

Due to ROE on Friday, October 15, 2021
 Due to ISBE on Monday, November 15, 2021
 SD/JA21

☒ School District
☐ Joint Agreement

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Department
 100 North First Street, Springfield, Illinois 62777-0001
 217/785-8779

**Illinois School District/Joint Agreement
 Annual Financial Report ***
June 30, 2021

<u>School District/Joint Agreement Information</u> <i>(See instructions on inside of this page.)</i>	<u>Accounting Basis:</u> <input checked="" type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL	<u>Certified Public Accountant Information</u>		
School District/Joint Agreement Number: 32-046-1110-25		Name of Auditing Firm: SKDO, P.C.		
County Name: Kankakee		Name of Audit Manager: Carmen Huizenga		
Name of School District/Joint Agreement: Kankakee School District #111		Address: 1605 North Convent		
Address: 240 Warren Avenue	<u>Filing Status:</u> <u>Submit electronic AFR directly to ISBE</u> Click on the Link to Submit: Send ISBE a File <div style="color: red; font-weight: bold; font-size: 1.2em;">0</div>	City: Bourbonnais	State: IL	Zip Code: 60914
City: Kankakee		Phone Number: 815-937-1997	Fax Number: 815-935-0360	
Email Address:		IL License Number (9 digit): 065-039956		
Zip Code: 60901		Expiration Date: 9/30/2024		
<u>Annual Financial Report</u> Type of Auditor's Report Issued: <input checked="" type="checkbox"/> Qualified <input checked="" type="checkbox"/> Adverse <input type="checkbox"/> Disclaimer	Annual Financial Report Questions 217-785-8779 or finance1@isbe.net Single Audit Questions 217-782-5630 or GATA@isbe.net Single Audit and GATA Information	ISBE Use Only		
<input type="checkbox"/> Reviewed by District Superintendent/Administrator	<input type="checkbox"/> Reviewed by Township Treasurer (Cook County only) Name of Township: _____			
District Superintendent/Administrator Name (Type or Print): Dr. Geneva Walters	Township Treasurer Name (type or print)			
Email Address: geneva-walters@ksd111.org	Email Address:	Regional Superintendent/Cook ISC Name (Type or Print): Dr. Gregg Murphy		
Telephone: 815-933-0700	Fax Number: 815-936-8944	Email Address: gmurphy@i-kan.org	Telephone: 815-937-2950	
Signature & Date:	Signature & Date:	Telephone: 815-937-2950	Fax Number: 815-937-2921	
	Signature & Date:	Signature & Date:		

* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100).
ISBE Form SD50-35/JA50-60 (05/21-version2)

This form is based on 23 Illinois Administrative Code, Subtitle A, Chapter I, Subchapter C, Part 100.
 In some instances, use of open account codes (cells) may not be authorized by statute or administrative rule.
 Each school district or joint agreement is responsible for obtaining the concurring legal opinion and/or other supporting authorization/documentation, as necessary, to use the applicable account code (cell).

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INSTRUCTIONS/REQUIREMENTS: For School Districts/Joint Agreements

All School Districts/Joint Agreements must complete this form (Note: joint agreement supplementary/statistical schedules may not be applicable)

This form complies with Part 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing).

[23. Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C \(Part 100\)](#)

- Round all amounts to the nearest dollar.** Do not enter cents. (Exception: 9 Month ADA on PCTC OEPP Tab)
- Any errors left unresolved by the Audit Checklist/Balancing Schedule must be explained in the itemization page
- Before submitting AFR - **be sure to break all links in AFR** before submitting to ISBE. If links are not broken, amounts entered have changed when opening the AFR
- Submit AFR Electronically**
 - The Annual Financial Reports (AFR) must be submitted directly through the Attachment Manager to the AFR Group by the Auditor (not from the school district on before November 15 with the exception of Extension Approvals (Please see AFR Instructions for complete submission procedures). **Note: CD/Disk no longer accepted.**
[Attachment Manager Link](#)
 - AFR supporting documentation must be embedded as Microsoft Word (.doc), Word Perfect (*.wpd) or Adobe (*.pdf) and inserted within tab "Opinions & Notes". These documents include: The Audit, Management letter, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Opinions & Notes" tab of this form.
Note: In Windows 7 and above, files can be saved in Adobe Acrobat (.pdf) and embedded even if you do not have the software. If you have problems embedding the files you may attach them as separate (.docx) in the Attachment Manager and ISBE will embed them for you.*
- Submit Paper Copy of AFR with Signatures**
 - The auditor must send three paper copies of the AFR form (cover through page 8 at minimum) to the School District with the auditor signature.
Note: School Districts and Regional Superintendents may prefer a complete paper copy in lieu of an electronic file. Please comply with their requests as necessary.
 - Upon receipt, the School District retains one copy for their records, signs, and forwards the remaining two copies to the Regional Superintendent's office no later than October 15, annually.
 - Upon receipt, the Regional Superintendent's office retains one copy for their records, signs, and forwards the remaining paper copy to ISBE no later than November 15, annually.
 - If the 15th falls on a Saturday, the due date is the Friday before. If the 15th falls on a Sunday, the due date is the Monday after
 - Yellow Book, CPE, and Peer Review requirements must be met if the Auditor issues an opinion stating "Governmental Auditing Standards" were utilized.
[Federal Single Audit 2 CFR 200.500](#)
- Requesting an Extension of Time** must be submitted in writing via email or letter to the Regional Office of Education (at the discretion of the ROE). Approval may be provided up to and no later than December 15 annually. After December 15, audits are considered late and out of compliance per Illinois School Code
- Qualifications of Auditing Firm**
 - School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program, for the current peer review period
 - A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense

AUDITOR'S QUESTIONNAIRE

INSTRUCTIONS: If your review and testing of State, Local, and Federal Programs revealed any of the following statements to be true, then check the box on the left and attach the appropriate findings/comments.

PART A - FINDINGS

- ☒ 1. One or more school board members, administrators, certified school business officials, or other qualifying district employees failed to file economic interested statements pursuant to the *Illinois Government Ethics Act*. [5 ILCS 420/4A-101]
- ☐ 2. One or more custodians of funds failed to comply with the bonding requirements pursuant to *Illinois School Code* [105 ILCS 5/8-2; 10-20.19; 19-6].
- ☐ 3. One or more contracts were executed or purchases made contrary to the provisions of the *Illinois School Code* [105 ILCS 5/10-20.21].
- ☐ 4. One or more violations of the Public Funds Deposit Act or the Public Funds Investment Act were noted [30 ILCS 225/1 et. seq. and 30 ILCS 235/1 et. seq.].
- ☐ 5. Restricted funds were commingled in the accounting records or used for other than the purpose for which they were restricted.
- ☐ 6. One or more short-term loans or short-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- ☐ 7. One or more long-term loans or long-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- ☐ 8. Corporate Personal Property Replacement Tax monies were deposited and/or used without first satisfying the lien imposed pursuant to the *Illinois State Revenue Sharing Act* [30 ILCS 115/12].
- ☐ 9. One or more interfund loans were made in non-conformity with the applicable authorizing statute or without statutory authorization per *Illinois School Code* [105 ILCS 5/10-22.33, 20-4 and 20-5].
- ☐ 10. One or more interfund loans were outstanding beyond the term provided by statute *Illinois School Code* [105 ILCS 5/10-22.33, 20-4, 20-5].
- ☐ 11. One or more permanent transfers were made in non-conformity with the applicable authorizing statute/regulation or without statutory/regulatory authorization per *Illinois School Code* [105 ILCS 5/17-2A].
- ☒ 12. Substantial, or systematic misclassification of budgetary items such as, but not limited to, revenues, receipts, expenditures, disbursements or expenses were observed.
- ☐ 13. The Chart of Accounts used to define and control budget and accounting records does not conform to the minimum requirements imposed by ISBE rules pursuant to *Illinois School Code* [105 ILCS 5/2-3.27; 2-3.28].
- ☐ 14. At least one of the following forms was filed with ISBE late: The FY20 AFR (ISBE FORM 50-35), FY20 Annual Statement of Affairs (ISBE Form 50-37) and FY21 Budget (ISBE FORM 50-36). Explain in the comments box below in pursuant to *Illinois School Code* [105 ILCS 5/3-15.1; 5/10-17; 5/17-1].

PART B - FINANCIAL DIFFICULTIES/CERTIFICATION Criteria pursuant to the *Illinois School Code* [105 ILCS 5/1A-8] :

- ☐ 15. The district has issued tax anticipation warrants or tax anticipation notes in anticipation of a second year's taxes when warrants or notes in anticipation of current year taxes are still outstanding, as authorized by *Illinois School Code* [105 ILCS 5/17-16 or 34-23 through 34-27].
- ☐ 16. The district has issued short-term debt against two future revenue sources, such as, but not limited to, tax anticipation warrants and General State Aid certificates or tax anticipation warrants and revenue anticipation notes.
- ☐ 17. The district has issued school or teacher orders for wages as permitted in *Illinois School Code* [105 ILCS 5/8-16, 32-7.2 and 34-76] or issued funding bonds for this purpose pursuant to *Illinois School Code* [105 ILCS 5/8-6; 32-7.2; 34-76; and 19-8].
- ☐ 18. The district has for two consecutive years shown an excess of expenditures/other uses over revenues/other sources and beginning fund balances on its annual financial report for the aggregate totals of the Educational, Operations & Maintenance, Transportation, and Working Cash Funds.

PART C - OTHER ISSUES

- ☐ 19. Student Activity Funds, Imprest Funds, or other funds maintained by the district were excluded from the audit.
- ☒ 20. Findings, other than those listed in Part A (above), were reported (e.g. student activity findings). These findings may be described extensively in the financial notes.
- ☒ 21. Check this box if the district is subject to the Property Tax Extension Limitation Law. Effective Date: **11/1/1997** (Ex: 00/00/0000)
- ☒ 22. If the type of Auditor Report designated on the cover page is other than an unqualified opinion and is due to reason(s) other than solely Cash Basis Accounting, please check and explain the reason(s) in the box below.

Basis for qualified opinion - Detailed property records are not presently maintained; consequently, we are unable to express an opinion on the General Fixed Asset Account Group, and the effect on the financial statements is not determinable.

PART D - EXPLANATION OF ACCOUNTING PRACTICES FOR LATE MANDATED CATEGORICAL PAYMENTS

(For School Districts who report on an Accrual/Modified Accrual Accounting Basis only)

School districts that report on the accrual/modified accrual basis of accounting must identify where late mandated categorical payments (Acct Codes 3100, 3120, 3500, 3510, 3950) are recorded. Depending on the accounting procedure these amounts will be used to adjust the Direct Receipts/Revenues in calculation 1 and 2 of the Financial Profile Score. In FY2021, identify those late payments recorded as Intergovernmental Receivables, Other Receivables, or Deferred Revenue & Other Current Liabilities or Direct Receipts/Revenue. Payments should only be listed once.

24. Enter the date that the district used to accrue mandated categorical payments

Date:

25. For the listed mandated categorical (Revenue Code (3100, 3120, 3500, 3510, 3950) that were vouchered prior to June 30th, but not released until after year end as reported in ISBE FRIS system, enter the amounts that were accrued in the chart below.

Account Name	3100	3120	3500	3510	3950	Total
Deferred Revenues (490)						
Mandated Categoricals Payments (3100, 3120, 3500, 3510, 3950)						\$-
Direct Receipts/Revenue						
Mandated Categoricals Payments (3100, 3120, 3500, 3510, 3950)						\$-
Total						\$-

- Revenue Code (3100-Sp Ed Private Facilities, 3120-Sp Ed Regular Orphanage Individual, 3500-Regular/Vocational Transportation, 3510-Sp Ed Transportation, 3950-Regular Orphans & Foster Children)

PART E - QUALIFICATIONS OF AUDITING FIRM

- School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program for the current peer review.
- A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

Comments Applicable to the Auditor's Questionnaire:

A1: One employee failed to file his Statement of Economic Interest. He worked for the school district during 2020-2021; however, as of 10/17/21 he is no longer

SKDO, P.C.

Name of Audit Firm (print)

The undersigned affirms that this audit was conducted by a qualified auditing firm and in accordance with the applicable standards [23 Illinois Administrative Code Part 100] and the scope of the audit conformed to the requirements of subsection (a) or (b) of 23 Illinois Administrative Code Part 100 Section 110, as applicable.

SKDO, P.C.

Signature

12/15/2021

mm/dd/yyyy

Note: A PDF with signature is acceptable for this page. Enter the location on signature line e.g. PDF in Opinion Page with signature

	A	B	C	D	E	F	G	H	I	J	K	L	M																				
1	FINANCIAL PROFILE INFORMATION																																
2																																	
3	<i>Required to be completed for School Districts only.</i>																																
4																																	
5	A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)																																
6																																	
7	Tax Year 2020 Equalized Assessed Valuation (EAV): 337,923,447																																
8																																	
9	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">Educational</td> <td style="text-align: center;">Operations & Maintenance</td> <td style="text-align: center;">Transportation</td> <td style="text-align: center;">Combined Total</td> <td style="text-align: center;">Working Cash</td> </tr> <tr> <td>Rate(s): 0.031816</td> <td>0.007342</td> <td>0.005873</td> <td>0.045030</td> <td>0.000441</td> </tr> </table>													Educational	Operations & Maintenance	Transportation	Combined Total	Working Cash	Rate(s): 0.031816	0.007342	0.005873	0.045030	0.000441										
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10																																	
11																																	
12																																	
13	<p style="color: red;">A tax rate must be entered in the Educational, Operations and Maintenance, Transportation, and Working Cash boxes above. If the tax rate is zero, enter "0".</p>																																
14	B. Results of Operations *																																
15																																	
16	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">Receipts/Revenues</td> <td style="text-align: center;">Disbursements/ Expenditures</td> <td style="text-align: center;">Excess/ (Deficiency)</td> <td style="text-align: center;">Fund Balance</td> </tr> <tr> <td>65,502,168</td> <td>62,917,308</td> <td>2,584,860</td> <td>18,091,212</td> </tr> </table>													Receipts/Revenues	Disbursements/ Expenditures	Excess/ (Deficiency)	Fund Balance	65,502,168	62,917,308	2,584,860	18,091,212												
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65,502,168	62,917,308	2,584,860	18,091,212																														
17																																	
18	* The numbers shown are the sum of entries on Pages 7 & 8, lines 8, 17, 20, and 81 for the Educational, Operations & Maintenance, Transportation and Working Cash Funds.																																
19																																	
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21	C. Short-Term Debt **																																
22	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">CPPRT Notes</td> <td style="text-align: center;">TAWs</td> <td style="text-align: center;">TANs</td> <td style="text-align: center;">TO/EMP. Orders</td> <td style="text-align: center;">EBF/GSA Certificates</td> </tr> <tr> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td colspan="5">Other Total</td> </tr> <tr> <td>0</td> <td colspan="4">0</td> </tr> </table>													CPPRT Notes	TAWs	TANs	TO/EMP. Orders	EBF/GSA Certificates	0	0	0	0	0	Other Total					0	0			
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26	** The numbers shown are the sum of entries on page 26.																																
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29	D. Long-Term Debt																																
30	Check the applicable box for long-term debt allowance by type of district.																																
31																																	
32	<table border="0" style="width: 100%;"> <tr> <td><input type="checkbox"/></td> <td>a. 6.9% for elementary and high school districts,</td> <td>46,633,436</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>b. 13.8% for unit districts.</td> <td></td> </tr> </table>													<input type="checkbox"/>	a. 6.9% for elementary and high school districts,	46,633,436	<input checked="" type="checkbox"/>	b. 13.8% for unit districts.															
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34																																	
35	Long-Term Debt Outstanding:																																
36																																	
37	<table border="0" style="width: 100%;"> <tr> <td>c. Long-Term Debt (Principal only)</td> <td>Acct</td> <td></td> </tr> <tr> <td>Outstanding:.....</td> <td>511</td> <td>35,621,372</td> </tr> </table>													c. Long-Term Debt (Principal only)	Acct		Outstanding:.....	511	35,621,372														
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38																																	
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41	E. Material Impact on Financial Position																																
42	If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods.																																
43	Attach sheets as needed explaining each item checked.																																
44																																	
45	<table border="0" style="width: 100%;"> <tr> <td><input type="checkbox"/></td> <td>Pending Litigation</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Material Decrease in EAV</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Material Increase/Decrease in Enrollment</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Adverse Arbitration Ruling</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Passage of Referendum</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Taxes Filed Under Protest</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other Ongoing Concerns (Describe & Itemize)</td> </tr> </table>													<input type="checkbox"/>	Pending Litigation	<input type="checkbox"/>	Material Decrease in EAV	<input type="checkbox"/>	Material Increase/Decrease in Enrollment	<input type="checkbox"/>	Adverse Arbitration Ruling	<input type="checkbox"/>	Passage of Referendum	<input type="checkbox"/>	Taxes Filed Under Protest	<input type="checkbox"/>	Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)	<input type="checkbox"/>	Other Ongoing Concerns (Describe & Itemize)				
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ESTIMATED FINANCIAL PROFILE SUMMARY
 (Go to the following website for reference to the Financial Profile)
<https://www.isbe.net/Pages/School-District-Financial-Profile.aspx>

District Name:	Kankakee School District #111
District Code:	32-046-1110-25
County Name:	Kankakee

1. Fund Balance to Revenue Ratio:		Total	Ratio	Score	
Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81)	Funds 10, 20, 40, 70 + (50 & 80 if negative)	18,091,212.00	0.278	Weight	0.35
Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8)	Funds 10, 20, 40, & 70,	65,191,485.00		Value	1.40
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)	Minus Funds 10 & 20	(310,683.00)			
(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)					

2. Expenditures to Revenue Ratio:		Total	Ratio	Score	
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17)	Funds 10, 20 & 40	62,917,308.00	0.965	Adjustment	0
Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8)	Funds 10, 20, 40 & 70,	65,191,485.00		Weight	0.35
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)	Minus Funds 10 & 20	(310,683.00)			
(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)			0	Value	1.40
Possible Adjustment:					

3. Days Cash on Hand:		Total	Days	Score	
Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5)	Funds 10, 20 40 & 70	18,330,616.00	104.88	Weight	0.10
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)	Funds 10, 20, 40 divided by 360	174,770.30		Value	0.30

4. Percent of Short-Term Borrowing Maximum Remaining:		Total	Percent	Score	
Tax Anticipation Warrants Borrowed (P26, Cell F6-7 & F11)	Funds 10, 20 & 40	0.00	100.00	Weight	0.10
EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10)	(.85 x EAV) x Sum of Combined Tax Rates	12,934,188.90		Value	0.40

5. Percent of Long-Term Debt Margin Remaining:		Total	Percent	Score	
Long-Term Debt Outstanding (P3, Cell H38)		35,621,372.00	23.61	Weight	0.10
Total Long-Term Debt Allowed (P3, Cell H32)		46,633,435.69		Value	0.10

Total Profile Score: 3.60 *

Estimated 2022 Financial Profile Designation: RECOGNITION

* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1	ASSETS		(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	(Enter Whole Dollars)	Acct. #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	CURRENT ASSETS (100)										
4	Cash (Accounts 111 through 115) ¹		4,601,375	5,216,471	880,546	3,010,944	2,958,424	1,997,556	5,501,826	729,709	405,194
5	Investments	120						164			
6	Taxes Receivable	130									
7	Interfund Receivables	140									
8	Intergovernmental Accounts Receivable	150									
9	Other Receivables	160									
10	Inventory	170									
11	Prepaid Items	180									
12	Other Current Assets (Describe & Itemize)	190									
13	Total Current Assets		4,601,375	5,216,471	880,546	3,010,944	2,958,424	1,997,720	5,501,826	729,709	405,194
14	CAPITAL ASSETS (200)										
15	Works of Art & Historical Treasures	210									
16	Land	220									
17	Building & Building Improvements	230									
18	Site Improvements & Infrastructure	240									
19	Capitalized Equipment	250									
20	Construction in Progress	260									
21	Amount Available in Debt Service Funds	340									
22	Amount to be Provided for Payment on Long-Term Debt	350									
23	Total Capital Assets										
24	CURRENT LIABILITIES (400)										
25	Interfund Payables	410									
26	Intergovernmental Accounts Payable	420									
27	Other Payables	430									
28	Contracts Payable	440									
29	Loans Payable	460									
30	Salaries & Benefits Payable	470									
31	Payroll Deductions & Withholdings	480	227,167	15,597		(163)	88,722				
32	Deferred Revenues & Other Current Liabilities	490	(2,588)	(609)							
33	Due to Activity Fund Organizations	493									
34	Total Current Liabilities		224,579	14,988	0	(163)	88,722	0	0	0	0
35	LONG-TERM LIABILITIES (500)										
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
37	Total Long-Term Liabilities										
38	Reserved Fund Balance	714									
39	Unreserved Fund Balance	730	4,376,796	5,201,483	880,546	3,011,107	2,869,702	1,997,720	5,501,826	729,709	405,194
40	Investment in General Fixed Assets										
41	Total Liabilities and Fund Balance		4,601,375	5,216,471	880,546	3,010,944	2,958,424	1,997,720	5,501,826	729,709	405,194
42											
43	ASSETS /LIABILITIES for Student Activity Funds										
44	CURRENT ASSETS (100) for Student Activity Funds										
45	Student Activity Fund Cash and Investments	126	519,276								
46	Total Student Activity Current Assets For Student Activity Funds		519,276								
47	CURRENT LIABILITIES (400) For Student Activity Funds										
48	Total Current Liabilities For Student Activity Funds		0								
49	Reserved Student Activity Fund Balance For Student Activity Funds	715	519,276								
50	Total Student Activity Liabilities and Fund Balance For Student Activity Funds		519,276								
51											
52	Total ASSETS /LIABILITIES District with Student Activity Funds										
53	Total Current Assets District with Student Activity Funds		5,120,651	5,216,471	880,546	3,010,944	2,958,424	1,997,720	5,501,826	729,709	405,194
54	Total Capital Assets District with Student Activity Funds										
55	CURRENT LIABILITIES (400) District with Student Activity Funds										
56	Total Current Liabilities District with Student Activity Funds		224,579	14,988	0	(163)	88,722	0	0	0	0
57	LONG-TERM LIABILITIES (500) District with Student Activity Funds										
58	Total Long-Term Liabilities District with Student Activity Funds										
59	Reserved Fund Balance District with Student Activity Funds	714	519,276	0	0	0	0	0	0	0	0
60	Unreserved Fund Balance District with Student Activity Funds	730	4,376,796	5,201,483	880,546	3,011,107	2,869,702	1,997,720	5,501,826	729,709	405,194
61	Investment in General Fixed Assets District with Student Activity Funds										
62	Total Liabilities and Fund Balance District with Student Activity Funds		5,120,651	5,216,471	880,546	3,010,944	2,958,424	1,997,720	5,501,826	729,709	405,194

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2021

	A	B	L	M	N
1	ASSETS			Account Groups	
2	(Enter Whole Dollars)	Acct. #	Agency Fund	General Fixed Assets	General Long-Term Debt
3	CURRENT ASSETS (100)				
4	Cash (Accounts 111 through 115) ¹				
5	Investments	120			
6	Taxes Receivable	130			
7	Interfund Receivables	140			
8	Intergovernmental Accounts Receivable	150			
9	Other Receivables	160			
10	Inventory	170			
11	Prepaid Items	180			
12	Other Current Assets (Describe & Itemize)	190			
13	Total Current Assets		0		
14	CAPITAL ASSETS (200)				
15	Works of Art & Historical Treasures	210			
16	Land	220		240,859	
17	Building & Building Improvements	230		86,148,270	
18	Site Improvements & Infrastructure	240		4,778,061	
19	Capitalized Equipment	250		27,473,760	
20	Construction in Progress	260		17,608,989	
21	Amount Available in Debt Service Funds	340			880,546
22	Amount to be Provided for Payment on Long-Term Debt	350			34,740,826
23	Total Capital Assets			136,249,939	35,621,372
24	CURRENT LIABILITIES (400)				
25	Interfund Payables	410			
26	Intergovernmental Accounts Payable	420			
27	Other Payables	430			
28	Contracts Payable	440			
29	Loans Payable	460			
30	Salaries & Benefits Payable	470			
31	Payroll Deductions & Withholdings	480			
32	Deferred Revenues & Other Current Liabilities	490			
33	Due to Activity Fund Organizations	493			
34	Total Current Liabilities		0		
35	LONG-TERM LIABILITIES (500)				
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511			35,621,372
37	Total Long-Term Liabilities				35,621,372
38	Reserved Fund Balance	714			
39	Unreserved Fund Balance	730	0		
40	Investment in General Fixed Assets			136,249,939	
41	Total Liabilities and Fund Balance		0	136,249,939	35,621,372
42					
43	ASSETS /LIABILITIES for Student Activity Funds				
44	CURRENT ASSETS (100) for Student Activity Funds				
45	Student Activity Fund Cash and Investments	126			
46	Total Student Activity Current Assets For Student Activity Funds				
47	CURRENT LIABILITIES (400) For Student Activity Funds				
48	Total Current Liabilities For Student Activity Funds				
49	Reserved Student Activity Fund Balance For Student Activity Funds	715			
50	Total Student Activity Liabilities and Fund Balance For Student Activity Funds				
51					
52	Total ASSETS /LIABILITIES District with Student Activity Funds				
53	Total Current Assets District with Student Activity Funds		0		
54	Total Capital Assets District with Student Activity Funds			136,249,939	35,621,372
55	CURRENT LIABILITIES (400) District with Student Activity Funds				
56	Total Current Liabilities District with Student Activity Funds		0		
57	LONG-TERM LIABILITIES (500) District with Student Activity Funds				
58	Total Long-Term Liabilities District with Student Activity Funds				35,621,372
59	Reserved Fund Balance District with Student Activity Funds	714	0		
60	Unreserved Fund Balance District with Student Activity Funds	730	0		
61	Investment in General Fixed Assets District with Student Activity Funds			136,249,939	
62	Total Liabilities and Fund Balance District with Student Activity Funds		0	136,249,939	35,621,372

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
2											
3	RECEIPTS/REVENUES										
4	LOCAL SOURCES	1000	13,036,834	2,192,267	2,959,663	1,934,837	1,651,209	707	145,187	290,382	0
5	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
6	STATE SOURCES	3000	32,238,880	4,000,000	0	2,001,018	105,484	3,385,894	0	300,001	0
7	FEDERAL SOURCES	4000	9,953,145	0	1,789,561	0	561,863	0	0	0	0
8	Total Direct Receipts/Revenues		55,228,859	6,192,267	4,749,224	3,935,855	2,318,556	3,386,601	145,187	590,383	0
9	Receipts/Revenues for "On Behalf" Payments ²	3998	23,013,413								
10	Total Receipts/Revenues		78,242,272	6,192,267	4,749,224	3,935,855	2,318,556	3,386,601	145,187	590,383	0
11	DISBURSEMENTS/EXPENDITURES										
12	Instruction	1000	33,408,106				955,428			155,082	
13	Support Services	2000	18,862,020	5,180,003		3,133,293	1,352,295	7,814,127		1,056,637	0
14	Community Services	3000	1,579,956	0		0	144,838			0	
15	Payments to Other Districts & Governmental Units	4000	753,930	0	0	0	0	0		0	0
16	Debt Service	5000	0	0	4,273,163	0	0			0	0
17	Total Direct Disbursements/Expenditures		54,604,012	5,180,003	4,273,163	3,133,293	2,452,561	7,814,127		1,211,719	0
18	Disbursements/Expenditures for "On Behalf" Payments ²	4180	23,013,413	0	0	0	0	0		0	0
19	Total Disbursements/Expenditures		77,617,425	5,180,003	4,273,163	3,133,293	2,452,561	7,814,127		1,211,719	0
20	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		624,847	1,012,264	476,061	802,562	(134,005)	(4,427,526)	145,187	(621,336)	0
21	OTHER SOURCES/USES OF FUNDS										
22	OTHER SOURCES OF FUNDS (7000)										
23	PERMANENT TRANSFER FROM VARIOUS FUNDS										
24	Abolishment of the Working Cash Fund ¹²	7110									
25	Abatement of the Working Cash Fund ¹²	7110									
26	Transfer of Working Cash Fund Interest	7120									
27	Transfer Among Funds	7130									
28	Transfer of Interest	7140									
29	Transfer from Capital Project Fund to O&M Fund	7150									
30	Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160									
31	Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	7170									
32	SALE OF BONDS (7200)										
33	Principal on Bonds Sold	7210									
34	Premium on Bonds Sold	7220									
35	Accrued Interest on Bonds Sold	7230									
36	Sale or Compensation for Fixed Assets ⁶	7300									
37	Transfer to Debt Service to Pay Principal on Capital Leases	7400			280,277						
38	Transfer to Debt Service to Pay Interest on Capital Leases	7500			30,406						
39	Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
40	Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700			0						
41	Transfer to Capital Projects Fund	7800						0			
42	ISBE Loan Proceeds	7900									
43	Other Sources Not Classified Elsewhere	7990									
44	Total Other Sources of Funds		0	0	310,683	0	0	0	0	0	0
45	OTHER USES OF FUNDS (8000)										

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
46	PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (8100)										
47	Abolishment or Abatement of the Working Cash Fund ¹²	8110							0		
48	Transfer of Working Cash Fund Interest ¹²	8120							0		
49	Transfer Among Funds	8130									
50	Transfer of Interest	8140									
51	Transfer from Capital Project Fund to O&M Fund	8150						0			
52	Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund ⁴	8160									0
53	Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	8170									0
54	Taxes Pledged to Pay Principal on Capital Leases	8410									
55	Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420									
56	Other Revenues Pledged to Pay Principal on Capital Leases	8430	280,277								
57	Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440									
58	Taxes Pledged to Pay Interest on Capital Leases	8510									
59	Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520									
60	Other Revenues Pledged to Pay Interest on Capital Leases	8530	30,406								
61	Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540									
62	Taxes Pledged to Pay Principal on Revenue Bonds	8610									
63	Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
64	Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
65	Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640									
66	Taxes Pledged to Pay Interest on Revenue Bonds	8710									
67	Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
68	Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
69	Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
70	Taxes Transferred to Pay for Capital Projects	8810									
71	Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
72	Other Revenues Pledged to Pay for Capital Projects	8830									
73	Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
74	Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910									
75	Other Uses Not Classified Elsewhere	8990									
76	Total Other Uses of Funds		310,683	0	0	0	0	0	0	0	0
77	Total Other Sources/Uses of Funds		(310,683)	0	310,683	0	0	0	0	0	0
78	Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds		314,164	1,012,264	786,744	802,562	(134,005)	(4,427,526)	145,187	(621,336)	0
79	Fund Balances without Student Activity Funds - July 1, 2020		4,062,632	4,189,219	93,802	2,208,545	3,003,707	6,425,246	5,356,639	1,351,045	405,194
80	Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)										
81	Fund Balances without Student Activity Funds - June 30, 2021		4,376,796	5,201,483	880,546	3,011,107	2,869,702	1,997,720	5,501,826	729,709	405,194
84											
85	Student Activity Fund Balance - July 1, 2020		524,691								
86	RECEIPTS/REVENUES -Student Activity Funds										
87	Total Student Activity Direct Receipts/Revenues	1799	181,957								
88	DISBURSEMENTS/EXPENDITURES -Students Activity Funds										
89	Total Student Activity Disbursements/Expenditures	1999	187,372								
90	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		(5,415)								
91	Student Activity Fund Balance - June 30, 2021		519,276								
92											

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
93	RECEIPTS/REVENUES (with Student Activity Funds)										
94	LOCAL SOURCES	1000	13,218,791	2,192,267	2,959,663	1,934,837	1,651,209	707	145,187	290,382	0
95	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
96	STATE SOURCES	3000	32,238,880	4,000,000	0	2,001,018	105,484	3,385,894	0	300,001	0
97	FEDERAL SOURCES	4000	9,953,145	0	1,789,561	0	561,863	0	0	0	0
98	Total Direct Receipts/Revenues		55,410,816	6,192,267	4,749,224	3,935,855	2,318,556	3,386,601	145,187	590,383	0
99	Receipts/Revenues for "On Behalf" Payments ²	3998	23,013,413	0	0	0	0	0		0	0
100	Total Receipts/Revenues		78,424,229	6,192,267	4,749,224	3,935,855	2,318,556	3,386,601	145,187	590,383	0
101	DISBURSEMENTS/EXPENDITURES (with Student Activity Funds)										
102	Instruction	1000	33,595,478				955,428				
103	Support Services	2000	18,862,020	5,180,003		3,133,293	1,352,295	7,814,127		1,056,637	0
104	Community Services	3000	1,579,956	0		0	144,838				
105	Payments to Other Districts & Governmental Units	4000	753,930	0	0	0	0	0		0	0
106	Debt Service	5000	0	0	4,273,163	0	0			0	0
107	Total Direct Disbursements/Expenditures		54,791,384	5,180,003	4,273,163	3,133,293	2,452,561	7,814,127		1,211,719	0
108	Disbursements/Expenditures for "On Behalf" Payments ²	4180	23,013,413	0	0	0	0	0		0	0
109	Total Disbursements/Expenditures		77,804,797	5,180,003	4,273,163	3,133,293	2,452,561	7,814,127		1,211,719	0
110	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		619,432	1,012,264	476,061	802,562	(134,005)	(4,427,526)	145,187	(621,336)	0
111	OTHER SOURCES/USES OF FUNDS (with Student Activity Funds)										
112	OTHER SOURCES OF FUNDS (7000)										
113	Total Other Sources of Funds		0	0	310,683	0	0	0	0	0	0
114	OTHER USES OF FUNDS (8000)										
115	Total Other Uses of Funds		310,683	0	0	0	0	0	0	0	0
116	Total Other Sources/Uses of Funds		(310,683)	0	310,683	0	0	0	0	0	0
117	Fund Balances (All sources with Student Activity Funds) - June 30, 2021		4,896,072	5,201,483	880,546	3,011,107	2,869,702	1,997,720	5,501,826	729,709	405,194

Independent Auditor's Report

To the Board of Education
Kankakee School District 111
Kankakee, Illinois 60901

Report on the Financial Statements

We have audited the accompanying basic financial statements of Kankakee School District 111, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Illinois State Board of Education (ISBE) Title 23 of the Illinois Administrative Code, Part 100, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and qualified audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by Kankakee School District 111 on the basis of the financial reporting provisions of ISBE Title 23 of the Illinois Administrative Code, Part 100, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the financial reporting requirements of ISBE.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraphs, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Kankakee School District 111, as of June 30, 2021, or the changes in financial position for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

Detailed property records are not presently maintained; consequently, we are unable to express an opinion on the General Fixed Asset Account Group, and the effect on the financial statements is not determinable.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of Kankakee School District 111 as of June 30, 2021, and the changes in regulatory basis financial position thereof for the year then ended, in accordance with the financial reporting provisions of ISBE Title 23 of the Administrative Code, Part 100 as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Kankakee School District 111's basic financial statements. The accompanying information listed in the table of contents as Auditor's Questionnaire, Comments Applicable to the Auditor's Questionnaire, Financial Profile Information, Estimated Financial Profile Summary, Supplementary Schedules, Statistical Section, Report on Shared Services or Outsourcing, Administrative Cost Worksheet, and the Deficit Reduction Calculation are presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The CARES CRRSA ARP Schedule in the Supplementary Schedules section is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information

has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule 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 December 15, 2021, on our consideration of Kankakee School District 111'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 District's internal control over financial reporting and compliance.

Restriction on Use

This report is intended solely for the information and use of the Board of Education, management, and the Illinois State Board of Education and is not intended to be and should not be used by anyone other than those specified parties.

SKDO, P.C.

Bourbonnais, Illinois
December 15, 2021