



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal years ended June 30, 2023-24

Carl Sandburg College District 518
Galesburg, IL / sandburg.edu



**CARL SANDBURG COLLEGE, ILLINOIS
COMMUNITY COLLEGE DISTRICT #518
2400 Tom L. Wilson Blvd.
Galesburg, IL 61401**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2024 AND 2023**

Prepared by: Business Office

Carl Sandburg College - Community College District 518

Years Ended June 30, 2024 and 2023

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Introductory Section



**CARL
SANDBURG
COLLEGE**

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President's Letter

October 10, 2024

Dear Members of the Board,

I am pleased to submit to the Board and the residents of District 518 the Annual Comprehensive Financial Report for Fiscal Year 2024. This document represents a record of the College's financial activities for the year ending June 30, 2024.

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

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

The college maintains its strong financial position. State support is consistent, and the college has benefitted from a significant increase in competitive grant awards over the last two years. EAV has maintained its strong growth which has significantly enhanced the financial position. This fall will see the opening of the Science and Technology Center, the largest construction project since the original campus was built, and represents the first stage in a master planning project which will transform the college.

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

Respectfully,

Dr. Seamus Reilly
President

EXCELLENCE / COLLABORATION / INTEGRITY / RESPECT

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Galesburg Campus, 2400 Tom L. Wilson Blvd., Galesburg, Illinois 61401 Phone: 309.344.2518 Fax: 309.344.1395
Carthage Campus, 305 Sandburg Drive, Carthage, Illinois 62321 Phone: 217.357.3129 Fax: 217.357.3512



October 10, 2024

To members of the Board of Trustees and
citizens of Carl Sandburg College District No. 518:

TRANSMITTAL LETTER

The Annual Comprehensive Financial Report of Carl Sandburg College, Community College District No. 518 (the College), Fulton, Hancock, Henderson, Henry, Knox, Mercer, McDonough, Schuyler, Stark and Warren Counties, state of Illinois, for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission have been included.

Wipfli LLP has issued an unmodified (clean) opinion on Carl Sandburg Community College District No. 518 basic financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of the report.

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

Vision, mission and values

Carl Sandburg College was established by authority of the Illinois Community College Act of 1965 and was approved by voters in a September 1966 referendum. The College's district now covers all or part of 10 counties in Illinois. The main campus is located in Galesburg, IL, with a branch campus in Carthage, IL. We serve a diverse group of students. In the fall of 2023, the College enrolled 1,688 students, with an average age of 22 years. Women represented 65 percent of the student body and 58 percent were part-time students. Many students balance the demands of college with work and family responsibilities.



Galesburg campus: 2400 Tom L. Wilson Boulevard, Galesburg, IL 61401 / p: 309.341.2518 / f: 309.344.1395
Carthage campus: 305 Sandburg Drive, Carthage, IL 62321 / p: 217.357.3129 / f: 217.357.5312
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The following table illustrates enrollments and credit hours during the last five years.

Fiscal year	2020	2021	2022	2023	2024
Fall college enrollment	1,925	1,755	1,687	1,688	1,688
Annual full-time equivalents	1,177	1,002	908	921	932
Continuing education credit hours	428	424	289	260	201.5
Total annual credit hours	35,308	30,065	27,229	27,638	27,949

The College has the resources required to serve student enrollment. In 2021, The Higher Learning Commission North Central Association of College and Schools continued accreditation for 10 years and indicated that fiscal management was a strong asset of the College.

The strategic planning process for the College includes an environmental scan, SWOT (strengths, weaknesses, opportunities, threats) analysis with the entire College community, a review of the mission statement and current focal points and goals, and a determination of core values. Based upon feedback from the process, the following mission statement, core values and vision statement were crafted.

The College's mission

To provide all students with opportunities for success.

Core values

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

Vision statement

Where dreams come to life and lives come to change.

Major goals and objectives

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

- Creativity
- Collaboration
- Communication
- Quality
- Inclusivity



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Financial information

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

INTERNAL CONTROL

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

BUDGETING CONTROLS

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

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

Economic condition

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



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The shift from full-time to part-time enrollment is something the College will address through the blending of compressed courses, online delivery and the use of technology. Additionally, the College is investing in programs and establishing partnerships designed to serve the needs of its communities such as those in health-related fields. As a result, Carl Sandburg College District 518 is experiencing growth and expansion in some areas including dual-credit and career and technical education.

PROPERTY TAXES

The following table illustrates the College’s property tax levy rates over the last five fiscal years.

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

FISCAL YEAR	2024	2023	2022	2021	2020
Current:					
Education	0.2203	0.2252	0.2281	0.2377	0.2455
Operations & maintenance	0.0492	0.0487	0.0479	0.0500	0.0500
Liability, protection & settlement	0.1282	0.1197	0.1222	0.1278	0.1250
Audit	0.0049	0.0049	0.0048	0.0050	0.0050
Working cash	-	-	-	-	-
Social Security/Medicare	0.0080	0.0081	0.0079	0.0081	0.0132
Bond and interest	0.1610	0.1721	0.1815	0.1641	0.1707
Plant:					
Operations & maintenance (restricted) — life safety	0.0492	0.0122	0.0120	0.0500	0.0500
Total	0.6208	0.5908	0.6044	0.6429	0.6594

The College District’s 2023 tax levy base of \$2,457,144,612 increased by roughly 7% over the 2022 tax base. Property tax revenue has continued to see strong growth, particularly in the farmland segment, the College’s largest segment, which is also augmented by steady growth in both the residential and commercial property segments. During fiscal year 2023, local property taxes accounted for approximately 40% of total revenues.

DEBT

Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments are funded through the tax levy while the capital leases are currently funded by bond proceeds. During 2022, the college issued capital bonds for the purpose of building a new Science & Technology Center. This new building opened in August 2024 and has allowed the College to expand course offerings in growth-focused areas.

CASH MANAGEMENT

For the purpose of overall investment of excess funds, the College is governed by the Illinois Public Community College Act (Chapter 110 of Illinois Compiled Statutes Act 805) and the Illinois Public Funds Investment Act (Chapter 30 of Illinois Compiled Statutes Act 235). The fiduciary





responsibility for said investments is entrusted to the College Board of Trustees who has delegated this function to the treasurer of the College as permitted by the Illinois Public Community College Act.

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

The College has been able to locally fund building renovations/improvements through the use of accumulated interest on our Working Cash fund and Technology Quasi-Endowment Fund. The College's improvements for fiscal year 2024 included investment in new equipment to allow the college to adequately support the educational programs with up-to-date equipment for instruction. The College continues to update communication and security equipment. Additionally, the college foundation paid for the renovation of science labs at the Carthage campus, which opened in August 2024.

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

Prospects for the future

Carl Sandburg College District 518 maintains a favorable financial position. Budget goals for fiscal year 2024 were met, and the College recently received a revised S & P rating of A+ (positive outlook). State funding has been stable for several years, and the college has benefitted from additional state support for career and technical programs (CTE) to augment equipment and support student and staff recruitment. Carl Sandburg College District 518 will continue to adapt to changing fiscal outlook and looks forward to a promising future.

Awards and acknowledgements

The College is extremely proud of its ability to meet the needs of the community and the financial reporting required by various groups, agencies and organizations. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carl Sandburg College Community College District 518 for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 21st consecutive year the College has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the College must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.



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

ACKNOWLEDGMENTS

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

Respectfully submitted,

Dr. Seamus Reilly, President



**Illinois Community College District No. 518
Principal Officials as of June 30, 2024**

Board of Trustees

Name	Position	Term Expires
Mr. DeVone Eurales	Chairperson	2025
Ms. Gayla Pacheco	Vice Chairperson	2029
Mr. Joshua Gibb	Secretary	2029
Mr. Thomas Colclasure	Trustee	2027
Mr. Lee Johnson	Trustee	2025
Dr. Gayle Keiser	Trustee	2029
Mr. Jeff Whitsitt	Trustee	2025

Officers of the College

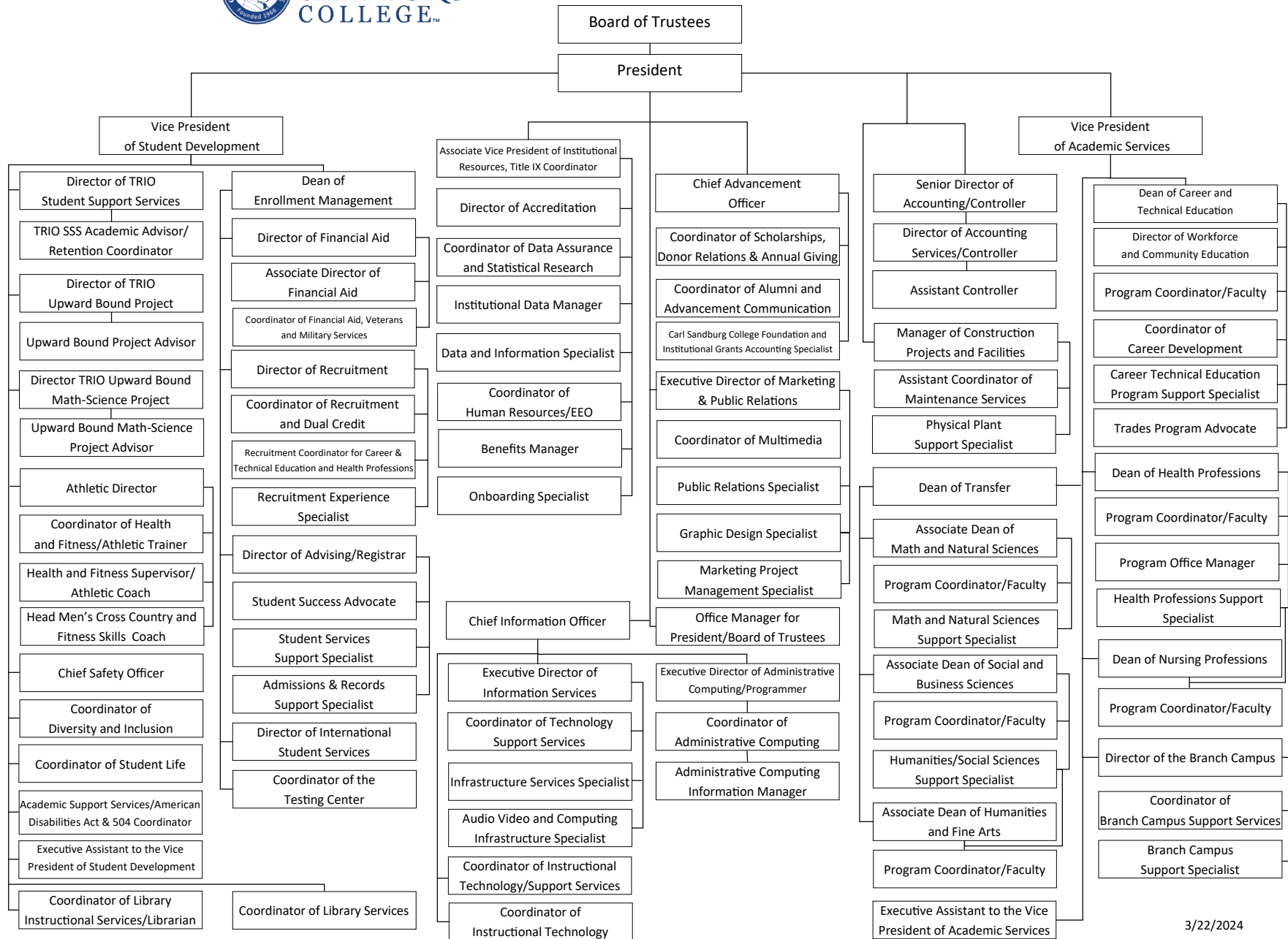
Dr. Seamus Reilly	President
Ms. Carrie Hawkinson	Vice President of Academic Services
Ms. Autumn Scott	Vice President of Student Development
Ms. Michelle Johnson	Associate Vice President of Institutional Resources

Administrative Staff

Ms. Ellen Burns	Dean of Career Technical Education
Mr. Don Damitz	Executive Director of Administrative Computing/Programming
Mr. Stephen Descalzo	Director of TRIO Student Support Services
Mr. Douglas Ferguson	Executive Director of Information Services
Ms. Taylor Finch-McVay	Director of Accreditation
Ms. Lisa Hanson	Dean of Enrollment Management
Ms. Kang Hee Hong	Director of Workforce and Community Education
Ms. Daniella Irle	Athletics Director
Mr. Eric Johnson	Chief Advancement Officer
Ms. Gabriella Hurtado	Director of Recruitment
Ms. Beth Kunkle	Director of Accounting Services/Comptroller
Ms. Ashley Lee	Director of TRIO Upward Bound Project
Ms. Laura Nagel	Executive Director of Marketing & Public Relations
Mr. Michael Patilla	Dean of Transfer
Ms. Jodi Pospeschil	Director of Branch Campus
Ms. Emily Schaeffer	Dean of Nursing Professions
Ms. Angela Snow	Director of Advising/Registrar
Ms. Veronica Thor	Director of International Student Services
Ms. Tiffany Viggiano	Dean of Health Professions
Ms. Randi Torrance	Director of TRIO Upward Bound Math-Science Project
Mr. Dustin Zimmerman	Director of Financial Aid



ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Financial Section

Independent Auditor's Report

Board of Trustees
Carl Sandburg College - Community College District 518
Galesburg, IL

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit the Carl Sandburg College - Community College District 518 (the "College"), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit the Carl Sandburg College - Community College District 518 as of June 30, 2024 and 2023, and respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Unmodified Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. The financial statements of Carl Sandburg College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Carl Sandburg College - Community College District 518 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Carl Sandburg College - Community College District 518's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Carl Sandburg College - Community College District 518's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carl Sandburg College - Community College District 518's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The supplemental financial information and the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all materiality respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and other financial information listed in the special reports section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2024 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Carl Sandburg College - Community College District 518's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



Wipfli LLP

Sterling, Illinois
October 10, 2024

Carl Sandburg College - Community College District 518

Management Discussion and Analysis

This section of Carl Sandburg College – Community College District 518's (the "College") Annual Comprehensive Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal years ended June 30, 2024 and 2023. Since this management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the transmittal letter,

Using This Annual Report

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

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

The College's financial reports are prepared in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. These standards also require that financial statements be presented on a consolidated basis to focus on the College as a whole. The financial statements presented here encompass the College and its discretely presented component unit, the Carl Sandburg College Foundation. Information regarding this component unit is summarized in Note 13 to the financial statements. This MD&A focuses on the College exclusive of the Foundation.

Financial Highlights

For the year ended June 30, 2024, the College recorded total operating revenues of \$4,506,943 and total operating expenses of \$25,942,372. The difference produced an operating loss of \$21,435,429. Net non-operating revenue of \$29,475,006 offsets this loss and results in an overall increase in net position of \$8,039,577.

Non-operating revenue included local property and replacement taxes of \$14,286,713, state source revenue of \$7,194,704, federal grants and contracts revenue of \$4,813,008, and investment income of \$3,421,714.

Operating revenue accounted for 13% of the College's total revenue, while non-operating revenues accounted for the remaining 87%. Operating revenue consisted of tuition and fees of \$4,309,978 and auxiliary enterprises revenue of \$196,965.

Operating expenses consisting of instruction, academic support, student services, public service, auxiliary services, operations and maintenance of plant, institutional support, scholarships/grants/waivers, and depreciation and amortization increased 5% from prior year.

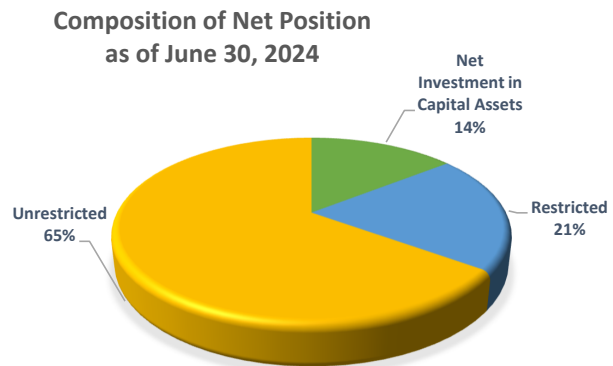
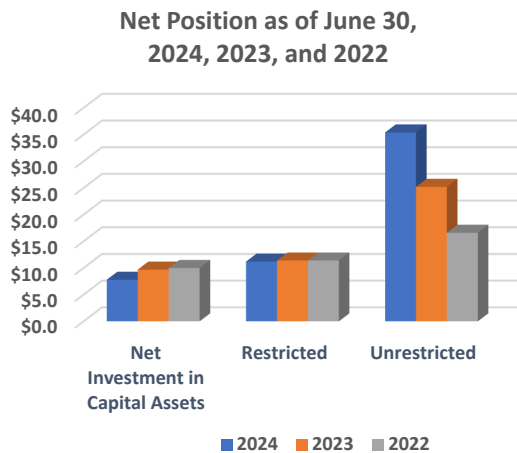
Overall, the College's financial position remained stable during fiscal year 2024 and overall results compared to budget were favorable.

Carl Sandburg College - Community College District 518

Management Discussion and Analysis

	Net Position As of June 30, (in millions)				
	2024	2023*	Increase (Decrease) 2024-2023	2022*	Increase (Decrease) 2023-2022
Current assets	\$67.7	\$75.8	(\$8.1)	\$75.6	\$0.2
Non-current assets					
Capital assets, net of depreciation	36.2	18.6	17.6	16.6	2.0
Other	7.8	8.4	(0.6)	7.2	1.2
Total assets	<u>111.7</u>	<u>102.8</u>	<u>8.9</u>	<u>99.4</u>	<u>3.4</u>
Total deferred outflows of resources	<u>0.3</u>	<u>0.3</u>	<u>0.0</u>	<u>0.3</u>	<u>0.0</u>
Total assets and deferred outflows of resources	<u>112.0</u>	<u>103.1</u>	<u>8.9</u>	<u>99.7</u>	<u>3.4</u>
Current liabilities	7.8	4.8	3.0	5.5	(0.7)
Non-current liabilities	28.8	32.0	(3.2)	40.4	(8.4)
Total liabilities	<u>36.6</u>	<u>36.8</u>	<u>(0.2)</u>	<u>45.9</u>	<u>(9.1)</u>
Total deferred inflows of resources	<u>21.0</u>	<u>20.0</u>	<u>1.0</u>	<u>15.8</u>	<u>4.2</u>
Total liabilities and deferred inflows of resources	<u>57.6</u>	<u>56.8</u>	<u>(0.8)</u>	<u>61.7</u>	<u>(4.9)</u>
Net position					
Net investment in capital assets	7.8	9.7	(1.9)	10.0	(0.3)
Restricted	11.2	11.4	(0.2)	11.4	0.0
Unrestricted	35.4	25.2	10.2	16.6	8.6
Total	<u>\$54.4</u>	<u>\$46.3</u>	<u>\$8.1</u>	<u>\$38.0</u>	<u>\$8.3</u>

*Fiscal year 2022 was restated due to implementation of GASB Statement No. 96 *Subscription-Based IT Arrangements*. Fiscal Year 2023 was restated due to a correction of an error.



Carl Sandburg College - Community College District 518

Management Discussion and Analysis

Fiscal Year 2024 Compared to 2023

Current assets decreased \$8.1 million and non-current assets increased \$17.0 million due primarily to the completion of the new Science & Technology Building.

Current liabilities increased from \$4.8 million to \$7.8 million. Increases were primarily due to additional accounts payable associated with the construction of the Science & Technology Building as well as an increase in accrued interest.

Non-current liabilities decreased \$3.2 million due to reduction of outstanding general obligation bonds for the multi-phase building program.

Deferred inflows of resources increased \$1.0 million largely driven by deferred property taxes and grant revenue.

Total net position as of June 30, 2024 increased by \$8.1 million. The restricted net position is restricted for \$11.2 million of debt service payments, grants and scholarships, and working cash reserves.

Fiscal Year 2023 Compared to 2022

Current assets increased slightly by \$0.2 million due to a \$3 million increase in cash and a \$2.4 million increase in property tax receivables offset by a \$3.5 million decrease in short-term investments and a \$2 million decrease in government receivables.

Non-current assets increased \$3.2 million due to a \$3.3 million increase in non-depreciable capital assets and a \$1.2 million increase in long-term investments.

Current liabilities decreased roughly \$780,000 due to a reduction accounts payable and accrued interest at the end of fiscal year 2023.

Non-current liabilities decreased \$8.4 million due to a nearly \$5 million reduction in the College's net other post-employment benefits liability as well as a nearly \$3.3 million reduction of outstanding general obligation bonds for the multi-phase building program.

Deferred inflows of resources increased \$4.2 million with \$3.5 million of the increase attributable to changes to other post-employment benefits and the remaining amount related to deferred property taxes and grant revenue.

Total net position as of June 30, 2023 increased by \$8.3 million. The restricted net position is restricted for \$11.4 million of debt service payments, grants and scholarships, and working cash reserves. Unrestricted net position improved by \$8.6 million as a result of stabilizing operations.

Carl Sandburg College - Community College District 518

Management Discussion and Analysis

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

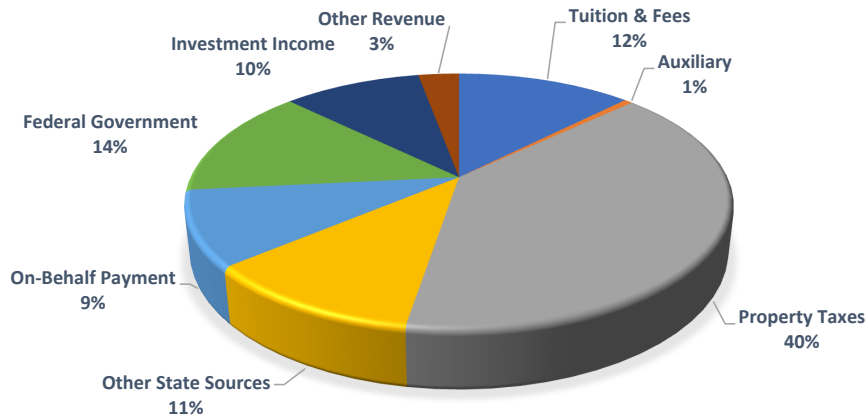
	2024	2023*	Increase (Decrease) 2024-2023	2022*	Increase (Decrease) 2023-2022
Operating revenue					
Tuition and fees	\$4.3	\$4.1	\$0.2	\$4.9	(\$0.8)
Auxiliary	0.2	0.2	0.0	0.2	0.0
Total operating revenue	4.5	4.3	0.2	5.1	(0.8)
Less operating expenses	25.9	24.7	1.2	30.4	(5.7)
Operating loss	(21.4)	(20.4)	(1.0)	(25.3)	4.9
Non-operating revenue					
Property taxes	13.7	13.4	0.3	12.7	0.7
Replacement taxes	0.6	0.9	(0.3)	0.9	0.0
Other state sources	3.9	3.5	0.4	2.8	0.7
On-behalf payments	3.3	3.2	0.1	5.4	(2.2)
Federal government	4.8	5.7	(0.9)	9.7	(4.0)
Facilities revenue	0.0	0.0	0.0	0.0	0.0
Investment income	3.4	2.1	1.3	(0.1)	2.2
Nongovernmental grants and gifts	0.1	0.1	0.0	0.0	0.1
Other revenue	0.3	0.2	0.1	0.2	0.0
Gain (loss) on disposal of assets	0.0	0.0	0.0	0.0	0.0
Interest expense	(0.6)	(0.5)	(0.1)	(0.6)	0.1
Total net non-operating revenues	29.5	28.7	0.8	31.0	(2.3)
Capital contributions	0.0	0.0	0.0	0.4	(0.4)
Increase (decrease) in net position	8.1	8.3	(0.2)	6.1	2.2
Net position, beginning of year, as restated	46.3	38.0	8.3	31.9	6.1
Net position, end of year	\$54.4	\$46.3	\$8.1	\$38.0	\$8.3

* Fiscal year 2022 was restated due to implementation of GASB Statement No. 96 *Subscription-Based IT Arrangements*. Fiscal Year 2023 was restated due to a correction of an error.

Carl Sandburg College - Community College District 518

Management Discussion and Analysis

Revenue by Source Fiscal Year Ended June 30, 2024



Fiscal Year 2024 Compared to 2023

Operating revenue increased \$0.2 million over the prior year. Property tax revenue continues to grow as the equalized assessed values in the district have continued to increase.

Operating expenses increased \$1.2M or 4.9% year over year driven largely by increased salary and benefits costs.

Net non-operating revenue increased \$0.8 million. This is the net result of decreases in federal grants and replacement taxes combined with increases in other non-operating revenues from investment and other State grants revenues.

Fiscal Year 2023 Compared to 2022

Operating revenue decreased \$0.8 million over the prior year primarily due to a \$803,000 decrease in tuition and fee revenue and a slight increase in auxiliary enterprises revenue.

Operating expenses decreased \$5.7 million with a \$1.7 million decrease in instructional expenses, a \$1.3 million decrease in institutional support, a \$2.4 million decrease in scholarships, grants, and waivers, and a \$0.4 million decrease in student services. These decreases are primarily attributable to the expenditure of HEERF funds in fiscal year 2022, which did not recur in fiscal year 2023.

Net non-operating revenue decreased \$2.3 million. This is the net result of decreases in federal grants and contracts (\$4 million) and State on-behalf revenues (\$2.2 million) offset by an increase of \$2.2 million in investment income, \$0.6 million increase in property tax revenue, and a \$0.8 million increase in other state sources revenue.

Carl Sandburg College - Community College District 518

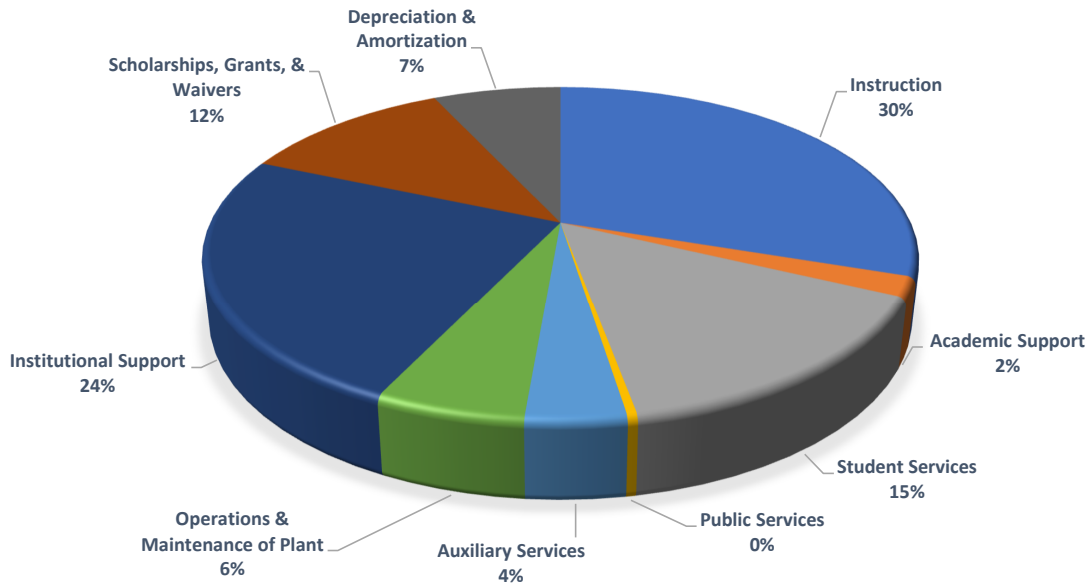
Management Discussion and Analysis

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

Operating expense	2024	2023*	Increase (Decrease) 2024-2023	2022*	Increase (Decrease) 2023-2022
Instruction	\$7.8	\$6.8	\$1.0	\$8.5	(\$1.7)
Academic support	0.5	0.4	0.1	0.5	(0.1)
Student services	3.9	4.2	(0.3)	4.5	(0.3)
Public services	0.1	0.1	0.0	0.1	0.0
Auxiliary services	1.0	1.0	0.0	0.9	0.1
Operations & maintenance of plant	1.5	1.3	0.2	1.5	(0.2)
Institutional support	6.3	6.0	0.3	7.3	(1.3)
Scholarships, grants, waivers	3.0	3.1	(0.1)	5.5	(2.4)
Depreciation and amortization	1.8	1.8	0.0	1.6	0.2
Total	\$25.9	\$24.7	\$1.2	\$30.4	(\$5.7)

* Fiscal year 2022 was restated due to implementation of GASB Statement No. 96 *Subscription-Based IT Arrangements*. Fiscal Year 2023 was restated due to a fixed asset correction.

Operating Expenses Fiscal Year Ended June 30, 2024



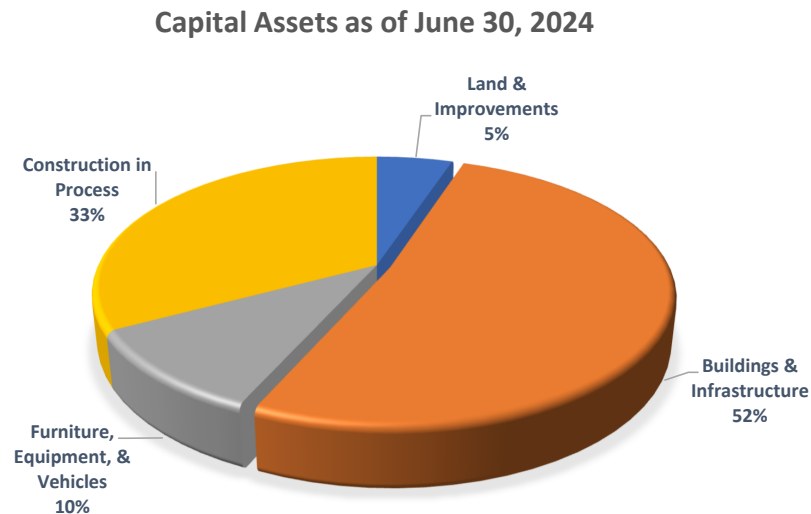
Carl Sandburg College - Community College District 518

Management Discussion and Analysis

Capital Assets, Net June 30, (in millions)					
	2024	2023*	Increase (Decrease) 2024-2023	2022*	Increase (Decrease) 2023-2022
Capital assets					
Land & improvements	\$3.5	\$3.2	\$0.3	\$3.2	\$0.0
Buildings & infrastructure	35.1	34.4	0.7	35.9	(1.7)
Furniture, equipment, & vehicles	7.1	6.5	0.6	6.2	0.3
Construction in progress	22.3	4.6	17.7	1.3	3.3
Lease assets – equipment & vehicles	0.4	0.4	0.0	0.5	(0.1)
Subscription assets	0.4	0.4	0.0	0.4	0.0
Total	68.8	49.5	19.3	47.5	1.8
Less accumulated depreciation and amortization	(32.5)	(31.0)	1.5	(31.1)	(0.1)
Net capital assets	\$36.3	\$18.5	\$17.8	\$16.4	\$1.9

* Fiscal year 2022 was restated due to implementation of GASB Statement No. 96 *Subscription-Based IT Arrangements*. Fiscal Year 2023 was restated due to a correction of an error.

During Fiscal Year 2024, total Capital Assets increased \$19.3M or 39% and Net Capital Assets increased \$17.8M or 96% due to construction of the new Science & Technology building. The current bonding strategy continues to allow the College to invest in additional facilities, technology, and improvements to meet the changing needs of students, faculty, staff, and the communities supported. For more detailed information on capital asset activity, refer to Note 3 – Capital Assets, in the Notes to Financial Statements.



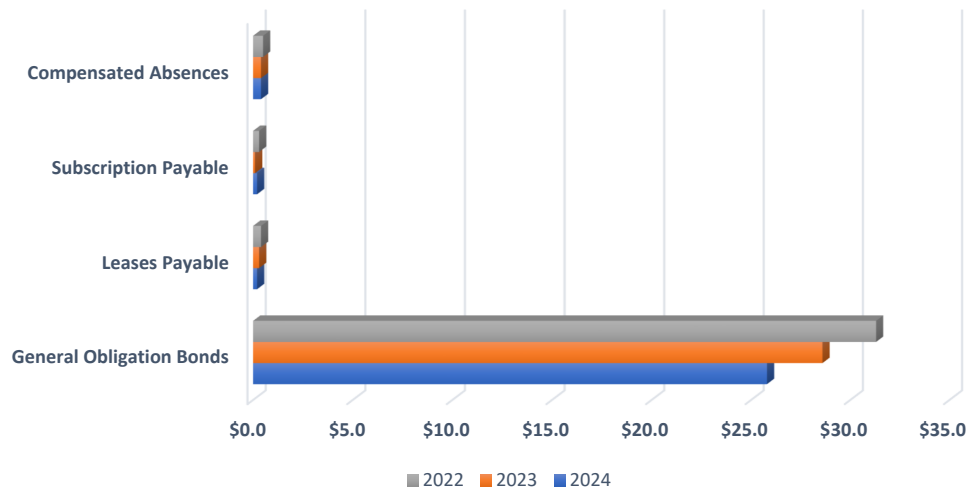
Carl Sandburg College - Community College District 518

Management Discussion and Analysis

Debt June 30, (in millions)					
	2024	2023*	Increase (Decrease) 2024-2023	2022*	Increase (Decrease) 2023-2022
General obligation bonds, net	\$28.5	\$31.8	(\$3.3)	\$35.1	(\$3.3)
Leases	0.2	0.3	(0.1)	0.4	(0.1)
Subscriptions	0.2	0.1	0.1	0.3	(0.2)
Compensated absences	0.4	0.4	0.0	0.5	(0.1)
OPEB	3.2	3.1	0.1	8.1	(5.0)
Total	\$32.5	\$35.7	(\$3.2)	\$44.4	(\$8.7)

* Fiscal year 2022 was restated due to implementation of GASB Statement No. 96 *Subscription-Based IT Arrangements*. Fiscal Year 2023 was restated due to a fixed asset correction.

Debt Composition Trend



Fiscal Year 2024 Compared to 2023

During fiscal year 2024, the College paid \$2.8 million in bond payments funded through the tax levy. For more detailed information on long-term debt activity, refer to Note 4 – Debt, in the Notes to Financial Statements.

Fiscal Year 2023 Compared to 2022

During fiscal year 2023, the College paid \$2.7 million in bond payments funded through the tax levy. For more detailed information on long-term debt activity, refer to Note 4 – Debt, in the Notes to Financial Statements.

Contacting the College's Financial Management

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

Basic Financial Statements

Carl Sandburg College - Community College District 518

Statements of Net Position

<i>As of June 30</i>	2024	Restated 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 28,040,282	\$ 25,161,920
Short-term investments	24,697,798	37,572,849
Property tax receivable	13,466,908	11,644,297
Government receivables	958,307	976,808
Student tuition receivables, net of allowance	220,131	62,429
Other receivables	53,649	202,093
Prepaid items	220,679	198,703
Total current assets	67,657,754	75,819,099
Noncurrent assets:		
Non-depreciable capital assets	25,733,052	4,897,771
Depreciable capital assets	43,020,299	44,701,916
Accumulated depreciation and amortization	(32,496,166)	(31,017,514)
Long-term investments	7,792,676	8,419,979
Total noncurrent assets	44,049,861	27,002,152
Total assets	111,707,615	102,821,251
Deferred outflow of resources		
Deferred pension	44,440	45,165
Deferred OPEB	234,402	228,743
Total deferred outflow of resources	278,842	273,908

Carl Sandburg College - Community College District 518

Statements of Net Position (Continued)

<i>As of June 30</i>	2024	2023
Liabilities		
Current liabilities:		
Accounts payable	\$ 3,437,779	\$ 395,861
Accrued liabilities	52,926	130,303
Unearned tuition and fees	574,067	530,492
Accrued compensated absences, current	294,675	262,909
Lease obligations, current	80,951	101,514
Subscription liability, current	87,263	81,798
Bonds payable, current	3,270,176	3,252,816
Total current liabilities	7,797,837	4,755,693
Noncurrent liabilities:		
Accrued compensated absences	145,138	129,492
Lease obligations	96,771	177,722
Subscription liability	142,665	47,837
Bonds payable, net	25,258,233	28,528,409
Net OPEB liability	3,156,826	3,116,559
Total noncurrent liabilities	28,799,633	32,000,019
Total liabilities	36,597,470	36,755,712
Deferred inflow of resources		
Deferred property taxes	15,252,254	13,351,331
Deferred grant revenue	1,283,485	818,008
Deferred OPEB	4,464,315	5,820,752
Total deferred inflow of resources	21,000,054	19,990,091
Net position		
Net investment in capital assets	7,834,607	9,666,258
Restricted - expendable:		
Debt service	279,781	272,213
Grants and scholarships	2,000,121	2,581,487
Working cash	8,891,103	8,586,954
Unrestricted	35,383,321	25,242,444
Total net position	\$ 54,388,933	\$ 46,349,356

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Statements of Revenues, Expenses, and Changes in Net Position

<i>Years ended June 30</i>	2024	Restated 2023
Operating revenues:		
Student tuition and fees, net of scholarship allowance	\$ 4,309,978	\$ 4,109,889
Auxiliary enterprises revenue	196,965	225,281
Total operating revenues	4,506,943	4,335,170
Operating expenses:		
Instruction	7,815,171	6,835,528
Academic support	448,866	401,497
Student services	3,931,277	4,153,043
Public services	121,675	145,864
Auxiliary services	1,006,277	1,004,916
Operations and maintenance	1,444,536	1,317,079
Institutional support	6,329,633	5,952,722
Scholarships, student grants, and waivers	3,046,840	3,148,931
Depreciation and amortization expense	1,798,097	1,771,345
Total operating expenses	25,942,372	24,730,925
Operating (loss)	(21,435,429)	(20,395,755)
Non-operating revenues (expenses)		
Property taxes	13,734,981	13,371,052
Replacement taxes	551,732	915,614
Other state sources	3,911,728	3,524,282
On-behalf payments	3,282,976	3,242,238
Federal government	4,813,008	5,715,210
Facilities revenue	3,580	4,940
Investment income	3,421,714	2,084,011
Nongovernmental grants and gifts	96,663	67,832
Other revenue	318,385	325,700
Loss on disposal of assets	(45,001)	(32,052)
Interest, service charges, and issuance costs	(614,760)	(487,907)
Total non-operating revenues (expenses)	29,475,006	28,730,920
Change in net position	8,039,577	8,335,165
Net position, beginning of year	46,349,356	37,807,358
Prior period adjustment	-	206,833
Net position, beginning of year, as restated	46,349,356	38,014,191
Net position, end of year	\$ 54,388,933	\$ 46,349,356

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Statements of Cash Flows

<i>Years ended June 30</i>	2024	Restated 2023
Cash flows from operating activities:		
Tuition and fees	\$ 6,432,634	\$ 6,407,662
Payments to suppliers	(5,297,468)	(7,979,182)
Payments to employees	(10,848,118)	(10,206,511)
Payments to students for scholarships	(5,283,623)	(5,387,198)
Auxiliary enterprise changes	189,082	224,077
Other	478,292	169,769
Net cash from operating activities	(14,329,201)	(16,771,383)
Cash flows from non-capital financing activities:		
Proceeds from property taxes	13,813,293	11,346,343
Proceeds from personal property replacement taxes	551,732	915,614
Proceeds from grants	9,305,377	11,526,514
Net cash from non-capital financing activities	23,670,402	23,788,471
Cash flows from capital and related financing activities:		
Purchases of capital assets	(19,518,110)	(3,712,783)
Principal paid on long-term debt	(3,087,197)	(3,019,832)
Proceeds from issuance of long-term debt	230,976	-
Interest paid on long-term debt	(1,012,576)	(1,605,493)
Net cash from capital and related financing activities	(23,386,907)	(8,338,108)
Cash flows from investing activities:		
Interest received	1,217,948	1,041,254
Proceeds from maturities of investment securities	27,399,644	4,557,623
Purchases of investment securities	(11,693,524)	(1,219,936)
Net cash from investing activities	16,924,068	4,378,941
Net change in cash and cash equivalents	2,878,362	3,057,921
Cash and cash equivalents, beginning of year	25,161,920	22,103,999
Cash and cash equivalents, end of year	\$ 28,040,282	\$ 25,161,920

Carl Sandburg College - Community College District 518

Statements of Cash Flows (Continued)

<i>Years ended June 30</i>	2024	Restated 2023
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	\$ (21,435,429)	\$ (20,395,755)
Adjustment to reconcile operating income (loss) to net cash used in operating activities:		
Depreciation and amortization	1,798,097	1,771,345
State on-behalf payments for fringe benefits	3,282,976	3,242,238
Other operating sources	321,965	330,640
Change in assets and liabilities:		
Receivables	(9,258)	(208,546)
Other assets	(21,976)	6,031
Deferred outflow of resources	(4,934)	78,158
Accounts payable	3,041,918	(219,801)
Accrued liabilities	(77,377)	82,746
Accrued compensated absences	47,412	(73,750)
Unearned tuition and fees	43,575	105,977
OPEB liability	40,267	(4,954,491)
Deferred inflows of resources	(1,356,437)	3,463,825
	\$ (14,329,201)	\$ (16,771,383)
Noncash investing, capital, and financial:		
Increase (decrease) in fair value of investments and amortization/accretion	\$ 184,895	\$ 1,097,409
Lease acquisition	-	52,896
IT Subscription acquisition	230,976	-
Disposal of assets	(45,001)	(32,052)
State on-behalf payments for pension and OPEB plans	3,282,976	3,242,238

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Component Unit - Carl Sandburg College Foundation

Statements of Financial Position

<i>As of June 30</i>	2024	2023
Assets		
Current assets:		
Cash	\$ 431,739	\$ 115,037
Investments	24,459,130	22,334,837
Pledges receivable	197,479	12,316
Beneficial interest in perpetual trust	333,320	317,919
Total assets	\$ 25,421,668	\$ 22,780,109
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 28,556	\$ 2,705
Scholarships payable	192,480	187,400
Total liabilities	221,036	190,105
Net assets		
Without donor restrictions	5,222,535	4,694,910
With donor restrictions	19,978,097	17,895,094
Total net assets	25,200,632	22,590,004
Total liabilities and net assets	\$ 25,421,668	\$ 22,780,109

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Component Unit - Carl Sandburg College Foundation

Statements of Activities

Years ended June 30	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions	\$ 133,781	\$ 374,938	\$ 508,719
Contributed nonfinancial assets	90,310	-	90,310
Interest and dividends	188,328	655,169	843,497
Net unrealized gain (loss) on investments	342,268	871,858	1,214,126
Net realized gain (loss) on investments	535,473	546,436	1,081,909
Change in value of beneficial interest in trust	-	15,402	15,402
Net asset released from restrictions	380,800	(380,800)	-
Total support and revenue	1,670,960	2,083,003	3,753,963
Expenses:			
Program services			
Scholarships and grants	603,355	-	603,355
Total program services	603,355	-	603,355
Supporting services:			
Management and general	-	-	-
Professional services	162,843	-	162,843
In-kind services	83,465	-	83,465
In-kind goods and facilities	6,845	-	6,845
Conference and meeting expense	22,158	-	22,158
Dues	1,321	-	1,321
Office supplies	119,314	-	119,314
Printing	25,879	-	25,879
Travel	5,370	-	5,370
Other	50,956	-	50,956
Total management and general	478,151	-	478,151
Fundraising			
Supplies and mailings	48,724	-	48,724
Donor gift and entertainment	13,105	-	13,105
Total fund raising	61,829	-	61,829
Total expenses	1,143,335	-	1,143,335
Changes in net assets	527,625	2,083,003	2,610,628
Net assets, beginning of year	4,694,910	17,895,094	22,590,004
Net assets, end of year	\$ 5,222,535	\$ 19,978,097	\$ 25,200,632

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Component Unit - Carl Sandburg College Foundation

Statements of Activities (Continued)

Years ended June 30	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions	\$ 72,197	\$ 227,553	\$ 299,750
Contributed nonfinancial assets	93,668	-	93,668
Interest and dividends	124,762	531,979	656,741
Net unrealized gain (loss) on investments	728,297	788,513	1,516,810
Net realized gain (loss) on investments	2,237	109,621	111,858
Change in value of beneficial interest in trust	-	3,135	3,135
Net asset released from restrictions	343,618	(343,618)	-
Total support and revenue	1,364,779	1,317,183	2,681,962
Expenses:			
Program services			
Scholarships and grants	487,755	-	487,755
Total program services	487,755	-	487,755
Supporting services:			
Management and general	-	-	-
Professional services	123,550	-	123,550
In-kind services	81,075	-	81,075
In-kind goods and facilities	12,593	-	12,593
Conference and meeting expense	5,419	-	5,419
Dues	1,837	-	1,837
Office supplies	5,937	-	5,937
Printing	11,198	-	11,198
Travel	1,375	-	1,375
Other	36,698	-	36,698
Total management and general	279,682	-	279,682
Fundraising			
Supplies and mailings	30,818	-	30,818
Donor gift and entertainment	16,284	-	16,284
Total fund raising	47,102	-	47,102
Total expenses	814,539	-	814,539
Changes in net assets	550,240	1,317,183	1,867,423
Net assets, beginning of year	4,144,670	16,577,911	20,722,581
Net assets, end of year	\$ 4,694,910	\$ 17,895,094	\$ 22,590,004

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

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

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

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

Reporting Entity

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

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

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standard Board (FASB) Statements. Most significant to the Foundation's operations and reporting model are described by FASB issued guidance. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. However, significant note disclosures (see Note 13) to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

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

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

Cash and Equivalents

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

Investments

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

Receivables

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

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of specific student accounts and the aging of accounts receivable. If the actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due could be adversely affected. The allowance for doubtful accounts relating to student receivables was \$43,726 and \$267,764 as of June 30, 2024 and 2023, respectively.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes and Other Revenue

Property taxes attach as an enforceable lien on property as of January 1. The College's property tax is levied no later than the last Tuesday of December prior to the ensuing budget year and is extended against the assessed valuation of the College on January 1. Taxes are due and payable in two installments in June and September. Pursuant to the Board of Trustees resolution, the 2022 property tax levies passed on November 21, 2022 is recognized as property tax revenue. Deferred property taxes represent the revenue to be generated from the 2023 property tax levy which was passed on November 16, 2023. In addition, property taxes receivable represents the remaining 2023 property tax levy to be collected in fiscal year 2025.

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

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

Inventories

Inventories consist primarily of supplies and are reported at cost.

Capital Assets

Capital assets include property, equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Costs related to the development of computer software are expensed as incurred until (a) the College has completed the preliminary project stage and (b) management has implicitly or explicitly authorized or committed to funding the project. Activities related to the application development stage of internally generated software are capitalized at the amount of the associated outlays. Post-implementation activities are expensed as incurred. Costs associated with data conversion are also expensed if such activities are not necessary in order for internally developed software to become operational. Intangible assets are defined by the College (software) as assets with an initial unit cost of \$25,000.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Property, plant, and equipment of the college are depreciated using the straight-line method over the following useful lives.

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

Unearned Tuition and Fee Revenue

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

Long-term Debt

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

Compensated Absences

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

Lease Accounting

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

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the College's incremental borrowing rate. This rate is used to calculate the present value of future lease payments. This rate is an alternative investment rate for other than short-term investments and is materially the same as the rate the College might incur from an external lender.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Lease Accounting (Continued)

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

In addition, under the new standard, the College has adopted a policy which evaluates the material nature of long-term leases as a group. For group calculations which fall below the policy threshold for recording, the College will not recognize the lease liability and ROU and will instead expense these costs as incurred. Copier leases is one such group.

For leases or groups of leases whose net present value is less than \$25,000, the College has elected to recognize the payments as an expense in the period incurred.

Subscription Based Information Technology Arrangements

The College is a party to multiple noncancelable subscription based information technology arrangements (SBITAs). If the contract provides the College the right to use the present service capacity and the right to direct the use of the identified asset, it is considered to be or contain a SBITA. Subscription-based assets and liabilities are recognized at the agreement commencement date based on the present value of the future payments over the expected contract term. The SBITA asset is also adjusted for any prepayments made and capitalizable initial implementation costs as incurred.

The SBITA liability is initially and subsequently recognized based on the present value of its future payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable payments due to subsequent changes in an index or rate are recorded as an adjustment to expense in the period in which they are incurred.

The discount rate used is the implicit rate in the SBITA contract, if it is readily determinable, or the College's incremental borrowing rate.

For all underlying classes of assets, the College does not recognize SBITA assets and liabilities for short-term agreements that have a contract term of 12 months or less at contract commencement. Contracts containing termination clauses in which either party may terminate without cause and the notice period is less than 12 months are deemed short-term agreements with costs included in expense.

For SBITAs or groups of SBITAs whose net present value is less than \$15,000, the College has elected to recognize the payments as an expense in the period incurred.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Other Post-Employment (“OPEB”) Obligations

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

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

Deferred Outflows/Inflows of Resources

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

Classification of Revenues and Expenses

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

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, and Federal Direct Loan programs. Federal programs are audited in accordance with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, the U.S. Office of Management and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Uniform Guidance Compliance Supplement. The College elected to not use the 10% de minimis indirect cost rate during the year ended June 30, 2024.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

On-Behalf Payments for Fringe Benefits and Salaries

Contributions made by the State of Illinois relating to the State Universities Retirement Systems and College Insurance Plan on behalf of the College's employees are recognized by the College as revenues and expenses. In fiscal years 2024 and 2023, the state made contributions of \$3,282,976 and \$3,242,238, respectively (Note 5, Note 6, and 7).

Pensions

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

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

Net Position

The College's net position is classified as follows:

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

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

Recently Adopted Accounting Pronouncement

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The provisions of this statement have been implemented at Note 12.

Note 2: Cash and Investments

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

Cash and deposits consist of the following:

<i>As of June 30</i>	2024	2023
Cash on hand	\$ 6,600	\$ 4,902
Deposits with financial institutions	28,033,682	25,157,018
Total	\$ 28,040,282	\$ 25,161,920

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Investments consist of the following:

<i>As of June 30</i>	2024	2023
Money market	\$ 14,166,698	\$ 27,847,064
Certificate of deposit	12,253,658	8,700,678
U.S. government agency securities	6,070,118	9,445,086
Total	\$ 32,490,474	\$ 45,992,828

Interest Rate Risk

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

Information about the sensitivity of the fair values of the College's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the College's investments by maturity.

As of June 30, 2024, the College had the following investments with stated maturities:

	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More than 10</u>
Money market	\$ 14,166,698	\$ 14,166,698	\$ -	\$ -	-
Certificate of deposit	12,253,658	7,100,152	5,153,506	-	-
U.S. government agency securities	6,070,118	3,430,948	2,639,170	-	-
Total	\$ 32,490,474	\$ 24,697,798	\$ 7,792,676	\$ -	-

As of June 30, 2023, the College had the following investments with stated maturities:

	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More than 10</u>
Money market	\$ 27,847,064	\$ 27,847,064	\$ -	\$ -	-
Certificates of deposit	8,700,678	3,580,357	5,120,321	-	-
U.S. government agency securities	9,445,086	6,145,428	3,299,658	-	-
Total	\$ 45,992,828	\$ 37,572,849	\$ 8,419,979	\$ -	-

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of year end for the external investment pool investment type.

As of June 30, 2024, the College had the following investments with stated rating:

	Total	Investment Ratings by Standard & Poor's		
		AAA	AA	Unrated
Money market	\$ 14,166,698	\$ 14,166,698	\$ -	\$ -
Certificate of deposit	12,253,658	-	-	12,253,658
Municipal bonds	6,070,118	-	6,070,118	-
Total	\$ 32,490,474	\$ 14,166,698	\$ 6,070,118	\$ 12,253,658

As of June 30, 2023, the College had the following investments with stated ratings:

	Total	Investment Ratings by Standard & Poor's		
		AAA	AA	Unrated
Money market	\$ 27,847,064	\$ 27,847,064	\$ -	\$ -
Certificate of deposit	8,700,678	-	-	8,700,678
U.S. government agency securities	9,445,086	-	9,445,086	-
Total	\$ 45,992,828	\$ 27,847,064	\$ 9,445,086	\$ 8,700,678

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned to it. At year end, the College's carrying amount of deposits was \$28,033,682 and the bank balance was \$28,141,568. Of the bank balance, \$704,552 was covered by federal depository insurance; \$27,437,016 was collateralized with securities held by the pledging institution's trust department or agent in the College's name.

Concentration Risk

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

Foreign Currency Risk

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

The Illinois Funds is a State of Illinois investment pool acting on behalf of local governments including School Districts, Community Colleges, and Educational Service Regions.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Fair Value Measurement

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

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets.

Level 2: Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets; or
- inputs other than quotes prices that are observable for the asset or liability

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

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

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2024:

	<u>Total</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Assets measured at fair value on a recurring basis:				
Certificate of deposit	\$ 12,253,658	\$ -	\$ 12,253,658	\$ -
U.S. government agency securities	6,070,118	-	6,070,118	-
Total investments	\$ 18,323,776	\$ -	\$ 18,323,776	\$ -

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2023:

	<u>Total</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Assets measured at fair value on a recurring basis:				
Certificate of deposit	\$ 8,700,678	\$ -	\$ 8,700,678	\$ -
U.S. government agency securities	9,445,086	-	9,445,086	-
Total investments	\$ 18,145,764	\$ -	\$ 18,145,764	\$ -

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 3: Capital Assets

Capital asset balances and activity for the year ended June 30, 2024, were as follows:

	Balance 7/1/2023	Increases	Decreases	Transfers/ Adjustments	Balance 6/30/2024
Capital assets, not being depreciated:					
Land	\$ 346,125	\$ -	\$ -	\$ -	\$ 346,125
Work in progress	4,551,646	18,697,574	(45,000)	(939,963)	22,264,257
Total capital assets, not being depreciated	4,897,771	18,697,574	(45,000)	(939,963)	22,610,382
Capital assets, being depreciated:					
Buildings and additions	30,925,799	16,583	-	685,837	31,628,219
Infrastructure	3,511,179	-	-	-	3,511,179
Furniture and equipment	6,308,993	560,597	-	-	6,869,590
Land improvements	2,856,164	12,380	-	254,126	3,122,670
Vehicles	218,696	-	-	-	218,696
Total capital assets, being depreciated	43,820,831	589,560	-	939,963	45,350,354
Accumulated depreciation:					
Buildings and additions	20,305,261	736,746	-	-	21,042,007
Infrastructure	3,214,720	109,084	-	-	3,323,804
Furniture and equipment	5,437,120	450,384	-	-	5,887,504
Land improvements	1,356,213	271,125	-	-	1,627,338
Vehicles	213,197	-	-	-	213,197
Total accumulated depreciation	30,526,511	1,567,339	-	-	32,093,850
Total capital assets, being depreciated, net	13,294,320	(977,779)	-	939,963	13,256,504
Lease assets:					
Equipment	283,168	-	-	-	283,168
Vehicles	150,610	-	(52,896)	-	97,714
Total lease assets, being amortized	433,778	-	(52,896)	-	380,882
Accumulated amortization:					
Equipment	108,548	56,634	-	-	165,182
Vehicles	62,277	45,991	(52,896)	-	55,372
Total accumulated amortization	170,825	102,625	(52,896)	-	220,554
Total lease assets, net	262,953	(102,625)	-	-	160,328
Subscription-based information technology arrangement assets:					
Subscription-based information technology arrangement assets	447,307	230,976	(266,550)	-	411,733
Accumulated amortization:					
Subscription-based information technology arrangement assets	320,178	128,133	(266,549)	-	181,762
Total subscription-based information technology arrangement assets being amortized, net	127,129	102,843	(1)	-	229,971
Capital assets, net	\$ 18,582,173	\$ 17,720,013	\$ (45,001)	\$ -	\$ 36,257,185

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 3: Capital Assets (Continued)

Changes in the various capital asset categories during the year ended June 30, 2023 are as follows:

	Balance 7/1/2022	Increases	Decreases	Transfers/ Adjustments	Balance 6/30/2023
Capital assets, not being depreciated:					
Land	\$ 346,125	\$ -	\$ -	\$ -	\$ 346,125
Work in progress	1,292,431	3,264,895	-	(5,680)	4,551,646
Total capital assets, not being depreciated	1,638,556	3,264,895	-	(5,680)	4,897,771
Capital assets, being depreciated:					
Buildings and additions	32,598,316	9,451	(1,681,968)	-	30,925,799
Infrastructure	3,511,179	-	-	-	3,511,179
Furniture and equipment	6,023,104	418,225	(138,016)	5,680	6,308,993
Land improvements	2,835,950	20,214	-	-	2,856,164
Vehicles	218,696	-	-	-	218,696
Total capital assets, being depreciated	45,187,245	447,890	(1,819,984)	5,680	43,820,831
Accumulated depreciation:					
Buildings and additions	21,155,193	799,518	(1,649,450)	-	20,305,261
Infrastructure	3,105,636	109,084	-	-	3,214,720
Furniture and equipment	5,185,276	388,540	(136,696)	-	5,437,120
Land improvements	1,144,721	211,492	-	-	1,356,213
Vehicles	213,197	-	-	-	213,197
Total accumulated depreciation	30,804,023	1,508,634	(1,786,146)	-	30,526,511
Total capital assets, being depreciated, net	14,383,222	(1,060,744)	(33,838)	5,680	13,294,320
Lease assets:					
Equipment	283,168	-	-	-	283,168
Vehicles	204,997	52,896	(107,283)	-	150,610
Total right of use assets	488,165	52,896	(107,283)	-	433,778
Accumulated amortization:					
Equipment	51,914	56,634	-	-	108,548
Vehicles	69,927	45,991	(53,641)	-	62,277
Total accumulated amortization	121,841	102,625	(53,641)	-	170,825
Total lease assets, net	366,324	(49,729)	(53,642)	-	262,953
Subscription-Based Information Technology Arrangement Assets:					
Subscription-Based Information Technology Arrangement Assets	447,307	-	-	-	447,307
Accumulated amortization:					
Subscription-Based Information Technology Arrangement Assets	160,089	160,089	-	-	320,178
Total subscription-based information technology arrangement assets being amortized, net	287,218	(160,089)	-	-	127,129
Capital assets, net	\$ 16,675,320	\$ 1,994,333	\$ (87,480)	\$ -	\$ 18,582,173

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt

The following is a summary of the College's long-term and short-term debt transactions for the year ended June 30, 2024:

	Balance 7/1/2023	Increases	Decreases	Balance 6/30/2024	Current Portion	Long-term Portion
Long-term debt:						
General obligation bonds and certificates	\$ 28,595,000		- \$ 2,855,000	\$ 25,740,000	\$ 2,900,000	\$ 22,840,000
Bond premiums and deferred funding (discounts)	3,186,225	-	397,816	2,788,409	370,176	2,418,233
Leases	279,236	-	101,514	177,722	80,951	96,771
SBITAs	129,635	230,976	130,683	229,928	47,837	182,091
Compensated absences	392,401	310,530	263,118	439,813	294,675	145,138
OPEB	3,116,559	40,267	-	3,156,826	-	3,156,826
Totals	\$ 35,699,056	\$ 581,773	\$ 3,748,131	\$ 32,532,698	\$ 3,693,639	\$ 28,839,059

The following is a summary of the College's long-term and short-term debt transactions for the year ended June 30, 2023:

	Balance 7/1/2022	Increases	Decreases	Balance 6/30/2023	Current Portion	Long-term Portion
Long-term debt:						
General obligation bonds and certificates	\$ 31,365,000		- \$ 2,770,000	\$ 28,595,000	\$ 2,855,000	\$ 25,740,000
Bond premiums and deferred funding (discounts)	3,804,807	-	618,582	3,186,225	397,816	2,788,409
Leases	377,832	52,896	151,492	279,236	101,514	177,722
SBITAs	283,404	-	153,769	129,635	81,798	47,837
Compensated absences	466,151	104,635	178,385	392,401	262,909	129,492
OPEB	8,071,050	-	4,954,491	3,116,559	-	3,116,559
Totals	\$ 44,368,244	\$ 157,531	\$ 8,826,719	\$ 35,699,056	\$ 3,699,037	\$ 32,000,019

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

Details on the debt as of June 30, 2024 are as follows:

1. The general obligation bonds, Series 2014B, bear interest at 2.00 to 4.00 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2024. A portion of the bond proceeds (17.34%) were used for the purchase of capital assets. These bonds were fully paid off during fiscal year 2024.
2. The general obligation bonds, Series 2015B, bear interest at 2.15 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2024. A portion of the bond proceeds (85.38%) were used for the purchase of capital assets. These bonds were fully paid off during fiscal year 2024.
3. The general obligation bonds, Series 2019B, bear interest at 2.66 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2024. These bonds were fully paid off during fiscal year 2024.
4. The general obligation bonds, Series 2020, bear interest at 0.85 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2025. A portion of the bond proceeds (95.04%) were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

During the year ending June 30:	Principal	Interest	Total
2025	\$ 470,000	\$ 1,998	\$ 471,998
Total	\$ 470,000	\$ 1,998	\$ 471,998

5. The general obligation bonds, Series 2021, bear interest at 3.00 to 4.00 percent, which is due on December 30 and June 30 of each year, while principal amounts mature serially on December 30 of each year, with final maturity on December 30, 2040. A portion of the bond proceeds (96.42%) spent by June 30, 2023, were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

During the year ending June 30:	Principal	Interest	Total
2025	\$ 2,430,000	\$ 896,950	\$ 3,326,950
2026	2,270,000	802,950	3,072,950
2027	2,400,000	709,550	3,109,550
2028	1,330,000	634,950	1,964,950
2029	1,285,000	582,650	8,833,850
2030 - 2034	6,445,000	2,141,250	8,586,250
2035 - 2039	6,460,000	908,325	7,368,325
2039 - 2041	2,650,000	79,800	2,729,800
Total	\$ 25,270,000	\$ 6,756,425	\$ 32,026,425

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

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

During the year ending June 30:	Principal	Interest	Total
2025	\$ 20,391	\$ 2,265	\$ 22,656
2026	21,690	966	22,656
2027	3,747	29	3,776
Total	\$ 45,828	\$ 3,260	\$ 49,088

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

During the year ending June 30:	Principal	Interest	Total
2025	\$ 60,560	\$ 8,405	\$ 68,965
2026	65,612	3,352	68,964
2027	5,722	38	5,760
Total	\$ 131,894	\$ 11,795	\$ 143,689

8. Lease agreement with Santander Bank N.A. dated Sept 2022 in the original principal amount of \$52,896, due in annual installments of \$26,448 from Sept 2022 through Sept 2023 and final payment of \$29,114 from Sept 2023 through Sept 2024, including imputed interest at 10.08%, collateralized by 2 buses (lease assets). This lease was fully paid off during fiscal year 2024.

9. Open LMS software subscription agreement dated July 2021 in the original principal amount of \$110,247, due in annual installments of \$38,910, including imputed interest at 6.00%. This agreement expired in 2024.

10. Technolutions, Inc. software subscription agreement dated May 2020 in the original principal amount of \$180,757, due in bi-annual installments of \$25,000, including imputed interest at 6.00%. The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2025	\$ 47,837	\$ 2,163	\$ 50,000
Total	\$ 47,837	\$ 2,163	\$ 50,000

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

11. EAB Global, Inc. software subscription agreement dated March 2024 in the original principal amount of \$230,976, due in annual installments of \$48,885, \$50,352, \$51,862, \$53,418, and \$55,021 from March 2024 through March 2028, including imputed interest rate 6.0%. The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2025	\$ 39,426	\$ 10,925	\$ 50,351
2026	43,302	8,560	51,862
2027	47,456	5,962	53,418
2028	51,907	3,114	55,021
Total	\$ 182,091	\$ 28,561	\$ 210,652

The annual requirements to amortize all debt outstanding as of June 30, 2024, including interest, are as follows:

During the year ending June 30:	General Obligation Bonds	Compensated Absences	Leases	SBITAs	Total Principal	Interest	Total Principal and Interest
2025	\$ 2,900,000	\$ 294,675	\$ 80,951	\$ 87,263	\$ 3,362,889	\$ 922,706	\$ 4,285,595
2026	2,270,000	145,138	87,302	43,302	2,545,742	815,828	3,361,570
2027	2,400,000	-	9,469	47,456	2,456,925	715,579	3,172,504
2028	1,330,000	-	-	51,907	1,381,907	638,064	2,019,971
2029	1,285,000	-	-	-	1,285,000	582,650	1,867,650
2030 - 2034	6,445,000	-	-	-	6,445,000	2,141,250	8,586,250
2035 - 2039	6,460,000	-	-	-	6,460,000	908,325	7,368,325
2040 - 2043	2,650,000	-	-	-	2,650,000	79,800	2,729,800
Total	\$25,740,000	\$ 439,813	\$ 177,722	\$ 229,928	\$ 26,587,463	\$ 6,804,202	\$ 33,391,665

The general obligation bonded debt of the College is limited to 2.875% of assessed valuation. The legal debt limit at June 30, 2024, is \$70,642,908. General obligation debt, leases, and SBITAs at June 30, 2024 total \$28,936,059 resulting in a legal debt margin of \$41,706,849.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans

General Information about the Pension Plan

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

Benefits provided - A traditional benefit plan was established in 1941. Public Act 90-0448 (effective January 1, 1998) established an alternative defined benefit program known as the portable benefit package. Tier 1 of the traditional and portable plan refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2023 can be found in Financial Section of SURS ACFR.

Contributions - The State is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from “trust, federal, and other funds” are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The normal cost for fiscal year 2023 and fiscal year 2024, respectively, was 12.83% and 12.53% of employee payroll. The normal cost is equal to the value of current year’s pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State's General Assembly.

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

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

Net Pension Liability

The net pension liability (NPL) was measured as of June 30, 2023 and June 30, 2022. SURS defined benefit plan reported a NPL of \$29,444,538,098 at June 30, 2023 and \$29,078,053,857 at June 30, 2022.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the NPL to be recognized for the College in fiscal year 2023 is \$0 and for fiscal year 2022 it was \$0. The proportionate share of the State's NPL associated with the College at June 30, 2023 is \$67,104,102 or 0.2279% and at June 30, 2022 is \$68,063,001 or 0.2341%. The College's proportionate share changed by 0.0062% from 0.2341% since the last measurement date of June 30, 2022. This amount is not recognized in the College's financial statements. The NPL and total pension liability as of June 30, 2023 was determined based on the June 30, 2022 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2022.

Defined Benefit Pension Expense

For the years ending June 30, 2023 and June 30, 2022, SURS defined benefit plan reported a collective net pension expense of \$1,884,388,521 and \$1,903,314,699, respectively.

Employer Proportionate Share of Defined Benefit Pension Expense

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2022 and 2021, respectively. As a result, the College recognized revenue and defined benefit pension expense of \$4,294,521 and \$4,455,089 from this special funding situation during the years ended June 30, 2024 and June 30, 2023, respectively.

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	Deferred Outflows of Resources	Deferred Inflow of Resources
<i>Fiscal year ended June 30, 2023 (measurement date)</i>		
Difference between expected and actual experience	\$ 62,591,844	\$ 12,277,871
Changes in assumption	70,957,694	420,880,693
Net difference between projected and actual earnings on pension plan investments	187,992,691	-
Total	\$ 321,542,229	\$ 433,158,564

	Deferred Outflows of Resources	Deferred Inflow of Resources
<i>Fiscal year ended June 30, 2022 (measurement date)</i>		
Difference between expected and actual experience	\$ 31,973,496	\$ 28,674,599
Changes in assumption	279,362,441	982,954,268
Net difference between projected and actual earnings on pension plan investments	31,628,935	-
Total	\$ 342,964,872	\$ 1,011,628,867

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

	Net Deferred Outflows (Inflows) of Resources
<i>Year Ending June 30</i>	
2024	\$ (428,264,966)
2025	(171,164,633)
2026	465,174,033
2027	22,639,231
Total	\$ (111,616,335)

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

College's Deferral of Fiscal Year 2024 Contributions

The College paid \$44,440 and \$45,165 in federal, trust or grant contributions to SURS defined benefit pension plan during the years ended June 30, 2024 and June 30, 2023, respectively. These contributions were made subsequent to the pension liability measurement date of June 30, 2023 and June 30, 2022, and are recognized as deferred outflows of resources as of June 30, 2024 and June 30, 2023.

Assumptions and Other Inputs

Actuarial assumptions. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period June 30, 2017 through June 30, 2020. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% to 12.75%, including inflation
Investment rate of return	6.50%

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

The long-term expected rate of return on defined benefit plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2023, these best estimates are summarized in the following table:

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long- Term Expected Real Rate of Return (Arithmetic)
Traditional Growth		
Global Public Equity	36.0 %	7.97 %
Stabilized Growth		
Core Real Assets	8.0 %	4.68 %
Public Credit Fixed Income	6.5 %	4.52 %
Private Credit	2.5 %	7.36 %
Non-Traditional Growth		
Private Equity	11.0 %	11.32 %
Non-Core Real Assets	4.0 %	8.67 %
Inflation Sensitive		
U.S. TIPS	5.0 %	2.09 %
Principal Protection		
Core Fixed Income	10.0 %	1.13 %
Crisis Risk Offset		
Systematic Trend Following	10.0 %	3.18 %
Alternative Risk Premia	3.0 %	3.27 %
Long Duration	2.0 %	3.02 %
Long Volatility/Tail Risk	2.0 %	(1.14)%
Total	100.0 %	5.98 %
Inflation		2.60 %
Expected Arithmetic Return		8.58 %

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

Discount Rate. A single discount rate of 6.37% and 6.39% at June 30, 2023 and June 30, 2022, respectively, was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and 6.50% at June 30, 2023 and June 30, 2022, respectively, and a municipal bond rate of 3.86% and 3.69% at June 30, 2023 and June 30, 2022, respectively (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2023 and June 30, 2022, respectively). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the SURS Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.37% and 6.39% at June 30, 2023 and June 30, 2022, as well as what the State's NPL would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

June 30, 2023		
1% Decrease	Current Single Discount	1% Increase
5.37%	Rate Assumption 6.37%	7.37%
\$ 35,695,434,682	\$ 29,444,538,098	\$ 24,236,489,318

June 30, 2022		
1% Decrease	Current Single Discount	1% Increase
5.39%	Rate Assumption 6.39%	7.39%
\$ 35,261,802,968	29,078,053,857	23,928,731,076

Additional information regarding the SURS basic financial statements, including the plan's net position can be found in the SURS Annual Comprehensive Financial Report by accessing the website at www.surs.org.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 6: Defined Contribution Pension Plan

General Information about the Pension Plan

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

Benefits Provided. A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2023, can be found in SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 6: Defined Contribution Pension Plan (Continued)

Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

For the year ended June 30, 2023, the State's contributions to the RSP on behalf of individual employers totaled \$90,330,044. Of this amount, \$81,991,471 was funded via an appropriation from the State and \$8,338,573 was funded from previously forfeited contributions. For the year ended June 30, 2022, the State's contributions to the RSP on behalf of individual employers totaled \$89,770,940. Of this amount, \$80,902,699 was funded via an appropriation from the State and \$8,868,241 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal years 2023 and 2022. The College's share of pensionable contributions was 0.0709% and 0.0876% for fiscal years 2023 and 2022. As a result, the College recognized revenue and defined contribution pension expense of \$63,999 and \$78,633 from this special funding situation during the years ended June 30, 2024 and June 30, 2023, respectively, of which \$5,908 and \$7,768 constituted forfeitures during the years ended June 30, 2024 and June 30, 2023, respectively.

Note 7: Other Post-Employment Benefits

Plan Administration - The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program, "CIP") is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to CIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the State Universities Retirement System and the boards of trustees of the various community college districts. CCHISF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.auditor.illinois.gov/Audit-Reports/CMS-CCHISF.asp.

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Contributions - The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of the salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriate Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1071 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

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

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2023 and June 30, 2022. CIP reported a net OPEB liability at June 30, 2023 of \$706,333,410 and at June 30, 2022 of \$684,560,152.

Employer Proportionate Share of Net OPEB Liability

The amount of the proportionate share of the net OPEB liability to be recognized for the College in fiscal year 2024 is \$3,156,826 or 0.4469%, and for fiscal year 2023 it was \$3,116,559 or 0.4553%. This amount is recognized in the financial statement. The change in the College's proportionate net OPEB liability was a decrease of 0.0083%. The proportionate share of the State's net OPEB liability associated with the College at June 30, 2023 and June 30, 2022 was \$3,156,826 or 0.4469% and \$3,116,559 or 0.4553%, respectively. The total proportionate share of the net OPEB liability associated with the College at June 30, 2023 and June 30, 2022 was \$6,313,652 and \$6,233,118, respectively. The net OPEB liability and total OPEB liability as of June 30, 2023 was determined based on the June 30, 2022 actuarial valuation. The basis of allocation used in the proportionate share of net OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2023.

OPEB Expense

At June 30, 2023 and June 30, 2022, CIP reported a collective net OPEB expense (income) of \$(258,363,775) and \$(287,349,940), respectively.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Employer Proportionate Share of OPEB Expense

The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2023 and 2022, respectively. As a result, the College recognized on-behalf revenue of \$(1,075,544) and \$(1,291,484) for the fiscal year ended June 30, 2024 and June 30, 2023, respectively. Additionally, the College recognized OPEB expense (income) of \$(1,321,829) and \$(1,415,073) for the fiscal year ended June 30, 2024 and June 30, 2023, respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

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

	Deferred Outflows of Resources	Deferred Inflow of Resources
<i>Fiscal year ended June 30, 2023 (measurement date)</i>		
Difference between expected and actual experience	\$ 47,505	\$ 950,384
Changes in assumption	0	3,086,079
Net difference between projected and actual earnings on OPEB plan investments	0	675
Changes in proportion and differences between employer contributions and share of contributions	117,270	427,177
Total deferred amounts to be recognized in pension expense in future periods	164,775	4,464,315
OPEB contributions made subsequent to the measurement date	69,627	0
Total	\$ 234,402	\$ 4,464,315

	Deferred Outflows of Resources	Deferred Inflow of Resources
<i>Fiscal year ended June 30, 2022 (measurement date)</i>		
Difference between expected and actual experience	\$ 24,620	\$ 1,298,144
Changes in assumption	0	4,201,025
Net difference between projected and actual earnings on OPEB plan investments	0	161
Changes in proportion and differences between employer contributions and share of contributions	159,918	321,422
Total deferred amounts to be recognized in pension expense in future periods	184,538	5,820,752
OPEB contributions made subsequent to the measurement date	44,205	0
Total	\$ 228,743	\$ 5,820,752

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

The College reported \$69,627 and \$44,205 as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2025 and June 30, 2024, respectively. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2025	\$ (716,590)
2026	(716,590)
2027	(716,590)
2028	(716,590)
2029	(716,590)
2030	(716,590)
Total	\$ (4,299,540)

Assumptions and Other Inputs

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on age and service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend rates for plan year 2024 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trends rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. For disabled annuitants mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020.

Discount Rate. Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with the 20 years to maturity that include only federally tax-exempt municipal bonds reported in Fidelity's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.86% as of June 30, 2023 and 3.69% as of June 30, 2022.

The increase in the single discount rate from 3.69% to 3.86% caused the total OPEB liability to increase by approximately \$10.2 million from 2022 to 2023.

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

The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 3.86% and 3.69% at June 30, 2023 and June 30, 2022, respectively, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher or lower than the current rate:

Sensitivity of Net OPEB Liability as of June 30, 2023 to the Single Discount Rate Assumption				
	1% Decrease (2.86%)	Current Single Discount Rate Assumption (3.86%)	1% Increase (4.86%)	
Net OPEB liability	\$ 3,444,129	\$ 3,156,826	\$ 2,909,432	

Sensitivity of Net OPEB Liability as of June 30, 2022 to the Single Discount Rate Assumption				
	1% Decrease (2.69%)	Current Single Discount Rate Assumption (3.69%)	1% Increase (4.69%)	
Net OPEB liability	\$ 3,411,629	\$ 3,116,559	\$ 2,864,232	

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

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

The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower.

Sensitivity of Net OPEB Liability as of June 30, 2023 to the Healthcare Cost Trend Rate Assumption

	1% Decrease (b)	Healthcare Cost Trend Rates Assumption (a)	1% Increase (c)
Net OPEB liability	\$ 2,835,590	\$ 3,156,826	\$ 3,544,194

- (a) Current healthcare trend rates - Pre-Medicare per capita costs: 9.14% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate rate of 4.25% in 2040.
- (b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.14% in 2024, 7.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 5.08% in 2034 decreasing ratably to an ultimate rate of 3.25% in 2040.
- (c) One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 10.14% in 2024, 9.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 20.42% from 2029 to 2033, 7.08% in 2034 decreasing ratably to an ultimate rate of 5.25% in 2040.

Sensitivity of Net OPEB Liability as of June 30, 2022 to the Healthcare Cost Trend Rate Assumption

	1% Decrease (b)	Healthcare Cost Trend Rates Assumption (a)	1% Increase (c)
Net OPEB liability	\$ 2,785,123	\$ 3,116,559	\$ 3,521,546

- (a) Current healthcare trend rates - Pre-Medicare per capita costs: 9.18% in 2023, 8.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2039. Post-Medicare per capita costs: 2.98% in 2023, 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.86% in 2033 decreasing ratably to an ultimate rate of 4.25% in 2039.
- (b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.18% in 2023, 7.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2039. Post-Medicare per capita costs: 1.98% in 2023, 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 4.86% in 2033 decreasing ratably to an ultimate rate of 3.25% in 2039.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

- (c) One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 10.18% in 2023, 9.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2039. Post-Medicare per capita costs: 3.98% in 2023, 1.00% from 2024 to 2028, 20.42% from 2029 to 2033, 6.86% in 2034 decreasing ratably to an ultimate rate of 5.25% in 2039.

Note 8: Risk Management

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

Note 9: Commitments and Contingencies

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

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

Construction Commitments. In May 2022, the College entered into a professional services agreement with Farnsworth Group, Inc. architecture services related to the construction of a new Science and Technology Center for \$22,786,062. As of June 30, 2024, total costs incurred are approximately \$20,941,276. The estimated completion date for this project is September 2024.

Note 10: Impact of Pending Accounting Principles

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

GASB Statement No. 102, Certain Risk Disclosures, improves financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The College has not determined the effect of this Statement.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 10: Impact of Pending Accounting Principles (Continued)

GASB Statement No. 103, Financial Reporting Model Improvements, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The College has not determined the effect of this Statement.

Note 11: Related Party Transactions

The College has the following related party transactions for fiscal year ended June 30, 2024:

Related Party	Location	Nature	Revenue (Expense)	Asset (Liability)
Carl Sandburg College Foundation	Galesburg, IL	Fall scholarships receivable		\$192,480
Carl Sandburg College Foundation	Galesburg, IL	Scholarships	\$395,082	
Carl Sandburg College Foundation	Galesburg, IL	Grants for projects	\$276,026	
Carl Sandburg College Foundation	Galesburg, IL	Contributed nonfinancial assets	(\$86,310)	

The College has the following related party transactions for fiscal year ended June 30, 2023:

Related Party	Location	Nature	Revenue (Expense)	Asset (Liability)
Carl Sandburg College Foundation	Galesburg, IL	Fall scholarships receivable		\$187,400
Carl Sandburg College Foundation	Galesburg, IL	Scholarships	\$339,572	
Carl Sandburg College Foundation	Galesburg, IL	Grants for projects	\$82,344	
Carl Sandburg College Foundation	Galesburg, IL	Contributed nonfinancial assets	(\$83,345)	

Note 12: Prior Year Restatement

During fiscal year 2024, the College determined that their capital assets were understated by \$206,833 upon reconciling it to the subledger. Based on the capital assets related to the error, the error occurred in a previously reported fiscal year. Therefore, the college's capital assets were understated by \$206,833 for the fiscal year ended June 30, 2023. The effect of correcting this error is shown in the table below.

<i>Years Ended June 30, 2024 and 2023</i>	Statement of Net Position	
	June 30, 2024	June 30, 2023
Net position, beginning of year, as previously reported	\$ 46,349,356	\$ 37,807,358
Fixed asset correction	-	206,833
Net position, beginning of year, as restated	\$ 46,349,356	\$ 38,014,191

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit

Nature of Business

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

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States ("GAAP").

Net Assets

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

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

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

Contributions and Revenues

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

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

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

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

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

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

Pledges Receivable

The Foundation receivables consist principally of pledged contributions from donors. Management individually reviews all delinquent accounts receivable balances. After all attempts to collect a receivable have failed, the receivable is written off as a bad debt using the specific charge-off method. Generally accepted accounting principles require that the allowance method be used to reflect bad debt expense. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed. As of June 30, 2024, there was \$197,479 of pledged receivables. As of June 30, 2023, there was \$12,316 of pledged receivables.

Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Functional Allocation of Expenses

Included on the statement of activities is expenses by function with natural classification detail. Expenses that can be identified with a specific program are recorded directly according to their natural expense classification. Other expenses that are common to several functions are allocated by various methods.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments with an original maturity of three months or less to be cash and cash equivalents.

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents. The Foundation maintains its general cash accounts in one financial institution located in Galesburg, Illinois. Those balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Investments and Investment Earnings

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Contributed Nonfinancial Assets

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributed services are recognized in the financial statements, if the services (a) create or enhance a nonfinancial asset or (b) be specialized skills, provided by entities or persons possessing those skills that would be purchased if not donated. These amounts are included in the financial statements as contributed nonfinancial asset revenues and expenses.

The Foundation also receives contributed services generally in the form of contributed time by volunteers. However, these contributed services are not reflected in the financial statements since they do not meet the criteria for recognition as contributed services.

For the year ended June 30, 2024, the Foundation received contributed administrative services totaling \$86,310 from Carl Sandburg College Community College District 518 (the College), a related party. For the year ended June 30, 2023, the Foundation received contributed administrative services totaling \$83,845 from Carl Sandburg College Community College District 518 (the College), a related party.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

The Foundation have evaluated subsequent events through August 27, 2024, which is the date the financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2024 have been incorporated herein. There are no other subsequent events that require disclosure.

Pending Accounting Pronouncements

ASU No. 2022-03, *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, Topic 820 (Fair Value Measurement)* – This standard clarifies that contractual sale restrictions are not considered in measuring an equity security at fair value. The amendments to the standard also clarify that an entity cannot recognize a contractual sale restriction as a separate unit of account and expand the disclosure requirements for equity securities subject to contractual sale restrictions. The amendments under this new accounting standard are applied prospectively with any adjustments from the adoption recognized in earnings and disclosed on the adoption date. This new standard is effective for financial statements issued for annual periods beginning after December 15, 2024, including interim periods within those annual years. Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. The Foundation does not believe this new standard will have a significant impact on its financial statements.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

ASU No. 2023-02, *Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method, Topic 323 (Investments—Equity Method and Joint Ventures)* – This standard permits reporting entities to elect to account for their tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. Under the proportional amortization method, an entity amortizes the initial cost of the investment in proportion to the income tax credits and other income tax benefits received and recognizes the net amortization and income tax credits and other income tax benefits in the income statement as a component of income tax expense (benefit). This new standard is effective for financial statements issued for annual periods beginning after December 15, 2024, including interim periods within those annual years. Early adoption is permitted for both interim and annual financial statements. The Foundation does not believe this new standard will have a significant impact on its financial statements.

ASU No. 2023-08, *Accounting for and Disclosure of Crypto Assets, Subtopic 350-60 (Intangibles - Goodwill and Other - Crypto Assets)* - This standard requires reporting entities to subsequently measure assets that meet those criteria at fair value with changes recognized in net income each reporting period. The amendments in this Update also require that an entity present (1) crypto assets measured at fair value separately from other intangible assets in the balance sheet and (2) changes from the remeasurement of crypto assets separately from changes in the carrying amounts of other intangible assets in the income statement (or statement of activities for not-for-profit entities). This new standard is effective for financial statements issued for annual periods beginning after December 15, 2024, including interim period within those annual years. The Foundation does not believe this new standard will have a significant impact on its financial statements.

Liquidity and Availability of Financial Assets

The Foundation's primary sources of support are contributions, fundraising and income from investing its endowment. Most of that support is required to be used in accordance with the purpose restrictions imposed by the donors.

The following table reflects the Foundation's financial assets as of June 30, 2024, reduced by amounts not available for general expenditures:

Total financial assets	\$ 25,421,668
Less those unavailable for general expenditure within one year due to:	
Purpose restrictions	(19,644,777)
Board designated endowment funds	(314,824)
Perpetual endowments	(333,320)
<hr/>	
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,128,747</u>

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The following table reflects the Foundation's financial assets as of June 30, 2023, reduced by amounts not available for general expenditures:

Total financial assets	\$ 22,780,109
Less those unavailable for general expenditure within one year due to:	
Purpose restrictions	(17,577,175)
Board designated endowment funds	(276,032)
Perpetual endowments	(317,919)
<hr/>	
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,608,983</u>

Investments

Interest, dividends, realized and unrealized gains and losses attributable to investments have been distributed based on each fund's percentage holdings of that investment. All investments are carried by the Foundation at fair value. The investments at June 30, 2024 consisted of the following:

	Fair Value	Cost	Unrealized Appreciation (Depreciation)
Mutual funds - equity	\$ 21,080,894	\$ 17,173,029	\$ 3,907,865
Mutual funds - bonds	3,378,124	3,019,852	358,272
Money market funds	112	112	-
<hr/>			
Total investments measured at fair value	<u>\$ 24,459,130</u>	<u>\$ 20,192,993</u>	<u>\$ 4,266,137</u>

The investments at June 30, 2023 consisted of the following:

	Fair Value	Cost	Unrealized Appreciation (Depreciation)
Mutual funds - equity	\$ 19,815,079	\$ 16,385,617	\$ 3,429,462
Mutual funds - bonds	2,519,758	2,897,100	(377,342)
<hr/>			
Total investments measured at fair value	<u>\$ 22,334,837</u>	<u>\$ 19,282,717</u>	<u>\$ 3,052,120</u>

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Endowment Funds

The Foundation's endowment consists of approximately 120 individual funds for a variety of purposes. Its endowment includes both donor restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Investment income generated by the Foundation's endowment funds are used for the benefit of the Foundation and accordingly, investment losses are recognized in the Foundation's unrestricted net assets.

The endowment net asset composition by type of fund as of June 30, 2024 is as follows:

	Without Donor Restriction	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds	\$ -	\$ 19,978,097	\$ 19,978,097
Unrestricted endowment funds:			
Board-designated	314,824	-	314,824
Unrestricted	4,907,711	-	4,907,711
Endowment net assets, end of year	\$ 5,222,535	\$ 19,978,097	\$ 25,200,632

The endowment net asset composition by type of fund as of June 30, 2023 is as follows:

	Without Donor Restriction	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds	\$ -	\$ 17,895,094	\$ 17,895,094
Unrestricted endowment funds:			
Board-designated	276,032	-	276,032
Unrestricted	4,418,878	-	4,418,878
Endowment net assets, end of year	\$ 4,694,910	\$ 17,895,094	\$ 22,590,004

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Changes in endowment net asset as of June 30, 2024 are as follows:

	Without Donor Restriction	With Donor Restrictions	Total Endowment Assets
Endowment net assets, beginning of year	\$ 4,694,910	\$ 17,895,094	\$ 22,590,004
Contributions	133,781	374,938	508,719
Interest and dividend income	188,328	655,169	843,497
Net unrealized gain (loss) on investments	342,268	871,858	1,214,126
Net realized gain (loss) on investments	535,473	546,436	1,081,909
Donated goods, services, facilities	90,310	-	90,310
Change in value of beneficial interest in trust	-	15,402	15,402
Amounts appropriated for expenditures	(1,143,335)	-	(1,143,335)
Amounts released from restriction	380,800	(380,800)	-
Endowment net assets, end of year	\$ 5,222,535	\$ 19,978,097	\$ 25,200,632

Changes in endowment net asset as of June 30, 2023 are as follows:

	Without Donor Restriction	With Donor Restrictions	Total Endowment Assets
Endowment net assets, beginning of year	\$ 4,144,670	\$ 16,577,911	\$ 20,722,581
Contributions	72,197	227,553	299,750
Interest and dividend income	124,762	531,979	656,741
Net unrealized gain (loss) on investments	728,297	788,513	1,516,810
Net realized gain (loss) on investments	2,237	109,621	111,858
Donated goods, services, facilities	93,668	-	93,668
Change in value of beneficial interest in trust	-	3,135	3,135
Amounts appropriated for expenditures	(814,539)	-	(814,539)
Amounts released from restriction	343,618	(343,618)	-
Endowment net assets, end of year	\$ 4,694,910	\$ 17,895,094	\$ 22,590,004

Beneficial Interest in Perpetual Trusts

The Foundation is a beneficiary of a trust that stipulates it is the recipient of 100% of the trust's earnings. The principal is to be held for perpetuity with the investment earnings to be used for student scholarships. The beneficial interest in the perpetual trust is recorded at 100% of the trust's fair value. The recorded value was \$333,320 as of June 30, 2024, and the recorded value was \$317,919 as of June 30, 2023. The change in fair value is recorded on the statement of activities.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Net Assets with Donor Restriction

Net assets with donor restrictions consist of the following as of June 30, 2024:

Subject to expenditure for specified purpose:	
Student scholarships	\$ 13,823,087
Endowment subject to spending policy and appropriation	5,821,690
Perpetual endowments	333,320
<hr/>	
Net assets with donor restrictions	\$ 19,978,097

Net assets with donor restrictions consist of the following as of June 30, 2023:

Subject to expenditure for specified purpose:	
Student scholarships	\$ 12,316,883
Endowment subject to spending policy and appropriation	5,260,292
Perpetual endowments	317,919
<hr/>	
Net assets with donor restrictions	\$ 17,895,094

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

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes during the year ended June 30, 2024, totaling \$380,800. Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes during the year ended June 30, 2023, totaling \$343,618.

Pledge Receivables

Unconditional promises are included in the consolidated financial statements as pledge receivables and revenue of the appropriate net asset category. The breakdown of pledges receivable as of June 30, 2024 is as follows:

	Unconditional Pledges Receivable
Due in one year or less	\$ 60,025
Due in one to five years	151,291
<hr/>	
Total Contribution Receivables	211,316
<hr/>	
Less discount to present value at a 5% rate	(13,837)
<hr/>	
Total Net Contribution Receivables	\$ 197,479

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The breakdown of pledges receivable as of June 30, 2023 is as follows:

	Unconditional Pledges Receivable
Due in one year or less	\$ 12,316
Due in one to five years	-
Total Contribution Receivables	12,316
Less discount to present value at a 5% rate	-
Total Net Contribution Receivables	\$ 12,316

Fair Value Measurement

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

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

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

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The following table presents the Foundation's fair value hierarchy for the assets measured at fair value on a recurring basis as of as of June 30, 2024:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Mutual funds - equity	\$ 21,080,894	\$ 21,080,894	\$ -	\$ -
Mutual funds - bonds	3,378,124	3,378,124	-	-
Money market funds	112	112	-	-
Beneficial interest in perpetual trust	333,320	-	-	333,320
Total investments	\$ 24,792,450	\$ 24,459,130	\$ -	\$ 333,320

The following table presents the Foundation's fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2023:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Mutual funds - equity	\$ 19,815,079	\$ 19,815,079	\$ -	\$ -
Mutual funds - bonds	2,519,758	2,519,758	-	-
Beneficial interest in perpetual trust	317,919	-	-	317,919
Total investments	\$ 22,652,756	\$ 22,334,837	\$ -	\$ 317,919

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

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

The following table reconciles the Foundation's beginning to ending balance of its beneficial interest in a perpetual trust measured at fair value using significant unobservable inputs (Level 3) during the year ended June 30, 2024:

Beneficial interest in perpetual trust:	
Balance, beginning of year	\$ 317,919
Changes in fair value of trust assets	15,401
Balance, end of year	\$ 333,320

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The following table reconciles the Foundation's beginning to ending balance of its beneficial interest in a perpetual trust measured at fair value using significant unobservable inputs (Level 3) during the year ended June 30, 2023:

Beneficial interest in perpetual trust:

Balance, beginning of year	\$	314,784
Changes in fair value of trust assets		3,135
<hr/>		
Balance, end of year	\$	317,919

Information regarding the fair value of assets and liabilities measured at fair value on a nonrecurring basis as of June 30, 2024 follows:

	Total	Nonrecurring Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Services	\$ 83,465	\$ -	\$ -	\$ 83,465
Goods	4,000	-	-	4,000
Facilities	2,845	-	-	2,845
<hr/>				
Total investments	\$ 90,310	\$ -	\$ -	\$ 90,310

Information regarding the fair value of assets and liabilities measured at fair value on a nonrecurring basis as of June 30, 2023 follows:

	Total	Nonrecurring Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Services	\$ 81,075	\$ -	\$ -	\$ 81,075
Goods	9,823	-	-	9,823
Facilities	2,770	-	-	2,770
<hr/>				
Total investments	\$ 93,668	\$ -	\$ -	\$ 93,668

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

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

The following tables represent the Foundation's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs as of June 30, 2024.

	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range
Beneficial interest in perpetual trusts	\$ 380,800	Market approach	Fair value of assets contributed to trust	N/A
Contributed nonfinancial assets:				
Services	83,465	Market approach	Fair value of assets contributed to Foundation	N/A
Goods	4,000	Market approach	Fair value of assets contributed to Foundation	N/A
Facilities	2,845	Market approach	Fair value of assets contributed to Foundation	N/A
Total	\$ 471,110			

The following tables represent the Foundation's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs as of June 30, 2023.

	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range
Beneficial interest in perpetual trusts	\$ 343,618	Market approach	Fair value of assets contributed to trust	N/A
Contributed nonfinancial assets:				
Services	81,075	Market approach	Fair value of assets contributed to Foundation	N/A
Goods	9,823	Market approach	Fair value of assets contributed to Foundation	N/A
Facilities	2,770	Market approach	Fair value of assets contributed to Foundation	N/A
Total	\$ 437,286			

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Related Parties

The Foundation is a component unit of Carl Sandburg College – Community College District 518 (College) for financial reporting purposes. The financial balances and activities included in these financial statements are, therefore, also included in the College’s financial statements. The College donated \$86,310 and \$83,845 of services, goods, and facilities to the Foundation during the year ended June 30, 2024 and June 30, 2023, respectively. The Foundation paid the College \$627,382 and \$421,916 for scholarships and grants for projects during the year ended June 30, 2024 and June 30, 2023, respectively. The Foundation also paid the College \$43,726 and \$0 for P-card payments during the year ended June 30, 2024 and June 30, 2023, respectively. In addition, there is a payable to the College for scholarships awarded for Fall 2024 and Fall 2023 in the amount of \$192,480 and \$187,400 as of June 30, 2024 and June 30, 2023, respectively.

Income Taxes

As stated in Note 1, the Foundation is organized as a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation pays no income tax on its related function income as long as it stays within the guidelines of Section 501(c)(3). The Foundation is subject to income tax on its "non-related" function income. For the year ending June 30, 2024, the Foundation did not have any "non-related" function income. Accordingly, the Foundation had no taxable income for the year.

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

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

Contributed Nonfinancial Assets

Contributed nonfinancial assets as of June 30, 2024 consist of the following:

Services	\$	83,465
Goods		4,000
Facilities		2,845
<hr/>		
Balance, end of year	\$	90,310
<hr/>		

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Contributed nonfinancial assets as of June 30, 2023 consist of the following:

Services	\$	81,075
Goods		9,823
Facilities		2,770
<hr/>		
Balance, end of year	\$	93,668
<hr/>		

The Foundation recognizes contributed nonfinancial assets within revenue, including contributed administrative services, fundraising goods, and office space. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed services recognized comprise of professional services from the College relating to payroll of Foundation management, along with marketing and public relations services. Foundation management are considered College employees and the management services are valued using the salary that the College pays management. Contributed marketing services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar marketing services.

Contributed goods were utilized for the College's fundraising, cultivation and donor stewardship. Contributed goods are valued and are reported at the estimated fair value in the financial statements based on estimates of wholesale values that would be received for selling similar products in the United States.

Contributed facilities relates to office space used for general and administrative activities of the Foundation located within the College. In valuing the contributed facilities, the Foundation estimated the fair value on the basis of recent comparable rental prices in Foundation's local real estate market.

Required Supplementary Information

Carl Sandburg College - Community College District 518

Schedule of Share of Net Pension Liability

Last Ten Fiscal Years

Measurement Date June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion percentage of the collective net pension liability	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Proportion amount of the collective net pension liability	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Portion of non-employer contributing entities' total proportion of collective net pension liability associated with the College	\$ 67,104,102	\$ 68,063,001	\$ 65,513,365	\$ 70,315,548	\$ 67,377,287	\$ 65,574,518	\$ 61,129,173	\$ 63,441,840	\$ 57,324,387	\$ 55,045,220
Employer covered payroll	\$ 8,738,247	\$ 8,716,514	\$ 8,750,555	\$ 8,562,352	\$ 8,507,917	\$ 8,551,157	\$ 8,496,436	\$ 8,852,780	\$ 8,838,527	\$ 9,217,229
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	767.94 %	780.85 %	748.68 %	821.22 %	791.94 %	766.85 %	719.47 %	716.63 %	648.57 %	597.20 %
SURS plan net position as a percentage of total pension liability	44.06 %	43.65 %	45.45 %	39.05 %	40.71 %	41.27 %	42.04 %	39.57 %	42.37 %	44.39 %

Note: The System implemented GASB No. 68 in fiscal year 2015.

Carl Sandburg College - Community College District 518

Schedule of Pension Contributions

Last Ten Fiscal Years

Fiscal Year Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Federal, trust, grant and other contribution	\$ 44,440	\$ 45,165	\$ 47,730	\$ 45,927	\$ 49,241	\$ 45,406	\$ 40,245	\$ 33,300	\$ 41,768	\$ 38,128
Contribution in relation to required contribution	44,440	45,165	47,730	45,927	49,241	45,406	40,245	33,300	41,768	38,128
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Employer covered payroll	\$ 9,281,906	\$ 9,987,751	\$ 8,731,979	\$ 8,842,996	\$ 8,670,105	\$ 9,635,998	\$ 9,556,351	\$ 9,500,036	\$ 9,903,377	\$ 9,945,359
Contribution as a percentage of covered payroll	0.48 %	0.45 %	0.55 %	0.52 %	0.57 %	0.47 %	0.42 %	0.35 %	0.42 %	0.38 %

Note: The System implemented GASB No. 68 in fiscal year 2015.

Carl Sandburg College - Community College District 518

Schedule of Share of Net OPEB Liability

Last Ten Fiscal Years

(schedule to be built prospectively from 2018)

Measurement Date June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion percentage of the collective net OPEB liability	0.45 %	0.46 %	0.47 %	0.45 %	0.46 %	0.47 %	0.48 %	0.47 %		
Proportion amount of the collective net OPEB liability	\$ 3,156,826	\$ 3,116,559	\$ 8,071,050	\$ 8,277,698	\$ 8,660,087	\$ 8,844,364	\$ 8,671,841	\$ 8,603,553		
Portion of non-employer contributing entities' total proportion of collective net OPEB liability associated with the College	\$ 3,156,826	\$ 3,116,559	\$ 8,071,050	\$ 8,277,698	\$ 8,660,087	\$ 8,844,364	\$ 8,557,627	\$ 8,964,170		
Total collective net OPEB liability associated with the College	\$ 6,313,652	\$ 6,233,118	\$ 16,142,100	\$ 16,555,396	\$ 17,320,174	\$ 17,688,728	\$ 17,229,468	\$ 17,567,723		
College's covered payroll	\$ 9,987,751	\$ 8,731,979	\$ 8,842,996	\$ 8,670,105	\$ 9,635,998	\$ 9,556,351	\$ 9,500,036	\$ 9,903,377		
Proportion of collective net OPEB liability associated with the College as a percentage of covered payroll	63.21 %	71.38 %	182.54 %	190.95 %	179.74 %	185.10	181.36 %	177.39 %		
College insurance plan net position as a percentage of total OPEB liability	(17.87)%	(22.03)%	(6.38)%	(5.07)%	(4.13)%	(3.54)%	(2.87)%	(2.87)%		

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

Carl Sandburg College - Community College District 518

Schedule of OPEB Contributions

Last Ten Fiscal Years

(schedule to be built prospectively from 2014)

Fiscal Year Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 69,627	\$ 44,205	\$ 42,934	\$ 43,240	\$ 41,765	\$ 41,163	\$ 40,968	\$ 41,255	\$ 42,845	
Contribution in relation to the required statutorily	69,627	44,205	42,934	43,240	41,765	41,163	40,968	41,255	42,845	
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
District's covered payroll	\$ 9,281,906	\$ 9,987,751	\$ 8,731,979	\$ 8,842,996	\$ 8,670,105	\$ 9,635,998	\$ 9,556,351	\$ 9,500,036	\$ 9,903,377	
Contribution as a percentage of covered payroll	0.75 %	0.44 %	0.49 %	0.49 %	0.48 %	0.43 %	0.43 %	0.43 %	0.43 %	0.43 %

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

Carl Sandburg College - Community College District 518

Notes to Required Supplementary Information

Note 1: Changes of Benefit Terms

Public Act 103-0080, effective June 9, 2023, created a disability benefit for police officers injured in the line of duty on or after January 1, 2022. This benefit was first reflected in the Total Pension Liability as of June 30, 2023.

Note 2: Changes of Assumptions

In accordance with *Illinois Compiled Statutes*, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020 was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below. Only the disability rates assumption changed for the June 30, 2023, actuarial valuation.

- Salary increases. The overall assumed rates of salary increase range from 3.00% to 12.75% based on years of service, with an the underlying wage inflation rate of 2.25%.
- Investment return. The investment return is assumed to be 6.50%. This reflects an assumed real rate of return to 4.25% and assumed price inflation of 2.25%.
- Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 6.50%.
- Normal retirement rates. Separate rates are assumed for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Early retirement rates. Separate rates are assumed for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase.
- Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2020 scale.
- Disability rates. Separate rates are assumed for members in academic positions and non-academic positions, as well as for males and females. New for the June 30, 2023, valuation, 50% of police officer disability incidence is assumed to be the line-of-duty related.
- Plan election. For non-academic members, assumed plan election rates are 75% for Tier 2 and 25% Retirement Savings Plan (RSP). For academic members, assumed plan election rates are 55% for Tier 2 and 45% for Retirement Savings Plan(RSP).

Note 3: Changes of OPEB Benefit Terms

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2024.

Carl Sandburg College - Community College District 518

Notes to Required Supplementary Information (Continued)

Note 4: Changes of OPEB Assumptions

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of CIP. An experience review for the years June 30, 2017 to June 30, 2020, resulting in the adoption of new assumptions as of June 30, 2021. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2021:

- Per capita claim costs for plan year end June 30, 2023, were updated based on projected claim and enrollment experience through June 30, 2023, and updated premium rates through plan year end 2024;
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2022, projected plan cost for plan year end June 30, 2023, premium changes through plan year end 2023, and expectation of future trend increases after June 30, 2023;
- The discount rate was changed from 3.69 percent at June 30, 2022, to 3.86 percent at June 30, 2023.

The pension-related assumption changes had minimal impact to the results of the OPEB actuarial valuation.

Statistical Section

Carl Sandburg College - Community College District 518

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.	77 - 78
Revenue Capacity These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.	79 - 82
Debt Capacity These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the ability to issue additional debt in the future.	83 - 86
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.	87 - 88
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.	89 - 91

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

Carl Sandburg College - Community College District 518

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

TABLE A

	2024	As Restated 2023	As Restated 2022****	As Restated 2021***	As Restated 2020**	2019	2018	As Restated 2017*	2016	As Restated 2015
Net investment in capital assets	\$7,835	\$9,667	\$9,792	\$9,265	\$9,312	\$9,596	\$8,138	\$8,008	\$8,096	\$10,958
Restricted - expendable:										
Debt Service	280	272	621	572	453	483	390	362	323	234
Grants and scholarships	2,000	2,581	2,348	504	538	420	425	425	0	0
Working cash	8,891	8,587	8,476	8,528	8,467	8,346	8,254	8,232	8,195	8,163
Unrestricted	35,383	25,242	16,570	12,793	6,693	1,546	(786)	(3,085)	3,457	2,815
Total net position	\$54,389	\$46,349	\$37,807	\$31,662	\$25,463	\$20,391	\$16,421	\$13,942	\$20,071	\$22,170

*Implementation of GASB 75
 **Implementation of GASB 84
 ***Implementation of GASB 87
 ****Implementation of GASB 96

Carl Sandburg College - Community College District 518

Changes in Net Position

For the Last Ten Fiscal Years ended June 30,

(Accrual Basis of Accounting)

(Amounts Expressed in Thousands)

	As Restated 2023	As Restated 2022****	As Restated 2021***	2020	2019	2018	As Restated 2017**	2016	TABLE B As Restated 2015	
	2024									
Operating expenses:										
Instruction	\$7,815	\$6,836	\$8,496	\$9,688	\$9,556	\$8,669	\$5,613	\$5,823	\$6,074	\$6,753
Academic support	449	401	454	539	614	560	404	391	408	453
Student services	3,931	4,153	4,521	4,761	4,447	4,250	2,989	2,825	2,727	2,669
Public services	122	146	84	173	179	184	126	135	182	260
Auxiliary services	1,006	1,005	931	832	984	758	616	631	618	686
Operation and maintenance	1,445	1,317	1,466	1,566	1,651	1,667	1,323	1,366	1,464	1,586
Institutional support	6,330	5,953	7,302	7,268	6,703	6,993	11,509	20,054	9,981	9,300
Scholarships, student grants, and waivers	3,047	3,149	5,582	4,010	4,876	3,669	4,068	2,815	2,654	3,108
Depreciation and amortization expense	1,798	1,771	1,553	1,563	1,558	1,303	1,305	1,385	1,378	1,254
Total operating expenses	25,943	24,731	30,389	30,400	30,568	28,053	27,953	35,425	25,486	26,069
Operating revenues:										
Charges for services:										
Student tuition and fees, net of scholarship allowance	4,310	4,110	4,913	4,807	5,970	5,140	5,303	4,524	4,498	4,338
Auxiliary enterprise	197	225	155	171	173	173	161	180	216	202
Total operating revenue	4,507	4,335	5,068	4,978	6,143	5,313	5,464	4,704	4,714	4,540
Operating loss	(21,436)	(20,396)	(25,321)	(25,422)	(24,425)	(22,740)	(22,489)	(30,721)	(20,772)	(21,529)
Nonoperating revenues (expenses):										
Property taxes	13,735	13,371	12,745	12,520	12,187	11,849	11,142	10,542	10,055	9,884
Replacement taxes	552	916	877	406	291	269	242	294	266	291
Other state sources	3,912	3,524	2,773	2,712	2,599	2,298	2,320	2,675	1,035	3,162
On-behalf payments	3,283	3,242	5,434	0	0	0	0	0	0	0
Federal grants	4,813	5,715	9,675	7,530	5,963	5,482	5,416	5,219	5,067	5,959
Facilities revenue	4	5	4	0	0	0	0	0	0	0
Investment income	3,422	2,084	(97)	384	851	636	308	153	483	402
Nongovernmental grants and gifts	97	68	48	23	75	24	32	52	150	12
Other revenue	318	326	286	8,125	7,963	6,594	6,020	6,517	5,102	4,646
Gain (loss) on disposal of assets	(45)	(32)	0	0	(207)	0	(1)	(288)	(2,776)	(785)
Interest expense	(615)	(488)	(643)	(81)	(312)	(445)	(511)	(572)	(709)	(1,090)
Net nonoperating revenues	29,476	28,731	31,102	31,619	29,410	26,707	24,968	24,592	18,673	22,481
Capital contribution	0	0	361	0	0	0	0	0	0	0
Change in net position	\$8,040	\$8,335	\$6,142	\$6,197	\$4,985	\$3,967	\$2,479	(\$6,129)	(\$2,099)	\$952

**Implementation of GASB 75

***Implementation of GASB 87

****Implementation of GASB 96

Carl Sandburg College - Community College District 518

Assessed and Estimated Actual Value of Taxable Property

Last Ten Tax Levy Years

TABLE C

Tax Levy Year	Farm	Residential	Commercial	Industrial	Mineral	Railroad	Assessed Valuation	Estimated Actual Value	Total Direct Tax Rate
2023	\$1,014,711,004	\$948,474,872	\$285,687,722	\$20,160,484	\$28,657,070	\$159,453,460	\$2,457,144,612	\$7,371,433,836	0.6208
2022	921,816,272	889,853,432	285,721,994	29,447,694	22,138,504	146,584,808	2,295,562,704	6,886,688,112	0.5908
2021	861,226,834	829,051,994	268,504,118	28,686,857	21,503,733	132,919,789	2,141,893,325	6,425,679,975	0.6044
2020	798,044,586	788,968,732	263,206,332	27,267,353	2,560,065	112,347,384	1,992,394,452	5,977,183,356	0.6429
2019	779,779,282	804,163,481	266,067,573	30,396,977	-	97,100,458	1,977,507,771	5,932,523,313	0.6594
2018	743,947,589	804,742,320	262,723,804	30,488,827	-	86,497,622	1,928,400,162	5,785,200,486	0.6431
2017	701,661,616	755,977,286	258,982,913	21,649,672	-	81,435,544	1,819,707,031	5,459,121,093	0.6524
2016	663,550,654	742,549,109	260,982,719	21,700,159	-	74,484,612	1,763,267,253	5,289,801,759	0.6673
2015	629,272,277	716,008,658	237,521,756	16,406,871	-	67,169,171	1,666,378,733	4,999,136,199	0.6317
2014	606,537,263	699,100,533	235,528,265	16,553,770	-	64,128,032	1,621,847,863	4,865,543,589	0.6192

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

Source: Knox County Clerk's Office

Carl Sandburg College - Community College District 518

Property Tax Levies and Collections

Last Ten Fiscal Years

TABLE D

Year of Levy	Fiscal Year	Total Tax Levy	Current Year Taxes Collected	Percent of Levy Collected	Collected in Subsequent Years	Total Collections to Date	Total Percent of Levy Collected to Date
2023	2024	\$15,063,713	\$1,787,538	11.87%	\$0	\$1,787,538	11.87%
2022	2023	13,369,775	1,682,304	12.58%	11,993,444	13,675,748	102.29%
2021	2022	12,948,710	3,458,408	26.71%	9,637,128	13,095,536	101.13%
2020	2021	13,025,772	2,601,388	19.97%	10,364,621	12,966,009	99.54%
2019	2020	12,774,131	1,637,512	12.82%	10,989,993	12,627,505	98.85%
2018	2019	12,327,157	1,104,430	8.96%	10,997,372	12,101,802	98.17%
2017	2018	11,962,549	3,500,278	29.26%	8,356,243	11,856,521	99.11%
2016	2017	11,398,135	4,092,846	35.91%	7,221,114	11,313,960	99.26%
2015	2016	10,542,391	3,049,198	28.92%	7,404,816	10,454,014	99.16%
2014	2015	10,078,115	2,720,891	27.00%	7,320,145	10,041,036	99.63%

Source: Knox County Treasurer's Office

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

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

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

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

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

Carl Sandburg College - Community College District 518

Property Tax Rates - Direct and Overlapping Governments (1)

Last Ten Tax Levy Years

TABLE E

Taxing Bodies	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Galesburg	1.5203	1.5132	1.5957	1.5197	1.5080	1.5632	1.6006	1.7039	1.7828	1.6135
Township of the City of Galesburg	0.1272	0.1332	0.1444	0.1460	0.1438	0.1472	0.1512	0.1528	0.1574	0.1599
Galesburg Unit School District 205	4.9440	4.7066	4.7399	4.9021	4.8897	4.8344	4.8344	4.9576	4.7018	4.5915
Knox County	1.2637	1.2972	1.2899	1.2878	1.3150	1.3180	1.3631	1.3294	1.3245	1.3185
Knox County Soil & Water Conservation	0.0005	0.0005	0.0006	0.0005	0.0006	0.0006	0.0006	0.0007	0.0000	0.0000
Galesburg City Fire	0.9235	0.9323	1.0428	1.0807	1.1467	1.1224	1.1176	1.0424	0.9500	0.9647
Galesburg Sanitary District	0.2985	0.3036	0.3134	0.3101	0.3057	0.3060	0.2986	0.3103	0.0000	0.3143
Total Overlapping Rate	9.0777	8.8866	9.1267	9.2469	9.3095	9.2918	9.3660	9.4971	8.9165	8.9622
Carl Sandburg College Dist. 518										
Educational	0.2203	0.2252	0.2281	0.2377	0.2456	0.2387	0.2444	0.2757	0.2463	0.2181
Building	0.0492	0.0487	0.0478	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Bond and Interest	0.1610	0.1721	0.1815	0.1641	0.1707	0.1713	0.1757	0.1661	0.1547	0.2103
Audit	0.0049	0.0049	0.0048	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Tort Immunity	0.1282	0.1197	0.1223	0.1278	0.1297	0.1202	0.1191	0.1104	0.1162	0.1199
Protection, Health, and Safety	0.0492	0.0122	0.0120	0.0500	0.0500	0.0500	0.0500	0.0500	0.0494	0.0059
Social Security and Medicare	0.0080	0.0081	0.0079	0.0083	0.0084	0.0079	0.0081	0.0101	0.0101	0.0100
Total	0.6208	0.5908	0.6044	0.6429	0.6594	0.6431	0.6524	0.6673	0.6317	0.6192
Total rate	9.6985	9.4774	9.7311	9.8898	9.9689	9.9349	10.0184	10.1644	9.5482	9.5814
Carl Sandburg College										
Percentage of Total	6.40%	6.23%	6.21%	6.50%	6.61%	6.47%	6.51%	6.57%	6.62%	6.46%

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

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

Source: Knox County Clerk's Office

Carl Sandburg College - Community College District 518

Principal Taxpayers

Current Year and Nine Years Ago

Table F

Taxpayer	Type of Business	2024		2015	
		Taxable Assessed Value (approx.)	Percent District's Total EAV	Taxable Assessed Value (approx.)	Percent District's Total EAV
Burlington Northern & Santa Fe Railway Co	Railway	\$155,607,825	1 6.33%	40,005,881	1 2.47%
Cardinal Point LLC	Wind Farm	19,308,342	2 0.79%		
Union Electric	Electric	14,642,094	3 0.60%	13,068,924	2 0.81%
Monmouth Property Dev LLC	Manufacturing	8,797,170	4 0.36%		
Smithfield Fresh Meats Corp	Manufacturing	8,457,020	5 0.34%		
OSF Healthcare System	Hospital	7,986,030	6 0.33%	2,347,920	10 0.14%
Consolidated Grain & Barge	Grain Elevator	7,059,139	7 0.29%	4,699,211	5 0.29%
Wal-Mart Real Estate Bus	Retailer	4,432,220	8 0.18%	4,055,460	6 0.25%
Y&O Galesburg LLC ETAL	Retailer	2,858,460	9 0.12%		
Crop Production Services Inc	Commercial Business	2,753,188	10 0.11%		
Galesburg Hospital Corporation (Cottage Hosp	Hospital			7,035,440	3 0.43%
KC Acquisition Inc	Processing Plant			6,100,690	4 0.38%
Menard Inc	Retailer			3,035,810	7 0.19%
The Villas at Carl Sandburg LLC	Commercial Housing			2,446,530	8 0.15%
HyVee Food Stores Inc	Retailer			2,390,470	9 0.15%
		\$231,901,488	9.44%	\$85,186,336	5.25%

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

Carl Sandburg College - Community College District 518

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

TABLE G

Fiscal Year	General Bonded Debt	Leases	SBITA	Total Primary Government	Estimated Actual Value Taxable Property	Ratio Total Debt to Est. Actual Taxable Prop. Value	Estimated Population	Bonded Debt Per Capita	Personal Income (amounts expressed in thousands)	Ratio of Total Outstanding Debt to Personal Income
2024	\$28,528,409	\$177,722	\$229,928	\$28,936,059	\$7,371,433,836	0.393%	97,109	294	\$3,123,910	0.93%
2023	31,781,225	279,236	129,635	32,190,096	6,886,688,112	0.467%	104,753	303	5,363,354	0.60%
2022	35,169,807	377,832	283,404	35,831,043	6,425,679,975	0.558%	104,993	335	3,648,443	0.97%
2021	7,861,044	0	0	7,861,044	5,977,183,356	0.132%	100,791	78	2,566,441	0.31%
2020	10,996,528	34,574	0	11,031,102	5,932,523,313	0.186%	101,418	108	2,618,004	0.42%
2019	13,946,049	78,052	0	14,024,101	5,785,200,486	0.242%	102,634	136	2,613,342	0.54%
2018	16,581,320	118,687	0	16,700,007	5,459,121,093	0.306%	103,711	160	2,697,834	0.62%
2017	18,950,394	156,666	0	19,107,060	5,289,801,759	0.361%	103,711	183	2,697,834	0.71%
2016	20,934,468	192,162	0	21,126,630	4,999,136,199	0.423%	105,748	198	2,464,246	0.86%
2015	23,525,374	0	0	\$23,525,374	4,865,543,589	0.484%	105,790	222	2,439,200	0.96%

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

Sources: Knox County Clerk's Office College records

Carl Sandburg College - Community College District 518

Ratio of Net General Bonded Debt to Assessed Value and

Net General Bonded Debt Per Capita

Last Ten Fiscal Years

TABLE H

Fiscal Year	General Bonded Debt	Less: Amounts Available for Debt Service	Net General Bonded Debt	Estimated Actual Taxable Value of Property	Estimated Population	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2024	\$28,528,409	\$279,781	\$28,248,628	\$7,371,433,836	97,109	0.383%	\$291
2023	31,781,225	272,213	31,509,012	6,886,688,112	104,753	0.458%	301
2022	35,169,807	620,968	34,548,839	6,425,679,975	104,993	0.538%	329
2021	7,861,044	571,528	7,289,516	5,977,183,356	100,791	0.122%	72
2020	10,996,528	453,488	10,543,040	5,932,523,313	101,418	0.178%	104
2019	13,946,049	483,245	13,462,804	5,785,200,486	102,634	0.233%	131
2018	16,581,320	390,384	16,190,936	5,459,121,093	103,711	0.297%	156
2017	18,950,394	361,990	18,588,404	5,289,801,759	103,711	0.351%	179
2016	20,934,468	322,557	20,611,911	4,999,136,199	105,748	0.412%	195
2015	23,525,374	233,653	23,291,721	4,865,543,589	105,790	0.479%	220

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

Sources: Knox County Clerk's Office
College records

Carl Sandburg College - Community College District 518

Computation of Direct and Overlapping Bonded Debt

June 30, 2024

Overlapping Agencies	Outstanding Debt (1)	Percent (2)	Amount
Fulton County	\$356,000	4.33%	\$15,425
Knox County	-	97.54%	-
McDonough County	1,175,000	45.82%	538,350
Mercer County (Including PBC)	2,570,000	8.52%	218,978
Dallas Rural Water	-	99.60%	-
City of Abingdon	-	100.00%	-
Village of East Galesburg	-	100.00%	-
City of Galesburg	22,970,000	100.00%	22,970,000
City of Monmouth	35,747,610	100.00%	35,747,610
Village of West Point	-	100.00%	-
Roseville Fire Protection District	649,000	100.00%	649,000
Carthage Public Library District	368,000	100.00%	368,000
Monmouth Park District	423,000	100.00%	423,000
Dallas School District 327	339,000	100.00%	339,000
VIT Comm. Unit School District 2	2,107,200	0.08%	1,694
Mendon Comm. Unit School District 4	5,135,000	0.07%	3,632
Schuyler Industry Comm. Unit School District 5	-	19.49%	-
West Prairie Comm. Unit School District 103	3,600,000	99.88%	3,595,794
Bushnell Comm. Unit School District 170	2,182,400	74.03%	1,615,542
Macomb Comm. Unit School District 185	1,245,000	0.02%	245
Sherrard Comm. Unit School District 200	12,220,000	0.05%	5,567
Knoxville Comm. Unit School District 202	3,370,000	100.00%	3,370,000
Galesburg Comm. Unit School District 205	55,345,000	100.00%	55,345,000
ROWVA Comm. Unit School District 208	7,405,000	99.82%	7,391,537
Williamsfield Comm. Unit School District 210	527,900	98.65%	520,749
Galva Comm. Unit School District 224	524,900	0.03%	154
AlWood Comm. Unit School District 225	1,975,000	0.19%	3,734
West Cent. Comm. Unit School District 235	900,000	100.00%	900,000
Monmouth-Roseville Comm. Unit School District 238	18,418,800	100.00%	18,418,800
Farmington Central Comm. Unit School District 265	2,450,000	22.39%	548,505
Abingdon-Avon Comm. Unit School District 276	859,500	99.84%	858,149
United Comm. Unit School District 304	6,745,000	99.98%	6,743,639
Warsaw Comm. Unit School District 316	1,035,000	99.90%	1,033,985
Elmwood Comm. Unit School District 322	7,745,000	0.13%	9,981
Nauvoo-Colusa Comm. Unit School District 325	875,000	100.00%	875,000
Hamilton Comm. Consolidated School District 328	600,000	100.00%	600,000
La Harpe Consolidated School District 347	2,629,000	100.00%	2,629,000
Total overlapping bonded debt			165,740,070
Community College Dist. #518	<u>\$28,936,059</u>	<u>100.00%</u>	<u>28,936,059</u>
Total Direct & Overlapping General Obligation Bonded Debt			<u><u>\$194,676,129</u></u>

Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the County Clerks' Offices. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly available sources.

(1) Estimated as of August 21, 2024.

(2) Percentages based on 2023 EAVs.

Carl Sandburg College - Community College District 518

Legal Debt Margin

Last Ten Fiscal Years

TABLE J

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Percentage of Debt Limit
2024	\$70,642,908	\$28,936,059	\$41,706,849	40.961%
2023	65,997,428	32,190,096	33,807,332	48.775%
2022	61,579,433	32,026,236	29,553,197	52.008%
2021	57,281,340	7,861,044	49,420,296	13.724%
2020	56,853,348	11,031,102	45,822,246	19.403%
2019	55,441,505	14,024,101	41,417,404	25.295%
2018	52,316,577	16,700,007	35,616,570	31.921%
2017	50,693,934	19,107,060	31,586,874	37.691%
2016	47,908,389	21,126,630	26,781,759	44.098%
2015	46,628,126	23,525,374	23,102,752	50.453%
Assessed valuation - 2023 levy			<u>\$2,457,144,612</u>	
Debt limit (2.875% of total assessed value)			<u>\$70,642,908</u>	
Debt applicable to limit:				
General obligation bonds			28,528,409	
Leases payable			177,722	
SBITAs payable			<u>229,928</u>	
Total net debt applicable to limit			<u>28,936,059</u>	
Legal debt margin			<u>\$41,706,849</u>	

Sources: Knox County Clerk's Office College records

Carl Sandburg College - Community College District 518

Demographic and Economic Statistics

Last Ten Fiscal Years

TABLE K

Fiscal Year	Estimated Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate	District Student Enrollment	Average Class Size
2024	97,109	\$3,123,910	\$32,138	41.4	23,169	4.4%	1,688	16
2023	104,753	5,363,354	51,207	41.3	23,956	5.1%	1,688	16
2022	104,993	3,648,443	34,749	39.0	26,138	4.5%	1,687	14
2021	100,791	2,566,441	25,463	43.4	26,138	5.2%	1,755	14
2020	101,418	2,618,004	25,814	41.8	22,316	4.9%	1,925	14
2019	102,634	2,613,342	25,463	43.3	28,267	4.4%	1,860	17
2018	103,711	2,697,834	26,013	41.9	19,903	4.4%	1,947	15
2017	103,711	2,697,834	26,013	41.9	30,681	5.9%	1,927	17
2016	105,748	2,464,246	23,303	42.0	30,741	6.5%	2,082	17
2015	105,790	2,439,200	23,057	42.0	30,757	5.3%	2,328	15

Sources: U.S. Census Bureau, QuickFacts
2021 American Community Survey 5-Year Estimates
College records
IL Dept. of Employment Security, Economic Information & Analysis Division
ICCB Data and Characteristics
Esri.com
Navteq
www.countyoffice.org
http://www.isbe.net/research/htmls/fall_housing.htm

Carl Sandburg College - Community College District 518

Principal Employers Current Year and Nine Years Ago

TABLE L

Employer	2024			2015		
	Employees	Rank	Percentage of Total District Employment	Employees	Rank	Percentage of Total District Employment
Smithfield/Farmland Foods Inc	1,541	1	1.51%	1,300	1	1.52%
Burlington Northern/Santa Fe Railroad	1,031	2	1.01%	1,115	2	1.30%
OSF St Marys/OSF Holy Family	968	3	0.95%	1,100	3	1.28%
Galesburg Cust #205	726	4	0.71%	594	4	0.69%
Dick Blick Art Materials	714	5	0.70%	530	6	0.62%
HyVee	578	6	0.57%	574	5	0.67%
Knox College	460	7	0.45%			
Knox County	412	8	0.40%	420	9	0.49%
Monmouth College	412	8	0.40%			
Carl Sandburg College	315	9	0.31%	346	10	0.40%
Bridgeway/Bridgeway Training	296	10	0.29%	450	8	0.53%
Galesburg Cottage Hospital				500	7	0.58%
Total	7,453		7.30%	6,929		8.07%

Sources:

- <http://www.knoxpartnership.com/top-employers/>
- <https://cityofmonmouth.com/index.php/for-business/community-profile/232-major-employers>
- <https://www.census.gov/quickfacts/>
- https://www2.illinois.gov/ides/lmi/Pages/Worforce_Availability_Information.aspx
- <https://illinois.virtuallmi.com/>

Dun & Bradstreet listing from DCEO.

First Stop Business Information Center

Communications with the following employers:

- Galesburg CUSD #205
- Monmouth-Roseville CUSD #238
- Monmouth College
- Knox College
- Carl Sandburg College
- Knox County
- OSF St. Mary Medical Center
- Smithfield Foods Inc
- HyVee

Carl Sandburg College - Community College District 518

Full-Time Equivalent Employees

Last Ten Fiscal Years

TABLE M

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction-Faculty	63	72	78	79	86	71	81	86	83	95
Full-time	41	40	39	40	39	39	39	47	50	51
Part-time	22	32	39	39	47	32	42	39	33	44
Administrative Staff	27	31	26	23	21	23	22	22	22	23
Full-time	27	31	26	23	21	22	21	21	22	23
Part-time	0	0	0	0	0	1	1	1	0	0
Other Non-Teaching Professional	59	68	64	59	62	63	66	56	58	57
Full-time	42	68	64	59	62	47	47	56	56	56
Part-time	17	0	0	0	0	16	19	0	2	1
Classified Staff	46	30	26	29	31	46	49	52	51	50
Full-time	41	30	26	29	30	45	48	43	43	47
Part-time	5	0	0	0	1	1	1	9	8	3
Total	195	201	194	190	200	203	218	216	214	225

Carl Sandburg College - Community College District 518

Operating Indicators

Last Ten Fiscal Years

TABLE N

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction: ¹										
Annual unduplicated										
Headcount Enrollment:										
Bacc/Transfer	1,491	1,510	1,511	1,734	2,107	2,118	2,183	1,950	1,837	1,972
Vocational	0	0	0	0	0	0	2	0	0	0
Occupational	476	462	462	548	572	582	557	581	662	686
ABE	0	0	0	0	0	0	0	0	15	72
ASE	0	0	0	0	0	0	0	0	23	62
ESL	0	0	0	0	0	0	0	0	15	80
General Studies	0	0	0	0	0	0	0	0	0	0
General Associates	362	342	324	291	357	363	310	469	407	428
Total	2,329	2,314	2,297	2,573	3,036	3,063	3,052	3,000	2,959	3,300
Annual FTE Students ²	932	921	908	1,002	1,177	1,176	1,201	1,229	1,258	1,339
Total Reimbursable Credit Hours ³	27,949	27,638	27,229	30,065	35,308	35,282	36,020	36,863	37,748	40,172
Degrees awarded: ⁴										
Associate (transfer)	255	218	219	239	248	203	204	231	206	178
Associate in applied science	84	90	93	134	115	159	154	106	135	135
Career & technical certificates	84	76	78	118	117	105	125	143	150	222
Average annual faculty salary ⁵	\$59,302	\$56,554	\$59,721	\$59,487	\$59,275	\$60,419	\$58,761	\$56,853	\$56,285	\$54,159
Students per faculty ⁶	16	16	15	12	14	14	15	17	17	15
Institutional support: ⁷										
Operation and maintenance of plant:										
Utility cost per gross square fees	1.47	1.58	1.23	1.16	1.07	1.34	1.30	1.32	1.40	1.36

¹Source: ICCB A1 Annual Student Enrollment and Completion

²Source: Total Reimbursable Credit Hours / 15 / 2

³Source: ICCB SU SR for each semester

⁴Source: ICCB A1 Annual Student Enrollment and Completion

⁵Source: ICCB C1 Faculty, Staff, Salary Data

⁶Source: IPEDS Fall Enrollment

⁷Source: ICCB Tax Revenue and Budget Information Survey

Carl Sandburg College - Community College District 518

Capital Asset Statistics

Last Ten Fiscal Years

TABLE O

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction:										
Building - acres	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.4	6.9
Classroom - sq. ft.	47,163	41,139	44,975	44,975	44,975	44,975	44,975	44,975	43,938	48,340
Lab - sq. ft.	69,370	55,286	57,585	57,585	57,585	57,585	57,585	57,585	58,585	57,471
Academic support:										
Support - sq. ft.	4,204	3,754	4,268	4,268	4,268	4,268	4,268	4,268	4,284	3,595
Study - sq. ft.	15,733	15,115	17,184	17,184	17,184	17,184	17,184	17,184	17,654	18,044
Student services:										
PE & athletic fields - acres	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Athletic/PE - sq. ft.	12,965	12,894	11,694	11,694	11,694	11,694	11,694	11,694	11,694	11,694
General administration:										
Office - sq. ft.	38,973	29,974	31,133	31,133	31,133	31,133	31,133	31,133	32,840	33,528
Institutional support:										
Landscaped grounds - acres	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.7	37.9
Parking lots - acres	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.9
Roadways - acres	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

Source: Acres - ICCB Table 2

Source: Acres - ICCB R3

SPECIAL REPORTS SECTION

Supplemental Financial Information

Carl Sandburg College - Community College District 518

Supplemental Financial Information Section

Uniform Financial Statements

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

The Uniform Financial Statements include the following:

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

Certification of Per Capita Cost

- No. 6 - Certification of Per Capita Cost

Carl Sandburg College - Community College District 518

Uniform Financial Statement #1 - All Funds Summary

<i>Year Ended June 30, 2024</i>	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Restricted Fund	Bond and Interest Fund	Auxiliary Enterprises Fund
Fund balance, beginning of year	\$ 13,242,879	\$ 3,802,431	\$ 750,250	\$ 272,213	\$ 419,561
Revenues:					
Local tax revenue	5,617,201	1,581,409	270,849	3,851,183	-
ICCB Grants	1,599,828	127,580	-	-	-
All other State revenue	-	-	-	-	-
Federal revenue	11,302	-	-	-	-
Student tuition and fees	5,995,350	571,011	-	-	-
On-Behalf CIP	-	-	-	-	-
On-Behalf SURS	-	-	-	-	-
All other revenue	1,343,998	22,919	2,176	399	278,306
Total revenues	14,567,679	2,302,919	273,025	3,851,582	278,306
Expenditures:					
Instruction	6,103,045	-	-	-	-
Academic support	411,233	-	-	-	-
Student services	2,505,376	-	-	-	-
Public service	108,796	-	-	-	-
Auxiliary services	-	-	-	-	866,999
Operations and maintenance	-	1,395,799	-	-	-
Institutional support	2,980,943	121,219	609,849	3,844,574	49,104
Scholarships, grants, waivers	121,767	-	-	-	-
Depreciation	-	-	-	-	2,249
Total expenditures	12,231,160	1,517,018	609,849	3,844,574	918,352
Issuance of debt	230,976	-	-	-	-
Transfers in	442,006	171	171	560	666,567
Transfers out	(609,466)	-	-	-	-
Net transfers	63,516	171	171	560	666,567
Fund balance, end of year	\$ 15,642,914	\$ 4,588,503	\$ 413,597	\$ 279,781	\$ 446,082

Carl Sandburg College - Community College District 518

Uniform Financial Statement #1 - All Funds Summary

<i>Year Ended June 30, 2024</i>	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection Settlement Fund
Fund balance, beginning of year	\$ 2,581,487	\$ 8,586,954	\$ 68,135	\$ 4,513,334
Revenues:				
Local tax revenue	-	-	108,635	2,857,436
ICCB Grants	707,177	-	-	-
All other State revenue	1,477,143	-	-	-
Federal revenue	4,801,706	-	-	-
Student tuition and fees	-	-	-	-
On-Behalf CIP	(1,075,544)	-	-	-
On-Behalf SURS	4,358,520	-	-	-
All other revenue	185,040	365,812	-	180,404
Total revenues	10,454,042	365,812	108,635	3,037,840
Expenditures:				
Instruction	2,514,259	-	-	-
Academic support	63,926	-	-	-
Student services	1,621,827	-	-	-
Public service	23,598	-	-	-
Auxiliary services	194,642	-	-	-
Operations and maintenance	156,303	-	-	-
Institutional support	1,292,880	1,975	101,758	2,653,022
Scholarships, grants, waivers	5,167,973	-	-	-
Depreciation	-	-	-	-
Total expenditures	11,035,408	1,975	101,758	2,653,022
Issuance of debt	-	-	-	-
Transfers in	-	-	17	474
Transfers out	-	(59,688)	-	-
Net transfers	-	(59,688)	17	474
Fund balance, end of year	\$ 2,000,121	\$ 8,891,103	\$ 75,029	\$ 4,898,626

Carl Sandburg College - Community College District 518

Uniform Financial Statement #1 - All Funds Summary

<i>Year Ended June 30, 2024</i>	Building Bonds	Capital Endowment	Sandburg Initiates Life-changing Opportunities	Total
Fund balance, beginning of year	\$ 27,214,371	\$ 6,710,151	\$ 1,135,473	\$ 69,297,239
Revenues:				
Local tax revenue	-	-	-	14,286,713
ICCB Grants	-	-	-	2,434,585
All other State revenue	-	-	-	1,477,143
Federal revenue	-	-	-	4,813,008
Student tuition and fees	-	-	-	6,566,361
On-Behalf CIP	-	-	-	(1,075,544)
On-Behalf SURS	-	-	-	4,358,520
All other revenue	1,183,248	412,885	62,120	4,037,307
Total revenues	1,183,248	412,885	62,120	36,898,093
Expenditures:				
Instruction	-	-	-	8,617,304
Academic support	-	-	-	475,159
Student services	-	-	-	4,127,203
Public service	-	-	-	132,394
Auxiliary services	-	-	-	1,061,641
Operations and maintenance	-	-	-	1,552,102
Institutional support	18,357,875	800	-	30,013,999
Scholarships, grants, waivers	-	-	-	5,289,740
Depreciation	-	-	-	2,249
Total expenditures	18,357,875	800	-	51,271,791
Issuance of debt	-	-	-	230,976
Transfers in	-	-	-	1,109,966
Transfers out	-	(399,439)	(25,306)	(1,093,899)
Net transfers	-	(399,439)	(25,306)	247,043
Fund balance, end of year	\$ 10,039,744	\$ 6,722,797	\$ 1,172,287	\$ 55,170,584

Carl Sandburg College - Community College District 518

Uniform Financial Statement #2

Summary of Capital Assets and Long-Term Debt

<i>Year Ended June 30, 2024</i>	Balance July 1, 2023	Additions	Deletions	Reclassification	Balance June 30, 2024
Capital assets:					
Land	\$ 346,125	\$ -	\$ -	\$ -	\$ 346,125
Work in progress	4,551,646	18,697,574	45,000	(939,963)	22,264,257
Furniture and equipment	6,308,993	560,597	-	-	6,869,590
Land improvements	2,856,164	12,380	-	254,126	3,122,670
Buildings and additions	30,925,799	16,583	-	685,837	31,628,219
Vehicles	218,696	-	-	-	218,696
Infrastructure	3,511,179	-	-	-	3,511,179
Lease assets	433,778	-	52,896	-	380,882
SBITA assets	447,307	230,976	266,550	-	411,733
Total capital assets	49,599,687	19,518,110	364,446	-	68,753,351
Accumulated depreciation and amortization					
	31,017,514	1,798,097	319,445	-	32,496,166
Total net capital assets	\$ 18,582,173	\$ 17,720,013	\$ 45,001	\$ -	\$ 36,257,185
Long-term debt:					
Bonds payable	\$ 28,595,000	\$ -	\$ 2,855,000	\$ -	\$ 25,740,000
Net OPEB liability	3,116,559	40,267	-	-	3,156,826
Leases payable	279,236	-	101,514	-	177,722
SBITA payable	129,635	230,976	130,683	-	229,928
Other fixed liabilities	392,401	310,530	263,118	-	439,813
Total long-term debt	\$ 32,512,831	\$ 581,773	\$ 3,350,315	\$ -	\$ 29,744,289

Carl Sandburg College - Community College District 518

Uniform Financial Statement #3

Operating Funds Revenues and Expenditures

<i>Year Ended June 30, 2024</i>	Education	Operations and Maintenance	Total
Revenues:			
Local government:			
Property taxes	\$ 5,341,335	\$ 1,305,543	\$ 6,646,878
Replacement taxes	275,866	275,866	551,732
Total local government	5,617,201	1,581,409	7,198,610
State government:			
Base operating grants	1,434,265	123,580	1,557,845
Equalization grants	46,000	4,000	50,000
Career and technical education formula grant	119,563	-	119,563
Total state government	1,599,828	127,580	1,727,408
Total federal government	11,302	-	11,302
Student tuition and fees:			
Tuition	5,703,963	475,161	6,179,124
Student fees	291,387	95,850	387,237
Total tuition and fees	5,995,350	571,011	6,566,361
Other sources:			
Investment income	1,233,884	9,250	1,243,134
Facilities revenue	-	3,580	3,580
Nongovernmental grants and gifts	56,229	10,000	66,229
Other revenue	53,885	89	53,974
Total other sources	1,343,998	22,919	1,366,917
Total revenue	14,567,679	2,302,919	16,870,598
Less nonoperating items:			
Tuition chargeback	0	0	0
Adjusted revenue	\$ 14,567,679	\$ 2,302,919	\$ 16,870,598

Carl Sandburg College - Community College District 518

Uniform Financial Statement #3

Operating Funds Revenues and Expenditures (Continued)

<i>Year Ended June 30, 2024</i>	Education	Operations and Maintenance	Total
Operating expenditures:			
By program:			
Instruction	\$ 6,103,045	\$ -	\$ 6,103,045
Academic support	411,233	-	411,233
Student services	2,505,376	-	2,505,376
Public services	108,796	-	108,796
Operations and maintenance	-	1,395,799	1,395,799
Institutional support	2,980,943	121,219	3,102,162
Scholarships, student grants, and waivers	121,767	-	121,767
Total expenditures	12,231,160	1,517,018	13,748,178
Less nonoperating items:*			
Net transfers	63,516	171	63,687
Adjusted expenditures	\$ 12,294,676	\$ 1,517,189	\$ 13,811,865
By object:			
Salaries	7,728,908	529,789	8,258,697
Employee benefits	1,270,042	162,161	1,432,203
Contractual services	536,557	122,810	659,367
General materials and supplies	877,766	110,988	988,754
Travel, conference and meeting expense	152,361	2,016	154,377
Fixed Charges	6,789	1,334	8,123
Utilities	-	571,023	571,023
Capital outlay	312,490	16,459	328,949
Principal Retirement	186,580	-	186,580
Interest, service charges, and issuance costs	20,179	-	20,179
Other	1,139,488	438	1,139,926
Total expenditures	12,231,160	1,517,018	13,748,178
Less nonoperating items:			
Net transfers	63,516	171	63,687
Adjusted expenditures	\$ 12,294,676	\$ 1,517,189	\$ 13,811,865

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

Carl Sandburg College - Community College District 518

Uniform Financial Statement #4

Restricted Purposes Fund Revenues and Expenditures

Year Ended June 30, 2024

Revenue by source:

State government:

ICCB - Other	\$ 707,177
Illinois Student Assistance Commission	1,348,775
On-behalf CIP	(1,075,544)
On-behalf SURS	4,358,520
Other	128,368

Total state government	5,467,296
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Federal government:

Department of Education	4,568,891
Department of Health & Human Services	508
Other	232,307

Total federal government	4,801,706
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Other sources:

Nongovernmental grants and gifts	760
Other revenue	184,280

Total other sources	185,040
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Total revenues	\$ 10,454,042
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Expenditures by program:

Instruction	2,514,259
Academic support	63,926
Student services	1,621,827
Public services	23,598
Auxiliary services	194,642
Operations and maintenance	156,303
Institutional support	1,292,880
Scholarships, student grants, and waivers	5,167,973

Total expenditures by program	\$ 11,035,408
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Expenditures by object:

Salaries	498,944
Employee benefits	3,413,998
Contractual services	301,689
General materials and supplies	227,054
Travel, conference and meeting expense	92,946
Capital outlay	268,256
Other	6,232,521

Total expenditures by object	\$ 11,035,408
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Carl Sandburg College - Community College District 518

Uniform Financial Statement #5

Current Funds* - Expenditures by Activity

Year Ended June 30, 2024

Instruction:

Program	\$ 7,166,411
Support	1,298,763

Total instruction	8,465,174
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Academic support:

LRC	278,184
Instructional Materials Center	63,926
Other Academic Support	133,049

Total academic support	475,159
------------------------	---------

Student services:

Admissions & Records	176,528
Counseling & Career Guidance	1,110,686
Financial Aid Administration	199,628
Other Student Services	2,449,543

Total student services	3,936,385
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Public service/continuing education:

Community Education	57,876
Customized Training	63,272
Community Services	10,766
Other Public Services	480

Total public service/continuing education	132,394
-------------------------------------------	---------

Auxiliary	1,099,532
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Carl Sandburg College - Community College District 518

Uniform Financial Statement #5

Current Funds* - Expenditures by Activity (Continued)

Year Ended June 30, 2024

Operations and maintenance of plant:

Maintenance	384,850
Custodial	248,241
Grounds	117,176
Plant Utilities	483,371
Other Operations and Maintenance	318,464

Total operations and maintenance of plant	1,552,102
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Institutional support:

Executive Management	230,149
Fiscal Operations	234,397
Community Relations	584,773
Administrative Support Services	2,301,251
Board of Trustees	32,563
General Institution	1,418,984
Institutional Research	268,633
Administrative Data Processing	890,262
Other Institutional Support	1,545,220

Total institutional support	7,506,232
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Scholarships, Grants, Waivers	5,289,740
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Total current funds expenditures	\$ 28,456,718
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* Current Funds include Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; and Liability, Protection, and Settlement.

Carl Sandburg College - Community College District 518

Fiscal Year 2025 Certification of Per Capita Cost

For Fiscal Year Ended June 30, 2024

All fiscal year 2024 noncapital audited operating expenditures from the following funds:

1. Education Fund	11,967,085
2. Operations and Maintenance Fund	1,466,404
3. Operations and Maintenance Fund - Restricted	-
4. Bond and Interest Fund	688,625
5. Public Building Commission Rental Fund	-
6. Restricted Purposes Fund	10,569,669
7. Audit Fund	101,758
8. Liability, Protection, and Settlement Fund	2,645,448
9. Auxiliary Enterprises Fund (subsidy only)	<u>-</u>
10. Total noncapital expenditures (sum of lines 1-9)	<u>\$ 27,438,989</u>
11. Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u>\$ 812,978</u>
12. Total costs included (line 10 plus line 11)	<u>\$ 28,251,967</u>
13. Total certified semester credit hours for FY 2024	<u>27,949</u>
14. Per capita cost (line 12 divided by line 13)	<u>\$ 1,010.84</u>

Approved:

vacant

Chief Financial Officer

Date



10/10/24

President

Date

Other Financial Information

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

<i>As of June 30, 2024</i>	Education	Operations and Maintenance	Operations and Maintenance Restricted	Capital Endowment
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ 23,306,127	\$ 58,364	\$ -	-
Investments	-	-	42,371	10,420,297
Property tax receivable	4,779,210	1,067,470	1,067,469	-
Government receivables	63,386	46,722	-	-
Student tuition receivables, net of allowance	220,131	-	-	-
Other receivables	(9,014)	-	-	35,898
Advances to other funds	-	4,806,639	512,746	-
Prepaid items	220,679	-	-	-
Capital assets	-	-	-	-
Total assets	28,580,519	5,979,195	1,622,586	10,456,195
Deferred outflow of resources:				
Deferred pension	-	-	-	-
Deferred OPEB	-	-	-	-
Total deferred outflow of resources	-	-	-	-
Total assets and deferred outflow of resources	\$ 28,580,519	\$ 5,979,195	\$ 1,622,586	\$ 10,456,195
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 3,436,137	-	-	-
Accrued liabilities	52,926	-	-	-
Advances from other funds	4,035,759	-	-	3,733,398
Unearned tuition and fees	-	181,702	-	-
Accrued compensated absences	-	-	-	-
Net OPEB liability	-	-	-	-
Lease obligations	-	-	-	-
Subscription liability	-	-	-	-
Bonds payable, net	-	-	-	-
Total liabilities	7,524,822	181,702	-	3,733,398
Deferred inflows of resources				
Deferred property taxes	5,412,783	1,208,990	1,208,989	-
Deferred grant revenue	-	-	-	-
Deferred OPEB	-	-	-	-
Total deferred inflows of resources	5,412,783	1,208,990	1,208,989	-
Fund balance/net position (deficit):				
Net investment in capital assets	-	-	-	-
Restricted	-	-	-	-
Unrestricted	15,642,914	4,588,503	413,597	6,722,797
Total fund balance/net position	15,642,914	4,588,503	413,597	6,722,797
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 28,580,519	\$ 5,979,195	\$ 1,622,586	\$ 10,456,195

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

<i>As of June 30, 2024</i>	Bond and Interest	Auxiliary	Restricted Purpose	Audit
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ -	\$ 450	\$ -	-
Investments	7,756	-	-	-
Property tax receivable	3,492,867	-	-	106,943
Government receivables	-	-	848,199	-
Student tuition receivables, net of allowance	-	-	-	-
Other receivables	-	9,823	-	-
Advances to other funds	735,092	509,151	2,435,407	89,207
Prepaid items	-	-	-	-
Capital assets	-	33,495	-	-
Total assets	4,235,715	552,919	3,283,606	196,150
Deferred outflow of resources:				
Deferred pension	-	-	-	-
Deferred OPEB	-	-	-	-
Total deferred outflow of resources	-	-	-	-
Total assets and deferred outflow of resources	\$ 4,235,715	\$ 552,919	\$ 3,283,606	\$ 196,150
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ 1,642	\$ -	-
Accrued liabilities	-	-	-	-
Advances from other funds	-	-	-	-
Unearned tuition and fees	-	93,844	-	-
Accrued compensated absences	-	11,351	-	-
Net OPEB liability	-	-	-	-
Lease obligations	-	-	-	-
Subscription liability	-	-	-	-
Bonds payable, net	-	-	-	-
Total liabilities	-	106,837	-	-
Deferred inflows of resources				
Deferred property taxes	3,955,934	-	-	121,121
Deferred grant revenue	-	-	1,283,485	-
Deferred OPEB	-	-	-	-
Total deferred inflows of resources	3,955,934	-	1,283,485	121,121
Fund balance/net position (deficit):				
Net investment in capital assets	-	36,858	-	-
Restricted	279,781	-	2,000,121	-
Unrestricted	-	409,224	-	75,029
Total fund balance/net position	279,781	446,082	2,000,121	75,029
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 4,235,715	\$ 552,919	\$ 3,283,606	\$ 196,150

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

<i>As of June 30, 2024</i>	Liability Protection	Sandburg Initiates Life- Changing Opportunities	Nonexpendable Trust/Working Cash
Assets and Deferred Outflows of Resources			
Cash and cash equivalents	\$ -	\$ -	\$ 4,675,341
Investments	4,522,928	-	4,269,548
Property tax receivable	2,952,949	-	-
Government receivables	-	-	-
Student tuition receivables, net of allowance	-	-	-
Other receivables	2,202	-	14,740
Advances to other funds	764,984	1,172,287	-
Prepaid items	-	-	-
Capital assets	-	-	-
Total assets	8,243,063	1,172,287	8,959,629
Deferred outflow of resources:			
Deferred pension	-	-	-
Deferred OPEB	-	-	-
Total deferred outflow of resources	-	-	-
Total assets and deferred outflow of resources	\$ 8,243,063	\$ 1,172,287	\$ 8,959,629
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Advances from other funds	-	-	68,526
Unearned tuition and fees	-	-	-
Accrued compensated absences	-	-	-
Net OPEB liability	-	-	-
Lease obligations	-	-	-
Subscription liability	-	-	-
Bonds payable, net	-	-	-
Total liabilities	-	-	68,526
Deferred inflows of resources			
Deferred property taxes	3,344,437	-	-
Deferred grant revenue	-	-	-
Deferred OPEB	-	-	-
Total deferred inflows of resources	3,344,437	-	-
Fund balance/net position (deficit):			
Net investment in capital assets	-	-	-
Restricted	-	-	8,891,103
Unrestricted	4,898,626	1,172,287	-
Total fund balance/net position	4,898,626	1,172,287	8,891,103
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 8,243,063	\$ 1,172,287	\$ 8,959,629

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

<i>As of June 30, 2024</i>	Buildings Bonds	Totals
Assets and Deferred Outflows of Resources		
Cash and cash equivalents	\$ -	\$ 28,040,282
Investments	13,227,574	32,490,474
Property tax receivable	-	13,466,908
Government receivables	-	958,307
Student tuition receivables, net of allowance	-	220,131
Other receivables	-	53,649
Advances to other funds	-	11,025,513
Prepaid items	-	220,679
Capital assets	-	33,495
Total assets	13,227,574	86,509,438
Deferred outflow of resources:		
Deferred pension	-	-
Deferred OPEB	-	-
Total deferred outflow of resources	-	-
Total assets and deferred outflow of resources	\$ 13,227,574	\$ 86,509,438
Liabilities, Deferred Inflows of Resources and Fund Balance		
Liabilities:		
Accounts payable	\$ -	\$ 3,437,779
Accrued liabilities	-	52,926
Advances from other funds	3,187,830	11,025,513
Unearned tuition and fees	-	275,546
Accrued compensated absences	-	11,351
Net OPEB liability	-	-
Lease obligations	-	-
Subscription liability	-	-
Bonds payable, net	-	-
Total liabilities	3,187,830	14,803,115
Deferred inflows of resources		
Deferred property taxes	-	15,252,254
Deferred grant revenue	-	1,283,485
Deferred OPEB	-	-
Total deferred inflows of resources	-	16,535,739
Fund balance/net position (deficit):		
Net investment in capital assets	-	36,858
Restricted	-	11,171,005
Unrestricted	10,039,744	43,962,721
Total fund balance/net position	10,039,744	55,170,584
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 13,227,574	\$ 86,509,438

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

GASB				
<i>As of June 30, 2024</i>	General Fixed Assets	Long Term Debt	Other Adjustments	Adjusted Total
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ -	\$ -	\$ -	28,040,282
Investments	-	-	-	32,490,474
Property tax receivable	-	-	-	13,466,908
Government receivables	-	-	-	958,307
Student tuition receivables, net of allowance	-	-	-	220,131
Other receivables	-	-	-	53,649
Advances to other funds	-	-	(11,025,513)	-
Prepaid items	-	-	-	220,679
Capital assets	36,223,690	-	-	36,257,185
Total assets	36,223,690	\$ -	\$ (11,025,513)	111,707,615
Deferred outflow of resources:				
Deferred pension	-	-	44,440	44,440
Deferred OPEB	-	234,402	-	234,402
Total deferred outflow of resources	-	234,402	44,440	278,842
Total assets and deferred outflow of resources				
Total assets and deferred outflow of resources	\$ 36,223,690	\$ 234,402	\$ (10,981,073)	\$ 111,986,457
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	3,437,779
Accrued liabilities	-	-	-	52,926
Advances from other funds	-	-	(11,025,513)	-
Unearned tuition and fees	-	-	298,521	574,067
Accrued compensated absences	-	-	428,462	439,813
Net OPEB liability	-	3,156,826	-	3,156,826
Lease obligations	-	177,722	-	177,722
Subscription liability	-	229,928	-	229,928
Bonds payable, net	-	28,528,409	-	28,528,409
Total liabilities	-	32,092,885	(10,298,530)	36,597,470
Deferred inflows of resources				
Deferred property taxes	-	-	-	15,252,254
Deferred grant revenue	-	-	-	1,283,485
Deferred OPEB	-	4,464,315	-	4,464,315
Total deferred inflows of resources	-	4,464,315	-	21,000,054
Fund balance/net position (deficit):				
Net investment in capital assets	35,828,582	(25,196,013)	-	10,669,427
Restricted	-	-	-	11,171,005
Unrestricted	395,108	(11,126,785)	(682,543)	32,548,501
Total fund balance/net position	36,223,690	(36,322,798)	(682,543)	54,388,933
Total liabilities, deferred inflows or resources and fund balance/net position				
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 36,223,690	\$ 234,402	\$ (10,981,073)	\$ 111,986,457

Carl Sandburg College - Community College District 518

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

<i>Year Ended June 30, 2024</i>	Education	Operations and Maintenance	Operations and Maintenance Restricted	Capital Endowment
Revenues:				
Local government	\$ 5,617,201	\$ 1,581,409	\$ 270,849	\$ -
State sources	1,599,828	127,580	-	-
On-behalf payments	-	-	-	-
Federal government	11,302	-	-	-
Student tuition and fees	5,995,350	571,011	-	-
Sales and service fees	-	-	-	-
Facilities revenue	-	3,580	-	-
Investment income	1,233,884	9,250	2,176	412,885
Nongovernmental grants and gifts	56,229	10,000	-	-
Other revenue	53,885	89	-	-
Total revenues	14,567,679	2,302,919	273,025	412,885
Expenditures/expenses:				
Current:				
Instruction	6,103,045	-	-	-
Academic support	411,233	-	-	-
Student services	2,505,376	-	-	-
Public services	108,796	-	-	-
Auxiliary services	-	-	-	-
Operations and maintenance	-	1,395,799	-	-
Institutional support	2,774,184	121,219	609,849	800
Scholarships, student grants, and waivers	121,767	-	-	-
Depreciation and amortization expense	-	-	-	-
Debt service:				
Principal	186,580	-	-	-
Interest, service charges, and issuance costs	20,179	-	-	-
Total expenditures/expenses	12,231,160	1,517,018	609,849	800
Excess (deficiency) of revenues over expenditures	2,336,519	785,901	(336,824)	412,085
Other financing sources (uses)				
Issuance of debt	230,976	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Transfers in	442,006	171	171	-
Transfers out	(609,466)	-	-	(399,439)
Total other financing sources (uses)	63,516	171	171	(399,439)
Net change in fund balance/net position	2,400,035	786,072	(336,653)	12,646
Fund balance/net position (deficit), beginning of year	13,242,879	3,802,431	750,250	6,710,151
Fund balance/net position (deficit), end of year	\$ 15,642,914	\$ 4,588,503	\$ 413,597	\$ 6,722,797

Carl Sandburg College - Community College District 518

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

<i>Year Ended June 30, 2024</i>	Bond and Interest	Auxiliary	Restricted Purpose	Audit
Revenues:				
Local government	\$ 3,851,183	\$ -	\$ -	\$ 108,635
State sources	-	-	2,184,320	-
On-behalf payments	-	-	3,282,976	-
Federal government	-	-	4,801,706	-
Student tuition and fees	-	-	-	-
Sales and service fees	-	196,965	-	-
Facilities revenue	-	-	-	-
Investment income	399	-	-	-
Nongovernmental grants and gifts	-	1,210	760	-
Other revenue	-	80,131	184,280	-
Total revenues	3,851,582	278,306	10,454,042	108,635
Expenditures/expenses:				
Current:				
Instruction	-	-	2,514,259	-
Academic support	-	-	63,926	-
Student services	-	-	1,621,827	-
Public services	-	-	23,598	-
Auxiliary services	-	866,999	194,642	-
Operations and maintenance	-	-	156,303	-
Institutional support	663	-	1,292,880	101,758
Scholarships, student grants, and waivers	-	-	5,167,973	-
Depreciation and amortization expense	-	2,249	-	-
Debt service:				
Principal	2,855,000	45,618	-	-
Interest, service charges, and issuance costs	988,911	3,486	-	-
Total expenditures/expenses	3,844,574	918,352	11,035,408	101,758
Excess (deficiency) of revenues over expenditures	7,008	(640,046)	(581,366)	6,877
Other financing sources (uses)				
Issuance of debt	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Transfers in	560	666,567	-	17
Transfers out	-	-	-	-
Total other financing sources (uses)	560	666,567	-	17
Net change in fund balance/net position	7,568	26,521	(581,366)	6,894
Fund balance/net position (deficit), beginning of year	272,213	419,561	2,581,487	68,135
Fund balance/net position (deficit), end of year	\$ 279,781	\$ 446,082	\$ 2,000,121	\$ 75,029

Carl Sandburg College - Community College District 518

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

<i>Year Ended June 30, 2024</i>	Liability Protection	Sandburg Initiates Life- Changing Opportunities	Nonexpendable Trust/Working Cash	Buildings Bonds
Revenues:				
Local government	\$ 2,857,436	\$ -	\$ -	-
State sources	-	-	-	-
On-behalf payments	-	-	-	-
Federal government	-	-	-	-
Student tuition and fees	-	-	-	-
Sales and service fees	-	-	-	-
Facilities revenue	-	-	-	-
Investment income	151,940	62,120	365,812	1,183,248
Nongovernmental grants and gifts	28,464	-	-	-
Other revenue	-	-	-	-
Total revenues	3,037,840	62,120	365,812	1,183,248
Expenditures/expenses:				
Current:				
Instruction	-	-	-	-
Academic support	-	-	-	-
Student services	-	-	-	-
Public services	-	-	-	-
Auxiliary services	-	-	-	-
Operations and maintenance	-	-	-	-
Institutional support	2,653,022	-	1,975	18,357,875
Scholarships, student grants, and waivers	-	-	-	-
Depreciation and amortization expense	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest, service charges, and issuance costs	-	-	-	-
Total expenditures/expenses	2,653,022	-	1,975	18,357,875
Excess (deficiency) of revenues over expenditures	384,818	62,120	363,837	(17,174,627)
Other financing sources (uses)				
Issuance of debt	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Transfers in	474	-	-	-
Transfers out	-	(25,306)	(59,688)	-
Total other financing sources (uses)	474	(25,306)	(59,688)	-
Net change in fund balance/net position	385,292	36,814	304,149	(17,174,627)
Fund balance/net position (deficit), beginning of year	4,513,334	1,135,473	8,586,954	27,214,371
Fund balance/net position (deficit), end of year	\$ 4,898,626	\$ 1,172,287	\$ 8,891,103	\$ 10,039,744

Carl Sandburg College - Community College District 518

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

Year Ended June 30, 2024	GASB			
	Totals	General Fixed Assets	Long Term Debt	Other Adjustments
Revenues:				
Local government	\$ 14,286,713	\$ -	\$ -	-
State sources	3,911,728	-	-	-
On-behalf payments	3,282,976	-	-	-
Federal government	4,813,008	-	-	-
Student tuition and fees	6,566,361	-	-	(2,256,383)
Sales and service fees	196,965	-	-	-
Facilities revenue	3,580	-	-	-
Investment income	3,421,714	-	-	-
Nongovernmental grants and gifts	96,663	-	-	-
Other revenue	318,385	-	-	-
Total revenues	36,898,093	-	-	(2,256,383)
Expenditures/expenses:				
Current:				
Instruction	8,617,304	(206,061)	(601,255)	5,183
Academic support	475,159	-	(25,736)	(557)
Student services	4,127,203	-	(202,702)	6,776
Public services	132,394	-	(9,195)	(1,524)
Auxiliary services	1,061,641	(20,195)	(35,169)	-
Operations and maintenance	1,552,102	(50,614)	(62,932)	5,980
Institutional support	25,914,225	(19,241,240)	(378,722)	35,370
Scholarships, student grants, and waivers	5,289,740	-	(6,117)	(2,236,783)
Depreciation and amortization expense	2,249	1,795,848	-	-
Debt service:				
Principal	3,087,198	-	(3,087,198)	-
Interest, service charges, and issuance costs	1,012,576	-	(397,816)	-
Total expenditures/expenses	51,271,791	(17,722,262)	(4,806,842)	(2,185,555)
Excess (deficiency) of revenues over expenditures	(14,373,698)	17,722,262	4,806,842	(70,828)
Other financing sources (uses)				
Issuance of debt	230,976	-	(230,976)	-
Gain (loss) on disposal of assets	-	(45,001)	-	-
Transfers in	1,109,966	-	-	(1,109,966)
Transfers out	(1,093,899)	(16,067)	-	1,109,966
Total other financing sources (uses)	247,043	(61,068)	(230,976)	-
Net change in fund balance/net position	(14,126,655)	17,661,194	4,575,866	(70,828)
Fund balance/net position (deficit), beginning of year	69,297,239	18,562,496	(40,898,664)	(611,715)
Fund balance/net position (deficit), end of year	\$ 55,170,584	\$ 36,223,690	\$(36,322,798)	\$ (682,543)

Carl Sandburg College - Community College District 518

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

<i>Year Ended June 30, 2024</i>	Adjusted Total
Revenues:	
Local government	\$ 14,286,713
State sources	3,911,728
On-behalf payments	3,282,976
Federal government	4,813,008
Student tuition and fees	4,309,978
Sales and service fees	196,965
Facilities revenue	3,580
Investment income	3,421,714
Nongovernmental grants and gifts	96,663
Other revenue	318,385
Total revenues	34,641,710
Expenditures/expenses:	
Current:	
Instruction	7,815,171
Academic support	448,866
Student services	3,931,277
Public services	121,675
Auxiliary services	1,006,277
Operations and maintenance	1,444,536
Institutional support	6,329,633
Scholarships, student grants, and waivers	3,046,840
Depreciation and amortization expense	1,798,097
Debt service:	
Principal	-
Interest, service charges, and issuance costs	614,760
Total expenditures/expenses	26,557,132
Excess (deficiency) of revenues over expenditures	8,084,578
Other financing sources (uses)	
Issuance of debt	-
Gain (loss) on disposal of assets	(45,001)
Transfers in	-
Transfers out	-
Total other financing sources (uses)	(45,001)
Net change in fund balance/net position	8,039,577
Fund balance/net position (deficit), beginning of year	46,349,356
Fund balance/net position (deficit), end of year	\$ 54,388,933

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule

<i>Year Ended June 30, 2024</i>	Education		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Local government:			
Property taxes	\$ 5,121,963	\$ 5,341,335	\$ 219,372
Replacement taxes	250,000	275,866	25,866
Total local government	5,371,963	5,617,201	245,238
State government:			
Base operating grants	1,458,872	1,434,265	(24,607)
Equalization grants	49,219	46,000	(3,219)
Career and technical education formula grant	128,186	119,563	(8,623)
Total state government	1,636,277	1,599,828	(36,449)
Federal government	-	11,302	11,302
Student tuition and fees	6,253,352	5,995,350	(258,002)
Investment income	500,000	1,233,884	733,884
Miscellaneous, other	86,729	110,114	23,385
Total revenues	13,848,321	14,567,679	719,358
Expenditures:			
Instruction:			
Salaries	5,396,881	4,897,965	498,916
Employee benefits	561,893	599,273	(37,380)
Contractual services	338,490	203,032	135,458
General materials and supplies	407,968	250,063	157,905
Travel, conference and meeting expense	91,052	55,617	35,435
Capital outlay	114,608	66,901	47,707
Other	165,348	30,194	135,154
Total instruction	7,076,240	6,103,045	973,195

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule (Continued)

<i>Year Ended June 30, 2024</i>	Education		
	Original and Final Budget	Actual	Variance with Final Budget
Academic support:			
Salaries	211,249	212,186	(937)
Employee benefits	47,829	31,858	15,971
Contractual services	140,807	129,756	11,051
General materials and supplies	34,916	32,328	2,588
Travel, conference and meeting expense	1,500	684	816
Other	4,422	4,421	1
Total academic support	440,723	411,233	29,490
Student services:			
Salaries	1,481,078	1,251,775	229,303
Employee benefits	229,973	241,370	(11,397)
Contractual services	95,584	30,779	64,805
General materials and supplies	62,768	47,459	15,309
Travel, conference and meeting expense	46,922	28,815	18,107
Other	725,231	905,178	(179,947)
Total student services	2,641,556	2,505,376	136,180
Public services:			
Salaries	91,873	77,129	14,744
Employee benefits	26,208	10,619	15,589
Contractual services	27,700	14,176	13,524
General materials and supplies	11,433	3,477	7,956
Travel, conference and meeting expense	1,100	618	482
Fixed Charges	700	-	700
Other	1,192	2,777	(1,585)
Total public services	160,206	108,796	51,410
Institutional support:			
Salaries	1,545,889	1,289,853	256,036
Employee benefits	450,122	386,922	63,200
Contractual services	476,940	158,814	318,126
General materials and supplies	714,858	544,439	170,419
Travel, conference and meeting expense	118,883	66,627	52,256
Fixed charges	106,425	6,789	99,636
Capital outlay	-	245,589	(245,589)
Principal	-	186,580	(186,580)
Interest, service charges, and issuance costs	-	20,179	(20,179)
Other	141,085	75,151	65,934
Total institutional support	3,554,202	2,980,943	573,259

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule (Continued)

	Education		
<i>Year Ended June 30, 2024</i>	Original and Final Budget	Actual	Variance with Final Budget
Scholarships, student grants, and waivers:			
Other	-	121,767	(121,767)
Total scholarships, student grants, and waivers	-	121,767	(121,767)
Total expenditures	13,872,927	12,231,160	1,641,767
Excess (deficiency) of revenues over expenditures	(24,606)	2,336,519	2,361,125
Other financing sources (uses):			
Issuance of debt	-	230,976	230,976
Transfers in	667,860	442,006	(225,854)
Transfers out	(711,615)	(609,466)	102,149
Total other financing sources (uses)	(43,755)	63,516	107,271
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	<u>\$ (68,361)</u>	2,400,035	<u>\$ 2,468,396</u>
Fund balance at beginning of year		13,242,879	
Fund balance at end of year		<u>\$ 15,642,914</u>	

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule

<i>Year Ended June 30, 2024</i>	Operations and Maintenance		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Local government:			
Property taxes	\$ 1,097,720	\$ 1,305,543	\$ 207,823
Replacement taxes	250,000	275,866	25,866
Total local government	1,347,720	1,581,409	233,689
State government:			
Base operating grants	126,858	123,580	(3,278)
Equalization grants	4,280	4,000	(280)
Total state government	131,138	127,580	(3,558)
Student tuition and fees	598,539	571,011	(27,528)
Investment income	-	9,250	9,250
Miscellaneous, other	1,000	13,669	12,669
Total revenues	2,078,397	2,302,919	224,522
Expenditures:			
Operation and maintenance of plant:			
Salaries	664,738	511,467	153,271
Employee benefits	185,000	162,161	22,839
Contractual services	198,070	116,382	81,688
General materials and supplies	138,070	103,443	34,627
Travel, conference and meeting expense	3,580	744	2,836
Fixed charges	3,000	1,334	1,666
Utilities	506,300	483,371	22,929
Capital outlay	53,430	16,459	36,971
Other	44,700	438	44,262
Total operation and maintenance of plant	1,796,888	1,395,799	401,089
Institutional support:			
Salaries	-	18,322	(18,322)
Contractual services	13,500	6,428	7,072
General materials and supplies	14,150	7,545	6,605
Travel, conference and meeting expense	1,850	1,272	578
Principal	45,000	-	45,000
Utilities	132,500	87,652	44,848
Total institutional support	207,000	121,219	85,781
Total expenditures	2,003,888	1,517,018	486,870
Excess (deficiency) of revenues over expenditures	74,509	785,901	711,392

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule (Continued)

	Operations and Maintenance		
<i>Year Ended June 30, 2024</i>	Original and Final Budget	Actual	Variance with Final Budget
Other financing sources (uses)			
Transfers in	45,000	171	(44,829)
Total other financing sources (uses)	45,000	171	(44,829)
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	\$ 119,509	786,072	\$ 666,563
Fund balance at beginning of year		3,802,431	
Fund balance at end of year		\$ 4,588,503	

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule

<i>Year Ended June 30, 2024</i>	Auxiliary		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Operating revenues:			
Sales and service fees	210,115	196,965	(13,150)
Other revenue	83,084	81,341	(1,743)
Total operating revenues	293,199	278,306	(14,893)
Operating expenses:			
Salaries	292,454	289,167	3,287
Employee benefits	36,505	31,858	4,647
Contractual services	77,772	70,367	7,405
General materials and supplies	305,788	264,831	40,957
Travel, conference and meeting expense	84,796	88,980	(4,184)
Capital outlay	29,075	13,616	15,459
Depreciation and amortization expense	-	2,249	(2,249)
Principal	-	45,618	(45,618)
Interest, service charges, and issuance costs	-	3,486	(3,486)
Other	130,241	108,180	22,061
Total operating expenses	956,631	918,352	38,279
Excess (deficiency) of revenues over expenses	(663,432)	(640,046)	23,386
Other financing sources (uses):			
Transfers in	684,555	666,567	(17,988)
Total other financing sources (uses)	684,555	666,567	(17,988)
Excess (deficiency) of revenues and other financing sources (uses) over expenses	<u>\$ 21,123</u>	26,521	<u>\$ 5,398</u>
Net position at beginning of year		<u>419,561</u>	
Net position at end of year		<u>\$ 446,082</u>	

Carl Sandburg College - Community College District 518

Schedule of Operating Revenues and Expenses, by Program

Auxiliary Enterprise Fund

<i>Year Ended June 30, 2024</i>	Auto Mechanics	Bookstore	Child Care Center	Dental Hygiene	Food Service	Athletics	Student Activities	Total
Operating revenues:								
Sales and service fees	\$ 2,268	\$ -	\$ -	\$ 21,896	\$ -	172,306	\$ 495	\$ 196,965
Other revenue	-	32,344	-	-	808	48,047	142	81,341
Total revenues	2,268	32,344	-	21,896	808	220,353	637	278,306
Operating expenses:								
Current:								
Salaries	-	-	-	-	-	158,512	130,655	289,167
Employee benefits	-	-	-	-	-	31,858	-	31,858
Contractual services	-	-	-	390	-	66,480	3,497	70,367
General materials and supplies	2,261	-	-	24,675	-	224,721	13,174	264,831
Travel, conference and meeting expense	-	-	-	-	-	88,980	-	88,980
Capital outlay	-	-	-	12,636	980	-	-	13,616
Principal	-	-	-	-	-	-	45,618	45,618
Interest, service charges, and issuance costs	-	-	-	-	-	-	3,486	3,486
Other	-	-	-	-	-	102,186	5,994	108,180
Depreciation and amortization expense	-	-	-	-	-	-	2,249	2,249
Total expenditures	2,261	-	-	37,701	980	672,737	204,673	918,352
Excess (deficiency) of revenues over expenditures	\$ 7	\$ 32,344	\$ -	\$ (15,805)	\$ (172)	\$ (452,384)	\$ (204,036)	\$ (640,046)

Carl Sandburg College - Community College District 518

Combining Balance Sheet - Liability Protection Funds

<i>As of June 30, 2024</i>	Employee Insurance	Liability, Protections, and Settlement	Insurance Reserve	Total
Assets				
Investments	\$ -	\$ -	\$ 4,522,928	\$ 4,522,928
Property tax receivable	-	2,952,949	-	2,952,949
Other receivables	-	-	2,202	2,202
Advances to other funds	-	881,925	-	881,925
Total assets	\$ -	\$ 3,834,874	\$ 4,525,130	\$ 8,360,004
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Advances from other funds	2,928	-	114,013	116,941
Total liabilities	2,928	-	114,013	116,941
Deferred inflow of resources				
Deferred inflows of resources	-	3,344,437	-	3,344,437
Total deferred inflow of resources	-	3,344,437	-	3,344,437
Fund balances				
Unrestricted fund balance	(2,928)	490,437	4,411,117	4,898,626
Total liabilities, deferred inflows or resources and fund balances	\$ -	\$ 3,834,874	\$ 4,525,130	\$ 8,360,004

Carl Sandburg College - Community College District 518

Combining Schedule of Revenues, Expenditures and Changes In Fund Balance - Liability Protection Funds

<i>Year Ended June 30, 2024</i>	Employee Insurance	Liability, Protections, and Settlement	Insurance Reserve	Total
Revenues				
Local government	\$ -	\$ 2,857,436	\$ -	\$ 2,857,436
Investment income	-	-	151,940	151,940
Nongovernmental grants and gifts	28,464	-	-	28,464
Total revenues	28,464	2,857,436	151,940	3,037,840
Expenditures				
Current:				
Institutional support	28,869	2,624,153	-	2,653,022
Total expenditures	28,869	2,624,153	-	2,653,022
Other financing sources (uses)				
Transfers in	-	474	-	474
Total other financing sources (uses)	-	474	-	474
Net change in fund balance	(405)	233,757	151,940	385,292
Fund balance, beginning of year	(2,523)	256,680	4,259,177	4,513,334
Fund balance (deficit), end of year	\$ (2,928)	\$ 490,437	\$ 4,411,117	\$ 4,898,626

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule

<i>Year Ended June 30, 2024</i>	Buildings Bonds		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Investment income	600,000	1,183,248	583,248
Total revenues	600,000	1,183,248	583,248
Expenditures			
Contractual services	1,007,000	558,136	448,864
Capital outlay	21,897,961	17,799,739	4,098,222
Total expenditures	22,904,961	18,357,875	4,547,086
Excess (deficiency) of revenues over expenditures	(22,304,961)	(17,174,627)	5,130,334
Other financing sources (uses)			
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	<u>\$ (22,304,961)</u>	(17,174,627)	<u>\$ 5,130,334</u>
Fund balance at beginning of year		<u>27,214,371</u>	
Fund balance at end of year		<u>\$ 10,039,744</u>	

Carl Sandburg College - Community College District 518

Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections

<i>Levy Years</i>	2023	2022	2021
Assessed Valuations:			
Knox County	\$ 1,031,413,099	\$ 966,204,639	\$ 895,537,924
Fulton County	26,381,707	23,643,446	22,333,550
Hancock County	424,195,742	390,716,970	357,735,040
Henderson County	223,867,237	210,576,460	196,080,843
Henry County	3,713,665	3,694,458	3,609,439
McDonough County	251,298,636	235,632,307	223,503,896
Mercer County	35,042,735	32,679,019	30,793,242
Schuyler County	6,401,487	5,869,384	5,427,244
Stark County	261,239	241,193	222,885
Warren County	454,569,065	426,304,828	406,649,262
Total assessed valuations	\$ 2,457,144,612	\$ 2,295,562,704	\$ 2,141,893,325
Tax Rate (per \$100 assessed valuation):			
Educational Accounts	0.2204	0.2252	0.2281
Operations and Maintenance Accounts	0.0984	0.0608	0.0598
Bond and Interest Fund	0.1610	0.1721	0.1815
Audit Fund	0.0049	0.0049	0.0048
Liability, Protection, Settlement, Social Security, and Medicare Accounts	0.1361	0.1278	0.1302
Total tax rate	0.6208	0.5908	0.6044
Tax Extensions:			
Educational Accounts	\$ 5,393,655	\$ 5,104,379	\$ 4,896,329
Operations and Maintenance Accounts	2,352,949	1,372,292	1,276,599
Bond and Interest Fund	3,849,541	3,883,385	3,875,269
Audit Fund	117,863	109,865	102,256
Liability, Protection, Settlement, Social Security, and Medicare Accounts	3,254,490	2,882,873	2,779,486
Total tax extensions	\$ 14,968,498	\$ 13,352,794	\$ 12,929,939
Tax Collections to June 30:			
Education Fund	\$ 634,371	\$ 5,212,631	\$ 4,942,080
Operations and Maintenance Fund	141,691	1,126,317	1,036,515
Bond and Interest Fund	463,628	3,984,468	3,933,081
Audit Fund	14,195	112,724	103,782
Protection, Health, Safety	141,691	281,695	259,129
Liability, Protection, and Settlement Fund	391,962	2,957,913	2,820,950
Total tax collections	\$ 1,787,538	\$ 13,675,748	\$ 13,095,537
Percent of extensions collected	11.94 %	102.42 %	101.28 %

Schedule of Credit Hour Data

Independent Accountant's Report on Credit Hour Data and Other Bases Upon Which Claims are Filed

Board of Trustees
Carl Sandburg College - Community College District 518
Galesburg, IL

We have examined management of Carl Sandburg College - Community College District 518's (the "College") assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Are Filed during the period July 1, 2023 through June 30, 2024. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirement based on our examination.

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

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

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

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

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Sterling, Illinois
October 10, 2024

Carl Sandburg College - Community College District 518
SCHEDULE OF CREDIT HOUR DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED
YEAR ENDED JUNE 30, 2024

Total Reimbursable Semester Credit Hours by Term				
Credit Hour Categories	Summer Term		Fall Term	
	Unrestricted	Restricted	Unrestricted	Restricted
	Hours	Hours	Hours	Hours
Baccalaureate	2,118.0	0.0	9,106.0	0.0
Business Occupational	37.0	0.0	410.5	0.0
Technical Occupational	16.5	0.0	710.0	0.0
Health Occupational	550.5	0.0	2,368.5	0.0
Remedial/Developmental	44.0	0.0	398.0	0.0
Adult Education	0.0	0.0	0.0	0.0
Total	2,766.0	0.0	12,993.0	0.0

Credit Hour Categories	Spring Term		Total All Terms	
	Unrestricted	Restricted	Unrestricted	Restricted
	Hours	Hours	Hours	Hours
Baccalaureate	8,842.0	0.0	20,066.0	0.0
Business Occupational	367.0	0.0	814.5	0.0
Technical Occupational	764.5	6.0	1,491.0	6.0
Health Occupational	1,871.5	0.0	4,790.5	0.0
Remedial/Developmental	263.0	0.0	705.0	0.0
Adult Education	76.00	0.0	76.0	0.0
Total	12,184.0	6.0	27,943.0	6.0

In-District (All terms)		
	Unrestricted	Restricted
	Hours	Hours
Reimbursable Credit Hours:	23,342.5	6.00

Credit Hours on Chargeback or Contractual Agreement: 0.0

	Dual Credit (All Terms)		Dual Enrollment (All Terms)	
	Unrestricted	Restricted	Unrestricted	Restricted
	Hours	Hours	Hours	Hours
Reimbursable Credit Hours:	5,663.0	6.0	16.0	0.0

District Equalized Assessed Valuation: 2,457,144,612

Correctional Semester Credit Hours				
Credit Hour Categories	Summer	Fall	Spring	Total
	Correctional	Correctional	Correctional	Correctional
	Hours	Hours	Hours	Hours
Baccalaureate	0.0	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0	0.0
Technical Occupational	0.0	0.0	0.0	0.0
Health Occupational	0.0	0.0	0.0	0.0
Remedial/Developmental	0.0	0.0	0.0	0.0
Adult Education	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0

Signature: *Seamus Reilly* Signature: vacant
 Chief Executive Officer Chief Financial Officer

**Carl Sandburg College - Community College District 518
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
YEAR ENDED JUNE 30, 2024**

Total Reimbursable Semester Credit Hours			
<u>Credit Hour Categories</u>	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Unrestricted Hours</u>	<u>Unrestricted Hours</u>	
Baccalaureate	20,066.0	20,066.0	-
Business Occupational	814.5	814.5	-
Technical Occupational	1,491.0	1,491.0	-
Health Occupational	4,790.5	4,790.5	-
Remedial/Developmental	705.0	705.0	-
Adult Education	76.0	76.0	-
Total:	27,943.0	27,943.0	-

<u>Credit Hour Categories</u>	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Restricted Hours</u>	<u>Restricted Hours</u>	
Baccalaureate	0.0	0.0	-
Business Occupational	0.0	0.0	-
Technical Occupational	6.0	6.0	-
Health Occupational	0.0	0.0	-
Remedial/Developmental	0.0	0.0	-
Adult Education	0.0	0.0	-
Total:	6.00	6.00	-

	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Unrestricted Hours</u>	<u>Unrestricted Hours</u>	
In-District Credit Hours:	23,342.5	23,342.5	-
Dual Credit Hours:	5,663.0	5,663.0	-
Dual Enrollment Hours:	16.0	16.0	-

	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Restricted Hours</u>	<u>Restricted Hours</u>	
In-District Credit Hours:	6.00	6.00	-
Dual Credit Hours:	6.00	6.00	-
Dual Enrollment Hours:	0.0	0.0	-

Total Correctional Semester Credit Hours			
<u>Credit Hour Categories</u>	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Unrestricted Hours</u>	<u>Unrestricted Hours</u>	
Baccalaureate	0.0	0.0	-
Business Occupational	0.0	0.0	-
Technical Occupational	0.0	0.0	-
Health Occupational	0.0	0.0	-
Remedial/Developmental	0.0	0.0	-
Adult Education	0.0	0.0	-
Total:	-	-	-

<u>Credit Hour Categories</u>	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Restricted Hours</u>	<u>Restricted Hours</u>	
Baccalaureate	0.0	0.0	-
Business Occupational	0.0	0.0	-
Technical Occupational	0.0	0.0	-
Health Occupational	0.0	0.0	-
Remedial/Developmental	0.0	0.0	-
Adult Education	0.0	0.0	-
Total:	-	-	-

Carl Sandburg College - Community College District 518

Notes to Schedule of Credit Hour Data and Other Bases Upon Which Claims are Filed

Note 1: Residency Verification Process

Procedures for Verifying and Classifying Residency

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

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

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

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

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

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

Annual Federal Financial Compliance Section

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Trustees
Carl Sandburg College - Community College District 518
Galesburg, IL

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit Carl Sandburg College - Community College District 518, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Carl Sandburg College - Community College District 518's basic financial statements, and have issued our report thereon dated October 10, 2024. The financial statements of Carl Sandburg College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Carl Sandburg College Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Carl Sandburg College - Community College District 518's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Carl Sandburg College - Community College District 518's internal control. Accordingly, we do not express an opinion on the effectiveness of the Carl Sandburg College - Community College District 518's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is reasonable possibility that a material misstatement of the Carl Sandburg College - Community College District 518's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carl Sandburg College - Community College District 518's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Carl Sandburg College - Community College District 518's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Carl Sandburg College - Community College District 518's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Sterling, Illinois
October 10, 2024

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees
Carl Sandburg College - Community College District 518
Galesburg, IL

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Carl Sandburg College - Community College District 518's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2024. Carl Sandburg College - Community College District 518's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Carl Sandburg College - Community College District 518 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

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

We are required to be independent of Carl Sandburg College - Community College District 518 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Carl Sandburg College - Community College District 518's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Carl Sandburg College - Community College District 518's federal program.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Carl Sandburg College - Community College District 518's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Carl Sandburg College - Community College District 518's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Carl Sandburg College - Community College District 518's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Carl Sandburg College - Community College District 518's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Carl Sandburg College - Community College District 518's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Wipfli LLP

Wipfli LLP

Sterling, Illinois

October 10, 2024

Carl Sandburg College - Community College District 518

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Award Notification Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Treasury				
Pass-through Illinois Community College Board COVID-19 State and Local Fiscal Recovery Fund	21.027	CURES- 51801-22	\$7,980	\$0
Total U.S. Department of Treasury			\$7,980	\$0
U.S. Department of Education:				
Direct award				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants				
	84.007	P007AXX1115	\$48,719	\$0 (m)
Federal Work Study Program	84.033	P033AXX1115	56,624	0 (m)
Federal Pell Grant Program	84.063	P063XXX0511	3,307,073	0 (m)
Federal Direct Loan Program	84.268	P268KXX0511	402,892	0 (m)
Total student financial assistance cluster			3,815,308	0
Direct award				
TRIO Cluster:				
TRIO - Student Support Services	84.042A	P042A200040 - 23	263,983	0
TRIO - Upward Bound:				
Crossing the Bridge to Success	84.047A	P047A220073 - 23	225,698	0
Math & Science	84.047M	P047M220026 - 23	275,106	0
Total TRIO cluster			764,787	0
Pass-through Illinois Community College Board				
Career and Technical Education Programs				
Perkins Postsecondary Grants	84.048	CTE51824	224,327	0
Pass-through Illinois Community College Board				
COVID-19 - Governor's Emergency Education Relief Fund	84.425C	GEERII-51822	98	0
Total U.S. Department of Education			\$4,804,520	\$0
U.S. Department of Health and Human Services				
Pass-through Illinois Community College Board				
Child Care and Development Block Grant	93.575	ECE- 51801-22	\$508	\$0
Total U.S. Department of Treasury			\$508	\$0
Total federal awards expended			\$4,813,008	\$0

(m) Denotes major program

See Notes to the Schedule of Expenditures of Federal Awards

Carl Sandburg College - Community College District 518

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Note 1: General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Carl Sandburg College - Community College District 518 under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the schedule presents only a selected portion of the operations of Carl Sandburg College - Community College District 518, it is not intended to and does not present the financial position, changes in net position or cash flows of Carl Sandburg College - Community College District 518.

Note 2: Basis of Accounting

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3: Indirect Cost Rate

Carl Sandburg College - Community College District 518 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The College has a federally negotiated rate with the US Department of Health and Human Services of 62% of direct salaries and wages including all fringe benefits.

Note 4: Loan Program

For the year ended June 30, 2024, the College acted a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$402,892.

Note 5: Non-Cash Assistance

The College did not expend any federal awards in the form of non-cash assistance during the year ended June 30, 2024.

Note 6: Other Federal Award Information

The College did not receive or administer any insurance or loan guarantees during fiscal year ended June 30, 2024.

Carl Sandburg College - Community College District 518

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

Identification of major programs

<u>AL Number(s)</u>	<u>Federal Program or Cluster</u>
84.007, 84.033, 84.063, 84.268	Student Financial Assistance Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

Yes No

Carl Sandburg College - Community College District 518

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section II - Audit Findings in Relation to Financial Statements

No findings related to the financial statements.

Section III - Audit Findings and Questioned Costs in Relation to Federal Awards

No findings or questioned costs related to federal awards.

Carl Sandburg College - Community College District 518

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Prior Year Findings:

June 30, 2023

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

A. Internal Control

None

B. Compliance Finding

None

II. Findings and Questioned Costs for Federal Awards

A. Internal Control

None

B. Compliance Finding

None

June 30, 2022

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

A. Internal Control

None

B. Compliance Finding

None

II. Findings and Questioned Costs for Federal Awards

A. Internal Control

None

B. Compliance Finding

None