

Carl Sandburg College –  
Community College District 518  
Galesburg, Illinois

Annual Comprehensive Financial Report  
For the fiscal years ended June 30, 2022 and 2021

Prepared by: Finance Department  
Cory Gall, Associate Vice President of  
Administrative Services



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## INTRODUCTORY SECTION



**President's Letter**

December 8, 2022

Dear Members of the Board,

I am pleased to submit to the Board and the residents of District 518 the Comprehensive Annual Financial Report for Fiscal Year 2022. This document represents a record of the College's financial activities for the year ending June 30, 2022.

This past year the college again received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association and we are proud to have this achievement.

Carl Sandburg College remains a critically important institution for the residents of the district who seek academic opportunity, preparation for the workforce, or continuing education for those still in the workplace. It also provides access to courses and programs for personal enrichment of our residents and communities.

The College is in a strong fiscal position and this has been strengthened by the stabilization in state support. In addition to regular payments to base operating grants, the state has also made available funds for deferred maintenance and capital projects. The College has responded well to the COVID-19 pandemic, and although we are still dealing with the effects on our communities, we are moving back towards a more normal environment.

The College has benefitted from federal and state support including direct provisions for students, and significant funds to reduce lost revenue and pay for COVID-19 related expenses, and we will continue to benefit from these funds in the immediate short term.

I appreciate the opportunity to present this report and want to thank the staff and leadership team for their commitment to excellence. I am privileged to serve this institution and grateful for the community, students, faculty and staff, and board for their collaborative efforts to change lives and make dreams a reality.

Respectfully,

Dr. Seamus Reilly  
President



## Transmittal Letter

December 8, 2022

To President Reilly,  
Members of the Board of Trustees, and  
Citizens of Carl Sandburg College District No. 518:

The Annual Comprehensive Financial Report of Carl Sandburg College, Community College District No. 518 (the College), Fulton, Hancock, Henderson, Henry, Knox, Mercer, McDonough, Schuyler, Stark and Warren Counties, State of Illinois, for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission have been included.

Wipfli LLP has issued an unmodified (clean) opinion on Carl Sandburg Community College District No. 518 basic financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of the report.

This letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and it focuses on current activities, accounting changes and currently known facts.

### **VISION, MISSION AND VALUES**

Carl Sandburg College was established by authority of the Illinois Community College Act of 1965 and was approved by voters in a September 1966 referendum. The College's district now covers all or part of ten counties in Illinois. The main campus is located in Galesburg with a branch campus in Carthage. We serve a diverse group of students. In the fall of 2022, the College enrolled 1,637 students, with an average age of 22 years. Women represented 64 percent of the student body and 60 percent were part-time students. Many students balance the demands of college with work and family responsibilities.

-V-

EXCELLENCE | COLLABORATION | INTEGRITY | RESPECT  
[sandburg.edu](http://sandburg.edu)

The following table illustrates enrollments and credit hours over the last five years.

<b>Fiscal Year</b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>
Fall College enrollment	1,947	1,860	1,925	1,755	1,687
Annual Full-time equivalents	1,201	1,177	1,297	1,074	908
Continuing Education Credit Hours	673	718	428	424	289
<u>Total Annual Credit Hours</u>	36,020	35,282	35,308	30,065	27,229

The College has the resources required to serve student enrollment. In 2020, The Higher Learning Commission North Central Association of College and Schools continued accreditation for ten years and indicated that fiscal management was a strong asset of the College.

The Strategic Planning process for the College includes an environmental scan, SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis with the entire College community, a review of the mission statement and current focal points and goals, and a determination of core values. Based upon feedback from the process, the following mission statement, core values and vision statement were crafted.

**The College’s Mission**

*The mission of Carl Sandburg College is to provide all students with opportunities for success.*

**Core Values**

The following four Core Values have been identified: Excellence, Collaboration, Integrity and Respect. While it can be noted that these are not an exhaustive list of the values of Carl Sandburg College, these are simply the four most representative of Carl Sandburg College.

**Our Vision Statement**

*Where dreams come to life, and lives come to change.*

**Major Goals and Objectives**

Carl Sandburg College believes everyone should have access to quality education. Our strategies focus on communication internally/externally with students, staff and stakeholders of our district. The following five fundamental themes have been designed to shape departmental, programmatic, and individual decision making. We believe that these areas should drive all activities that are undertaken throughout the year.

- Creativity**
- Collaboration**
- Communication**
- Quality**
- Inclusivity**



## **FINANCIAL INFORMATION**

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental and Financial Accounting Standards Boards, the National Association of College and University Business Officers and the Illinois Community College Board (ICCB). The ICCB requires accounting by funds in order that limitations and restrictions on resources can be easily accounted for. The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay. The notes to the financial statements expand and explain the financial statements and the accounting principles applied.

*Internal Control.* Management of the College is responsible for establishing and maintaining an internal control structure designed to protect the assets of the College, to prevent loss from theft or misuse and to provide that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

*Budgeting Controls.* The College maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established for each individual fund. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the College continues to meet its responsibility for sound financial management.

## **ECONOMIC CONDITION**

Carl Sandburg College District 518 has been affected by the dropping enrollment across the State. This has been exacerbated by the COVID-19 pandemic. However, the College is well positioned to expand its dual credit offerings and provide opportunities for high school students to earn college credit, reduce their overall debt load, and graduate with a baccalaureate degree. A recent study shows that Illinois leads the nation in successful transfer of community college students who complete a bachelor's degree within six years of transferring.

The COVID-19 pandemic created uncertainty for all colleges in the State. Carl Sandburg College District 518, thanks to prudent fiscal management, is well positioned to rebound from this fiscal uncertainty. The shift from full-time to part-time enrollment is something that the College will address, the blending of compressed courses, online delivery, and the use of technology means that the College is prepared to respond to the changing trends. Carl Sandburg College District 518 is experiencing growth and expansion in some areas including dual credit and online.

*Property Taxes.* The following table illustrates the College's property tax levy rates over the last five fiscal years.

Levy Rates (Per \$100 of assessed valuation):

<b>Fund Type</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Current:					
Education	0.2281	0.2377	0.2455	0.2387	0.2497
Operations and Maintenance	0.0500	0.0500	0.0500	0.0500	0.0500
Liability, Protection and Settlement	0.1222	0.1278	0.1250	0.1202	0.1191
Audit	0.0048	0.0050	0.0050	0.0050	0.0050
Working Cash	0.0000	0.0000	0.0000	0.0000	0.0000
Social Security/Medicare	0.0079	0.0083	0.0132	0.0079	0.0100
Bond and Interest	0.1815	0.1641	0.1707	0.1713	0.1757
Plant:					
Operations and Maintenance (Restricted) – Life Safety	0.0299	0.0500	0.0500	0.0500	0.0500
<b>Total</b>	<b>0.6244</b>	<b>0.6429</b>	<b>0.6594</b>	<b>0.6431</b>	<b>0.6595</b>

The College District's 2021 tax levy base of \$2,141,893,325 increased by 7.5% over the 2020 tax base. Property tax revenue has held relatively stable after the loss of many industries in the district. During fiscal year 2022, local property taxes accounted for approximately 35% of total revenues.

*Debt.* Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments will be funded through the tax levy while the capital leases are currently funded by bond proceeds. During 2022, the College issued capital bonds for the purpose of building a new Science and Technology building.

*Cash Management.* For the purpose of overall investment of excess funds, the College is governed by the Illinois Public Community College Act (Chapter 110 of Illinois Compiled Statutes Act 805) and the Illinois Public Funds Investment Act (Chapter 30 of Illinois Compiled Statutes Act 235). The fiduciary responsibility for said investments is entrusted to the College Board of Trustees who has delegated this function to the Treasurer of the College as permitted by the Illinois Public Community College Act.

In keeping with existing Board policy, all investments of excess funds are made in a prudent, conservative and secure manner and in accordance with the guidelines detailed in the College Investment Policy No. 2.6 approved by the Board of Trustees.

The College has been able to locally fund building renovations/improvements through the use of accumulated interest on our Working Cash fund and Technology Quasi-Endowment Fund. The College's improvements for fiscal year 2022 included investment in new equipment to allow the college to adequately support the educational programs with up to date equipment for instruction. The College continues to update communication and security equipment.

The College was successful in extending our labor agreement through June 30, 2026 as a result of our Interest Based Bargaining (IBB) process with Sandburg Education Association (SEA). This incorporates the belief that each student is entitled to an education of the highest quality and that the attainment of this objective is dependent upon the quality and morale of the employees.

## **PROSPECTS FOR THE FUTURE**

Carl Sandburg College District 518 maintains a favorable financial position. Fund reserves used during the impasse have been repaid. Budget goals for fiscal year 2022 were met and the College continues to enjoy the favorable bond rating of A+ (stable outlook). The future is not without potential challenges; political changes, pension reform and growing costs will all affect how Carl Sandburg College District 518 is able to serve students and the community. Carl Sandburg College District 518 will continue to adapt to changing fiscal outlook and looks forward to a promising future.

## **AWARDS AND ACKNOWLEDGEMENTS**

The College is extremely proud of its ability to meet the needs of the community and the financial reporting required by various groups, agencies and organizations. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carl Sandburg College Community College District 518 for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the eighteenth consecutive year that the College has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the College must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

*Acknowledgments.* The timely preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,



Cory J. Gall  
Associate Vice President of Administrative Services

**Illinois Community College District No. 518  
Principal Officials as of June 30, 2022**

**Board of Trustees**

<b>Name</b>	<b>Position</b>	<b>Term Expires</b>
Rev. Lee E. Johnson	Chairperson	2025
Mr. DeVone Eurales	Vice Chairperson	2025
Mr. Thomas H. Colclasure	Secretary	2027
Ms. Sandra L. Wood	Trustee	2023
Ms. Gayla J. Pacheco	Trustee	2023
Mr. William C. Robinson	Trustee	2023
Mr. Bruce A. Lauerma	Trustee	2027
Ms. Sherry Morris	Staff Representative	
Ms. Mollisa Kurs	Faculty Representative	

**Officers of the College**

Dr. Seamus Reilly	President
Ms. Carrie Hawkinson	Vice President of Academic Services
Mr. Steven Norton	Senior Vice President of Student Services
Mr. Cory Gall	Associate Vice President of Administrative Services

**Administrative Staff**

Ms. Zoe Kudla-Polay	Director of Recruitment
Ms. Brittany Grimes	Executive Director of Marketing & Public Relations
Ms. Lisa Hanson	Director of Financial Aid
Ms. Ellen Henderson-Gasser	Director of Branch Campus
Mr. Eric Johnson	Chief Advancement Officer
Ms. Michelle Johnson	Dean of Institutional Planning
Ms. Gina Krupps	Director of Special Projects
Mr. Derek Schreiner	Dean of Health Professions
Ms. Autumn Scott	Dean of Student Success
Mr. Robert Stevens	Director of Information Technology
Mr. Christopher Williams	Director of TRIO Upward Bound Project
Ms. Stephanie Woodard	Director of TRIO Upward Bound Math-Science Project
Ms. Amy Buford	Director of TRIO SSS and Gale Scholar Advisor
Ms. Ellen Burns	Dean of Career Technical Education
Ms. Kang-Hee Hong	Director of Workforce and Community Education
Mr. Jerry Thor	Athletic Director
Ms. Veronica Thor	Director of International Student Services

**Official Issuing Report**

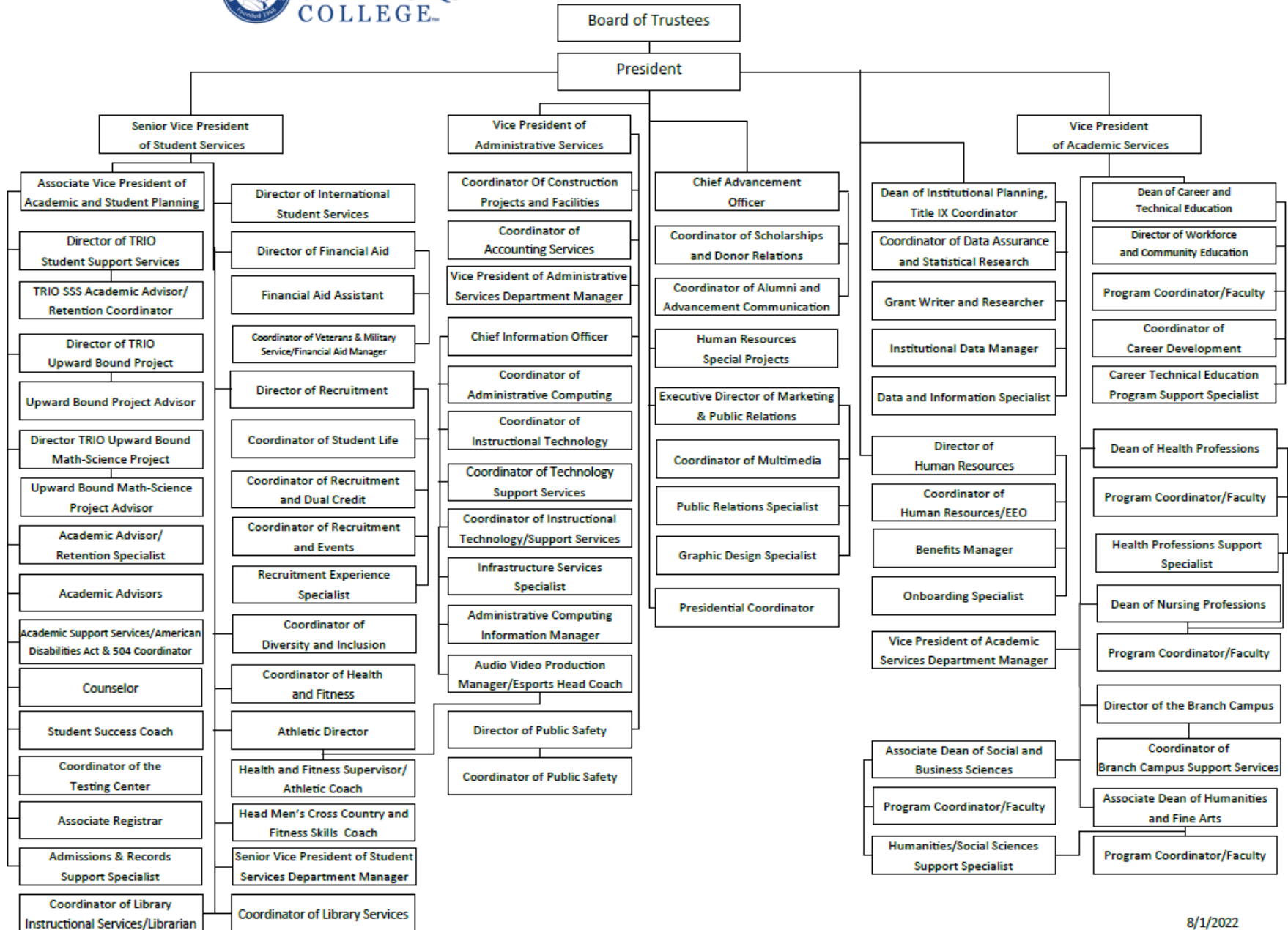
Mr. Cory Gall, Vice President of Administrative Services/CFO

**Department Issuing Report**

Finance Office



# ORGANIZATIONAL CHART



8/1/2022



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Carl Sandburg College  
Community College District 518  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

## FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Carl Sandburg College  
Community College District 518  
Galesburg, Illinois

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Carl Sandburg College – Community College District 518 (the College), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Carl Sandburg College – Community College District 518, as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States.

#### ***Basis of Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Carl Sandburg College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, in 2022, the College adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.



## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibility 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States require that the management's discussion and analysis, schedule of share of net pension liability, schedule of pension contributions, schedule of share of net OPEB liability, and schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental financial information and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplemental financial information and the schedule of expenditures of federal awards are 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 annual report. The other information comprises the introductory section, statistical section, and other supplemental financial information listed in the special reports section 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 December 8, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

*Wipfli LLP*

Sterling, Illinois  
December 8, 2022

# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis

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This section of Carl Sandburg College – Community College District 518’s (the “College”) Annual Comprehensive Financial Report presents management’s discussion and analysis of the College’s financial activity during the fiscal years ended June 30, 2022 and 2021. Since this management’s discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the transmittal letter,

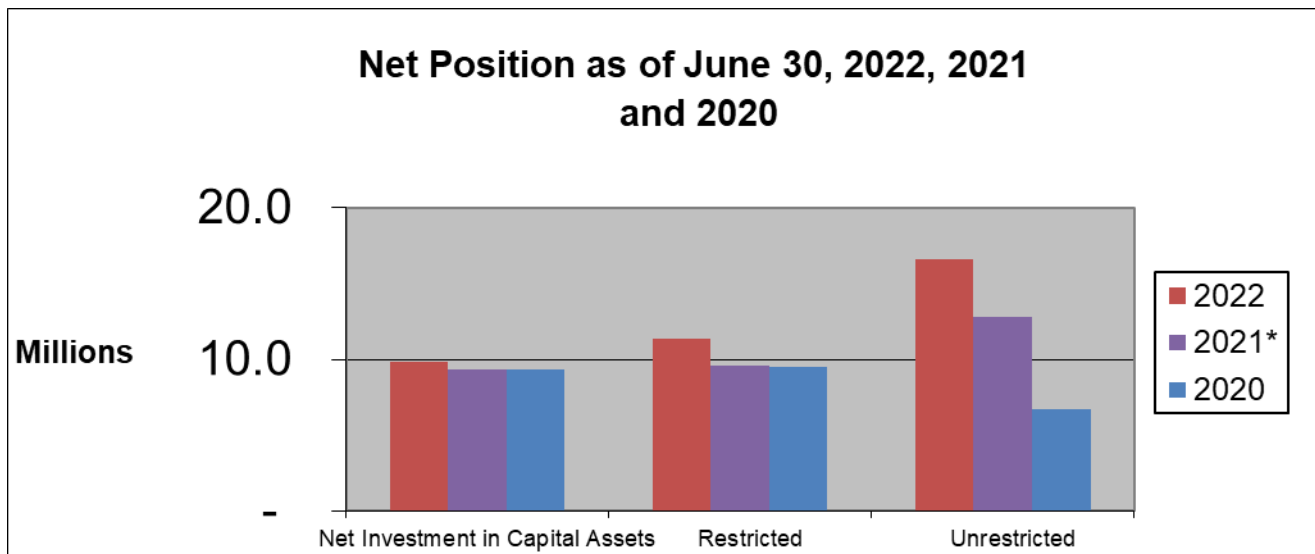
### Using This Annual Report

The financial statement format focuses on the College as a whole. A comparative analysis is presented under this model. The College financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total.

The focus of the Statements of Net Position is designed to be similar to bottom line results for the College. These statements combine and consolidate current financial resources (short-term spendable resources) with capital assets. The Statements of Revenues, Expenses, and Changes in Net Position focus on both the gross costs and the net costs of College activities which are supported mainly by property taxes and by state and other revenues. This approach is intended to summarize and simplify the user’s analysis of the cost of various College services to students and the public.

The College’s financial reports are prepared in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. These standards also require that financial statements be presented on a consolidated basis to focus on the College as a whole. The financial statements presented here encompass the College and its discretely presented component unit, the Carl Sandburg College Foundation. Information regarding this component unit is summarized in Note 10 to the financial statements. This MD&A focuses on the College exclusive of the Foundation.

### Financial Highlights



# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis

	Net Position As of June 30, (in millions)		Increase (Decrease)		Increase (Decrease)
	2022	2021*	2022-2021	2020	2021-2020
Current assets	\$75.6	\$43.5	\$32.1	\$37.0	\$6.5
Non-current assets					
Capital assets, net of depreciation	16.2	15.4	0.8	15.9	(0.5)
Other	7.2	5.7	1.5	7.8	(2.1)
Total assets	99.0	64.6	34.4	60.7	3.9
Total deferred outflows of resources	0.3	0.2	0.1	0.2	0.0
Total assets and deferred outflows of resources	99.3	64.8	34.5	60.9	3.9
Current liabilities	5.4	4.4	1.0	4.2	0.2
Non-current liabilities	40.3	13.2	27.1	16.8	(3.6)
Total liabilities	45.7	17.6	28.1	21.0	(3.4)
Total deferred inflows of resources	15.8	15.5	0.3	14.4	1.1
Total liabilities and deferred inflows of resources	61.5	33.1	28.4	35.4	(2.3)
Net position					
Net investment in capital assets	9.8	9.3	0.5	9.3	0.0
Restricted	11.4	9.6	1.8	9.5	0.1
Unrestricted	16.6	12.8	3.8	6.7	6.1
Total	\$37.8	\$31.7	\$6.1	\$25.5	\$6.2

\* - Fiscal year 2021 was restated due to implementation of GASB Statement No. 87 Leases. Fiscal year 2020 was not restated due to the implementation.

This schedule is prepared from the College's Statements of Net Position which are presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

# **Carl Sandburg College – Community College District 518**

## **Management Discussion and Analysis**

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### **Fiscal Year 2022 Compared to 2021**

Current assets increased \$32.1 million due to the issuance of \$30 million in general obligation bonds. The bonds will fund phases one and two of the College's multi-phase building program.

Non-current assets increased \$2.3 million due to an increase in other non-capital assets.

Current liabilities increased from \$4.4 million to \$5.4 million. Increases were primarily due to additional accounts payable at the end of fiscal year 2022 and an increase in accrued interest. Year-end expenditures increased from the prior year due to supply chain shortages in multiple industries caused by the COVID-19 pandemic.

Non-current liabilities increased \$27.1 million due to the issuance of general obligation bonds for the multi-phase building program.

Deferred inflows of resources increased \$0.3 million with changes to other post-employment benefits and deferred property taxes.

Total net position at June 30, 2022 increased by \$6.1 million. The restricted net position is restricted for \$11.4 million of debt service payments, grants and scholarships, and working cash reserves. Operating revenues have stabilized after initial decreases due to the COVID-19 pandemic.

### **Fiscal Year 2021 Compared to 2020**

Current assets increased \$6.5 million due to an increase in cash and equivalents, investments and receivables from the federal government held by the College.

Non-current assets decreased \$2.6 million due to a decrease in non-depreciable capital assets due to depreciation.

Current liabilities increased from \$4.2 million to \$4.4 million. Increases were primarily due to additional accounts payable at the end of fiscal year 2021. Year-end expenditures increased from the prior year due to supply chain shortages in multiple industries caused by the COVID-19 pandemic.

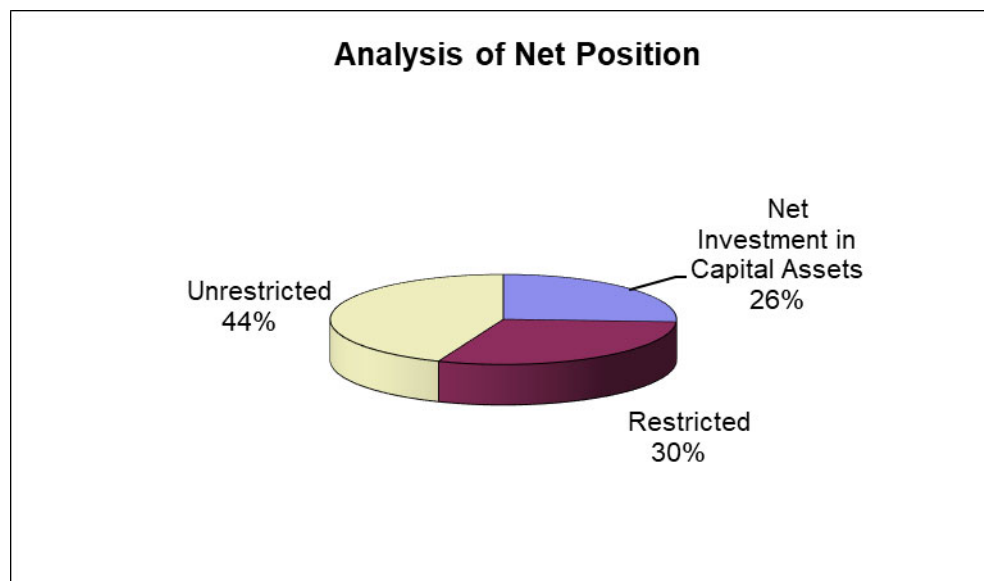
Non-current liabilities decreased \$3.6 million due to payments made on outstanding bonds.

Deferred inflows of resources increased \$1.1 million with changes to other post-employment benefits and deferred property taxes.

Total net position at June 30, 2021 increased by \$6.2 million. The restricted net position is restricted for \$9.6 million of debt service payments, grants and scholarships, and working cash reserves. Operating revenue decreases in student tuition and fees were offset by tuition revenue loss reimbursement from federal HEERF funding shown in net nonoperating revenues.

# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis



### Operating Results for the Year Ended June 30, (in millions)

	2022	2021*	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Operating revenue					
Tuition and fees	\$4.9	\$4.8	\$0.1	\$6.0	(\$1.2)
Auxiliary	0.2	0.2	0.0	0.2	0.0
Total operating revenue	5.1	5.0	0.1	6.2	(1.2)
Less operating expenses	30.4	30.4	0.0	30.6	(0.2)
Operating loss	(25.3)	(25.4)	0.1	(24.4)	(1.0)
Non-operating revenue					
State grants and contracts	2.8	2.7	0.1	2.5	0.2
Federal grants and contracts	9.7	7.5	2.2	6.0	1.5
Property taxes	12.7	12.5	0.2	12.2	0.3
Investment income	(0.1)	0.4	(0.5)	0.9	(0.5)
Other	7.0	8.6	(1.6)	8.3	0.3
Gain (loss) on disposal of assets	0.0	0.0	0.0	(0.2)	0.2
Interest expense	(0.7)	(0.1)	(0.6)	(0.3)	0.2
Total net non-operating revenues	31.4	31.6	(0.2)	29.4	2.2
Increase (decrease) in net position	6.1	6.2	(0.1)	5.0	1.2
Net position, beginning of year, as restated	31.7	25.5	6.2	20.5	5.0
Net position, end of year	\$37.8	\$31.7	\$6.1	\$25.5	\$6.2

# **Carl Sandburg College – Community College District 518**

## **Management Discussion and Analysis**

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\* - Fiscal year 2021 was restated due to implementation of GASB Statement No. 87 *Leases*. Fiscal year 2020 was not restated due to the implementation.

Total revenues and expenses (Operating and Non-Operating) for the fiscal year 2022 were \$37.2 million and \$31.1 million, respectively. Fiscal year 2021 were \$36.7 million and \$30.5 million, respectively. Fiscal year 2020 total revenues and expenses (Operating and Non-Operating) were \$35.6 million and \$30.6 million, respectively.

### **Fiscal Year 2022 Compared to 2021**

Operating revenue decreased \$0.1 million over the prior year. Tuition and fee revenue have stabilized in the wake of the COVID-19 pandemic after decreasing by \$1.2 million between 2020 and 2021.

Operating expenses were consistent with the prior year and remaining at \$30.4 million. Although a negotiated 3.00% across the board raise was implemented, overall expenses remained steady. For a portion of fiscal year 2022 there was a limited presence of faculty, staff and students in response to the COVID-19 pandemic. This combined with continued changes in staffing levels resulted in stable operating expenses year over year.

Net non-operating revenue decreased \$0.2 million. This is the net result of increases in interest expenses and federal grants and contracts combined with decreases in other non-operating revenues from State on-behalf revenues.

### **Fiscal Year 2021 Compared to 2020**

Operating revenue decreased \$1.2 million over the prior year due to a decrease in tuition revenue due to enrollment decreases as a result of the COVID-19 pandemic.

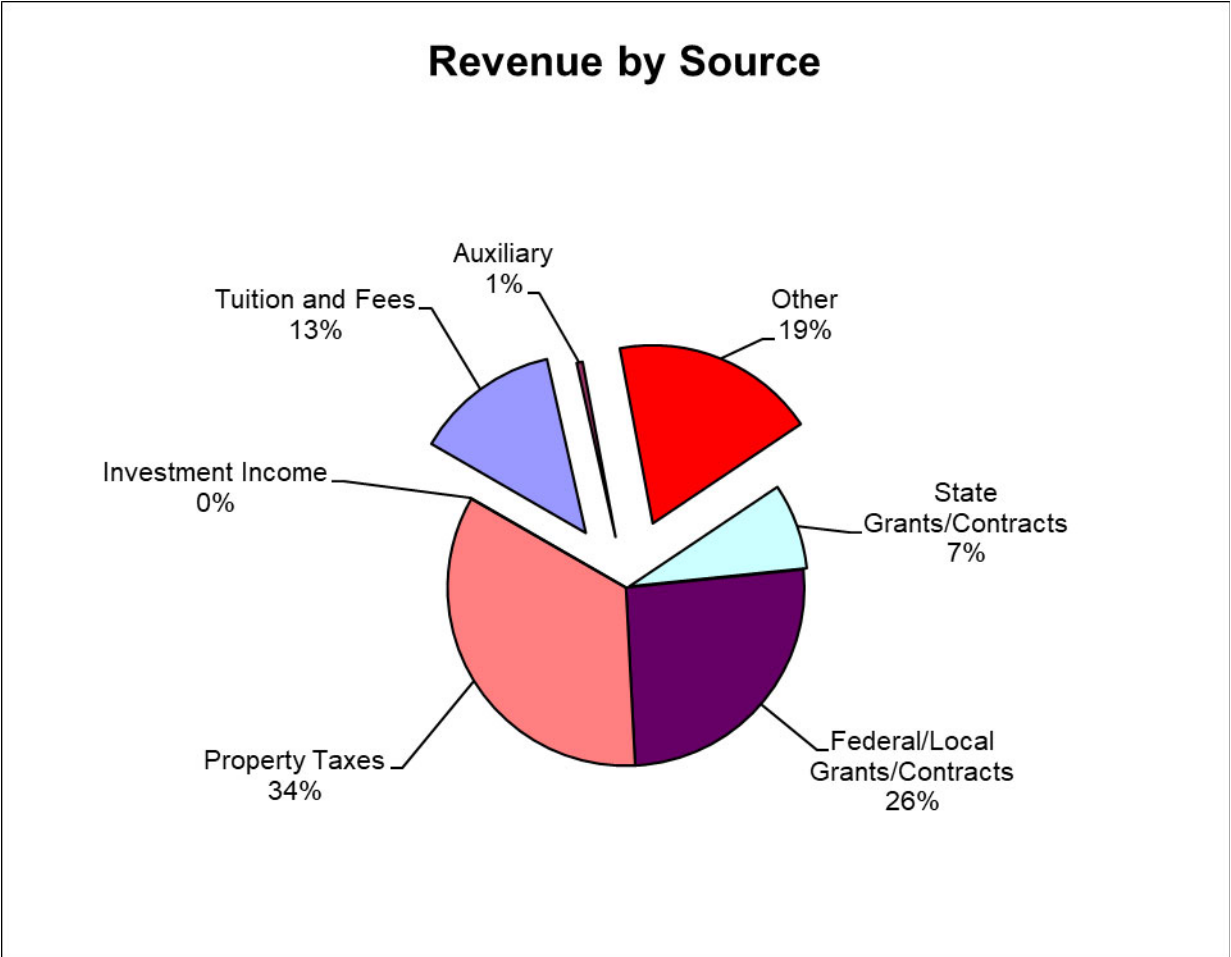
Operating expenses were fairly consistent with the prior year and decreased \$0.2 million. Although a negotiated 2.75% across the board raise was implemented, overall expenses still decreased. For much of fiscal year 2021 there was a limited presence of faculty, staff and students in response to the COVID-19 pandemic. This combined with changes in staffing levels resulted in an overall operating expense decrease.

Net non-operating revenue increased \$2.2 million. This was primarily driven by increases in federal grants and contracts in response to the COVID-19 pandemic.



# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis



# Carl Sandburg College – Community College District 518

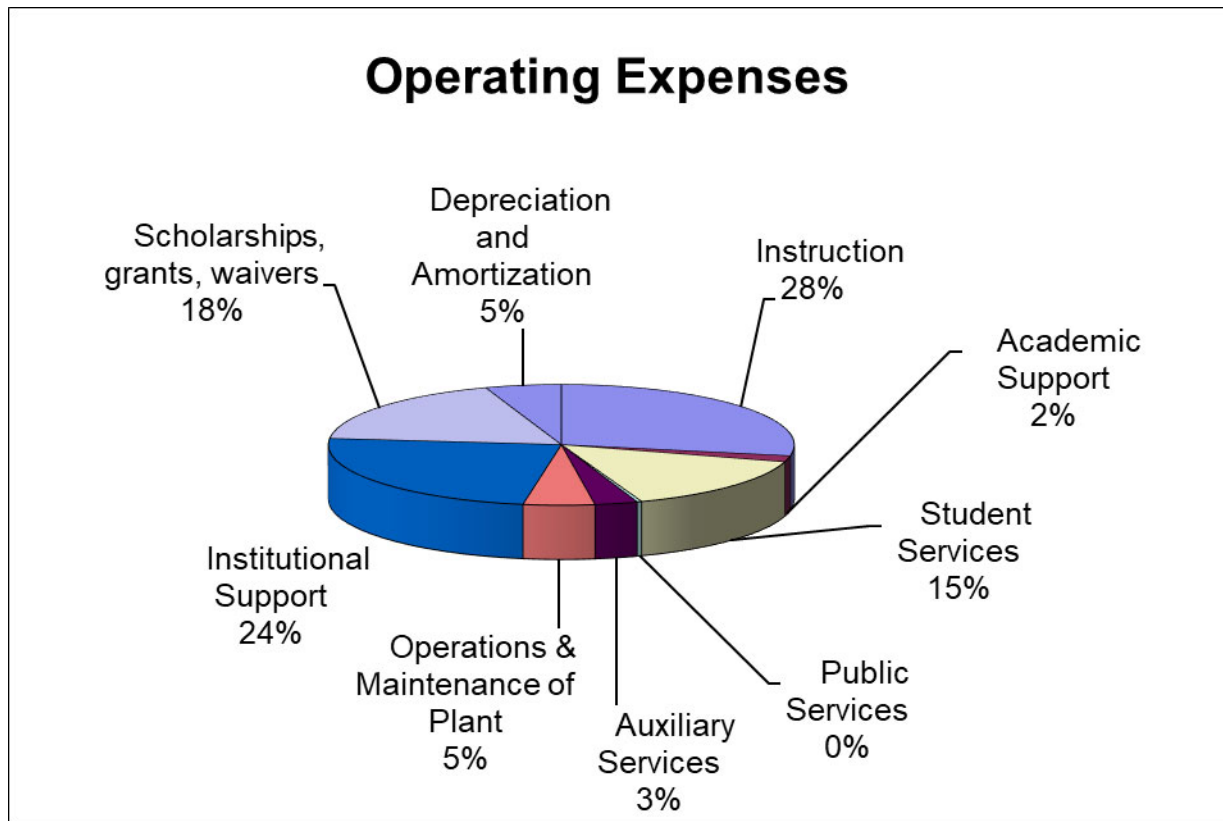
## Management Discussion and Analysis

### Operating Expenses For the Year Ended June 30, (in millions)

Operating expense	2022	2021*	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Instruction	\$8.5	\$9.6	(\$1.1)	\$9.5	\$0.1
Academic support	0.5	0.5	0.0	0.6	(0.1)
Student services	4.5	4.8	(0.3)	4.4	0.4
Public services	0.1	0.2	(0.1)	0.2	0.0
Auxiliary services	0.9	0.8	0.1	1.0	(0.2)
Operations & maintenance of plant	1.5	1.6	(0.1)	1.7	(0.1)
Institutional support	7.3	7.3	0.0	6.7	0.6
Scholarships, grants, waivers	5.5	4.0	1.5	4.9	(0.9)
Depreciation and amortization	1.6	1.6	0.0	1.6	0.0
<b>Total</b>	<b>\$30.4</b>	<b>\$30.4</b>	<b>\$0.0</b>	<b>\$30.6</b>	<b>(\$0.2)</b>

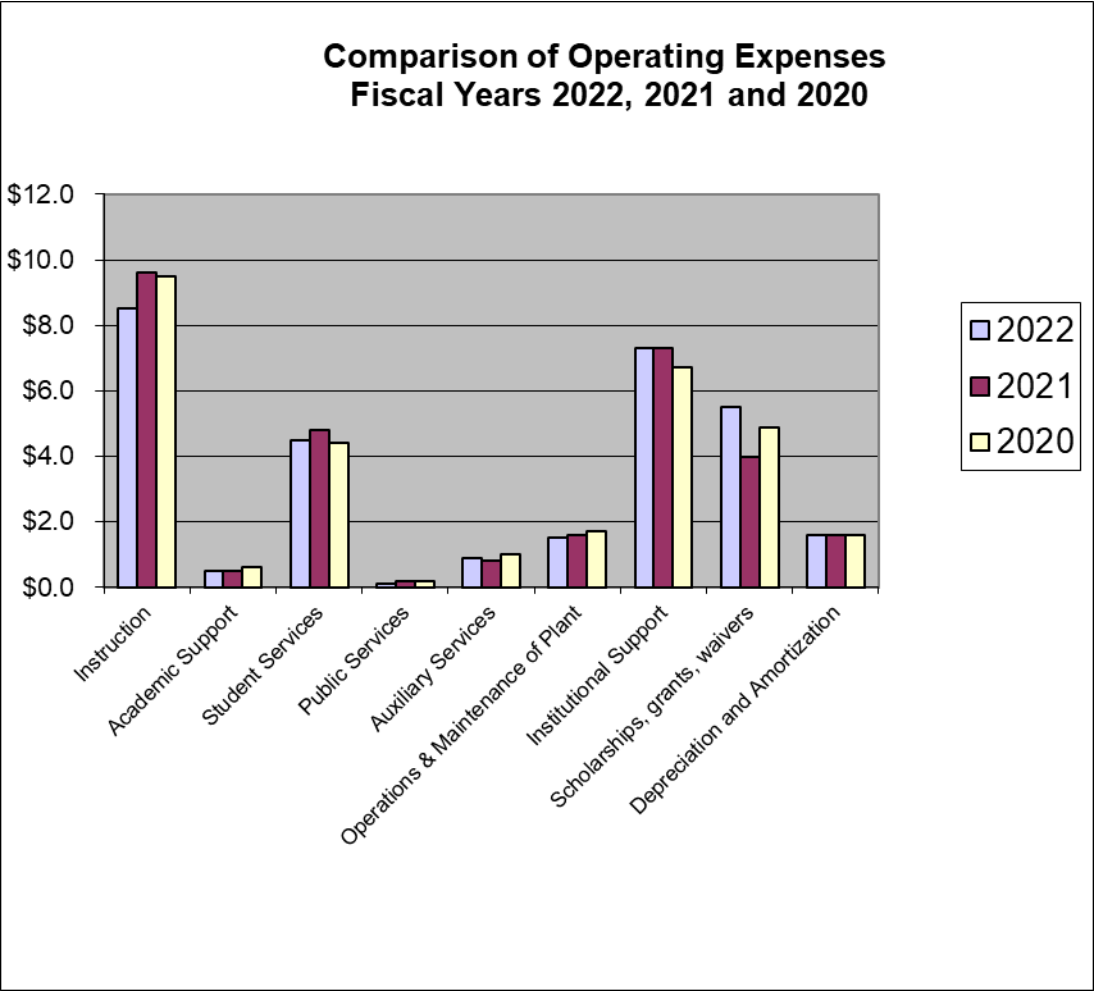
\* - Fiscal year 2021 was restated due to implementation of GASB Statement No. 87 Leases. Fiscal year 2020 was not restated due to the implementation.

The following is a graphic illustration of operating expenses for the year ended June 30, 2022.



# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis



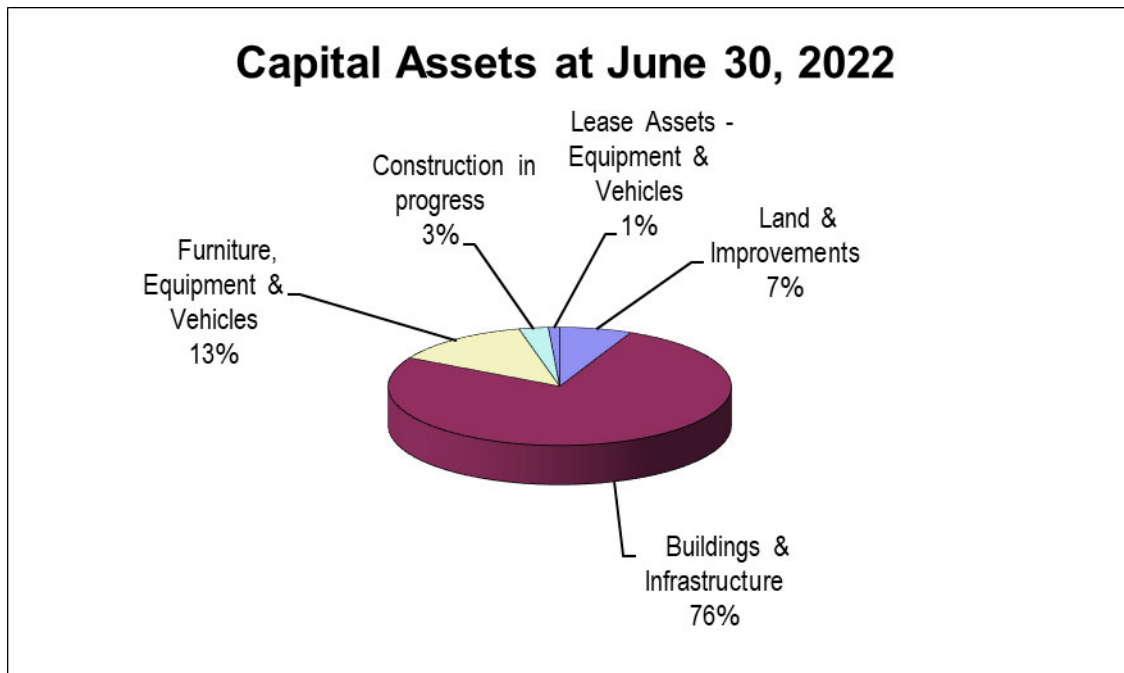
# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis

### Capital Assets, Net June 30, (in millions)

	2022	2021*	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Capital assets					
Land & improvements	\$3.2	\$2.7	\$0.5	\$2.7	\$0.0
Buildings & infrastructure	35.9	35.9	0.0	34.9	1.0
Furniture, equipment, & vehicles	6.2	6.9	(0.7)	6.6	0.3
Construction in progress	1.3	0.2	1.1	0.4	(0.2)
Lease asses – equipment & vehicles	0.5	0.1	0.4	0.0	0.1
<b>Total</b>	<b>47.1</b>	<b>45.8</b>	<b>1.3</b>	<b>44.6</b>	<b>1.2</b>
Less accumulated depreciation and amortization	(30.9)	(30.3)	(0.6)	(28.7)	(1.6)
<b>Net capital assets</b>	<b>\$16.2</b>	<b>\$15.5</b>	<b>\$0.7</b>	<b>\$15.9</b>	<b>(\$0.4)</b>

\* - Fiscal year 2021 was restated due to implementation of GASB Statement No. 87 Leases. Fiscal year 2020 was not restated due to the implementation.



# Carl Sandburg College – Community College District 518

## Management Discussion and Analysis

### Fiscal Year 2022 Compared to 2021

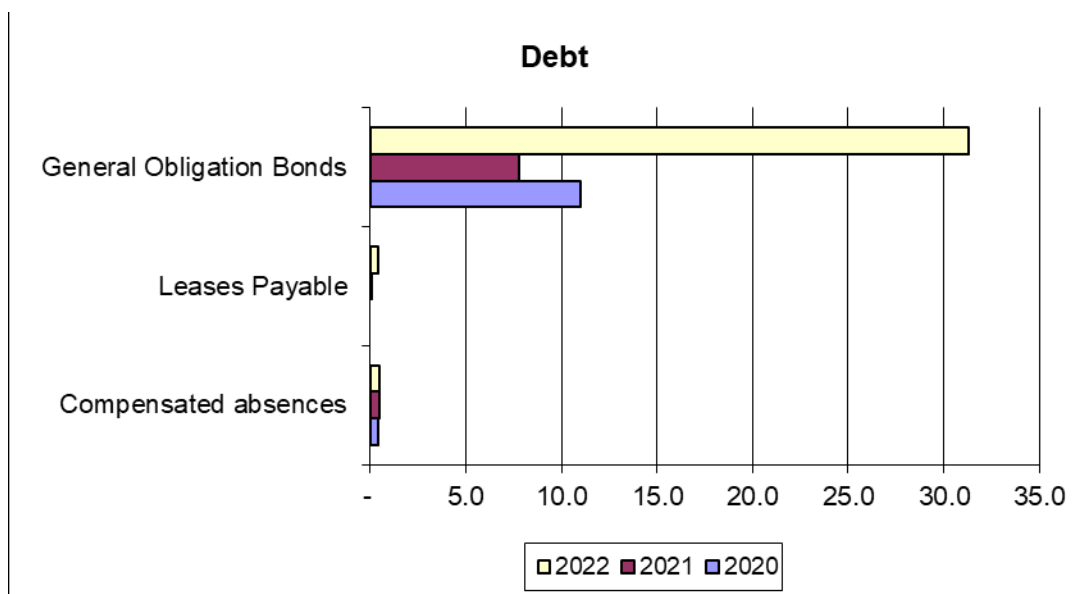
As of June 30, 2022, the College had recorded \$47.1 million invested in capital assets, \$30.9 million in accumulated depreciation, and \$16.2 million in net capital assets. The College has begun the first phases of a multi-phase building program intended to replace one of the College’s academic buildings. For more detailed information on capital asset activity, refer to Note 3 – Capital Assets, in the Notes to Basic Financial Statements.

### Fiscal Year 2021 Compared to 2020

As of June 30, 2021, the College had recorded \$45.8 million invested in capital assets, \$30.3 million in accumulated depreciation, and \$15.5 million in net capital assets. The College plans to install a new building automation system and implement considerable electrical system upgrades. For more detailed information on capital asset activity, refer to Note 3 – Capital Assets, in the Notes to Basic Financial Statements.

	Debt June 30, (in millions)		Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
	2022	2021*			
General obligation bonds	\$31.3	\$7.8	\$23.5	\$11.0	(\$3.2)
Capital leases	0.4	0.1	0.3	0.0	0.1
Compensated absences	0.5	0.5	0.0	0.4	0.1
<b>Total</b>	<b>\$32.2</b>	<b>\$8.4</b>	<b>\$23.8</b>	<b>\$11.4</b>	<b>(\$3.0)</b>

\* - Fiscal year 2021 was restated due to implementation of GASB Statement No. 87 Leases. Fiscal year 2020 was not restated due to the implementation.



# **Carl Sandburg College – Community College District 518**

## **Management Discussion and Analysis**

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### **Fiscal Year 2022 Compared to 2021**

During fiscal year 2022, the College paid \$3.2 million in bond payments funded through the tax levy. In addition, the College issued \$30 million in general obligation bonds. For more detailed information on long-term debt activity, refer to Note 4 – Debt, in the Notes to Basic Financial Statements.

### **Fiscal Year 2021 Compared to 2020**

During fiscal year 2021, the College paid \$3.0 million in bond payments funded through the tax levy. For more detailed information on long-term debt activity, refer to Note 4 – Debt, in the Notes to Basic Financial Statements.

### **Contacting the College's Financial Management**

This financial report is designed to provide our constituents with a general overview of the College's financial position. Questions concerning this report or requests for additional information should be directed to Cory Gall, Vice President of Administrative Services, 2400 Tom L. Wilson Boulevard, Galesburg, IL 61401.

## **Basic Financial Statements**

# Carl Sandburg College - Community College District 518

## Statements of Net Position

June 30, 2022 and 2021

<b>ASSETS</b>	<b>2022</b>	<b>Restated 2021</b>
Current assets:		
Cash and cash equivalents	\$22,103,999	\$17,489,133
Short-term investments	41,087,715	12,740,798
Property taxes receivable	9,190,381	10,202,968
Other receivables, net	2,970,445	2,790,666
Prepaid items	204,734	236,593
Inventories	0	6,100
<b>Total current assets</b>	<b>75,557,274</b>	<b>43,466,258</b>
Noncurrent assets:		
Long-term investments	7,200,043	5,740,599
Capital assets, not being depreciated	1,638,556	492,401
Capital assets, being depreciated	45,468,577	45,267,049
Less accumulated depreciation and amortization	(30,925,864)	(30,308,583)
<b>Total noncurrent assets</b>	<b>23,381,312</b>	<b>21,191,466</b>
<b>Total assets</b>	<b>98,938,586</b>	<b>64,657,724</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
SURS pension contribution	47,730	45,927
College insurance plan OPEB	304,336	138,084
<b>Total deferred outflows of resources</b>	<b>352,066</b>	<b>184,011</b>
<b>Total assets and deferred outflows of resources</b>	<b>99,290,652</b>	<b>64,841,735</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	615,662	467,652
Accrued liabilities	47,557	54,845
Unearned tuition and fees	424,515	462,735
Accrued interest	499,004	0
Accrued compensated absences	312,321	307,932
Leases payable	93,490	16,597
Bonds payable, net of unamortized premiums (discounts)	3,388,582	3,137,673
<b>Total current liabilities</b>	<b>5,381,131</b>	<b>4,447,434</b>
Noncurrent liabilities:		
Accrued compensated absences	153,830	151,668
Net OPEB Liability	8,071,050	8,277,698
Leases payable	284,342	55,429
Bonds payable, net of unamortized premiums (discounts)	31,781,225	4,723,371
<b>Total noncurrent liabilities</b>	<b>40,290,447</b>	<b>13,208,166</b>
<b>Total liabilities</b>	<b>45,671,578</b>	<b>17,655,600</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred property taxes	12,922,124	12,844,471
Deferred grant revenue	536,479	562,065
Deferred amount on refunding	0	26,642
Deferred OPEB	2,356,927	2,091,778
<b>Total deferred inflows of resources</b>	<b>15,815,530</b>	<b>15,524,956</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>61,487,108</b>	<b>33,180,556</b>
<b>NET POSITION</b>		
Net investment in capital assets	9,788,375	9,264,564
Restricted - expendable:		
Debt service	620,968	571,528
Grants and scholarships	2,348,161	504,261
Working cash	8,475,563	8,528,064
Unrestricted	16,570,477	12,792,762
<b>Total net position</b>	<b>\$37,803,544</b>	<b>\$31,661,179</b>

See Notes to Financial Statements.



# Carl Sandburg College - Community College District 518

## Statements of Revenues, Expenses, and Changes in Net Position

For the years ended June 30, 2022 and 2021

	2022	Restated 2021
Operating revenues:		
Student tuition and fees, net of scholarship allowances of \$1,306,272 and \$1,391,734, respectively	\$4,912,991	\$4,807,232
Auxiliary enterprises revenue	154,913	170,427
<b>Total operating revenue</b>	<b>5,067,904</b>	<b>4,977,659</b>
Operating expenses:		
Instruction	8,495,505	9,687,594
Academic support	454,203	539,390
Student services	4,520,513	4,761,502
Public services	84,391	173,591
Auxiliary services	931,400	831,655
Operation and maintenance of plant	1,465,790	1,565,670
Institutional support	7,302,011	7,267,953
Scholarships, student grants, and waivers	5,582,180	4,010,100
Depreciation and amortization	1,553,413	1,562,810
<b>Total operating expenses</b>	<b>30,389,406</b>	<b>30,400,265</b>
<b>Operating loss</b>	<b>(25,321,502)</b>	<b>(25,422,606)</b>
Nonoperating revenues and (expenses):		
State grants	2,772,837	2,711,523
Federal grants	9,675,435	7,530,093
Property taxes	12,745,112	12,520,323
Personal property replacement tax	877,326	405,760
Local grants	47,618	23,488
Investment income	(97,183)	384,398
Other nonoperating revenues	5,724,370	8,125,272
Gain (loss) on disposal of assets	(298)	0
Interest expense	(642,648)	(81,591)
<b>Net nonoperating revenues and (expenses)</b>	<b>31,102,569</b>	<b>31,619,266</b>
Capital contributions	361,298	0
<b>Change in net position</b>	<b>6,142,365</b>	<b>6,196,660</b>
Net position, beginning of year, as restated	31,661,179	25,464,519
<b>Net position, end of year</b>	<b>\$37,803,544</b>	<b>\$31,661,179</b>

See Notes to Financial Statements.

# Carl Sandburg College - Community College District 518

## Statements of Cash Flows

For the years ended June 30, 2022 and 2021

	2022	Restated 2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Tuition and fees	\$6,310,188	\$6,452,494
Payments to suppliers	(7,597,925)	(6,494,087)
Payments to employees	(10,146,530)	(10,192,254)
Payments to students for scholarships	(6,888,452)	(5,401,834)
Auxiliary enterprise charges	182,785	170,866
Net cash flows from operating activities	(18,139,934)	(15,464,815)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Proceeds from property taxes	13,835,352	13,579,376
Proceeds from grants	13,302,723	9,107,001
Net cash flows from noncapital financing activities	27,138,075	22,686,377
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchases of capital assets	(1,922,815)	(1,062,790)
Principal paid on long-term debt	(3,205,076)	(6,519,538)
Proceeds from issuance of long-term debt, net of premium	30,829,953	3,500,000
Interest paid on long-term debt	(180,594)	(248,119)
Net cash flows from capital and related financing activities	25,521,468	(4,330,447)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	3,180,838	433,410
Proceeds from maturities of investment securities	9,259,283	7,116,886
Purchases of investment securities	(42,344,864)	(7,345,696)
Net cash flows from investing activities	(29,904,743)	204,600
Net increase (decrease) in cash and cash equivalents	4,614,866	3,095,715
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of year	17,489,133	14,393,418
End of year	\$22,103,999	\$17,489,133

See Notes to Financial Statements.

# Carl Sandburg College - Community College District 518

## Statements of Cash Flows (Continued)

For the years ended June 30, 2022 and 2021

	2022	Restated 2021
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating loss	(\$25,321,502)	(\$25,422,606)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	1,553,413	1,562,810
State on-behalf payments for fringe benefits	5,433,680	7,935,934
Changes in assets and liabilities:		
Receivables	157,017	285,983
Other assets	37,959	(32,053)
Deferred outflows of resources	(168,055)	36,299
Accounts payable	148,010	125,689
Accrued liabilities	(7,288)	17,209
Accrued compensated absences	6,551	27,719
Unearned tuition and fees	(60,582)	(33,271)
Other unearned revenue	22,362	1,255
OPEB liability	(206,648)	(382,389)
Deferred inflows of resources	265,149	412,606
<b>Net cash flows from operating activities</b>	<b>(\$18,139,934)</b>	<b>(\$15,464,815)</b>

### **NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:**

Increase (decrease) in fair value of investments and amortization/accretion	(\$3,279,220)	\$966,916
Capital lease acquisition	97,714	0
Contributions of capital assets	361,298	0
Disposal of assets	(298)	0
State on-behalf payments for pension and OPEB plans	5,433,680	7,935,934

See Notes to Financial Statements.

# Carl Sandburg College - Community College District 518

## Component Unit - Carl Sandburg College Foundation

### Statements of Financial Position

June 30, 2022 and 2021

<b>ASSETS</b>	<b>2022</b>	<b>2021</b>
Assets:		
Cash	\$160,546	\$145,253
Investments	20,403,327	24,672,859
Pledges receivable	15,281	16,935
Beneficial interest in perpetual trust	314,784	387,632
<b>Total assets</b>	<b>\$20,893,938</b>	<b>\$25,222,679</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Scholarships payable	\$169,400	\$177,058
Accounts payable	1,957	17,225
<b>Total liabilities</b>	<b>171,357</b>	<b>194,283</b>
Net assets:		
Without donor restrictions	4,144,670	6,021,646
With donor restrictions	16,577,911	19,006,750
<b>Total net assets</b>	<b>20,722,581</b>	<b>25,028,396</b>
<b>Total liabilities and net assets</b>	<b>\$20,893,938</b>	<b>\$25,222,679</b>

See Notes to Financial Statements.

# Carl Sandburg College - Community College District 518

## Component Unit - Carl Sandburg College Foundation

### Statements of Activities

For the years ended June 30, 2022 and 2021

	2022		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenues, gains, and other support:			
Contributions	\$142,261	\$91,866	\$234,127
Contributed nonfinancial assets	66,761	0	66,761
Interest and dividends	605,826	871,205	1,477,031
Net unrealized gain (loss) on investments	(2,438,150)	(3,135,986)	(5,574,136)
Net realized gain (loss) on investments	28,731	99,132	127,863
Change in value of beneficial interest in trust	0	(72,849)	(72,849)
Net assets released from restrictions	282,207	(282,207)	0
<b>Total revenues, gains, and other support</b>	<b>(1,312,364)</b>	<b>(2,428,839)</b>	<b>(3,741,203)</b>
Expenses:			
Program services -			
Scholarships and grants	352,595	0	352,595
<b>Total program services</b>	<b>352,595</b>	<b>0</b>	<b>352,595</b>
Supporting services:			
Management and general:			
Professional services	109,823	0	109,823
In-kind services	63,063	0	63,063
In-kind goods and facilities	3,698	0	3,698
Conference and meeting expense	854	0	854
Dues	0	0	-
Office supplies	2,010	0	2,010
Printing	932	0	932
Travel	0	0	-
Other	28,020	0	28,020
<b>Total management and general</b>	<b>208,400</b>	<b>0</b>	<b>208,400</b>
Fundraising:			
Supplies and mailings	2,853	0	2,853
Donor gift and entertainment	764	0	764
<b>Total fund raising</b>	<b>3,617</b>	<b>0</b>	<b>3,617</b>
<b>Total expenses</b>	<b>564,612</b>	<b>0</b>	<b>564,612</b>
Change in net assets	(1,876,976)	(2,428,839)	(4,305,815)
Net assets, beginning of year	6,021,646	19,006,750	25,028,396
<b>Net assets, end of year</b>	<b>\$4,144,670</b>	<b>\$16,577,911</b>	<b>\$20,722,581</b>

See Notes to Financial Statements.

# Carl Sandburg College - Community College District 518

## Component Unit - Carl Sandburg College Foundation

### Statements of Activities (Continued)

For the years ended June 30, 2022 and 2021

	2021		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenues, gains, and other support:			
Contributions	\$71,904	\$72,472	\$144,376
Contributed nonfinancial assets	117,099	0	117,099
Interest and dividends	261,981	577,428	839,409
Net unrealized gain (loss) on investments	1,547,797	2,768,194	4,315,991
Net realized gain (loss) on investments	2,932	143,698	146,630
Change in value of beneficial interest in trust	0	68,808	68,808
Net assets released from restrictions	348,809	(348,809)	0
<b>Total revenues, gains, and other support</b>	<b>2,350,522</b>	<b>3,281,791</b>	<b>5,632,313</b>
Expenses:			
Program services -			
Scholarships and grants	380,761	0	380,761
<b>Total program services</b>	<b>380,761</b>	<b>0</b>	<b>380,761</b>
Supporting services:			
Management and general:			
Professional services	63,183	0	63,183
In-kind services	73,030	0	73,030
In-kind goods and facilities	44,069	0	44,069
Conference and meeting expense	725	0	725
Dues	1,763	0	1,763
Office supplies	2,702	0	2,702
Printing	505	0	505
Travel	0	0	-
Other	7,580	0	7,580
<b>Total management and general</b>	<b>193,557</b>	<b>0</b>	<b>193,557</b>
Fundraising:			
Supplies and mailings	452	0	452
Donor gift and entertainment	3,584	0	3,584
<b>Total fund raising</b>	<b>4,036</b>	<b>0</b>	<b>4,036</b>
<b>Total expenses</b>	<b>578,354</b>	<b>0</b>	<b>578,354</b>
Change in net assets	1,772,168	3,281,791	5,053,959
Net assets, beginning of year	4,249,478	15,724,959	19,974,437
<b>Net assets, end of year</b>	<b>\$6,021,646</b>	<b>\$19,006,750</b>	<b>\$25,028,396</b>

See Notes to Financial Statements.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### **Note 1. Summary of Significant Accounting Policies:**

Carl Sandburg College, Community College District 518 (College), established in 1966 under the Illinois Public Community College Act, provides baccalaureate, vocational, and continuing education courses to a ten county area located in central Illinois. The Board of Trustees is the College's ruling body which establishes the policies and procedures by which the College is governed.

Revenues are substantially generated as a result of taxes assessed and allocated to the College and grants received from other state and federal governmental agencies. The College's revenues are, therefore, primarily dependent upon the availability of funds at the state and federal level and the economy within its territorial boundaries. Industry within the territorial area is primarily retail and agricultural.

The accounting policies of the College conform to accounting principles generally accepted in the United States of America as applicable to colleges and universities as well as those prescribed by the Illinois Community College Board (ICCB). The College reports are based on applicable Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant policies.

### **Reporting Entity**

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component unit, the Carl Sandburg Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The 16-member board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the foundation, the majority of resources or income thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standard Board (FASB) Statements. Most significant to the Foundation's operations and reporting model are described by FASB issued guidance. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No financial reporting entity for these differences; however, significant note disclosures (see Note 10) to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (continued):

#### Reporting Entity (continued)

Financial statements for the Foundation can be obtained at 2400 Tom L. Wilson Boulevard, Galesburg, Illinois 61401.

The College is not aware of any entity whose elected officials are financially accountable for the operations of the College which would result in the College being considered a component unit of such entity.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Nonexchange transactions, in which the College receives value without directly giving equal value in return, include property taxes, federal, state, and local grants, and state appropriations. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants and state appropriations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used for the fiscal year resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

#### New Accounting Pronouncement

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. The statement enhances the relevance and consistency of reporting for the College's leasing activities by establishing requirements for lease accounting based on the principle that leases are financings of underlying right-to-use assets. A lessee is required to recognize a lease liability and a right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. The College adopted this guidance retroactively for the year ended June 30, 2022. The adoption of this guidance resulted in a restatement of the beginning net position for the year ended June 30, 2021. See Note 13 for the details of the restatement.

#### Cash and Cash Equivalents

For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

#### Investments

Investment securities are stated at fair value based on quoted market prices. Income is recognized on the accrual basis of accounting. The types of investments allowed are regulated by Illinois State laws and include municipal bonds, U.S. Government or Illinois obligations, insured deposits or other investments of state or national banks, Federal National Mortgage Association obligations, Illinois Funds, and agreements collateralized by securities or mortgages in an amount at least equal to the fair value of the funds deposited.



# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### **Note 1. Summary of Significant Accounting Policies (continued):**

#### **Receivables**

Accounts receivable include uncollateralized student obligations, which generally require payment by the first day of class unless a payment plan through a third party has been established. Accounts receivable are stated at the invoice amount.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of specific student accounts and the aging of accounts receivable. If the actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due could be adversely affected. The allowance for doubtful accounts relating to student receivables was \$300,000 and \$142,969 as of June 30, 2022 and 2021, respectively.

#### **Property Taxes and Other Revenue**

Property taxes attach as an enforceable lien on property as of January 1. The College's property tax is levied no later than the last Tuesday of December prior to the ensuing budget year and is extended against the assessed valuation of the College on January 1. Taxes are due and payable in two installments in June and September. Pursuant to the Board of Trustees resolution, the 2020 property tax levies passed on November 19, 2020 is recognized as property tax revenue. Deferred property taxes represent the revenue to be generated from the 2021 property tax levy which was passed on December 16, 2021. In addition, property taxes receivable represents the remaining 2021 property tax levy to be collected in fiscal year 2023.

Uncollected taxes are sold by the County Collector in order that those taxes can be distributed to respective taxing bodies. Final distribution on the current year is made by the county Collector's office at a date after the tax sale, usually no later than sometime during the first quarter of the following year.

Corporate personal property replacement tax is recorded on the accrual basis based on amounts held by the state.

#### **Inventories**

Inventories consist primarily of supplies and are reported at cost.

#### **Reclassifications**

Certain reclassifications have been made to the 2021 financial statements to conform to the 2022 classifications. Such reclassifications in the accompanying financial statements had no effect on previously reported change in net position.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (continued):

#### Capital Assets

Capital assets include property, equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Costs related to the development of computer software are expensed as incurred until (a) the College has completed the preliminary project stage and (b) management has implicitly or explicitly authorized or committed to funding the project. Activities related to the application development stage of internally generated software are capitalized at the amount of the associated outlays.

Post-implementation activities are expensed as incurred. Costs associated with data conversion are also expensed if such activities are not necessary in order for internally developed software to become operational. Intangible assets are defined by the College (software) as assets with an initial unit cost of \$25,000. Property, plant, and equipment of the college are depreciated using the straight-line method over the following useful lives.

Assets	Years
Buildings and building improvements	10 – 40
Infrastructure	10
Furniture and equipment	3 – 5
Land improvements	10
Vehicles	3
Software	3 – 15

#### Unearned Tuition and Fee Revenue

Tuition and fee revenues received and related to the period after June 30 are reported as unearned.

#### Long-term Debt

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds and are recorded in other assets or liabilities.

#### Compensated Absences

Vacation leave is accrued as a liability as it is earned.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (continued):

#### Leases

The College is a lessee in multiple noncancelable leases. If the contract provides the College the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments are provided or can be calculated using an index or a rate.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the College's incremental borrowing rate. The College uses the incremental borrowing rate based on the information available at the commencement date for all leases. The College's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

The ROU asset for leases is amortized on a straight-line basis over the lease term.

For all underlying classes of assets, the College has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the College is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense.

For all underlying classes of assets, the College separates lease and non-lease components of an agreement to determine the lease payment.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (continued):

#### **Other Post-Employment (“OPEB”) Obligations**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and to OPEB expense, information about the plan net position of the College Insurance Plan (“CIP”) and additions to/deductions from CIP’s plan net position has been determined on the same basis as they are reported by CIP. For this purpose, OPEB payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a OPEB plan that is used to provide OPEB to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to OPEB or (2) the non-employer is the only entity with a legal obligation to make contributions directly to an OPEB plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

#### **Deferred Inflows and Outflows of Resources**

In addition to assets and liabilities, the statement of net position will sometimes report separate sections, deferred outflows of resources represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow (revenue) or outflow (expense) of resources until that time.

#### **Classification of Revenues and Expenses**

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, and (2) sales and services of auxiliary enterprises. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as (1) local property taxes, (2) state appropriations, and (3) most federal, state, and local grants and contracts and federal appropriations. Operating expenses generally result from providing services in connection with ongoing operations. Nonoperating expenses do not meet this definition.

#### **Federal Financial Assistance Programs**

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, and Federal Direct Loan programs. Federal programs are audited in accordance with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, the U.S. Office of Management and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Uniform Guidance Compliance Supplement. The College elected to not use the 10% de minimis indirect cost rate during the year ended June 30, 2022.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (continued):

#### **On-Behalf Payments for Fringe Benefits and Salaries**

Contributions made by the State of Illinois relating to the State Universities Retirement Systems and College Insurance Plan on behalf of the College's employees are recognized by the College as revenues and expenses. In fiscal years 2022 and 2021, the State of Illinois made contributions of \$5,433,680 and \$7,935,934, respectively. More details in Notes 5 and 7.

#### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Universities Retirement System (SURS) and additions to/deductions from SURS fiduciary net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For financial reporting purposes, the State of Illinois (State) and its public universities and community colleges are under a special funding situation. A special funding situation exists when a non-employer entity (the State) is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity (the College) and the non-employer (the State) is the only entity with a legal obligation to make contributions directly to a pension plan. The College recognizes its proportionate share of the State's pension expense relative to the College's employees as non-operating revenue and pension expense, with the expense further allocated to the related function by employees.

#### **Net Position**

The College's net position is classified as follows:

Net investment in capital assets – This represents the College's total investment in capital assets, net of accumulated depreciation and related debt.

Restricted net position – expendable – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties (debt services is restricted by bond documents). When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted net position – This includes resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (continued):

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in fund equity during the reporting period. Material estimates that are particularly susceptible to significant change in the near term relate to depreciation on capital assets, allowance for doubtful accounts, and the fair value of investments. Actual results could differ from those estimates.

### Note 2. Cash and Investments:

The College's cash and deposits throughout the year and at year-end consisted of demand deposit accounts, certificates of deposit, and money markets. The College classifies these accounts between cash and deposits on the statements of net position according to liquidity and intended use.

Cash and deposits as of June 30, 2022 consist of the following:

	2022	2021
Cash on hand	\$5,021	\$7,813
Deposits with financial institutions	22,098,978	17,481,320
	<u>\$22,103,999</u>	<u>\$17,489,133</u>

The College is allowed to invest in securities as authorized by the Illinois Public Community College Act and the Illinois Investment of Public Funds Act.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments at June 30, 2022 and 2021 comprise the following at fair value:

	2022	2021
Money market	\$30,707,084	\$3,498,740
Certificate of deposit	7,349,947	13,969,043
U.S. government agency securities	10,230,727	1,013,614
	<u>\$48,287,758</u>	<u>\$18,481,397</u>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 2. Cash and Investments (continued):

As of June 30, 2022, the College had the following investments with stated maturities.

	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More Than 10
Money market	\$30,707,084	\$30,707,084	\$0	\$0	\$0
Certificate of deposit	7,349,947	5,694,357	1,655,590	0	0
U.S. Government agency securities	10,230,727	4,686,274	5,544,453	0	0
<b>Total</b>	<b>\$48,287,758</b>	<b>\$41,087,715</b>	<b>\$7,200,043</b>	<b>\$0</b>	<b>\$0</b>

As of June 30, 2021, the College had the following investments with stated maturities.

	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More Than 10
Money market	\$3,498,740	\$3,498,740	\$0	\$0	\$0
Certificate of deposit	13,969,043	8,736,959	5,232,084	0	0
U.S. Government agency securities	1,013,614	505,099	508,515	0	0
<b>Total</b>	<b>\$18,481,397</b>	<b>\$12,740,798</b>	<b>\$5,740,599</b>	<b>\$0</b>	<b>\$0</b>

As of June 30, 2022, the College had the following investments with stated ratings.

	Total	Investment Ratings by Standard & Poor's		
		AAA	AA	Unrated
Money market	\$30,707,084	\$30,707,084	\$0	\$0
Certificate of deposit	7,349,947	0	0	7,349,947
U.S. Government agency securities	10,230,727	0	10,230,727	0
<b>Total</b>	<b>\$48,287,758</b>	<b>\$30,707,084</b>	<b>\$10,230,727</b>	<b>\$7,349,947</b>

As of June 30, 2021, the College had the following investments with stated ratings.

	Total	Investment Ratings by Standard & Poor's		
		AAA	AA	Unrated
Money market	\$3,498,740	\$3,498,740	\$0	\$0
Certificate of deposit	13,969,043	0	0	13,969,043
U.S. Government agency securities	1,013,614	0	1,013,614	0
<b>Total</b>	<b>\$18,481,397</b>	<b>\$3,498,740</b>	<b>\$1,013,614</b>	<b>\$13,969,043</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 2. Cash and Investments (continued):

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy, as described under current accounting standards, are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or inputs other than quoted prices that are observable for the asset or liability.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2022:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value on a recurring basis:</b>				
Certificate of deposit	\$7,349,947	\$0	\$7,349,947	\$0
U.S. Government agency securities	10,230,727	0	10,230,727	0
Total investments	\$17,580,674	\$0	\$17,580,674	\$0

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2021:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value on a recurring basis:</b>				
Certificate of deposit	\$13,969,043	\$0	\$13,969,043	\$0
U.S. Government agency securities	1,013,614	0	1,013,614	0
Total investments	\$14,982,657	\$0	\$14,982,657	\$0



# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 2. Cash and Investments (continued):

*Credit Risk.* Credit risk is the risk that the issuer or other counterparty to a debt investment will not fulfill its obligations. It is the College's policy to limit its investments in corporate paper to the three top ratings issued by at least two standard rating services. The college's investment policy also limits holding of corporate paper to no more than ten percent of its outstanding obligations.

*Custodial Credit Risk.* Custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2022, there are no investments with custodial credit risk.

*Custodial credit risk* for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned to it. At year end, the College's carrying amount of deposits was \$22,098,978 and the bank balance was \$22,537,899. Of the bank balance, \$694,975 was covered by federal depository insurance; \$21,842,924 was collateralized with securities held by the pledging financial institution's trust department or agent in the College's name.

*Concentration Risk.* Concentration risk is the risk associated with having more than 5 percent of investments in any issuer, other than the U.S. Government. The College does not have a concentration risk policy. The College has no investments that represent 5 percent or more of the total investments.

*Foreign Currency Risk.* Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The College does not have a foreign currency risk policy. The College does not have any investments with foreign currency risk exposure.

### Note 3. Capital Assets:

Changes in the various capital asset categories during the year ended June 30, 2022 are as follows:

	Balance at July 1, 2021	Additions	Deletions	Transfers	Balance at June 30, 2022
<b>Capital assets, not being depreciated:</b>					
Land	\$346,125	\$0	\$0	\$0	\$346,125
Work in progress	146,276	1,166,954	0	(20,799)	1,292,431
Total capital assets, not being depreciated	492,401	1,166,954	0	(20,799)	1,638,556
<b>Capital assets, being depreciated:</b>					
Buildings and additions	32,391,483	0	0	0	32,391,483
Infrastructure	3,503,858	7,321	0	0	3,511,179
Furniture and equipment	6,657,986	230,648	886,329	20,799	6,023,104
Land improvements	2,337,940	498,308	298	0	2,835,950
Vehicles	268,499	0	49,803	0	218,696
Total capital assets, being depreciated	45,159,766	736,277	936,430	20,799	44,980,412

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 3. Capital Assets (continued):

	Balance at July 1, 2021	Additions	Deletions	Transfers	Balance at June 30, 2022
<b>Less accumulated depreciation:</b>					
Buildings and additions	20,350,429	804,764	0	0	21,155,193
Infrastructure	2,996,552	109,084	0	0	3,105,636
Furniture and equipment	5,740,594	331,011	886,329	0	5,185,276
Land improvements	922,247	222,474	0	0	1,144,721
Vehicles	263,000	0	49,803	0	213,197
Total accumulated depreciation	30,272,822	1,467,333	936,132	0	30,804,023
Total capital assets, net	15,379,345	435,989	298	0	15,814,945
<b>Lease assets:</b>					
Equipment	0	283,168	0	0	283,168
Vehicles	107,283	97,714	0	0	204,997
Total lease assets, being amortized	107,283	380,882	0	0	488,165
<b>Less accumulated amortization:</b>					
Equipment	0	51,914	0	0	51,714
Vehicles	35,761	34,166	0	0	69,927
Total accumulated amortization	35,761	86,080	0	0	121,841
Total lease assets, net	71,522	294,802	0	0	366,324
Capital assets, net	\$15,450,867	\$730,700	\$298	\$0	\$16,181,269

Changes in the various capital asset categories during the year ended June 30, 2021 are as follows:

	Restated Balance at July 1, 2020	Additions	Deletions	Transfers	Balance at June 30, 2021
<b>Capital assets, not being depreciated:</b>					
Land	\$346,125	\$0	\$0	\$0	\$346,125
Work in progress	375,382	808,670	0	(1,037,776)	146,276
Total capital assets, not being depreciated	721,507	808,670	0	(1,037,776)	492,401
<b>Capital assets, being depreciated:</b>					
Buildings and additions	31,571,450	0	0	820,033	32,391,483
Infrastructure	3,376,418	0	0	127,440	3,503,858
Furniture and equipment	6,315,883	254,118	0	87,985	6,657,986
Land improvements	2,335,622	0	0	2,318	2,337,940
Vehicles	268,499	0	0	0	268,499
Total capital assets, being depreciated	43,867,872	254,118	0	1,037,776	45,159,766

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 3. Capital Assets (continued):

	Restated Balance at July 1, 2020	Additions	Deletions	Transfers	Balance at June 30, 2021
<b>Less accumulated depreciation:</b>					
Buildings and additions	19,549,708	800,721	0	0	20,350,429
Infrastructure	2,885,552	111,000	0	0	2,996,552
Furniture and equipment	5,348,460	392,134	0	0	5,740,594
Land improvements	702,099	220,148	0	0	922,247
Vehicles	242,075	20,925	0	0	263,000
Total accumulated depreciation	28,727,894	1,544,928	0	0	30,272,822
Total capital assets, net	15,861,485	(482,140)	0	0	15,379,345
<b>Lease assets:</b>					
Vehicles	107,283	0	0	0	107,283
Total lease assets, being amortized	107,283	0	0	0	107,283
<b>Less accumulated amortization:</b>					
Vehicles	17,881	17,880	0	0	35,761
Total accumulated amortization	17,881	17,880	0	0	35,761
Total lease assets, net	89,402	(17,880)	0	0	71,522
Capital assets, net	\$15,950,887	\$(500,020)	\$0	\$0	\$15,450,867

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 4. Long-Term Liabilities:

The following is a summary of the college's changes in long-term liabilities for the year ended June 30, 2022:

	Balance 7/1/2021	Refunding	Increases	Decreases	Balance 6/30/2022	Current Portion	Long-Term Portion
<b>Long-term debt:</b>							
General obligation bonds	\$7,845,000	\$0	\$26,650,000	\$3,130,000	\$31,365,000	\$2,770,000	\$28,595,000
Bond premiums	16,044	0	3,799,071	10,308	3,804,807	618,582	3,186,225
Leases	72,026	0	380,882	75,076	377,832	93,490	284,342
Compensated absences	459,600	0	297,395	290,844	466,151	312,321	153,830
OPEB	8,277,698	0	0	206,648	8,071,050	0	8,071,050
<b>Totals</b>	<b>\$16,670,368</b>	<b>\$0</b>	<b>\$31,127,348</b>	<b>\$3,712,876</b>	<b>\$44,084,840</b>	<b>\$3,794,393</b>	<b>\$40,290,447</b>

The following is a summary of the college's changes in long-term liabilities for the year ended June 30, 2021:

	Restated Balance 7/1/2020	Refunding	Increases	Decreases	Balance 6/30/2021	Current Portion	Long-Term Portion
<b>Long-term debt:</b>							
General obligation bonds	\$10,770,000	\$3,500,000	\$0	\$6,425,000	\$7,845,000	\$3,130,000	\$4,715,000
Bond premiums (discounts)	182,572	0	0	166,528	16,044	7,673	8,371
Contracts payable	34,574	0	0	34,574	0	0	0
Leases	88,034	0	0	16,008	72,026	16,597	55,429
Compensated absences	431,881	0	279,205	251,486	459,600	307,932	151,688
OPEB	8,660,087	0	0	382,389	8,277,698	0	8,277,698
<b>Totals</b>	<b>\$20,167,148</b>	<b>\$3,500,000</b>	<b>\$279,205</b>	<b>\$7,275,985</b>	<b>\$16,670,368</b>	<b>\$3,462,202</b>	<b>\$13,208,186</b>

Details on the debt as of June 30, 2022 are as follows:

- The general obligation bonds, Series 2014B, bear interest at 2.00 to 4.00 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2024. A portion of the bond proceeds (13.49%) were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$140,000	\$8,400	\$148,400
2024	140,000	2,800	142,800
<b>Totals</b>	<b>\$280,000</b>	<b>\$11,200</b>	<b>\$291,200</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 4. Long-Term Liabilities (continued):

2. The general obligation bonds, Series 2015A, bear interest at 2.91 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2023. A portion of the bond proceeds (13.49%) were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$260,000	\$3,783	\$263,783

3. The general obligation bonds, Series 2015B, bear interest at 2.15 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2024. A portion of the bond proceeds (85.24%) were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$1,440,000	\$51,815	\$1,491,815
2024	1,690,000	18,167	1,708,167
<b>Totals</b>	<b>\$3,130,000</b>	<b>\$69,982</b>	<b>\$3,199,982</b>

4. The general obligation bonds, Series 2019B, bear interest at 2.66 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2024. The annual debt service requirements on these bonds are due as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$270,000	\$10,374	\$280,374
2024	255,000	3,391	258,391
<b>Totals</b>	<b>\$525,000</b>	<b>\$13,765</b>	<b>\$538,765</b>

5. The general obligation bonds, Series 2020, bear interest at 0.85 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2025. A portion of the bond proceeds (95.04%) were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$25,000	\$4,420	\$29,420
2024	25,000	4,208	29,208
2025	470,000	3,996	473,996
<b>Totals</b>	<b>\$520,000</b>	<b>\$12,624</b>	<b>\$532,624</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 4. Long-Term Liabilities (continued):

6. The general obligation bonds, Series 2021, bear interest at 3.00 to 4.00 percent, which is due on December 30 and June 30 of each year, while principal amounts mature serially on December 30 of each year, with final maturity on December 30, 2040. A portion of the bond proceeds (55.76%) spent by June 30, 2022, were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$635,000	\$1,488,425	\$2,123,425
2024	745,000	960,450	1,705,450
2025	2,430,000	896,950	3,326,950
2026	2,270,000	802,950	3,072,950
2027	2,400,000	709,550	3,109,550
2028-2032	6,475,000	2,657,050	9,132,050
2033-2037	6,455,000	1,373,275	7,828,275
2037-2040	5,240,000	316,650	5,556,650
<b>Totals</b>	<b>\$26,650,000</b>	<b>\$9,205,300</b>	<b>\$35,855,300</b>

7. Lease agreement dated May 2019 in the original principal amount of \$107,283, due in annual installments of \$19,248 from August 2019 through August 2021, \$25,915 from August 2022 through August 2023, and final payment of \$7,050 due August 2024, including imputed interest at 3.68%, collateralized by 2 buses (lease assets). The annual debt service requirement is as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$23,875	\$2,040	\$25,915
2024	24,754	1,161	\$25,915
2025	6,800	250	7,050
<b>Totals</b>	<b>\$55,429</b>	<b>\$3,451</b>	<b>\$58,880</b>

8. Lease agreement dated July 2021 in the original principal amount of \$97,714, due in monthly installments of \$1,888, including imputed interest at 6.19%, collateralized by 2 buses (lease assets). The annual debt service requirement is as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$18,023	\$4,633	\$22,656
2024	19,170	3,486	22,656
2025	20,391	2,265	22,656
2026	21,690	966	22,656
2027	3,747	29	3,776
<b>Totals</b>	<b>\$83,021</b>	<b>\$11,379</b>	<b>\$94,400</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 4. Long-Term Liabilities (continued):

9. Lease agreement dated July 2021 in the original principal amount of \$283,168, due in monthly installments of \$5,747, including imputed interest at 8.04%, collateralized by 17 copiers (lease assets). The annual debt service requirement is as follows:

	Principal	Interest	Total
During the year ending June 30:			
2023	\$51,592	\$17,373	\$68,965
2024	55,896	13,068	68,964
2025	60,560	8,405	68,965
2026	65,612	3,352	68,964
2027	5,722	38	5,760
<b>Totals</b>	<b>\$239,382</b>	<b>\$42,236</b>	<b>\$281,618</b>

The annual requirements to amortize all debt outstanding as of June 30, 2022, including interest, are as follows:

Year Ending June 30,	General Obligation Bonds	Compensated Absences	Leases	Total Principal	Interest	Total Principal and Interest
2023	\$2,770,000	\$312,321	\$93,490	\$3,175,811	\$1,591,263	\$4,767,074
2024	2,855,000	153,830	99,820	3,108,650	1,006,731	4,115,381
2025	2,900,000	0	87,751	2,987,751	911,866	3,899,617
2026	2,270,000	0	87,302	2,357,302	807,268	3,164,570
2027	2,400,000	0	9,469	2,409,469	709,617	3,119,086
2028-2032	6,475,000	0	0	6,475,000	2,657,050	9,132,050
2033-2037	6,455,000	0	0	6,455,000	1,373,275	7,828,275
2038-2041	5,240,000	0	0	5,240,000	316,650	5,556,650
<b>Total</b>	<b>\$31,365,000</b>	<b>\$466,151</b>	<b>\$377,832</b>	<b>\$32,208,983</b>	<b>\$9,373,720</b>	<b>\$41,582,703</b>

The general obligation bonded debt of the College is limited to 2.875% of assessed valuation. The legal debt limit at June 30, 2022, is \$61,579,433. General obligation debt and leases at June 30, 2022 total \$31,742,832 resulting in a legal debt margin of \$29,836,601.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 5. Defined Benefit Pension Plans

#### General Information about the Pension Plan

*Plan Description.* The College contributes to the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's Annual Comprehensive Financial Reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org).

*Benefits Provided.* A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible reciprocal system service. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2021, can be found in SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.

*Contributions.* The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2021 and fiscal year 2022, respectively, was 12.70% and 12.32% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State's General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).



# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 5. Defined Benefit Pension Plans (continued)

#### **Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Defined Benefit Pensions**

##### *Net Pension Liability*

The net pension liability (NPL) was measured as of June 30, 2021 and June 30, 2020. SURS defined benefit plan reported a NPL of \$28,528,477,079 at June 30, 2021 and \$30,619,504,321 at June 30, 2020.

##### *Employer Proportionate Share of Net Pension Liability*

The amount of the proportionate share of the NPL to be recognized for the College in fiscal year 2021 is \$0 and for fiscal year 2020 it was \$0. The proportionate share of the State's NPL associated with the College at June 30, 2021 is \$65,513,365 or 0.2296% and at June 30, 2020 is \$70,491,548 or 0.2302%. The College's proportionate share changed by 0.0006% from 0.2296% since the last measurement date on June 30, 2020. This amount is not recognized in the College's financial statements. The NPL and total pension liability as of June 30, 2021, was determined based on the June 30, 2020, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2020.

##### *Defined Benefit Pension Expense*

For the years ending June 30, 2021 and June 30, 2020, SURS defined benefit plan reported a collective net pension expense of \$2,342,460,058 and \$3,364,411,021, respectively.

##### *Employer Proportionate Share of Defined Benefit Pension Expense*

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2020 and 2019, respectively. As a result, the College recognized revenue and defined benefit pension expense of \$5,379,272 and \$7,745,473 from this special funding situation during the years ended June 30, 2022 and June 30, 2021, respectively.

##### *Deferred Outflows and Deferred Inflows of Resources Related to Defined Benefit Pensions*

Deferred outflows of resources are the consumption of net position by SURS that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position by SURS that is applicable to future reporting periods.

#### SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

<b>Fiscal Year Ended June 30, 2021 (measurement date)</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$113,467,689	\$0
Changes in assumptions	776,968,084	0
Net difference between projected and actual earnings on pension plan investments	0	2,283,514,660
<b>Total</b>	<b>\$890,435,773</b>	<b>\$2,283,514,660</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 5. Defined Benefit Pension Plans (continued)

Fiscal Year Ended June 30, 2020 (measurement date)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$170,987,483	\$0
Changes in assumption	473,019,629	0
Net difference between projected and actual earnings on pension plan investments	474,659,178	0
<b>Total</b>	<b>\$1,118,666,290</b>	<b>\$0</b>

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$34,095,451
2023	(197,005,703)
2024	(538,343,058)
2025	(691,825,577)
<b>Total</b>	<b>(\$1,393,078,887)</b>

### College's Deferral of Fiscal Year 2022 Contributions

The College paid \$47,730 and \$45,927 in federal, trust or grant contributions to SURS defined benefit pension plan during the years ended June 30, 2022 and June 30, 2021, respectively. These contributions were made subsequent to the pension liability measurement date of June 30, 2021 and June 30, 2020, and are recognized as deferred outflows of resources as of June 30, 2022 and June 30, 2021.

### Assumptions and Other Inputs

*Actuarial assumptions.* The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2017 through June 30, 2020. The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.00 to 12.75 percent, including inflation
Investment rate of return	6.50 percent beginning with the actuarial valuation as of June 30, 2021

Mortality rates were based on the Pub-2010 employee and retiree gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 5. Defined Benefit Pension Plans (continued)

The long-term expected rate of return on the defined benefit pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2021, these best estimates are summarized in the following table:

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
<b>Traditional Growth</b>		
Global Public Equity	41.0%	6.30%
<b>Stabilized Growth</b>		
Credit Fixed Income	14.0%	1.82%
Core Real Assets	5.0%	3.92%
Options Strategies	6.0%	4.20%
<b>Non-Traditional Growth</b>		
Private Equity	7.5%	10.45%
Non-Core Real Assets	2.5%	8.83%
<b>Inflation Sensitive</b>		
U.S. TIPS	6.0%	(0.22%)
<b>Principal Protection</b>		
Core Fixed Income	8.0%	(0.81%)
<b>Crisis Risk Offset</b>		
Systematic Trend Following	3.5%	3.45%
Alternative Risk Premia	3.0%	2.30%
Long Duration	3.5%	0.91%
<b>Total</b>	100.0%	4.43%
<b>Inflation</b>		2.25%
<b>Expected arithmetic return</b>		<b>6.68%</b>

*Discount Rate.* A single discount rate of 6.12% and 6.49% at June 30, 2021 and June 30, 2020, respectively, was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% at June 30, 2021 and June 30, 2020, and a municipal bond rate of 1.92% and 2.45% at June 30, 2021 and June 30, 2020, respectively (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2021 and June 30, 2020, respectively). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 5. Defined Benefit Pension Plans (continued)

*Sensitivity of SURS Net Pension Liability to Changes in the Discount Rate.* Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.12% and 6.49% at June 30, 2021 and June 30, 2020, respectively, as well as what the State's NPL would be if it were calculated using a single discount rate that is 1- percentage-point lower or 1- percentage-point higher:

June 30, 2021		
1% Decrease 5.12%	Current Single Discount Rate Assumption 6.12%	1% Increase 7.12%
\$35,000,704,353	\$28,528,477,079	\$23,155,085,730

June 30, 2020		
1% Decrease 5.49%	Current Single Discount Rate Assumption 6.49%	1% Increase 7.49%
\$36,893,469,884	\$30,619,504,321	\$25,441,837,592

Additional information regarding the SURS basic financial statements, including the plan's net position, can be found in SURS Annual Comprehensive Financial Report by accessing the website at [www.SURS.org](http://www.SURS.org).

### Note 6. Defined Contribution Pension Plan

#### General Information about the Pension Plan

*Plan Description.* The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org). The RSP and its benefit terms were established and may be amended by the State's General Assembly.

*Benefits Provided.* A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2021, can be found in SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### **Note 6. Defined Contribution Pension Plan (continued)**

*Contributions.* All employees who have elected to participate in the RSP are required to contribute 8.0% of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.6% of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers. Employers are required to make the 7.6% contribution for employee earnings paid from “trust, federal, and other funds” as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State’s General Assembly.

*Forfeitures.* Employees are not vested in employer contributions to the RSP until they have attained five years of service credit. Should an employee leave SURS-covered employment with less than five years of service credit, the portion of the employee’s RSP account designated as employer contributions is forfeited. Employees who later return to SURS-covered employment will have these forfeited employer contributions reinstated to their account, so long as the employee’s own contributions remain in the account. Forfeited employer contributions are managed by SURS and are used both to reinstate previously forfeited contributions and to fund a portion of the State’s contributions on behalf of the individual employers. The vesting and forfeiture provisions of the RSP were established and may be amended by the State’s General Assembly.

### **Pension Expense Related to Defined Contribution Pensions**

#### *Defined Contribution Pension Expense*

For the year ended June 30, 2021, the State’s contributions to the RSP on behalf of individual employers totaled \$76,280,832. Of this amount, \$70,403,460 was funded via an appropriation from the State and \$5,877,372 was funded from previously forfeited contributions.

#### *Employer Proportionate Share of Defined Contribution Pension Expense*

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2021. The College’s share of pensionable contributions was 0.1024%. As a result, the College recognized revenue and defined contribution pension expense of \$78,108 from this special funding situation during the year ended June 30, 2022, of which \$6,018 constituted forfeitures.

### **Note 7. Other Post-Employment Benefits**

*Plan Administration.* The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program, “CIP”) 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. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of the Governor’s Executive Order 12-01, the responsibilities in relation to CIP 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 State Universities Retirement System and the boards of trustees of the various community college districts.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 7. Other Post-Employment Benefits (continued)

*Plan membership.* All members receiving benefits from the State Universities Retirement System (SURS) who have been full-time employees of a community college district or an association of a community college who have paid the required active member CIP contributions prior to retirement are eligible to participate in CIP. Survivors of an annuitant or benefit recipient eligible for CIP coverage are also eligible for coverage under CIP.

*Benefit Provisions.* A summary of other post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the CCHISF's financial statements of the Department may be obtained by accessing the website at [www.auditor.illinois.gov/Audit-Reports/CMS-CCHISF.asp](http://www.auditor.illinois.gov/Audit-Reports/CMS-CCHISF.asp).

*Benefits Provided.* CIP health coverage includes provisions for medical, prescription drugs, vision, dental and behavioral health benefits. Eligibility to participate in the CIP is defined in the State Employees Group Insurance Act of 1971 (Act) (5 ILCS 375/3). The Act (5 ILCS 375/6.9) also establishes health benefits for community college benefit recipients and dependent beneficiaries.

*Contributions.* The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of the salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriate Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

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

*Net OPEB Liability.* The net OPEB liability was measured as of June 30, 2021 and June 30, 2020. CIP reported a net OPEB liability at June 30, 2021 of \$1,735,532,863 and at June 30, 2020 of \$1,822,763,538.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 7. Other Post-Employment Benefits (continued)

*Employer Proportionate Share of Net OPEB Liability.* The amount of the proportionate share of the net OPEB liability to be recognized for the College in fiscal year 2022 is \$8,071,050 or 0.4650%, and for fiscal year 2021 it was \$8,277,698 or 0.4541%. This amount is recognized in the financial statement. The change in the College's proportionate net OPEB liability was an increase of 0.0109%. The proportionate share of the State's net OPEB liability associated with the College at June 30, 2021 and June 30, 2020 was \$8,071,050 or 0.4650% and \$8,277,682 or 0.4541%, respectively. The total proportionate share of the net OPEB liability associated with the College at June 30, 2021 and June 30, 2020 was \$16,142,100 and \$16,555,380, respectively. The net OPEB liability and total OPEB liability as of June 30, 2021 was determined based on the June 30, 2020 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2021.

*OPEB Expense.* At June 30, 2021 and June 30, 2020, CIP reported a collective net OPEB expense (income) of (\$8,291,172) and \$38,455,955, respectively.

*Employer Proportionate Share of OPEB Expense.* The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both nonoperating revenue and matching operating expense in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2021 and 2020, respectively. As a result, the College recognized on-behalf revenue of (\$66,634) and \$147,221 for the fiscal years ended June 30, 2022 and June 30, 2021, respectively. Additionally, the College recognized OPEB expense of (\$107,751) and \$63,202 for the fiscal years ended June 30, 2022 and June 30, 2021.

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.* Deferred outflows of resources are the consumption of net position by the OPEB plan that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position by the OPEB plan that is applicable to future reporting periods.

The College's Deferred Outflows and Deferred Inflows of Resources by Sources:

<b>Fiscal Year Ended June 30, 2021 (measurement date)</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$51,077	\$589,898
Changes in assumption	0	1,541,826
Net difference between projected and actual earnings on OPEB plan investments	0	233
Changes in proportion and differences between employer contributions and share of contributions	210,325	224,970
Total deferred amounts to be recognized in pension expense in future periods	261,402	2,356,927
OPEB contributions made subsequent to the measurement date	42,934	0
<b>Total</b>	<b>\$304,336</b>	<b>\$2,356,927</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 7. Other Post-Employment Benefits (continued)

<u>Fiscal Year Ended June 30, 2020 (measurement date)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$75,196	\$463,286
Changes in assumption	0	1,323,301
Net difference between projected and actual earnings on OPEB plan investments	0	351
Changes in proportion and differences between employer contributions and share of contributions	19,648	304,841
<hr/>		
Total deferred amounts to be recognized in pension expense in future periods	94,844	2,091,779
<hr/>		
OPEB contributions made subsequent to the measurement date	43,240	0
<hr/>		
<b>Total</b>	<b>\$138,084</b>	<b>\$2,091,779</b>

The College reported \$42,934 and \$43,240 as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting years ended June 30, 2022 and June 30, 2021, respectively. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

<u>Year ended June 30:</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	(\$349,254)
2023	(349,254)
2024	(349,254)
2025	(349,254)
2026	(349,254)
2027	(349,255)
<hr/>	
<b>Total</b>	<b>(\$2,095,525)</b>



# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 7. Other Post-Employment Benefits (continued)

#### Assumptions and Other Inputs

*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend used fiscal year end 2022 based on actual premium increases. For fiscal years on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 Whited Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2018.

*Discount Rate.* Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with the 20 years to maturity that include only federally tax-exempt municipal bonds reported in Fidelity's "20-year Municipal GO AA Index" has been selected. The discount rates are 1.92% as of June 30, 2021, and 2.45% as of June 30, 2020. The decrease in the single discount rate from 2.45% to 1.92% caused the total OPEB liability to increase by approximately \$114.7 million from 2020 to 2021.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 7. Other Post-Employment Benefits (continued)

#### Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate

The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 1.92% and 2.45% at June 30, 2021 and June 30, 2020, respectively, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher or lower than the current rate:

<b>Sensitivity of Net OPEB Liability as of June 30, 2021 to the Single Discount Rate Assumption</b>			
	<b>1% Decrease (0.92%)</b>	<b>Current Single Discount Rate Assumption (1.92%)</b>	<b>1% Increase (2.92%)</b>
Net OPEB liability	\$9,195,297	\$8,071,050	\$7,100,160

<b>Sensitivity of Net OPEB Liability as of June 30, 2020 to the Single Discount Rate Assumption</b>			
	<b>1% Decrease (1.45%)</b>	<b>Current Single Discount Rate Assumption (2.45%)</b>	<b>1% Increase (3.45%)</b>
Net OPEB liability	\$9,431,825	\$8,277,698	\$7,282,444

#### Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

<b>Sensitivity of Net OPEB Liability as of June 30, 2021 to the Healthcare Cost Trend Rate Assumption</b>			
	<b>1% Decrease (a)</b>	<b>Healthcare Cost Trend Rates Assumption</b>	<b>1% Increase (b)</b>
Net OPEB liability	\$6,650,417	\$8,071,050	\$9,973,698

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate trend rate of 3.25% in 2038.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 7. Other Post-Employment Benefits (continued)

Sensitivity of Net OPEB Liability as of June 30, 2020 to the Healthcare Cost Trend Rate Assumption			
	1% Decrease (a)	Healthcare Cost Trend Rates Assumption	1% Increase (b)
Net OPEB liability	\$6,858,901	\$8,277,698	\$10,159,665

- (b) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.
- (b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

### Note 8. Risk Management:

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and students; and natural disasters. The College purchases commercial insurance to cover the various risks of loss. The commercial insurance policies contain deductibles which vary with the type of coverage and risk involved. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

### Note 9. Contingencies and Commitments:

The College is part of a consortium that created a corporation called the Alliance of Community Colleges for Electronic Sharing, or "ACCES," to enable them to purchase computer software collectively. ACCES has the authority to incur debt on behalf of the College and its other members.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the College expects such amounts, if any, to be immaterial.

*Construction Commitments.* In May 2022, the College entered into a professional services agreement with Farnsworth Group, Inc. architecture services related to the construction of a new Science and Technology Center for \$2,298,000. As of June 30, 2022, total costs incurred are approximately \$270,000. The estimated completion date for this project is June 2024.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 10. Component Unit Disclosures:

#### Carl Sandburg College Foundation

##### Nature of Business

The Carl Sandburg College Foundation (the “Foundation”) was organized and operates exclusively for educational purposes to assist in developing and augmenting the facilities and carrying out the educational functions of Carl Sandburg College. The Foundation relies on contributions, from individuals and organizations, and investment income to provide financial assistance to students, primarily attending Carl Sandburg College. The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) except for taxes on unrelated income.

##### Basis of Accounting

The accompanying financial statements are prepared on the accrual basis.

##### Net Assets

Net assets and revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions: net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions: net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time, long-lived assets placed in service, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

##### Contributions and Revenues

Contributions are recognized when the donor or grantor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions received are recorded as support with donor restrictions or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction. If a restriction is met in the same period that the contribution is received, the contribution is reported as net assets without donor restrictions.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 10. Component Unit Disclosures (continued):

#### Carl Sandburg College Foundation (continued)

##### Contributions and Revenues (continued)

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Foundation reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

##### Investments and Investment Earnings

Investments in marketable securities with readily determinable fair value and all investments in debt securities are reported at their fair values. All investments are in mutual funds with readily determinable fair values. Investments are carried at fair value as determined by quoted market prices and realized and unrealized gains and losses are reported in the statement of activities. Investment earnings on restricted endowments are restricted by the donor or unrestricted according to the solicitation literature provided to the donor. Following is a summary of the allocation percentages used in allocating endowment investment earnings:

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>
Single year contributions and/or endowment has met minimum funding level of \$10,000	75%	25%
Multiple year contributions and endowment has not met minimum funding level of \$10,000	0%	100%

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 10. Component Unit Disclosures (continued):

#### Carl Sandburg College Foundation (continued)

##### Change in Accounting Policy

In 2020, the FASB issued *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07)*. The amendments in this ASU apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. There was no change in opening balances of net assets and no prior period results were restated.

##### Investments:

Interest, dividends, realized and unrealized gains and losses attributable to investments have been distributed based on each fund's percentage holdings of that investment. All investments are carried by the Foundation at fair value.

The investments at June 30, 2022 consisted of the following:

	Fair Value	Cost	Unrealized Appreciation (Depreciation)
Publicly traded equities:			
Mutual Funds – equity	\$16,679,104	\$15,084,028	\$1,595,076
Mutual Funds – bonds	3,724,233	3,843,450	(119,227)
	<u>\$20,403,327</u>	<u>\$18,927,478</u>	<u>\$1,475,849</u>

The investments at June 30, 2021 consisted of the following:

	Fair Value	Cost	Unrealized Appreciation (Depreciation)
Publicly traded equities:			
Mutual Funds – equity	\$19,315,139	\$14,223,761	\$5,091,378
Mutual Funds – bonds	5,357,720	3,399,111	1,958,609
	<u>\$24,672,859</u>	<u>\$17,622,872</u>	<u>\$7,049,987</u>

##### Beneficial Interest in Perpetual Trust:

The Foundation is a beneficiary of a trust that stipulates it is the recipient of 100% of the trust's earnings. The principal is to be held for perpetuity. The beneficial interest in the perpetual trust is recorded at 100% of the trust's fair value. The recorded value was \$314,784 as of June 30, 2022 and \$387,632 as of June 30, 2021. The change in fair value is recorded on the statement of activities.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 10. Component Unit Disclosures (continued):

#### Carl Sandburg College Foundation (continued)

##### Net Assets with Donor Restrictions:

Net assets with donor restrictions consist of the following as of June 30, 2022:

Subject to expenditure for specified purpose:	
Student scholarships currently available	\$11,533,369
Endowment subject to spending policy and appropriation	4,729,758
Perpetual endowments	314,784
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Net assets with donor restrictions	\$16,577,911

Net assets with donor restrictions consist of the following as of June 30, 2021:

Subject to expenditure for specified purpose:	
Student scholarships currently available	\$12,352,272
Endowment subject to spending policy and appropriation	6,266,846
Perpetual endowments	387,632
<hr/>	
Net assets with donor restrictions	\$19,006,750

The Foundation reports gifts or cash as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when the purpose of the restriction is accomplished, with donor restriction net assets are reclassified to without donor restriction net assets and reported in the statement of activities as net assets released from restrictions.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes totaling \$282,207 for the year ended June 30, 2022, and totaling \$348,809 for the year ended June 30, 2021.

##### Fair Value of Financial Instruments:

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy, as described under current accounting standards, are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 10. Component Unit Disclosures (continued):

#### Carl Sandburg College Foundation (continued)

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table presents the Foundation's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2022:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value on a recurring basis:</b>				
Mutual Funds - equity	\$16,679,104	\$16,679,104	\$0	\$0
Mutual Funds – bonds	3,724,223	3,724,223	0	0
Beneficial interest in perpetual trust	314,784	0	0	314,784
<b>Total</b>	<b>\$20,718,111</b>	<b>\$20,403,327</b>	<b>\$0</b>	<b>\$314,784</b>

The following table presents the Foundation's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2021:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value on a recurring basis:</b>				
Mutual Funds - equity	\$19,315,139	\$19,315,139	\$0	\$0
Mutual Funds – bonds	5,357,720	5,357,720	0	0
Beneficial interest in perpetual trust	387,632	0	0	387,632
<b>Total</b>	<b>\$25,060,491</b>	<b>\$24,672,859</b>	<b>\$0</b>	<b>\$387,362</b>

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value.

**Mutual Funds:** Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.



# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 10. Component Unit Disclosures (continued):

#### Carl Sandburg College Foundation (continued)

The following table reconciles the Foundation's beginning to ending balance of its beneficial interest in a perpetual trust measured at fair value using significant unobservable inputs (Level 3) during the year ended:

<b>Beneficial interest in perpetual trust:</b>	<b>June 30, 2022</b>	<b>June 30, 2021</b>
Balance, beginning of year	\$387,632	\$318,825
Changes in fair value of trust assets	(72,848)	68,807
Balance, end of year	\$314,784	\$387,632

Information regarding the fair value of assets and liabilities measured at fair value on a nonrecurring basis as of June 30, 2022 follows:

	<b>Total</b>	<b>Nonrecurring Fair Value Measurements At Reporting Date Using</b>		
		<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
<b>Assets measured at fair value on a nonrecurring basis:</b>				
Contributed nonfinancial assets:				
Services	\$63,063	\$0	\$0	\$63,063
Goods	1,000	0	0	1,000
Facilities	2,698	0	0	2,698
<b>Total</b>	<b>\$66,761</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,761</b>

Information regarding the fair value of assets and liabilities measured at fair value on a nonrecurring basis as of June 30, 2021 follows:

	<b>Total</b>	<b>Nonrecurring Fair Value Measurements At Reporting Date Using</b>		
		<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
<b>Assets measured at fair value on a nonrecurring basis:</b>				
Contributed nonfinancial assets:				
Services	\$73,030	\$0	\$0	\$73,030
Goods	41,440	0	0	41,440
Facilities	2,629	0	0	2,629
<b>Total</b>	<b>\$117,099</b>	<b>\$0</b>	<b>\$0</b>	<b>\$117,099</b>

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

### Note 10. Component Unit Disclosures (continued):

#### Carl Sandburg College Foundation (continued)

#### Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following tables represent the Foundation's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs.

Assets	June 30, 2022 Fair Value	June 30, 2021 Fair Value	Valuation Technique	Significant Unobservable Inputs	Range
Beneficial interest in perpetual trust	\$314,784	\$387,632	Market approach	Fair value of assets contributed to trust	N/A
Contributed nonfinancial assets:					
Services	63,063	73,030	Market Approach	Fair value of assets contributed to Foundation	N/A
Goods	1,000	41,440	Market Approach	Fair value of assets contributed to Foundation	N/A
Facilities	2,698	2,629	Market Approach	Fair value of assets contributed to Foundation	N/A
Total	\$381,545	\$504,731			

#### Income Taxes:

As stated in Note 1, the Foundation is organized as a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation pays no income tax on its related function income as long as it stays within the guidelines of Section 501(c)(3). The Foundation is subject to income tax on its "non-related" function income. For the year ending June 30, 2022, the Foundation did not have any "non-related" function income. Accordingly, the Foundation had no taxable income for the year.

Forms 990 filed by the Foundation are subject to examination by the Internal Revenue Services (IRS) up to three years from the extended due date of each return. Forms 990 filed by the Foundation are subject to examination for three years.

Accounting principles generally accepted in the United States of America provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements. Generally accepted accounting principles require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### **Note 11. Impact of Pending Accounting Pronouncements:**

GASB Statement No. 91, *Conduit Debt Obligations* provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The College has not determined the effect of this Statement.

GASB Statement No. 92, *Omnibus 2021*, improves the consistency of several practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, amends certain hedge accounting from GASB Statement No. 53 and variable lease payments in accordance with GASB Statement No. 87. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides more guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, defines a SBITA, establishes a right-to-use subscription asset and liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 99, *Omnibus 2022*, improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 and 2023. The College has not determined the effect of this Statement.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The College has not determined the effect of this Statement.

GASB Statement No. 101, *Compensated Absences*, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The College has not determined the effect of this Statement.

# Carl Sandburg College – Community College District 518

## Notes to Financial Statements

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### Note 12. Subsequent Events

In July 2022, the College entered into an agreement for a construction manager with River City Construction, LLC relating to the construction of the Science and Technology Building for an amount not to exceed \$1,053,220.

### Note 13 Restatement:

During the fiscal year, the College made a prior period adjustments to the financial statements to implement GASB Statement No. 87 related to leases in compliance with accounting principles generally accepted in the United States.

	Statements of Net Position	
	June 30, 2022	June 30, 2021
Net Position, beginning of year, as previously reported	\$31,661,683	\$25,463,151
GASB Statement No. 87 implementation	(504)	1,368
Net position, beginning of year, as restated	\$31,661,179	\$25,464,519

## **Required Supplementary Information**

# Carl Sandburg College - Community College District 518

## Schedule of Share of Net Pension Liability

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2014)

MEASUREMENT DATE JUNE 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion percentage of the collective net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Proportion amount of the collective net pension liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Portion of nonemployer contributing entities' total proportion of collective net pension liability associated with the College	\$65,513,365	\$70,491,548	\$67,377,287	\$65,574,518	\$61,129,173	\$63,441,840	\$57,324,387	\$55,045,220		
Employer defined benefit covered payroll	\$8,750,555	\$8,562,352	\$8,507,917	\$8,551,157	\$8,496,436	\$8,852,780	\$8,838,527	\$9,217,229		
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	748.68%	823.27%	791.94%	766.85%	719.47%	716.63%	648.57%	597.20%		
SURS plan net position as a percentage of total pension liability	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%		

Note: The System implemented GASB No. 68 in fiscal year 2015. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

# Carl Sandburg College - Community College District 518

## Schedule of Pension Contributions

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2014)

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Federal, trust, grant and other contribution	\$47,730	\$45,927	\$49,241	\$45,406	\$40,245	\$33,300	\$41,768	\$38,128	\$34,477	
Contribution in relation to required contribution	47,730	45,927	49,241	45,406	40,245	33,300	41,768	38,128	34,477	
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employer covered payroll	\$8,731,979	\$8,842,996	\$8,670,105	\$9,635,998	\$9,556,351	\$9,500,036	\$9,903,377	\$9,945,359	\$10,504,206	
Contribution as a percentage of covered payroll	0.55%	0.52%	0.57%	0.47%	0.42%	0.35%	0.42%	0.38%	0.33%	

Note: The System implemented GASB No. 68 in fiscal year 2015. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

# Carl Sandburg College - Community College District 518

## Schedule of Share of Net OPEB Liability

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2018)

MEASUREMENT DATE JUNE 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion percentage of the collective net OPEB liability	0.47%	0.45%	0.46%	0.47%	0.48%	0.47%				
Proportion amount of the collective net OPEB liability	\$8,071,050	\$8,277,698	\$8,660,087	\$8,844,364	\$8,671,841	\$8,603,553				
Portion of nonemployer contributing entities' total proportion of collective net OPEB liability associated with the College	\$8,071,050	\$8,277,698	\$8,660,087	\$8,844,364	\$8,557,627	\$8,964,170				
Total collective net OPEB liability associated with the College	\$16,142,100	\$16,555,396	\$17,320,174	\$17,688,728	\$17,229,468	\$17,567,723				
College's covered payroll	\$8,842,996	\$8,670,105	\$9,635,998	\$9,556,351	\$9,500,036	\$9,903,377				
Proportion of collective net OPEB liability associated with the College as a percentage of its covered payroll	182.54%	190.95%	179.74%	185.10%	181.36%	177.39%				
College insurance plan net position as a percentage of total OPEB liability	-4.13%	-4.13%	-4.13%	-4.13%	-3.54%	-2.87%				

Note: The College implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

See Accompanying Notes to Required Supplementary Information



# Carl Sandburg College - Community College District 518

## Schedule of OPEB Contributions

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2018)

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Statutorily required contribution	\$42,934	\$43,240	\$41,765	\$41,163	\$40,968	\$41,255	\$42,845			
Contribution in relation to the required statutorily	42,934	43,240	41,765	41,163	40,968	41,255	42,845			
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
College's covered payroll	\$8,731,979	\$8,842,996	\$8,670,105	\$9,635,998	\$9,556,351	\$9,500,036	\$9,903,377			
Contribution as a percentage of covered payroll	0.49%	0.49%	0.48%	0.43%	0.43%	0.43%	0.43%			

Note: The College implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

# Carl Sandburg College – Community College District 518

## Notes to Required Supplementary Information

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### Note 1. Changes of Pension Benefit Terms:

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2021.

### Note 2. Changes of Pension Assumptions:

In accordance with *Illinois Compiled Statutes*, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest, and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020 was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021.

- Salary increase. Change in the overall assumed salary increase rates, ranging from 3.00 percent to 12.75 percent based on years of service, while maintaining the underlying wage inflation of 2.25 percent.
- Investment return. Decrease the investment return assumption to 6.50 percent. This reflects decreasing the assumed real rate of return of 4.25 percent and maintaining the underlying assumed price inflation to 2.25 percent.
- Effective rate of interest. Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.50 percent.
- Normal retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Early retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Turnover rates. Change rates to produce slightly lower expected turnover for most members, while maintaining pattern of decreasing termination rates as years of service increase.
- Mortality rates. Change from the RP-2014 to the Pub-2010 mortality tables to reflect the latter's higher applicability to public pensions. Update the projection scale from the MP-2017 to the MP-2020 scale.
- Disability rates. Establish separate rates for members in academic positions and non-academic positions and maintain separate rates for males and females.
- Plan election. Change plan election assumptions to 75 percent Tier 2 and 25 percent Retirement Savings Plan (RSP) for non-academic members. Change plan election assumptions to 55 percent Tier 2 and 45 percent Retirement Savings Plan (RSP) for academic members.

### Note 3. Changes of OPEB Benefit Terms:

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2021.

# Carl Sandburg College – Community College District 518

## Notes to Required Supplementary Information

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### Note 4. Changes of OPEB Assumptions:

In accordance with *Illinois Compiled Statutes*, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of CIP. An experience review for the years June 30, 2014 to June 30, 2017, resulting in the adoption of new assumptions as of June 30, 2020. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2019:

- The discount rate was changed from 2.45 percent at June 30, 2020, to 1.92 percent at June 30, 2021.
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2020, projected plan cost for plan year end June 30, 2021, premium changes through plan year end 2021, and expectation of future trend increases after June 30, 2021;
- Per capita claim costs for plan year end June 30, 2021, were updated based on projected claims and enrollment experience through June 30, 2021, and updated premium rates through plan year end 2022; and
- Healthcare plan participation rates by plan were updated based on observed experience.

## **STATISTICAL SECTION**

# Carl Sandburg College – Community College District 518

## Statistical Section

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This section of the College’s Annual Comprehensive Financial Report presents additional historical perspective, context, and detailed information to assist the reader in using the information in the financial statements, note disclosures, and supplemental financial information to understand and assess the College’s overall economic condition.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the college’s financial performance and well-being have changed over time.	68 - 69
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the College’s most significant local revenue source, the property tax.	70 - 73
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the College’s current levels of outstanding debt and the ability to issue additional debt in the future.	74 - 77
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the College’s financial activities take place.	78 - 79
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the College’s financial report relates to the services the College provides and the activities it performs.	80 - 82

*Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*

# Carl Sandburg College - Community College District 518

## Net Position by Component

For the Last Ten Fiscal Years ended June 30,

(Accrual Basis of Accounting)

(Amounts Expressed in Thousands)

TABLE A

	2022	As Restated 2021****	As Restated 2020***	2019	2018	As Restated 2017**	2016	As Restated 2015	2014	As Restated 2013*
Net investment in capital assets	\$9,788	\$9,265	\$9,312	\$9,596	\$8,138	\$8,008	\$8,096	\$10,958	\$9,793	\$8,109
Restricted - expendable:										
Debt Service	621	572	453	483	390	362	323	234	279	245
Grants and scholarships	2,348	504	538	420	425	425	0	0	0	0
Working cash	8,476	8,528	8,467	8,346	8,254	8,232	8,195	8,163	8,184	0
Unrestricted	16,570	12,793	6,693	1,546	(786)	(3,085)	3,457	2,815	2,961	10,739
<b>Total net position</b>	<b>\$37,803</b>	<b>\$31,662</b>	<b>\$25,463</b>	<b>\$20,391</b>	<b>\$16,421</b>	<b>\$13,942</b>	<b>\$20,071</b>	<b>\$22,170</b>	<b>\$21,217</b>	<b>\$19,093</b>

\*Implementation of GASB 65

\*\*Implementation of GASB 75

\*\*\*Implementation of GASB 84

\*\*\*\*Implementation of GASB 87

# Carl Sandburg College - Community College District 518

## Changes in Net Position

For the Last Ten Fiscal Years ended June 30,  
(Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)

	As Restated				As Restated		As Restated		TABLE B As Restated	
	2022	2021***	2020	2019	2018	2017**	2016	2015	2014	2013*
Operating expenses:										
Instruction	\$8,496	\$9,688	\$9,556	\$8,669	\$5,613	\$5,823	\$6,074	\$6,753	\$6,605	\$6,854
Academic support	454	539	614	560	404	391	408	453	475	414
Student services	4,521	4,761	4,447	4,250	2,989	2,825	2,727	2,669	2,610	2,667
Public services	84	173	179	184	126	135	182	260	364	407
Auxiliary services	931	832	984	758	616	631	618	686	1,096	1,162
Operation and maintenance of plant	1,466	1,566	1,651	1,667	1,323	1,366	1,464	1,586	1,527	1,724
Institutional support	7,302	7,268	6,703	6,993	11,509	20,054	9,981	9,300	8,505	8,750
Scholarships, student grants, and waivers	5,582	4,010	4,876	3,669	4,068	2,815	2,654	3,108	3,316	3,683
Depreciation	1,553	1,563	1,558	1,303	1,305	1,385	1,378	1,254	1,355	1,381
<b>Total operating expenses</b>	<b>30,389</b>	<b>30,400</b>	<b>30,568</b>	<b>28,053</b>	<b>27,953</b>	<b>35,425</b>	<b>25,486</b>	<b>26,069</b>	<b>25,853</b>	<b>27,042</b>
Operating revenues:										
Charges for services:										
Student tuition and fees	4,913	4,807	5,970	5,140	5,303	4,524	4,498	4,338	4,003	4,467
Chargeback revenue										
Auxiliary enterprise	155	171	173	173	161	180	216	202	600	648
<b>Total operating revenue</b>	<b>5,068</b>	<b>4,978</b>	<b>6,143</b>	<b>5,313</b>	<b>5,464</b>	<b>4,704</b>	<b>4,714</b>	<b>4,540</b>	<b>4,603</b>	<b>5,115</b>
<b>Operating loss</b>	<b>(25,321)</b>	<b>(25,422)</b>	<b>(24,425)</b>	<b>(22,740)</b>	<b>(22,489)</b>	<b>(30,721)</b>	<b>(20,772)</b>	<b>(21,529)</b>	<b>(21,250)</b>	<b>(21,927)</b>
Nonoperating revenues (expenses):										
State grants	2,773	2,712	2,599	2,298	2,320	2,675	1,035	3,162	3,912	3,799
Federal grants	9,675	7,530	5,963	5,482	5,416	5,219	5,067	5,959	6,274	6,908
Property taxes	12,745	12,520	12,187	11,849	11,142	10,542	10,055	9,884	9,467	9,238
Personal property replacement tax	877	406	291	269	242	294	266	291	270	268
Local grants	48	23	75	24	32	52	150	12	20	9
Investment income	(97)	384	851	636	308	153	483	402	382	60
Other nonoperating revenues	5,724	8,125	7,963	6,594	6,020	6,517	5,102	4,646	4,042	3,846
Gain (loss) on disposal of assets	0	0	(207)	0	(1)	(288)	(2,776)	(785)	0	0
Interest expense	(643)	(81)	(312)	(445)	(511)	(572)	(709)	(1,090)	(992)	(1,274)
<b>Net nonoperating revenues</b>	<b>31,102</b>	<b>31,619</b>	<b>29,410</b>	<b>26,707</b>	<b>24,968</b>	<b>24,592</b>	<b>18,673</b>	<b>22,481</b>	<b>23,375</b>	<b>22,854</b>
Capital contribution	361	0	0	0	0	0	0	0	0	0
<b>Change in net position</b>	<b>\$6,142</b>	<b>\$6,197</b>	<b>\$4,985</b>	<b>\$3,967</b>	<b>\$2,479</b>	<b>(\$6,129)</b>	<b>(\$2,099)</b>	<b>\$952</b>	<b>\$2,125</b>	<b>\$927</b>

\*Implementation of GASB 65

\*\*Implementation of GASB 75

\*\*\*Implementation of GASB 87

# Carl Sandburg College - Community College District 518

## Assessed and Estimated Actual Value of Taxable Property

Last Ten Tax Levy Years

TABLE C

Year of Levy	Farm	Residential	Commercial	Industrial	Mineral	Railroad	Assessed Valuation	Estimated Actual Value	Total Direct Tax Rate
2021	\$861,226,834	\$829,051,994	\$268,504,118	\$28,686,857	\$21,503,733	\$132,919,789	\$2,141,893,325	\$6,425,679,975	0.6044
2020	798,044,586	788,968,732	263,206,332	27,267,353	2,560,065	112,347,384	1,992,394,452	5,977,183,356	0.6429
2019	779,779,282	804,163,481	266,067,573	30,396,977		97,100,458	1,977,507,771	5,932,523,313	0.6594
2018	743,947,589	804,742,320	262,723,804	30,488,827		86,497,622	1,928,400,162	5,785,200,486	0.6431
2017	701,661,616	755,977,286	258,982,913	21,649,672		81,435,544	1,819,707,031	5,459,121,093	0.6524
2016	663,550,654	742,549,109	260,982,719	21,700,159		74,484,612	1,763,267,253	5,289,801,759	0.6673
2015	629,272,277	716,008,658	237,521,756	16,406,871		67,169,171	1,666,378,733	4,999,136,199	0.6317
2014	606,537,263	699,100,533	235,528,265	16,553,770		64,128,032	1,621,847,863	4,865,543,589	0.6192
2013	562,937,774	692,805,775	231,443,484	17,212,963		63,352,505	1,567,752,501	4,703,257,503	0.6252
2012	524,085,393	703,152,066	229,659,312	15,395,715		59,379,815	1,531,672,301	4,595,016,903	0.6228

Note: Assessed value is computed by the County Clerk's offices equal to one-third of the estimated actual value.

Source: Knox County Clerk's Office



# Carl Sandburg College - Community College District 518

## Property Tax Levies and Collections

Last Ten Fiscal Years

TABLE D

Year of Levy	Fiscal Year	Total Tax Levy	Current Year Taxes Collected	Percent of Levy Collected	Collected in Subsequent Years	Total Collections to Date	Total Percent of Levy Collected to Date
2021	2022	\$12,948,710	\$3,691,242	28.51%	\$0	\$3,691,242	28.51%
2020	2021	13,025,772	12,966,008	99.54%	0	12,966,008	99.54%
2019	2020	12,774,131	12,627,505	98.85%	0	12,627,505	98.85%
2018	2019	12,327,157	12,101,802	98.17%	0	12,101,802	98.17%
2017	2018	11,962,549	11,856,521	99.11%	0	11,856,521	99.11%
2016	2017	11,398,135	11,313,960	99.26%	0	11,313,960	99.26%
2015	2016	10,542,391	10,454,014	99.16%	0	10,454,014	99.16%
2014	2015	10,078,115	10,044,230	99.66%	(3,194)	10,041,036	99.63%
2013	2014	9,902,303	9,819,120	99.16%	6,296	9,825,416	99.22%
2012	2013	9,544,769	9,498,458	99.51%	(1,288)	9,497,170	99.50%

Source: Knox County Treasurer's Office

Note - Property taxes of the counties in the district are levied based on a calendar year (January 1 - December 31) and are due in two installments in the calendar year following the year of the levy.

The first installment is usually due in June and is approximately one half the prior year's tax bill.

The second installment generally includes any adjustments to the assessed valuation and is usually due 30 days after assessments are billed (usually by mid-September).

Any tax levy receivable outstanding at the end of the second fiscal year, after the year of the levy is recorded as a receivable.

Property taxes collected in advance of the year to which they apply are recorded as deferred revenue.

# Carl Sandburg College - Community College District 518

## Property Tax Rates - Direct and Overlapping Governments (1)

Last Ten Fiscal years

TABLE E

Taxing Bodies	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
City of Galesburg	1.5957	1.5197	1.5080	1.5632	1.6006	1.7039	1.7828	1.6135	1.5472	1.5560
Township of the City of Galesburg	0.1444	0.1460	0.1438	0.1472	0.1512	0.1528	0.1574	0.1599	0.1614	0.1612
Galesburg Unit School District 205	4.7399	4.9021	4.8897	4.8344	4.8344	4.9576	4.7018	4.5915	4.4671	4.2200
Knox County	1.2899	1.2878	1.3150	1.3180	1.3631	1.3294	1.3245	1.3185	1.3157	1.1608
Knox County Soil & Water Conservation	0.0006	0.0005	0.0006	0.0006	0.0006	0.0007	0.0000	0.0000	0.0000	0.0000
Galesburg City Fire	1.0428	1.0807	1.1467	1.1224	1.1176	1.0424	0.9500	0.9647	0.9425	0.8913
Galesburg Sanitary District	0.3134	0.3101	0.3057	0.3060	0.2986	0.3103	0.0000	0.3143	0.3125	0.3064
<b>Total Overlapping Rate</b>	<b>9.1267</b>	<b>9.2469</b>	<b>9.3095</b>	<b>9.2918</b>	<b>9.3660</b>	<b>9.4971</b>	<b>8.9165</b>	<b>8.9622</b>	<b>8.7464</b>	<b>8.2957</b>
<b>Carl Sandburg College Dist. 518</b>										
Educational	0.2281	0.2377	0.2455	0.2387	0.2444	0.2757	0.2463	0.2181	0.2146	0.2088
Building	0.0478	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Bond and Interest	0.1815	0.1641	0.1707	0.1713	0.1757	0.1661	0.1547	0.2103	0.2187	0.2202
Audit	0.0048	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Tort Immunity	0.1222	0.1278	0.1297	0.1202	0.1191	0.1104	0.1162	0.1199	0.1205	0.1220
Protection, Health, and Safety	0.0119	0.0500	0.0500	0.0500	0.0500	0.0500	0.0494	0.0059	0.0058	0.0060
Social Security and Medicare	0.0079	0.0083	0.0085	0.0079	0.0081	0.0101	0.0101	0.0100	0.0106	0.0108
<b>Total</b>	<b>0.6042</b>	<b>0.6429</b>	<b>0.6594</b>	<b>0.6431</b>	<b>0.6524</b>	<b>0.6673</b>	<b>0.6317</b>	<b>0.6192</b>	<b>0.6252</b>	<b>0.6228</b>
<b>Total rate</b>	<b>9.7309</b>	<b>9.8898</b>	<b>9.9689</b>	<b>9.9349</b>	<b>10.0184</b>	<b>10.1644</b>	<b>9.5482</b>	<b>9.5814</b>	<b>9.3716</b>	<b>8.9185</b>
<b>Carl Sandburg College</b>										
Percentage of Total	6.21%	6.50%	6.61%	6.47%	6.51%	6.57%	6.62%	6.46%	6.67%	6.98%

(1) Tax rates are assessed in dollars per hundred of equalized assessed value.

Note - Tax rates displayed are representative for property within the district.

Source: Knox County Clerk's Office

# Carl Sandburg College - Community College District 518

## Principal Taxpayers

Current Year and Nine Years Ago

Table F

Taxpayer	Type of Business	2022		2013			
		Taxable Assessed Value (approx.)	Percent District's Total EAV	Taxable Assessed Value (approx.)	Percent District's Total EAV		
Burlington Northern & Santa Fe Railway Co	Railway	\$120,522,082	1	6.05%	\$37,941,902	1	2.48%
Cardinal Point LLC	Wind Farm	18,837,520	2	0.95%			
Union Electric	Electric	13,261,047	3	0.67%	13,066,633	2	0.85%
Monmouth Property Dev LLC	Manufacturing	8,797,170	4	0.44%			
Smithfield Fresh Meats Corp	Manufacturing	8,099,450	5	0.41%			
Galesburg Hospital Corp	Hospital	7,435,740	6	0.37%	7,081,990	3	0.46%
Wal-Mart Real Estate Bus	Retailer	4,181,340	7	0.21%	4,096,420	5	0.27%
Menard Inc	Retailer	3,516,510	8	0.18%	3,066,470	6	0.20%
Phoenix Galesburg I Industrial Investors LLC	Community Business	2,384,200	9	0.12%			
Lowe's Home Centers Inc	Retailer	2,352,330	10	0.12%	2,272,810	9	0.15%
KC Acquisition Inc	Processing Plant				5,083,600	4	0.33%
Consolidated Grain/Twomey Company	Grain				2,133,120	10	0.14%
HyVee Food Stores Inc	Real property holdings				2,414,620	7	0.16%
OSF St Francis Inc	Hospital				2,371,640	8	0.15%
		\$189,387,389		9.51%	\$79,529,205		5.19%

Sources: County Assessors' Offices - Valuations are obtained which provide details as to owner and valuation for each parcel in each County. Since a taxpayer may own numerous parcels in the District, a piece of property with a small assessed valuation may be overlooked. Thus, the valuations presented herewith have been noted as approximations.

# Carl Sandburg College - Community College District 518

## Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

TABLE G

Fiscal Year	General Bonded Debt	Leases	Total Primary Government	Estimated Actual Value Taxable Property	Ratio Total Debt to Est. Actual Taxable Prop. Value	Estimated Population	Net Bonded Debt Per Capita	Personal Income (amounts expressed in thousands)	Ratio of Total Outstanding Debt to Personal Income
2022	\$35,169,807	\$377,832	\$35,547,639	\$5,977,183,356	0.595%	104,993	335	\$3,648,443	0.97%
2021	7,861,044	0	7,861,044	5,932,523,313	0.133%	100,791	78	2,566,441	0.31%
2020	10,996,528	34,574	11,031,102	5,785,200,486	0.191%	102,634	107	2,613,342	0.42%
2019	13,946,049	78,052	14,024,101	5,459,121,093	0.257%	102,634	136	2,613,342	0.54%
2018	16,581,320	118,687	16,700,007	5,289,801,759	0.316%	103,671	160	2,562,854	0.65%
2017	18,950,394	156,666	19,107,060	4,999,136,199	0.382%	104,639	181	2,511,424	0.76%
2016	20,934,468	192,162	21,126,630	4,865,543,589	0.434%	105,748	198	2,464,246	0.86%
2015	23,525,374	0	23,525,374	4,703,257,503	0.500%	105,790	222	2,439,200	0.96%
2014	25,912,657	0	25,912,657	4,595,016,903	0.564%	100,165	259	2,386,531	1.09%
2013	28,240,401	0	28,070,000	4,503,010,200	0.623%	105,835	267	2,261,164	1.24%

Note: Details regarding the District's outstanding debt can be found in Note 4, in the Notes to Financial Statements.

Sources: Knox County Clerk's Office College records

# Carl Sandburg College - Community College District 518

## Ratio of Net General Bonded Debt to Assessed Value and

## Net General Bonded Debt Per Capita

Last Ten Fiscal Years

TABLE H

Fiscal Year	Net General Bonded Debt	Estimated Actual Taxable Value of Property	Estimated Population	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2022	\$35,169,807	\$5,977,183,356	104,993	0.588%	\$335
2021	7,861,044	5,932,523,313	100,791	0.133%	78
2020	10,996,528	5,785,200,486	101,418	0.190%	108
2019	13,946,049	5,459,121,093	102,634	0.255%	136
2018	16,581,320	5,289,801,759	103,671	0.313%	160
2017	18,950,394	4,999,136,199	104,639	0.379%	181
2016	20,934,468	4,865,543,589	105,748	0.430%	198
2015	23,525,374	4,703,257,503	105,790	0.500%	222
2014	25,912,657	4,595,016,903	100,165	0.564%	259
2013	28,240,401	4,503,010,200	105,835	0.627%	267

Note: Details regarding the District's outstanding debt can be found in Note 4 - Debt, in the Notes to Financial Statements.

Sources: Knox County Clerk's Office  
College records

# Carl Sandburg College - Community College District 518

## Computation of Direct and Overlapping Bonded Debt

June 30, 2022

TABLE I

Overlapping Agencies	Outstanding Debt (2)	Percent (1)	Amount
McDonough County	\$1,700,000	40.53%	\$688,962
Macomb Airport Authority	520,000	0.32%	1,640
Raritan Road District	50,000	100.00%	50,000
City of Galesburg	23,450,000	100.00%	23,450,000
City of Monmouth	38,795,152	100.00%	38,795,152
Monmouth Park District	250,000	100.00%	250,000
Roseville-Swan-Point Pleasant -Ellison Fire	975,000	100.00%	975,000
VIT Community Unit School District Number 2	156,000	0.07%	111
Mendon Community Unit School District Number 4	6,070,000	19.39%	1,176,745
West Prairie Community Unit School District Number 103	2,175,000	97.56%	2,121,817
BPC Community Unit School District Number 170	496,400	72.00%	357,419
Macomb Community Unit School District Number 185	4,715,000	0.03%	1,220
Knoxville Community Unit School District Number 202	3,625,000	98.63%	3,575,467
Galesburg Community Unit School District Number 205	51,886,000	100.00%	51,886,000
ROWVA Community Unit School District Number 208	6,535,000	95.81%	6,260,886
Alwood Community Unit School District Number 225	1,845,000	1.79%	33,105
West Central Community Unit School District Number 235	2,510,930	99.60%	2,500,762
Farmington Community Unit School District Number 265	5,801,382	19.75%	1,145,887
Monmouth-Roseville Community Unit School District Number 238	4,517,000	100.00%	4,517,000
United Community Unit School District Number 304	3,965,000	85.49%	3,389,663
Elmwood Community Unit School District Number 322	8,015,000	0.13%	10,580
Warsaw Community Unit School District Number 316	740,000	100.00%	740,000
LaHarpe School District Number 347	1,745,000	19.75%	344,655
Dallas Community Unit School District Number 336	160,000	100.00%	160,000
Mercer Community Unit School District Number 404	3,342,400	0.40%	13,370
			142,445,441
Community College Dist. #518	\$35,169,807	100.00%	35,169,807
Total Direct & Overlapping General Obligation Bonded Debt			\$177,615,248

Source: Office of the 10 counties in the Carl Sandburg College District

(1) Debt percentage applicable to the College is calculated by applying the ratio of assessed value of the governmental unit applicable to the College district compared to the total assessed value of the governmental unit.

(2) Estimated; as of September 1, 2020

# Carl Sandburg College - Community College District 518

## Legal Debt Margin

Last Ten Fiscal Years

TABLE J

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Percentage of Debt Limit
2022	\$61,579,433	\$35,547,639	\$26,031,794	57.726%
2021	57,281,340	7,861,044	49,420,296	13.724%
2020	56,853,348	11,031,102	45,822,246	19.403%
2019	55,441,505	14,024,101	41,417,404	25.295%
2018	52,316,577	16,700,007	35,616,570	31.921%
2017	50,693,934	19,107,060	31,586,874	37.691%
2016	47,908,389	21,126,630	26,781,759	44.098%
2015	46,628,126	23,525,374	23,102,752	50.453%
2014	45,072,884	25,912,657	19,160,227	57.491%
2013	44,035,579	28,070,000	15,965,579	63.744%
Assessed valuation - 2021 levy			<u>\$2,141,893,325</u>	
Debt limit (2.875% of total assessed value)			<u>\$61,579,433</u>	
Debt applicable to limit:				
General obligation bonds			35,169,807	
Leases payable			<u>377,832</u>	
Total net debt applicable to limit			<u>35,547,639</u>	
Legal debt margin			<u>\$26,031,794</u>	

Sources: Knox County Clerk's Office College records

# Carl Sandburg College - Community College District 518

## Demographic and Economic Statistics

Last Ten Fiscal Years

TABLE K

Fiscal Year	Estimated Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate	District Student Enrollment	Average Class Size
2022	104,993	\$3,648,443	\$34,749	39.0	26,138	4.5%	1,687	14
2021	100,791	2,566,441	25,463	43.4	26,138	5.2%	1,755	14
2020	101,418	2,618,004	25,814	41.8	22,316	4.9%	1,925	14
2019	102,634	2,613,342	25,463	43.3	28,267	4.4%	1,860	17
2018	103,711	2,697,834	26,013	41.9	19,903	4.4%	1,947	15
2017	103,711	2,697,834	26,013	41.9	30,681	5.9%	1,927	17
2016	105,748	2,464,246	23,303	42.0	30,741	6.5%	2,082	17
2015	105,790	2,439,200	23,057	42.0	30,757	5.3%	2,328	15
2014	100,165	2,386,531	23,826	44.0	21,466	7.7%	2,200	15
2013	105,835	2,261,164	21,365	40.4	37,187	9.1%	2,460	14

Sources: U.S. Census Bureau, QuickFacts  
 2008-2012 American Community Survey 5-Year Estimates  
 College records  
 IL Dept. of Employment Security, Economic Information & Analysis Division  
 ICCB Data and Characteristics  
 Esri.com  
 Navteq  
[www.countyoffice.org](http://www.countyoffice.org)  
[http://www.isbe.net/research/htmls/fall\\_housing.htm](http://www.isbe.net/research/htmls/fall_housing.htm)



# Carl Sandburg College - Community College District 518

## Principal Employers

Current Year and Nine Years Ago

TABLE L

Employer	2022			2013		
	Employees	Rank	Percentage of Total District Employment	Employees	Rank	Percentage of Total District Employment
Smithfield/Farmland Foods Inc	1,390	1	1.54%	1,400	1	1.67%
BNSF	1,031	2	1.15%	1,115	2	1.33%
OSF St Marys/OSF Holy Family	887	3	0.99%	816	3	0.98%
Galesburg Cust #205	596	4	0.66%	742	4	0.89%
HyVee	578	5	0.64%	574	7	0.69%
Dick Blick	558	6	0.62%	450	8	0.54%
Knox College	480	7	0.53%			
Knox County	428	8	0.48%	447	10	0.53%
Bridgeway/Bridgeway Training	324	9	0.36%	450	9	0.54%
Carl Sandburg College	301	10	0.33%			
Monmouth College				679	5	0.81%
Galesburg Cottage Hospital				643	6	0.77%
<b>Total</b>	<b>6,573</b>		<b>7.30%</b>	<b>7,316</b>		<b>8.74%</b>

Sources:

<http://www.knoxpartnership.com/top-employers/>

<https://cityofmonmouth.com/index.php/for-business/community-profile/232-major-employers>

<https://www.census.gov/quickfacts/>

[https://www2.illinois.gov/ides/lmi/Pages/Worforce\\_Availability\\_Information.aspx](https://www2.illinois.gov/ides/lmi/Pages/Worforce_Availability_Information.aspx)

<https://illinois.virtuallmi.com/>

Dun & Bradstreet listing from DCEO.

First Stop Business Information Center

Communications with the following employers:

Galesburg Cust #205

Smithfield/Farmland Foods Inc

HyVee

Monmouth College

Knox College

Carl Sandburg College

# Carl Sandburg College - Community College District 518

## Full-Time Equivalent Employees

Last Ten Fiscal Years

TABLE M

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction-Faculty	78	79	86	71	81	86	83	95	109	116
Full-time	39	40	39	39	39	47	50	51	54	57
Part-time	39	39	47	32	42	39	33	44	55	59
Administrative Staff	26	23	21	23	22	22	22	23	23	21
Full-time	26	23	21	22	21	21	22	23	23	21
Part-time	0	0	0	1	1	1	0	0	0	0
Other Non-Teaching Professional	64	59	62	63	66	56	58	57	64	69
Full-time	64	59	62	47	47	56	56	56	62	65
Part-time	0	0	0	16	19	0	2	1	2	4
Classified Staff	26	29	31	46	49	52	51	50	53	56
Full-time	26	29	30	45	48	43	43	47	51	55
Part-time	0	0	1	1	1	9	8	3	2	1
<b>Total</b>	<b>194</b>	<b>190</b>	<b>200</b>	<b>203</b>	<b>218</b>	<b>216</b>	<b>214</b>	<b>225</b>	<b>249</b>	<b>262</b>

See Accompanying Independent Auditor's Report.

**Carl Sandburg College - Community College District 518**  
**Operating Indicators**  
 Last Ten Fiscal Years

**TABLE N**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction: <sup>1</sup>										
Annual unduplicated										
Headcount Enrollment:										
Bacc/Transfer	1,511	1,734	2,107	2,118	2,183	1,950	1,837	1,972	2,326	2,740
Vocational	0	0	0	0	2	0	0	0	0	0
Occupational	462	548	572	582	557	581	662	686	932	1,046
ABE	0	0	0	0	0	0	15	72	123	154
ASE	0	0	0	0	0	0	23	62	94	126
ESL	0	0	0	0	0	0	15	80	118	128
General Studies	0	0	0	0	0	0	0	0	0	0
General Associates	324	291	357	363	310	469	407	428	115	91
<b>Total</b>	<b>2,297</b>	<b>2,573</b>	<b>3,036</b>	<b>3,063</b>	<b>3,052</b>	<b>3,000</b>	<b>2,959</b>	<b>3,300</b>	<b>3,708</b>	<b>4,285</b>
Annual FTE Students <sup>2</sup>	908	1,002	1,177	1,176	1,201	1,229	1,258	1,339	1,450	1,599
Total Reimbursable Credit Hours <sup>3</sup>	27,229	30,065	35,308	35,282	36,020	36,863	37,748	40,172	43,511	47,972
Degrees awarded: <sup>4</sup>										
Associate (transfer)	219	239	248	203	204	231	206	178	167	148
Associate in applied science	93	134	115	159	154	106	135	135	134	156
Career & technical certificates	78	118	117	105	125	143	150	222	236	133
Average annual faculty salary <sup>5</sup>	\$59,721	\$59,487	\$59,275	\$60,419	\$58,761	\$56,853	\$56,285	\$54,159	\$54,670	\$52,907
Students per faculty <sup>6</sup>	15	12	14	14	15	17	17	15	15	16
Institutional support: <sup>7</sup>										
Operation and maintenance of plant:										
Utility cost per gross square feet	1.07	1.05	1.05	1.15	1.23	1.23	1.29	1.25	1.29	1.40

<sup>1</sup>Source: ICCB A1 Annual Student Enrollment and Completion

<sup>2</sup>Source: Total Reimbursable Credit Hours / 15 / 2

<sup>3</sup>Source: ICCB SU SR for each semester

<sup>4</sup>Source: ICCB A1 Annual Student Enrollment and Completion

<sup>5</sup>Source: ICCB C1 Faculty, Staff, Salary Data

<sup>6</sup>Source: IPEDS Fall Enrollment

<sup>7</sup>Source: ICCB Tax Revenue and Budget Information Survey

# Carl Sandburg College - Community College District 518

## Capital Asset Statistics

Last Ten Fiscal Years

TABLE O

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Building - acres	6.2	6.2	6.2	6.2	6.2	6.2	6.4	6.9	6.9	6.9
Classroom - sq. ft.	44,975	44,975	44,975	44,975	44,975	44,975	43,938	48,340	45,898	47,195
Lab - sq. ft.	57,585	57,585	57,585	57,585	57,585	57,585	58,585	57,471	66,251	70,989
Academic support:										
Support - sq. ft.	4,268	4,268	4,268	4,268	4,268	4,268	4,284	3,595	3,763	3,530
Study - sq. ft.	17,184	17,184	17,184	17,184	17,184	17,184	17,654	18,044	18,760	17,750
Student services:										
PE & athletic fields - acres	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Athletic/PE - sq. ft.	11,694	11,694	11,694	11,694	11,694	11,694	11,694	11,694	11,694	11,694
General administration:										
Office - sq. ft.	31,133	31,133	31,133	31,133	31,133	31,133	32,840	33,528	36,954	37,154
Institutional support:										
Landscaped grounds - acres	34.6	34.6	34.6	34.6	34.6	34.6	34.7	37.9	37.9	37.9
Parking lots - acres	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.9	9.9	9.9
Roadways - acres	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

Source: Acres - ICCB Table 2

Source: Acres - ICCB R3

**SPECIAL REPORTS SECTION**

## **Supplemental Financial Information**

# **Carl Sandburg College – Community College District 518**

## **Supplemental Financial Information Section**

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### **Uniform Financial Statements**

The Uniform Financial Statements are required by the Illinois Community College Board for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net position, the Uniform Financial Statements are completed using the modified accrual basis of accounting and a current financial resource measurement focus.

The Uniform Financial Statements include the following:

- No. 1 - All Funds Summary
- No. 2 - Summary of Capital Assets and Long-Term Debt
- No. 3 - Operating Funds Revenues and Expenditures
- No. 4 - Restricted Purposes Fund Revenues and Expenditures
- No. 5 - Current Funds Expenditures by Activity

### **Certificate of Chargeback Reimbursement**

- No. 6 - Certificate of Chargeback Reimbursement

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #1

### All Funds Summary

For the year ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Capital Endowment
Fund balance (deficit) at July 1, 2021	\$9,757,094	\$2,424,347	\$203,532	\$7,516,361
Revenue:				
Local taxes	5,305,360	1,418,282	991,235	0
All other local government	0	0	0	0
ICCB grants	1,540,318	122,033	0	0
All other state revenue	0	0	0	0
Federal revenue	10,532	0	0	0
Student tuition and fees	5,611,134	631,336	0	0
On-behalf CIP	0	0	0	0
On-behalf SURS	0	0	0	0
All other revenue	76,949	7,589	12,767	(117,298)
Total revenue	12,544,293	2,179,240	1,004,002	(117,298)
Expenditures:				
Instruction	5,694,148	0	0	0
Academic support	359,450	0	0	0
Student services	2,418,413	0	0	0
Public service	36,040	0	0	0
Auxiliary services	0	0	0	0
Operation and maintenance	0	1,206,300	0	0
Institutional support	2,425,116	146,723	477,313	0
Scholarships, student grants, and waivers	136,765	0	0	0
Principal retirement	43,786	0	0	0
Interest, service charges, and issuance costs	19,432	0	35,000	0
Building construction, building improvements, and equipment	306,458	208,931	1,123,877	0
Total expenditures	11,439,608	1,561,954	1,636,190	0
Issuance of debt	283,168	0	26,650,000	0
Premium on debt issued	0	0	3,799,071	0
Transfers in	394,789	0	0	0
Transfers out	(354,291)	0	0	(374,449)
	323,666	0	30,449,071	(374,449)
Fund balance (deficit) at June 30, 2022	\$11,185,445	\$3,041,633	\$30,020,415	\$7,024,614



# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #1

### All Funds Summary (Continued)

For the year ended June 30, 2022

	Bond and Interest Fund	Auxiliary Enterprise Fund	Restricted Purpose Fund	Audit Fund
Fund balance (deficit) at July 1, 2021	\$571,528	\$387,981	\$504,261	\$20,763
Revenue:				
Local taxes	3,299,072	0	0	104,429
All other local government	0	0	0	0
ICCB grants	0	0	99,100	0
All other state revenue	0	0	1,011,386	0
Federal revenue	0	0	9,664,903	0
Student tuition and fees	0	0	0	0
On-behalf CIP	0	0	147,221	0
On-behalf SURS	0	0	5,286,459	0
All other revenue	10	290,554	140,509	0
Total revenue	3,299,082	290,554	16,349,578	104,429
Expenditures:				
Instruction	0	0	2,854,136	0
Academic support	0	0	100,400	0
Student services	0	0	2,121,785	0
Public service	0	0	47,477	0
Auxiliary services	0	673,833	262,104	0
Operation and maintenance	0	0	266,950	0
Institutional support	318	0	1,914,933	79,308
Scholarships, student grants, and waivers	0	0	6,752,058	0
Principal retirement	3,130,000	31,290	0	0
Interest, service charges, and issuance costs	119,324	6,838	0	0
Building construction, building improvements, and equipment	0	97,714	185,835	0
Total expenditures	3,249,642	809,675	14,505,678	79,308
Issuance of debt	0	97,714	0	0
Premium on debt issued	0	0	0	0
Transfers in	0	395,610	0	0
Transfers out	0	0	0	0
	0	493,324	0	0
Fund balance (deficit) at June 30, 2022	\$620,968	\$362,184	\$2,348,161	\$45,884

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #1

### All Funds Summary (Continued)

For the year ended June 30, 2022

	Liability Protection Funds	Sandburg Initiates Life-changing Opportunities	Non- Expendable Trust Fund	Total
Fund balance (deficit) at July 1, 2021	\$4,006,520	\$1,135,168	\$8,528,064	\$35,055,619
Revenue:				
Local taxes	2,504,060	0	0	13,622,438
All other local government	0	0	0	0
ICCB grants	0	0	0	1,761,451
All other state revenue	0	0	0	1,011,386
Federal revenue	0	0	0	9,675,435
Student tuition and fees	0	0	0	6,242,470
On-behalf CIP	0	0	0	147,221
On-behalf SURS	0	0	0	5,286,459
All other revenue	(8,024)	2,429	(9,447)	396,038
<b>Total revenue</b>	<b>2,496,036</b>	<b>2,429</b>	<b>(9,447)</b>	<b>38,142,898</b>
Expenditures:				
Instruction	0	0	0	8,548,284
Academic support	0	0	0	459,850
Student services	0	0	0	4,540,198
Public service	0	0	0	83,517
Auxiliary services	0	0	0	935,937
Operation and maintenance	0	0	0	1,473,250
Institutional support	2,274,685	0	0	7,318,396
Scholarships, student grants, and waivers	0	0	0	6,888,823
Principal retirement	0	0	0	3,205,076
Interest, service charges, and issuance costs	0	0	0	180,594
Building construction, building improvements, and equipment	0	0	0	1,922,815
<b>Total expenditures</b>	<b>2,274,685</b>	<b>0</b>	<b>0</b>	<b>35,556,740</b>
Issuance of debt	0	0	0	27,030,882
Premium on debt issued	0	0	0	3,799,071
Transfers in	0	0	0	790,399
Transfers out	0	(18,605)	(43,054)	(790,399)
	0	(18,605)	(43,054)	30,829,953
Fund balance (deficit) at June 30, 2022	\$4,227,871	\$1,118,992	\$8,475,563	\$68,471,730

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #2

### Summary of Capital Assets and Long-Term Debt\*

For the year ended June 30, 2022

	Balance July 1, 2021	Additions	Deletions	Reclassification	Balance June 30, 2022
Capital assets:					
Land	\$346,125	\$0	\$0	\$0	\$346,125
Work in progress	146,276	1,166,954	0	(20,799)	1,292,431
Furniture and equipment	6,657,986	230,648	886,329	20,799	6,023,104
Land improvements	2,337,940	498,308	298	0	2,835,950
Buildings and additions	32,391,483	0	0	0	32,391,483
Vehicles	268,499	0	49,803	0	218,696
Infrastructure	3,503,858	7,321	0	0	3,511,179
Lease assets	107,283	380,882	0	0	488,165
Total capital assets	45,759,450	2,284,113	936,430	0	47,107,133
Accumulated depreciation and amortization	30,308,583	1,553,413	936,132	0	30,925,864
Total net capital assets	\$15,450,867	\$730,700	\$298	\$0	\$16,181,269
Long-Term Debt:					
Bonds payable	\$7,845,000	\$26,650,000	\$3,130,000	\$0	\$31,365,000
Net OPEB liability	8,277,698	0	206,648	0	8,071,050
Leases payable	72,026	380,882	75,076	0	377,832
Other fixed liabilities	459,600	297,395	290,844	0	466,151
Total Long-Term Debt	\$16,654,324	\$27,328,277	\$3,702,568	\$0	\$40,280,033

\* Carl Sandburg College had no tax anticipation warrants or tax anticipation notes outstanding during the year ended June 30, 2022.

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #3

### Operating Funds Revenues and Expenditures

For the year ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating revenues by source:			
Local government:			
Local taxes	\$4,866,697	\$979,619	\$5,846,316
Corporate personal property replacement tax	438,663	438,663	877,326
Tuition chargeback revenue	0	0	0
Total local government	5,305,360	1,418,282	6,723,642
State government:			
ICCB base operating grant	1,373,338	118,033	1,491,371
ICCB equalization grant	46,000	4,000	50,000
ICCB career and technical education formula grant	120,980	0	0
Total state government	1,540,318	122,033	1,662,351
Total federal government	10,532	0	10,532
Student tuition and fees:			
Tuition	5,338,558	537,411	5,875,969
Fees	272,576	93,925	366,501
Total tuition and fees	5,611,134	631,336	6,242,470
Other sources:			
Interest	33,197	198	33,395
Other	43,752	7,391	51,143
Total other sources	76,949	7,589	84,538
Total revenue	12,544,293	2,179,240	14,723,533
Less nonoperating items -			
Tuition chargeback revenue	0	0	0
Adjusted revenue	\$12,544,293	\$2,179,240	\$14,723,533

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #3

### Operating Funds Revenues and Expenditures (Continued)

For the year ended June 30, 2022

	Education Fund *	Operations and Maintenance Fund	Total Operating Funds
Operating expenditures:			
By program:			
Instruction	\$5,694,148	\$0	\$5,694,148
Academic support	359,450	0	359,450
Student services	2,418,413	0	2,418,413
Public services	36,040	0	36,040
Operation and maintenance of plant	0	1,415,231	1,415,231
Institutional support	2,794,792	146,723	2,941,515
Scholarships, student grants, and waivers	136,765	0	136,765
<b>Total expenditures</b>	<b>11,439,608</b>	<b>1,561,954</b>	<b>13,001,562</b>
Less nonoperating items -*			
Tuition chargeback	0	0	0
<b>Adjusted expenditures</b>	<b>\$11,439,608</b>	<b>\$1,561,954</b>	<b>\$13,001,562</b>
By object:			
Salaries	\$7,256,474	\$478,107	\$7,734,581
Employee benefits	1,035,219	149,166	1,184,385
Contractual services	444,687	120,143	564,830
General materials and supplies	917,642	105,031	1,022,673
Conference and meeting expense	126,061	3,110	129,171
Principal retirement	43,786	0	43,786
Interest	19,432	0	19,432
Fixed charges	2,645	4,829	7,474
Utilities	0	519,155	519,155
Capital outlay	283,168	171,135	454,303
Other	1,310,494	11,278	1,321,772
<b>Total expenditures</b>	<b>11,439,608</b>	<b>1,561,954</b>	<b>13,001,562</b>
Less nonoperating items -*			
Tuition chargeback	0	0	0
<b>Adjusted expenditures</b>	<b>\$11,439,608</b>	<b>\$1,561,954</b>	<b>\$13,001,562</b>

\* Inter-college revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #4

### Restricted Purposes Fund Revenues and Expenditures

For the year ended June 30, 2022

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Revenue by source:

State government:	
Illinois Map Grant	\$1,011,386
State of Illinois on-behalf payments	5,433,680
ICCB -	
IBT Uniform Grant	99,100
<hr/>	
Total state government	6,544,166
<hr/>	
Federal government:	
Department of Education:	
College Work Study Grants	35,024
Pell Grants	2,971,330
Supplemental Educational Opportunity Grant	73,800
Direct Loans	311,867
Trio-Student Support services	242,003
Trio-Upward Bound	375,862
Trio-Upward Bound Math & Science	292,949
Perkins Postsecondary-Federal Allocation	185,449
CTE Leadership Grant	32,914
HEERF Grants	4,863,070
GEER	192,209
Perkins Reserved Grant	88,426
<hr/>	
Total federal government	9,664,903
<hr/>	
Other sources	140,509
<hr/>	
Total restricted purposes fund revenues	\$16,349,578

# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #4

### Restricted Purposes Fund Revenues and Expenditures (Continued)

For the year ended June 30, 2022

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Expenditures by program:

Instruction	\$3,039,971
Academic services	100,400
Student services	2,121,785
Public services	47,477
Auxiliary services	262,104
Operation and maintenance of plant	266,950
Institutional support	1,914,933
Scholarships, student grants, and waivers	6,752,058

---

Total restricted purposes fund expenditures  
by program

\$14,505,678

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Expenditures by object:

Salaries	\$540,435
Employee benefits (including State of Illinois on-behalf payments)	5,588,942
Contractual services	252,617
General materials and supplies	621,388
Travel, conference and meeting expense	95,416
Student financial aid	6,733,297
Capital outlay	178,276
Other	495,307

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Total restricted purposes fund expenditures by object

\$14,505,678

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# Carl Sandburg College - Community College District 518

## Uniform Financial Statement #5

### Current Funds\* - Expenditures by Activity

For the year ended June 30, 2022

Instructional:	
Programs	\$7,381,076
Support	1,255,388
Total instructional	8,636,464
Academic support:	
Learning resource center	100,580
Instructional materials center	252,655
Other academic support	106,615
Total academic support	459,850
Student services:	
Admissions and records	143,255
Counseling and career guidance	1,584,176
Financial aid administration	364,813
Other student services	2,447,954
Total student services	4,540,198
Public service/continuing education:	
Community education	17,727
Customized training (instructional)	47,586
Community services	6,925
Other public service	11,279
Total public service/continuing education	83,517
Auxiliary services	1,071,779
Operations and maintenance of plant:	
Maintenance	539,643
Custodial	200,772
Grounds	181,526
Plant utilities	384,657
Other operations and maintenance	403,967
Total operations and maintenance of plant	1,710,565
Institutional support:	
Executive management	177,878
Fiscal operations	440,057
Community relations	432,782
Administrative support services	2,046,685
Board of trustees	44,052
General institution	1,140,376
Institutional research	231,317
Administrative data processing	946,660
Other institutional support	1,819,905
Total institutional support	7,279,712
Scholarships, student grants, and waivers	6,888,823
Total current funds expenditures	\$30,670,908

\* Current Funds include Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; and Liability, Protection, and Settlement.




# Carl Sandburg College - Community College District 518

## Certification of Chargeback Reimbursement


For Fiscal Year 2023

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All fiscal year 2022 noncapital audited operating expenditures from the following funds:	
1 Education Fund	\$11,069,932
2 Operations and Maintenance Fund	1,353,023
3 Public Building Commission Operation and Maintenance Fund	0
4 Bond and Interest Fund	347,575
5 Public Building Commission Rental Fund	0
6 Restricted Purposes Fund	14,319,843
7 Audit Fund	79,308
8 Liability, Protection, and Settlement Fund	2,274,685
9 Auxiliary Enterprises Fund (subsidy only)	<u>0</u>
10 Total noncapital expenditures (sum of lines 1-9)	<u><u>\$29,444,366</u></u>
11 Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u><u>\$875,165</u></u>
12 Total costs included (line 10 plus line 11)	<u><u>\$30,319,531</u></u>
13 Total certified semester credit hours for FY 2021	<u>27,229</u>
14 Per capita cost (line 12 divided by line 13)	\$1,113.50
15 All FY 2022 state and federal operating grants for noncapital expenditures, except ICCB grants	<u><u>\$10,604,586</u></u>
16 FY 2022 state and federal grants per semester credit hour (line 15 divided by line 13)	389.46
17 District's average ICCB grant rate (excluding equalization grants) for FY 2023	45.00
18 District's student tuition and fee rate per semester credit hour for FY 2023	<u>175.00</u>
19 Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17, and 18)	<u><u>\$504.04</u></u>

Approved:   
Associate VP of Administrative Services

December 8, 2022  
Date

  
President

December 8, 2022  
Date

## **Other Supplemental Financial Information**

# Carl Sandburg College - Community College District 518

## Balance Sheet - All Fund Types

June 30, 2022

<b>ASSETS AND DEFERRED OUTFLOWS</b>	<b>Education</b>	<b>Operations and Maintenance</b>	<b>Operations and Maintenance Restricted</b>	<b>Capital Endowment</b>	<b>Bond and Interest</b>
Cash and cash equivalents	\$17,725,243	\$62,727	\$0	\$0	\$0
Deposits	0	0	0	0	0
Investments	0	0	38,770	9,931,330	7,097
Receivables, net:					
Property taxes	3,454,987	729,117	182,279	0	2,766,651
Government claims and grants	74,032	71,870	0	0	0
Other	16,214	0	0	21,388	0
Advances to other funds	0	3,308,876	739,941	0	1,722,489
Prepaid items	204,734	0	0	0	0
Inventories	0	0	0	0	0
Capital assets, net	0	0	0	0	0
<b>Total assets</b>	<b>21,475,210</b>	<b>4,172,590</b>	<b>960,990</b>	<b>9,952,718</b>	<b>4,496,237</b>
Deferred outflows of resources:					
Deferred pension	0	0	0	0	0
Deferred OPEB	0	0	0	0	0
<b>Total deferred outflows of resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total assets and deferred outflows</b>	<b>\$21,475,210</b>	<b>\$4,172,590</b>	<b>\$960,990</b>	<b>\$9,952,718</b>	<b>\$4,496,237</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	\$578,440	\$0	\$0	\$0	\$0
Accrued liabilities	47,557	0	0	0	0
Advances from other funds	4,775,255	0	0	2,928,104	0
Unearned tuition and fees	0	109,677	0	0	0
Accrued interest	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Net OPEB liability	0	0	0	0	0
Lease payable					
Bonds payable, net of amortized premiums (discounts)	0	0	0	0	0
<b>Total liabilities</b>	<b>5,401,252</b>	<b>109,677</b>	<b>0</b>	<b>2,928,104</b>	<b>0</b>
Deferred inflows of resources:					
Deferred property taxes	4,888,513	1,021,280	255,320	0	3,875,269
Deferred grant revenue	0	0	0	0	0
Deferred amount on refunding	0	0	0	0	0
Deferred OPEB	0	0	0	0	0
<b>Total deferred inflows</b>	<b>4,888,513</b>	<b>1,021,280</b>	<b>255,320</b>	<b>0</b>	<b>3,875,269</b>
Fund balance (deficit):					
Net investment in capital assets	0	0	0	0	0
Restricted	0	0	0	0	620,968
Unrestricted	11,185,445	3,041,633	705,670	7,024,614	0
<b>Total fund balance (deficit)</b>	<b>11,185,445</b>	<b>3,041,633</b>	<b>705,670</b>	<b>7,024,614</b>	<b>620,968</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$21,475,210</b>	<b>\$4,172,590</b>	<b>\$960,990</b>	<b>\$9,952,718</b>	<b>\$4,496,237</b>

# Carl Sandburg College - Community College District 518

## Balance Sheet - All Fund Types (Continued)

June 30, 2022

<b>ASSETS AND DEFERRED OUTFLOWS</b>	<b>Auxiliary Enterprise Fund</b>	<b>Restricted Purposes</b>	<b>Audit</b>	<b>Liability Protection Funds</b>	<b>Building Bonds Funds</b>
Cash and cash equivalents	\$450	\$0	\$0	\$0	\$0
Deposits	0	0	0	0	0
Investments	0	0	0	4,286,277	29,959,784
Receivables, net:					
Property taxes	0	0	73,003	1,984,344	0
Government claims and grants	0	2,768,567	0	0	0
Other	736	0	0	9,117	0
Advances to other funds	417,108	116,073	75,137	881,146	0
Prepaid items	0	0	0	0	0
Inventories	0	0	0	0	0
Capital assets, net	21,702	0	0	0	0
Total assets	439,996	2,884,640	148,140	7,160,884	29,959,784
Deferred outflows of resources:					
Deferred pension	0	0	0	0	0
Deferred OPEB	0	0	0	0	0
Total deferred outflows of resources	0	0	0	0	0
Total assets and deferred outflows	\$439,996	\$2,884,640	\$148,140	\$7,160,884	\$29,959,784
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	\$2,022	\$0	\$0	\$35,200	\$0
Accrued liabilities	13,240	0	0	0	0
Advances from other funds	0	0	0	118,327	645,039
Unearned tuition and fees	62,550	0	0	0	0
Accrued interest	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Net OPEB liability	0	0	0	0	0
Lease payable					
Bonds payable, net of amortized premiums (discounts)	0	0	0	0	0
Total liabilities	77,812	0	0	153,527	645,039
Deferred inflows of resources:					
Deferred property taxes	0	0	102,256	2,779,486	0
Deferred grant revenue	0	536,479	0	0	0
Deferred amount on refunding	0	0	0	0	0
Deferred OPEB	0	0	0	0	0
Total deferred inflows	0	536,479	102,256	2,779,486	0
Fund balance (deficit):					
Net investment in capital assets	21,702	0	0	0	0
Restricted	0	2,348,161	0	0	29,314,745
Unrestricted	340,482	0	45,884	4,227,871	0
Total fund balance (deficit)	362,184	2,348,161	45,884	4,227,871	29,314,745
Total liabilities, deferred inflows of resources and fund balances	\$439,996	\$2,884,640	\$148,140	\$7,160,884	\$29,959,784

# Carl Sandburg College - Community College District 518

## Balance Sheet - All Fund Types - (Continued)

June 30, 2022

<b>ASSETS AND DEFERRED OUTFLOWS</b>	<b>Sandburg Initiates Life-Changing Opportunities</b>	<b>Nonexpendable Trust</b>	<b>Total</b>
Cash and cash equivalents	\$0	\$4,315,579	\$22,103,999
Deposits	0	0	0
Investments	0	4,064,500	48,287,758
Receivables, net:			
Property taxes	0	0	9,190,381
Government claims and grants	0	0	2,914,469
Other	0	8,521	55,976
Advances to other funds	1,118,992	86,963	8,466,725
Prepaid items	0	0	204,734
Inventories	0	0	0
Capital assets, net	0	0	21,702
Total assets	1,118,992	8,475,563	91,245,744
Deferred outflows of resources:			
Deferred pension	0	0	0
Deferred OPEB	0	0	0
Total deferred outflows of resources	0	0	0
Total assets and deferred outflows	\$1,118,992	\$8,475,563	\$91,245,744
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
Liabilities:			
Accounts payable	\$0	\$0	\$615,662
Accrued liabilities	0	0	60,797
Advances from other funds	0	0	8,466,725
Unearned tuition and fees	0	0	172,227
Accrued interest	0	0	0
Accrued compensated absences	0	0	0
Net OPEB liability	0	0	0
Lease payable	0	0	0
Bonds payable, net of amortized premiums (discounts)	0	0	0
Total liabilities	0	0	9,315,411
Deferred inflows of resources:			
Deferred property taxes	0	0	12,922,124
Deferred grant revenue	0	0	536,479
Deferred amount on refunding	0	0	0
Deferred OPEB	0	0	0
Total deferred inflows	0	0	13,458,603
Fund balance (deficit):			
Net investment in capital assets	0	0	21,702
Restricted	0	8,475,563	40,759,437
Unrestricted	1,118,992	0	27,690,591
Total fund balance (deficit)	1,118,992	8,475,563	68,471,730
Total liabilities, deferred inflows of resources and fund balances	\$1,118,992	\$8,475,563	\$91,245,744

# Carl Sandburg College - Community College District 518

## Balance Sheet - All Fund Types - (Continued)

June 30, 2022

	Government-Wide Adjustments			Adjusted Total
	General Fixed Assets Account	General Long Term Debt Account	Other Adjustments	
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
Cash and cash equivalents	\$0	\$0	\$0	\$22,103,999
Deposits	0	0	0	0
Investments	0	0	0	48,287,758
Receivables, net:				
Property taxes	0	0	0	9,190,381
Government claims and grants	0	0	0	2,914,469
Other	0	0	0	55,976
Advances to other funds	0	0	(8,466,725)	0
Prepaid items	0	0	0	204,734
Inventories	0	0	0	0
Capital assets, net	15,793,243	366,324	0	16,181,269
<b>Total assets</b>	<b>15,793,243</b>	<b>366,324</b>	<b>(8,466,725)</b>	<b>98,938,586</b>
Deferred outflows of resources:				
Deferred pension	0	0	47,730	47,730
Deferred OPEB	0	304,336	0	304,336
<b>Total deferred outflows of resources</b>	<b>0</b>	<b>304,336</b>	<b>47,730</b>	<b>352,066</b>
<b>Total assets and deferred outflows</b>	<b>\$15,793,243</b>	<b>\$670,660</b>	<b>(\$8,418,995)</b>	<b>\$99,290,652</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$615,662
Accrued liabilities	0	0	(13,240)	47,557
Advances from other funds	0	0	(8,466,725)	0
Unearned tuition and fees	0	0	252,288	424,515
Accrued interest	0	499,004	0	499,004
Accrued compensated absences	0	0	466,151	466,151
Net OPEB liability	0	8,071,050	0	8,071,050
Lease payable	0	377,832	0	377,832
Bonds payable, net of amortized premiums (discounts)	0	35,169,807	0	35,169,807
<b>Total liabilities</b>	<b>0</b>	<b>44,117,693</b>	<b>(7,761,526)</b>	<b>45,671,578</b>
Deferred inflows of resources:				
Deferred property taxes	0	0	0	12,922,124
Deferred grant revenue	0	0	0	536,479
Deferred amount on refunding	0	0	0	0
Deferred OPEB	0	2,356,927	0	2,356,927
<b>Total deferred inflows</b>	<b>0</b>	<b>2,356,927</b>	<b>0</b>	<b>15,815,530</b>
Fund balance (deficit):				
Net investment in capital assets	15,793,243	(9,265,068)	0	6,549,877
Restricted	0	0	0	40,759,437
Unrestricted	0	(36,538,892)	(657,469)	(9,505,770)
<b>Total fund balance (deficit)</b>	<b>15,793,243</b>	<b>(45,803,960)</b>	<b>(657,469)</b>	<b>37,803,544</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$15,793,243</b>	<b>\$670,660</b>	<b>(\$8,418,995)</b>	<b>\$99,290,652</b>

**Carl Sandburg College - Community College District 518**  
**Combining Schedule of Revenues, Expenditures/Expenses, and Changes**  
**in Fund Balance/Net Position (Deficit) - All Fund Types**  
For the year ended June 30, 2022

	Education	Operations and Maintenance	Operations and Maintenance Restricted	Capital Endowment	Bond and Interest
<b>Revenues:</b>					
Local government	\$5,305,360	\$1,418,282	\$991,235	\$0	\$3,299,072
State government	1,540,318	122,033	0	0	0
State of Illinois on-behalf payments	0	0	0	0	0
Federal government	10,532	0	0	0	0
Student tuition and fees	5,611,134	631,336	0	0	0
Sales and service fees	0	0	0	0	0
Investment income	33,197	198	57	(117,298)	10
Capital contribution	0	0	0	0	0
Other	43,752	7,391	0	0	0
<b>Total revenues</b>	<b>12,544,293</b>	<b>2,179,240</b>	<b>991,292</b>	<b>(117,298)</b>	<b>3,299,082</b>
<b>Expenditures/expenses:</b>					
<b>Current:</b>					
Instruction	5,694,148	0	0	0	0
Academic support	359,450	0	0	0	0
Student services	2,418,413	0	0	0	0
Public services	36,040	0	0	0	0
Auxiliary services	0	0	0	0	0
Operation and maintenance of plant	0	1,415,231	0	0	0
Institutional support	2,731,574	146,723	489,154	0	318
Scholarships, student grants, and waivers	136,765	0	0	0	0
Depreciation and amortization expense	0	0	0	0	0
<b>Debt service:</b>					
Principal retirement	43,786	0	0	0	3,130,000
Interest expense and fiscal charges	19,432	0	0	0	119,324
<b>Total expenditures/expenses</b>	<b>11,439,608</b>	<b>1,561,954</b>	<b>489,154</b>	<b>0</b>	<b>3,249,642</b>
<b>Excess (deficiency) of revenues over expenditures/expenses</b>	<b>1,104,685</b>	<b>617,286</b>	<b>502,138</b>	<b>(117,298)</b>	<b>49,440</b>
<b>Other financing sources (uses):</b>					
Issuance of debt	283,168	0	0	0	0
Premium on debt issued	0	0	0	0	0
Gain/loss on disposal	0	0	0	0	0
Transfers in	394,789	0	0	0	0
Transfers out	(354,291)	0	0	(374,449)	0
<b>Total other financing sources (uses)</b>	<b>323,666</b>	<b>0</b>	<b>0</b>	<b>(374,449)</b>	<b>0</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<b>1,428,351</b>	<b>617,286</b>	<b>502,138</b>	<b>(491,747)</b>	<b>49,440</b>
<b>Fund balance/net position (deficit) at beginning of year</b>	<b>9,757,094</b>	<b>2,424,347</b>	<b>203,532</b>	<b>7,516,361</b>	<b>571,528</b>
<b>Fund balance/net position (deficit) at end of year</b>	<b>\$11,185,445</b>	<b>\$3,041,633</b>	<b>\$705,670</b>	<b>\$7,024,614</b>	<b>\$620,968</b>

**Carl Sandburg College - Community College District 518**  
**Combining Schedule of Revenues, Expenditures/Expenses, and Changes**  
**in Fund Balance/Net Position (Deficit) - All Fund Types (Continued)**  
For the year ended June 30, 2022

	Auxiliary Enterprise Fund	Restricted Purposes	Audit	Liability Protection Funds	Building Bonds
Revenues:					
Local government	\$0	\$0	\$104,429	\$2,504,060	\$0
State government	0	1,110,486	0	0	0
State of Illinois on-behalf payments	0	5,433,680	0	0	0
Federal government	0	9,664,903	0	0	0
Student tuition and fees	0	0	0	0	0
Sales and service fees	154,913	0	0	0	0
Investment income	0	0	0	(19,039)	12,710
Capital contribution	0	0	0	0	0
Other	135,641	140,509	0	11,015	0
<b>Total revenues</b>	<b>290,554</b>	<b>16,349,578</b>	<b>104,429</b>	<b>2,496,036</b>	<b>12,710</b>
Expenditures/expenses:					
Current:					
Instruction	0	2,942,316	0	0	0
Academic support	0	100,400	0	0	0
Student services	0	2,121,785	0	0	0
Public services	0	47,477	0	0	0
Auxiliary services	769,523	262,104	0	0	0
Operation and maintenance of plant	0	295,334	0	0	0
Institutional support	0	1,984,204	79,308	2,274,685	1,112,036
Scholarships, student grants, and waivers	0	6,752,058	0	0	0
Depreciation and amortization expense	2,024	0	0	0	0
Debt service:					
Principal retirement	31,290	0	0	0	0
Interest expense and fiscal charges	6,838	0	0	0	35,000
<b>Total expenditures/expenses</b>	<b>809,675</b>	<b>14,505,678</b>	<b>79,308</b>	<b>2,274,685</b>	<b>1,147,036</b>
Excess (deficiency) of revenues over expenditures/expenses	(519,121)	1,843,900	25,121	221,351	(1,134,326)
Other financing sources (uses):					
Issuance of debt	97,714	0	0	0	26,650,000
Premium on debt issued	0	0	0	0	3,799,071
Gain/loss on disposal	0	0	0	0	0
Transfers in	395,610	0	0	0	0
Transfers out	0	0	0	0	0
<b>Total other financing sources (uses)</b>	<b>493,324</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,449,071</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(25,797)	1,843,900	25,121	221,351	29,314,745
Fund balance/net position (deficit) at beginning of year	387,981	504,261	20,763	4,006,520	0
Fund balance/net position (deficit) at end of year	\$362,184	\$2,348,161	\$45,884	\$4,227,871	\$29,314,745



# Carl Sandburg College - Community College District 518

## Combining Schedule of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Net Position (Deficit) - All Fund Types (Continued)

For the year ended June 30, 2022

	Sandburg Initiates		
	Life-Changing Opportunities	Nonexpendable Trust	Totals
<b>Revenues:</b>			
Local government	\$0	\$0	\$13,622,438
State government	0	0	2,772,837
State of Illinois on-behalf payments	0	0	5,433,680
Federal government	0	0	9,675,435
Student tuition and fees	0	0	6,242,470
Sales and service fees	0	0	154,913
Investment income	2,429	(9,447)	(97,183)
Capital contribution	0	0	0
Other	0	0	338,308
<b>Total revenues</b>	<b>2,429</b>	<b>(9,447)</b>	<b>38,142,898</b>
<b>Expenditures/expenses:</b>			
<b>Current:</b>			
Instruction	0	0	8,636,464
Academic support	0	0	459,850
Student services	0	0	4,540,198
Public services	0	0	83,517
Auxiliary services	0	0	1,031,627
Operation and maintenance of plant	0	0	1,710,565
Institutional support	0	0	8,818,002
Scholarships, student grants, and waivers	0	0	6,888,823
Depreciation and amortization expense	0	0	2,024
<b>Debt service:</b>			
Principal retirement	0	0	3,205,076
Interest expense and fiscal charges	0	0	180,594
<b>Total expenditures/expenses</b>	<b>0</b>	<b>0</b>	<b>35,556,740</b>
<b>Excess (deficiency) of revenues over expenditures/expenses</b>	<b>2,429</b>	<b>(9,447)</b>	<b>2,586,158</b>
<b>Other financing sources (uses):</b>			
Issuance of debt	0	0	27,030,882
Premium on debt issued	0	0	3,799,071
Gain/loss on disposal	0	0	0
Transfers in	0	0	790,399
Transfers out	(18,605)	(43,054)	(790,399)
<b>Total other financing sources (uses)</b>	<b>(18,605)</b>	<b>(43,054)</b>	<b>30,829,953</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<b>(16,176)</b>	<b>(52,501)</b>	<b>33,416,111</b>
<b>Fund balance/net position (deficit) at beginning of year</b>	<b>1,135,168</b>	<b>8,528,064</b>	<b>35,055,619</b>
<b>Fund balance/net position (deficit) at end of year</b>	<b>\$1,118,992</b>	<b>\$8,475,563</b>	<b>\$68,471,730</b>

# Carl Sandburg College - Community College District 518

## Combining Schedule of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Net Position (Deficit) - All Fund Types (Continued)

For the year ended June 30, 2022

	GASB			Adjusted Total
	General Fixed Assets Account	General Long Term Debt Account	Other Adjustments	
Revenues:				
Local government	\$0	\$0	\$0	\$13,622,438
State government	0	0	0	2,772,837
State of Illinois on-behalf payments	0	0	(5,433,680)	0
Federal government	0	0	0	9,675,435
Student tuition and fees	0	0	(1,329,479)	4,912,991
Sales and service fees	0	0	0	154,913
Investment income	0	0	0	(97,183)
Capital Contribution	361,298	0		361,298
Other	0	0	5,433,680	5,771,988
<b>Total revenues</b>	<b>361,298</b>	<b>0</b>	<b>(1,329,479)</b>	<b>37,174,717</b>
Expenditures/expenses:				
Current:				
Instruction	(88,180)	(49,649)	(3,130)	8,495,505
Academic support	0	(1,991)	(3,656)	454,203
Student services	0	(18,123)	(1,562)	4,520,513
Public services	0	(224)	1,098	84,391
Auxiliary services	0	(100,227)	0	931,400
Operation and maintenance of plant	(237,315)	(5,053)	(2,407)	1,465,790
Institutional support	(1,216,438)	(312,995)	13,442	7,302,011
Scholarships, student grants, and waivers	0	(371)	(1,306,272)	5,582,180
Depreciation and amortization expense	1,465,309	86,080	0	1,553,413
Debt service:				
Principal retirement	0	(3,205,076)	0	0
Interest expense and fiscal charges	0	462,054	0	642,648
<b>Total expenditures/expenses</b>	<b>(76,624)</b>	<b>(3,145,575)</b>	<b>(1,302,487)</b>	<b>31,032,054</b>
Excess (deficiency) of revenues over expenditures/expenses	437,922	3,145,575	(26,992)	6,142,663
Other financing sources (uses):				
Issuance of debt	0	(27,030,882)	0	0
Premium on debt issued	0	(3,799,071)	0	0
Gain/loss on disposal	(298)	0	0	(298)
Transfers in	0	0	0	790,399
Transfers out	0	0	0	(790,399)
<b>Total other financing sources (uses)</b>	<b>(298)</b>	<b>(30,829,953)</b>	<b>0</b>	<b>(298)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	437,624	(27,684,378)	(26,992)	6,142,365
Fund balance/net position (deficit) at beginning of year, as restated	15,355,619	(18,119,582)	(630,477)	31,661,179
Fund balance/net position (deficit) at end of year	\$15,793,243	(\$45,803,960)	(\$657,469)	\$37,803,544

# Carl Sandburg College - Community College District 518

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -

### Budget and Actual

### Education Fund

For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Revenues:			
Local government:			
Property taxes	\$4,711,700	\$4,866,697	\$154,997
Corporate personal property replacement tax	140,000	438,663	298,663
Total local government	4,851,700	5,305,360	453,660
State government:			
ICCB base operating grant	1,161,411	1,373,338	211,927
ICCB equalization grant	43,511	46,000	2,489
ICCB career and technical education formula grant	108,734	120,980	12,246
Total state government	1,313,656	1,540,318	226,662
Federal government	2,000	10,532	8,532
Student tuition and fees	5,810,395	5,611,134	(199,261)
Investment income	22,000	33,197	11,197
Miscellaneous - other	61,923	43,752	(18,171)
Total revenues	12,059,674	12,544,293	482,619
Expenditures:			
Instruction:			
Salaries	5,045,880	4,661,683	384,197
Employee benefits	561,893	486,133	75,760
Contractual services	285,755	179,877	105,878
General materials and supplies	348,355	287,703	60,652
Conference and meeting expense	81,501	40,490	41,011
Capital Outlay	3,674	0	3,674
Other	83,389	38,262	45,127
Total instruction	6,410,447	5,694,148	716,299

# Carl Sandburg College - Community College District 518

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -

### Budget and Actual (Continued)

#### Education Fund

For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Expenditures (continued):			
Academic support:			
Salaries	201,420	191,098	10,322
Employee benefits	47,829	32,422	15,407
Contractual services	107,211	101,067	6,144
General materials and supplies	36,107	31,786	4,321
Conference and meeting expense	1,500	475	1,025
Other	2,602	2,602	0
Total academic support	396,669	359,450	37,219
Student services:			
Salaries	1,221,868	1,182,721	39,147
Employee benefits	229,973	222,918	7,055
Contractual services	82,363	63,083	19,280
General materials and supplies	65,189	48,209	16,980
Conference and meeting expense	31,953	18,398	13,555
Other	715,269	883,084	(167,815)
Total student services	2,346,615	2,418,413	(71,798)
Public services:			
Salaries	102,522	19,960	82,562
Employee benefits	26,208	4,454	21,754
Contractual services	22,900	9,320	13,580
General materials and supplies	12,827	1,882	10,945
Conference and meeting expense	1,400	44	1,356
Fixed charges	700	0	700
Other	1,400	380	1,020
Total public services	167,957	36,040	131,917
Institutional support:			
Salaries	1,563,554	1,201,012	362,542
Employee benefits	309,299	289,292	20,007
Contractual services	168,300	91,340	76,960
General materials and supplies	680,617	548,062	132,555
Conference and meeting expense	95,225	66,654	28,571
Fixed charges	106,425	2,645	103,780
Capital outlay	0	283,168	(283,168)
Principal Retirement	0	43,786	(43,786)
Interest Expense	0	19,432	(19,432)
Other	96,096	249,401	(153,305)
Total institutional support	3,019,516	2,794,792	224,724

# Carl Sandburg College - Community College District 518

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -

### Budget and Actual (Continued)

#### Education Fund

For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Expenditures (continued):			
Scholarships, student grants, and waivers -			
Other	0	136,765	(136,765)
Total scholarships, student grants, and waivers	0	136,765	(136,765)
Total expenditures	12,341,204	11,439,608	901,596
Excess (deficiency) of revenues over expenditures	(281,530)	1,104,685	1,386,215
Other financing sources (uses):			
Issuance of debt	0	283,168	283,168
Transfers in	595,000	394,789	(200,211)
Transfers out	(411,880)	(354,291)	57,589
Total other financing sources (uses)	183,120	323,666	140,546
Excess (deficiency) of revenues and other financing sources over expenditures	<u>(\$98,410)</u>	1,428,351	<u>\$1,526,761</u>
Fund balance at beginning of year		9,757,094	
Fund balance at end of year		<u>\$11,185,445</u>	

**Carl Sandburg College - Community College District 518**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**Operations and Maintenance Fund**  
For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Revenues:			
Local government:			
Property taxes	\$980,452	\$979,619	(\$833)
Corporate personal property replacement tax	120,000	438,663	318,663
<b>Total local government</b>	<b>1,100,452</b>	<b>1,418,282</b>	<b>317,830</b>
State government:			
ICCB base operating grant	100,159	118,033	17,874
ICCB equalization grant	3,789	4,000	211
<b>Total state government</b>	<b>103,948</b>	<b>122,033</b>	<b>18,085</b>
Student tuition and fees	579,158	631,336	52,178
Investment income	0	198	198
Other:			
Rent	1,000	4,480	3,480
Miscellaneous	0	2,911	2,911
<b>Total other revenue</b>	<b>1,000</b>	<b>7,391</b>	<b>6,391</b>
<b>Total revenues</b>	<b>1,784,558</b>	<b>2,179,240</b>	<b>394,682</b>
Expenditures:			
Operation and maintenance of plant:			
Salaries	604,383	478,107	126,276
Employee benefits	211,793	149,166	62,627
Contractual services	175,100	114,235	60,865
General materials and supplies	101,708	99,653	2,055
Conference and meeting expense	3,850	3,110	740
Fixed charges	3,000	3,890	(890)
Utilities	455,900	384,657	71,243
Capital outlay	65,450	171,135	(105,685)
Other	77,000	11,278	65,722
<b>Total operation and maintenance of plant</b>	<b>1,698,184</b>	<b>1,415,231</b>	<b>282,953</b>

**Carl Sandburg College - Community College District 518**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual (Continued)**  
**Operations and Maintenance Fund**  
For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Expenditures (continued):			
Institutional support:			
Contractual services	\$13,500	\$5,908	(\$7,592)
General Materials and Supplies	14,500	5,378	9,122
Principal retirement	45,000	0	45,000
Conference and meeting expense	1,500	939	561
Interest	12,500	0	12,500
Utilities	132,500	134,498	(1,998)
<b>Total institutional support</b>	<b>219,500</b>	<b>146,723</b>	<b>72,777</b>
<b>Total expenditures</b>	<b>1,917,684</b>	<b>1,561,954</b>	<b>355,730</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(133,126)</b>	<b>617,286</b>	<b>750,412</b>
Other financing sources (uses) -			
Transfers in	45,000	0	(45,000)
<b>Excess (deficiency) of revenues and other financing sources over expenditures</b>	<b><u>(\$88,126)</u></b>	<b>617,286</b>	<b><u>\$705,412</u></b>
<b>Fund balance at beginning of year</b>		<b><u>2,424,347</u></b>	
<b>Fund balance at end of year</b>		<b><u><u>\$3,041,633</u></u></b>	

# Carl Sandburg College - Community College District 518

## Schedule of Revenues, Expenses, and Changes in Net Position

### Budget and Actual

### Auxiliary Enterprise Fund

For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Operating revenues:			
Federal government	\$0	\$0	\$0
Sales and service fees	168,981	154,913	(14,068)
Other	78,608	135,641	57,033
<b>Total operating revenues</b>	<b>247,589</b>	<b>290,554</b>	<b>42,965</b>
Operating expenses:			
Salaries	220,379	236,598	(16,219)
Employee benefits	45,602	27,969	17,633
Contractual services	45,433	43,678	1,755
General materials and supplies	232,056	215,229	16,827
Conference and meeting expense	44,630	85,246	(40,616)
Capital outlay	28,000	98,014	(70,014)
Depreciation	0	2,024	(2,024)
Principal Retirement	0	6,838	(6,838)
Interest Expense	0	31,290	(31,290)
Other	68,973	62,789	6,184
<b>Total operating expenses</b>	<b>685,073</b>	<b>809,675</b>	<b>(124,602)</b>
Operating income before transfers in (out)	(437,484)	(519,121)	(81,637)
Other financing sources (uses) -			
Issuance of debt	0	97,714	97,714
Transfers in	457,154	395,610	(61,544)
Transfers out	0	0	0
<b>Total other financing sources (uses)</b>	<b>457,154</b>	<b>493,324</b>	<b>36,170</b>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$19,670</u>	<u>(25,797)</u>	<u>(\$45,467)</u>
Net position at beginning of year		387,981	
Net position at end of year		<u>\$362,184</u>	



# Carl Sandburg College - Community College District 518

## Schedule of Operating Revenues and Expenses, by Program

### Auxiliary Enterprise Fund

For the year ended June 30, 2022

	Auto Mechanics	Bookstore	Dental Hygiene
Operating revenues:			
Federal government	\$0	\$0	\$0
Sales and service fees	26,763	0	23,166
Other	0	42,504	0
<b>Total operating revenues</b>	<b>26,763</b>	<b>42,504</b>	<b>23,166</b>
Operating expenses:			
Salaries	0	0	0
Employee benefits	0	0	0
Contractual services	0	0	0
General materials and supplies	24,613	0	24,267
Conference and meetings	0	0	0
Capital outlay	0	0	0
Depreciation	0	0	0
Principal Retirement	0	0	0
Interest Expense	0	0	0
Other	0	0	0
<b>Total operating expenses</b>	<b>24,613</b>	<b>0</b>	<b>24,267</b>
<b>Operating income (loss)</b>	<b>\$2,150</b>	<b>\$42,504</b>	<b>(\$1,101)</b>

# Carl Sandburg College - Community College District 518

## Schedule of Operating Revenues and Expenses, by Program

### Auxiliary Enterprise Fund (Continued)

For the year ended June 30, 2022

	Food Service	Athletics	Student Activities - Other Services	Totals
Operating revenues:				
Federal government	\$0	\$0	\$0	\$0
Sales and service fees	0	0	104,984	154,913
Other	11,606	0	81,531	135,641
<b>Total operating revenues</b>	<b>11,606</b>	<b>0</b>	<b>186,515</b>	<b>290,554</b>
Operating expenses:				
Salaries	0	114,888	121,710	236,598
Employee benefits	0	27,969	0	27,969
Contractual services	0	40,804	2,874	43,678
General materials and supplies	0	42,807	123,542	215,229
Conference and meetings	0	85,189	57	85,246
Capital outlay	0	97,714	300	98,014
Depreciation	0	0	2,024	2,024
Principal Retirement	0	0	31,290	31,290
Interest Expense	0	0	6,838	6,838
Other	0	22,830	39,959	62,789
<b>Total operating expenses</b>	<b>0</b>	<b>432,201</b>	<b>328,594</b>	<b>809,675</b>
<b>Operating income (loss)</b>	<b>\$11,606</b>	<b>(\$432,201)</b>	<b>(\$142,079)</b>	<b>(\$519,121)</b>

# Carl Sandburg College - Community College District 518

## Combining Balance Sheet - Liability Protection Funds

June 30, 2022

A S S E T S	Employee Insurance	Liability, Protection, and Settlement	Insurance Reserve	Totals
Investments	\$0	\$0	\$4,286,277	\$4,286,277
Receivables, net:				
Property taxes	0	1,984,344	0	1,984,344
Other	0	0	9,117	9,117
Advances to other funds	0	881,146	0	\$881,146
<b>Total assets</b>	<b>\$0</b>	<b>\$2,865,490</b>	<b>\$4,295,394</b>	<b>\$7,160,884</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$0	\$35,200	\$0	\$35,200
Advances from other funds	4,314	0	114,013	118,327
<b>Total liabilities</b>	<b>4,314</b>	<b>35,200</b>	<b>114,013</b>	<b>153,527</b>
Deferred inflows of resources -				
Deferred property taxes	0	2,779,486	0	2,779,486
Fund balance -				
Unrestricted	(4,314)	50,804	4,181,381	4,227,871
<b>Total fund balance</b>	<b>(4,314)</b>	<b>50,804</b>	<b>4,181,381</b>	<b>4,227,871</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$0</b>	<b>\$2,865,490</b>	<b>\$4,295,394</b>	<b>\$7,160,884</b>

**Carl Sandburg College - Community College District 518**  
**Combining Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance (Deficit)**  
**Liability Protection Funds**  
For the year ended June 30, 2022

	Employee Insurance	Liability, Protection, and Settlement	Insurance Reserve	Totals
Revenues:				
Local government	\$0	\$2,504,060	\$0	\$2,504,060
Investment income	0	0	(19,039)	(19,039)
Other	11,015	0	0	11,015
<b>Total revenues</b>	<b>11,015</b>	<b>2,504,060</b>	<b>(19,039)</b>	<b>2,496,036</b>
Expenditures -				
Current -				
Institutional support	9,267	2,265,418	0	2,274,685
Excess (deficiency) of revenues over expenditures	1,748	238,642	(19,039)	221,351
Fund balance (deficit) at beginning of year	(6,062)	(187,838)	4,200,420	4,006,520
Fund balance (deficit) at end of year	(\$4,314)	\$50,804	\$4,181,381	\$4,227,871

**Carl Sandburg College - Community College District 518**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance (Deficit) - Budget and Actual**  
**Employee Insurance Fund**  
For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Revenues -			
Other	\$10,000	\$11,015	\$1,015
Expenditures -			
Employee benefits	16,850	9,267	7,583
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(\$6,850)</u>	1,748	<u>\$8,598</u>
Fund balance (deficit) at beginning of year		(6,062)	
Fund balance (deficit) at end of year		<u>(\$4,314)</u>	

**Carl Sandburg College - Community College District 518**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) -**  
**Budget and Actual**  
**Liability, Protection, and Settlement Fund**  
For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Revenues:			
Property taxes	\$2,513,308	\$2,504,060	(\$9,248)
Investment income	0	0	0
<b>Total revenues</b>	<b>2,513,308</b>	<b>2,504,060</b>	<b>(9,248)</b>
Expenditures:			
Salaries	1,631,157	1,570,683	60,474
Employee benefits	291,750	248,068	43,682
Contractual services	263,734	243,716	20,018
General materials and supplies	0	0	0
Conference and meetings	1,000	475	525
Fixed charges	280,500	193,603	86,897
Other	20,000	8,873	11,127
<b>Total expenditures</b>	<b>2,488,141</b>	<b>2,265,418</b>	<b>222,723</b>
Excess (deficiency) of revenues over expenditures	<u>\$25,167</u>	238,642	<u>\$213,475</u>
Fund balance (deficit) at beginning of year		<u>(187,838)</u>	
Fund balance (deficit) at end of year		<u>\$50,804</u>	

# Carl Sandburg College - Community College District 518

## Schedule of Revenues, Expenditures, and Changes in Fund Balance -

### Budget and Actual

### Insurance Reserve Fund

For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Revenues -			
Investment income	\$17,000	(\$19,039)	(\$36,039)
Expenditures -			
Other	0	0	0
Excess (deficiency) of revenues over expenditures	<u>\$17,000</u>	(19,039)	<u>(\$36,039)</u>
Fund balance at beginning of year		<u>4,200,420</u>	
Fund balance at end of year		<u>\$4,181,381</u>	

**Carl Sandburg College - Community College District 518**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**Building Bonds Fund**  
For the year ended June 30, 2022

	Budget	Actual	Variance With Budget
Revenues -			
Investment income	\$0	\$12,710	\$12,710
Expenditures -			
Contractual Services	0	1,112,036	(1,112,036)
Interest Expense	0	35,000	(35,000)
Total expenditures	0	1,147,036	(1,147,036)
Other financing sources (uses):			
Issuance of debt	0	26,650,000	26,650,000
Premium on debt issued	0	3,799,071	3,799,071
Transfers in	0	0	0
Transfers out	0	0	0
Total other financing sources (uses)	0	30,449,071	30,449,071
Excess (deficiency) of revenues over expenditures	<u>\$0</u>	29,314,745	<u>\$31,608,817</u>
Fund balance at beginning of year		<u>0</u>	
Fund balance at end of year		<u>\$29,314,745</u>	



# Carl Sandburg College - Community College District 518

## Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections

Levy Years 2021, 2020, and 2019

	2021	2020	2019
<b>Assessed Valuations:</b>			
Knox County	\$895,537,924	\$856,872,968	\$829,245,451
Fulton County	22,333,550	20,815,978	19,685,771
Hancock County	357,735,040	336,362,497	325,160,426
Henderson County	196,080,843	182,662,984	173,666,892
Henry County	3,609,439	3,742,199	3,723,086
McDonough County	223,503,896	194,150,216	187,880,258
Mercer County	30,793,242	29,036,582	27,181,440
Schuyler County	5,427,244	5,009,530	4,690,047
Stark County	222,885	206,352	191,523
Warren County	406,649,262	363,535,146	406,082,877
<b>Total assessed valuations</b>	<b>\$2,141,893,325</b>	<b>\$1,992,394,452</b>	<b>\$1,977,507,771</b>
<b>Tax Rate (per \$100 assessed valuation):</b>			
Educational Accounts	0.2281	0.2377	0.2455
Operations and Maintenance Accounts	0.0598	0.1000	0.1000
Bond and Interest Fund	0.1815	0.1641	0.1707
Audit Fund	0.0048	0.0050	0.0050
Liability, Protection, Settlement, Social Security, and Medicare Accounts	0.1302	0.1361	0.1382
<b>Total tax rate</b>	<b>0.6044</b>	<b>0.6429</b>	<b>0.6594</b>
<b>Tax Extensions:</b>			
Educational Accounts	\$4,896,329	\$4,772,003	\$4,646,385
Operations and Maintenance Accounts	1,276,599	1,992,218	1,914,349
Bond and Interest Fund	3,875,269	3,268,632	3,267,220
Audit Fund	102,256	99,611	95,717
Liability, Protection, Settlement, Social Security, and Medicare Accounts	2,779,486	2,712,006	2,644,673
<b>Total tax extensions</b>	<b>\$12,929,939</b>	<b>\$12,844,470</b>	<b>\$12,568,344</b>

# Carl Sandburg College - Community College District 518

## Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections (Continued)

Levy Years 2021, 2020, and 2019

	2021	2020	2019
Tax Collections to June 30:			
Education Fund	\$1,393,025	\$4,793,934	\$4,703,095
Operations and Maintenance Fund	292,163	1,008,400	957,471
Bond and Interest Fund	1,108,618	3,308,964	3,268,230
Audit Fund	29,253	100,840	95,747
Protection, Health, Safety	73,041	1,008,400	957,471
Liability, Protection, and Settlement Fund	795,142	2,745,470	2,645,491
<b>Total tax collections</b>	<b>\$3,691,242</b>	<b>\$12,966,008</b>	<b>\$12,627,505</b>
Percent of extensions collected	28.55%	100.95%	100.47%

## **Schedule of Enrollment Data**

**INDEPENDENT ACCOUNTANT’S REPORT ON ENROLLMENT DATA  
AND OTHER BASES UPON WHICH CLAIMS ARE FILED**

Board of Trustees  
Carl Sandburg College  
Community College District 518  
Galesburg, Illinois

We have examined management of Carl Sandburg College – Community College District 518’s (the College) assertion that the College complied with the guidelines of the Illinois Community College Board’s *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed during the period July 1, 2021 through June 30, 2022. The College’s management is responsible for its assertion. Our responsibility is to express an opinion on management’s assertion about the College’s compliance with the specified requirement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management’s assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management’s assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management’s assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the College’s compliance with the specified requirements.

In our opinion, management’s assertion that Carl Sandburg College – Community College District 518 complied with the guidelines of the Illinois Community College Board’s *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed is fairly stated, in all material respects.



Sterling, Illinois  
December 8, 2022

# Carl Sandburg College - Community College District 518

## Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed


For the year ended June 30, 2022

	Total Semester Credit Hours by Term *							
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Categories:								
Baccalaureate	1,922.5	0.0	9,288.5	0.0	8,760.0	0.0	19,971.0	0.0
Business Occupational	59.0	0.0	413.0	0.0	323.5	0.0	795.5	0.0
Technical Occupation	15.0	0.0	680.5	0.0	676.0	0.0	1,371.5	0.0
Health Occupational	498.0	0.0	2,269.0	0.0	1,706.0	0.0	4,473.0	0.0
Remedial Development	80.0	0.0	385.0	0.0	153.0	0.0	618.0	0.0
Adult Basis Education/ Adult Secondary Education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total credit hours certified	2,574.5	0.0	13,036.0	0.0	11,618.5	0.0	27,229.0	0.0

	Attending In-District	Attending Out-of-District on Chargeback or Contractual Agreement	Total
Semester credit hours	22,235.5	0.0	22,235.5
	Dual Credit	Dual Enrollment	
Reimbursable semester credit hours (all terms)	5,792.5	39.0	
District equalized assessed valuation			\$2,141,893,325

	Correctional Semester Credit Hours by Term			
	Summer	Fall	Spring	Total
	Categories:			
Baccalaureate	0.0	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0	0.0
Technical Occupation	0.0	0.0	0.0	0.0
Remedial Development	0.0	0.0	0.0	0.0
Total credit hours certified	0.0	0.0	0.0	0.0

\* Unrestricted credit hours are supported with 50 percent or more of unrestricted sources of funding and are reimbursable if they meet all eligibility requirements. Restricted credit hours are supported with more than 50 percent of restricted sources of funding. Total of unrestricted and restricted should equal the SU and SR record totals.

Signatures   
 \_\_\_\_\_  
 President

  
 \_\_\_\_\_  
 Associate Vice President of Administrative Services

# Carl Sandburg College - Community College District 518

## Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

(Continued)

For the year ended June 30, 2022

Reconciliation of Total Semester Credit Hours For the year ended June 30, 2022						
	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit hours Certified to the ICCB	Difference
Categories:						
Baccalaureate	19,971.0	19,971.0	0.0	0.0	0.0	0.0
Business Occupational	795.5	795.5	0.0	0.0	0.0	0.0
Technical Occupation	1,371.5	1,371.5	0.0	0.0	0.0	0.0
Health Occupational	4,473.0	4,473.0	0.0	0.0	0.0	0.0
Remedial Development	618.0	618.0	0.0	0.0	0.0	0.0
Adult Basis Education/Adult Secondary Education	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>27,229.0</b>	<b>27,229.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Reconciliation of In-District/Chargeback and Cooperative/ Contractual Agreement Credit Hours			
	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB	Difference
In-district residents	22,235.5	22,235.5	0.0
Out-of-districts on chargeback or contractual agreement	0.0	0.0	0.0

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual credit	5,792.5	5,792.5	0.0
Dual enrollment	39	39	0.0

Reconciliation of Total Correctional Semester Credit Hours For the year ended June 30, 2022			
	Total Correctional Credit Hours	Total Correctional Credit Hours Certified to the ICCB	Difference
Categories:			
Baccalaureate	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0
Technical Occupation	0.0	0.0	0.0
Remedial Development	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

# **Carl Sandburg College – Community College District 518**

## **Note to Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed**

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### **Note 1. Residency Verification Process**

#### **Procedures for Verifying and Classifying Residency**

Every credit student must submit an application to the College which contains biographic and demographic information. The student signs the application verifying the accuracy of the information and the ability to provide documentation to verify it. The College will use the data contained in the application and on the subsequent enrollment forms to determine residency.

In order to be classified as in-district for tuition, the student must indicate one or more of the following:

- Current residence for at least 30 days at an in-district address
- Permanent residence at an in-district address
- Graduation from or current enrollment in an in-district high school
- Current enrollment at another institution of higher education located in-district
- Although the student resides out-of-district, the student or his parent or guardian maintains full-time employment in-district
- Although the student resides out-of-district, the student owns land and pays taxes in-district.

In the case of an address change, a student will submit the change in writing to the Records Department or via the self-service address change in our online system.

The student's signature on the forms mentioned above indicates that he/she is able to produce appropriate documentation to verify residency in-district. Proper documentation includes one or more of the following:

- Driver's license
- State-issued ID
- Voter registration card
- Utility bill
- Bank statement
- ID card from another institution of higher education in district
- Progress summary from another institution of higher education in district
- Home/apartment lease
- Cell phone bill

**ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION**



**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**

Board of Trustees  
Carl Sandburg College – Community  
College District 518  
Galesburg, 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 business-type activities and the discretely presented component unit of Carl Sandburg College – Community College District 518 (the College), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements, and have issued our report thereon dated December 8, 2022.

The financial statements of Carl Sandburg College Foundation (a nonprofit organization, discretely presented component unit of the College) were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Carl Sandburg College Foundation.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College’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 College’s internal control. Accordingly, we do not express an opinion on the effectiveness the College’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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College’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 the attention of 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 the College's financial statements are free of 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 the College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wipfli LLP*

Sterling, Illinois  
December 8, 2022

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

Board of Trustees  
Carl Sandburg College – Community  
College District 518  
Galesburg, Illinois

**Report on Compliance for Each Major Federal Program*****Opinion on Each Major Federal Program***

We have audited Carl Sandburg College – Community College District 518's (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2022. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Carl Sandburg College – Community College District 518 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*Wipfli LLP*

Sterling, Illinois  
December 8, 2022

# Carl Sandburg College - Community College District 518

## Schedule of Expenditures of Federal Awards

For the year ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Award Notification Number	Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Education:</b>				
Direct award				
Student Financial Assistance:				
Federal Supplemental Educational Opportunity Grants				
Grants	84.007	P007AXX1115	\$79,652	\$0
Federal Work Study Program	84.033	P033AXX1115	35,024	0
Federal Pell Grant Program	84.063	P063XXX0511	2,976,009	0
Federal Direct Loan Program	84.268	P268KXX0511	311,867	0
Total student financial assistance cluster			3,402,552	0
Direct award				
TRIO - Student Support Services (m)	84.042A	P042A200040 - 21	242,003	0
TRIO - Upward Bound:				
Crossing the Bridge to Success (m)	84.047A	P047A170443 - 21	375,862	0
Math & Science (m)	84.047M	P047M170076 - 21	292,949	0
Total TRIO cluster			910,814	0
Pass-through Illinois Community College Board				
Career and Technical Education Programs				
Perkins Postsecondary Grants	84.048	CTE51822	306,789	0
Direct award				
COVID-19 - Higher Education Emergency Relief Fund - Student (m)	84.425E	P425E200624	2,329,890	0
COVID-19 - Higher Education Emergency Relief Fund - Institutional (m)	84.425F	P425F200869	2,546,214	0
Pass-through Illinois Community College Board				
COVID-19 - Governor's Emergency Education Relief Fund (m)	84.425C	GEER-SAND	105,554	0
COVID-19 - Governor's Emergency Education Relief Fund (m)	84.425C	GEERII-51822	86,655	0
Total COVID-19 - Education Stabilization Fund			5,068,313	0
Total U.S. Department of Education			\$9,688,468	\$0
<b>Total federal awards expended</b>			<b>\$9,688,468</b>	<b>\$0</b>

(m) Denotes major program

# Carl Sandburg College – Community College District 518

## Notes to the Schedule of Expenditures of Federal Awards

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### **Note 1. Significant Accounting Policy**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Carl Sandburg College – Community College District 518 (the College) for the year ended June 30, 2022 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The College elected not to use the 10% de minimis indirect cost rate during the year ended June 30, 2022.

### **Note 2. Loan Program**

The College's participation in the U.S. Department of Education's Student Financial Aid Program includes the Federal Direct Student Loan Program. The College does not make the loan as this is done directly with the students by the lenders. The College includes the value of the loans made during the year as federal awards expended in the Schedule of Expenditures of Federal Awards. The balance of the loans from previous years is not included because the lender accounts for the prior balances.

### **Note 3. Non-cash Assistance**

The College did not expend any federal awards in the form of non-cash assistance during the year ended June 30, 2022.

### **Note 4. Other Federal Award Information**

The College did not receive or administer any insurance or loan guarantees during fiscal year ended June 30, 2022.

# Carl Sandburg College – Community College District 518

## Schedule of Findings and Questioned Costs

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### Section I – Summary of Auditor’s Results

#### Financial Statements

Type of auditor’s report issued:		Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

#### Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(ies) identified that are not considered to be material weakness(es)	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported

Type of auditor’s report issued on compliance for major programs:		Unmodified
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Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
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Identification of major programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425C, 84.425E, 84.425F	COVID-19 - Education Stabilization Fund
84.042A, 84.047A, 84.047M	TRIO Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$ <u>750,000</u>
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Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
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# Carl Sandburg College – Community College District 518

## Schedule of Findings and Questioned Costs

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### Section II – Financial Statement Findings

A. Internal Control

None

B. Compliance Finding

None

### Section III – Federal Award Findings and Questioned Costs

A. Internal Control

None

B. Compliance Findings

None

# Carl Sandburg College – Community College District 518

## Summary Schedule of Prior Audit Findings

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### Prior Year Findings:

#### June 30, 2021

- I. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards
  - A. Internal Control

None
  - B. Compliance Finding

None
- II. Findings and Questioned Costs for Federal Awards
  - A. Internal Control

None
  - B. Compliance Finding

None

#### June 30, 2020

- I. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards
  - A. Internal Control

None
  - B. Compliance Finding

None
- II. Findings and Questioned Costs for Federal Awards
  - A. Internal Control

None
  - B. Compliance Finding

None