

*ILLINOIS VALLEY
COMMUNITY COLLEGE
District 513*

*COMPREHENSIVE ANNUAL
FINANCIAL REPORT
Fiscal Year Ending June 30, 2016*

ILLINOIS VALLEY COMMUNITY COLLEGE
DISTRICT NO. 513
Oglesby, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2016

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INTRODUCTORY SECTION



**ILLINOIS VALLEY
COMMUNITY COLLEGE**

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September 27, 2016

To Members of the Board of Trustees and Citizens of
Illinois Valley Community College District No. 513:

The Comprehensive Annual Financial Report (CAFR) of Illinois Valley Community College (IVCC) District No. 513 (the College), counties of LaSalle, Bureau, Marshall, Lee, Putnam, DeKalb, Grundy, and Livingston, and the State of Illinois, for the fiscal year ended June 30, 2016, is hereby submitted. The CAFR provides a snapshot of the College's financial performance and major initiatives, as well as an overview of trends in the local economy.

Financial Information

The accuracy and completeness, along with the fairness, of the presentation of this data is the responsibility of the College. We consider the data to be accurate in all material respects and to be presented in a manner which is designed to set forth the financial position and results of operations of the College. All disclosures enabling the reader to fully understand the financial affairs of the College have been included. This letter of transmittal should be read in conjunction with management's discussion and analysis, which focuses on current activities and factors that could affect the College's future.

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by Governmental and Financial Accounting Standards Boards (GASB and FASB), National Association of College and University Business Officers (NACUBO), and the Illinois Community College Board (ICCB). 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 on and explain the financial statements and the accounting principles applied. The financial statements have been audited by our independent auditors, Wipfli LLP. Their report is included as part of this financial presentation.

Illinois Valley Community College is subject to the authority of the Illinois Community College Board under the Illinois Board of Higher Education. The College is governed by the Board of Trustees, which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The College has the statutory authority to adopt its own budget, levy taxes, and issue bonded debt without the approval of another government. It has the right to sue and be sued, and has the right to buy, sell, lease, or mortgage property in its own name. Based on these criteria, the College is considered a primary government. The College has determined that the Illinois Valley Community College Foundation is a component unit of the College because its resources directly benefit the College and its students. The

College's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the College are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled for the preparation of financial statements in conformity with generally accepted accounting principles. 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.

The College maintains budgetary controls with the objective of complying with legal provisions in the annual appropriated budget approved by the College's Board of Trustees. The level of budgetary control (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. Encumbrances are only re-authorized as part of the following year's budget when funds are available and with appropriate administrative approvals. 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.

The Illinois Public Community College Act requires an annual audit by independent certified public accountants selected by the Board of Trustees. The accounting firm of Wipfli LLP was selected for this purpose. The auditor's opinion is unmodified. Tests are performed by the auditors to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the College has complied with applicable laws and regulations. The results of the tests for the fiscal year ended June 30, 2016 provided no instances of material weaknesses in the internal control structure or violations of applicable laws and regulations.

Profile of the College

Illinois Valley Community College is accredited by the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools. IVCC has been a member of the Academic Quality Improvement Program (AQIP) through the HLC since November 2002. As an AQIP institution, IVCC structures its accreditation around quality-improvement processes and systems. Reaffirmation of Accreditation was confirmed in December 2009, thereby completing the seven-year AQIP accreditation cycle. The systems portfolio has been submitted in preparation for reaccreditation and the Higher Learning Commission is scheduled to be on campus the week of October 17. The accreditation cycle has recently been extended to eight years

The district is 2,058 square miles-wide, serving a population of approximately 146,000 people from all or parts of the following eight counties: LaSalle, Bureau, Marshall, Lee, Putnam, DeKalb, Grundy, and Livingston. The area surrounding the campus – located near the intersection of Interstates 39 and 80 – is conveniently situated in north-central Illinois, within a 60-mile radius of Rockford, Peoria, Bloomington-Normal, and Rock Island-Moline, and only 90 miles from Chicago. There are many economic opportunities and incentives for businesses and industrial firms and expansive farmland which support a diverse industrial, service, and agricultural economy.

Enterprise Zones and Tax Increment Financing (TIF) districts offer additional incentives to conduct business in the Illinois Valley. The Illinois Valley Enterprise Zone was established in 1986 and encompasses large areas of the cities of LaSalle, Oglesby, Peru, and the Village of North Utica, as well as unincorporated

areas of LaSalle County. The Illinois Valley Enterprise Zone provides excellent economic incentives for new and existing businesses to invest in the area. The Bureau-Putnam County Enterprise Zone also offers excellent economic opportunities in the College's district.

VISION, MISSION, CORE VALUES STRATEGIC GOALS AND OBJECTIVES

Vision

Leading our community in learning, working and growing

Mission

IVCC teaches those who seek and is enriched by those who learn.

Core Values

Responsibility - We will follow through on our commitments and welcome constructive assessment and suggestions for improvement. We will meet performance expectations for personal and professional conduct. We will be accountable for appropriate, efficient, and effective use of resources.

Caring – We will nurture a culture of mutual appreciation; cultivate empathy and a compassionate response to others.

Honesty – We will speak and act truthfully, without hidden agendas – admitting when we make mistakes or do not know, avoiding silence when it may be misleading, identifying and working with each other to communicate and solve problems.

Fairness – We will treat students and colleagues equitably, without favoritism or prejudice, giving all the benefit of the doubt and providing opportunities for individual success.

Respect – We will consider the talents, feelings and contributions of everyone in our interactions and behaviors; practice active listening and collaborating in our daily work; base our relationships on the essential dignity of each individual; value diverse cultures, backgrounds, lifestyle and abilities; and understand that inclusion makes us stronger and able to perform at higher levels.

Strategic Goals and Objectives

Assist all students in identifying and achieving their educational and career goals.

- Improve student retention through offerings designed to prepare students for targeted curricula.
- Increase student learning and student satisfaction through curricular and technology improvements.
- Improve student preparedness for the workplace.

Promote the value of higher education.

- Expand prospective student awareness and interest in targeted disciplines and programs through marketing and outreach efforts.
- Prepare and disseminate a frequent, consistent message regarding IVCC as a critical higher education resource to business and industry.
- Prepare and disseminate a frequent, consistent message regarding IVCC as a critical higher education resource to recent graduates, alumni, and donors.
- Expand IVCC professional development activities devoted to teaching and learning and invite individuals working in pre-K to 12 through higher education to participate.

Grow and nurture all resources needed to provide quality programs and services.

- Increase employee satisfaction through greater workplace efficiency, effectiveness, and security.
- Increase student satisfaction with the IVCC learning environment. Expand the number and types of partnerships to leverage College resources.

Promote understanding of diverse cultures and beliefs.

- Increase College and community understanding of diverse cultures and beliefs through IVCC cultural enrichment and educational offerings.

Demonstrate IVCC's core values through an inclusive and collaborative environment.

- Expand efforts to introduce IVCC core values into the College culture throughout employment continuum (pre-hire to retirement).
- Model IVCC core values in all outreach to College retirees, donors, and alumni.

Economic Condition and Outlook

The College’s financial position continues to remain strong despite the lack of state funding. This can be attributed to sound financial planning, budget performance, and a healthy property tax base. Though the College’s net position decreased by \$1.8 million or 2.1 percent from \$85.4 million in fiscal year 2015 to \$83.6 million in fiscal year 2016, the operating funds continue to have a fund balance equal to 31 percent of the annual operating expenses. The \$1.8 million decrease in net position reflects the lack of funding by the State of Illinois. The College received \$611,896 in operating grant funds from the State, or 27 percent of the fiscal year 2015 funding.

Demographics

The statewide unemployment rate for December 2015 was 6.4 percent, compared to 9.1 percent two years ago. The counties of LaSalle, Bureau, and Putnam make up over 90 percent of the District. In this three-county area, the December unemployment rate was close to the state rate at 6.5 percent. However, both the local unemployment rate and the State rate are higher than the Federal Rate (5.0 percent). Historic December unemployment rates are illustrated below:

<u>As of December</u>	<u>State of Illinois</u>	<u>Three-County Area</u>
2015	6.4	6.5
2014	7.1	8.0
2013	9.1	10.2
2012	9.0	9.9
2011	9.7	10.5
2010	10.4	11.7
2009	10.2	11.9

According to Economic Modeling Specialists, Inc. (EMSI), the overall population of the eight-county area all or partially included in IVCC District No. 513 will decrease by less than one percent from 2016 to 2020, from 390,118 to 388,208 residents. The following table illustrates the more significant changes within the various age groups.

Eight-County Area (Bureau, DeKalb, Grundy, LaSalle, Lee, Livingston, Marshall, and Putnam)

<u>Age Group</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Under 5	22,305	22,686	23,109	23,597	23,604	6%
10-14	25,189	24,820	24,386	23,913	23,514	(7%)
15-24	60,770	60,518	60,268	60,020	60,099	(1%)
45-49	23,505	23,067	22,693	22,372	22,096	(6%)
50-54	26,739	25,737	24,729	23,781	23,090	(14%)
55-59	27,675	27,510	27,184	26,718	26,035	(6%)
65-69	19,674	20,272	20,878	21,480	22,048	12%
70-74	15,080	15,498	15,948	16,439	16,980	13%
75-79	11,103	11,393	11,721	12,075	12,397	12%

The population aged 15-24 years will decrease by one percent from 2016 to 2020. This age group represents the majority of the College's students which means steady enrollments at IVCC in the short term. However, as illustrated above, the 10-14 years age group has a seven percent decrease which translates to lower enrollments over the next 10 years. The age group under five years of age is predicted to grow at six percent from 2016 to 2020. This is a potential increase in enrollments in the next 10 to 20 years. The chart above also shows the largest growing segment of our population as those individuals over 65 years of age.

As the population ages, there will be a greater demand for healthcare services, and IVCC's administration is anticipating an increase in demand for health profession courses. This population shift will mean less need for traditional general education courses and a greater need for personal interest courses.

In comparing the above data to demographic projections supplied by EMSI for LaSalle, Bureau, and Putnam Counties, which comprise the majority of the College's district, the population aged 15-24 years is projected to decrease by five percent. The 10-14 years age group will decrease by nine percent, and the under five years age group will increase by eight percent. Consistent with the eight-county area, the population over 65 years of age is the fastest growing segment of the population. The total population of these three counties is projected to decrease by 2,211 individuals, or slightly more than one percent, from 2016 to 2020.

Three-County Area (Bureau, LaSalle, and Putnam)						
<u>Age Group</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Under 5	8,175	8,348	8,549	8,802	8,812	8%
10-14	9,739	9,532	9,303	9,061	8,860	(9%)
15-24	18,104	17,861	17,612	17,360	17,185	(5%)
45-49	9,198	8,963	8,759	8,585	8,446	(8%)
50-54	10,972	10,529	10,081	9,654	9,323	(15%)
60-65	8,515	8,791	9,071	9,346	9,581	13%
70-74	6,606	6,755	6,918	7,100	7,323	11%
85 and over	4,249	4,151	4,073	4,014	3,968	(7%)

Although the population of these three counties will decrease only slightly, there will continue to be a shift in the makeup of the population as residents age.

**Three-County Area
(Bureau, LaSalle, and Putnam)**

<u>Demographic</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>% of Population</u>	<u>% Change</u>
White, Non-Hispanic	130,023	129,066	128,187	127,384	126,651	86%	(3%)
Hispanic/ Latino (any race)	13,555	13,761	13,950	14,121	14,279	10%	5%
Black, Non-Hispanic	2,798	2,860	2,916	2,967	3,014	2%	8%
Two or More Races, Non-Hispanic	1,599	1,622	1,643	1,662	1,679	1%	5%
All Other Races	1,631	1,671	1,709	1,742	1,773	1%	9%

The White, Non-Hispanic population is expected to decrease by 3,372 individuals, or three percent, although still making up 86 percent of the total population in 2020. The Hispanic/Latino population (any race) will increase by 724, to a total of 14,279 individuals, making up 10 percent of the total population. The Black, Non-Hispanic population will increase by 216 individuals, to a total of 3,014, an increase of eight percent, or two percent of the population, and the population made up of two or more races, Non-Hispanic, will increase by 142 individuals, an expected increase of nine percent, making up one percent of the total population.

Enrollments

Historically, there has been a correlation between credit hours and unemployment rates. In 2015, the annual average unemployment rates for Illinois were 5.9 percent for the U-3 rate and 10.9 percent for the U-6 rate. Though still above national averages, these rates show a decline from the 2009 averages. The 91,331 non-Correctional Center credit hours reported for fiscal year 2011 was a record high, following a previous record high of 86,432 credit hours in 2010. Though it is a very weak economic recovery, IVCC's enrollments are at a 16-year low. The current trend for low enrollments at community colleges is throughout the Illinois Community College System and much of the nation.

People are included in the monthly U-3 unemployment rate if they:

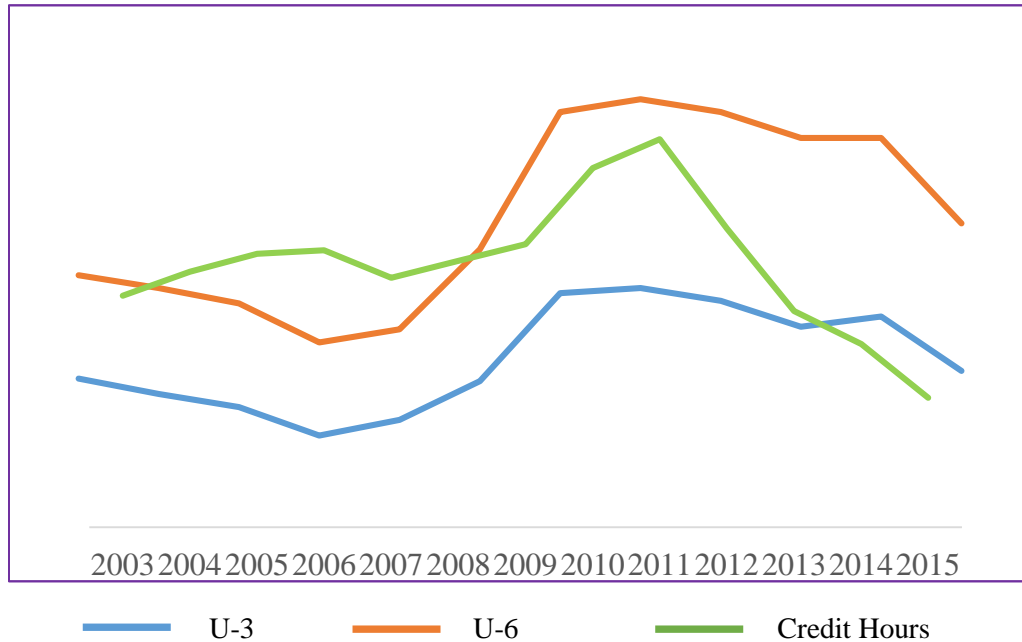
- did not work for pay during the week that included the 12th day of the month
- had actively looked for work during the preceding four weeks or were waiting to be called back from a temporary layoff
- could have started a job if they had received an offer.

People are included in the monthly U-6 unemployment rate if they:

- were included in the U-3 rate
- are "marginally attached" to the labor force, that is those who are neither working nor looking for work but want and are available for a job and have looked for work sometime in the past 12 months

- work part time for economic reasons, would have preferred full-time employment but were working part-time because their hours had been cut back or because they could not find a full-time job.

Unemployment Rates and IVCC Credit Hour Trends



Historical Enrollment Information

Credit Hours

Term	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Summer	12,368	9,900	6,886	6,569	6,020	6,193
Fall	43,354	40,471	35,995	34,006	31,533	28,964
Spring	40,463	36,567	33,175	31,479	30,049	28,036
Total	96,185	86,938	76,056	72,054	67,602	63,193

One of the goals identified by the Illinois Board of Higher Education in its strategic plan is for college to be “. . . affordable for all Illinoisans, particularly low-income students.” To support that goal, the IVCC Board of Trustees has been clear in its desire to keep tuition and universal fees at a minimum level. Tuition and universal fees for fall semester 2016 are \$124 per credit hour. IVCC’s tuition and universal fees are lower than the state average of \$133.24. The College has the resources necessary to serve student enrollments at the FY2011 historically high enrollments.

The average student is 24 years of age. The ethnic breakdown includes 84 percent White (non-Hispanic), five percent Hispanic, two percent Black (non-Hispanic), and one percent Asian. The remaining eight percent are either other minorities or did not respond to a self-identification survey question. This student demographic mirrors the areas demographics as illustrated previously.

IVCC continues to prepare students for a solid future and meet the ever-changing needs of area employers. For academic year 2016-2017, an agriculture program coordinator/instructor has been hired. Many local students were attending other colleges with agriculture programs plus agriculture makes up a large segment of the local economy. The College owns over 150 acres which is actively being farmed making a natural laboratory setting for an agriculture program.

State Funding

The State of Illinois continues to struggle with a slow economic recovery and budget issues. The State’s expenditures continue to outpace revenues, causing an estimated deficit of \$9 billion for fiscal year 2016 and a total deficit of \$111 billion, which includes payments due to five pension systems. Accordingly, the future of State funding for the College continues to be a concern. State funding to IVCC for fiscal year 2016 was only 27 percent of the fiscal year 2015 funding, a decrease of \$1.6 million. For fiscal year 2017, the legislature approved stopgap funding for the first six months of the fiscal year. For IVCC this was \$862,216. Through fiscal responsibility, the College had the reserves to cover the revenue shortfall in fiscal year 2016. Fiscal year 2017 will be a transition year with the College working on a new model dictated by the lack of state funding. The College is committed to the legislative process and will continue to keep State leaders informed of the crucial role of community colleges for the State’s economic and social well-being.

Property Tax Revenues

The local property tax base increased in tax year 2015 by \$17.8 million or .6 percent. However, the equalized assessed valuation (EAV) is \$186.4 million, or 5.8 percent less than tax year 2009. In December 2012, an agreement between Exelon’s LaSalle Generating Station, the district’s largest taxpayer, and the taxing bodies was signed, agreeing to the Plant’s EAV as follows:

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
EAV (in millions)	\$485	\$455	\$435	\$430	\$430	\$435	\$460

The following table shows the diversity of the property tax base over the last five years. The increase in the EAV of the Exelon LaSalle Generating Plant significantly increased the industrial property tax base in levy year 2009. The tax year 2015 increase in EAV was due to farmland, residential, and commercial property values offsetting the decline in value for industrial properties.

<u>Property Type</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Residential	43%	43%	44%	45%	47%	48%	50%
Industrial	21%	23%	23%	23%	23%	22%	21%
Farm	20%	20%	19%	18%	16%	16%	15%
Commercial	13%	13%	13%	13%	13%	12%	13%
Other	3%	1%	2%	1%	1%	2%	1%

Under current law, tax caps could restrict the College’s operations in the future. Before tax caps can be initiated, all eight counties must put the proposition to a vote with the majority (LaSalle County) passing it. In November 1998, the voters of LaSalle County voted down tax caps; however, the issue can be placed on the ballot at any time in the future. The earliest that tax caps could take effect would be tax year 2017,

payable in 2018. In the most recent state legislative session there were bills introduced to place a tax freeze on property taxes but the bills did not come to a vote. It is anticipated there will be further discussions regarding property freezes.

The District’s largest county, LaSalle County, is recognized as a leader in the use of tax increment financing (TIF) for the purpose of stimulating economic development. Under Illinois law, TIF districts may be established by municipalities to freeze the amount of property tax revenue collected by taxing bodies for up to 23 years and direct the increment to a special fund for infrastructure development, as determined by the cities or villages that adopt TIF ordinances. Since property tax revenue makes up more than one-third of the College’s total revenue, the Board has taken the position that the College must aggressively seek intergovernmental agreements with cities and villages that adopt TIF district financing with the goal of making the College “whole” on such projects and protecting the College’s tax base. Approximately six percent of the equalized assessed valuation of the College’s tax base is in TIF districts.

Capital Improvements

A three-phase state-funded capital program got underway in 2011. The project consisted of three phases:

- Phase 1 Construction of the Peter Miller Community Technology Center building
- Phase 2 East Campus Renovations
- Phase 3 Campus-wide Renovations

Phase 3 was completed in December 2015. The \$31 million project required \$7.6 million in matching funds from the College. The College used \$2.6 million from a building fund reserve and borrowed the remaining \$5.0 million. The College later issued bonds to pay the debt. The last payment for the bond issue will be made in December 2016.

Debt Administration

The College had general bonded debt of \$265,000, as of June 30, 2016, as a result of the Series 2011 Community College Bonds. Bonded debt per capita was approximately \$2 as of June 30, 2016. Please refer to Note 5 of the basic financial statements for further information on the long-term debt of the College.

Awards and Acknowledgements

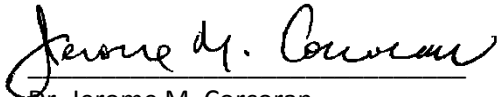
The College has been awarded a “Certificate of Achievement for Excellence in Financial Reporting” from the Government Finance Officers Association of the United States and Canada annually for the years ending June 30, 1994 through 2015.

In order to be awarded the certificate, the College must publish an easy-to-read and efficiently organized comprehensive annual report with contents that conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements. The “Certificate of Achievement for Excellence in Financial Reporting” is valid for a period of one year.

We wish to thank the College's Board of Trustees for their interest and support in conducting the financial operations of the College to the degree of "excellence" necessary for continuance of operation of the College in a responsible and progressive manner.

The preparation of this document was made possible by the dedicated service of the College's Business Services and Finance staff. We wish to express our sincere appreciation to all members of the department for their loyalty and commitment to providing high quality reports for all College stakeholders.

Respectfully submitted,



Dr. Jerome M. Corcoran
President



Ms. Cheryl Roelfsema, CPA, CMA, CPFO
Vice President for Business Services
& Finance / Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

Illinois Valley Community College

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

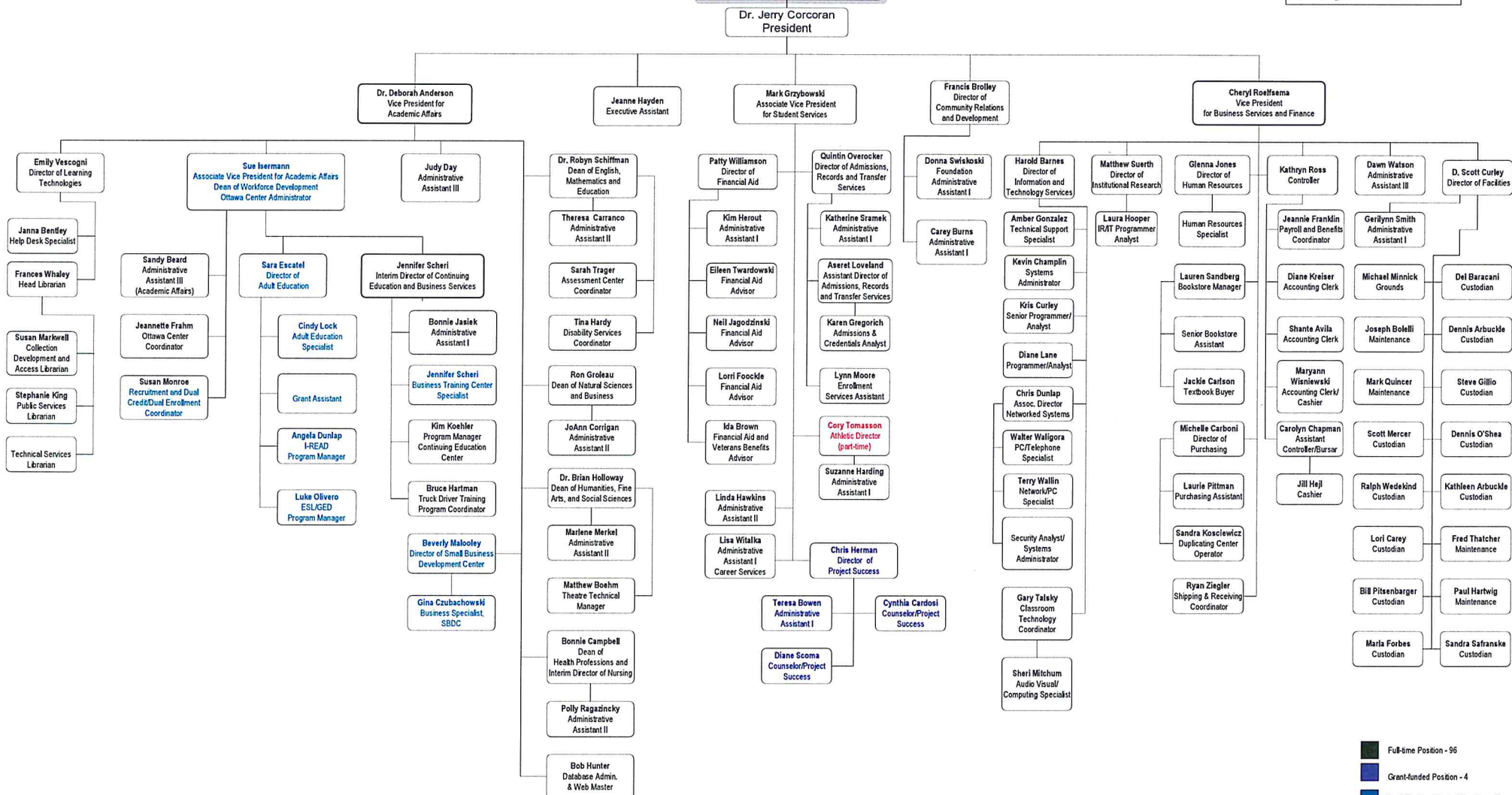
June 30, 2015

Executive Director/CEO

ILLINOIS VALLEY COMMUNITY COLLEGE

BOARD OF TRUSTEES

Full-time Employee Organizational Chart



Full-time Position - 96
 Grant-funded Position - 4
 Partially, Grant-funded Position - 10

Total Full-time Positions - 110

ILLINOIS VALLEY COMMUNITY COLLEGE
DISTRICT 513

Principal Officials
as of July 1, 2016

Members of the Board of Trustees
(with term expiration)



Ms. Melissa M. Olivero, Chair
(2021)



Dr. Michael C. Driscoll, Vice-Chair
(2017)



Dr. Larry D. Huffman, Secretary
(2017)



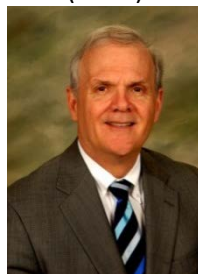
Ms. Laurie A. Bonucci
(2019)



Ms. Jane E. Goetz
(2019)



Mr. David O. Mallery
(2017)



Mr. Everett J. Solon
(2021)



Ms. Sarah Tipton
Student Trustee – 2017

Principal Administrative Officials

Dr. Jerome M. Corcoran – *President*

Dr. Deborah Anderson – *Vice President for Academic Affairs*

Mr. Mark Grzybowski – *Associate Vice President for Student Services*

Ms. Sue Isermann – *Associate Vice President for Academic Affairs*

Ms. Cheryl E. Roelfsema – *Vice President for Business Services & Finance/Treasurer*

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Illinois Valley Community College
Illinois Community College District #513
Oglesby, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Illinois Valley Community College, Illinois Community College District #513 (College) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Illinois Valley Community College Foundation, a discretely presented component unit, which represents 100 percent of the assets, net position and revenue of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us and, in our opinion, insofar as it relates to the amounts included for Illinois Valley Community College Foundation, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Illinois Valley Community College Foundation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Illinois Valley Community College, Illinois Community College District #513 as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements as a whole. The Supplementary Financial Information, Uniform Financial Schedules, the Certification of Chargeback Reimbursement, the introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 is also not a required part of the basic financial statements.

The Supplementary Financial Information, Uniform Financial Schedules, the Certification of Chargeback Reimbursement, and the Schedule of Expenditures of Federal Awards are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Financial Information, Uniform Financial Schedule, the Certification of Chargeback Reimbursement, the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2016 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 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 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 11, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2016

This section of Illinois Valley Community College's Annual Financial Report presents readers with management's discussion and analysis of the financial activity during the fiscal years ended June 30, 2016, and June 30, 2015. Since management's discussion and analysis focuses on current activities and resulting changes, it should be read in conjunction with the transmittal letter (page i), the College's basic financial statements (pages 17-19), and the footnotes to the financial statements (pages 20-32). The following summary and management's discussion of the results are intended to provide readers with an overview of the financial statements.

The management's discussion and analysis is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued June 1999 and Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, issued in November 1999.

Overview of the Financial Statements

This annual report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The College's financial statements report information about the College using accounting methods similar to those used by private-sector companies.

The Statement of Net Position presents information on all of the College's assets and liabilities, with the difference between the two reported as net position. The Statement of Net Position reflects the College's financial position as of June 30, 2016.

The Statement of Revenues, Expenses and Changes in Net Position focuses on gross and net costs of College activities which are supported by property taxes, state and federal grants and contracts, student tuition and fees, and auxiliary enterprises revenues. This statement summarizes and simplifies the analysis of College services to students and the public.

- Long-term increases or decreases in net position help indicate an improving or deteriorating financial position of Illinois Valley Community College.
- To assess the College's overall health, non-financial factors, such as changes in the College's property tax base, the condition of the College's facilities, and the level of expertise of the faculty, staff, and administration, should also be considered.

Financial Highlights

The College's financial data continues to be strong despite the poor financial condition of the State of Illinois and the lack of State funding for Illinois community colleges. Net position decreased by \$1,602,414, or 1.9 percent, in the current fiscal year.

- Overall revenues were \$34,265,959, a 4.5 percent decrease when compared to \$35,863,559 in fiscal year 2015.
 - Tuition revenues, net of scholarships and allowances, increased by \$366,061 from fiscal year 2015 after adjusting for summer semester tuition earned prior to June 30, 2015. Though tuition rates increased by 7.2 percent, enrollments were lower by 4.5 percent. In fiscal year 2016, the College recorded the portion of summer semester tuition that was earned prior to June 30, 2016. In prior years, all summer semester tuition was recorded in the subsequent year.
 - State and local grants and contracts decreased by \$1,112,444, an 11.2 percent decrease from fiscal year 2015. State credit hour and equalization grants decreased by \$1,620,785. The State's On-behalf SURS (State University Retirement System) contribution increased by \$1,070,527. Fiscal year 2015 State and local grants and contracts included \$832,000 in State contributions for construction projects.
 - Property tax revenues increased by \$165,161, or 1.4 percent, from fiscal year 2015. The property tax base increased by approximately \$17.9 million, or 0.5 percent. The 2015 tax year rate of \$0.3760 per \$100 EAV was higher than the 2014 tax year rate of \$0.3707 due to an increase in the additional, or equity, tax rate. The equity tax provides a mechanism for Illinois community colleges with lower property tax rates to levy an amount equal to the state average for operating tax rates.

Total operating expenses were \$35,847,095, a 2.7 percent increase when compared to \$34,898,091 in fiscal year 2015.

**Illinois Valley Community College
Net Position
As of June 30**

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease) 2016-2015</u>	<u>2014</u>	<u>Increase (Decrease) 2015-2014</u>
Current assets	\$29,362,404	\$31,840,103	\$(2,477,699)	\$ 34,381,346	\$ (2,541,243)
Non-current assets					
Investments	248,000	1,492,048	(1,244,048)	-	1,492,048
Capital assets, net of depreciation	<u>62,174,592</u>	<u>61,986,034</u>	<u>188,558</u>	<u>61,588,437</u>	<u>397,597</u>
Total assets	<u>91,784,996</u>	<u>95,318,185</u>	<u>(3,533,189)</u>	<u>95,969,783</u>	<u>(651,598)</u>
Deferred outflows of resources	<u>51,813</u>	<u>-</u>	<u>51,813</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>91,836,809</u>	<u>95,318,185</u>	<u>(3,481,376)</u>	<u>95,969,783</u>	<u>(651,598)</u>
Current liabilities	2,119,195	3,966,404	(1,847,209)	3,979,482	(13,078)
Non-current liabilities	<u>284,576</u>	<u>445,631</u>	<u>(161,055)</u>	<u>1,711,759</u>	<u>(1,266,128)</u>
Total liabilities	<u>2,403,771</u>	<u>4,412,035</u>	<u>(2,008,264)</u>	<u>5,691,241</u>	<u>(1,279,206)</u>
Deferred inflows of resources	<u>5,618,226</u>	<u>5,488,924</u>	<u>129,302</u>	<u>5,512,954</u>	<u>(24,030)</u>
Net position					
Net investment in capital assets	62,174,592	61,986,034	188,558	61,588,437	397,597
Restricted-expendable	12,891,136	13,546,036	(654,900)	12,425,192	1,120,844
Unrestricted	<u>8,749,084</u>	<u>9,885,156</u>	<u>(1,136,072)</u>	<u>10,751,959</u>	<u>(866,803)</u>
Total net position	<u>\$83,814,812</u>	<u>\$85,417,226</u>	<u>\$(1,602,414)</u>	<u>\$ 84,765,588</u>	<u>\$ 651,638</u>

The largest component of net position, \$62.2 million, reflects the College's investment in capital assets (land, buildings, furniture, and equipment), less related outstanding debt that was issued to acquire those items and any unspent proceeds. The College uses these capital assets to provide services to residents of the College's District; consequently, these assets are not available for future spending. For more information on capital assets, please refer to Note No. 4 – Change in Capital Assets on page 26.

Restricted assets represent resources that are subject to restrictions on how they may be spent. Restricted assets totaled \$12.9 million and are committed for capital projects, debt service, and specific instructional programs. The remaining balance of \$8.7 million represents unrestricted net assets and is available for spending at the College's discretion.

Fiscal Year 2016 Compared to 2015

Current assets decreased by \$2,447,699, or 7.8 percent, from the previous year. Non-current assets decreased by \$1,244,048. The decrease in current assets was offset by the decrease in non-current assets due to certificates of deposit with a term longer than 12 months being reclassified from long-term to short-term as the certificates of deposit come closer to maturity. Capital assets (non-current) increased by \$188,558 with the completion of the Community Instructional Center Phase 3 and an upgrade of the Building A HVAC system off set by \$2,507,943 in depreciation. The final phase of the Community Instructional Center project included renovations for a Student Life Center, a Cyber Café, and classrooms and instructional laboratories in Building D. In Building A, the original air handler and the 20-year old chiller were replaced.

Current liabilities decreased by \$1,847,209, or 46.6 percent. The current portion of bonds payable decreased by \$980,000 after the December 1, 2015 bond payment. After the December 1, 2016 bond payment of \$265,000, the College will not have any outstanding bond issues. Accounts payable decreased by \$351,911, and accrued salaries decreased by \$267,426. Other accruals and unearned revenues increased by \$192,863.

Non-current liabilities decreased by \$161,055, due to reclassifying the final bond payment from a non-current to current liability and recording the capital lease for the athletic vans.

Fiscal Year 2015 Compared to 2014

Fiscal year 2015 current assets decreased by \$2,541,245, or 7.4 percent, from the previous year. Non-current assets increased by \$1,889,645, or 3.1 percent. During FY2015, the College purchased certificates of deposit with a term longer than 12 months, which changed the classification from current to non-current. Capital assets (non-current) increased with the installation of the new sound system in the Cultural Centre. This increase in capital assets was offset by a decrease in cash (current). Total assets decreased by \$651,600, or less than one percent.

The Community Instructional Center project began in fiscal year 2012. The project had three phases: 1) construction of the Peter Miller Community Technology Center building, 2) remodel existing buildings on the East Campus, and 3) remodel existing vacated areas. Anticipated completion date for Phase 3 was November 2015.

Fiscal year 2015 current liabilities decreased by \$13,078, or less than one percent. Accounts payable increased by \$262,000, accrued salaries increased by \$17,990, and other accrued expenditures decreased by \$447,555. Unearned tuition and fee revenue increased by \$124,486.

Non-current liabilities decreased by \$1,266,128 due to a bond payment of \$1,215,000. Total liabilities decreased by \$1,279,206, or 22.5 percent.

Analysis of Net Position June 30

Net position	<u>2016</u>	<u>2015</u>	Increase (Decrease) <u>2016-2015</u>	<u>2014</u>	Increase (Decrease) <u>2015-2014</u>
Net investment in capital assets	\$62,174,592	\$61,986,034	\$ 188,558	\$ 61,588,437	\$ 397,597
Restricted					
Expendable	12,891,136	13,546,036	(654,900)	12,425,192	1,120,844
Unrestricted	<u>8,749,084</u>	<u>9,885,156</u>	<u>(1,136,072)</u>	<u>10,751,959</u>	<u>(866,803)</u>
Total	<u>\$83,814,812</u>	<u>\$85,417,226</u>	<u>\$(1,602,414)</u>	<u>\$ 84,765,588</u>	<u>\$ 651,638</u>

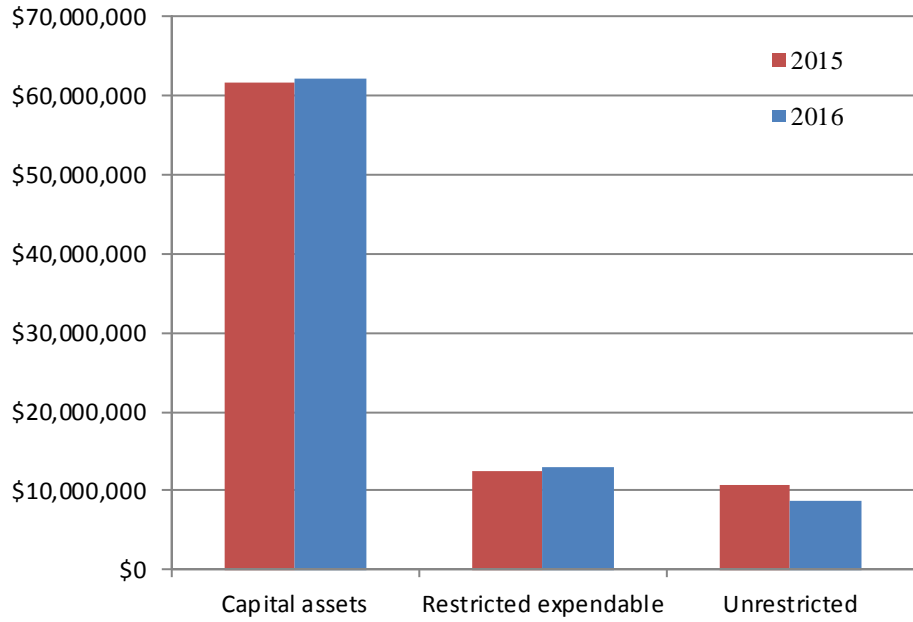
Fiscal Year 2016 Compared to 2015

The College's net position decreased in fiscal year 2016 by \$1,602,414, or 1.9 percent. Capital assets increased by \$188,558 with the completion of the Community Instructional Center Project Phase 3 renovations and the update to Building A HVAC system offset by current year depreciation. More information on capital assets is provided on the following page and in Note 4 to the financial statements.

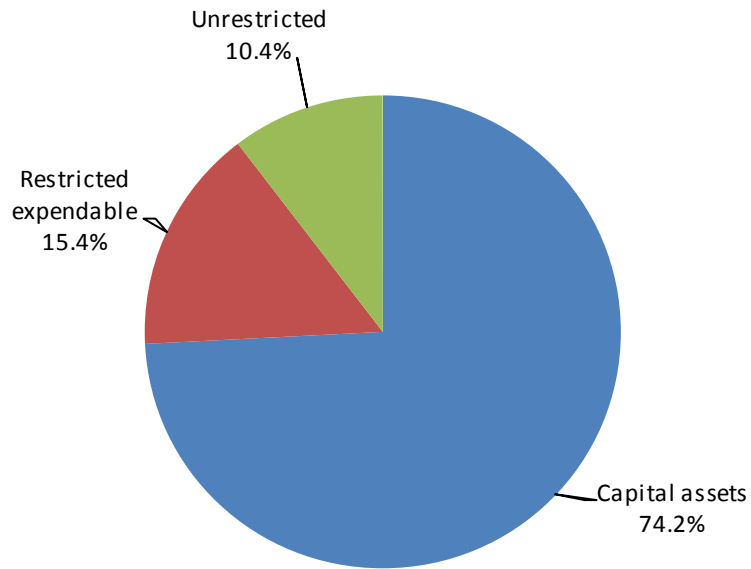
Fiscal Year 2015 Compared to 2014

The College's net position increased in fiscal year 2015 by \$651,638, or slightly less than one percent. In fiscal year 2015, the Cultural Centre sound system was upgraded, increasing capital assets and providing a more modern learning facility for the Humanities, Fine Arts, and Social Sciences Division, as well as community activities. More information on capital assets is provided on the following page and in Note 4 to the financial statements.

**Comparison of Net Position
Fiscal Years 2016 and 2015**



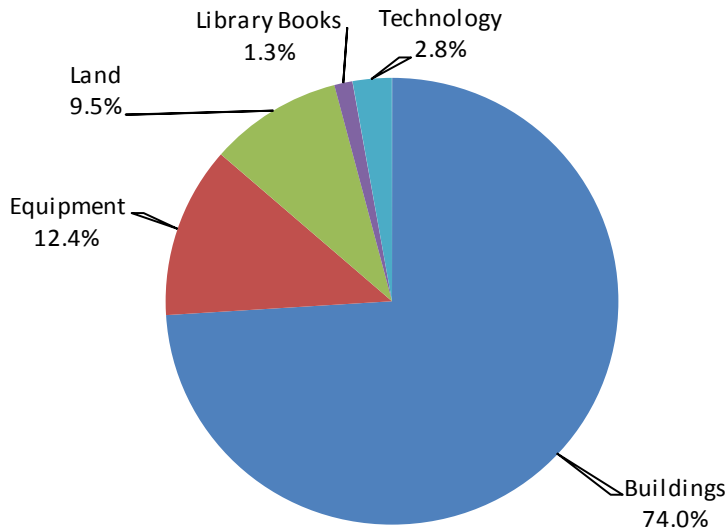
**Composition of Net Position
June 30, 2016**



**Analysis of Capital Assets
As of June 30**

Capital assets	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease) 2016-2015</u>	<u>2014</u>	<u>Increase (Decrease) 2015-2014</u>
Land and improvements	\$ 9,521,105	\$ 9,397,035	\$ 124,070	\$ 8,983,774	\$ 413,261
Building	74,168,478	71,913,147	2,255,331	70,918,220	994,927
Equipment	12,450,550	12,318,604	131,946	12,021,821	296,783
Library books	1,288,543	1,288,543	-	1,288,543	-
Technology	<u>2,853,671</u>	<u>2,673,526</u>	<u>180,145</u>	<u>1,869,811</u>	<u>803,715</u>
Total	100,282,347	97,590,855	2,691,492	95,082,169	2,508,686
Less accumulated depreciation	<u>38,107,755</u>	<u>35,604,821</u>	<u>2,502,934</u>	<u>33,493,732</u>	<u>2,111,089</u>
Net capital assets	62,174,592	61,986,034	188,558	61,588,437	397,597
Less applicable long-term debt	-	-	-	-	-
Net investment in capital assets	<u>\$ 62,174,592</u>	<u>\$ 61,986,034</u>	<u>\$ 188,558</u>	<u>\$ 61,588,437</u>	<u>\$ 397,597</u>

**Composition of Capital Assets
June 30, 2016**



Additions to capital assets in FY2016 include the following:

- Building A Air Handler/Chiller replacement
- Cyber Café in Building C
- Elevator in Building E for improved accessibility
- Exterior door replacement for energy efficiency and security
- Sculpture – “Power On” by John Adducci – part of State of Illinois Art in Architecture
- Culture Centre carpet replacement

Please see Note 4.

Operating Results
For the Year Ended June 30

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease) 2016-2015</u>	<u>2014</u>	<u>Increase (Decrease) 2015-2014</u>
Operating revenue					
Net tuition and fees	\$ 5,704,378	\$ 5,147,956	\$ 556,422	\$ 4,890,667	\$ 257,289
Auxiliary	2,084,673	2,129,023	(44,350)	2,270,375	(141,352)
Other	<u>231,305</u>	<u>330,812</u>	<u>(99,507)</u>	<u>631,671</u>	<u>(300,859)</u>
Total	8,020,356	7,607,791	412,565	7,792,713	(184,922)
Less operating expenses	<u>(35,847,095)</u>	<u>(34,898,091)</u>	<u>(949,004)</u>	<u>(33,847,959)</u>	<u>(1,050,132)</u>
Operating income (loss)	<u>(27,826,739)</u>	<u>(27,290,300)</u>	<u>(536,439)</u>	<u>(26,055,246)</u>	<u>(1,235,054)</u>
Non-operating revenues (expenses)					
State and local grants and contracts	8,802,272	9,914,716	(1,112,444)	9,027,532	887,184
Property taxes	11,627,742	11,462,581	165,161	11,303,277	159,304
Federal grants and contracts	5,186,832	5,932,492	(745,660)	5,855,095	77,397
Gifts and contributions	550,393	908,269	(357,876)	1,067,596	(159,327)
Disposal of assets	-	(264,689)	264,689	-	(264,689)
Investment income	78,364	37,710	40,654	57,540	(19,830)
Interest expense	<u>(21,278)</u>	<u>(49,141)</u>	<u>27,863</u>	<u>(76,200)</u>	<u>27,059</u>
Total net non-operating revenue	<u>26,224,325</u>	<u>27,941,938</u>	<u>(1,717,613)</u>	<u>27,234,840</u>	<u>707,098</u>
Change in net position	(1,602,414)	651,638	(2,254,052)	1,179,594	(527,956)
Net position, beginning of year	<u>85,417,226</u>	<u>84,765,588</u>	<u>651,638</u>	<u>83,585,994</u>	<u>1,179,594</u>
Net position, end of year	<u>\$ 83,814,812</u>	<u>\$ 85,417,226</u>	<u>\$ (1,602,414)</u>	<u>\$ 84,765,588</u>	<u>\$ 651,638</u>
Total revenues	<u>\$ 34,265,959</u>	<u>\$ 35,863,559</u>	<u>\$ (1,597,600)</u>	<u>\$ 35,103,753</u>	<u>\$ 759,806</u>
Total expenses	<u>\$ 35,868,373</u>	<u>\$ 34,947,232</u>	<u>\$ 921,141</u>	<u>\$ 33,924,159</u>	<u>\$ 1,023,073</u>

Fiscal Year 2016 Compared to 2015

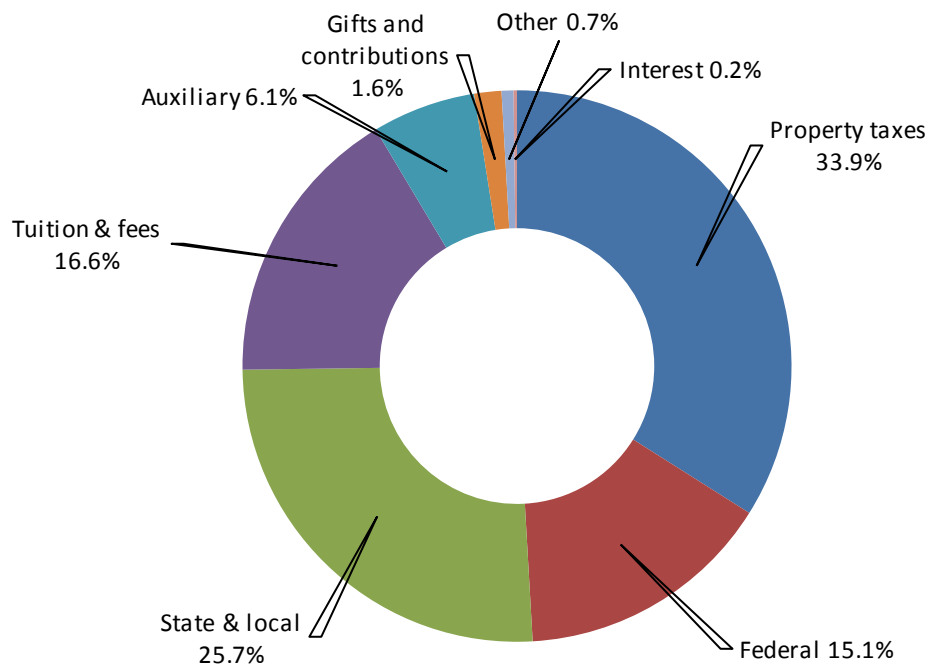
In fiscal year 2016, total revenues (operating and non-operating) decreased by \$1,597,600, or 4.5 percent.

The following revenue categories increased in fiscal year 2016 over fiscal year 2015:

- Net tuition and fees increased by \$366,061, or 6.9 percent after adjusting previous year by \$190,361 net tuition and fees to include summer semester tuition earned prior to June 30, 2015. The fiscal year 2016 tuition rate increased by \$8 per credit hour, or 7.2 percent. However, credit hours decreased by approximately 4.5 percent.
- Property tax revenues increased by \$165,161, or 1.4 percent. For tax year 2016, the EAV (equalized assessed valuation) of the district increased by 0.5 percent. The tax rate increased from 0.3707 to 0.3760, the net effect of an increase in the additional equity tax rate and a decrease in the tax rate for bonds.

- State and local grants and contracts decreased by \$1,112,444, or 11.2 percent. State credit hour and equalization grants decreased by \$1,620,785. The State’s On-behalf SURS (State University Retirement System) contribution increased by \$1,070,527. Fiscal year 2015 State and local grants and contracts included \$832,000 in State contributions for construction projects.
- Federal grants and contracts decreased by \$745,660, or 12.6 percent. PELL and SEOG grants decreased by \$491,150 due to lower enrollments and decreased grant monies available to students. Fiscal year 2015 was the last year of a multi-year Illinois Network Area Manufacturers Grant, a decrease of \$171,842. Fiscal year 2015 was the final year of the National Science Foundation Grant, a decrease of \$60,762.
- Gifts and contributions decreased by \$357,876, or 39.4 percent. State contributions for construction projects and the Community Instructional Center Capital Campaign ended in fiscal year 2015.

**Revenue by Source
Fiscal Year 2016**



Fiscal Year 2015 Compared to 2014

In fiscal year 2015, total revenues (operating and non-operating) increased by \$759,806, or 2.2 percent.

The following revenue categories increased in fiscal year 2015 over fiscal year 2014:

- State and local grants and contracts increased by \$887,184, or 9.8 percent. The State of Illinois contributed \$832,000 for construction projects. The State payment on behalf of the College for the State University Retirement System increased by \$631,229, or 13.3 percent. Corporate Personal Property Replacement Tax (CPPRT) increased by \$90,319, or 7.5 percent. These increases offset decreases in other state grants.
- Property tax revenues increased by \$159,304, or 1.4 percent. For tax year 2014, the EAV of the district decreased by 0.9 percent while the tax rate increased by 1.5 percent. Tax revenue for fiscal year 2015 is 50 percent of tax year 2013 levy and 50 percent of tax year 2014 levy.
- Federal grants and contracts increased by \$77,397, or 1.3 percent. PELL grants decreased by \$244,418, or 4.9 percent. The Illinois Network Area Manufacturers Grant increased by \$248,822, or four times the FY2014 revenues, as final awards for the four-year grant were made. There were small increases in the TRiO/Student Support Services grant, Small Business Development Center grant, and the Carl Perkins Title II-C vocational grant.
- Net tuition and fees increased by \$257,289, or 5.3 percent. Credit hours decreased by 4,805 hours, or 6.7 percent, but the tuition rate increased by \$10.00 per credit hour, or 9.93 percent.

The following revenue categories decreased from fiscal year 2015 over fiscal year 2014:

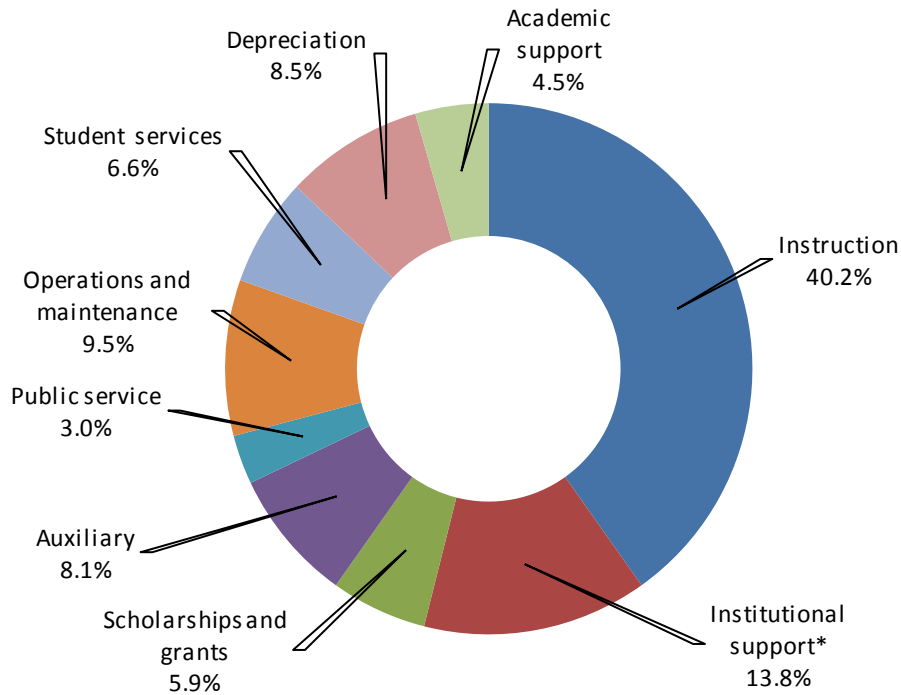
- Investment revenues decreased by \$19,830, or 34.5 percent. Interest rates remain flat and cash reserves from previous years have been used for construction purposes.
- Auxiliary revenue decreased by \$141,352, or 6.2 percent. Bookstore sales decreased by \$150,486, or 6.7 percent, due to lower enrollments.
- Other operating revenues decreased by \$300,859, or 47.6 percent.
- Other non-operating revenues decreased by \$159,327, or 14.9 percent. The capital campaign for the Community Technology Center ended in fiscal year 2015, resulting in a decrease in revenues from gifts and contributions.

**Operating Expenses
For the Year Ended June 30**

Operating expense	2016	2015	Increase (Decrease)	
			2016-2015	2015-2014
Instruction	\$ 11,785,294	\$ 11,744,378	\$ 40,916	\$ 140,619
Academic support	1,318,002	1,220,861	97,141	(5,913)
Student services	1,940,902	1,775,280	165,622	23,751
Public service	872,473	1,005,862	(133,389)	39,133
Auxiliary	2,383,384	2,733,107	(349,723)	(81,962)
Operations and maintenance	2,799,815	2,367,544	432,271	(321,792)
Institutional support*	4,050,403	4,399,885	(349,482)	112,721
Scholarships and grants	1,728,721	2,005,703	(276,982)	(269,102)
Depreciation	<u>2,507,943</u>	<u>2,268,484</u>	<u>239,459</u>	<u>428,879</u>
Total	<u>\$ 29,386,937</u>	<u>\$ 29,521,104</u>	<u>\$ (134,167)</u>	<u>\$ 66,334</u>

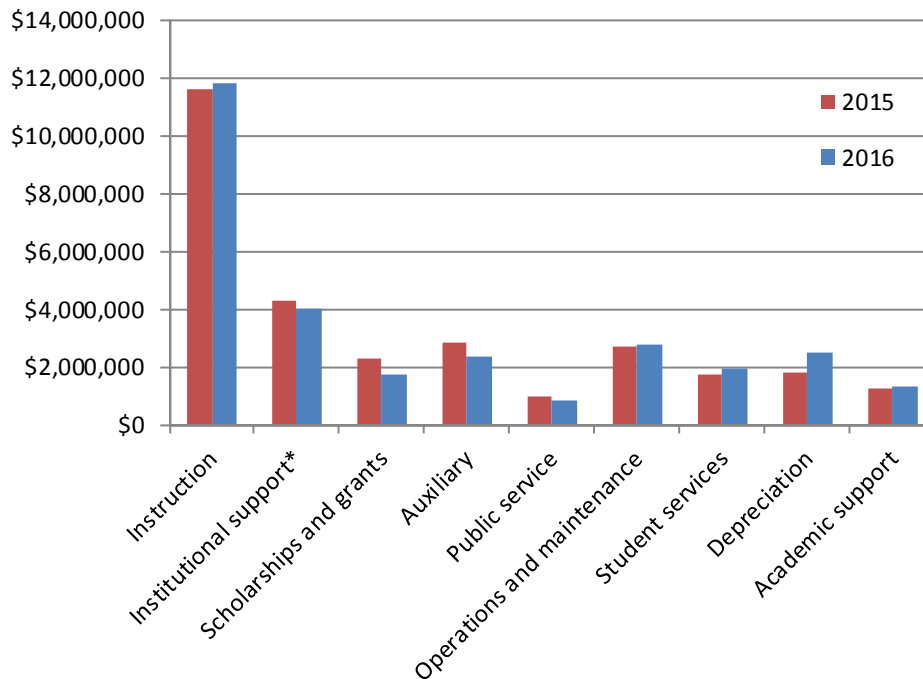
* without on-behalf SURS payment

**Operating Expenses
Fiscal Year 2016**



*without on-behalf SURS payment

Operating Expense Comparison Fiscal Years 2016 and 2015



*without on-behalf SURS payment

Fiscal Year 2016 Compared to 2015

Total operating expenses for fiscal year 2016, after adjusting for the on-behalf SURS payment from the State of Illinois, decreased by \$134,167, or 0.5 percent, from fiscal year 2015.

- Instructional expenses increased by \$40,916, or 0.3 percent. All categories of expenses were similar to fiscal year 2015 spending levels.
- Academic support which includes the library and learning technologies, had increased expenses of \$97,141, or 8.0 percent. Salary and benefit expenses declined but were offset with increased expenses in contractual expenses and material and supply expenses. A new classroom technology, AV over IP, was implemented on a small scale, which contributed to the increased contractual expenses and material and supply expenses.
- Student services expenses increased by \$165,622, or 9.3 percent. Salary and benefit expenses made up the increase. This department is now fully staffed, which was not the case in fiscal year 2015.
- Public service expenses decreased by \$133,389, or 13.3 percent. Salary and benefit expenses decreased as a result of restructuring the department.

- Auxiliary expenses decreased by \$349,723, or 12.8 percent, due to lower textbook purchases caused by lower enrollments.
- Operations and maintenance expenses increased by \$432,271, or 18.3 percent. Furnishings for the new Student Life Center added \$111,300 and utilities increased by \$113,300. Utility costs decreased by \$105,363 in FY2015, but are now back at FY2014 levels.
- Institutional support expenses decreased by \$349,482, or 7.9 percent. Legal expenses decreased by \$253,000.
- Scholarships and grants decreased by \$276,982, or 13.8 percent, due to a decrease in the PELL and SEOG grant monies.

Fiscal Year 2015 Compared to 2014

Total operating expenses for fiscal year 2015, after adjusting for the on-behalf SURS payment from the State of Illinois, decreased by \$66,334, or 0.2 percent, from fiscal year 2014.

- Instruction expenses increased by \$140,619, or 1.2 percent. Salaries and benefits increased \$398,569, or 3.8 percent, but were offset by decreases in materials and supplies of \$215,297, or 32.9 percent, and fixed costs by \$19,478, or 9.4 percent, all due to lower enrollments.
- Student services expenses increased by \$23,751, or 1.4 percent. Institutional waivers through the TRiO grant increased by \$15,600, or 80.1 percent.
- Public service expenses increased by \$39,133, or 4.0 percent. Salaries and benefits increased by \$34,027, or 5.1 percent.
- Operations and maintenance expenses decreased by \$321,792, or 12.0 percent. Salaries and benefits increased by \$36,400, or 4.4 percent. Contractual services, including asbestos abatement, increased by \$194,897, or 33.0 percent. Materials and supplies decreased by \$84,767, or 34.3 percent. Utility costs decreased by \$105,363, or 13.9 percent, due to lower energy costs and energy efficient improvements made by the College.
- Institutional support expense increased by \$112,721, or 2.6 percent. Salaries and benefits decreased by \$109,834, or 4.1 percent. Contractual services, which include annual software licensing and legal fees, increased by \$123,897. Materials and supplies decreased by \$156,669, or 23.1 percent. The reserve for uncollectible accounts, however, increased by \$185,752.
- Scholarships and grants decreased by \$269,102, or 11.8 percent. Federal PELL grants declined as the number of students and credit hours declined.
- Auxiliary expenses decreased by \$81,962, or 2.9 percent, due to decreased purchases of textbooks and supplies for resale in the Bookstore.

The Statement of Cash Flows

The statement of cash flows (page 19) provides information about cash receipts and cash payments during the year. The statement helps assess the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

The primary cash receipts from operating activities consist of tuition and fees and auxiliary enterprises. Cash outlays include payment for salaries, benefits, supplies, and utilities.

Local property taxes are the primary source of non-operating revenues, followed by federal grants, and then State and local contracts. These sources of revenue are categorized as non-operating even though the College's budget depends on them to continue the current level of operations.

The main capital and related financing activities include \$1,245,000 of debt service payments for the Series 2011 Community College Bonds and \$2,696,501 of capital asset purchases and construction.

Investing activities reflect interest income earned on investments. Investments identified in the cash flow statement include the purchase and redemption of certificates of deposit and investments in the Illinois Funds.

Economic Factors That Will Affect the Future

As the administration looks to fiscal year 2017 and beyond, the following factors and analysis are relevant:

Property Taxes

The equalized assessed value (EAV) of the district increased in tax year 2015 after five years of declining EAV. For tax year 2015, EAV increased by \$17.9 million, or 0.5 percent. EAV reached a high point in tax year 2009 at \$3,198,644,044, or \$18.6 million greater than tax year 2015 which is at \$3,012,240,913. In tax year 2015, the \$16.6 million increase in farmland values and the \$11.2 million in residential property more than offset the \$16.3 million decrease in commercial and industrial properties.

In December 2013, a negotiated agreement between Exelon LaSalle Generating Plant, the district's largest taxpayer, and the taxing bodies was signed, agreeing to the Plant's EAV as follows:

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
EAV (in millions)	\$485	\$455	\$435	\$430	\$430	\$435	\$460

Equalization grants are provided to colleges with less than the statewide average local tax dollars available per full-time equivalent. Institutions qualifying for such grants may also levy an additional tax. The College has qualified for equalization and has been levying an additional tax since tax year 2000. In tax year 2015, the "equity" tax was \$12.63 of the total \$37.60 tax levy. Although the College has no control over the district's EAV, it is important that the Board and administration focus their energies on strategies to increase credit hours since eligibility for equalization results in over \$3.0 million in state and local revenues.

Tuition and Fees

As is often true, enrollments at community colleges follow the unemployment rates, increasing in times of economic downturn and decreasing when the economy recovers. Illinois Valley Community College experienced record enrollments in 2009 and 2010 when the local unemployment rate was over 11.0 percent, but as the economy has recovered, enrollments have declined.

The College's tuition and universal fee rate for fiscal year 2017 is \$124.00, after a \$5.00 per credit hour increase from fiscal year 2016.

Capital Projects

In 2011, the State of Illinois released \$23 million for IVCC's Community Instructional Center construction project. This project included the construction of a new Peter Miller Community Technology Center, demolition of aged temporary buildings, and renovations to several other buildings on campus. IVCC matched \$7.6 million for the project. In January 2014, classes were held in the Technology Center and Building J which were constructed during Phase 1 and Phase 2 of the three-phase project. Phase 3, renovations to existing buildings, was open for students' use in January 2016.

Projections

The College's administration believes it can maintain its strong financial position into the future. Compensation and benefits comprise the largest portion of the College's expenses. There are two bargaining units representing faculty and service employees of the College whose contracts will expire in 2018. During 2015, a third bargaining unit representing approximately 40 support staff members was formed. Negotiations for a collective bargaining agreement with this group started in October 2015. It is necessary to keep salary increases in line with property tax and tuition revenues in order to have balanced budgets for the foreseeable future.

The Strategic Enrollment Management Committee and Enrollment Task Force are cross-functional teams charged with developing and implementing an enrollment management plan designed to achieve and maintain optimal enrollment. The College engaged Interact Communications to help develop a marketing plan intended to boost enrollments.

With decreases in enrollments and the district's EAV, operating expenditures were reduced to balance the general funds in fiscal year 2013. Since that time, total operating expenses have not increased. Increases in salaries and benefits have been offset by reductions in force or reductions in other expense line items. Any increases in expenses within the general funds will need to be covered by tuition increases.

Component Units

The College has one component unit, the Illinois Valley Community College Foundation, which is a discretely presented component unit because its resources directly benefit the College and its students. The Foundation has a Board of Directors that are independent of the College.

Requests for Information

Further information about the College is available at <http://www.ivcc.edu>, by calling 815-224-2720, or by writing to the Director of Community Relations, Marketing, and Development, Illinois Valley Community College, 815 North Orlando Smith Road, Oglesby, IL 61348. Information about the College's division of Business Services and Finance can be found at <http://www.ivcc.edu/businessservices/> or by calling 815-224-0415.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STATEMENT OF NET POSITION
June 30, 2016

	Primary Institution	Component Unit Foundation
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,197,813	\$ 564,881
Short-term investments	12,555,511	507,833
Accounts receivable, net of allowance \$167,639 and unearned tuition \$3,393,282	12,450,344	1,500
Pledges receivable - Foundation	-	38,873
Accrued income - Foundation	-	6,090
Inventories	814,524	-
Prepaid expenses	344,212	-
Total current assets	29,362,404	1,119,177
Noncurrent assets		
Investments	248,000	-
Foundation investments	-	3,595,499
Capital assets	100,282,347	-
Less allowance for accumulated depreciation	(38,107,755)	-
Total noncurrent assets	62,422,592	3,595,499
Total assets	91,784,996	4,714,676
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources		
SURS pension contributions	51,813	-
Total assets and deferred outflows of resources	91,836,809	-
LIABILITIES		
Current liabilities		
Accounts payable	123,694	29,968
Accrued salaries	1,015,439	-
Other accrued expenditures	410,269	-
Unearned tuition and fees revenue	288,986	-
Capital lease payable - current portion	15,807	-
Bonds payable - current portion	265,000	-
Total current liabilities	2,119,195	29,968
Noncurrent liabilities		
Deposits	146,767	-
Long-term portion of vacation accrual	96,627	-
Capital lease payable	41,182	-
Total noncurrent liabilities	284,576	-
Total liabilities	2,403,771	29,968
DEFERRED INFLOWS OF RESOURCES		
Deferred property tax revenue	5,618,226	-
NET POSITION/NET ASSETS		
Net investment in capital assets	62,174,592	-
Restricted for		
Nonexpendable, permanently restricted - Foundation	-	2,146,334
Expendable		
Debt service	676,157	-
Loans	4,573,072	-
Capital projects	5,848,982	-
Liability, protection and settlement	1,765,543	-
Other	27,382	-
Temporarily restricted - Foundation	-	1,754,200
Unrestricted	8,749,084	784,174
TOTAL NET POSITION/NET ASSETS	\$ 83,814,812	\$ 4,684,708

These financial statements should be read only in connection
with the accompanying summary of significant accounting policies
and notes to basic financial statements

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year Ended June 30, 2016

	Primary Institution	Component Unit Foundation
REVENUES		
Operating revenues		
Student tuition and fees, net of scholarships and allowances of \$3,049,455	\$ 5,704,378	\$ -
Gifts and contributions	-	429,511
Auxiliary enterprises revenue	2,084,673	16,598
Other operating revenues	231,305	-
Total operating revenues	8,020,356	446,109
EXPENSES		
Instruction	11,785,294	-
Academic support	1,318,002	-
Student services	1,940,902	-
Public service	872,473	-
Auxiliary enterprises	2,383,384	-
Operations and maintenance	2,799,815	-
Institutional support	10,510,561	189,435
Scholarships, grants, waivers, and other	1,728,721	355,236
Depreciation	2,507,943	-
Total operating expenses	35,847,095	544,671
Operating income (loss)	(27,826,739)	(98,562)
NONOPERATING REVENUES (EXPENSES)		
State and local grants and contracts	8,802,272	-
Property taxes	11,627,742	-
Federal grants and contracts	5,186,832	-
Gifts and contributions	550,393	-
Investment income	78,364	7,288
Interest expense	(21,278)	-
Net nonoperating revenues	26,224,325	7,288
Change in net position	(1,602,414)	(91,274)
NET POSITION		
Net position - beginning of year	85,417,226	4,775,982
NET POSITION, END OF YEAR	\$ 83,814,812	\$ 4,684,708

These financial statements should be read only in connection
with the accompanying summary of significant accounting policies
and notes to basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STATEMENT OF CASH FLOWS
Year Ended June 30, 2016

	<u>Primary Institution</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	\$ 5,370,299
Payments to suppliers	(12,296,169)
Payments to employees	(14,803,832)
Auxiliary enterprise revenues	2,084,673
Other receipts	231,305
Net cash used in operating activities	<u>(19,413,724)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State and local grants and contracts	1,942,446
Federal grants and contracts	5,186,832
Student organization agency transactions	-
Gifts and contributions	473,979
Property taxes	11,499,600
Net cash provided by noncapital financing activities	<u>19,102,857</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(2,696,501)
Proceeds from capital lease	72,438
Principal paid on capital debt	(1,245,000)
Interest paid on capital debt	(21,278)
Net cash used in capital and related financing activities	<u>(3,890,341)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	4,250,000
Purchase of investments	(1,538,031)
Income on investments	69,623
Net cash used in investing activities	<u>2,781,592</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,419,616)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>4,617,429</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,197,813</u>
NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:	
Acquisition of capital assets with state capital contributions	<u>\$ 419,611</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (27,826,739)
Adjustments to reconcile net loss to net cash used in operating activities	
Depreciation expense	2,507,943
State on-behalf payments for fringe benefits	6,460,158
Change in assets and liabilities	
Summer tuition/expenses	(153,755)
Receivables, net	24,285
Inventories	193,476
Prepaid expenditures	(206,481)
Deferred outflows	(51,813)
Accounts payable & other accrued expenditures	(159,048)
Accrued salaries	(267,425)
Other liabilities	46,306
Unearned revenue	19,369
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (19,413,724)</u>

These financial statements should be read only in connection
with the accompanying summary of significant accounting policies
and notes to basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Illinois Valley Community College District No. 513 (College) is a comprehensive community college serving students of all ages with educational and service programs. The College offers two basic programs of study:

1. Transfer programs which consist of the first two years of a typical four-year baccalaureate degree; and
2. Career programs designed to lead to employment after one or two years of study.

The College also offers assistance to business, industry, and local governmental agencies to help promote the economic development of the Illinois Valley and surrounding area. As discussed below, the following programs are also included in the College's financial statements:

1. The Adult Learning Center, which offers Adult Basic Education (ABE), High School Equivalency (HSE), and English as a Second Language (ESL) classes;
2. The Technical Preparation Program, which offers classroom training designed for recent high school graduates who traditionally do not continue their education; and
3. The Business Services Center, including the Small Business Development Center, which provides training for area businesses and offers general interest courses through continuing education.

The accounting policies of the Illinois Valley Community College District conform to accounting principles generally accepted in the United States of America as applicable to governments, as well as those prescribed by the Illinois Community College Board (ICCB). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant policies follows.

FINANCIAL REPORTING ENTITY

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. These financial statements present Illinois Valley Community College (the primary government) and its component unit. The component unit discussed below is included in the District's reporting entity because of their operational significance or financial relationships with the District based on criteria provided in Governmental Accounting Standards Board Statement No. 61.

Discretely Presented Component Unit: The Illinois Valley Community College Foundation (Foundation), which is a separate not-for-profit entity, is a discretely presented component unit of the District. The Foundation is governed by a board of directors that is independent of the District; however, the

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

Foundation's resources directly benefit the District and its students. The District is also entitled to the resources of the Foundation. Complete financial statements of the Foundation can be obtained from:

Illinois Valley Community College Foundation
815 N. Orlando Smith Road
Oglesby, IL 61348

During the fiscal year ended June 30, 2016, the Foundation distributed \$310,251 to students attending the College and gave \$44,985 in direct support to the College. Complete financial statements for the Foundation can be obtained from the Foundation.

The Foundation is a private nonprofit organization that reports under FASB standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

BASIS OF ACCOUNTING

For financial reporting purposes, the College is considered a special-purpose government entity 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. Non-exchange transactions, in which the College receives value without directly giving equal value in return, include property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include:

1. Timing requirements which specify the year when the resources are required to be used or the fiscal year when the use is first permitted;
2. Matching requirements in which the College must provide local resources to be used for a specified purpose; and
3. Expenses in which the resources are provided to the College on a reimbursement basis.

CLASSIFICATION OF REVENUES

Operating revenue includes activities that have the characteristics of exchange transactions, such as student tuition and fees, net of scholarship discounts and allowances, and sales and services of auxiliary enterprises. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as local property taxes; state appropriations; most federal, state, and local grants and contracts; federal appropriations; and gifts and contributions.

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

CLASSIFICATION OF EXPENSES

Operating expenses are those expenses incurred for the purpose of providing educational and operational activities of the College, such as (1) salaries, (2) scholarships, (3) operations and maintenance, (4) depreciation, and (5) expenses of auxiliary enterprises. Non-operating expenses include expenses such as interest and amortization.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the College considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The College does not include restricted investments as cash equivalents.

INVESTMENTS

Certificates of deposit are stated at cost. Other investments are stated at fair value. Realized and unrealized gains and losses are reflected in the appropriate statements of revenues, expenses, and changes in net position. Those investments with maturities of one year or less are deemed short-term.

INVENTORIES

Inventories are stated at the lower of cost, determined on the first-in, first-out basis, or market.

RECEIVABLES

Accounts receivable includes 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.

Account balances unpaid at the end of the term are considered delinquent. Payments of accounts receivable are applied to the specific invoices identified on the student's remittance advice or, if unspecified, to the earliest unpaid invoices.

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 the 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.

Accounts receivable also includes outstanding balances due from federal and state funding sources and other miscellaneous items.

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

UNEARNED TUITION REVENUES

Tuition collected prior to June 30 for the subsequent fall semester and the portion of tuition collected for the summer sessions that is not earned as of June 30 is recorded as unearned revenue at June 30 and recognized as revenue in the following year. Receivables are reflected net of billed tuition related to the subsequent fall semester and portion of summer sessions, and unearned revenue is not recognized for fall semester and the portion of summer session after June 30.

SCHOLARSHIP DISCOUNTS AND ALLOWANCES

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the student's behalf.

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 – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources as 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.

CAPITAL ASSETS

Capital assets include property, plant equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial cost of \$5,000 or more with a useful life greater than one year. Such assets are recorded at cost at the date of acquisition. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

The College records depreciation on all capital assets in accordance with GASB Statement No. 35. Depreciation is computed using the straight-line method over the asset's estimated life. The estimated useful lives of the major classes of depreciable assets are as follows:

Buildings	50 years
Site Improvements	15 years
Equipment	8 years
Library books	8 years
Technology	4 years

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense) until then. The statement of net position also includes a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

COMPENSATED ABSENCES

Compensated absences are those absences for which employees will be paid, such as vacations. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the College and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the College and its employees are accounted for in the period in which such services are rendered or in which such events take place. Vacation leave can be accumulated up to 160 hours. Sick leave does not vest and is accumulated at a rate of 12 days per year. All vacation leave which is earned but not used during the year is reported as an expense and as a liability.

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

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 plan net position of the State Universities Retirement System (SURS or the System) and additions to/deductions from SURS' plan 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 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 pension plan that is used to provide pensions 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 pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS

The Board of Trustees has authorized the College to invest funds in accordance with the Illinois Community College Act and the Investment of Public Funds Act. In general, the College may invest in obligations of the United States of America or its agencies (or guaranteed by the full faith and credit of same) and certain time deposits and short-term obligations as defined in the Investment of Public Funds Act. At year-end, the carrying amount of the College’s unrestricted cash and cash equivalents on deposit was \$3,197,813, including cash on hand of \$3,252. The carrying amount of the College’s certificates of deposit, included in short-term investments, was \$4,744,445 at June 30, 2016. As of June 30, 2016, all of these certificates of deposit were either collateralized or covered by FDIC insurance, except for \$1,141 at Marseilles Bank.

The College had \$8,056,531 invested with the Illinois Funds at June 30, 2016. The State Treasurer maintains the Illinois Funds Money Market at cost (a 2a7 like pool) through daily adjustment in the interest earnings. The State Treasurer also maintains the average duration of the pool at less than 25 days. The fair value of the College’s investment in the funds is the same as the value of the pool shares. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. The pool maintains a Standard and Poor’s AAAM rating. The College’s investments in the Illinois Funds are not required to be categorized because these are not securities. The relationship between the College and the investment agent is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership or creditorship.

All funds deposited in the pool are classified as investments, even though some could be withdrawn on a day’s notice. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235.

Interest Rate Risk. The College does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The College’s investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to conform with legal requirements, seek reasonable income, preserve capital, maintain liquidity, and, in general, avoid speculative instruments.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the College’s deposits may not be returned to it. The College’s deposit policy allows that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent third party institution in the name of the College

Concentration of Credit Risk. More than 5 percent of the College’s investments are in certificates of deposit at the following banks:

Bank	Centrue Bank	LaSalle State Bank	Marseilles Bank	Multi-Bank Securities
Percentage	7.8%	7.8%	9.8%	11.7%

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 3 – PROPERTY TAXES

The College’s property taxes are levied each calendar year on all taxable real property located in the District. Property taxes are recorded on an accrual basis of accounting. Accordingly, at June 30, 2016, the District has \$5,618,226 of deferred property tax revenue. Pursuant to a Board of Trustee’s resolution, property tax levies passed in December 2014 and December 2015 were allocated at 50 percent for each of the two years after the levy year. Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1 of the levy year. The most recent levy, tax year 2015, was adopted in December 2015 and will be collected in the College’s 2017 fiscal year.

Tax rates permitted by the Illinois Community College Act and by local referendum, as well as actual rates levied per \$100 of assessed valuation, are as follows:

<u>Purpose</u>	<u>Limit 2015 Levy</u>	<u>2015 Levy</u>	<u>2014 Levy</u>
Educational	.1300	.1300	.1300
Operations and Maintenance	.0400	.0400	.0400
Protection, Health and Safety	.0500	.0500	.0500
Bond and Interest	None	.0089	.0423
Liability, Protection and Settlement	None	.0105	.0000
Audit	.0050	.0012	.0013
Additional tax	.1263	.1263	.0981
Social Security	None	.0091	.0090

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 4 – CHANGES IN CAPITAL ASSETS

Capital asset changes are as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<u>Non-depreciable</u>				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Construction in progress	<u>732,549</u>	<u>250,751</u>	<u>732,549</u>	<u>250,751</u>
Total non-depreciable	2,094,147	250,751	732,549	1,612,349
<u>Depreciable</u>				
Site improvements	8,035,437	124,070	-	8,159,507
Buildings	71,180,598	2,737,129	-	73,917,727
Equipment	5,241,395	64,517	-	5,305,912
Library books	1,288,543	-	-	1,288,543
Proprietary equipment	7,077,209	72,438	5,009	7,144,638
Technology	<u>2,673,526</u>	<u>180,145</u>	<u>-</u>	<u>2,853,671</u>
Total depreciable	<u>95,496,708</u>	<u>3,178,299</u>	<u>5,009</u>	<u>98,669,998</u>
Total	<u>\$97,590,855</u>	<u>\$ 3,429,050</u>	<u>\$ 737,558</u>	<u>\$ 100,282,347</u>

Accumulated depreciation changes are as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<u>Depreciable</u>				
Site improvement	\$ 5,686,676	\$ 289,197	\$ -	\$ 5,975,873
Buildings	16,275,247	1,540,688	-	17,815,935
Equipment	3,673,285	270,575	-	3,943,860
Library books	1,288,543	-	-	1,288,543
Proprietary equipment	7,068,853	21,910	5,009	7,085,754
Technology	<u>1,612,217</u>	<u>385,573</u>	<u>-</u>	<u>1,997,790</u>
Total	<u>\$ 35,604,821</u>	<u>\$ 2,507,943</u>	<u>\$ 5,009</u>	<u>\$ 38,107,755</u>

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 5 –LONG-TERM DEBT

	Balance July 1, 2015	Additions	Payments	Balance June 30, 2016
Community College Bonds, Series 2011	<u>\$ 1,510,000</u>	<u>\$ -</u>	<u>\$ 1,245,000</u>	<u>\$ 265,000</u>

Community College Bonds, Series 2011

The Board of Trustees authorized the College to issue general obligations bonds to retire \$5,000,000 in debt certificates. The bonds are being retired by property taxes levied specifically for such purposes.

The bonds were issued as interest bearing bonds with the following interest rate schedule (calendar year):

2016 2.50%

At June 30, 2016, the annual requirements to retire the Community College Bonds, Series 2011 are as follows:

Year Ending June 30	Interest Rate	Principal Due	Interest Due	Total
2017	2.50%	\$ 265,000	\$ 3,312	\$ 268,312

The College’s legal debt limit is \$86,601,926.

Capital Lease Obligations

The College entered into a capital lease agreement for the purchase of two Ford Starcraft 15 passenger shuttles. As of June 30, 2016 the equipment total was \$72,438 with accumulate depreciation of \$18,110. The capital lease agreement bears an interest rate of 4.5 percent.

At June 30, 2016, the future minimum lease obligations and the net present value of these minimum lease payments were as follows:

Fiscal Year	Lease Payment	Implied Interest	Present Value
2017	\$17,132	\$1,325	\$15,807
2018	8,500	1,249	7,251
2019	23,262	432	22,830
2020	11,362	260	11,100

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 – PENSION PLAN

General Information about the Pension Plan

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

Benefits Provided. A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois 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. A summary of the benefit provisions as of June 30, 2015 can be found in the System's comprehensive annual financial report (CAFR) Notes to the Financial Statements.

Contributions. The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2015 and 2016 respectively, was 11.71 percent and 12.69 percent 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. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 – PENSION PLAN (continued)

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

Net Pension Liability

At June 30, 2015, SURS reported a net pension liability (NPL) of \$23,756,361,087. The net pension liability was measured as of June 30, 2014.

Employer Proportionate Share of Net Pension Liability

There is no proportionate share of the net pension liability to be recognized for the College. The proportionate share of the State’s net pension liability associated with the College is \$76,247,693 or 0.3210 percent. This amount should not be recognized in the financial statement. The net pension liability and the total pension liability as of June 30, 2015 was determined based on the June 30, 2014 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 during fiscal year 2015.

Pension Expense

At June 30, 2015 SURS reported a collective net pension expense of \$1,994,587,170.

Employer Proportionate Share of Pension Expense

The employer proportionate share of collective pension 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 pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2015. As a result, the College recognized on-behalf revenue and pension expense of \$6,401,766 for the fiscal year ended June 30, 2016.

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

Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods.

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 27,312,043	\$ -
Changes in assumption	609,393,909	-
Net difference between projected and actual earnings on pension plan investments	593,840,642	953,329,464
Total	\$1,230,546,594	\$953,329,464

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT NO. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

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

<u>Year Ending June 30</u>	<u>Net Deferred Outflows of Resources</u>
2016	\$ 154,951,326
2017	118,957,720
2018	(145,152,075)
2019	<u>148,460,159</u>
Total	<u>\$ 277,217,130</u>

Employer Deferral of Fiscal Year 2016 Pension Expense

Your employer paid \$51,813 in federal, trust, or grant contributions for the fiscal year ended June 20, 2016. These contributions were made subsequent to the pension liability date of June 30, 2015 and are recognized as Deferred Outflows of Resources as of June 30, 2016.

Assumptions and Other Inputs

Actuarial assumptions. The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period June 30, 2010 – 2014. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.75 to 12.00 percent, including inflation
Investment rate of return	7.25 percent beginning with the actuarial valuation as of June 30, 2014

Mortality rates were based on the RP2000 Combined Mortality Table, projected with Scale AA to 2017, sex-distinct, with rates multiplied by 0.80 for males and 0.85 for females.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2015, these best estimates are summarized in the following table:

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 – PENSION PLAN (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	23%	5.77%
Private Equity	6%	9.23%
Non-U.S. Equity	19%	6.69%
Global Equity	8%	6.51%
Fixed Income	19%	1.12%
Treasury-Inflation Protected Securities	4%	1.22%
Emerging Market Debt	3%	4.61%
Real Estate REITS	4%	5.85%
Direct Real Estate	6%	4.37%
Commodities	2%	4.06%
Hedged Strategies	5%	3.99%
Opportunity Fund	1%	6.80%
Total	100%	5.02%
Inflation		3.00%
Expected Arithmetic Return		8.02%

Discount Rate. A single discount rate of 7.120 percent 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 7.250 percent and a municipal bond rate of 3.80 percent (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). 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 the System’s 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 2072. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2072, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System’s Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan’s net pension liability, calculated using a single discount rate of 7.12 percent, as well as what the plan’s net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Single Discount Rate Assumption	1% Increase
<u>6.12%</u>	<u>7.12%</u>	<u>8.12%</u>
\$28,929,333,917	\$23,756,361,087	\$19,470,982,362

Additional information regarding the SURS basic financial statements including the Plan Net Position can be found in the SURS comprehensive annual financial report by accessing the website at www.SURS.org.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 7 – 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 natural disasters. To cover these risks, the College has purchased commercial insurance that is accounted for in the Liability, Protection and Settlement Fund. In addition, the College may levy property taxes to provide for any costs not covered under the College’s insurance. The College had no significant reductions in insurance coverage from the prior year. During the past three years, there have been no settlements that exceeded insurance coverage.

NOTE 8 – POST-EMPLOYMENT HEALTH CARE BENEFITS

Under an Early Retirement Incentive Plan which expired June 30, 2005, the College elected to provide certain health care benefits for retirees for ten years after their retirement date or until they became eligible for Medicare. Retiree participants electing these benefits are required to contribute monthly amounts, depending on the level of coverage desired. The premium rates for retirees are based on the claims costs of retirees. There are no blended premium rates of current employees and retirees. At June 30, 2016 there was one retiree participant on the plan. This person will never be eligible for Medicare. The contributions made by the retiree participant during fiscal year 2016 totaled \$4,793. At June 30, 2016, the College has estimated the cost of future retirees’ health benefits to be \$63,930 and has a reserve to cover these costs.

FY2017	\$ 5,083
FY2018	5,337
FY2019	5,604
FY2020	5,884
FY2021	6,178
FY2022	6,487
FY2023	6,811
FY2024	7,151
FY2025	7,510
FY2026	<u>7,885</u>
Total	<u>\$63,930</u>

The College also provides an opportunity for retirees to participate in the group health insurance program until they become Medicare eligible. However, these retiree participants pay their entire premium with no cost to the College. At June 30, 2016, no retirees were participating in this option.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The College has received a number of Federal and State grants for specific purposes which are subject to review and audit by grantor agencies. Such audits may result in requests for reimbursement to granting agencies for expenditures disallowed under the terms of the grants. Based on prior experience, College management believes that such disallowances, if any, will not be significant.

Commitments for the purchase of property, plant, and equipment at June 30, 2016 totaled \$1,410,745.

Illinois Valley Community College
Commitments for the Purchase of Property & Equipment

Basalay, Cary & Alstadt Architects	Building A HVAC Upgrade	\$ 12,220
Basalay, Cary & Alstadt Architects	Building B HVAC Upgrade	16,279
John's Service & Sales, Inc.	Building B HVAC Upgrade	824,328
Demonica Kemper Architects	Lecture Hall Renovations	20,069
Vanguard Contractors, Inc.	Lecture Hall Renovations	456,453
Demonica Kemper Architects	Building D HVAC Upgrade	76,280
Bound Tree Medical	Adult Manikin	5,116
Total Commitments		<u>\$ 1,410,745</u>

NOTE 10 – COMPENSATED ABSENCES

As of June 30, 2016, employees had earned but not taken annual vacation leave totaling \$289,881 at salary rates in effect at the end of the year. Changes in the College's compensated absences are as follows.

	Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2016</u>	Due Within <u>One Year</u>
Accrued Vacation	<u>\$ 276,993</u>	<u>\$335,949</u>	<u>\$323,061</u>	<u>\$289,881</u>	<u>\$193,254</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 11 – LEASES

Lessor

The College leases commercial space to the University of Illinois Extension Service. The lease term ends on June 20, 2017. The lease requires quarterly payments of \$4,551. The leased space is 1,300 sq. ft. in Building C.

At June 30, 2016, future minimum lease payments are \$18,204 for fiscal year 2017.

Lessee

The College has various operating lease agreements for equipment and facilities. Rentals under these agreements were \$193,086 for the year ended June 30, 2016.

Significant lease commitments are as follows:

The College entered into a lease with the City of Ottawa for facility space for the period July 1, 2015 through June 30, 2020 with an annual lease payment of \$132,000. Future lease commitments are as follows:

<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>Total</u>
\$132,000	\$143,000	\$154,000	\$154,000	\$583,000

The College entered into a lease agreement with Marco, Inc. (formerly Illinois Valley Business Equipment) for copy machines. Lease payments are based on usage and are estimated to be \$40,000 per year.

The college entered into a lease agreement with Central Illinois Trucks for two Volvo Tractors for a period from February 1, 2016 to January 31, 2021. Annual lease payments are \$41,640 per year.

NOTE 12 – COMPONENT UNIT

The Foundation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors. Accordingly, net assets and changes therein are classified as follows:

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that will be met by actions of the Foundation and/or passage of time.

Unrestricted Net Assets – Net assets not subject to donor-imposed restrictions.

Revenues are reported as increases in unrestricted net assets classification unless use of the related assets is limited by donor-imposed restrictions. The contributions, including unconditional promises to give, are

This information is an integral part of the accompanying basic financial statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions for in-kind gifts from outside sources are not recorded in the Foundation's financial records, but are accounted for and acknowledged separately. Investments are reported at fair value based upon quoted market prices.

Expenses are reported as decreased in unrestricted net assets as appropriate. Gains and losses on investments and other assets or liabilities are reported as increases or decreased in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Investments

Apart from the Community Technology Center assets, approximately 85 percent of the Foundation's assets are administered through two investment agency accounts with Hometown National Bank Trust Department. The diversified investment portfolio is invested in equities (stocks and stock mutual funds) and fixed income securities (bonds, mutual funds, money market accounts, and certificates of deposit).

The other approximately 15 percent of the Foundation's assets are invested in two annuities with Jackson National Life Insurance Company and in State Farm Mutual Funds (approximately 1.7 percent), the donor-specified investment administrators.

The composition of the Foundations' assets at June 30, 2016 is as follows:

	Agency Account	Total Assets
Cash and Equivalents	14.1%	12.0%
Fixed Income	56.2%	53.1%
Equities	29.7%	34.9%

Investment Activities

The statements of activities reflect net investment income and unrealized investment income (loss) and unrealized investment gain (loss). The components of investment income for the year ended on June 30, 2016 are as follows:

Interest	\$ 41,333
Dividends	95,439
Realized gain (loss)	<u>(14,260)</u>
Net investment income	122,512
Unrealized gain (loss)	<u>(115,224)</u>
Total income	<u>\$ 7,288</u>

Deficiency in Donor-Restricted Endowment Fund

Withdrawals have outpaced investment earnings in the Ponti Estate annuities. The proceeds from the estate were invested in annuities specified by the donor. The initial amount invested is considered permanently restricted. The amount by which the donor-imposed restriction exceeds fair value is \$38,270 and \$41,097 at June 30, 2016 and 2015, respectively.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

Primarily due to market value fluctuations at June 30, 2016, there are nine additional endowed funds in which the initial donor-imposed restriction exceeds fair value. The amount by which the donor-imposed restrictions exceed fair value is \$9,328 at June 30, 2016.

NOTE 13 – NEW PRONOUNCEMENTS

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* addresses the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The College has not determined the effect of this Statement.

GASB Statement No. 77, *Tax Abatement Disclosures* requires governments that enter into tax abatement agreements to disclose the certain information about the agreements to allow readers of the financial statements to better access the revenue-generating capacity of the government. The provisions in Statement No. 77 are effective for reporting periods beginning after December 15, 2015. The College has not determined the effect of this Statement.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14* amends the blending requirements by requiring the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The College has not determined the effect of this Statement.

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73* addresses issues regarding the presentation of payroll related measures in requirement supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The College has not determined the effect of this Statement.

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016**

SURS Pension Information for the Year Ended June 30, 2016

Covered Payroll

The definition of covered payroll has been redefined in GASB Statement Number 82, Pension Issues – an amendment of GASB Statements Number 67, Number 68, and Number 73. Below are the definitions from the glossaries of each statement.

GASB 67 Covered-Employee Payroll. The payroll of employees that are provided with pensions through the pension plan.

GASB 82 Covered Payroll. All elements included in compensation paid to active employees on which contributions to a pension plan are based.

<u>Schedule of Share of Net Pension Liability</u>	<u>FY2014</u>	<u>FY2015</u>	
Proportion Percentage of the Collective Net Pension Liability	0%	0%	
Proportion Amount of the Collective Net Pension Liability	0%	0%	
Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability associated with Employer	<u>\$70,997,465</u>	<u>\$76,247,693</u>	
Total	<u>\$70,997,465</u>	<u>\$76,247,693</u>	
Employer DB Covered Payroll	\$11,916,639	\$11,784,742	
Proportion of Collective Net Pension Liability associated with the Employer as a percentage of DB Covered Payroll	595.78%	647.00%	
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	
<u>Schedule of Contributions</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Federal, Trust, Grant and Other contributions	\$53,109	\$52,539	\$51,813
Contribution in relation to required contribution	\$53,109	\$52,539	\$51,813
Contribution deficiency (excess)	\$0	\$0	\$0
Employer Covered Payroll	\$445,922	\$448,672	\$408,299
Contributions as a percentage of covered payroll	11.9%	11.7%	12.7%
	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
On-Behalf Payments for Community College Health Insurance Program	\$56,393	\$57,592	\$58,392

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

Changes in benefit terms. There were no benefit changes recognized in the total Pension Liability as of June 30, 2015.

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, 2010 to June 30, 2014 was performed in February 2015, resulting in the adoption of new assumptions as of June 30, 2015.

Mortality rates. Change from the RP 2000 Mortality table projected to 2017, ex distinct, to the RP-2014 mortality tables with projected generational mortality improvement. Change to a separate mortality assumption for disabled participants.

Salary increase. Change assumptions to service-based rates, ranging from 3.75 percent to 15.00 percent based on years of service, with underlying wage inflation of 3.75 percent.

Normal retirement rates. Change to retirement rates at ages younger than 60, age 66, and ages 70-79 to reflect observed experiences.

Early retirement rates. Change to a slight increase to the rates at ages 55 and 56.

Turnover rates. Change to produce lower expected turnover for members with less than 10 years of service and higher turnover for members with more than 10 years of service than the currently assumed rates.

Disability rates. Decrease rates and have separate rates for males and females to reflect observed experience.

Dependent assumption. Maintain the current assumption on marital status that varies by age and sex and the assumption that males are three years older than their spouses.

**STATISTICAL SECTION
(UNAUDITED)**

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STATISTICAL SECTION
June 30, 2016

The statistical section of the College's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures, and required supplementary information says about the College's overall financial health.

	PAGE
Financial Trends	45 - 53
These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.	
Revenue Capacity	54 - 55
These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.	
Debt Capacity	56 - 59
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.	
Demographic and Economic Information	60 - 63
These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.	
Operating Information	64 - 66
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.	

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

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF NET POSITION BY COMPONENT
Fiscal Years 2007 to 2016

	For the year ended June 30									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Net investment in capital assets	\$ 62,174,592	\$ 61,986,034	\$ 61,588,437	\$ 58,486,000	\$ 37,384,222	\$ 31,806,680	\$ 29,637,009	\$ 28,307,540	\$ 24,469,114	\$ 23,911,304
Restricted - expendable	12,891,136	13,546,036	12,425,192	14,424,062	15,527,340	15,539,432	17,068,273	18,802,170	20,923,252	19,454,347
Unrestricted	<u>8,749,084</u>	<u>9,885,156</u>	<u>10,751,959</u>	<u>10,675,932</u>	<u>11,574,003</u>	<u>11,035,274</u>	<u>10,525,343</u>	<u>9,546,742</u>	<u>9,244,849</u>	<u>8,390,996</u>
Total primary government net position	<u>\$ 83,814,812</u>	<u>\$ 85,417,226</u>	<u>\$ 84,765,588</u>	<u>\$ 83,585,994</u>	<u>\$ 64,485,565</u>	<u>\$ 58,381,386</u>	<u>\$ 57,230,625</u>	<u>\$ 56,656,452</u>	<u>\$ 54,637,215</u>	<u>\$ 51,756,647</u>

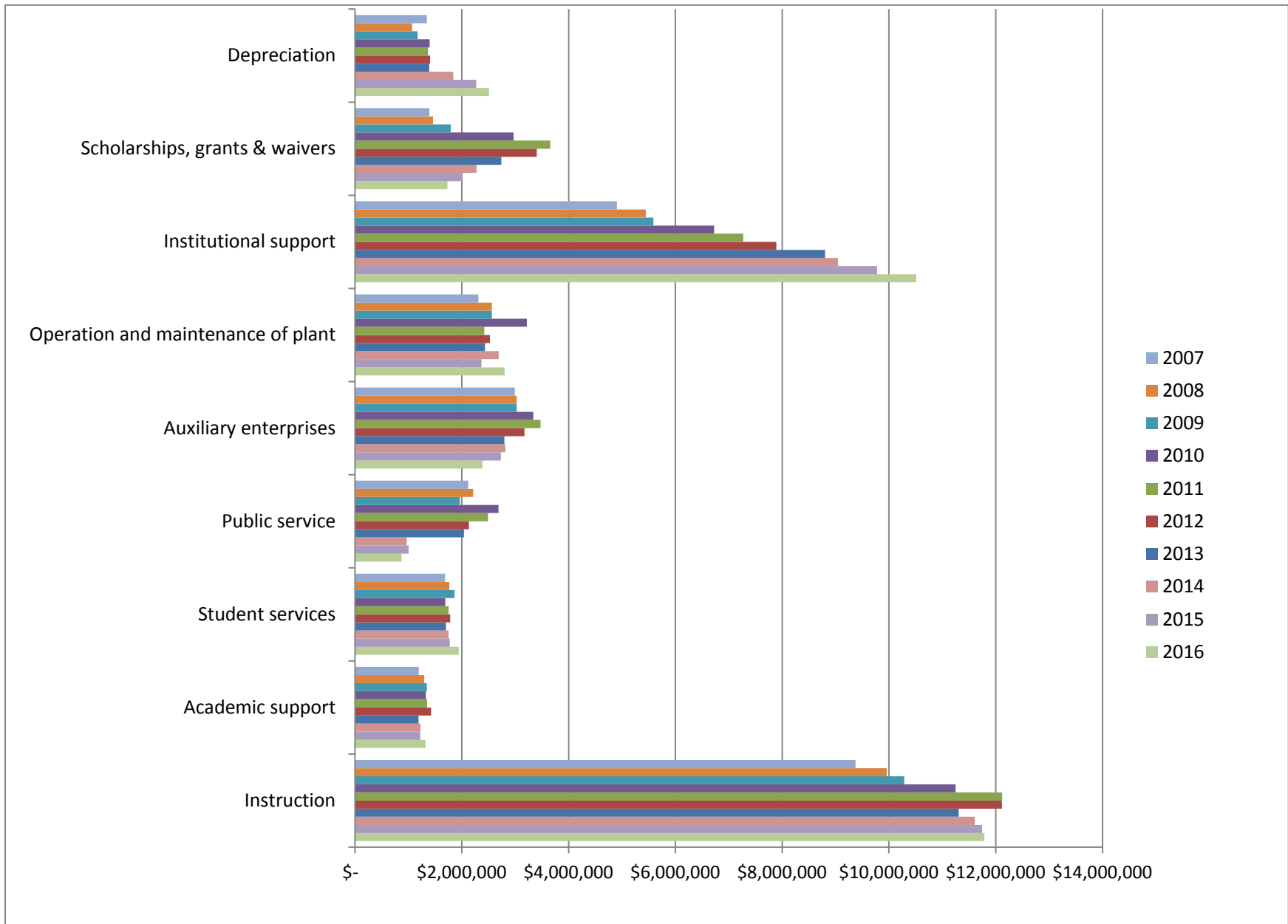
ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF EXPENSES BY ACTIVITY
Fiscal Years 2007 to 2016

	For the Year Ended June 30									
	(amounts expressed as dollars)									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	\$ 11,785,294	\$ 11,744,378	\$ 11,603,759	\$ 11,305,599	\$ 12,114,136	\$ 12,119,533	\$ 11,245,392	\$ 10,283,920	\$ 9,956,513	\$ 9,371,930
Academic support	1,318,002	1,220,861	1,226,774	1,188,916	1,422,922	1,350,294	1,325,806	1,344,172	1,294,929	1,193,776
Student services	1,940,902	1,775,280	1,751,529	1,701,670	1,781,950	1,752,267	1,688,120	1,863,598	1,764,588	1,687,133
Public service	872,473	1,005,862	966,729	2,041,780	2,130,948	2,491,189	2,688,563	1,965,890	2,211,767	2,121,633
Auxiliary enterprises	2,383,384	2,733,107	2,815,069	2,798,055	3,175,818	3,474,844	3,337,671	3,025,532	3,027,845	2,993,064
Operation and maintenance of plant	2,799,815	2,367,544	2,689,336	2,432,429	2,528,460	2,420,383	3,216,324	2,564,758	2,563,569	2,310,683
Institutional support	10,510,561	9,776,872	9,045,566	8,803,723	7,888,725	7,269,580	6,723,990	5,585,393	5,446,687	4,903,687
Scholarships, grants & waivers	1,728,721	2,005,703	2,274,805	2,740,414	3,403,882	3,657,967	2,968,027	1,790,768	1,460,726	1,392,231
Depreciation	2,507,943	2,268,484	1,839,605	1,389,737	1,409,052	1,366,818	1,398,588	1,173,897	1,068,504	1,343,080
Total Operating Expenses	35,847,095	34,898,091	34,213,172	34,402,323	35,855,893	35,902,875	34,592,481	29,597,928	28,795,128	27,317,217
Loss on disposal of assets	-	264,689	-	-	5,088	-	-	8,728	-	4,441
Interest on capital debt	21,278	49,141	76,198	104,485	133,789	121,248	172,708	223,668	272,067	335,994
Total Nonoperating Expenses	21,278	313,830	76,198	104,485	138,877	121,248	172,708	232,396	272,067	340,435
Total Expenses	\$ 35,868,373	\$ 35,211,921	\$ 34,289,370	\$ 34,506,808	\$ 35,994,770	\$ 36,024,123	\$ 34,765,189	\$ 29,830,324	\$ 29,067,195	\$ 27,657,652

	For the Year Ended June 30									
	(percent of total)									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	32.9%	33.4%	33.8%	32.8%	33.7%	33.6%	32.3%	34.5%	34.3%	33.9%
Academic support	3.7%	3.5%	3.6%	3.4%	4.0%	3.7%	3.8%	4.5%	4.5%	4.3%
Student services	5.4%	5.0%	5.1%	4.9%	5.0%	4.9%	4.9%	6.2%	6.1%	6.1%
Public service	2.4%	2.9%	2.8%	5.9%	5.9%	6.9%	7.7%	6.6%	7.6%	7.7%
Auxiliary enterprises	6.6%	7.8%	8.2%	8.1%	8.8%	9.6%	9.6%	10.1%	10.4%	10.8%
Operation and maintenance of plant	7.8%	6.7%	7.8%	7.0%	7.0%	6.7%	9.3%	8.6%	8.8%	8.4%
Institutional support	29.3%	27.8%	26.4%	25.5%	21.9%	20.2%	19.3%	18.7%	18.7%	17.7%
Scholarships, grants & waivers	4.8%	5.7%	6.6%	7.9%	9.5%	10.2%	8.5%	6.0%	5.0%	5.0%
Depreciation	<u>7%</u>	<u>6.4%</u>	<u>5.4%</u>	<u>4.0%</u>	<u>3.9%</u>	<u>3.8%</u>	<u>4.0%</u>	<u>3.9%</u>	<u>3.7%</u>	<u>4.9%</u>
Total Operating Expenses	99.9%	99.1%	99.8%	99.7%	99.6%	99.7%	99.5%	99.2%	99.1%	98.8%
Loss on disposal of assets	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest on capital debt	<u>0.1%</u>	<u>0.1%</u>	<u>0.2%</u>	<u>0.3%</u>	<u>0.4%</u>	<u>0.3%</u>	<u>0.5%</u>	<u>0.7%</u>	<u>0.9%</u>	<u>1.2%</u>
Total Nonoperating Expenses	0.1%	0.9%	0.2%	0.3%	0.4%	0.3%	0.5%	0.8%	0.9%	1.2%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Fiscal years 2007 - 2010 have been restated to reflect the current presentation of federal scholarships refunded to students

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
EXPENSES BY ACTIVITY
Fiscal Years 2007 to 2016



ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF EXPENSES BY USE
Fiscal Years 2007 to 2016

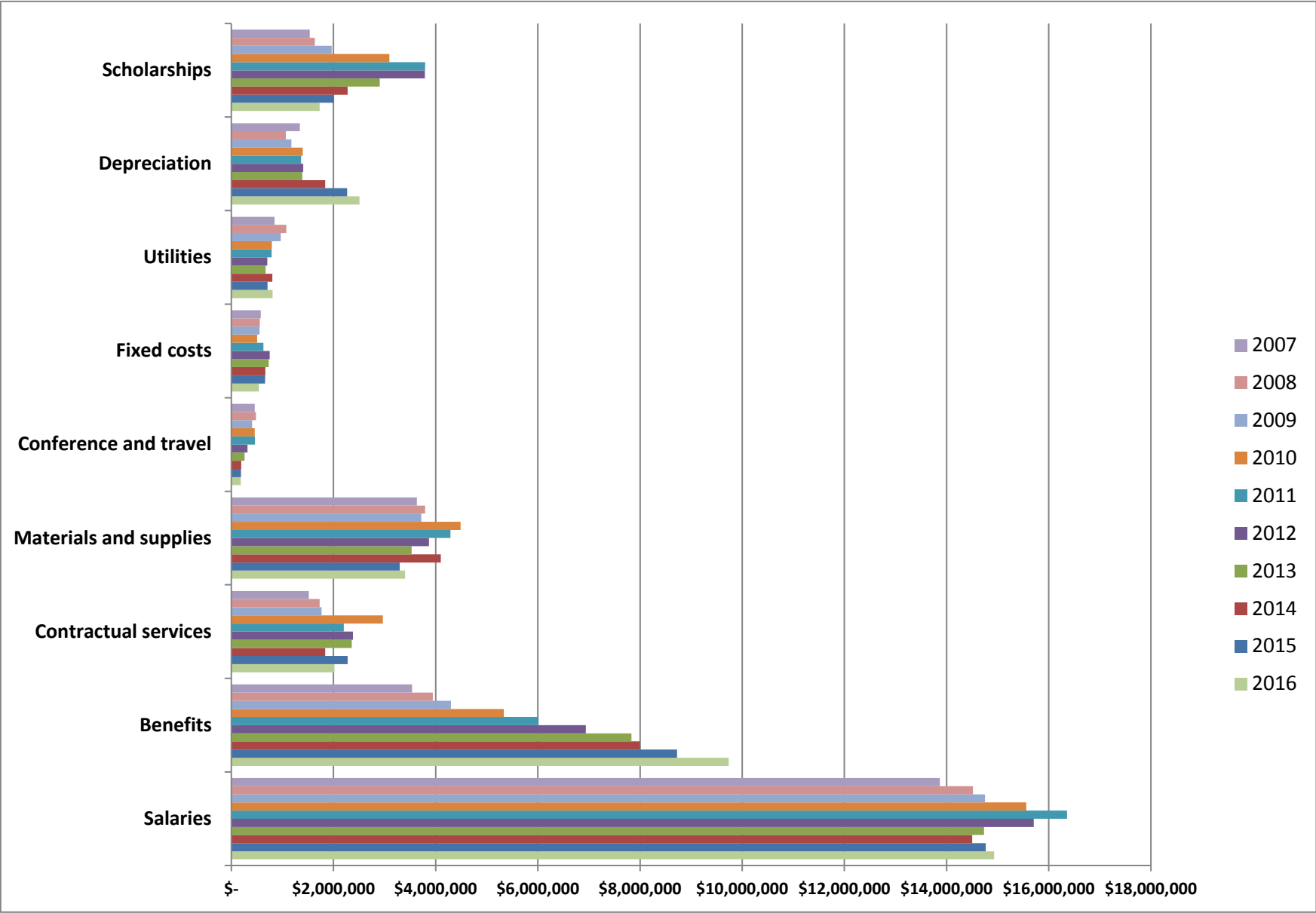
For the Year Ended June 30										
(amounts expressed in dollars)										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Salaries	\$ 14,932,550	\$ 14,768,919	\$ 14,501,581	\$ 14,732,641	\$ 15,707,408	\$ 16,358,004	\$ 15,559,450	\$ 14,752,051	\$ 14,514,568	\$ 13,869,112
Benefits	9,736,654	8,725,238	7,998,401	7,829,898	6,938,924	6,011,994	5,331,868	4,299,496	3,943,508	3,535,614
Contractual services	2,015,276	2,274,899	1,835,803	2,357,725	2,379,000	2,201,590	2,964,495	1,765,125	1,728,977	1,517,994
Materials and supplies	3,402,702	3,297,094	4,101,606	3,529,029	3,866,494	4,287,789	4,487,747	3,715,039	3,794,408	3,633,849
Conference and travel	181,876	187,609	191,255	257,131	315,367	462,478	458,397	404,272	480,628	459,773
Fixed costs	536,250	661,759	667,970	729,991	748,660	628,680	507,145	553,269	555,489	576,096
Utilities	805,123	708,386	802,146	669,398	702,697	790,689	791,908	969,694	1,075,178	845,792
Depreciation	2,507,943	2,268,484	1,839,605	1,389,737	1,409,052	1,366,818	1,398,588	1,173,897	1,068,504	1,343,080
Scholarships	1,728,721	2,005,703	2,274,805	2,906,773	3,788,291	3,794,833	3,092,883	1,965,085	1,633,868	1,535,907
Total operating expenses	35,847,095	34,898,091	34,213,172	34,402,323	35,855,893	35,902,875	34,592,481	29,597,928	28,795,128	27,317,217
Loss on disposal of assets	-	264,689	-	-	5,088	-	-	8,728	-	4,441
Interest on capital asset-related debt	21,278	49,141	76,198	104,485	133,789	121,248	172,708	223,668	272,067	335,994
Total nonoperating expenses	21,278	313,830	76,198	104,485	138,877	121,248	172,708	232,396	272,067	340,435
Total expenses	\$ 35,868,373	\$ 35,211,921	\$ 34,289,370	\$ 34,506,808	\$ 35,994,770	\$ 36,024,123	\$ 34,765,189	\$ 29,830,324	\$ 29,067,195	\$ 27,657,652

For the Year Ended June 30										
(amounts expressed in dollars)										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Salaries	41.9%	42.3%	42.3%	42.7%	43.6%	45.4%	44.8%	49.5%	49.9%	50.1%
Benefits	24.8%	23.3%	23.3%	22.7%	19.3%	16.7%	15.3%	14.4%	13.6%	12.8%
Contractual services	6.5%	5.4%	5.4%	6.8%	6.6%	6.1%	8.5%	5.9%	5.9%	5.5%
Materials and supplies	9.4%	12.0%	12.0%	10.2%	10.7%	11.9%	12.9%	12.5%	13.1%	13.1%
Conference and travel	0.5%	0.6%	0.6%	0.7%	0.9%	1.3%	1.3%	1.4%	1.7%	1.7%
Fixed costs	1.9%	1.9%	1.9%	2.1%	2.1%	1.7%	1.5%	1.9%	1.9%	2.1%
Utilities	2.0%	2.3%	2.3%	1.9%	2.0%	2.2%	2.3%	3.3%	3.7%	3.1%
Depreciation	6.4%	5.4%	5.4%	4.0%	3.9%	3.8%	4.0%	3.9%	3.7%	4.9%
Scholarships	<u>4.9%</u>	<u>6.6%</u>	<u>6.6%</u>	<u>8.4%</u>	<u>10.5%</u>	<u>10.5%</u>	<u>8.9%</u>	<u>6.6%</u>	<u>5.6%</u>	<u>5.6%</u>
Total operating expenses	99.1%	99.8%	99.8%	99.7%	99.6%	99.7%	99.5%	99.2%	99.1%	98.8%
Loss on disposal of assets	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest on capital asset-related debt	<u>0.1%</u>	<u>0.2%</u>	<u>0.2%</u>	<u>0.3%</u>	<u>0.4%</u>	<u>0.3%</u>	<u>0.5%</u>	<u>0.7%</u>	<u>0.9%</u>	<u>1.2%</u>
Total nonoperating expenses	0.9%	0.2%	0.2%	0.3%	0.4%	0.3%	0.5%	0.8%	0.9%	1.2%
Total expenses	<u>100.0%</u>	100.0%	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Note: Fiscal years 2006 - 2010 have been restated to reflect the current presentation of federal scholarships refunded to students

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513

EXPENSES BY USE
Fiscal Years 2007 to 2016



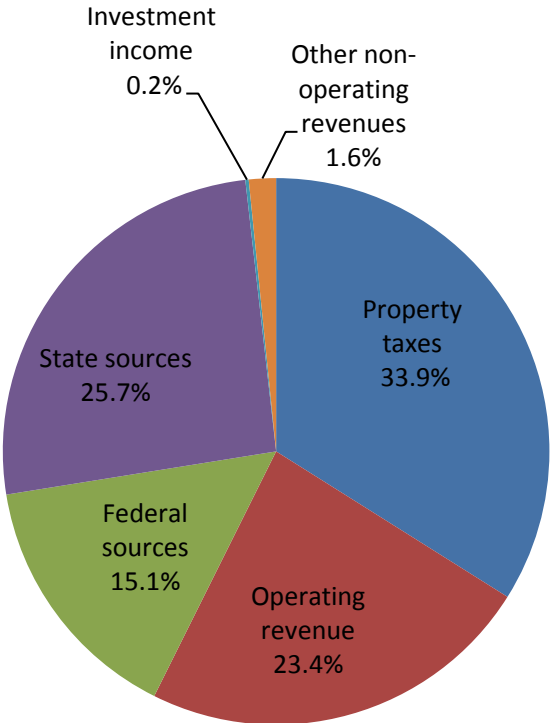
ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF REVENUES BY SOURCE
Fiscal Years 2007 to 2016

	For the Year Ended June 30									
	(amounts expressed in dollars)									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Student tuition and fees (net of scholarship allowances)	\$ 5,704,378	\$ 5,147,958	\$ 4,890,667	\$ 4,726,299	\$ 4,825,112	\$ 4,947,555	\$ 4,849,401	\$ 4,438,593	\$ 4,432,421	\$ 4,322,945
Sales and services of educational and other activities	231,305	330,812	631,671	575,135	1,055,715	982,380	1,191,923	1,411,966	1,393,371	1,511,720
Sales and services of auxiliary enterprises	2,084,673	2,129,023	2,270,375	2,394,079	2,769,244	3,083,818	3,224,808	2,935,532	2,817,319	2,693,831
Other operating revenues	-	-	-	-	-	-	-	-	-	-
Total operating revenues	8,020,356	7,607,793	7,792,713	7,695,513	8,650,071	9,013,753	9,266,132	8,786,091	8,643,111	8,528,496
State appropriations	8,802,272	9,914,716	9,027,532	8,878,218	7,891,362	7,494,104	6,779,055	6,503,370	6,685,409	6,297,475
Federal grants and appropriations	5,186,832	5,932,492	5,855,095	7,377,299	8,454,104	8,799,194	7,766,482	4,833,568	4,635,730	4,163,427
Property taxes	11,627,742	11,462,581	11,303,277	11,415,502	11,589,105	11,472,665	10,978,512	10,335,680	10,521,623	10,736,918
Investment income	78,364	37,710	57,540	221,143	346,681	274,781	417,767	758,352	1,363,327	1,536,464
Other nonoperating revenues	550,393	223,969	1,067,596	217,496	152,983	120,387	131,414	82,500	98,563	13,047
Total nonoperating revenues	26,245,603	27,571,468	27,311,040	28,109,658	28,434,235	28,161,131	26,073,230	22,513,470	23,304,652	22,747,331
Total revenues	\$ 34,265,959	\$ 35,179,261	\$ 35,103,753	\$ 35,805,171	\$ 37,084,306	\$ 37,174,884	\$ 35,339,362	\$ 31,299,561	\$ 31,947,763	\$ 31,275,827
	For the Year Ended June 30									
	(percentage of total)									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Student tuition and fees (net of scholarship allowances)	16.6%	14.6%	13.9%	13.2%	13.0%	13.3%	13.7%	14.2%	13.9%	13.8%
Sales and services of educational and other activities	0.7%	0.9%	1.8%	1.6%	2.8%	2.6%	3.4%	4.5%	4.4%	4.8%
Sales and services of auxiliary enterprises	6.1%	6.1%	6.5%	6.7%	7.5%	8.3%	9.1%	9.4%	8.8%	8.6%
Other operating revenues	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total operating revenues	23.4%	21.6%	22.2%	21.5%	23.3%	24.2%	26.2%	28.1%	27.1%	27.3%
State appropriations	25.7%	28.2%	25.7%	24.8%	21.3%	20.2%	19.2%	20.8%	20.9%	20.1%
Federal grants and appropriations	15.1%	16.9%	16.7%	20.6%	22.8%	23.7%	22.0%	15.4%	14.5%	13.3%
Property taxes	33.9%	32.6%	32.2%	31.9%	31.3%	30.9%	31.1%	33.0%	32.9%	34.3%
Investment income	0.2%	0.1%	0.2%	0.6%	0.9%	0.7%	1.2%	2.4%	4.3%	4.9%
Other nonoperating revenues	1.6%	0.6%	3.0%	0.6%	0.4%	0.3%	0.4%	0.3%	0.3%	0.0%
Total nonoperating revenues	76.6%	78.4%	77.8%	78.5%	76.7%	75.8%	73.8%	71.9%	72.9%	72.7%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

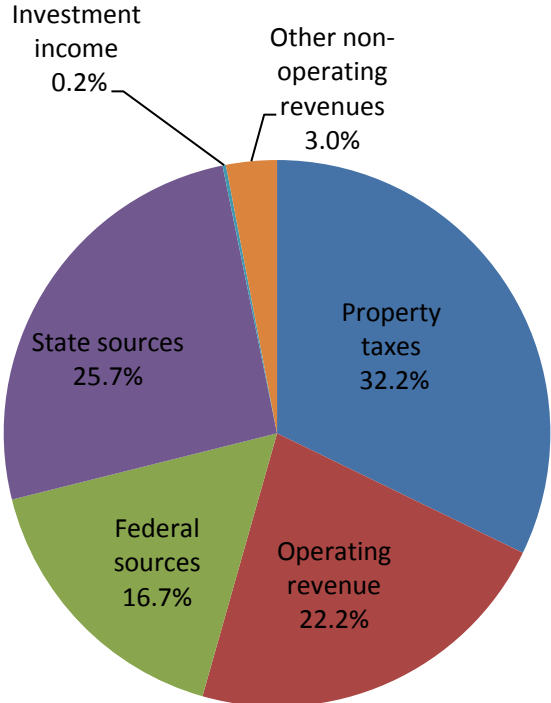
Note: Fiscal years 2007 - 2010 have been restated to reflect the current presentation of federal scholarships refunded to students

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
REVENUES BY SOURCE**

Fiscal Year 2016



Fiscal Year 2015



ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF OTHER CHANGES IN NET POSITION
Fiscal Years 2007 to 2016

	For the Year Ended June 30									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Income before other changes in net position	\$ (1,602,414)	\$ 232,027	\$ 814,383	\$ (189,599)	\$ 1,089,536	\$ 1,144,762	\$ 574,173	\$ 1,469,237	\$ 2,880,568	\$ 3,618,175
State capital grants and appropriations	-	419,611	-	17,802,066	5,014,643	5,999	-	550,000	-	-
Federal capital grants and appropriations	-	-	-	-	-	-	-	-	-	-
Total change in net position	<u>\$ (1,602,414)</u>	<u>\$ 651,638</u>	<u>\$ 814,383</u>	<u>\$ 17,612,467</u>	<u>\$ 6,104,179</u>	<u>\$ 1,150,761</u>	<u>\$ 574,173</u>	<u>\$ 2,019,237</u>	<u>\$ 2,880,568</u>	<u>\$ 3,618,175</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
TUITION AND FEES
Last Ten Academic Years

Academic Year Beginning in Fall	Illinois Valley	Illinois Peer Community Colleges*	Illinois Community College Highest	Illinois Community College Lowest	Illinois Community College Average
2016	\$ 124.00	\$ 123.21	\$ 158.50	\$ 108.00	\$ 133.42
2015	119.00	116.72	152.75	98.00	125.49
2014	111.00	109.55	145.00	92.00	118.77
2013	101.00	105.63	140.00	92.00	112.65
2012	91.77	101.30	138.00	89.00	107.89
2011	83.52	98.30	138.00	83.52	103.89
2010	75.75	92.80	134.50	75.75	98.26
2009	69.75	81.30	131.00	67.00	88.10
2008	67.75	75.94	127.00	63.00	84.04
2007	65.75	70.86	103.75	60.00	76.52

Sources: ICCB Data and Characteristics of the Illinois Public Community College System 1997-2011.
 ICCB Tuition and Fee Survey 2012-2016

*Colleges included in the Illinois Community College Board peer group are:
 Illinois Eastern Community College, Kankakee Community College, Lake Land Community College,
 Lewis and Clark Community College, John A. Logan College and McHenry Community College.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF PROPERTY TAX EQUALIZED ASSESSED VALUATIONS
Last Ten Fiscal Years

Levy Year	Residential Property	Commercial Property	Industrial Property*	Farm Property	Mineral Property*	Railroad Property	Total Equalized Assessed Valuation	Total Tax Rate	Estimated Total Extension	Increase/ (Decrease) EAV	Increase/ (Decrease) Extension
2015	\$ 1,293,658,791	\$ 389,722,994	\$ 660,383,138	\$ 615,511,369	\$ 14,176,543	\$ 38,788,078	\$ 3,012,240,913	\$ 37.60	\$ 11,326,628	0.6%	2.0%
2014	1,282,470,013	385,336,833	676,143,794	598,888,483	14,673,658	36,870,478	2,994,383,259	37.07	11,100,179	-0.9%	0.7%
2013	1,317,865,672	387,331,269	700,227,792	564,174,808	15,052,233	35,646,096	3,020,297,870	36.51	11,027,108	-1.2%	2.0%
2012	1,389,099,352	394,340,909	693,001,393	538,577,691	9,729,372	32,364,796	3,057,113,513	35.36	10,809,953	-2.4%	-2.1%
2011	1,477,601,397	401,802,370	704,932,628	515,788,889	2,252,229	30,418,799	3,132,796,312	35.23	11,036,841	-1.6%	-1.3%
2010	1,531,749,242	396,608,320	694,638,725	499,361,239	34,685,705	26,060,324	3,183,103,555	35.12	11,179,060	-0.5%	0.9%
2009	1,588,567,835	400,966,271	685,325,088	479,203,345	21,475,553	23,105,952	3,198,644,044	34.65	11,083,078	11.5%	9.0%
2008	1,588,318,680	400,961,722	406,110,977	452,850,028	716,246	19,449,782	2,868,407,435	35.45	10,168,504	5.3%	3.9%
2007	1,519,676,401	373,913,066	394,561,413	419,693,709	603,994	16,865,933	2,725,314,516	35.92	9,789,330	6.1%	-5.3%
2006	1,417,184,845	344,278,519	397,057,548	394,610,203	598,377	14,761,446	2,568,490,938	40.24	10,335,608	6.9%	-2.8%

*Wind turbines were classified as mineral property in 2009 and 2010. All other years are recorded as industrial property.

Note: Assessed value is computed by various county clerk offices and is equal to approximately one-third of the estimated actual value. Tax rates are assessed in dollars per hundred of equalized assessed value.

Sources: Bureau, DeKalb, Gundy, LaSalle, Lee, Livingston, Marshall, and Putnam County Clerk Offices

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Tax Levy Year	Fiscal Year	Final Tax Levy	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percent of Levy
2015	2017	\$ 11,326,628	\$ 4,028	0.04%	\$ -	\$ -	0.00%
2014	2016	11,100,109	3,816	0.03%	11,003,035	\$ 11,006,851	99.16%
2013	2015	11,030,059	3,713	0.03%	11,004,661	11,008,374	99.80%
2012	2014	10,874,709	3,459	0.03%	10,744,383	10,747,842	98.83%
2011	2013	11,044,966	3,371	0.03%	10,979,938	10,983,309	99.44%
2010	2012	11,179,060	3,334	0.03%	11,175,488	11,178,822	100.00%
2009	2011	11,083,078	279,834 *	2.52%	10,380,189	10,660,023	96.18%
2008	2010	10,158,381	25,527 *	0.25%	10,074,442	10,099,969	99.42%
2007	2009	10,111,961	2,611	0.03%	9,835,512	9,838,123	97.29%
2006	2008	10,339,401	2,705	0.03%	10,335,692	10,338,397	99.99%

Note: Property taxes in Illinois Valley Community College District #513 are due in two installments in the calendar year following the levy. District #513 includes eight counties - LaSalle, Bureau, Putnam, Marshall, Lee, Livingston, Grundy and DeKalb.

* In fiscal year 2010 and 2011, Putnam County disbursed real estate tax payments prior to July 1. In most years, DeKalb County is the only county to disburse prior to July 1.

Source: College Records

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF DEBT MATURITIES**

<u>Fiscal Year</u>	<u>Bond Number</u>	<u>Interest Rate</u>	<u>Amounts Due During Year</u>			<u>June 30 Unpaid Principal Balance</u>
			<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2017	504372DF7	2.500%	\$265,000	\$3,312	\$268,312	\$ -

CAPITAL LEASE OBLIGATIONS

<u>Fiscal Year</u>	<u>Lease Payment</u>	<u>Implied Interest</u>	<u>Present Value</u>
2016	\$17,132	\$1,684	\$15,448
2017	17,132	1,325	15,807
2018	8,500	1,249	7,251
2019	23,262	432	22,830
2020	11,362	260	11,100

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF RATIOS OF OUTSTANDING DEBT
Last Ten Fiscal Years

Fiscal Year	Net General Bonded Debt	Equalized Assessed Value	Population (Estimated)*	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Ratio of Net General Bonded Debt to Household Income**
2016	\$ 265,000	\$ 3,012,240,913	145,785	0.009%	2	0.01%
2015	1,510,000	2,994,383,259	146,192	0.050%	10	0.04%
2014	2,725,000	3,020,297,870	147,293	0.090%	19	0.07%
2013	3,910,000	3,057,113,513	148,429	0.128%	26	0.10%
2012	5,000,000	3,132,796,312	149,344	0.160%	33	0.14%
2011	1,206,210	3,183,103,555	150,122	0.038%	8	0.03%
2010	2,354,963	3,198,644,044	147,673	0.074%	16	0.06%
2009	3,447,255	2,868,407,435	147,820	0.120%	23	0.07%
2008	4,488,587	2,725,372,607	148,147	0.165%	30	0.10%
2007	5,481,520	2,551,819,980	148,800	0.215%	37	0.12%

Source: * David Ault @ SIU-E

Note: ** Ratios calculated using population and equalized assessed valuation from prior calendar year.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF BOND COVERAGE
Last Ten Fiscal Years

Tort Immunity Bonds, Series 1996

Fiscal Year	Tax Levy	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
2007	\$ -	\$ 690,000	\$ 18,458	\$ 708,458	0.00
2006	700,663	645,000	53,847	698,847	1.00

Community College Bonds, Series 1999

Fiscal Year	Tax Levy	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
2012	\$ 1,262,517	\$ 1,265,000	\$ -	\$ 1,265,000	1.00
2011	1,267,428	1,265,000	-	1,265,000	1.00
2010	1,265,147	1,265,000	-	1,265,000	1.00
2009	1,271,211	1,270,000	-	1,270,000	1.00
2008	1,267,298	1,265,000	-	1,265,000	1.00
2007	1,263,151	1,265,000	-	1,265,000	1.00
2006	1,266,856	1,265,000	-	1,265,000	1.00

Community College Bonds, Series 2011

Fiscal Year	Tax Levy	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
2016	\$ 268,692	\$ 1,245,000	\$ 22,188	\$ 1,267,188	0.21
2015	1,267,188	1,215,000	51,419	1,266,419	1.00
2014	1,266,419	1,185,000	78,419	1,263,419	1.00
2013	1,263,419	1,090,000	171,840	1,261,840	1.00
2012	-	-	75,000	75,000	0.00

Note: Community College Bonds, Series 1999 were issued as "zero coupon", or capital appreciation bonds.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

Fiscal Year	Debt Limit	Total Debt Applicable to Limit	Legal Debt Margin	Percentage of Debt Limit
2016	\$ 86,601,926	\$ 265,000	\$ 86,336,926	0.31%
2015	86,088,519	1,510,000	84,578,519	1.75%
2014	86,833,564	2,725,000	84,108,564	3.14%
2013	87,892,013	3,910,000	83,982,013	4.45%
2012	90,067,894	5,000,000	85,067,894	5.55%
2011	91,514,227	1,206,211	90,308,016	1.32%
2010	91,961,016	2,349,963	89,611,053	2.56%
2009	82,466,714	3,447,255	79,019,459	4.18%
2008	78,352,792	4,488,587	73,864,205	5.73%
2007	73,844,114	5,481,520	68,362,594	7.42%

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Calendar Year	District Population*	Total Household Income*	Household Income Per Capita*	State Unemployment Rate**	LaSalle, Bureau, & Putnam Counties Unemployment Rate**
2015	145,785	\$ 3,601,183,290	\$ 39,216	6.4%	6.5%
2014	146,192	3,714,549,127	38,751	7.1%	8.0%
2013	147,293	3,778,614,731	39,189	9.1%	10.2%
2012	148,429	3,745,136,976	37,245	9.0%	9.9%
2011	149,344	3,644,444,327	36,964	9.7%	10.5%
2010	150,122	4,127,895,340	35,948	10.4%	11.7%
2009	147,673	4,209,381,630	34,104	10.2%	11.9%
2008	147,820	4,867,151,311	33,042	6.3%	7.6%
2007	148,147	4,700,432,905	31,728	5.0%	5.9%
2006	148,800	4,497,128,655	30,223	4.5%	5.0%

Sources:

*David Ault @SIU-E

**<http://www.ides.illinois.gov/Pages/default.aspx>

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
PRINCIPAL EMPLOYERS - BY NUMBER OF EMPLOYEES
CURRENT YEAR AND NINE YEARS AGO**

2016					2007				
<u>Employer</u>	<u>Rank</u>	<u>City</u>	<u>No. of employees</u>	<u>% of</u>	<u>Employer</u>	<u>Rank</u>	<u>City</u>	<u>No. of employees</u>	<u>% of</u>
				<u>Total Population</u>					<u>Total Population</u>
Exelon Corporation	1	Seneca	800	0.5%	Wal-Mart Distribution Center	1	Spring Valley	1,000	0.7%
Wal-Mart Distribution Center	2	Spring Valley	800	0.5%	Exelon Corporation	2	Seneca	920	0.6%
Peru Mall	3	Peru	800	0.5%	PetsMart	3	Ottawa	800	0.5%
OSF St Elizabeth	4	Ottawa	730	0.5%	Peru Mall	4	Peru	775	0.5%
St Margaret's Hospital	5	Spring Valley	650	0.4%	St Margaret's Hospital	5	Spring Valley	700	0.5%
Illinois Valley Community Hospital, Inc.	6	Peru	640	0.4%	Illinois Valley Community Hospital, Inc.	6	Peru	650	0.4%
Vactor Manufacturing	7	Streator	575	0.4%	Community Hospital of Ottawa	7	Ottawa	635	0.4%
Illinois Valley Community College	8	Oglesby	536	0.4%	St Mary's Hospital	8	Streator	550	0.4%
Monterey Mushrooms	9	Princeton	500	0.3%	Illinois Valley Community College	9	Oglesby	509	0.3%
PetSmart	10	Ottawa	500	0.3%	Monterey Mushrooms	10	Princeton	500	0.3%
Ace Hardware Retail Support Center	11	Princeton	485	0.3%	Ace Hardware Retail Support Center	11	Princeton	485	0.3%
Streator Results	12	Streator	480	0.3%	Clover Technologies	12	Ottawa	450	0.3%
Clover Technologies	13	Ottawa	450	0.3%	Vactor Manufacturing	13	Streator	442	0.3%
LCN - A division of Allegion	14	Princeton	440	0.3%	Ingersoll-Rand/LCN Division	14	Princeton	440	0.3%
HR Imaging	15	Ottawa	425	0.3%	HR Imaging Partners	15	Princeton	425	0.3%
Oak State Products	16	Wenona	400	0.3%	G.E. Plastics	16	Ottawa	425	0.3%
DSI	17	Streator	390	0.3%	US Food Service	17	Streator	400	0.3%
Office Max - Call Center	18	Ottawa	375	0.3%	Oak State Products	18	Wenona	400	0.3%
Wal-Mart Store	19	Peru	367	0.3%					
Eakas Corporation	20	Peru	367	0.3%					

Source: Illinois Valley Area Chamber of Commerce
Ottawa Chamber of Commerce
Princeton Chamber of Commerce
Seneca Chamber of Commerce
Streator Chamber of Commerce

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
PRINCIPAL TAXPAYERS
CURRENT LEVY YEAR AND NINE YEARS AGO**

Name	County	Type of Business of Property	2015 Equalized		Percent of District's Total EAV	2006 Equalized		Percent of District's Total EAV
			Assessed Valuation (million)	Rank		Assessed Valuation (million)	Rank	
Exelon Generation Co., LLC	LaSalle	Nuclear Power Plant	\$435,000,000	1	14.44%	\$ 324,200,000	1	13.74%
Marquis Energy	Putnam	Ethanol Plant	40,820,204	2	1.36%			
Silverleaf Resorts	LaSalle	Resort	14,618,501	3	0.49%	8,329,802	4	0.35%
Unimin Corp.	LaSalle	Mining	11,272,150	4	0.37%			
Tau Midwest (Petsmart)	LaSalle	Distribution Center	11,038,519	5	0.37%			
James Hardie	LaSalle	Building Products	9,262,856	6	0.31%	5,416,301	5	0.23%
Ace Hardware	Bureau	Distribution Center	9,044,614	7	0.30%	9,852,800	3	0.42%
Walmart Stores	Bureau	Distribution Center	6,918,501	8	0.23%	12,856,080	2	0.54%
BNSF Railway Company	Bureau	Railroad	6,776,962	9	0.22%			
Eugene & Dorothy Missel	LaSalle	Solar Farm	6,356,855	10	0.21%			
Eakas Corp.	LaSalle	Manufacturing	5,817,974	11	0.19%			
Peru GKD Partners	LaSalle	Shopping Center	5,473,151	12	0.18%	5,272,373	7	0.22%
Walmart (Peru)	LaSalle	Retail	5,119,218	13	0.17%			
Iowa Interstate Railroad	Bureau	Railroad	4,852,750	14	0.16%			
ISG Hennepin, Inc.	Putnam	Manufacturing	4,840,811	15	0.16%	5,337,212	6	0.23%
DBM Holdings Inc.	LaSalle	Warehouse	4,740,976	16	0.16%			
Kohl's Department Store, Inc.	LaSalle	Distribution Center	4,627,922	17	0.15%			
Washington Mills Hennepin, Inc.	Putnam	Manufacturing	4,384,941	18	0.15%			
Con-Way Freight Inc.	LaSalle	Truck Terminal	4,088,333	19	0.14%			
Wedron Silica Company	LaSalle	Mining	4,029,851	20	0.13%			
Chicago Title & Trust	LaSalle	Industrial	3,863,335	21	0.13%			
Walmart (Ottawa)	LaSalle	Retail	3,840,983	22	0.13%			
Supervalu	LaSalle	Distribution Center	3,814,894	23	0.13%			
Gage Farms, Inc.	LaSalle	Industrial	3,787,532	24	0.13%			
Independence Tube Corp.	LaSalle	Manufacturing	3,488,420	25	0.12%			
Walmart Stores, Inc.	Bureau	Retail	3,459,251	26	0.11%			
Store Master Funding III LLC	LaSalle	Commercial Real Estate	3,330,104	27	0.11%			
Dynegy Midwest Generation, Inc.	Putnam	Electricity Generation	3,290,761	28	0.11%			
			<u>\$ 627,960,369</u>		<u>20.85%</u>	<u>\$ 371,264,568</u>		<u>15.73%</u>

Source: Bureau, DeKalb, Grundy, LaSalle, Lee, Livingston, Marshall, and Putnam County Assessor Offices

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
FACULTY, STAFF, AND ADMINISTRATOR STATISTICS
FULL-TIME EQUIVALENT DATA
Last Ten Fiscal Years

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Faculty										
Part-time (FTE)	145	111	126	126	132	143	124	106	111	110
Full-time (FTE)	80	84	83	81	82	88	88	86	88	87
Percentage tenured	88%	90%	88%	88%	88%	88%	90%	87%	88%	86%
Staff and Administrators										
Part-time (FTE)	44	44	39	39	37	39	38	39	40	38
Full-time (FTE)	100	104	106	124	127	135	140	142	140	141
Total Employees										
Part-time (FTE)	189	155	165	165	169	182	162	145	151	148
Full-time (FTE)	180	188	189	205	209	223	228	228	228	228
Students per Full-Time Faculty	41	42	45	49	53	51	51	49	47	45
Students per Full-time Staff Member	33	34	35	32	34	33	32	30	29	28
Fall Semester Student Headcount	3,310	3,525	3,705	3,944	4,355	4,507	4,529	4,231	4,103	3,939
Average Annual Faculty Salary	\$ 69,612	\$ 68,190	\$ 66,524	\$ 66,823	\$ 64,323	\$ 62,930	\$ 61,050	\$ 58,641	\$ 56,312	\$ 57,840

Notes:

One FTE is equal to 2,080 hours of work.

One FTE for part-time faculty is equal to 30 credit hours multiplied by the average per credit hour pay rate.

Full-time overload is included in the part-time line.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
ADMISSIONS AND ENROLLMENT STATISTICS
Last Ten Academic Years

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Enrollment										
Annual Unduplicated Headcount (1)	5,534	5,760	6,303	6,566	7,360	8,315	8,361	8,131	7,755	7,451
Annual Full Time Equivalent Students	2,236	2,242	2,402	2,535	2,866	3,224	3,108	2,803	2,737	2,668
Full-time students (2)	39%	42%	40%	42%	43%	47%	46%	42%	44%	44%
Part-time students	61%	58%	60%	58%	57%	53%	54%	58%	56%	56%
Percentage of men	42%	42%	40%	41%	40%	45%	42%	42%	44%	44%
Percentage of women	58%	58%	60%	59%	60%	55%	58%	58%	56%	56%
Ethnicity Percentage										
American Indian	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Black	2%	3%	2%	2%	2%	3%	3%	4%	4%	4%
Hispanic	5%	5%	6%	6%	6%	6%	7%	7%	6%	7%
White	84%	84%	85%	86%	86%	82%	84%	84%	83%	83%
Not Indicated	8%	7%	6%	5%	5%	8%	5%	4%	5%	5%
Average age	23	24	24	25	25	26	25	25	26	26
Annual Credit Hours	67,092	67,249	72,054	76,056	85,983	96,728	93,251	84,100	82,095	80,036
Illinois Community College Board Reimbursed Credit Hours(3)	62,924	65,870	70,788	73,423	83,369	94,539	91,452	82,147	80,601	78,107

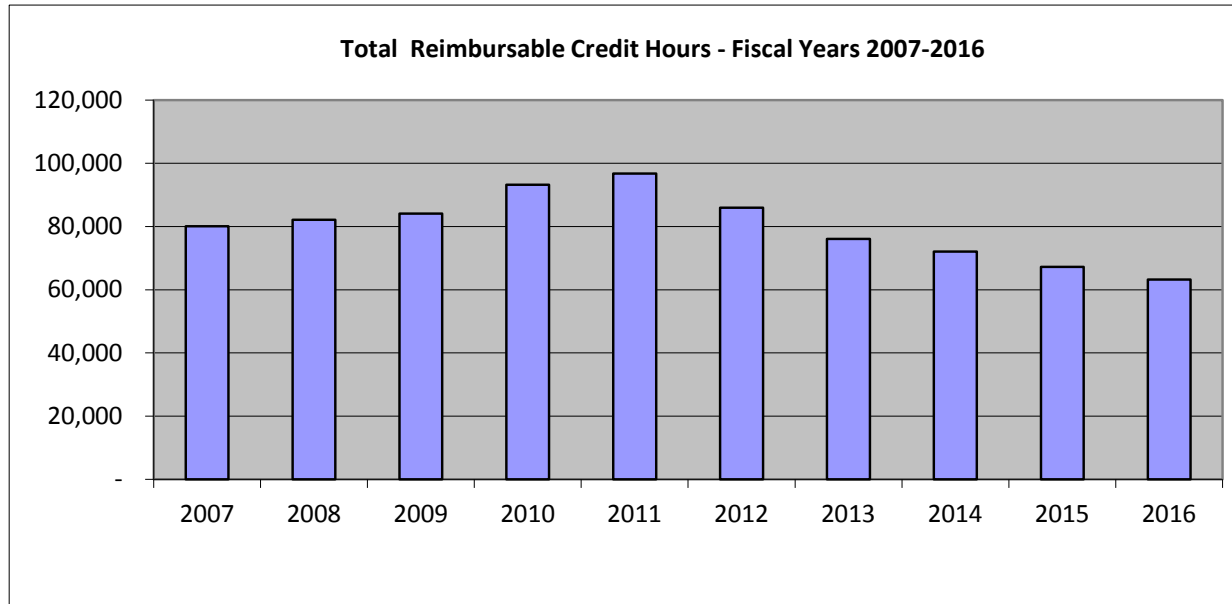
(1) Represents annual unduplicated credit hour students

(2) Percentages are based on Fall semester tenth-day demographics only

(3) Beginning in fiscal year 2003, credit hours generated with more than 50 percent restricted funds were no longer claimable for reimbursement by the Illinois Community College Board.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STUDENT ENROLLMENT DEMOGRAPHIC STATISTICS
BY CATEGORY
Last Ten Fiscal Years

Fiscal Year	Baccalaureate	Business Occupational	Technical Occupational	Health Occupational	Remedial Developmental	Adult Basic/Secondary Education	Total Credit Hours
2007	47,899	4,342	13,180	6,307	5,510	2,798	80,036
2008	47,999	4,469	14,984	6,353	5,952	2,339	82,095
2009	49,970	4,823	13,084	6,724	6,619	2,880	84,100
2010	56,450	5,478	15,025	7,050	7,001	2,247	93,251
2011	58,028	5,452	14,597	8,674	7,496	2,481	96,728
2012	53,353	5,334	10,645	7,885	6,152	2,615	85,984
2013	46,729	4,790	9,263	7,288	5,352	2,634	76,056
2014	45,818	4,640	8,099	6,912	5,028	1,557	72,054
2015	43,350	4,216	7,598	6,422	4,011	1,653	67,249
2016	40,900	3,793	7,779	6,265	3,117	1,338	63,192



ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
CAPITAL ASSET STATISTICS
Last Ten Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Facilities Data:										
Size of campus (acres)	415	415	415	415	415	415	415	415	415	415
Number of permanent buildings	10	10	10	8	8	8	8	8	7	7
Gross square footage:										
As of June 30	409,339	409,339	409,339	375,711	375,711	375,711	375,711	375,711	372,591	372,591
Under construction	-	-	-	96,527	79,727	-	-	-	-	-
Net assignable square footage	259,245	259,245	259,245	220,910	220,910	220,910	220,910	220,910	220,910	220,910
Parking (acres)	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.9	16.9
Annual Full Time Equivalent Students	2,236	2,242	2,402	2,535	2,866	3,224	3,108	2,803	2,737	2,668
Annual Headcount	5,534	5,760	6,303	6,566	7,360	8,315	8,361	8,131	7,755	7,451
Net assignable square footage per full time equivalent	115.94	115.63	107.93	87.14	77.08	68.52	71.08	78.81	80.71	82.80
Prior Year District Population	unavailable	145,785	146,192	147,293	148,429	149,344	150,122	147,673	147,820	148,147
Headcount per 1,000 Population	unavailable	39.51	43.11	44.58	49.59	55.68	55.69	55.06	52.46	50.29
FTE Per 1,000 Population	unavailable	15.38	16.43	17.21	19.31	21.59	20.70	18.98	18.52	18.01

SPECIAL REPORTS SECTION

SUPPLEMENTARY FINANCIAL INFORMATION

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
COMBINED BALANCE SHEET
ALL FUND TYPES
June 30, 2016

	<u>Governmental Fund Types</u>				<u>Proprietary</u>	<u>Fiduciary</u>	<u>General</u>	<u>General</u>	<u>Total</u>
	<u>General</u>	<u>Special</u>	<u>Debt</u>	<u>Capital</u>	<u>Fund Types</u>	<u>Fund Types</u>			
		<u>Revenue</u>	<u>Service</u>	<u>Projects</u>	<u>Enterprise</u>	<u>Trust and</u>	<u>Assets</u>	<u>Debt</u>	<u>Only)</u>
						<u>Agency Funds</u>			
ASSETS AND OTHER DEBITS									
Assets									
Cash and cash equivalents	\$ 865,120	\$ 1,209,441	\$ 174,744	\$ 112,188	\$ 660,162	\$ 176,158	\$ -	\$ -	\$ 3,197,813
Investments	2,487,008	4,454,400	633,972	4,747,643	480,488	-	-	-	12,803,511
Receivables									
Property taxes	8,848,511	620,569	266,083	1,493,152	-	-	-	-	11,228,315
Governmental claims	212,174	379,190	-	337,660	-	219,456	-	-	1,148,480
Other	3,354,963	8,476	-	-	82,873	-	-	-	3,446,312
Accrued revenue	-	19,948	-	-	571	-	-	-	20,519
Due from other funds	220,403	5,337	-	-	-	-	-	-	225,740
Bookstore inventories	-	-	-	-	814,524	-	-	-	814,524
Deferred expenditures	335,306	89,912	-	-	60,862	-	-	-	486,080
Capital assets, net of accumulated depreciation	-	-	-	-	58,886	-	62,115,706	-	62,174,592
Other debits									
Amount available in Debt Service Fund	-	-	-	-	-	-	-	941,157	941,157
Amount to be provided to retire debt	-	-	-	-	-	-	-	(676,157)	(676,157)
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 16,323,485</u>	<u>\$ 6,787,273</u>	<u>\$ 1,074,799</u>	<u>\$ 6,690,643</u>	<u>\$ 2,158,366</u>	<u>\$ 395,614</u>	<u>\$ 62,115,706</u>	<u>\$ 265,000</u>	<u>\$ 95,810,886</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
COMBINED BALANCE SHEET (Continued)
ALL FUND TYPES
June 30, 2016

	Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency Funds	General Fixed Assets	General Long-Term Debt	
LIABILITIES									
Accounts payable	\$ 89,602	\$ 11,735	\$ -	\$ -	\$ 15,493	\$ 6,864	\$ -	\$ -	\$ 123,694
Accrued salaries	996,693	18,509	-	-	14,754	-	-	-	1,029,956
Accrued liabilities	180,321	96,729	-	94,815	11,633	1,797	-	-	385,295
Due to other funds	5,337	-	-	-	-	220,403	-	-	225,740
Due to student groups	-	-	-	-	-	146,767	-	-	146,767
Deferred revenue									
Property taxes	4,425,842	312,448	133,090	746,846	-	-	-	-	5,618,226
Tuition and fees	4,060,001	-	-	-	-	-	-	-	4,060,001
Other	-	-	-	-	-	19,783	-	-	19,783
Other liabilities	2,232	2,407	552	-	-	-	-	-	5,191
Capital Lease Payable	-	-	-	-	56,989	-	-	-	56,989
Bonds payable	-	-	-	-	-	-	-	265,000	265,000
Total liabilities	<u>9,760,028</u>	<u>441,828</u>	<u>133,642</u>	<u>841,661</u>	<u>98,869</u>	<u>395,614</u>	<u>-</u>	<u>265,000</u>	<u>11,936,642</u>
EQUITY AND OTHER CREDITS									
Investment in general fixed assets	-	-	-	-	58,886	-	62,115,706	-	62,174,592
Retained earnings - Unreserved	-	-	-	-	2,000,611	-	-	-	2,000,611
Fund balance (deficit)									
Reserved for grant purposes	-	-	-	-	-	-	-	-	-
Reserved for building purposes	-	-	-	5,848,982	-	-	-	-	5,848,982
Reserved for liability, protection and settlement	-	1,765,543	-	-	-	-	-	-	1,765,543
Reserved for debt service	-	-	941,157	-	-	-	-	-	941,157
Unreserved	6,563,457	4,579,902	-	-	-	-	-	-	11,143,359
Total equity and other credits	<u>6,563,457</u>	<u>6,345,445</u>	<u>941,157</u>	<u>5,848,982</u>	<u>2,059,497</u>	<u>-</u>	<u>62,115,706</u>	<u>-</u>	<u>83,874,244</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 16,323,485</u>	<u>\$ 6,787,273</u>	<u>\$ 1,074,799</u>	<u>\$ 6,690,643</u>	<u>\$ 2,158,366</u>	<u>\$ 395,614</u>	<u>\$ 62,115,706</u>	<u>\$ 265,000</u>	<u>\$ 95,810,886</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
COMBINED SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
Year Ended June 30, 2016

	<u>Governmental Fund Types</u>				Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
REVENUES					
Local government	\$ 10,080,316	\$ 464,062	\$ 766,417	\$ 1,495,373	\$ 12,806,168
State government	7,072,054	214,132	-	337,660	7,623,846
Federal government	6,467	5,180,365	-	-	5,186,832
Student tuition and fees	8,376,100	-	-	-	8,376,100
Investment income	10,329	53,919	1,942	9,851	76,041
Other sources	585,290	119,994	-	-	705,284
Total revenues	<u>26,130,556</u>	<u>6,032,472</u>	<u>768,359</u>	<u>1,842,884</u>	<u>34,774,271</u>
EXPENDITURES - EDUCATIONAL AND GENERAL					
Current					
Instruction	10,917,168	690,025	-	-	11,607,193
Academic support	1,360,663	-	-	-	1,360,663
Student services	1,644,357	297,045	-	-	1,941,402
Public service	710,002	162,954	-	-	872,956
Operation and maintenance of plant	2,315,772	445,535	-	2,485,326	5,246,633
General institutional support	9,929,314	727,870	500	-	10,657,684
Scholarships, grants and waivers	488,678	4,289,498	-	-	4,778,176
Debt Service					
Principal	-	-	1,245,000	-	1,245,000
Interest	-	-	19,594	-	19,594
Total expenditures	<u>27,365,954</u>	<u>6,612,927</u>	<u>1,265,094</u>	<u>2,485,326</u>	<u>37,729,301</u>
Excess (deficiency) of revenues over expenditures	(1,235,398)	(580,455)	(496,735)	(642,442)	(2,955,030)
OTHER FINANCING SOURCES (USES)					
Operating transfers in (out)	245,640	(190,000)	-	-	55,640
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(989,758)	(770,455)	(496,735)	(642,442)	(2,899,390)
FUND BALANCES, July 1, 2015	<u>7,553,215</u>	<u>7,115,900</u>	<u>1,437,892</u>	<u>6,491,424</u>	<u>22,598,431</u>
FUND BALANCES, June 30, 2016	<u>\$ 6,563,457</u>	<u>\$ 6,345,445</u>	<u>\$ 941,157</u>	<u>\$ 5,848,982</u>	<u>\$ 19,699,041</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
COMBINED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
ALL GOVERNMENTAL FUND TYPES
Year Ended June 30, 2016

	General		Special Revenue		Debt Service		Capital Projects		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES										
Local governmental	\$ 9,571,325	\$ 10,080,316	\$ 307,963	\$ 464,062	\$ 1,267,175	\$ 766,417	\$ 1,496,428	\$ 1,495,373	\$ 12,642,891	\$ 12,806,168
State governmental	8,858,958	7,072,054 *	313,970	214,132	-	-	-	337,660	9,172,928	7,623,846
Federal governmental	8,300	6,467	5,826,932	5,180,365	-	-	-	-	5,835,232	5,186,832
Student tuition and fees	8,958,927	8,376,100	3,000	-	-	-	-	-	8,961,927	8,376,100
Investment income	3,750	10,329	25,250	53,919	1,000	1,942	3,572	9,851	33,572	76,041
Other sources	641,802	585,290	58,768	119,994	-	-	-	-	700,570	705,284
Total revenues	<u>28,043,062</u>	<u>26,130,556</u>	<u>6,535,883</u>	<u>6,032,472</u>	<u>1,268,175</u>	<u>768,359</u>	<u>1,500,000</u>	<u>1,842,884</u>	<u>37,347,120</u>	<u>34,774,271</u>
EXPENDITURES										
Instruction	11,404,402	10,917,168	692,618	690,025	-	-	-	-	12,097,020	11,607,193
Academic support	1,599,477	1,360,663	-	-	-	-	-	-	1,599,477	1,360,663
Student services and aids	1,633,097	1,644,357	290,652	297,045	-	-	-	-	1,923,749	1,941,402
Public service	827,545	710,002	195,000	162,954	-	-	-	-	1,022,545	872,956
Operation and maintenance of plant	2,333,279	2,315,772	357,930	445,535	-	-	2,977,071	2,485,326	5,668,280	5,246,633
General institutional support	10,336,780	9,929,314 *	769,377	727,870	500	500	-	-	11,106,657	10,657,684
Scholarships, grant and waivers	488,750	488,678	4,987,268	4,289,498	-	-	-	-	5,476,018	4,778,176
Debt Service										
Principal	-	-	-	-	1,245,000	1,245,000	-	-	1,245,000	1,245,000
Interest	-	-	-	-	22,188	19,594	-	-	22,188	19,594
Total expenditures	<u>28,623,330</u>	<u>27,365,954</u>	<u>7,292,845</u>	<u>6,612,927</u>	<u>1,267,688</u>	<u>1,265,094</u>	<u>2,977,071</u>	<u>2,485,326</u>	<u>40,160,934</u>	<u>37,729,301</u>
Excess (deficiency) of revenues over expenditures	(580,268)	(1,235,398)	(756,962)	(580,455)	487	(496,735)	(1,477,071)	(642,442)	(2,813,814)	(2,955,030)
OTHER FINANCING SOURCES (USES)										
Operating transfers in (out)	580,268	245,640	26,482	(190,000)	-	-	-	-	606,750	55,640
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>(989,758)</u>	<u>\$ (730,480)</u>	<u>(770,455)</u>	<u>\$ 487</u>	<u>(496,735)</u>	<u>\$ (1,477,071)</u>	<u>(642,442)</u>	<u>\$ (2,207,064)</u>	<u>(2,899,390)</u>
FUND BALANCES, July 1, 2015		<u>7,553,215</u>		<u>7,115,900</u>		<u>1,437,892</u>		<u>6,491,424</u>		<u>22,598,431</u>
FUND BALANCES, June 30, 2016		<u>\$ 6,563,457</u>		<u>\$ 6,345,445</u>		<u>\$ 941,157</u>		<u>\$ 5,848,982</u>		<u>\$ 19,699,041</u>

* Includes SURS and budget does not

GENERAL FUND

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513

GENERAL FUND

COMBINING BALANCE SHEET

June 30, 2016

	<u>Education Fund</u>	<u>Operation and Maintenance Fund</u>	<u>Total General Fund</u>
ASSETS			
Cash and cash equivalents	\$ 630,202	\$ 234,918	\$ 865,120
Investments	620,649	1,866,359	2,487,008
Receivables			
Property taxes	7,653,989	1,194,522	8,848,511
Governmental claims	180,348	31,826	212,174
Other	3,092,988	261,975	3,354,963
Due from student groups	220,403	-	220,403
Prepaid Expenditures	<u>320,506</u>	<u>14,800</u>	<u>335,306</u>
TOTAL ASSETS	<u><u>\$ 12,719,085</u></u>	<u><u>\$ 3,604,400</u></u>	<u><u>\$ 16,323,485</u></u>
LIABILITIES			
Accounts payable	\$ 69,635	\$ 19,967	\$ 89,602
Accrued salaries	933,965	62,728	996,693
Other liabilities	91,006	89,315	180,321
Due to other funds	5,337	-	5,337
Deferred revenue			
Property taxes	3,828,367	597,475	4,425,842
Tuition and fees	3,782,389	277,612	4,060,001
Other liabilities	<u>2,232</u>	<u>-</u>	<u>2,232</u>
Total liabilities	8,712,931	1,047,097	9,760,028
FUND BALANCE			
Unreserved	<u>4,006,154</u>	<u>2,557,303</u>	<u>6,563,457</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 12,719,085</u></u>	<u><u>\$ 3,604,400</u></u>	<u><u>\$ 16,323,485</u></u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
Year Ended June 30, 2016

	Education Fund	Operations and Maintenance Operational Fund	Total General Fund
Local government revenue			
Local taxes	\$ 7,200,485	\$ 1,196,304	\$ 8,396,789
CPPRT	1,001,662	176,764	1,178,426
Other	<u>378,826</u>	<u>126,275</u>	<u>505,101</u>
	<u>8,580,973</u>	<u>1,499,343</u>	<u>10,080,316</u>
State government sources			
ICCB Credit Hour Grants	561,896	-	561,896
ICCB Equalization Grants	50,000	-	50,000
On-behalf payments - SURS	<u>6,460,158</u>	<u>-</u>	<u>6,460,158</u>
	<u>7,072,054</u>	<u>-</u>	<u>7,072,054</u>
Federal government sources			
Department of Education	6,467	-	6,467
American Recovery and Reinvestment Act	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,467</u>	<u>-</u>	<u>6,467</u>
Student tuition and fees			
Tuition	7,000,797	558,755	7,559,552
Fees	<u>816,548</u>	<u>-</u>	<u>816,548</u>
	<u>7,817,345</u>	<u>558,755</u>	<u>8,376,100</u>
Other sources			
Sales and service fees	313,184	-	313,184
Facilities revenue	-	158,765	158,765
Investment revenue	5,748	4,581	10,329
Other	<u>111,088</u>	<u>2,253</u>	<u>113,341</u>
	<u>430,020</u>	<u>165,599</u>	<u>595,619</u>
Total revenues	<u>23,906,859</u>	<u>2,223,697</u>	<u>26,130,556</u>
Expenditures - Educational and General			
Current			
Instruction	10,917,168	-	10,917,168
Academic support	1,360,663	-	1,360,663
Student services and aids	1,644,357	-	1,644,357
Public service	710,002	-	710,002
Operation and maintenance plant	-	2,315,772	2,315,772
General institutional support	9,865,363	63,951	9,929,314
Scholarships, student grants and waivers	<u>488,678</u>	<u>-</u>	<u>488,678</u>
Total expenditures	<u>24,986,231</u>	<u>2,379,723</u>	<u>27,365,954</u>
Excess (deficiency) of revenues over expenditures	(1,079,372)	(156,026)	(1,235,398)
OTHER FINANCING SOURCES			
Operating transfers in (out)	<u>245,640</u>	<u>-</u>	<u>245,640</u>
Excess (deficiency) of revenues over expenditures and other financing sources	(833,732)	(156,026)	(989,758)
FUND BALANCE, July 1, 2015	<u>4,839,886</u>	<u>2,713,329</u>	<u>7,553,215</u>
FUND BALANCE, June 30, 2016	<u>\$ 4,006,154</u>	<u>\$ 2,557,303</u>	<u>\$ 6,563,457</u>

SPECIAL REVENUE FUNDS

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2016

	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection & Settlement Fund	Total Special Revenue Funds
ASSETS					
Cash and cash equivalents	\$ (395,713)	\$ 1,260,270	\$ 12,749	\$ 332,135	\$ 1,209,441
Investments	49,984	3,297,953	2,320	1,104,143	4,454,400
Receivables					
Property taxes	-	-	35,542	585,027	620,569
Governmental claims	379,190	-	-	-	379,190
Other	8,476	-	-	-	8,476
Accrued revenue	-	14,849	-	5,099	19,948
Deferred expenditures	5,596	-	-	84,316	89,912
Due from other funds	5,337	-	-	-	5,337
TOTAL ASSETS	<u>\$ 52,870</u>	<u>\$ 4,573,072</u>	<u>\$ 50,611</u>	<u>\$ 2,110,720</u>	<u>\$ 6,787,273</u>
LIABILITIES					
Accounts payable	\$ 11,735	\$ -	\$ -	\$ -	\$ 11,735
Accrued salaries	1,725	-	-	16,784	18,509
Other liabilities	57,555	-	3,400	35,774	96,729
Deferred revenue					
Property taxes	-	-	19,829	292,619	312,448
Other liabilities	2,407	-	-	-	2,407
Total liabilities	<u>73,422</u>	<u>-</u>	<u>23,229</u>	<u>345,177</u>	<u>441,828</u>
FUND BALANCE					
Reserved for grant purposes	-	-	-	-	-
Reserved for liability, protection and settlement	-	-	-	1,765,543	1,765,543
Unreserved	(20,552)	4,573,072	27,382	-	4,579,902
Total fund balance	<u>(20,552)</u>	<u>4,573,072</u>	<u>27,382</u>	<u>1,765,543</u>	<u>6,345,445</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 52,870</u>	<u>\$ 4,573,072</u>	<u>\$ 50,611</u>	<u>\$ 2,110,720</u>	<u>\$ 6,787,273</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
Year Ended June 30, 2016

	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection & Settlement Fund	Total Special Revenue Funds
REVENUES					
Local government					
Property taxes	\$ -	\$ -	\$ 35,971	\$ 428,091	\$ 464,062
	<u>-</u>	<u>-</u>	<u>35,971</u>	<u>428,091</u>	<u>464,062</u>
State government sources					
ICCB state grants	208,433	-	-	-	208,433
Other	5,699	-	-	-	5,699
	<u>214,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,132</u>
Federal government sources					
Financial aid	4,359,207	-	-	-	4,359,207
Other	821,158	-	-	-	821,158
	<u>5,180,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,180,365</u>
Investment income	427	39,104	31	14,357	53,919
Other sources	113,235	-	-	6,759	119,994
	<u>5,508,159</u>	<u>39,104</u>	<u>36,002</u>	<u>449,207</u>	<u>6,032,472</u>
EXPENDITURES - EDUCATIONAL AND GENERAL					
Instruction	690,025	-	-	-	690,025
Academic support	-	-	-	-	-
Student services and aids	297,045	-	-	-	297,045
Public service	162,954	-	-	-	162,954
Operating and Maintenance of Plant	-	-	-	445,535	445,535
Institutional support	88,368	-	38,400	601,102	727,870
Scholarships, student grants, and waivers	4,289,498	-	-	-	4,289,498
	<u>5,527,890</u>	<u>-</u>	<u>38,400</u>	<u>1,046,637</u>	<u>6,612,927</u>
Excess (deficiency) of revenues over expenditures	(19,731)	39,104	(2,398)	(597,430)	(580,455)
OTHER FINANCING SOURCES (USES)					
Operating transfers (out)	10,000	(200,000)	-	-	(190,000)
Excess (deficiency) of revenues and other financing sources over expenditures	(9,731)	(160,896)	(2,398)	(597,430)	(770,455)
FUND BALANCE, July 1, 2015	<u>(10,821)</u>	<u>4,733,968</u>	<u>29,780</u>	<u>2,362,973</u>	<u>7,115,900</u>
FUND BALANCE (DEFICIT), June 30, 2016	<u>\$ (20,552)</u>	<u>\$ 4,573,072</u>	<u>\$ 27,382</u>	<u>\$ 1,765,543</u>	<u>\$ 6,345,445</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
RESTRICTED PURPOSES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Budget	Actual	Variance
REVENUES			
State government	\$ 313,970	\$ 214,132	\$ (99,838)
Federal government	5,826,932	5,180,365	(646,567)
Investment income	-	427	427
Other sources	61,768	113,235	51,467
Total revenues	6,202,670	5,508,159	(694,511)
 EXPENDITURES - EDUCATIONAL AND GENERAL			
Instruction	692,618	690,025	2,593
Student services and aids	290,652	297,045	(6,393)
Public service	195,000	162,954	32,046
Institutional support	88,364	88,368	(4)
Scholarships, student grants and waivers	4,987,268	4,289,498	697,770
Total expenditures	6,253,902	5,527,890	726,012
 OTHER FINANCING SOURCES (USES)			
Operating transfers (out)	26,482	10,000	(16,482)
 Excess (deficiency) of revenues over expenditures	 \$ (24,750)	 (9,731)	 15,019
 FUND BALANCE, July 1, 2015		 (10,821)	
 FUND BALANCE (DEFICIT), June 30, 2016		 \$ (20,552)	

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
RESTRICTED PURPOSES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Year ended June 30, 2016

	Fund Balance <u>July 1, 2015</u>	Revenues	Expenditures	Equity Transfers	Fund Balance <u>June 30, 2016</u>
State Government					
CTE Program Improvement Grant	\$ 2,464	\$ -	\$ 2,464	\$ -	\$ -
Adult Ed State Basic	-	121,240	121,240	-	-
Adult Ed Performance	-	87,193	87,193	-	-
NIU-ECE Innovation Grant	-	2,699	2,699	-	-
Early Childhood Grant	-	3,000	3,000	-	-
Total state sources	<u>2,464</u>	<u>214,132</u>	<u>216,596</u>	<u>-</u>	<u>-</u>
Federal Government					
PELL Grant	-	4,176,076	4,176,076	-	-
SEOG grant	-	94,767	94,767	-	-
Federal work-study program	-	88,364	88,364	-	-
Dislocated workers center	475	-	-	-	475
Dislocated workers center	920	-	-	-	920
TRIO/Student Support Services	(742)	283,280	296,645	10,000	(4,107)
Federal adult education grants	-	128,895	128,895	-	-
English Literacy/Civics	-	15,987	15,987	-	-
Carl Perkins Title II-C vocational grant	34,744	176,818	194,940	-	16,622
Early Learning Challenge - Race to the Top	-	5,101	5,101	-	-
Small Business Development Center	(3,126)	80,914	79,329	-	(1,541)
Small Business Jobs Act Grant	2,462	-	(1)	-	2,463
IL Network Area Manufacturers Grant	(54,945)	130,163	75,218	-	-
Total federal sources	<u>(20,212)</u>	<u>5,180,365</u>	<u>5,155,321</u>	<u>10,000</u>	<u>14,832</u>
Other Sources					
Small Business Development Match Funds	(50,601)	33,525	73,683	25,000	(65,759)
Small Business Development Workshops	10,513	4,655	9,942	-	5,226
Inspire Illinois	-	15,000	15,000	-	-
Nursing Hospital Grant	-	36,000	36,000	-	-
Project UNIFY	-	400	400	-	-
Manufacturing Extension Program	24,111	-	-	(24,111)	-
Bridge to Manufacturing	-	5,000	2,289	-	2,711
Tuition Assistance Award	-	18,655	18,655	-	-
Restricted Fund Balance (interest)	22,904	427	4	(889)	22,438
Total other sources	<u>6,927</u>	<u>113,662</u>	<u>155,973</u>	<u>-</u>	<u>(35,384)</u>
	<u>\$ (10,821)</u>	<u>\$ 5,508,159</u>	<u>\$ 5,527,890</u>	<u>\$ 10,000</u>	<u>\$ (20,552)</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
WORKING CASH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Budget	Actual	Variance
REVENUES			
Investment income	\$ 20,000	\$ 39,104	\$ 19,104
Other	-	-	-
Total revenues	20,000	39,104	19,104
 EXPENDITURES - EDUCATIONAL AND GENERAL			
Institutional support	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	20,000	39,104	19,104
 OTHER FINANCING USES			
Operating transfers (out)	(70,000)	(200,000)	(130,000)
Excess of revenues over expenditures and other financing uses	\$ (50,000)	(160,896)	\$ (110,896)
FUND BALANCE, July 1, 2015		4,733,968	
FUND BALANCE, June 30, 2016		\$ 4,573,072	

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
AUDIT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Budget	Actual	Variance
REVENUES			
Local government			
Property tax	\$ 37,708	\$ 35,971	\$ (1,737)
Investment income	250	31	(219)
Total revenues	37,958	36,002	(1,956)
EXPENDITURES - EDUCATIONAL AND GENERAL			
General institutional support	35,000	38,400	(3,400)
Total expenditures	35,000	38,400	(3,400)
Excess (deficiency) of revenues over expenditures	\$ 2,958	(2,398)	\$ (5,356)
FUND BALANCE, July 1, 2015		29,780	
FUND BALANCE, June 30, 2016		\$ 27,382	

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
LIABILITY, PROTECTION AND SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Budget	Actual	Variance
REVENUES			
Local government revenue			
Property taxes	\$ 270,255	\$ 428,091	\$ 157,836
Investment revenue	5,000	14,357	9,357
Other	-	6,759	6,759
Total revenues	275,255	449,207	173,952
 EXPENDITURES - EDUCATION AND GENERAL			
Operation and Maintenance of Plant	357,930	445,535	(87,605)
Institutional support	646,013	601,102	44,911
Total expenditures	1,003,943	1,046,637	(42,694)
 Excess (deficiency) of revenues over expenditures	 \$ (728,688)	 (597,430)	 \$ 131,258
 FUND BALANCE, July 1, 2015		 2,362,973	
 FUND BALANCE, June 30, 2016		 \$ 1,765,543	

DEBT SERVICE FUND

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
DEBT SERVICE FUND
BALANCE SHEET
June 30, 2016

		<u>Bond and Interest Fund</u>
ASSETS		
Cash and cash equivalents	\$	174,744
Investments		633,972
Receivables		
Property taxes		266,083
Accrued revenue		-
		-
TOTAL ASSETS	\$	<u>1,074,799</u>
LIABILITIES		
Interest payable	\$	552
Deferred revenue		-
Property taxes		133,090
		133,090
Total Liabilities		133,642
FUND BALANCE		
Reserved for Debt Service		941,157
		941,157
TOTAL LIABILITIES AND FUND BALANCE	\$	<u>1,074,799</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Bond and Interest Fund		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Local government revenue			
Local taxes	\$ 1,267,175	\$ 766,417	\$ (500,758)
Other sources			
Investment revenue	<u>1,000</u>	<u>1,942</u>	<u>942</u>
Total revenues	1,268,175	768,359	(499,816)
EXPENDITURES			
Institutional Support			
Fixed charges	500	500	-
Bond principal	1,245,000	1,245,000	-
Interest and fees	<u>22,188</u>	<u>19,594</u>	<u>2,594</u>
Total expenditures	<u>1,267,688</u>	<u>1,265,094</u>	<u>2,594</u>
Excess of revenues over expenditures	487	(496,735)	(502,410)
OTHER FINANCING USES			
Transfer from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 487</u>	(496,735)	<u>\$ (497,222)</u>
FUND BALANCE, July 1, 2015		<u>1,437,892</u>	
FUND BALANCE, June 30, 2016		<u>\$ 941,157</u>	

CAPITAL PROJECTS FUND

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2016

		Operations and Maintenance Fund (Restricted)
ASSETS		
Cash and cash equivalents	\$	112,188
Investments		4,747,643
Receivables		
Property taxes		1,493,152
Governmental claims		337,660
Accrued revenue		-
		-
TOTAL ASSETS	\$	6,690,643
LIABILITIES		
Accounts payable	\$	-
Other liabilities		94,815
Deferred revenue		
Property taxes		746,846
Other liabilities		-
		-
TOTAL LIABILITIES		841,661
FUND BALANCE		
Unreserved		5,848,982
		5,848,982
TOTAL LIABILITIES AND FUND BALANCE	\$	6,690,643
		6,690,643

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Operations and Maintenance Fund (Restricted)		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Local government revenue			
Property taxes	\$ 1,496,428	\$ 1,495,373	\$ (1,055)
State government sources			
Illinois Emergency Management Agency	-	337,660	337,660
Capital Development Board matching contributions	235,000	-	(235,000)
Other sources			
Investment income	3,572	9,851	6,279
Other	-	-	-
	<u>1,735,000</u>	<u>1,842,884</u>	<u>107,884</u>
Total revenues	1,735,000	1,842,884	107,884
EXPENDITURES - EDUCATIONAL AND GENERAL			
Operation and Maintenance of Plant	<u>2,977,071</u>	<u>2,485,326</u>	<u>491,745</u>
Excess (deficiency) of revenues over expenditures	(1,242,071)	(642,442)	599,629
OTHER FINANCING SOURCES			
Operating transfers (out)	-	-	-
Excess of revenues over expenditures and other financing sources	<u>\$ (1,242,071)</u>	(642,442)	<u>\$ 599,629</u>
FUND BALANCE, July 1, 2015		<u>6,491,424</u>	
FUND BALANCE, June 30, 2016		<u>\$ 5,848,982</u>	

PROPRIETARY FUNDS

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
PROPRIETARY FUNDS TYPES
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
BUDGET AND ACTUAL
Year Ended June 30, 2016

	Proprietary Fund Type	
	Enterprise Fund	
	Budget	Actual
OPERATING REVENUES		
Service fees	\$ 2,385,600	\$ 2,086,988
Other revenue	-	5,271
Total operating revenues	<u>2,385,600</u>	<u>2,092,259</u>
OPERATING EXPENSES		
Salaries	339,239	318,734
Employee benefits	89,872	76,597
Contractual services	42,230	37,598
General materials and supplies	1,973,765	1,773,473
Travel and conference/meeting expense	28,430	27,013
Fixed charges	45,150	43,466
Depreciation	5,748	21,910
Other	111,500	106,503
Total operating expenses	<u>2,635,934</u>	<u>2,405,294</u>
Operating (loss)	(250,334)	(313,035)
NONOPERATING REVENUES (EXPENSES)		
Interest expense	-	(1,684)
Investment income	<u>3,000</u>	<u>2,323</u>
LOSS BEFORE OPERATING TRANSFERS	(247,334)	(312,396)
OPERATING TRANSFERS OUT	<u>(475,336)</u>	<u>20,774</u>
NET INCOME (LOSS)	<u>\$ (722,670)</u>	(291,622)
NET POSITION, July 1, 2015		<u>2,351,119</u>
NET POSITION, June 30, 2016		<u>\$ 2,059,497</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
PROPRIETARY FUNDS TYPES
SCHEDULE OF CASH FLOWS
Year Ended June 30, 2016

	Enterprise Fund
OPERATING ACTIVITIES	
Cash receipts from customers	\$ 2,176,856
Cash payments to employees for service	(324,179)
Cash payments to vendors	(1,924,011)
Net cash used in operating activities	(71,334)
NONCAPITAL FINANCING ACTIVITIES	
Transfers in (out)	20,774
Net (increase) / decrease in due from other funds	-
Net cash used in noncapital financing activities	20,774
CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(72,438)
Disposition of capital assets	-
Net cash used in capital and related financing activities	(72,438)
INVESTING ACTIVITIES	
Interest on capital lease	(1,684)
Purchase of investments	(400)
Income from investments	1,754
Principal paid on capital lease	(15,449)
Proceeds from capital leases	72,438
Gifts and contributions	-
Net cash provided by investing activities	56,659
NET INCREASE IN CASH AND CASH EQUIVALENTS	(66,339)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	726,501
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 660,162
Reconciliation of Operating Loss to Net Cash Flows	
Used In Operating Activities	
Operating profit (loss)	\$ (313,035)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation	21,910
Effects of changes in assets and liabilities	
Receivable	84,597
Prepaid expenditures	(32,824)
Inventory	193,476
Accounts payable	(12,049)
Accrued Salaries	(5,445)
Other accruals	(7,964)
Net Cash Used In Operating Activities	\$ (71,334)

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
 PROPRIETARY FUNDS TYPE
 COMBINING BALANCE SHEET
 June 30, 2016

	Early Childhood	Information Technology	Student Technology	Bookstore	Cultural Services	Athletics	Fitness Center Contracts	Copy Center	Farm Plots	Massage Therapy	Auto Shop	Total Enterprise Fund
ASSETS												
Cash and cash equivalents	\$ 1,866	\$ 42,900	\$ 72,456	\$ 468,106	\$ 967	\$ 5,654	\$ 5,296	\$ (29,223)	\$ 22,616	\$ 9,051	\$ 60,473	\$ 660,162
Investments	-	124,000	220,000	124,488	-	-	-	-	-	12,000	-	480,488
Receivables	-	-	-	82,873	-	-	-	-	-	-	-	82,873
Other assets	-	-	-	571	-	-	-	-	-	-	-	571
Inventories	-	-	-	814,524	-	-	-	-	-	-	-	814,524
Prepaid expenditures	-	-	-	60,862	-	-	-	-	-	-	-	60,862
Fixed assets (net of depreciation)	-	-	-	1,255	-	54,637	-	2,994	-	-	-	58,886
TOTAL ASSETS	<u>\$ 1,866</u>	<u>\$ 166,900</u>	<u>\$ 292,456</u>	<u>\$ 1,552,679</u>	<u>\$ 967</u>	<u>\$ 60,291</u>	<u>\$ 5,296</u>	<u>\$ (26,229)</u>	<u>\$ 22,616</u>	<u>\$ 21,051</u>	<u>\$ 60,473</u>	<u>\$ 2,158,366</u>
LIABILITIES												
Accounts payable	\$ -	\$ -	\$ -	\$ 15,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,493
Accrued Salaries	-	-	-	8,287	-	3,302	-	3,165	-	-	-	14,754
Other accruals	-	-	-	11,379	-	-	-	-	-	-	254	11,633
Capital Leases	-	-	-	-	-	56,989	-	-	-	-	-	56,989
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,159</u>	<u>-</u>	<u>60,291</u>	<u>-</u>	<u>3,165</u>	<u>-</u>	<u>-</u>	<u>254</u>	<u>98,869</u>
NET POSITION												
Unreserved	1,866	166,900	292,456	1,517,520	967	-	5,296	(29,394)	22,616	21,051	60,219	2,059,497
Total net position (deficit)	<u>1,866</u>	<u>166,900</u>	<u>292,456</u>	<u>1,517,520</u>	<u>967</u>	<u>-</u>	<u>5,296</u>	<u>(29,394)</u>	<u>22,616</u>	<u>21,051</u>	<u>60,219</u>	<u>2,059,497</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,866</u>	<u>\$ 166,900</u>	<u>\$ 292,456</u>	<u>\$ 1,552,679</u>	<u>\$ 967</u>	<u>\$ 60,291</u>	<u>\$ 5,296</u>	<u>\$ (26,229)</u>	<u>\$ 22,616</u>	<u>\$ 21,051</u>	<u>\$ 60,473</u>	<u>\$ 2,158,366</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
PROPRIETARY FUNDS TYPES
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year Ended June 30, 2016

	Early Childhood	Information Technology	Student Technology	Bookstore	Cultural Services	Athletics	Fitness Center Contracts	Copy Center	Farm Plots	Massage Therapy	Auto Shop	Total Enterprise Fund
OPERATING REVENUES												
Service fees	\$ 61	\$ -	\$ -	\$ 1,926,615	\$ -	\$ 7,533	\$ 2,766	\$ 103,565	\$ -	\$ -	\$ 46,448	\$ 2,086,988
Other	-	-	-	3,781	-	1,490	-	-	-	-	-	5,271
Total operating revenues	<u>61</u>	<u>-</u>	<u>-</u>	<u>1,930,396</u>	<u>-</u>	<u>9,023</u>	<u>2,766</u>	<u>103,565</u>	<u>-</u>	<u>-</u>	<u>46,448</u>	<u>2,092,259</u>
OPERATING EXPENSES - AUXILIARY ENTERPRISES												
Current operations	11	-	-	2,005,892	3,700	217,017	2,737	112,527	-	1,500	40,000	2,383,384
Depreciation	-	-	-	337	357	18,185	-	593	-	-	2,438	21,910
Total operating expenses	<u>11</u>	<u>-</u>	<u>-</u>	<u>2,006,229</u>	<u>4,057</u>	<u>235,202</u>	<u>2,737</u>	<u>113,120</u>	<u>-</u>	<u>1,500</u>	<u>42,438</u>	<u>2,405,294</u>
Operating income (loss)	50	-	-	(75,833)	(4,057)	(226,179)	29	(9,555)	-	(1,500)	4,010	(313,035)
NONOPERATING REVENUES (EXPENSES)												
Interest expense	-	-	-	-	-	(1,684)	-	-	-	-	-	(1,684)
Investment income	-	-	-	2,323	-	-	-	-	-	-	-	2,323
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,323</u>	<u>-</u>	<u>(1,684)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>639</u>
INCOME (LOSS) BEFORE TRANSFERS	50	-	-	(73,510)	(4,057)	(227,863)	29	(9,555)	-	(1,500)	4,010	(312,396)
OPERATING TRANSFERS IN (OUT)	-	-	(40,640)	(167,726)	-	229,140	-	-	-	-	-	20,774
NET INCOME (LOSS)	50	-	(40,640)	(241,236)	(4,057)	1,277	29	(9,555)	-	(1,500)	4,010	(291,622)
NET POSITION												
BEGINNING OF YEAR	<u>1,816</u>	<u>166,900</u>	<u>333,096</u>	<u>1,758,756</u>	<u>5,024</u>	<u>(1,277)</u>	<u>5,267</u>	<u>(19,839)</u>	<u>22,616</u>	<u>22,551</u>	<u>56,209</u>	<u>2,351,119</u>
END OF YEAR	<u>\$ 1,866</u>	<u>\$ 166,900</u>	<u>\$ 292,456</u>	<u>\$ 1,517,520</u>	<u>\$ 967</u>	<u>\$ -</u>	<u>\$ 5,296</u>	<u>\$ (29,394)</u>	<u>\$ 22,616</u>	<u>\$ 21,051</u>	<u>\$ 60,219</u>	<u>\$ 2,059,497</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
RECONCILIATION OF THE COMBINED BALANCE SHEET - ALL FUND TYPES -
TO THE STATEMENT OF NET POSITION
Year Ended June 30, 2016

Fund balances - All fund types	\$ 83,874,244
Summer tuition	153,755
Long-term debt	(265,000)
SURS deferred outflows	<u>51,813</u>
Statement of net position	<u>\$ 83,814,812</u>

RECONCILIATION OF THE COMBINED STATEMENT OF CHANGES IN FUND BALANCES - ALL FUND TYPES
TO THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year Ended June 30, 2016

Net change in fund balance	\$ <u>(3,191,012)</u>
Reduction to revenue for payments made on behalf for SURS	6,460,158
Reduction to expenditures for payments made on behalf for SURS	<u>(6,460,158)</u>
Net effect	-
Internal charges removed for auxiliary revenues	(7,586)
Internal charges removed for auxiliary expenses	<u>7,586</u>
Net effect	-
Reduction in student tuition and fees	3,049,455
Reduction in student services - financial aid	<u>(3,049,455)</u>
Net effect	-
Decrease in student tuition receivable	3,393,282
Decrease in deferred student tuition revenue	<u>(3,393,282)</u>
Net effect	-
Summer tuition	153,755
SURS deferred outflows	51,813
Expenditures for capital assets	2,624,063
Depreciation on capital assets	(2,486,033)
Retirement of indebtedness expenditures	<u>1,245,000</u>
Increase (decrease) in net position	<u>\$ (1,602,414)</u>

FIDUCIARY FUND

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
FIDUCIARY FUND TYPE
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year ended June 30, 2016

	Student Activity Fund				
	Balance July 1, 2015	Additions Sales/Fees	Subtractions Expenditures	Student Activity Fund Transfers	Balance June 30, 2016
ASSETS					
Cash and cash equivalents	\$ 245,801	1,403,679	1,473,322	\$ -	\$ 176,158
Student Grants Receivable	-	642,384	422,928	-	219,456
Student Tuition Receivable	85	11,892	11,977	-	-
Due from other funds	-	12,675	12,675	-	-
TOTAL ASSETS	\$ 245,886	\$ 2,070,630	\$ 1,920,902	\$ -	\$ 395,614
LIABILITIES					
Accounts payable	\$ 7,301	\$ 381,227	\$ 381,664	\$ -	\$ 6,864
Other accrued expenditures	3,499	132,758	134,460	-	1,797
Due to other funds	79,576	1,365,429	1,224,602	-	220,403
Deferred Revenue	-	19,783	-	-	19,783
	90,376	1,899,197	1,740,726	-	248,847
Due to student groups					
General-Standard fees	28,660	138,600	33,561	(115,428)	18,271
Student Activity: Interest	876	51	120	-	807
Organizational Reserve	725	-	-	-	725
ISAC:MAP	-	493,612	493,612	-	-
IL 9/11 Veterans Grant	(3,058)	143,127	143,127	-	(3,058)
Foundation Scholarships	-	248,550	248,550	-	-
Subsidized Loans	-	688,384	688,384	-	-
Unsubsidized Loans	-	488,701	488,701	-	-
Direct Plus Loans	-	2,394	2,394	-	-
Outside Scholarships	-	116,849	116,849	-	-
Scholarships	9,791	-	-	-	9,791
Textbook Buyback Loans	558	-	558	-	-
IV Leader	4,271	-	9,369	5,098	-
SPAMO	7,740	3,157	5,893	2,000	7,004
Criminal Justice	3,203	-	3,102	3,000	3,101
River Currents	(4)	-	1,633	1,637	-
Student Nurses Association	2,184	4,768	12,300	6,500	1,152
Alpha Beta Nu	1,019	630	783	200	1,066
Focus on Fitness	1,553	158	2,943	2,050	818
Phi Theta Kappa	1,657	3,817	12,128	6,654	-
Honors Program	-	155	361	450	244
Student Government Association	(165)	-	1,622	2,020	233
Indefinite Limit	2,837	418	523	750	3,482
Horticulture Club	6,538.00	220.00	1,999.00	(4,759.00)	-
International Society	2,587	-	1,002	-	1,585
American Chemical Society	958	2,610	5,994	3,000	574
Diverse Universe	1,946	79	2,368	2,300	1,957
Human Services Organization	1,565	210	1,416	1,000	1,359
Human Service Honors	611	80	560	400	531
Student Educators	2,265	250	240	300	2,575
Physics Club	176	-	-	(176)	-
Student Veterans	606	-	447	383	542
Student Ambassadors	(386)	-	1,025	1,411	-
Sigma Kappa Delta	1,933	1,664	1,307	200	2,490
(Continued)					-

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
FIDUCIARY FUND TYPE
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year ended June 30, 2016

	Student Activity Fund				
	Balance	Additions	Subtractions	Student Activity	Balance
	July 1, 2015	Sales/Fees	Expenditures	Fund Transfers	June 30, 2016
LIABILITIES (Continued)					
Gay/Straight Alliance	\$ 2,212	\$ 296	\$ 19	\$ 450	\$ 2,939
PSI Beta/Psychology	3,573	-	99	100	3,574
Round Table Gaming Society	634	-	110	150	674
Leaders for Service	1,110	539	475	200	1,374
Information Technology	1,767	-	-	-	1,767
Economics Association	63	-	230	200	33
SAGE	494	-	12	12	494
Chess Club	-	-	45	150	105
Red Cross	200	195	1,044	649	-
Anime Club	722	-	188	200	734
Black Student Association	399	1,347	871	400	1,275
World Languages	1,679	-	-	(1,000)	679
Young Republicans	304	-	163	160	301
College Democrats	809	220	289	300	1,040
Wellness Club	42	-	-	-	42
Sigma Delta Mu	1,631	-	-	(1,000)	631
Automotive Club	-	-	-	250	250
Short Term Loan Base	3,068	12,217	12,217	-	3,068
Employee Cafeteria Plan	2,391	-	-	-	2,391
Athletic Boosters	747	11,228	-	(3,574)	8,401
Leadership Development	866	-	-	-	866
ACT Testing Program	251	-	-	-	251
IVCC River Project	91	202	5	-	288
Library Gift Memorial	16,927	2,045	32	-	18,940
Disc Golf Course	70	200	143	275	402
Women's Basketball	7,475	380	2,174	-	5,681
Unrestricted Gifts	18	-	-	-	18
Baseball	3,441	10,276	8,513	-	5,204
Softball	320	21,171	22,565	1,074	-
Golf	9,847	5,459	2,823	-	12,483
Women's Tennis	226	5,088	7,427	2,113	-
IBOS (Child Care)	508	-	-	-	508
MIMIC	3,462	1,986	1,705	-	3,743
Project Success Leadership	251	3,596	3,789	100	158
Athletic Fundraiser	(3,000.00)	-	-	3,000.00	-
Soccer/Men's	-	250	-	-	250
Soccer/Women's	-	-	46	-	(46)
Volleyball	6,150	4,834	5,014	-	5,970
Men's Tennis	922	10,191	11,500	387	-
Basketball	2,465	4,008	2,113	-	4,360
First Care Plan	-	1,449	1,449	-	-
Support Staff Service Project	400	6,732	5,831	-	1,301
GED Service Project	1,340	-	960	-	380
Family Reading Night	525	-	-	-	525
Women's History Month	464	-	-	-	464
Total Due to Student Groups	155,510	2,442,393	2,374,722	(76,414)	146,767
TOTAL LIABILITIES	\$ 245,886	\$ 4,341,590	\$ 4,115,448	\$ (76,414)	\$ 395,614

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, AND EXTENSIONS

	Tax Levy Year		
	2015	2014	2013
ASSESSED VALUATIONS			
County			
LaSalle	\$ 2,178,150,421	\$ 2,172,165,422	\$ 2,198,407,811
Bureau	480,908,216	476,047,089	477,926,945
DeKalb	1,921,187	1,838,728	1,746,047
Grundy	20,140,050	19,564,743	19,452,681
Lee	45,989,457	46,029,963	44,986,946
Marshall	79,594,741	77,337,212	74,397,767
Putnam	150,006,366	146,079,575	148,183,831
Livingston	55,530,475	55,320,527	55,195,842
	<u>\$ 3,012,240,913</u>	<u>\$ 2,994,383,259</u>	<u>\$ 3,020,297,870</u>
TAX RATES (PER \$100 ASSESSED VALUATION)			
General Fund			
Education Account	0.1300	0.1300	0.1300
Additional tax	0.1263	0.0981	0.0943
Operations and Maintenance Account	0.0400	0.0400	0.0400
Operations and Maintenance Restricted Fund	0.0500	0.0500	0.0493
Bond and Interest	0.0089	0.0423	0.0421
Audit Fund	0.0012	0.0013	0.0012
Social Security	0.0091	0.0090	0.0083
Liability, Protection & Settlement Fund	0.0105	-	-
	<u>0.3760</u>	<u>0.3707</u>	<u>0.3652</u>
TAX EXTENSIONS			
General Fund			
Education Account	\$ 3,915,913	\$ 3,892,698	\$ 3,926,387
Additional tax	3,804,460	2,937,490	2,848,141
Operations and Maintenance Account	1,204,896	1,197,753	1,208,119
Operations and Maintenance Restricted Fund	1,506,120	1,497,192	1,492,027
Bond and Interest Fund	268,692	1,266,555	1,268,456
Audit Fund	35,846	37,729	36,244
Social Security	273,588	270,692	250,685
Liability, Protection and Settlement Fund	317,113	-	-
	<u>\$ 11,326,628</u>	<u>\$ 11,100,109</u>	<u>\$ 11,030,059</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SUMMARY OF TAXES RECEIVABLE, TAX COLLECTIONS, AND LEGAL DEBT MARGIN
Year Ended June 30, 2016

	2015	2014
TAX EXTENSIONS		
General Fund		
Education Account	\$ 3,915,913	\$ 3,892,698
Additional tax	3,804,460	2,937,490
Operations and Maintenance Account	1,204,896	1,197,753
Operations and Maintenance Restricted Fund	1,506,120	1,497,192
Bond and Interest Fund	268,692	1,266,555
Audit Fund	35,846	37,729
Liability, Protection and Settlement Fund	317,113	-
Social Security	273,588	270,692
	<u>\$ 11,326,628</u>	<u>\$ 11,100,109</u>
 ASSESSED VALUATION	<u>\$ 3,012,240,913</u>	<u>\$ 2,994,383,259</u>
 COMBINED RATE	<u>0.3760</u>	<u>0.3707</u>
 TAXES EXTENDED	<u>\$ 11,326,628</u>	<u>\$ 11,100,109</u>
 TAXES COLLECTED TO June 30, 2015	<u>\$ -</u>	<u>\$ 3,816</u>
 TAXES COLLECTED DURING YEAR ENDED JUNE 30, 2016	<u>\$ 4,028</u>	<u>\$ 11,003,035</u>
 PERCENT COLLECTED TO June 30, 2016	<u>0.04%</u>	<u>99.16%</u>
 UNCOLLECTED AT June 30, 2016		
General Fund		
Education Account	\$ 3,891,314	
Additional tax	2,936,445	
Operations and Maintenance Account	1,197,327	
Operations and Maintenance Restricted Fund	1,496,660	
Bond and Interest Fund	1,266,105	
Audit Fund	37,716	
Social Security	497,033	
	<u>\$ 11,322,600</u>	
 Assessed valuation - 2015 levy	<u>\$ 3,012,240,913</u>	
 Debt limit - 2.875% of assessed valuation	\$ 86,601,926	
Bonded indebtedness	265,000	
 Legal debt margin	<u>\$ 86,336,926</u>	

UNIFORM FINANCIAL SCHEDULES

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
UNIFORM FINANCIAL SCHEDULE NO. 1
SCHEDULE OF ALL FUNDS
Year Ended June 30, 2016

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Restricted Fund	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
FUND BALANCE, July 1, 2015	<u>\$ 4,839,886</u>	<u>\$ 2,713,329</u>	<u>\$ 6,491,424</u>	<u>\$ 1,437,892</u>	<u>\$ 2,351,119</u>	<u>\$ (10,821)</u>	<u>\$ 4,733,968</u>	<u>\$ 29,780</u>	<u>\$ 2,362,973</u>	<u>\$ 24,949,550</u>
Revenues										
Local tax revenue	7,200,485	1,196,304	1,495,373	766,417	-	-	-	35,971	428,091	11,122,641
All other local revenue	1,380,488	303,039	-	-	-	-	-	-	-	1,683,527
ICCB grants	611,896	-	-	-	-	208,433	-	-	-	820,329
All other state revenue	-	-	337,660	-	-	5,699	-	-	-	343,359
Federal revenue	6,467	-	-	-	-	5,180,365	-	-	-	5,186,832
Student tuition and fees	7,817,345	558,755	-	-	-	-	-	-	-	8,376,100
All other revenue	430,020	165,599	9,851	1,942	2,094,582	113,662	39,104	31	21,116	2,875,907
Total revenues	<u>17,446,701</u>	<u>2,223,697</u>	<u>1,842,884</u>	<u>768,359</u>	<u>2,094,582</u>	<u>5,508,159</u>	<u>39,104</u>	<u>36,002</u>	<u>449,207</u>	<u>30,408,695</u>
Expenditures										
Instruction	10,917,168	-	-	-	-	690,025	-	-	-	11,607,193
Academic support	1,360,663	-	-	-	-	-	-	-	-	1,360,663
Student services	1,644,357	-	-	-	-	297,045	-	-	-	1,941,402
Public Service/Continuing Education	710,002	-	-	-	-	162,954	-	-	-	872,956
Auxiliary services	-	-	-	-	2,405,294	-	-	-	-	2,405,294
Operation and maintenance of plant	-	2,315,772	2,485,326	-	-	-	-	-	445,535	5,246,633
Institutional support	3,405,205	63,951	-	500	-	88,368	-	38,400	601,102	4,197,526
Scholarships, student grants, and waivers	488,678	-	-	-	-	4,289,498	-	-	-	4,778,176
Debt service										
Principal	-	-	-	1,245,000	-	-	-	-	-	1,245,000
Interest	-	-	-	19,594	1,684	-	-	-	-	21,278
Total expenditures	<u>18,526,073</u>	<u>2,379,723</u>	<u>2,485,326</u>	<u>1,265,094</u>	<u>2,406,978</u>	<u>5,527,890</u>	<u>-</u>	<u>38,400</u>	<u>1,046,637</u>	<u>33,676,121</u>
Net transfers	<u>245,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,774</u>	<u>10,000</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>76,414</u>
FUND BALANCE, June 30, 2016	<u>\$ 4,006,154</u>	<u>\$ 2,557,303</u>	<u>\$ 5,848,982</u>	<u>\$ 941,157</u>	<u>\$ 2,059,497</u>	<u>\$ (20,552)</u>	<u>\$ 4,573,072</u>	<u>\$ 27,382</u>	<u>\$ 1,765,543</u>	<u>\$ 21,758,538</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
UNIFORM FINANCIAL SCHEDULE NO. 2
SCHEDULE OF CHANGES IN CAPITAL ASSETS AND GENERAL LONG-TERM DEBT
Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions/</u> <u>Accretion</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
FIXED ASSETS				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Site improvements	8,035,437	124,070	-	8,159,507
Buildings	71,180,598	2,737,129	-	73,917,727
Buildings - Construction in Process	732,549	250,751	(732,549)	250,751
Equipment	5,241,395	64,517	-	5,305,912
Equipment - Construction in Process	-	-	-	-
Proprietary equipment	7,077,209	72,438	(5,009)	7,144,638
Technology	2,673,526	180,145	-	2,853,671
Library	1,288,543	-	-	1,288,543
TOTAL FIXED ASSETS	97,590,855	3,429,050	(737,558)	100,282,347
Accumulated Depreciation	<u>35,604,821</u>	<u>2,507,943</u>	<u>(5,009)</u>	<u>38,107,755</u>
NET FIXED ASSETS	<u>\$ 61,986,034</u>	<u>\$ 921,107</u>	<u>\$ (732,549)</u>	<u>\$ 62,174,592</u>
FIXED DEBT				
Bonds payable	\$ 1,510,000	\$ -	\$ (1,245,000)	\$ 265,000
Capital lease payable	<u>-</u>	<u>72,438</u>	<u>(15,449)</u>	<u>56,989</u>
TOTAL LONG-TERM DEBT	<u>\$ 1,510,000</u>	<u>\$ 72,438</u>	<u>\$ (1,260,449)</u>	<u>\$ 321,989</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
UNIFORM FINANCIAL SCHEDULE NO. 3
SCHEDULE OF OPERATING FUND REVENUES AND EXPENDITURES
Year Ended June 30, 2016

	Education Fund	Operations and Maintenance Operational Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local government			
Local taxes	\$ 7,200,485	\$ 1,196,304	\$ 8,396,789
Corporate personal property replacement tax	1,001,662	176,764	1,178,426
Chargeback revenue	-	-	-
Other	378,826	126,275	505,101
Total local government	<u>8,580,973</u>	<u>1,499,343</u>	<u>10,080,316</u>
State government			
ICCB credit hour grants	561,896	-	561,896
ICCB equalization grants	50,000	-	50,000
CTE formula grant	-	-	-
Other	-	-	-
Total state government	<u>611,896</u>	<u>-</u>	<u>611,896</u>
Federal Government			
Department of Education	6,467	-	6,467
American Recovery and Reinvestment Act	-	-	-
Total federal government	<u>6,467</u>	<u>-</u>	<u>6,467</u>
Student tuition and fees			
Tuition	7,000,797	558,755	7,559,552
Fees	816,548	-	816,548
Total student tuition and fees	<u>7,817,345</u>	<u>558,755</u>	<u>8,376,100</u>
Other sources			
Sales and service fees	313,184	-	313,184
Facilities revenue	-	158,765	158,765
Investment revenue	5,748	4,581	10,329
Nongovernmental grants	-	-	-
Other	111,088	2,253	113,341
Total other sources	<u>430,020</u>	<u>165,599</u>	<u>595,619</u>
TOTAL REVENUES	17,446,701	2,223,697	19,670,398
Less nonoperating items			
Tuition chargeback revenue	-	-	-
ADJUSTED REVENUES	<u>\$ 17,446,701</u>	<u>\$ 2,223,697</u>	<u>\$ 19,670,398</u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
UNIFORM FINANCIAL SCHEDULE NO. 3
SCHEDULE OF OPERATING FUND REVENUES AND EXPENDITURES (Continued)
Year Ended June 30, 2016

	Education Fund	Operations and Maintenance Operational Fund	Total Operating Funds
OPERATING EXPENDITURES			
By Program			
Instruction	\$ 10,917,168	\$ -	\$ 10,917,168
Academic support	1,360,663	-	1,360,663
Student services and aids	1,644,357	-	1,644,357
Public service	710,002	-	710,002
Operations and maintenance of plant	-	2,315,772	2,315,772
General institutional support	3,405,205	63,951	3,469,156
Scholarships, grants and waivers	488,678	-	488,678
Total expenditures	18,526,073	2,379,723	20,905,796
Operating transfers	(245,640)	-	(245,640)
Total expenditures and transfers	18,280,433	2,379,723	20,660,156
Less non-operating items - tuition chargeback	19,838	-	19,838
ADJUSTED EXPENDITURES	\$ 18,260,595	\$ 2,379,723	\$ 20,640,318
By Object			
Salaries	\$ 12,582,275	\$ 903,956	\$ 13,486,231
Employee benefits	2,575,066	250,466	2,825,532
Contractual services	1,088,167	155,553	1,243,720
General materials and supplies	1,283,706	286,810	1,570,516
Library materials*	99,145	-	99,145
Conference and meeting expenses	121,258	1,797	123,055
Fixed charges	190,841	63,569	254,410
Utilities	38,278	763,977	802,255
Capital outlay	136,368	16,595	152,963
Other	510,114	(63,000)	447,114
Scholarships, grants and waivers*	488,678	-	488,678
Total expenditures	18,526,073	2,379,723	20,905,796
Operating transfers	(245,640)	-	(245,640)
Total expenditures and transfers	18,280,433	2,379,723	20,660,156
Less nonoperating items - tuition chargeback	19,838	-	19,838
ADJUSTED EXPENDITURES	\$ 18,260,595	\$ 2,379,723	\$ 20,640,318

*Non-add line

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
UNIFORM FINANCIAL SCHEDULE NO. 4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
Year Ended June 30, 2016

	<u>Restricted Purposes Fund</u>
REVENUE BY SOURCE	
State government	
Illinois Community College Board	
Career and Technical Education	\$ -
Adult Education	208,433
Other	<u>5,699</u>
Total state government	<u>214,132</u>
Federal government	
Department of Education	4,969,288
Department of Labor	130,163
Small Business Administration	<u>80,914</u>
Total federal government	<u>5,180,365</u>
Other sources	
Other	<u>113,662</u>
Total other sources	<u>113,662</u>
 TOTAL RESTRICTED PURPOSES FUND REVENUES	 <u>\$ 5,508,159</u>
 EXPENDITURES BY PROGRAM	
Instruction	\$ 690,025
Student services	297,045
Public services/continuing education	162,954
Institutional support	88,368
Scholarships, student grants, and waivers	<u>4,289,498</u>
 TOTAL RESTRICTED PURPOSES FUND EXPENDITURES BY PROGRAM	 <u>\$ 5,527,890</u>
 EXPENDITURES BY OBJECT	
Salaries	\$ 829,915
Employee benefits	227,380
Contractual services	30,160
General materials and supplies	71,484
Library materials*	-
Travel and conference/meeting expense	29,520
Fixed charges	-
Utilities	2,442
Capital outlay	40,895
Other	4,296,094
Student grants and scholarships*	<u>4,289,498</u>
 TOTAL RESTRICTED PURPOSES FUND EXPENDITURES BY OBJECT	 <u>\$ 5,527,890</u>

*Non-add line

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
UNIFORM FINANCIAL SCHEDULE NO. 5
CURRENT FUNDS* EXPENDITURES BY ACTIVITY
Year Ended June 30, 2016

INSTRUCTION	
Instructional Programs	\$ 11,607,193
Other	-
Total instruction	<u>11,607,193</u>
ACADEMIC SUPPORT	
Library Center	366,333
Instructional Materials Center	251,945
Academic Computing Support	742,385
Academic Administration and Planning	-
Other	-
Total academic support	<u>1,360,663</u>
STUDENT SERVICES	
Admissions and Records	375,265
Counseling and Career Guidance	1,015,142
Financial Aid Administration	368,367
Social and Cultural Development	17,811
Administration	160,432
Other	4,385
Total student services	<u>1,941,402</u>
PUBLIC SERVICE/CONTINUING EDUCATION	
Community Education	388,072
Customized Training (instructional)	221,426
Professional Development	-
Community Services	162,954
Administration	100,504
Other	-
Total public service/continuing education	<u>872,956</u>
AUXILIARY SERVICES	
<u>2,406,978</u>	
OPERATIONS AND MAINTENANCE OF PLANT	
Maintenance	1,839
Custodial Services	405,150
Grounds	695,105
Campus Security	443,696
Utilities	868,849
Administration	346,668
Total operations and maintenance of plant	<u>2,761,307</u>
INSTITUTIONAL SUPPORT	
Executive Management	625,785
Fiscal Operations	562,068
Community Relations	378,119
Administrative Support Services	273,986
Board of Trustees	15,335
General Institution	1,024,874
Institutional Research	145,716
Administrative Data Processing	1,082,779
Other	88,364
Total institutional support	<u>4,197,026</u>
SCHOLARSHIPS, STUDENT GRANTS, AND WAIVERS	
<u>4,778,176</u>	
TOTAL CURRENT FUNDS EXPENDITURES	
<u>\$ 29,925,701</u>	
*Current Funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection and Settlement; and PBC Operations and Maintenance Funds.	

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF EXPENDITURES FOR STUDENTS
FEDERAL AWARDS PROGRAM
Year Ended June 30, 2016

EXPENDITURES

PELL Grant Program	
Federal award	<u>\$ 4,176,076</u>
Supplemental Educational Opportunity	
Grant program	<u>\$ 94,767</u>
Federal Work-Study Program	<u>\$ 88,364</u>
TOTAL FEDERAL WORK-STUDY PROGRAM	<u>\$ 88,364</u>

CERTIFICATION OF CHARGEBACK REIMBURSEMENT

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
CERTIFICATION OF CHARGEBACK REIMBURSEMENT
(Unaudited)
For Fiscal Year 2017

All fiscal year 2016 noncapital audited operating expenditures
from the following funds:

Education Fund	\$ 18,389,705	
Operations and Maintenance Fund	2,363,128	
Operations and Maintenance Restricted Fund	110,271	
Bond and Interest Fund	1,265,094	
Restricted Purposes Fund	5,486,995	
Audit Fund	38,400	
Liability, Protection and Settlement Fund	991,486	
Auxiliary Enterprises Fund (subsidy only)	<u>-</u>	
Total non-capital expenditures		\$ 28,645,079
Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u>\$ 1,412,821</u>	
Total costs included		\$ <u>30,057,900</u>
Total certified semester credit hours for FY 2016	<u>63,111</u>	
Per capita cost		\$ <u>476.27</u>
All FY 2016 state and federal operating grants for noncapital expenditures, except ICCB grants		\$ <u>-</u>
FY 2016 state and federal grants per semester credit hour		\$ <u>-</u>
District's average ICCB grant rate (excluding equalization grants) for FY2017		\$ <u>-</u>
District's student tuition and fee rate per semester credit hour for FY2017 (Average)		\$ <u>124.00</u>
Chargeback reimbursement per semester credit hour		\$ <u><u>-</u></u>

Approved: Cheryl Rappaport Sept 30, 2016
Chief Fiscal Officer Date

Approved: James W. Conaway 9/30/16
Chief Executive Officer Date

COMPLIANCE SECTION

ICCB STATE GRANT FINANCIAL – COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT ON THE GRANT PROGRAM FINANCIAL STATEMENTS

Board of Directors
Illinois Valley Community College
Illinois Community College District #513
Oglesby, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the State Adult Education and Family Literacy Grants, Career and Technical Education-Program Improvement Grant, and the Student Life Space Grant of Illinois Valley Community College, Illinois Community College District #513 as of and for the year ended June 30, 2016, and the related notes to the ICCB grant program financial statements, as listed in the table of contents.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit also included a review of compliance with the provisions of laws, regulations, contracts, and grants between the College and the State of Illinois and Illinois Community College Board (ICCB).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion, and the College is in compliance with the provisions of laws, contracts, and ICCB policy guidelines for restricted grants.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Adult Education and Family Literacy Grants, Career and Technical Education-Program Improvement Grant, and the Student Life Space Grant of Illinois Valley Community College, Illinois Community College District #513 as of June 30, 2016, and the changes in financial position thereof and for the year ended in accordance with accounting principles generally accepted in the United States of America.

Compliance

In connection with our audit, nothing came to our attention that caused us to believe that Illinois Valley Community College, Illinois Community College #513 failed to materially comply with the provisions of laws, regulations, contracts and grants between Illinois Valley Community College and the State of Illinois and the Illinois Community College Board. However, our audit was not directed primarily toward obtaining knowledge of all such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the College's noncompliance with the above referenced laws, regulations, contracts and grants. We also believe that the College is materially in compliance with the provisions of laws, contracts, and ICCB policy guidelines with respect to restricted grants.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the State Adult Education and Family Literacy Grants, Career and Technical Education-Program Improvement Grant, and the Student Life Space Center Grant and do not purport to, and do not, present fairly the financial position of Illinois Valley Community College, Illinois Community College District #513, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Wipfli LLP

Sterling, Illinois
October 11, 2016

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STATE ADULT EDUCATION AND FAMILY LITERACY GRANT
BALANCE SHEET
June 30, 2016

	State Basic	Performance	Total (Memorandum Only)
ASSETS			
Grants receivable	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCE			
Due to other funds	-	-	-
Fund balance - restricted	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ -	\$ -

See Notes to ICCB Grant Programs Financial Statements.

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STATE ADULT EDUCATION AND FAMILY LITERACY GRANT
COMBINED SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
Year Ended June 30, 2016**

	<u>State Basic</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
REVENUES			
Grant revenue	\$ 121,240	\$ 87,193	\$ 208,433
EXPENDITURES BY PROGRAM			
Instruction	66,631	-	66,631
Social Work Services	15,201	24,500	39,701
Guidance Services	12,183	25,850	38,033
Assistive and Adaptive Equipment	-	-	-
Assessment and Testing	-	-	-
Student Transportation Services	-	-	-
Literacy Services	-	-	-
Child Care Services	-	-	-
	<u>94,015</u>	<u>50,350</u>	<u>144,365</u>
Instructional and Student Services			
Improvement of Instructional Services	-	-	-
General Administration	15,269	10,350	25,619
Operation and Maintenance of Plant Services	-	-	-
Workforce Coordination	-	15,800	15,800
Data and Information Services	11,956	10,693	22,649
Approved Indirect Costs	-	-	-
	<u>27,225</u>	<u>36,843</u>	<u>64,068</u>
Program Support			
TOTAL EXPENDITURES	<u>121,240</u>	<u>87,193</u>	<u>208,433</u>
Excess revenues over expenditures	-	-	-
FUND BALANCE, July 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to ICCB Grant Programs Financial Statements.

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
 STATE ADULT EDUCATION AND FAMILY LITERACY GRANT
 EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANTS ONLY
 Year Ended June 30, 2016**

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$66,631	54.96%
General Administration (15% Maximum Allowed)	\$15,269	12.59%

See Notes to ICCB Grant Programs Financial Statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT
BALANCE SHEET
as of June 30, 2016

ASSETS

Cash	\$ <u> -</u>
------	-----------------------

LIABILITIES AND FUND BALANCE

Fund balance - restricted	\$ <u> -</u>
---------------------------	-----------------------

See Notes to ICCB Grant Programs Financial Statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2016

	Actual
REVENUE	
State sources	\$ -
EXPENDITURES	
Current year's grant	
Salaries	-
Employee benefits	-
Contractual services	-
Materials and supplies	644
Conference and meeting expenses	-
Utilities	-
Capital	1,820
Other	-
Total expenditures	2,464
Excess of revenues over expenditures	(2,464)
FUND BALANCE, July 1, 2015	2,464
FUND BALANCE, June 30, 2016	\$ -

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
STUDENT LIFE SPACE
SPECIAL INITIATIVE GRANT
BALANCE SHEET
June 30, 2016

ASSETS	
Cash	\$ -
LIABILITIES AND FUND BALANCE	
Due to other funds	\$ -
Fund balance - unrestricted	-
TOTAL LIABILITIES AND FUND BALANCE	\$ -

See Notes to ICCB Grant Programs Financial Statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
 STUDENT LIFE SPACE
 SPECIAL INITIATIVE GRANT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 Year Ended June 30, 2016

	Community Instructional Center Project <u>Phase 3</u>
REVENUE	
State sources	\$ <u>-</u>
EXPENDITURES	
Current year's grant	
Salaries	-
Employee benefits	-
Contractual services	-
Materials and supplies	-
Conference and meeting expense	-
Fixed charges	-
Utilities	-
Capital outlay	162,834
Student grants	<u>-</u>
Total expenditures	<u>162,834</u>
Excess of revenue over expenditures	(162,834)
OTHER FINANCING SOURCES (USES)	<u>-</u>
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(162,834)
FUND BALANCE, July 1, 2015	<u>162,834</u>
FUND BALANCE, June 30, 2016	<u>\$ -</u>
ORIGINAL ALLOCATION	<u><u>\$ -</u></u>

See Notes to ICCB Grant Programs Financial Statements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS
NOTES TO ICCB GRANT PROGRAMS FINANCIAL STATEMENTS
Year Ended June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying statements include only those transactions resulting from the Career and Technical Education-Program Improvement, and Adult Education & Family Literacy grants programs. These transactions have been accounted for in a Restricted Purposes Fund.

Basis of Accounting

The statements have been prepared on the modified accrual basis. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2016. Funds obligated prior to June 30 for goods that are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

Fixed Assets

Fixed asset purchases are recorded as capital outlay and not capitalized.

Unrestricted Grants

Base Operating Grants

General operating funds provided to colleges based upon credit enrollment.

Equalization Grants

Grants provided to colleges with less than the statewide average local tax dollars available per full-time equivalent student.

Restricted Grants/Special Initiatives

Career and Technical Education-Program Improvement Grants

Grant funding assists in keeping career and technical programs current and reflective of the highest quality practices in the workplace as necessary to prepare students to be successful in their chosen careers and to provide employers with the well-trained workforce they require. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT NO. 513
ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS
NOTES TO ICCB GRANT PROGRAMS FINANCIAL STATEMENTS
Year Ended June 30, 2016

Student Life Center

This grant provided funds for the renovation of 5,670 sq. ft. to Student Life Center.

Other Grants

These other grants are additional contractual grants provided for special or specific system-related initiatives. These grants are supported by signed contracts between the College and the State of Illinois.

Restricted Adult Education Grants - State

State Basic

A grant awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons age 21 and over or persons under the age of 21 and not otherwise in attendance in public school. Instruction focuses on providing students with knowledge needed to increase their qualifications for employment and their ability to meet their responsibilities as citizens. Instruction may include courses regularly accepted for graduation from elementary or high schools and for Americanization and General Education Development Review classes. Included in this grant are funds for support services, such as student transportation and child care facilities or provision.

Performance

Grant awarded to Adult Education and Family Literacy providers based on performance outcomes.

NOTE 2 - PAYMENTS OF PRIOR YEAR'S ENCUMBRANCES

Payments of prior year's encumbrances for goods paid prior to August 31 are reflected as expenditures during the current fiscal year.



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

Board of Trustees
Illinois Valley Community College
Illinois Community College District #513
Oglesby, Illinois

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Illinois Valley Community College, Illinois Community College District #513 (the College) for the year ended June 30, 2016. The Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed is the responsibility of the College's management. Our responsibility is to express an opinion on the schedule based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the guidelines of the Illinois Community College Board's *Fiscal Management Manual*, and accordingly, including examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the College's compliance with statutory requirements.

In our opinion, the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed presents fairly, in all material respects, the student enrollment and other bases upon which claims are filed and the reconciliation of semester credit hours of Illinois Valley Community College, Illinois Community College District #513 (the College) for the year ended June 30, 2016, in conformity with the Illinois Community College Board's *Fiscal Management Manual*.

Wipfli LLP

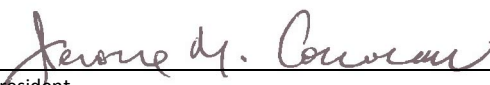
Sterling, Illinois
October 11, 2016


ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT NO. 513
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED
Year Ended June 30, 2016

Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)										
Categories	Summer		Fall		Winter		Spring		(Note 3) TOTAL	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Notes 1 and 2										
Baccalaureate	4,324	0.0	18,743.5	0.0	0.0	0.0	17,832.5	0.0	40,900.0	0.0
Business Occupational	289.0	0.0	1,753.0	0.0	0.0	0.0	1,751.0	0.0	3,793.0	0.0
Technical Occupational	514.0	0.0	3,594.5	0.0	0.0	0.0	3,670.5	0.0	7,779.0	0.0
Health Occupational	730.0	0.0	2,541.5	0.0	0.0	0.0	3,021.5	0.0	6,293.0	0.0
Remedial Development	364.0	0.0	1,701.0	0.0	0.0	0.0	1,052.0	0.0	3,117.0	0.0
Adult Basic/ Secondary Education	0.0	0.0	153.5	477.0	0.0	0.0	88.0	620.0	241.5	1,097.0
TOTAL	6,221	0.0	28,487	477.0	0.0	0.0	27,415.5	620.0	62,123.5	1,097.0

NOTE 1) Unrestricted credit hours are supported with 50% or more of unrestricted sources of funding and are reimbursable if they meet all eligibility requirements.
NOTE 2) Restricted credit hours are supported with more than 50% of restricted sources of funding.
NOTE 3) Total of unrestricted and restricted should equal the SU and SR record totals.

	Attending In-District	Attending Out-of-District on Chargeback or a Cooperative/Contractual Agreement	TOTAL		
Reimbursable Semester Credit Hours (All Terms)	60,725.0	2,404.5	63,129.5		
	<u>Dual Credit</u>		Dual Enrollment		
Reimbursable Semester Credit Hours (All Terms)	5,176.0		936.00		
District Prior Year Equalized Assessed Valuation	\$3,012,240,913				
Correctional Semester Credit Hours by Term					
Categories	Summer	Fall	Winter	Spring	TOTAL
Baccalaureate	0.0	0.0	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0	0.0	0.0
Technical Occupational	0.0	0.0	0.0	0.0	0.0
Health Occupational	0.0	0.0	0.0	0.0	0.0
Remedial Development	0.0	0.0	0.0	0.0	0.0
Adult Basic/ Secondary Education	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0

Signatures: 
 President


 Chief Financial Officer

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT NO. 513
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED (Continued)
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
Year Ended June 30, 2016

Categories	<u>Total Unrestricted Credit Hours</u>	<u>Total Unrestricted Credit Hours Certified to the ICCB</u>	<u>Difference</u>	<u>Total Restricted Credit Hours</u>	<u>Total Restricted Credit Hours Certified to the ICCB</u>	<u>Difference</u>
Baccalaureate	40,900.0	40,900.0	0.0	0.0	0.0	0.0
Business Occupational	3,793.0	3,793.0	0.0	0.0	0.0	0.0
Technical Occupational	7,779.0	7,779.0	0.0	0.0	0.0	0.0
Health Occupational	6,293.0	6,265.0	(28.0)	0.0	0.0	0.0
Remedial Development	3,117.0	3,117.0	0.0	0.0	0.0	0.0
Adult Basic/ Secondary Education	241.5	241.5	0.0	1,097.0	0.0	0.0
TOTAL	62,123.5	62,095.5	(28.0)	1,097.0	1,097.0	0.0

RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS			
	<u>Total Attending (Unrestricted and Restricted)</u>	<u>Total Attending as Certified to the ICCB</u>	<u>Difference</u>
In-District Residents	60,725.0	60,697.0	(28.0)
Out-of-District on Chargeback or Contractual Agreement	2,404.5	2,431.5	27.0

	<u>Total Reimbursable</u>	<u>Total Reimbursable Certified to ICCB</u>	<u>Difference</u>
Dual Credit	5,176.0	5,176.0	0.0
Dual Enrollment	936.0	936.0	0.0

RECONCILIATION OF TOTAL CORRECTIONAL SEMESTER CREDIT HOURS FOR THE YEAR ENDED JUNE 30, 2012			
Categories	<u>Total Correctional Credit Hours</u>	<u>Total Correctional Credit Hours Certified to the ICCB</u>	<u>Difference</u>
Baccalaureate	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0
Technical Occupational	0.0	0.0	0.0
Health Occupational	0.0	0.0	0.0
Remedial Development	0.0	0.0	0.0
Adult Basic/ Secondary Education	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
VERIFICATION OF STUDENT RESIDENCY
Year Ended June 30, 2016

The following procedures detail the process for verifying the residency status of the students of Illinois Valley Community College District No. 513 (College).

Applicants

The residency status on application forms is normally determined by the address entered on the student's application form for admission. If the address is an in-district address, then the student is considered by the College's Department of Admissions and Registration as an in-district student. Likewise, if the address is an out-of-district or out-of-state address, then the student is considered out-of-district or out-of-state.

However, there are some exceptions to the above mentioned procedures. If a student indicates an in-district address on the application form but lists an out-of-district high school and the student is still in high school or a recent high school graduate, or the College receives an out-of-district or out-of-state high school transcript for the student, the student will be considered an out-of-district student unless the student can provide acceptable forms of documentation as proof on in-district status. Documentation can include:

1. A copy of the student's driver's license, voter registration card, property tax statement or other item providing verification of the student's in-district address;
2. An affidavit signed by a staff member from the college who registered the student and who personally evaluated an item (such as one of those identified in #1 above) verifying the student's in-district address;
3. A procedure by which the student certified his/her in-district address along with an indication that appropriate follow-up was pursued by the college to verify the certification (e.g., sending correspondence to the address); and
4. An employer signed affidavit verifying the student works full time at the employer's business location in the college district;
5. College policy regarding students:
 - a. In correctional facilities (county, state, or federal)
 - b. In/on military bases
 - c. Who are not U.S. Citizens
 - d. Individuals attending IVCC on an F-1 visa are charged out-of-state tuition at a rate of \$250.56 per credit hour.
 - e. Who live out-of-district but work in-district
 - f. Attending another post-secondary higher education institution in the district
 - g. Who are athletes

SUPPLEMENTARY FINANCIAL INFORMATION

**ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SUMMARY OF ASSESSED VALUATIONS
MOST RECENT THREE YEARS**

<u>Tax Levy Year</u>	<u>Equalized Assessed Valuation</u>
2015	\$3,012,240,913
2014	2,994,383,259
2013	3,020,297,870

FEDERAL COMPLIANCE AUDIT 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**

To the Board of Trustees
Illinois Valley Community College
Illinois Community College District #513
Oglesby, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities of Illinois Valley Community College, Illinois Community College District #513 (College) as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated October 11, 2016. Our report includes a reference to other auditors who audited the financial statements of Illinois Valley Community College Foundation, as described in our report on the College's financial statements. The financial statements of Illinois Valley Community College Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

Our consideration of the 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. We did identify certain deficiencies in internal control that we consider to be significant deficiencies, which are described in the accompanying schedule of findings and questioned costs as item 2016-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2016-002.

Responses to Findings

The College's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The College's responses were not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Wipfli LLP

Sterling, Illinois
October 11, 2016



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

To the Board of Trustees
Illinois Valley Community College
Illinois Community College District #513
Oglesby, Illinois

Report on Compliance for Each Major Federal Program

We have audited Illinois Valley Community College, Illinois Community College District #513's (College) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the College's compliance.

Opinion

In our opinion, Illinois Valley Community College, Illinois Community College District #513 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Wipfli LLP

Sterling, Illinois
October 11, 2016

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2016

Federal Grantor/State Pass-Through Grantor/Program Title/Grant Name	Federal CFDA Number	Pass Through Grantor's Number	Expenditures
U.S. Department of Education			
Student Financial Aid			
PELL Grant Program	(M) 84.063	N/A	\$ 4,176,076
Supplemental Education Opportunity Grant Program	(M) 84.007	N/A	94,767
Federal Work-Study Program	(M) 84.033	N/A	<u>88,364</u>
Total student financial aid			4,359,207
Direct			
Student Support Services	84.042A	N/A	296,645
Passed through the ICCB			
Federal Adult Education Act			
Title II Basic Education	84.002A	51301	128,895
EL/Civics	84.002A	51301	15,987
Carl Perkins Title IIC			
Vocational Grant Program	84.048	CTE51313	194,940
Passed through IBHE			
Early Learning Challenge - Race to the Top	84.412A	6754	<u>5,101</u>
Total U.S. Department of Education			5,000,775
U.S. Department of Labor			
Trade Adjustment Assistance Community College and Career Training Grant - iNam grant	17.282	TC-23795-12-60-A-17	75,218
Total U.S. Department of Labor			<u>75,218</u>
U.S. Small Business Administration			
Passed through the Illinois Department of Commerce and Economic Opportunity -			
Small Business Development Center	59.037	05-80153	79,328
Total U.S. Small Business Administration			<u>79,328</u>
TOTAL FEDERAL AWARDS			<u><u>\$ 5,155,321</u></u>

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2016

Guaranteed Student Loans:

During the fiscal year ended June 30, 2016, the College made guaranteed student loans to eligible students totaling \$1,179,479 under the following programs:

Stafford Loan Program	(M) 84.268	<u>\$ 1,179,479</u>
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(M) indicates a major federal financial assistance program

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Illinois Valley Community College District No. 513 for the year ended June 30, 2016 and is presented in conformity with generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The statements have been prepared on the modified accrual basis.

NOTE 2 – FEDERAL DIRECT STUDENT LOAN PROGRAM – NONCASH FEDERAL AWARDS

The College's participation in the U.S. Department of Education's Student Financial Assistance Program includes the Stafford Loan Program. Stafford Loans made during the year ended June 30, 2016 totaled \$1,179,479.

NOTE 3 – SUBRECIPIENTS

The College did not award any federal funds to subrecipients during the year ended June 30, 2016.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: 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 section 510(a) of OMB Uniform Guidance? Yes No

Identification of major program:

CFDA Number	Name of Federal Program/Cluster
84.007, 84.033, 84.063, 84.268	Student Financial Aid Cluster

Dollar threshold used to distinguish between type A and type B program: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2016

Finding No. 2016-001 - Fixed Asset Subledger

Criteria – Subledgers should be reconciled to the general ledger on a regular basis.

Condition – Fixed asset subledger and general ledger do not agree .

Cause – Fixed asset transactions were entered into the general ledger but not recorded on the fixed asset subledger.

Effect – Fixed asset subledger and general ledger do not agree and may result in misstated financial statements.

Recommendation – We recommend that management continue to look into the difference between the fixed asset subledger and general ledger and reconcile on a routine basis.

Corrective Action Plan – Management will continue to look into the difference between the fixed asset subledger and the general ledger and reconcile going forward.

Finding No. 2016-002 - Program Improvement Grant Noncompliance with Grand Administration Standards

Criteria - The Grant Administration Standards state that grant funds shall be expended or obligated prior to June 30 each year, the last day of the fiscal year. Goods for which funds have been obligated shall be received and paid for prior to August 31 following the end of the fiscal year for which the funds were appropriated. Funds for services, including salaries and benefits, may not be obligated for services rendered after June 30. Unexpended funds shall be returned to the ICCB by October 15 following the end of the fiscal year.

Condition - During our testing of Career and Technical Education Program Improvement Grant prior year encumbrances, we discovered two prior year encumbrances (totaling \$2,464) that were not paid for before August 31.

Cause – Supplier performance delays led to the late delivery of goods and compliance with the ICCB Administration Standards was overlooked.

Effect - Failure to comply with Grant Administration Standards may result in improper payments that may need to be returned to the ICCB.

Recommendation - We recommend the College review its current procedures to ensure compliance with ICCB requirements and implement additional procedures as necessary.

Corrective Action Plan - The College will review its current procedures and implement additional steps to improve communication among control operators and to ensure compliance with grant requirements.

ILLINOIS VALLEY COMMUNITY COLLEGE DISTRICT No. 513
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2016

FISCAL YEAR 2015 FINDINGS

None

FISCAL YEAR 2014 FINDINGS

Finding No. 2014-001 – Generally Accepted Government Auditing Standards – internal control deficiency

Status: Corrected

The College had adequate personnel to timely follow the account reconciliation procedures and year-end close procedures. There were eight adjusting entries made after the trial balance was submitted to the auditors for FY2015. The information for one entry was not provided by the State of Illinois until August 14, 2015, more than two weeks after the trial balance was submitted. Three entries involved fixed asset construction-in-progress and disposal and three entries involved bookstore inventory valuations.

Finding No. 2014-002 – Generally Accepted Government Auditing Standards – internal control deficiency

Status: Corrected

During FY2015 grant revenues and expenditures were closely monitored.

Finding No. 2014-003 – Generally Accepted Government Auditing Standards – internal control deficiency

Status: Corrected

During FY2015 all contributions were classified appropriately according to donor agreements.

Finding No. 2014-004 – Generally Accepted Government Auditing Standards – internal control deficiency

Status: Corrected

During FY2015 capital expenditures were closely monitored and reconciled on a monthly basis.