

CAREER CENTER OF SOUTHERN ILLINOIS
RED BUD, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2024

CAREER CENTER OF SOUTHERN ILLINOIS
RED BUD, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Career Center of Southern Illinois (the "Center") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Career Center of Southern Illinois' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Career Center of Southern Illinois, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Career Center of Southern Illinois, 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center'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 the Center's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 36 through 38 and schedule of funding progress required pension schedules and notes on pages 39 through 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

Career Center of Southern Illinois has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Center's basic financial statements. The Statement of Revenue Received, Expenditures Disbursed, and Changes in Fund Balances - Pell Grant Program/Supplemental Opportunity Educational Grant Program is presented for purposes of additional analysis and for the Illinois State Board of Education and the U.S. Department of Education - School Participation Team, respectively, and are not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Rewards*, and is also not a required part of the financial statements.

The Statement of Revenue Received, Expenditures Disbursed, and Changes in Fund Balances - Pell Grant Program/Supplementary Opportunity Educational Grant Program and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2024 on our consideration of the Center'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

SCHUEFFEL BOYLE
Belleville, Illinois

November 12, 2024

BASIC FINANCIAL STATEMENTS

CAREER CENTER OF SOUTHERN ILLINOIS
STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>GOVERNMENTAL ACTIVITIES</u>
<u>ASSETS</u>	
CURRENT ASSETS:	
Cash and Cash Equivalents	\$ 357,220
Activity Funds Cash	20,221
Accounts Receivable	72,817
Prepaid Expenses	16,896
Total Current Assets	<u>467,154</u>
NON-CURRENT ASSETS:	
Net Pension Asset	14,950
Capital Assets, Net of Depreciation	
Land	1
Land Improvements	39,446
Buildings	814,762
Equipment	78,613
Net Capital Assets	<u>932,822</u>
TOTAL ASSETS	<u>1,414,926</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred Outflows - Pension Related	220,726
Deferred Outflows - OPEB Related	77,365
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>298,091</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,713,017</u>
<u>LIABILITIES</u>	
CURRENT LIABILITIES:	
Accounts Payable	\$ 3,006
Unearned Revenue - Grants and Tuition	5,740
Total Current Liabilities	<u>8,746</u>
NON-CURRENT LIABILITIES:	
Net Pension Liability	65,449
Net OPEB Liability	205,769
Total Non-Current Liabilities	<u>271,218</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Inflows - Pension Related	\$ 121,450
Deferred Inflows - OPEB Related	681,287
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>802,737</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>\$ 1,082,701</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ 932,822
Unrestricted	(302,506)
TOTAL NET POSITION	<u>\$ 630,316</u>

See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL	TOTAL GOVERNMENTAL ACTIVITIES
			GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS	
Functions/Programs:					
Governmental Activities					
Instruction	\$ 1,258,795	\$ 1,132,072	\$ 750,776	\$ -	\$ 624,053
Support Services	1,071,007	144,891	100,892	-	(825,224)
Student Activity Funds	31,588	34,263	-	-	2,675
On-Behalf of Payments	483,345	-	483,345	-	-
Total Governmental Activities	<u>\$ 2,844,735</u>	<u>\$ 1,311,226</u>	<u>\$ 1,335,013</u>	<u>\$ -</u>	<u>(198,496)</u>
General Revenues					
Evidence Based Funding					461,605
Miscellaneous					<u>3,817</u>
Total General Revenues					<u>465,422</u>
Change in Net Position					266,926
Net Position, Beginning of Year					<u>363,390</u>
Net Position, End of Year					<u>\$ 630,316</u>

See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

<u>ASSETS</u>	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 323,684	\$ 33,536	\$ 357,220
Activity Funds Cash	20,221	-	20,221
Accounts Receivable	47,151	25,666	72,817
Prepaid Expenses	16,896	-	16,896
Total Assets	<u>\$ 407,952</u>	<u>\$ 59,202</u>	<u>\$ 467,154</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
CURRENT LIABILITIES:			
Accounts Payable	\$ 3,006	\$ -	\$ 3,006
Unearned Grant and Tuition Revenue	5,740	-	5,740
Total Liabilities	<u>8,746</u>	<u>-</u>	<u>8,746</u>
 FUND BALANCES:			
Nonspendable	16,896	-	16,896
Committed	20,221	-	20,221
Assigned	-	59,202	59,202
Unassigned	362,089	-	362,089
Total Fund Balances	<u>399,206</u>	<u>59,202</u>	<u>458,408</u>
Total Liabilities and Fund Balances	<u>\$ 407,952</u>	<u>\$ 59,202</u>	<u>\$ 467,154</u>

See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balances - Governmental Funds	<u>\$ 458,408</u>
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
<p>Pension Assets and Deferred outflows that do not provide current financial resources are not reported as an asset on the governmental funds.</p>	
Net Pension Asset	14,950
Deferred Outflows - Pension Related	220,726
Deferred Outflows - OPEB Related	<u>77,365</u>
Total	<u>313,041</u>
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets, net of depreciation, consist of the following:</p>	
Land	1
Land Improvements	39,446
Buildings	814,762
Equipment	<u>78,613</u>
Total	<u>932,822</u>
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. All liabilities, both current and long-term, are reported in the statement of net position.</p>	
Deferred Inflows - Pension Related	121,450
Deferred Inflows - OPEB Related	681,287
Net Pension Liability	65,449
Net OPEB Liability	<u>205,769</u>
Total	<u>1,073,955</u>
Net Position of Governmental Activities	<u>\$ 630,316</u>

See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Local Sources			
Transportation	\$ -	\$ 136,798	\$ 136,798
Tuition - Joint Agreement	482,509	-	482,509
Tuition - Child Care	-	-	-
Tuition - LPN and CAN	527,584	-	527,584
Food Services	8,093	-	8,093
Pupil Activities	33,588	-	33,588
Rentals - Other	88,391	-	88,391
Student Activity	34,263	-	34,263
Other	3,817	-	3,817
Total Local Sources	1,178,245	136,798	1,315,043
Flow-Through Sources	153,000	-	153,000
State Sources	645,450	-	645,450
Federal Sources	514,823	-	514,823
Federal Sources - Student Financial Aid	1,001,418	-	1,001,418
Total Direct Revenue	3,492,936	136,798	3,629,734
Revenue for On-Behalf Payments	483,345	-	483,345
Total Revenue	3,976,281	136,798	4,113,079
EXPENDITURES:			
Current			
Instruction	1,337,900	-	1,337,900
Support Services	964,079	156,218	1,120,297
Student Activity	31,588	-	31,588
Capital Outlay			
Support Services	17,994	-	17,994
Total Direct Expenditures	2,351,561	156,218	2,507,779
Disbursements/Expenditures for On-Behalf Payments	483,345	-	483,345
Total Expenditures	2,834,906	156,218	2,991,124
Excess of Revenue Over Expenditures Before Other Financing Uses	1,141,375	(19,420)	1,121,955
Other (Uses) - Student Financial Aid	(1,001,418)	-	(1,001,418)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Financing (Uses)	139,957	(19,420)	120,537
Fund Balances - Beginning	259,249	78,622	337,871
Fund Balances - Ending	\$ 399,206	\$ 59,202	\$ 458,408

See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHER ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 120,537
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is depreciated over their useful lives:

Less Current Year Depreciation	(43,517)
Plus Current Period Capital Outlay	17,994

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Accrued pension and OPEB liabilities are not recognized in the governmental fund statements.

Pension and OPEB Liabilities - Net Change	<u>171,912</u>
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Change in Net Position of Governmental Activities	<u>\$ 266,926</u>
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See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS - RUSTEBERG SCHOLARSHIP FUND
JUNE 30, 2024

ASSETS:

Investments in Scholarship Trust	<u>\$ 3,998,910</u>
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TOTAL ASSETS	<u>\$ 3,998,910</u>
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LIABILITIES AND NET POSITION:

Net Position

Restricted for Students and Organizations	<u>\$ 3,998,910</u>
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TOTAL LIABILITIES AND NET POSITION	<u>\$ 3,998,910</u>
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See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS - RUSTEBERG SCHOLARSHIP FUND
FOR THE YEAR ENDED JUNE 30, 2024

ADDITIONS:

Investment Income	\$ 56,420
Contributions	-
Unrealized Gain on Investments	<u>2,078,322</u>
Total Additions	<u>2,134,742</u>

DEDUCTIONS:

Scholarships	88,252
Investment Fees	<u>32,923</u>
Total Deductions	<u>121,175</u>

CHANGE IN NET POSITION 2,013,567

NET POSITION - BEGINNING OF YEAR 1,985,343

NET POSITION - END OF YEAR \$ 3,998,910

See accompanying notes to the basic financial statements.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation, Basis of Accounting

Principals Used to Determine the Scope of the Reporting Entity

The Career Center of Southern Illinois (the "Center") provides integrated and relevant career and technical education, as well as employability and academic skills for junior and senior students from area high schools, for adults from surrounding communities, and for "at risk" students.

The Center has developed criteria to determine whether outside agencies with activities which benefit the students of the Center, including joint agreements which serve pupils from numerous schools, should be included within its financial reporting entity, as a component unit. The criteria include, but are not limited to, whether the Center exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management ability to significantly influence operations, and accountability for fiscal matters) scope of public service, and special financing relationships. Based upon the application of these criteria, the Center does not have any component units.

Government-Wide Statements

The statement of net position and the statement of activities display information about the primary government as a whole. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through tuition and fees, grants, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Center's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Center's funds, including its fiduciary funds. Separate statements are presented for each fund category - governmental, proprietary, and fiduciary. The emphasis of fund financial statements is on major funds, each is displayed in a separate column. The Center has no non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up items that are essentially equal in value. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. The Center has no proprietary funds.

The Center's major funds are the General Fund and the Transportation Fund which is considered a Special Revenue Fund. The General Fund is the primary operating fund of the Center.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Transportation Fund is used to account for cash received from specific sources to be used for transportation purposes.

Fiduciary Funds

The Center currently has one custodial fiduciary fund. Custodial funds are used to account for assets held by the Center in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The funds are custodial in nature and do involve the measurement of the results of operations.

Individual Fund Financial Statements

As required by the State of Illinois, the Center maintains individual funds. These funds are grouped as required for reports filed with the Illinois State Board of Education. This section includes detailed reporting on the following funds:

The General Fund, which consists of the Education Fund, is the general operating fund of the Center. It is used to account for all financial resources except those required to be accounted for in another fund.

The Special Revenue Fund, which consists of the Transportation Fund, is used to account for cash received from specific sources that are legally restricted to cash disbursements for specified purposes.

Government-Wide and Fiduciary Fund Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Center gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Center considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Evidenced based funding and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

The accounting policies and presentation are based on the accrual basis of accounting as stipulated by the Governmental Accounting Standards Board.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Assets, Liabilities, and Net Position

Cash and Cash Equivalents

The Center considers cash and cash equivalents to be cash on hand and demand deposits with financial institutions.

Accounts Receivable

Accounts receivable consist of revenues from various federal and state granting agencies and from students for unpaid tuition. The Center has not established an allowance for uncollectible accounts as they believe all receivables will be collected. Any accounts that are determined to be uncollectible are written off in the year they are determined to be uncollectible.

Capital Assets

The accounting treatment over capital assets depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Statements:

In the government-wide financial statements, capital assets are accounted for as assets in the statement of net position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of the donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold in excess of \$2,500 for equipment, \$5,000 for transportation equipment, \$10,000 for land improvements, and \$25,000 for buildings and improvements is used. The range of estimated useful lives by type of asset is as follows:

<u>ASSET CLASS</u>	<u>ESTIMATED USEFUL LIVES</u>
Equipment	10 Years
Computers	3 Years
Transportation	5 Years
Buildings	50 Years
Land Improvements	20 Years

Fund Financial Statements:

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

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position will periodically report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Center has two items that qualify for reporting in this category, which is the deferred outflows of pension costs and the deferred outflows of other post-employment benefits (OPEB).

In addition to liabilities, the statement of financial position will periodically report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Center has two items that qualify for reporting in this category, which are the deferred inflows of pension contributions and deferred inflows of OPEB expenses.

The difference between fund assets and liabilities is "Net Position" on governmental-wide financial statements and "Fund Balance" on governmental fund financial statements.

Net Position

Net Position is reported in three categories:

- Net Investment in Capital Assets - consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.
- Restricted Net Position - result when constraints placed on net positions use are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through enabling legislation.
- Unrestricted Net Position - consists of net position, which does not meet the definition of the two preceding categories.

It is the Center's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available. See note 2 for fund balance reporting.

Budgets and Budgetary Accounting

The budget for all governmental fund types is adopted on a basis consistent with generally accepted accounting policies. The original budget was passed on September 12, 2024.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year. The Center does not utilize an encumbrance system.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Center follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Director submits to the Board of Control a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Control may make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.
6. The Board of Control may amend the budget (in other ways) by the same procedures required of its original adoption.

Compensated Absences

Employees are allowed to accumulate unused sick leave. Accumulated sick leave is not reimbursable upon termination. Since the employees' accumulating rights to receive compensation for future absences are contingent upon the absences being caused by future illnesses, for which amounts cannot be reasonably estimated, a liability for unused sick leave has not been calculated. All full-time 12-month nursing instructors shall be granted 20 paid vacation days per fiscal year. Any unused vacation leave at the end of the fiscal year shall not accumulate from year to year and shall be forfeited.

District Assessments

The Center is a member of an intergovernmental joint agreement formed by Monroe, St. Clair, and Randolph Counties with participating districts of Chester, Marissa, New Athens, Red Bud, Sparta, Valmeyer, and Waterloo. Through the agreement, the Center charges these Districts for transportation for students of these districts. For the year ended June 30, 2024, \$136,798 was earned for transportation services provided to these districts.

New Accounting Pronouncements

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96) issued May 2020, is effective for the fiscal year ended May 31, 2024. GASB 96 provides guidance on the accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset -- an intangible asset -- and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires the note disclosures regarding a SBITA. This adoption has no effect on the financial statements of the District.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of Estimates

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

NOTE 2. FUND BALANCE REPORTING

According to *Government Accounting Standards*, fund balances are to be classified into five major classifications; Non-spendable fund balance, Restricted fund balance, Committed fund balance, Assigned fund balance, and Unassigned fund balance. The regulatory model, followed by the Center, only reports Reserved and Unreserved fund balances. Below are the definitions of the differences and a reconciliation of how these balances are reported.

Non-Spendable Fund Balance

The Non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale.

Restricted Fund Balance

The Restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity and includes limitations imposed by creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue funds are, by definition, restricted for those specified purposes. The Center has the following revenue sources received within different funds that fall into these categories:

State Grants - Proceeds from state grants and the related expenditures have been included in the Educational Fund. At June 30, 2024, revenues disbursed exceeded expenditures received for these purposes, resulting in no restricted fund balance.

Federal Grants - Proceeds from federal grants and the related expenditures have been included in the Educational Fund. At June 30, 2024, revenues disbursed exceeded expenditures received for these purposes, resulting in no restricted fund balance.

Committed Fund Balance

The Committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the "Board of Control"). Those committed amounts cannot be used for any other purposes unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2. FUND BALANCE REPORTING (CONT'D)

The Board of Control commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

The Board of Control commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance

The Assigned fund balance classification refers to amounts that are constrained by the Center's intent to be used for a specific purpose but are neither restricted nor committed. Intent may be expressed by (a) the Board of Control itself or (b) the finance committee or by the Director when the Board of Control has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance

The Unassigned fund balance classification is the residual classification for amounts in the general operating fund for amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

NOTE 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

At June 30, 2024, the carrying amount of the Center's deposits was \$377,441, including activity funds of \$20,221. Total bank balances were \$514,648. The Center has recorded \$600 of petty cash at June 30, 2024. The cash deposits are categorized in accordance with risk factors created by governmental reporting standards. No cash deposits were unsecured and uncollateralized.

Investments of \$3,998,910 are held in a fiduciary fund under the Rusteberg Foundation. See note 12 for further clarification.

NOTE 4. ACCOUNTS RECEIVABLE

As of June 30, 2024, Career Center of Southern Illinois had total accounts receivable of \$72,817. These include \$47,151 for various educational and support programs funded by various state and federal agencies and \$25,666 for amounts due from various districts for transportation.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5. CHANGES IN CAPITAL ASSETS

A summary of property and equipment included in the Capital Assets at June 30, 2024, is as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Governmental Activities:				
Land	\$ 1	\$ -	\$ -	\$ 1
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets				
Not Being Depreciated	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Capital Assets Being Depreciated:				
Land Improvements	64,398	-	-	64,398
Buildings	1,190,385	-	-	1,190,385
Equipment	<u>304,033</u>	<u>17,994</u>	<u>-</u>	<u>322,027</u>
Total Capital Assets Being				
Depreciated	<u>1,558,816</u>	<u>17,994</u>	<u>-</u>	<u>1,576,810</u>
Less Accumulated Depreciation				
For:				
Land Improvements	21,887	3,065	-	24,952
Buildings	346,073	29,550	-	375,623
Equipment	<u>232,512</u>	<u>10,902</u>	<u>-</u>	<u>243,414</u>
Total Accumulated				
Depreciation	<u>600,472</u>	<u>43,517</u>	<u>-</u>	<u>643,989</u>
Total Capital Assets Being				
Depreciated, Net	<u>958,344</u>	<u>(25,523)</u>	<u>-</u>	<u>932,821</u>
Governmental Activity Capital				
Assets, Net	<u>\$ 958,345</u>	<u>\$ (25,523)</u>	<u>\$ -</u>	<u>\$ 932,822</u>

Depreciation expense was charged to function as follows:

Governmental Activities:

Instruction	\$ 32,638
Support Services	<u>10,879</u>
 Total	 <u>\$ 43,517</u>

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS

The Center's retirement fund commitments consist of the following:

- Teachers' Retirement System of the State of Illinois (TRS)
- Illinois Municipal Retirement Fund (IMRF)
- Social Security

The Center contributes to two defined benefit pension plans: TRS and IMRF. The aggregate employer pension expense (benefit) for the year ended June 30, 2024, is (\$79,208).

Teachers' Retirement System of the State of Illinois

Plan Description - The Center 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://trsil.org/financial/acfrs/fy2023>; by writing to TRS at 2815 W. Washington Street, P.O. Box 19253, Springfield, Illinois 62794 -9253; or by calling (888) 678-3675, option 2.

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

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

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2024, was 8.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2024, State of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$475,924 in pension contributions from the State of Illinois.

2.2 Formula Contributions - Employers contribute by 0.57 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2024, were \$4,782 and are deferred because they were paid after the June 30, 2023, measurement date.

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

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

For the year ended June 30, 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 \$-0- were paid from federal and special trust funds that required employer contributions of \$-0-. These contributions are deferred because they were paid after the June 30, 2023, measurement date.

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

A one-time contribution is 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 Center paid \$-0- to TRS for employer contributions due on salary increases in excess of 6 percent, and \$-0- for sick leave days granted in excess of the normal annual allotment.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the Center.

The state's support and total are for disclosure purposes only. The amount recognized by the Center as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Center were as follows below:

Employer's Proportionate Share of the Net Pension Liability	\$ 65,449
State's Proportionate Share of the Net Pension Liability	
Associated with the Employer	<u>5,648,312</u>
Total	<u>\$ 5,713,761</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, and rolled forward to June 30, 2023. The employer's proportion of the net pension liability was based on the employer's share of contributions for the measurement year ended June 30, 2023, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2023, the employer's proportion was 0.0000770168 percent, which was a decrease of 0.00000739189 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the employer recognized pension expense of \$475,924 and revenue of \$475,924 for support provided by the state. At June 30, 2024, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>DEFERRED</u> <u>OUTFLOWS</u> <u>OF RESOURCES</u>	<u>DEFERRED</u> <u>INFLOWS</u> <u>OF RESOURCES</u>
Differences Between Expected and Actual Experience	\$ 272	\$ 264
Net Difference Between Projected and Actual Earnings		
on Pension Plan Investments	-	2
Changes of Assumptions	223	58
Changes in Proportion and Differences Between Employer		
Contributions and Proportionate Share of Contributions	2,530	10,028
Employer Contributions Subsequent to the Measurement Date	<u>4,782</u>	<u>-</u>
Total	<u>\$ 7,807</u>	<u>\$ 10,352</u>

\$4,782 reported as a deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

YEAR ENDED JUNE 30	NET DEFERRED INFLOWS
2025	\$ (3,471)
2026	(3,228)
2027	(965)
2028	27
2029	312
Total	\$ (7,325)

Actuarial Assumptions - The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate	2.25 Percent
Salary Increases	Varies by Amount of Service Credit
Investment Rate of Return	7.25 Percent, Net of Pension Plan Investment Expense, Including Inflation

In the June 30, 2023, actuarial valuation, mortality rates were based on the PubT-2010 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully generational basis using projecting table MP-2020. In the June 30, 2022, actuarial valuation, mortality rates were also based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully generational basis using the projection table MP-2020.

The long-term (20-year) expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

<u>ASSET CLASS</u>	<u>TARGET ALLOCATION</u>	<u>LONG- TERM EXPECTED REAL RATE OF RETURN</u>
Global Equity	37.0 %	5.35 %
Private Equity	15.0	8.03
Income	26.0	4.32
Real Assets	18.0	4.60
Diversifying Strategies	4.0	3.40
Total	<u>100.0%</u>	

Discount Rate - At June 30, 2023, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2023, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	1% DECREASE (6.00%)	CURRENT DISCOUNT RATE (7.00%)	1% INCREASE (8.00%)
Employer's Proportionate Share of the Net Pension Liability	<u>\$ 80,559</u>	<u>\$ 65,449</u>	<u>\$ 52,910</u>

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

TRS Fiduciary Net Position - Detailed information about the TRS's fiduciary net position as of June 30, 2023, is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Illinois Municipal Retirement Fund

General Information About the Pension Plan

Plan Description - The Center'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 Center's plan is managed by the Illinois Municipal Retirement Fund ("IMRF") the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report may be obtained online 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 I benefits. Tier I employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier I 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 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier I, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier II benefits. For Tier II 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 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last ten years of service, divided by 96. Under Tier II, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

Employees Covered by Benefit Terms - As of December 31, 2023, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries Currently Receiving Benefits	8
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	37
Active Plan Members	<u>13</u>
	<u>58</u>

Contributions - As set by statute, the Center's Regular Plan Members are required to contribute 4.5 percent 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 their own employees. The Center's annual contribution rate for calendar year 2023 was 4.81 percent. For the fiscal year ended June 30, 2024, the Center contributed \$33,696 to the plan. The Center 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.

Net Pension Liability - The Center's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

- The *Actuarial Cost Method* used was Entry Age Normal.
- The *Asset Valuation Method* used was Fair Value of Assets.
- The *Inflation Rate* was assumed to be 2.25 percent.
- *Salary Increases* were expected to be 2.85 percent to 13.75 percent, including inflation.
- The *Investment Rate of Return* was assumed to be 7.25 percent.
- *Projected Retirement Age* was from the Experience-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For *Non-Disabled Retirees*, the Pub-2010, Amount-Weighted, Below Median Income, General, Retiree, Male (adjusted 108 percent) and Female (adjusted 106.4 percent) tables, and future mortality improvements projected using scale MP-2020 were used.
- For *Disabled Retirees*, the Pub-2010, Amount-Weighted, Below Median Income, General, Disabled Retiree, Male and Female (both adjusted) tables, and future mortality improvements projected using scale MP-2021.
- For *Active Members*, the Pub-2010, Amount-Weighted, Below-Median Income, General, Employee, Male and Female (both adjusted) tables, and future mortality improvements projected using scale MP-2021.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

- The *Long-Term Expected Rate of Return* on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2023:

<u>ASSET CLASS</u>	<u>TARGET ALLOCATION</u>	<u>LONG- TERM EXPECTED REAL RATE OF RETRUN</u>
Domestic Equity	34.5 %	5.00 %
Internantional Equity	18.0	6.35
Fixed Income	24.5	4.75
Real Estate	10.5	6.30
Alternative Investments	11.5	6.05-8.65
Cash Equivalents	<u>1.0</u>	3.80
Total	<u>100.0 %</u>	

Single Discount Rate - A Single Discount Rate of 7.25 percent was used to measure the total pension liability as of December 31, 2023. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

- The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits); and
- The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25 percent, the municipal bond rate is 3.77 percent, and the resulting Single Discount Rate is 7.25 percent.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

Changes in the Center's Net Pension (Asset) Liability - Changes in the Center's net pension liability for the year ended December 31, 2023, were as follows:

	TOTAL PENSION LIABILITY (A)	PLAN FIDUCIARY NET POSITION (B)	NET PENSION (ASSET) (A)-(B)
Balance at December 31, 2022	\$ 1,659,917	\$ 1,607,505	\$ 52,412
Changes for the year:			
Service Cost	69,265	-	69,265
Interest on the Total Pension Liability	120,151	-	120,151
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	6,089	-	6,089
Changes of Assumptions	719	-	719
Contributions - Employer	-	38,622	(38,622)
Contributions - Employee	-	29,210	(29,210)
Net Investment Income	-	162,322	(162,322)
Benefit Payments, Including Refunds of Employee Contributions	(74,582)	(74,582)	-
Other (Net Transfer)	-	33,432	(33,432)
Net Changes	<u>121,642</u>	<u>189,004</u>	<u>(67,362)</u>
Balances at December 31, 2023	<u>\$ 1,781,559</u>	<u>\$ 1,796,509</u>	<u>\$ (14,950)</u>

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% LOWER 6.25%	CURRENT DISCOUNT RATE 7.25%	1% HIGHER 8.25%
Net Pension Liability/(Asset)	<u>\$ 174,891</u>	<u>\$ (14,950)</u>	<u>\$ (168,441)</u>

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT'D)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended June 30, 2024, the Center recognized pension expense of \$27,443. At June 30, 2024, the Center reported deferred outflows or resources, and deferred inflows of resources related to pensions from the following sources:

<u>DEFERRED AMOUNTS RELATED TO PENSIONS</u>	<u>DEFERRED OUTFLOWS OF RESOURCES</u>	<u>DEFERRED INFLOWS OF RESOURCES</u>
Deferred Amounts to be Rerecognized in Pension		
Expense in Future Periods		
Differences Between Expected and Actual Experience	\$ 3,513	\$ 4,405
Changes of Assumptions	415	-
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	<u>194,090</u>	<u>106,693</u>
Total Deferred Amounts to be Recognized in		
Pension Expense in Future Periods	198,018	111,098
Pension Contributions Made Subsequent		
to the Measurement Date	<u>14,901</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 212,919</u>	<u>\$ 111,098</u>

\$14,901 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>YEAR ENDING DECEMBER 31</u>	<u>NET DEFERRED OUTFLOWS OF RESOURCES</u>
2024	\$ 10,331
2025	29,816
2026	55,736
2027	(8,963)
2028	-
Thereafter	<u>-</u>
Total	<u>\$ 86,920</u>

Social Security - Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The Center paid the total required contribution for the current fiscal year.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Teachers' Health Insurance Security Fund

THIS Plan Description - The Career Center of Southern Illinois participates in the Teachers' Health Insurance Security (THIS) Fund which accounts for the Teacher Retirement Insurance Program of Illinois (TRIP or Plan). TRIP is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. TRIP 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. TRIP is administered in accordance with the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) which established the eligibility and benefit provisions of the plan.

Benefits Provided - The State Employees Group Insurance Act of 1971 (5 ILCS 375) requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50 percent or 75 percent, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100 percent of the cost of coverage.

A summary of the post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. 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" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>).

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. 45. For the year ended June 30, 2024, State of Illinois contributions recognized by the Career Center were based on the State's proportionate share of the collective net OPEB liability associated with the Career Center, and recognized revenue and expenditures of \$7,421.

Employer Contributions to the THIS Fund - The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2024. For the year ended June 30, 2024, the employer paid \$5,525 to the THIS Fund, which was 100 percent of the required contribution.

Actuarial Assumptions - The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Inflation	2.5 percent
Salary Increases	Depends on service and range from 8.5 percent at 1 year of service to 3.5 percent at 20 or more years of service. Salary increase includes a 3.25 percent wage inflation assumption.
Investment Rate of Return	2.75 Percent, Net of OPEB Plan Investment Expense, Including Inflation For All Plan Years.
Healthcare Cost Trend Rates	Trend rates for plan year 2023 are based on actual premium increases. For non-medicare costs, trend starts at 8.00 percent for plan year 2024 decrease gradually to an ultimate trend of 4.25 percent in 2039.

Mortality rates for retirement and beneficiary annuitants were based on the PubT-2010 Retiree Table, adjusted for TRS experience. For disabled annuitant's mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the PubT-2010 Retiree Table.

Single Discount Rate - Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the TRIP Fund is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.77 percent as of June 30, 2024, and 4.05 percent as of June 30, 2023.

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate - The following presents the Center's proportionate share of the collective net OPEB liability, as well as what the Center's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86 percent) or 1-percentage point higher (4.86 percent) than the discount rate:

	1% DECREASE (2.86%)	CURRENT DISCOUNT RATE (3.86%)	1% INCREASE (4.86%)
Employer's Proportionate Share of The Collective Net OPEB Liability	\$ 229,762	\$ 205,767	\$ 184,600

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(CONT'D)

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following table shows the Center's collective net OPEB liability as of June 30, 2023, using current trend rates and sensitivity trend rates that are either 1-percentage-point higher or lower. The key trend rates are 6.00 percent in 2024, decreasing to an ultimate trend rate of 4.25 percent in 2040.

	1% DECREASE ^a	HEALTHCARE COST TREND RATE	1% INCREASE ^b
Employer's Proportionate Share of The Collective Net OPEB Liability	\$ 175,136	\$ 205,769	\$ 243,293

^a 1percentage-point decrease in healthcare trend rates are 5.00 percent in 2024 decreasing to an ultimate trend rate of 3.25 percent in 2040.

^b 1 percentage-point increase in healthcare trend rates are 7.00 percent in 2024 decreasing to an ultimate trend rate of 5.25 percent in 2040.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the Center reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to the Center. The amount recognized by the Center as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Center were as follow:

Employer's Proportionate Share of the Collective Net OPEB Liability	\$	205,769
State's Proportionate Share of the Collective Net OPEB Liability Associated with the Employer		278,277
Total	\$	484,046

The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022, and was rolled forward to the June 30, 2023, measurement date. The Center's proportion of the collective net OPEB liability was based on a projection of the Center's long-term share of contributions to the OPEB plan relative to the projected contributions of the Center, actuarially determined. At June 30, 2023, the Center's proportion was 0.002887 percent, which was an increase of 0.000146 percent from its proportion measured as of June 30, 2022, (0.002741 percent). The State's support and total are for disclosure purposes only.

For the year ended June 30, 2024, the Center recognized OPEB expense of \$7,421 and revenue of \$7,421 for support provided by the State. For the year ended June 30, 2024, the Center recognized OPEB benefit of \$128,742. At June 30, 2024, the Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(CONT'D)

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Differences Between Expected and Actual Experience	\$ -	\$ 114,906
Change in Assumptions	2,727	404,448
Net Difference Between Projected and Actual		
Earnings on OPEB Plan Investments	83	1
Change Inproportion and Differences Between Employer		
Contributions and Proportionate Share of Contributions	69,030	161,932
Employer Contributions Subsequent to The Measurement Date	<u>5,525</u>	<u>-</u>
 Total	 <u>\$ 77,365</u>	 <u>\$ 681,287</u>

\$5,525 reported as deferred outflows of resources related to OPEB resulting from the Center contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Center's OPEB expense as follows:

<u>YEAR ENDING JUNE 30,</u>	<u>NET DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES</u>
2024	\$ (120,784)
2025	(120,784)
2026	(120,784)
2027	(120,784)
2028	(120,786)
Total	<u>\$ (603,922)</u>

THIS Fiduciary Net Position - Detailed information about the THIS Fund fiduciary net position as of June 30, 2023, is available in the separately issued THIS Financial Report.

NOTE 8. GRANT FUNDS FEDERAL

Student Financial Aid Funds

The Center was the recipient of Pell Grant funds, which are funded by the U.S. Department of Education. The students are required to fill out an application form, from which eligibility and need for assistance can be determined. Funds are sent to the Center, which disburses individual grants to the students. During the fiscal year, the Center disbursed \$410,424 in Pell Grants to students. No interest was earned on the Pell Grant Funds in the current year.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8. GRANT FUNDS FEDERAL (CONT'D)

Student loans in the amount of \$590,994 were received by 89 students at the Center.

W.I.A. Grant Funds Received as a Service Provider

W.I.A. Grant funds, in the amount of \$433,286.59 were received through St. Clair, Madison, Perry, Jefferson, and Franklin Counties. Refunds of \$11,016 were returned to St. Clair and Madison Counties, resulting in net W.I.A Grant funds of \$422,271. Separate contracts are written for different types of classes.

Federal funds disbursed by the Center for the year ended June 30, 2024, totaled \$1,100,874.

NOTE 9. ORGANIZATION

The Center is a member of an intergovernmental joint agreement formed by various schools in Monroe, St. Clair, and Randolph Counties for the execution of vocational education. The Center's apportion their tuition payments based on their percentages of students attending the Center. For the year ended June 30, 2024, the Center recorded revenues of \$263,725 from local school districts.

NOTE 10. RISK MANAGEMENT

The Center has purchased commercial umbrella, business auto, and workers compensation insurance policies to protect the Center's assets. During the year ended June 30, 2024, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage. The Center elected to become self-insured for unemployment insurance. The Center is, therefore, liable to the State for any payments made to any of its former employees claiming benefits. The Center is not currently liable for any unemployment claims. Management believes an accrual for potential future claims is unnecessary as the amounts would likely be immaterial to these financial statements.

NOTE 11. COMMITMENTS

In November 2023 the Center entered into a lease for 2 copiers. The lease term is 63 months with a monthly payment of \$399 and expires in February 2029.

At June 30, 2024, future minimum lease payments are as follows:

YEAR ENDING JUNE 30	AMOUNT
2025	\$ 4,788
2026	4,788
2027	4,788
2028	4,788
2029	3,912
	\$ 23,064

The amount of \$2,073 was expended in the Educational Fund under this agreement during fiscal year 2024.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12. CONTINGENCIES

The Center has received funding from State and Federal grants in the current and prior years, which are subject to audits by the granting agencies. Management believes any adjustments that may arise from these audits would be insignificant to Center operations.

NOTE 13. RAYMOND AND ADELINE RUSTEBERG SCHOLARSHIPS

A testamentary trust was created by Raymond Rusteberg, provided for the establishment of a scholarship fund after his death.

The Trustee, Regions Bank N.A., is to retain the balance of the trust estate, in trust, and shall pay the income earned in quarterly or other more convenient installments to the Center, for the purpose of awarding and administering the Raymond and Adeline Rusteberg Scholarships.

Scholarships will be awarded by the Center in accordance with the following guidelines:

1. Goal - The Raymond and Adeline Rusteberg Scholarships are established to promote quality health care primarily for elderly residents of Monroe and Randolph Counties in Illinois.
2. Scholarship Priorities - Scholarships will be awarded based upon the selection criteria listed below and the following priority order:
 - a. Persons who are employed or seeking a career or advancement as a Licensed Practical Nurse or as a Nurse's Aide at the Monroe County Nursing Home;
 - b. Persons who are employed or seeking a career or advancement as a Licensed Practical Nurse or as a Nurse's Aide at other nursing homes or health facilities serving the elderly in Monroe County, Illinois;
 - c. Persons who are employed or seeking a career or advancement as a Licensed Practical Nurse or as a Nurse's Aide at nursing homes or other health facilities serving the elderly in Randolph County, Illinois.
3. Trust - The Trust outlines various criteria in selecting recipients. The Trust provides for a selection committee of not more than five or less than three members of a selection committee.
4. Amounts - Amounts of the award will be based upon costs of the program and expenses associated with the courses taken.
5. Administration - The Center will retain the scholarship funds on behalf of the school, will provide coordination of the scholarship program, and will make an annual report to the Trustee of the scholarship activity and awards. Any funds received from the Trustee, which remain unused after the awarding of scholarships, shall be retained by the Center and applied toward the following year's scholarship awards.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13. RAYMOND AND ADELINE RUSTEBERG SCHOLARSHIPS (CONT'D)

6. Fair Market Value - The fair market value of the scholarship fund at June 30, 2024, was \$3,998,910. These funds are included in the Statement of Fiduciary Net Position.

The Center categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

All funds of the trust are held in mutual funds, are valued using quoted market prices and are considered Level 1 inputs.

REQUIRED SUPPLEMENTARY INFORMATION

CAREER CENTER OF SOUTHERN ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EDUCATIONAL FUND
JUNE 30, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUE :			
1000 Local Sources:			
1331 District Assessments	\$ -	\$ -	\$ -
1332 CTE - Tuition From Other Districts	498,784	498,784	482,509
1333 CTE - Tuition from Other Sources	-	-	-
1353 Adult -Tuition from Other Sources	741,900	741,900	527,584
1510 Interest on Investments	-	-	-
1690 Food Service	25,000	25,000	8,093
1720 Pupil Activities - Fees	14,300	14,300	33,588
1730 Book Store Sales	26,000	26,000	-
1819 Rentals - Other	200	200	-
1823 Textbook Sales	80,500	80,500	88,391
1991 Payment From Other Districts	-	-	-
1999 Other Local Revenue	6,000	6,000	3,817
Student Activity Fund	-	-	34,263
TOTAL LOCAL SOURCES	<u>1,392,684</u>	<u>1,392,684</u>	<u>1,178,245</u>
2000 Flow-Through Sources:			
2100 Flow-Through Revenue from State Sources	153,000	153,000	153,000
2200 Flow-Through Revenue from Federal Sources	22,000	22,000	41,660
TOTAL FLOW-THROUGH SOURCES	<u>175,000</u>	<u>175,000</u>	<u>194,660</u>
3000 State Sources:			
3001 Evidenced Based Funding	461,000	461,000	461,605
3220 CTE - Secondary Program Improvement	133,000	133,000	133,000
3360 State Free Lunch and Breakfast	300	300	845
3999 Other State Revenue	-	-	50,000
TOTAL STATE SOURCES	<u>594,300</u>	<u>594,300</u>	<u>645,450</u>
4000 Federal Sources:			
4210 National School Lunch Program	35,000	35,000	25,687
4220 School Breakfast Program	18,000	18,000	15,807
4225 Summer Food Service Program	-	-	-
4810 Federal - Adult Education	400,550	400,550	422,271
4998 Other Federal Grants	-	-	9,398
TOTAL FEDERAL SOURCES	<u>453,550</u>	<u>453,550</u>	<u>473,163</u>
TOTAL REVENUE	2,615,534	2,615,534	2,491,518
EXPENDITURES:	<u>2,583,354</u>	<u>2,583,354</u>	<u>2,351,561</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 32,180</u>	<u>\$ 32,180</u>	139,957
FUND BALANCES AT BEGINNING OF YEAR			<u>259,249</u>
FUND BALANCES AT END OF YEAR			<u>\$ 399,206</u>

CAREER CENTER OF SOUTHERN ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EDUCATIONAL FUND
JUNE 30, 2024

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>
REVENUE :			
1000 Local Sources:			
1331 District Assessments	\$ -	\$ -	\$ -
1332 CTE - Tuition From Other Districts	498,784	498,784	482,509
1333 CTE - Tuition from Other Sources	-	-	-
1353 Adult -Tuition from Other Sources	741,900	741,900	527,584
1510 Interest on Investments	-	-	-
1690 Food Service	25,000	25,000	8,093
1720 Pupil Activities - Fees	14,300	14,300	33,588
1730 Book Store Sales	26,000	26,000	-
1819 Rentals - Other	200	200	-
1823 Textbook Sales	80,500	80,500	88,391
1991 Payment From Other Districts	-	-	-
1999 Other Local Revenue	6,000	6,000	3,817
Student Activity Fund	-	-	34,263
TOTAL LOCAL SOURCES	<u>1,392,684</u>	<u>1,392,684</u>	<u>1,178,245</u>
2000 Flow-Through Sources:			
2100 Flow-Through Revenue from State Sources	153,000	153,000	153,000
2200 Flow-Through Revenue from Federal Sources	22,000	22,000	41,660
TOTAL FLOW-THROUGH SOURCES	<u>175,000</u>	<u>175,000</u>	<u>194,660</u>
3000 State Sources:			
3001 Evidenced Based Funding	461,000	461,000	461,605
3220 CTE - Secondary Program Improvement	133,000	133,000	133,000
3360 State Free Lunch and Breakfast	300	300	845
3999 Other State Revenue	-	-	50,000
TOTAL STATE SOURCES	<u>594,300</u>	<u>594,300</u>	<u>645,450</u>
4000 Federal Sources:			
4210 National School Lunch Program	35,000	35,000	25,687
4220 School Breakfast Program	18,000	18,000	15,807
4225 Summer Food Service Program	-	-	-
4810 Federal - Adult Education	400,550	400,550	422,271
4998 Other Federal Grants	-	-	9,398
TOTAL FEDERAL SOURCES	<u>453,550</u>	<u>453,550</u>	<u>473,163</u>
TOTAL REVENUE	2,615,534	2,615,534	2,491,518
EXPENDITURES:	<u>2,583,354</u>	<u>2,583,354</u>	<u>2,351,561</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 32,180</u>	<u>\$ 32,180</u>	139,957
FUND BALANCES AT BEGINNING OF YEAR			<u>259,249</u>
FUND BALANCES AT END OF YEAR			<u>\$ 399,206</u>

CAREER CENTER OF SOUTHERN ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EDUCATIONAL FUND
JUNE 30, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
EXPENDITURES:			
1000 INSTRUCTION:			
1300 Adult Education:			
Salaries	\$ 479,500	\$ 479,500	\$ 417,312
Employee Benefits	124,483	124,483	76,334
Purchased Services	37,500	37,500	44,301
Supplies	133,150	133,150	143,308
Other	50,000	50,000	6,087
TOTAL ADULT EDUCATION	<u>824,633</u>	<u>824,633</u>	<u>687,342</u>
1400 Vocational Education and Special Needs:			
Salaries	450,703	450,703	433,152
Employee Benefits	141,130	141,130	146,677
Purchased Services	65,025	65,025	40,001
Supplies	18,950	18,950	30,592
Other	600	600	136
TOTAL VOCATIONAL EDUCATION	<u>676,408</u>	<u>676,408</u>	<u>650,558</u>
TOTAL INSTRUCTION	<u>1,501,041</u>	<u>1,501,041</u>	<u>1,337,900</u>
1999 Activity Funds			
Student Activity Funds	-	-	31,588
2000 SUPPORT SERVICES:			
2100 Support Services - Pupils:			
2120 Guidance	118,053	118,053	118,436
2200 Support Services - Instructional Staff:			
2210 Improvement of Institution	22,000	22,000	17,873
2300 Support Services - General Administration:			
2310 Board of Education	86,008	86,008	82,708
2400 Support Services - School Administration:			
2410 Office of the Principal	230,450	230,450	223,859
2500 Support Services - Business:			
2520 Fiscal Services	109,235	109,235	101,744
2540 Operations & Maintenance - Plant Services:			
Salaries	110,000	110,000	103,458
Benefits	45,936	45,936	47,669
Purchased Services	105,219	105,219	62,868
Supplies	143,700	143,700	131,529
Capital Outlay	25,000	25,000	17,994
2560 Food Service	86,712	86,712	73,935
2640 Staff Services	-	-	-
TOTAL SUPPORT SERVICES	<u>1,082,313</u>	<u>1,082,313</u>	<u>982,073</u>
5000 OTHER:			
5100 Interest Expense	-	-	-
TOTAL EXPENDITURES	<u>\$ 2,583,354</u>	<u>\$ 2,583,354</u>	<u>\$ 2,351,561</u>

CAREER CENTER OF SOUTHERN ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
TRANSPORTATION FUND
JUNE 30, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:			
1000 Local Sources:			
1999 Other Local Revenue	\$ 134,000	\$ 134,000	\$ 136,798
3000 State Sources:			
Unrestricted Grant-In-Aid:			
3001 General State Aid	-	-	-
3500 Transportation - Regular/Vocational	-	-	-
TOTAL REVENUE FROM STATE SOURCES	-	-	-
TOTAL REVENUE	<u>134,000</u>	<u>134,000</u>	<u>136,798</u>
EXPENDITURES:			
2500 Support Services - Business:			
2550 Pupil Transportation Services			
2550.1 Salaries	4,000	4,000	6,878
2550.2 Employee Benefits	-	-	184
2550.3 Purchased Services	<u>130,000</u>	<u>130,000</u>	<u>149,156</u>
TOTAL EXPENDITURES	<u>134,000</u>	<u>134,000</u>	<u>156,218</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	(19,420)
FUND BALANCES AT BEGINNING OF YEAR			<u>78,622</u>
FUND BALANCES AT THE END OF THE YEAR			<u>\$ 59,202</u>

CAREER CENTER OF SOUTHERN ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY -
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
JUNE 30, 2024

	Dollar Amounts are in Thousands				
	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2019</u>	<u>FY 2015</u>
Employer's Proportion Of The Net Liability	0.000077%	0.000074%	0.000081%	0.000093%	0.000150%
Employer's Proportionate Share Of The Net Pension Liability	\$ 65	\$ 62	\$ 63	\$ 75	\$ 98
State's Proportionate Share Of The Net Pension Liability	<u>5,648</u>	<u>5,376</u>	<u>5,313</u>	<u>5,363</u>	<u>5,855</u>
Associated With The Employer				<u>6,581</u>	
TOTAL	<u>\$ 5,713</u>	<u>\$ 5,438</u>	<u>\$ 5,376</u>	<u>\$ 5,438</u>	<u>\$ 5,953</u>
Employer's Covered-Employee Payroll	<u>\$ 938</u>	<u>\$ 908</u>	<u>\$ 756</u>	<u>\$ 797</u>	<u>\$ 780</u>
Employer's Proportionate Share of The Net Pension Liability As A Percentage Of Its Covered-Employee Payroll	8%	7%	7%	9%	11%
Plan Fiduciary Net Position As A Percentage Of The Total Pension Liability	42.8%	45.1%	45.1%	39.6%	41.5%

*The amounts presented were determined as of the prior fiscal-year end.

CAREER CENTER OF SOUTHERN ILLINOIS
 REQUIRED SUPPLEMENTAL INFORMATION
 SCHEDULE OF THE EMPLOYER CONTRIBUTIONS
 TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 JUNE 30, 2024

	Dollar Amounts are in Thousands					
	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2019</u>	<u>FY 2017</u>	<u>FY 2015</u>
Statutorily-Required Contribution	\$ 5	\$ 5	\$ 4	\$ 4	\$ 5	\$ 5
Contributions In Relation To The Statutorily-Required Contribution	<u>5</u>	<u>5</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Covered-Employee Payroll	<u>\$ 938</u>	<u>\$ 908</u>	<u>\$ 756</u>	<u>\$ 797</u>	<u>\$ 780</u>	<u>\$ 927</u>
Contributions As A Percentage Of Covered-Employee Payroll	1%	1%	1%	1%	1%	1%

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO THE SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY AND SCHEDULE OF EMPLOYER CONTRIBUTIONS -
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
JUNE 30, 2024

Change of Assumptions - For the 2023 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2022-2018 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three year period ending June 30, 2014.

CAREER CENTER OF SOUTHERN ILLINOIS
 SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
 ILLINOIS MUNICIPAL RETIREMENT FUND
 JUNE 30, 2024

Calendar Year Ended December 31	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 69,265	\$ 66,296	\$ 59,046	\$ 65,212	\$ 68,405	\$ 59,275	\$ 43,951	\$ 48,300	\$ 48,262	\$ 54,835
Interest on the Total Pension Liability	120,151	112,838	102,258	94,195	87,212	74,747	71,774	68,558	63,166	59,412
Changes of the Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	6,089	(19,179)	25,107	6,687	(5,449)	75,626	(26,019)	(39,143)	(9,849)	(60,453)
Changes of Assumptions	719	-	-	(7,969)	-	58,299	(23,029)	-	(29,555)	27,084
Benefit Payments, Including Refunds of Employee Contributions	(74,582)	(46,547)	(41,676)	(45,963)	(58,543)	(33,911)	(35,462)	(29,869)	(29,555)	(25,514)
Net Change in Total Pension Liability	121,642	113,408	144,735	112,162	91,625	214,036	31,215	47,846	72,024	55,364
Total Pension Liability - Beginning	1,659,917	1,546,509	1,401,774	1,289,612	1,197,987	983,951	952,736	904,890	832,866	777,502
Total Pension Liability - Ending (A)	1,781,559	1,659,917	1,546,509	1,401,774	1,289,612	1,197,987	983,951	952,736	904,890	832,866
Plan Fiduciary Net Position										
Contributions - Employer	38,622	41,430	50,058	52,020	36,292	41,671	40,908	45,863	46,841	48,538
Contributions - Employee	29,210	27,538	28,769	27,901	29,059	27,375	21,581	21,793	20,505	19,109
Net Investment Income	162,322	(193,527)	245,357	179,689	186,264	(46,718)	156,146	58,352	4,128	46,613
Benefit Payments, Including Refunds of Employee Contributions	(74,582)	(46,547)	(41,676)	(45,963)	(58,543)	(33,911)	(35,462)	(29,869)	(29,555)	(25,514)
Other (Net Transfer)	33,432	(5,521)	(9,035)	3,344	8,495	7,967	(14,777)	(226)	(17,446)	(25,098)
Net Change in Plan Fiduciary Net Position	189,004	(176,427)	273,473	216,991	201,567	(3,616)	168,396	95,913	24,473	63,648
Plan Fiduciary Net Position - Beginning	1,607,505	1,783,932	1,510,459	1,293,468	1,091,901	1,095,517	927,121	831,208	806,735	743,087
Plan Fiduciary Net Position - Ending (B)	1,796,509	1,607,505	1,783,932	1,510,459	1,293,468	1,091,901	1,095,517	927,121	831,208	806,735
Net Pension Liability(Asset)- Ending (A) - (B)	\$ (14,950)	\$ 52,412	\$ (237,423)	\$ (108,685)	\$ (3,856)	\$ 106,086	\$ (111,566)	\$ 25,615	\$ 73,682	\$ 26,131
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.84%	96.84%	115.35%	107.75%	100.30%	91.14%	111.34%	97.31%	91.86%	96.86%
Covered Valuation Payroll	\$ 649,118	\$ 611,958	\$ 639,319	\$ 620,029	\$ 645,751	\$ 608,324	\$ 479,581	\$ 484,294	\$ 455,657	\$ 430,630
Net Pension Liability as a Percentage of Covered Valuation Payroll	-2.30%	8.56%	-37.14%	-17.53%	-0.60%	17.44%	-23.26%	5.29%	16.17%	6.07%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years.

CAREER CENTER OF SOUTHERN ILLINOIS
MULTIYEAR SCHEDULE OF CONTRIBUTIONS -
ILLINOIS MUNICIPAL RETIREMENT FUND
JUNE 30, 2024

<u>CALENDAR</u> <u>YEAR ENDED</u> <u>DECEMBER 31</u>	<u>ACTUARIALLY</u> <u>DETERMINED</u> <u>CONTRIBUTION</u>	<u>ACTUAL</u> <u>CONTRIBUTION</u>	<u>CONTRIBUTION</u> <u>DEFICIENCY</u> <u>(EXCESS)</u>	<u>COVERED</u> <u>VALUATION</u> <u>PAYROLL</u>	<u>ACTUAL</u> <u>CONTRIBUTION</u> <u>AS A</u> <u>PERCENTAGE</u> <u>OF COVERED</u> <u>VALUATION</u> <u>PAYROLL</u>
2023	\$ 38,623	\$ 38,622	\$ 1	\$ 649,118	5.95%
2022	41,430	41,430	-	611,958	106.77%
2021	50,059	50,058	1	639,319	7.83%
2020	52,020	52,020	-	620,029	8.39%
2019	36,291	36,292	(1)	645,751	5.62%
2018	41,671	41,671	(1)	608,324	6.85%
2017	40,908	40,908	-	479,581	8.53%
2016	45,863	45,863	-	484,294	11.27%
2015	46,842	46,841	1	455,657	10.28%
2014	49,221	48,583	683	430,630	11.27%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years.

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO THE SCHEDULE OF CONTRIBUTIONS -
ILLINOIS MUNICIPAL RETIREMENT FUND
JUNE 30, 2024

Summary of actuarial methods and assumptions used in the calculation of the 2023 rate.

Valuation Date:

Notes: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods of Assumption Used to Determine 2023 Contribution Rates:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortized Period:	Non-Taxing Bodies: 10-Year Rolling Period
Asset Valuation Method:	5-Year Smoothed Market; 20 Percent Corridor
Wage Growth:	2.75 Percent
Price Inflation:	2.25 Percent, Approximate; No Explicit Price Inflation Assumption is Used in This Valuation.
Salary Increases:	2.75 Percent to 13.75 Percent, Including Inflation
Investment Rate of Return:	7.25 Percent Net
Retirement Age:	Experience-Based Table of Rates That Are Specific to The Type of Eligibility Condition; Last Updated For The 2020 Valuation Pursuant to An Experience Study of The Period 2017-2019.
Mortality:	For <i>Non-Disabled Retirees</i> , the Pub-2010, Amount-Weighted, Below-Median Income, General, Retiree, Male (adjusted 106 percent) and Female (adjusted 105 percent) tables, and future mortality improvements projected using scale MP-2020. For <i>Disabled Retirees</i> , the Pub-2010, Amount-Weighted, Below-Median Income, General, Disabled Retiree, Male and Female, (both adjusted) tables, and future improvements projected using scale MP-2020. For <i>Active Members</i> , the Pub-2010, Amount-Weighted, Below-Median Income, General, Disabled Retiree, Male and Female, (both adjusted) tables, and future improvements projected using scale MP-2020.

SUPPLEMENTARY INFORMATION

CAREER CENTER OF SOUTHERN ILLINOIS
STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
IN FUND BALANCES - PELL GRANT/SUPPLEMENTAL
OPPORTUNITY EDUCATIONAL GRANT PROGRAM
FOR THE YEAR ENDED JUNE 30, 2024

REVENUE RECEIVED:	
Pell Grants	\$ 410,424
Loans	<u>590,994</u>
TOTAL REVENUES RECEIVED	<u>1,001,418</u>
EXPENDITURES DISBURSED:	
Disbursed to Students	<u>1,001,418</u>
TOTAL EXPENDITURES DISBURSED	<u>1,001,418</u>
EXCESS OF REVENUE OVER EXPENSES	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>

COMPLIANCE AUDIT

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

To the Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Career Center of Southern Illinois, (the "Center") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements, and have issued our report thereon dated November 12, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but now for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

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

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

The Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SCHEFFEL BOYLE
Belleville, Illinois

November 12, 2024

CAREER CENTER OF SOUTHERN ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 JUNE 30, 2024

CFDA NUMBER	ISBE PROJECT NUMBER	REVENUE		EXPENDITURES		FINAL STATUS	AWARD AMOUNT
		07/01/23 to 6/30/2024	07/01/23 to 6/30/2024	7/1/2022 to 6/30/2023	7/1/2023 to 6/30/2024		
U.S. Department of Agriculture							
Passed Through Illinois State Board of Education (ISBE):							
Child Nutrition Cluster:							
10.553	23-4220	\$ 13,994	\$ 2,830	\$ 13,994	\$ 2,830	-	N/A
10.553	24-4220	-	10,216	-	10,216	-	N/A
10.555	23-4210	27,668	5,568	27,668	5,568	-	N/A
10.555	24-4210	-	19,466	-	19,466	-	N/A
10.555	2024-4210-SC	-	6,525	-	6,525	-	N/A
10.555	24-4250	-	2,760	-	2,760	-	N/A
	Total Child Nutrition Cluster:	41,662	47,365	41,662	47,365	-	
10.649	21-4210	-	653	-	653	-	
	State Pandemic Electronic Benefit Transfer	-	-	-	-	-	
	TOTAL U.S. DEPARTMENT OF AGRICULTURE	41,662	48,018	41,662	48,018	-	
U.S. Department of Education							
Passed Through Illinois State Board of Education							
84.423D	2024-4998-E2	-	472	-	472	-	
84.425L	2021-4998-E3	-	8,926	-	8,926	-	
	COVID-19 ESSER II	-	-	-	-	-	
	COVID-19 ESSER III	-	9,398	-	9,398	-	
	TOTAL DEPT. OF EDUCATION PASSED THROUGH ISBE	-	9,870	-	9,870	-	
Passed Through Illinois State Board of Education and Okaw Regional Vocational System: Carl Perkins Title IV							
84.048		4,510	23,787	4,510	23,787	-	N/A
	TOTAL ISBE PASSED THROUGH OKAW VOCATIONAL	4,510	23,787	4,510	23,787	-	
TOTAL DEPT. OF EDUCATION PASS THROUGH							
		4,510	33,185	4,510	33,185	-	
Direct							
Student Financial Assistance Cluster:							
84.063	P063P170695	437,022	410,804	437,022	410,804	-	N/A
84.268	P268K170695	690,778	550,951	690,778	590,994	-	N/A
	Total Student Financial Assistance Cluster:	1,127,800	1,001,798	1,127,800	1,001,798	-	
84.358		36,799	17,873	36,799	17,873	-	
	Rural Education	-	-	-	-	-	
84.425E		240,476	-	240,476	-	-	
84.425F		67,547	-	67,547	-	-	
	Total COVID-19 Education Stabilization Fund Cluster - CARES Act	308,023	-	308,023	-	-	
	TOTAL DIRECT	1,472,622	1,019,671	1,472,622	1,019,671	-	
	TOTAL U.S. DEPARTMENT OF EDUCATION	1,477,132	1,052,856	1,477,132	1,052,856	-	
TOTAL FEDERAL AWARDS PASSED THROUGH ISBE							
		46,172	81,203	46,172	81,203	-	
	TOTAL FEDERAL AWARDS	1,518,794	1,100,871	1,518,794	1,100,874	\$	
	(M) - Major Program						

CAREER CENTER OF SOUTHERN ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying Schedule of Federal Awards presents the activity of all federal award programs of the Career Center of Southern Illinois (the "Center"). The Center's reporting entity is defined in Note 1 to the Center's financial statements. Federal awards passed through other government agencies are included on the schedule.

Basis of Accounting

The accompanying Schedule of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Center's financial statements.

Relationship to Basis Financial Statements

Federal awards received are reflected in the Center's financial statements within the Educational Fund.

Relationship to Program Financial Reports

Amounts reported in the accompanying Schedule of Federal Awards agree with amounts reported in the Program Financial Reports for programs which have filed final reports as of June 30, 2024, with the Illinois State Board of Education.

Subrecipients

No amounts included in the Schedule of Expenditures of Federal Awards were provided to subrecipients.

De Minimis Indirect Cost Rate

The Center elected not to utilize the de minimis indirect cost rate.

Loan and Loan Guarantee Programs

The Center did not participate in any loan or loan guarantee programs in relation to the Schedule of Expenditures of Federal Awards; hence, no amounts were outstanding at year-end.

Insurance

The Center did not participate in any federally funded insurance programs.

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

To the Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Career Center of Southern Illinois' (the "Center") 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 each of Career Center of Southern Illinois' major federal programs for the year ended June 30, 2024. Career Center of Southern Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Career Center of Southern Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the Career Center of Southern Illinois and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Career Center of Southern Illinois' compliance with the compliance requirements referred to above.

The Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Career Center of Southern Illinois' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Career Center of Southern Illinois' 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Career Center of Southern Illinois' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Career Center of Southern Illinois' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Career Center of Southern Illinois' 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 Center'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.

The Board of Control
Career Center of Southern Illinois
Red Bud, Illinois

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore material weaknesses or significant deficiencies may exist that were not identified. Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

SCHEFFEL BOYLE
Belleville, Illinois

November 12, 2024

CAREER CENTER OF SOUTHERN ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

A. SUMMARY OF AUDITOR'S RESULTS:

1. Type of report issued – Unmodified.
2. No significant deficiencies in internal control were disclosed.
3. No material noncompliance disclosed.
4. No significant deficiencies or material weaknesses in Internal Control over major programs.
5. Unmodified opinion issued on compliance for major program.
6. There were no audit findings that are required to be reported in accordance with 2CFR 200.516(a).
7. Major program identification- US Department of Education, Student Financial Assistance Cluster CFDA - 84.063 and 84.268.
8. The dollar threshold used to distinguish between type A and type B programs was \$750,000.
9. Auditee is considered a low-risk auditee.

B. FINDING RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED UNDER GAGAS.

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

CAREER CENTER OF SOUTHERN ILLINOIS
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2024

<u>FINDING</u> <u>NUMBER</u>	<u>CONDITION</u>	<u>CURRENT STATUS</u>
---------------------------------	------------------	-----------------------

No prior year findings.