	\$ 3,190,000	\$ 1,415,762
Total revenues	<u>3,190,000</u>	<u>3,190,000</u>	<u>1,415,762</u>
Expenditures:			
Instructional services:			
Salaries	213,400	213,400	107,243
Benefits	43,335	43,335	27,367
Purchased services	2,831,500	2,831,500	1,311,059
Supplies and materials	<u>101,765</u>	<u>101,765</u>	<u>18,613</u>
Total expenditures	<u>3,190,000</u>	<u>3,190,000</u>	<u>1,464,282</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(48,520)
Fund balance (deficit), beginning of year			<u>-</u>
Fund balance (deficit), end of year			<u>\$ (48,520)</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**BUDGETARY COMPARISON SCHEDULE – CASH BASIS
EDUCATION FUND ACCOUNTS
ADVANCING WELLNESS AND RESILIENCY IN EDUCATION
For the year ended June 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
State sources	\$ 533,094	\$ 533,094	\$ 343,007
Total revenues	<u>533,094</u>	<u>533,094</u>	<u>343,007</u>
Expenditures:			
Instructional services:			
Salaries	109,303	109,303	54,135
Benefits	15,151	15,151	1,873
Purchased services	378,000	378,000	290,041
Supplies and materials	<u>30,640</u>	<u>30,640</u>	<u>19,583</u>
Total expenditures	<u>533,094</u>	<u>533,094</u>	<u>365,632</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(22,625)
Fund balance (deficit), beginning of year			<u>-</u>
Fund balance (deficit), end of year			<u>\$ (22,625)</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION – CASH BASIS
CUSTODIAL FUNDS
June 30, 2024**

	Central Illinois Rural Region Career & Technical Education System	Trustee Fund	School Facility Sales Tax	<u>Total</u>
ASSETS				
Cash and cash equivalents	<u>\$ 14,533</u>	<u>\$ 30</u>	<u>\$ 505</u>	<u>\$ 15,068</u>
Total assets	<u>14,533</u>	<u>30</u>	<u>505</u>	<u>15,068</u>
NET POSITION				
Restricted for individuals, organizations and other governments	<u>14,533</u>	<u>30</u>	<u>505</u>	<u>15,068</u>
Total net position	<u><u>\$ 14,533</u></u>	<u><u>\$ 30</u></u>	<u><u>\$ 505</u></u>	<u><u>\$ 15,068</u></u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CASH BASIS
CUSTODIAL FUNDS
For the year ended June 30, 2024**

	<u>Central Illinois Rural Region Career & Technical Education System</u>	<u>Trustee Fund</u>	<u>School Facility Sales Tax</u>	<u>Totals</u>
Additions:				
Flow-through sales tax payments from State	\$ -	\$ -	\$ 6,457,547	\$ 6,457,547
Payments from Illinois State Board of Education				
State	481,845		-	481,845
Federal	<u>174,996</u>	<u>-</u>	<u>-</u>	<u>174,996</u>
Total additions	<u>656,841</u>	<u>-</u>	<u>6,457,547</u>	<u>7,114,388</u>
Deductions:				
Program expense	674,196	-	-	674,196
Flow-through sales tax payments to local districts	<u>-</u>	<u>-</u>	<u>6,457,042</u>	<u>6,457,042</u>
Total deductions	<u>674,196</u>	<u>-</u>	<u>6,457,042</u>	<u>7,131,238</u>
Net increase (decrease) in fiduciary net position	(17,355)	-	505	(16,850)
Net position, beginning of year	<u>31,888</u>	<u>30</u>	<u>-</u>	<u>31,918</u>
Net position, end of year	<u>\$ 14,533</u>	<u>\$ 30</u>	<u>\$ 505</u>	<u>\$ 15,068</u>

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH BASIS
For the year ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Numbers	Total Federal Expenditures	Amount to Subrecipients
U.S. Department of Education				
<i>Passed Through Illinois State Board of Education</i>				
Education Stabilization Fund				
Elementary & Secondary School Emergency Relief				
COVID-19 - Social Emotional Learning and Trauma Response (M)	84.425D	2024-4998-SE	\$ 219,262	\$ -
COVID-19 - Social Emotional Learning and Trauma Response (M)	84.425U	2023-4998-S3	658,617	-
COVID-19 - Social Emotional Learning and Trauma Response (M)	84.425D	2022-4998-SE	54,708	-
Total Elementary & Secondary School Emergency Relief			<u>\$ 932,587</u>	
Total Education Stabilization Fund			<u>\$ 932,587</u>	
Total Expenditures of Federal Awards			<u><u>\$ 932,587</u></u>	

(M) Program was audited as a major program.

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CALHOUN, GREENE, JERSEY, AND MACOUPIN COUNTIES
REGIONAL OFFICE OF EDUCATION NO. 40**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2024**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes the expenditures of the Regional Office of Education No. 40 (ROE) under programs of the federal government for the fiscal year ended June 30, 2024. Because the Schedule presents only a selected portion of the operations of the ROE, it is not intended to and does not present the financial position, changes in fund balance, revenues and expenditures of the ROE.

For purposes of the Schedule, federal awards include all grants, contracts and similar agreements entered into directly between the ROE and agencies and departments of the federal government and all sub-awards to the ROE by nonfederal organizations pursuant to federal grants, contracts and similar agreements. The schedule presents expenditures by federal agency for the ROE’s major and nonmajor programs in accordance with the provisions of the U.S. Office of Management and Budget and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Federal awards are accounted for using the cash basis of accounting. The Schedule reflects the cash basis of accounting in which revenues are recognized when received and expenditures are recognized when spent.

NOTE 3 – SUBRECIPIENTS

None.

NOTE 4 – NONMONETARY DISTRIBUTIONS

During the year ended June 30, 2024, the ROE did not receive any federal nonmonetary distributions.

NOTE 5 – INSURANCE

The ROE had no insurance as it relates to federal programs in effect for the year ended June 30, 2024.

NOTE 6 – LOANS AND LOAN GUARANTEES

The ROE had no outstanding loans or loan guarantees from federal sources as of June 30, 2024.

NOTE 7 – INDIRECT COST RATE

The ROE elected not to use to 10% de minimis indirect cost rate.

NOTE 8 – DONATED PERSONAL PROTECTIVE EQUIPMENT

The ROE did not receive any donated personal protective equipment from federal sources as of June 30, 2024.