

# Carl Sandburg College

ILLINOIS COMMUNITY COLLEGE DISTRICT 518  
GALESBURG, ILLINOIS

**JULY 1, 2006 – JUNE 30, 2007**  
**BUDGET**



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**Educational &  
Financial Plan**

**CARL SANDBURG COLLEGE**  
**Final Budget for Fiscal Year 2007**  
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# CARL SANDBURG COLLEGE

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## EXECUTIVE SUMMARY

**TO:** Board of Trustees, Carl Sandburg College  
Community College District #518

**FROM:** Thomas A. Schmidt, President



**SUBJECT:** Budget for Fiscal Year 2007

Transmitted herewith is the budget for Carl Sandburg College District #518 for fiscal year 2007 (beginning July 1, 2006, and ending June 30, 2007). This budget reflects many of the significant components/implications contained within the Phenix Program, which was first introduced in September 2003. (See APPENDIX)

It maintains our commitment to operating the College as efficiently as possible in light of The Higher Learning Commission's recommendations to implement measures to avoid deficit spending and our long term goal of establishing (and maintaining) appropriate operating fund balances. It is recognized that adjustments to the FY-2007 budget may be necessary. The budget can be amended later in the fiscal year as deemed necessary.

FY-2007 marks the thirteenth year that credit hour projections have been provided in greater detail, including details about our growing dual credit programs. Given that two (2) of our three (3) major funding sources are directly affected by the number of credit hours produced in each program, the College's Instructional Team placed a high priority on this aspect of our planning process.

**The FY-2007 budget incorporates and reflects recognition of several significant factors:**

1. The most financially challenging landscape ever faced by the State of Illinois. After three years of "flat funding," the Illinois Community College System will see a 1.8% increase in general funds.
2. Despite uncertainty over the local and state economy, the College budget will be adopted in accordance with the timeline approved by the Board of Trustees in January 2006.
3. Consistent with the concepts of "Outcomes Assessment" and our Phenix Program, there is a commitment to look inward on the quality and efficiencies of current programs/activities with an eye towards asking the simple question, "If we were not already doing this today, would we begin doing it tomorrow?"

**The FY-2007 budget was prepared in accordance with the following perspectives/expectations and assumptions:**

1. CSC spent the decade of the 1990s simultaneously recovering from the 1980s and preparing for the new millennium.
2. The shadow for future programmatic and outcomes assessments, performance evaluations and incremental decision making is assumed to be cast forward over the next four (4) fiscal years (FY-2007 through FY-2010) ending June 30, 2010, now known as the Phenix Program.

During this period of extraordinary uncertainty the College must:

- A. Activate **M.A.S.H. Unit #518**, (**M**obile **A**cademic **S**ervice **H**abitat), if we are to lay legitimate claim to our district's inevitable economic revitalization.
  - B. Commit to our heritage of accommodating fundamental change. **THE STATUS QUO, MAY HAVE TO GO!**
  - C. **Remain a steadfast beacon of STABILITY.**
  - D. Commit to **RE-SHAPING** the College, in part, by launching **"Silos-of-Opportunity."**
3. In addition to challenges confronting the local economy, the State of Illinois budget woes will persist well into the future. Inadequate state funding and decreasing local tax revenues result in increased costs to our students, as reflected in higher tuition rates and new program fees.

Our response to fiscal stress will be determined by these internal/external factors:

- A. EXPECTED DURATION OF FISCAL STRESS
- B. FINANCIAL MANAGEMENT FLEXIBILITY
- C. DIVERSIFICATION OF REVENUE SOURCES
- D. HISTORICAL LEVEL OF SUPPORT

In recognition of the predicted (and now actual) decline in enrollment(s) to "pre-layoff levels" (FY-2002), fiscal year 2007 is being defined as a **"Transition Year."** The administration anticipates that as this year unfolds, it will become clearer as to **what new plateau of credit hour production** the College will experience. The competing factors contributing to this include the declining enrollments due to "retraining programs" having been successfully completed versus the new/emerging enrollments resulting from "Silos of Opportunity" having been recently launched.

The FY-2007 budget will feature a blend of initiatives consistent with the PHENIX Program:

1. Commissioning the work of the new Strategic Thinking/Planning Initiative.
2. Formally beginning preparations for re-accreditation by the Higher Learning Commission in the FY-2011.
3. Implementation of the following **“Hiring Perspectives:”**

The President’s Cabinet will monitor all non-instructional hiring in an effort to use college resources in the most conservative way and to ensure that requests for replacements are essential to college operations. It is expected that all full-time positions may be vacant for 90 days before a replacement is hired and that internal transfers, reorganization, and/or re-assignments be considered whenever possible.

4. Evidence of progress in “Re-shaping the Institution”:
  - A. Discontinuing the College’s contractual relationship with the Illinois Department of Corrections (DOC) and the re-assignments of Tech/Prep responsibilities.
  - B. No longer serving as the fiscal agent for the Local Workforce Area (LWA) 14.
  - C. Investigating the strategic implications of fostering the provision of improved student housing options to accommodate shifting instructional programming geared to full-time vs. part-time students.
  - D. Refreshment of Cooperative Agreements (Spoon River and Southeastern Community College) to ensure full compliance with ICCB and financial aid guidelines.
  - E. Modifications to the supervision of The Extension Center in Bushnell and the Center for Agriculture, Business & Industry (CABI).
  - F. Reorganization of the Administrative Services support team to reflect emerging priorities and productivity enhancements of the new administrative software.
  - G. Strategic investments in Voice over IP technology designed to reduce future operating costs.
  - H. Delaying the acquisition of computer upgrades for all non-instructional workstations for one (1) year.
  - I. Implementation of the updated District Site and Construction Master Plan.
  - J. Investigation of additional energy conservation measures such as Guaranteed Energy Savings Contract (GES) PHASE IV, new Protection, Health & Safety (PHS) projects, activation of our local Wind Energy Consortium and participation in utility “aggregation” (bulk purchasing) cooperatives.

K. Commissioning three (3) Task Forces to formally investigate:

1. Copying costs,
2. Telecommunication (phone) costs,
3. The implications (+/-) of a modified summer work schedule, including a four (4) day work week.

Beginning with FY-2009, I anticipate that Carl Sandburg College (M.A.S.H. Unit #518) will have accommodated significant structural and programmatic changes and enhancements resulting in a “Re-shaped Institution.” I am extremely confident that Carl Sandburg College has the ability and will respond to these challenges.



May 17, 2007

To the Carl Sandburg College Board of Trustees:

Presented in this document is the Budget for Carl Sandburg College for the fiscal year ending June 30, 2007. As prescribed by state law, the Tentative Budget is made conveniently available for public inspection for at least thirty days before the Board adopts the Final Budget for the fiscal year. Prior to adoption, a public hearing is also held to allow comments from members of the community. This budget presents the District's financial and operational plan, and includes all necessary disclosures.

The Annual Budget serves as the financial plan for all funds of the College. It has been developed utilizing a comprehensive, quality-enhancing approach designed to make the budget easily understood.

The revenue and expense summary for all funds is located on page 9 of the Introductory Section. Total budgeted revenues and other sources for FY 2007 are \$21,230,870 (including Transfers In of \$709,388) and total budgeted expenditures are \$21,465,375 (including Transfers Out of \$709,388). This represents a 20% decrease from the FY 2006 expenditure budget of \$26,784,030.

## **Organizational Summary**

### **Background**

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. In 2001, The 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 College's mission is as follows:

*Provide accessible, quality education in a caring environment by keeping the learner's needs at the center of decision making and by working in partnership with communities of the College district.*

### **Major Goals and Objectives**

Following a comprehensive institutional planning process, the Board of Trustees adopted a set of six main focal points which support and drive actions to achieve the college's Mission. Within each of these six areas, are goals designed to shape departmental, programmatic, and individual decision making.

We believe that these goals should drive all activities that are undertaken throughout the year. The Institutional Focal Points and Goals are included in the budget document, in every board packet and at the fingertips of each employee as a reminder of our effort to meet the ever changing needs of our community and to keep their best interests uppermost in our thoughts and decisions.

The Focal Points are:

### Institutional Focal Points and Goals

- I. Learning
  - A. Promote and support student learning at the classroom, program, and school levels.
  - B. Provide and maintain resources, which enable and enhance student retention and learning.
  - C. Promote and support local research on the learning process.
  
- II. Caring Environment
  - A. Shape an environment that recognizes the need for diversity.
  - B. Create opportunities for all within the College community to interact with understanding, tolerance, and respect for others.
  - C. Promote sensitivity to individual needs and aspirations of those throughout the College community.
  - D. Promote organizational development as a long-range effort to improve the College's problem-solving and renewal process.
  
- III. Technology
  - A. Establish and maintain effective technology in academic programs and support functions.
  - B. Upgrade employee skills in use of technology.
  
- IV. Cooperative Alliances
  - A. Develop programs in cooperation with neighboring institutions.
  - B. Maintain and expand alliances within and beyond the College district.
  - C. Support economic development activities
  
- V. Stability
  - A. Establish/maintain an operating fund balance equal to 5-6 percent of the previous year's adopted budget.
  - B. Develop institutional shape/make-up that best addresses long-range fiscal concerns.
  - C. Maintain the College comprehensive Risk Management Program.
  - D. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
  - E. Promote operating efficiencies to accommodate growth.
  - F. Promote the development of human resources.
  - G. Promote and develop information management systems that facilitate decision-making.

- VI. Assessment
  - A. Promote and support local research on the assessment process.
  - B. Promote student assessment at the course, program, and school levels.
  - C. Promote assessment as an institutional way of life.

The college's board lists which Focal Points and Goals are being achieved by each board agenda item. In making budget decisions, these focuses are kept at the forefront of decision making.

### **The Budget Process**

It is the philosophy of the college that a balanced budget is a fundamental element of financial accountability. Expenditures for a given year should be no greater than projected resources available. Thus, the first step in the budgeting process is development of a comprehensive revenue estimate. This estimate is extracted from the most recent known data and projections from the five-year forecasting model of assumptions used by the budget committee. Revenue projections are refined as the college progresses through the budget process.

Once budget assumptions (salaries with increases, benefits and cost of living increases) for the upcoming year are set, the requests for budget dollars submitted by budget managers are reviewed by the budget committee. Budget managers have reviewed their areas to identify operating priorities. These requests are submitted to the appropriate cabinet officer for support at the meetings of the budget committee. Once priorities for on-going operations have been determined, new initiatives and expanded services are evaluated and prioritized. After evaluating and reviewing the priorities, adjustments are made and a Tentative Budget is made available for public inspection for thirty days. After a thirty day period, a public budget hearing is conducted and a Final Budget is recommended to the Board of Trustees for approval. This process meets the requirements established by State statute.

All college funds are budgeted at the line item level, although the legal adoption is by object and function within each fund. A detailed description of this process is included in the Organizational Section of the complete FY 2007 budget document.

### **Budget Process and Policy Changes**

Each year improvements are made to streamline and automate the budget process further. Fully integrating budgeting with institutional planning has been an important issue for the college. Policies pertaining to budgeting are also discussed within this document.

The regulations and procedures of the college shall provide for a decision-making process involving employee consultation. Faculty shall be consulted in areas such as curriculum, subject matter, faculty evaluation, academic standards and student affairs relating to the aforementioned areas.

Over the last several years, an effort has been made to involve individuals from across the college in the annual planning and budgeting process. Budget managers are given shell budgets including certain assumptions then allowed to develop their specific requests. We have attempted to push the budget development process to the level where the individual planning and later making the expenditure would be the same person. This system provides ownership in the budget as well as accountability and responsibility. Budget managers are required to stay within their approved budgets. It is our belief that this system provides the flexibility to address program needs while assigning responsibility for accurate planning.

After the budget is developed and approved, it is posted to the general ledger, allowing the college to prepare for operation under the approved Final Budget as soon as possible. Budget overspending is not allowed on the computer system without an override from the Chief Financial Officer.

### **Allocation of Personnel Resources**

Carl Sandburg College is committed to its employees. The college dedicates approximately 72% of the operating budget to salaries and benefits. Of this amount 53% is for direct instruction. Student Services personnel costs make up approximately 6% of the operating budget. This critical investment in people equates to a total of 72 full-time and 174 part-time faculty in FY 2006.

With the concentration on meeting the changing needs in our community for a trained workforce, the college continues to search for quality instructional staff. Addressing this need, this budget includes new part-time faculty to teach new programs in Massage Therapy, Nuclear Medicine and Medical Assisting.

An annual salary increase of 4.0%, previously approved in the collective bargaining agreement, is included in this budget. The college will continue to bargain for a rolling contract two years out. Negotiations in the fall of 2005 has furthered our current agreement thru FY 2010.

**FY-2007  
BUDGET COMPARISON**

**REVENUE**

<b>FUND</b>	<b>FY-2007</b>	<b>FY-2006</b>	<b>CHANGE</b>	<b>%</b>
Education	\$ 13,715,682	\$ 14,245,330	\$ (529,648)	-3.72%
O & M	\$ 1,614,619	\$ 1,463,055	\$ 151,564	10.36%
<b>Sub-Total</b>	<b>\$ 15,330,301</b>	<b>\$ 15,708,385</b>	<b>\$ (378,084)</b>	<b>-2.41%</b>
O & M Restricted	\$ 55,980	\$ 2,022,416	\$ (1,966,436)	-97.23%
Bond & Interest	\$ 2,265,652	\$ 2,388,125	\$ (122,473)	-5.13%
Working Cash	\$ 138,000	\$ 121,040	\$ 16,960	14.01%
Liab/Prot/Settlement	\$ 2,074,670	\$ 3,314,484	\$ (1,239,814)	-37.41%
Audit	\$ 59,782	\$ 65,567	\$ (5,785)	-8.82%
<b>Sub-Total</b>	<b>\$ 4,594,084</b>	<b>\$ 7,911,632</b>	<b>\$ (3,317,548)</b>	<b>-41.93%</b>
Auxiliary	\$ 1,006,256	\$ 1,022,545	\$ (16,289)	-1.59%
Quasi-Endowment	\$ 300,229	\$ 293,015	\$ 7,214	2.46%
<b>Sub-Total</b>	<b>\$ 1,306,485</b>	<b>\$ 1,315,560</b>	<b>\$ (9,075)</b>	<b>-0.69%</b>
<b>Totals</b>	<b>\$ 21,230,870</b>	<b>\$ 24,935,577</b>	<b>\$ (3,704,707)</b>	<b>-14.86%</b>

**EXPENDITURES**

<b>FUND</b>	<b>FY-2007</b>	<b>FY-2006</b>	<b>CHANGE</b>	<b>%</b>
Education	\$ 13,715,682	\$ 14,245,330	\$ (529,648)	-3.72%
O & M	\$ 1,614,619	\$ 1,463,055	\$ 151,564	10.36%
<b>Sub-Total</b>	<b>\$ 15,330,301</b>	<b>\$ 15,708,385</b>	<b>\$ (378,084)</b>	<b>-2.41%</b>
O & M Restricted	\$ 50,000	\$ 2,337,586	\$ (2,287,586)	-97.86%
Bond & Interest	\$ 2,204,347	\$ 3,735,732	\$ (1,531,385)	-40.99%
Working Cash	\$ 233,167	\$ 116,663	\$ 116,504	99.86%
Liab/Prot/Settlement	\$ 2,065,182	\$ 3,327,571	\$ (1,262,389)	-37.94%
Audit	\$ 104,290	\$ 75,510	\$ 28,780	38.11%
<b>Sub-Total</b>	<b>\$ 4,656,986</b>	<b>\$ 9,593,062</b>	<b>\$ (4,936,076)</b>	<b>-51.45%</b>
Auxiliary	\$ 1,005,807	\$ 999,743	\$ 6,064	0.61%
Quasi-Endowment	\$ 472,281	\$ 482,840	\$ (10,559)	-2.19%
<b>Sub-Total</b>	<b>\$ 1,478,088</b>	<b>\$ 1,482,583</b>	<b>\$ (4,495)</b>	<b>-0.30%</b>
<b>Totals</b>	<b>\$ 21,465,375</b>	<b>\$ 26,784,030</b>	<b>\$ (5,318,655)</b>	<b>-19.86%</b>

## Financial Summary

### Budget Overview

Budgets for all funds are included within the Financial Section. The budget includes total resources of \$21,230,870 and expenditures of \$21,465,375. The General Fund (Education and Operations & Maintenance Funds) includes a total budget of \$15,330,301. The Special Revenue Fund (Audit Fund and Liability, Protection and Settlement Fund) has a total expenditures budget of \$2,169,472. The Debt Service Fund (Bond and Interest Fund) budget is \$2,204,347. The Capital Projects Fund (Operations & Maintenance – Restricted Fund and Quasi-Endowment Fund) reflects a budget of \$522,281. Other Fund types (Auxiliary and Working Cash) have a total budget of \$1,238,974.

The following tables compare FY 2007 and FY 2006 revenue and expenditure budgets for each fund:

Fund	Current Revenue FY 2007 Budget	Prior Revenue FY 2006 Budget	Current vs. prior increase/(decrease)
Education	\$13,715,682	\$14,245,330	\$(529,648)
Operations & Maintenance	1,614,619	1,463,055	151,564
Operations & Maintenance (Restricted)	55,980	2,022,416	(1,966,436)
Bond & Interest	2,265,652	2,388,125	(122,473)
Auxiliary Enterprises	1,006,256	1,022,545	(16,289)
Working Cash	138,000	121,040	16,960
Audit	59,782	65,567	(5,785)
Liability, Protection & Settlement	2,074,670	3,314,484	(1,239,814)
Quasi-Endowment	300,229	293,015	7,214
<b>Total All Funds</b>	<b>\$21,230,870</b>	<b>\$24,935,577</b>	<b>\$(3,704,707)</b>

Fund	Current Expenses FY 2007 Budget	Prior Expenses FY 2006 Budget	Current vs. Prior Increase/(Decrease)
Education	\$13,715,682	\$14,245,330	\$(529,648)
Operations & Maintenance	1,614,619	1,463,055	151,564
Operations & Maintenance (Restricted)	50,000	2,337,586	(2,287,586)
Bond & Interest	2,204,347	3,735,732	(1,531,385)
Auxiliary Enterprises	1,005,807	999,743	6,064
Working Cash	233,167	116,663	116,504
Audit	104,290	75,510	28,780
Liability, Protection & Settlement	2,065,182	3,327,571	(1,262,389)
Quasi-Endowment	472,281	482,840	(10,559)
Total All Funds	\$21,465,375	\$26,784,030	(5,318,655)

Fund	Current Fund Balance FY 2007 Estimated	Prior Fund Balance FY 2006 Estimated	Current vs. Prior Increase/(Decrease)
Education	\$986,008	\$986,008	0
Operations & Maintenance	389,285	389,285	0
Operations & Maintenance (Restricted)	(778,478)	(784,458)	5,980
Bond & Interest	475,701	414,396	61,305
Auxiliary Enterprises	7,734	7,285	449
Working Cash	3,932,737	4,027,904	(95,167)
Audit	(113,495)	(68,987)	(44,508)
Liability, Protection & Settlement	3,639,953	3,630,465	9,488
Quasi-Endowment	6,092,209	6,264,261	(172,052)
Total All Funds	14,631,654	14,866,159	(234,505)

As shown above, the total expenditure budget decreases in comparison with the prior year. This is in an effort to remain balanced with decreasing revenues. Local revenue is projected to decline as the College sees equalized assessed valuations (EAV) of the district decrease with the loss of industry and Bulletin 810 changing the valuation of farmland. Tuition revenue is also projected to decrease as displaced workers have completed their education and are reentering the workforce. Capital projects have been completed depleting the bond proceeds.

The decreased expenditures are the result of projecting expenses based on actual expenses of prior years and known expenditure increases/decreases. The rolling salary agreement in effect through FY 2010 allows the College to project known salary increases. As medical costs continue to soar, the administration, in an effort to operate knowing maximum costs, changed the employee health insurance to a wholly funded plan. Talent grants for students have been budgeted based on prior actual figures as revenue and expense. No significant capital projects are planned for FY 2007 allowing the College an opportunity to evaluate future needs. The refinancing of and paying off of bonds has also decreased our expenditures for FY 2007.

Revenue within each fund is classified according to source: Local Sources, State Sources, Tuition and Fees, and Other Sources (includes Transfers In). The table below illustrates revenue sources by fund for the FY 2007 Budget. Fund balance appropriations are not included.

Fund	Local Govt. Sources	State Govt. Sources	Federal Govt. Sources	Tuition And Fees	Other Sources	Total
Education	\$2,416,974	\$5,884,778		\$5,101,117	\$312,813	\$13,715,682
Operations & Maint.	605,594	305,556		277,324	426,145	1,614,619
Operations & Maint. (Restricted)					55,980	55,980
Bond & Interest	2,255,352				10,300	2,265,652
Auxiliary Enterprises			25,000	218,294	762,962	1,006,256
Working Cash					138,000	138,000
Audit	59,602				180	59,782
Liability, Protection & Settlement	1,683,170				391,500	2,074,670
Quasi-Endowment					300,229	300,229
Total	\$7,020,692	\$6,190,334	\$25,000	\$5,596,735	\$2,398,109	\$21,230,870



Expenditures by fund and function for the FY 2007 budget are presented below.

Function	Instruction	Academic Support	Student Services	Public Service	Institutional Support	Operations & Maintenance	Other	Total
Fund								
Education	\$7,144,083	\$369,599	\$1,384,453	\$248,208	\$4,569,339			\$13,715,682
Operations & Maint.					276,705	1,337,914		\$1,614,619
Operations & Maint. (Restricted)					50,000			\$50,000
Bond & Interest					2,204,347			2,204,347
Auxiliary Enterprises							1,005,807	1,005,807
Working Cash							233,167	233,167
Audit					104,290			104,290
Liability, Protection & Settlement					2,060,182		5,000	2,065,182
Quasi-Endowment					1,060		471,221	472,281
Total	\$7,144,083	\$369,599	\$1,384,453	\$248,208	\$9,265,923	\$1,337,914	\$1,715,195	\$21,465,375

### Significant Financial and Demographic Changes

The most critical issues facing the college in the near future are enrollment, property tax base changes and state budget cuts. With the significant changes in unemployment rates from plant closings the past two years, we anticipated a decreased enrollment in FY 2006 and 2007 and stabilization in FY 2008 and beyond. The property tax base is anticipated to drop off as plant closings effect the housing market. This compounds the already present 10% per year annual decline in farmland assessments and Bulletin 810 allowing an even greater decline in farmland based on soil types for FY 2007. Add to this the fact that the state anticipates a deficit over the next fiscal year and you have the third component of significant financial and demographic changes.

## **Future Outlook**

The college is financially stable and fiscally sound. We have done the right things at the right times. We've refunded long-term debt to take advantage of the lowest interest rate in decades. We've placed significant Working Cash Fund bond proceeds in investments to earn interest available to other funds for cash flow needs. We've implemented a policy whereby all funds short of cash for operations will borrow from the Working Cash Fund. We've placed \$5 million in the Strategic Technology Endowment Fund (STEF) to refresh technology and implement the conversion to the new Access software environment. SMART V bond proceeds adds \$682,300 additional funds to the STEF fund for future Access software and Xerox costs as well as to grow the fund with interest on these additional deposits.

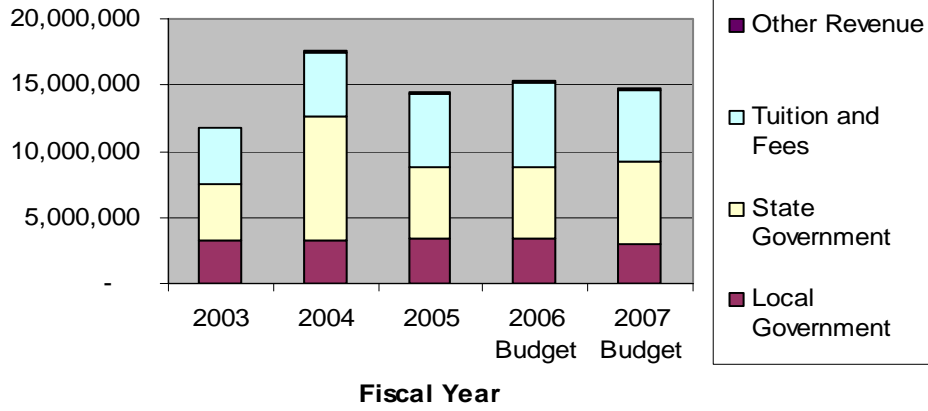
College staff members are working to look inward at efficiencies. The College contracted with Bridger to look at the efficiencies of our indirect costs in FY 2005. We are working on five-year assumptions in long-range planning. The college updates the facilities Master Plan every five years. The Master Plan was last completed in 2003 and is currently being reevaluated in FY 2006 by Phillip Swager and Associates. It is one of the tools the college uses to grow and assess its facilities in an orderly manner as part of a comprehensive planning process.

## **Informational Summary**

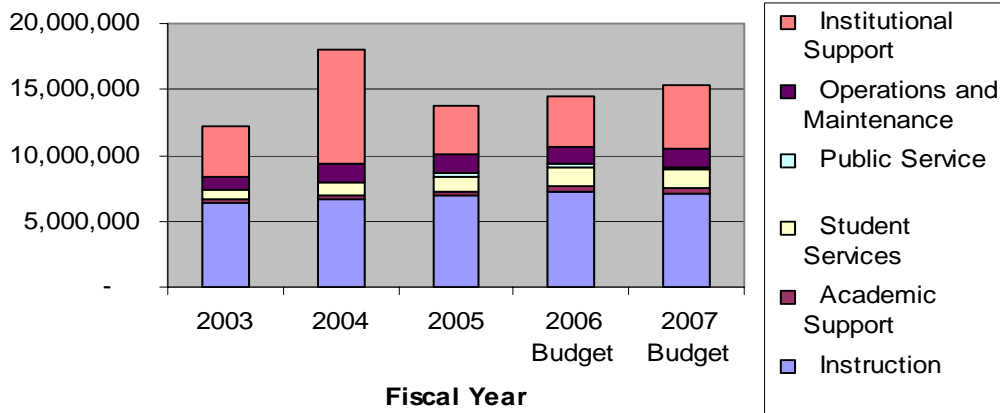
Presented here is a summary of our projection of future revenues and expenditures as well as a historical view of Carl Sandburg College's financial position. The focus of this section is specific to the College's Operating or General Funds (Education and Operations and Maintenance Funds).

The projections have been developed from historical trends and conservative assumptions developed by college staff. Revenue projections are based on known student enrollments and take into consideration current economic factors and enrollment management activities designed to increase enrollments. Tax revenues are based on the most recent tax levies derived from known equalized assessed valuations. The assessed valuations are projected on historic trends as adjusted for local economic conditions and potential development within our district. Other state revenue is projected to decrease and/or flatten over the near future except for the SURS contribution which will increase in relation to increasing salaries.

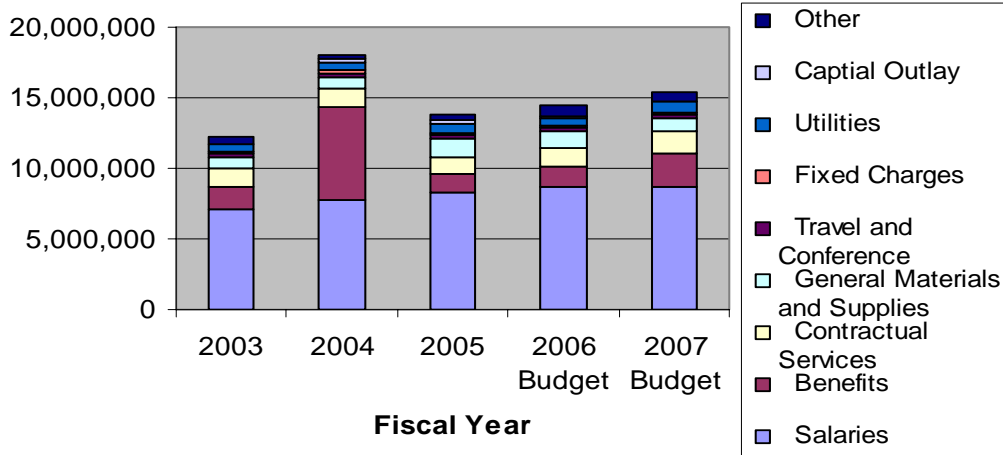
### Historical General Fund Revenue by Source



### Historical General Fund Expenditures by Program



### Historical General Fund Expenditures by Object



**Carl Sandburg College  
Projected Operating Revenues  
Fiscal Years 2007 - 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>				
<b>Local Revenue Sources</b>				
Local Property Taxes	2,997,997	3,057,957	3,149,696	3,275,683
CABI	15,000	15,000	15,000	15,000
Chargebacks	0	0	0	0
Subtotal Local Revenue Sources	<u>3,012,997</u>	<u>3,072,957</u>	<u>3,164,696</u>	<u>3,290,683</u>
<b>State Revenue Sources</b>				
ICCB Credit Hour Grant	2,374,079	2,350,340	2,326,840	2,326,840
ICCB Equalization Grant	2,597,835	2,571,860	2,546,140	2,546,140
ICCB Small College Grant	60,000	59,400	58,810	58,810
ICCB Square Footage Grant	26,926	26,660	26,390	26,390
ISBE Vocational Ed.	80,000	79,200	78,410	78,410
Replacement Taxes	156,900	160,040	164,840	169,790
SURS	904,165	940,330	977,940	1,017,060
Subtotal State Revenue Sources	<u>6,199,905</u>	<u>6,187,830</u>	<u>6,179,370</u>	<u>6,223,440</u>
<b>Tuition and Fees</b>				
Tuition	4,650,517	4,836,540	5,030,000	5,231,200
Fees	727,924	742,480	757,330	772,480
Subtotal Tuition and Fees	<u>5,378,441</u>	<u>5,579,020</u>	<u>5,787,330</u>	<u>6,003,680</u>
<b>Other Sources of Revenue</b>				
Interest Income	12,200	15,250	15,250	15,250
Dept. of Corrections	0	0	0	0
Building Rentals	12,000	12,000	12,000	12,000
Other Income	714,758	547,500	547,500	547,500
Subtotal of Other Sources	<u>738,958</u>	<u>574,750</u>	<u>574,750</u>	<u>574,750</u>
<b>Total Revenue</b>	<u>15,330,301</u>	<u>15,414,557</u>	<u>15,706,146</u>	<u>16,092,553</u>

**Carl Sandburg College  
Projected Operating Expenditures  
Fiscal Years 2007 - 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>By Program</b>				
Instruction	7,107,091	7,270,892	7,434,214	7,603,524
Academic Support	352,560	360,690	368,790	377,190
Student Services	1,429,000	1,461,940	1,494,780	1,528,820
Public Service	227,210	232,450	237,670	243,080
Operations and Maintenance	1,206,490	1,234,300	1,262,030	1,290,770
Institutional Support	5,007,950	5,123,380	5,238,470	5,357,780
<b>Total Expenditures</b>	<u>15,330,301</u>	<u>15,683,652</u>	<u>16,035,954</u>	<u>16,401,164</u>
<b>By Object</b>				
Salaries	8,658,970	9,005,330	9,365,540	9,740,160
Benefits	2,386,985	2,458,590	2,532,350	2,608,320
Contractual Services	1,537,704	1,537,700	1,537,700	1,537,700
General Materials and Supplies	933,735	861,152	779,484	694,114
Travel and Conference	239,823	239,820	239,820	239,820
Fixed Charges	148,736	148,740	148,740	148,740
Utilities	797,257	805,230	805,230	805,230
Capital Outlay	54,377	54,380	54,380	54,380
Other	572,714	572,710	572,710	572,710
<b>Total Expenditures</b>	<u>15,330,301</u>	<u>15,683,652</u>	<u>16,035,954</u>	<u>16,401,174</u>

Adjustments have been made for Access software purchases out of the Materials and Supplies accounts.

Expenditures shown for the college's General Fund are presented by program area and by object. Projections are based on the current collective bargaining agreement, historical trends adjusted for inflation and anticipated economic forces. Expenditure increases have an effective 2% increase annually.

Additional narratives are presented within the Information Section of the complete FY 2007 budget document.

### **Student Enrollment Trends**

We serve a diverse group of students. In the fall of 2004, the College enrolled 3,575 students, with an average age of 31 years. Women represented 64 percent of the student body. Nearly 90 percent of the students were employed, and 55 percent were part-time students. Many students balance the demands of college with work and family responsibilities.

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fall College enrollment	3220	3341	3441	3554	3575	3260
Annual Full-time equivalents	1661	1781	1999	2251	2392	2443
Continuing Education Credit Hours	1586	1406	1440	1167	1282	1378
<u>Total Annual Credit Hours</u>	49830	53430	59970	67530	71760	73314

The College has the resources required to serve student enrollment. We have demonstrated our ability to serve the increasing enrollments due to dislocated workers but also acknowledge this will not continue as those students complete their education and reenter to workforce.

### **Tax Base Trends**

Economic conditions in the communities served by Carl Sandburg College District 518 are such that many industries have moved from the area. We are also faced with the majority of our district being comprised of farmland. Bulletin 810 has caused concern due to not knowing what the potential impact will be on the district's EAV. Due to these factors, we anticipated a revenue decrease in FY 2007. The loss of industry has affected our tax base; however future possibilities for the community look promising and we anticipate increases in FY 2008-2010.

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

EAV supporting our fiscal year:

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
1,263,325,190	1,281,448,552	1,305,749,681	1,233,728,849	1,219,782,213

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

<u>Fund Type</u>	<u>Maximum Authority</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Current:						
Education	0.1989	0.2015	0.1989	0.2054	0.2057	0.2021
Operations and Maintenance	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Liability, Protection and Settlement	none	0.1191	0.1095	0.1010	0.0872	0.0680
Audit	0.0050	0.0050	0.0050	0.0041	0.0041	0.0023
Working Cash	none	0.0000	0.0000	0.0000	0.0000	0.0000
Social Security/Medicare	none	0.0170	0.0083	0.0076	0.0076	0.0074
Bond and Interest	none	0.1833	0.1813	0.1458	0.1425	0.1423
Plant:						
Operations and Maintenance (Restricted) - Life Safety	0.0500	0.0000	0.0000	0.0000	0.0071	0.0087
Total		0.5759	0.5530	0.5139	0.5042	0.4808

## Personnel Resources

The College continues to evaluate positions and responsibilities in order to maintain an effective and efficient learning process. The following table indicates the consistency in the number of faculty and staff over the past several years.

### Carl Sandburg College Personnel Resource Allocation FTE Employees 2001-2006

	2001-02	2002-03	2003-04	2004-05	2005-06
<b>FACULTY:</b>					
Full-Time	74	75	77	75	72
Part-Time	174	175	155	163	174
Subtotal	248	250	232	238	246
<b>ADMINISTRATIVE</b>					
Full-Time	22	24	26	28	28
Part-Time	0	0	0	0	0
Subtotal	22	24	26	28	28
<b>MID-MANAGEMENT</b>					
Full-Time	39	47	44	107	91
Part-Time	2	3	3	29	6
Subtotal	41	50	47	136	97
<b>CLASSIFIED STAFF</b>					
Full-Time	83	89	90	58	55
Part-Time	8	11	8	15	4
Subtotal	91	100	98	73	59
<b>GRAND TOTAL</b>	402	424	403	475	430



## Debt Administration

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. Legally, the college is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$35,067,739. The current long-term debt of the college is \$27,997,713. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$7,071,026. During the next year, it is anticipated that the college will issue no new debt.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensat ed Absences	Total Principal	Interest	Total Principal & Interest
2006	975,000	120,447	181,876	1,277,323	1,263,723	2,541,046
2007	1,035,000	131,511	90,938	1,257,449	1,198,063	2,455,512
2008	1,285,000	131,806	-	1,416,806	1,137,496	2,554,302
2009	1,485,000	133,422	-	1,618,422	1,069,682	2,688,104
2010	1,705,000	105,902	-	1,810,902	989,870	2,800,772
2011-2015	10,300,000	296,811	-	10,596,811	3,552,887	14,149,698
2016-2020	10,020,000	-	-	10,020,000	953,343	10,973,343
<b>Total</b>	26,805,000	919,899	272,814	27,997,713	10,165,064	38,162,777

## Performance

Carl Sandburg College strives to meet the needs of the students and the community. Annually the College conducts a follow up survey of all Occupational Program graduates as required by the Illinois Community College Board. Our percentage of responses continues to exceed the required 20% by the ICCB.

The College currently utilizes the Classroom Assessment Techniques Instrument (CATS). This activity is part of the Assessment Plan which is approved by the North Central Association.

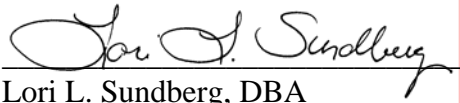
Recently the Student Opinion Survey (ACT) was administered for a second time on a district wide basis. This survey will now be conducted every other year to allow the Retention Committee to analyze the data and facilitate improvements.

Carl Sandburg College transfer students have achieved consistent academic performance at their transfer colleges and universities.

**Acknowledgments:**

We would like to express our appreciation to the Board of Trustees for their continued interest in planning and conducting the fiscal operations of the college in a responsible and accountable manner.

Respectfully submitted,



Lori L. Sundberg, DBA  
Vice President of Administrative Services



Lisa Blake  
Chief Financial Officer

**CARL SANDBURG COLLEGE**

**Board of Trustees Meeting**

**Regular Meeting - May 23, 2006**

**Item** Adoption of Tentative 2007 Budget

**Institutional Focal Points/Goals**

I-A, II-D, III-A, V-A

**Background**

The tentative FY-2007 budget is proposed for Board adoption at the May 23, 2006 meeting. According to statutes, the tentative budget must be available for public inspection for thirty days before the final adoption. The law also requires that a legal notice be published stating the budget's availability for examination and the time of the public hearing on the budget. The hearing is scheduled for 6:30 p.m., Thursday, June 22, 2006, at the A. Lewis Long Conference Room, Galesburg, Illinois.

To allow maximum time for its development, we will deliver the tentative FY-2007 budget booklet to the Board at your meeting scheduled for May 23, 2006.

**Recommended Action**

Adoption of the FY-2007 tentative budget is recommended.

**CARL SANDBURG COLLEGE**

**Board of Trustees Meeting**

**Regular Meeting – June 22, 2006**

**Item**            FY – 2007 Final Budget

**Institutional Focal Points/Goals**

I-A, II-A, II-B, III-A, IV-A, V-A, VI-C

**Background**

The tentative FY-2007 budget has been reviewed by the Board of Trustees, faculty, students, support staff and administration. It has also been on public display for the required number of days in accordance with State law.

The final budget document incorporates a summary of the budget as required by the ICCB Fiscal Management Manual. It also incorporates provisions for recognizing the State of Illinois SURS *on-behalf* payments in accordance with recommendations of the college's external auditors.

**Recommended Action**

The administration recommends approval of the attached resolution for adoption for the FY-2007 budget for Carl Sandburg College.

**CARL SANDBURG COLLEGE**  
**Illinois Community College District No. 518**  
**FY 2007**

**Principal Officials as of July 1, 2006**

**Board of Trustees**

	<b>Position</b>	<b>Term Expires</b>
Mr. John A. Kraus	Chairperson	2007
Mr. Bruce A. Lauerman	Vice Chairperson	2007
Mr. William C. Robinson	Secretary	2011
Mr. Jack P. Ball	Trustee	2011
Mr. Thomas H. Colclasure	Trustee	2009
Dr. D. Wayne Green	Trustee	2009
Mr. John T. Huston	Trustee	2011
Ms. Paige Rohweder	Student Trustee	
Ms. Sharon Lytle	Faculty Representative	
Ms. Angela Strom	Staff Representative	

**Officers of the College**

Mr. Thomas A. Schmidt	President
Mr. Larry Benne	Vice President of Academic Services
Dr. Lori Sundberg	Vice President of Administrative Services
Mr. Steven Norton	Vice President of Student Services
Mr. Samuel Sudhakar	Vice President of Technology Services

**Administrative Staff**

Ms. Gena Alcorn	Director of Foundation
Ms. Sherry Berg	Dean of Community & Extension Services
Ms. Lisa Blake	Chief Financial Officer/Treasurer
Mr. Larry Byrne	Director of Business Services
Ms. Sally Day	Director of Nursing
Ms. Robin DeMott	Director of Marketing & Public Relations
Ms. Marnie Dugan	Director of Recruiting
Ms. Lisa Hanson	Director of Financial Aid
Ms. Gwendolyn Koehler	Dean of Adult & Developmental Education
Ms. Carol Kreider	Dean of Student Support Services
Ms. Misty Lewis	Director of TRIO Student Support Services
Ms. Elaine Long	Dean of Allied Health
Ms. Debra Miller	Director of the Branch Campus/Education Commons
Mr. Mark Pflieger	Dean of Occupational Programs
Dr. Connie Thurman	Director of the Center for Manufacturing Excellence
Mr. Michael Walters	Dean of Learning Resource Services/Evening Administrator

**Official Issuing Report**

Ms. Lisa Blake - Chief Financial Officer/Treasurer

**Department Issuing Report**

Finance Office

**Association of School Business Officials International**

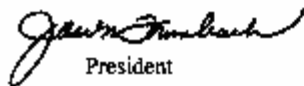


This Meritorious Budget Award is presented to

**Carl Sandburg College District 518**

for excellence in the preparation and issuance  
of its school system budget  
for the Fiscal Year 2005-2006.

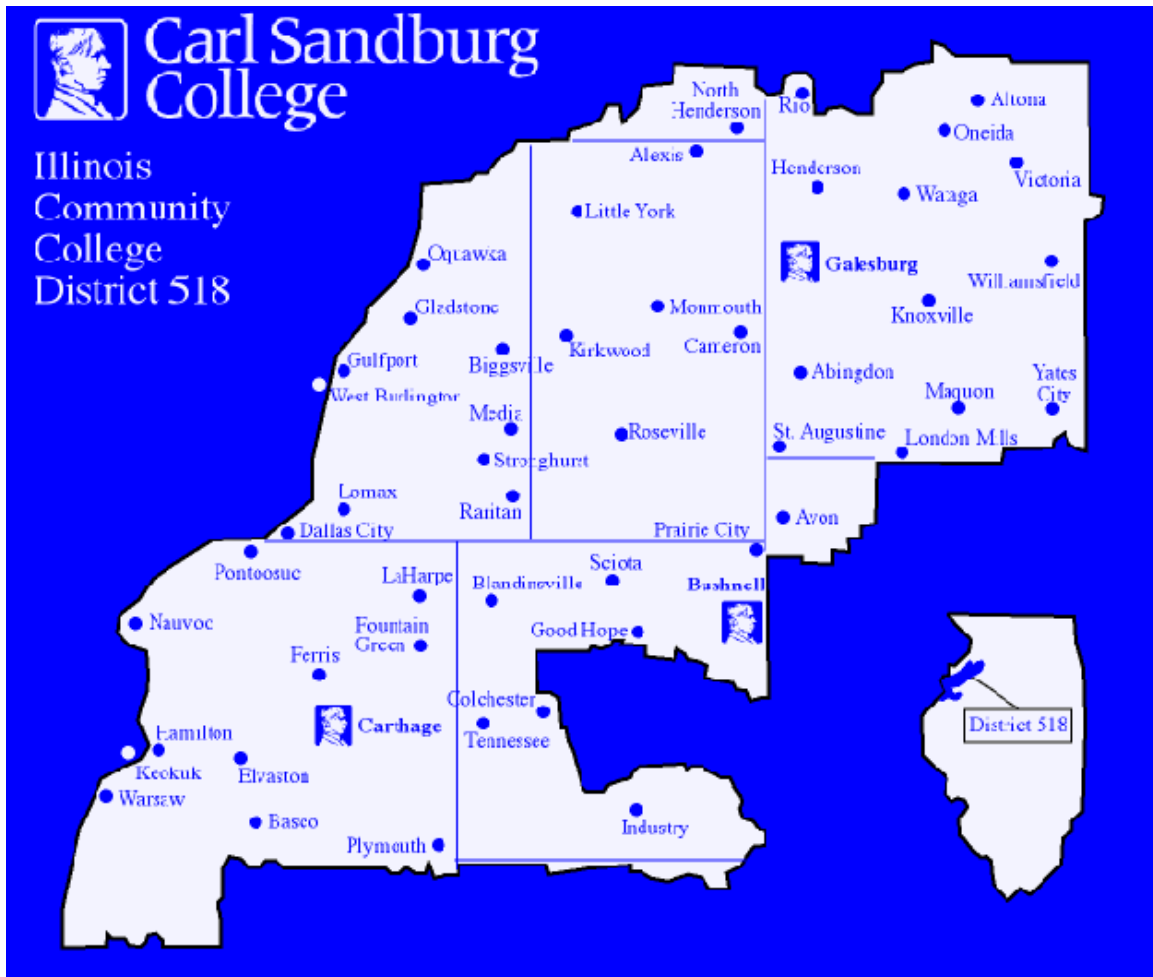
The budget is judged to conform  
to the principles and standards of the  
ASBO International Meritorious Budget Awards Program.

  
President

  
Executive Director

## II. Organizational Section

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. We are fiscally independent although governed by laws and policies as set forth by the State of Illinois, the Illinois Community College Board and the District's Board of Trustees. 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 Carhage and an extension center in Bushnell. We serve a diverse group of students. In the fall of 2004, the College enrolled 3,575 students, with an average age of 31 years. Women represented 64 percent of the student body. Nearly 90 percent of the students were employed, and 55 percent were part-time students. Many students balance the demands of college with work and family responsibilities.



## **Degrees and Programs Offered**

### Degrees:

- Associate in Arts Degree:
- Associate in Arts in Teaching Degree  
(Early Childhood, Secondary Math, Secondary Science or Special Education)
- Associate in Science Degree
- Associate in Engineering Science Degree
- Associate in Fine Arts Degree  
(Music Performance or Music Education)

### Occupational Programs:

- Automotive Career Programs
  - Automotive Body Repair
    - Basic Automotive Body Repair
  - Automotive Technology (Auto Mechanics)
    - Engine Performance
  
- Business-Focused Career Programs
  - Accounting
  - Desktop Publishing
  - Marketing/Mid-Management
  - Office Occupations
    - Administrative Office Assistant
    - Administrative Office Professional
    - Legal Office Assistant
    - Medical Administrative Specialist
  - Organizational Management & Supervision
  
- Computer Career Programs
  - Computer Information Systems Specialist
    - Application Development Option
    - System Support Option
  - Computer Networking Specialist
  - Microcomputer Applications Specialist



Drafting Career Programs  
Computer Aided Drafting/Design

Health Career Programs

Dental Hygiene  
Emergency Medical Technician  
Medical Assisting  
Mortuary Science  
    Optional Accelerated Program  
Nursing  
    Associate Degree Nursing (R.N.)  
    Nursing Assistant/Aide  
    Practical Nursing (L.P.N.)  
Radiologic Sciences  
    Computed Tomography (CT)  
    Diagnostic Medical Sonography  
    Limited Radiography  
    Magnetic Resonance Imaging (MRI)  
    Nuclear Medicine Technology  
    Radiologic Technology  
Registered Respiratory Therapy  
Therapeutic Massage

Manufacturing-Focused Career Programs

Industrial Control Technology  
Industrial Technologies  
    Machine Drafting & Design Option  
    Manufacturing Processes Option  
Machine Tool  
Numerical Control  
Welding

Service-Related Career Programs

Child Development  
Cosmetology  
    Cosmetology Teacher  
Criminal Justice  
Human Services Assistant  
Nail Technology

## **Explanation of Financial Structure**

The accounts of the College are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balances, revenues and expenditures. The following Fund type and account groups are used by the college.

### **Governmental Fund Types**

The General Fund, which consists of the Education Fund and the Operations and Maintenance Fund, is the general operating fund of the College. It is used to account for financial resources except those required to be accounted for in another fund.

The Special Revenue Fund consists of the Restricted Purpose Fund, Audit Fund and the Liability, Protection, and Settlement Fund. These funds are used to account for the proceeds for specific revenue sources that are legally restricted to expenditures for specific purposes.

The Debt Service Fund, which consists of the Bond and Interest Fund, accounts for the accumulation of resources for and the payment of debt principal, interest, and related costs.

The Capital Projects Fund, which consists of the Operations and Maintenance (Restricted) Fund and the Capital Endowment Fund, is used to account for financial resources to be used for the acquisition or construction of major capital facilities and technology enhancements.

All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (receipts and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

### **Proprietary Fund Types**

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the College is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the College has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

## **Fiduciary Fund Type**

Fiduciary Funds are used to account for assets held by the College in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

The Nonexpendable Trust Fund (Working Cash Fund) accounts for financial resources held by the College to be used for temporary transfers to the operating funds. The financial statements reflect accrual basis accounting.

## **General Fixed Assets and General Long-term Debt Account Groups**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group, not in the governmental funds. Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-term Debt Account Group.

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

## **Classification of Revenues and Expenditures**

All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the Governmental Funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

All proprietary funds and nonexpendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Proprietary Fund operating statements present increases (revenues) and decreases (expenses) in net total assets. These funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses recognized when incurred.

Summer School Revenues and Expenditures – Summer session revenues prior to fiscal year 2004 were recognized entirely in the year the tuition was collected. Related expenditures were paid over the summer term. Beginning in fiscal year 2004, the college changed this to be in compliance with Government Accounting Standards issued by GASB. Summer school revenues will be allocated by the number of days taught in each fiscal year. Revenues not earned until the following year will be deferred and shown as a liability on the Statement of Net Assets. Expenditures will be fine as they are paid out over the term and payroll due by June 30 is paid on June 30.

Property Taxes – The board of the college adopted a resolution in November of 2001 regarding property taxes. It determined that local real estate taxes are to be recorded as deferred revenue in the year of the levy and are recognized 100% as revenue the following year when substantially collected.

Inventories – Inventories consisted primarily of supplies and are valued at cost on a first-in, first-out basis.

Fixed Assets – Prior to fiscal year 2004, only the Proprietary Funds capitalized and depreciated assets. During that time, General fixed asset purchases were recognized as capital outlay expenditures of the governmental fund types and were then capitalized at cost in the general fixed asset account group. In March of 2001, the college's board adopted a resolution to become GASB compliant and capitalize all assets valued at over \$5,000, regardless of fund, and depreciate them over their useful life recommended by the Illinois Community College Board.

Allocation of Non-tax Revenue – In accordance with the Fiscal Management Manual of the Illinois Community College Board, the local Board of Trustees is permitted to make distributions of unrestricted revenues other than local property taxes among the operating funds (i.e. Education and Operations and Maintenance).

### **Explanation of Budgeting Methods**

The college adopts legal budgets for all Governmental Fund types.

The college's budgetary basis of accounting differs from generally accepted accounting principles (GAAP). For budgetary purposes, encumbrances are recorded as expenditures but are reflected as reservations of fund balance for GAAP purposes. Appropriations not encumbered by year-end lapse.

In the early stages of the budgeting process, budget managers are asked to review the shell budget and focal points and goals and recommend budget requests needed for the coming year. These requests can include new programs, new equipment, new staffing or additional budget adjustments. By prioritizing these requests, the link between planning and budgeting is reinforced. Each request is reviewed by the budget committee and considered based on its fulfillment of the Institutional Focal Points and Goals.

### **Budget and Financial Policies**

The official budget adopted by the Board of Trustees is the same as the operating budget in total. In other words, the law requires the Board to adopt a budget that specifies expenditures by object and function (purpose). The college actually operates with a budget that is far more detailed to better control expenditures. Within each fund, budgets are adopted for each fiscal year.

The budgeting process begins in January of each year for the following fiscal year. The Tentative Budget is presented to the Board of Trustees in May and approved for public display for at least thirty days prior to a public hearing and final adoption. Notice of the public display is published in a local newspaper. The public hearing and adoption of the Final Budget take place at the June Board meeting.

Once the Final Budget is adopted, copies are filed with the Illinois Community College Board (ICCB) by October 15.

Mr. Scott Erickson	Knox County Courthouse	200 S. Cherry St.	Galesburg, IL 61401
Mr. Jim Nelson	Fulton County Courthouse	200 N. Main St.	Lewistown, IL 61542
Ms. Marcella Cisna	Henderson County Courthouse	PO Box 308	Oquawka, IL 61469
Mr. Kerry Asbridge	Hancock County Courthouse	PO Box 39	Carthage, IL 62469
Ms. Barbara Link	Henry County Courthouse	307 W. Center St.	Cambridge, IL 61238
Ms. Florine Miller	McDonough County Courthouse	1 Courthouse Square	Macomb, IL 61455
Mr. Tom Hanson	Mercer County Courthouse	PO Box 66	Aledo, IL 61231
Ms Linda Ward	Schuyler County Courthouse	PO Box 200	Rushville, IL 62681
Ms. Linda Pyell	Stark County Courthouse	PO Box 97	Toulon, IL 61483
Ms. Tina Conard	Warren County Courthouse	100 W. Broadway	Monmouth, IL 61462

The District observes laws and policies as set forth by the State of Illinois, the Illinois Community College Board and the District’s Board of Trustees.

## **Illinois Statutes**

Major aspects of budgeting and finance are prescribed by the Illinois Public Community College Act. This section summarizes the major provisions of the Act which address finance and budgeting.

### 805/3-20.1. Adoption of annual budget; contents; fiscal year

The board of each community college district shall within or before the first quarter of each fiscal year, adopt an annual budget which it deems necessary to defray all necessary expenses and liabilities of the district, and in such annual budget shall specify the objects and purposes of each item and amount needed for each object or purpose.

The budget shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. Nothing in the Section shall be construed as requiring any district to change or preventing any district from changing its system of accounting.

The board of each community college district shall fix a fiscal year.

Such budget shall be prepared in tentative form by some person or persons designated by the board, and in such tentative form shall be made conveniently available to public inspection for at least 30 days prior to final action thereon. At least one public hearing shall be held as to such budget prior to final action thereon. Notice of availability for public inspection and of such public hearing shall be given by publication in a newspaper published in such district, at least 30 days prior to the time of such hearing.

The board may make transfers between the items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget. The board may amend the budget by the same procedure as provided for in its original adoption.

### 805/3-20.3. Expenses payable from taxes for operation and maintenance of facilities purposes and for purchase of college grounds; educational fund

This section specifies expenditures that must be paid from the amount levied for Operations and Maintenance purposes. Included are "...obligations incurred for the improvement, maintenance, repair or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement and maintenance of building fixtures, for the rental of buildings and property for community college purposes..." Other expenditures are to be paid from the Educational Fund.

805/3-20.5. Determination of amount to be raised by tax for educational purposes and for operations and maintenance of facilities purposes; certificate of tax levy

Each year, the community college must determine the amount of funds to be raised by the tax levy for the ensuing year. These amounts must be certified by the board and submitted to the county clerk before the last Tuesday in December each year. Suggested language for the Certificate of Tax Levy is also included in this section.

805/3-20.6. Districts in two or more counties; determination of amounts; certificates of tax levy

If a college district lies in two or more counties, the certificate of tax levy must be filed with each of the county clerks within the district. Each county clerk is then to determine the portion of the district valuation that lies within the county, and provide this information to the county clerk where the institution is located. Based on the levy certification, the county clerk will determine the tax rates for all of the counties.

805/3-27. Payment of orders and bills; revolving funds; collection of funds

It is lawful for the Board to create a revolving cash fund provided such funds are in the custody of an employee who shall be bonded and who shall be responsible to the Board and the treasurer, and that such funds are subject to regular annual audit by licensed public accountants. A monthly report and annual summary of all receipts and expenditures of the revolving cash fund shall be submitted to the Board and the treasurer.

805/3-27.1. Contracts

Contracts for the purchase of supplies, materials, or work exceeding \$10,000 are awarded to the lowest responsible bidder considering conformity with specifications, terms of delivery, quality, and serviceability. Several exceptions to this rule are noted in this section, including (1) services of individuals possessing a high degree of professional skill, (2) contracts for printing financial reports, (3) contracts for printing or engraving bonds or other debt instruments, (4) and many others as outlined in the statute. This section also includes procedures for awarding contracts through the sealed bid process.

805/3-33.5. Working Cash Fund; monies derived from bonds; state and federal funds

Funds raised by the sale of Working Cash bonds must be maintained in a separate fund, and they are not to be appropriated in the annual budget. The Board may appropriate to the maximum amount allowable in the fund. The Board may transfer from the Working Cash Fund in anticipation of the receipt of federal or state funds, but the debt to the Working Cash Fund must be satisfied.

### 805/3-33.6. Working cash fund; transfers of monies; abolition of fund

Transfers from the Working Cash Fund to the Education or Operations & Maintenance Fund may be made only by board resolution. This section specifies the terms of such a resolution. The Board may also issue a resolution to abolish the Working Cash Fund and direct the Treasurer as to directing the transfer. If it is abolished, a district may not establish another Working Cash Fund without voter approval. Interest earned by the Fund may be transferred to the Education or Operations and Maintenance Fund by board resolution.

### **Carl Sandburg College Board of Trustees Policies**

This section includes policies of the Carl Sandburg College Board of Trustees that pertain to fiscal and budgetary issues.

#### 1.12 Duties and Responsibilities of the Governing Board

While duties of the College Board are set forth in the Public Community College Act, the details of which are heretofore set out, more specifically the duties of the Board will be as follows:

4. To approve the annual budget, etc. ...
13. To provide for an annual audit of all funds handled under the authority of the college in accordance with law and generally accepted accounting procedure...

### **Illinois Community College Board Regulations**

Financial Reporting requirements are summarized in Subpart E of ICCB rules.

#### Annual Budget

The budget is a controlled plan to be used in implementing the philosophy and the objectives of the college. Its development should involve maximum participation and, therefore, the aims and objectives of the college should be reflected at each level.

Colleges are encouraged to use either of the following budgetary formats: line-item appropriation or program budgeting in conjunction with program performance budgeting (PPB), or zero-based budgeting (ZBB). However, a budgetary crosswalk may be necessary to complete the line-item appropriation by function budget required by the ICCB.

Each local Board of Trustees must adopt a budget for each fiscal year within or before the first quarter of each fiscal year. Moreover, a tentative budget must be available for public inspection for at least 30 days, or ten days for community college districts in cities of over 500,000 inhabitants, prior to final adoption; and at least one public hearing must be held on the tentative budget.



It is anticipated that each district will develop an expanded operational budget that is more detailed than the budget required by the ICCB. Care should be taken that any budget adopted by the local board of trustees meets the requirements of Section 3-20.1 of the *Public Community College Act* for community college districts in cities with less than 500,000 inhabitants or Sections 7-8 through 7-16 for other community college districts.

The budget shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. (Section 3-20.1)

The budget shall set forth estimates, by classes, of all current assets and liabilities of each fund of the board as of the beginning of the fiscal year, and the amounts of those assets estimated to be available for appropriation in that year, either for expenditures or charges to be made or incurred during that year or for liabilities unpaid at the beginning thereof. Estimates of taxes to be received from the levies of prior years shall be net, after deducting amounts estimated to be sufficient to cover the loss and cost of collecting those taxes and also deferred collections thereof and abatements in the amount of those taxes extended or to be extended upon the collector's books. (section 7-9)

The local boards of trustees of community college districts in cities of less than 500,000 inhabitants may transfer among budgeted items in a fund, providing that all transfers do not exceed 10 percent of the total of such fund as set forth in the budget. The local board of trustees also may amend the budget by using the same procedure as the original adoption.

One copy of the annual budget in the format prescribed shall be filed with the ICCB no later than October 15.

#### Certificate of Tax Levy

The language for the Certificate of Tax Levy suggested by the *Public Community College Act* is included in this section. This certificate must be filed with each county clerk on or before the last Tuesday in December. A copy of the certificate, along with each county clerk's verification of the levy, should be filed with the ICCB no later than January 31. In addition to the adopted annual budget, each college must file with each county clerk, within 30 days of its adoption, the local board's budget resolution and a certified summary of anticipated revenues for the fiscal year. Failure to file these documents authorized the county clerk to refuse to extend the district's tax levy. Suggested forms for the budget resolution and the summary of anticipated revenues are included as part of this section.

Moreover, when a district levies more than 105 percent of the previous year's tax extensions, the district must have at least one public hearing which may not coincide with the hearing on the tentative budget. The notice must fulfill the following requirements:

The notice shall appear no more than 14 days nor less than 7 days prior to the date of the public hearing. The notice shall be no less than one eighth page in size, and the smallest type used shall be twelve point and shall be enclosed in a black border no less than ¼ inch wide. The notice shall not be placed in that portion of the newspaper where legal notices and classified advertisements appear. The notice shall state in plain and simple language the following information: (1) the legal name of the taxing district; (2) the commonly known name of the taxing district; (3) the amount of property taxes, exclusive of election costs, extended or estimated to be extended on behalf of the taxing district for the preceding year; (4) the amount of the proposed levy, exclusive of election costs, for the current year; (5) the percentage increase; and (6) the date, time and place of the public hearing concerning the proposed budget and the proposed levy increase. Such hearing may not coincide with the hearing on the proposed budget of the taxing district.

Any notice which includes information substantially in excess of that specified and required by this Act shall be an invalid notice. (Chapter 120, Section 866)

Additionally, an amended Certificate of Tax Levy may be filed within ten days of notification from the county clerk of the multiplier providing such multipliers will alter the amount of revenue received by the district.

#### External Audit

Each district is required to submit two copies of its external audit to the ICCB by October 15 following the end of the fiscal year. Required schedules and recommended formats are detailed in this section.

#### Annual Financial Report

Pursuant to Section 3-22.2 of the *Public Community College Act*, each district is required to publish a financial statement at least once annually prior to November 15 in a newspaper of general circulation in the district, and a copy of this publication must be filed with the ICCB by December 1. The format for this statement suggested by the ICCB is found in the Fiscal Management Manual issued by the ICCB.

#### Community College Treasurer's Bond

Each community college treasurer must be bonded. A copy of each bond must be filed with the county clerk(s) and the ICCB. The suggested statutory language for each treasurer's bond is provided by ICCB.

#### Requirements for Financial Transactions

The *Public Community College Act* and ICCB rules contain many financial requirements. Although several requirements are highlighted below, you are encouraged to review the *Public Community College Act* and ICCB rules.

### Payment of Orders and Bills

The local boards of trustees of community college districts in cities of less than 500,000 inhabitants must approve payment of all bills showing to whom and for what purpose each payment is to be made and to what budgetary item each payment should be debited. The payment's purpose and budgetary line item can be shown by *Fiscal Management Manual* account codes. College staff should ensure that each item is properly charged to the correct account and that authority exists for such a transaction. For example, custodial salaries and utilities can be paid from the Operations and Maintenance Fund only upon resolution of the local board of trustees.

### Bidding Policy

Section 3-27.1 of the Public Community College Act requires each district to let all contracts for supplies, materials, or work involving an expenditure in excess of \$10,000 to the lowest responsible bidder after due advertisement, excluding the exceptions which are listed in Section 3-27.1 of the Act. The local board may adopt a more restrictive bidding policy.

## **Organizational Reporting & Budget Responsibility**

### Organizational Chart

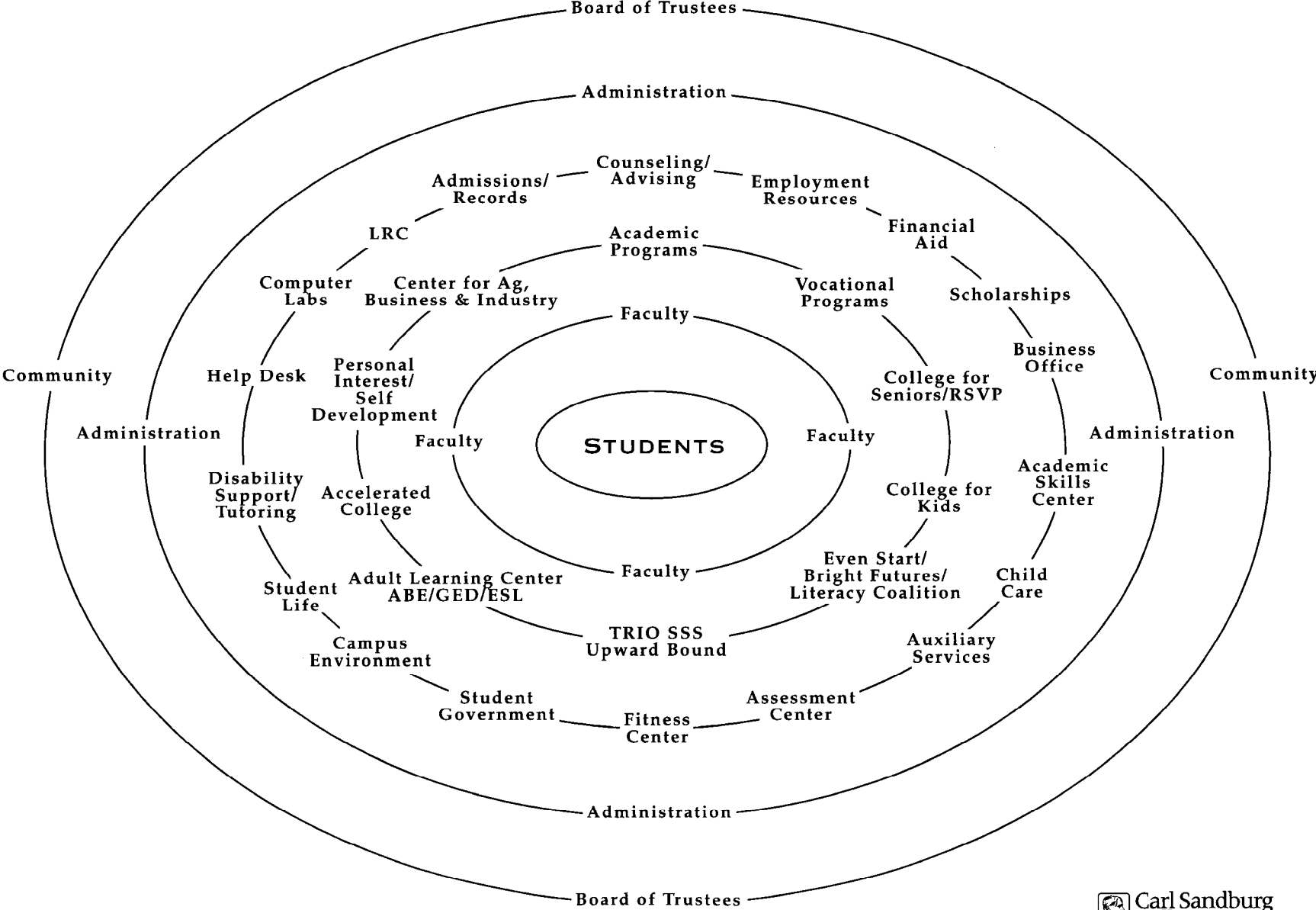
The college functions with the needs of the students in mind. All college functions and support activities strive to place the student at the center. Additionally, all direction flows from the Board of Trustees through the President to the Administration and staff. This philosophy is demonstrated on this first chart.

### Organizational Reporting by Budget Responsibility

The next graphic table in this section identifies budgeted amounts by fund and grouped by line/staff responsibilities.

This table provides a description of the budgeted amounts for fiscal year 2007 by the budget manager, by fund, divided by the functional reporting areas of the college. In some instances, budget responsibility may be delegated to a lower level subordinate.

# COMMUNITY COLLEGE DISTRICT 518 CARL SANDBURG COLLEGE



**Carl Sandburg College**  
**Organizational Chart by Budget Responsibility**  
**FY 2007**

<b>Administration</b>	<b>Education</b>	<b>Operations &amp; Maint.</b>	<b>O/M Restricted</b>	<b>Bond &amp; Interest</b>	<b>Auxiliary</b>	<b>Working Cash</b>	<b>Audit</b>	<b>Liability &amp; Protection</b>	<b>Quasi- Endowment</b>	<b>TOTAL</b>
<b>PRESIDENT</b>	411,655									411,655
Director of Business Services	288,506	1,614,619			49,810			1,608,222		3,561,157
Director of CSC Foundation					50,480					50,480
Director of Marketing & Public Relations	375,876									375,876
<b>Subtotal</b>	1,076,037	1,614,619	0	0	100,290	0	0	1,608,222	0	4,399,168
<b>Vice President of Academic Services</b>	1,336,661				2,000					1,338,661
Dean of Allied Health	1,627,626				68,080					1,695,706
Dean of Occupational Programs	1,611,141				421,235					2,032,376
Asst. Dean of Humanities & Performing Arts	766,379				12,024					778,403
Asst. Dean of Mathematics & N'tl Sciences	619,551				62,758					682,309
Asst. Dean of Social & Behavioral Sciences	523,981									523,981
Dean of Community & Extension Services	515,891				2,500					518,391
Dean of Learning Resource Services	352,389									352,389
Dean of Adult & Developmental Ed.	399,297									399,297
Director of CME	101,930									101,930
<b>Subtotal</b>	7,854,846	0	0	0	568,597	0	0	0	0	8,423,443
<b>Vice President of Student Services</b>	609,364				237,385					846,749
Dean of Admissions & Records	531,248				10,736					541,984
Director of Financial Aid	138,734									138,734
Director of Recruitment	53,117									53,117
<b>Subtotal</b>	1,332,463	0	0	0	248,121	0	0	0	0	1,580,584
<b>Vice President of Technology Services</b>	607,077		50,000		48,199			100,000		805,276
<b>Subtotal</b>	607,077	0	50,000	0	48,199	0	0	100,000	0	805,276
<b>Vice President of Administrative Services</b>	1,697,610				600			351,960		2,050,170
Chief Financial Officer	1,147,649			2,204,347	40,000	233,167	104,290	5,000	472,281	4,206,734
<b>Subtotal</b>	2,845,259	0	0	2,204,347	40,600	233,167	104,290	356,960	472,281	6,256,904
<b>TOTALS</b>	13,715,682	1,614,619	50,000	2,204,347	1,005,807	233,167	104,290	2,065,182	472,281	21,465,375

# The Mission of Carl Sandburg College

## Mission Statement

The mission of Carl Sandburg College is to provide accessible, quality education in a caring environment by keeping the learner's needs at the center of decision making and by working in partnership with communities of the College district.

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## Institutional Focal Points and Goals

- I. Learning
  - A. Promote and support student learning at the classroom, program, and school levels.
  - B. Provide and maintain resources, which enable and enhance student retention and learning.
  - C. Promote and support local research on the learning process.
- II. Caring Environment
  - A. Shape an environment that recognizes the need for diversity.
  - B. Create opportunities for all within the College community to interact with understanding, tolerance, and respect for others.
  - C. Promote sensitivity to individual needs and aspirations of those throughout the College community.
  - D. Promote organizational development as a long-range effort to improve the College's problem-solving and renewal process.
- III. Technology
  - A. Establish and maintain effective technology in academic programs and support functions.
  - B. Upgrade employee skills in use of technology.
- IV. Cooperative Alliances
  - A. Develop programs in cooperation with neighboring institutions.
  - B. Maintain and expand alliances within and beyond the College district.
  - C. Support economic development activities
- V. Stability
  - A. Establish/maintain an operating fund balance equal to 5-6 percent of the previous year's adopted budget.
  - B. Develop institutional shape/make-up that best addresses long-range fiscal concerns.
  - C. Maintain the College comprehensive Risk Management Program.
  - D. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
  - E. Promote operating efficiencies to accommodate growth.
  - F. Promote the development of human resources.
  - G. Promote and develop information management systems that facilitate decision-making.
- VI. Assessment
  - A. Promote and support local research on the assessment process.
  - B. Promote student assessment at the course, program, and school levels.
  - C. Promote assessment as an institutional way of life.

NOTE: Institutional Focal Points are indicated by Roman numerals. Their accompanying Institutional Goals are noted by capital letters.

## **Budget Development**

In January of each year, the cabinet reviews the proposed budget calendar which is developed by the Chief Financial Officer. This calendar (included within this section) details the chain of events that occur for planning, preparation and adoption of the Final Budget. A shell budget is developed using cost of living increase assumptions determined by the cabinet and backing out new money requests from the previous year. Beginning in February, enrollment and revenue projections for the new fiscal year are developed and refined. Requests for new budget dollars, new equipment, new programs, new staff and capital improvements are submitted by the budget managers. These new initiatives are reviewed by the budget committee for approval and funding. Final Budget requests are turned in during March, compiled and compared to revenue projections. Adjustments necessary to balance the budget are discussed and made. Following this, a balanced Tentative Budget is presented to the President, Cabinet and Board of Trustees at the May meeting.

**CARL SANDBURG COLLEGE  
FY-2007  
BUDGET DEVELOPMENT CALENDAR**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/26/06	Approve budget development calendar	B.O.T.
1/30/06	Finalize budget parameters	President
1/30/06	Distribute forms to prepare credit hour projections	Chief Financial Officer
1/30/06	Distribute budget packets to budget managers	Chief Financial Officer
2/7/06	Review Risk Management Program/Allocations with Risk Management Team	Cabinet Officers
2/13/06	Credit hour projections due to the VP of Academic Services	Instructional Team
2/24/06	Review credit hour projections with Instructional Team	VP of Academic Services & Instructional Team
2/1/06-3/6/06	Individual budget meetings to be held between budget managers and their cabinet officer to discuss requests for new dollars and prioritization of those requests	Cabinet Officer & Budget Manager
3/6/06	Budget sheets and requests for new dollars due to CFO's Office (Please submit earlier if completed)	Budget Managers
3/8/06-4/13/06	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/13/06-5/12/06	Tentative budget reviewed by Cabinet and CFO	Cabinet Officers & Chief Financial Officer
5/23/06*	Tentative budget distributed to and adopted by B.O.T.	B.O.T.
5/24/06	Publish notice of public hearing on the tentative budget and public inspection	Chief Financial Officer
5/24/06	Budget available for public inspection	Chief Financial Officer
5/24/06 – 6/5/06	Review tentative budget	B.O.T. Budget Committee
6/5/06 – 6/9/06	Necessary revisions to budget completed	Cabinet Officers & Chief Financial Officer
6/22/06*	6:30 p.m. – Public Hearing	B.O.T.
6/22/06	Adopt final budget	B.O.T.
6/23/06	Submit final budget to ICCB, staff, and county clerks	Chief Financial Officer

\* Board of Trustees Scheduled Meeting



## **Capital Projects Process**

Budget managers have the opportunity during the budget process to submit requests for capital equipment as well as capital improvement projects for the facilities. These requests are formalized in writing and presented to the appropriate Cabinet member. During the budget process, these requests are discussed and analyzed by the Cabinet. Approvals are made based on availability of funds and priorities of the district in conjunction with the Institutional Focal Points and Goals of the College.

## **Budget Administration and Management**

Overall responsibility for budget development and management lies with the Chief Financial Officer (CFO). The CFO is also responsible for the day-to-day management of the budget and expenditure control.

## **Expenditure Control**

All funds of the college are divided into Departments or Responsibility Centers. A budget manager is assigned to each department. Each budget manager is responsible for approving the expenditures within their department(s). Initially, expenditures are requested via a Requisition with the appropriate budget manager's approval. In times of budgetary constraints, it is possible that all Requisitions must also be approved by the Vice President or President with ultimate responsibility for the cost center involved. In FY 2005, the college implemented the new Colleague Financial Accounts Payable module for all Purchasing and Accounts Payable operations. This new software requires budget manager approval of all purchase requisitions and will not allow any payment exceeding available budgeted funds without an override from the CFO. Following these approvals, the Requisition is approved by the Director of Business Services who also assures that legal purchasing procedures have been complied with. Once this occurs, the Requisition is formalized into an online Purchase Order which will be emailed to the vendor. Subsequently, a copy of the Purchase Order is available electronically to Shipping and Receiving Dept. to match with the merchandise and ensure it gets to the person who ordered it.

## **Encumbrance Control**

Approved purchase orders are automatically entered as encumbrances against the related appropriation as a control to insure that budgeted appropriations are not over-expended. The accounting software allows for encumbrance of salaries. However, payroll will be paid regardless of budget availability.

## **Budget Transfers**

Budget transfers will now be done by budget managers between only accounts for which they have budgetary control. Anything transferred outside the budget manager's area of responsibility will have to be done by the CFO. Budget managers must observe certain constraints in transfers between cost centers under their direction.

## **Management Information Reports**

Budget managers have access to online query and review functions of the accounting system to review transaction detail. They are able to monitor available funds and do budgetary transfers as needed. In addition, the CFO will alert the Cabinet of any serious overspent payroll budgets as they appear on the error report.

Detailed reports are also prepared monthly for the Board of Trustees. These reports include comparisons by fund of: actual expenditures against budgets by function and object; revenue receipts against budget; total salary commitments against budget; and cash and investment balances. Additionally, the report includes a listing of bills paid. The Board is asked to review and approve these monthly reports.

The monitoring of revenue is a crucial component of the budget management. In the event of an unexpected decline in revenue, certain expenses are identified by budget managers and frozen to insure a balanced budget at year end.

Additionally, day-to-day operations require the use of various management information reports and online query available to all administrators and managers relative to their areas of responsibility.

Worth noting, the District has received the Meritorious Budget Award from the Association of School Business Officials for the FY 2004, FY 2005 and FY 2006 Annual Budgets.

### III. Financial Section

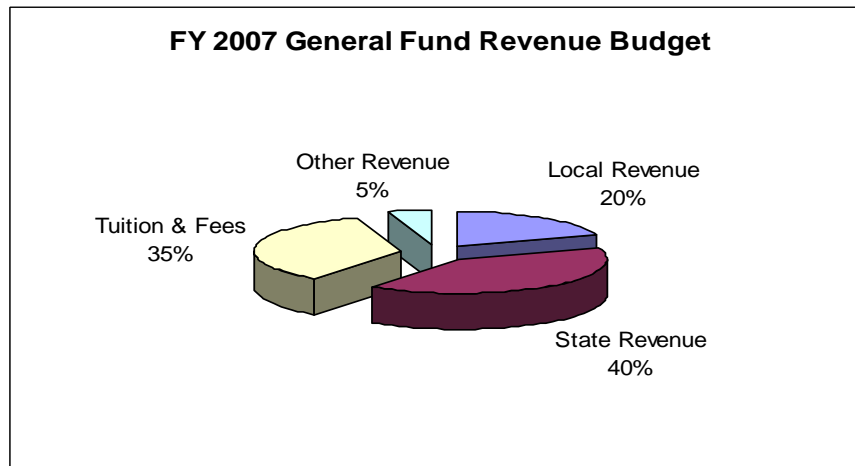
The chart on page 73 summarizes the effect of the FY 2007 budgeted revenues, expenditures and transfers on the fund balance of each fund. Funds are further grouped by Fund Type.

#### General Fund Revenue Budget

The General Fund consists of two individual “sub-funds” – the Education Fund and the Operations & Maintenance Fund. These funds are used to account for all revenues and expenditures related to the educational functions of the college. Revenue for the General Fund is derived from the following sources: Local Government, State Government, Tuition and Fees, and Other Sources of Revenue.

As illustrated below, the FY 2007 revenue budget of \$15,330,301 represents a decrease of 2.4%, or \$378,084 from the FY 2006 budget.

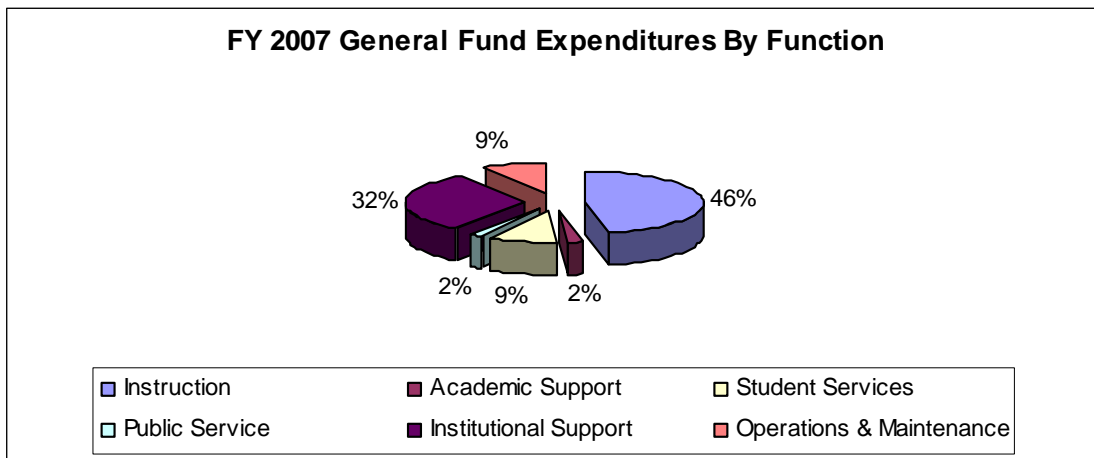
Source General Fund	Current FY2007 Budget	Prior FY2006 Budget	Increase/(Decrease)
Local Revenue	\$3,022,568	\$3,334,355	(\$311,787)
State Revenue	6,190,334	5,484,096	\$706,238
Tuition & Fees	5,378,441	6,381,741	(\$1,003,300)
Other Revenue	738,958	508,193	\$230,765
<b>Total</b>	<b>\$15,330,301</b>	<b>\$15,708,385</b>	<b>(\$378,084)</b>



## General Fund Expenditure Budget

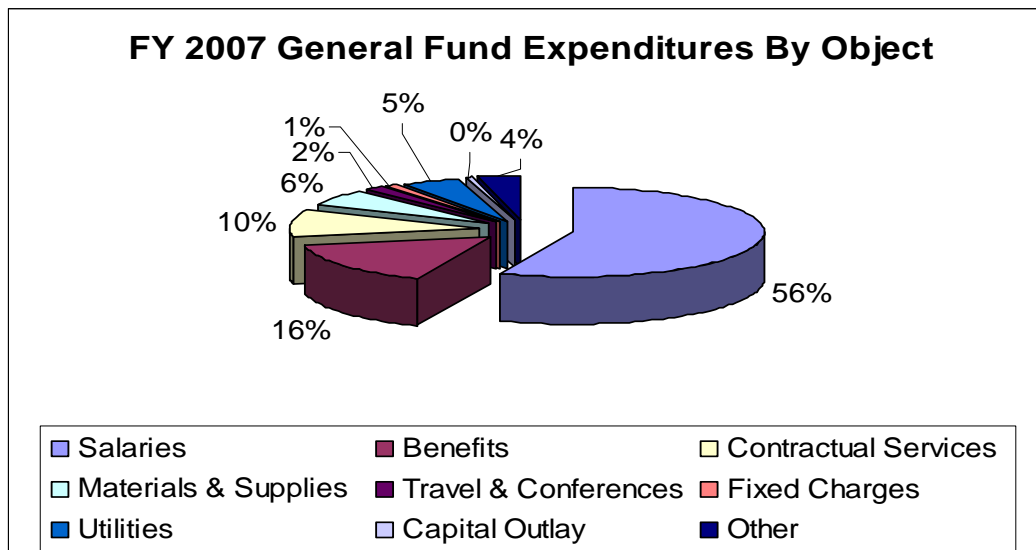
Budgeted expenditures for the General Fund for FY 2007 are \$15,330,301. Of this amount, \$13,715,682 is represented in the Education Fund, and \$1,614,619 in the Operations & Maintenance Fund. Expenditure information is presented for both the Education and Operations and Maintenance Fund in two formats. Expenditures are classified by Function (Instruction, Academic Support, Student Services, Public Service/Continuing Education, Institutional Support, and Operations & Maintenance), and by Object (Salaries, Benefits, Contractual, Materials, Conference & Meeting, Fixed Charges, Utilities, Capital Outlay and Other). The following table details the budgeted expenditures by function.

Function	Education Fund	Operations & Maint. Fund	Total General Fund
Instruction	\$7,144,083		\$7,144,083
Academic Support	369,599		\$369,599
Student Services	1,384,453		\$1,384,453
Public Service	248,208		\$248,208
Institutional Support	4,569,339	276,705	\$4,846,044
Operations & Maintenance		1,337,914	\$1,337,914
Total	\$13,715,682	\$1,614,619	\$15,330,301



Instruction represents 46% of the General Fund budget. This proportion is slightly below the state average of 47%. The second largest category, Institutional Support, represents 32% of the budget compared to 21% for the statewide average. (Source: ICCB FY 2004 Audited Operating Expenditures by Function Table in the Data & Characteristics Report).

Object	Education Fund	Operations & Maint. Fund	Total General Fund
Salaries	\$8,151,731	\$507,239	\$8,658,970
Benefits	2,386,985	0	2,386,985
Contractual Services	1,454,651	83,053	1,537,704
Materials & Supplies	868,585	65,150	933,735
Travel & Conferences	232,223	7,600	239,823
Fixed Charges	122,466	26,270	148,736
Utilities	2,400	794,857	797,257
Capital Outlay	34,377	20,000	54,377
Other	462,264	110,450	572,714
Total	\$13,715,682	\$1,614,619	\$15,330,301



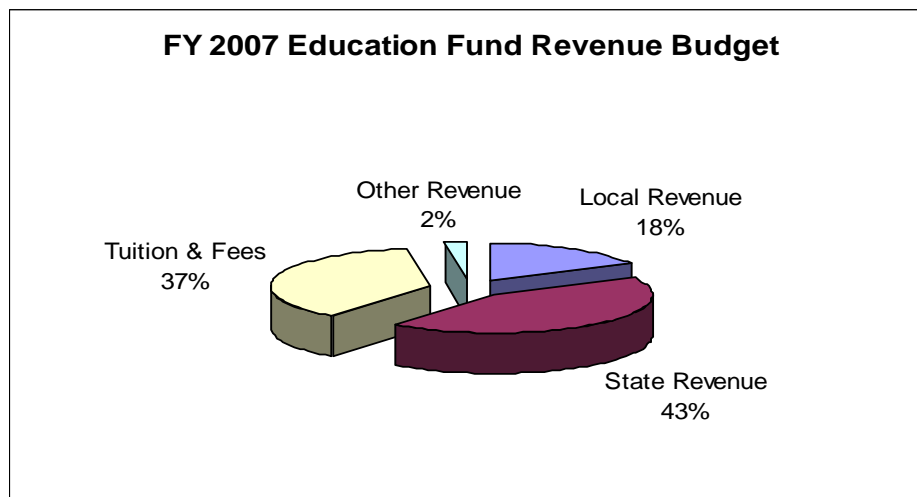
Salaries and benefits represent 72% of the General Fund budget, compared with a statewide average of 77% (Source: FY 2004 ICCB Audited Operating Expenditures by Object Table in the Data & Characteristics Report).

## Education Fund

The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the College. It includes the cost of instructional, administrative and professional salaries, supplies and movable equipment, library books and materials, maintenance of instructional and administrative equipment and other costs pertaining to the educational programs of the College.

As shown above, revenue for the Education Fund is derived from the following sources: Local Government, State Government, Tuition and Fees, and Other Sources of Revenue. As illustrated below, the FY 2007 revenue budget of \$13,715,682 represents a decrease of 3.72%, or \$529,648 from the FY 2006 Budget.

Source Education Fund	Current FY2007 Budget	Prior FY2006 Budget	Increase/(Decrease)
Local Revenue	\$2,416,974	\$2,674,089	(\$257,115)
State Revenue	5,884,778	5,196,683	\$688,095
Tuition & Fees	5,101,117	5,969,975	(\$868,858)
Other Revenue	312,813	404,583	(\$91,770)
Total	\$13,715,682	\$14,245,330	(\$529,648)



Student Tuition and Fees revenue constitutes the second largest source of revenue in FY 2007. Tuition and Fees revenue makes up 37% of the total Education Fund revenues at \$868,858 less than last year. Tuition and Fees includes tuition for credit and some non-credit classes as well as course, deferment, additional technology, program and late fees. Included in this budget is a tuition increase of \$3.00 per credit hour to \$74.50. In the Education Fund, tuition for credit classes is budgeted at \$4,373,193, a decrease of 15% from the FY 2006 budget. This decrease reflects a decrease in Talent Grants which will be offset with the writing off of that tuition in the form of Talent Grant expense. These numbers reflect the shifting of dollars between the Education and the O & M Funds as well. The FY 2007 split is budgeted at 93.9/6.1% , whereas the prior year was budgeted with a 92.32/7.68% split. Tuition revenues are based on projected credit hours, which are forecasted to decrease 4.0% from FY 2006.

State Revenue is the highest source of revenue at 43% of total revenue. State sources of funding include the ICCB Grants, CTE Formula Grant, and Corporate Personal Property Replacement Taxes. The Base Operating Grant reflects an increase of \$337,398 as a result of increased credit hour production in previous fiscal years. CTE Formula and Replacement Tax funding is anticipated to be the same as in the previous year. Replacement Taxes “replace” the personal property tax previously paid by businesses and are 2.5% of the net income of corporations, and 1.5% on partnerships, trusts, and subchapter S corporations.

Local sources of revenue include Property Taxes and Chargebacks. The 2005 equalized assessed valuation (EAV) for the district is approximately \$1,219,782,213; a decrease of 1.1% from 2004. FY 2007 budgeted property tax revenue for the Education Fund is \$2,401,974, a decrease of \$197,115 primarily resulting from the decrease in the tax base. The tax rate increased from 19.89 cents per \$100 of EAV to 20.15 cents. Chargeback revenue is received from other community college districts for out-of-district tuition.

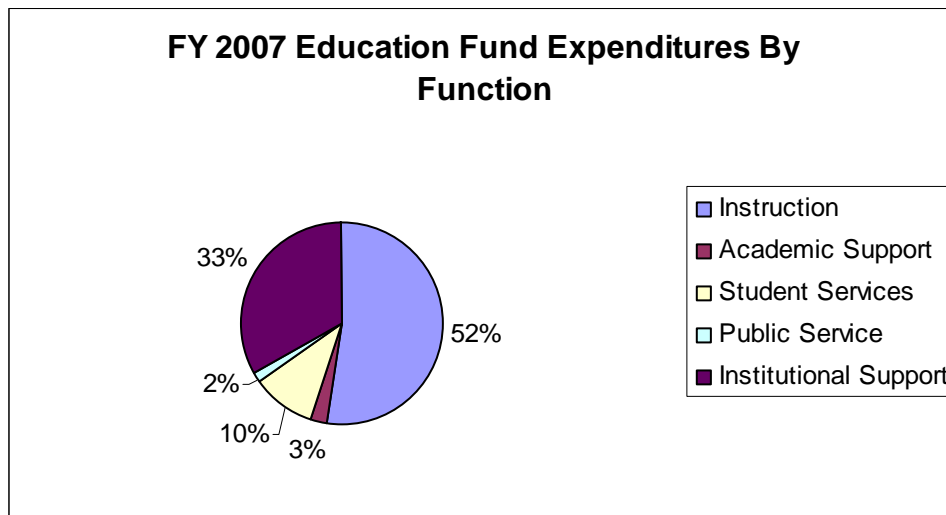
Other sources of revenue include interest income, transfers in and other minor sources of revenue. Investments are managed according to the Board Investment Policy, with funds being invested in short-term, fully collateralized instruments as well as long-term less liquid investments not to exceed ten years to maturity. An increase in the market's interest rates are reflected in earnings budgeted at \$7,200. Also included are the transfers in of \$244,421 which represents funding from SMART V, Working Cash interest and STEF.

For FY 2007, budgeted expenditures for the Educational Fund are \$13,715,682 which represents a decrease of \$529,648 (3.72%) over the FY 2006 budget of \$14,245,330.

The emphasis for the FY 2007 Education Fund budget is to monitor programs and support staffing at appropriate levels to serve the district's needs.

Expenditures are classified into functional categories including Instruction, Academic Support, Student Services, Public Service and Institutional Support. The FY 2007 Budget consists of the following:

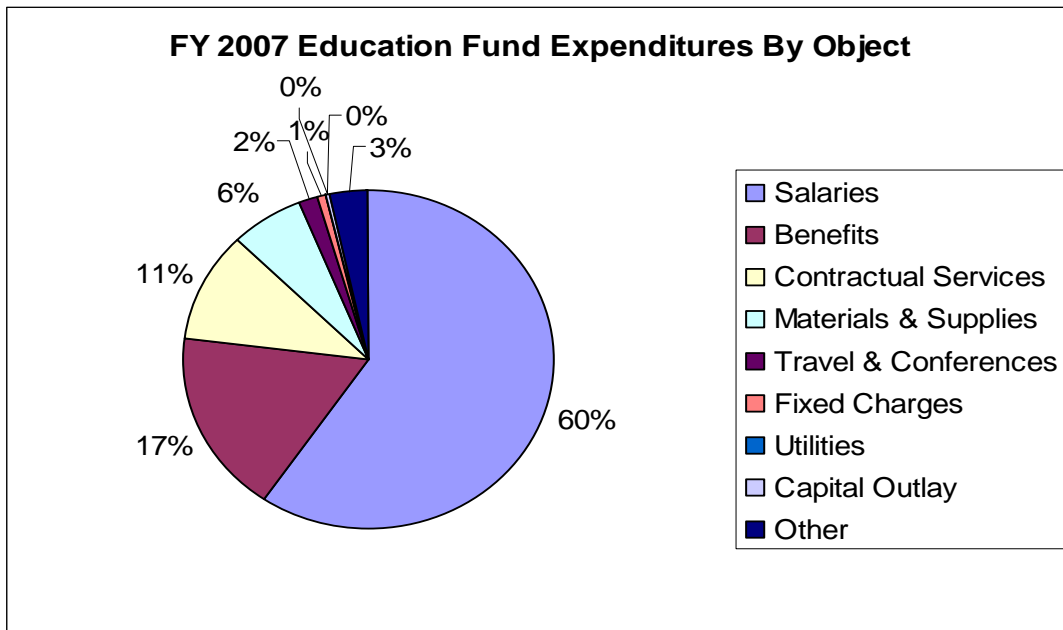
<u>Function</u>	<u>Amount</u>	<u>%</u>
Instruction	\$7,144,083	52.1
Academic Support	369,599	2.7
Student Services	1,384,453	10.1
Public Service	248,208	1.8
Institutional Support	<u>4,569,339</u>	<u>33.3</u>
Total	\$13,715,682	100.0





Classified by object, the Education Fund includes Salaries, Benefits, Contractual, Materials, Travel and Conferences, Fixed Charges, Utilities, Capital Outlay and Other Expenses. The FY 2007 Education Fund budget includes the following expenditures:

<u>Object</u>	<u>Amount</u>	<u>%</u>
Salaries	\$8,151,731	59.4
Benefits	2,386,985	17.4
Contractual	1,454,651	10.6
Materials	868,585	6.3
Travel & Conf.	232,223	1.7
Fixed Charges	122,466	.9
Utilities	2,400	.0
Capital Outlay	34,377	.3
Other	462,264	3.4
<b>Total</b>	<b>\$13,715,682</b>	<b>100.0</b>



Budgeted salaries include the addition of part-time faculty positions for new programs being offered. The new hires and replacement hires that occurred during 2005-2006 remain budgeted at full levels. In addition, an annual salary increase of 4.0% for all administrative and support staff is recommended in this budget proposal. This recommendation is also extended to employees paid by grant funds, to the extent those funds support such an increase. All other object classifications remain comparable with the prior year.

**Education Fund Revenues**  
Fiscal Year 2007

<b>Operating Revenue by Sources</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Local Government:</b>					
Current Taxes	\$2,540,642	\$2,635,280	\$2,673,756	\$2,599,089	\$2,401,974
CABI			30,185	30,000	15,000
Chargeback	38,808	25,815	4,169	45,000	
<b>Total Local Government</b>	<b>2,579,450</b>	<b>2,661,095</b>	<b>2,708,110</b>	<b>2,674,089</b>	<b>2,416,974</b>
<b>State Government:</b>					
ICCB Credit Hour Grant	1,864,570	1,763,054	1,919,280	1,851,922	2,257,577
ICCB Equalization Grant	1,166,360	1,530,779	2,036,534	2,154,196	2,439,367
ICCB Small College Grant	56,400	56,400	56,400	56,400	56,340
ISBE Vocational Ed/ICCB CTE Grant	104,170	113,471	126,376	80,000	80,000
Replacement Taxes	144,080	163,038	190,981	150,000	147,329
State University Retirement	815,733	5,467,348	842,599	904,165	904,165
<b>Total State Government</b>	<b>4,151,313</b>	<b>9,094,090</b>	<b>5,172,170</b>	<b>5,196,683</b>	<b>5,884,778</b>
<b>Student Tuition and Fees:</b>					
Tuition	3,721,754	4,111,375	4,538,539	5,130,350	4,373,193
Fees	225,764	504,666	627,210	839,625	727,924
<b>Total Tuition and Fees</b>	<b>3,947,518</b>	<b>4,616,041</b>	<b>5,165,749</b>	<b>5,969,975</b>	<b>5,101,117</b>
<b>Other Sources:</b>					
Interest Income	9,975	7,900	58,158	9,300	7,200
Dept. of Corrections	19,829	21,117	0	26,210	0
Other Income	9,937	22,836	93,427	67,280	61,192
<b>Total Other Sources</b>	<b>39,741</b>	<b>51,853</b>	<b>151,585</b>	<b>102,790</b>	<b>68,392</b>
<b>Total Revenue before Inter-funds &amp; Non-operating Items</b>	<b>10,718,022</b>	<b>16,423,079</b>	<b>13,197,614</b>	<b>13,943,537</b>	<b>13,471,261</b>
<b>Inter-fund Transfers</b>	<b>687,194</b>	<b>518,952</b>	<b>508,049</b>	<b>301,793</b>	<b>244,421</b>
<b>Bond Proceeds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Leases</b>	<b>0</b>	<b>0</b>	<b>156,611</b>	<b>0</b>	<b>0</b>
<b>Subtotal</b>	<b>11,405,216</b>	<b>16,942,031</b>	<b>13,862,274</b>	<b>14,245,330</b>	<b>13,715,682</b>
<b>Less Operating Items*:</b>					
Tuition Chargeback Revenue	38,808	25,815	4,169	45,000	0
<b>Adjusted Revenue- (After above reduction)</b>	<b>\$11,366,408</b>	<b>\$16,916,216</b>	<b>\$13,858,105</b>	<b>\$14,200,330</b>	<b>\$13,715,682</b>

\*Inter-district revenues that do not generate related local district credit hours are subtracted to allow for statewide comparison. On-Behalf revenue is included above.

**Education Fund Expenditures**  
**Fiscal Year 2007**

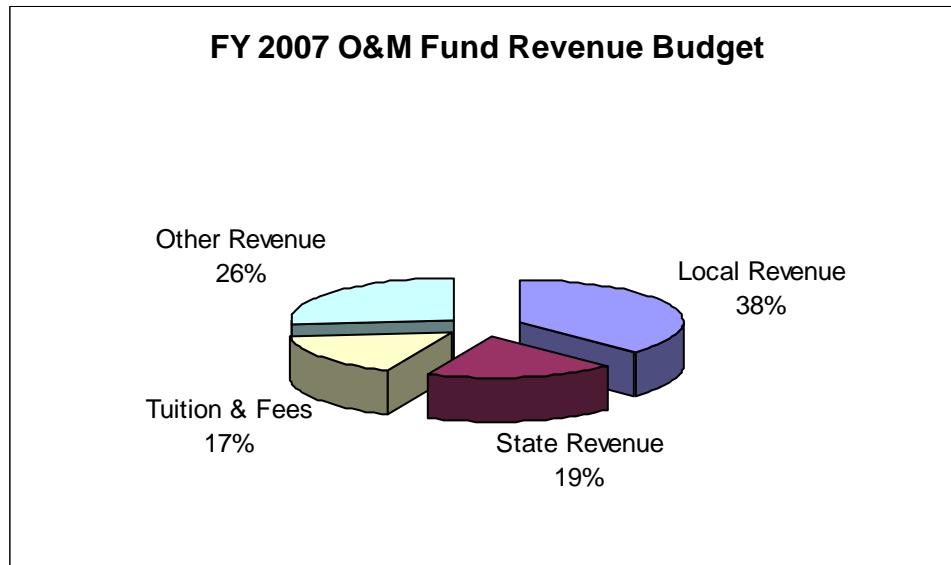
	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget
<b>Instruction</b>					
Salaries	\$ 4,840,304	\$ 5,190,915	\$ 5,430,168	\$ 5,635,114	\$ 5,565,458
Employee Benefits	7,322	4,981	8,456	9,200	9,200
Contractual Services	1,160,365	1,050,965	1,065,324	1,090,838	1,191,856
General Maintenance and Supplies	162,108	216,969	221,892	395,499	255,829
Travel and Conference/Meeting Expense	128,522	149,130	157,552	126,349	89,233
Fixed Charges	384	384	384	500	1,500
Utilities	0	0	0	60	0
Capital Outlay	28,402	303,350	287,761	23,263	28,977
Other Expenditures	3,348	7,136	1,561	1,540	2,030
<b>Total Instruction</b>	<b>6,330,755</b>	<b>6,923,830</b>	<b>7,173,098</b>	<b>7,282,363</b>	<b>7,144,083</b>
<b>Academic Support</b>					
Salaries	232,054	250,111	255,739	225,890	231,399
Contractual Services	33,452	32,122	34,365	38,520	38,520
General Maintenance and Supplies	79,040	88,786	88,571	93,600	95,830
Travel and Conference/Meeting Expense	2,670	1,535	2,100	3,250	3,850
Capital Outlay	0	0	0	0	0
Other	0	108	0	0	0
<b>Total Academic Support</b>	<b>347,216</b>	<b>372,662</b>	<b>380,775</b>	<b>361,260</b>	<b>369,599</b>
<b>Student Services</b>					
Salaries	650,916	686,175	849,344	852,842	932,131
Employee Benefits	8,000	0	0	0	0
Contractual Services	8,160	4,224	11,030	12,140	12,140
General Maintenance and Supplies	22,139	31,015	50,389	71,874	51,652
Travel and Conference/Meeting Expense	15,859	9,185	17,342	26,470	28,170
Fixed Charges	85	326	242	380	380
Capital Outlay	0	0	0	0	0
Other	0	226,989	184,727	500,540	359,980
<b>Total Student Services</b>	<b>705,159</b>	<b>957,914</b>	<b>1,113,074</b>	<b>1,464,246</b>	<b>1,384,453</b>
<b>Public Services/Continuing Education</b>					
Salaries	27,540	23,959	137,094	133,416	146,008
Contractual Services	2,291	1,087	34,895	34,265	40,300
General Maintenance and Supplies	6,400	9,617	34,283	35,215	27,800
Travel and Conference/Meeting Expense	81	237	15,048	21,320	25,800
Fixed Charges	0	100	0	500	500
Utilities	0	0	2,714	2,500	2,400
Other	1,676	0	2,578	5,600	5,400
<b>Total Public Services/Continuing Education</b>	<b>37,988</b>	<b>35,000</b>	<b>226,612</b>	<b>232,816</b>	<b>248,208</b>
<b>Institutional Support</b>					
Salaries	931,759	1,191,356	1,100,771	1,376,226	1,276,735
Employee Benefits	1,575,745	6,485,103	1,273,532	1,336,475	2,377,785
Contractual Services	84,831	107,661	113,220	165,215	171,835
General Maintenance and Supplies	488,821	467,957	753,540	519,582	437,474
Travel and Conference/Meeting Expense	62,214	63,641	56,254	89,370	85,170
Fixed Charges	36,130	180,110	161,672	65,086	120,086
Capital Outlay	0	0	0	0	0
Other Expenditures	514,839	46,601	96,004	169,788	100,254
<b>Total Institutional Support</b>	<b>3,694,339</b>	<b>8,542,429</b>	<b>3,554,993</b>	<b>3,721,742</b>	<b>4,569,339</b>
<b>Total before transfers</b>	<b>11,115,457</b>	<b>16,831,835</b>	<b>12,448,552</b>	<b>13,062,427</b>	<b>13,715,682</b>
<b>Transfers</b>	<b>57,637</b>	<b>0</b>	<b>895,890</b>	<b>1,182,903</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>\$11,173,094</b>	<b>\$ 16,831,835</b>	<b>\$ 13,344,442</b>	<b>\$ 14,245,330</b>	<b>\$ 13,715,682</b>

## Operations & Maintenance Fund

The Operations & Maintenance Fund (O&M) is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property for community college purposes; salaries of maintenance and custodial employees; all costs of fuel, lights, gas, water, telephone service and custodial supplies and equipment.

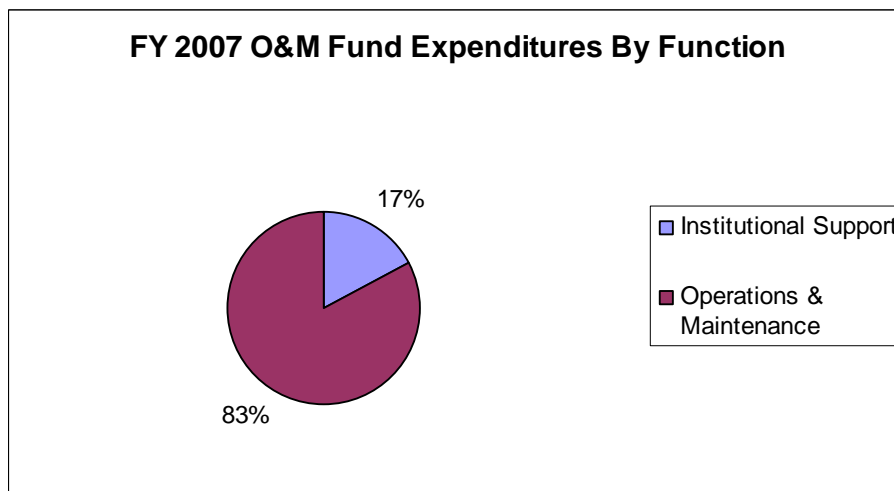
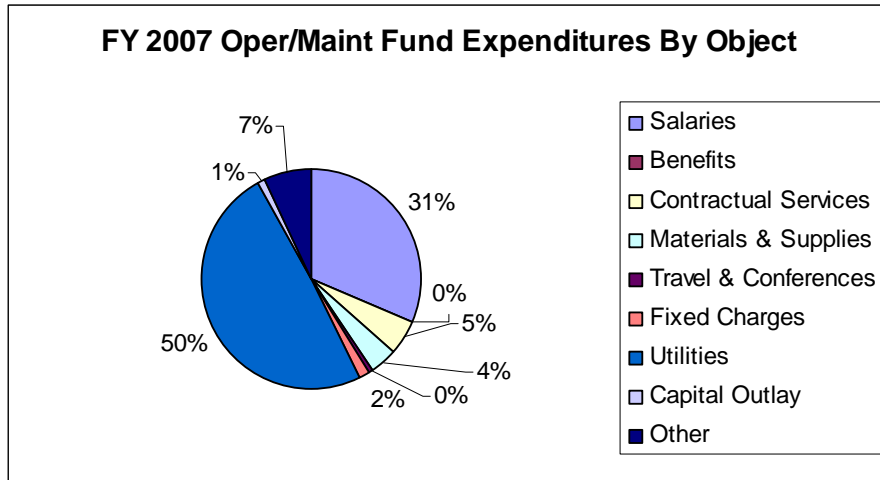
The O&M Fund receives revenue from three major sources: property taxes, state funding and student tuition and fees. The property tax rate for this fund is fixed at .05 cents per \$100 in EAV.

Source O&M Fund	Current FY2007 Budget	Prior FY2006 Budget	Increase/(Decrease)
Local Revenue	\$605,594	\$660,266	(\$54,672)
State Revenue	305,556	287,413	\$18,143
Tuition & Fees	277,324	411,766	(\$134,442)
Other Revenue	426,145	103,610	\$322,535
Total	\$1,614,619	\$1,463,055	\$151,564



For FY 2007, budgeted expenditures for the Operations & Maintenance Fund are \$1,614,619 which represents an increase of \$151,564 (10.4%) from the FY 2006 budget of \$1,463,055. Included are:

<u>Object</u>	<u>Amount</u>	<u>%</u>
Salaries	\$507,239	31.4
Benefits	0	0
Contractual	83,053	5.1
Materials	65,150	4.0
Travel & Conf.	7,600	.5
Fixed Charges	26,270	1.6
Utilities	794,857	49.2
Capital Outlay	20,000	1.2
Other	<u>110,450</u>	<u>6.8</u>
Total	\$1,614,619	100.0



Expenditures within this fund include salaries for the maintenance staff, supervisors, and appropriate support staff. Major expense items include salaries and benefits, security, custodial, maintenance supplies, and utilities.

**Operations Maintenance Fund Revenue  
Fiscal Year 2007**

<b>Operating Revenue by Sources</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Local Government:</b>					
Current Taxes	\$ 628,561	\$ 640,564	\$ 650,866	\$ 653,366	\$ 596,023
Replacement Taxes	7,583	7,504	8,790	6,900	9,571
<b>Total Local Government</b>	<b>636,144</b>	<b>648,068</b>	<b>659,656</b>	<b>660,266</b>	<b>605,594</b>
<b>State Government:</b>					
ICCB Credit Hour Grant	115,272	112,535	122,506	118,208	116,502
ICCB Equalization Grant	74,448	97,709	129,991	137,501	158,468
ICCB Square Footage Grant	25,055	25,205	27,740	28,104	26,926
ICCB Small College Grant	3,600	3,600	3,600	3,600	3,660
<b>Total State Government</b>	<b>218,375</b>	<b>239,049</b>	<b>283,837</b>	<b>287,413</b>	<b>305,556</b>
<b>Student Tuition and Fees:</b>					
Tuition	258,624	241,353	275,885	411,766	277,324
<b>Total Tuition and Fees</b>	<b>258,624</b>	<b>241,353</b>	<b>275,885</b>	<b>411,766</b>	<b>277,324</b>
<b>Other Sources:</b>					
Interest Income	2,720	5,384	3,936	6,530	5,000
Building Rentals	4,248	5,580	17,988	16,880	12,000
Other Income	3,240	5,652	2,107	6,400	4,178
<b>Total Other Sources</b>	<b>10,208</b>	<b>16,616</b>	<b>24,031</b>	<b>29,810</b>	<b>21,178</b>
<b>Total Revenue before Interfunds &amp; Nonoperating Items</b>	<b>1,123,351</b>	<b>1,145,086</b>	<b>1,243,409</b>	<b>1,389,255</b>	<b>1,209,652</b>
<b>Interfund Transfers</b>	<b>166,978</b>	<b>101,726</b>	<b>127,734</b>	<b>73,800</b>	<b>404,967</b>
<b>Bond Proceeds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Grand Total</b>	<b>\$ 1,290,329</b>	<b>\$ 1,246,812</b>	<b>\$ 1,371,143</b>	<b>\$ 1,463,055</b>	<b>\$ 1,614,619</b>

**Operations Maintenance Fund Expenditures  
Fiscal Year 2007**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Operation &amp; Maintenance of Plant</b>					
Salaries	\$ 409,368	\$ 465,825	\$ 485,739	\$ 502,706	\$ 501,834
Contractual Services	49,398	85,176	42,533	42,460	72,423
General Maintenance and Supplies	41,776	53,188	77,950	64,560	64,560
Travel & Conference/Meeting Expense	3,985	6,322	3,440	7,110	7,110
Fixed Charges	59,700	52,108	66,872	68,860	26,270
Utilities	375,695	407,119	435,329	390,100	535,267
Capital Outlay	46,189	11,771	3,247	20,000	20,000
Other Expenditures	1,433	24,211	78,045	140,450	110,450
<b>Total Operation and Maintenance of Plant</b>	<b>987,544</b>	<b>1,105,720</b>	<b>1,193,155</b>	<b>1,236,246</b>	<b>1,337,914</b>
<b>Institutional Support</b>					
Salaries	8,003	8,055	5,523	8,490	5,405
Contractual Services	303	6,075	6,401	10,630	10,630
General Maintenance and Supplies	190	123	406	590	590
Travel & Conference/Meeting Expense	0	0	22	490	490
Utilities	156,533	132,708	112,455	143,230	259,590
Other	0	0	0	1,379	0
<b>Total Institutional Support</b>	<b>165,029</b>	<b>146,961</b>	<b>124,807</b>	<b>164,809</b>	<b>276,705</b>
<b>Total before Interund Transfers</b>	<b>1,152,573</b>	<b>1,252,681</b>	<b>1,317,962</b>	<b>1,401,055</b>	<b>1,614,619</b>
<b>Transfers</b>	<b>0</b>	<b>30,915</b>	<b>0</b>	<b>62,000</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>\$1,152,573</b>	<b>\$1,283,596</b>	<b>\$1,317,962</b>	<b>\$1,463,055</b>	<b>\$1,614,619</b>

## **Special Revenue Fund**

The special revenue funds consists of the Restricted Purpose Fund, the Audit Fund and the Liability, Protection & Settlement Fund. The Restricted Purpose Fund is not reflected in this budget since all revenues are received thru grants and legally restricted to expenditures for specific purposes.

### **Audit Fund**

The Audit Fund is used to record revenues and expenditures related to the annual audit. The college levies property taxes for this expense. Each year, the college retains the services of an external independent audit firm to perform the audit and compile related reports and statements. Revenue is derived mainly from property taxes budgeted at \$59,602 for FY 2007.

### **Liability, Protection & Settlement Fund**

The Liability, Protection & Settlement Fund (L, P & S) is used to record revenues and expenditures related to protection of the District's assets. The fund receives property tax revenue for the portion of the annual levy associated with tort liability and insurance. The fund also earns interest on its investments. For FY 2007, taxes of \$1,683,170 and earnings of \$210,000 are projected.

Expenses in this fund include insurance premiums and employee benefits as well as costs for security, legal and risk management activities.



**Audit Fund Revenue and Expenditures  
Fiscal Year 2007**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Local Governmental Sources:</b>					
Current Taxes	\$ 28,914	\$ 52,526	\$ 52,069	\$ 65,337	\$ 59,602
<b>Total Local Government</b>	28,914	52,526	52,069	65,337	59,602
<b>Other Sources:</b>					
Interest Income	106	153	100	230	180
<b>Total Other Sources</b>	106	153	100	230	180
<b>GRAND TOTAL</b>	<b>\$ 29,020</b>	<b>\$ 52,679</b>	<b>\$ 52,169</b>	<b>\$ 65,567</b>	<b>\$ 59,782</b>

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Institutional Support</b>					
Salaries	\$ 22,314	\$ 24,583	\$ 23,353	\$ 24,140	\$ 27,920
Contractual Services	21,675	46,525	58,642	50,415	75,415
General Material & Supplies	125	456	481	670	670
Travel/Meeting	24	32	57	285	285
Capital Outlay	0	0	0	0	0
<b>GRAND TOTAL</b>	<b>\$ 44,138</b>	<b>\$ 71,596</b>	<b>\$ 82,533</b>	<b>\$ 75,510</b>	<b>\$ 104,290</b>

**Liability, Protection and Settlement Fund Revenues and Expenditures  
Fiscal Year 2007**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget
<b>Local Governmental Sources:</b>					
		\$			\$
Current Taxes	\$ 947,870	1,214,509	\$1,381,137	\$1,419,111	1,683,170
<b>Total Local Government</b>	947,870	1,214,509	1,381,137	1,419,111	1,683,170
<b>Other Sources:</b>					
Other Sales & Services	549,101	787,117	0	0	
Other Non-Government Gifts, Grants	225,814	276,316	283,260	314,000	181,500
Interest Income	329,659	26	204,826	201,080	210,000
Other Income	47,301	0	224,045	0	
<b>Total Other Sources</b>	1,151,875	1,063,459	712,131	515,080	391,500
<b>Total Revenue before Inter-funds</b>	2,099,745	2,277,968	2,093,268	1,934,191	2,074,670
<b>Inter-funds</b>	287,568	0	895,170	1,380,293	
<b>GRAND TOTAL</b>	\$2,387,313	2,277,968	\$2,988,438	\$3,314,484	2,074,670

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget
<b>Institutional Support</b>					
Salaries	\$ 767,558	\$ 773,963	\$ 884,164	\$ 957,299	\$1,280,793
Employee Benefits	1,374,258	1,609,997	1,806,842	1,722,293	328,200
Contractual Services	322,488	317,544	184,149	208,418	208,418
General Material & Supplies	16,764	11,018	4,380	14,020	14,020
Travel/Meeting	4,599	5,915	973	4,300	4,900
Fixed Charges	100,858	146,408	124,154	220,120	220,120
Capital Equipment	40,837	0	0	0	
Other Expenditures	6,263	7,703	5,399	3,731	3,731
<b>Total Expenditures before Inter-funds</b>	2,633,625	2,872,548	3,010,061	3,130,181	2,060,182
<b>Transfers</b>	246,030	0	0	197,390	5,000
<b>GRAND TOTAL</b>	\$2,879,655	\$2,872,548	\$3,010,061	\$3,327,571	\$2,065,182

## **Debt Service Fund**

The debt service fund consists of the Bond and Interest Fund. It accounts for the accumulation of resources for and the payment of debt principal, interest, and related costs.

In FY 2000, the College issued general obligation bonds in the amount of \$6,685,000 to refinance existing debt as well as to fund the Supplemental Retirement Program and to increase the Working Cash fund by \$1.43 million.

In FY 2001, the College issued \$7.1 million in general obligation bonds to fund a \$5 million Strategic Technology Endowment Fund (STEF) the interest from which would be used to refresh technology, our \$1.1 million 25% match for the state's 75% contribution toward the building of the new Instructional Computing Student Center and to finish furnishing and equipping the Dental Hygiene Annex.

In 1992, the board approved issuance of \$5 million of insurance reserve fund bonds. These bonds were refunded in FY 2002 to take advantage of lower interest rates.

In FY 2002, the college also issued almost \$5 million to refinance debt certificates issued to build the Annex, to purchase pianos for the campus as well as implement Guaranteed Energy Savings Project Phase III. In addition, money was positioned to finance five renovation projects: the E-F Connector, the Customer Service Renovation Project, the Bushnell Expansion, the Fitness Center Expansion and the new Maintenance Building.

In June of FY 2004, the college issued \$4,000,000 of General Obligation Bonds to retire FY 2004 debt certificates issued for renovation projects and the construction of a new Allied Health building. The college also issued additional Working Cash Fund Bonds in the amount of \$303,720.

In May of FY 2005, the college refinanced previous debt for a savings of approximately \$390,000.

Legally, the college is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$35,068,739. The current long-term debt of the college is \$27,997,713. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$7,071,026.

The annual requirements to amortize all debt outstanding as of June 30, 2005, including interest, are as follows:

<b>Year Ending June 30,</b>	<b>General Obligation Bonds</b>	<b>Capital Lease Obligations</b>	<b>Compensated Absences</b>	<b>Total Principal</b>	<b>Interest</b>	<b>Total Principal &amp; Interest</b>
2006	95,000	120,447	181,876	1,277,323	1,263,723	2,541,046
2007	1,035,000	131,511	90,938	1,257,449	1,198,063	2,455,512
2008	1,285,000	131,806	-	1,416,806	1,137,496	2,554,302
2009	1,485,000	133,422	-	1,618,422	1,069,682	2,688,104
2010	1,705,000	105,902	-	1,810,902	989,870	2,800,772
2011-2015	10,300,000	296,811	-	10,596,811	3,552,887	14,149,698
2016-2020	10,020,000	-	-	10,020,000	953,343	10,973,343
<b>Total</b>	<b>26,805,000</b>	<b>919,899</b>	<b>272,814</b>	<b>27,997,713</b>	<b>10,165,064</b>	<b>38,162,777</b>

The college works with Harris Bank & Trust, Public Finance Department to assure that all advantages of lower interest rates are used.

**Bond and Interest Fund Revenue and Expenditures  
Fiscal Year 2007**

<b>Operating Revenue by Sources</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Local Government:</b>					
Current Taxes	\$ 1,788,883	\$ 1,825,607	\$ 1,853,666	\$2,268,485	\$ 2,255,352
<b>Total Local Government</b>	<u>1,788,883</u>	<u>1,825,607</u>	<u>1,853,666</u>	<u>2,268,485</u>	<u>2,255,352</u>
<b>Other Sources:</b>					
Interest Income	21,561	15,658	19,220	119,640	10300
<b>Total Other Sources</b>	<u>21,561</u>	<u>15,658</u>	<u>19,220</u>	<u>119,640</u>	<u>10,300</u>
<b>Total Revenue before Inter[funds &amp; Non[operating Items</b>	1,810,444	1,841,265	1,872,886	2,388,125	2,265,652
<b>Inter-fund Transfers</b>	0	0	0	0	0
<b>Bond Proceeds</b>	0	5,678,480	9,690,000	0	0
<b>Grand Total</b>	<u>\$ 1,810,444</u>	<u>\$ 7,519,745</u>	<u>\$ 11,562,886</u>	<u>\$ 2,388,125</u>	<u>\$ 2,265,652</u>

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Institutional Support</b>					
Fixed Charges	\$ 1,792,057	\$ 1,826,872	\$ 2,048,092	\$2,081,166	\$ 2,199,347
Capital Outlay	0	1,343,843	0	0	0
Other Expenditures	4,907	69,647	88,862	5,750	5,000
<b>Total Expenditures before Inter-funds</b>	<u>1,796,964</u>	<u>3,240,362</u>	<u>2,136,954</u>	<u>2,086,916</u>	<u>2,204,347</u>
<b>Inter-fund Transfers</b>	1,715,706	80,390	2,858,876	1,648,816	0
<b>Repayment of lease certificates</b>	0	0	0	0	0
<b>Discount on bond issuance</b>	0	0	151,100	0	0
<b>Payment to refunding bond escrow agent</b>	0	0	9,451,380	0	0
<b>GRAND TOTAL</b>	<u>\$ 3,512,670</u>	<u>\$ 3,320,752</u>	<u>\$ 5,146,930</u>	<u>\$ 3,735,732</u>	<u>\$ 2,204,347</u>

## Capital Projects Fund

The Operations and Maintenance (Restricted) Fund and The Capital Endowment Fund make up the Capital Projects Fund. These funds account for financial resources to be used for the acquisition or construction of major capital facilities and technology enhancements.

### Operations & Maintenance Fund (Restricted)

The O&M Restricted Fund is used to account for monies restricted for building purposes and site acquisition.

The revenue budget reflects interest earnings from investments, the Deferred Maintenance Grant (when funded), as required by state regulations, and tax revenues from the Protection, Health and Safety (PHS) Levy. Bond proceeds from prior years have been spent for renovation projects.

### Projects completed in FY 2006:

Adult Education & Family Literacy Renovation	\$ 248,324
Allied Health Building New Construction	\$1,072,389
Cosmetology Renovation	\$ 41,623
Fine Arts Building Improvements	\$ 98,894
Theater Renovation	\$ 209,000
EDUNET	<u>\$ 645,000</u>
<b>Grand Total</b>	<b>\$2,315,230</b>

There are no new projects included in the FY 2007 Budget.

### Quasi-Endowment Fund

The Quasi-Endowment Fund is used to account for funds intended to remain as principal as well as interest earned on these funds. Interest is then to be transferred to another fund to support needs of the college.

The Strategic Technology Endowment Fund (STEF) was established by issuing \$5 million in bonds to be invested. The June 30, 2004 bond issuance expanded this fund by \$1,028,650 to service capital lease agreements for Xerox copiers and Access computer software. The interest from the investments in the STEF fund is available to fund technology refreshment activities.

**Operations Maintenance Restricted Fund Revenue  
Fiscal Year 2007**

<b>Operating Revenue by Sources</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Local Government:</b>					
Current Taxes	\$ 109,369	\$ 90,960	\$ 0	\$ 0	\$ 0
<b>Total Local Government</b>	<b>109,369</b>	<b>90,960</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State Government:</b>					
Other State Revenues	3,735,826	0	0	0	0
ICCB Deferred Maintenance Grant	37,663	0	0	0	0
<b>Total State Government</b>	<b>3,773,489</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Sources:</b>					
Interest Income	13,562	4,325	7,884	4,830	5,980
Other Income	116,950	63,837	0	135,000	0
<b>Total Other Sources</b>	<b>130,512</b>	<b>68,162</b>	<b>7,884</b>	<b>139,830</b>	<b>5,980</b>
<b>Total Revenue before Inter-funds &amp; Non-operating Items</b>	<b>4,013,370</b>	<b>159,122</b>	<b>7,884</b>	<b>139,830</b>	<b>5,980</b>
<b>Inter-fund Transfers</b>	<b>1,601,641</b>	<b>80,795</b>	<b>1,248,748</b>	<b>1,882,586</b>	<b>50,000</b>
<b>Bond &amp; Lease Certificate Proceeds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>	<b>\$ 5,615,011</b>	<b>\$ 239,917</b>	<b>\$1,256,632</b>	<b>\$2,022,416</b>	<b>\$55,980</b>

**Operations Maintenance Restricted Fund Expenditures  
Fiscal Year 2007**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Operation &amp; Maintenance of Plant</b>					
Salaries	\$ 11,336	\$ 0	\$ 0	\$ 0	\$ 0
Capital Outlay	46,189	0	0	0	0
<b>Total Operation &amp; Maintenance of Plant</b>	<b>57,525</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Institutional Support</b>					
Salaries	0	0	0	0	0
Contractual Services	87,519	40,556	282,641	28,700	0
General Maintenance and Supplies	45,257	1,232	0	0	0
Travel/Meetings	0	0	0	0	0
Fixed Charges	114	0	0	0	0
Capital Outlay	6,414,376	197,432	1,316,292	2,308,886	50,000
Other Expenditures	17,392	17,579	0	0	0
<b>Total Institutional Support</b>	<b>6,564,658</b>	<b>256,799</b>	<b>1,598,933</b>	<b>2,337,586</b>	<b>50,000</b>
<b>Total Expenditures before Inter-funds</b>	<b>6,622,183</b>	<b>256,799</b>	<b>1,598,933</b>	<b>2,337,586</b>	<b>50,000</b>
<b>Inter-fund Transfers</b>	<b>199,238</b>	<b>132,537</b>	<b>82,909</b>	<b>0</b>	<b>0</b>
<b>Repayment of Lease Certificates</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>\$ 6,821,421</b>	<b>\$ 389,336</b>	<b>\$ 1,681,842</b>	<b>\$ 2,337,586</b>	<b>\$ 50,000</b>



**Quasi-Endowment Fund Revenue and Expenditures  
Fiscal Year 2007**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Other Sources:</b>					
Federal Grants	\$ 28,454	\$ 97,553	\$ 51,492	\$ 0	\$ 0
Interest Income	628,561	677	436,005	293,015	300,229
<b>Total before Inter-fund Transfers and Non-operating</b>	657,015	98,230	487,497	293,015	300,229
Bond Proceeds	0	0	0	0	0
Transfers	0	0	1,028,650	0	0
<b>GRAND TOTAL</b>	<b>\$ 657,015</b>	<b>\$ 98,230</b>	<b>\$1,516,147</b>	<b>\$ 293,015</b>	<b>\$300,229</b>

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Institutional Support</b>					
Fixed Charges	\$ 672	\$ 672	\$ 865	\$ 1,060	\$ 1,060
Other Expenditures	80	100	20	80	
<b>Total Expenditures before Inter-funds</b>	752	772	885	1,140	1,060
Transfers	460,381	560,978	315,994	481,700	471,221
<b>GRAND TOTAL</b>	<b>\$ 461,133</b>	<b>\$ 561,750</b>	<b>\$ 316,879</b>	<b>\$ 482,840</b>	<b>\$472,281</b>

## **Proprietary Fund**

The Auxiliary Enterprise Fund is used to account for college services where a fee is charged to students/staff and the activity is intended to be self-supporting. Each enterprise/service should be accounted for separately using a group of self-balancing accounts within the fund. Included in this fund are the Food Service, Bookstore, Athletics, Cosmetology Clinic, Children's School and Dental Hygiene Clinic.

Food Service, budgeted at \$26,930, is expected to earn \$13,000 in commissions for the college. This amount is not sufficient to fund all activities, so the college will subsidize the loss with other sources totaling \$13,930. Expenses include contractual services as well as equipment.

Dental Hygiene Clinic is budgeted at \$29,420. They expect revenues of \$29,420 as well which will offset the expenses for the supplies and equipment. The college has moved the cost of the dentist to the Education and Risk Management areas.

## **Nonexpendable Trust Fund**

The Working Cash Fund was established for the purpose of enabling the district to have on hand at all times sufficient cash to meet the demands for ordinary and necessary expenditures. Bonds may be issued, without voter approval, in an amount or amounts not to exceed in the aggregate 75 percent of the total tax extension from the authorized maximum rates for the Education Fund and the Operations and Maintenance Fund combined, plus 75 percent of last known corporate personal property replacement tax allocation.

This fund is used to account for the proceeds of working cash bonds. By making temporary transfers, the Working Cash Fund is used as a source of working capital by other funds. Such temporary transfers assist operating funds in meeting the demands for ordinary and necessary expenditures during periods of temporary low cash balances.

The college currently shows a principal balance of \$3,466,895 which is invested in staggered maturities to insure liquidity and follows the board's Investment Policy. Interest earned in this fund may be transferred to the General Fund with Board approval. The transfer of interest has become an important source of college revenue.

Revenue for this fund is derived solely from investment earnings. For FY 2007, these earnings are beginning to rise as interest rates climb. Revenue is budgeted at \$138,000.

**Auxiliary Fund Revenues and Expenditures  
Fiscal Year 2007**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget
<b>Student Tuition and Fees:</b>					
Tuition	\$ 1,169	\$ 919	\$ 0	\$ 0	\$ 129
Activity Fee Revenue	176,641	208,310	245,132	258,450	218,165
<b>Total Student Tuition and Fees</b>	<b>\$ 177,810</b>	<b>\$ 209,228</b>	<b>\$245,132</b>	<b>\$ 258,450</b>	<b>\$ 218,294</b>
<b>Other Sources:</b>					
Sales & Service Income	287,795	463,745	511,080	597,042	624,206
Commissions	99,330	111,683	0	121,430	120,396
Federal Government-USDA Reimbursement	13,423	15,442	23,681	13,500	25,000
Interest Income	395	10	575	20	30
Other Income	127,906	23,964	144,322	22,103	8,330
<b>Total Other Sources</b>	<b>528,849</b>	<b>614,844</b>	<b>679,658</b>	<b>754,095</b>	<b>777,962</b>
<b>Total Revenue before Inter-funds &amp; Non-operating Items</b>	<b>706,659</b>	<b>824,072</b>	<b>924,790</b>	<b>1,012,545</b>	<b>996,256</b>
<b>Inter-fund Transfers</b>	<b>63,801</b>	<b>48,135</b>	<b>26,030</b>	<b>10,000</b>	<b>10,000</b>
<b>Grand Total</b>	<b>\$ 770,460</b>	<b>\$ 872,207</b>	<b>\$950,820</b>	<b>\$1,022,545</b>	<b>\$1,006,256</b>
	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget
<b>Auxiliary Services</b>					
Salaries	348,767	390,511	418,577	520,096	493,702
Employee Benefits	0	10,000	10,000	10,000	11,865
Contractual Services	115,912	134,275	99,334	144,195	154,689
General Maintenance and Supplies	134,151	158,092	172,037	183,176	196,410
Travel and Conference/Meeting Expense	25,194	26,920	25,545	39,405	38,400
Fixed Charges	0	0	0	0	0
Utilities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Depreciation	20,003	33,862	42,059	28,404	40,000
Other	111,136	64,608	80,275	74,467	70,741
<b>Total Auxiliary Services</b>	<b>755,163</b>	<b>818,268</b>	<b>847,827</b>	<b>999,743</b>	<b>1,005,807</b>
<b>GRAND TOTAL</b>	<b>\$ 755,163</b>	<b>\$ 818,268</b>	<b>\$847,827</b>	<b>\$ 999,743</b>	<b>\$1,005,807</b>

**Working Cash Fund Revenue and Expenditures  
Fiscal Year 2007**

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Other Sources:</b>					
Interest Income	\$ 90,993	\$ 63,551	\$ 82,629	\$ 121,040	\$ 138,000
Net increase (decrease) in fair value of investments			\$ (6,018)		
<b>Total before Non-operating</b>	90,993	63,551	76,611	121,040	138,000
Transfers			303,720		
<b>Bond Proceeds</b>	0	0	0	0	0
<b>GRAND TOTAL</b>	<b>\$ 90,993</b>	<b>\$ 63,551</b>	<b>\$ 380,331</b>	<b>\$ 121,040</b>	<b>\$ 138,000</b>

	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Budget</b>	<b>FY 2007 Budget</b>
<b>Other Expenditures</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total before transfers</b>	0	0	0	0	0
<b>Transfers</b>	128,190	39,135	29,041	116,663	233,167
<b>GRAND TOTAL</b>	<b>\$ 128,190</b>	<b>\$ 39,135</b>	<b>\$ 29,041</b>	<b>\$ 116,663</b>	<b>\$ 233,167</b>

**CARL SANDBURG COLLEGE**  
**SUMMARY OF FISCAL YEAR 2007 FINAL BUDGET BY FUND**

	<u>General</u>		<u>Special Revenue</u>		<u>Debt Service</u>
	Education <u>Fund</u>	Operations and Maintenance <u>Fund</u>	Audit <u>Fund</u>	Liability Protection and Settlement <u>Fund</u>	Bond and Interest <u>Fund</u>
Beginning Fund Balance*	986,008	389,285	(68,987)	3,630,465	414,396
Budgeted Revenues	13,471,261	1,209,652	59,782	2,074,670	2,265,652
Budgeted Transfers from Other Funds	244,421	404,967	0	0	0
Budgeted Expenditures	(13,715,682)	(1,614,619)	(104,290)	(2,060,182)	(2,204,347)
Budgeted Transfers to Other Funds	0	0	0	(5,000)	0
Ending Fund Balance	986,008	389,285	(113,495)	3,639,953	475,701

	<u>Capital Projects</u>		<u>Proprietary Fund</u>	<u>Nonexpendable Trust Fund</u>	<u>TOTALS</u>
	Operations & Maintenance <u>Fund</u> <u>(Restricted)</u>	Quasi- Endowment <u>Fund</u>	Auxiliary Enterprises <u>Fund</u>	Working Cash <u>Fund</u>	
Beginning Fund Balance*	(784,458)	6,264,261	7,285	4,027,904	14,866,159
Budgeted Revenues	5,980	300,229	996,256	138,000	20,521,482
Budgeted Transfers from Other Funds	50,000	0	10,000	0	709,388
Budgeted Expenditures	(50,000)	(1,060)	(1,005,807)	0	(20,755,987)
Budgeted Transfers to Other Funds	0	(471,221)	0	(233,167)	(709,388)
Ending Fund Balance	(778,478)	6,092,209	7,734	3,932,737	14,631,654

\*These represent the actual Fund Balances for Fiscal Year 2005 adjusted for expected operating results for Fiscal Year 2006.

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## IV. Informational Section Narratives

### Revenue Sources

In making projections, the four major revenue sources were analyzed. Local Property taxes were assumed to decrease 2.4% in 2007, increase 2% in 2008, 3% in 2009, and 4% in 2010 and 2011. These projections are based on potential development in the college district and the assumption that farmland will not continue to decline after the Bulletin 810 adjustment reflected in FY 2007. State grants were assumed to decrease 1% in 2008 and 2009 and then remain flat in 2010 and 2011. This remains an estimate based on history of decreasing credit hours that determines state grant allocations. SURS is assumed to increase 4% in 2008-2010 according to known negotiated salary increases and 3.0% in 2011. Tuition is assumed to increase 4.0% annually to help make up for lost state revenue and known salary increases. This will be accomplished with tuition rate increases and increased credit hour generation by offering programs with employment opportunities within our district. Fees are assumed to increase 2% per year.

### Tax Base Trends

Economic conditions in the communities served by Carl Sandburg College District 518 are such that many industries have moved from the area. We are also faced with the majority of our district being comprised of farmland. Bulletin 810 has caused concern due to not knowing what the potential impact will be on the district's EAV. Due to these factors, we anticipated a revenue decrease in FY 2007. The loss of industry has affected our tax base; however future possibilities for the community look promising and we anticipate increases in FY 2008-2010.

*Property Taxes.* The following table illustrates the College's property tax levy rates and EAV over the last five years. The EAV determined in December of 2005 will be taxed in calendar year 2006 to support our FY 2007. The current EAV is one third of the market value of the property.

EAV supporting our fiscal year:

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
1,263,325,190	1,281,448,552	1,305,749,681	1,233,728,849	1,219,782,213

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

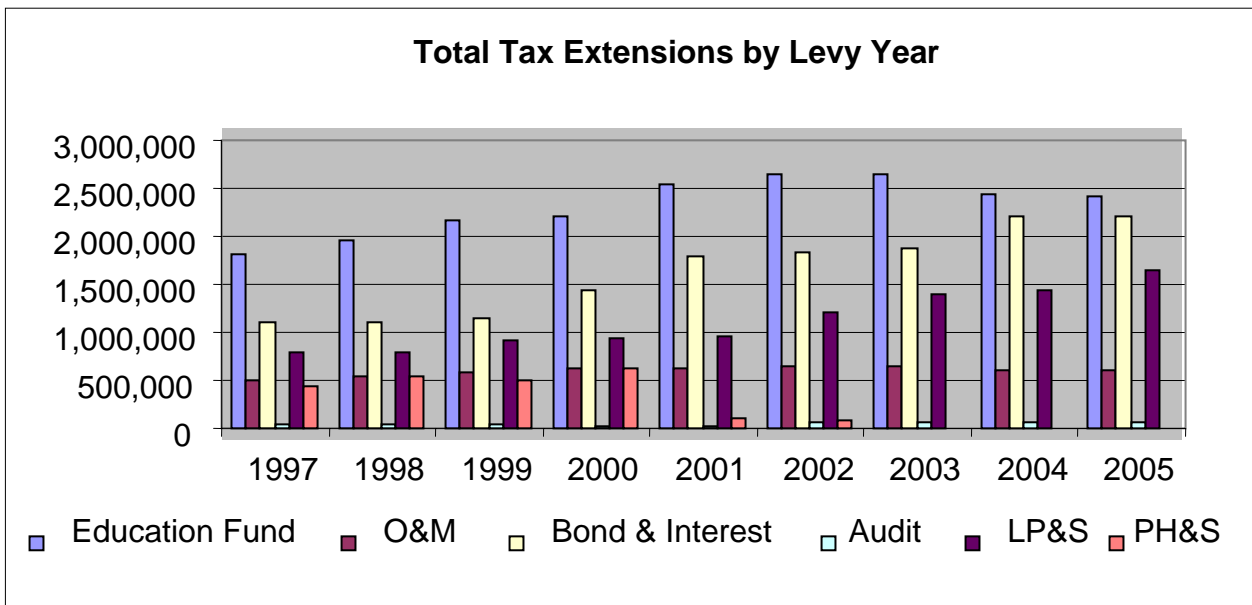
<u>Fund Type</u>	<u>Maximum Authority</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b>Current:</b>						
Education	0.1989	0.2015	0.1989	0.2054	0.2057	0.2021
Operations and Maintenance	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Liability, Protection and Settlement	none	0.1191	0.1095	0.1010	0.0872	0.0680
Audit	0.0050	0.0050	0.0050	0.0041	0.0041	0.0023
Working Cash	none	0.0000	0.0000	0.0000	0.0000	0.0000
Social Security/Medicare	none	0.0170	0.0083	0.0076	0.0076	0.0074
Bond and Interest	none	0.1833	0.1813	0.1458	0.1425	0.1423
<b>Plant:</b>						
Operations and Maintenance (Restricted) - Life Safety	0.0500	0.0000	0.0000	0.0000	0.0071	0.0087
<b>Total</b>		<b>0.5759</b>	<b>0.5530</b>	<b>0.5139</b>	<b>0.5042</b>	<b>0.4808</b>

**Carl Sandburg College  
Historic Levies & Extensions  
Levy Years 1997 – 2005**

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>(Estimated)</u> <u>2005</u>
EAV	997,151,829	1,083,613,429	1,173,830,324	1,229,609,983	1,263,325,190	1,281,448,552	1,305,749,681	1,233,728,849	1,219,782,213
Taxes Rate									
Education Fund	0.1825	0.1814	0.1841	0.1801	0.2021	0.2057	0.2054	0.1989	0.2015
O&M	0.0500	0.0497	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Bond & Interest	0.1108	0.1023	0.0982	0.1171	0.1423	0.1425	0.1458	0.1813	0.1833
Audit	0.0041	0.0030	0.0030	0.0017	0.0023	0.0041	0.0041	0.0050	0.0050
LP&S	0.0785	0.0740	0.0773	0.0757	0.0754	0.0948	0.1086	0.1178	0.1361
PH&S	0.0445	0.0497	0.0425	0.0500	0.0087	0.0071	0.0000	0.0000	0.0000
Total Rate Per \$100									
EAV	0.4704	0.4601	0.4551	0.4746	0.4808	0.5042	0.5139	0.5530	0.5759
Extension									
Education Fund	1,819,802	1,965,677	2,161,022	2,214,528	2,544,747	2,635,940	2,644,361	2,428,488	2,425,542
O&M	498,576	538,557	586,915	614,805	629,576	640,724	643,710	610,480	601,871
Bond & Interest	1,104,844	1,108,538	1,152,701	1,439,873	1,791,774	1,826,064	1,877,058	2,213,600	2,206,461
Audit	40,883	32,508	35,215	20,903	28,960	52,539	52,784	61,048	60,187
LP&S	782,764	801,875	907,371	930,815	949,400	1,214,813	1,398,138	1,438,290	1,638,294
PH&S	443,733	538,557	498,878	614,805	109,546	90,983	0	0	0
Total Extension	4,690,602	4,985,712	5,342,102	5,835,729	6,054,003	6,461,063	6,616,051	6,751,906	6,932,355
Collection Loss	-10,506	-5,143	-3,718	4,696	9,765	16,637	4,557	-3,661	
Total Taxes Collected	4,701,108	4,990,855	5,345,820	5,831,033	6,044,238	6,444,426	6,611,494	6,755,567	

Note: This stops at 2005 because that is the last known information. The 2005 levy was set in December of 2005 to be collected in calendar year 2006 to support the expenditures of fiscal year 2007.





Fiscal Year	Tax Year	Est. Market Value of Home	Est. Taxable Value 1/3	Tax Rate	Est. CSC Tax Paid by Home Owner
2006-07	2005	90000	30000	0.5759	172.77
2005-06	2004	90000	30000	0.5530	165.9
2004-05	2003	90000	30000	0.5139	154.17
2003-04	2002	90000	30000	0.5042	151.26
2002-03	2001	90000	30000	0.4808	144.24
2001-02	2000	90000	30000	0.4746	142.38
2000-01	1999	90000	30000	0.4551	136.53
1999-00	1998	90000	30000	0.4601	138.03
1998-99	1997	90000	30000	0.4704	141.12

Note: This chart estimates a homeowner’s property tax bill assuming a constant estimated market value of a home

Tax Rates are expressed in dollars per hundred of assessed value.

## **Budget Forecasts**

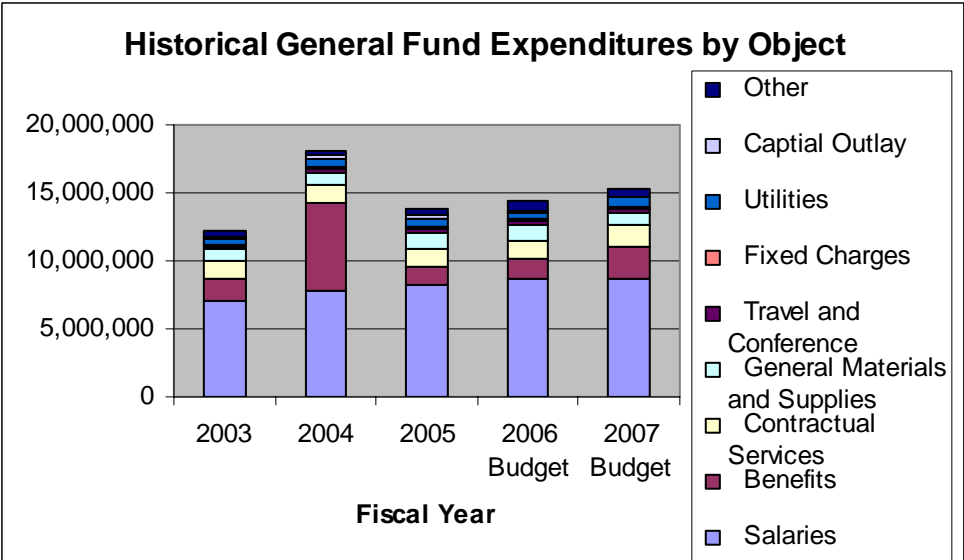
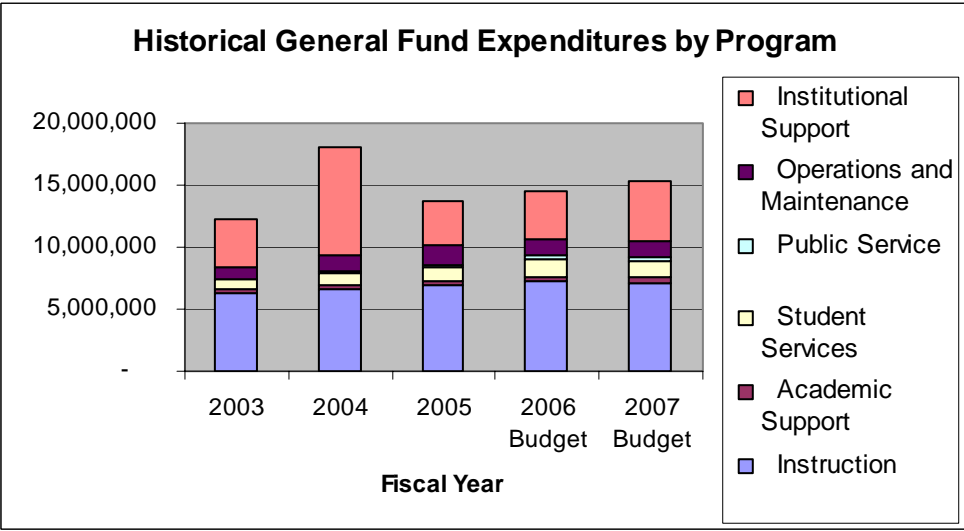
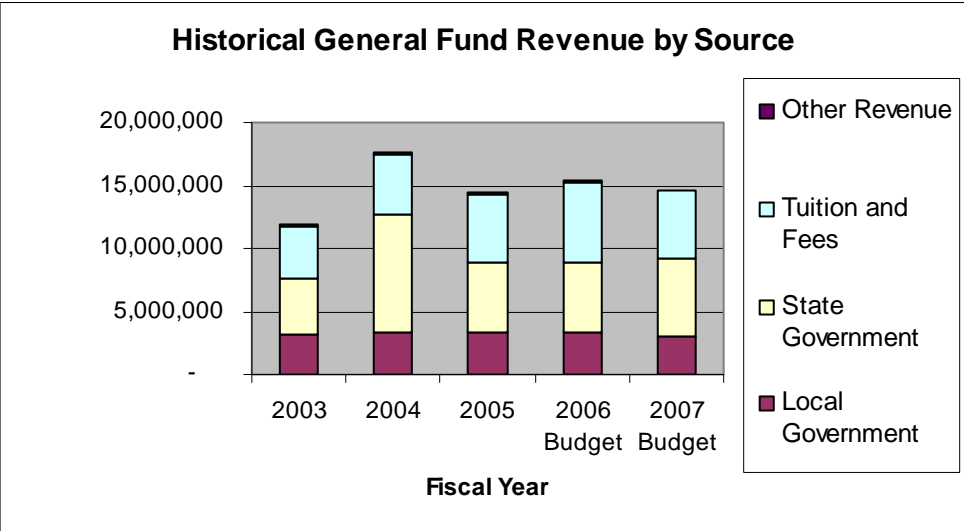
Year-end projected fund balances are shown applying the projected revenues and expenditures to the current year budgeted fund balances. The chart indicates the college increasing expenditures for the known negotiated salary rates through FY 2010. Carl Sandburg College has undertaken several initiatives to assist in meeting operating expenditures. Long-term debt issuances and refinancing has occurred in the past to fund the cost of the copying environment, some building leases, early retirement incentives, etc. The college is using the STEF fund interest to purchase the Acces software environment and refresh the Xerox copier environment. At the end of FY 2004, \$1,028,650 of General Obligation bond proceeds were transferred into the STEF fund for this purpose. The college increased tuition for FY 2007 in consideration of state cuts and a potential continued loss of tax base. Finally, the college is looking inward at possible efficiencies to control costs while maintaining the highest level of quality education possible.

Projected expenditures assume the known 4% negotiated increase in salary in 2008-2010 and a projected 3% in 2011. Benefits are increased according to salary assumptions. All other increases are assumed to remain flat.

Historical General Fund revenues and expenditures are presented on pages 79-80. Those schedules provide a snapshot view of the past 3 years audited revenue and expenditures. From this information, various trends can be developed. These trends have been incorporated into the projections presented on the following pages.

**Carl Sandburg College**  
**Historic Revenues and Expenditures**  
**Fiscal Years 2003 – 2007**  
**(GAAP Basis)**

<u>General Fund Revenues by Source</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u> <u>Budget</u>	<u>2007</u> <u>Budget</u>
Local Government	3,215,594	3,301,659	3,358,976	3,334,355	3,022,568
State Government	4,369,688	9,340,643	5,464,797	5,484,096	6,190,334
Tuition and Fees	4,206,142	4,857,394	5,441,634	6,381,741	5,378,441
Other Revenue	49,949	68,469	175,616	132,600	89,570
<b>Total Revenues</b>	<b>11,841,373</b>	<b>17,568,165</b>	<b>14,441,023</b>	<b>15,332,792</b>	<b>14,680,913</b>
<b><u>General Fund Expenditures</u></b>					
<b><u>By Program</u></b>					
Instruction	6,330,755	6,620,480	6,885,337	7,282,363	7,144,083
Academic Support	347,216	372,662	380,775	361,260	369,599
Student Services	705,159	957,914	1,113,074	1,464,246	1,384,453
Public Service	37,988	35,000	226,612	232,816	248,208
Operations and Maintenance	987,544	1,409,070	1,480,916	1,236,246	1,337,914
Institutional Support	3,859,368	8,689,390	3,679,800	3,886,551	4,846,044
<b>Total Expenditures by Program</b>	<b>12,268,030</b>	<b>18,084,516</b>	<b>13,766,514</b>	<b>14,463,482</b>	<b>15,330,301</b>
<b><u>By Object</u></b>					
Salaries	7,099,944	7,816,396	8,264,378	8,734,684	8,658,970
Benefits	1,591,067	6,490,084	1,281,988	1,345,675	2,386,985
Contractual Services	1,338,800	1,287,310	1,307,768	1,394,068	1,537,704
General Materials and Supplies	800,474	867,655	1,227,031	1,180,920	933,735
Travel and Conference	213,331	230,050	251,758	274,359	239,823
Fixed Charges	96,299	233,028	229,170	135,326	148,736
Utilities	532,228	539,827	550,498	535,890	797,257
Capital Outlay	74,591	315,121	291,008	43,263	54,377
Other	521,296	305,045	362,915	819,297	572,714
<b>Total Expenditures by Object</b>	<b>12,268,030</b>	<b>18,084,516</b>	<b>13,766,514</b>	<b>14,463,482</b>	<b>15,330,301</b>
<b>Revenues Over Expenditures</b>	<b>-426,657</b>	<b>-516,351</b>	<b>674,509</b>	<b>869,310</b>	<b>-649,388</b>
<b>Net Operating Transfers &amp; Non Operating</b>	<b>796,535</b>	<b>141,567</b>	<b>(103,496)</b>	<b>(869,310)</b>	<b>649,388</b>
<b>Excess Revenue Over Expenditures</b>	<b>369,878</b>	<b>-374,784</b>	<b>571,013</b>	<b>0</b>	<b>0</b>



**Carl Sandburg College  
Projected Operating Revenues  
Fiscal Years 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>				
<b>Local Revenue Sources</b>				
Local Property Taxes	2,997,997	3,057,957	3,149,696	3,275,683
CABI	15,000	15,000	15,000	15,000
Chargebacks	0	0	0	0
Subtotal Local Revenue Sources	<u>3,012,997</u>	<u>3,072,957</u>	<u>3,164,696</u>	<u>3,290,683</u>
<b>State Revenue Sources</b>				
ICCB Credit Hour Grant	2,374,079	2,350,340	2,326,840	2,326,840
ICCB Equalization Grant	2,597,835	2,571,860	2,546,140	2,546,140
ICCB Small College Grant	60,000	59,400	58,810	58,810
ICCB Square Footage Grant	26,926	26,660	26,390	26,390
ISBE Vocational Ed.	80,000	79,200	78,410	78,410
Replacement Taxes	156,900	160,040	164,840	169,790
SURS	904,165	940,330	977,940	1,017,060
Subtotal State Revenue Sources	<u>6,199,905</u>	<u>6,187,830</u>	<u>6,179,370</u>	<u>6,223,440</u>
<b>Tuition and Fees</b>				
Tuition	4,650,517	4,836,540	5,030,000	5,231,200
Fees	727,924	742,480	757,330	772,480
Subtotal Tuition and Fees	<u>5,378,441</u>	<u>5,579,020</u>	<u>5,787,330</u>	<u>6,003,680</u>
<b>Other Sources of Revenue</b>				
Interest Income	12,200	15,250	15,250	15,250
Dept. of Corrections	0	0	0	0
Building Rentals	12,000	12,000	12,000	12,000
Other Income	714,758	547,500	547,500	547,500
Subtotal of Other Sources	<u>738,958</u>	<u>574,750</u>	<u>574,750</u>	<u>574,750</u>
<b>Total Revenue</b>	<u><u>15,330,301</u></u>	<u><u>15,414,557</u></u>	<u><u>15,706,146</u></u>	<u><u>16,092,553</u></u>

**Carl Sandburg College**  
**Projected Operating Expenditures**  
**Fiscal Years 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>By Program</b>				
Instruction	7,107,091	7,270,892	7,434,214	7,603,524
Academic Support	352,560	360,690	368,790	377,190
Student Services	1,429,000	1,461,940	1,494,780	1,528,820
Public Service	227,210	232,450	237,670	243,080
Operations and Maintenance	1,206,490	1,234,300	1,262,030	1,290,770
Institutional Support	5,007,950	5,123,380	5,238,470	5,357,780
<b>Total Expenditures</b>	<u>15,330,301</u>	<u>15,683,652</u>	<u>16,035,954</u>	<u>16,401,164</u>

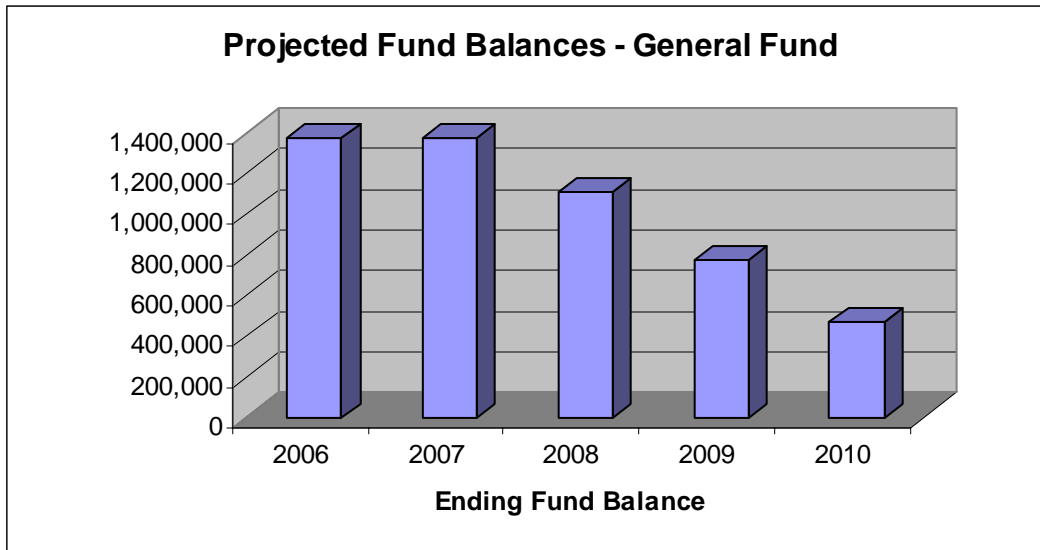
<b>By Object</b>				
Salaries	8,658,970	9,005,330	9,365,540	9,740,160
Benefits	2,386,985	2,458,590	2,532,350	2,608,320
Contractual Services	1,537,704	1,537,700	1,537,700	1,537,700
General Materials and				
Supplies	933,735	861,152	779,484	694,114
Travel and Conference	239,823	239,820	239,820	239,820
Fixed Charges	148,736	148,740	148,740	148,740
Utilities	797,257	805,230	805,230	805,230
Capital Outlay	54,377	54,380	54,380	54,380
Other	572,714	572,710	572,710	572,710
<b>Total Expenditures</b>	<u>15,330,301</u>	<u>15,683,652</u>	<u>16,035,954</u>	<u>16,401,174</u>

Adjustments have been made for Access software purchases out of the Materials and Supplies accounts.

**Carl Sandburg College  
General Fund – Projected Changes in Fund Balance  
Fiscal Years 2007 - 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Beginning Balance	1,375,293	1,375,293	1,106,198	776,390
Revenues	14,680,913	14,867,057	15,158,646	15,545,053
Expenditures	15,330,301	15,683,652	16,035,954	16,401,164
Revenues Over (Under) Expenditures	-649,388	-816,595	-877,308	-856,111
Transfers	649,388	547,500	547,500	547,500
Ending Fund Balance	<u>1,375,293</u>	<u>1,106,198</u>	<u>776,390</u>	<u>467,779</u>

Transfers in 2007 are for the Bondi Building lease funded by SMART II  
Also in FY 2007 – 2011, there are transfers for operating expenses funded from STEF and Working Cash.



**Carl Sandburg College**  
**Projected Special Revenue Fund Revenues**  
**Fiscal Years 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>				
<b>Local Revenue Sources</b>				
Local Property Taxes	1,742,772	1,777,627	1,830,956	1,904,195
Subtotal Local Revenue Sources	<u>1,742,772</u>	<u>1,777,627</u>	<u>1,830,956</u>	<u>1,904,195</u>
<b>Other Sources of Revenue</b>				
Interest Income	210,180	262,730	262,730	262,730
Other Income	181,500	0	0	0
Subtotal of Other Sources	<u>391,680</u>	<u>262,730</u>	<u>262,730</u>	<u>262,730</u>
<b>Total Revenue</b>	<u><u>2,134,452</u></u>	<u><u>2,040,357</u></u>	<u><u>2,093,686</u></u>	<u><u>2,166,925</u></u>

**Carl Sandburg College**  
**Projected Special Revenue Fund Expenditures**  
**Fiscal Years 2007 – 2010**

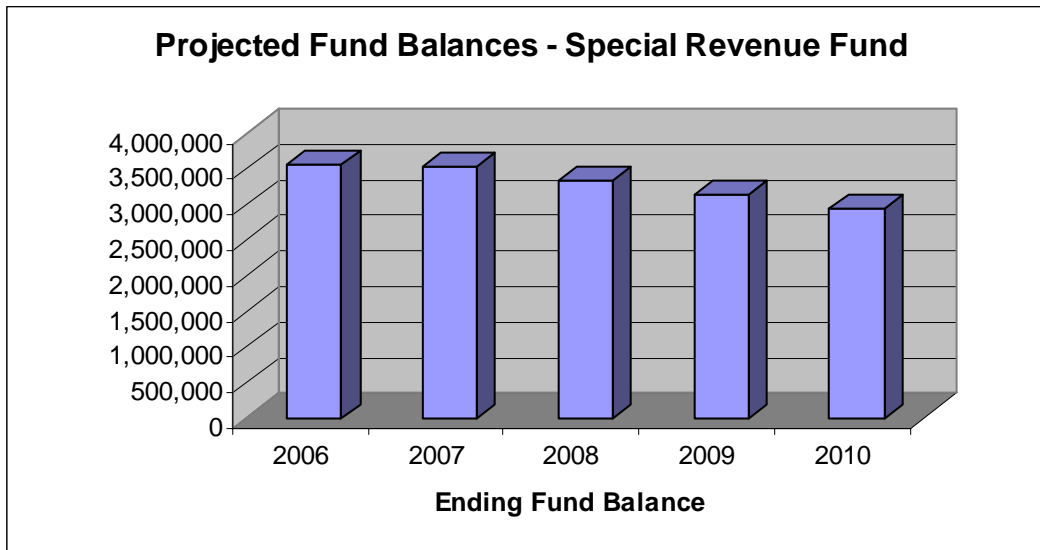
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>By Program</b>				
Institutional Support	2,169,472	2,231,670	2,296,250	2,363,320
<b>Total Expenditures</b>	<u><u>2,169,472</u></u>	<u><u>2,231,670</u></u>	<u><u>2,296,250</u></u>	<u><u>2,363,320</u></u>
<b>By Object</b>				
Salaries	1,308,713	1,361,060	1,415,500	1,472,120
Benefits	328,200	338,050	348,190	358,640
Contractual Services	283,833	283,830	283,830	283,830
General Materials and Supplies	14,690	14,690	14,690	14,690
Travel and Conference	5,185	5,190	5,190	5,190
Fixed Charges	220,120	220,120	220,120	220,120
Other Expenditures	8,731	8,730	8,730	8,730
<b>Total Expenditures</b>	<u><u>2,169,472</u></u>	<u><u>2,231,670</u></u>	<u><u>2,296,250</u></u>	<u><u>2,363,320</u></u>



**Carl Sandburg College**  
**Special Revenue Fund – Projected Changes in Fund Balance**  
**Fiscal Years 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Beginning Balance	3,561,478	3,526,458	3,335,145	3,132,582
Revenues	2,134,452	2,040,357	2,093,686	2,166,925
Expenditures	2,164,472	2,226,670	2,291,250	2,358,320
Revenues Over (Under) Expenditures	-30,020	-186,313	-197,564	-191,395
Transfers	-5,000	-5,000	-5,000	-5,000
Ending Fund Balance	<u>3,526,458</u>	<u>3,335,145</u>	<u>3,132,582</u>	<u>2,936,186</u>

Also in FY 2007 -2010, there are transfers for operating expenses funded from STEF and Working Cash.



**Carl Sandburg College  
Projected Debt Service Revenues  
Fiscal Years 2007 – 2010**

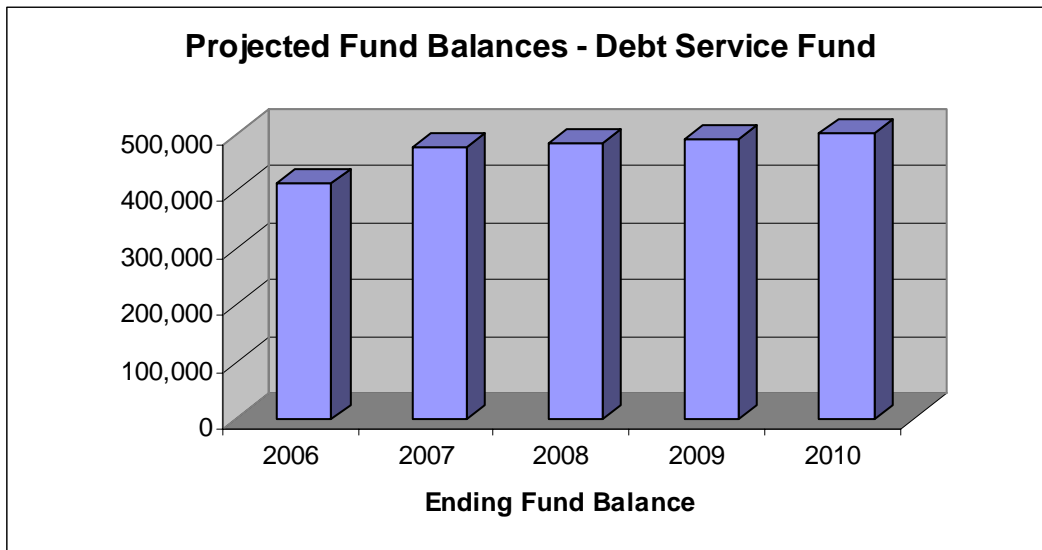
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>				
<b>Local Revenue Sources</b>				
Local Property Taxes	2,255,352	2,391,491	2,530,563	2,676,888
Subtotal Local Revenue Sources	<u>2,255,352</u>	<u>2,391,491</u>	<u>2,530,563</u>	<u>2,676,888</u>
<b>Other Sources of Revenue</b>				
Interest Income	10,300	12,880	12,880	12,880
Other Income	0	0	0	0
Subtotal of Other Sources	<u>10,300</u>	<u>12,880</u>	<u>12,880</u>	<u>12,880</u>
<b>Total Revenue</b>	<u><u>2,265,652</u></u>	<u><u>2,404,371</u></u>	<u><u>2,543,443</u></u>	<u><u>2,689,768</u></u>

**Carl Sandburg College  
Projected Debt Service Expenditures  
Fiscal Years 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>By Program</b>				
Institutional Support	2,204,347	2,396,490	2,535,560	2,681,880
<b>Total Expenditures</b>	<u>2,204,347</u>	<u>2,396,490</u>	<u>2,535,560</u>	<u>2,681,880</u>
<b>By Object</b>				
Fixed Charges	2,199,347	2,391,491	2,530,563	2,676,888
Capital Outlay	0	0	0	0
Other Expenditures	5,000	5,000	5,000	5,000
<b>Total Expenditures</b>	<u>2,204,347</u>	<u>2,396,491</u>	<u>2,535,563</u>	<u>2,681,888</u>

**Carl Sandburg College  
Debt Service Fund – Projected Changes in Fund Balance  
Fiscal Year 2007 - 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Beginning Balance	414,396	475,701	483,582	491,465
Revenues	2,265,652	2,404,371	2,543,443	2,689,768
Expenditures	2,204,347	2,396,490	2,535,560	2,681,880
Revenues Over (Under) Expenditures	61,305	7,881	7,883	7,888
Transfers	0	0	0	0
Ending Fund Balance	475,701	483,582	491,465	499,353



**Carl Sandburg College**  
**Projected Capital Projects Revenues**  
**Fiscal Year 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>				
<b>Other Sources of Revenue</b>				
Interest Income	306,209	382,760	382,760	382,760
Other Income	50,000	50,000	50,000	50,000
Subtotal of Other Sources	<u>356,209</u>	<u>432,760</u>	<u>432,760</u>	<u>432,760</u>
<b>Total Revenue</b>	<u>356,209</u>	<u>432,760</u>	<u>432,760</u>	<u>432,760</u>

**Carl Sandburg College**  
**Projected Capital Projects Expenditures**  
**Fiscal Year 2007 – 2010**

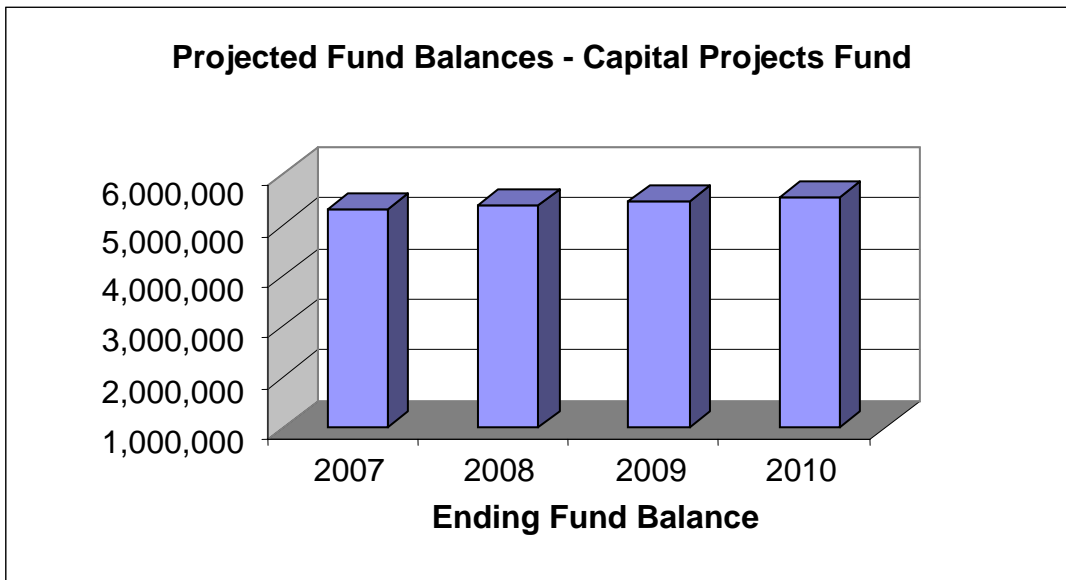
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>By Program</b>				
Institutional Support	522,281	351,060	351,060	351,060
<b>Total Expenditures</b>	<u>522,281</u>	<u>351,060</u>	<u>351,060</u>	<u>351,060</u>

<b>By Object</b>				
Salaries	0	0	0	0
Benefits	0	0	0	0
Contractual Services	0	0	0	0
General Materials and Supplies	0	0	0	0
Travel and Conference	0	0	0	0
Fixed Charges	1,060	1,060	1,060	1,060
Utilities	0	0	0	0
Capital Outlay	50,000	50,000	50,000	50,000
Other	471,221	300,000	300,000	300,000
<b>Total Expenditures</b>	<u>522,281</u>	<u>351,060</u>	<u>351,060</u>	<u>351,060</u>

Adjustments have been made for Access software purchases out of the Materials and Supplies accounts.

**Carl Sandburg College**  
**Capital Projects Fund – Projected Changes in Fund Balance**  
**Fiscal Year 2007 – 2010**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Beginning Balance	5,479,803	5,313,731	5,395,431	5,477,131
Revenues	306,209	382,760	382,760	382,760
Expenditures	51,060	51,060	51,060	51,060
Revenues Over (Under) Expenditures	255,149	331,700	331,700	331,700
Transfers	-421,221	-250,000	-250,000	-250,000
Ending Fund Balance	<u>5,313,731</u>	<u>5,395,431</u>	<u>5,477,131</u>	<u>5,558,831</u>



## **Enrollment Data**

Page 91 provides a historic view of annual certified unrestricted credit hours and budgeted/projected unrestricted credit hours thru 2010. We have demonstrated our ability to serve the increasing enrollments due to dislocated workers but do acknowledge this inflated enrollment will not continue as those students complete their education and reenter the workforce. New programs are being designed to meet potential employment opportunities within our district.

## **Performance Measures**

Carl Sandburg College conducts a follow up survey of all Occupational Program graduates on a yearly basis. Our commitment to gathering this data has exceeded the required response level of 20% set by the Illinois Community College Board.

The College currently utilizes the Classroom Assessment Techniques Instrument (CATS). This activity is part of the Assessment Plan which is approved by the North Central Association.

Recently the Student Opinion Survey (ACT) was administered for a second time on a district wide basis. This survey will now be conducted every other year to allow the Retention Committee to analyze the data and facilitate improvements.

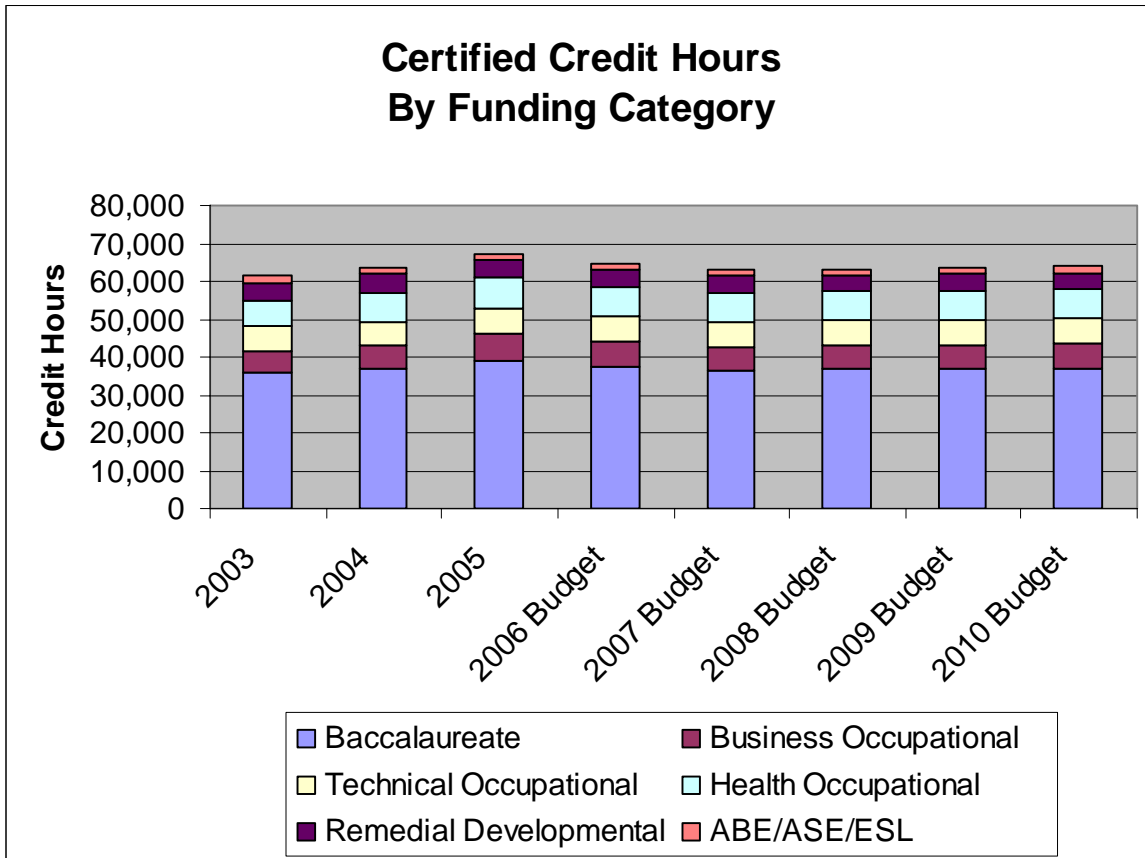
Carl Sandburg College transfer students have achieved consistent academic performance at their transfer colleges and universities.

The enrollment of Carl Sandburg College is declining due to completion of retraining offered to laid off workers from plant closures. This trend is expected to continue for the next year. A stabilization will then likely occur.

**Carl Sandburg College**  
**Certified Student Credit Hours by State Funding Category**  
**Fiscal Years 2003 - 2010**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u> <u>Budget</u>	<u>2007</u> <u>Budget</u>	<u>2008</u> <u>Budget</u>	<u>2009</u> <u>Budget</u>	<u>2010</u> <u>Budget</u>
Baccalaureate	35,693.5	36,855.5	38,952.5	37,426.8	36,491.1	36,673.6	36,857.0	37,041.3
Business Occupational	5,690.5	6,360.5	7,001.5	6,452.9	6,291.6	6,323.0	6,354.7	6,386.4
Technical Occupational	6,600.0	6,259.5	7,107.0	6,775.5	6,606.2	6,639.2	6,672.4	6,705.7
Health Occupational	7,089.3	7,586.3	8,152.0	7,743.5	7,549.9	7,587.6	7,625.6	7,663.7
Remedial Developmental	4,527.0	4,867.0	4,524.0	4,517.0	4,404.1	4,426.1	4,448.3	4,470.5
ABE/ASE/ESL	1,772.0	1,693.0	1,417.0	1,613.2	1,572.9	1,580.8	1,588.7	1,596.6
	61,372.3	63,621.8	67,154.0	64,529.0	62,915.8	63,230.4	63,546.5	63,864.2
<b>Annual Percentage Change</b>	<b>1.51%</b>	<b>3.67%</b>	<b>5.55%</b>	<b>-3.91%</b>	<b>-2.50%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>

Note: Includes Department of Corrections



**Carl Sandburg College**  
**Credit Hours Rates by Funding Category**

	<u>Baccalaureate</u>	<u>Business</u>	<u>Technical</u>	<u>Health</u>	<u>Remedial</u>	<u>ABE/ASE</u>
FY2006	19.31	27.02	61.05	89.33	13.82	46.37
FY2005	21.72	27.90	59.26	94.88	18.68	56.87
*FY2004	24.63	28.23	49.93	93.43	18.58	69.99
FY2003	34.45	22.90	40.03	78.81	25.52	13.16
FY2002	35.91	17.51	41.83	78.75	26.67	9.78
FY2001	31.84	15.89	41.64	72.48	26.69	16.16
FY2000	32.71	18.88	40.55	69.55	22.53	13.16
FY1999	31.23	20.08	43.61	65.10	19.25	12.71
FY1998	28.54	18.73	40.86	60.63	30.68	14.19
FY1997	27.25	19.33	39.75	57.75	30.35	14.07

\*First Year of funding formula change to unrestricted only



**Carl Sandburg College  
Personnel Resource Allocation  
FTE Employees 1995 – 2007**

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Proposed 2006-07
<b>FACULTY:</b>												
Full-Time	63	63	67	70	73	78	74	75	77	75	72	72
Part-Time	149	164	170	173	166	178	174	175	155	163	174	178
Subtotal	212	227	237	243	239	256	248	250	232	238	246	250
<b>ADMINISTRATIVE</b>												
Full-Time	21	19	21	22	25	26	22	24	26	28	28	28
Part-Time	0	0	1	0	0	0	0	0	0	0	0	0
Subtotal	21	19	22	22	25	26	22	24	26	28	28	28
<b>MID-MANAGEMENT</b>												
Full-Time	29	30	36	36	41	38	39	47	44	107	91	91
Part-Time	0	0	1	1	2	2	2	3	3	29	6	6
Subtotal	29	30	37	37	43	40	41	50	47	136	97	97
<b>CLASSIFIED STAFF</b>												
Full-Time	60	64	63	71	72	79	83	89	90	58	55	54
Part-Time	36	9	10	8	9	8	8	11	8	15	4	4
Subtotal	96	73	73	79	81	87	91	100	98	73	59	58
<b>GRAND TOTAL</b>	358	349	369	381	388	409	402	424	403	475	430	433

**Carl Sandburg College  
Annual Debt Service Information**

<u>Fiscal Year</u>	<u>Total General Fund Expenditures</u>	<u>Retirement of General Obligation Bonds</u>	<u>Retirement of Indebtedness Expenditures to General Fund Expenditures</u>
2007 Budget	15,330,301	2,199,347	14.71%
2006 Budget	15,708,385	2,081,166	13.25%
2005	15,460,300	2,048,092	13.25%
2004	18,084,516	1,826,872	10.10%
2003	12,325,667	1,792,057	14.54%
2002	11,718,826	4,917,349	41.96%
2001	10,989,053	1,215,868	11.06%
2000	11,708,251	4,363,899	37.27%
1999	9,781,435	1,003,620	10.26%
1998	8,548,505	1,078,905	12.62%

In FY 2000, 2002 and 2005 we restructured debt making the retirement figures higher than normal.

Source: Annual Audited Financial Statements and Budgets

<b>Year Ending June 30,</b>	<b>General Obligation Bonds</b>	<b>Capital Lease Obligations</b>	<b>Compensated Absences</b>	<b>Total Principal</b>	<b>Interest</b>	<b>Total Principal &amp; Interest</b>
2006	975,000	120,447	181,876	1,277,323	1,263,723	2,541,046
2007	1,035,000	131,511	90,938	1,257,449	1,198,063	2,455,512
2008	1,285,000	131,806	-	1,416,806	1,137,496	2,554,302
2009	1,485,000	133,422	-	1,618,422	1,069,682	2,688,104
2010	1,705,000	105,902	-	1,810,902	989,870	2,800,772
2011-2015	10,300,000	296,811	-	10,596,811	3,552,887	14,149,698
2016-2020	10,020,000	-	-	10,020,000	953,343	10,973,343
<b>Total</b>	<b>26,805,000</b>	<b>919,899</b>	<b>272,814</b>	<b>27,997,713</b>	<b>10,165,064</b>	<b>38,162,777</b>

STATE OF ILLINOIS  
COMMUNITY COLLEGE DISTRICT 518

Annual Budget for Fiscal Year 2007

Carl Sandburg College  
2400 Tom L. Wilson Boulevard  
Galesburg, Illinois 61401

**SUMMARY OF FISCAL YEAR 2007 BUDGET BY FUND**

	General		Special Revenue		
	Education Fund	Operational and Maintenance Fund	Audit Fund	Liability, Protection & Settlement Fund	
Beginning Balance	986,008	389,285	(68,987)	3,630,465	
Budgeted Revenues	13,471,261	1,209,652	59,782	2,074,670	
Budgeted Expenditures	-13,715,682	-1,614,619	(104,290)	(2,060,182)	
Budgeted Transfers from	244,421	404,967	0	-	
(to) Other Funds	0	0	0	(5,000)	
Budgeted Ending Balance	986,008	389,285	(113,495)	3,639,953	
	Debt Service	Capital Projects		Proprietary Funds	Non-Expendable Trust Fund
	Bond and Interest Fund	Operations and Maintenance Fund (Restricted)	Quasi- Endowment Fund	Auxiliary Enterprises Fund	Working Cash Fund
Beginning Balance	414,396	(784,458)	6,264,261	7,285	4,027,904
Budgeted Revenues	2,265,652	5,980	300,229	996,256	138,000
Budgeted Expenditures	(2,204,347)	(50,000)	(1,060)	(1,005,807)	0
Budgeted Transfers from	0	50,000	-	10,000	0
(to) Other Funds	-	0	(471,221)	0	(233,167)
Budgeted Ending Balance	475,701	(778,478)	6,092,209	7,734	3,932,737

The Official Budget which is accurately summarized in this document was approved by the Board of Trustees on \_\_\_\_\_ (date)

ATTEST: \_\_\_\_\_  
(Secretary, Board of Trustees)

## SUMMARY OF FISCAL YEAR 2007 ESTIMATED REVENUES

District Carl Sandburg College

Dist. No. 518

Year Ended 2007

	Education Fund	Operations and Maintenance Fund	Public Building Commission and Maintenance Fund	Total Operating Funds
<b>OPERATING REVENUES BY SOURCE</b>				
Local Government:				
Local Taxes	2,401,974	596,023	0	2,997,997
Chargeback Revenue	0	0	0	0
Other (List) CABI	15,000	0	0	15,000
<b>TOTAL LOCAL GOVERNMENT</b>	<b>2,416,974</b>	<b>596,023</b>	<b>0</b>	<b>3,012,997</b>
State Government:				
ICCB Base-Operating Grants	2,313,917	147,088	0	2,461,005
ICCB Equalization Grants	2,439,367	158,468	0	2,597,835
Dept. of Corrections	0	0	0	0
State Board of Education	0	0	0	0
Vocational Education	80,000	0	0	80,000
State Board of Education	0	0	0	0
Adult Education	0	0	0	0
Dept. of Veterans Affairs	0	0	0	0
Corporate Personal Property	0	0	0	0
Replacement Taxes	147,329	9,571	0	156,900
IL Student Assistance Comm.	0	0	0	0
Other (List) SURS	904,165	0	0	904,165
<b>TOTAL STATE GOVERNMENT</b>	<b>5,884,778</b>	<b>315,127</b>	<b>0</b>	<b>6,199,905</b>
Federal Government				
Dept. of Education	0	0	0	0
Dept. of Labor	0	0	0	0
Dept. of Health and Human Services	0	0	0	0
Other (List)	0	0	0	0
<b>TOTAL FEDERAL GOVERNMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Student Tuition and Fees				
Tuition	4,373,193	277,324	0	4,650,517
Fees	727,924	0	0	727,924
Other Student Assessments	0	0	0	0
<b>TOTAL TUITION AND FEES</b>	<b>5,101,117</b>	<b>277,324</b>	<b>0</b>	<b>5,378,441</b>
Other Sources				
Sales and Service Fees	0	0	0	0
Facilities Revenue	0	12,000	0	12,000
Investment Revenue	7,200	5,000	0	12,200
Non-governmental Grants	0	0	0	0
Other (List) Transfers In and Other	305,613	409,145	0	714,758
<b>TOTAL OTHER SOURCES</b>	<b>312,813</b>	<b>426,145</b>	<b>0</b>	<b>738,958</b>
<b>TOTAL 2007 BUGETED REVENUE</b>	<b>13,715,682</b>	<b>1,614,619</b>	<b>0</b>	<b>15,330,301</b>
Less Non-operating Items*:				
Tuition Chargeback Revenue	0	0	0	0
Instructional Service	0	0	0	0
Contract Revenue	0	0	0	0
<b>ADJUSTED REVENUE</b>	<b>13,715,682</b>	<b>1,614,619</b>	<b>0</b>	<b>15,330,301</b>

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

## SUMMARY OF FISCAL YEAR 2007 OPERATING BUDGETED EXPENSES

District Carl Sandburg College Dist. No. 518 Year Ended 2007

	Education Fund	Operations and Maintenance Fund	Public Building Commission and Maintenance Fund	Total Operating Funds	%
<b>BY PROGRAM</b>					
Instruction	7,144,083	0	0	7,144,083	46.6%
Academic Support	369,599	0	0	369,599	2.4%
Student Services	1,384,453	0	0	1,384,453	9.0%
Public Service/Continuing Education	248,208	0	0	248,208	1.6%
Organized Research	0	0	0	0	0.0%
Auxiliary Services	0	0	0	0	0.0%
Operation & Maint. Of Plant	0	1,337,914	0	1,337,914	8.7%
Institutional Support	4,569,339	276,705	0	4,846,044	31.6%
Scholarships, Student Grants, & Waivers	0	0	0	0	0.0%
<b>INTERFUND TRANSFERS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL 2007 BUDGETED EXPENDITURES</b>	<b>13,715,682</b>	<b>1,614,619</b>	<b>0</b>	<b>15,330,301</b>	<b>100.0%</b>
Less Non-operating Items*					
Tuition Chargeback	22,180	0	0	22,180	
Instructional Service	0	0	0	0	
Contracts	1,053,000	0	0	1,053,000	
<b>ADJUSTED EXPENDITURES</b>	<b>12,640,502</b>	<b>1,614,619</b>	<b>0</b>	<b>14,255,121</b>	
<b>BY OBJECT</b>					
Salaries	8,151,731	507,239	0	8,658,970	56.5%
Employee Benefits	2,386,985	-	0	2,386,985	15.6%
Contractual Services	1,454,651	83,053	0	1,537,704	10.0%
General Materials & Supplies	868,585	65,150	0	933,735	6.1%
Travel and Conference/Meeting Expenses	232,223	7,600	0	239,823	1.6%
Fixed Charges	122,466	26,270	0	148,736	1.0%
Utilities	2,400	794,857	0	797,257	5.2%
Capital Outlay	34,377	20,000	0	54,377	0.4%
Other	442,264	90,450	0	532,714	3.5%
Provision for Contingency	20,000	20,000	0	40,000	0.3%
<b>INTERFUND TRANSFERS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL 2007 BUDGETED EXPENDITURES</b>	<b>13,715,682</b>	<b>1,614,619</b>	<b>0</b>	<b>15,330,301</b>	<b>100.0%</b>
Less Non-operating Items					
Tuition Chargeback	22,180	0	0	22,180	
Instructional Service	0	0	0	0	
Contracts	1,053,000	0	0	1,053,000	
<b>ADJUSTED EXPENDITURES</b>	<b>12,640,502</b>	<b>1,614,619</b>	<b>0</b>	<b>14,255,121</b>	

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

## FISCAL YEAR 2007 BUDGETED EXPENDITURES

EDUCATION FUND	Appropriations	Totals
<b>INSTRUCTION</b>		
Salaries	5,565,458	
Employee Benefits	9,200	
Contractual Services	1,191,856	
General Materials and Supplies	255,829	
Travel and Conference/Meeting Expenses	89,233	
Fixed Charges	1,500	
Utilities	0	
Capital Outlay	28,977	
Other	2,030	7,144,083
<b>ACADEMIC SUPPORT</b>		
Salaries	231,399	
Employee Benefits	0	
Contractual Services	38,520	
General Materials and Supplies	95,830	
Travel and Conference/Meeting Expenses	3,850	
Fixed Charges	0	
Utilities	0	
Capital Outlay	0	
Other	0	369,599
<b>STUDENT SERVICES</b>		
Salaries	932,131	
Employee Benefits	0	
Contractual Services	12,140	
General Materials and Supplies	51,652	
Travel and Conference/Meeting Expenses	28,170	
Fixed Charges	380	
Utilities	0	
Capital Outlay	0	
Other	359,980	1,384,453
<b>PUBLIC SERVICE/CONTINUING EDUCATION</b>		
Salaries	146,008	
Employee Benefits	0	
Contractual Services	40,300	
General Materials and Supplies	27,800	
Travel and Conference/Meeting Expenses	25,800	
Fixed Charges	500	
Utilities	2,400	
Capital Outlay	0	
Other	5,400	248,208
<b>ORGANIZED RESEARCH</b>		
Salaries	0	
Employee Benefits	0	
Contractual Services	0	
General Materials and Supplies	0	
Travel and Conference/Meeting Expenses	0	
Fixed Charges	0	
Utilities	0	
Capital Outlay	0	
Other	0	0

**FISCAL YEAR 2007 BUDGETED EXPENDITURES**  
(Continued)

<u>EDUCATION FUND</u>	<u>Appropriations</u>	<u>Totals</u>
<b>AUXILIARY SERVICES</b>		
Salaries	0	
Employee Benefits	0	
Contractual Services	0	
General Materials and Supplies	0	
Travel and Conference/Meeting Expenses	0	
Fixed Charges	0	
Utilities	0	
Capital Outlay	0	
Other	0	0
<b>OPERATION AND MAINTENANCE OF PLANT</b>		
Salaries	0	
Employee Benefits	0	
Contractual Services	0	
General Materials and Supplies	0	
Travel and Conference/Meeting Expenses	0	
Fixed Charges	0	
Utilities	0	
Capital Outlay	0	
Other	0	0
<b>INSTITUTIONAL SUPPORT</b>		
Salaries	1,276,735	
Employee Benefits	2,377,785	
Contractual Services	171,835	
General Materials and Supplies	437,474	
Travel and Conference/Meeting Expenses	85,170	
Fixed Charges	120,086	
Utilities	0	
Capital Outlay	0	
Other	80,254	
Provision for Contingency	20,000	4,569,339
<b>SCHOLARSHIPS, STUDENT GRANTS AND WAIVERS</b>		
Salaries	0	
Employee Benefits	0	
Contractual Services	0	
General Materials and Supplies	0	
Travel and Conference/Meeting Expenses	0	
Fixed Charges	0	
Utilities	0	
Capital Outlay	0	
Other	0	0
<b>INTERFUND TRANSFERS</b>		0
<b>GRAND TOTAL</b>		<u>13,715,682</u>



## FISCAL YEAR 2007 BUDGETED EXPENDITURES

<u>OPERATIONS AND MAINTENANCE FUND</u>	<u>Appropriations</u>	<u>Totals</u>
<b>OPERATION AND MAINTENANCE OF PLANT</b>		
Salaries	501,834	
Employee Benefits	0	
Contractual Services	72,423	
General Materials and Supplies	64,560	
Travel and Conference/Meeting Expenses	7,110	
Fixed Charges	26,270	
Utilities	535,267	
Capital Outlay	20,000	
Other	90,450	1,317,914
<b>INSTITUTIONAL SUPPORT</b>		
Salaries	5,405	
Employee Benefits	0	
Contractual Services	10,630	
General Materials and Supplies	590	
Travel and Conference/Meeting Expenses	490	
Fixed Charges	0	
Utilities	259,590	
Capital Outlay	0	
Other	0	
Provision for Contingency	20,000	296,705
<b>INTERFUND TRANSFERS</b>		0
<b>GRAND TOTAL</b>		<u>1,614,619</u>

## FISCAL YEAR 2007 BUDGETED REVENUES

<u>OPERATIONS AND MAINTENANCE FUND</u> (Restricted)	<u>Revenues</u>	<u>Totals</u>
Local Governmental Sources	<u>0</u>	<u>0</u>
State Sources		
ICCB Deferred Maintenance Grant	<u>0</u>	<u>0</u>
Federal Governmental Sources	<u>0</u>	<u>0</u>
Other Sources		
Student Tuition and Fees	<u>0</u>	
Sales and Service Fees	<u>0</u>	
Facilities Revenue	<u>0</u>	
Investment revenue	<u>5,980</u>	
Nongovernmental Gifts, Scholarships, Grants and Bequests	<u>0</u>	
Other	<u>50,000</u>	<u>55,980</u>
INTERFUND TRANSFERS		<u>-</u>
GRAND TOTAL		<u><u>55,980</u></u>

## FISCAL YEAR 2007 BUDGETED EXPENDITURES

<u>OPERATIONS AND MAINTENANCE FUND</u> (Restricted)	<u>Appropriations</u>	<u>Totals</u>
INSTITUTIONAL SUPPORT		
Salaries	<u>0</u>	
Employee Benefits	<u>0</u>	
Contractual Services	<u>0</u>	
General Materials and Supplies	<u>0</u>	
Travel and Conference/Meeting Expenses	<u>0</u>	
Fixed Charges	<u>0</u>	
Utilities	<u>0</u>	
Capital Outlay	<u>50,000</u>	
Other Expenditures	<u>0</u>	
Provision for Contingency	<u>0</u>	<u>50,000</u>
INTERFUND TRANSFERS		<u>0</u>
GRAND TOTAL		<u><u>50,000</u></u>

## FISCAL YEAR 2007 BUDGETED REVENUES

<u>AUXILIARY ENTERPRISES FUND</u>	<u>Revenues</u>	<u>Totals</u>
Sales and Service Fee Sources	962,896	
Investment Revenue Sources	30	
Nongovernmental Gifts, Grants & Bequests Sources	0	
Other Sources (Specify)	33,330	996,256
INTERFUND TRANSFERS		10,000
GRAND TOTAL		<u>1,006,256</u>

## FISCAL YEAR 2007 BUDGETED EXPENDITURES

<u>AUXILIARY ENTERPRISES FUND</u>	<u>Appropriations</u>	<u>Totals</u>
<b>STUDENT SERVICES</b>		
Salaries	493,702	
Employee Benefits	11,865	
Contractual Services	154,689	
General Materials and Supplies	196,410	
Travel and Conference/Meeting		
Expenses	38,400	
Fixed Charges	0	
Utilities	0	
Capital Outlay	0	
Other (Specify) depreciation and other	110,741	1,005,807
INTERFUND TRANSFERS		0
GRAND TOTAL		<u>1,005,807</u>

## FISCAL YEAR 2007 BUDGETED REVENUES

<u>BOND AND INTEREST FUND</u>	<u>Revenues</u>	<u>Totals</u>
Local Governmental Sources		
Local Taxes	<u>2,255,352</u>	
Chargeback Revenue	<u>0</u>	
Other (Specify)	<u>0</u>	<u>2,255,352</u>
State Sources		
Corporate Personal Property	<u>0</u>	
Replacement Taxes (CPPRT)	<u>0</u>	<u>0</u>
Other Sources		
Investment Revenue	<u>10,300</u>	
Other (Specify)	<u>0</u>	<u>10,300</u>
INTERFUND TRANSFERS		<u>0</u>
GRAND TOTAL		<u><u>2,265,652</u></u>

## FISCAL YEAR 2007 BUDGETED EXPENDITURES

<u>BOND AND INTEREST FUND</u>	<u>Appropriations</u>	<u>Totals</u>
INSTITUTIONAL SUPPORT		
Debt Principal Retirement	<u>1,035,000</u>	
Interest (on Bonds)	<u>1,164,347</u>	
Other Fixed Charges (Specify)	<u>5,000</u>	<u>2,204,347</u>
INTERFUND TRANSFERS		<u>-</u>
GRAND TOTAL		<u><u>2,204,347</u></u>

## FISCAL YEAR 2007 BUDGETED REVENUES

<u>AUDIT FUND</u>	<u>Revenues</u>	<u>Totals</u>
Local Governmental Sources		
Local Taxes	59,602	
Chargeback Revenue	0	
Other (Specify)	0	59,602
Other Sources		
Investment Revenue	180	
Other (Specify)	0	180
GRAND TOTAL		59,782

## FISCAL YEAR 2007 BUDGETED EXPENDITURES

<u>AUDIT FUND</u>	<u>Appropriations</u>	<u>Totals</u>
INSTITUTIONAL SUPPORT		
Contractual Services	0	
Audit Services	75,415	
Consultants	0	
Architectural Services	0	
Maintenance Services	670	
Legal Services	0	
Office Services	27,920	
Instructional Service Contracts	0	
Other Contractual Services Other (Specify)	0	
Other (Specify) Meetings	285	104,290
GRAND TOTAL		104,290

**FISCAL YEAR 2007 BUDGETED REVENUES**

<u>LIABILITY PROTECTION AND SETTLEMENT FUND</u>	<u>Revenues</u>	<u>Totals</u>
Local Governmental Sources		
Local Taxes	<u>1,683,170</u>	
Chargeback Revenue	<u>0</u>	
Other (Specify)	<u>0</u>	<u>1,683,170</u>
Other Sources		
Investment Revenue	<u>210,000</u>	
Other (Specify) Transfers In & Non-government	<u>181,500</u>	<u>391,500</u>
GRAND TOTAL		<u><u>2,074,670</u></u>

**FISCAL YEAR 2007 BUDGETED EXPENDITURES**

<u>LIABILITY PROTECTION AND SETTLEMENT FUND</u>	<u>Appropriations</u>	<u>Totals</u>
INSTITUTIONAL SUPPORT		
Employee Benefits	<u>328,200</u>	
Fixed Charges	<u>220,120</u>	
Other (Specify)	<u>1,516,862</u>	<u>2,065,182</u>
GRAND TOTAL		<u><u>2,065,182</u></u>

# Find Your Future At CSC

## M.A.S.H. Unit #518

### (Mobile Academic Service Habitat)

**PRIORITIES**

**STUDENTS**

**TECHNOLOGY**

**ENVIRONMENT**

**HR/ORG. DEV.**

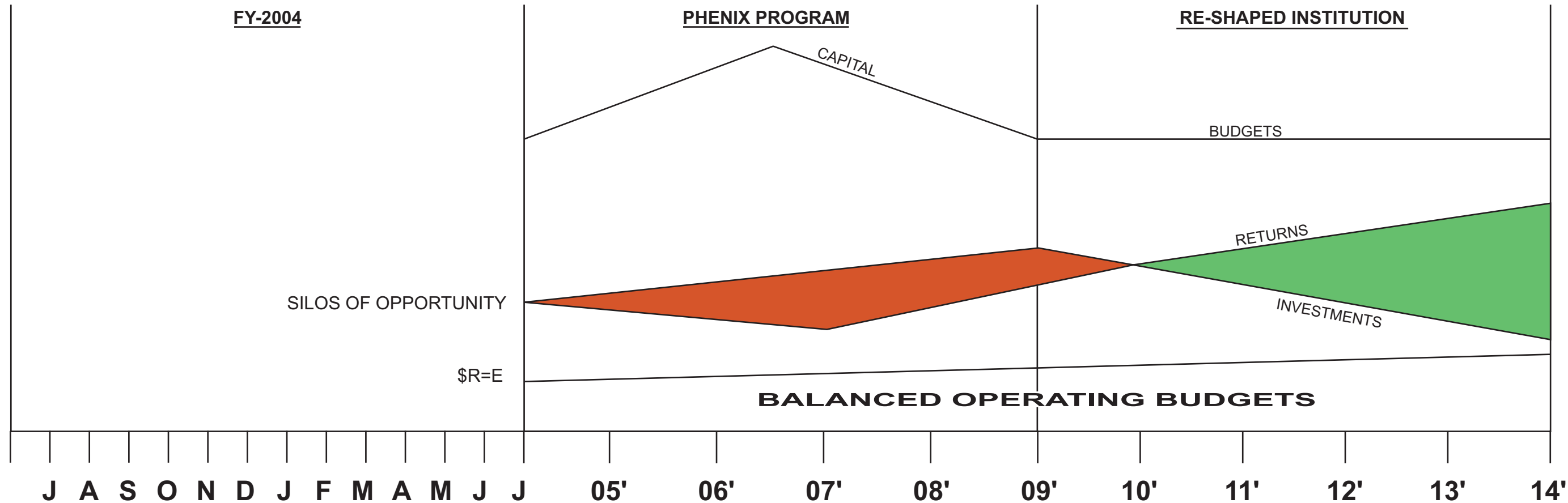
**LINKAGES**

**STABILITY**

**ASSESSMENT**

**LEARNING**

**DATA**



- ERC-ED Subcommittee
- Facility Master Plan
- Expanded Dual Credit Offerings/K-12 Partnerships

• SSC/Retention Program

• ACCES PROJECT →

• CSC 101, Expanded Advising, Surveys, Expanded Course Offerings, Promote Cooperative Agreements, Internal/External Communications

• Launch Envoy Program

• Extended SEA Agreement →

• CSC FY-05 Budget Summit

• WWAN Project →

• 3 - 7% Reductions

• Revitalize Citizen's Advisory Committees

• Energize Program To Achieve Diversity

• Structure Follows Strategy/Re-Shape the College →

• CSRP →

• Shift from Courses to Programs?

• Submit Title III Grant

• Annex Renovation

• AE & FL Complex

• Facility Renovations

• Expand PM Certificates/Degrees

• Expand #/Visibility of Student Clubs and Organizations

• Expand Recruiting Outside of District

• Expand Theater Arts Programming & Community Use of College Facilities

• Light/Enhance Ball Diamonds

• NCA Accreditation →

MAJOR TRENDS AND BUDGET ASSUMPTIONS

2007 Fiscal Year

- The total assessed valuation of the district for the tax year 2005 is \$1,219,782,213. This is a decrease of approximately 1.1% from the 2004 tax year. The assessments for the preceding several tax years are shown below:

<b>Tax Year</b>		<b>Assessed Valuation</b>	<b>\$Change</b>	<b>%</b>
2005		\$1,219,782,213	<b>(\$13,946,636)</b>	<b>-1.13%</b>
2004		\$1,233,728,849	<b>(\$72,020,832)</b>	<b>-5.52%</b>
2003		\$1,305,749,681	\$24,301,129	1.90%
2002		\$1,281,448,552	\$18,123,362	1.43%
2001		\$1,263,325,190	\$33,715,207	2.74%
2000		\$1,229,609,983	\$55,779,659	4.75%
1999		\$1,173,830,324	\$90,216,895	8.33%
1998		\$1,083,613,429	\$86,461,600	8.67%
1997		\$997,151,829	\$40,916,141	4.27%
1996		\$956,235,688	\$30,592,452	3.30%
1995		\$925,643,236	\$53,697,688	6.16%
1994		\$871,945,548	\$53,276,839	6.51%
1993		\$818,668,709	\$56,293,355	7.38%
1992		\$762,375,354	\$34,420,512	4.73%
1991		\$727,954,842	<b>(\$8,400,992)</b>	<b>-1.14%</b>
1990		\$736,355,834	<b>(\$26,059,576)</b>	<b>-3.42%</b>
1989		\$762,415,410	<b>(\$28,589,690)</b>	<b>-3.61%</b>
1988		\$791,005,100	<b>(\$33,956,615)</b>	<b>-4.12%</b>
1987		\$824,961,715	<b>(\$6,628,226)</b>	<b>-0.79%</b>
1986		\$831,589,941	<b>(\$30,173,167)</b>	<b>-3.50%</b>
1985		\$861,763,108	<b>(\$49,059,667)</b>	<b>-5.39%</b>
1984		\$910,822,775	<b>(\$56,656,036)</b>	<b>-5.85%</b>
1983		\$967,478,811	<b>(\$45,728,057)</b>	<b>-4.51%</b>
*1982		\$1,013,206,868		

\*Previous peak in EAV-Between tax year 1982 and 2005, spanning 23 years, the college's tax base has experienced a cumulative growth in EAV of \$206,575,345.



2. Revenues from taxes are based upon 99.6% collections.
3. An estimate of state aid reimbursable semester hours to be generated in FY-2007 is 73,314.
4. The credit hour grant revenue(s) from the State is based upon the Governor's budget recommendations made to, and approved by, the General Assembly.

<u>Credit Hour Category</u>	<u>FY-2007 Rate/C.H.</u>	<u>FY-2006 Rate/C.H.</u>	<u>Dollar Change</u>
Baccalaureate	\$19.06	\$19.30	\$ (0.24)
Business	23.62	27.23	(3.61)
Technical	59.36	61.25	(1.89)
Health	91.58	89.43	2.15
Rem/Developmental	15.78	13.43	2.35
ABE/GED	56.23	46.34	9.89
Average	31.97	31.20	0.77

Credit hour grants are paid based on either the three-year average for the hours generated in 2003, 2004 and 2005 or the actual FY-2005 hours, whichever was greater. For FY-2007, credit hour grants will be paid based on the credit hours produced in FY-2005.

Statewide average credit hour grant rates for the past several years are shown in the tabulation below as extracted from information provided by the Illinois Community College Board.

<u>Fiscal Year</u>	<u>Average Rate/C.H.</u>
1986	\$ 22.99
1987	25.00
1988	25.02
1989	26.72
1990	28.97
1991	28.53
1992	27.30
1993	25.26
1994	25.09
1995	25.72
1996	26.49
1997	27.20
1998	28.30
1999	29.32
2000	30.27
2001	30.84
2002	32.28
2003	32.47
2004	31.10
2005	33.84
2006	31.20
2007	31.97

5. Revenue under a special population grant was eliminated by the state in FY2004. These costs were absorbed by the Education Fund.

6. State aid revenue that can be distributed by discretion has been allocated on a 94-6 basis, (94% to the Education Fund and 6 % to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 94-6.
7. Tuition for regular credit in district courses will be \$74.50 per semester hour.
8. Taxes to be received are based on rates per \$100 of EAV certified by the Knox County Clerk.

<u>FY-2007</u>	<u>FY-2006</u>	<u>Change</u>	
.2015	.1989	.0026	Education Fund
.0500	.0500	-	Operation & Maintenance Fund
.0000	.0000	-	Life Health & Safety
.1833	.1813	.0020	Bond & Interest Fund
.0170	.0083	.0087	Social Security/Medicare
.1191	.1095	.0096	Tort Immunity
<u>.0050</u>	<u>.0050</u>	<u>-</u>	Audit
<u>.5759</u>	<u>.5530</u>	<u>.0229</u>	Total

9. Our projection is that \$80,000 will be received from the Illinois State Board of Education (ISBE) through the ICCB-CTE Formula Grant for operating purposes of general vocational programs and it is placed 100% in the Education Fund operating budget. This is based upon SP-2005, SU-2005, FA-2005 actual DAVTE credit hours certified for funding.

The Department will most likely continue to fund \$15,000 for the purchase of vocational equipment. In addition, Federal Carl Perkins Funds are to be placed into a restricted purposes fund for improvements to targeted vocational programs.

10. The corporate personal property replacement (CPPR) is based on data from the Department of Revenue and Illinois Community College Board. It is divided between the Education Fund (94%) and the Operations and Maintenance Fund (6%).
11. In fiscal year 2007 community colleges will continue to receive Work Force Development Grants. The total to Carl Sandburg is expected to be \$65,846. These funds are restricted and are appropriated to support the continuation of the "Center for Agriculture, Business and Industry" and provide support for business and industry related activities and programs. Some major associated areas will be: (a) cooperative work with area Chambers of Commerce on Economic Development, (b) offering non-credit management type courses, workshops and seminars for the business community and (d) technology transfer/modernization.
12. In FY-2004 we lost funding under the Advanced Technology grant (Instructional Equipment, Staff Technical Skills Technology Support and Community College Online) category from the State of Illinois.

CSC also lost a Deferred Maintenance grant for \$37,830 in FY 2004 that was to be accounted for in the O & M Restricted fund.

13. The FY-2007 budget includes no budget for the Protection, Health Safety Tax levy required to accomplish projects approved by the Board of Trustees.
14. The FY-2007 budget incorporates and/or addresses the following items:
  - A. FY-2007 salary allocations have been predicated on the following adjustments:

EMPLOYEE GROUP	BASIS
Faculty	Professional Negotiations Agreement
Classified, including regular part-time	Professional Negotiations Agreement
Full-time exempt Mid-Management, Technical, Secretarial and Physical Plant; CABI; exempt part-time classified and hourly classified (excluding college WIB and Department of Corrections) Classified, including regular part-time	Four percent
Full-time Administration, (Excluding college WIB and Department of Corrections)	Four percent
Part-time faculty and stipends	Four percent

- B. Fringe benefit costs are predicated on rates remaining constant through December 31, 2006.
  - C. Provisions for the Retirement Incentive Plan approved by the Board of Trustees in January 1994 and the Voluntary Separation Plan approved in February 1997 expired in FY 2005.
15. The Workforce Investment Act (WIA) was established by Public law 105-220 in 1998. This federally funded program is mandated to establish a one-stop workforce delivery system, which will provide a linkage between employers and job seekers. Carl Sandburg College Board of Trustees acted to no longer serve as the Fiscal Agent or a Program Officer for the Workforce Investment Board effective June 30, 2006. CSC will continue as an educational partner in the one-stop delivery system representing vocational training and adult education programs. As a training institution, CSC provides training for WIA participants in 38 programs under the Workforce Investment Act.

16. The FY-2007 operating budget is predicated on the Institutional Focal Points/Goals that reflect priorities established throughout all operating departments of the college district.

The expenditure side of the budget has been developed to contribute directly to the development and maintenance of an operating fund balance.

17. The FY-2007 operating budget is being proposed as a balanced budget.

This commitment is, in part, a response to recommendations made by both the college's external auditing firm and the North Central Accreditation Association.

18. Each year, the college's Basic Credit Hour Grant had been reduced by the amount attributed to the Henry C. Hill Correctional Program. As of the Board of Trustees meeting held April 27, 2006 the college had not yet been notified by letter from the Illinois Department of Corrections about our contract for college level educational and vocational programs for the upcoming school year. Based on the lack of this information, the board acted to terminate the employees employed as part of the Department of Corrections contract at Henry C. Hill Correctional Center. The FY-2007 budget allocates nothing to the HCH restricted purposes account.

19. Staffing adjustments for FY-2007 include:

- A. One part-time instructor for the Massage Therapy program
- B. One part-time instructor for the Nuclear Medicine program
- C. Two part-time instructors for the Medical Assisting program

20. Capital Equipment purchases committed to be spent from the Education Fund for Instructional Services and Student Services total \$177,556 as seen on the following chart. These purchases should allow the college to adequately support the educational programs with up to date equipment for instruction. The Business Service area of the college will benefit from \$29,963 of Capital Improvement Projects (CIPS) dollars to be spent in the Operations and Maintenance Fund and \$80,000 to be spent in the Education Fund for the Xerox pooled lease funding. Institutional Support will benefit from \$95,794 to be spent in the Education Fund for \$5,000 of Research and Development among the Technical Staff, \$72,794 for Computer Technology Refreshments of equipment, \$5,000 designated as Ergonomics and \$13,000 to be determined by cabinet. The Operations and Maintenance Fund will enjoy \$169,800 to be spent on VoIP upgrade, Phone Maintenance and our T-1 internet line. The Operations and Maintenance Restricted Fund will benefit from \$50,000 of equipment dollars to help fund the construction of a wireless wide area network we call the EDUNET that will provide high schools in our district with wireless high-speed internet access if their school district chooses to participate. The Auxiliary Fund may purchase \$10,000 of refreshed Fitness Center equipment.

**FY-2007  
CAPITAL EQUIPMENT (PHENIX) BUDGET**

Sources	APPLICATIONS <sup>1</sup>			
	Instructional Services	Student Services	Business Services	Institutional Support
Working Cash Accumulated Interest			\$4,963 CIPS	\$10,000 Barter Match \$3,000 Barter Commission
Tort Fund				\$5,000 Ergonomics
STEF Accumulated Interest	\$15,000 Academic Program Equipment  \$20,000 Instructional Technology-Faculty Peer Grp  \$23,626 Sonography		\$25,000 CIPS  \$80,000 Xerox	\$32,794 Access \$10,000 Refresh Fitness Center Equipment \$150,000 VoIP upgrade \$4,800 T-1 Line  \$5,000 R&D Tech Staff \$15,000 Phone Maint.  \$50,000 Edunet capital \$40,000 Software Maint
O&M Fund				
Perkins	\$15,000 Laptops \$60,000 Equipment			
Title III				\$59,300 Access
Tech Fee (3) \$4.50	\$43,930			
Barter Dollars				\$20,000

1 All of these dollar allocations are included in the draft budget.  
 2 See Appendix for explanation of these items and which funds will benefit from the purchases.  
 3 Tech fee revenue less salaries in dept 3071

## GLOSSARY

**ABE** - Adult Basic Education

**Academic Support** - Academic support includes the operation of the library, educational media services, instructional materials center, and academic computing used in the learning process. It also includes all equipment, material, supplies, and costs that are necessary to support this function.

**Accrual Basis** - The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

**Annual Budget.** A budget applicable to a single fiscal year.

**ASE** - Adult Secondary Education

**Assess** - To value property officially for the purpose of taxation.

**Bond** - A written promise to pay a specific sum of money called the face value or principal amount, at a specified date or dates in the future, called maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a period of time and requires greater legal formality.

**BOT** - Board of Trustees

**Budget** - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

**Budget Document** - The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body.

**Budgetary Control** - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**CABI** - Center for Agriculture, Business and Industry

**Capital Outlay** - Capital outlay for all funds except proprietary funds should be recorded as an expenditure of the appropriate fund and as an asset of the General Fixed Assets Account Group.

**CAFR** - Comprehensive Annual Financial Report

**C.H.** - Credit Hour

**CFO** - Chief Financial Officer

**Conference and Meeting Expense** - Conference and Meeting expenses associated with College related travel.

**Contingency** - Something that may or may not happen as it is conditional upon another event.

**Contractual Services** - Charges for services rendered by firms or persons not employed by the local Board of Trustees.

**Corporate Personal Property Replacement Tax** - A tax collected by the Illinois Department of Revenue as replacement personal property tax under Public Act 81-1st-S.S.-1. Section 616 of the State Revenue Sharing Act requires taxing districts to first apply any replacement taxes against the required debt service for any bonds outstanding as of December 31, 1978.

**CPPR** - Corporate Personal Property Replacement

**CSC** - Carl Sandburg College

**CTE**. Career and Technical Education

**Current** - A term which, applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods. It usually connotes items likely to be used or converted into cash within one year.

**Current Funds** - Those funds through which most educational functions of the College are financed. The acquisition, use and balances of the College's expendable financial resources and the related liabilities are accounted for through current funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

**Debt Limit** - The maximum amount of gross or net debt which is legally permitted.

**Deferred Revenues** - Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under modified accrual basis of accounting, such amounts are measurable but not available.

**Deficit** - (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period.

**DAVTE** - Department of Adult, Vocational and Technical Education

**EAV** - Equalized Assessed Valuation

**Employee Benefits** - The cost of all employee benefits including the portion of insurance paid for by the College (not including the portion withheld from the employee's wages, when both the employee and the college contribute toward the benefit), sabbatical leave salaries, and any pension contributions paid by the community college district.

**Expenditures** - Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

**Facilities Revenue** - Revenue from the use of college facilities.

**FA** - Fall Semester

**Federal Governmental Sources** - Revenues from all agencies of the Federal Government.

**Fixed Assets** - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

**Fixed Charges** - Charges for rentals, debt principal and interest, and general insurance.

**Fund** - An independent fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**Fund Type** - In College and University accounting, all funds are classified into two generic fund types: Current and Plant.

**FY** - Fiscal Year

**GAAP** - Generally Accepted Accounting Principles

**GASB** - Government Accounting Standards Board

**General Materials and Supplies** - Costs of all general material and supplies.

**ICCB** - Illinois Community College Board

**Institutional Support** - Institutional support includes expenditures for central executive-level activities and support services that benefit the entire institution. Administrative data processing, insurance costs, legal fees, provision for contingencies, scholarships, non-operating expenses, and tuition chargebacks. Examples include expenses for the President's Office, Business Office, Marketing and Public Information, Personnel Services, Administrative Information Systems, and Board of Trustees.



**Instruction** - Instruction consists of those activities dealing directly with or aiding in the teaching of students. It includes the activities of the faculty in the baccalaureate-oriented transfer, occupational-technical career, general studies, and remedial and ABE/ASE programs (associate degree credit and certificate credit). It also includes all equipment, materials, supplies, and costs that are necessary to support the instructional program.

**Interfund Transfers** - All interfund transactions except loans or advances, quasi-external transactions, and reimbursements are transfers.

**Internal Control** - A plan of organization under which employees' duties are so arranged and records and procedures so designated as to make it possible to exercise effective accounting control over assets, liabilities, revenues and expenditures. Under such a system, the work of employees is subdivided so that no single employee performs a complete cycle of operations. Moreover, under such a system, the procedures to be followed are clearly established and require proper authorization by designated officials for all actions to be taken.

**Investment Revenue** - Revenue from investments such as certificates of deposit.

**ISBE** - Illinois State Board of Education

**Levy** - (Verb) To impose taxes for the support of college activities. (Noun) The total amount of taxes imposed by a government.

**Liab/Prot/Settlement** - Liability Protection and Settlement

**L,P&S** - Liability Protection and Settlement Fund

**Local Governmental Sources** - Revenues from district taxes, from chargebacks, and from all governmental agencies below the state level.

**M.A.S.H.** - Mobile Academic Service Habitat

**Modified Accrual Basis** - Under the accrual basis of accounting, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred except for: (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need to be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due. All government funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

**O&M** - Operations and Maintenance

**Object** - Expenditure classifications grouped by materials or services purchased; further divided for cost accounting and control purposes.

**On-Behalf Revenue and Payments** - Payments made by the State to the State Unemployment Retirement System on behalf of the District's employees. Beginning in Fiscal 1996, the Government Accounting Standards Board required these to be reflected on GAAP basis Financial Statements.

**Operation and Maintenance of Plant** - Operation of plant consists of housekeeping activities necessary in order to keep the physical facilities open and ready for use. Maintenance of plant consists of those activities necessary to keep the grounds, buildings, and equipment operating efficiently. This function also provides for campus security and plant utilities, as well as equipment, materials, supplies and costs that are necessary to support this function.

**Organized Research** - Organized research includes any separately budgeted research projects, other than institutional research projects that are included under institutional support, whether supported by the college or by an outside person or agency. It also includes all equipment, materials, supplies and costs that are necessary to support this function.

**Other Expenditures** - This object is reserved for all expenditures that cannot be classified in any other object classification.

**Other Revenues** - Revenues which do not fit into specific revenue source categories.

**Plant Fund** - Operation and Maintenance Fund (Restricted) and Bond and Interest Fund. This fund is used to account for financial resources to be used for building purposes and the acquisition or construction of major capital facilities.

**PHS** - Protection, Health and Safety

**PPB** - Program Performance Budgeting

**Program** - A level in the classification structure hierarchy representing the collection of elements serving a common set of objectives that reflect the major institutional missions and related support activities.

**Property Taxes** - Compulsory charges levied on real property by the district for the purpose of financing services performed for the common benefit. Revenues equal the District's assessed valuation multiplied by the property tax rates.

**Provision for Contingency** - Budgetary appropriations that are set aside for unforeseen expenditures. The Board of Trustees must approve a budget adjustment by resolution to transfer from the Provision for Contingency budget account to the appropriate budget account in accordance with the Illinois Public Community College Act. This adjustment is usually made at the end of the fiscal year.

**Public Service** - Public service consists of noncredit classes and other activities of an educational nature, such as workshops, seminars, forums, exhibits, and the provision of college facilities and expertise to the community designed to be of service to the public.

**Revenues** - (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers-in are classified as “other financing sources” rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers-in are classified separately from revenues.

**Salaries** - Salaries and wages paid to an employee, before any deductions, for personal services rendered to the community college district.

**SMART** - Strategic Management and Resources Together

**SP** - Spring Semester

**State Governmental Sources** - State revenues from all state governmental agencies.

**STEF** - Strategic Technology Endowment Fund

**Student Services** - The student services function provides assistance in the areas of financial aid, admissions and records, health, placement, testing, counseling, and student activities. It includes all equipment, materials, supplies, and costs that are necessary to support this function.

**Student Tuition and Fees** - All tuition and fees, less refunds, remissions, and exemptions, assessed against students for educational and general purposes.

**SU** - Summer Session

**SURS** - State University Retirement System

**Utilities** - This account provides for all utility costs necessary to operate the plant and for other on-going services.

**WCF** - Working Cash Fund

**WIB** - Workforce Investment Board

**WIA** - Workforce Investment Act

**ZBB** - Zero Based Budgeting