THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

JOLIET, ILLINOIS

ANNUAL FINANCIAL REPORT

JUNE 30, 2026

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

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INDEPENDENT AUDITORS' REPORT

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Independent Auditors' Report

To the Administrative Council
Three Rivers Education for Employment System
Joliet, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Three Rivers Education for Employment System, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the System's financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of each fund of Three Rivers Education for Employment System as of June 30, 2026, and their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of the financial reporting provisions of the Illinois State Board of Education.

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" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Three Rivers Education for Employment System, as of June 30, 2026, the changes in its financial position for the year then ended.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Three Rivers Education for Employment System, 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 Three Rivers Education for Employment System on the basis of the financial reporting provisions of the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Illinois State Board of Education. 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 the Illinois State Board of Education. 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 error or fraud.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System'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.

Supplemental Information

Management is responsible for the supplemental information included in the annual report. The supplemental information is comprised of the pension schedules and does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the supplemental 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 supplemental information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We previously audited Three Rivers Education for Employment System's June 30, 2025, financial statements, and we expressed an unmodified audit opinion on the regulatory basis of accounting and an adverse opinion on

U.S. GAAP on those audited financial statements in our report dated August 21, 2025. The summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2026, on our consideration of Three Rivers Education for Employment System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Three Rivers Education for Employment System's internal control over financial reporting and compliance.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
August 27, 2026

FINANCIAL STATEMENTS

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM Statement A

Statement of Assets and Liabilities Arising from Cash Transactions
All Funds and Account Groups
June 30, 2026

	Educational Fund
Assets	
Cash	$ 359,750
Total Assets	$ 359,750
Fund Balance	
Fund Balance:	
Unreserved Fund Balance	$ 359,750
Total Fund Balance	$ 359,750

The Notes to Financial Statements are an integral part of this statement.

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM Statement B

Statement of Revenues Received, Expenditures Disbursed, Other Financing Sources (Uses), and Changes in Fund Balances - All Funds
For the Year Ended June 30, 2026

	Educational Fund	
	Year Ended June 30,	
	2026	2025
Revenues Received:		
Local Sources	$ 67,653	139,095
State Sources	3,820,188	3,773,565
Federal Sources	1,282,080	1,089,491
Total Direct Revenues Received	5,169,921	5,002,151
On Behalf Payments	15,448	19,150
Total Revenues Received	5,185,369	5,021,301
Expenditures Disbursed:		
Instructional	185,033	175,857
Support Services	409,108	501,642
Payments to Other Districts	4,612,511	4,364,928
Total Direct Expenditures Disbursed	5,206,652	5,042,427
On Behalf Payments	15,448	19,150
Total Expenditures Disbursed	5,222,100	5,061,577
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	(36,731)	(40,276)
Fund Balance, Beginning of Year	396,481	436,757
Fund Balance, End of Year	$ 359,750	396,481

The Notes to Financial Statements are an integral part of this statement.

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM Statement C

Statement of Revenues Received
Educational Fund
For the Year Ended June 30, 2026

	Educational Fund	
	Year Ended June 30,	
	2026	2025
Revenues Received:		
Local Sources:		
Interest on Investments	$ 3,421	3,620
Gates Foundation Grant	-	52,000
Other Local Revenues	105	54
Other Local Fees	64,127	83,421
Total Revenue from Local Sources	67,653	139,095
State Sources:		
CTE - Secondary Program Improvement (CTEI)	3,820,188	3,683,427
Education Pathways Grant	-	10,000
Work Base Learning Grant	-	80,138
Total Revenue from State Sources	3,820,188	3,773,565
Federal Sources:		
CTE - Perkins-Title IIIE Tech Prep	1,282,080	1,089,491
Total Revenue from Federal Sources	1,282,080	1,089,491
Total Revenues Received	$ 5,169,921	5,002,151

The Notes to Financial Statements are an integral part of this statement.

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

Statement D

Statement of Expenditures Disbursed - Budget to Actual
Educational Fund
For the Year Ended June 30, 2026

	Original Budget	Final Budget	Year Ended June 30, 2026 Actual	(Over) / Under Budget	Year Ended June 30, 2025 Actual
Expenditures Disbursed:					
Instructional:					
Regular Programs:					
Purchased Services	$ 5,130	5,130	5,130	-	-
Supplies	70,214	70,214	54,121	16,093	25,896
Capital Outlay	80,597	80,597	125,782	(45,185)	149,961
Total Regular Programs	155,941	155,941	185,033	(29,092)	175,857
Total Instructional	155,941	155,941	185,033	(29,092)	175,857
Support:					
Improvement of Instruction:					
Salaries	53,189	53,189	14,951	38,238	10,700
Purchased Services	83,140	76,000	69,648	6,352	103,358
Supplies	4,000	1,000	15,894	(14,894)	40,664
Total Improvement of Instruction	140,329	130,189	100,493	29,696	154,722
Board of Education Services:					
Salaries	110,066	110,066	107,463	2,603	111,526
Employee Benefits	22,820	20,107	19,392	715	34,622
Purchased Services	33,722	25,662	27,813	(2,151)	43,995
Supplies	3,800	3,450	1,518	1,932	2,724
Capital Outlay	1,600	388	825	(437)	1,775
Other Objects	2,500	1,750	1,195	555	2,472
Total Board of Education Services	174,508	161,423	158,206	3,217	197,114
Office of the Principal Services:					
Salaries	97,627	97,627	97,538	89	103,519
Employee Benefits	50,960	50,960	51,499	(539)	44,053
Purchased Services	-	-	-	-	1,169
Total Office of the Principal Services	148,587	148,587	149,037	(450)	148,741
Fiscal Services:					
Purchased Services	3,500	1,500	1,372	128	1,065
Total Fiscal Services	3,500	1,500	1,372	128	1,065
Total Support	466,924	441,699	409,108	32,591	501,642
Payments to Other Districts:					
Payments for CTE Programs:					
Other Objects	4,612,511	4,612,511	4,612,511	-	4,364,928
Total Payments for CTE Programs	4,612,511	4,612,511	4,612,511	-	4,364,928
Total Payments to Other Districts	4,612,511	4,612,511	4,612,511	-	4,364,928
Total Expenditures Disbursed	$ 5,235,376	5,210,151	5,206,652	3,499	5,042,427

The Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Three Rivers Education for Employment System (TREES) conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide. The following is a summary of the more significant policies.

A. Reporting Entity

Three Rivers Education for Employment System (TREES) is a joint agreement agency comprised of 12 member Districts, 2 ROEs, and 2 Career Centers. TREES operates under the applicable laws and regulations of the State of Illinois and is governed by a 12-member Administrative Council appointed by the member Districts. TREES provide staff and curriculum development for member Districts.

TREES has developed criteria to determine whether outside agencies with activities which benefit the members of TREES, including joint agreements, which serve pupils from numerous districts, should be included within its financial reporting entity. Oversight responsibility is derived from the governmental unit's authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public service, and special financing relationships. There are no component units as defined above that are included in the TREES reporting entity, also TREES is not included in any other governmental "reporting entity."

B. Fund Accounting

The accounts of TREES are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which includes its assets, liabilities, fund equity, revenue, and expenditures or expenses as appropriate. TREES maintain individual funds required by the State of Illinois. These funds are grouped as required for reports filed with the Illinois State Board of Education. TREES resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The individual fund and account groups are grouped in the financial statements and in this report as follows:

Governmental Funds

Educational Fund – The Educational Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. Fund Accounting – (Continued)

Account Group

General Fixed Assets Account Group – The General Fixed Assets Account Group is used to account for all fixed assets.

C. Cash and Investments

The Administrative Council adopted formal deposit and investment policies on August 19, 1999. The policies do not address types of allowable investments.

Cash and cash equivalents, which include savings and checking accounts, are stated at cost. TREES currently has no investments.

D. General Fixed Assets

During the year capital assets are not capitalized but rather they are charged to disbursements. Fixed assets acquisitions with a cost of $1,000 or more are accounted for in the General Fixed Assets Account Group and are valued at a historical cost, or estimated historical cost, if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. No depreciation has been provided on general fixed assets.

Depreciation is computed on the straight-line method over the estimated useful lives as follows:

Equipment	5 years

E. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. TREES maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Revenues are recognized when cash is received. Expenditures are recognized when checks are written. In determining when to recognize intergovernmental revenue from grants, the legal and contractual requirements of the individual program are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, money must be expended on the specific purpose or project before any amounts will be paid to TREES; therefore, revenue is recognized based upon the expenditures recorded. In the other, money is virtually unrestricted as to the purpose of expenditure and is nearly irrevocable; therefore, these amounts are recognized as revenue at the time of the receipt. While GASB 87 was in effect as of June 30, 2026, the financial statements have not been adjusted for this, as they are reported on the cash basis of accounting. See Note 8 for information on lease commitments. While GASB 96 was in effect as of June 30, 2026, there were no agreements that met the requirements of this pronouncement.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

F. Budgets and Budgetary Accounting

TREES prepares an annual budget for its Educational Fund. The budget is prepared on the cash 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 122, Paragraph 17.1 of the Illinois Revised Statutes. The budget was passed on September 8, 2025, and was amended on March 19, 2026.

Total fund expenses paid may not legally exceed the budgeted amounts. The budget lapses at the end of the fiscal year. TREES follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed operating budget is submitted to the Administrative Council for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. Budget hearings are conducted.

3. Prior to September 1, the budget is legally enacted through passage of a resolution.

4. The Budget may be amended by the Administrative Council.

Once the budget is approved, it can be amended at the Function and Fund level only by approval of a majority of the members of the Administrative Council. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval.

Each budget is prepared and controlled at the revenue and expenditure functions/object level. All budget appropriations lapse at year-end.

The budget is prepared on the cash basis of accounting which is the same basis that is used in financial reporting.

G. Accumulated Unpaid Vacation, Sick Pay and Other Employee Benefit Amounts

The Director is allowed to accumulate sick leave for future use or for payment upon termination or retirement to a maximum of 180 days. The Director also receives twenty (20) paid working days of vacation each year of the effective contract. Five (5) vacation days may be carried over into the next fiscal year with permission of the Administrative Council; otherwise, unused vacation days shall be forfeited.

The non-certified staff earn vacation time after a year of continuous employment. Unused vacation days expire annually on the anniversary date of hire. Upon termination, unused earned vacation time will be paid out at pay rates in effect at that time.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

H. Restricted Resources

If both restricted and unrestricted resources are to be used for the same purpose, expenditures will first be made from restricted resources.

NOTE 2: CASH, CASH EQUIVALENTS, AND INVESTMENTS

Investment Policy

TREES is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 85, Sections 902 and 906; and Chapter 122, Section 8-7.

Deposits

Custodial Credit Risk – This is the risk that in the event of the failure of a depository financial institution, TREES may not be able to recover its deposits.

TREES deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first $250,000 of TREES deposits at each financial institution. Deposit balances over $250,000 are collateralized with securities held by the pledging financial institution. At June 30, 2026, the carrying amount of TREES deposits was $359,751. The bank balance was $461,871.

As of June 30, 2026, TREES had $211,871 in uninsured deposits which were collateralized with securities held by the pledging institution.

NOTE 3: CAPITAL ASSETS

A summary of changes in capital assets follows:

	July 1, 2025	Additions	Deletions	June 30, 2026
Capital Assets:				
Equipment	$ 40,980	-	14,743	26,237
Total Capital Assets	40,980	-	14,743	26,237
Accumulated Depreciation				
Equipment	(39,481)	-	(13,244)	(26,237)
Total Accumulated Depreciation	(39,481)	-	(13,244)	(26,237)
Total Capital Assets, Net	$ 1,499	-	1,499	-

NOTE 4: RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information about the Plan

Plan Description

The 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 http://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.

Benefits Provided

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

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

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

NOTE 4: RETIREMENT FUND COMMITMENTS – (Continued)

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

Benefits Provided – (Continued)

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but 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.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 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 the employer were based on the state's proportionate share of with the pension expense associated with the employer, and the employer recognized revenue and expenditures of $14,044 in pension contributions from the state of Illinois.

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 $905.

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 contributions 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.

NOTE 4: RETIREMENT FUND COMMITMENTS – (Continued)

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

Contributions – (Continued)

For the year ended June 30, 2026, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds as determined by the June 30, 2024, actuarial valuation. For the year ended June 30, 2026, salaries totaling $0 were paid from federal and special trust funds that required employer 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. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2026, the System 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.

B. Illinois Municipal Retirement Defined Benefit Pension Plan

IMRF Plan Description

The System's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The System's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available 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 4: RETIREMENT FUND COMMITMENTS – (Continued)

B. Illinois Municipal Retirement Defined Benefit Pension Plan – (Continued)

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

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

Retirees and Beneficiaries	4
Inactive, Non-Retired Members	2
Active Members	1
Total	7

NOTE 4: RETIREMENT FUND COMMITMENTS – (Continued)

B. Illinois Municipal Retirement Defined Benefit Pension Plan – (Continued)

Contributions

As set by statute, the System's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The System's annual contribution rate and actual System contributions for calendar year 2025 and the fiscal year ended June 30, 2026, are summarized below. The System also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Plan member required contribution rate		4.50%
System required contribution rate for 2025		8.08%
System required contribution rate for 2026		7.86%
System actual contributions for 2025	$	4,969
System actual contributions for fiscal year 2026	$	5,021

NOTE 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Teachers' Health Insurance Security Fund

The System participates in the Teacher Health Insurance Security (THIS) Fund of the state of Illinois (also known as the Teachers Retirement Insurance Program "TRIP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued publicly available financial report that can be obtained at https://www.auditor.illinois.gov/AuditReports/Compliance-Agency-List/CMS/THISF/FY25-CMS-THISF-Fin-Digest.pdf.
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Benefits Provided

The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the TRS. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

NOTE 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – (Continued)

A. Teachers' Health Insurance Security Fund – (Continued)

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 the 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.

Contributions

Active members were required to contribute .90% of pay during the year ended June 30, 2026 to the THIS Fund. The System also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2026. For the year ended June 30, 2026, the System paid $1,045 to the THIS Fund, which was 100 percent of the required contribution.

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

On Behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the System. The System recognized $1,404 in revenue and expenditures for this on-behalf contribution amount during the year in the General Fund.

NOTE 6: RISK MANAGEMENT- CLAIMS AND JUDGMENTS

TREES is exposed to various risks of loss related to limited torts: thefts of, damage to and destruction of assets: errors, omissions, and natural disasters for which TREES carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 7: CONTINGENCIES

Grant Revenues

TREES has received funding from state and federal grants which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the granting agencies. Any disallowed claims resulting from such audits could become a liability of TREES. In the opinion of TREES, any such disallowed claims will not have a material adverse effect on the overall financial position of TREES.

NOTE 8: OPERATING LEASES

TREES leased office space from Joliet Junior College for administrative activities for 12 months starting in July 2015 at a quarterly rate of $3,492. On June 17, 2021, TREES signed an extension to the lease for office space from Joliet Junior College for administrative activities through June 30, 2024, which was extended again on May 25, 2024, through June 30, 2025. TREES leased the office space from Joliet Junior College at a rate of $3,000 per quarter. On May 5, 2025, both parties agreed to extend the lease through June 30, 2026, at the same quarterly rate. On January 26, 2026, TREES and Joliet Junior College entered into a license agreement, retroactively effective October 1, 2025, providing office space to TREES at no rental cost through June 30, 2035. Either party may terminate the agreement with 90 days' prior written notice.

NOTE 9: SUBSEQUENT EVENTS

Management evaluated subsequent events through August 27, 2026, the date which financial statements were available to be issued. No amounts were required to be recorded or disclosed in the financial statements as of June 30, 2026.

NOTE 10: FUND BALANCE PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Model followed by TREES only reports Reserved and Unreserved Fund Balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

	Generally Accepted Accounting Principles					Regulatory Basis	
	Non-spendable	Committed	Assigned	Restricted	Unassigned	Reserved	Unreserved
Education Fund	$ -	-	-	-	359,750	-	359,750
Total All Funds	$ -	-	-	-	359,750	-	359,750

NOTE 10: FUND BALANCE PRESENTATION – (Continued)

A. Non-spendable Fund Balance

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Debt Service Funds are by definition restricted for these specified purposes. TREES does not have any funds that fall into these categories.

C. Committed Fund Balance

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

D. Assigned Fund Balance

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

E. Unassigned Fund Balance

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

F. Expenditures of Fund Balance

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

SUPPLEMENTAL INFORMATION

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

Schedule A

Illinois Municipal Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios

Calendar Year Ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 5,444	5,173	6,316	9,916	12,138	12,778	12,669	13,093	15,425	15,553
Interest on the Total Pension Liability	36,924	36,244	35,823	33,117	32,169	30,528	28,729	26,321	21,904	19,909
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	9,641	12,036	7,096	32,328	(12,577)	(17,136)	(11,506)	1,570	37,409	(3,726)
Assumption Changes	-	-	(1,468)	880	-	1,627	(869)	10,956	(9,457)	-
Benefit Payments and Refunds	(44,826)	(43,592)	(41,915)	(29,596)	(5,478)	(5,380)	(5,282)	(5,183)	(5,085)	(4,992)
Net Change in Total Pension Liability	7,183	9,861	5,852	46,645	26,252	22,417	23,741	46,757	60,196	26,744
Total Pension Liability - Beginning	528,990	519,129	513,277	466,632	440,380	417,963	394,222	347,465	287,269	260,525
Total Pension Liability - Ending	$ 536,173	528,990	519,129	513,277	466,632	440,380	417,963	394,222	347,465	287,269
Plan Fiduciary Net Position										
Contributions - Employer	$ 4,969	4,406	3,603	7,355	12,794	16,266	15,504	14,419	14,957	13,863
Contributions - Employee	2,768	2,626	3,540	3,629	4,858	5,614	5,733	5,722	5,699	5,545
Pension Plan Net Investment Income	86,542	52,801	55,362	(64,412)	71,977	52,227	55,327	(13,240)	43,367	15,949
Benefit Payments and Refunds	(44,826)	(43,592)	(41,915)	(29,596)	(5,478)	(5,380)	(5,282)	(5,183)	(5,085)	(4,992)
Other	15,789	(146)	13,650	13,331	(2,552)	35	(1,575)	733	(4,014)	(883)
Net Change in Plan Fiduciary Net Position	65,242	16,095	34,240	(69,693)	81,599	68,762	69,707	2,451	54,924	29,482
Plan Fiduciary Net Position - Beginning	514,662	498,567	464,327	534,020	452,421	383,659	313,952	311,501	256,577	227,095
Plan Fiduciary Net Position - Ending	$ 579,904	514,662	498,567	464,327	534,020	452,421	383,659	313,952	311,501	256,577
Net Pension Liability (Asset)	$ (43,731)	14,328	20,562	48,950	(67,388)	(12,041)	34,304	80,270	35,964	30,692
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	108.16%	97.29%	96.04%	90.46%	114.44%	102.73%	91.79%	79.64%	89.65%	89.32%
Covered Valuation Payroll	$ 61,500	58,350	55,350	80,638	107,966	124,747	127,399	127,150	126,654	123,226
Net Pension Liability as a Percentage of the Covered Valuation Payroll	-71.11%	24.56%	37.15%	60.70%	-62.42%	-9.65%	26.93%	63.13%	28.40%	24.91%

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

Schedule B

Illinois Municipal Retirement Fund
Schedule of Contributions

Calendar Year Ending December 31,	Actuarially Determined Contribution		Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2025	$ 4,969	*	4,969	-	61,500	8.08%
2024	4,405		4,406	(1)	58,350	7.55%
2023	3,603		3,603	-	55,350	6.51%
2022	7,354		7,355	(1)	80,638	9.12%
2021	12,794		12,794	-	107,966	11.85%
2020	16,267		16,266	1	124,747	13.04%
2019	15,504		15,504	-	127,399	12.17%
2018	14,419		14,419	-	127,150	11.34%
2017	14,958		14,957	1	126,654	11.81%
2016	13,863		13,863	-	123,226	11.25%

* Estimated based on contribution rate of 8.08% and covered valuation payroll of $61,500.

Notes to Schedule:

Valuation Date:

Notes

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

Methods and Assumptions used to Determine 2025 Contribution Rate:

Actuarial Cost Method — Aggregate Entry Age Normal

Amortization Method — Level Percentage of Payroll, Closed

Remaining Amortization Period — Non-Taxing bodies: 10-year rolling period.
Taxing bodies (Regular, SLEP, and ECO groups): 18-year closed period
Early Retirement Incentive Plan liabilities: a period up to 10 year selected by the Employer upon adoption of ERI.
SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 13 years for most employers (five employers were financed over 14 years; one employer was financed over 15 years; two employers were financed over 16 years; one employer was financed over 19 years; three employers were financed over 22 years; four employers were financed over 23 years and one employer was financed over 24 years).

Asset Valuation Method — 5-Year smoothed market; 20% corridor

Wage Growth — 2.75%

Price Inflation — 2.25%

Salary Increases — 2.85% to 13.75% including inflation

Investment Rate of Return — 7.25%

Retirement Age — Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.

Mortality — For non-disabled retirees, the Pub-2010 Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes

There were no benefit changes during the year.

*Based on Valuation Assumptions used in the 12/31/2023 actuarial valuation.

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

Supplemental Information
Teachers' Retirement System of the State of Illinois

Schedule C

Schedule of TREES' Share of the Net Pension Liability

	Fiscal Year*									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TREES' Proportion of the Net Pension Liability	0.00002%	0.00002%	0.00001%	0.00001%	0.00002%	0.00002%	0.00002%	0.00002%	0.00002%	0.00002%
TREES' Proportionate Share of the Net Pension Liability	$ 13,333	12,968	12,530	12,176	12,521	14,206	13,686	13,527	13,578	14,491
State's Proportionate Share of the Net Pension Liability Associated with TREES	1,071,374	1,081,225	1,081,358	1,056,214	1,049,404	1,112,652	973,999	926,648	934,714	972,955
Total	$ 1,084,707	1,094,193	1,093,888	1,068,390	1,061,925	1,126,858	987,685	940,175	948,292	987,446
TREES' Covered-Employee Payroll	$ 170,379	162,266	154,539	148,595	142,880	137,385	132,303	130,070	126,281	122,603
TREES' Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	7.83%	7.99%	8.11%	8.19%	8.76%	10.34%	10.34%	10.40%	10.75%	11.82%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.70%	45.40%	43.90%	42.80%	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%

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

Schedule D

Schedule of Contributions

	Fiscal Year									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily Required Contribution	$ 905	988	941	896	862	829	797	767	754	732
Contributions in Relation to the Statutorily Required Contribution	905	988	941	896	862	829	797	767	754	732
Contribution Deficiency (Excess)	$ -	-	-	-	-	-	-	-	-	-
TREES' Covered-Employee Payroll	$ 156,044	170,379	162,266	154,539	148,595	142,880	137,385	132,303	130,070	126,281
Contributions as a Percentage of Covered-Employee Payroll	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%

Notes to Schedules

Changes of assumptions

For the 2023-2021 measurement years, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2020-2016 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

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

THREE RIVERS EDUCATION FOR EMPLOYMENT SYSTEM

Supplemental Information
Teachers' Health Insurance Security Fund of the State of Illinois

Schedule E

Schedule of TREES' Share of the Net OPEB Liability **

	Fiscal Year*								
	2025	2024	2023	2022	2021	2020	2019	2018	2017
TREES' Proportion of the Net OPEB Liability	0.00055%	0.00055%	0.00055%	0.00056%	0.00056%	0.00054%	0.00054%	0.00055%	0.00055%
TREES' Proportionate Share of the Net OPEB Liability	$ 49,085	43,090	39,393	36,858	122,316	145,191	148,976	144,561	142,457
State's Proportionate Share of the Net OPEB Liability Associated with TREES	49,100	43,078	39,375	36,867	122,283	145,207	148,794	194,172	182,736
Total	$ 98,185	86,168	78,768	73,725	244,599	290,398	297,770	338,733	325,193
TREES' Covered-Employee Payroll	$ 170,379	162,266	154,539	148,595	142,880	137,385	132,303	130,070	126,281
TREES' Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	28.81%	26.56%	25.49%	24.80%	85.61%	105.68%	112.60%	111.14%	112.81%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	8.73%	8.02%	6.63%	5.53%	1.42%	0.70%	0.25%	-0.07%	-0.23%

** The amounts presented were determined as of the prior fiscal year.*
*** This schedule is intended to show ten years, and additional years' information will be displayed as it becomes available.*

Schedule F

Schedule of Contributions

	Fiscal Year								
	2026	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily Required Contribution	$ 1,045	1,142	1,087	1,035	996	1,314	1,264	1,217	1,150
Contributions in Relation to the Statutorily Required Contribution	1,045	1,142	1,087	1,035	996	1,314	1,264	1,217	1,150
Contribution Deficiency (Excess)	$ -	-	-	-	-	-	-	-	-
TREES' Covered-Employee Payroll	$ 156,044	170,379	162,266	154,539	148,595	142,880	137,385	132,303	130,070
Contributions as a Percentage of Covered-Employee Payroll	0.67%	0.67%	0.67%	0.67%	0.67%	0.92%	0.92%	0.92%	0.88%

Notes to Schedules

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

OTHER REPORTS

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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards

To the Administrative Council
Three Rivers Education for Employment System
Joliet, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Three Rivers Education for Employment System as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Three Rivers Education for Employment System's financial statements, and have issued our report thereon dated August 27, 2026. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, our opinion was unmodified on the financial statements prepared on the cash basis of accounting, in accordance with the regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Three Rivers Education for Employment System'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 the Three Rivers Education for Employment System's internal control. Accordingly, we do not express an opinion on the effectiveness of Three Rivers Education for Employment System'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 may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of Three Rivers Education for Employment System in a separate letter dated August 27, 2026.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purposes.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
August 27, 2026