

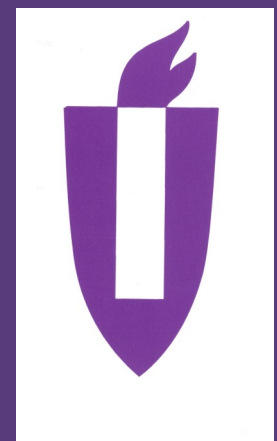
For the Fiscal Year Ending June 30, 2021

Popular Annual

Financial Report

Illinois Valley Community College

District 513



Illinois Valley Community College

MISSION – Illinois Valley Community College provides a high-quality, accessible, and affordable education that inspires individuals and our community to thrive.

VISION – Illinois Valley Community College is the preferred gateway to advance individual and community success.

CORE VALUES

Responsibility – We will follow through on our commitments, welcome constructive assessment and suggestions for improvement. We will meet performance expectations for personal and professional conduct.

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, lifestyles and abilities; and understand that inclusion makes us stronger and able to perform at higher levels.

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**Office of the President
Jerome M. Corcoran, EdD**

I am pleased to present to you the eleventh annual Popular Annual Financial Report (PAFR) of Illinois Valley Community College. This report addresses the College's financial condition for the fiscal year ended June 30, 2021. The PAFR is a summarized version of the College's Annual Comprehensive Financial Report (ACFR). Whereas the ACFR is voluminous and complex, the PAFR presents financial information in a clear and concise format. We believe that integrity and transparency in financial reporting are essential to maintaining trust with our stakeholders.

Our goals for fiscal year 2023 are:

1. Finish carrying out the succession plan.
2. Use good data as a basis for FY 2023 Budget.
3. Finishing transforming the Massage Therapy area into a Dental Hygiene lab.
4. Break ground on Phase 2 of the Agriculture Complex facility.
5. Partner with the high schools on more opportunities for earning college credit by way of both dual enrollment and dual credit.

The on-going challenge is the continuing decline in enrollments. Area demographics play a major role in this decline with decreases in all age categories except those over 60 years of age. IVCC continues to stay focused on its mission: to provide a high-quality, accessible, and affordable education that inspires individuals and our community to thrive.

I am very proud of our dedicated IVCC Business Office staff on the work they have put into preparing the college's eleventh Popular Annual Financial Report and we hope that you will find it to be helpful in reviewing important financial information in an easy-to-read format.

Thank you for your trust in IVCC – where every employee is valued because we all play a role in helping students achieve their academic and career goals.

Respectfully,

Dr. Jerome Corcoran
President



ILLINOIS VALLEY COMMUNITY COLLEGE
DISTRICT 513

Principal Officials

as of July 1, 2021

Members of the Board of Trustees
(with term expiration)



Mr. Everett J. Solon, Chair
(2027)



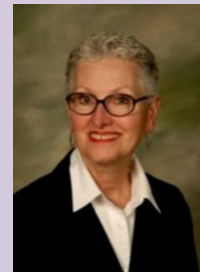
Mr. Jay McCracken, Vice-Chair
(2023)



Ms. Angela Stevenson, Secretary
(2023)



Mr. David O. Mallery
(2023)



Ms. Jane E. Goetz
(2025)



Dr. Amy Boyles
(2025)



Dr. Maureen Rebholz
(2027)



Ms. Madison Miranda
Student Trustee – 2022

Principal Administrative Officials

Dr. Jerome M. Corcoran – *President*

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

Ms. Bonnie Campbell – *Associate Vice President for Academic Affairs*

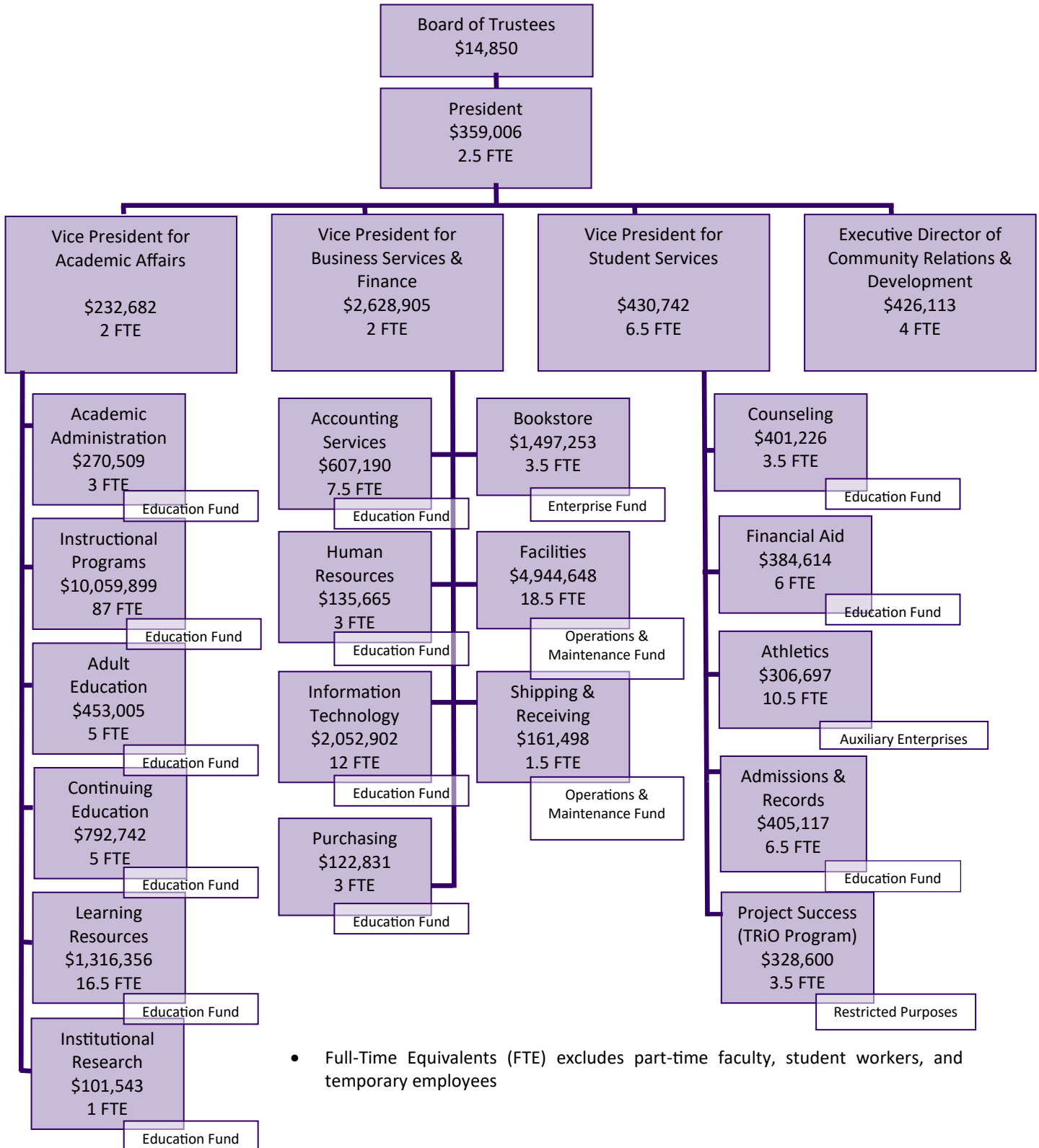
Mr. Mark Grzybowski – *Vice President for Student Services*

Dr. Matt Seaton – *Vice President for Business Services & Finance/Treasurer*

Mr. Fran Brolley – *Executive Director of Community Relations & Development*

Organizational Overview

The administrative direction of Illinois Valley Community College has been delegated by the Board of Trustees to the President and administrative staff. The following chart includes each department budget and number of employees for FY2021:



- Full-Time Equivalents (FTE) excludes part-time faculty, student workers, and temporary employees

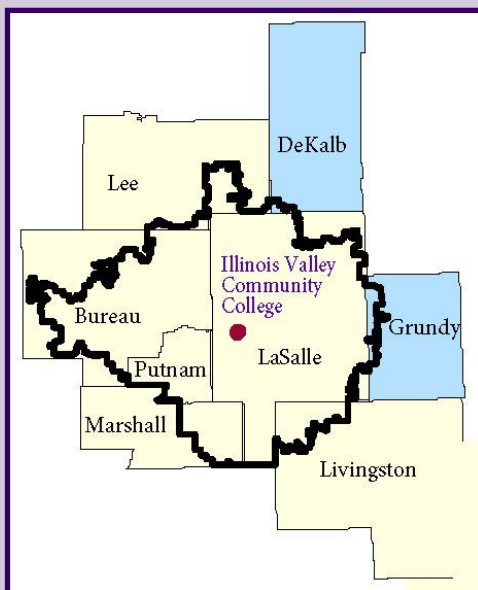
History and Overview of Illinois Valley Community College

IVCC is a two-year institution of higher learning in Oglesby, Illinois - the only institution of higher education physically located within a 50-mile radius, thereby providing the only access to college for many area residents. The college serves a 2,000-square mile district encompassing all of Putnam County and parts of Bureau, LaSalle, DeKalb, Grundy, Lee, Livingston, and Marshall Counties. The college sits on a 425-acre campus that was constructed in 1972 and serves a student body of approximately 4,500 students. The college was accredited by The Higher Learning Commission of the North Central Association of Colleges and Schools in 1929.



In 1965, the Junior College Act was enacted providing the foundation for the present system of public community colleges in Illinois. The local districts were coordinated and regulated by a new Illinois Junior College Board, which in turn reported to the Illinois Board of Higher Education. The act provided for local-state sharing of capital funding, acquisition of sites, and operational funding. On July 1, 1966, the college's name was officially changed to Illinois Valley Community College (IVCC). The relocation of the campus to the present site was made possible due to an \$8.25 million referendum approved by members of District No. 513 to finance the beginning of IVCC. The first courses were held in the new location, in temporary buildings, on September 9, 1968.

In addition to the main campus in Oglesby, the college opened a satellite IVCC Ottawa Center in 2010. The IVCC Ottawa Center is approximately 15 miles from the main campus and more accessible to the eastern portion of the IVCC district. The college also offers day and evening classes at extension sites throughout the district.



IVCC offers a variety of associate degrees and certificates. Associate in Applied Science degrees and program certificates prepare students for employment upon completion of the program. Associate Degrees in Arts, Sciences, Engineering Sciences, and General Studies are available for students wishing to transfer to a four-year institution.

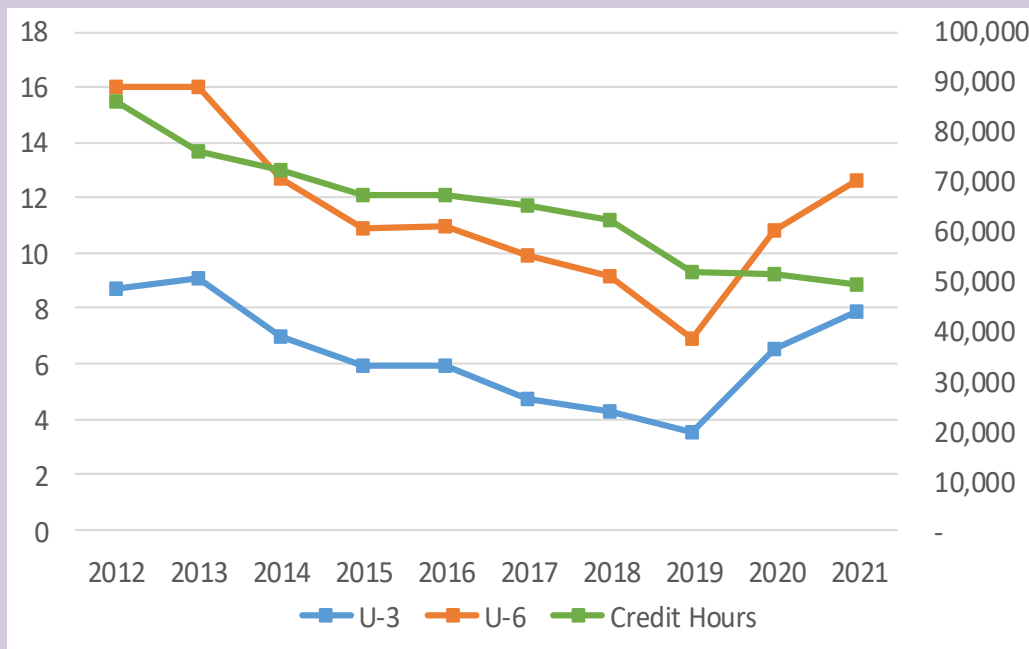
College courses are also accessible to students in a variety of formats, such as self-paced, online, independent study, dual credit/dual enrollment, and blended – a combination of both in-person and online instruction.



Enrollments

IVCC had record enrollments in FY2010 and FY2011, reaching 96,728 credit hours in FY2011. Since that time, enrollments have declined more than 49 percent to 49,153 credit hours.

Historically, there is a correlation between credit hours and unemployment rates. There are six alternative measures of labor utilization published in the Bureau of Labor Statistics monthly reports. The official concept of unemployment as measured by U-3, in the U-1 to U-6 range of alternatives, includes all jobless persons who are available to take a job and have actively sought work in the past four weeks. U-6 is the most broadly defined measure and includes all jobless persons who want and are available to take a job, and had looked for a job sometime in the prior 12 months, plus persons employed part time, working less than 35 hours per week who want to work full time. In 2012, the Illinois statewide average unemployment rates were 8.7 percent for the U-3 rate and 16.0 percent for the U-6 rate. As of June 1, 2021 the statewide U-3 rate was 7.9 percent and the U-6 rate was 12.6 percent. Although unemployment rates increased, the effects of the COVID-19 pandemic resulted in less credit hour generation in 2020 and 2021.



Accomplishments and Initiatives

Illinois Valley Community College is committed to cultivating a positive environment that supports innovation, teamwork, and successful outcomes. The past year has produced a number of successful projects and initiatives.

The FY2022 budget was developed with input from the College's Budget Council. Specific requests from budget officers were evaluated and prioritized based upon the strategic goals and objectives as well as the following five initiatives set forth by the Board of Trustees:

1. Maintain fiscal discipline with adequate reserves.
2. Launch new programs with the same positive results we have experienced with cybersecurity, medical assisting, agriculture, and EMS. Proceed with work on Dental Hygiene and the consortium's Central Illinois Manufacturing Academy.
3. Build upon our high school partnerships with continued growth of College and Career Start opportunities with a goal to increase enrollments.
4. Continue with the succession plan.



Maintain fiscal discipline with adequate reserves

Board Policy 4.9 requires a minimum fund balance in the general (or operating) funds of 25 percent of normal operating expenditures. The fund balance as of June 30, 2021 was 69 percent. With the continued decline in enrollments, the fund balance acts as a contingency if targeted enrollment numbers are not met. The budget is based on receiving \$2,298,271 in State appropriations for the operating fund. The budget also includes a contingency of \$271,188 in the event enrollments fall short of the targeted 47,400 credit hours, or State funding is reduced.

Launch new programs with the same positive results we have experienced with cybersecurity, medical assisting, agriculture, and EMS. Proceed with work on Dental Hygiene and the consortium's Central Illinois Manufacturing Academy



The College committed to construction of a new Dental Laboratory in the amount of \$852,237. This lab will facilitate growth in the Dental Assisting program while allowing the program to grow to begin a Dental Hygiene program beginning in the fall of 2023. The College continues to maintain a collaborative environment with other community colleges in the Central Illinois Manufacturing Academy. Although the group did not receive the funding that was sought during the 2021-2022 academic year, the group is still working together to accomplish many of the original goals set out by the Academy.

Build upon our high school partnerships with continued growth of College and Career Start opportunities with a goal to increase enrollments

The College has taken on multiple measures to increase high school partnerships for the purpose of increasing enrollments. Many of these initiatives stalled during the COVID-19 pandemic for logistical reasons, however, with the College returning to full in-person services in 2021-2022, it is anticipated that these efforts will once again be prioritized.



Between Fall of 2019 and Fall of 2020, dual credit enrollments at the College decreased by 93% due to the COVID-19 pandemic, a drop from 1,702 credit hours to just 107 credit hours. Enrollment in Fall of 2021 is projected to rebound to near pre-pandemic levels.

Continue with the succession plan

In December 2020, the Human Resources Department identified 43 percent of employees, both full- and part-time, as being over 55 years of age. There were 67 full-time employees (41%) over 55 years of age. According to the State Universities Retirement System (SURS), there were 103 full- and part-time employees eligible to retire. This does not mean they will necessarily retire in the next year. In December 2019, there were 48 employees eligible for SURS retirement, but only six retired during the past year. Employees that have met the age and years of service requirements for SURS have been identified on an organizational chart which is used as a tool to identify employees for succession planning. As employees retire, our departments and processes are reviewed for opportunities to restructure and gain efficiencies in our operations. Professional development opportunities are identified to train employees.



Financial Review

The following is an overview of the college's financial operations for the fiscal year ended June 30, 2021 (FY2021). Most of the information contained within this Popular Annual Financial Report (PAFR) is extracted from the financial information contained within the FY2021 Annual Comprehensive Financial Report (ACFR). The ACFR is a more detailed and complete financial presentation prepared in conformance with generally accepted accounting principles (GAAP) and is audited by the college's independent auditors, receiving an unmodified opinion. An unmodified opinion is given when an auditor can state that the financial statements are accurately and fairly presented. The financial information for the college's Foundation, a component unit, is not included within this PAFR. Other than the omission of the component unit and the omission of notes to the financial statement, the financial data in this PAFR conforms with GAAP. The statistical, economic, and demographic data is taken from various sources and is unaudited.

Financial Highlights

Statement of Net Position

The college's financial position in FY2021 continues to remain strong with total assets of \$97.6 million, total liabilities of \$16.4 million, and total net position of \$72.6 million. The following condensed information from the college's Statement of Net Position includes all assets and liabilities of the college:

Net Position as of June 30, 2021 (in millions)

	2021	2020	2019
Current assets	\$38.4	\$30.9	\$31.3
Non-current assets			
Capital assets, net of depreciation	59.1	63.9	62.1
Total assets	97.6	94.9	93.5
Deferred outflows of resources	.6	.6	.4
Total assets and deferred outflows of resources	98.2	95.4	93.9
Current liabilities	4.5	2.6	2.1
Non-current liabilities	11.9	12.4	12.1
Total liabilities	16.4	15.0	14.2
Deferred inflows of resources	9.2	8.5	7.9
Total liabilities and deferred inflows of resources	25.6	23.5	22.1
Net position			
Net investment in capital assets	59.1	59.8	54.9
Restricted-expendable	10.7	11	12
Unrestricted	2.7	1.4	.5
Total net position	\$72.6	\$71.9	\$71.8

Assets

Total assets increased by \$7,473,039, or 24.1 percent, from the previous year. Cash increased by \$3,706,627, offset by a decrease in investments. As interest rates declined, investments were converted to cash. Accounts receivable increased by \$2,518,655, caused partly by the COVID-19 pandemic prompting the college to delay the due date for student tuition payments.

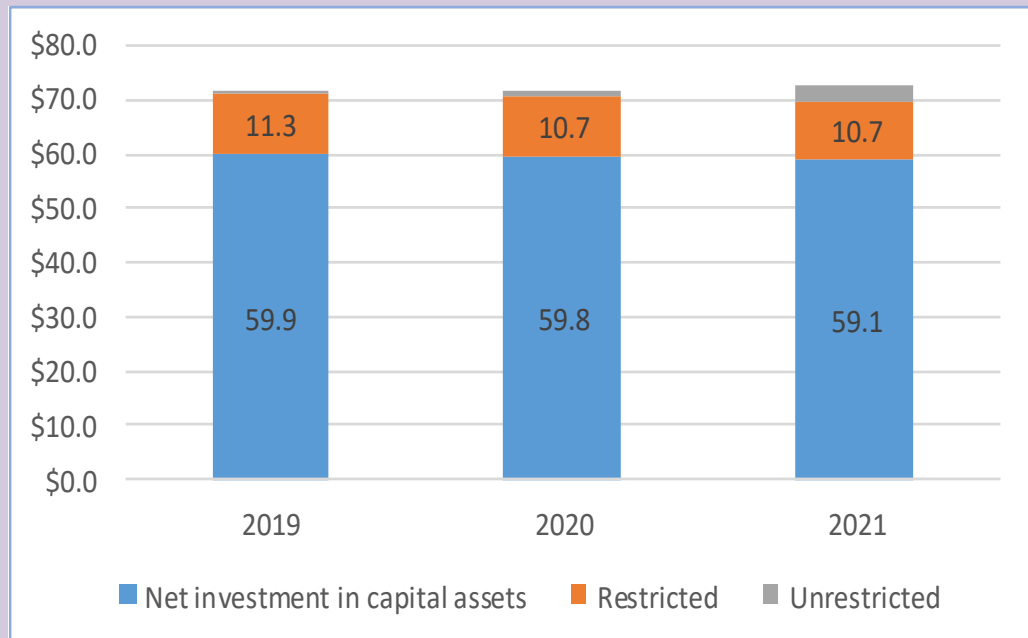
Liabilities

Total liabilities increased by \$1,379,811, or 9.2 percent. OPEB liability decreased by \$333,075 to \$11,799,705. Accounts payable decreased by \$297,375 and other accrued expenses decreased by \$411,507.

Net Position

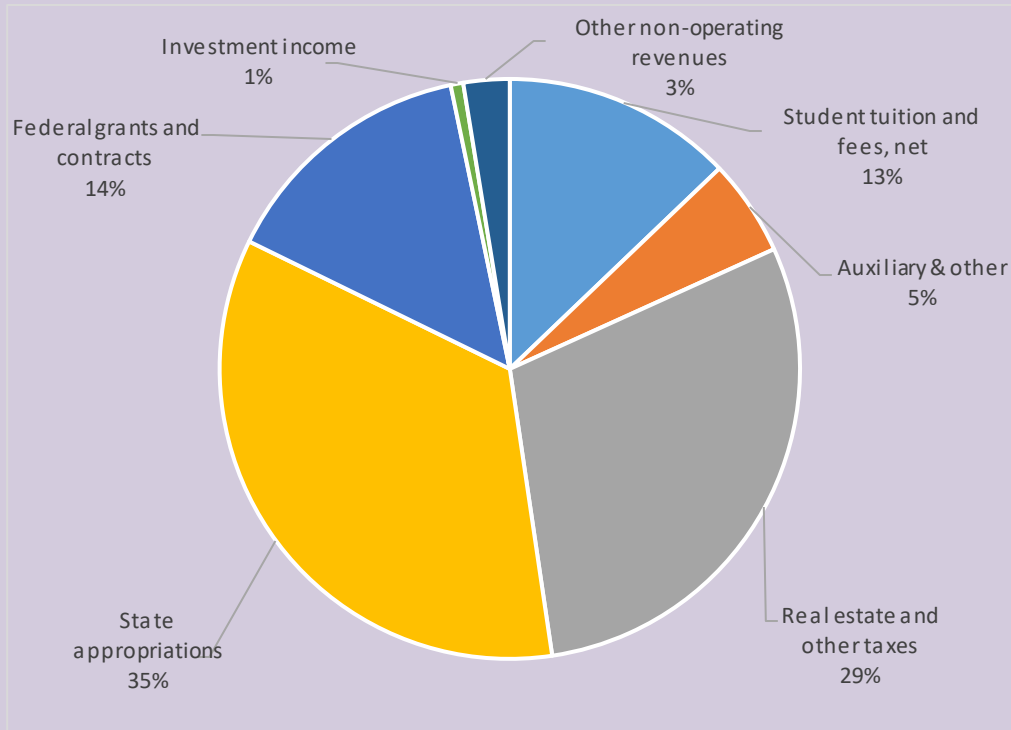
The largest component of net position, \$59.1 million, reflects the college's investment in capital assets (land, buildings, furniture, and equipment). The college uses these capital assets to provide services to residents of the college's district; consequently, these assets are not available for future spending.

Restricted assets represent resources that are subject to restrictions on how they may be spent. Restricted assets totaled \$10.7 million and are committed for capital projects, debt service, and specific instructional programs. The unrestricted portion of net position is \$2.7 million.



Where Does the Money Come From?

Sources of Funds for Fiscal Year 2021 Total Operating and Non-Operating Revenue \$42.8 million



Sources of Funds (in millions)

	2021	2020	2019
Net tuition and fees	\$5.5	\$5.1	\$5.5
Auxiliary & other	2.3	1.8	1.6
State grants & contracts	14.8	13.8	12.5
Federal grants and contracts	6.2	4.5	4.5
Property taxes	12.6	12.7	12.3
Interest income	.3	.4	.5
Other non-operating	1.1	.3	.7
Total	\$42.8	\$38.6	\$37.5

Total revenue for FY2021 increased by \$4,211,286, or 10.9 percent from FY2020.

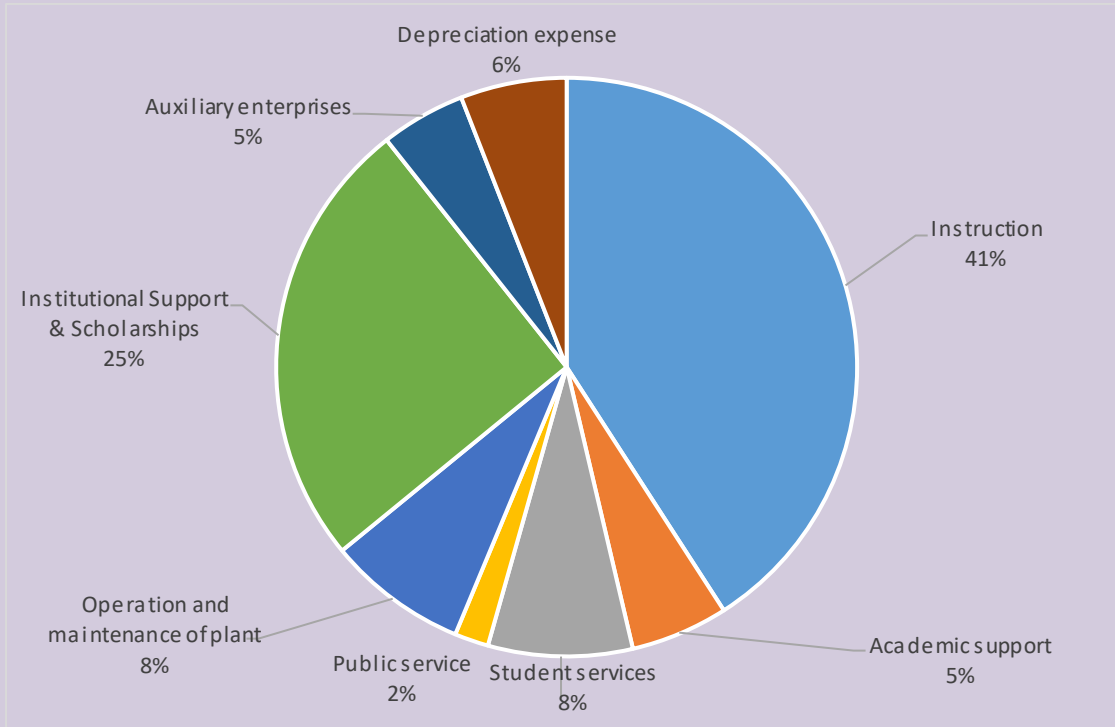


- The State's contributions for SURS (State University Retirement System) and CIP (College Insurance Plan) increased by \$827,125 to \$10,764,419.
- Property tax revenues decreased by \$113,986, or 0.9 percent, the result of a decrease in tax rate for FY2021.
- Net tuition and fees increased by \$402,160, or 7.9 percent. Tuition and fee rates remained the same for the fourth year in a row.
- Auxiliary revenues decreased by \$17,249, or 0.9 percent. The major source of auxiliary revenue is the bookstore. Lower enrollments and the trend toward rental books and e-books has changed the dynamics of the bookstore.
- Gifts in FY2021 included a \$17,150 donation from Ralph Scriba for the Medical Assisting Program and \$32,000 from local hospitals in support of the nursing program.



What is the Money Used For?

Uses of Funds for Fiscal Year 2021 Total Operating and Non-Operating Expenses \$42.3 million



Use of Funds (in millions)

	2021	2020	2019
Instruction	\$17.3	\$16.8	\$16.3
Academic support	2.3	2.2	2.0
Student services	3.4	3.4	3.2
Public service	.8	.9	1.0
Auxiliary	2.0	2.0	2.0
Operations & maintenance	3.3	3.1	3.3
Institutional support & scholarships	10.7	7.4	7.1
Depreciation	2.5	2.7	2.6
Total	\$42.3	\$38.5	\$37.5

Total operating expenses for FY2021 increased by \$3,733,525, or 9.7 percent, from FY2020.

Functional expense categories realized the following changes from FY2020 to FY2021:

- Instructional expenses increased by \$446,171, or 2.6 percent.
- Academic support expenses increased by \$70,922, or 3.2 percent.
- Student services expenses were decreased by \$36,939, or 1.1 percent.
- Institutional support expenses increased by \$338,785, or 5.9 percent.



Public service expenses decreased by \$115,257, or 13.2 percent as enrollments decreased due to the COVID-19 pandemic.

Operations and maintenance expenses increased by \$211,057, or 6.7 percent.

Auxiliary expenses remained nearly the same as FY2020 with a slight decrease of \$17,249, or 0.8 percent.

Scholarships and grants increased significantly by \$2,978,932, or 175.3% percent due to the large influx of Federal and State dollars to support students during the COVID-19 pandemic.

Depreciation expenses decreased by \$142,897, or 5.3 percent.



Statistical Information

Tuition and Fees

Academic Year Beginning in Fall	Tuition and Fees Per Credit Hour	Increase (Decrease) Percent	Illinois Community College Average	Percent of State Average
2012	91.77	9.9%	107.89	85.1%
2013	101.00	10.1%	112.65	89.7%
2014	111.00	9.9%	118.77	93.5%
2015	119.00	7.2%	125.49	94.8%
2016	124.00	4.2%	133.42	92.9%
2017	130.00	4.8%	140.80	92.3%
2018	133.00	2.3%	144.36	92.1%
2019	133.00	0.0%	145.96	91.1%
2020	133.00	0.0%	147.01	90.5%
2021	133.00	0.0%	not yet available	

Student Enrollment Statistics

By Category

Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Baccalaureate	53,353	46,729	45,818	43,350	43,435	42,635	41,319	33,502	33,575	32,486
Business Occupational	5,334	4,790	4,640	4,216	4,110	4,031	3,112	2,205	2,708	2,499
Technical Occupational	10,645	9,263	8,099	7,598	8,117	8,215	7,842	7,333	7,182	7,091
Health Occupational	7,885	7,288	6,912	6,422	6,497	5,938	5,567	5,416	5,641	5,250
Remedial Developmental	6,152	5,352	5,028	4,011	3,558	3,548	2,982	1,873	1,466	1,190
Adult Basic / Secondary Education	2,615	2,634	1,557	1,653	1,339	955	1,236	1,317	945	637
Total Credit Hours	85,984	76,056	72,054	67,249	67,056	65,322	62,058	51,646	51,517	49,153

Enrollments peaked in FY2011 during the Great Recession, followed by sharp declines in FY2012 through FY2021. According to the Illinois Community College Board, statewide enrollments are at their lowest level since FY1986. The low enrollments affect tuition revenues and State funding. The majority of State funding is based on a reimbursement for credit hours with a two-year lag, i.e., FY2021 funding is based on FY2019 credit hours.



**Student Enrollment and Demographic Statistics - 10th day
Fiscal Year 2012 through 2021**

Fall of Fiscal Year	Fall Enrollment				Gender		Attendance		Age
	Head Count	% Change	FTE	% Change	Male	Female	Full-time	Part-time	Avg. Age
2012	4,355	(3.37%)	2,698	(6.64%)	40%	60%	43%	57%	25
2013	3,944	(9.44%)	2,419	(10.34%)	41%	59%	42%	58%	25
2014	3,705	(6.06%)	2,268	(6.24%)	41%	59%	40%	60%	24
2015	3,525	(4.85%)	2,169	(4.37%)	42%	58%	42%	58%	24
2016	3,310	(6.10%)	1,991	(8.21%)	42%	58%	39%	61%	24
2017	3,206	(3.14%)	1,981	(0.50%)	42%	58%	41%	59%	23
2018	3,241	1.09%	1,906	(3.79%)	43%	57%	39%	61%	23
2019	2,958	(8.73%)	1,718	(9.86%)	42%	58%	37%	63%	24
2020	2,841	(3.96%)	1,689	(1.69%)	42%	58%	39%	61%	23
2021	2,415	(14.99%)	1,519	(10.07%)	42%	58%	41%	59%	23
Average:	3,550	(5.96%)	2,036	(6.17%)					



Employee Statistics

Approved Full-Time Employee Headcount					
	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Budgeted
Administrators	15	15	15	17	17
Professional/Technical	32	33	32	31	33
Faculty	75	72	80	79	78
Academic Support	3	3	3	3	3
Support Staff	35	37	34	32	32
Custodial/Maintenance	16	15	16	17	17
Total	176	175	180	179	180

Approved Part-Time Employee Headcount					
	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Budgeted
Professional/Technical	8	10	8	6	7
Faculty	173	168	142	107	107
Support Staff	45	47	60	72	74
Custodial/Maintenance	1	1	1	1	1
Total	227	226	211	186	189

Total Employee Headcount (Full-Time and Part-Time)					
	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Budgeted
Grand Total	403	401	391	365	369

Enrollments also impact employee headcount, particularly in part-time employees. Part-time employees allow for flexibility in scheduling based on student headcount. As positions become vacant for a variety of reasons, our processes are reviewed, looking for more efficient ways to serve our students. In some instances, the positions are not filled thus reducing the headcount.

	FY2013	FY2015	FY2017	FY2019	FY2021
Students per F/T Faculty	49	42	41	41	32
Students per F/T Staff	32	34	32	29	25
Fall student headcount	3,944	3,525	3,206	2,958	2,413
% Tenured Faculty	88%	90%	85%	82%	82%

The College has a tradition of affordability without compromising the quality of education for IVCC students and their families.

Government Finance Officers Association Awards for Financial Reporting

The GFOA presented an **Award for Outstanding Achievement in Popular Annual Financial Reporting** to Illinois Valley Community College for its Popular Annual Financial Report for the fiscal year ending June 30, 2020. This was the tenth year that the college received this prestigious award. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In addition, the GFOA awarded a **Certificate of Achievement for Excellence in Financial Reporting** to Illinois Valley Community College for its **Annual Comprehensive Financial Report** for the fiscal year ended June 30, 2020. The college has received this prestigious award every year since 1994. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal regulations.

The Annual Comprehensive Financial Report and Popular Annual Financial Report are both available on the college's website: www.ivcc.edu/businessservices



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

Illinois Valley Community College

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

GLOSSARY OF TERMS

CURRENT ASSETS

Cash or anything that can be readily converted into cash.

CURRENT LIABILITIES

Debts which are payable within a relatively short period of time, usually no longer than a year.

DEFERRED INFLOWS

Expenses which are not chargeable to the fiscal year in which they are made, but are carried over on the asset side of the balance sheet pending amortization or some other disposition.

DEFERRED OUTFLOW

Monies or entitlements which have been recognized as revenues but have not been received and are therefore not available for use; also considered a liability.

FULL-TIME EQUIVALENT (FTE)

For students, the FTE indicator is the total credit hours (both certificate and degree) generated at the college for the year divided by 30 credit hours. For faculty, the FTE is 30 instructional hour equivalents per year. For classified staff, the FTE is 40 hours of work per week.

NET POSITION

Total assets minus total liabilities.

NET INVESTMENT IN CAPITAL ASSETS

Capital assets, net of accumulated depreciation, reduced by outstanding debt related to the acquisition, construction, or improvement of those assets.

NON-CURRENT ASSETS

Assets which are not easily convertible to cash or not expected to become cash within the next year.

NON-CURRENT LIABILITIES

Obligations that are not required to be satisfied within 12 months of the balance sheet date; also called long-term liability.

