KANKAKEE AREA SPECIAL EDUCATION COOPERATIVE
Kankakee, Illinois

Annual Financial Report

As of and For the Year Ended
June 30, 2026

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SKDO
CPAs + ADVISORS

SKDO, P.C.
1605 N. Convent Street
Bourbonnais, IL 60914
(815) 937-1997

INDEPENDENT AUDITOR'S REPORT

The Governing Board
Kankakee Area Special Education Cooperative
Kankakee, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Kankakee Area Special Education Cooperative as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of Kankakee Area Special Education Cooperative, as of June 30, 2026, and the changes in regulatory basis financial position thereof for the year then ended, in accordance with the financial reporting provisions of Illinois State Board of Education (ISBE) Title 23 of the Illinois Administrative Code, Part 100, as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, 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 Area Special Education Cooperative, as of June 30, 2026, or changes in financial position for the year then ended.

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 Kankakee Area Special Education Cooperative, 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.

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

As described in Note 1, the financial statements are prepared by Kankakee Area Special Education Cooperative (KASEC) 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 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 and pervasive.

Responsibilities of Management 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 ISBE Title 23 of the Illinois Administrative Code, Part 100, and for determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 KASEC'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 KASEC's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise KASEC's basic financial statements. The accompanying information presented in Schedules 1, 2A, and 2B, listed as Supplementary Information in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the report. The other information comprises the TRS and IMRF information reported on Schedule 3 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2026, on our consideration of KASEC'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 KASEC'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 KASEC's internal control over financial reporting and compliance.

SKDO, P.C.

Bourbonnais, Illinois
September 30, 2026

SKDO
CPAs + ADVISORS

SKDO, P.C.
1605 N. Convent Street
Bourbonnais, IL 60914
(815) 937-1997

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*

The Governing Board
Kankakee Area Special Education Cooperative
Kankakee, 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 Kankakee Area Special Education Cooperative as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Kankakee Area Special Education Cooperative's basic financial statements, and have issued our report thereon dated September 30, 2026. Our opinion was adverse because the financial statements are not prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated on the regulatory basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education 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.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

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 KASEC'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.

SKDO, P.C.

Bourbonnais, Illinois
September 30, 2026

Kankakee Area Special Education Cooperative
Statements of Assets and Liabilities Arising From Cash Transactions
All Funds and Account Groups
June 30, 2026

Exhibit A

											Account Groups	
	Educational	**Operations & Maintenance**	**Debt Services**	**Transportation**	**Municipal Retirement/ Social Security**	**Capital Projects**	**Working Cash**	**Tort**	**Fire Prevention & Safety**	**Agency Fund**	**General Fixed Assets**	**General Long-Term Debt**
ASSETS												
Current Assets												
Cash	$ 514,076	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -	$ -		
Investments	-	-	-	-	-	-	-	-	-	-		
Taxes Receivable	-	-	-	-	-	-	-	-	-			
Interfund Receivables	-	-	-	-	-	-	-	-	-			
Intergovernmental Accounts Receivable	-	-	-	-	-	-	-	-	-			
Other Receivables	-	-	-	-	-	-	-	-	-	-		
Inventory	-	-	-	-	-	-	-	-	-	-		
Prepaid Items	-	-	-	-	-	-	-	-	-	-		
Other Current Assets	-	-	-	-	-	-	-	-	-	-		
Total Current Assets	514,076	-	-	5,336	-	-	-	-	-	-		
Capital Assets												
Works of Art & Historical Treasures											$ -	
Land											-	
Building & Building Improvements											-	
Site Improvements & Infrastructure											-	
Capitalized Equipment											123,173	
Construction in Progress											-	
Amount Available in Debt Service Funds												$ -
Amount to be Provided for Payment on Long-Term Debt												33,187
Total Capital Assets											123,173	33,187
Total Assets	$ 514,076	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -	$ -	$ 123,173	$ 33,187
LIABILITIES												
Current Liabilities												
Interfund Payables	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
Intergovernmental Accounts Payable	-	-	-	-	-	-	-	-	-			
Other Payables	-	-	-	-	-	-	-	-	-			
Contracts Payable	-	-	-	-	-	-	-	-	-			
Loans Payable	-	-	-	-	-	-	-	-	-			
Salaries & Benefits Payable	-	-	-	-	-	-	-	-	-			
Payroll Deductions & Withholdings	(281)	-	-	-	-	-	-	-	-			
Deferred Revenues & Other Current Liabilities	-	-	-	-	-	-	-	-	-			
Due to Activity Fund Organizations	-	-	-	-	-	-	-	-	-	$ -		
Total Current Liabilities	(281)	-	-	-	-	-	-	-	-	-		
Long-Term Liabilities												
Long-Term Debt Payable (General Obligation, Revenue, Other)												$ 33,187
Total Long-Term Liabilities												33,187
Total Liabilities	(281)	-	-	-	-	-	-	-	-	-		33,187
FUND BALANCE												
Reserved Fund Balance	-	-	-	-	-	-	-	-	-			
Unreserved Fund Balance	514,357	-	-	5,336	-	-	-	-	-			
Investment in General Fixed Assets											123,173	
Total Fund Balance	514,357	-	-	5,336	-	-	-	-	-		123,173	
Total Liabilities and Fund Balance	$ 514,076	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -	$ -	$ 123,173	$ 33,187

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statements of Assets and Liabilities Arising From Cash Transactions
All Funds and Account Groups
June 30, 2026

Exhibit A

											Account Groups	
	Educational	**Operations & Maintenance**	**Debt Services**	**Transportation**	**Municipal Retirement/ Social Security**	**Capital Projects**	**Working Cash**	**Tort**	**Fire Prevention & Safety**	**Agency Fund**	**General Fixed Assets**	**General Long-Term Debt**
ASSETS/LIABILITIES for Student Activity Funds												
Current Assets for Student Activity Funds												
Student Activity Fund Cash and Investments	$ -											
Total Student Activity Current Assets for Student Activity Funds	-											
Current Liabilities for Student Activity Funds												
Total Current Liabilities for Student Activity Funds	-											
Reserved Student Activity Fund Balance For Student Activity Funds	-											
Total Student Activity Liabilities and Fund Balance for Student Activity Funds	-											
Total ASSETS/LIABILITIES District with Student Activity Funds												
Total Current Assets District with Student Activity Funds	514,076	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -	$ -		
Total Capital Assets District with Student Activity Funds											$ 123,173	$ 33,187
Current Liabilities District with Student Activity Funds												
Total Current Liabilities District with Student Activity Funds	$ (281)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Long-Term Liabilities District with Student Activity Funds												
Total Long-Term Liabilities District with Student Activity Funds												$ 33,187
Reserved Fund Balance District with Student Activity Funds	-	-	-	-	-	-	-	-	-	-		
Unreserved Fund Balance District with Student Activity Funds	514,357	-	-	5,336	-	-	-	-	-	-		
Investment in General Fixed Assets District with Student Activity Funds											$ 123,173	
Total Liabilities and Fund Balance District with Student Activity Funds	$ 514,076	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -	$ -	$ 123,173	$ 33,187

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received, Expenditures Disbursed, Other Financing Sources and Uses and Changes in Fund Balances
All Funds
For the year ended June 30, 2026

Exhibit B

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
RECEIPTS/REVENUES									
Local Sources	$ 2,170,606	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Flow-Through Receipts/Revenues From One District to Another District	-	-		-	-				
State Sources	161,283	-	-	-	-	-	-	-	-
Federal Sources	71,516	-	-	-	-	-	-	-	-
Total Direct Receipts/Revenues	2,403,405	-	-	-	-	-	-	-	-
Receipts/Revenues for "On Behalf" Payments	335,419	-	-	-	-	-		-	-
Total Receipts/Revenues	2,738,824	-	-	-	-	-	-	-	-
DISBURSEMENTS/EXPENDITURES									
Instruction	1,466,881				-				
Support Services	658,905	-		-	-	-		-	-
Community Services	-	-		-	-				
Payments to Other Districts & Governmental Units	-	-	-	-	-	-		-	-
Debt Service	-	-	9,492	-	-			-	-
Total Direct Disbursements/Expenditures	2,125,786	-	9,492	-	-	-		-	-
Disbursements/Expenditures for "On Behalf" Payments	335,419	-	-	-	-	-		-	-
Total Disbursements/Expenditures	2,461,205	-	9,492	-	-	-		-	-
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures	277,619	-	(9,492)	-	-	-	-	-	-
OTHER SOURCES/USES OF FUNDS									
Other Sources of Funds									
Permanent Transfer From Various Funds									
Abolishment of the Working Cash Fund	-								
Abatement of the Working Cash Fund	-	-	-	-	-	-	-	-	-
Transfer of Working Cash Fund Interest	-	-	-	-	-	-		-	-
Transfer Among Funds	-	-		-					
Transfer of Interest	-	-	-	-	-	-	-	-	-
Transfer from Capital Project Fund to O&M Fund		-							
Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund		-							
Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund			-						
Sale of Bonds									
Principal on Bonds Sold	-	-	-	-		-	-	-	-
Premium on Bonds Sold	-	-	-	-		-	-	-	-
Accrued Interest on Bonds Sold	-	-	-	-		-	-	-	-
Sale or Compensation for Fixed Assets	-	-	-	-	-	-		-	-
Transfer to Debt Service to Pay Principal on GASB 87 Leases			9,492						
Transfer to Debt Service to Pay Interest on GASB 87 Leases			-						
Transfer to Debt Service to Pay Principal on Revenue Bonds			-						
Transfer to Debt Service Fund to Pay Interest on Revenue Bonds			-						
Transfer to Capital Projects Fund						-			
ISBE Loan Proceeds	-	-	-	-	-	-			-
Other Sources Not Classified Elsewhere	-	-	-	-	-	-	-	-	-
Total Other Sources of Funds	-	-	9,492	-	-	-	-	-	-

The accompanying notes are an integral part of the financials statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received, Expenditures Disbursed, Other Financing Sources and Uses and Changes in Fund Balances
All Funds
For the year ended June 30, 2026

Exhibit B

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Other Uses of Funds									
Permanent Transfer To Various Other Funds									
Abolishment or Abatement of the Working Cash Fund							-		
Transfer of Working Cash Fund Interest							-		
Transfer Among Funds	-	-		-					
Transfer of Interest	-	-	-	-	-	-		-	
Transfer from Capital Project Fund to O&M Fund						-			
Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund									-
Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund									-
Taxes Pledged to Pay Principal on Leases	-	-				-			
Grants/Reimbursements Pledged to Pay Principal on Leases	-	-				-			
Other Revenues Pledged to Pay Principal on Leases	-	-				-			
Fund Balance Transfers Pledged to Pay Principal on Leases	9,492	-				-			
Taxes Pledged to Pay Interest on Leases	-	-				-			
Grants/Reimbursements Pledged to Pay Interest on Leases	-	-				-			
Other Revenues Pledged to Pay Interest on Leases	-	-				-			
Fund Balance Transfers Pledged to Pay Interest on Leases	-	-				-			
Taxes Pledged to Pay Principal on Revenue Bonds	-	-							
Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	-	-							
Other Revenues Pledged to Pay Principal on Revenue Bonds	-	-							
Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	-	-							
Taxes Pledged to Pay Interest on Revenue Bonds	-	-							
Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	-	-							
Other Revenues Pledged to Pay Interest on Revenue Bonds	-	-							
Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	-	-							
Taxes Transferred to Pay for Capital Projects	-	-							
Grants/Reimbursements Pledged to Pay for Capital Projects	-	-							
Other Revenues Pledged to Pay for Capital Projects	-	-							
Fund Balance Transfers Pledged to Pay for Capital Projects	-	-							
Transfer to Debt Service Fund to Pay Principal on ISBE Loans	-	-		-	-	-			-
Other Uses Not Classified Elsewhere	-	-	-	-	-	-	-	-	-
Total Other Uses of Funds	9,492	-	-	-	-	-	-	-	-
Total Other Sources/Uses of Funds	(9,492)	-	9,492	-	-	-	-	-	-
Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds	268,127	-	-	-	-	-	-	-	-
Fund Balances without Student Activity Funds - July 1, 2025	246,230	-	-	5,336	-	-	-	-	-
Other Changes in Fund Balances - Increases (Decreases)	-	-	-	-	-	-	-	-	-
Fund Balances without Student Activity Funds - June 30, 2026	$ 514,357	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of the financials statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received, Expenditures Disbursed, Other Financing Sources and Uses and Changes in Fund Balances
All Funds
For the year ended June 30, 2026

Exhibit B

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Student Activity Fund Balance - July 1, 2025	$ -								
RECEIPTS/REVENUES -Student Activity Funds	-								
Total Student Activity Direct Receipts/Revenues	-								
DISBURSEMENTS/EXPENDITURES -Students Activity Funds	-								
Total Student Activity Disbursements/Expenditures	-								
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures	-								
Student Activity Fund Balance - June 30, 2026	$ -								
RECEIPTS/REVENUES (with Student Activity Funds)									
LOCAL SOURCES	$ 2,170,606	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	-	-		-	-				
STATE SOURCES	161,283	-	-	-	-	-	-	-	-
FEDERAL SOURCES	71,516	-	-	-	-	-	-	-	-
Total Direct Receipts/Revenues	2,403,405	-	-	-	-	-	-	-	-
Receipts/Revenues for "On Behalf" Payments	335,419	-	-	-	-	-		-	-
Total Receipts/Revenues	2,738,824	-	-	-	-	-	-	-	-
DISBURSEMENTS/EXPENDITURES (with Student Activity Funds)									
Instruction	1,466,881				-				
Support Services	658,905	-		-	-	-		-	-
Community Services	-	-		-	-				
Payments to Other Districts & Governmental Units	-	-	-	-	-	-		-	-
Debt Service	-	-	9,492	-	-			-	-
Total Direct Disbursements/Expenditures	2,125,786	-	9,492	-	-	-		-	-
Disbursements/Expenditures for "On Behalf" Payments	335,419	-	-	-	-	-		-	-
Total Disbursements/Expenditures	2,461,205	-	9,492	-	-	-		-	-
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures	277,619	-	(9,492)	-	-	-	-	-	-
OTHER SOURCES/USES OF FUNDS (with Student Activity Funds)									
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds	-	-	9,492	-	-	-	-	-	-
OTHER USES OF FUNDS									
Total Other Uses of Funds	9,492	-	-	-	-	-	-	-	-
Total Other Sources/Uses of Funds	(9,492)	-	9,492	-	-	-	-	-	-
Fund Balances (All sources with Student Activity Funds) - June 30, 2026	$ 514,357	$ -	$ -	$ 5,336	$ -	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of the financials statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
RECEIPTS/REVENUES FROM LOCAL SOURCES									
Ad Valorem Taxes Levied By Local Education Agency									
Designated Purposes Levies	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Leasing Purposes Levy	-	-							
Special Education Purposes Levy	-	-		-	-	-			
FICA/Medicare Only Purposes Levies					-				
Area Vocational Construction Purposes Levy		-	-			-			
Summer School Purposes Levy	-								
Other Tax Levies	-	-	-	-	-	-	-	-	-
Total Ad Valorem Taxes Levied By District	-	-	-	-	-	-	-	-	-
Payments in Lieu of Taxes									
Mobile Home Privilege Tax	-	-	-	-	-	-	-	-	-
Payments from Local Housing Authorities	-	-	-	-	-	-	-	-	-
Corporate Personal Property Replacement Taxes	-	-	-	-	-	-	-	-	-
Other Payments in Lieu of Taxes	-	-	-	-	-	-	-	-	-
Total Payments in Lieu of Taxes	-	-	-	-	-	-	-	-	-
Tuition									
Regular - Tuition from Pupils or Parents (In State)	-								
Regular - Tuition from Other Districts (In State)	-								
Regular - Tuition from Other Sources (In State)	-								
Regular - Tuition from Other Sources (Out of State)	-								
Summer Sch - Tuition from Pupils or Parents (In State)	-								
Summer Sch - Tuition from Other Districts (In State)	15,440								
Summer Sch - Tuition from Other Sources (In State)	-								
Summer Sch - Tuition from Other Sources (Out of State)	-								
CTE - Tuition from Pupils or Parents (In State)	-								
CTE - Tuition from Other Districts (In State)	-								
CTE - Tuition from Other Sources (In State)	-								
CTE - Tuition from Other Sources (Out of State)	-								
Special Ed - Tuition from Pupils or Parents (In State)	-								
Special Ed - Tuition from Other Districts (In State)	1,579,434								
Special Ed - Tuition from Other Sources (In State)	-								
Special Ed - Tuition from Other Sources (Out of State)	-								
Adult - Tuition from Pupils or Parents (In State)	-								
Adult - Tuition from Other Districts (In State)	-								
Adult - Tuition from Other Sources (In State)	-								
Adult - Tuition from Other Sources (Out of State)	-								
Total Tuition	1,594,874								

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Transportation Fees									
Regular -Transp Fees from Pupils or Parents (In State)				-					
Regular - Transp Fees from Other Districts (In State)				-					
Regular - Transp Fees from Other Sources (In State)				-					
Regular - Transp Fees from Co-curricular Activities (In State)				-					
Regular Transp Fees from Other Sources (Out of State)				-					
Summer Sch - Transp. Fees from Pupils or Parents (In State)				-					
Summer Sch - Transp. Fees from Other Districts (In State)				-					
Summer Sch - Transp. Fees from Other Sources (In State)				-					
Summer Sch - Transp. Fees from Other Sources (Out of State				-					
CTE - Transp Fees from Pupils or Parents (In State)				-					
CTE - Transp Fees from Other Districts (In State)				-					
CTE - Transp Fees from Other Sources (In State)				-					
CTE - Transp Fees from Other Sources (Out of State)				-					
Special Ed - Transp Fees from Pupils or Parents (In State)				-					
Special Ed - Transp Fees from Other Districts (In State)				-					
Special Ed - Transp Fees from Other Sources (In State)				-					
Special Ed - Transp Fees from Other Sources (Out of State)				-					
Adult - Transp Fees from Pupils or Parents (In State)				-					
Adult - Transp Fees from Other Districts (In State)				-					
Adult - Transp Fees from Other Sources (In State)				-					
Adult - Transp Fees from Other Sources (Out of State)				-					
Total Transportation Fees				-					
Earnings on Investments									
Interest on Investments	226	-	-	-	-	-	-	-	-
Gain or Loss on Sale of Investments	-	-	-	-	-	-	-	-	-
Unrealized Gain or Loss on Investments	-	-	-	-	-	-	-	-	-
Total Earnings on Investments	226	-	-	-	-	-	-	-	-
Food Service									
Sales to Pupils - Lunch	-								
Sales to Pupils - Breakfast	-								
Sales to Pupils - A la Carte	-								
Sales to Pupils - Other	-								
Sales to Adults	-								
Other Food Service	-								
Total Food Service	-								

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
District/School Activity Income									
Admissions - Athletic	-	-							
Admissions - Other	-	-							
Fees	-	-							
Book Store Sales	-	-							
Other District/School Activity Revenue	-	-							
Student Activity Funds Revenues	-								
Total District/School Activity Income (without Student Activity Funds)	-	-							
Total District/School Activity Income (with Student Activity Funds)	-								
Textbook Income									
Rentals - Regular Textbooks	-								
Rentals - Summer School Textbooks	-								
Rentals - Adult/Continuing Education Textbooks	-								
Rentals - Other	-								
Sales - Regular Textbooks	-								
Sales - Summer School Textbooks	-								
Sales - Adult/Continuing Education Textbooks	-								
Sales - Other	-								
Other	-								
Total Textbook Income	-								
Other Revenue from Local Sources									
Rentals	-	-							
Contributions and Donations from Private Sources	1,800	-	-	-	-	-	-	-	-
Impact Fees from Municipal or County Governments	-	-	-	-	-	-	-	-	-
Services Provided Other Districts	-	-		-					
Refund of Prior Years' Expenditures	-	-	-	-	-	-		-	-
Payments of Surplus Moneys from TIF Districts	-	-	-	-	-	-	-	-	-
Drivers' Education Fees	-								
Proceeds from Vendors' Contracts	-	-	-	-	-	-	-	-	-
School Facility Occupation Tax Proceeds	-		-			-			
Payment from Other Districts	104,783	-	-	-	-	-			
Sale of Vocational Projects	-								
Other Local Fees	335,910	-	-	-	-	-		-	-
Other Local Revenues	133,013	-	-	-	-	-	-	-	-
Total Other Revenue from Local Sources	575,506	-	-	-	-	-	-	-	-
Total Receipts/Revenues from Local Sources (without Student Activity Funds 1799)	2,170,606	-	-	-	-	-	-	-	-
Total Receipts/Revenues from Local Sources (with Student Activity Funds 1799)	2,170,606								

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT									
Flow-through Revenue from State Sources	-	-		-	-				
Flow-through Revenue from Federal Sources	-	-		-	-				
Other Flow-Through	-	-		-	-				
Total Flow-Through Receipts/Revenues from One District to Another District	-	-		-	-				
RECEIPTS/REVENUES FROM STATE SOURCES									
Unrestricted Grants-In-Aid									
Evidence Based Funding Formula (Section 18-8.15)	160,939	-	-	-	-	-		-	-
Reorganization Incentives (Accounts 3005-3021)	-	-	-	-	-	-		-	-
Other Unrestricted Grants-In-Aid from State Sources	-	-	-	-	-	-		-	-
Total Unrestricted Grants-In-Aid	160,939	-	-	-	-	-		-	-
Restricted Grants-In-Aid									
Special Education									
Special Education - Private/Public Facility Tuition	-			-					
Special Education - Orphanage - Individual	-			-					
Special Education - Orphanage - Summer Individual	-			-					
Special Education - Other	-	-		-					
Total Special Education	-	-		-					
Career and Technical Education (CTE)									
CTE - Technical Education - Tech Prep	-	-			-				
CTE - Secondary Program Improvement (CTEI)	-	-			-				
CTE - WECEP	-	-			-				
CTE - Agriculture Education	-	-			-				
CTE - Instructor Practicum	-	-			-				
CTE - Student Organizations	-	-			-				
CTE - Other	-	-			-				
Total Career and Technical Education	-	-			-				
State Free Lunch & Breakfast	-								
School Breakfast Initiative	-	-			-				
Driver Education	-	-							
Adult Ed (from ICCB)	-	-	-	-	-	-	-	-	-
Adult Ed - Other	-	-	-	-	-	-	-	-	-
Transportation									
Transportation - Regular and Vocational	-	-		-	-				
Transportation - Special Education	-	-		-	-				
Transportation - Other	-	-		-	-				
Total Transportation	-	-		-	-				

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Learning Improvement - Change Grants	-								
Scientific Literacy	-	-		-	-				
Truant Alternative/Optional Education	-			-	-				
Early Childhood - Block Grant	-	-		-	-				
Chicago General Education Block Grant	-	-		-	-				
Chicago Educational Services Block Grant	-	-		-	-				
School Safety & Educational Improvement Block Grant	-	-	-	-	-	-			-
Technology - Technology for Success	-	-	-	-	-	-			-
State Charter Schools	-			-					
Extended Learning Opportunities - Summer Bridges	-			-					
Infrastructure Improvements - Planning/Construction		-				-			
School Infrastructure - Maintenance Projects		-				-			-
Other Restricted Revenue from State Sources	344	-	-	-	-	-	-	-	-
Total Restricted Grants-In-Aid	344	-	-	-	-	-	-	-	-
Total Receipts from State Sources	161,283	-	-	-	-	-	-	-	-
RECEIPTS/REVENUES FROM FEDERAL SOURCES									
Unrestricted Grants-In-Aid Received Directly from Federal Govt									
Federal Impact Aid	-	-	-	-	-	-	-	-	-
Other Unrestricted Grants-In-Aid Received Directly from the Federal Govt	-	-	-	-	-	-	-	-	-
Total Unrestricted Grants-In-Aid Received Directly from Federal Govt	-	-	-	-	-	-	-	-	-
Restricted Grants-In-Aid Received Directly from Federal Government									
Head Start	-								
Construction (Impact Aid)	-	-				-			
MAGNET	-	-		-	-	-			
Other Restricted Grants-In-Aid Received Directly from the Federal Govt	-	-		-	-	-			-
Total Restricted Grants-In-Aid Received Directly from Federal Govt	-	-		-	-	-			-
Restricted Grants-In-Aid Received From Federal Govt Thru The State									
Title V									
Title V - Innovation and Flexibility Formula	-	-		-	-				
Title V - District Projects	-	-		-	-				
Title V - Rural Education Initiative (REI)	-	-		-	-				
Title V - Other	-	-		-	-				
Total Title V	-	-		-	-				

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Food Service									
Breakfast Start-Up Expansion	-				-				
National School Lunch Program	-				-				
Special Milk Program	-				-				
School Breakfast Program	-				-				
Summer Food Service Program	-				-				
Child and Adult Care Food Program	-				-				
Fresh Fruits & Vegetables	-								
Food Service - Other	-				-				
Total Food Service	-				-				
Title I									
Title I - Low Income	-	-		-	-				
Title I - Low Income - Neglected, Private	-	-		-	-				
Title I - Migrant Education	-	-		-	-				
Title I - Other	-	-		-	-				
Total Title I	-	-		-	-				
Title IV									
Title IV - Student Support & Academic Enrichment Grant	-	-		-	-				
Title IV - Part A - Student Support & Academic Enrichment Grants Safe and Drug Free Schools	-	-		-	-				
Title IV - 21st Century Comm Learning Centers	-	-		-	-				
Title IV - Other	-	-		-	-				
Total Title IV	-	-		-	-				
Federal - Special Education									
Fed - Spec Education - Preschool Flow-Through	-	-		-	-				
Fed - Spec Education - Preschool Discretionary	-	-		-	-				
Fed - Spec Education - IDEA - Flow Through	-	-		-	-				
Fed - Spec Education - IDEA - Room & Board	-	-		-	-				
Fed - Spec Education - IDEA - Discretionary	-	-		-	-				
Fed - Spec Education - IDEA - Other	-	-		-	-				
Total Federal - Special Education	-	-		-	-				
CTE - Perkins									
CTE - Perkins - Title IIIE - Tech Prep	-	-			-				
CTE - Other	-	-			-				
Total CTE - Perkins	-	-			-				
Federal - Adult Education	-	-			-				
Qualified Zone Academy Bond Tax Credits	-	-	-	-	-	-		-	-
Qualified School Construction Bond Credits	-	-	-	-	-	-		-	-
Build America Bond Tax Credits	-	-	-	-	-	-		-	-
Build America Bond Interest Reimbursement	-	-	-	-	-	-		-	-
Total Stimulus Programs	-	-	-	-	-	-		-	-

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Revenues Received
All Funds
For the year ended June 30, 2026

Exhibit C

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Race to the Top Program	-								
Race to the Top - Preschool Expansion Grant	-	-		-	-				
Title III - Immigrant Education Program (IEP)	-			-	-				
Title III - Language Inst Program - Limited Eng (LIPLEP)	-			-	-				
McKinney Education for Homeless Children	-	-		-	-				
Title II - Eisenhower Professional Development Formula	-	-		-	-				
Title II - Teacher Quality	-	-		-	-				
Title II - Part A - Supporting Effective Instruction - State Grants	-	-		-	-				
Federal Charter Schools	-	-		-	-				
State Assessment Grants	-	-		-	-				
Grant for State Assessments and Related Activities	-	-		-	-				
Medicaid Matching Funds - Administrative Outreach	18,220	-		-	-				
Medicaid Matching Funds - Fee-for-Service Program	53,296	-		-	-				
Other Restricted Revenue from Federal Sources	-	-		-	-	-			-
Total Restricted Grants-In-Aid Received from the Federal Govt Thru the State	71,516	-	-	-	-	-		-	-
Total Receipts/Revenues from Federal Sources	71,516	-	-	-	-	-	-	-	-
Total Direct Receipts/Revenues (without Student Activity Funds 1799)	2,403,405	-	-	-	-	-	-	-	-
Total Direct Receipts/Revenues (with Student Activity Funds 1799)	$ 2,403,405	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
EDUCATIONAL FUND (ED)										
Instruction (ED)										
Regular Programs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tuition Payment to Charter Schools			-						-	-
Pre-K Programs	-	-	-	-	-	-	-	-	-	-
Special Education Programs	1,063,576	163,176	80,659	21,602	5,358	107	-	-	1,334,478	1,373,942
Special Education Programs Pre-K	-	-	-	-	-	-	-	-	-	-
Remedial and Supplemental Programs K-12	-	-	-	-	-	-	-	-	-	-
Remedial and Supplemental Programs Pre-K	-	-	-	-	-	-	-	-	-	-
Adult/Continuing Education Programs	-	-	-	-	-	-	-	-	-	-
CTE Programs	66,330	11,135	23,153	5,637	-	-	-	-	106,255	102,536
Interscholastic Programs	-	-	-	-	-	-	-	-	-	-
Summer School Programs	24,432	1,430	-	286	-	-	-	-	26,148	18,311
Gifted Programs	-	-	-	-	-	-	-	-	-	-
Driver's Education Programs	-	-	-	-	-	-	-	-	-	-
Bilingual Programs	-	-	-	-	-	-	-	-	-	-
Truant Alternative & Optional Programs	-	-	-	-	-	-	-	-	-	-
Pre-K Programs - Private Tuition						-			-	-
Regular K-12 Programs - Private Tuition						-			-	-
Special Education Programs K-12 - Private Tuition						-			-	-
Special Education Programs Pre-K - Tuition						-			-	-
Remedial/Supplemental Programs K-12 - Private Tuition						-			-	-
Remedial/Supplemental Programs Pre-K - Private Tuition						-			-	-
Adult/Continuing Education Programs - Private Tuition						-			-	-
CTE Programs - Private Tuition						-			-	-
Interscholastic Programs - Private Tuition						-			-	-
Summer School Programs - Private Tuition						-			-	-
Gifted Programs - Private Tuition						-			-	-
Bilingual Programs - Private Tuition						-			-	-
Truants Alternative/Optional Ed Progms - Private Tuition						-			-	-
Student Activity Fund Expenditures						-			-	-
Total Instruction (without Student Activity Funds)	1,154,338	175,741	103,812	27,525	5,358	107	-	-	1,466,881	1,494,789
Total Instruction (with Student Activity Funds)	1,154,338	175,741	103,812	27,525	5,358	107	-	-	1,466,881	1,494,789
Support Services (ED)										
Support Services - Pupils										
Attendance & Social Work Services	-	10	-	-	-	-	-	-	10	-
Guidance Services	-	-	-	-	-	-	-	-	-	-
Health Services	225,705	29,090	3,292	4,479	1,483	-	-	-	264,049	285,561
Psychological Services	-	-	-	-	-	-	-	-	-	-
Speech Pathology & Audiology Services	82,420	8,513	5,136	2,477	-	-	-	-	98,546	86,145
Other Support Services - Pupils	-	(9)	-	-	-	-	-	-	(9)	-
Total Support Services - Pupils	308,125	37,604	8,428	6,956	1,483	-	-	-	362,596	371,706
Support Services - Instructional Staff										
Improvement of Instruction Services	2,441	63	12,836	-	-	-	-	-	15,340	12,500
Educational Media Services	-	-	188	-	-	-	-	-	188	500
Assessment & Testing	-	-	-	-	-	-	-	-	-	-
Total Support Services - Instructional Staff	2,441	63	13,024	-	-	-	-	-	15,528	13,000

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
Support Services - General Administration										
Board of Education Services	-	-	8,743	-	-	-	-	-	8,743	7,150
Executive Administration Services	121,540	34,519	16,827	2,425	-	-	-	-	175,311	176,857
Special Area Administration Services	-	-	720	-	-	-	-	-	720	-
Tort Immunity Services	-	-	18,689	-	-	-	-	-	18,689	18,768
Total Support Services - General Administration	121,540	34,519	44,979	2,425	-	-	-	-	203,463	202,775
Support Services - School Administration										
Office of the Principal Services	-	-	-	-	-	-	-	-	-	-
Other Support Services - School Admin	-	-	-	-	-	-	-	-	-	-
Total Support Services - School Administration	-	-	-	-	-	-	-	-	-	-
Support Services - Business										
Direction of Business Support Services	-	-	-	-	-	-	-	-	-	-
Fiscal Services	-	-	64,273	-	-	-	-	-	64,273	64,184
Operation & Maintenance of Plant Services	-	-	5,830	-	-	-	-	-	5,830	5,830
Pupil Transportation Services	-	-	-	-	-	-	-	-	-	-
Food Services	-	-	-	-	-	-	-	-	-	-
Internal Services	-	-	-	(100)	-	-	-	-	(100)	-
Total Support Services - Business	-	-	70,103	(100)	-	-	-	-	70,003	70,014
Support Services - Central										
Direction of Central Support Services	-	-	-	-	-	-	-	-	-	-
Planning, Research, Development, & Evaluation Services	-	-	-	-	-	-	-	-	-	-
Information Services	-	-	-	-	-	-	-	-	-	-
Staff Services	-	-	-	-	-	-	-	-	-	-
Data Processing Services	-	-	-	-	-	-	-	-	-	-
Total Support Services - Central	-	-	-	-	-	-	-	-	-	-
Other Support Services	-	-	7,315	-	-	-	-	-	7,315	7,315
Total Support Services	432,106	72,186	143,849	9,281	1,483	-	-	-	658,905	664,810
Community Services (ED)	-	-	-	-	-	-	-	-	-	-
Payments to Other Districts & Govt Units (ED)										
Payments to Other Govt Units (In-State)										
Payments for Regular Programs			-			-			-	-
Payments for Special Education Programs			-			-			-	-
Payments for Adult/Continuing Education Programs			-			-			-	-
Payments for CTE Programs			-			-			-	-
Payments for Community College Programs			-			-			-	-
Other Payments to In-State Govt. Units			-			-			-	-
Total Payments to Other Govt Units (In-State)			-			-			-	-

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual **Exhibit D**
All Funds
For the year ended June 30, 2026

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
Payments for Regular Programs - Tuition						-			-	-
Payments for Special Education Programs - Tuition						-			-	-
Payments for Adult/Continuing Education Programs - Tuition						-			-	-
Payments for CTE Programs - Tuition						-			-	-
Payments for Community College Programs - Tuition						-			-	-
Payments for Other Programs - Tuition						-			-	-
Other Payments to In-State Govt Units						-			-	-
Total Payments to Other Govt Units -Tuition (In State)						-			-	-
Payments for Regular Programs - Transfers						-			-	-
Payments for Special Education Programs - Transfers						-			-	-
Payments for Adult/Continuing Ed Programs-Transfers						-			-	-
Payments for CTE Programs - Transfers						-			-	-
Payments for Community College Program - Transfers						-			-	-
Payments for Other Programs - Transfers						-			-	-
Other Payments to In-State Govt Units - Transfers			-			-			-	-
Total Payments to Other Govt Units -Transfers (In-State)			-			-			-	-
Payments to Other Govt Units (Out-of-State)			-			-			-	-
Total Payments to Other Govt Units			-			-			-	-
Debt Services (ED)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						-			-	-
Tax Anticipation Notes						-			-	-
Corporate Personal Prop. Repl. Tax Anticipation Notes						-			-	-
State Aid Anticipation Certificates						-			-	-
Other Interest on Short-Term Debt						-			-	-
Total Interest on Short-Term Debt						-			-	-
Debt Services - Interest on Long-Term Debt						-			-	-
Total Debt Services						-			-	-
Provisions for Contingencies (ED)										-
Total Direct Disbursements/Expenditures (without Student Activity Funds 1999)	$ 1,586,444	$ 247,927	$ 247,661	$ 36,806	$ 6,841	$ 107	$ -	$ -	2,125,786	$ 2,159,599
Total Direct Disbursements/Expenditures (with Student Activity Funds 1999)	$ 1,586,444	$ 247,927	$ 247,661	$ 36,806	$ 6,841	$ 107	$ -	$ -	2,125,786	$ 2,159,599
Excess (Deficiency) of Receipts/Revenues Over Disbursements/ Expenditures (without Student Activity Funds 1999)									277,619	
Excess (Deficiency) of Receipts/Revenues Over Disbursements/ Expenditures (with Student Activity Funds 1999)									$ 277,619	
OPERATIONS & MAINTENANCE FUND (O&M)										
Support Services (O&M)										
Support Services - Pupils										
Other Support Services - Pupils	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Support Services - Business										
Direction of Business Support Services	-	-	-	-	-	-	-	-	-	-
Facilities Acquisition & Construction Services	-	-	-	-	-	-	-	-	-	-
Operation & Maintenance of Plant Services	-	-	-	-	-	-	-	-	-	-
Pupil Transportation Services	-	-	-	-	-	-	-	-	-	-
Food Services					-		-		-	-
Total Support Services - Business	-	-	-	-	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-	-	-
Community Services (O&M)	-	-	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
Payments to Other Dist & Govt Units (O&M)										
Payments to Other Govt Units (In-State)										
Payments for Regular Programs			-			-			-	-
Payments for Special Education Programs			-			-			-	-
Payments for CTE Programs			-			-			-	-
Other Payments to In-State Govt. Units			-			-			-	-
Total Payments to Other Govt. Units (In-State)			-			-			-	-
Payments to Other Govt. Units (Out of State)						-			-	-
Total Payments to Other Govt Units			-			-			-	-
Debt Services (O&M)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						-			-	-
Tax Anticipation Notes						-			-	-
Corporate Personal Prop. Repl. Tax Anticipation Notes						-			-	-
State Aid Anticipation Certificates						-			-	-
Other Interest on Short-Term Debt						-			-	-
Total Debt Services - Interest on Short-Term Debt						-			-	-
Debt Services - Interest on Long-Term Debt						-			-	-
Total Debt Services						-			-	-
Provisions for Contingencies (O&M)										-
Total Direct Disbursements/Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ -	
DEBT SERVICES FUND (DS)										
Payments to Other Dist & Govt Units (DS)										
Payments to Other Dist & Govt Units (In-State)										
Payments for Regular Programs						$ -			$ -	$ -
Payments for Special Education Programs						-			-	-
Other Payments to In-State Govt Units						-			-	-
Total Payments to Other Districts & Govt Units (In-State)						-			-	-
Debt Services (DS)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						-			-	-
Tax Anticipation Notes						-			-	-
Corporate Personal Prop. Repl. Tax Anticipation Notes						-			-	-
State Aid Anticipation Certificates						-			-	-
Other Interest on Short-Term Debt						-			-	-
Total Debt Services - Interest On Short-Term Debt						-			-	-
Debt Services - Interest on Long-Term Debt						-			-	-
Debt Services - Payments of Principal on Long-Term Debt (Lease/Purchase Principal Retired)						9,492			9,492	-
Debt Services - Other			$ -			-			-	-
Total Debt Services			-			9,492			9,492	-
Provisions for Contingencies (DS)										-
Total Disbursements/ Expenditures			$ -			$ 9,492			9,492	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ (9,492)	

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
TRANSPORTATION FUND (TR)										
Support Services (TR)										
Support Services - Pupils										
Other Support Services - Pupils	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Support Services - Business										
Pupil Transportation Services	-	-	-	-	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-	-	-
Community Services (TR)	-	-	-	-	-	-	-	-	-	-
Payments to Other Dist & Govt Units (TR)										
Payments to Other Govt Units (In-State)										
Payments for Regular Programs			-			-			-	-
Payments for Special Education Programs			-			-			-	-
Payments for Adult/Continuing Education Programs			-			-			-	-
Payments for CTE Programs			-			-			-	-
Payments for Community College Programs			-			-			-	-
Other Payments to In-State Govt. Units			-			-			-	-
Total Payments to Other Govt. Units (In-State)			-			-			-	-
Payments to Other Govt Units (Out-of-State)			-			-			-	-
Total Payments to Other Govt Units			-			-			-	-
Debt Services (TR)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						-			-	-
Tax Anticipation Notes						-			-	-
Corporate Personal Prop. Repl. Tax Anticipation Notes						-			-	-
State Aid Anticipation Certificates						-			-	-
Other Interest on Short-Term Debt						-			-	-
Total Debt Services - Interest On Short-Term Debt						-			-	-
Debt Services - Interest on Long-Term Debt						-			-	-
Debt Services - Payments of Principal on Long-Term Debt (Lease/Purchase Principal Retired)						-			-	-
Debt Services - Other						-			-	-
Total Debt Services						-			-	-
Provision for Contingencies (TR)										-
Total Disbursements/ Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ -	

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (MR/SS)										
Instruction (MR/SS)										
Regular Programs		$ -							$ -	$ -
Pre-K Programs		-							-	-
Special Education Programs		-							-	-
Special Education Programs - Pre-K		-							-	-
Remedial and Supplemental Programs - K-12		-							-	-
Remedial and Supplemental Programs - Pre-K		-							-	-
Adult/Continuing Education Programs		-							-	-
CTE Programs		-							-	-
Interscholastic Programs		-							-	-
Summer School Programs		-							-	-
Gifted Programs		-							-	-
Driver's Education Programs		-							-	-
Bilingual Programs		-							-	-
Truants' Alternative & Optional Programs		-							-	-
Total Instruction		-							-	-
Support Services (MR/SS)										
Support Services - Pupils										
Attendance & Social Work Services		-							-	-
Guidance Services		-							-	-
Health Services		-							-	-
Psychological Services		-							-	-
Speech Pathology & Audiology Services		-							-	-
Other Support Services - Pupils		-							-	-
Total Support Services - Pupils		-							-	-
Support Services - Instructional Staff										
Improvement of Instruction Services		-							-	-
Educational Media Services		-							-	-
Assessment & Testing		-							-	-
Total Support Services - Instructional Staff		-							-	-
Support Services - General Administration										
Board of Education Services		-							-	-
Executive Administration Services		-							-	-
Special Area Administration Services		-							-	-
Claims Paid from Self Insurance Fund		-							-	-
Risk Management and Claims Services Payments		-							-	-
Total Support Services - General Administration		-							-	-
Support Services - School Administration										
Office of the Principal Services		-							-	-
Other Support Services - School Administration		-							-	-
Total Support Services - School Administration		-							-	-
Support Services - Business										
Direction of Business Support Services		-							-	-
Fiscal Services		-							-	-
Facilities Acquisition & Construction Services		-							-	-
Operation & Maintenance of Plant Services		-							-	-
Pupil Transportation Services		-							-	-
Food Services		-							-	-
Internal Services		-							-	-
Total Support Services - Business		-							-	-

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
Support Services - Central										
Direction of Central Support Services		-							-	-
Planning, Research, Development, & Evaluation Services		-							-	-
Information Services		-							-	-
Staff Services		-							-	-
Data Processing Services		-							-	-
Total Support Services - Central		-							-	-
Other Support Services		-							-	-
Total Support Services		-							-	-
Community Services (MR/SS)		-							-	-
Payments to Other Dist & Govt Units (MR/SS)										
Payments for Regular Programs		-							-	-
Payments for Special Education Programs		-							-	-
Payments for CTE Programs		-							-	-
Total Payments to Other Govt Units		-							-	-
Debt Services (MR/SS)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						$ -			-	-
Tax Anticipation Notes						-			-	-
Corporate Personal Prop. Repl. Tax Anticipation Notes						-			-	-
State Aid Anticipation Certificates						-			-	-
Other						-			-	-
Total Debt Services - Interest						-			-	-
Provision for Contingencies (MR/SS)										-
Total Disbursements/Expenditures		$ -				$ -			-	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ -	
CAPITAL PROJECTS FUND (CP)										
Support Services (CP)										
Support Services - Business										
Facilities Acquisition & Construction Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Support Services	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-	-	-
Payments to Other Dist & Govt Units (CP)										
Payments to Other Govt Units (In-State)										
Payments for Regular Programs (In-State)			-			-			-	-
Payments for Special Education Programs			-			-			-	-
Payments for CTE Programs			-			-			-	-
Other Payments to In-State Govt. Units			-			-			-	-
Total Payments to Other Govt Units			-			-			-	-
Provision for Contingencies (CP)										-
Total Disbursements/ Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ -	

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
WORKING CASH FUND (WC)										
TORT FUND (TF)										
Instruction										
Regular Programs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tuition Payment to Charter Schools			-						-	-
Pre-K Programs	-	-	-	-	-	-	-	-	-	-
Special Education Programs (Functions 1200 - 1220)	-	-	-	-	-	-	-	-	-	-
Special Education Programs Pre-K	-	-	-	-	-	-	-	-	-	-
Remedial and Supplemental Programs K-12	-	-	-	-	-	-	-	-	-	-
Remedial and Supplemental Programs Pre-K	-	-	-	-	-	-	-	-	-	-
Adult/Continuing Education Programs	-	-	-	-	-	-	-	-	-	-
CTE Programs	-	-	-	-	-	-	-	-	-	-
Interscholastic Programs	-	-	-	-	-	-	-	-	-	-
Summer School Programs	-	-	-	-	-	-	-	-	-	-
Gifted Programs	-	-	-	-	-	-	-	-	-	-
Driver's Education Programs	-	-	-	-	-	-	-	-	-	-
Bilingual Programs	-	-	-	-	-	-	-	-	-	-
Truant Alternative & Optional Programs	-	-	-	-	-	-	-	-	-	-
Pre-K Programs - Private Tuition						-			-	-
Regular K-12 Programs Private Tuition						-			-	-
Special Education Programs K-12 Private Tuition						-			-	-
Special Education Programs Pre-K Tuition						-			-	-
Remedial/Supplemental Programs K-12 Private Tuition						-			-	-
Remedial/Supplemental Programs Pre-K Private Tuition						-			-	-
Adult/Continuing Education Programs Private Tuition						-			-	-
CTE Programs Private Tuition						-			-	-
Interscholastic Programs Private Tuition						-			-	-
Summer School Programs Private Tuition						-			-	-
Gifted Programs Private Tuition						-			-	-
Bilingual Programs Private Tuition						-			-	-
Truants Alternative/Opt Ed Programs Private Tuition						-			-	-
Total Instruction[14]	-	-	-	-	-	-	-	-	-	-
Support Services (TF)										
Support Services - Pupil										
Attendance & Social Work Services	-	-	-	-	-	-	-	-	-	-
Guidance Services	-	-	-	-	-	-	-	-	-	-
Health Services	-	-	-	-	-	-	-	-	-	-
Psychological Services	-	-	-	-	-	-	-	-	-	-
Speech Pathology & Audiology Services	-	-	-	-	-	-	-	-	-	-
Other Support Services - Pupils	-	-	-	-	-	-	-	-	-	-
Total Support Services - Pupil	-	-	-	-	-	-	-	-	-	-
Support Services - Instructional Staff										
Improvement of Instruction Services	-	-	-	-	-	-	-	-	-	-
Educational Media Services	-	-	-	-	-	-	-	-	-	-
Assessment & Testing	-	-	-	-	-	-	-	-	-	-
Total Support Services - Instructional Staff	-	-	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
Support Services - General Administration										
Board of Education Services	-	-	-	-	-	-	-	-	-	-
Executive Administration Services	-	-	-	-	-	-	-	-	-	-
Special Area Administration Services	-	-	-	-	-	-	-	-	-	-
Claims Paid from Self Insurance Fund	-	-	-	-	-	-	-	-	-	-
Risk Management and Claims Services Payments	-	-	-	-	-	-	-	-	-	-
Total Support Services - General Administration	-	-	-	-	-	-	-	-	-	-
Support Services - School Administration										
Office of the Principal Services	-	-	-	-	-	-	-	-	-	-
Other Support Services - School Administration	-	-	-	-	-	-	-	-	-	-
Total Support Services - School Administration	-	-	-	-	-	-	-	-	-	-
Support Services - Business										
Direction of Business Support Services	-	-	-	-	-	-	-	-	-	-
Fiscal Services	-	-	-	-	-	-	-	-	-	-
Facilities Acquisition & Construction Services	-	-	-	-	-	-	-	-	-	-
Operation & Maintenance of Plant Services	-	-	-	-	-	-	-	-	-	-
Pupil Transportation Services	-	-	-	-	-	-	-	-	-	-
Food Services	-	-	-	-	-	-	-	-	-	-
Internal Services	-	-	-	-	-	-	-	-	-	-
Total Support Services - Business	-	-	-	-	-	-	-	-	-	-
Support Services - Central										
Direction of Central Support Services	-	-	-	-	-	-	-	-	-	-
Planning, Research, Development & Evaluation Services	-	-	-	-	-	-	-	-	-	-
Information Services	-	-	-	-	-	-	-	-	-	-
Staff Services	-	-	-	-	-	-	-	-	-	-
Data Processing Services	-	-	-	-	-	-	-	-	-	-
Total Support Services - Central	-	-	-	-	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-	-	-
COMMUNITY SERVICES (TF)										
Payments to Other Dist & Govt Units (TF)										
Payments to Other Dist & Govt Units (In-State)										
Payments for Regular Programs			-			-			-	-
Payments for Special Education Programs			-			-			-	-
Payments for Adult/Continuing Education Programs			-			-			-	-
Payments for CTE Programs			-			-			-	-
Payments for Community College Programs			-			-			-	-
Other Payments to In-State Govt Units			-			-			-	-
Total Payments to Other Dist & Govt Units (In-State)			-			-			-	-
Payments for Regular Programs - Tuition						-			-	-
Payments for Special Education Programs - Tuition						-			-	-
Payments for Adult/Continuing Education Programs - Tuition						-			-	-
Payments for CTE Programs - Tuition						-			-	-
Payments for Community College Programs - Tuition						-			-	-
Payments for Other Programs - Tuition						-			-	-
Other Payments to In-State Govt Units						-			-	-
Total Payments to Other Dist & Govt Units - Tuition (In State)										

The accompanying notes are an integral part of the financial statements.

Kankakee Area Special Education Cooperative
Statement of Expenditures Disbursed, Budget to Actual
All Funds
For the year ended June 30, 2026

Exhibit D

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
Payments for Regular Programs - Transfers						-			-	-
Payments for Special Education Programs - Transfers						-			-	-
Payments for Adult/Continuing Ed Programs - Transfers						-			-	-
Payments for CTE Programs - Transfers						-			-	-
Payments for Community College Program - Transfers						-			-	-
Payments for Other Programs - Transfers						-			-	-
Other Payments to In-State Govt Units - Transfers			-			-			-	-
Total Payments to Other Dist & Govt Units-Transfers (In State)										
Payments to Other Dist & Govt Units (Out of State)						-			-	-
Total Payments to Other Dist & Govt Units			-			-			-	-
Debt Services (TF)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						-			-	-
Tax Anticipation Notes						-			-	-
Corporate Personal Prop. Repl. Tax Anticipation Notes						-			-	-
State Aid Anticipation Certificates						-			-	-
Other Interest or Short-Term Debt						-			-	-
Total Debt Services - Interest on Short-Term Debt						-			-	-
DEBT SERVICES - INTEREST ON LONG-TERM DEBT						-			-	-
DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired)						-			-	-
DEBT SERVICES - OTHER						-			-	-
Total Debt Services						-			-	-
Provisions for Contingencies (TF)										-
Total Disbursements/Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ -	
FIRE PREVENTION & SAFETY FUND (FP&S)										
Support Services (FP&S)										
Support Services - Business										
Facilities Acquisition & Construction Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Operation & Maintenance of Plant Services	-	-	-	-	-	-	-	-	-	-
Total Support Services - Business	-	-	-	-	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-	-	-
Payments to Other Dist & Govt Units (FP&S)										
Payments for Regular Programs						-			-	-
Payments for Special Education Programs						-			-	-
Other Payments to In-State Govt. Units						-			-	-
Total Payments to Other Govt Units						-			-	-
Debt Services (FP&S)										
Debt Services - Interest on Short-Term Debt										
Tax Anticipation Warrants						-			-	-
Other Interest on Short-Term Debt						-			-	-
Total Debt Service - Interest on Short-Term Debt						-			-	-
Debt Services - Interest on Long-Term Debt						-			-	-
Debt Services - Payments of Principal on Long-Term Debt (Lease/Purchase Principal Retired)						-			-	-
Total Debt Service						-			-	-
Provision for Contingencies (FP&S)										-
Total Disbursements/Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures									$ -	

The accompanying notes are an integral part of the financial statements.

Note 1 – Summary of Significant Accounting Policies

The Kankakee Area Special Education Cooperative (KASEC) is a joint venture, consisting of six member school districts within Kankakee and Iroquois Counties. The purpose of KASEC is to assist member districts in providing special education programs and services to the students enrolled in member districts. Each member district has a financial responsibility for annual and special assessments as established by KASEC's Governing Board.

Scope of the Reporting Entity

The reporting entity for KASEC consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units is entitled to, or has the ability to otherwise access, are significant to the primary government. The accompanying financial statements include only those funds and account groups of KASEC as there are no other organizations that are considered to be component units.

Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. KASEC prepares its financial statements in accordance with a regulatory basis of accounting prescribed by Illinois State Board of Education Title 23 of the Illinois Administrative Code, Part 100. This regulatory basis of accounting is an other comprehensive basis of accounting and differs from accounting principles generally accepted in the United States of America (GAAP). The presentation of these financial statements differs from GAAP as follows: (1) A statement of net position and statement of activities are not presented; (2) Individual funds and account groups are presented rather than major funds; (3) Items defined as deferred outflows of resources and deferred inflows of resources under GAAP are included in assets and liabilities; (4) Fund balance classifications are "reserved" and "unreserved" rather than "nonspendable", "restricted", "committed", "assigned", and "unassigned"; (5) deferred outflows, deferred inflows and the Net Pension Liability and Other Post-Employment Benefits Liability as calculated under GASB's 68 and 75 have not been recorded and the expenses in the financial statements represent the cash paid during the year rather than the amount calculated under GASB's 68 and 75; (6) Certain required supplementary information such as Management's Discussion and Analysis is not presented.

Note 1 – Summary of Significant Accounting Policies (Continued)

Also, this regulatory basis allows for transactions and events to be recorded on the cash basis rather than the accrual basis. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions. Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

It is KASEC's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available. It is KASEC's policy to first use reserved fund balances prior to the use of unreserved fund balances when an expenditure is incurred for which both reserved and unreserved fund balances are available.

Measurement Focus

The financial statements focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". The operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fund Accounting

The accounts of KASEC are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities (arising from cash transactions), fund balance, revenue received, and expenditures disbursed. KASEC maintains individual funds required by the State of Illinois. KASEC resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Educational Fund and the Transportation Fund are the general operating funds of KASEC. They are used to account for all financial resources except for those required to be accounted for in other funds.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt and lease obligations principal, interest, and related costs.

Note 1 – Summary of Significant Accounting Policies (Continued)

General Fixed Assets and Long-Term Debt Account Groups
The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

Fixed assets used in governmental funds operations are accounted for in the General Fixed Assets Account Group rather than in governmental funds. Under the regulatory basis of accounting, no depreciation is calculated or reported. Fixed asset acquisitions are reported as expenditures in the governmental funds.

Long-term liabilities are accounted for in the General Long-Term Debt Account Group. Proceeds from long-term debt are included as receipts in the appropriate fund on the date received. Related principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group. Debt principal and interest payments are recorded as expenditures of the fund in which the payments are made.

Under the regulatory basis described above, certain operating leases are reported as long-term liabilities in the General Long-Term Debt Account Group and the related payments are classified as principal and interest expenditures in the Debt Service Fund.

The two account groups are not “funds”. They are concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

The Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs) which requires recognition of an intangible right of use asset and a related liability for software arrangements meeting certain criteria. However, these arrangements constitute non-cash transactions and therefore are not reported on the District’s financial statements. Software-related expenditures are recognized as cash is disbursed on the regulatory cash basis of accounting described above.

Fund Balance Classifications
Fund balance is classified and displayed in two components:

> *Reserved* - represents the portion of the fund balance which is restricted by external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
>
> *Unreserved* - represents the portion of the fund balance which is available for any purposes allowed by Illinois School Code of the individual fund in which it resides.

Note 2 - Budgets and Budgetary Accounting

The budgets for all general operating funds are prepared on the regulatory basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105 of the Illinois Compiled Statutes (105 ILCS 5/10-17). The budget was adopted on August 28, 2025 and amended on May 12, 2026.

For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

KASEC follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to July 1, the Director submits to the Governing Board 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. Prior to October 1, the budget is legally adopted through passage of a resolution.

3. Formal budgetary integration is employed as a management control device during the year.

4. The Governing Board may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.

The Governing Board may amend the budget (in other ways) by the same procedures required of its original adoption.

Note 3 – Cash and Investments

KASEC maintains a single account for all funds for operating activity, with accounting control over each fund's balance in the account.

KASEC also follows the practice of pooling excess cash for investment purposes. Each fund's portion of total investments is under accounting control.

Interest Rate Risk. KASEC's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, KASEC's policy states investments shall provide sufficient liquidity to enable KASEC to pay obligations as they come due. Additionally, KASEC's policy is in conformance with the provisions of the Illinois Public Funds Investment Act.

Credit Risk. State law requires public funds to be invested within the guidelines set forth in the Public Funds Investment Act (30 ILCS/235). KASEC's investment policy makes no other further limitations.

Note 3 – Cash and Investments (Continued)

Concentration of Credit Risk. KASEC's investment policy states that one objective of the investment activities is safety of principal. Every investment is made with safety as the primary and over-riding concern. Each investment transaction shall ensure that capital loss, whether from credit or market risk, is avoided. The policy also states that the investment portfolio should be diversified as to maturities and investments, as appropriate to the nature, purpose, and amount of the funds.

Custodial Credit Risk. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, KASEC's deposits may not be returned to it. With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

KASEC's policy regarding collateral states that all amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized in accordance with the Public Funds Investment Act, 30 ILCS 235/2. The preferred method for safekeeping is to have securities registered in KASEC's name and held by a third-party custodian. As of June 30, 2026, deposits of $286,076 were uninsured and collateralized by securities held by the pledging financial institution.

Note 4 – Changes in General Fixed Assets

The General Fixed Assets Account Group includes costs of fixed assets purchased less proceeds from the sale of assets. They do not necessarily reflect losses, thefts, or abandonments. Retirements are based on the trade-in value.

A summary of changes in general fixed assets follows:

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026
Equipment	$116,332	$6,841	$ -	$123,173

Note 5 – Long-Term Liabilities

KASEC leases classroom space from a commercial entity for the Audiological program. The lease is in effect for a 5-year term beginning August 1, 2024, with monthly payments of $846, subject to an annual 2% increase. There is no stated interest rate on the lease and interest calculated using the District's incremental borrowing rate is immaterial. Therefore, no amounts have been allocated to the interest portion of the lease.

Note 5 – Long-Term Liabilities (Continued)

Long-term lease agreements are summarized as follows:

	Date	Payment Terms	Payment Amount	Interest Rate	Balance June 30, 2026
Room Lease	8/1/2024	60 months	$846	n/a	$33,187

Annual requirements to amortize long-term obligations are as follows:

Year Ending, June 30,	Principal
2027	$10,544
2028	10,756
2029	10,971
2030	916
Total	$33,187

Note 6 – Related Party Transactions

KASEC has short-term lease agreements with three member districts for classrooms and office space. Rents of $71,400 were paid to these districts during the fiscal year ended June 30, 2026.

Note 7 – Pension Plans

Illinois Teachers' Retirement System (TRS)

TRS Plan Description
KASEC (employer) participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at https://www.trsil.org/financial/acfrs/fy2025; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

TRS Benefits provided
TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is

Note 7 – Pension Plans (Continued)

entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

TRS 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 the 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, 2025, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the 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, 2026, State of Illinois contributions recognized by KASEC were based on the state's proportionate share of the pension expense associated with the employer, and KASEC recognized revenue and expenditures of $328,621 in pension contributions from the State of Illinois.

Note 7 – Pension Plans (Continued)

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2026, were $4,545.

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, 2026, KASEC's pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2026, salaries totaling $-0- were paid from federal and special trust funds that required KASEC contributions of $-0-.

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. KASEC 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, 2026, KASEC 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.

For the year ended June 30, 2026, KASEC recognized pension expense of $4,545 and revenue and expenses of $328,621 for support provided by the state.

<u>Illinois Municipal Retirement Fund (IMRF)</u>

IMRF Plan Description
KASEC's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. KASEC's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent-multiple-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 Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Note 7 – Pension Plans (Continued)

IMRF Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP), including KASEC. 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).

Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price index of the original pension amount.

IMRF Employees Covered by Benefit Terms

As of December 31, 2025, the following employees were covered by the benefit terms:

Retirees and beneficiaries	91
Inactive, non-retired members	67
Active members	26
Total	184

IMRF Contributions

As set by statute, KASEC's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. KASEC's annual contribution rates for calendar years 2025 and 2026 were 6.17% and 2.08%, respectively. For the fiscal year ended June 30, 2026, KASEC contributed $28,082 to the plan. KASEC also

Note 7 – Pension Plans (Continued)

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.

Pension Expense

Total pension expense for all pension plans recorded by KASEC was $32,617 for fiscal year 2026.

Note 8 - Social Security

Employees not qualifying for coverage under the Illinois Teachers' Retirement System are covered under Social Security. KASEC paid $55,147, the total required contribution for the current fiscal year.

Note 9 – Other Post-Employment Benefits

Teacher Health Insurance Security (THIS) Fund

Plan Description

KASEC (employer) participates in the Teachers' Health Insurance Security (THIS) Fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS Fund is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System.

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

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the State to make a contribution to the THIS Fund. A percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

Note 9 – Other Post-Employment Benefits (Continued)

On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of KASEC. For the year ended June 30, 2026, State of Illinois contributions recognized by KASEC were based on the State's proportionate share of the fiscal year 2025 contributions associated with KASEC. State of Illinois contributions were $6,798, and KASEC recognized revenue and expenditures of this amount during the year.

Employer contributions to the THIS Fund

KASEC also makes contributions to the THIS Fund. KASEC's THIS Fund contribution was 0.67 percent during the year ended June 30, 2026. For the year ended June 30, 2026, KASEC paid $5,251 to the THIS Fund, which was 100 percent of the required contribution.

Further information on the THIS Fund

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp. The current reports are listed under "Central Management Services" (http://www.auditor.illinois.gov/Auditor-Reports/CMS-THISF.asp). Prior reports are available under "Healthcare and Family Services" (http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund-asp).

IMRF

Plan Description

Under Public Act 06-1444, KASEC, an IMRF employer, is required to offer the same health insurance to disabled members, retirees, and surviving spouses eligible for IMRF benefits at the same premium rate as active employees. The plan does not have a trust fund and therefore does not issue a separate publicly available report.

Funding Policy

KASEC requires retirees to contribute 100% of the premium for their desired coverage. The premiums established for the group contain an implied rate subsidy through the blended premium covering all current employees and retirees. No actuarial valuation was performed to determine the amount of such subsidy.

Contributions

Because the retiree premium is paid entirely by the retiree contributions, there is no net cash outflow by KASEC in regard to the plan benefits for retirees.

Note 10 – Interfund Transfers

KASEC transferred $9,492 from its Educational Fund to its Debt Service Fund to provide for payments on long-term leases.

Note 11 – Other

For the year ended June 30, 2026, expenditures exceeded budgeted amounts in the Debt Service Fund.

Note 12 – Risk Management

KASEC has purchased insurance from private insurance companies to cover all major areas of risk. Risks covered include general liability, workers compensation, medical and other. There have been no significant reductions in coverage compared to last year, and settlements have not exceeded insurance coverage for each of the past three fiscal years.

Note 13 – Contingencies

KASEC has received funding from state and federal grants in the current and prior years which are subject to audits by the granting agencies. KASEC believes any adjustments that may arise from these audits will be insignificant to KASEC's operations.

Kankakee Area Special Education Cooperative
Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balances - Budget (Cash Basis) and Actual
All Funds
June 30, 2026

Schedule 1

	Educational Fund		Debt Service Fund		Transportation Fund		Total (Memorandum Only)	
	Budget	**Actual**	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Actual**
Revenues received								
Local sources	$ 2,183,027	$ 2,170,606	$ -	$ -	$ -	$ -	$ 2,183,027	$ 2,170,606
Flow through sources	-	-	-	-	-	-	-	-
State sources	161,462	161,283	-	-	-	-	161,462	161,283
Federal sources	50,962	71,516	-	-	-	-	50,962	71,516
Total revenues received	2,395,451	2,403,405	-	-	-	-	2,395,451	2,403,405
Expenditures disbursed								
Instruction	1,494,789	1,466,881	-	-	-	-	1,494,789	1,466,881
Support services	664,810	658,905	-	-	-	-	664,810	658,905
Debt Service	-	-	-	9,492	-	-	-	9,492
Total expenditures disbursed	2,159,599	2,125,786	-	9,492	-	-	2,159,599	2,135,278
Excess (deficiency) of revenues received over expenditures disbursed	235,852	277,619	-	(9,492)	-	-	235,852	268,127
Other financing sources (uses)								
On-behalf payments-State of Illinois	-	335,419	-	-	-	-	-	335,419
Pension/THIS contributions to TRS	-	(335,419)	-	-	-	-	-	(335,419)
Permanent transfer in	-	-	-	9,492	-	-	-	9,492
Permanent transfer out	-	(9,492)	-	-	-	-	-	(9,492)
Total other financing sources (uses)	-	(9,492)	-	9,492	-	-	-	-
Excess (deficiency) of revenues received over expenditures disbursed and other financing sources (uses)	$ 235,852	268,127	$ -	-	$ -	-	$ 235,852	268,127
Fund balance, July 1, 2025		246,230		-		5,336		251,566
Fund balance, June 30, 2026		$ 514,357		$ -		$ 5,336		$ 519,693

Kankakee Area Special Education Cooperative **Schedule 2A**

Educational Fund

Schedule of Revenues Received

For the year ended June 30, 2026

	Budget	Actual
Local sources:		
Tuition-summer school	$ 25,900	$ 15,440
Tuition-special education	1,541,625	1,579,434
Earnings on investments	200	226
Donations from private sources	-	1,800
Payments from other districts	88,439	104,783
Other local fees	325,075	335,910
Other local revenues	201,788	133,013
Total local sources	2,183,027	2,170,606
State sources:		
Evidence based funding	160,939	160,939
Other	523	344
Total state sources	161,462	161,283
Federal sources:		
Medicaid match - administrative outreach	10,962	18,220
Medicaid match - fee for service	40,000	53,296
Other restricted revenue	-	-
Total federal sources	50,962	71,516
Total revenues received	$ 2,395,451	$ 2,403,405

Kankakee Area Special Education Cooperative **Schedule 2B**
Educational Fund
Schedule of Expenditures Disbursed
For the year ended June 30, 2026

	Budget	Actual
Instruction:		
Special education programs:		
Salaries	$ 1,051,054	$ 1,063,576
Employee benefits	210,324	163,176
Purchased services	83,214	80,659
Supplies and materials	24,050	21,602
Capital outlay	4,800	5,358
Other	500	107
Total special education programs	1,373,942	1,334,478
CTE programs:		
Salaries	64,334	66,330
Employee benefits	11,161	11,135
Purchased services	21,391	23,153
Supplies and materials	5,650	5,637
Total CTE programs	102,536	106,255
Summer School:		
Salaries	15,925	24,432
Employee benefits	781	1,430
Purchased services	25	-
Supplies and materials	1,580	286
Total summer school	18,311	26,148
Total instruction	1,494,789	1,466,881
Support services:		
Pupils:		
Attendance and social work services:		
Employee benefits	-	10
Total attendance and social work services	-	10
Health services:		
Salaries	243,581	225,705
Employee benefits	33,480	29,090
Purchased services	3,800	3,292
Supplies and materials	3,200	4,479
Capital outlay	1,500	1,483
Total health services	285,561	264,049

Kankakee Area Special Education Cooperative **Schedule 2B**
Educational Fund
Schedule of Expenditures Disbursed
For the year ended June 30, 2026

	Budget	Actual
Speech pathology and audiology services:		
Salaries	63,976	82,420
Employee benefits	7,285	8,513
Purchased services	13,284	5,136
Supplies and materials	800	2,477
Capital outlay	800	-
Total speech pathology and audiology services	86,145	98,546
Other support services:		
Employee benefits	-	(9)
Total other support services	-	(9)
Instructional staff:		
Improvement of instruction services:		
Salaries	-	2,441
Employee benefits	-	63
Purchased services	12,500	12,836
Total improvement of instruction services	12,500	15,340
Educational media services:		
Purchased services	500	188
Total educational media services	500	188
General administration:		
Board of education services:		
Purchased services	7,150	8,743
Total board of education services	7,150	8,743
Executive administration services:		
Salaries	121,540	121,540
Employee benefits	36,601	34,519
Purchased services	15,716	16,827
Supplies and materials	3,000	2,425
Total executive administration services	176,857	175,311
Special area administration services:		
Purchased services	-	720
Total Special area administration services	-	720

Kankakee Area Special Education Cooperative **Schedule 2B**
Educational Fund
Schedule of Expenditures Disbursed
For the year ended June 30, 2026

	Budget	Actual
Tort immunity services:		
Employee benefits	8,200	-
Purchased services	10,568	18,689
Total tort immunity services	18,768	18,689
Fiscal services		
Purchased services	64,184	64,273
Total fiscal services	64,184	64,273
Operation and maintenance of plant services:		
Purchased services	5,830	5,830
Total operation & maintenance of plant services	5,830	5,830
Internal services:		
Supplies and materials	-	(100)
Total internal services	-	(100)
Other support services		
Purchased services	7,315	7,315
Total other support services	7,315	7,315
Total support services	664,810	658,905
Total expenditures disbursed	$ 2,159,599	$ 2,125,786

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois

	FY 2025*	FY 2024*	FY 2023*	FY 2022*	FY 2021*
KASEC's proportion of the net pension liability	0.000069%	0.000057%	0.000067%	0.000055%	0.000050%
KASEC's proportionate share of the net pension liability	$ 58,494	$ 48,516	$ 56,804	$ 46,231	$ 38,875
State's proportionate share of the net pension liability associated with KASEC	4,700,424	4,045,209	4,902,195	4,010,210	3,258,137
Total	$ 4,758,918	$ 4,093,725	$ 4,958,999	$ 4,056,441	$ 3,297,012
KASEC's covered payroll	$ 747,856	$ 634,970	$ 672,666	$ 564,207	$ 446,966
KASEC's proportionate share of the net pension lability as a percentage of its covered payroll	7.82%	7.64%	8.44%	8.19%	8.70%
Plan fiduciary net position as a percentage of the total pension liability	47.7%	45.4%	43.9%	42.8%	45.1%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois

	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Contractually required contribution	$ 4,338	$ 3,683	$ 3,901	$ 3,272	$ 2,592
Contributions in relation to the contractually required contribution	4,338	3,683	3,901	3,272	2,592
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
KASEC's covered payroll	$ 747,856	$ 634,970	$ 672,666	$ 564,207	$ 446,966
Contributions as a percentage of covered payroll	0.58%	0.58%	0.58%	0.58%	0.58%

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
IMRF

Calendar year ended December 31,	2025	2024	2023	2022	2021
Total pension liability					
Service Cost	$ 45,538	$ 29,481	$ 31,976	$ 27,607	$ 26,332
Interest on the total pension liability	567,595	569,891	560,532	545,751	525,662
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience of the total pension liability	216,983	(73,533)	57,834	133,595	210,344
Changes of assumptions	-	-	(638)	-	-
Benefit payments, including refunds of employee contributions	(606,094)	(524,980)	(513,742)	(496,780)	(474,994)
Net change in total pension liability	224,022	859	135,962	210,173	287,344
Total pension liability - beginning	8,109,176	8,108,317	7,972,355	7,762,182	7,474,838
Total pension liability - ending (A)	$ 8,333,198	$ 8,109,176	$ 8,108,317	$ 7,972,355	$ 7,762,182
Plan fiduciary net position					
Contributions - Employer	$ 35,340	$ 7,665	$ 2,796	$ 19,317	$ 50,472
Contributions - Employees	25,774	17,162	15,345	15,462	12,986
Net investment income	1,314,326	801,101	844,518	(1,242,388)	1,342,164
Benefit payments, including refunds of employee contributions	(606,094)	(524,980)	(513,742)	(496,780)	(474,994)
Other/net transfer	(30,006)	(86,046)	166,421	24,582	85,946
Net change in plan fiduciary net position	739,340	214,902	515,338	(1,679,807)	1,016,574
Plan fiduciary net position - beginning	8,204,690	7,989,788	7,474,450	9,154,257	8,137,683
Plan fiduciary net position - ending (B)	$ 8,944,030	$ 8,204,690	$ 7,989,788	$ 7,474,450	$ 9,154,257
Net pension liability (asset) - ending (A - B)	$ (610,832)	$ (95,514)	$ 118,529	$ 497,905	$ (1,392,075)
Plan fiduciary net position as a percentage of the total pension liability	107.33%	101.18%	98.54%	93.75%	117.93%
Covered payroll	$ 572,762	$ 381,364	$ 340,994	$ 315,117	$ 288,575
Net pension liability (asset) as a percentage of covered payroll	-106.65%	-25.05%	34.76%	158.01%	-482.40%

Notes:
IMRF Net Pension Liability: KASEC's net pension liability was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2025 IMRF annual actuarial valuation report.

SCHEDULE OF IMRF DISTRICT CONTRIBUTIONS

Fiscal Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2026	$ 28,082	$ 28,082	$ -	$ 711,498	3.95%
2025	$ 19,613	$ 19,613	$ -	$ 467,157	4.20%
2024	$ 4,749	$ 4,749	$ -	$ 334,677	1.42%
2023	$ 11,131	$ 11,131	$ -	$ 332,962	3.34%
2022	$ 33,618	$ 33,618	$ -	$ 294,132	11.43%
2021	$ 58,577	$ 58,577	$ -	$ 286,027	20.48%

Notes:
A detailed description of the actuarial assumptions and methods can be found in the December 31, 2025 GASB 68 accounting schedules prepared by a third party.