Urbana School District No. 116

Illinois Community College Board
Adult Education and Family Literacy Grant

Independent Auditor's Report and Financial Statements

June 30, 2022
Contents

Independent Auditor’s Report.............................................................................................................. 1

Financial Statements
  Balance Sheet ..................................................................................................................................... 4
  Statement of Revenues, Expenditures and Changes in Fund Balances .............................................. 5
  Notes to Financial Statements ............................................................................................................ 6

Independent Auditor’s Report on Compliance with State Requirements For the Adult Education and Family Literacy Grant ........................................................................................................ 8


Supplementary Information
  Expenditure Amounts and Percentages for ICCB Grant Funds ....................................................... 13
Independent Auditor’s Report

Board of Education of Urbana School District No. 116 and
Illinois Community College Board

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Urbana School District No. 116 (District) Adult Education and Family Literacy Grant (Grant), as of and for the year ended June 30, 2022, and the related notes to the 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 financial position of the Urbana School District No. 116 Adult Education and Family Literacy Grant as of June 30, 2022 and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 independent of the District and the Grant, 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Grant are intended to present the financial position and changes in financial position of the portion of the District that is attributable to the transactions of the Grant. They do not purport to, and do not, present fairly the financial position of the District as of June 30, 2022 or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.
 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Urbana School District No. 116 Adult Education and Family Literacy Grant’s financial statements. The Expenditure Amounts and Percentages for ICCB Grant Funds is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 also have issued our report dated October 13, 2022 on our consideration of the Urbana School District No. 116 Adult Education and Family Literacy Grant’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Grant’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Urbana School District No. 116 Adult Education and Family Literacy Grant’s internal control over financial reporting and compliance.

FORVIS, LLP

Decatur, Illinois
October 13, 2022
Illinois Department of Professional Regulation
License Number 066-003844
# Urbana School District No. 116
Illinois Community College Board
Adult Education and Family Literacy Grant
Balance Sheet
June 30, 2022

<table>
<thead>
<tr>
<th></th>
<th>State Basic</th>
<th>Performance</th>
<th>Total (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fund Balance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Balance – Unassigned</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

See Notes to Financial Statements
### Urbana School District No. 116
#### Illinois Community College Board
#### Adult Education and Family Literacy Grant
#### Statement of Revenues, Expenditures and Changes in Fund Balances
#### Year Ended June 30, 2022

<table>
<thead>
<tr>
<th></th>
<th>State Basic</th>
<th>Performance</th>
<th>Total (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant revenue</td>
<td>$ 234,304</td>
<td>$ 165,355</td>
<td>$ 399,659</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>86,961</td>
<td>85,741</td>
<td>172,702</td>
</tr>
<tr>
<td>Vocational services</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Social work services</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Guidance services</td>
<td>53,385</td>
<td>—</td>
<td>53,385</td>
</tr>
<tr>
<td>Assessment and testing</td>
<td>45,761</td>
<td>—</td>
<td>45,761</td>
</tr>
<tr>
<td>Instructional and student services</td>
<td>186,107</td>
<td>85,741</td>
<td>271,848</td>
</tr>
<tr>
<td>Improvement of instructional services</td>
<td>—</td>
<td>1,783</td>
<td>1,783</td>
</tr>
<tr>
<td>General administration</td>
<td>23,410</td>
<td>73,875</td>
<td>97,285</td>
</tr>
<tr>
<td>Operation and maintenance of plant services</td>
<td>1,635</td>
<td>—</td>
<td>1,635</td>
</tr>
<tr>
<td>Workforce Coordination</td>
<td>—</td>
<td>2,624</td>
<td>2,624</td>
</tr>
<tr>
<td>Data and information services</td>
<td>23,152</td>
<td>1,332</td>
<td>24,484</td>
</tr>
<tr>
<td>Program support</td>
<td>48,197</td>
<td>79,614</td>
<td>127,811</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>234,304</td>
<td>165,355</td>
<td>399,659</td>
</tr>
<tr>
<td><strong>Excess of Revenues Over Expenditures</strong></td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Fund Balance, July 1, 2021</strong></td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Fund Balance, June 30, 2022</strong></td>
<td>$ —</td>
<td>$ —</td>
<td>$ —</td>
</tr>
</tbody>
</table>
Note 1: Summary of Significant Accounting Policies

Basis of Accounting

The financial statements present only the activity of the Adult Education and Family Literacy Grant (Grant) and do not purport to, and do not, present the financial position of the District as of June 30, 2022 and the changes in its financial position for the year then ended.

The Grant’s financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Grant considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Fund Balance Reporting

In accordance with Governmental Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The grant had no nonspendable, restricted, committed or assigned fund balances.

Unassigned Fund Balances

The unassigned fund balance classification is the residual classification for amounts that have not been restricted, committed, or assigned to specific purposes within the Grant.

Note 2: Nature of Grant Program

State Basic

The Grant is awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons age 21 and over or persons under the age of 21 and not otherwise in attendance in public school for the purpose of providing adults in the community, and others, instruction as may be necessary to increase their qualifications for employment or other means of self-support and their ability to meet their responsibilities as citizens including courses of instruction regularly accepted for graduation from elementary or high schools and for Americanization and General Education Development Review classes. Included in this grant are funds for support services, such as student transportation and child care facilities or provision.
Performance

The Grant is awarded to Adult Education and Family Literacy providers based on performance outcomes.
Independent Auditor’s Report on Compliance with State Requirements for the Adult Education and Family Literacy Grant

Board of Education of Urbana School District No. 116 and Illinois Community College Board

Report on Compliance for the Adult Education and Family Literacy Grant

Opinion on Adult Education and Family Literacy Grant

We have audited the Urbana School District No. 116 (District) Adult Education and Literacy Grant’s (Grant) compliance with the types of compliance requirements described in the Illinois Community College Board’s Adult Education and Family Literacy Audit Requirements for School Districts (Guidelines) that could have a direct and material effect on the Grant for the year ended June 30, 2022.

In our opinion, Urbana School District No. 116 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Grant for the year ended June 30, 2022.

Basis for Opinion on Adult Education and Family Literacy Grant

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the Illinois Community College Board’s Adult Education and Family Literacy Audit Requirements for School Districts. Our responsibilities under those standards are described in the “Auditor’s Responsibilities for the Audit of Compliance” section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Grant.
**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 District’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Illinois Community College Board’s Adult Education and Family Literacy Audit Requirements for School Districts will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District’s compliance with the requirements as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Illinois Community College Board’s Adult Education and Family Literacy Audit Requirements for School Districts, 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 District’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of District’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Illinois Community College Board’s Adult Education and Family Literacy Audit Requirements for School Districts, but not for the purpose of expressing an opinion on the effectiveness of District’s internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control Over Compliance**

A **deficiency in internal control over compliance** exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A **material weakness in internal control over compliance** is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A **significant deficiency in internal control over compliance** is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.
Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Illinois Community College Board’s Adult Education and Family Literacy Audit Requirements for School Districts. Accordingly, this report is not suitable for any other purpose.

FORVIS, LLP

Decatur, Illinois
October 13, 2022
Illinois Department of Professional Regulation
License Number 066-003844
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Board of Education of Urbana School District No. 116 and Illinois Community College Board

We have audited, 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, the financial statements of the Urbana School District No. 116 (District) Adult Education and Family Literacy Grant (Grant), which comprise the balance sheet as of June 30, 2022, and the related statement of revenues, expenditures, and changes in fund balances for the year then ended, and the related notes to the financial statements and have issued our report thereon dated October 13, 2022. Our report contained an “Emphasis of Matter” paragraph indicating that the financial statements do not purport to, and do not, present fairly the financial position of the District as of June 30, 2022 or the changes in its financial position for the year then ended.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Grant’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Grant’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Grant’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 Grant’s financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

As part of obtaining reasonable assurance about whether the Grant’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 Grant’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 Grant’s internal control and compliance. Accordingly, this communication is not suitable for any other purposes.

*FORVIS, LLP*

Decatur, Illinois
October 13, 2022
### Urbana School District No. 116
Illinois Community College Board
Adult Education and Family Literacy Grant
Expenditure Amounts and Percentages for ICCB Grant Funds
Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>State Basic:</th>
<th>Audited Expenditure Amount</th>
<th>Actual Expenditure Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction and vocational services (25% minimum)</td>
<td>$ 86,961</td>
<td>37%</td>
</tr>
<tr>
<td>General Administration (20% maximum)</td>
<td>$ 23,410</td>
<td>10%</td>
</tr>
</tbody>
</table>