

ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT # 513  
Oglesby, Illinois

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2007

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September 17, 2007

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

We hereby submit the Comprehensive Annual Financial Report (CAFR) of Illinois Valley Community College (IVCC) District 513, Oglesby, Illinois, for the fiscal year ended June 30, 2007.

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 resulting operations of the College as measured by the activity of its various funds. 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.

Management of the College 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 Illinois Public Community College Act requires an annual audit by independent certified public accountants selected by the Board of Trustees. The accounting firm of Gordon, Stockman & Waugh, P.C. was selected for this purpose. The auditors' opinion is unqualified. Tests are made 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, 2007, provided no instance of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

The CAFR is divided into four sections: introductory, financial, statistical, and compliance. The introductory section includes this letter, the College's organizational chart, and a listing of its principal officials. The financial section includes Management's Discussion and Analysis, the general-purpose financial statements, the individual fund financial statements and schedules, and the auditors' report on these statements and schedules. The statistical section includes selected unaudited financial and demographic information that is generally presented on a multi-year basis. The compliance section includes financial statements required for various state grants received from the Illinois Community College Board and the auditors' reports on these statements. The College is required to undergo an annual single audit in conformity with the provisions of 1996 Amendments to the Single Audit Act and

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings, and recommendations, and the auditors' report on the internal control structure and compliance with applicable laws and regulations are also included in the compliance section of this report.

## Profile of the College

### General Information

This report includes all funds and account groups of the College. Based on criteria of GASB Statement No. 39, the Illinois Valley Community College Foundation is a component unit of the District and is discretely presented in the District's financial statements to emphasize its status as a legally separate entity. The College was established in 1924 and is a comprehensive two-year public community college serving the residents of all or parts of eight counties in North-Central Illinois. Since 1965, the Illinois Community College Board (ICCB) has been the state's coordinating agency for community colleges. The ICCB promotes cooperation within the system and accommodates statewide initiatives considered appropriate for community colleges. The College offers a variety of programs and services. The College's purposes are as follow:

- The successful completion of courses and degrees required for effective transfer to baccalaureate degree programs;
- Occupational/technical courses, certificates and degrees leading directly to successful employment or transfer to baccalaureate degree programs;
- Courses and academic support services designed to prepare students to succeed in college-level coursework;
- Continuing education courses and community activities that encourage lifelong learning and contribute to the growth and enrichment of students in our community;
- Student support services to assist in developing personal, social, academic and career goals; and,
- Academic and student support programs designed to supplement and enhance teaching and learning.

### Enrollments

After three years of near-record enrollments from fiscal year 2004 to fiscal year 2006, credit hours dropped by approximately four percent in fiscal year 2007; yet, credit hour projections for fiscal year 2008 suggest a modest increase. According to CCbenefits, Inc., the overall population of the eight-county area which makes up Illinois Valley Community College District No. 513 will increase by four percent from 2005 to 2010. However, the 15-19 years age group will drop by six percent, affecting the number of high school graduates available to enroll at IVCC. The population of the 20-24 years age group will increase by one percent, and the 25-29 years age group will increase by 13 percent.

The average student is 26 years of age. The ethnic breakdown includes 83 percent White Non-Hispanic, 7 percent Hispanic, and 4 percent Black Non-Hispanic with the remaining 6 percent either other minorities or non-responsive to a self-identification survey question.



The following table illustrates unduplicated headcount enrollments and reimbursable credit hours over the last five fiscal years.

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Enrollment	7,476	7,350	7,711	7,829	7,451
Credit Hours	77,887	80,793	82,938	83,551	80,036

The College has the resources necessary to serve the current student enrollment.

### Budget Development and Management

Annually, in October, the administration presents a five-year financial forecast report to the Board of Trustees. This plan provides a context for short term (one-year) budgeting decisions.

In January, the administration’s budget council – consisting of the Vice President for Business Services and Finance/Treasurer, Vice President for Academic Affairs, Vice President for Student Services, Director of Continuing Education, Associate Vice President for Career Education and the Controller – meet to establish overall budgetary guidelines. Budget worksheets with instructions are then distributed to departmental budget officers who are responsible for developing each department’s annual operating budget. The administration’s practice has been to budget revenues conservatively and expenditures based on both departmental requests and inflationary projections. A tentative budget is presented to the Board of Trustees in July with formal adoption in August, following a public budget hearing.

The College maintains appropriate budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College’s Board of Trustees. Activities of the funds are included in the annual appropriated budget. The level of budgetary control is established at the function level within the individual fund. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end; however, encumbrances generally are reauthorized as part of the following year’s budget.

Budget managers have on-line inquiry access to the College financial system and budgetary management reports. On a quarterly basis, the budget managers are asked to identify and explain any budget variances of more than 10 percent per line item. Monthly financial statements are presented to the Board of Trustees, which includes listings of all bills paid during the month, a Treasurer’s Report, and a Revenue and Expenditure Summary, each by fund.

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

### Economic Condition and Outlook

The College is located approximately 100 miles southwest of Chicago, Illinois. The district is 2,058 square miles-wide serving a population of approximately 148,000 from all or parts of the following eight counties: La Salle, Bureau, Putnam, Livingston, Lee, Grundy, Marshall, and DeKalb. The area surrounding the campus – located near the intersection of Interstates 39 and 80 – is progressive and expanding.

The local property tax base increased from tax year 2005 to tax year 2006 by 6.2 percent to an equalized assessed valuation (EAV) of \$2,551,819,980. This was a substantial increase in EAV since the 10-year average has been approximately 2.8 percent annually, with an actual decline in tax year 2004. The 2004 decline was due to an agreement between Exelon – the largest taxpayer in the district – and the taxing bodies whereby the EAV of the nuclear power plant’s real property would remain at \$235,000,000 for four years, until December 31, 2008.

The current tax base of the district is diversified: 55 percent residential, 16 percent industrial, 15 percent farm, 13 percent commercial, and 1 percent other. One year ago, it was 54 percent residential, 16 percent industrial, 16 percent farm, 13 percent commercial and 1 percent other. Tax caps could restrict the College in the future. Before tax caps can be initiated, all eight counties must put the proposition to a vote with the majority (La Salle County) passing it. In November 1998, the voters of La Salle County voted down tax caps; however, the issue can be placed on the ballot at any time in the future. The earliest tax caps could take effect would be tax year 2008, payable in 2009.

The statewide unemployment rate as of December 31, 2006, was 4.5 percent compared to 5.7 percent one year ago. The counties of La Salle, Bureau, and Putnam make up 94 percent of the district. In La Salle County, the unemployment rate dropped from 6.2 percent to 5.3 percent over the last year; Bureau County dropped from 5.0 percent to 4.4 percent; and Putnam County dropped from 5.6 percent to 5.0 percent.

The district’s largest county (in fact, the second largest county in the state), La Salle County, is quickly becoming 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. In fiscal year 2007, 10 intergovernmental agreements were approved by the College’s Board of Trustees.

One of the goals identified by the Illinois Board of Higher Education in its *Illinois Commitment* is that “No Illinois citizen will be denied an opportunity for a college education because of financial need.” 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, yet, mindful of that fact that in order to qualify for equalization funding – grants provided to community colleges with less than the statewide average local tax dollars available per full-time equivalent student – the district’s combined tuition and universal fee rate must be at least 85 percent of the state’s community college average.

The local decision to join the Community College Insurance Cooperative in fiscal year 2003 for health insurance continues to be a wise move. By having a seat on the board of directors and implementing risk-prevention strategies that stress wellness, the College has been able to control the cost of insurance premiums. In fiscal year 2007 premiums rose by only two percent and for fiscal year 2008 there was no increase.

A task force made up of a cross-section of staff worked with a compensation consultant on reviewing the Board’s wage and benefits program for staff not affected by a labor agreement. The goal of the project was to ensure that College employees are offered compensation that is both internally equitable and externally competitive. The work of the task force resulted in a number of employees receiving pay adjustments beyond the general increase, as well as regular part-time support staff receiving both paid time off and holiday pay.

### Debt Administration

The College had general bonded debt of \$5,481,520 as of June 30, 2007 as a result of the Series 1999 Community College Bonds. Bonded debt per capita was approximately \$37 at June 30, 2007. Please refer to Note 4 of the basic financial statements for further information on the long-term debt of the College.

### Cash Management

For the purpose of overall investment of excess funds, the College is governed by the Illinois Public College Act and the statutes governing investment of public funds of the Illinois Compiled Statutes (30ILCS 235/1 et. seq.). The fiduciary responsibility for said investments is entrusted to the IVCC Board of Trustees. In keeping with existing board policy, all investments of excess funds are made in a prudent, conservative, and secure manner and in accordance with the guidelines detailed in the College's investment policy. The Board of Trustees approves designation of depositories of College funds every four years.

### Risk Management

The College is covered by workers' compensation insurance at \$1,000,000 each accident and \$1,000,000 each employee. The College's property is insured with a 90 percent co-insurance limit of \$62,370,464. The College has other insurance coverage to safeguard the assets of the College, including general liability of \$2,000,000; auto liability of \$1,000,000; treasurer's surety bond of \$12,942,000; and umbrella coverage of \$10,000,000. In addition, the College maintains surety bonds in amounts sufficient to cover the current bonded debt amounts. The College maintains an aggressive risk-management program to identify and correct conditions that may prove to be detrimental to the safety of the campus.

### Pension Benefits and Post-Employment Benefits

The College contributes to the State Universities Retirement System of Illinois (SURS), a cost sharing multiple-employer defined benefit pension plan with a special funding situation whereby the State of Illinois 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 the 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 Section 5/15, Chapter 40, of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by contacting SURS at 1901 Fox Drive, Champaign, IL 61820, or by calling 1-800-275-7877.

Plan members are required to contribute 8.0 percent of their annual covered salary and substantially all employer contributions are made by the State of Illinois on behalf of the individual employers at an actuarially determined rate. The current rate is 10.61 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. The employer contributions made by the state on-behalf of the College to SURS for the years ending June 30, 2007, 2006, and 2005 were \$885,395, \$553,752, and \$941,090, respectively.

In addition to providing pension benefits, the College has elected to provide certain health care benefits for retirees. Retiree participants electing those benefits are required to contribute monthly amounts, depending on the level of coverage desired. The cost of retiree health care benefits is recognized as an

expenditure as premiums are paid. For the fiscal year, those costs were \$83,705. The number of retiree participants was 12 at June 30, 2007. The contributions made by retiree participants totaled \$84,462. The College also provides an opportunity for retirees 65 years of age and older to participate in the group health insurance program; however, these retiree participants pay their entire premium with no cost to the College.

## Strategic Planning

The College has initiated a comprehensive strategic planning process that is based on the principles of (1) continuous quality improvement, (2) data-based decision making, (3) the integration of system-wide planning into the budget development process, and (4) establishing measures of institutional effectiveness. As a result, strategic planning at IVCC is now a three-year process with annual input into the operating budget.

A Strategic Leadership and Planning Council was appointed by the president in 2005 with campus-wide representation. That same year, the College engaged in an in-depth environmental scan, which resulted in identification of trends and related implications affecting the College and the community. The College's strategic goals and objectives follow.

### Strategic Goals

1. Enable all students to identify and achieve their educational and career goals.
2. Promote the value of higher education.
3. Grow and nurture college resources.
4. Determine and respond to technological needs.
5. Promote understanding of diverse cultures and beliefs.

### Strategic Objectives

1. Provide earlier and broader assessment of student readiness for college.
2. Increase market penetration by developing an outcome-oriented brand and strategically-coordinated campaign.
3. Improve customer service across the College.
4. Enhance employees' ability to access key information for improved decision-making.
5. Provide the community with a broad selection of cultural events.

The College's master plan was updated in fiscal year 2006, and a number of projects await state financial support before moving forward. A summary regarding the scope of each project follows.

### Community Instructional Center

The Community Instructional Center (CIC) will serve as the new entrance to the college. It will include a one-stop student center (enrollment management services, computer resource room, student lounge space, student dining, and the bookstore), and space for continuing education (meeting rooms, classroom/seminar rooms, corporate dining), small business development center, Cultural Centre (art gallery and black box theatre), academic and department offices. The total completed project cost is planned at approximately \$19.8 million and will require a \$4.9 million local match. It is No. 12 on the state's approved capital list.

### Renovations to Buildings B, C and D

Once the CIC is built, renovations to three buildings will occur. Specific programs to be impacted include science labs; the fine arts lab; the center for excellence in teaching, learning and assessment; student activities; an academic computer lab; Dislocated Workers Center; tutoring; math and reading labs, health careers labs; and adjunct faculty offices. The total completed project cost is planned at approximately \$10.1 million and will require a local match of \$2.5 million. It is No. 23 on the state's approved capital list.

### Additions and Renovations to Buildings C and G

This new proposed project expands Jacobs Memorial Library; relocates the daycare center, early childhood education center, and the massage therapy program from temporary buildings on the east campus to the core campus; expands the fitness center; and creates a multipurpose room for continuing education programs. The total completed project cost is planned at approximately \$14.2 million and will require a \$3.6 million local match. If approved by the ICCB, the best we could hope for would be for this project to be placed at No. 57 on the state's approved capital list.

### Technology and Workforce Development Center

The proposed new technology and workforce development center calls for the relocation of many technical programs (computer numerical control, industrial maintenance, industrial electricity, electronics, manufacturing, HVAC, horticulture, warehousing/logistics) to a central and permanent facility, as well as a new setting for the adult education program. The total cost for the facility will be at least \$12 million and will require a \$4.5 million local match. An additional \$2 million could be needed for site work and related east campus improvements. This project is on the state's unpublished list of colleges needing temporary building replacement funds. However, indications are that once the governor and General Assembly resume approving capital budgets, funds for the replacement of temporary facilities will become a statewide priority.

### Truck Driver Training Program Improvements

The Illinois Community College Board approved a \$1 million plan submitted in fiscal year 2006, which called for the repair and replacement of roads and paving to support the truck driver training program. Approximately \$200,000 of local funds will be needed for a 600-square foot building to provide restrooms and an observation area. It is anticipated that this project will receive state funding in fiscal year 2008.

All of the projects identified above will require a local match of at least 25 percent of the cost of the project before receiving any state assistance. At present, \$5.8 million is set aside for capital projects and, if necessary, \$8.3 million in unrestricted net assets is also available.

## Accreditation

In 1998 the College was granted 10-year accreditation (to 2008) by the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools. The Academic Quality Improvement Project (AQIP) is an alternative to traditional accreditation offered by the HLC for colleges interested in an accreditation process based on continuous quality improvement (CQI). The College applied for AQIP status in 2002 and was accepted and granted accreditation until 2010. The accreditation process requires institutions to conduct continuous self-review based on approved action projects that are reported

annually, and a systems portfolio that is appraised every three years. Following are the College's action projects:

1. Create a system for institutional planning based on continuous quality improvement principles and data-based decision-making.
2. Identify needs and perceptions of students and other stakeholders.
3. Redesign and improve the pre-application and intake enrollment system.

### 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 2006.

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.

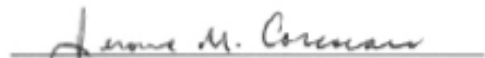
We wish to thank the College's Board of Trustees for their interest and support in conducting the financial operations of the College to the degree of "excellence" necessary for continuance of operation of the College in a responsible and progressive manner.

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. We would also like to thank students in the College's Graphic Design program for the design of the report's cover as well as Horticultural Program students for providing the beautiful planters that grace the front door of the College as shown on the cover of this report.

Respectfully submitted,



Dr. David J. Louis  
President



Dr. Jerome M. Corcoran  
Vice President for Business Services  
and Finance / Treasurer

# 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, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



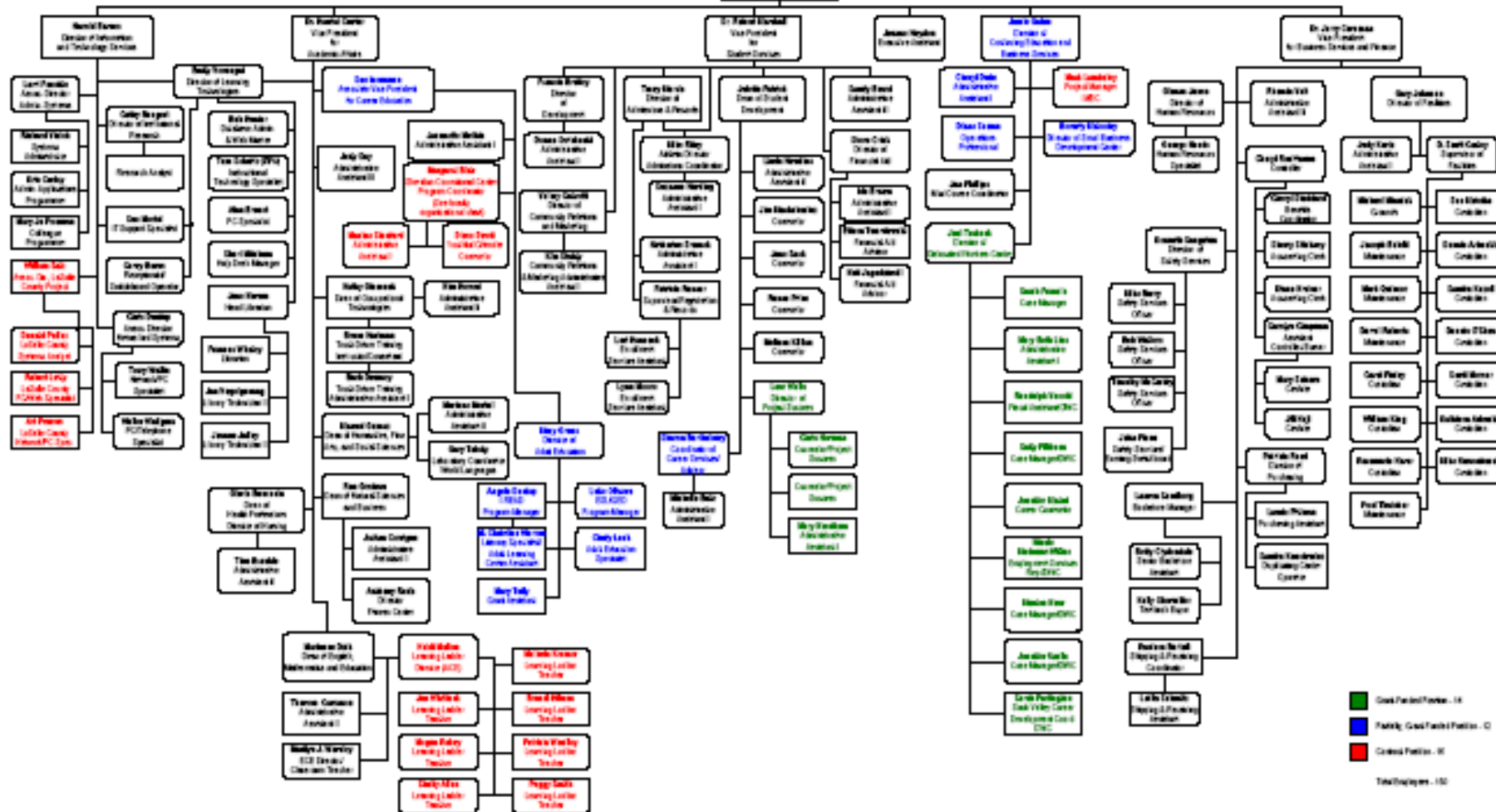
President

Executive Director

# ILLINOIS VALLEY COMMUNITY COLLEGE

BOARD OF TRUSTEES

Dr. Larry D. Hoffman  
President





**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513**

**Principal Officials**

**Board of Trustees**

		<u>Term Expires</u>
Mr. David L. Wilcoxson	Board Chair	2009
Mr. Dennis N. Thompson	Vice Chair	2013
Dr. Lori E. Scroggs	Secretary	2013
Mrs. Paula J. Endress	Trustee	2011
Mr. David O. Mallery	Trustee	2011
Mr. Thomas C. Setchell	Trustee	2011
Mrs. Deborah L. Sweeden	Trustee	2009
Ms. Elizabeth Kunkel	Student Trustee	2008

**Officers of the College**

Dr. David J. Louis, Interim President

Dr. Jerome M. Corcoran, Vice President for Business Services and Finance / Treasurer

Ms. Sue Isermann, Interim Vice President for Academic Affairs

Dr. Robert P. Marshall, Vice President for Student Services

**Prepared by:**

Business Services and Finance

Dr. Jerome M. Corcoran  
Vice President for Business Services and Finance / Treasurer

Mrs. Cheryl E. Roelfsema  
Controller



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying basic financial statements of Illinois Valley Community College District #513 as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Illinois Valley Community College Foundation, a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Illinois Valley Community College Foundation, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Illinois Valley Community College Foundation were not audited in accordance with Government Auditing Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Illinois Valley Community College District #513 as of June 30, 2007, and the results of its operations and the cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 5, 2007, on our consideration of the District'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 and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the

required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the District's basic financial statements. The combined, combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information, except for that portion marked "Unaudited" on page 65, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

*Gordon, Stockman & Waugh, P.C.*

Peoria, Illinois  
October 5, 2007

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FISCAL YEAR ENDING JUNE 30, 2007**

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, 2007, and June 30, 2006. Since management's discussion and analysis focuses on current activities and resulting changes, it should be read in conjunction with the transmittal letter (pages i - viii), the College's basic financial statements (pages 14-16), and the footnotes to the financial statements (pages 17-29). The following summary and management's discussion of the results are intended to provide readers with an overview of the financial statements.

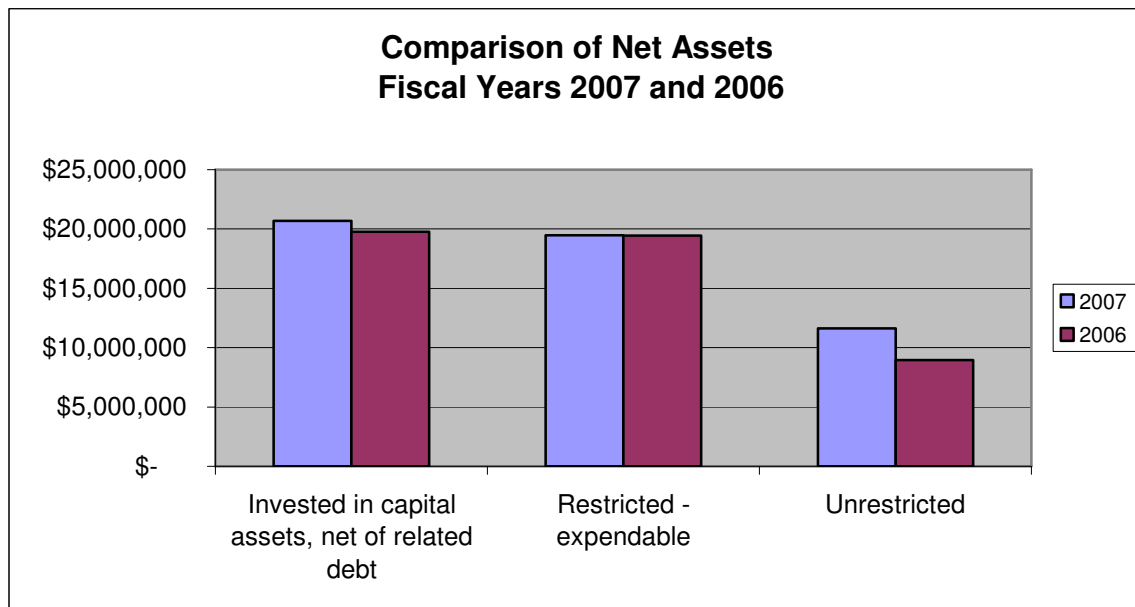
**Using This Annual Report**

The new financial statements (implemented in the fiscal year ended June 30, 2003) focus on the College as a whole. The College's financial statements (pages 14-16) are designed to emulate corporate presentation models where all College activities are consolidated into one total.

The Statement of Net Assets presents information on all of the College's assets and liabilities, with the difference between the two reported as net assets. The Statement of Net Assets reflects the College's financial position as of a certain date. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Illinois Valley Community College is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets focuses on gross costs and net costs of College activities which are supported substantially 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.

**Financial Highlights**



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

	<u>2007</u>	<u>2006</u>	<b>Increase (Decrease)</b> <u>2007-2006</u>	<u>2005</u>	<b>Increase (Decrease)</b> <u>2006-2005</u>
<b>Current assets</b>	\$40,731,623	\$34,996,253	\$5,735,370	\$33,304,263	\$1,691,990
<b><u>Non-current assets</u></b>					
Long-term investments	-	3,954,732	(3,954,732)	3,855,921	98,811
Capital assets, net of depreciation	<u>26,158,710</u>	<u>26,168,680</u>	<u>(9,970)</u>	<u>25,126,493</u>	<u>1,042,187</u>
<b><u>Total assets</u></b>	<u>\$66,890,333</u>	<u>\$65,119,665</u>	<u>\$1,770,668</u>	<u>\$62,286,677</u>	<u>\$2,832,988</u>
<b>Current liabilities</b>	\$10,777,368	\$11,578,662	(801,294)	\$11,377,465	\$201,197
<b><u>Non-current liabilities</u></b>	<u>4,356,318</u>	<u>5,406,972</u>	<u>(1,050,654)</u>	<u>6,831,973</u>	<u>(1,425,001)</u>
<b><u>Total liabilities</u></b>	<u>\$15,133,686</u>	<u>\$16,985,634</u>	<u>(1,851,948)</u>	<u>\$18,209,438</u>	<u>(\$1,223,804)</u>
<b>Net Assets</b>					
Invested in capital assets	\$20,677,190	\$19,739,697	\$937,493	\$17,793,103	\$1,946,594
Restricted-expendable	19,454,347	19,432,660	21,687	18,800,632	632,028
Unrestricted	<u>11,625,110</u>	<u>8,961,674</u>	<u>2,663,436</u>	<u>7,483,504</u>	<u>1,478,170</u>
<b><u>Total Net Assets</u></b>	<u>\$51,756,647</u>	<u>\$48,134,031</u>	<u>\$3,622,616</u>	<u>\$44,077,239</u>	<u>\$4,056,792</u>

This schedule is prepared from the College's statement of net assets (page 14), which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

**Fiscal Year 2007 Compared to 2006**

The overall financial position of the College improved from fiscal year 2006 to fiscal year 2007. Net assets increased from fiscal year 2006 to fiscal year 2007 by \$3,622,616, or 7.5 percent. As of June 30, 2007, total net assets are \$51,756,647.

Current assets have increased by \$5,735,370 due primarily to the investment of \$3,954,732 that previously was invested in restricted long term investments. Bond covenants for the Series 1996 Tort Immunity Bonds required a restricted investment until the bonds matured. The final payment on the bonds was made January 1, 2007. The additional \$1,780,638 increase in current assets was the short term investment of surplus funds.

Current liabilities decreased by \$801,294 due to the final payment on the Tort Immunity Bond issue of \$690,000 and a decrease in accounts payable and accrued payroll.

Non-current liabilities decreased by \$1,050,654 again due to the reduction in bond indebtedness.

The change in Net Assets is discussed in the Analysis of Net Assets on page 9.

**Fiscal Year 2006 Compared to 2005**

The overall financial position of the College improved from fiscal year 2005 to fiscal year 2006. Net assets increased from fiscal year 2005 to fiscal year 2006 by \$4,056,792, or 9.2 percent. As of June 30, 2006, total net assets are \$48,134,031.

The \$1,691,990 increase in current assets is made up of increases in cash and short-term investments, receivables, and inventories offset by a decrease in prepaid expenditures. Non-current assets increased by \$1,140,998 with the majority of this increase coming from improvements to the campus roadways and protection, health and safety projects.

Current liabilities increased by \$201,197, or 1.8%, due to an increase in accrued salaries and benefits. Unearned property tax revenue increased by \$59,571 due to an increase in the district's equalized assessed valuation. The current portion of bonds payable decreased by \$45,000.

Non-current liabilities decreased by \$1,425,001 due to the annual bond principal payments. As of June 30, 2006, the College had \$7,118,983 in long-term debt as a result of the Series 1996 Tort Immunity Bonds and the Series 1999 Community College Bonds. The College's legal debt margin is 2.875% of assessed valuation. The 2005 tax levy EAV was \$2,402,841,121 creating a debt limit of \$69,081,682, leaving a legal debt margin of \$61,962,699. For more detail on long-term debt see Financial Statement Note 4 on page 24.

The change in Net Assets is discussed in the Analysis of Net Assets on page 9.

### Operating Results for the Year Ended

June 30

	<u>2007</u>	<u>2006</u>	<u>Increase (Decrease) 2007-2006</u>	<u>2005</u>	<u>Increase (Decrease) 2006-2005</u>
<b>Operating revenue</b>					
Tuition and fees	\$2,930,714	\$2,657,937	\$272,777	\$2,678,299	(\$20,362)
Auxiliary	2,693,831	3,087,256	(393,425)	3,084,452	2,804
Other	<u>1,511,720</u>	<u>1,124,236</u>	<u>387,484</u>	<u>1,247,941</u>	<u>(123,705)</u>
<b>Total</b>	7,136,265	6,869,429	266,836	7,010,692	(141,263)
Less operating expenses	<u>25,924,986</u>	<u>24,320,830</u>	<u>1,604,156</u>	<u>25,535,107</u>	<u>1,214,277</u>
<b>Operating income (loss)</b>	<u>(18,788,721)</u>	<u>(17,451,401)</u>	<u>(1,337,320)</u>	<u>(18,524,415)</u>	<u>1,073,014</u>
<b>Non-operating revenues (expenses)</b>					
State grants and contracts	6,297,475	5,868,993	428,482	5,864,648	4,345
Federal grants and contracts	4,163,427	4,165,037	(1,610)	4,884,140	(719,103)
Property taxes	10,736,918	10,847,195	(110,277)	10,802,297	44,898
Investment income	1,536,464	1,041,407	495,057	646,775	394,632
Other	13,047	-	13,047	-	-
Interest expense	<u>(335,994)</u>	<u>(414,439)</u>	<u>78,445</u>	<u>(488,346)</u>	<u>73,907</u>
<b>Total net non-operating revenue</b>	<u>22,411,337</u>	<u>21,508,193</u>	<u>903,144</u>	<u>21,709,514</u>	<u>(201,321)</u>
<b>Change in net assets</b>	3,622,616	4,056,792	(434,176)	3,185,099	871,693
<b>Net assets, beginning of year</b>	48,134,031	44,077,239	4,056,792	40,892,140	3,185,099
<b>Net assets, end of year</b>	<u>\$51,756,647</u>	<u>\$48,134,031</u>	<u>\$3,622,616</u>	<u>\$44,077,239</u>	<u>\$4,056,792</u>
<b>Total revenues</b>	<u>\$29,883,596</u>	<u>\$28,792,061</u>	<u>\$1,091,535</u>	<u>\$29,208,552</u>	<u>(\$416,491)</u>
<b>Total expenses</b>	<u>\$26,260,981</u>	<u>\$24,735,269</u>	<u>\$1,525,712</u>	<u>\$26,023,453</u>	<u>\$1,288,184</u>

### Fiscal Year 2007 Compared to 2006

In fiscal year 2007, total revenues (operating and non-operating) increased by \$1,091,535 or 3.8 percent. Total expenses for fiscal year 2007 increased by \$1,525,712 or 6.2 percent. Operating revenues increased by \$266,836 due to an increase in tuition and fees. Though credit hours were down, there was a tuition

increase of \$2.00 per credit hour and higher enrollments in Truck Driver Training programs which have a higher tuition rate. An increase in other revenues, due to training contracts such as those offered for Truck Driver Training at Waubensee Community College and Sauk Valley Community College, offset a decrease in Auxiliary Enterprise revenues.

Non-operating revenue increased by \$903,144 due to increases in State grants and contracts. The fiscal year credit hour grant was \$172,280 higher than fiscal year 2006 and the on-behalf SURS (State University Retirement System) payment for fiscal year 2007 was \$885,385, an increase of \$331,643 over fiscal year 2006. Investment revenues increased by \$495,097 due to more funds available to invest and higher rates of return. Property tax revenues decreased by \$110,277. Equalized assessed valuations increased over 6 percent for tax year 2006, which is recognized 50 percent in fiscal year 2007 and 50 percent in fiscal year 2008, but the tax levy was reduced for the fourth consecutive year resulting in lower property taxes.

Operating expenses increased by \$1,604,156 or 6.6 percent, in fiscal year 2007. Increases in Instruction (\$713,632), Academic Support (\$236,968) and Auxiliary Enterprises (\$507,585) were offset by decreases in Institutional Support (\$164,119) and Depreciation (\$80,321). The increases in Instruction and Academic Support were the result of equipment and technology purchases for classrooms. Institutional Support increases in salaries and benefits were offset by reduced spending for supplies and materials. In fiscal year 2007, there was a shift in technology purchases from institutional support to academic support.

The general fund had actual revenues in excess of budgeted revenues of \$1,689,162 due to increased Tax Increment Finance District revenues of \$70,800, increased Corporate Personal Property Replacement Tax of \$316,200, and increased investment revenues of \$176,400; all of which attest to a stronger economy than was anticipated at the time the budget was prepared. Also contributing to the budget variance was additional contract training revenues of \$240,000 and the \$885,395 on-behalf SURS (State University Retirement System) payment from the State of Illinois, which was not budgeted.

General fund expenses were \$492,552 over budget, but again, the \$885,395 on-behalf SURS payment was not budgeted as an expense. Other expenses were under budget by approximately \$400,000 with each functional area under budget except for scholarships, grants and waivers which was up \$103,780 due to a lack of funding by the State of Illinois for the Illinois Veterans Grant, but mandated as a benefit to our service men and women.

Regarding capital projects, Protection, Health and Safety Fund revenues were over budget by \$217,000 due to increased investment revenues. Protection, Health and Safety Fund expenses were under budget by \$229,500 due to timing of completion of various projects.

Other budget variances were insignificant.

### **Fiscal Year 2006 Compared to 2005**

The fiscal year operating revenues decreased by \$141,263. Fiscal year 2005 operating revenue included one-time occurrences such as insurance claim proceeds and additional monies from the City of Oglesby for sewer line extensions. Tuition and fees for credit classes were down \$20,362 in fiscal year 2006 from 2005. Lower building rental revenues and a \$4,988 reduction in contributions account for further decreases offset by a small increase in auxiliary enterprise revenues.

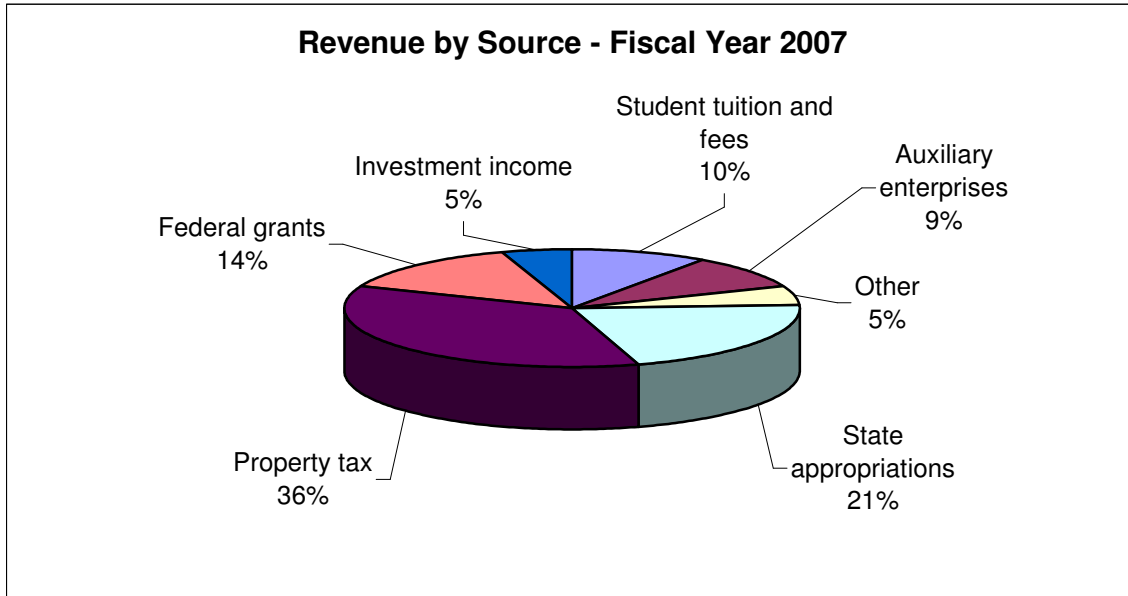
Operating expenses as of June 30, 2006 decreased by \$1,214,277 over fiscal year 2005. Of this total, the reduction in the on-behalf pension payment was \$387,338. Pension plan payments made by the State of Illinois on behalf of the College are recorded as both a non-operating revenue and an expense. The functional areas of instruction, academic support, public service, auxiliary enterprises, and operations and maintenance had a total decrease in operating expenses of \$1,858,498. This decrease was offset with a \$994,678 increase in student services and institutional support. Student services added an additional full

time counselor to their staff and established a domestic violence resource center as part of a Department of Justice grant. Institutional support included technology purchases, including a new server for the College's administrative software and a Storage Area Network. Fiscal year 2006 depreciation expense increased by \$36,881 over fiscal year 2005

Non-operating revenues decreased by \$275,228. State funding was flat with an increase of only \$4,345. However, this was after the reduction of \$387,338 in on-behalf pension funding. Taking that into consideration, state funding actually increased by \$391,683. Federal funding decreased by \$719,103 due to the loss of Title III and Title IVa funding. The College received Title III, "Strengthening Institutions," funding for five years through December 31, 2005. As of January 1, 2007, the College can again apply for this federal funding. The loss of federal funding was partially offset by an increase of \$394,632 in investment revenues as interest rates increased significantly in fiscal year 2006, as well as a slight increase in property tax revenues of \$44,898.

Non-operating expenses decreased by \$73,907. Non-operating expenses consist solely of interest on College bond issues. As the bond principal is reduced, the annual interest expense is also reduced.

The following is a graphic illustration of revenues by source.

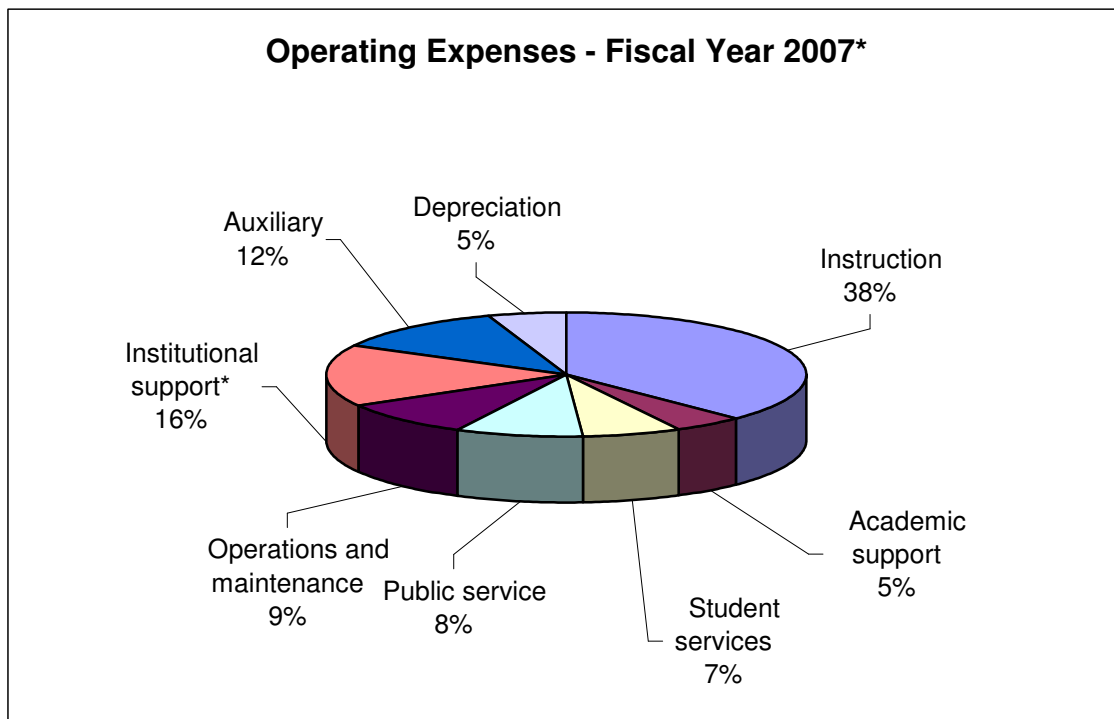




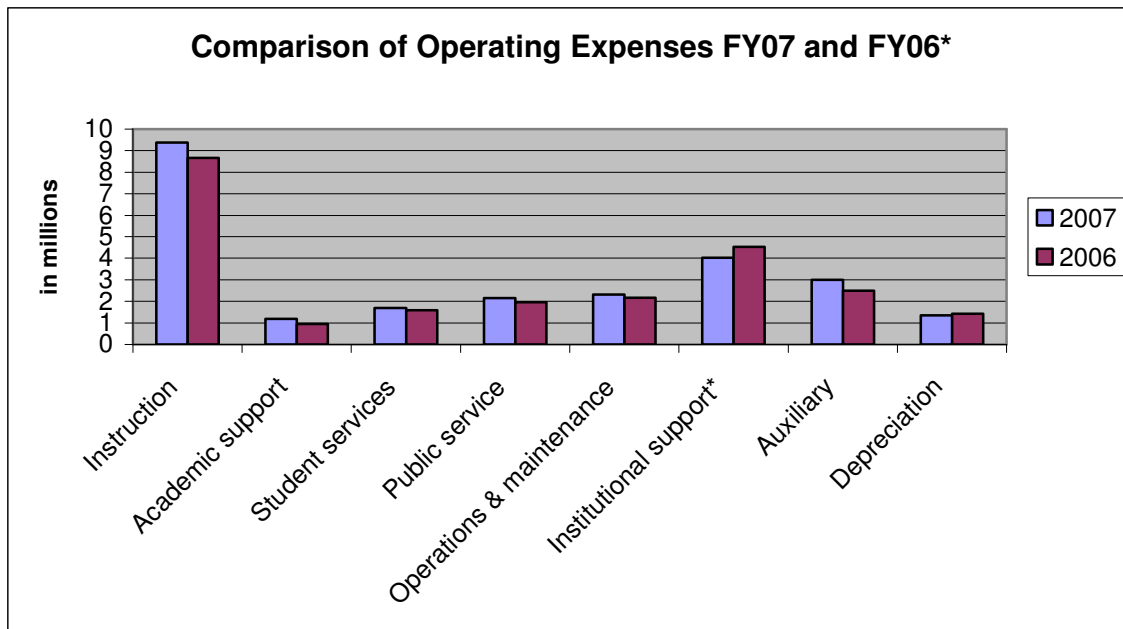
**Operating Expenses  
For the Year Ended June 30**

<b>Operating expense</b>	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>Increase (Decrease) 2007-2006</u></b>	<b><u>2005</u></b>	<b><u>Increase (Decrease) 2006-2005</u></b>
Instruction	\$9,371,930	\$8,658,298	\$713,632	\$8,812,841	(\$154,543)
Academic support	1,193,776	956,808	236,968	1,213,089	(256,281)
Student services	1,687,133	1,582,287	104,846	1,468,183	114,104
Public service	2,121,633	1,962,645	158,988	2,167,629	(204,984)
Operations and maintenance	2,310,683	2,184,107	126,576	2,499,673	(315,566)
Institutional support*	4,018,302	4,514,054	(495,752)	3,645,540	868,514
Auxiliary	2,993,064	2,485,478	507,586	3,400,542	(915,064)
Depreciation	<u>1,343,080</u>	<u>1,423,401</u>	<u>(80,321)</u>	<u>1,386,520</u>	<u>36,881</u>
<b>Total</b>	<b><u>\$25,039,601</u></b>	<b><u>\$23,767,078</u></b>	<b><u>\$1,272,523</u></b>	<b><u>\$24,594,017</u></b>	<b><u>(\$826,939)</u></b>

\* without on-behalf SURS payment



\* without on-behalf SURS payment



\* without on-behalf SURS payment

### Fiscal Year 2007 Compared to 2006

Operating expenses for fiscal year 2007 increased by \$1,272,523 after adjusting for the on-behalf SURS payment received from the State of Illinois. All areas other than Institutional Support and Depreciation saw an increase in expenses in fiscal year 2007. The largest percentage increases came in the areas of Academic Support and Student Services as the College directed more than the usual efforts and funding toward the learning environment and student support services. Classroom and computer lab technology purchases were increased with a decrease in technology purchases for Institutional Support.

### Fiscal Year 2006 Compared to 2005

Operating expenses for fiscal year 2006, after deducting the \$553,782 on-behalf SURS (State University Retirement System) payment, decreased by \$826,939, or a decrease of 3.4%, over fiscal year 2005. Student services and institutional support had increases in operating expenses, while all other functional areas showed a decrease in operating expenses.

### Analysis of Net Assets June 30

Net assets	<u>2007</u>	<u>2006</u>	<b>Increase (Decrease) <u>2007-2006</u></b>	<u>2005</u>	<b>Increase (Decrease) <u>2006-2005</u></b>
Net Investment in					
Capital Assets	\$20,677,190	\$19,739,697	\$937,493	\$17,793,103	\$1,946,594
Restricted					
Expendable	19,454,347	19,432,660	21,687	18,800,632	632,028
Unrestricted	<u>11,625,110</u>	<u>8,961,674</u>	<u>2,663,436</u>	<u>7,483,504</u>	<u>1,478,170</u>
<b>Total</b>	<u>\$51,756,647</u>	<u>\$48,134,031</u>	<u>\$3,622,616</u>	<u>\$44,077,239</u>	<u>\$4,056,792</u>

### **Fiscal Year 2007 Compared to 2006**

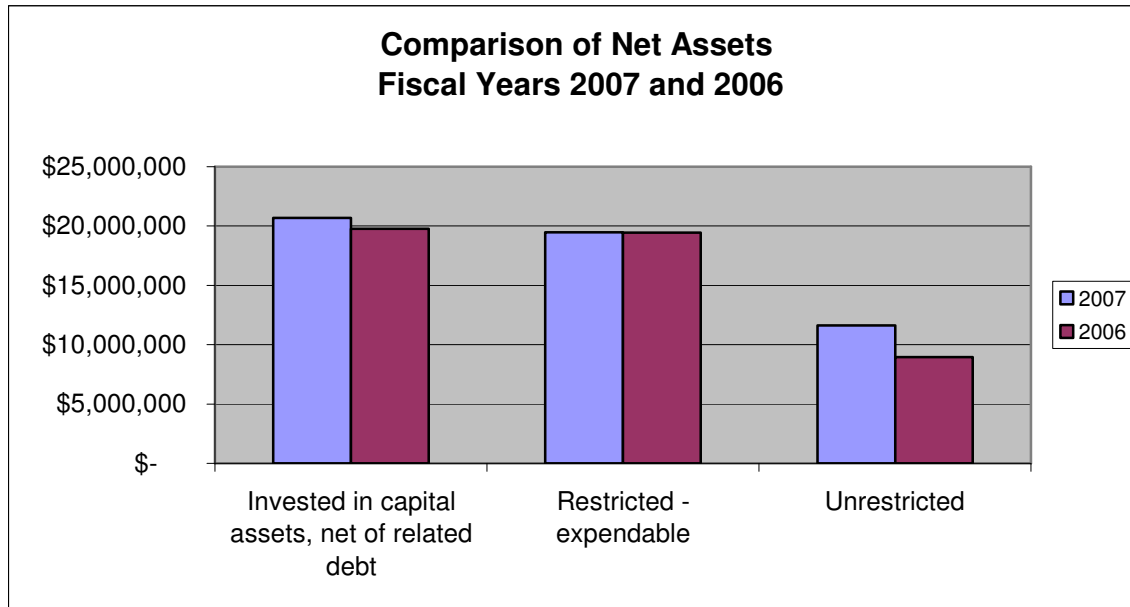
The increase in Capital Assets of \$937,493 reflects \$412,465 in equipment purchases, \$921,400 in Protection, Health and Safety projects, current depreciation of \$1,343,080, and bond payments of \$1,955,000. The change in Restricted Net Assets – Expendable is the result of a decrease in funds held for Debt Service (\$843,377) offset by increases in funds held for Loans (\$134,450), Capital Projects (\$527,192) and Liability, Protection and Settlement activities (\$178,702). Unrestricted Net Assets increased by \$1,398,439 due to a surplus of revenues over expenses in fiscal year 2007.

### **Fiscal Year 2006 Compared to 2005**

The increase in Capital Assets of \$1,946,594 reflects Health, Safety and Protection projects completed totaling \$1,639,118, roadway improvements of \$251,700, bond payments of \$1,910,000 and current depreciation of \$1,423,400. The Protection, Health and Safety projects included roof replacement, lighting, and air moisture infiltration. The change in Restricted Net Assets – Expendable of \$623,028 was an increase to Liability, Protection and Settlement funds, however, Unrestricted Net Assets increased by \$1,478,170 due to a surplus of revenues over expenses. In fiscal year 2006, the Corporate Personal Property Tax exceeded budget by \$410,613, investment revenues exceeded budget by \$571,191, and property tax revenues exceeded budget by \$221,697.

See Note 3 – Changes in Capital Assets (page 23) for more detailed information.

The following graphic is an illustration of net assets.



<b>Capital Assets, Net As of June 30</b>					
	<u>2007</u>	<u>2006</u>	<b>Increase (Decrease) <u>2007-2006</u></b>	<u>2005</u>	<b>Increase (Decrease) <u>2006-2005</u></b>
<b>Capital assets</b>					
Land and					
Improvements	\$6,170,851	\$6,113,431	\$57,420	\$5,695,302	\$418,129
Building	32,315,144	31,273,024	1,042,120	29,694,849	1,578,175
Equipment	20,012,871	19,932,069	80,802	19,713,463	218,606
Library books	1,288,543	1,288,543	-	1,288,543	-
Technology	<u>444,800</u>	<u>421,647</u>	<u>23,153</u>	<u>170,969</u>	<u>250,678</u>
<b>Total</b>	60,232,209	59,028,714	1,203,495	56,563,126	2,465,588
Less					
accumulated					
depreciation	<u>34,073,499</u>	<u>32,860,034</u>	<u>1,213,465</u>	<u>31,436,633</u>	<u>1,423,401</u>
Net capital					
assets	26,158,710	26,168,680	(9,970)	25,126,493	1,042,187
Less long term					
debt	<u>5,481,520</u>	<u>6,428,983</u>	<u>(947,463)</u>	<u>7,333,390</u>	<u>(904,407)</u>
 Net investment in					
capital assets	<u>\$20,677,190</u>	<u>\$19,739,697</u>	<u>\$937,493</u>	<u>\$17,793,103</u>	<u>\$1,946,594</u>

## **The Statement of Cash Flows**

The statement of cash flows (page 16) provides information about cash receipts and cash payments during the year. The statement helps users 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 of wages, benefits, supplies, and utilities.

Local property taxes are the primary source of non-operating revenues, followed by state appropriations, and federal grants and 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 the \$1,973,458 of debt service payments for the Series 1996 Tort Immunity Bonds and Series 1999 Community College Bonds, and \$1,337,551 for equipment purchases and Protection, Health and Safety projects.

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

## **Economic Factors That Will Affect the Future**

### **Property Taxes**

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 2006, the "equity" tax was .0863 of the total .4024 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 \$2.6 million in State and local government College revenues, at a time when State revenues appear to be stagnant.

### **Tuition and Fees**

The College's fall 2007 tuition and universal fee rate is \$65.75, which is 85.9% of the state average. In order to receive equalization funding, a community college must maintain a minimum required combined in-district tuition and universal fee rate per credit hour that is equal to 85% of the state average. The last tuition increase was for \$2.50 per credit hour for fiscal year 2008. If tuition rates continue to increase across the state, the College may be forced to raise tuition and universal fees in fiscal years 2009 or 2010 in order to maintain eligibility for equalization.

### **Labor Agreements**

The contract with the College's on-campus faculty bargaining unit is in place through fiscal year 2008. Negotiations for fiscal year 2008 were limited to salaries. The contract with faculty assigned to teach at the Sheridan Correctional Center is negotiated each year and is based upon terms agreed upon between the District and Illinois Department of Corrections. A three-year contract with the service employees is in place through fiscal year 2008.

## **Capital Projects**

The Illinois Community College Board approved a \$1 million plan submitted in FY06 that called for the repair and replacement of roads and paving that support the truck driver training program. Approximately \$200,000 of local funds will be needed for a 600 square foot building with restrooms and an observation area. It is anticipated that this project will receive state funding in fiscal year 2008.

Another potential capital project includes constructing a new parking lot in closer proximity to the main campus buildings, as well as resurfacing the existing parking lots.

## **Projections**

Using conservative assumptions, the College could begin experiencing a reduction in unrestricted net assets in fiscal year 2008. A balanced budget for fiscal year 2007 was achieved by reducing the amount of support for auxiliary enterprise activities, such as athletics. In fiscal year 2008, the level of support may need to be reduced even further unless enrollments increase.

Reimbursable credit hours increased in both fiscal years 2006 and 2007 due in part to the increase in credit hours for the programs at Sheridan Correctional Center. The reimbursement for the Correctional Center credit hours per the contract with the Illinois Department of Corrections is used exclusively to offset the expenses of the program. Although the fiscal year 2008 budget was built with a 1% increase without the reimbursable credit hours from Sheridan Correctional Center, that may not be achievable unless new markets are uncovered and a new marketing plan is created. One of the college's goals for the new fiscal year is to help the community recognize the value of higher education and its direct relationship to life and work.

## **Requests for Information**

Further information about the College is available at <http://www.ivcc.edu> or by calling 815-224-2720, or by writing to Director of Community Relations and Marketing, Illinois Valley Community College, 815 North Orlando Smith Avenue, 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  
COMMUNITY COLLEGE DISTRICT #513  
STATEMENT OF NET ASSETS  
June 30, 2007**

	<b>Primary Institution</b>	<b>Component Unit Foundation</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,449,294	\$ 110,200
Short-term investments	25,071,414	-
Accounts receivable, net	13,389,834	14,835
Inventories	380,476	-
Prepaid expenses	440,605	-
Total current assets	40,731,623	125,035
Noncurrent assets		
Restricted foundation investments	-	1,809,249
Foundation investments	-	1,738,704
Capital assets	60,232,209	-
Less allowance for accumulated depreciation	(34,073,499)	-
Total noncurrent assets	26,158,710	3,547,953
Total assets	66,890,333	3,672,988
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	512,678	15,608
Accrued salaries	1,501,699	-
Unearned property tax revenue	5,135,211	-
Unearned tuition and fees revenue	2,362,780	-
Long-term liabilities - current portion	1,265,000	-
Total current liabilities	10,777,368	15,608
Noncurrent liabilities		
Deposits	139,798	-
Long-term liabilities	4,216,520	-
Total noncurrent liabilities	4,356,318	-
Total liabilities	15,133,686	15,608
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	20,677,190	-
Restricted for		
Nonexpendable - Foundation	-	1,809,249
Expendable	-	-
Debt Service	69,643	-
Loans	4,862,418	-
Capital Projects	5,647,896	-
Liability, Protection and Settlement	8,642,982	-
Other	231,408	-
Temporarily restricted	-	1,001,590
Unrestricted	11,625,110	846,541
<b>TOTAL NET ASSETS</b>	<b>\$ 51,756,647</b>	<b>\$ 3,657,380</b>

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  
COMMUNITY COLLEGE DISTRICT #513  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
Year Ended June 30, 2007**

	<u>Primary Institution</u>	<u>Component Unit Foundation</u>
<b>REVENUES</b>		
Operating revenues		
Student tuition and fees, net of scholarships and allowances of \$2,401,017	\$ 2,930,714	\$ -
Gifts and contributions	-	114,748
Auxiliary enterprises revenue	2,693,831	-
Other operating revenues	<u>1,511,720</u>	<u>-</u>
Total operating revenues	<u>7,136,265</u>	<u>114,748</u>
<b>EXPENSES</b>		
Instruction	9,371,930	-
Academic support	1,193,776	-
Student services	1,687,133	126,213
Public service	2,121,633	-
Auxiliary enterprises	2,993,064	-
Operations and maintenance	2,310,683	-
Institutional support	4,903,687	81,592
Depreciation	<u>1,343,080</u>	<u>-</u>
Total operating expenses	<u>25,924,986</u>	<u>207,805</u>
Operating loss	<u>(18,788,721)</u>	<u>(93,057)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State and local grants and contracts	6,297,475	-
Property taxes	10,736,918	-
Federal grants and contracts	4,163,427	-
Gifts and contributions	17,488	-
Investment income	1,536,464	323,394
Loss on disposal of assets	(4,441)	-
Interest on capital asset-related debt	<u>(335,994)</u>	<u>-</u>
Net nonoperating revenues	<u>22,411,337</u>	<u>323,394</u>
Increase in net assets	3,622,616	230,337
<b>NET ASSETS</b>		
Net assets - beginning of year	<u>48,134,031</u>	<u>3,427,043</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 51,756,647</u>	<u>\$ 3,657,380</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  
COMMUNITY COLLEGE DISTRICT #513  
STATEMENT OF CASH FLOWS  
Year Ended June 30, 2007**

	<u>Primary Institution</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Tuition and fees	\$ 3,077,967
Payments to suppliers	(9,938,408)
Payments to employees	(14,025,175)
Auxiliary enterprise revenues	2,693,831
Other receipts	1,279,843
Net cash used in operating activities	<u>(16,911,942)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
State and local grants and contracts	5,536,807
Federal grants and contracts	4,082,419
Student organization agency transactions	(7,974)
Gifts and contributions	17,488
Property taxes	10,931,293
Net cash provided by noncapital financing activities	<u>20,560,033</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchases of capital assets	(1,337,551)
Principal paid on capital debt	(1,955,000)
Interest paid on capital debt	(18,457)
Net cash used in capital and related financing activities	<u>(3,311,008)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sales and maturities of investments	11,137,500
Purchase of investments	(14,450,112)
Income on investments	1,412,582
Net cash provided by (used in) investing activities	<u>(1,900,030)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,562,947)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>3,012,241</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,449,294</u>
<b>NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>	
Interest expense accretion on bonds	<u>\$ 317,537</u>
<b>RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH USED IN OPERATING ACTIVITIES</b>	
Operating loss	\$ (18,788,721)
Adjustments to reconcile net loss to net cash used in operating activities	
Depreciation expense	1,343,080
State on-behalf payments for fringe benefits	885,395
Change in assets and liabilities	
Receivables, net	(242,215)
Inventories	(49,554)
Prepaid expenditures	(48,097)
Accounts payable	(87,495)
Accrued salaries	(76,709)
Other liabilities	(5,217)
Deferred revenue	157,591
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>\$ (16,911,942)</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**  
**COMMUNITY COLLEGE DISTRICT #513**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**June 30, 2007**

Illinois Valley Community College District #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, and helps 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:

The Dislocated Workers Center (DWC) serves recently unemployed workers.

The Adult Learning Center offers Adult Basic Education (ABE), General Education Development (GED) and English as a Second Language (ESL).

The Technical Preparation Program offers classroom training designed for recent high school graduates who traditionally do not continue their 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 colleges and universities as well as those prescribed by the Illinois Community College Board (ICCB). The college reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Review Boards of Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The following is a summary of the more significant policies.

#### **FINANCIAL REPORTING ENTITY**

The College adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an amendment to GASB Statement No. 14, during the fiscal year ended June 30, 2003. As such, the Illinois Valley Community College Foundation (Foundation) has been deemed a component unit of the College, based on the criteria of GASB Statement No. 39. The Foundation is a legally separate, tax-exempt component unit of the College which acts primarily as a fund-raising organization to provide scholarships to students attending the College. The Board of the Foundation is self-perpetuating and consists of former students and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests are restricted by the donor for the benefit of students of the College, and thereby the College itself. Because these restricted resources held by the Foundation can only be used by or for the benefit of students of the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements to emphasize its status as a legally separate entity.

During the year ended June 30, 2007, the Foundation distributed \$114,190 to the students attending the College and \$12,023 in direct support of the College. Complete financial statements for the Foundation can be obtained from the Foundation.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
June 30, 2007**

**FINANCIAL REPORTING ENTITY (Continued)**

The Foundation is a private nonprofit organization that reports under FASB standards, including FASB Statement No. 117, *Financial Reporting for Not-for-Profit Organizations*. 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.

In addition, based upon the above criteria of GASB Statement No. 39, the College is not aware of any entity which would be financially accountable for the College, which would result in the College being considered a component entity.

**BASIS OF ACCOUNTING**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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, includes 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. Expenditure requirements in which the resources are provided to the College on a reimbursement basis.

**CLASSIFICATION OF REVENUES**

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, and sales and services of auxiliary enterprises, net of scholarship discounts and allowances. Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as (1) local property taxes, (2) state appropriations, (3) most federal, state, and local grants and contracts and federal appropriations, and (4) gifts and contributions.

**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.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
June 30, 2007**

**INVESTMENTS**

Investments are stated at fair value. Realized and unrealized gains and losses are reflected in the appropriate statements of revenues and expenditures. 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 advise 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 collectibility 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.

**NET ASSETS**

The College's net assets are classified as follows:

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

**Restricted net assets** – 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 when they are needed.

**Unrestricted net assets** – 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.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
June 30, 2007**

**CAPITAL ASSETS**

Capital assets are recorded at cost at the date of acquisition. The College records depreciation on all capital assets in accordance with GASB Statement No. 35. The capitalization threshold for capital assets is \$2,500. 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

**COMPENSATED ABSENCES**

Compensated absences are those absences for which employees will be paid, such as vacations, sick leave, and sabbatical leave. 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.

**PROPRIETARY FUNDS**

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – 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 deposits was \$1,446,744. Not included in that number was cash on hand of \$2,550.

As of June 30, 2007, the College had the following investments:

	<u>Investment Maturities (in years)</u>		
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 - 5</u>
Certificates of deposit	\$15,751,200	\$15,751,200	\$ -
FHLB	398,376	398,376	-
FNMA	272,679	272,679	-
Municipal Bonds	173,861	173,861	-
Illinois Treasurer's Investment Pool	<u>8,475,298</u>	<u>8,475,298</u>	<u>-</u>
<b>Total</b>	<u>\$25,071,414</u>	<u>\$ 25,071,414</u>	<u>\$ -</u>

The State Treasurer maintains the Illinois Funds Money Market at cost and fair value 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 AAA 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 regulator 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. The College's municipal bond investments were rated Aa3 by Moody's Investors Service. The College's investments in Federal National Mortgage Association bonds were rated Aaa by Moody's Investors Service.

*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. As of June 30, 2007, none of the College's deposits were exposed to custodial risk.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – DEPOSITS AND INVESTMENTS (Continued)**

*Concentration of Credit Risk.* More than 5% of the College’s investments are in certificates of deposit at each of the following banks: Citizen’s First National Bank – 19.9%; Centru Bank – 16.2%; Peru Federal Savings Bank – 10.0%; Hometown National Bank – 7.8%; and First State Bank – 7.8%.

**NOTE 2 – 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, 2007, the District has \$5,135,211 of deferred property tax revenue. Pursuant to Board of Trustee’s resolution, property tax levies passed in December 2005 and December 2006 were allocated 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 levy applicable to fiscal year 2007 was adopted in December 2006.

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

<u>Purpose</u>	<u>Limit 2006 Levy</u>	<u>2006 Levy</u>	<u>2005 Levy</u>
Educational	.1300	.1300	.1300
Operations and Maintenance	.0400	.0400	.0400
Protection, Health and Safety	.0500	.0470	.0481
Bond and Interest	None	.0495	.0825
Liability, Protection and Settlement	None	.0447	.0543
Audit	.0050	.0000	.0009
Additional tax	.0863	.0863	.0815
Social Security	None	.0049	.0064

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 3 – CHANGES IN 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 \$2,500 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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 assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital asset changes are as follows:

	<b>Balance July 1, 2006</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2007</b>
Nondepreciable				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Depreciable				
Site improvements	4,751,833	57,420	-	4,809,253
Buildings	31,273,024	1,042,120	-	32,315,144
Equipment	12,782,295	214,858	56,869	12,940,284
Library books	1,288,543	-	-	1,288,543
Proprietary equipment	7,149,774	-	77,187	7,072,587
Technology	421,647	23,153	-	444,800
Total depreciable	<u>57,667,116</u>	<u>1,337,551</u>	<u>134,056</u>	<u>58,870,611</u>
<b>Total</b>	<u>\$59,028,714</u>	<u>\$1,337,551</u>	<u>\$134,056</u>	<u>\$60,232,209</u>

Accumulated depreciation changes are as follows:

	<b>Balance July 1, 2006</b>	<b>Depreciation</b>	<b>Deletions</b>	<b>Balance June 30, 2007</b>
Depreciable				
Site improvements	\$ 3,943,742	\$ 132,441	\$ -	\$ 4,076,183
Buildings	8,742,572	693,998	-	9,436,570
Equipment	11,671,198	366,297	52,428	11,985,067
Library books	1,287,863	680	-	1,288,543
Proprietary equipment	7,065,895	54,721	77,187	7,043,429
Technology	148,764	94,943	-	243,707
<b>Total</b>	<u>\$32,860,034</u>	<u>\$1,343,080</u>	<u>\$ 129,615</u>	<u>\$34,073,499</u>

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



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 4 – CHANGES IN GENERAL LONG-TERM DEBT**

	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Accretion</u>	<u>Payments</u>	<u>Balance</u> <u>June 30, 2007</u>
General long-term debt					
Tort Immunity Bonds payable, Series 1996	\$ 690,000	\$ -	\$ -	\$ 690,000	\$ -
Community College Bonds payable, Series 1999	<u>6,428,983</u>	<u>-</u>	<u>317,537</u>	<u>1,265,000</u>	<u>5,481,520</u>
<b>Total</b>	<u>\$ 7,118,983</u>	<u>\$ -</u>	<u>\$ 317,537</u>	<u>\$ 1,955,000</u>	<u>\$ 5,481,520</u>

**Tort Immunity Bonds, Series 1996**

The Board of Trustees had authorized the District to issue general obligation bonds for the purpose of providing for the payment of any cost, liability or loss against which the District may protect itself or self-insure pursuant to Section 9-103 of the Tort Immunity Act. The bonds were retired by property taxes levied specifically for such purposes.

The bonds matured serially on January 1 of each year through 2007 while interest was due January 1 and July 1 annually. The bond interest rate for the final year (2007) was 5.350 percent.

At June 30, 2007, the bond issued has been repaid.

**Community College Bonds, Series 1999**

The Board of Trustees has authorized the District to issue general obligations bonds for the purposes of (1) \$4,500,000 for health, protection and safety expenditures and (2) \$2,999,953 to increase the Working Cash Fund. The bonds will be retired by future property taxes levied specifically for such purposes.

The bonds were issued as “zero coupon” bonds, with full accreted value due serially on March 1, beginning in 2004 and continuing through 2012. The stated yield to maturity rates are as follows:

2008	4.830%
2009	4.850%
2010	4.870%
2011	4.095%
2012	5.030%

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

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 4 – CHANGES IN GENERAL LONG-TERM DEBT (Continued)**

At June 30, 2007, the annual requirements to retire the Community College Bonds, Series 1999 are as follows:

<u>Years Ending June 30</u>	<u>Principal March 1</u>
2008	\$ 1,265,000
2009	1,265,000
2010	1,270,000
2011	1,265,000
2012	<u>1,265,000</u>
Total	6,330,000
Less future accretion	<u>(848,480)</u>
<b>Total</b>	<b>\$ <u>5,481,520</u></b>

**NOTE 5 – EXPENDITURES IN EXCESS OF BUDGET**

During the year ended June 30, 2007, the Audit Fund overspent its respective budgets as follows:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
Audit Fund	\$ 26,000	34,500	8,500

**NOTE 6 – PENSION PLAN**

**Plan Description**

The College contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation whereby the State of Illinois 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 Section 5/15, Chapter 40 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org), or calling 1-800-275-7877.

In accordance with GASB 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance, the College has recorded in revenues and expenditures of the operating fund an equal and offsetting amount which reflects the payments made by the State on behalf of the College's employees.

The College has no further liability to the system since future deficits will be financed by the state.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 6 – PENSION PLAN (Continued)**

**Funding Policy**

Plan members are required to contribute 8.0% of their annual covered salary, and substantially all employer contributions are made by the State of Illinois on behalf of the individual employers at an actuarially determined rate. The current rate is 10.61% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. The employer contributions to SURS for the years ending June 30, 2007, 2006, and 2005 were \$885,395, \$553,752 and \$941,090, respectively, equal to the required contributions for each year.

**NOTE 7 – INTERFUND RECEIVABLES AND PAYABLES**

At June 30, 2007, the interfund receivable and payable balances consisted of the following:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund		
Educational Account	\$102,009	\$109,717
Operations and Maintenance Account	-	6,612
Special Revenue Funds		
Restricted Purposes Fund	56,001	116,518
Working Cash	-	-
Audit Fund	-	-
Operations and Maintenance Restricted Fund	-	-
Debt Service Fund	-	-
Enterprise Fund	71,374	-
Liability, Protection and Settlement	-	-
Agency Fund	<u>7,478</u>	<u>4,015</u>
<b>Total</b>	<b><u>\$236,862</u></b>	<b><u>\$236,862</u></b>

The purpose of interfund receivable and payable balances is to properly allocate monies among different funds.

**NOTE 8 – RISK MANAGEMENT**

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College has purchased commercial insurance to cover these risks accounted for in the Liability, Protection and Settlement Fund. In addition the College has issued general obligation bonds for the purpose of providing for any costs not covered under the College's insurance. The College had no significant reductions in insurance coverage from coverage in the prior year. There have been no settlements which exceeded insurance coverage during the past three years.

**NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS**

In addition to providing pension benefits, the College has elected to provide certain health care benefits for retirees. Retiree participants electing those benefits are required to contribute monthly amounts, depending on the level of coverage desired. At June 30, 2007, the College has estimated the cost of future retirees'

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

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)**

health benefits to be \$258,516 and has a reserve to cover these costs. For the fiscal year, those costs were \$83,705. The number of retiree participants was 12 at June 30, 2007. The contributions made by retiree participants totaled \$84,462. The College also provides an opportunity for retirees 65 years of age and older to participate in the group health insurance program. However, these retiree participants pay their entire premium with no cost to the College.

**NOTE 10 – 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, 2007 totaled \$211,183.

**NOTE 11 – COMPENSATED ABSENCES**

As of June 30, 2007 employees had earned but not taken annual vacation leave which, at salary rates in effect at the end of the year, totaled approximately \$257,085. The District has accrued this amount in the respective funds in which it was earned.

**NOTE 12 – COMPONENT UNIT**

**Nature of Activities**

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation is organized under the General Not for Profit Corporation Act of the State of Illinois. Articles of Incorporation were filed with the Secretary of State on February 25, 1976. Those articles state: "The Corporation is organized and shall be operated exclusively for educational and charitable purposes of which may include the assistance in developing and augmenting the facilities and carrying out the educational functions of Illinois Valley Community College Foundation to the end that there may be provided in the College Community broader education opportunities for and service to the students and alumni of such College and the citizens of this State and Nation."

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Financial Statement Presentation**

The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards, including FASB Statement No. 117, *Financial Reporting for Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. These classifications are based upon the existence and/or nature of donor-imposed restrictions. In addition, the Foundation is required to present a statement of cash flows.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 12 – COMPONENT UNIT (Continued)**

**Income Tax Status**

The Foundation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation files an annual information return, which is available for public inspection, with the Internal Revenue Service.

**Estimates**

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

**Cash**

For purposes of the statement of cash flows, the Foundation considers cash to be the operating checking account and two money market accounts in the investment agency account.

**Investments**

The Foundation's investments are administered through an investment agency account with Citizens First National Bank Trust Department. The diversified investment portfolio is invested in fixed income securities (bonds) and equities (stocks). The bond/stock mix was approximately 60%/40% as of June 30, 2007.

**Restriction on Net Assets**

Substantially all of the restrictions on net assets relate to gifts to the Foundation with the donor-imposed stipulation that the funds be used for a specific purpose. The restrictions are considered to expire when payments are made that satisfy the donor's stated purpose. Gifts that are restricted by the donor are reported as increases in unrestricted net assets if the restriction is satisfied in the reporting period in which the gift is recognized.

Permanently restricted net assets consist of gifts to the Foundation with the donor-imposed stipulation that the funds be held indefinitely. In most cases, the income from permanently restricted funds is temporarily restricted by a donor-imposed stipulation that the income be used for a specific purpose.

**Related Entity Transactions**

The Foundation operates within the facilities of the Illinois Valley Community College (the College). The Foundation receives, at no cost from the College, the use of office space, office furniture, and equipment. The college Director of Development also directs the operation of the Foundation. The Foundation does reimburse the College for incidental office supplies and for the wages and benefits of the Foundation Secretary.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 12 – COMPONENT UNIT (Continued)**

**Investment Activities**

The statements of activities reflect net investment income and unrealized investment gains with “Revenue and Gains” and unrealized investment losses are reported with “Expenses and Losses.” The components of investment income (loss) for the year ended June 30, 2007 are as follows:

Interest	\$ 94,366
Dividends	24,042
Realized gain	32,959
Unrealized gain	201,603
Investment expenses	<u>(29,576)</u>
<b>Total income</b>	<b>\$ <u>323,394</u></b>

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

**SUPPLEMENTAL FINANCIAL STATEMENTS**

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
COMBINED BALANCE SHEET  
ALL FUND TYPES  
June 30, 2007**

	<u>Governmental Fund Types</u>				<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Trust and Agency Funds</u>			
<b>ASSETS AND OTHER DEBITS</b>									
<b>Assets</b>									
Cash and cash equivalents	\$ 455,410	\$ 418,846	\$ 18,204	\$ 34,759	\$ 387,536	\$ 134,539	\$ -	\$ -	\$ 1,449,294
Investments	4,473,554	12,130,565	679,883	5,009,101	2,778,311	-	-	-	25,071,414
Receivables									
Property taxes	6,514,631	1,274,499	1,273,443	1,205,151	-	-	-	-	10,267,724
Governmental claims	250,510	133,382	-	-	-	-	-	-	383,892
Other	2,116,837	241,869	-	-	99,749	-	-	-	2,458,455
Accrued revenue	20,543	210,272	-	24,108	24,840	-	-	-	279,763
Due from other funds	102,009	56,001	-	-	71,374	7,478	-	-	236,862
Bookstore inventories	-	-	-	-	380,476	-	-	-	380,476
Restricted investments	-	-	-	-	-	-	-	-	-
Prepaid expenditures	179,516	241,300	-	19,789	-	-	-	-	440,605
Fixed assets - net where applicable	-	-	-	-	29,158	-	53,159,622	-	53,188,780
<b>Other debits</b>									
Amount available in Debt Service Fund	-	-	-	-	-	-	-	1,334,643	1,334,643
Amount to be provided to retire debt	-	-	-	-	-	-	-	4,146,877	4,146,877
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>\$ 14,113,010</u>	<u>\$ 14,706,734</u>	<u>\$ 1,971,530</u>	<u>\$ 6,292,908</u>	<u>\$ 3,771,444</u>	<u>\$ 142,017</u>	<u>\$ 53,159,622</u>	<u>\$ 5,481,520</u>	<u>\$ 99,638,785</u>



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
COMBINED BALANCE SHEET  
ALL FUND TYPES  
June 30, 2007**

	<u>Governmental Fund Types</u>				<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Trust and Agency Funds</u>			
<b>LIABILITIES</b>									
Accounts payable	\$ 424,604	\$ 29,633	\$ -	\$ 42,281	\$ 14,539	\$ 1,621	\$ -	\$ -	\$ 512,678
Other accruals	1,274,111	185,988	-	-	41,438	162	-	-	1,501,699
Due to other funds	116,329	116,518	-	-	-	4,015	-	-	236,862
Due to student groups	-	-	-	-	-	136,219	-	-	136,219
Deferred revenue									
Property taxes	3,258,182	637,411	636,887	602,731	-	-	-	-	5,135,211
Tuition and fees	2,362,780	-	-	-	-	-	-	-	2,362,780
Other	-	-	-	-	-	-	-	-	-
Other liabilities	3,203	376	-	-	-	-	-	-	3,579
Bonds payable	-	-	-	-	-	-	-	5,481,520	5,481,520
Total liabilities	<u>7,439,209</u>	<u>969,926</u>	<u>636,887</u>	<u>645,012</u>	<u>55,977</u>	<u>142,017</u>	<u>-</u>	<u>5,481,520</u>	<u>15,370,548</u>
<b>EQUITY AND OTHER CREDITS</b>									
Investment in general fixed assets	-	-	-	-	-	-	53,159,622	-	53,159,622
Contributed capital	-	-	-	-	-	-	-	-	-
Retained earnings - Unreserved	-	-	-	-	3,715,467	-	-	-	3,715,467
Fund balance (deficit)									
Reserved for grant purposes	-	176,070	-	-	-	-	-	-	176,070
Reserved for building purposes	-	-	-	5,647,896	-	-	-	-	5,647,896
Reserved for liability, protection and settlement	-	8,642,982	-	-	-	-	-	-	8,642,982
Reserved for debt service	-	-	1,334,643	-	-	-	-	-	1,334,643
Unreserved	6,673,801	4,917,756	-	-	-	-	-	-	11,591,557
Total equity and other credits	<u>6,673,801</u>	<u>13,736,808</u>	<u>1,334,643</u>	<u>5,647,896</u>	<u>3,715,467</u>	<u>-</u>	<u>53,159,622</u>	<u>-</u>	<u>84,268,237</u>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<u>\$ 14,113,010</u>	<u>\$ 14,706,734</u>	<u>\$ 1,971,530</u>	<u>\$ 6,292,908</u>	<u>\$ 3,771,444</u>	<u>\$ 142,017</u>	<u>\$ 53,159,622</u>	<u>\$ 5,481,520</u>	<u>\$ 99,638,785</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
Year ended June 30, 2007**

	<u>Governmental Fund Types</u>				<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>REVENUES</b>					
Local government	\$ 6,554,591	\$ 1,376,268	\$ 1,626,413	\$ 1,179,646	\$ 10,736,918
State government	5,307,832	989,643	-	-	6,297,475
Federal government	4,655	4,158,772	-	-	4,163,427
Student tuition and fees	5,331,731	-	-	-	5,331,731
Investment income	370,581	671,674	79,217	268,946	1,390,418
Other sources	1,354,255	143,489	-	-	1,497,744
Total revenues	<u>18,923,645</u>	<u>7,339,846</u>	<u>1,705,630</u>	<u>1,448,592</u>	<u>29,417,713</u>
<b>EXPENDITURES - EDUCATIONAL AND GENERAL</b>					
Current					
Instruction	8,515,040	1,070,168	-	-	9,585,208
Academic support	1,068,222	135,826	-	-	1,204,048
Student services	1,240,880	495,497	-	-	1,736,377
Public service	784,783	1,382,577	-	-	2,167,360
Auxiliary service	-	38,409	-	-	38,409
Operation and maintenance of plant	2,224,044	333,910	-	921,400	3,479,354
General institutional support	3,550,286	1,388,350	550	-	4,939,186
Scholarships, grants and waivers	343,780	2,057,237	-	-	2,401,017
Debt Service					
Principal	-	-	1,955,000	-	1,955,000
Interest	-	-	18,457	-	18,457
Total expenditures	<u>17,727,035</u>	<u>6,901,974</u>	<u>1,974,007</u>	<u>921,400</u>	<u>27,524,416</u>
Excess (deficit) of revenues over (under) expenditures	1,196,610	437,872	(268,377)	527,192	1,893,297
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (out)	<u>(130,200)</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(230,200)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	1,066,410	337,872	(268,377)	527,192	1,663,097
<b>FUND BALANCES, JULY 1, 2006</b>	<u>5,607,391</u>	<u>13,398,936</u>	<u>1,603,020</u>	<u>5,120,704</u>	<u>25,730,051</u>
<b>FUND BALANCES, JUNE 30, 2007</b>	<u>\$ 6,673,801</u>	<u>\$ 13,736,808</u>	<u>\$ 1,334,643</u>	<u>\$ 5,647,896</u>	<u>\$ 27,393,148</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
COMBINED SCHEDULE OF REVENUES, EXPENSITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
ALL BUDGETED GOVERNMENTAL FUND TYPES  
Year Ended June 30, 2007**

	General		Special Revenue		Debt Service		Capital Projects		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>REVENUES</b>										
Local governmental	\$ 6,308,285	\$ 6,554,591	\$ 1,472,200	\$ 1,376,268	\$ 1,619,229	\$ 1,626,413	\$ 1,150,936	\$ 1,179,646	\$ 10,550,650	\$ 10,736,918
State governmental	4,082,099	5,307,832	1,077,503	989,643	-	-	-	-	5,159,602	6,297,475
Federal governmental	-	4,655	4,361,315	4,158,772	-	-	-	-	4,361,315	4,163,427
Student tuition and fees	5,791,174	5,331,731	-	-	-	-	-	-	5,791,174	5,331,731
Investment income	194,200	370,581	282,500	671,674	45,000	79,217	80,500	268,946	602,200	1,390,418
Other sources	858,725	1,354,255	13,275	143,489	-	-	-	-	872,000	1,497,744
Total revenues	<u>17,234,483</u>	<u>18,923,645</u>	<u>7,206,793</u>	<u>7,339,846</u>	<u>1,664,229</u>	<u>1,705,630</u>	<u>1,231,436</u>	<u>1,448,592</u>	<u>27,336,941</u>	<u>29,417,713</u>
<b>EXPENDITURES</b>										
Instruction	8,613,899	8,515,040	1,500,526	1,070,168	-	-	-	-	10,114,425	9,585,208
Academic support	1,181,262	1,068,222	132,013	135,826	-	-	-	-	1,313,275	1,204,048
Student services and aids	1,273,923	1,240,880	457,026	495,497	-	-	-	-	1,730,949	1,736,377
Public service	741,168	784,783	1,048,368	1,382,577	-	-	-	-	1,789,536	2,167,360
Auxiliary service	-	-	-	38,409	-	-	-	-	-	38,409
Operation and maintenance of plant	2,193,000	2,224,044	328,935	333,910	-	-	1,150,936	921,400	3,672,871	3,479,354
General institutional support	2,991,231	3,550,286	1,450,444	1,388,350	1,000	550	-	-	4,442,675	4,939,186
Scholarships, grant and waivers	240,000	343,780	2,243,066	2,057,237	-	-	-	-	2,483,066	2,401,017
Debt Service										
Principal	-	-	-	-	1,955,000	1,955,000	-	-	1,955,000	1,955,000
Interest	-	-	-	-	18,458	18,457	-	-	18,458	18,457
Total expenditures	<u>17,234,483</u>	<u>17,727,035</u>	<u>7,160,378</u>	<u>6,901,974</u>	<u>1,974,458</u>	<u>1,974,007</u>	<u>1,150,936</u>	<u>921,400</u>	<u>27,520,255</u>	<u>27,524,416</u>
Excess (deficit) of revenues over (under) expenditures	-	1,196,610	46,415	437,872	(310,229)	(268,377)	80,500	527,192	(183,314)	1,893,297
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in (out)	-	(130,200)	-	(100,000)	-	-	-	-	-	(230,200)
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>1,066,410</u>	<u>\$ 46,415</u>	<u>337,872</u>	<u>\$ (310,229)</u>	<u>(268,377)</u>	<u>\$ 80,500</u>	<u>527,192</u>	<u>\$ (183,314)</u>	<u>1,663,097</u>
<b>FUND BALANCES, JULY 1, 2006</b>		<u>5,607,391</u>		<u>13,398,936</u>		<u>1,603,020</u>		<u>5,120,704</u>		<u>25,730,051</u>
<b>FUND BALANCES, JUNE 30, 2007</b>		<u>\$ 6,673,801</u>		<u>\$ 13,736,808</u>		<u>\$ 1,334,643</u>		<u>\$ 5,647,896</u>		<u>\$27,393,148</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
COMBINED SCHEDULE OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPES  
BUDGET AND ACTUAL  
Year Ended June 30, 2007**

	<b>Proprietary Fund Type</b>	
	<b>Enterprise Fund</b>	
	<b>Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>		
Student tuition and fees	\$ 3,075	\$ -
Service fees	2,981,000	2,845,971
Other revenue	<u>2,700</u>	<u>1,405</u>
Total operating revenues	<u>2,986,775</u>	<u>2,847,376</u>
<b>OPERATING EXPENSES</b>		
Salaries	785,710	762,882
Employee Benefits	196,613	211,166
Contractual Services	109,170	86,688
General Materials and Supplies	1,859,420	1,739,225
Travel and Conference/Meeting Expense	49,025	50,632
Fixed Charges	110,500	97,521
Utilities	125	11
Depreciation	102,900	54,721
Other	<u>4,200</u>	<u>6,885</u>
Total operating expenses	<u>3,217,663</u>	<u>3,009,731</u>
Operating loss	(230,888)	(162,355)
<b>NONOPERATING REVENUES</b>		
Investment income	37,500	146,046
Other	<u>12,500</u>	<u>-</u>
Total nonoperating revenues	<u>50,000</u>	<u>146,046</u>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	(180,888)	(16,309)
<b>TRANSFERS IN (OUT)</b>	<u>156,414</u>	<u>293,614</u>
<b>NET INCOME (LOSS)</b>	<u>\$ (24,474)</u>	277,305
<b>FUND BALANCE, JULY 1, 2006</b>		<u>3,438,162</u>
<b>FUND BALANCE, JUNE 30, 2007</b>		<u>\$ 3,715,467</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
COMBINED SCHEDULE OF CASH FLOWS  
PROPRIETARY FUND TYPES  
Year Ended June 30, 2007**

	<u>Enterprise Fund</u>
<b>OPERATING ACTIVITIES</b>	
Cash receipts from customers	\$ 2,758,001
Cash payments to employees for service	(975,658)
Cash payments to vendors	(1,994,639)
Net cash used in operating activities	<u>(212,296)</u>
<b>NONCAPITAL FINANCING ACTIVITIES</b>	
Property taxes received	-
Deposit	-
Transfers in	293,614
Net increase (decrease) in due to other funds	180,655
Net cash provided by noncapital financing activities	<u>474,269</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of capital assets	-
Disposition of capital assets	-
Net cash used in capital and related financing activities	<u>-</u>
<b>INVESTING ACTIVITIES</b>	
Maturity of restricted investments	2,100,000
Purchase of investments	(2,747,928)
Income from investments	141,509
Net cash used in investing activities	<u>(506,419)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(244,446)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>631,982</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 387,536</u>
<b>Reconciliation of Operating Loss to Net Cash Flows Used In Operating Activities</b>	
Operating profit (loss)	\$ (162,355)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation	54,721
Effects of changes in assets and liabilities	
Receivable	(89,375)
Other assets	-
Prepaid expenditures	51,933
Inventory	(49,554)
Accounts payable	(5,097)
Other accruals	(12,569)
<b>Net Cash Used In Operating Activities</b>	<u>\$ (212,296)</u>

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

**GENERAL FUND**

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
GENERAL FUND  
COMBINING BALANCE SHEET - GENERAL FUND  
June 30, 2007**

	<b>Education Fund</b>	<b>Operation and Maintenance Fund</b>	<b>Total General Fund</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 382,915	\$ 72,495	\$ 455,410
Investments	3,819,016	654,538	4,473,554
Receivables			
Property taxes	5,498,072	1,016,559	6,514,631
Governmental claims	216,544	33,966	250,510
Other	1,822,935	293,902	2,116,837
Accrued revenue	20,543	-	20,543
Due from other funds	102,009	-	102,009
Prepaid Expenditures	179,516	-	179,516
<b>TOTAL ASSETS</b>	<b>\$ 12,041,550</b>	<b>\$ 2,071,460</b>	<b>\$ 14,113,010</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 153,774	\$ 270,830	\$ 424,604
Accrued expenditures	1,222,794	51,317	1,274,111
Due to other funds	109,717	6,612	116,329
Deferred revenue			
Property taxes	2,749,768	508,414	3,258,182
Tuition and fees	2,086,909	275,871	2,362,780
Other liabilities	3,203	-	3,203
Total liabilities	6,326,165	1,113,044	7,439,209
<b>FUND BALANCE</b>			
Unreserved	5,715,385	958,416	6,673,801
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 12,041,550</b>	<b>\$ 2,071,460</b>	<b>\$ 14,113,010</b>



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
June 30, 2007**

	<b>Education Fund</b>	<b>Operations and Maintenance Operational Fund</b>	<b>Total General Fund</b>
Local government revenue			
Local taxes	\$ 5,286,253	\$ 988,007	\$ 6,274,260
Other	210,248	70,083	280,331
	<u>5,496,501</u>	<u>1,058,090</u>	<u>6,554,591</u>
State government			
ICCB Credit Hour Grants	2,075,987	366,351	2,442,338
ICCB Equalization Grants	553,236	-	553,236
CTE Formula Grant	122,863	-	122,863
Hold Harmless Grant	-	-	-
Other ICCB Grants	-	-	-
CPPRT	1,090,218	192,391	1,282,609
Other state government sources	21,391	-	21,391
On-behalf payments - SURS	885,395	-	885,395
	<u>4,749,090</u>	<u>558,742</u>	<u>5,307,832</u>
Federal government sources			
Department of Education	4,655	-	4,655
	<u>4,655</u>	<u>-</u>	<u>4,655</u>
Student tuition and fees			
Tuition	3,966,013	602,651	4,568,664
Fees	763,067	-	763,067
	<u>4,729,080</u>	<u>602,651</u>	<u>5,331,731</u>
Other sources			
Sales and service fees	1,089,164	-	1,089,164
Facilities revenue	-	169,480	169,480
Investment revenue	315,151	55,430	370,581
Nongovernmental gifts	12,963	-	12,963
Other	72,075	10,573	82,648
	<u>1,489,353</u>	<u>235,483</u>	<u>1,724,836</u>
Total revenues	<u>16,468,679</u>	<u>2,454,966</u>	<u>18,923,645</u>
Expenditures - educational and general			
Current			
Instruction	8,515,040	-	8,515,040
Academic support	1,068,222	-	1,068,222
Student services and aids	1,240,880	-	1,240,880
Public service	784,783	-	784,783
Operation and maintenance plant	-	2,224,044	2,224,044
General institutional support	3,487,235	63,051	3,550,286
Scholarships, student grants and waivers	343,780	-	343,780
Total expenditures	<u>15,439,940</u>	<u>2,287,095</u>	<u>17,727,035</u>
Excess of revenues over expenditures	1,028,739	167,871	1,196,610
<b>OTHER FINANCING USES</b>			
Transfer from (to) other funds	(130,200)	-	(130,200)
Excess of revenues over expenditures and other financing uses	898,539	167,871	1,066,410
<b>FUND BALANCE, JULY 1, 2006</b>	<u>4,816,846</u>	<u>790,545</u>	<u>5,607,391</u>
<b>FUND BALANCE, JUNE 30, 2007</b>	<u>\$ 5,715,385</u>	<u>\$ 958,416</u>	<u>\$ 6,673,801</u>

**SPECIAL REVENUE FUNDS**

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2007**

	<b>Restricted Purposes Fund</b>	<b>Working Cash Fund</b>	<b>Audit Fund</b>	<b>Liability, Protection &amp; Settlement Fund</b>	<b>Total Special Revenue Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,412	\$ 48,418	\$ 5,024	\$ 363,992	\$ 418,846
Investments	6,737	4,712,170	49,751	7,361,907	12,130,565
Receivables					
Property taxes	-	-	1,121	1,273,378	1,274,499
Governmental claims	133,382	-	-	-	133,382
Other	241,869	-	-	-	241,869
Accrued revenue	-	101,830	-	108,442	210,272
Prepaid expenditures	-	-	-	241,300	241,300
Due from other funds	56,001	-	-	-	56,001
	<u>56,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,001</u>
<b>TOTAL ASSETS</b>	<u>\$ 439,401</u>	<u>\$ 4,862,418</u>	<u>\$ 55,896</u>	<u>\$ 9,349,019</u>	<u>\$ 14,706,734</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 28,336	\$ -	\$ -	\$ 1,297	\$ 29,633
Other accruals	118,101	-	-	67,887	185,988
Due to other funds	116,518	-	-	-	116,518
Deferred revenue					
Property taxes	-	-	558	636,853	637,411
Other liabilities	376	-	-	-	376
Total liabilities	<u>263,331</u>	<u>-</u>	<u>558</u>	<u>706,037</u>	<u>969,926</u>
<b>FUND BALANCE</b>					
Reserved for grant purposes	176,070	-	-	-	176,070
Reserved for building purposes	-	-	-	-	-
Reserved for liability, protection and settlement	-	-	-	8,642,982	8,642,982
Unreserved	-	4,862,418	55,338	-	4,917,756
Total fund balance	<u>176,070</u>	<u>4,862,418</u>	<u>55,338</u>	<u>8,642,982</u>	<u>13,736,808</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 439,401</u>	<u>\$ 4,862,418</u>	<u>\$ 55,896</u>	<u>\$ 9,349,019</u>	<u>\$ 14,706,734</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
June 30, 2007**

	<b>Restricted Purposes Fund</b>	<b>Working Cash Fund</b>	<b>Audit Fund</b>	<b>Liability, Protection &amp; Settlement Fund</b>	<b>Total Special Revenue Funds</b>
<b>REVENUES</b>					
Local government					
Property taxes	\$ -	\$ -	\$ 11,405	\$ 1,364,863	\$ 1,376,268
Other local revenue	-	-	-	-	-
State government					
ICCB state grants	538,397	-	-	-	538,397
Department of Corrections	382,605	-	-	-	382,605
Secretary of State	52,000	-	-	-	52,000
Other	16,641	-	-	-	16,641
Federal government					
Financial aid	2,122,332	-	-	-	2,122,332
Other	2,036,440	-	-	-	2,036,440
Investment income	2,402	234,450	3,270	431,552	671,674
Other sources	138,615	-	-	4,874	143,489
Total revenues	<u>5,289,432</u>	<u>234,450</u>	<u>14,675</u>	<u>1,801,289</u>	<u>7,339,846</u>
<b>EXPENDITURES - EDUCATIONAL AND GENERAL</b>					
Instruction	1,070,168	-	-	-	1,070,168
Academic support	135,826	-	-	-	135,826
Student services and aids	495,497	-	-	-	495,497
Public service	1,382,577	-	-	-	1,382,577
Auxiliary service	38,409	-	-	-	38,409
Operating and maintenance of plant	-	-	-	333,910	333,910
Institutional support	65,170	-	34,500	1,288,680	1,388,350
Scholarships, student grants, and waivers	2,057,237	-	-	-	2,057,237
Total expenditures	<u>5,244,884</u>	<u>-</u>	<u>34,500</u>	<u>1,622,590</u>	<u>6,901,974</u>
Excess (deficit) of revenues over (under) expenditures	44,548	234,450	(19,825)	178,699	437,872
<b>OTHER FINANCING SOURCES</b>					
Transfers in (out)	-	(100,000)	-	-	(100,000)
Excess (deficit) of revenues and other financing sources over (under) expenditures	44,548	134,450	(19,825)	178,699	337,872
<b>FUND BALANCE, JULY 1, 2006</b>	<u>131,522</u>	<u>4,727,968</u>	<u>75,163</u>	<u>8,464,283</u>	<u>13,398,936</u>
<b>FUND BALANCE , JUNE 30, 2007</b>	<u>\$ 176,070</u>	<u>\$ 4,862,418</u>	<u>\$ 55,338</u>	<u>\$ 8,642,982</u>	<u>\$ 13,736,808</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
RESTRICTED PURPOSE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
Year Ended June 30, 2007**

	<b>Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
State government	\$ 1,077,503	\$ 989,643	\$ (87,860)
Federal government	4,361,315	4,158,772	(202,543)
Student tuition and fees	1,275	-	(1,275)
Investment income	-	2,402	2,402
Other sources	6,000	138,615	132,615
Total revenues	5,446,093	5,289,432	(156,661)
<b>EXPENDITURES - EDUCATIONAL AND GENERAL</b>			
Instruction	1,500,526	1,070,168	(430,358)
Academic support	132,013	135,826	3,813
Student services and aids	457,026	495,497	38,471
Public service	1,048,368	1,382,577	334,209
Auxiliary service	-	38,409	38,409
Institutional support	65,094	65,170	76
Scholarships, student grants and waivers	2,243,066	2,057,237	(185,829)
Total expenditures	5,446,093	5,244,884	(201,209)
<b>OTHER FINANCING SOURCES</b>			
Transfers in (out)	-	-	-
Excess of revenues over expenditures	\$ -	44,548	\$ 44,548
<b>FUND BALANCE, JULY 1, 2006</b>		131,522	
<b>FUND BALANCE, JUNE 30, 2007</b>		\$ 176,070	

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
RESTRICTED PURPOSES FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGE IN FUND BALANCE  
Year ended June 30, 2007**

	<b>Fund Balance July 1, 2006</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Equity Transfers</b>	<b>Fund Balance June 30, 2007</b>
<b>State Government</b>					
ICCB Business & Industry Grant	\$ -	\$ 66,334	\$ 48,300	\$ (18,000)	\$ 34
ICCB P-16 (Early Entry College)	-	32,205	32,205	-	-
ICCB Student Success Grant	-	28,225	20,850	-	7,375
Department of Corrections	2,590	558,939	561,529	-	-
CTE Program Improvement Grant	9,603	16,423	23,859	-	2,167
Adult Ed State Basic	-	118,991	118,991	-	-
Adult Ed Public Assistance	-	20,501	20,501	-	-
Adult Ed Performance	-	79,384	79,384	-	-
HEC 2005-CAS	-	5,000	5,000	-	-
Literacy Secretary of State (2006)	-	52,000	52,000	-	-
LSTA-IL State Library	-	500	500	-	-
CSSI Manufacturing Grant	-	11,141	11,141	-	-
	<u>12,193</u>	<u>989,643</u>	<u>974,260</u>	<u>(18,000)</u>	<u>9,576</u>
<b>Federal Government</b>					
PELL Grant	-	2,014,361	2,014,361	-	-
ACG1-Academic Competitiveness Grant	-	6,275	6,275	-	-
SEOG Grant	-	36,601	36,601	-	-
Federal Work-Study Program	-	65,094	65,094	-	-
Dislocated Workers Center	1,041	1,108,656	1,113,352	-	(3,655)
BEST - Warehouse Program	-	362	362	-	-
DOL Earmark Grant	-	5,200	5,202	-	(2)
Title VI - International Studies	(39)	4,809	4,770	-	-
TRIO/Student Support Services	(1,685)	235,560	235,777	-	(1,902)
Federal Adult Education Grants	-	123,155	123,155	-	-
Small Business Development Center	-	50,000	50,000	-	-
Department of Justice	-	78,995	78,995	-	-
National Science Foundation	-	60,521	60,521	-	-
English Literacy/Civics	-	36,849	36,849	-	-
Carl Perkins Title II-C Vocational Grant	18,967	189,855	175,725	-	33,097
Technical Preparation	1,352	72,648	72,865	-	1,135
Technical Preparation Support Grant	2,050	10,847	9,261	-	3,636
CTE Continuous Quality Improvement	-	10,000	9,125	1,738	2,613
CTE Innovation Grant	-	5,000	8,262	3,262	-
CTE Performance Enhancement	2,284	5,000	2,284	(5,000)	-
DOE - Federal Childcare	-	14,509	14,509	-	-
Ccampis	(568)	24,475	23,900	-	7
	<u>23,402</u>	<u>4,158,772</u>	<u>4,147,245</u>	<u>-</u>	<u>34,929</u>
<b>Other Sources</b>					
PELL Administrative	78	-	78	-	-
Small Business Development Match Funds	-	-	18,000	18,000	-
Small Business Development Workshops	57	6,211	4,934	-	1,334
Dislocated Workers Center Program income	-	4,960	4,960	-	-
Fabrication and Manufacturing Association	-	4,526	4,378	-	148
IMEC	77,873	122,664	91,029	-	109,508
Sheridan Correctional Center Program income	-	254	-	-	254
TRIO Fund Raising	376	-	-	-	376
Restricted Fund Balance (interest)	17,543	2,402	-	-	19,945
	<u>95,927</u>	<u>141,017</u>	<u>123,379</u>	<u>18,000</u>	<u>131,565</u>
Total other sources	<u>95,927</u>	<u>141,017</u>	<u>123,379</u>	<u>18,000</u>	<u>131,565</u>
	<u>\$ 131,522</u>	<u>\$ 5,289,432</u>	<u>\$ 5,244,884</u>	<u>\$ -</u>	<u>\$ 176,070</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
AUDIT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
Year Ended June 30, 2007**

	<b>Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Local government			
Property tax	\$ 20,000	\$ 11,405	\$ (8,595)
Other	-	-	-
Investment income	2,500	3,270	770
Total revenues	22,500	14,675	(7,825)
<b>EXPENDITURES - EDUCATIONAL AND GENERAL</b>			
General institutional support	26,000	34,500	8,500
Total expenditures	26,000	34,500	8,500
Deficiency of revenues over expenditures	\$ (3,500)	(19,825)	\$ 16,325
<b>FUND BALANCE, JULY 1, 2006</b>		75,163	
<b>FUND BALANCE, JUNE 30, 2007</b>		\$ 55,338	

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
LIABILITY, PROTECTION, AND SETTLEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
Year Ended June 30, 2007**

	<b>Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Local government revenue			
Property taxes	\$ 1,452,200	\$ 1,364,863	\$ (87,337)
Investment revenue	180,000	431,552	251,552
Other	6,000	4,874	(1,126)
Total revenues	1,638,200	1,801,289	163,089
<b>EXPENDITURES - EDUCATION AND GENERAL</b>			
Operation and maintenance plant	328,935	333,910	4,975
Institutional support	1,359,350	1,288,680	(70,670)
Total expenditures	1,688,285	1,622,590	(65,695)
Excess (deficit) of revenues over expenditures	(50,085)	178,699	228,784
<b>OTHER FINANCING SOURCES</b>			
Transfer from (to) other funds	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources	\$ (50,085)	178,699	\$ 228,784
<b>FUND BALANCE, JULY 1, 2006</b>		8,464,283	
<b>FUND BALANCE, JUNE 30, 2007</b>		\$ 8,642,982	



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
WORKING CASH FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
Year Ended June 30, 2007**

	<b>Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Investment income	\$ 100,000	\$ 234,450	\$ 134,450
Other	-	-	-
Total revenues	100,000	234,450	134,450
 <b>EXPENDITURES - EDUCATIONAL AND GENERAL</b>			
Institutional support	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	100,000	234,450	134,450
 <b>OTHER FINANCING USES</b>			
Transfer from (to) other funds	(100,000)	(100,000)	-
Excess of revenues over expenditures and other financing uses	\$ -	134,450	\$ 134,450
<b>FUND BALANCE, JULY 1, 2006</b>		4,727,968	
<b>FUND BALANCE, JUNE 30, 2007</b>		\$ 4,862,418	

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
DEBT SERVICE  
BALANCE SHEET  
June 30, 2007**

	<b><u>Bond and Interest Fund</u></b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 18,204
Investments	679,883
Receivables	
Property taxes	1,273,443
Other	-
Accrued Revenue	-
Prepaid Expenditures	-
	-
<b>TOTAL ASSETS</b>	<b>\$ 1,971,530</b>
<b>LIABILITIES</b>	
Accounts payable	\$ -
Deferred revenue	
Property taxes	636,887
Other liabilities	-
	-
Total liabilities	636,887
<b>FUND BALANCE</b>	
Reserved for Debt Service	1,334,643
	1,334,643
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,971,530</b>

**ILLINOIS VALLEY COMMUNITY COLLEGE**  
**COMMUNITY COLLEGE DISTRICT #513**  
**DEBT SERVICE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**Year Ended June 30, 2007**

	<u>Budget</u>	<u>Bond and Interest Fund Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Local government revenue			
Local taxes	\$ 1,619,229	\$ 1,626,413	\$ 7,184
Other	-	-	-
	<u>1,619,229</u>	<u>1,626,413</u>	<u>7,184</u>
Other sources			
Student tuition and fees	-	-	-
Facilities revenue	-	-	-
Investment revenue	45,000	79,217	34,217
Nongovernmental gifts	-	-	-
Other	-	-	-
	<u>45,000</u>	<u>79,217</u>	<u>34,217</u>
Total revenues	<u>1,664,229</u>	<u>1,705,630</u>	<u>41,401</u>
Expenditures			
Institutional support			
Fixed charges	1,000	550	(450)
Bond principal	1,955,000	1,955,000	-
Interest and fees	18,458	18,457	(1)
	<u>1,974,458</u>	<u>1,974,007</u>	<u>(451)</u>
Excess of revenues over expenditures	(310,229)	(268,377)	(41,852)
<b>OTHER FINANCING SOURCES</b>			
Transfer from (to) other funds	-	-	-
Deficiency of revenues over expenditures and other financing sources	<u>\$ (310,229)</u>	(268,377)	<u>\$ (41,852)</u>
<b>FUND BALANCE, JULY 1, 2006</b>		<u>1,603,020</u>	
<b>FUND BALANCE, JUNE 30, 2007</b>		<u>\$ 1,334,643</u>	

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
CAPITAL PROJECTS FUND  
BALANCE SHEET - CAPITAL PROJECTS  
June 30, 2007**

	<b>Operations and Maintenance Fund (Restricted)</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 34,759
Investments	5,009,101
Receivables	
Property taxes	1,205,151
Governmental claims	-
Other	-
Accrued Revenue	24,108
Due from other funds	-
Prepaid Expenditures	<u>19,789</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>6,292,908</u></b>
<b>LIABILITIES</b>	
Accounts payable	\$ 42,281
Accrued expenditures	-
Due to other funds	-
Deferred revenue	
Property taxes	602,731
Tuition and fees	-
Other liabilities	<u>-</u>
Total liabilities	645,012
<b>FUND BALANCE</b>	
Unreserved	<u>5,647,896</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ <u>6,292,908</u></b>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
Year Ended June 30, 2007**

	<b>Operations and Maintenance Fund (Restricted)</b>		<b>Over (Under) Budget</b>
	<b>Budget</b>	<b>Actual</b>	
<b>REVENUES</b>			
Local government revenue			
Property taxes	\$ 1,150,936	\$ 1,179,646	\$ 28,710
Other	-	-	-
	<u>1,150,936</u>	<u>1,179,646</u>	<u>28,710</u>
Other sources			
Investment revenue	80,500	268,946	188,446
Other	-	-	-
	<u>80,500</u>	<u>268,946</u>	<u>188,446</u>
Total revenues	<u>1,231,436</u>	<u>1,448,592</u>	<u>217,156</u>
Expenditures - educational and general			
Operation and maintenance plant	1,150,936	921,400	(229,536)
Total expenditures	<u>1,150,936</u>	<u>921,400</u>	<u>(229,536)</u>
Excess of revenues over expenditures	80,500	527,192	446,692
<b>OTHER FINANCING SOURCES</b>			
Transfer from (to) other funds	-	-	-
Excess of revenues over expenditures and other financing sources	<u>\$ 80,500</u>	527,192	<u>\$ 446,692</u>
<b>FUND BALANCE, JULY 1, 2006</b>		<u>5,120,704</u>	
<b>FUND BALANCE, JUNE 30, 2007</b>		<u>\$ 5,647,896</u>	

**PROPRIETARY FUNDS**

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
PROPRIETARY FUND TYPE  
COMBINING BALANCE SHEET  
June 30, 2007**

	Facility Rentals	Early Childhood	Food Service	Information Technology	Student Technology	Bookstore	Cultural Services	Athletics	Fitness Center Contracts	Copy Center	Farm Plots	Massage Therapy	General Institution	Auto Shop	Total Enterprise Fund
<b>ASSETS</b>															
Cash and cash equivalents	\$ 2,459	\$ (4,369)	\$ 15,042	\$ 162,263	\$ 20,640	\$ 93,216	\$ 38,291	\$ (67,694)	\$ 3,414	\$ 39,371	\$ 11,529	\$ 21,211	\$ 3,842	\$ 48,321	\$ 387,536
Investments	-	-	200,000	828,311	300,000	1,250,000	-	-	-	150,000	50,000	-	-	-	2,778,311
Receivables	-	25,646	-	-	-	71,890	500	-	-	111	-	-	-	1,602	99,749
Other assets	-	-	-	6,210	-	18,630	-	-	-	-	-	-	-	-	24,840
Inventories	-	-	-	-	-	380,476	-	-	-	-	-	-	-	-	380,476
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed assets (net of depreciation)	-	-	-	-	12,688	3,287	-	13,183	-	-	-	-	-	-	29,158
Due from other funds	-	2,800	-	-	-	14,509	65	54,000	-	-	-	-	-	-	71,374
<b>TOTAL ASSETS</b>	<b>\$ 2,459</b>	<b>\$ 24,077</b>	<b>\$ 215,042</b>	<b>\$ 996,784</b>	<b>\$ 333,328</b>	<b>\$ 1,832,008</b>	<b>\$ 38,856</b>	<b>\$ (511)</b>	<b>\$ 3,414</b>	<b>\$ 189,482</b>	<b>\$ 61,529</b>	<b>\$ 21,211</b>	<b>\$ 3,842</b>	<b>\$ 49,923</b>	<b>\$ 3,771,444</b>
<b>LIABILITIES</b>															
Accounts payable	\$ -	\$ 4,539	\$ -	\$ 1,688	\$ -	\$ 4,089	\$ 2,076	\$ 40	\$ 150	\$ 1,128	\$ -	\$ -	\$ -	\$ 829	\$ 14,539
Other accruals	-	11,068	-	2,474	-	10,984	-	10,386	820	5,706	-	-	-	-	41,438
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	15,607	-	4,162	-	15,073	2,076	10,426	970	6,834	-	-	-	829	55,977
<b>FUND BALANCE (DEFICIT)</b>															
Unreserved	2,459	8,470	215,042	992,622	333,328	1,816,935	36,780	(10,937)	2,444	182,648	61,529	21,211	3,842	49,094	3,715,467
Total fund balance (deficit)	2,459	8,470	215,042	992,622	333,328	1,816,935	36,780	(10,937)	2,444	182,648	61,529	21,211	3,842	49,094	3,715,467
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b>\$ 2,459</b>	<b>\$ 24,077</b>	<b>\$ 215,042</b>	<b>\$ 996,784</b>	<b>\$ 333,328</b>	<b>\$ 1,832,008</b>	<b>\$ 38,856</b>	<b>\$ (511)</b>	<b>\$ 3,414</b>	<b>\$ 189,482</b>	<b>\$ 61,529</b>	<b>\$ 21,211</b>	<b>\$ 3,842</b>	<b>\$ 49,923</b>	<b>\$ 3,771,444</b>

ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
PROPRIETARY FUND TYPES  
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND  
CHANGES IN FUND BALANCE (DEFICIT)  
Year Ended June 30, 2007

	Facility Rentals	Early Childhood	Food Service	Information Technology	Student Technology Fees	Bookstore	Cultural Services	Athletics	Fitness Center Contracts	Copy Center	Farm Plots	Massage Therapy	General Institution	Auto Shop	Total Enterprise Fund
<b>OPERATING REVENUES</b>															
Student fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service fees	-	396,148	-	320,595	-	1,966,158	23,037	931	6,810	85,800	9,345	11,320	-	25,827	2,845,971
Facilities revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1,405	-	-	-	-	-	-	-	-	1,405
Total operating revenues	-	396,148	-	320,595	-	1,967,563	23,037	931	6,810	85,800	9,345	11,320	-	25,827	2,847,376
<b>OPERATING EXPENSES - AUXILIARY ENTERPRISES</b>															
Current operations	-	404,870	-	252,557	64,532	1,791,804	21,223	283,272	3,952	116,237	1,090	1,500	-	13,973	2,955,010
Depreciation	-	-	2,666	23,698	17,811	8,011	-	2,535	-	-	-	-	-	-	54,721
Total operating expenses	-	404,870	2,666	276,255	82,343	1,799,815	21,223	285,807	3,952	116,237	1,090	1,500	-	13,973	3,009,731
Operating income (loss)	-	(8,722)	(2,666)	44,340	(82,343)	167,748	1,814	(284,876)	2,858	(30,437)	8,255	9,820	-	11,854	(162,355)
<b>NONOPERATING REVENUES</b>															
Investment income	-	-	-	73,023	-	73,023	-	-	-	-	-	-	-	-	146,046
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	-	(8,722)	(2,666)	117,363	(82,343)	240,771	1,814	(284,876)	2,858	(30,437)	8,255	9,820	-	11,854	(16,309)
<b>TRANSFERS IN (OUT)</b>	-	17,000	-	-	-	-	3,500	273,114	-	-	-	-	-	-	293,614
<b>NET INCOME (LOSS)</b>	-	8,278	(2,666)	117,363	(82,343)	240,771	5,314	(11,762)	2,858	(30,437)	8,255	9,820	-	11,854	277,305
<b>FUND BALANCE (DEFICIT) BEGINNING OF YEAR</b>	2,459	192	217,708	875,259	415,671	1,576,164	31,466	825	(414)	213,085	53,274	11,391	3,842	37,240	3,438,162
<b>FUND BALANCE (DEFICIT) END OF YEAR</b>	<u>\$2,459</u>	<u>\$ 8,470</u>	<u>\$215,042</u>	<u>\$ 992,622</u>	<u>\$ 333,328</u>	<u>\$ 1,816,935</u>	<u>\$36,780</u>	<u>\$(10,937)</u>	<u>\$ 2,444</u>	<u>\$182,648</u>	<u>\$61,529</u>	<u>\$21,211</u>	<u>\$ 3,842</u>	<u>\$49,094</u>	<u>\$ 3,715,467</u>



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
Year Ended June 30, 2007**

Fund balances - All fund types	\$ 84,268,237
Long-term debt	(5,481,520)
Depreciation on GFAAG	<u>(27,030,070)</u>
Statement of net assets	<u>\$ 51,756,647</u>

**RECONCILIATION OF THE STATEMENT OF CHANGES IN FUND BALANCES - ALL FUND TYPES  
TO THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
Year Ended June 30, 2007**

Net increase in fund balance	\$ <u>1,940,402</u>
Internal charges removed for continuing education revenues	31,950
Internal charges removed for continuing education expenditures	<u>(31,950)</u>
Net effect	<u>-</u>
Internal charges removed for auxiliary revenues	153,545
Internal charges removed for auxiliary expenditures	<u>(153,545)</u>
Net effect	<u>-</u>
Reduction in student tuition and fees	2,057,237
Reduction in student services - financial aid	<u>(2,057,237)</u>
Net effect	<u>-</u>
Expenditures for capital assets	<u>1,337,551</u>
Depreciation on GFAAG assets	<u>(1,288,359)</u>
Disposal of GFAAG assets	<u>(4,441)</u>
Student waivers removed from revenue	343,780
Student waivers removed from expenditures	<u>(343,780)</u>
Net effect	<u>-</u>
Retirement of indebtedness expenditures deleted	<u>1,637,463</u>
Increase in net assets	<u>\$ 3,622,616</u>

## **SPECIAL REPORTS**

**SUPPLEMENTAL FINANCIAL INFORMATION**

**ILLINOIS VALLEY COMMUNITY COLLEGE**  
**COMMUNITY COLLEGE DISTRICT #513**  
**FIDUCIARY FUND TYPE**  
**AGENCY FUND**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**Year End June 30, 2007**

<b>Student Activity Fund</b>					
	<b>Balance July 1, 2006</b>	<b>Additions Sales/Fees</b>	<b>Subtractions Expenditures</b>	<b>Student Activity Fund Transfers</b>	<b>Balance June 30, 2007</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 40,502	\$ 2,826,492	\$ 2,732,455	\$ -	\$ 134,539
Student Grants Receivable	59,053	1,006,387	1,065,440	-	-
Due from other funds	60,835	7,478	60,835	-	7,478
<b>TOTAL ASSETS</b>	<b>\$ 160,390</b>	<b>\$ 3,840,357</b>	<b>\$ 3,858,730</b>	<b>\$ -</b>	<b>\$ 142,017</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 4,508	\$ 976,821	\$ 979,708	\$ -	\$ 1,621
Other accrued expenditures	5,856	162	5,856	-	162
Due to other funds	58	4,073	116	-	4,015
Deferred Revenue	5,775	-	5,775	-	-
	<b>16,197</b>	<b>981,056</b>	<b>991,455</b>	<b>-</b>	<b>5,798</b>
Due to student groups					
General-Standard fees	10,760	159,871	110,100	(64,574)	(4,043)
Student Activity: Interest	4,373	291	-	-	4,664
Organizational Reserve	4,725	-	-	-	4,725
ISAC:MAP	-	815,603	810,640	-	4,963
ISAC-Map Plus Grant	-	69,500	69,250	-	250
II Incentive for Access	-	73,250	72,750	-	500
II Veterans Grant	(58)	32,664	26,444	-	6,162
II National Guard Grant	-	14,454	14,454	-	-
II Merit Recognition Scholarship	-	-	-	-	-
II MIA/POW	1	7,896	12,656	-	(4,759)
Foundation Scholarships	-	112,190	112,190	-	-
Subsidized Loans	-	942,859	942,859	-	-
Unsubsidized Loans	-	408,484	408,474	-	10
Direct PLUS Loan	-	6,436	6,436	-	-
Outside Scholarships	1,670	68,357	62,202	-	7,825
Scholarships	9,791	-	-	-	9,791
TRIO Student Group	100	-	-	-	100
IV Leader	5,149	-	7,038	12,450	10,561
Debate Club	250	-	-	-	250
SPAMO	5,496	2,325	4,407	2,800	6,214
Amnesty International	267	363	1,161	1,500	969
Criminal Justice	8,983	167	1,277	1,750	9,623
River Currents	792	-	3,331	3,000	461
Student Nurses Association	2,981	2,151	11,402	7,250	980
Focus on Fitness	909	215	1,030	1,000	1,094
Phi Theta Kappa	6,607	7,570	12,299	5,000	6,878
Student Government Association	(6,044)	-	6,353	12,397	-
Students in Free Enterprise	7,209	2,405	8,825	3,250	4,039
Horticulture Club	3,424	7,071	7,466	1,000	4,029
International Society	14,870	-	15,007	1,000	863
American Chemical Society	232	3,024	4,117	3,000	2,139
Human Services Organization	349	1,798	2,245	1,250	1,152
Student Educators	280	-	-	(280)	-
Physics Club	364	-	289	250	325
POWER	1,010	839	2,401	1,500	948

**ILLINOIS VALLEY COMMUNITY COLLEGE**  
**COMMUNITY COLLEGE DISTRICT #513**  
**FIDUCIARY FUND TYPE**  
**AGENCY FUND**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**Year End June 30, 2007**

<b>Student Activity Fund</b>					
	<b>Balance</b>	<b>Additions</b>	<b>Subtractions</b>	<b>Student Activity</b>	<b>Balance</b>
	<b>July 1, 2006</b>	<b>Sales/Fees</b>	<b>Expenditures</b>	<b>Fund Transfers</b>	<b>June 30, 2007</b>
Transformed	(9)	-	396	500	95
SODA	534	571	1,665	2,425	1,865
Monitoring Program	-	-	36	-	(36)
Student Ambassadors	787	-	590	750	947
Sigma Kappa Delta	3,347	-	920	-	2,427
Gay/Straight Alliance	2,552	498	735	1,000	3,315
PSI Beta/Psychology	987	605	1,482	500	610
Circle K	1,244	-	-	(1,244)	-
Round Table Gaming Society	950	-	-	-	950
World Languages	330	6,327	5,859	1,000	1,798
Young Republicans	380	-	675	500	205
Wellness Club	91	-	763	750	78
Sigma Delta Mu	-	280	196	276	360
Short Term Loan Base	3,067	37,350	37,350	-	3,067
Employee Cafeteria Plan	2,391	-	-	-	2,391
Job Fair	1,882	-	-	-	1,882
Single Parent Program	-	67	-	-	67
ACT Testing Program	251	-	-	-	251
ACT Career Planning	21	-	-	-	21
Unrestricted Gifts	159	-	-	-	159
IVCC River Project	435	500	188	-	747
Campus Art Committee	340	-	-	-	340
Library Gift Memorial	8,363	6,393	2,413	-	12,343
IBOS (Child Care)	630	-	-	-	630
Early Childhood Fund	6	3,278	-	-	3,284
MIMIC	230	283	452	-	61
Baseball	(295)	22,661	33,965	-	(11,599)
Softball	7,586	7,892	11,150	-	4,328
Golf	9,651	8,025	7,147	-	10,529
Women Summer Basketball	100	-	-	-	100
Volleyball	2,164	-	-	-	2,164
Mens Tennis	1,851	2,482	2,515	-	1,818
Basketball	1,581	685	-	-	2,266
General Athletics	3,621	-	817	-	2,804
Cheerleading	2,510	-	-	-	2,510
Support Staff Service Project	649	1,614	1,696	-	567
Family Reading Night	525	-	-	-	525
Women's History Month	792	1,050	205	-	1,637
<b>Total Due to Student Groups</b>	<b>144,193</b>	<b>2,840,344</b>	<b>2,848,318</b>	<b>-</b>	<b>136,219</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 160,390</b>	<b>\$ 3,821,400</b>	<b>\$ 3,839,773</b>	<b>\$ -</b>	<b>\$ 142,017</b>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SUMMARY OF CHANGES IN GENERAL FIXED ASSETS  
Year Ended June 30, 2007**

	<u>Balance July 1, 2006</u>	<u>Additions/ Accretion</u>	<u>Deletions</u>	<u>Balance June 30, 2007</u>
<b>GENERAL FIXED ASSETS</b>				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Site improvements	4,751,833	57,420	-	4,809,253
Buildings	31,273,024	1,042,120	-	32,315,144
Equipment	12,782,295	214,858	56,869	12,940,284
Technology	421,647	23,153	-	444,800
Library	1,288,543	-	-	1,288,543
<b>TOTAL FIXED ASSETS</b>	<u>\$ 51,878,940</u>	<u>\$ 1,337,551</u>	<u>\$ 56,869</u>	<u>\$ 53,159,622</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS  
June 30, 2007**

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>ASSESSED VALUATIONS</b>			
County			
LaSalle	\$ 1,816,287,656	\$ 1,702,457,352	\$ 1,698,696,606
Bureau	441,739,293	419,713,141	401,674,185
Putnam	144,477,177	135,659,321	118,869,243
Lee	24,264,817	23,325,326	23,109,432
Grundy	18,462,071	17,796,188	17,191,142
Livingston	47,837,490	47,613,353	45,743,606
DeKalb	1,201,653	1,238,274	1,319,531
Marshall	57,549,823	55,038,166	52,532,887
	<u>\$ 2,551,819,980</u>	<u>\$ 2,402,841,121</u>	<u>\$ 2,359,136,632</u>

**TAX RATES (PER \$100 ASSESSED VALUATION)**

General Fund			
Education Account	0.1300	0.1300	0.1300
Additional tax	0.0863	0.0815	0.0789
Operations and Maintenance Account	0.0400	0.0400	0.0400
Bond and Interest	0.0495	0.0825	0.0834
Operations and Maintenance Restricted Fund	0.0470	0.0481	0.0500
Liability, Protection and Settlement Fund	0.0447	0.0543	0.0552
Social Security Fund	0.0049	0.0064	0.0084
Audit Fund	-	0.0009	0.0009
	<u>0.4024</u>	<u>0.4437</u>	<u>0.4468</u>

**TAX EXTENSIONS**

General Fund			
Education Account	\$ 3,317,366	\$ 3,123,610	\$ 3,066,897
Additional tax	2,202,221	1,957,909	1,861,358
Operations and Maintenance Account	1,020,728	961,512	943,654
Bond and Interest Fund	1,263,151	1,981,653	1,967,519
Operations and Maintenance Restricted Fund	1,199,355	1,155,520	1,179,568
Liability, Protection and Settlement Fund	1,140,664	1,304,757	1,302,243
Social Security	125,039	153,501	198,167
Audit Fund	-	21,320	21,232
	<u>\$ 10,268,524</u>	<u>\$ 10,659,782</u>	<u>\$ 10,540,638</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS  
June 30, 2007**

	<u>2006</u>	<u>2005</u>
<b>TAX EXTENSIONS</b>		
General Fund		
Education Account	\$ 3,317,366	\$ 3,123,610
Additional tax	2,202,221	1,957,909
Operations and Maintenance Account	1,020,728	961,512
Bond and Interest Fund	1,263,151	1,981,653
Operations and Maintenance Restricted Fund	1,199,355	1,155,520
Liability, Protection and Settlement Fund	1,140,664	1,304,757
Social Security	125,039	153,501
Audit Fund	-	21,320
	<u>\$ 10,268,524</u>	<u>\$ 10,659,782</u>
 <b>ASSESSED VALUATION</b>	 <u>\$ 2,551,819,980</u>	 <u>\$ 2,402,841,121</u>
 <b>COMBINED RATE</b>	 <u>0.4024</u>	 <u>0.4437</u>
 <b>TAXES EXTENDED</b>	 <u>\$ 10,268,524</u>	 <u>\$ 10,659,782</u>
 <b>TAXES COLLECTED TO JUNE 30, 2006</b>	 <u>\$ -</u>	 <u>\$ 3,002</u>
 <b>COLLECTED DURING THE YEAR ENDED JUNE 30, 2007</b>	 <u>\$ 2,705</u>	 <u>\$ 10,644,613</u>
 <b>PERCENT COLLECTED TO JUNE 30, 2007</b>	 <u>0.00%</u>	 <u>99.89%</u>
 <b>UNCOLLECTED AT JUNE 30, 2007</b>		
General Fund		
Education Account	\$ 3,316,488	
Additional tax	2,201,638	
Operations and Maintenance Account	1,020,458	
Bond and Interest Fund	1,262,818	
Operations and Maintenance Restricted Fund	1,199,043	
Liability, Protection and Settlement Fund	1,140,366	
Social Security	125,008	
Audit Fund	-	
	<u>\$ 10,265,819</u>	
 Assessed valuation - 2006 levy	 <u>\$ 2,551,819,980</u>	
 Debt limit - 2.875% of assessed valuation	 \$ 73,364,824	
Bonded indebtedness	<u>5,481,520</u>	
 Legal debt margin	 <u>\$ 67,883,304</u>	



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF DEBT MATURITIES  
Year Ended June 30, 2007**

	<u>Bond Number</u>	<u>Interest Rate</u>	<u>Amounts Due During Year</u>				<u>June 30 Unpaid Principal Balance</u>
			<u>Bond Accretion</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2007-2008	504372CW1	4.830%	\$ 272,065	\$ 1,265,000	\$ -	\$ 1,265,000	\$ 4,488,585
2008-2009	504372CX9	4.850%	223,669	1,265,000	-	1,265,000	3,447,254
2009-2010	504372CY7	4.870%	172,708	1,270,000	-	1,270,000	2,349,962
2010-2011	504372CZ4	4.095%	121,248	1,265,000	-	1,265,000	1,206,210
2011-2012	504372DA8	5.030%	58,790	1,265,000	-	1,265,000	-

These bonds were issued as "zero coupon" or capital appreciation bonds. The full accreted value is due serially on March 1 of each year.

**UNIFORM FINANCIAL STATEMENTS**

ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
UNIFORM FINANCIAL SCHEDULE NO. 1  
SCHEDULE OF ALL FUNDS  
June 30, 2007

	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
<b>FUND BALANCE, JULY 1, 2006</b>	\$ 4,816,846	\$ 790,545	\$ 5,120,704	\$ 1,603,020	\$ 3,438,162	\$ 131,522	\$ 4,727,968	\$ 75,163	\$ 8,464,283	\$ 29,168,213
Revenues										
Local tax revenue	5,286,253	988,007	1,179,646	1,626,413	-	-	-	11,405	1,364,863	10,456,587
All other local revenue	210,248	70,083	-	-	-	-	-	-	-	280,331
ICCB grants	2,752,086	366,351	-	-	-	538,397	-	-	-	3,656,834
All other state revenue	1,111,609	192,391	-	-	-	451,246	-	-	-	1,755,246
Federal revenue	4,655	-	-	-	-	4,158,772	-	-	-	4,163,427
Student tuition and fees	4,729,080	602,651	-	-	-	-	-	-	-	5,331,731
All other revenue	1,489,353	235,483	268,946	79,217	2,993,422	141,017	234,450	3,270	436,426	5,881,584
Total revenues	<u>15,583,284</u>	<u>2,454,966</u>	<u>1,448,592</u>	<u>1,705,630</u>	<u>2,993,422</u>	<u>5,289,432</u>	<u>234,450</u>	<u>14,675</u>	<u>1,801,289</u>	<u>31,525,740</u>
Expenditures										
Instruction	8,515,040	-	-	-	-	1,070,168	-	-	-	9,585,208
Academic support	1,068,222	-	-	-	-	135,826	-	-	-	1,204,048
Student services	1,240,880	-	-	-	-	495,497	-	-	-	1,736,377
Public Service/Continuing Education	784,783	-	-	-	-	1,382,577	-	-	-	2,167,360
Auxiliary services	-	-	-	-	3,009,731	38,409	-	-	-	3,048,140
Operation and maintenance of plant	-	2,224,044	921,400	-	-	-	-	-	333,910	3,479,354
Institutional support	2,601,840	63,051	-	550	-	65,170	-	34,500	1,288,680	4,053,791
Scholarships, student grants, and waivers	343,780	-	-	-	-	2,057,237	-	-	-	2,401,017
Debt service										
Principal	-	-	-	1,955,000	-	-	-	-	-	1,955,000
Interest	-	-	-	18,457	-	-	-	-	-	18,457
Total expenditures	<u>14,554,545</u>	<u>2,287,095</u>	<u>921,400</u>	<u>1,974,007</u>	<u>3,009,731</u>	<u>5,244,884</u>	<u>-</u>	<u>34,500</u>	<u>1,622,590</u>	<u>29,648,752</u>
Net transfers	<u>(130,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,614</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>63,414</u>
<b>FUND BALANCE, JUNE 30, 2007</b>	<u>\$ 5,715,385</u>	<u>\$ 958,416</u>	<u>\$ 5,647,896</u>	<u>\$ 1,334,643</u>	<u>\$ 3,715,467</u>	<u>\$ 176,070</u>	<u>\$ 4,862,418</u>	<u>\$ 55,338</u>	<u>\$ 8,642,982</u>	<u>\$ 31,108,615</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
UNIFORM FINANCIAL SCHEDULE NO. 2  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT  
June 30, 2007**

	<u>Balance July 1, 2006</u>	<u>Additions/ Accretion</u>	<u>Deletions</u>	<u>Balance June 30, 2007</u>
<b>GENERAL FIXED ASSETS</b>				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Site improvements	4,751,833	57,420	-	4,809,253
Buildings	31,273,024	1,042,120	-	32,315,144
Equipment	12,782,295	214,858	56,869	12,940,284
Technology	421,647	23,153	-	444,800
Library	1,288,543	-	-	1,288,543
<b>TOTAL FIXED ASSETS</b>	<b>\$ 51,878,940</b>	<b>\$ 1,337,551</b>	<b>\$ 56,869</b>	<b>\$ 53,159,622</b>
Accumulated depreciation	<u>25,794,139</u>	<u>1,288,359</u>	<u>52,428</u>	<u>27,030,070</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 26,084,801</u></b>	<b><u>\$ 49,192</u></b>	<b><u>\$ 4,441</u></b>	<b><u>\$ 26,129,552</u></b>
<b>GENERAL LONG-TERM DEBT</b>				
Bonds payable	<u>\$ 7,118,983</u>	<u>\$ 317,537</u>	<u>\$ (1,955,000)</u>	<u>\$ 5,481,520</u>
<b>TOTAL LONG-TERM DEBT</b>	<b><u>\$ 7,118,983</u></b>	<b><u>\$ 317,537</u></b>	<b><u>\$ (1,955,000)</u></b>	<b><u>\$ 5,481,520</u></b>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
UNIFORM FINANCIAL SCHEDULE NO. 3  
SCHEDULE OF OPERATING FUND REVENUES AND EXPENDITURES  
Year Ended June 30, 2007**

	<b>Education Fund</b>	<b>Operations and Maintenance Operational Fund</b>	<b>Total Operating Funds</b>
<b>OPERATING REVENUES BY SOURCE</b>			
Local government			
Local taxes	\$ 5,286,253	\$ 988,007	\$ 6,274,260
Chargeback revenue	-	-	-
Other	<u>210,248</u>	<u>70,083</u>	<u>280,331</u>
Total local government	<u>5,496,501</u>	<u>1,058,090</u>	<u>6,554,591</u>
State government			
ICCB credit hour grants	2,075,987	366,351	2,442,338
ICCB equalization grants	553,236	-	553,236
ICCB funding formula change grant	-	-	-
CTE formula grant	122,863	-	122,863
Corporate personal property replacement tax	1,090,218	192,391	1,282,609
Other	<u>21,391</u>	<u>-</u>	<u>21,391</u>
Total state government	<u>3,863,695</u>	<u>558,742</u>	<u>4,422,437</u>
Federal government			
Department of education	<u>4,655</u>	<u>-</u>	<u>4,655</u>
Total federal government	<u>4,655</u>	<u>-</u>	<u>4,655</u>
Student tuition and fees			
Tuition	3,966,013	602,651	4,568,664
Fees	<u>763,067</u>	<u>-</u>	<u>763,067</u>
Total student tuition and fees	<u>4,729,080</u>	<u>602,651</u>	<u>5,331,731</u>
Other sources			
Sales and service fees	1,089,164	-	1,089,164
Facilities revenue	-	169,480	169,480
Investment revenue	315,151	55,430	370,581
Nongovernmental grants	12,963	-	12,963
Other	<u>72,075</u>	<u>10,573</u>	<u>82,648</u>
Total other sources	<u>1,489,353</u>	<u>235,483</u>	<u>1,724,836</u>
<b>TOTAL REVENUES</b>	<b>15,583,284</b>	<b>2,454,966</b>	<b>18,038,250</b>
Less nonoperating items			
Tuition chargeback revenue	<u>-</u>	<u>-</u>	<u>-</u>
<b>ADJUSTED REVENUES</b>	<b><u>\$ 15,583,284</u></b>	<b><u>\$ 2,454,966</u></b>	<b><u>\$ 18,038,250</u></b>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
UNIFORM FINANCIAL SCHEDULE NO. 3  
SCHEDULE OF OPERATING FUND REVENUES AND EXPENDITURES  
Year Ended June 30, 2007**

	<b>Education Fund</b>	<b>Operations and Maintenance Operational Fund</b>	<b>Total Operating Funds</b>
<b>OPERATING EXPENDITURES</b>			
By Program			
Instruction	\$ 8,515,040	\$ -	\$ 8,515,040
Academic support	1,068,222	-	1,068,222
Student services and aids	1,240,880	-	1,240,880
Public service	784,783	-	784,783
Operations and maintenance of plant	-	2,224,044	2,224,044
General institutional support	2,601,840	63,051	2,664,891
Scholarships, grants and waivers	343,780	-	343,780
Total expenditures	<u>14,554,545</u>	<u>2,287,095</u>	<u>16,841,640</u>
Operating Transfers	130,200	-	130,200
Total expenditures and transfers	<u>14,684,745</u>	<u>2,287,095</u>	<u>16,971,840</u>
Less non-operating items - tuition chargeback	<u>6,907</u>	<u>-</u>	<u>6,907</u>
<b>ADJUSTED EXPENDITURES</b>	<b><u>\$ 14,677,838</u></b>	<b><u>\$ 2,287,095</u></b>	<b><u>\$ 16,964,933</u></b>
By Object			
Salaries	\$ 10,096,915	\$ 622,392	\$ 10,719,307
Employee benefits	1,641,699	115,345	1,757,044
Contractual services	601,709	126,642	728,351
General materials and supplies	1,321,633	359,730	1,681,363
Library materials*	79,760	-	79,760
Conference and meeting expenses	235,059	1,879	236,938
Fixed charges	81,002	17,450	98,452
Utilities	36,337	797,325	833,662
Capital outlay	131,692	246,332	378,024
Other	60,723	-	60,723
Scholarships, grants and waivers*	347,776	-	347,776
Total expenditures	<u>14,554,545</u>	<u>2,287,095</u>	<u>16,841,640</u>
Operating transfers	130,200	-	130,200
Total expenditures and transfers	<u>14,684,745</u>	<u>2,287,095</u>	<u>16,971,840</u>
Less nonoperating items - tuition chargeback	<u>6,907</u>	<u>-</u>	<u>6,907</u>
<b>ADJUSTED EXPENDITURES</b>	<b><u>\$ 14,677,838</u></b>	<b><u>\$ 2,287,095</u></b>	<b><u>\$ 16,964,933</u></b>

\*Non-add line

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
UNIFORM FINANCIAL SCHEDULE NO.4  
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES  
Year Ended June 30, 2007**

	<b><u>Restricted Purposes Fund</u></b>
<b>REVENUE BY SOURCE</b>	
Local government	
Total local government	\$ -
State government	
ICCB - Workforce Development Grants	66,334
ICCB - P-16 Initiative Grant	32,205
ICCB - Student Success Grant	28,225
ICCB - Career and Technical Education	16,423
ICCB - Adult Education	218,876
Department of Corrections (includes ICCB credit hour grant reimbursement)	558,939
Secretary of State Literacy Grant	52,000
Other	16,641
Total state government	<u>989,643</u>
Federal government	
Department of Education	2,840,529
Department of Labor	1,114,218
Department of Commerce and Economic Opportunity	-
Department of Justice	78,995
Small Business Administration	50,000
National Science Foundation	60,521
Department of Agriculture	14,509
Total federal government	<u>4,158,772</u>
Other sources	
Other	141,017
Total other sources	<u>141,017</u>
<b>TRANSFERS</b>	<u>-</u>
<b>TOTAL RESTRICTED PURPOSES FUND REVENUES</b>	<b><u>\$ 5,289,432</u></b>
<b>EXPENDITURES BY PROGRAM</b>	
Instruction	\$ 1,070,168
Academic support	135,826
Student services	495,497
Public services/continuing education	1,382,577
Auxiliary services	38,409
Operations and maintenance	-
Institutional support	65,170
Scholarships, student grants, and waivers	<u>2,057,237</u>
<b>TOTAL RESTRICTED PURPOSES FUND EXPENDITURES BY PROGRAM</b>	<b><u>\$ 5,244,884</u></b>
<b>EXPENDITURES BY OBJECT</b>	
Salaries	\$ 1,528,293
Employee benefits	326,502
Contractual services	626,400
General materials and supplies	382,276
Library materials*	500
Travel and conference/meeting expense	170,448
Fixed charges	35,050
Utilities	11,196
Capital outlay	35,407
Other	2,129,312
Student grants and scholarships*	<u>2,100,918</u>
<b>TOTAL RESTRICTED PURPOSES FUND EXPENDITURES BY OBJECT</b>	<b><u>\$ 5,244,884</u></b>

\*Non-add line

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
UNIFORM FINANCIAL SCHEDULE NO.5  
CURRENT FUNDS\* EXPENDITURES BY ACTIVITY  
Year Ended June 30, 2007**

<b>INSTRUCTION</b>	
Instructional Programs	\$ 9,585,208
Other	-
Total instruction	<u>9,585,208</u>
<b>ACADEMIC SUPPORT</b>	
Library Center	300,840
Instructional Materials Center	309,393
Academic Computing Support	458,489
Academic Administration and Planning	135,326
Other	-
Total academic support	<u>1,204,048</u>
<b>STUDENT SERVICES</b>	
Admissions and Records	268,841
Counseling and Career Guidance	853,670
Financial Aid Administration	190,656
Administration	417,541
Other	5,669
Total student services	<u>1,736,377</u>
<b>PUBLIC SERVICE/CONTINUING EDUCATION</b>	
Community Education	383,247
Customized Training (instructional)	262,962
Professional Development	11,432
Community Services	1,334,276
Other	175,443
Total public service/continuing education	<u>2,167,360</u>
<b>AUXILIARY SERVICES</b>	<u>3,048,140</u>
<b>OPERATIONS AND MAINTENANCE OF PLANT</b>	
Maintenance	348,625
Custodial Services	377,914
Grounds	172,667
Campus Security	329,497
Utilities	802,098
Administration	527,153
Total operations and maintenance of plant	<u>2,557,954</u>
<b>INSTITUTIONAL SUPPORT</b>	
Executive Management	469,542
Fiscal Operations	538,297
Community Relations	216,748
Administrative Support Services	224,288
Board of Trustees	26,783
General Institution	1,674,770
Institutional Research	102,389
Administrative Data Processing	735,254
Other	65,170
Total institutional support	<u>4,053,241</u>
<b>SCHOLARSHIPS, STUDENT GRANTS, AND WAIVERS</b>	<u>2,401,017</u>
<b>TOTAL CURRENT FUNDS EXPENDITURES</b>	<u>\$ 26,753,345</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  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF EXPENDITURES FOR STUDENTS  
FEDERAL AWARDS PROGRAM  
Year Ended June 30, 2007**

**EXPENDITURES**

PELL Grant Program	
Federal award	<u>\$ 2,014,361</u>
 Academic Competitiveness Grant	 <u>\$ 6,275</u>
 Supplemental Educational Opportunity Grant program	 <u>\$ 36,601</u>
 Federal Work-Study Program	 <u>\$ 65,094</u>
 Other work-study programs	
SEOG administrative expenditures	<u>-</u>
Total other work-study programs	<u>-</u>
 <b>TOTAL FEDERAL WORK-STUDY PROGRAM</b>	 <u><u>\$ 65,094</u></u>

**CERTIFICATION OF CHARGEBACK REIMBURSEMENT**

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
CERTIFICATION OF CHARGEBACK REIMBURSEMENT  
(Unaudited)  
Year Ended June 30, 2007**

All fiscal year 2007 noncapital audited operating expenditures  
from the following funds:

Education Fund	\$ 14,422,853	
Operations and Maintenance Fund	2,040,763	
Operation and Maintenance Restricted Fund	-	
Bond and Interest Fund	1,974,007	
Restricted Purposes Fund	5,209,477	
Audit Fund	34,500	
Liability, Protection and Settlement Fund	1,619,870	
Auxiliary Enterprises Activities (Subsidy only)	<u>230,200</u>	
Total non-capital expenditures		\$ 25,531,670
Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u>693,998</u>	
Total costs included		<u>26,225,668</u>
Total certified semester credit hours for FY 2007	<u>80,036</u>	
Per Capita Cost		<u>327.67</u>
All FY 2007 state and federal operating grants for noncapital expenditures, except ICCB grants	<u>4,227,413</u>	
FY 2007 state and federal grants per semester credit hour		<u>52.82</u>
District's average ICCB grant rate (excluding equalization grants) for FY 2008		<u>34.36</u>
District's student tuition and fee rate per semester credit hour for FY 2008 (Average)		<u>65.75</u>
Chargeback reimbursement per semester credit hour		<u><u>\$ 174.74</u></u>

Approved: Jerome M. Cannon 9/17/07  
Chief Fiscal Officer Date

Approved: David Lewis 9/17/07  
Chief Executive Officer Date

## **STATISTICAL SECTION**

**Illinois Valley Community College District #513  
Schedule of Net Assets by Component  
Fiscal Years 2003 to 2007**

	<b>For the year ended June 30,</b>				
	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>
Invested in capital assets, net of related debt	\$ 20,677,190	\$ 19,739,697	\$ 17,793,103	\$ 13,453,203	\$ 21,686,766
Restricted - expendable	19,454,347	19,432,660	18,800,632	15,499,954	5,001,012
Unrestricted	11,625,110	8,961,674	7,483,504	11,938,983	20,688,858
<b>Total primary government net assets</b>	<b>\$ 51,756,647</b>	<b>\$ 48,134,031</b>	<b>\$ 44,077,239</b>	<b>\$ 40,892,140</b>	<b>\$ 47,376,636</b>

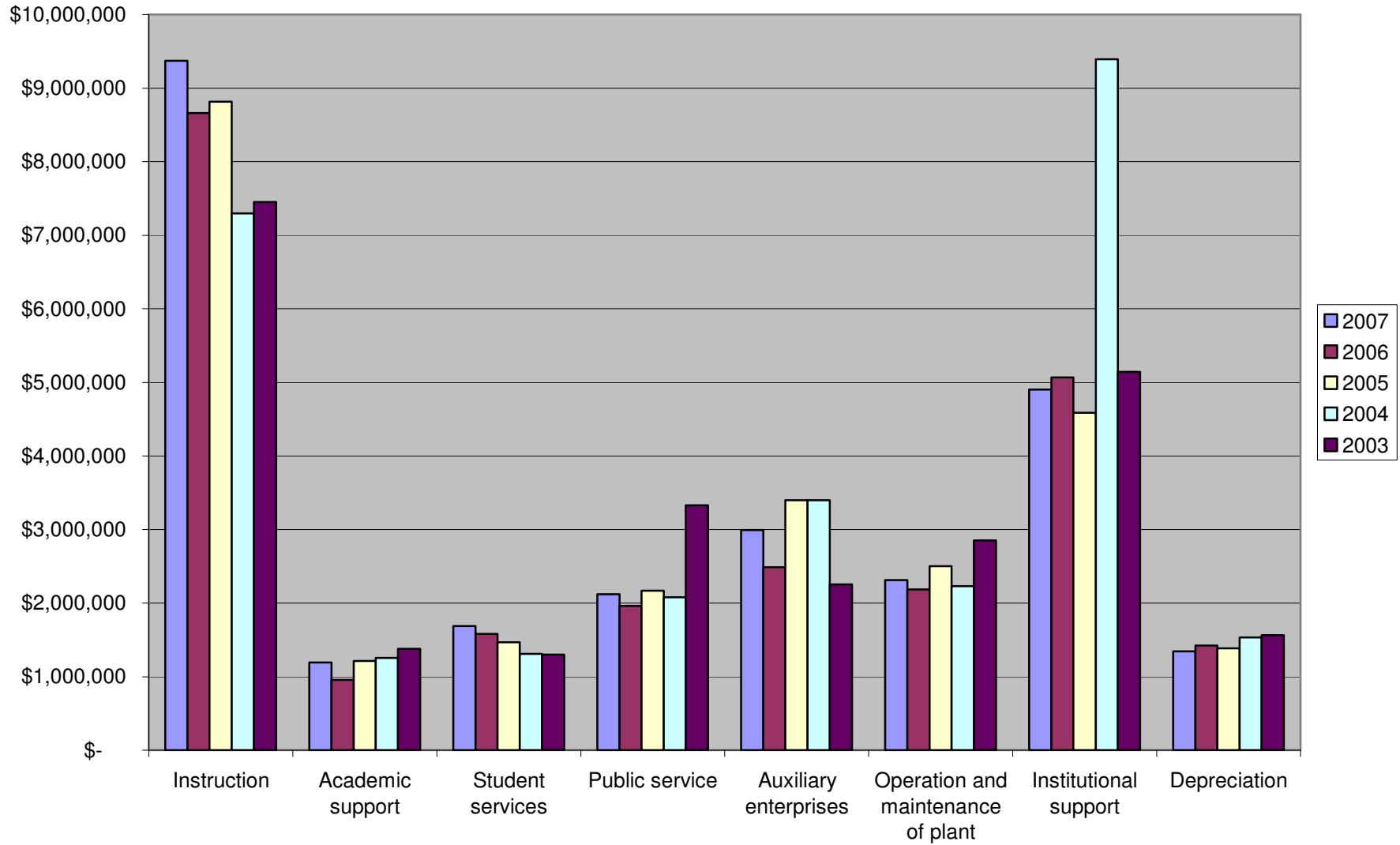
**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2007 are available.

**Illinois Valley Community College District #513  
Schedule of Expenses by Identifiable Activity  
Fiscal Years 2003 to 2007**

	For the Year Ended June 30,					(percentage of total)				
	(amounts expressed as dollars)									
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Instruction	\$ 9,371,930	\$ 8,658,298	\$ 8,812,841	\$ 7,297,599	\$ 7,452,487	35.7%	35.0%	33.9%	25.1%	28.8%
Academic support	1,193,776	956,808	1,213,089	1,257,001	1,380,562	4.5%	3.9%	4.7%	4.3%	5.3%
Student services	1,687,133	1,582,287	1,468,183	1,310,796	1,301,154	6.4%	6.4%	5.6%	4.5%	5.0%
Public service	2,121,633	1,962,645	2,167,629	2,080,125	3,328,139	8.1%	7.9%	8.3%	7.2%	12.9%
Auxiliary enterprises	2,993,064	2,485,478	3,400,542	3,398,122	2,253,211	11.4%	10.0%	13.1%	11.7%	8.7%
Operation and maintenance of plant	2,310,683	2,184,107	2,499,673	2,229,524	2,851,619	8.8%	8.8%	9.6%	7.7%	11.0%
Institutional support	4,903,687	5,067,806	4,586,630	9,393,682	5,141,167	18.7%	20.5%	17.6%	32.3%	19.9%
Depreciation	1,343,080	1,423,401	1,386,520	1,535,159	1,565,055	<u>5.1%</u>	<u>5.8%</u>	<u>5.3%</u>	<u>5.3%</u>	<u>6.0%</u>
<b>Total Operating Expenses</b>	<b><u>25,924,986</u></b>	<b><u>24,320,830</u></b>	<b><u>25,535,107</u></b>	<b><u>28,502,008</u></b>	<b><u>25,273,394</u></b>	<b><u>98.7%</u></b>	<b><u>98.3%</u></b>	<b><u>98.1%</u></b>	<b><u>98.1%</u></b>	<b><u>97.6%</u></b>
Loss on disposal of assets	4,441	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
Interest on capital debt	335,994	414,439	488,346	556,997	623,112	<u>1.3%</u>	<u>1.7%</u>	<u>1.9%</u>	<u>1.9%</u>	<u>2.4%</u>
<b>Total Nonoperating Expenses</b>	<b><u>340,435</u></b>	<b><u>414,439</u></b>	<b><u>488,346</u></b>	<b><u>556,997</u></b>	<b><u>623,112</u></b>	<b><u>1.3%</u></b>	<b><u>1.7%</u></b>	<b><u>1.9%</u></b>	<b><u>1.9%</u></b>	<b><u>2.4%</u></b>
<b>Total Expenses</b>	<b><u>\$ 26,265,421</u></b>	<b><u>\$ 24,735,269</u></b>	<b><u>\$ 26,023,453</u></b>	<b><u>\$ 29,059,005</u></b>	<b><u>\$ 25,896,506</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003 - 2007 are available.

### Expenses by Activity FY03-FY07



**Illinois Valley Community College District #513  
Schedule of Expenses by Use  
Fiscal Years 2003 to 2007**

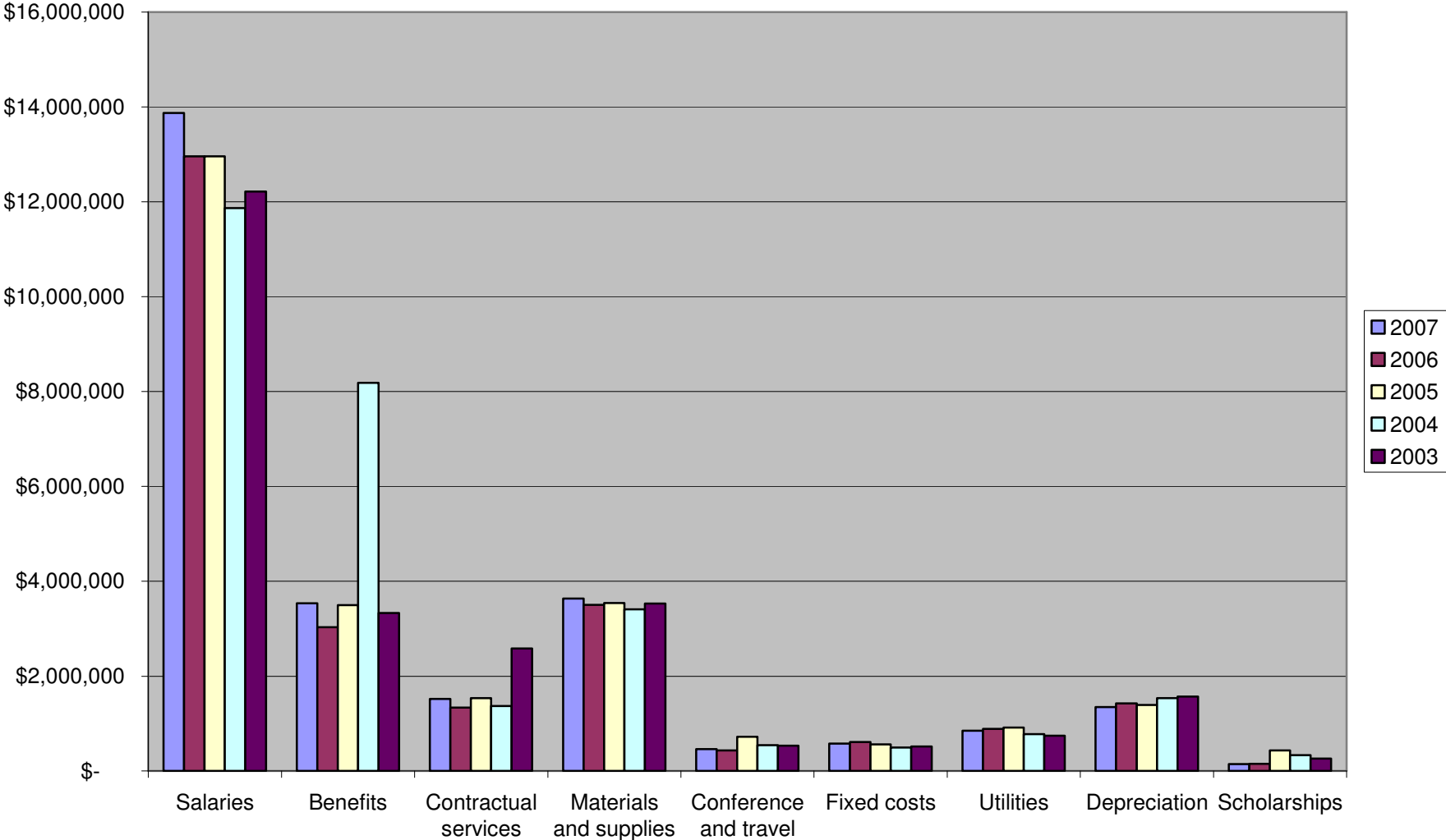
**For the Year Ended June 30,**

	(amounts expressed in dollars)					(percentage of total)				
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Salaries	\$ 13,869,112	\$ 12,956,237	\$ 12,957,566	\$ 11,868,493	\$ 12,218,075	52.8%	52.4%	49.8%	40.8%	47.2%
Benefits	3,535,614	3,033,466	3,495,291	8,183,010	3,331,739	13.5%	12.3%	13.4%	28.2%	12.9%
Contractual services	1,517,994	1,332,203	1,532,655	1,365,341	2,583,512	5.8%	5.4%	5.9%	4.7%	10.0%
Materials and supplies	3,633,849	3,499,624	3,538,963	3,410,294	3,529,494	13.8%	14.1%	13.6%	11.7%	13.6%
Conference and travel	459,773	431,777	721,202	541,604	529,182	1.8%	1.7%	2.8%	1.9%	2.0%
Fixed costs	576,096	610,379	560,909	494,127	514,873	2.2%	2.5%	2.2%	1.7%	2.0%
Utilities	845,792	883,262	911,861	772,841	743,040	3.2%	3.6%	3.5%	2.7%	2.9%
Depreciation	1,343,080	1,423,400	1,386,520	1,535,159	1,565,055	5.1%	5.8%	5.3%	5.3%	6.0%
Scholarships	143,676	150,482	430,140	331,139	258,424	0.5%	0.6%	1.7%	1.1%	1.0%
<b>Total operating expenses</b>	<b><u>25,924,986</u></b>	<b><u>24,320,830</u></b>	<b><u>25,535,107</u></b>	<b><u>28,502,008</u></b>	<b><u>25,273,394</u></b>	<b><u>98.7%</u></b>	<b><u>98.3%</u></b>	<b><u>98.1%</u></b>	<b><u>98.1%</u></b>	<b><u>97.6%</u></b>
Loss on disposal of assets	4,441	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
Interest on capital asset-related debt	335,994	414,439	488,346	556,997	623,112	1.3%	1.7%	1.9%	1.9%	2.4%
<b>Total nonoperating expenses</b>	<b><u>340,435</u></b>	<b><u>414,439</u></b>	<b><u>488,346</u></b>	<b><u>556,997</u></b>	<b><u>623,112</u></b>	<b><u>1.3%</u></b>	<b><u>1.7%</u></b>	<b><u>1.9%</u></b>	<b><u>1.9%</u></b>	<b><u>2.4%</u></b>
<b>Total expenses</b>	<b><u>\$ 26,265,421</u></b>	<b><u>\$ 24,735,269</u></b>	<b><u>\$ 26,023,453</u></b>	<b><u>\$ 29,059,005</u></b>	<b><u>\$ 25,896,506</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003 - 2007 are available.



### Expenses by Use FY03-FY07

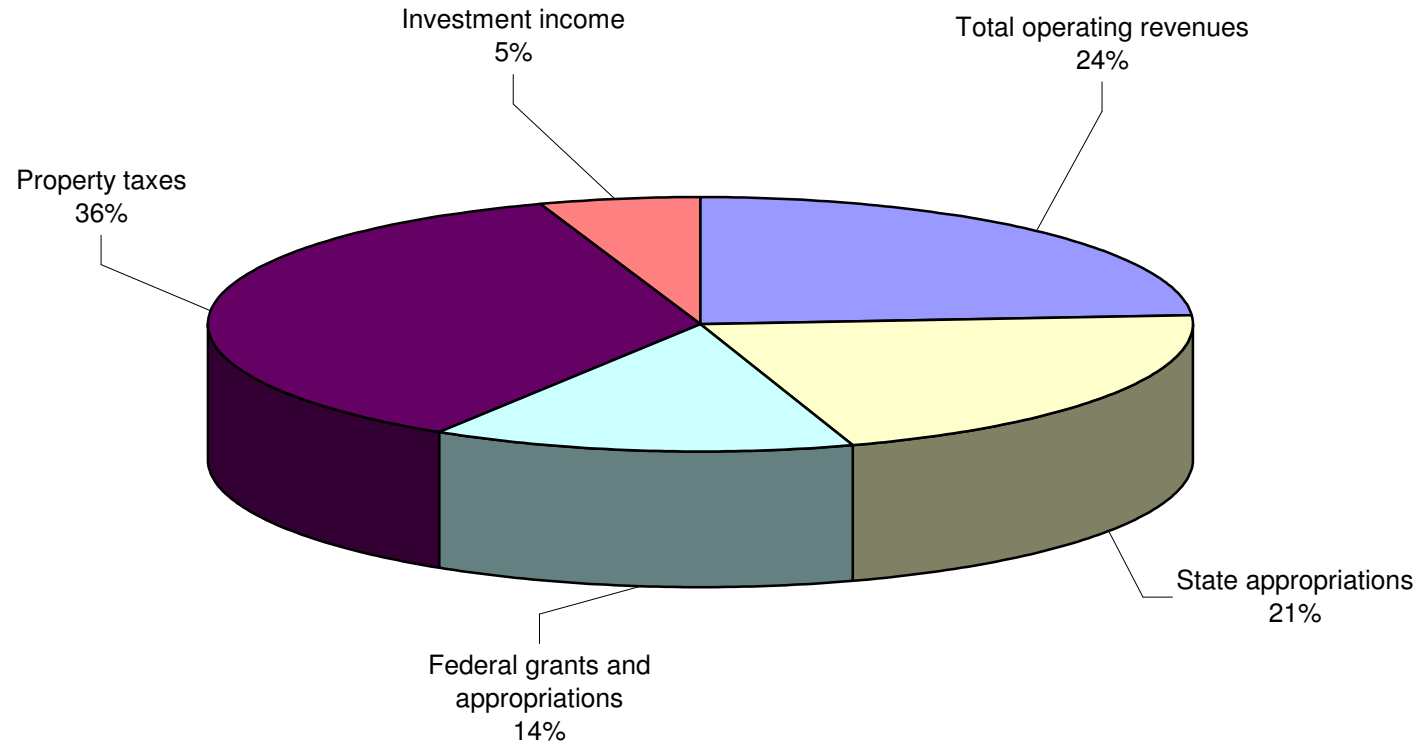


**Illinois Valley Community College District #513  
Schedule of Revenues by Source  
Fiscal Years 2003 to 2007**

	(amounts expressed in dollars)					(percentage of total)				
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Student tuition and fees (net of scholarship allowances)	\$ 2,930,714	\$ 2,657,937	\$ 2,678,299	\$ 2,993,931	\$ 2,912,665	9.8%	9.2%	9.2%	9.2%	9.9%
Sales and services of educational and other activities	1,511,720	1,005,528	1,124,245	1,057,993	1,782,450	5.1%	3.5%	3.8%	3.3%	6.1%
Sales and services of auxiliary enterprises	2,693,831	3,087,256	3,084,452	2,628,833	2,496,263	9.0%	10.7%	10.6%	8.1%	8.5%
Other operating revenues	-	118,708	123,696	-	-	0.0%	0.4%	0.4%	0.0%	0.0%
<b>Total operating revenues</b>	<b>7,136,265</b>	<b>6,869,429</b>	<b>7,010,692</b>	<b>6,680,757</b>	<b>7,191,378</b>	<b>23.9%</b>	<b>23.9%</b>	<b>24.0%</b>	<b>20.5%</b>	<b>24.5%</b>
State appropriations	6,297,475	5,868,993	5,864,648	10,195,442	6,052,057	21.1%	20.4%	20.1%	31.4%	20.6%
Federal grants and appropriations	4,163,427	4,165,037	4,884,140	4,246,577	4,755,756	13.9%	14.5%	16.7%	13.1%	16.2%
Property taxes	10,736,918	10,847,195	10,802,297	10,966,095	10,774,851	35.9%	37.7%	37.0%	33.7%	36.7%
Investment income	1,536,464	1,041,407	646,775	421,771	573,880	5.1%	3.6%	2.2%	1.3%	2.0%
Other nonoperating revenues	13,047	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total nonoperating revenues</b>	<b>22,747,331</b>	<b>21,922,632</b>	<b>22,197,860</b>	<b>25,829,885</b>	<b>22,156,544</b>	<b>76.1%</b>	<b>76.1%</b>	<b>76.0%</b>	<b>79.5%</b>	<b>75.5%</b>
<b>Total revenues</b>	<b>\$ 29,883,596</b>	<b>\$ 28,792,061</b>	<b>\$ 29,208,552</b>	<b>\$ 32,510,642</b>	<b>\$ 29,347,922</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2007 are available.

### Revenue Sources FY07



**Illinois Valley Community College District #513  
Schedule of Other Changes in Net Assets  
Fiscal Years 2003 to 2007**

	<b>For the Year Ended June 30,</b>				
	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>
<b>Income before other changes in net assets</b>	\$ 3,622,616	\$ 4,056,792	\$ 3,185,099	\$ 3,451,637	\$ 3,451,416
State capital grants and appropriations	-	-	-	-	-
Federal capital grants and appropriations	-	-	-	-	-
Permanent endowment additions	-	-	-	-	-
Transfers to state general fund	-	-	-	-	-
<b>Total change in net assets</b>	<b>\$ 3,622,616</b>	<b>\$ 4,056,792</b>	<b>\$ 3,185,099</b>	<b>\$ 3,451,637</b>	<b>\$ 3,451,416</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2007 are available.

**Illinois Valley Community College District #513  
Tuition and Fees  
Last Ten Academic Years**

<b>Academic Year Beginning in Fall</b>	<b>Illinois Valley</b>	<b>Illinois Peer Community Colleges*</b>	<b>Illinois Community College Highest</b>	<b>Illinois Community College Lowest</b>	<b>Illinois Community College Average</b>
2007	\$ 65.75	\$ 70.86	\$ 103.75	\$ 60.00	\$ 76.52
2006	63.25	69.80	96.00	56.00	73.84
2005	61.25	60.96	85.17	48.00	63.92
2004	61.25	57.67	78.70	45.00	59.32
2003	60.25	51.47	71.79	44.00	54.49
2002	57.25	46.83	64.02	42.00	49.44
2001	55.00	46.25	62.00	39.00	48.48
2000	53.00	44.16	60.00	36.00	47.31
1999	50.00	41.79	57.50	34.00	45.49
1998	43.75	39.91	56.00	33.00	43.85

**Sources:** ICCB Data and Characteristics of the Illinois Public Community College System 1997-2005.  
ICCB Tuition and Fee Survey 2006 & 2007

Colleges included in the Illinois Community College Board peer group which includes Illinois Valley Community College 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.

\*Estimate

**Illinois Valley Community College District #513  
Schedule of Property Tax Levies and Collections  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Tax Levy Year</b>	<b>Total Tax Levy</b>	<b>Tax Collections</b>	<b>Percent of Levy Collected</b>
2008	2006	10,268,524	2,705	0.03%
2007	2005	10,641,248	10,647,615	100.06%
2006	2004	10,540,639	10,554,719	100.13%
2005	2003	10,789,880	10,733,871	99.48%
2004	2002	10,846,770	10,803,371	99.60%
2003	2001	10,610,145	10,628,153	100.17%
2002	2000	9,771,134	9,744,488	99.73%
2001	1999	8,107,542	8,933,585	110.19%
2000	1998	7,794,223	7,813,080	100.24%
1999	1997	5,596,510	5,594,360	99.96%

**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.

**Source:** College Records

**Illinois Valley Community College District #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*
2007	5,481,520	2,551,819,980	148,800	0.215%	37	0.12%
2006	7,118,983	2,402,841,121	148,950	0.296%	48	0.17%
2005	8,668,390	2,359,136,632	148,599	0.367%	58	0.21%
2004	10,131,272	2,365,093,303	148,157	0.428%	68	0.26%
2003	11,509,828	2,314,221,099	147,872	0.497%	78	0.30%
2002	12,773,981	2,261,321,459	149,355	0.565%	86	0.34%
2001	13,952,770	2,203,683,889	148,969	0.633%	94	0.37%
2000	15,065,284	2,011,412,349	149,123	0.749%	101	-
1999	16,069,659	1,990,221,341	165,000	0.807%	97	-
1998	8,875,000	1,935,592,802	165,000	0.459%	54	-

\*Information not available prior to 2000.

**Illinois Valley Community College  
Schedule of Bond Coverage  
Last Ten Fiscal Years**

**Tort Immunity Bonds, Series 1996**

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Debt Service Requirements</u>			<u>Coverage Ratio</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2007	-	690,000	18,458	708,458	0.00
2006	700,663	645,000	53,847	698,847	1.00
2005	687,856	600,000	86,228	686,228	1.00
2004	671,123	555,000	115,553	670,553	1.00
2003	658,044	515,000	142,303	657,303	1.00
2002	645,679	475,000	169,428	644,428	1.00
2001	638,774	440,000	197,428	637,428	1.00
2000	629,572	405,000	224,087	629,087	1.00
1999	624,929	375,000	248,949	623,949	1.00
1998	540,951	300,000	270,465	570,465	0.95

**Community College Bonds, Series 1999**

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Debt Service Requirements</u>			<u>Coverage Ratio</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2007	1,263,151	1,265,000	-	1,265,000	1.00
2006	1,266,856	1,265,000	-	1,265,000	1.00
2005	1,266,605	1,265,000	-	1,265,000	1.00
2004	1,265,879	1,265,000	-	1,265,000	1.00
2003	no levy	-	-	-	-
2002	no levy	-	-	-	-
2001	no levy	-	-	-	-
2000	no levy	-	-	-	-
1999	no levy	-	-	-	-
1998	no levy	-	-	-	-

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



**Illinois Valley Community College District #513  
Schedule of Demographic and Economic Statistics  
Last Ten Calendar Years**

<b>Calendar Year</b>	<b>District Population*</b>	<b>Total Household Income*</b>	<b>Household Income Per Capita*</b>	<b>State Unemployment Rate**</b>	<b>LaSalle-Bureau &amp; Putnam Counties Unemployment Rate***</b>
2006	148,800	\$ 4,502,052,229	30,256	4.5%	5.0%
2005	148,599	4,266,787,280	28,713	5.7%	5.9%
2004	148,157	4,139,525,451	27,940	6.2%	7.0%
2003	147,872	3,909,850,439	26,441	6.7%	7.7%
2002	149,355	3,822,594,128	25,594	6.5%	7.1%
2001	148,969	3,810,977,120	25,582	5.4%	5.7%
2000	149,123	3,761,930,151	25,227	4.5%	5.2%
1999	-	-	-	4.5%	5.7%
1998	-	-	-	4.5%	5.5%
1997	-	-	-	4.8%	6.4%

**Sources:**

\* Information not available prior to 2000.

\*\* <http://lmi.ides.state.il.us/laus/annave.htm>

\*\*\* <http://lmi.ides.state.il.us/laus/laushis.htm>

**Illinois Valley Community College District #513  
Schedule of Principal Employers  
Current Year**

<b><u>Employer</u></b>	<b><u>City</u></b>	<b><u>Product/Service</u></b>	<b><u>Number of Employees</u></b>
Walmart Distribution Center	Spring Valley	Distribution	1,000
Excelon (Commonwealth Edison)	Seneca	Electricity	920
PetsMart	Ottawa	Distribution	800
Peru Mall	Peru	Shopping	775
St. Margaret's Health Care	Spring Valley	Health care	700
Illinois Valley Community Hospital	Peru	Health care	650
Community Hospital of Ottawa	Ottawa	Health care	635
St. Mary's Hospital	Streator	Health care	550
Illinois Valley Community College	Oglesby	Higher Education	509
Monterey Mushrooms	Princeton	Mushroom Grower	500
Ace Hardware Retail Support Center	Princeton	Distribution	485
Clover Technologies	Ottawa	Toner Cartridges	450
Vactor Manufacturing, Inc.	Streator	Street Sweepers	442
Ingersoll-Rand/LCN Division	Princeton	Door Closers	440
HR Imaging Partners	Ottawa	Photo processing	425
G.E. Plastics	Ottawa	Plastic Processing	425
U.S. Food Service	Streator	Food Distributor	400
Oak State Products	Wenona	Bakery Products	400

**Illinois Valley Community College  
Faculty, Staff, and Administrator Statistics  
Last Ten Fiscal Years**

	<u>Fiscal Year</u>									
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Faculty										
Part-time (FTE)	36	36	40	82	104	42	41	41	41	38
Full-time (FTE)	83	83	81	78	82	85	74	68	67	65
Percentage tenured										
Staff and Administrators										
Part-time (FTE)	22	22	18	20	34	109	103	16	10	12
Full-time (FTE)	145	145	136	126	137	81	67	129	121	*
Total Employees										
Part-time (FTE)	58	58	58	102	138	151	144	57	51	50
Full-time (FTE)	228	228	217	204	219	166	141	197	188	*
Students per Full-Time Faculty	47	49	50	51	47	43	51	61	55	60
Students per Full-time Staff Member	27	28	30	32	28	45	57	32	30	*
Student Headcount	3,939	4,027	4,078	4,015	3,873	3,673	3,794	4,135	3,678	3,919
Average Annual Faculty Salary	\$ 57,840	\$ 54,081	\$ 51,955	\$ 50,184	\$ 49,267	\$ 47,281	\$ 46,453	\$ 44,447	\$ 43,043	\$ 41,866

\*Information not available

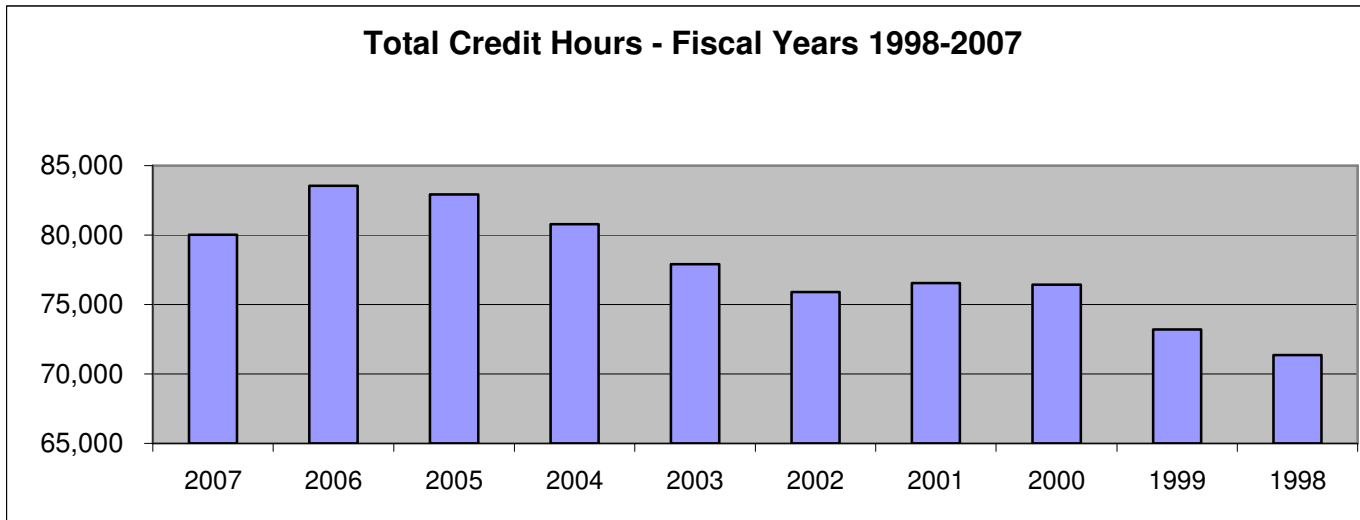
**Illinois Valley Community College  
Admissions and Enrollment Statistics  
Last Ten Academic Years**

	<b>Academic Year Beginning in Fall</b>									
	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
<b>Enrollment</b>										
Head Count	3,939	4,027	4,078	4,015	3,873	3,673	3,794	4,135	3,678	3,919
FTE	2,409	2,511	2,051	2,514	2,284	2,171	2,189	2,334	2,183	2,197
Full-time students	44%	45%	44%	43%	41%	41%	40%	38%	42%	38%
Part-time students	56%	55%	56%	57%	59%	59%	60%	62%	58%	62%
Percentage of men	44%	44%	40%	42%	41%	46%	47%	45%	44%	45%
Percentage of women	56%	56%	60%	58%	59%	54%	53%	55%	56%	55%
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	4%	3%	2%	1%	1%	2%	2%	2%	2%	2%
Hispanic	7%	6%	5%	5%	6%	5%	4%	4%	4%	4%
White	83%	85%	88%	89%	90%	91%	93%	93%	93%	93%
Not Indicated	5%	5%	4%	4%	2%	1%	0%	0%	0%	0%
Average age	26	26	27	27	27	27	28	28	29	30
Total Credit Hours	80,254	83,551	82,938	80,793	77,887	75,888	76,528	76,408	73,185	71,342
Illinois Community College Board Reimbursed Credit Hours*	80,036	81,216	80,716	76,891	72,643	75,888	76,527	76,408	73,184	71,342

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

**Illinois Valley Community College District #513  
Student Enrollment Demographic Statistics  
by Category  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Baccalaureate</b>	<b>Business Occupational</b>	<b>Technical Occupational</b>	<b>Health Occupational</b>	<b>Remedial Developmental</b>	<b>Adult Basic/Secondary Education</b>	<b>Total Credit Hours</b>
2007	47,899	4,342	13,180	6,307	5,510	2,798	80,036
2006	48,944	4,864	13,895	6,350	6,217	3,282	83,551
2005	49,781	5,209	12,871	6,720	5,219	3,138	82,938
2004	49,210	4,811	11,723	5,923	5,100	4,026	80,793
2003	46,621	3,990	13,660	4,421	5,055	4,140	77,887
2002	44,369	4,413	15,358	3,416	4,394	3,938	75,888
2001	43,850	4,315	15,841	4,076	4,483	3,963	76,528
2000	44,916	4,993	15,033	4,036	3,939	3,491	76,408
1999	43,766	4,695	13,984	3,150	3,424	4,166	73,185
1998	42,211	6,033	12,925	3,136	3,266	3,771	71,342





CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON  
THE SECRETARY OF STATE OF THE STATE OF ILLINOIS  
LITERACY GRANT PROJECT LIT 07-049 PROGRAM**

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

We have audited the accompanying statement of revenues, expenditures and changes in fund balance – budget and actual of the Illinois Valley Community College District #513 (District) Literacy Grant Project LIT 07-049 Program, as of and for the year ended June 30, 2007. This financial statement is the responsibility of the District's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statement referred to above presents fairly, in all material respects, the results of the operations for the year ended June 30, 2007, of the Illinois Valley Community College District #513 Literacy Grant Project LIT 07-049 Program in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 5, 2007, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the board of trustees and management of Illinois Valley Community College District #513 and for filing with the Illinois State Library and the Illinois Community College Board and is not intended to be and should not be used by anyone other than these specified parties.

*Gordon, Stockman & Waugh, P.C.*

Peoria, Illinois  
October 5, 2007

**ILLINOIS VALLEY COMMUNITY COLLEGE**  
**COMMUNITY COLLEGE DISTRICT #513**  
**SECRETARY OF STATE OF THE STATE OF ILLINOIS**  
**LITERACY GRANT PROJECT LIT 07-049 PROGRAM**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICIT**  
**RESTRICTED - BUDGET AND ACTUAL**  
**Year Ended June 30, 2007**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>			
Grant income	\$ 52,000	\$ 52,000	\$ -
<b>EXPENDITURES</b>			
Personnel	43,029	42,939	90
Fringe benefits	4,872	5,212	(340)
Travel	2,300	1,100	1,200
Supplies	1,499	310	1,189
Instructional materials	-	569	(569)
Volunteer training and support	-	1,430	(1,430)
Other	300	440	(140)
Total expenditures	52,000	52,000	-
Excess of revenues over (under) expenditures	\$ -	-	\$ -
<b>FUND DEFICIT - RESTRICTED, BEGINNING OF YEAR</b>		-	
<b>FUND DEFICIT - RESTRICTED, END OF YEAR</b>		\$ -	

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SECRETARY OF STATE OF THE STATE OF ILLINOIS  
LITERACY GRANT PROJECT LIT 07-049  
NOTE TO GRANT FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The related statement of revenues, expenditures and changes in fund balance – budget and actual includes only amounts which pertain to the Secretary of State of the State of Illinois Literacy Grant Project LIT Programs (Grant) appropriated to Illinois Valley Community College District #513 (College) by the state of Illinois.

The purpose of the Grant is to promote, support, implement and maintain library services for the cultural, educational and economic development of the state of Illinois.

The statement described above is prepared on the modified accrual basis of accounting as prescribed by the Governmental Accounting Standards Board.

The Grant is subject to audit and examination by the Secretary of State of the State of Illinois (Grantor) to determine final compliance with the Grant agreement.



**ICCB STATE GRANT FINANCIAL - COMPLIANCE SECTION**



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**AUDITORS' REPORT ON COMPLIANCE WITH STATE REQUIREMENTS  
FOR WORKFORCE DEVELOPMENT COMPONENTS, P-16 INITIATIVE,  
CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT  
GRANTS, ADULT EDUCATION AND FAMILY LITERACY  
AND STUDENT SUCCESS GRANTS**

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

We have audited the balance sheets of the Workforce Development, P-16 Initiative, Career and Technical Education – Program Improvement, Adult Education & Family Literacy, and Student Success Grants of Illinois Valley Community College District #513 as of June 30, 2007, and the related statements of revenues, expenditures, and changes in fund balance - actual for the year then ended. These financial statements are the responsibility of the District's management. 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 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our audit also included a review of compliance with the provisions of laws, regulations, contracts, and grants between Illinois Valley Community College District #513 and the state of Illinois and Illinois Community College Board. We believe that our audit provides a reasonable basis for our opinion and Illinois Valley Community College is in compliance with the provisions of laws, contracts, and ICCB policy guidelines for restricted grants.

In our opinion, such financial statements referred to above present fairly, in all material respects, the financial position of the Workforce development, P-16 Initiative, Career and Technical Education – Program Improvement, Adult Education and Family Literacy, and Student Success Grants of Illinois Valley Community College District #513 at June 30, 2007, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Board of Trustees and management of Illinois Valley Community College District #513 and for filing with the Illinois Community College Board and is not intended to be and should not be used by anyone other than these specified parties.

*Gordon, Stockman & Waugh, P.C.*

Peoria, Illinois  
October 5, 2007

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
WORKFORCE DEVELOPMENT BUSINESS/INDUSTRY GRANT PROGRAM  
BALANCE SHEET  
June 30, 2007**

**ASSETS**

Cash	\$ <u>33</u>
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**LIABILITIES AND FUND BALANCE**

Due to other funds	\$ -
Fund balance - unrestricted	<u>33</u>

<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ <u>33</u></b>
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**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
WORKFORCE DEVELOPMENT BUSINESS/INDUSTRY GRANT PROGRAM  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
Year Ended June 30, 2007**

	<u><b>Business &amp; Industry</b></u>
<b>REVENUE</b>	
State sources	\$ <u>66,334</u>
<b>EXPENDITURES</b>	
Current year's grant	
Salaries	18,581
Employee benefits	1,500
Contractual services	17,105
Materials and supplies	9,833
Conference and meeting expense	1,282
Fixed charges	-
Utilities	-
Capital outlay	-
Student grants	-
Materials and supplies	-
	<u>          </u>
Total expenditures	<u>48,301</u>
Excess (deficit) of revenue over (under) expenditures	18,033
<b>OTHER FINANCING SOURCES (USES)</b>	<u>(18,000)</u>
<b>EXCESS (DEFICIT) OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	33
<b>FUND BALANCE, JULY 1, 2006</b>	<u>-</u>
<b>FUND BALANCE, JUNE 30, 2007</b>	<u>\$ 33</u>
<b>ORIGINAL ALLOCATION</b>	<u>\$ 66,334</u>
<b>MINIMUM EXPENDITURE REQUIREMENT (AT LEAST TWO-THIRDS OF THE ORIGINAL ALLOCATION)</b>	<u>\$ 44,223</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
ICCB COMPLIANCE STATEMENT FOR WORKFORCE  
DEVELOPMENT (BUSINESS/INDUSTRY) GRANT  
TOTAL EXPENDITURES FOR ICCB GRANT FUNDS ONLY  
Year Ended June 30, 2007**

	Column A	Column B Operation of Workforce	Column C
	General	Devel. Office	Total
<b>EXPENDITURES</b>			
1. Personnel (salaries and benefits)	\$ -	\$ 20,081	\$ 20,081
2. Contractual services	-	17,105	17,105
3. Instructional materials	-	-	-
4. Instructional equipment	-	-	-
5. Promotional materials	-	-	-
6. Staff development	-	-	-
7. Conference and meeting expenses	-	1,282	1,282
8. Travel	-	-	-
9. Costs of operating a business assistance center/ economic development/workforce development offices			
a. Office equipment	-	-	-
b. Utilities and telephone	-	-	-
c. Consumable supplies	-	9,833	9,833
d. Duplicating	-	-	-
e. Facility rental	-	-	-
<b>10. TOTALS</b>	<u>\$ -</u>	<u>\$ 48,301</u>	<u>\$ 48,301</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
P-16 INITIATIVE GRANT PROGRAM  
BALANCE SHEET  
June 30, 2007**

**ASSETS**

Cash

\$ -  
          

**LIABILITIES AND FUND BALANCE**

Fund balance - unrestricted

\$ -

**ILLINOIS VALLEY COMMUNITY COLLEGE**  
**COMMUNITY COLLEGE DISTRICT #513**  
**P-16 INITIATIVE GRANT PROGRAM**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**Year Ended June 30, 2007**

	<b>Actual</b>
<b>REVENUES</b>	
State sources	\$ 32,205
<b>EXPENDITURES</b>	
Institutional waivers	32,205
Excess of revenues over (under) expenditures	-
<b>FUND BALANCE, JULY 1, 2006</b>	-
<b>FUND BALANCE, JUNE 30, 2007</b>	\$ -

**ILLINOIS VALLEY COMMUNITY COLLEGE**  
**COMMUNITY COLLEGE DISTRICT #513**  
**STATE ADULT EDUCATION RESTRICTED FUNDS**  
**BALANCE SHEET**  
**June 30, 2007**

	<b>State Basic</b>	<b>Public Assistance</b>	<b>Performance</b>	<b>Total (Memorandum Only)</b>
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>				
Fund balance - restricted	\$ -	\$ -	\$ -	\$ -



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
STATE ADULT EDUCATION RESTRICTED FUNDS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
Year Ended June 30, 2007**

	<u>State Basic</u>	<u>Public Assistance</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
<b>REVENUES</b>				
Grant revenue	\$ 118,991	\$ 20,501	\$ 79,384	\$ 218,876
<b>EXPENDITURES BY PROGRAM</b>				
Instruction	53,546	9,226	10,596	73,368
Social Work Services	6,461	-	5,000	11,461
Guidance Services	-	4,347	5,250	9,597
Assistive and Adaptive Equipment	-	-	-	-
Assessment and Testing	-	-	-	-
Student Transportation Services	-	-	-	-
Literacy Services	15,709	2,534	9,364	27,607
Child Care Services	-	-	-	-
<b>Subtotal Instructional and Student Services</b>	<b>75,716</b>	<b>16,107</b>	<b>30,210</b>	<b>122,033</b>
Improvement of Instructional Services	5,659	252	311	6,222
General Administration	8,638	-	6,582	15,220
Operation and Maintenance of Plant Services	2,000	-	-	2,000
Workforce Coordination	19,679	-	10,472	30,151
Data and Information Services	7,299	4,142	31,809	43,250
<b>Approved Indirect Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subtotal Program Support</b>	<b>43,275</b>	<b>4,394</b>	<b>49,174</b>	<b>96,843</b>
<b>TOTAL COSTS</b>	<b>118,991</b>	<b>20,501</b>	<b>79,384</b>	<b>218,876</b>
Excess of revenues over (under) expenditures	-	-	-	-
<b>FUND BALANCE, JULY 1, 2006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, JUNE 30, 2007</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUNDS  
EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY  
Year Ended June 30, 2007**

<b>State Basic</b>	<b>Audited Expenditure Amount</b>	<b>Actual Expenditure Percentage</b>
Instruction (45% Minimum Required)	\$53,546	45.00%
General Administration (9% Maximum Allowed)	\$8,638	7.26%

<b>State Public Assistance</b>	<b>Audited Expenditure Amount</b>	<b>Actual Expenditure Percentage</b>
Instruction (45% Minimum Required)	\$9,226	45%
General Administration (9% Maximum Allowed)	\$0	0%

<b>State Performance</b>	<b>Audited Expenditure Amount</b>	<b>Actual Expenditure Percentage</b>
General Administration (9% Maximum Allowed)	\$6,582	8.29%

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT  
BALANCE SHEET  
June 30, 2007**

**ASSETS**

Cash

\$ 2,167

**LIABILITIES AND FUND BALANCE**

Fund balance - restricted

\$ 2,167

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
CAREER AND TECHNICAL EDUCATION GRANT PROGRAM  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
Year Ended June 30, 2007**

	<b>Actual</b>
<b>REVENUE</b>	
State sources	\$ 16,423
<b>EXPENDITURES</b>	
Current year's grant	
Salaries	-
Employee benefits	-
Contractual services	160
Materials and supplies	14,096
Conference and meeting expenses	-
Utilities	-
Payment of prior year's encumbrances:	
Materials and supplies	10,343
Other - building remodeling	-
Total expenditures	24,599
Excess of revenues over (under) expenditures	(8,176)
<b>FUND BALANCE, JULY 1, 2006</b>	<b>10,343</b>
<b>FUND BALANCE, JUNE 30, 2007</b>	<b>\$ 2,167</b>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
STUDENT SUCCESS GRANT PROGRAM  
BALANCE SHEET  
June 30, 2007**

**ASSETS**

Cash

\$ 7,374

**LIABILITIES AND FUND BALANCE**

Fund balance - restricted

\$ 7,374

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
STUDENT SUCCESS GRANT PROGRAM  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
Year Ended June 30, 2007**

	<b>Actual</b>
<b>REVENUE</b>	
State sources	\$ 28,225
<b>EXPENDITURES</b>	
Current year's grant	
Salaries	12,668
Employee benefits	767
Contractual services	911
Materials and supplies	1,795
Conference and meeting expenses	4,710
Utilities	-
Payment of prior year's encumbrances	-
Materials and supplies	-
Other - building remodeling	-
Total expenditures	20,851
Excess of revenues over (under) expenditures	7,374
<b>FUND BALANCE, JULY 1, 2006</b>	-
<b>FUND BALANCE, JUNE 30, 2007</b>	\$ 7,374

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General**

The accompanying statements include only those transactions resulting from the Workforce Development-Business/Industry, P-16 Initiative, Career and Technical Education-Program Improvement, Adult Education & Family Literacy, and Student Success 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, 2007. Funds obligated for goods prior to June 30 from which the goods 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.

**NOTE 2 – PAYMENTS OF PRIOR YEAR'S ENCUMBRANCES**

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



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITORS' REPORT  
ON THE SCHEDULE OF ENROLLMENT DATA AND OTHER BASES  
UPON WHICH CLAIMS ARE FILED**

To the Board of Trustees  
of Illinois Valley Community College  
District No. 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 District #513 as of June 30, 2007. 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 upon our audit.

Our audit was made in accordance with the guidelines of the Illinois Community College Board's Fiscal Management Manual and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

In our opinion, the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed is fairly presented in accordance with the provisions of the aforementioned guidelines.

*Gordon, Stockman & Waugh, P.C.*

Peoria, Illinois  
October 5, 2007



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF ENROLLMENT DATA AND  
OTHER BASES UPON WHICH CLAIMS ARE FILED  
Year Ended June 30, 2007**

**Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)**

Categories	Summer		Fall		Winter		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Notes 1 & 2										
Baccalaureate	5,239.0	0.0	21,877.0	0.0	0.0	0.0	20,783.0	0.0	47,899.0	0.0
Business										
Occupational	393.0	0.0	2,038.0	0.0	0.0	0.0	1,911.5	0.0	4,342.5	0.0
Technical										
Occupational	1,737.0	0.0	6,058.0	0.0	0.0	0.0	5,384.5	0.0	13,179.5	0.0
Health										
Occupational	835.5	0.0	2,488.0	0.0	0.0	0.0	2,983.5	0.0	6,307.0	0.0
Remedial										
Developmental	711.0	0.0	3,059.0	0.0	0.0	0.0	1,740.0	0.0	5,510.0	0.0
Adult Basic/ Secondary Education	<u>124.0</u>	<u>40.0</u>	<u>317.5</u>	<u>1,091.5</u>	<u>0.0</u>	<u>0.0</u>	<u>427.5</u>	<u>797.5</u>	<u>869.0</u>	<u>1,929.0</u>
<b>Total</b>	<u>9,039.5</u>	<u>40.0</u>	<u>35,837.5</u>	<u>1,091.5</u>	<u>0.0</u>	<u>0.0</u>	<u>33,230.0</u>	<u>797.5</u>	<u>78,107.0</u>	<u>1,929.0</u>

**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.

	<u>Attending In-District</u>	<u>Attending Out-of-District on Chargeback or a Cooperative/ Contractual Agreement</u>	<u>Total</u>
Reimbursable semester credit hours (all terms)	<u>69,315.0</u>	<u>2,161.0</u>	<u>71,476.0</u>
	<u>Dual Credit</u>	<u>Dual Enrollment</u>	<u>Total</u>
Reimbursable semester credit hours (all terms)	<u>3,885.0</u>	<u>742.0</u>	<u>4,627.0</u>
District prior year equalized assessed valuation			<u>\$2,551,819,980</u>

**Correctional Semester Credit Hours by Term**

Categories	<u>Summer</u>	<u>Fall</u>	<u>Winter</u>	<u>Spring</u>	<u>Total</u>
Baccalaureate	612.0	812.0	-	513.0	1,937.0
Business Occupational	33.0	57.0	-	20.0	110.0
Technical Occupational	1,276.0	1,756.0	-	1,473.0	4,505.0
Health Occupational	5.0	-	-	-	5.0
Remedial Developmental	110.0	435.0	-	183.0	728.0
Adult Basic/Secondary Education	-	-	-	-	-
<b>Total</b>	<u>2,036.0</u>	<u>3,060.0</u>	<u>-</u>	<u>2,189.0</u>	<u>7,285.0</u>

Signatures:

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Chief Financial Officer

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS  
Year Ended June 30, 2007**

Categories	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate Business	47,899.0	47,899.0	-	0.0	0.0	-
Occupational Technical	4,342.5	4,342.5	-	0.0	0.0	-
Occupational Health	13,179.5	13,179.5	-	0.0	0.0	-
Occupational Remedial	6,307.0	6,307.0	-	0.0	0.0	-
Developmental Adult Basic/Secondary Education	5,510.0	5,510.0	-	0.0	0.0	-
	<u>869.0</u>	<u>869.0</u>	<u>-</u>	<u>1,929.00</u>	<u>1,929.00</u>	<u>-</u>
<b>Total</b>	<u><u>78,107.0</u></u>	<u><u>78,107.0</u></u>	<u><u>-</u></u>	<u><u>1,929.0</u></u>	<u><u>1,929.0</u></u>	<u><u>-</u></u>

**Reconciliation of In-District/Chargeback and Cooperative/Contractual Agreement Credit Hours**

	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB	Difference
In-District Residents	69,315.0	69,315.0	-
Out of District on Chargeback or Contractual Agreement	<u>2,161.0</u>	<u>2,161.0</u>	<u>-</u>
<b>Total</b>	<u><u>71,476.0</u></u>	<u><u>71,476.0</u></u>	<u><u>-</u></u>

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	3,885.0	3,885.0	-
Dual Enrollment	742.0	742.0	-

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS  
Year Ended June 30, 2007**

**Reconciliation of Total Correctional Semester Credit Hours**

<b>Categories</b>	<b>Total Correctional Credit Hours</b>	<b>Total Correctional Credit Hours Certified to the ICCB</b>	<b>Difference</b>
Baccalaureate	1,937.0	1,937.0	-
Business Occupational	110.0	110.0	-
Technical Occupational	4,505.0	4,505.0	-
Health Occupational	5.0	5.0	-
Remedial Developmental	728.0	728.0	-
Adult Basic/Secondary Education	<u>.0</u>	<u>.0</u>	<u>-</u>
<b>Total</b>	<u><u>7,285.0</u></u>	<u><u>7,285.0</u></u>	<u><u>-</u></u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513**

**VERIFICATION OF STUDENT RESIDENCY  
June 30, 2007**

The following procedures detail the process for verifying the residency status of the students of Illinois Valley Community College District #315 (College).

**Applicants**

The residency status on application forms is normally determined by the address the student uses 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 there is an out-of-district or out-of-state address, then the student is considered out-of-district or out-of-state according to the address on the application form.

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 which would 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 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 address;
3. A procedure by which the student certified his/her 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 a student works full time at the employer's business location in the college district is provided;
5. The college has policies regarding the following classifications of students:
  - a. In correctional facilities (county, state, or federal)
  - b. In/on military bases
  - c. Who are not U.S. Citizens
  - d. Who live out-of-district but work in-district
  - e. Attending another post secondary higher education institution in the district
  - f. Who are athletes

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SUMMARY OF ASSESSED VALUATIONS  
Most Recent Three Years**

<b><u>Tax Levy Year</u></b>	<b><u>Equalized Assessed Valuation</u></b>
2006	\$2,551,819,980
2005	2,404,693,073
2004	2,359,136,632

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
Background Information on State Grant Activity**

**Unrestricted Grants**

Base Operating Grants

General operating funds provided to colleges based upon credit enrollment with a small portion of the allocation based upon gross square footage of space at the college.

Small College Grants

Funds provided to colleges with full-time equivalent enrollments of less than 2,500 students; intended to help small colleges pay for some of the “fixed costs” of operating a smaller institution.

Equalization Grants

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

**Restricted Grants/Special Initiatives**

Workforce Development-Business/Industry Grants

Funding provided for a business/industry center at every college to provide a variety of employment training and business services outside of the classroom.

P-16 Initiative Grants

Grant funding is intended to allow community colleges to address the need to strengthen student preparation within the P-16 education spectrum by 1) expanding their service to high school students desiring to take college-level classes prior to receiving their high school diploma to accelerate their college coursework (formerly known as the Accelerated College Enrollment Grant) and 2) implementing and/or expanding programs and services that relate to teacher preparation (certification) and professional development (recertification). The intent is to allow colleges to enhance or expand current activities.

Career and Technical Education-Program Improvement Grants

Grant funding recognizes that keeping career and technical programs current and reflective of the highest quality practices in the workplace is 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.

Student Success Grants

Grant funding is intended to provide needed supplemental services to assist students in developing the academic skills necessary to remedy or correct educational deficiencies to allow the attainment of college educational goals. The students to be served by the Student Success Grant are those students with social, economic, physical, or developmental disabilities, and/or academic deficiencies that make it difficult for such a student to adapt to a college environment. Colleges will designate which of their students are eligible for services through the Student Success Grant as determined by college assessment procedures and instruments selected by the colleges.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513**

**Statewide Initiatives**

Special Incentive Grants

A new request to provide flexible funding for unique initiatives needed in the community college system. The grants will be awarded on a Request for Proposal basis and will focus on higher education priorities such as accessibility, affordability, productivity, partnerships, quality, and responsiveness. In addition, a significant proportion of the dollars available will focus on improving the availability of qualified information technology employees in the State of Illinois.

Lincoln's Challenge Grants

Funding for a military style boot camp for at-risk teenagers who have not completed high school. After successfully completing the program, students are eligible to receive a scholarship to attend a community college.

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

Grant awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons of age 21 and over or persons under the age of 21 and not otherwise in attendance in public school for the purpose of providing adults in the community, and other instruction as may be necessary to increase their qualifications for employment or other means of self-support and their ability to meet their responsibilities as citizens including courses of instruction 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.

Public Assistance

Grant awarded to Adult Education and Family Literacy providers to pay for any fees, books, and materials incurred in the program for students who are identified as recipients of public assistance.

Performance

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

**FEDERAL COMPLIANCE AUDIT SECTION**





CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
"GOVERNMENT AUDITING STANDARDS"**

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

We have audited the basic financial statements of Illinois Valley Community College District #513 (the "District") as of and for the year ended June 30, 2007, and have issued our report thereon dated October 5, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The financial statements of 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, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Trustees, management of the District, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Gordon, Stockman & Waugh, P.C.*

Peoria, Illinois  
October 5, 2007



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

**Compliance**

We have audited the compliance of Illinois Valley Community College District #513 (the "District") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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. The financial statements of Illinois Valley Community College Foundation were not audited in accordance with Government Auditing Standards. An audit includes examining, on a test basis, evidence about the District'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. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

## Internal Control Over Compliance

The management of the Illinois Valley Community College District #513 (the "District") is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 District's internal control over compliance.

A control deficiency in the District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Trustees, management of the District, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Gordon, Stockman & Waugh, P.C.*

Peoria, Illinois  
October 5, 2007

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2007**

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	\$ 2,014,361
Academic Competitiveness Grant	84.375A	N/A	6,275
Supplemental Education Opportunity Grant Program	(M)84.007	N/A	36,601
Federal Work-Study Program	(M)84.033	N/A	65,094
Total student financial aid			<u>2,122,331</u>
U.S. Department of Education			
Direct			
Student Support Services	84.042A	N/A	235,777
Ccampis	84.335A	N/A	23,900
Undergraduate International Studies and Foreign Language	84.016A	N/A	4,770
Passed through the ICCB			
Carl Perkins Title IIE Technical Preparation Grant	84.243	05-TP5130	72,865
Technical Preparation Support Grant	84.048	TPS51305	9,261
Career & Technical Education	84.048	CTEL05513	19,671
Federal Adult Education Act			
Title II Basic Education	84.002A	51301	123,155
EL/Civics	84.002A	51301	36,849
Carl Perkins Title IIC Vocational Grant Program	84.048	CTE51305	175,725
Total U.S. Department of Education			<u>2,824,304</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2007**

Federal Grantor/State Pass-Through Grantor/Program Title/Grant Name	Federal CFDA Number	Pass Through Grantor's Number	Expenditures
U.S. Department of Labor			
Passed through Illinois Department of Commerce and Community Affairs - Workforce Investment Act - Title 1D	(M) 17.260		
		05-681012	212,395
		06-681012	497,788
Workforce Investment Act - Title 1S		06-651012	152,412
Program Year 2003 Incentive Funds		04-67212	6,538
Trade Adjustment Act		04-63312	3,233
		07-661012	36,366
		06-661012	204,444
		05-66132	175
Workforce Investment Act			362
Earmark Grant			<u>5,202</u>
Total U.S. Department of Labor			<u>1,118,915</u>
U.S. Small Business Administration			
Passed through the Illinois Department of Commerce and Community Affairs - Small Business Development Center	59.037	05-80153	50,000
U.S. Department of Justice			
Office on Violence Against Women	16.525		78,995
U.S. Department of Agriculture			
Passed through Illinois State Board of Education	10.558		14,509
National Science Foundation	47.076		<u>60,521</u>
<b>TOTAL FEDERAL AWARDS</b>			<u><u>\$ 4,147,244</u></u>

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2007**

**Guaranteed Student Loans:**

During the fiscal year ended June 30, 2007, the College made guaranteed student loans to eligible students totaling \$1,357,769 under the following programs:

Stafford Loan Program	(M)84.032	<u>\$ 1,357,769</u>
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(M) indicates a major federal financial assistance program

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2007**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Illinois Valley Community College District #513 (College) for the year ended June 30, 2007, and is presented in conformity with generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 – STAFFORD 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, 2007, totaled \$1,357,769.

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



**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

**SECTION 1 – SUMMARY OF AUDITORS’ RESULTS**

**June 30, 2007 Financial Statements**

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

- Material weakness(s) identified: \_\_\_\_\_yes       X no
- Significant deficiency(s) identified that are not considered to be material weaknesses? \_\_\_\_\_yes       X no

Noncompliance material to financial statements noted? \_\_\_\_\_yes       X no

**Federal Awards**

Internal control over financial reporting:

- Material weakness(s) identified: \_\_\_\_\_yes       X no
- Significant deficiency (s) identified that are not considered to be material weaknesses? \_\_\_\_\_yes       X no

Type of auditors’ report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) or Circular A-133? \_\_\_\_\_yes       X no

Identification of major programs:

<u>CFDA Numbers(s)</u>	<u>Name of Federal Program or Cluster</u>
Various	Student Financial Aid Cluster
Various	U.S. Department of Labor

Dollar threshold used to distinguish between Type A And Type B programs: \$300,000

Auditee qualified as low-risk auditee?  X yes      \_\_\_\_\_no

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

**SECTION III – MAJOR FEDERAL AWARD PROGRAMS FINDINGS AND QUESTIONED COSTS**

None.

**ILLINOIS VALLEY COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #513  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

**SECTION IV – PRIOR PERIOD FINDINGS, QUESTIONED COSTS, RECCOMENDATION,  
AND CURRENT STATUS**

None.