

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

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2008

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September 25, 2008

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

The Comprehensive Annual Financial Report (CAFR) of Illinois Valley Community College (IVCC) District 513, counties of Bureau, DeKalb, Grundy, LaSalle, Lee, Livingston, Marshall and Putnam, and the state of Illinois for the fiscal year ended June 30, 2008, is hereby submitted.

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

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by Governmental and Financial Accounting Standards Boards (GASB and FASB), National Association of College and University Business Officers (NACUBO), and the Illinois Community College Board (ICCB). The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay. The notes to the financial statements expand and explain the financial statements and the accounting principles applied. The financial statements have been audited by our independent auditors, Gordon, Stockman and Waugh, PC. Their report is included as part of this financial presentation.

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

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 auditor's 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, 2008, provided no instance of material weaknesses in the internal control structure, or significant violations of applicable laws and regulations.

Profile of the College

Illinois Valley Community College opened its doors as LaSalle-Peru-Oglesby Junior College in 1924 with 32 freshmen, a faculty of seven and two administrators located on the campus of LaSalle-Peru Township High School. The mission of the College in 1924 was to "lay the foundations for successful careers in vocational, social, and political fields."

In 1966, the College's name was officially changed to Illinois Valley Community College (IVCC), and in 1967 the voters of the community college district approved an \$8.25 million referendum to finance the construction of a new campus. In 1968, the first classes were held at a new site in 12 temporary buildings as the new campus was being constructed. The permanent campus was dedicated in October 1972.

IVCC continues to prepare students for a solid future and meet the ever-changing needs of area employers. Structural and technological upgrades have been completed over the years and the College's Facilities Master Plan includes a new technology and workforce development center and community instructional center, as well as extensive renovations to existing buildings.

Core Values

The Illinois Valley Community College community fosters a caring and friendly environment that embraces diversity and encourages personal growth. The core values of the College are Responsibility, Caring, Honesty, Fairness and Respect.

Mission

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

Vision

Leading our community in learning, working and growing.

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: LaSalle, 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 2006 to tax year 2007 by 6.4 percent to an equalized assessed valuation (EAV) of \$2,725,314,516. This is the second year for a significant increase in EAV as the 10-year average increase has been approximately 2.8 percent, 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: 56 percent residential, 14 percent industrial, 15 percent farm, 14 percent commercial, and 1 percent other. One year ago, it was 55 percent residential, 16 percent industrial, 15 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 (LaSalle County) passing it. In November 1998, the voters of LaSalle County voted down tax caps; however, the issue can be placed on the ballot at any time in the future. The earliest tax caps could take effect would be tax year 2009, payable in 2010.

The statewide unemployment rate as of December 31, 2007, was 5.0 percent compared to 4.6 percent one year ago. The counties of LaSalle, Bureau, and Putnam make up 94 percent of the District. In this three county area, the unemployment rate rose from 5.0 percent to 5.9 percent over the last year.

The district’s largest county (in fact, the second largest county in the state), LaSalle 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. More than seven percent of the equalized assessed valuation of the College’s tax base is in TIF districts.

One of the goals identified by the Illinois Board of Higher Education in its strategic plan is that “. . . college is affordable for all Illinoisans, particularly low-income students.” To support that goal, the IVCC Board of Trustees has been clear in its desire to keep tuition and universal fees at a minimum level. The Board is still mindful of the 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.

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, and then increased by more than two percent in fiscal year 2008. An increase of nearly one percent is projected for fiscal year 2009. According to Economic Modeling Specialists, Inc. (EMSI), the overall population of the eight-county area which makes up Illinois Valley Community College (IVCC) District No. 513 will increase by two percent from 2008 to 2013. However, the 15-19 years age group will drop by 11 percent, affecting the number of high school graduates available to enroll at IVCC. The population of the 20-24 years age group will remain constant, and the 25-29 years age group will decrease by 5 percent. The largest growing segments of the population are the 30-34 years age group (30 percent) and the 60-64 years age group (21 percent).

In comparing the above data to demographic projections supplied by EMSI for LaSalle, Bureau, and Putnam Counties—the majority of the College’s district—the 15-19 years age group will drop by 12 percent, the 20-24 years age group will drop by five percent, and the 25-29 years age group will decrease by five percent. The total population of these three counties will increase by only 300 individuals from 2008 to 2013.

Although the population of these three counties will increase only slightly, there will be a significant shift in the makeup of the population. The White (non-Hispanic) population will decline by 1,049 individuals, or from 90.1 percent of the total population to 89.2 percent of the total population. The White Hispanic population will increase by 1,058 individuals, or 10 percent, and the Non-White Hispanic population will increase by 13 individuals, or five percent, and individuals of two or more races will increase by 173 individuals, or 11 percent. IVCC serves approximately eight percent of the district’s population.

The average student is 26 years of age. The ethnic breakdown includes 83 percent White (non-Hispanic), six percent Hispanic, and four percent Black (non-Hispanic); the remaining seven percent are 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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Head Count	4,015	4,078	4,027	3,939	4,103
Credit Hours	80,793	82,938	83,551	80,036	82,095

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

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 College’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.

Accountability

As a public institution, Illinois Valley Community College must provide assurance of quality to the state of Illinois through the Illinois Community College Board (ICCB) and its accreditation agency, the Higher Learning Commission.

Illinois Community College Board

IVCC is required to engage in a variety of activities in order to ensure accountability to the citizens of Illinois. The College is required to show progress towards reaching the goals articulated in the newly adopted Board of Higher Education's *IBHE 2011 A Strategic Plan for the Illinois Board of Education*.

Affordability

The Illinois Board of Higher Education will help ensure that college is affordable for all Illinoisans, particularly low-income students.

Attainment

The Illinois Board of Higher Education will work to improve educational attainment for all Illinois students through a seamless P-20 system of high quality teaching and learning, through an increased focus and outreach to nontraditional students, and through stronger emphasis on preparing graduates in high-demand workforce areas.

Diversity

The Illinois Board of Higher Education will work to increase access and success in more diverse college student body and faculty ranks, including those with disabilities.

Efficiency

The Illinois Board of Higher Education will promote efficiency and accountability in higher education operations.

To complement *IBHE 2011*, the ICCB requires all community colleges to submit annual performance reports, which are structured around *Promise for Illinois*, the statewide strategic plan for community colleges. Specifically, Illinois community colleges must pledge to:

1. Provide high quality programs, services and operations;
2. Deliver accessible and affordable learning opportunities for all residents of Illinois;
3. Address workforce and economic development needs with flexible, responsive, and progressive programs;
4. Offer rigorous courses, programs, and services designed to enable students to transition from one learning environment and level to another;
5. Enhance Adult Education and Literacy programs necessary for individuals and families to have high-quality standards of living in Illinois; and,
6. Provide programs and services to assist students to succeed in their educational endeavors.

IVCC's progress towards reaching the goals set forth in both the *IBHE 2011* and *Promise for Illinois* can be found in the College's annual Performance Reports, available on-line at <http://www.ivcc.edu/businessservices/>.

Illinois Valley Community College is also required to provide a variety of data submissions to ICCB and the federal government through the Integrated Postsecondary Education Data System (IPEDS). Other state accountability reports include:

- Program Review Report;
- Underrepresented Groups in Higher Education Report; and,
- Occupational Graduate Follow-Up Survey.

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. 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; a systems portfolio is appraised every three years. Following are the College's action projects:

- Key performance indicators – measures and targets;
- Enhance CQI infrastructure through action project teams; and,
- Assessment of general education goals.

Illinois Valley Community College's progress towards reaching the AQIP goals is detailed in its annual Systems Portfolio, available on-line at <http://www.ivcc.edu/systemsportfolio/>.

Strategic Planning

The College has initiated a comprehensive strategic planning process that is based on the principles of continuous quality improvement, is data-driven, integrates the planning and budget development processes, and establishes measures of institutional effectiveness. Strategic planning is 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. Following are the council's recommended strategic goals and objectives.

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; and
5. Promote understanding of diverse cultures and beliefs.

Strategic Objectives

1. 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. Increase Colleague-users' ability to access information to allow for data-based decision making;
and
5. Provide the community with cultural events and more effectively use available resources by coordinating such events.

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.

Debt Administration

The College had general bonded debt of \$4,488,587 as of June 30, 2008, as a result of the Series 1999 Community College Bonds. Bonded debt per capita was approximately \$30 at June 30, 2008. 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. The current rate is 10.61 percent of annual covered payroll. Plan members are required to contribute 8.0 percent of their annual covered salary. 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.

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, 2008, 2007, and 2006 were \$1,219,744, \$885,395, and \$553,752 respectively.

Under an Early Retirement Incentive Plan which expired June 30, 2005, the College elected to provide certain health care benefits for retirees for ten years past their retirement date. Retiree participants electing those benefits are required to contribute monthly amounts, depending on the level of coverage desired. At June 30, 2008, the College has estimated the cost of future retirees' health benefits to be \$229,480 and has a reserve to cover these costs; for the fiscal year, those costs were \$61,499. The number of retiree participants was 12 at June 30, 2008. The contributions made by retiree participants totaled \$57,812. 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.

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 2007.

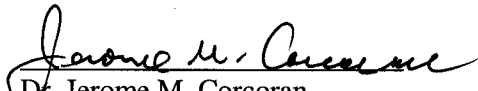
In order to be awarded the certificate, the College must publish an easy-to-read and efficiently organized comprehensive annual report with contents that conform to program standards. The report must satisfy

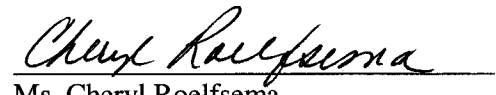
both generally accepted accounting principles and applicable legal requirements. The “Certificate of Achievement for Excellence in Financial Reporting” is valid for a period of one year.

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.

Respectfully submitted,


Dr. Jerome M. Corcoran
President


Ms. Cheryl Roelfsema
Interim Vice President for Business
Services and Finance

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, 2007

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.



Oliver S. Cox

President

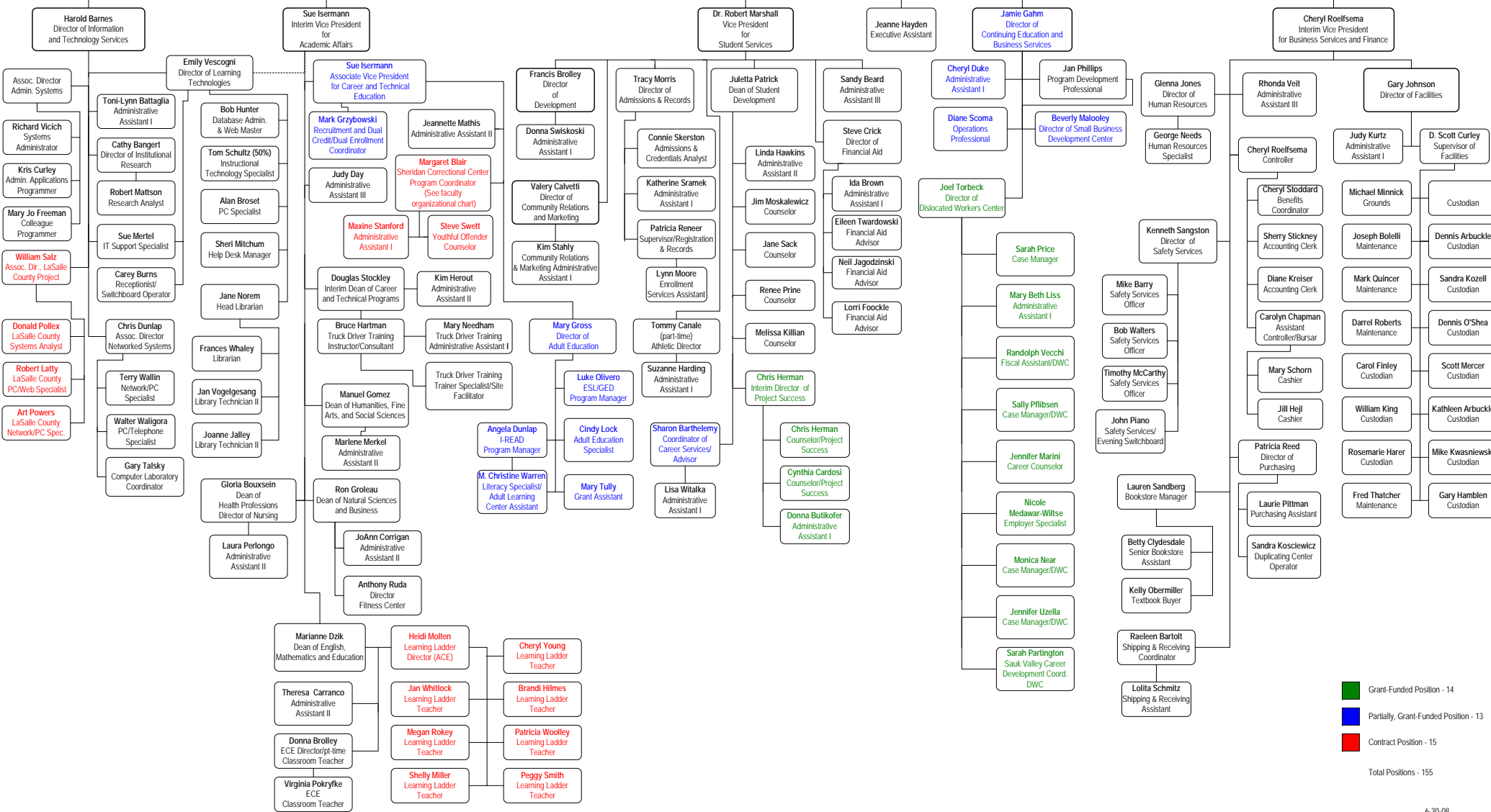
Jeffrey R. Emen

Executive Director

ILLINOIS VALLEY COMMUNITY COLLEGE

BOARD OF TRUSTEES

Dr. Jerry Corcoran
President



■ Grant-Funded Position - 14
■ Partially, Grant-Funded Position - 13
■ Contract Position - 15
 Total Positions - 155

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

**Principal Officials
Fiscal Year Ended June 30, 2008**

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. Cassie Fuller	Student Trustee	2009

Officers of the College

Dr. Jerome M. Corcoran, President

Ms. Sue Isermann, Interim Vice President for Academic Affairs

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

Mrs. Cheryl E. Roelfsema, Interim Vice President for Business Services and Finance

Officer Issuing Report

Business Services and Finance

Mrs. Cheryl E. Roelfsema
Interim Vice President for Business Services and Finance / 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, 2008, 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, 2008, 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 7, 2008, 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 7, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDING JUNE 30, 2008

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, 2008, and June 30, 2007. Since management's discussion and analysis focuses on current activities and resulting changes, it should be read in conjunction with the transmittal letter (page i), the College's basic financial statements (pages 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.

The new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999 and Statement No. 35 Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities issued in November 1999, focuses on the College as a whole. The College's financial statements (pages 14-16) report information about the College using accounting methods similar to those used by private-sector companies.

Overview of the Financial Statements

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.

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.

- 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.
- To assess the College's overall health, additional non-financial factors such as changes in the College's property tax base and the condition of college facilities should be considered.

Financial Highlights

The College's financial data continues to be strong despite economic conditions. Net assets increased by \$2,880,568 or 5.6 percent over the previous fiscal year.

- Overall revenues were \$30,487,037, compared to \$29,883,596 in fiscal year 2007, an increase of 2.0 percent.
 - Tuition revenues increased by approximately \$40,000, an increase of 1.4 percent over fiscal year 2007.
 - State and local grants and contracts increased by approximately \$388,000, a 6.2 percent increase over fiscal year 2007.
 - Property tax revenues decreased by approximately \$215,000, or 2.0 percent, from fiscal year 2007. The property tax base increased by \$173.5 million, or 6.0 percent. However, the College did not levy for tort liability expenses which lowered property tax revenues for fiscal year 2008.
- Total operating expenses were \$27.3 million compared to \$25.9 million in fiscal year 2007, an increase of 5.4 percent.

**Illinois Valley Community College
Net Assets**

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) 2008-2007</u>	<u>2006</u>	<u>Increase (Decrease) 2007-2006</u>
Current assets	\$42,522,125	\$40,731,623	\$ 1,790,502	\$34,996,253	\$ 5,735,370
<u>Non-current assets</u>					
Long-term investments	-	-	-	3,954,732	(3,954,732)
Capital assets, net of depreciation	<u>26,219,475</u>	<u>26,158,710</u>	<u>60,765</u>	<u>26,168,680</u>	<u>(9,970)</u>
<u>Total assets</u>	<u>68,741,600</u>	<u>66,890,333</u>	<u>1,851,267</u>	<u>65,119,665</u>	<u>1,770,668</u>
Current liabilities	10,696,214	10,777,368	(81,154)	11,578,662	(801,294)
<u>Non-current liabilities</u>	<u>3,408,171</u>	<u>4,356,318</u>	<u>(948,147)</u>	<u>5,406,972</u>	<u>(1,050,654)</u>
<u>Total liabilities</u>	<u>14,104,385</u>	<u>15,133,686</u>	<u>(1,029,301)</u>	<u>16,985,634</u>	<u>(1,851,948)</u>
Net Assets					
Invested in capital assets	21,730,888	20,677,190	1,053,698	19,739,697	937,493
Restricted-expendable	20,923,252	19,454,347	1,468,905	19,432,660	21,687
Unrestricted	<u>11,983,075</u>	<u>11,625,110</u>	<u>357,965</u>	<u>8,961,674</u>	<u>2,663,436</u>
<u>Total Net Assets</u>	<u>\$54,637,215</u>	<u>\$51,756,647</u>	<u>\$ 2,880,568</u>	<u>\$48,134,031</u>	<u>\$ 3,622,616</u>

Changes in net assets serve as an indicator of the college's financial position. The increase in financial position is the result of growth during the year in equalized assessed valuation, increased corporate personal property replacement taxes, and keeping expenses under budget.

Fiscal Year 2008 Compared to 2007

The overall financial position of the College improved from fiscal year 2007 to fiscal year 2008. Net assets increased from fiscal year 2007 to fiscal year 2008 by \$2,880,568, or 5.6 percent. As of June 30, 2008, total net assets are \$54,637,215.

Current assets have increased by \$1,790,502 due primarily to the investment of surplus funds.

Current liabilities decreased by \$81,154, a less than one percent change from fiscal year 2007.

Non-current liabilities decreased by \$948,147 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 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 were \$51,756,647.

Current assets 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 of 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.

Operating Results for the Year Ended

June 30

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) 2008-2007</u>	<u>2006</u>	<u>Increase (Decrease) 2007-2006</u>
Operating revenue					
Tuition and fees	\$ 2,971,695	\$ 2,930,714	\$ 40,981	\$ 2,657,937	\$ 272,777
Auxiliary	2,817,319	2,693,831	123,488	3,087,256	(393,425)
Other	<u>1,393,371</u>	<u>1,511,720</u>	<u>(118,349)</u>	<u>1,124,236</u>	<u>387,484</u>
Total	7,182,385	7,136,265	46,120	6,869,429	266,836
Less operating expenses	<u>27,334,402</u>	<u>25,924,986</u>	<u>1,409,416</u>	<u>24,320,830</u>	<u>1,604,156</u>
Operating income (loss)	<u>(20,152,017)</u>	<u>(18,788,721)</u>	<u>(1,363,296)</u>	<u>(17,451,401)</u>	<u>(1,337,320)</u>
Non-operating revenues (expenses)					
State grants and contracts	6,685,409	6,297,475	387,934	5,868,993	428,482
Federal grants and contracts	4,635,730	4,163,427	472,303	4,165,037	(1,610)
Property taxes	10,521,623	10,736,918	(215,295)	10,847,195	(110,277)
Investment income	1,363,327	1,536,464	(173,137)	1,041,407	495,057
Other	98,563	13,047	85,516	-	13,047
Interest expense	<u>(272,067)</u>	<u>(335,994)</u>	<u>63,927</u>	<u>(414,439)</u>	<u>78,445</u>
Total net non-operating revenue	<u>23,032,585</u>	<u>22,411,337</u>	<u>621,248</u>	<u>21,508,193</u>	<u>903,144</u>
Change in net assets	2,880,568	3,622,616	(742,048)	4,056,792	(434,176)
Net assets, beginning of year	<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>
Net assets, end of year	<u>\$54,637,215</u>	<u>\$51,756,647</u>	<u>\$ 2,880,568</u>	<u>\$48,134,031</u>	<u>\$ 3,622,616</u>
Total revenues	<u>\$30,487,037</u>	<u>\$29,883,596</u>	<u>\$ 603,441</u>	<u>\$28,792,061</u>	<u>\$ 1,091,535</u>
Total expenses	<u>\$27,606,469</u>	<u>\$26,260,981</u>	<u>\$ 1,345,488</u>	<u>\$24,735,269</u>	<u>\$ 1,525,712</u>

Fiscal Year 2008 Compared to 2007

In fiscal year 2008, total revenues (operating and non-operating) increased by \$603,441 or 2.0 percent. The following revenue categories had increases in fiscal year 2008 over fiscal year 2007:

- Tuition and fee revenue increased by \$40,981 or 1.4 percent due to an increase of \$2 per credit hour for tuition.
- Auxiliary revenues increased by \$123,488 or 4.6 percent. Increased revenues in the college bookstore and an increase in fees for information technology services provided to LaSalle County contributed to the increase.
- State grants and contracts increased by \$387,934 or 6.2 percent. The entire increase was additional funding for the State Universities Retirement System. There were no increases in operating or special initiatives grants.

- Federal grants and contracts increased by \$472,303, or 11.3 percent. The Department of Labor Earmark Grant for Manufacturing added \$270,000 to revenues and PELL grants increased by over \$200,000 for fiscal year 2008 over fiscal year 2007.
- Support from the Illinois Valley Community College Foundation and other community support increased non-operating revenues by \$85,516.

These increases were offset by the following decreases in revenues:

- Other operating revenues decreased by \$118,349 or 7.8 percent. The college elected not to renew the contract with the Illinois Manufacturing Extension Cooperative.
- Property tax revenues decreased by \$215,295 or 2.0 percent. The property tax base increased by six percent but the college reduced their tax rate by not levying for tort liability funds.
- Due to declining interest rates throughout fiscal year 2008, investment revenues declined by \$173,137 or 11.2 percent.

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 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.

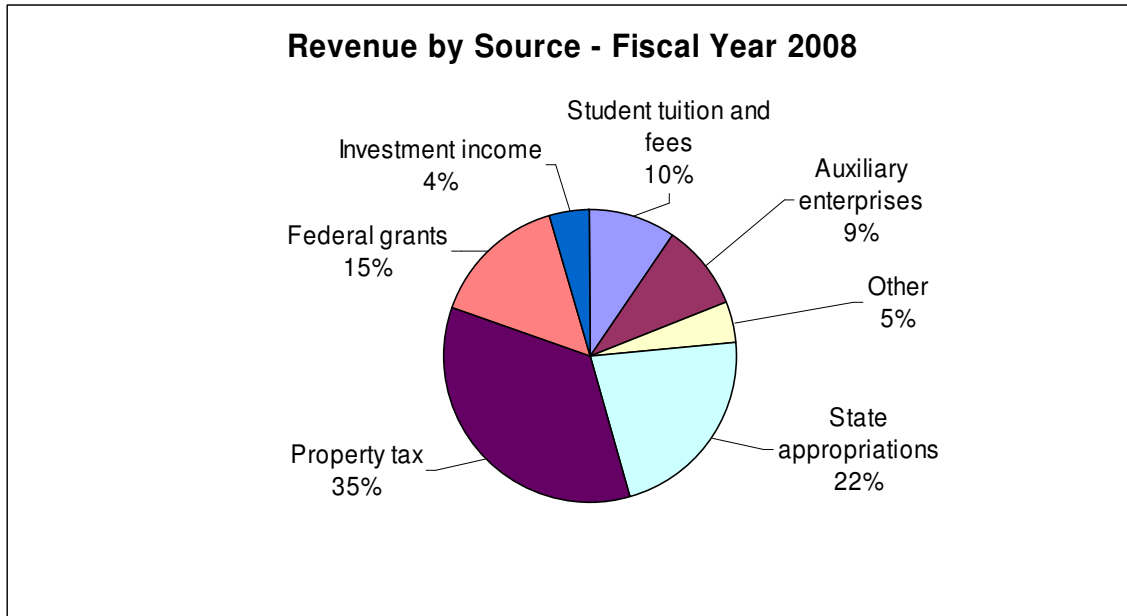
Non-operating revenue increased by \$903,144 due to increases in State grants and contracts. The fiscal year credit hour grant was \$172,280 higher than fiscal year 2006 and the on-behalf SURS (State University Retirement System) payment for fiscal year 2007 was \$885,385, an increase of \$331,643 over 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.

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.

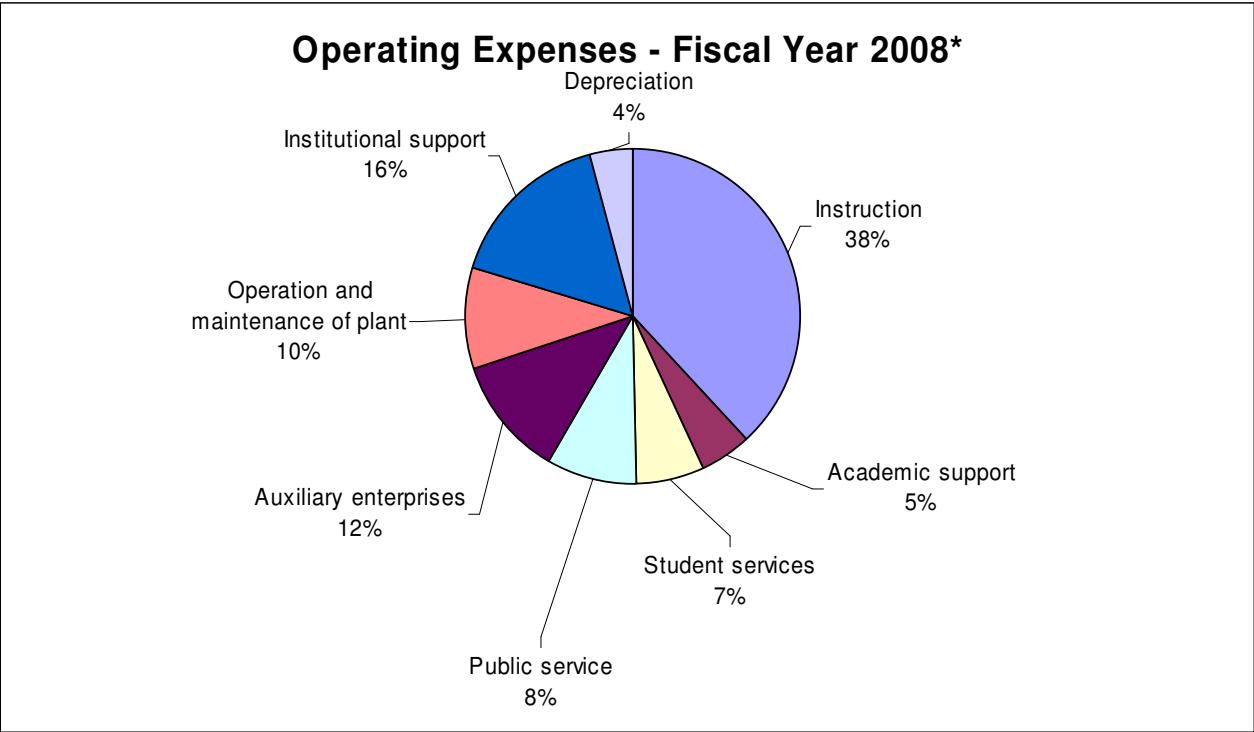
The following is a graphic illustration of revenues by source.



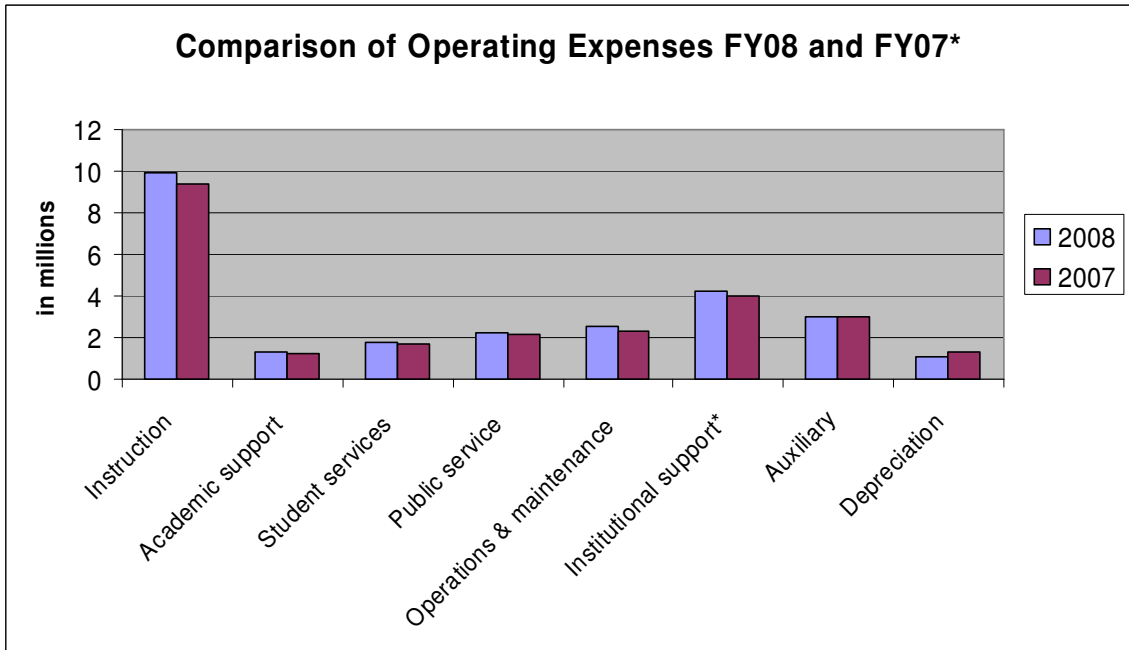
**Operating Expenses
For the Year Ended June 30**

Operating expense	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) 2008-2007</u>	<u>2006</u>	<u>Increase (Decrease) 2007-2006</u>
Instruction	\$ 9,956,513	\$ 9,371,930	\$ 584,583	\$ 8,658,298	\$ 713,632
Academic support	1,294,929	1,193,776	101,153	956,808	236,968
Student services	1,764,588	1,687,133	77,455	1,582,287	104,846
Public service	2,211,767	2,121,633	90,134	1,962,645	158,988
Operations and maintenance	2,563,569	2,310,683	252,886	2,184,107	126,576
Institutional support*	4,226,943	4,018,302	208,641	4,514,054	(495,752)
Auxiliary	3,027,845	2,993,064	34,781	2,485,478	507,586
Depreciation	1,068,504	1,343,080	(274,576)	1,423,401	(80,321)
Total	<u>\$26,114,658</u>	<u>\$25,039,601</u>	<u>\$ 1,075,057</u>	<u>\$23,767,078</u>	<u>\$ 1,272,523</u>

*without on-behalf SURS payment



*without on-behalf SURS payment



*without on-behalf SURS payment

Fiscal Year 2008 Compared to 2007

Operating expenses for fiscal year 2008 increased by \$1,075,057 after adjusting for the on-behalf SURS payment received from the State of Illinois. All areas other than Depreciation saw an increase in expenses in fiscal year 2007.

- Operations and maintenance saw the greatest percentage increase in expenses, 10.9 percent, or \$252,886. Utility costs account for \$228,000 of this increase.
- Instruction expenses increased by \$584,583 or 6.2 percent. Increased salaries and benefits accounted for \$417,000 of this increase. Capital expenses for instructional equipment purchased by the Department of Labor Earmark grant accounted for \$92,500.
- Academic support increased by \$101,153, or 8.5 percent. Increased salaries and benefits accounted for \$89,000 of this increase.

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.

Analysis of Net Assets

June 30

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) 2008-2007</u>	<u>2006</u>	<u>Increase (Decrease) 2007-2006</u>
Net assets					
Net investment in capital assets	\$21,730,888	\$20,677,190	\$ 1,053,698	\$19,739,697	\$ 937,493
Restricted					
Expendable	20,923,252	19,454,347	1,468,905	19,432,660	21,687
Unrestricted	<u>11,983,075</u>	<u>11,625,110</u>	<u>357,965</u>	<u>8,961,674</u>	<u>2,663,436</u>
Total	<u>\$54,637,215</u>	<u>\$51,756,647</u>	<u>\$ 2,880,568</u>	<u>\$48,134,031</u>	<u>\$ 3,622,616</u>

Fiscal Year 2008 Compared to 2007

Changes in net assets are an indicator of a governmental entity's financial position. The college's combined net assets increased by 5.6 percent to \$54,637,215. The largest component of net assets, nearly 42 percent, is the investment in capital assets (land, buildings, furniture, and equipment), less related outstanding debt that was issued to acquire those items and any unspent proceeds. Restricted assets represent resources that are subject to restriction on how they may be spent. In fiscal year 2008, restricted assets total \$20,923,252 of which \$8,907,964 is restricted for tort liability expenses, \$7,462,095 is restricted for building projects, and \$4,992,564 is restricted for working cash. Unrestricted assets make up the balance at \$11,983,075 and are available for spending at the college's discretion.

The increase in Capital Assets of \$1,053,698 is attributable to \$1,129,269 in fixed asset purchases, less \$1,068,604 in current depreciation expense and a reduction in debt by the amount of the annual bond payment of \$1,265,000.

The increase in Restricted Net Assets-Expendable of \$1,468,907 is due to the following:

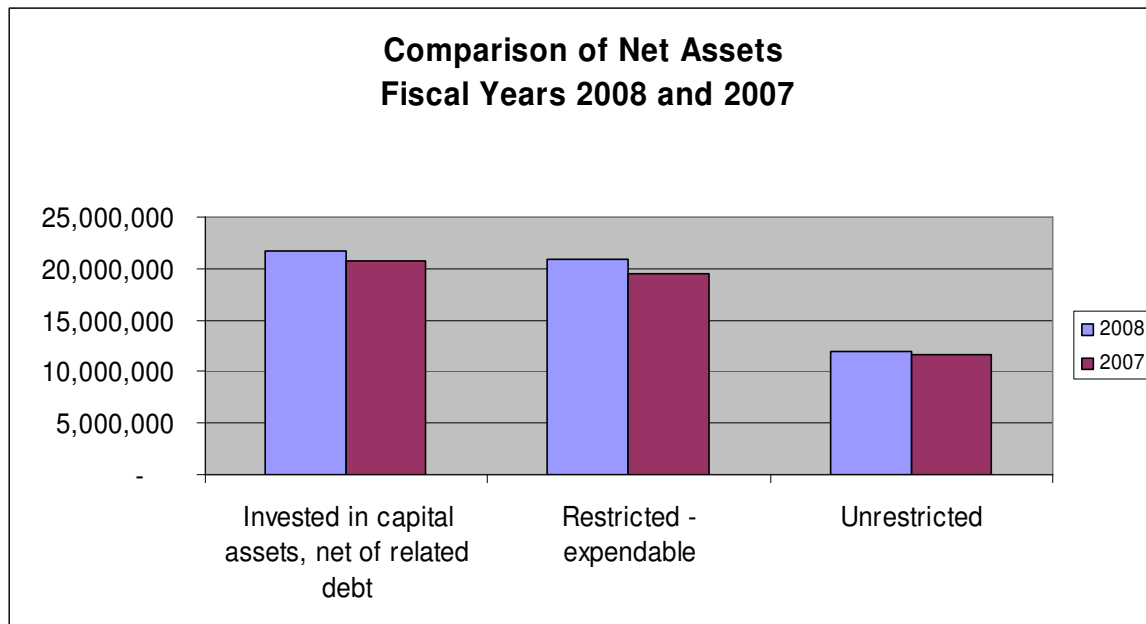
- An increase of \$1,814,200 in funds held for future capital projects. The college set aside an additional \$800,000 in fiscal year 2008 as a match for state funding for future building projects. Due to the complexity of several Protection, Health, and Safety projects, the tax levy was collected but the projects did not get underway in fiscal year 2008.
- An increase of \$130,150 was interest earned on working cash which is held for loan purposes.
- Funds held for tort liability expenses decrease by \$545,000 with the decision to not levy property taxes for tort liability expenses in tax year 2007.

At year-end, the college had \$4,488,587 in general obligation bonds. More detailed information about the bond issue is presented in Note 4 to the financial statements.

Fiscal Year 2007 Compared to 2006

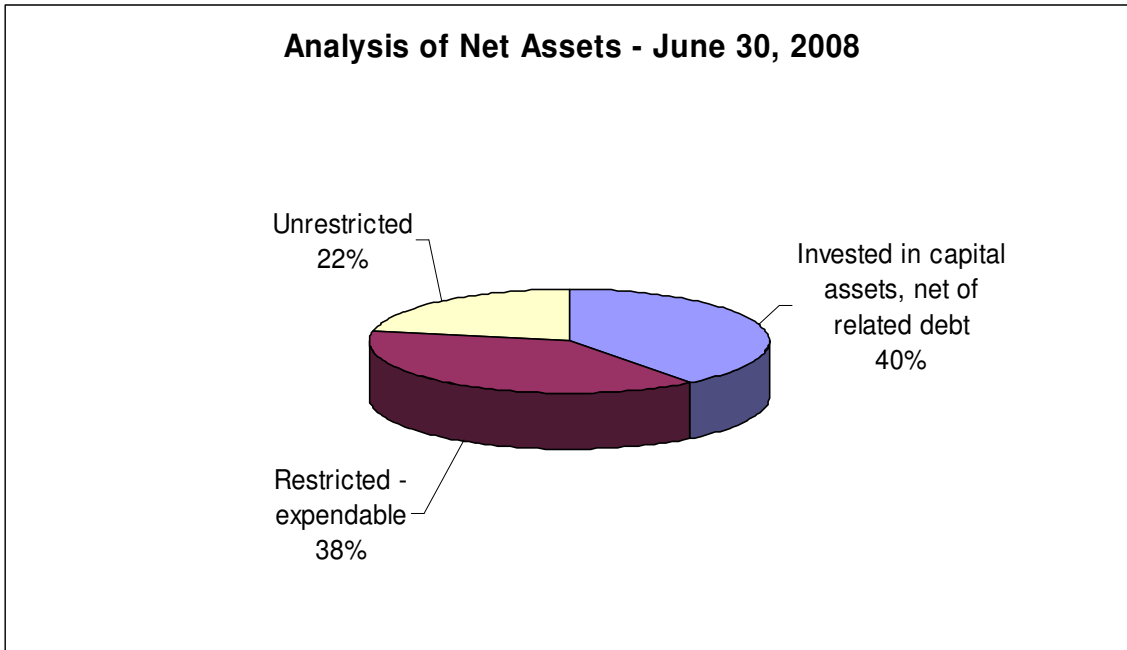
The increase in Capital Assets of \$937,493 reflects \$412,465 in equipment purchases, \$921,400 in Protection, Health and Safety projects, current depreciation of \$1,343,080, and bond payments of \$1,955,000. The change in Restricted Net Assets – Expendable is the result of a decrease in funds held 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 \$2,663,436 due to a surplus of revenues over expenses in fiscal year 2007.

The following graphic is an illustration of net assets.



**Capital Assets, Net
as of June 30**

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) 2008-2007</u>	<u>2006</u>	<u>Increase (Decrease) 2007-2006</u>
Capital assets					
Land and improvements	\$ 6,176,137	\$ 6,170,851	\$ 5,286	\$ 6,113,431	\$ 57,420
Building	32,876,664	32,315,144	561,520	31,273,024	1,042,120
Equipment	20,435,390	20,012,871	422,519	19,932,069	80,802
Library books	1,288,543	1,288,543	-	1,288,543	-
Technology	<u>584,744</u>	<u>444,800</u>	<u>139,944</u>	<u>421,647</u>	<u>23,153</u>
Total	61,361,478	60,232,209	1,129,269	59,028,714	1,203,495
Less accumulated depreciation	<u>35,142,003</u>	<u>34,073,499</u>	<u>1,068,504</u>	<u>32,860,034</u>	<u>1,213,465</u>
Net capital assets	26,219,475	26,158,710	60,765	26,168,680	(9,970)
Less long term debt	<u>4,488,587</u>	<u>5,481,520</u>	<u>(992,933)</u>	<u>6,428,983</u>	<u>(947,463)</u>
 Net investment in capital assets	 <u>\$21,730,888</u>	 <u>\$20,677,190</u>	 <u>\$ 1,053,698</u>	 <u>\$19,739,697</u>	 <u>\$ 937,493</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 \$1,265,000 of debt service payments for the Series 1996 Tort Immunity Bonds and Series 1999 Community College Bonds, and \$1,129,269 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 2007, the "equity" tax was .0818 of the total .3592 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 2008 tuition and universal fee rate is \$67.75. 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 percent of the state average. The last tuition increase was for \$2 per credit hour for fiscal year 2009. 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 2011. 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 college and Illinois Department of Corrections. A three-year contract with the service employees is in place through fiscal year 2011.

Capital Projects

Construction plans are in place for the addition of a new parking lot with approximately 300 parking spaces, repair and replacement of roads and paving that support the truck driver training program and a new building to house this program. The approximate cost is \$3,000,000. State funding is \$550,000 with the remainder coming from local funds. Completion date of this project is set for June 2009.

Projections

Using conservative assumptions, the College could begin experiencing a reduction in unrestricted net assets in fiscal year 2010. A balanced budget was achieved for fiscal year 2009 before considering capital projects and tort liability expenses.

Reimbursable credit hours increased in fiscal years 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 2009 budget was built with a one percent 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.

Component Units

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

REQUESTS FOR INFORMATION

Further information about the College is available at <http://www.ivcc.edu> 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, 2008**

	Primary Institution	Component Unit Foundation
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,657,902	\$ 175,515
Short-term investments	24,917,796	-
Accounts receivable, net	13,050,919	19,862
Inventories	406,574	-
Prepaid expenses	488,934	-
Total current assets	42,522,125	195,377
Noncurrent assets		
Restricted foundation investments	-	1,986,358
Foundation investments	-	1,508,344
Capital assets	61,361,478	-
Less allowance for accumulated depreciation	(35,142,003)	-
Total noncurrent assets	26,219,475	3,494,702
Total assets	68,741,600	3,690,079
LIABILITIES		
Current liabilities		
Accounts payable	192,184	16,082
Accrued salaries	1,825,675	-
Unearned property tax revenue	4,930,711	-
Unearned tuition and fees revenue	2,482,644	-
Long-term liabilities - current portion	1,265,000	-
Total current liabilities	10,696,214	16,082
Noncurrent liabilities		
Deposits	184,584	-
Long-term liabilities	3,223,587	-
Total noncurrent liabilities	3,408,171	-
Total liabilities	14,104,385	16,082
NET ASSETS		
Invested in capital assets, net of related debt	21,730,888	-
Restricted for		
Nonexpendable - Foundation	-	1,986,358
Expendable		
Debt Service	132,000	-
Loans	4,992,564	-
Capital Projects	7,462,095	-
Liability, Protection and Settlement	8,097,964	-
Other	238,629	878,754
Temporarily restricted	-	808,885
Unrestricted	11,983,075	-
TOTAL NET ASSETS	\$ 54,637,215	\$ 3,673,997

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, 2008**

	<u>Primary Institution</u>	<u>Component Unit Foundation</u>
REVENUES		
Operating revenues		
Student tuition and fees, net of scholarships and allowances of \$2,567,830	\$ 2,971,695	\$ -
Gifts and contributions	-	374,974
Auxiliary enterprises revenue	2,817,319	-
Other operating revenues	<u>1,393,371</u>	<u>-</u>
Total operating revenues	<u>7,182,385</u>	<u>374,974</u>
EXPENSES		
Instruction	9,956,513	-
Academic support	1,294,929	-
Student services	1,764,588	186,146
Public service	2,211,767	-
Auxiliary enterprises	3,027,845	-
Operations and maintenance	2,563,569	-
Institutional support	5,446,687	81,921
Depreciation	<u>1,068,504</u>	<u>-</u>
Total operating expenses	<u>27,334,402</u>	<u>268,067</u>
Operating income (loss)	<u>(20,152,017)</u>	<u>106,907</u>
NONOPERATING REVENUES (EXPENSES)		
State and local grants and contracts	6,685,409	-
Property taxes	10,521,623	-
Federal grants and contracts	4,635,730	-
Gifts and contributions	98,563	-
Investment income (loss)	1,363,327	(90,290)
Interest on capital asset-related debt	<u>(272,067)</u>	<u>-</u>
Net nonoperating revenues	<u>23,032,585</u>	<u>(90,290)</u>
Increase in net assets	2,880,568	16,617
NET ASSETS		
Net assets - beginning of year	<u>51,756,647</u>	<u>3,657,380</u>
NET ASSETS, END OF YEAR	<u>\$ 54,637,215</u>	<u>\$ 3,673,997</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, 2008**

	<u>Primary Institution</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	\$ 2,968,391
Payments to suppliers	(10,885,985)
Payments to employees	(14,186,748)
Auxiliary enterprise revenues	2,817,319
Other receipts	<u>1,604,291</u>
Net cash used in operating activities	<u>(17,682,732)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State and local grants and contracts	5,337,935
Federal grants and contracts	4,628,776
Student organization agency transactions	420
Gifts and contributions	98,563
Property taxes	<u>10,726,035</u>
Net cash provided by noncapital financing activities	<u>20,791,729</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(1,129,269)
Principal paid on capital debt	(1,265,000)
Interest paid on capital debt	<u>-</u>
Net cash used in capital and related financing activities	<u>(2,394,269)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	6,780,267
Purchase of investments	(6,626,649)
Income on investments	<u>1,340,262</u>
Net cash provided by investing activities	<u>1,493,880</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,208,608
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,449,294</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,657,902</u>
NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:	
Interest expense accretion on bonds	<u>\$ 272,067</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (20,152,017)
Adjustments to reconcile net loss to net cash used in operating activities	
Depreciation expense	1,068,504
State on-behalf payments for fringe benefits	1,219,744
Change in assets and liabilities	
Receivables, net	87,752
Inventories	(26,098)
Prepaid expenditures	(48,329)
Accounts payable	(320,494)
Accrued salaries	323,976
Other liabilities	44,366
Deferred revenue	<u>119,864</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (17,682,732)</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, 2008**

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); and

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 issues 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, 2008, the Foundation distributed \$135,818 to the students attending the College and \$28,232 in direct support of the College. Complete financial statements for the Foundation can be obtained from the Foundation.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
June 30, 2008**

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 revenue 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, contracts or 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.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
June 30, 2008**

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

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

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the 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 include 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.

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

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
June 30, 2008**

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, 2008**

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 \$3,655,352. Not included in that number was cash on hand of \$2,550.

As of June 30, 2008, 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	\$13,900,000	\$ 13,900,000	\$ -
Citizens First National Bank Trust Fund	1,500,000	1,500,000	-
Illinois Treasurer’s Investment Pool	<u>9,517,796</u>	<u>9,517,796</u>	<u>-</u>
Total	<u>\$24,917,796</u>	<u>\$ 24,917,796</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.

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, 2008, 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, 2008**

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 – 26.1%; Hometown National Bank – 16.0%; and First State Bank – 12.0%.

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, 2008, the District has \$4,930,711 of deferred property tax revenue. Pursuant to Board of Trustee’s resolution, property tax levies passed in December 2006 and December 2007 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 2008 was adopted in December 2007.

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 2007 Levy</u>	<u>2007 Levy</u>	<u>2006 Levy</u>
Educational	.1300	.1300	.1300
Operations and Maintenance	.0400	.0400	.0400
Protection, Health and Safety	.0500	.0496	.0470
Bond and Interest	None	.0465	.0495
Liability, Protection and Settlement	None	.0000	.0447
Audit	.0050	.0012	.0000
Additional tax	.0818	.0818	.0863
Social Security	None	.0101	.0049

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, 2008**

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:

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
Nondepreciable				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Depreciable				
Site improvements	4,809,253	5,286	-	4,814,539
Buildings	32,315,144	561,520	-	32,876,664
Equipment	12,940,284	409,041	-	13,349,325
Library books	1,288,543	-	-	1,288,543
Proprietary equipment	7,072,587	13,478	-	7,086,065
Technology	444,800	139,944	-	584,744
Total depreciable	<u>58,870,611</u>	<u>1,129,269</u>	<u>-</u>	<u>59,999,880</u>
Total	<u>\$60,232,209</u>	<u>\$1,129,269</u>	<u>\$ -</u>	<u>\$61,361,478</u>

Accumulated depreciation changes are as follows:

	Balance July 1, 2007	Depreciation	Deletions	Balance June 30, 2008
Depreciable				
Site improvements	\$ 4,076,183	\$ 108,042	\$ -	\$4,184,225
Buildings	9,436,570	646,176	-	10,082,746
Equipment	11,985,067	212,224	-	12,197,291
Library books	1,288,543	-	-	1,288,543
Proprietary equipment	7,043,429	18,412	-	7,061,841
Technology	243,707	83,650	-	327,357
Total	<u>\$34,073,499</u>	<u>\$1,068,504</u>	<u>\$ -</u>	<u>\$35,142,003</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, 2008**

NOTE 4 – CHANGES IN GENERAL LONG-TERM DEBT

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Accretion</u>	<u>Payments</u>	<u>Balance June 30, 2008</u>
Community College Bonds Payable, Series 1999	\$ <u>5,481,520</u>	\$ <u> -</u>	\$ <u>272,067</u>	\$ <u>1,265,000</u>	\$ <u>4,488,587</u>

Community College Bonds, Series 1999

The Board of Trustees had 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%

At June 30, 2008 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>
2009	\$ 1,265,000
2010	1,265,000
2011	1,270,000
2012	<u>1,265,000</u>
Total	5,065,000
Less future accretion	<u>(576,413)</u>
Total	\$ <u>4,488,587</u>

NOTE 5 – EXPENDITURES IN EXCESS OF BUDGET

During the year ended June 30, 2008, the Education Fund and Restricted Purpose Fund overspent their respective budgets as follows:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
Education	\$15,599,503	\$16,731,048	\$1,131,545
Restricted Purpose Funds	5,288,474	5,685,666	397,192

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, 2008**

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, 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 reflect the payments made by the State Universities Retirement System on behalf of the college's employees. The employer contributions made by the State of Illinois on behalf of the College to SURS for the year ended June 30, 2008, were \$1,219,744.

However, when district employees are paid from special trust or federal funds which are administered by the College, the College must pay to the system the retirement costs normally paid by the state. The College paid \$66,698, the total required contribution for the current fiscal year.

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

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 rate is 12.88% 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, 2008, 2007, and 2006 were \$1,219,744, \$885,395 and \$553,752, respectively, equal to the required contributions for each year.

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008**

NOTE 7 – INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2008, 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	\$47,742	\$51,518
Operations and Maintenance Account	802	14,278
Special Revenue Funds		
Restricted Purposes Fund	-	59,007
Working Cash	-	-
Audit Fund	-	-
Operations and Maintenance Restricted Fund	-	-
Debt Service Fund	-	-
Enterprise Fund	24,743	-
Liability, Protection and Settlement	-	-
Agency Fund	<u>51,516</u>	<u>-</u>
Total	<u>\$124,803</u>	<u>\$124,803</u>

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

Under an Early Retirement Incentive Plan which expired June 30, 2005, the College elected to provide certain health care benefits for retirees for ten years past their retirement date. Retiree participants electing those benefits are required to contribute monthly amounts, depending on the level of coverage desired. At June 30, 2008, the College has estimated the cost of future retirees' health benefits to be \$229,480 and has a reserve to cover these costs. For the fiscal year, those costs were \$61,499. The number of retiree participants was 12 at June 30, 2008. The contributions made by retiree participants totaled \$57,812. 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

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, 2008**

NOTE 10 – COMMITMENTS AND CONTINGENCIES (Continued)

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, 2008 totaled \$324,591.

NOTE 11 – COMPENSATED ABSENCES

As of June 30, 2008, employees had earned but not taken annual vacation leave which, at salary rates in effect at the end of the year, totaled approximately \$352,883. 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.

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.

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, 2008**

NOTE 12 – COMPONENT UNIT (continued)

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 two money market accounts held by the Foundation.

Investments

Approximately 81 percent of 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 equities (stocks and stock mutual funds) and fixed income securities (bonds, money market accounts and a certificate of deposit). The equities/fixed-income mix in this agency account was approximately 52%/48% as of June 30, 2008.

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 (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 and part-time assistant.

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008**

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, 2008 are as follows:

Interest	\$ 87,452
Dividends	52,029
Realized gain	97,728
Unrealized loss	<u>(327,499)</u>
Total income	<u>\$ (90,290)</u>

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

SUPPLEMENTAL FINANCIAL SCHEDULES

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
COMBINED BALANCE SHEET
ALL FUND TYPES
June 30, 2008**

	<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>			
ASSETS AND OTHER DEBITS									
Assets									
Cash and cash equivalents	\$ 724,967	\$ 2,017,091	\$ 97,554	\$ 4,883	\$ 727,519	\$ 85,888	\$ -	\$ -	\$ 3,657,902
Investments	4,216,379	10,663,021	661,464	6,684,993	2,691,939	-	-	-	24,917,796
Receivables									
Property taxes	6,911,518	309,811	1,276,307	1,361,176	-	-	-	-	9,858,812
Governmental claims	249,175	398,172	-	-	-	49,132	-	-	696,479
Other	2,179,593	130	-	-	13,078	-	-	-	2,192,801
Accrued revenue	-	242,000	-	50,837	9,990	-	-	-	302,827
Due from other funds	48,544	-	-	-	24,743	51,516	-	-	124,803
Bookstore inventories	-	-	-	-	406,574	-	-	-	406,574
Restricted investments	-	-	-	-	-	-	-	-	-
Prepaid expenditures	175,673	230,870	-	40,975	41,416	-	-	-	488,934
Fixed assets - net where applicable	-	-	-	-	24,224	-	54,275,413	-	54,299,637
Other debits									
Amount available in Debt Service Fund	-	-	-	-	-	-	-	1,397,000	1,397,000
Amount to be provided to retire debt	-	-	-	-	-	-	-	3,091,587	3,091,587
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 14,505,849</u>	<u>\$ 13,861,095</u>	<u>\$ 2,035,325</u>	<u>\$ 8,142,864</u>	<u>\$ 3,939,483</u>	<u>\$ 186,536</u>	<u>\$ 54,275,413</u>	<u>\$ 4,488,587</u>	<u>\$ 101,435,152</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
COMBINED BALANCE SHEET
ALL FUND TYPES
June 30, 2008**

	Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency Funds	General Fixed Assets	General Long-Term Debt	
LIABILITIES									
Accounts payable	\$ 109,358	\$ 68,913	\$ -	\$ -	\$ 11,840	\$ 2,073	\$ -	\$ -	\$ 192,184
Other accruals	1,510,198	248,683	-	-	62,916	3,878	-	-	1,825,675
Due to other funds	65,796	59,007	-	-	-	-	-	-	124,803
Due to student groups	-	-	-	-	-	180,585	-	-	180,585
Deferred revenue									
Property taxes	3,456,669	154,948	638,325	680,769	-	-	-	-	4,930,711
Tuition and fees	2,482,644	-	-	-	-	-	-	-	2,482,644
Other	-	-	-	-	-	-	-	-	-
Other liabilities	3,612	387	-	-	-	-	-	-	3,999
Bonds payable	-	-	-	-	-	-	-	4,488,587	4,488,587
Total liabilities	<u>7,628,277</u>	<u>531,938</u>	<u>638,325</u>	<u>680,769</u>	<u>74,756</u>	<u>186,536</u>	<u>-</u>	<u>4,488,587</u>	<u>14,229,188</u>
EQUITY AND OTHER CREDITS									
Investment in general fixed assets	-	-	-	-	-	-	54,275,413	-	54,275,413
Contributed capital	-	-	-	-	-	-	-	-	-
Retained earnings - Unreserved	-	-	-	-	3,864,727	-	-	-	3,864,727
Fund balance (deficit)									
Reserved for grant purposes	-	184,702	-	-	-	-	-	-	184,702
Reserved for building purposes	-	-	-	7,462,095	-	-	-	-	7,462,095
Reserved for liability, protection and settlement	-	8,097,964	-	-	-	-	-	-	8,097,964
Reserved for debt service	-	-	1,397,000	-	-	-	-	-	1,397,000
Unreserved	<u>6,877,572</u>	<u>5,046,491</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,924,063</u>
Total equity and other credits	<u>6,877,572</u>	<u>13,329,157</u>	<u>1,397,000</u>	<u>7,462,095</u>	<u>3,864,727</u>	<u>-</u>	<u>54,275,413</u>	<u>-</u>	<u>87,205,964</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 14,505,849</u>	<u>\$ 13,861,095</u>	<u>\$ 2,035,325</u>	<u>\$ 8,142,864</u>	<u>\$ 3,939,483</u>	<u>\$ 186,536</u>	<u>\$ 54,275,413</u>	<u>\$ 4,488,587</u>	<u>\$ 101,435,152</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, 2008**

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
REVENUES					
Local government	\$ 7,165,371	\$ 793,563	\$ 1,275,304	\$ 1,287,385	\$ 10,521,623
State government	5,707,484	977,925	-	-	6,685,409
Federal government	4,875	4,630,855	-	-	4,635,730
Student tuition and fees	5,536,915	-	-	-	5,536,915
Investment income	243,815	664,910	52,453	270,032	1,231,210
Other sources	1,325,387	90,135	-	-	1,415,522
Total revenues	<u>19,983,847</u>	<u>7,157,388</u>	<u>1,327,757</u>	<u>1,557,417</u>	<u>30,026,409</u>
EXPENDITURES - EDUCATIONAL AND GENERAL					
Current					
Instruction	8,906,602	1,386,686	-	-	10,293,288
Academic support	1,237,809	122,462	-	-	1,360,271
Student services	1,339,035	483,909	-	-	1,822,944
Public service	883,878	1,338,050	-	-	2,221,928
Auxiliary service	-	27,023	-	-	27,023
Operation and maintenance of plant	2,296,089	431,679	-	543,218	3,270,986
General institutional support	4,128,285	1,410,778	400	-	5,539,463
Scholarships, grants and waivers	303,378	2,264,452	-	-	2,567,830
Debt Service					
Principal	-	-	1,265,000	-	1,265,000
Interest	-	-	-	-	-
Total expenditures	<u>19,095,076</u>	<u>7,465,039</u>	<u>1,265,400</u>	<u>543,218</u>	<u>28,368,733</u>
Excess (deficit) of revenues over (under) expenditures	888,771	(307,651)	62,357	1,014,199	1,657,676
OTHER FINANCING SOURCES (USES)					
Operating transfers in (out)	(685,000)	(100,000)	-	800,000	(785,000)
Excess of revenues and other financing sources over expenditures and other financing uses	203,771	(407,651)	62,357	1,814,199	872,676
FUND BALANCES, JULY 1, 2007	<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>
FUND BALANCES, JUNE 30, 2008	<u>\$ 6,877,572</u>	<u>\$ 13,329,157</u>	<u>\$ 1,397,000</u>	<u>\$ 7,462,095</u>	<u>\$ 28,265,824</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
COMBINED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
ALL BUDGETED GOVERNMENTAL FUND TYPES
Year Ended June 30, 2008**

	<u>General</u>		<u>Special Revenue</u>		<u>Debt Service</u>		<u>Capital Projects</u>		<u>Total (Memorandum Only)</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
REVENUES										
Local governmental	\$ 6,926,876	\$ 7,165,371	\$ 1,266,500	\$ 793,563	\$ 1,265,000	\$ 1,275,304	\$ 1,217,000	\$ 1,287,385	\$ 10,675,376	\$ 10,521,623
State governmental	4,277,611	5,707,484	556,414	977,925	-	-	-	-	4,834,025	6,685,409
Federal governmental	-	4,875	4,633,685	4,630,855	-	-	-	-	4,633,685	4,635,730
Student tuition and fees	5,608,845	5,536,915	-	-	-	-	-	-	5,608,845	5,536,915
Investment income	275,000	243,815	520,000	664,910	65,000	52,453	175,000	270,032	1,035,000	1,231,210
Other sources	1,214,675	1,325,387	98,375	90,135	-	-	-	-	1,313,050	1,415,522
Total revenues	<u>18,303,007</u>	<u>19,983,847</u>	<u>7,074,974</u>	<u>7,157,388</u>	<u>1,330,000</u>	<u>1,327,757</u>	<u>1,392,000</u>	<u>1,557,417</u>	<u>28,099,981</u>	<u>30,026,409</u>
EXPENDITURES										
Instruction	9,255,327	8,906,602	1,166,701	1,386,686	-	-	-	-	10,422,028	10,293,288
Academic support	1,225,865	1,237,809	28,809	122,462	-	-	-	-	1,254,674	1,360,271
Student services and aids	1,350,545	1,339,035	511,453	483,909	-	-	-	-	1,861,998	1,822,944
Public service	688,305	883,878	1,355,352	1,338,050	-	-	-	-	2,043,657	2,221,928
Auxiliary service	-	-	20,000	27,023	-	-	-	-	20,000	27,023
Operation and maintenance of plant	3,147,345	2,296,089	352,741	431,679	-	-	1,217,100	543,218	4,717,186	3,270,986
General institutional support	2,871,981	4,128,285	1,538,584	1,410,778	550	400	-	-	4,411,115	5,539,463
Scholarships, grant and waivers	275,350	303,378	2,143,075	2,264,452	-	-	-	-	2,418,425	2,567,830
Debt Service										
Principal	-	-	-	-	1,265,000	1,265,000	-	-	1,265,000	1,265,000
Interest	-	-	-	-	56,260	-	-	-	56,260	-
Total expenditures	<u>18,814,718</u>	<u>19,095,076</u>	<u>7,116,715</u>	<u>7,465,039</u>	<u>1,321,810</u>	<u>1,265,400</u>	<u>1,217,100</u>	<u>543,218</u>	<u>28,470,343</u>	<u>28,368,733</u>
Excess (deficit) of revenues over (under) expenditures	(511,711)	888,771	(41,741)	(307,651)	8,190	62,357	174,900	1,014,199	(370,362)	1,657,676
OTHER FINANCING SOURCES (USES)										
Operating transfers in (out)	(400,000)	(685,000)	-	(100,000)	-	-	400,000	800,000	(400,000)	(785,000)
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ (911,711)</u>	<u>203,771</u>	<u>\$ (41,741)</u>	<u>(407,651)</u>	<u>\$ 8,190</u>	<u>62,357</u>	<u>\$ 574,900</u>	<u>1,814,199</u>	<u>\$ (770,362)</u>	<u>872,676</u>
FUND BALANCES, JULY 1, 2007		<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>
FUND BALANCES, JUNE 30, 2008		<u>\$ 6,877,572</u>		<u>\$ 13,329,157</u>		<u>\$ 1,397,000</u>		<u>\$ 7,462,095</u>		<u>\$28,265,824</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, 2008**

	Proprietary Fund Type	
	Enterprise Fund	
	Budget	Actual
OPERATING REVENUES		
Student tuition and fees	\$ 2,500	\$ 2,610
Service fees	3,026,137	2,971,702
Other revenue	<u>1,600</u>	<u>960</u>
Total operating revenues	<u>3,030,237</u>	<u>2,975,272</u>
OPERATING EXPENSES		
Salaries	744,125	755,493
Employee Benefits	217,187	209,297
Contractual Services	96,175	85,624
General Materials and Supplies	1,895,985	1,832,117
Travel and Conference/Meeting Expense	39,600	30,629
Fixed Charges	36,000	18,800
Utilities	125	-
Depreciation	40,525	18,412
Other	<u>70,500</u>	<u>69,171</u>
Total operating expenses	<u>3,140,222</u>	<u>3,019,543</u>
Operating loss	(109,985)	(44,271)
NONOPERATING REVENUES		
Investment income	110,000	132,117
Other	<u>-</u>	<u>-</u>
Total nonoperating revenues	<u>110,000</u>	<u>132,117</u>
INCOME BEFORE OPERATING TRANSFERS	15	87,846
TRANSFERS IN (OUT)	<u>56,400</u>	<u>61,414</u>
NET INCOME	56,415	149,260
FUND BALANCE, JUNE 30, 2007	<u>3,715,467</u>	<u>3,715,467</u>
FUND BALANCE, JUNE 30, 2008	<u>\$ 3,771,882</u>	<u>\$ 3,864,727</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
COMBINED SCHEDULE OF CASH FLOWS
PROPRIETARY FUND TYPES
Year Ended June 30, 2008**

	<u>Enterprise Fund</u>
OPERATING ACTIVITIES	
Cash receipts from customers	\$ 3,061,943
Cash payments to employees for service	(943,312)
Cash payments to vendors	(2,106,554)
Net cash provided by operating activities	<u>12,077</u>
NONCAPITAL FINANCING ACTIVITIES	
Property taxes received	-
Deposit	-
Transfers in	61,414
Net increase (decrease) in due from other funds	46,631
Net cash provided by noncapital financing activities	<u>108,045</u>
CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(13,478)
Disposition of capital assets	-
Net cash used in capital and related financing activities	<u>(13,478)</u>
INVESTING ACTIVITIES	
Maturity of restricted investments	2,778,311
Purchase of investments	(2,691,939)
Income from investments	146,967
Net cash provided by investing activities	<u>233,339</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	339,983
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>387,536</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 727,519</u>
Reconciliation of Operating Loss to Net Cash Flows Used In Operating Activities	
Operating profit (loss)	\$ (44,271)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation	18,412
Effects of changes in assets and liabilities	
Receivable	86,671
Other assets	
Prepaid expenditures	(41,416)
Inventory	(26,098)
Accounts payable	(2,699)
Other accruals	21,478
Net Cash Provided by Operating Activities	<u>\$ 12,077</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, 2008**

	Education Fund	Operation and Maintenance Fund	Total General Fund
ASSETS			
Cash and cash equivalents	\$ 548,426	\$ 176,541	\$ 724,967
Investments	3,582,091	634,288	4,216,379
Receivables			
Property taxes	5,813,740	1,097,778	6,911,518
Governmental claims	218,136	31,039	249,175
Other	1,875,469	304,124	2,179,593
Accrued Revenue	-	-	-
Due from other funds	47,742	802	48,544
Prepaid Expenditures	175,673	-	175,673
TOTAL ASSETS	\$ 12,261,277	\$ 2,244,572	\$ 14,505,849
LIABILITIES			
Accounts payable	\$ 25,731	\$ 83,627	\$ 109,358
Accrued expenditures	1,377,817	132,381	1,510,198
Due to other funds	51,518	14,278	65,796
Deferred revenue			
Property taxes	2,907,635	549,034	3,456,669
Tuition and fees	2,187,829	294,815	2,482,644
Other liabilities	3,612	-	3,612
Total liabilities	6,554,142	1,074,135	7,628,277
FUND BALANCE			
Unreserved	5,707,135	1,170,437	6,877,572
TOTAL LIABILITIES AND FUND BALANCE	\$ 12,261,277	\$ 2,244,572	\$ 14,505,849

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
June 30, 2008**

	Education Fund	Operations and Maintenance Operational Fund	Total General Fund
Local government revenue			
Local taxes	\$ 5,717,117	\$ 1,068,682	\$ 6,785,799
Other	284,679	94,893	379,572
	<u>6,001,796</u>	<u>1,163,575</u>	<u>7,165,371</u>
State government			
ICCB Credit Hour Grants	2,048,975	361,584	2,410,559
ICCB Equalization Grants	545,980	-	545,980
CTE Formula Grant	117,369	-	117,369
Other ICCB Grants	-	-	-
CPPRT	1,165,850	205,738	1,371,588
Other state government sources	42,244	-	42,244
On-behalf payments - SURS	1,219,744	-	1,219,744
	<u>5,140,162</u>	<u>567,322</u>	<u>5,707,484</u>
Federal government sources			
Department of Education	4,875	-	4,875
	<u>4,875</u>	<u>-</u>	<u>4,875</u>
Student tuition and fees			
Tuition	4,094,655	629,785	4,724,440
Fees	812,475	-	812,475
	<u>4,907,130</u>	<u>629,785</u>	<u>5,536,915</u>
Other sources			
Sales and service fees	1,069,844	-	1,069,844
Facilities revenue	-	169,893	169,893
Investment revenue	206,466	37,349	243,815
Nongovernmental gifts	22,149	-	22,149
Other	55,376	8,125	63,501
	<u>1,353,835</u>	<u>215,367</u>	<u>1,569,202</u>
Total revenues	<u>17,407,798</u>	<u>2,576,049</u>	<u>19,983,847</u>
Expenditures - Educational and General			
Current			
Instruction	8,906,602	-	8,906,602
Academic support	1,237,809	-	1,237,809
Student services and aids	1,339,035	-	1,339,035
Public service	883,878	-	883,878
Operation and maintenance plant	-	2,296,089	2,296,089
General institutional support	4,060,346	67,939	4,128,285
Scholarships, student grants and waivers	303,378	-	303,378
Total expenditures	<u>16,731,048</u>	<u>2,364,028</u>	<u>19,095,076</u>
Excess of revenues over expenditures	676,750	212,021	888,771
OTHER FINANCING USES			
Transfer from (to) other funds	(685,000)	-	(685,000)
Excess (deficit) of revenues over expenditures and other financing uses	(8,250)	212,021	203,771
FUND BALANCE, JULY 1, 2007	<u>5,715,385</u>	<u>958,416</u>	<u>6,673,801</u>
FUND BALANCE, JUNE 30, 2008	<u>\$ 5,707,135</u>	<u>\$ 1,170,437</u>	<u>\$ 6,877,572</u>

SPECIAL REVENUE FUNDS

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2008**

	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection & Settlement Fund	Total Special Revenue Funds
ASSETS					
Cash and cash equivalents	\$ (85,949)	\$ 697,272	\$ 1,593	\$ 1,404,175	\$ 2,017,091
Investments	75,999	4,216,151	36,112	6,334,759	10,663,021
Receivables					
Property taxes	-	-	32,454	277,357	309,811
Governmental claims	398,172	-	-	-	398,172
Other	-	-	-	130	130
Accrued revenue	-	79,141	-	162,859	242,000
Prepaid expenditures	1,250	-	-	229,620	230,870
Due from other funds	-	-	-	-	-
TOTAL ASSETS	<u>\$ 389,472</u>	<u>\$ 4,992,564</u>	<u>\$ 70,159</u>	<u>\$ 8,408,900</u>	<u>\$ 13,861,095</u>
LIABILITIES					
Accounts payable	\$ 5,968	\$ -	\$ -	\$ 62,945	\$ 68,913
Other accruals	139,408	-	-	109,275	248,683
Due to other funds	59,007	-	-	-	59,007
Deferred revenue					
Property taxes	-	-	16,232	138,716	154,948
Other liabilities	387	-	-	-	387
Total liabilities	<u>204,770</u>	<u>-</u>	<u>16,232</u>	<u>310,936</u>	<u>531,938</u>
FUND BALANCE					
Reserved for grant purposes	184,702	-	-	-	184,702
Reserved for liability, protection and settlement	-	-	-	8,097,964	8,097,964
Unreserved	-	4,992,564	53,927	-	5,046,491
Total fund balance	<u>184,702</u>	<u>4,992,564</u>	<u>53,927</u>	<u>8,097,964</u>	<u>13,329,157</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 389,472</u>	<u>\$ 4,992,564</u>	<u>\$ 70,159</u>	<u>\$ 8,408,900</u>	<u>\$ 13,861,095</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
June 30, 2008**

	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection & Settlement Fund	Total Special Revenue Funds
REVENUES					
Local government					
Property taxes	\$ -	\$ -	\$ 15,668	\$ 777,895	\$ 793,563
Other local revenue	-	-	-	-	-
State government					
ICCB state grants	366,349	-	-	-	366,349
Department of Corrections	316,891	-	-	-	316,891
Secretary of State	52,000	-	-	-	52,000
Other	242,685	-	-	-	242,685
Federal government					
Financial aid	2,264,452	-	-	-	2,264,452
Other	2,366,403	-	-	-	2,366,403
Investment income	833	230,146	1,421	432,510	664,910
Other sources	84,685	-	-	5,450	90,135
Total revenues	<u>5,694,298</u>	<u>230,146</u>	<u>17,089</u>	<u>1,215,855</u>	<u>7,157,388</u>
EXPENDITURES - EDUCATIONAL AND GENERAL					
Instruction	1,386,686	-	-	-	1,386,686
Academic support	122,462	-	-	-	122,462
Student services and aids	483,909	-	-	-	483,909
Public service	1,338,050	-	-	-	1,338,050
Auxiliary service	27,023	-	-	-	27,023
Operating and maintenance of plant	-	-	-	431,679	431,679
Institutional support	63,084	-	18,500	1,329,194	1,410,778
Scholarships, student grants, and waivers	2,264,452	-	-	-	2,264,452
Total expenditures	<u>5,685,666</u>	<u>-</u>	<u>18,500</u>	<u>1,760,873</u>	<u>7,465,039</u>
Excess (deficit) of revenues over (under) expenditures	8,632	230,146	(1,411)	(545,018)	(307,651)
OTHER FINANCING SOURCES					
Operating transfers in (out)	-	(100,000)	-	-	(100,000)
Excess (deficit) of revenues and other financing sources over (under) expenditures	8,632	130,146	(1,411)	(545,018)	(407,651)
FUND BALANCE, JULY 1, 2007	<u>176,070</u>	<u>4,862,418</u>	<u>55,338</u>	<u>8,642,982</u>	<u>13,736,808</u>
FUND BALANCE, JUNE 30, 2008	<u>\$ 184,702</u>	<u>\$ 4,992,564</u>	<u>\$ 53,927</u>	<u>\$ 8,097,964</u>	<u>\$ 13,329,157</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, 2008**

	Budget	Actual	Over (Under) Budget
REVENUES			
State government	\$ 556,414	\$ 977,925	\$ 421,511
Federal government	4,633,685	4,630,855	(2,830)
Student tuition and fees	-	-	-
Investment income	-	833	833
Other sources	98,375	84,685	(13,690)
Total revenues	5,288,474	5,694,298	405,824
EXPENDITURES - EDUCATIONAL AND GENERAL			
Instruction	1,166,701	1,386,686	219,985
Academic support	28,809	122,462	93,653
Student services and aids	511,453	483,909	(27,544)
Public service	1,355,352	1,338,050	(17,302)
Auxiliary service	20,000	27,023	7,023
Institutional support	63,084	63,084	-
Scholarships, student grants and waivers	2,143,075	2,264,452	121,377
Total expenditures	5,288,474	5,685,666	397,192
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
Excess of revenues over expenditures	\$ -	\$ 8,632	\$ 8,632
FUND BALANCE, JULY 1, 2007		176,070	
FUND BALANCE, JUNE 30, 2008		\$ 184,702	

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
RESTRICTED PURPOSES FUND REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE
Year ended June 30, 2008**

	Fund Balance July 1, 2007	Revenues	Expenditures	Equity Transfers	Fund Balance June 30, 2008
State Government					
ICCB Business & Industry Grant	\$ 34	\$ 66,519	\$ 46,553	\$ (20,000)	\$ -
ICCB P-16 (Early Entry College)	-	32,637	32,637	-	-
ICCB Student Success Grant	7,375	-	7,375	-	-
Department of Corrections	-	584,084	584,786	-	(702)
CTE Program Improvement Grant	2,167	16,039	10,114	-	8,092
DCEO-CSSI Manufacturing Grant	-	2,783	-	-	2,783
Adult Ed State Basic	-	131,391	131,391	-	-
Adult Ed Public Assistance	-	20,591	20,591	-	-
Adult Ed Performance	-	71,881	71,881	-	-
Literacy Secretary of State (2007)	-	52,000	52,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total state sources	9,576	977,925	957,328	(20,000)	10,173
Federal Government					
PELL Grant	-	2,200,351	2,200,351	-	-
ACG1-Academic Competitiveness Grant	-	22,975	22,975	-	-
SEOG grant	-	41,126	41,126	-	-
Federal work-study program	-	63,084	63,084	-	-
Dislocated workers center	(3,655)	1,114,406	1,117,355	-	(6,604)
DOL Earmark Grant	(2)	275,134	275,132	-	-
TRIO/Student Support Services	(1,902)	225,650	224,123	-	(375)
Federal adult education grants	-	138,056	138,056	-	-
Small business development center	-	47,902	53,613	-	(5,711)
Department of Justice	-	61,495	61,495	-	-
National Science Foundation	-	87,878	87,878	-	-
English Literacy/Civics	-	37,849	37,849	-	-
Carl Perkins Title II-C vocational grant	33,097	187,385	198,291	-	22,191
Technical Preparation	1,135	71,237	72,372	-	-
Technical Preparation Support Grant	3,636	10,311	13,947	-	-
CTE Continuous Quality Improvement	2,613	10,000	12,613	-	-
CTE Innovation Grant	-	5,000	5,000	-	-
CTE Performance Enhancement	-	5,000	4,022	-	978
DOE - Federal Childcare	-	10,234	10,234	-	-
Ccampis	7	15,782	15,789	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total federal sources	34,929	4,630,855	4,655,305	-	10,479
Other Sources					
Small Business Development Match Funds	-	5,000	11,818	25,000	18,182
Small Business Development Workshops	1,334	3,070	754	-	3,650
Fabrication and Manufacturing Association	148	4,355	3,250	-	1,253
IMEC	109,508	70,559	55,957	(5,000)	119,110
Target Fine Arts Grant	-	1,000	1,000	-	-
Sheridan Correctional Center program income	254	701	254	-	701
TRIO Fund Raising	376	-	-	-	376
Restricted Fund Balance (interest)	19,945	833	-	-	20,778
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other sources	131,565	85,518	73,033	20,000	164,050
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 176,070	\$ 5,694,298	\$ 5,685,666	\$ -	\$ 184,702

**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, 2008**

	Budget	Actual	Over (Under) Budget
REVENUES			
Local government			
Property tax	\$ -	\$ 15,668	\$ 15,668
Other	-	-	-
Investment income	-	1,421	1,421
Total revenues	-	17,089	17,089
EXPENDITURES - EDUCATIONAL AND GENERAL			
General institutional support	27,000	18,500	(8,500)
Total expenditures	27,000	18,500	(8,500)
Deficiency of revenues over expenditures	\$ (27,000)	(1,411)	\$ 25,589
FUND BALANCE, JULY 1, 2007		55,338	
FUND BALANCE, JUNE 30, 2008		\$ 53,927	

**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, 2008**

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Local government revenue			
Property taxes	\$ 1,266,500	\$ 777,895	\$ (488,605)
Investment revenue	320,000	432,510	112,510
Other	-	5,450	5,450
Total revenues	<u>1,586,500</u>	<u>1,215,855</u>	<u>(370,645)</u>
EXPENDITURES - EDUCATION AND GENERAL			
Operation and maintenance plant	352,741	431,679	78,938
Institutional support	<u>1,448,500</u>	<u>1,329,194</u>	<u>(119,306)</u>
Total expenditures	<u>1,801,241</u>	<u>1,760,873</u>	<u>(40,368)</u>
Deficiency of revenues over expenditures	(214,741)	(545,018)	(330,277)
OTHER FINANCING USES			
Transfer from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures and other financing uses	<u>\$ (214,741)</u>	<u>(545,018)</u>	<u>\$ (330,277)</u>
FUND BALANCE, JULY 1, 2007		<u>8,642,982</u>	
FUND BALANCE, JUNE 30, 2008		<u>\$ 8,097,964</u>	

**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, 2008**

	Budget	Actual	Over (Under) Budget
REVENUES			
Investment income	\$ 200,000	\$ 230,146	\$ 30,146
Other	-	-	-
Total revenues	200,000	230,146	30,146
 EXPENDITURES - EDUCATIONAL AND GENERAL			
Institutional support	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	200,000	230,146	30,146
 OTHER FINANCING USES			
Transfer from (to) other funds	(100,000)	(100,000)	-
Excess of revenues over expenditures and other financing uses	\$ 100,000	130,146	\$ 30,146
 FUND BALANCE, JULY 1, 2007		4,862,418	
FUND BALANCE, JUNE 30, 2008		\$ 4,992,564	

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
DEBT SERVICE
BALANCE SHEET
June 30, 2008**

		<u>Bond and Interest Fund</u>
ASSETS		
Cash and cash equivalents	\$	97,554
Investments		661,464
Receivables		
Property taxes		1,276,307
Other		-
Accrued Revenue		-
Prepaid Expenditures		-
		<hr/>
TOTAL ASSETS	\$	<u>2,035,325</u>
LIABILITIES		
Accounts payable	\$	-
Deferred revenue		
Property taxes		638,325
Other liabilities		-
		<hr/>
Total liabilities		638,325
FUND BALANCE		
Reserved for Debt Service		<hr/> 1,397,000
TOTAL LIABILITIES AND FUND BALANCE	\$	<u>2,035,325</u>

**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, 2008**

		<u>Bond and Interest Fund</u>	
	<u>Budget</u>	<u>Actual</u>	Over (Under) Budget
REVENUES			
Local government revenue			
Local taxes	\$ 1,265,000	\$ 1,275,304	\$ 10,304
Other	-	-	-
	<u>1,265,000</u>	<u>1,275,304</u>	<u>10,304</u>
Other sources			
Student tuition and fees	-	-	-
Facilities revenue	-	-	-
Investment revenue	65,000	52,453	(12,547)
Nongovernmental gifts	-	-	-
Other	-	-	-
	<u>65,000</u>	<u>52,453</u>	<u>(12,547)</u>
Total revenues	<u>1,330,000</u>	<u>1,327,757</u>	<u>(2,243)</u>
Expenditures			
Institutional Support			
Fixed Charges	550	400	(150)
Bond Principal	1,265,000	1,265,000	-
Interest and Fees	56,260	-	(56,260)
	<u>1,321,810</u>	<u>1,265,400</u>	<u>(56,410)</u>
Excess of revenues over expenditures	8,190	62,357	54,167
OTHER FINANCING USES			
Transfer from (to) other funds	-	-	-
Excess of revenues over expenditures and other financing uses	<u>\$ 8,190</u>	<u>62,357</u>	<u>\$ 54,167</u>
FUND BALANCE, JULY 1, 2007		<u>1,334,643</u>	
FUND BALANCE, JUNE 30, 2008		<u>\$ 1,397,000</u>	

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
CAPITAL PROJECTS FUND
BALANCE SHEET - CAPITAL PROJECTS
June 30, 2008**

		Operations and Maintenance Fund (Restricted)
ASSETS		
Cash and cash equivalents	\$	4,883
Investments		6,684,993
Receivables		
Property taxes		1,361,176
Governmental claims		-
Other		-
Accrued Revenue		50,837
Due from other funds		-
Prepaid Expenditures		40,975
		<hr/>
TOTAL ASSETS	\$	8,142,864
		<hr/> <hr/>
LIABILITIES		
Accounts payable	\$	-
Accrued expenditures		-
Due to other funds		-
Deferred revenue		
Property taxes		680,769
Tuition and fees		-
Other liabilities		-
		<hr/>
Total liabilities		680,769
FUND BALANCE		
Unreserved		7,462,095
		<hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$	8,142,864
		<hr/> <hr/>

**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, 2008**

	Operations and Maintenance Fund (Restricted)		Over (Under) Budget
	Budget	Actual	
REVENUES			
Local government revenue			
Property taxes	\$ 1,217,000	\$ 1,287,385	\$ 70,385
Other	-	-	-
	<u>1,217,000</u>	<u>1,287,385</u>	<u>70,385</u>
Other sources			
Investment revenue	175,000	270,032	95,032
Other	-	-	-
	<u>175,000</u>	<u>270,032</u>	<u>95,032</u>
Total revenues	<u>1,392,000</u>	<u>1,557,417</u>	<u>165,417</u>
Expenditures - Educational and General			
Operation and maintenance plant	<u>1,217,100</u>	<u>543,218</u>	<u>(673,882)</u>
Total expenditures	<u>1,217,100</u>	<u>543,218</u>	<u>(673,882)</u>
Excess of revenues over expenditures	174,900	1,014,199	839,299
OTHER FINANCING USES			
Transfer from (to) other funds	<u>400,000</u>	<u>800,000</u>	<u>400,000</u>
Excess of revenues over expenditures and other financing uses	<u>\$ 574,900</u>	1,814,199	<u>\$ 1,239,299</u>
FUND BALANCE, JULY 1, 2007		<u>5,647,896</u>	
FUND BALANCE, JUNE 30, 2008		<u>\$ 7,462,095</u>	

PROPRIETARY FUNDS

ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
PROPRIETARY FUND TYPE
COMBINING BALANCE SHEET
June 30, 2008

	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
ASSETS															
Cash and cash equivalents	\$ -	\$ (9,768)	\$61,650	\$ 45,627	\$ -	\$ 377,567	\$15,924	\$ (5,380)	\$ 1,838	\$139,244	\$60,529	\$28,551	\$ -	\$11,737	\$ 727,519
Investments	-	-	-	1,179,428	333,096	1,179,415	-	-	-	-	-	-	-	-	2,691,939
Receivables	-	10,547	-	-	-	1,063	-	-	-	160	-	-	-	1,308	13,078
Other assets	-	-	-	4,995	-	4,995	-	-	-	-	-	-	-	-	9,990
Inventories	-	-	-	-	-	406,574	-	-	-	-	-	-	-	-	406,574
Prepaid expenditures	-	-	-	-	-	41,416	-	-	-	-	-	-	-	-	41,416
Fixed assets (net of depreciation)	-	-	-	-	-	815	5,343	11,015	-	7,051	-	-	-	-	24,224
Due from other funds	-	10,234	-	-	-	14,509	-	-	-	-	-	-	-	-	24,743
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 11,013</u>	<u>\$61,650</u>	<u>\$1,230,050</u>	<u>\$ 333,096</u>	<u>\$ 2,026,354</u>	<u>\$21,267</u>	<u>\$ 5,635</u>	<u>\$ 1,838</u>	<u>\$146,455</u>	<u>\$60,529</u>	<u>\$28,551</u>	<u>\$ -</u>	<u>\$13,045</u>	<u>\$ 3,939,483</u>
LIABILITIES															
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,399	\$ 2,849	\$ 513	\$ -	\$ 3,079	\$ -	\$ -	\$ -	\$ -	\$ 11,840
Other accruals	-	16,515	-	17,743	-	15,734	845	5,122	1,291	5,308	-	-	-	358	62,916
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>16,515</u>	<u>-</u>	<u>17,743</u>	<u>-</u>	<u>21,133</u>	<u>3,694</u>	<u>5,635</u>	<u>1,291</u>	<u>8,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>358</u>	<u>74,756</u>
NET ASSETS/EQUITY															
Unreserved	-	(5,502)	61,650	1,212,307	333,096	2,005,221	17,573	-	547	138,068	60,529	28,551	-	12,687	3,864,727
Total fund balance (deficit)	<u>-</u>	<u>(5,502)</u>	<u>61,650</u>	<u>1,212,307</u>	<u>333,096</u>	<u>2,005,221</u>	<u>17,573</u>	<u>-</u>	<u>547</u>	<u>138,068</u>	<u>60,529</u>	<u>28,551</u>	<u>-</u>	<u>12,687</u>	<u>3,864,727</u>
TOTAL LIABILITIES AND NET ASSETS/EQUITY	<u>\$ -</u>	<u>\$ 11,013</u>	<u>\$61,650</u>	<u>\$1,230,050</u>	<u>\$ 333,096</u>	<u>\$ 2,026,354</u>	<u>\$21,267</u>	<u>\$ 5,635</u>	<u>\$ 1,838</u>	<u>\$146,455</u>	<u>\$60,529</u>	<u>\$28,551</u>	<u>\$ -</u>	<u>\$13,045</u>	<u>\$ 3,939,483</u>

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, 2008

	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
OPERATING REVENUES															
Student fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,610
Service fees	-	387,893	-	418,336	-	2,033,774	13,010	2,447	3,421	74,090	-	8,840	-	29,891	2,971,702
Facilities revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	775	-	185	-	-	-	-	-	-	960
Total operating revenues	-	387,893	-	418,336	-	2,034,549	15,620	2,632	3,421	74,090	-	8,840	-	29,891	2,975,272
OPERATING EXPENSES - AUXILIARY ENTERPRISES															
Current operations	-	401,865	-	250,176	232	1,911,696	34,471	210,634	5,318	117,941	1,000	1,500	-	66,298	3,001,131
Depreciation	-	-	-	14,533	-	626	356	2,168	-	729	-	-	-	-	18,412
Total operating expenses	-	401,865	-	264,709	232	1,912,322	34,827	212,802	5,318	118,670	1,000	1,500	-	66,298	3,019,543
Operating income (loss)	-	(13,972)	-	153,627	(232)	122,227	(19,207)	(210,170)	(1,897)	(44,580)	(1,000)	7,340	-	(36,407)	(44,271)
NONOPERATING REVENUES															
Investment income	-	-	-	66,058	-	66,059	-	-	-	-	-	-	-	-	132,117
INCOME (LOSS) BEFORE TRANSFERS	-	(13,972)	-	219,685	(232)	188,286	(19,207)	(210,170)	(1,897)	(44,580)	(1,000)	7,340	-	(36,407)	87,846
TRANSFERS IN (OUT)	(2,459)	-	(153,392)	-	-	-	-	221,107	-	-	-	-	(3,842)	-	61,414
NET INCOME (LOSS)	(2,459)	(13,972)	(153,392)	219,685	(232)	188,286	(19,207)	10,937	(1,897)	(44,580)	(1,000)	7,340	(3,842)	(36,407)	149,260
NET ASSETS/EQUITY BEGINNING OF YEAR	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
NET ASSETS/EQUITY END OF YEAR	\$ -	\$ (5,502)	\$ 61,650	\$ 1,212,307	\$ 333,096	\$ 2,005,221	\$ 17,573	\$ -	\$ 547	\$ 138,068	\$ 60,529	\$ 28,551	\$ -	\$ 12,687	\$ 3,864,727

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
Year Ended June 30, 2008**

Fund balances - All fund types	\$ 87,205,964
Long-term debt	(4,488,587)
Depreciation on GFAAG	<u>(28,080,162)</u>
Statement of net assets	<u>\$ 54,637,215</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, 2008**

Net increase in fund balance	\$ <u>1,821,936</u>
Internal charges removed for continuing education revenues	-
Internal charges removed for continuing education expenditures	-
Net effect	<u>-</u>
Internal charges removed for auxiliary revenues	155,343
Internal charges removed for auxiliary expenditures	<u>(155,343)</u>
Net effect	<u>-</u>
Reduction in student tuition and fees	2,264,452
Reduction in student services - financial aid	<u>(2,264,452)</u>
Net effect	<u>-</u>
Expenditures for capital assets	<u>1,115,791</u>
Depreciation on GFAAG assets	<u>(1,050,092)</u>
Disposal of GFAAG assets	<u>-</u>
Student waivers removed from revenue	303,378
Student waivers removed from expenditures	<u>(303,378)</u>
Net effect	<u>-</u>
Retirement of indebtedness expenditures deleted	<u>992,933</u>
Increase in net assets	<u>\$ 2,880,568</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, 2008**

	Student Activity Fund				
	Balance July 1, 2007	Additions Sales/Fees	Subtractions Expenditures	Student Activity Fund Transfers	Balance June 30, 2008
ASSETS					
Cash and cash equivalents	\$ 134,539	\$ 3,353,503	\$ 3,402,154	\$ -	\$ 85,888
Student Grants Receivable	-	1,216,960	1,167,828	-	49,132
Due from other funds	7,478	52,016	7,978	-	51,516
TOTAL ASSETS	\$ 142,017	\$ 4,622,479	\$ 4,577,960	\$ -	\$ 186,536
LIABILITIES					
Accounts payable	\$ 1,621	\$ 1,775,292	\$ 1,774,840	\$ -	\$ 2,073
Other accrued expenditures	162	3,878	162	-	3,878
Due to other funds	4,015	-	4,015	-	-
Deferred Revenue	-	-	-	-	-
	5,798	1,779,170	1,779,017	-	5,951
Due to student groups					
General-Standard fees	(4,043)	155,956	20,861	(120,803)	10,249
Student Activity: Interest	4,664	415	-	(5,079)	-
Organizational Reserve	4,725	-	-	-	4,725
ISAC:MAP	4,963	805,443	802,893	-	7,513
ISAC-Map Plus Grant	250	-	250	-	-
II Incentive for Access	500	62,250	62,750	-	-
II Veterans Grant	6,162	135,240	97,182	-	44,220
II National Guard Grant	-	12,708	12,708	-	-
II Merit Recognition Scholarship	-	-	-	-	-
II MIA/POW	(4,759)	5,441	2,261	-	(1,579)
Foundation Scholarships	-	135,818	135,818	-	-
Subsidized Loans	-	1,160,997	1,160,997	-	-
Unsubsidized Loans	10	434,647	434,647	-	10
Direct PLUS Loan	-	8,776	8,776	-	-
Outside Scholarships	7,825	88,820	89,576	-	7,069
Scholarships	9,791	-	-	-	9,791
TRIO Student Group	100	-	-	-	100
IV Leader	10,561	-	11,311	2,750	2,000
Debate Club	250	-	-	(250)	-
SPAMO	6,214	514	6,972	3,000	2,756
Amnesty International	969	533	695	950	1,757
Criminal Justice	9,623	386	3,238	-	6,771
River Currents	461	62	5,019	4,496	-
Student Nurses Association	980	4,058	10,720	7,250	1,568
Focus on Fitness	1,094	3,053	1,076	1,000	4,071
Phi Theta Kappa	6,878	9,736	19,392	5,000	2,222
Student Government Association	-	361	11,402	7,500	(3,541)
Students in Free Enterprise	4,039	1,797	4,807	3,250	4,279
Horticulture Club	4,029	10,732	12,487	1,500	3,774
International Society	863	-	900	1,000	963
American Chemical Society	2,139	6,385	10,756	3,000	768
Human Services Organization	1,152	987	2,957	1,750	932
Physics Club	325	-	195	250	380
POWER	948	1,128	3,054	1,500	522

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
FIDUCIARY FUND TYPE
AGENCY FUND
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year end June 30, 2008**

Transformed	95	-	1,023	1,000	72
SODA	1,865	-	412	(1,453)	-
Monitoring Program	(36)	-	-	-	(36)
Student Ambassadors	947	-	945	750	752
Sigma Kappa Delta	2,427	290	1,071	1,250	2,896
Gay/Straight Alliance	3,315	1,301	2,166	1,000	3,450
PSI Beta/Psychology	610	-	-	-	610
Round Table Gaming Society	950	-	118	(50)	782
World Languages	1,798	1,258	2,230	1,500	2,326
Young Republicans	205	-	265	500	440
Wellness Club	78	-	757	750	71
Sigma Delta Mu	360	120	285	275	470
Short Term Loan Base	3,067	36,541	36,541	-	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	747	500	798	-	449
Campus Art Committee	340	-	-	-	340
Library Gift Memorial	12,343	3,611	100	-	15,854
IBOS (Child Care)	630	-	-	-	630
Early Childhood Fund	3,284	-	2,264	-	1,020
MIMIC	61	1,342	387	-	1,016
Baseball	(11,599)	12,564	854	-	111
Softball	4,328	10,924	17,450	-	(2,198)
Golf	10,529	9,012	6,822	-	12,719
Women's Tennis	100	190	-	-	290
Volleyball	2,164	1,555	-	-	3,719
Men's Tennis	1,818	100	1,128	-	790
Basketball	2,266	3,405	527	-	5,144
General Athletics	2,804	-	-	-	2,804
Cheerleading	2,510	-	-	-	2,510
ICCO	-	1,132	-	-	1,132
Support Staff Service Project	567	1,977	1,150	-	1,394
Family Reading Night	525	-	-	-	525
Women's History Month	1,637	50	275	-	1,412
Total Due to Student Groups	<u>136,219</u>	<u>3,132,115</u>	<u>3,011,335</u>	<u>(76,414)</u>	<u>180,585</u>
TOTAL LIABILITIES	<u><u>\$ 142,017</u></u>	<u><u>\$ 4,911,285</u></u>	<u><u>\$ 4,790,352</u></u>	<u><u>\$ (76,414)</u></u>	<u><u>\$ 186,536</u></u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SUMMARY OF CHANGES IN GENERAL FIXED ASSETS
Year Ended June 30, 2008**

	<u>Balance July 1, 2007</u>	<u>Additions/ Accretion</u>	<u>Deletions</u>	<u>Balance June 30, 2008</u>
GENERAL FIXED ASSETS				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Site improvements	4,809,253	5,286	-	4,814,539
Buildings	32,315,144	561,520	-	32,876,664
Equipment	12,940,284	409,041	-	13,349,325
Technology	444,800	139,944	-	584,744
Library	1,288,543	-	-	1,288,543
TOTAL FIXED ASSETS	<u>\$ 53,159,622</u>	<u>\$ 1,115,791</u>	<u>\$ -</u>	<u>\$ 54,275,413</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS
June 30, 2008**

	<u>2007</u>	<u>2006</u>	<u>2005</u>
ASSESSED VALUATIONS			
County			
LaSalle	\$ 1,948,270,414	\$ 1,816,287,656	\$ 1,702,457,352
Bureau	453,925,329	441,739,293	419,713,141
Putnam	161,148,135	144,477,177	135,659,321
Lee	26,569,455	24,264,817	23,325,326
Grundy	18,646,993	18,462,071	17,796,188
Livingston	47,739,707	47,837,490	47,613,353
DeKalb	1,305,393	1,201,653	1,238,274
Marshall	67,709,090	57,549,823	55,038,166
	<u>\$ 2,725,314,516</u>	<u>\$ 2,551,819,980</u>	<u>\$ 2,402,841,121</u>
TAX RATES (PER \$100 ASSESSED VALUATION)			
General Fund			
Education Account	0.1300	0.1300	0.1300
Additional tax	0.0818	0.0863	0.0815
Operations and Maintenance Account	0.0400	0.0400	0.0400
Bond and Interest	0.0465	0.0495	0.0825
Operations and Maintenance Restricted Fund	0.0496	0.0470	0.0481
Liability, Protection and Settlement Fund	-	0.0447	0.0543
Social Security Fund	0.0101	0.0049	0.0064
Audit Fund	0.0012	-	0.0009
	<u>0.3592</u>	<u>0.4024</u>	<u>0.4437</u>
TAX EXTENSIONS			
General Fund			
Education Account	\$ 3,543,001	\$ 3,317,366	\$ 3,123,610
Additional tax	2,229,355	2,202,221	1,957,909
Operations and Maintenance Account	1,090,149	1,020,728	961,512
Bond and Interest Fund	1,267,298	1,263,151	1,981,653
Operations and Maintenance Restricted Fund	1,351,785	1,199,355	1,155,520
Liability, Protection and Settlement Fund	-	1,140,664	1,304,757
Social Security	275,262	125,039	153,501
Audit Fund	32,704	-	21,320
	<u>\$ 9,789,554</u>	<u>\$ 10,268,524</u>	<u>\$ 10,659,782</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS
June 30, 2008**

	<u>2007</u>	<u>2006</u>
TAX EXTENSIONS		
General Fund		
Education Account	\$ 3,543,001	\$ 3,317,366
Additional tax	2,229,355	2,202,221
Operations and Maintenance Account	1,090,149	1,020,728
Bond and Interest Fund	1,267,298	1,263,151
Operations and Maintenance Restricted Fund	1,351,785	1,199,355
Liability, Protection and Settlement Fund	-	1,140,664
Social Security	275,262	125,039
Audit Fund	32,704	-
	<u>\$ 9,789,554</u>	<u>\$ 10,268,524</u>
ASSESSED VALUATION	<u>\$ 2,725,314,516</u>	<u>\$ 2,551,819,980</u>
COMBINED RATE	<u>0.3592</u>	<u>0.4024</u>
TAXES EXTENDED	<u>\$ 9,789,554</u>	<u>\$ 10,268,524</u>
TAXES COLLECTED TO JUNE 30, 2007	<u>\$ -</u>	<u>\$ 2,705</u>
COLLECTED DURING THE YEAR ENDED JUNE 30, 2008	<u>\$ 2,611</u>	<u>\$ 10,335,692</u>
PERCENT COLLECTED TO JUNE 30, 2008	<u>0.00%</u>	<u>100.68%</u>
UNCOLLECTED AT JUNE 30, 2008		
General Fund		
Education Account	\$ 3,542,123	
Additional tax	2,228,772	
Operations and Maintenance Account	1,089,879	
Bond and Interest Fund	1,266,965	
Operations and Maintenance Restricted Fund	1,351,473	
Liability, Protection and Settlement Fund	(297)	
Social Security	275,230	
Audit Fund	32,704	
	<u>\$ 9,786,850</u>	
Assessed valuation - 2007 levy	<u>\$ 2,725,314,516</u>	
Debt limit - 2.875% of assessed valuation	\$ 78,352,792	
Bonded indebtedness	<u>4,488,587</u>	
Legal debt margin	<u>\$ 73,864,205</u>	

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF DEBT MATURITIES
Year Ended June 30, 2008**

<u>Amounts Due During Year</u>							
	<u>Bond Number</u>	<u>Interest Rate</u>	<u>Bond</u> <u>Accretion</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 30 Unpaid</u> <u>Principal Balance</u>
2008-2009	504372CX9	4.850%	\$ 223,667	\$ 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, 2008**

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Restricted Fund	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
FUND BALANCE, JULY 1, 2007	\$ 5,715,385	\$ 958,416	\$ 5,647,896	\$ 1,334,643	\$3,715,467	\$ 176,070	\$ 4,862,418	\$ 55,338	\$ 8,642,982	\$ 31,108,615
Revenues										
Local tax revenue	5,717,117	1,068,682	1,287,385	1,275,304	-	-	-	15,668	777,895	10,142,051
All other local revenue	284,679	94,893	-	-	-	-	-	-	-	379,572
ICCB grants	2,712,324	361,584	-	-	-	366,349	-	-	-	3,440,257
All other state revenue	1,208,094	205,738	-	-	-	611,576	-	-	-	2,025,408
Federal revenue	4,875	-	-	-	-	4,630,855	-	-	-	4,635,730
Student tuition and fees	4,907,130	629,785	-	-	2,610	-	-	-	-	5,539,525
All other revenue	1,353,835	215,367	270,032	52,453	3,104,779	85,518	230,146	1,421	437,960	5,751,511
Total revenues	<u>16,188,054</u>	<u>2,576,049</u>	<u>1,557,417</u>	<u>1,327,757</u>	<u>3,107,389</u>	<u>5,694,298</u>	<u>230,146</u>	<u>17,089</u>	<u>1,215,855</u>	<u>31,914,054</u>
Expenditures										
Instruction	8,906,602	-	-	-	-	1,386,686	-	-	-	10,293,288
Academic support	1,237,809	-	-	-	-	122,462	-	-	-	1,360,271
Student services	1,339,035	-	-	-	-	483,909	-	-	-	1,822,944
Public Service/Continuing Education	883,878	-	-	-	-	1,338,050	-	-	-	2,221,928
Auxiliary services	-	-	-	-	3,019,543	27,023	-	-	-	3,046,566
Operation and maintenance of plant	-	2,296,089	543,218	-	-	-	-	-	431,679	3,270,986
Institutional support	2,840,602	67,939	-	400	-	63,084	-	18,500	1,329,194	4,319,719
Scholarships, student grants, and waivers	303,378	-	-	-	-	2,264,452	-	-	-	2,567,830
Debt service										
Principal	-	-	-	1,265,000	-	-	-	-	-	1,265,000
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>15,511,304</u>	<u>2,364,028</u>	<u>543,218</u>	<u>1,265,400</u>	<u>3,019,543</u>	<u>5,685,666</u>	<u>-</u>	<u>18,500</u>	<u>1,760,873</u>	<u>30,168,532</u>
Net transfers	<u>(685,000)</u>	<u>-</u>	<u>800,000</u>	<u>-</u>	<u>61,414</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>76,414</u>
FUND BALANCE, JUNE 30, 2008	<u>\$ 5,707,135</u>	<u>\$ 1,170,437</u>	<u>\$ 7,462,095</u>	<u>\$ 1,397,000</u>	<u>\$3,864,727</u>	<u>\$ 184,702</u>	<u>\$ 4,992,564</u>	<u>\$ 53,927</u>	<u>\$ 8,097,964</u>	<u>\$ 32,930,551</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, 2008**

	<u>Balance July 1, 2007</u>	<u>Additions/ Accretion</u>	<u>Deletions</u>	<u>Balance June 30, 2007</u>
GENERAL FIXED ASSETS				
Land	\$ 1,361,598	\$ -	\$ -	\$ 1,361,598
Site improvements	4,809,253	5,286	-	4,814,539
Buildings	32,315,144	561,520	-	32,876,664
Equipment	12,940,284	409,041	-	13,349,325
Technology	444,800	139,944	-	584,744
Library	1,288,543	-	-	1,288,543
TOTAL FIXED ASSETS	\$ 53,159,622	\$ 1,115,791	\$ -	\$ 54,275,413
Accumulated Depreciation	<u>27,030,070</u>	<u>1,050,092</u>	<u>-</u>	<u>28,080,162</u>
TOTAL NET ASSETS	<u>\$ 26,129,552</u>	<u>\$ 65,699</u>	<u>\$ -</u>	<u>\$ 26,195,251</u>
GENERAL LONG-TERM DEBT				
Bonds payable	<u>\$ 5,481,520</u>	<u>\$ 272,067</u>	<u>\$ (1,265,000)</u>	<u>\$ 4,488,587</u>
TOTAL LONG-TERM DEBT	<u>\$ 5,481,520</u>	<u>\$ 272,067</u>	<u>\$ (1,265,000)</u>	<u>\$ 4,488,587</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
UNIFORM FINANCIAL SCHEDULE NO. 3
SCHEDULE OF OPERATING FUND REVENUES AND EXPENDITURES
Year Ended June 30, 2008**

	Education Fund	Operations and Maintenance Operational Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local government			
Local taxes	\$ 5,717,117	\$ 1,068,682	\$ 6,785,799
Chargeback revenue	-	-	-
Other	284,679	94,893	379,572
Total local government	<u>6,001,796</u>	<u>1,163,575</u>	<u>7,165,371</u>
State government			
ICCB credit hour grants	2,048,975	361,584	2,410,559
ICCB equalization grants	545,980	-	545,980
CTE formula grant	117,369	-	117,369
Corporate personal property replacement tax	1,165,850	205,738	1,371,588
Other	42,244	-	42,244
Total state government	<u>3,920,418</u>	<u>567,322</u>	<u>4,487,740</u>
Federal government			
Department of Education	4,875	-	4,875
Total federal government	<u>4,875</u>	<u>-</u>	<u>4,875</u>
Student tuition and fees			
Tuition	4,094,655	629,785	4,724,440
Fees	812,475	-	812,475
Total student tuition and fees	<u>4,907,130</u>	<u>629,785</u>	<u>5,536,915</u>
Other sources			
Sales and service fees	1,069,844	-	1,069,844
Facilities revenue	-	169,893	169,893
Investment revenue	206,466	37,349	243,815
Nongovernmental grants	22,149	-	22,149
Other	55,376	8,125	63,501
Total other sources	<u>1,353,835</u>	<u>215,367</u>	<u>1,569,202</u>
TOTAL REVENUES	16,188,054	2,576,049	18,764,103
Less nonoperating items			
Tuition chargeback revenue	-	-	-
ADJUSTED REVENUES	<u>\$ 16,188,054</u>	<u>\$ 2,576,049</u>	<u>\$ 18,764,103</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
UNIFORM FINANCIAL SCHEDULE NO. 3
SCHEDULE OF OPERATING FUND REVENUES AND EXPENDITURES
Year Ended June 30, 2008**

	Education Fund	Operations and Maintenance Operational Fund	Total Operating Funds
OPERATING EXPENDITURES			
By Program			
Instruction	\$ 8,906,602	\$ -	\$ 8,906,602
Academic support	1,237,809	-	1,237,809
Student services and aids	1,339,035	-	1,339,035
Public service	883,878	-	883,878
Operations and maintenance of plant	-	2,296,089	2,296,089
General institutional support	2,840,602	67,939	2,908,541
Scholarships, grants and waivers	303,378	-	303,378
Total expenditures	<u>15,511,304</u>	<u>2,364,028</u>	<u>17,875,332</u>
Operating transfers	685,000	-	685,000
Total expenditures and transfers	<u>16,196,304</u>	<u>2,364,028</u>	<u>18,560,332</u>
Less non-operating items - tuition chargeback	-	-	-
ADJUSTED EXPENDITURES	<u>\$ 16,196,304</u>	<u>\$ 2,364,028</u>	<u>\$ 18,560,332</u>
By Object			
Salaries	\$ 10,684,199	\$ 632,901	\$ 11,317,100
Employee benefits	1,697,423	109,629	1,807,052
Contractual services	830,564	174,695	1,005,259
General materials and supplies	1,384,258	303,416	1,687,674
Library materials*	95,423	-	95,423
Conference and meeting expenses	285,978	302	286,280
Fixed charges	96,361	19,546	115,907
Utilities	38,203	1,025,539	1,063,742
Capital outlay	150,265	98,000	248,265
Other	344,053	-	344,053
Scholarships, grants and waivers*	303,378	-	303,378
Total expenditures	<u>15,511,304</u>	<u>2,364,028</u>	<u>17,875,332</u>
Operating transfers	685,000	-	685,000
Total expenditures and transfers	<u>16,196,304</u>	<u>2,364,028</u>	<u>18,560,332</u>
Less nonoperating items - tuition chargeback	-	-	-
ADJUSTED EXPENDITURES	<u>\$ 16,196,304</u>	<u>\$ 2,364,028</u>	<u>\$ 18,560,332</u>

*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, 2008**

	<u>Restricted Purposes Fund</u>
REVENUE BY SOURCE	
Local government	
Total local government	\$ -
State government	
ICCB - Workforce Development Grants	66,519
ICCB - P-16 Initiative Grant	32,637
ICCB - Student Success Grant	-
ICCB - Career and Technical Education	16,039
ICCB - Adult Education	223,863
Department of Corrections (includes ICCB credit hour grant reimbursement)	584,084
Secretary of State Literacy Grant	52,000
Other	2,783
Total state government	<u>977,925</u>
Federal government	
Department of Education	3,033,806
Department of Labor	1,389,540
Department of Commerce and Economic Opportunity	-
Department of Justice	61,495
Small Business Administration	47,902
National Science Foundation	87,878
Department of Agriculture	10,234
Total federal government	<u>4,630,855</u>
Other sources	
Other	85,518
Total other sources	<u>85,518</u>
TRANSFERS	<u>-</u>
TOTAL RESTRICTED PURPOSES FUND REVENUES	<u>\$ 5,694,298</u>
EXPENDITURES BY PROGRAM	
Instruction	\$ 1,386,686
Academic support	122,462
Student services	483,909
Public services/continuing education	1,338,050
Auxiliary services	27,023
Operations and maintenance	-
Institutional support	63,084
Scholarships, student grants, and waivers	2,264,452
TOTAL RESTRICTED PURPOSES FUND EXPENDITURES BY PROGRAM	<u>\$ 5,685,666</u>
EXPENDITURES BY OBJECT	
Salaries	\$ 1,565,621
Employee benefits	345,578
Contractual services	564,280
General materials and supplies	411,665
Library materials*	-
Travel and conference/meeting expense	163,254
Fixed charges	37,878
Utilities	10,522
Capital outlay	259,120
Other	2,327,748
Student grants and scholarships*	<u>2,310,989</u>
TOTAL RESTRICTED PURPOSES FUND EXPENDITURES BY OBJECT	<u>\$ 5,685,666</u>

*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, 2008**

INSTRUCTION		
Instructional Programs		\$ 10,293,288
Other		-
Total instruction		<u>10,293,288</u>
ACADEMIC SUPPORT		
Library Center		335,374
Instructional Materials Center		390,407
Academic Computing Support		512,027
Academic Administration and Planning		122,463
Other		-
Total academic support		<u>1,360,271</u>
STUDENT SERVICES		
Admissions and Records		292,016
Counseling and Career Guidance		855,867
Financial Aid Administration		233,055
Administration		434,294
Other		7,712
Total student services		<u>1,822,944</u>
PUBLIC SERVICE/CONTINUING EDUCATION		
Community Education		436,104
Customized Training (instructional)		314,994
Professional Development		9,922
Community Services		1,291,497
Other		169,410
Total public service/continuing education		<u>2,221,927</u>
AUXILIARY SERVICES		<u>3,046,566</u>
OPERATIONS AND MAINTENANCE OF PLANT		
Maintenance		422,456
Custodial Services		369,554
Grounds		158,849
Campus Security		427,938
Utilities		1,025,539
Administration		323,432
Total operations and maintenance of plant		<u>2,727,768</u>
INSTITUTIONAL SUPPORT		
Executive Management		378,180
Fiscal Operations		531,155
Community Relations		252,731
Administrative Support Services		254,925
Board of Trustees		28,387
General Institution		1,753,992
Institutional Research		99,707
Administrative Data Processing		957,157
Other		63,086
Total institutional support		<u>4,319,320</u>
SCHOLARSHIPS, STUDENT GRANTS, AND WAIVERS		<u>2,567,830</u>
TOTAL CURRENT FUNDS EXPENDITURES		<u>\$ 28,359,914</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, 2008**

EXPENDITURES

PELL Grant Program	
Federal award	<u>\$ 2,200,351</u>
Academic Competitiveness Grant	<u>\$ 22,975</u>
Supplemental Educational Opportunity Grant program	<u>\$ 41,126</u>
Federal Work-Study Program	<u>\$ 63,084</u>
Other work-study programs	
SEOG administrative expenditures	<u>-</u>
Total other work-study programs	<u>-</u>
TOTAL FEDERAL WORK-STUDY PROGRAM	<u><u>\$ 63,084</u></u>

CERTIFICATION OF CHARGEBACK REIMBURSEMENT

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
CERTIFICATION OF CHARGEBACK REIMBURSEMENT
(Unaudited)
For Fiscal Year 2008**

All fiscal year 2008 noncapital audited operating expenditures
from the following funds:

Education Fund	\$ 15,664,417
Operations and Maintenance Fund	2,266,028
Operation and Maintenance Restricted Fund	-
Bond and Interest Fund	1,265,400
Restricted Purposes Fund	5,426,546
Audit Fund	18,500
Liability, Protection and Settlement Fund	1,695,685
Auxiliary Enterprises Activities (Subsidy only)	

Total non-capital expenditures \$ 26,336,576

Depreciation on capital outlay expenditures (equipment, buildings,
and fixed equipment paid) from sources other than state and
federal funds

646,176

Total costs included

26,982,752

Total certified semester credit hours for FY 2008

82,095

Per Capita Cost

328.68

All FY 2008 state and federal operating grants for noncapital
expenditures, except ICCB grants

4,685,638

FY 2008 state and federal grants per semester credit hour

57.08

District's average ICCB grant rate (excluding equalization grants)
for FY 2009

33.26

District's student tuition and fee rate per semester credit hour
for FY 2009 (Average)

67.75

Chargeback reimbursement per semester credit hour

\$ 170.59

Approved: Cheryl Rollinsma Sept 11, 2008
Chief Fiscal Officer Date

Approved: Jessie M. Corcoran 8/11/08
Chief Executive Officer Date

STATISTICAL SECTION

**Illinois Valley Community College District #513
Schedule of Net Assets by Component
Fiscal Years 2003 to 2008**

	For the year ended June 30					
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Invested in capital assets, net of related debt	\$ 21,730,888	\$ 20,677,190	\$ 19,739,697	\$ 17,793,103	\$ 13,453,203	\$ 21,686,766
Restricted - expendable	20,923,252	19,454,347	19,432,660	18,800,632	15,499,954	5,001,012
Unrestricted	<u>11,983,075</u>	<u>11,625,110</u>	<u>8,961,671</u>	<u>7,483,504</u>	<u>11,938,983</u>	<u>20,688,858</u>
Total primary government net assets	<u>\$ 54,637,215</u>	<u>\$ 51,756,647</u>	<u>\$ 48,134,028</u>	<u>\$ 44,077,239</u>	<u>\$ 40,892,140</u>	<u>\$ 47,376,636</u>

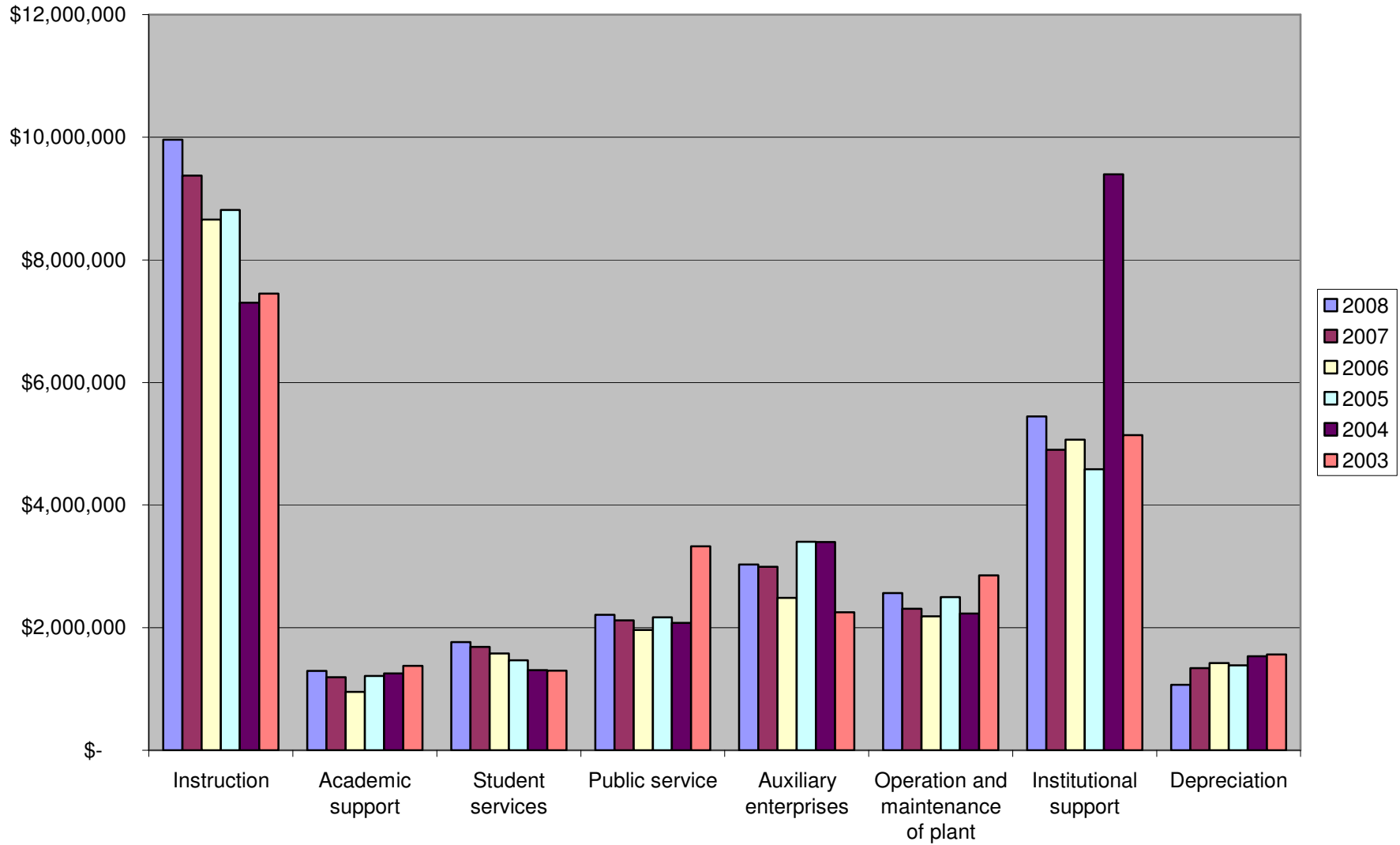
Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2008 are available.

**Illinois Valley Community College District #513
Schedule of Expenses by Identifiable Activity
Fiscal Years 2003 to 2008**

	For the Year Ended June 30						(percentage of total)					
	(amounts expressed as dollars)											
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Instruction	\$ 9,956,513	\$ 9,371,930	\$ 8,658,298	\$ 8,812,841	\$ 7,297,599	\$ 7,452,487	36.1%	35.7%	35.0%	33.9%	25.1%	28.8%
Academic support	1,294,929	1,193,776	956,808	1,213,089	1,257,001	1,380,562	4.7%	4.5%	3.9%	4.7%	4.3%	5.3%
Student services	1,764,588	1,687,133	1,582,287	1,468,183	1,310,796	1,301,154	6.4%	6.4%	6.4%	5.6%	4.5%	5.0%
Public service	2,211,767	2,121,633	1,962,645	2,167,629	2,080,125	3,328,139	8.0%	8.1%	7.9%	8.3%	7.2%	12.9%
Auxiliary enterprises	3,027,845	2,993,064	2,485,478	3,400,542	3,398,122	2,253,211	11.0%	11.4%	10.0%	13.1%	11.7%	8.7%
Operation and maintenance of plant	2,563,569	2,310,683	2,184,107	2,499,673	2,229,524	2,851,619	9.3%	8.8%	8.8%	9.6%	7.7%	11.0%
Institutional support	5,446,687	4,903,687	5,067,806	4,586,630	9,393,682	5,141,167	19.7%	18.7%	20.5%	17.6%	32.3%	19.9%
Depreciation	1,068,504	1,343,080	1,423,401	1,386,520	1,535,159	1,565,055	3.9%	5.1%	5.8%	5.3%	5.3%	6.0%
Total Operating Expenses	<u>27,334,402</u>	<u>25,924,986</u>	<u>24,320,830</u>	<u>25,535,107</u>	<u>28,502,008</u>	<u>25,273,394</u>	<u>99.0%</u>	<u>98.7%</u>	<u>98.3%</u>	<u>98.1%</u>	<u>98.1%</u>	<u>97.6%</u>
Loss on disposal of assets	-	4,441	-	-	-	-	-	-	-	-	-	-
Interest on capital debt	272,067	335,994	414,439	488,346	556,997	623,112	1.0%	1.3%	1.7%	1.9%	1.9%	2.4%
Total Nonoperating Expenses	<u>272,067</u>	<u>340,435</u>	<u>414,439</u>	<u>488,346</u>	<u>556,997</u>	<u>623,112</u>	<u>1.0%</u>	<u>1.3%</u>	<u>1.7%</u>	<u>1.9%</u>	<u>1.9%</u>	<u>2.4%</u>
Total Expenses	<u>\$ 27,606,469</u>	<u>\$ 26,265,421</u>	<u>\$ 24,735,269</u>	<u>\$ 26,023,453</u>	<u>\$ 29,059,005</u>	<u>\$ 25,896,506</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003 - 2008 are available.

Expenses by Activity FY03-FY08

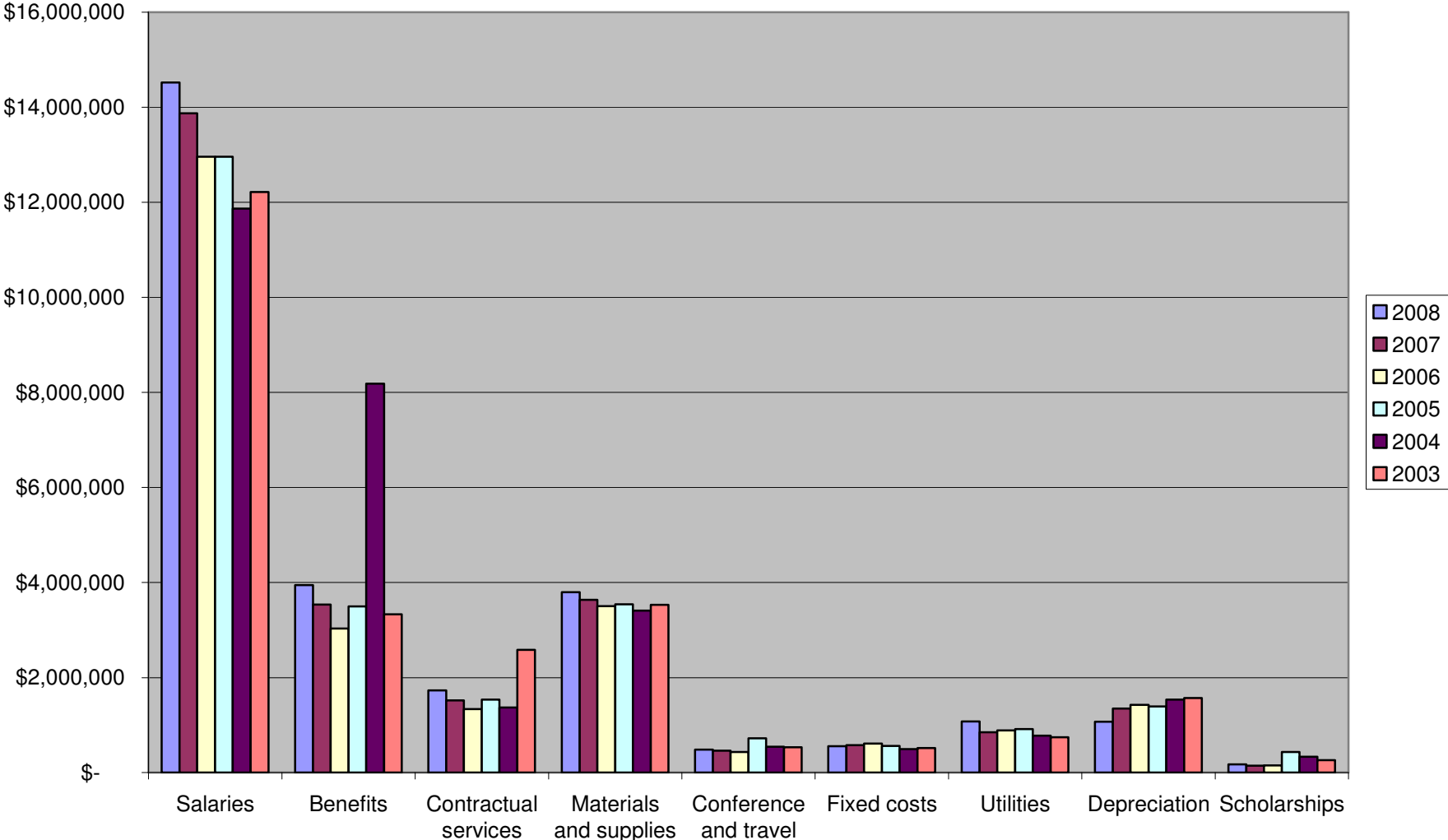


**Illinois Valley Community College District #513
Schedule of Expenses by Use
Fiscal Years 2003 to 2008**

	For the Year Ended June 30						(percentage of total)					
	(amounts expressed in dollars)											
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Salaries	\$ 14,514,568	\$ 13,869,112	\$ 12,956,237	\$ 12,957,566	\$ 11,868,493	\$ 12,218,075	52.6%	52.8%	52.4%	49.8%	40.8%	47.2%
Benefits	3,943,508	3,535,614	3,033,466	3,495,291	8,183,010	3,331,739	14.3%	13.5%	12.3%	13.4%	28.2%	12.9%
Contractual services	1,728,977	1,517,994	1,332,203	1,532,655	1,365,341	2,583,512	6.3%	5.8%	5.4%	5.9%	4.7%	10.0%
Materials and supplies	3,794,408	3,633,849	3,499,624	3,538,963	3,410,294	3,529,494	13.7%	13.8%	14.1%	13.6%	11.7%	13.6%
Conference and travel	480,628	459,773	431,777	721,202	541,604	529,182	1.7%	1.8%	1.7%	2.8%	1.9%	2.0%
Fixed costs	555,489	576,096	610,379	560,909	494,127	514,873	2.0%	2.2%	2.5%	2.2%	1.7%	2.0%
Utilities	1,075,178	845,792	883,262	911,861	772,841	743,040	3.9%	3.2%	3.6%	3.5%	2.7%	2.9%
Depreciation	1,068,504	1,343,080	1,423,400	1,386,520	1,535,159	1,565,055	3.9%	5.1%	5.8%	5.3%	5.3%	6.0%
Scholarships	173,142	143,676	150,482	430,140	331,139	258,924	0.6%	0.5%	0.6%	1.7%	1.1%	1.0%
Total operating expenses	27,334,402	25,924,986	24,320,830	25,535,107	28,502,008	25,273,894	99.0%	98.7%	98.3%	98.1%	98.1%	97.6%
Loss on disposal of assets	-	4,441	-	-	-	-	-	-	-	-	-	-
Interest on capital asset-related debt	272,067	335,994	414,439	488,346	556,997	623,112	1.0%	1.3%	1.7%	1.9%	1.9%	2.4%
Total nonoperating expenses	272,067	340,435	414,439	488,346	556,997	623,112	1.0%	1.3%	1.7%	1.9%	1.9%	2.4%
Total expenses	\$ 27,606,469	\$ 26,265,421	\$ 24,735,269	\$ 26,023,453	\$ 29,059,005	\$ 25,897,006	100%	100%	100%	100%	100%	100%

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2008 are available.

Expenses by Use FY03-FY08

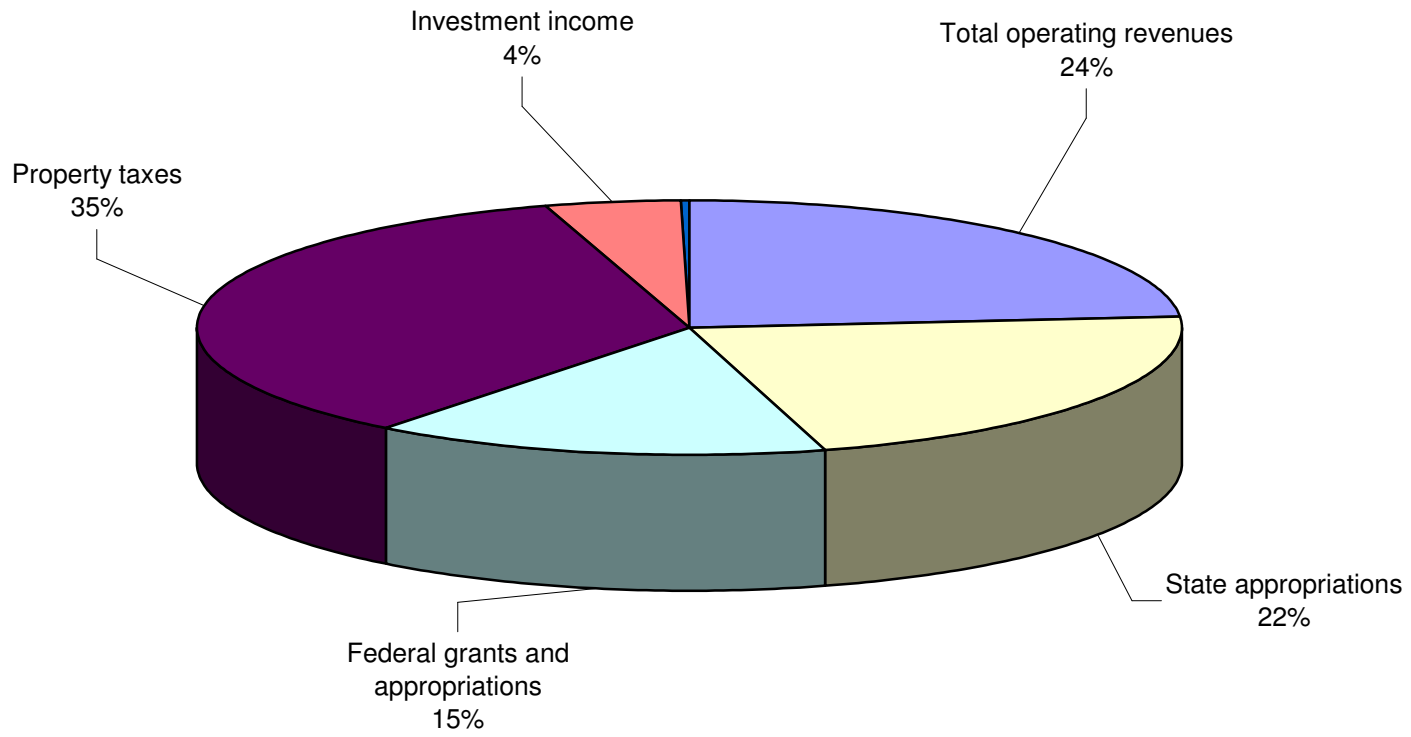


**Illinois Valley Community College District #513
Schedule of Revenues by Source
Fiscal Years 2003 to 2008**

	For the Year Ended June 30											
	(amounts expressed in dollars)						(percentage of total)					
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Student tuition and fees (net of scholarship allowances)	\$ 2,971,695	\$ 2,930,714	\$ 2,657,937	\$ 2,678,299	\$ 2,993,931	\$ 2,912,665	9.7%	9.8%	9.2%	9.2%	9.2%	9.9%
Sales and services of educational and other activities	1,393,371	1,511,720	1,005,528	1,124,245	1,057,993	1,782,450	4.6%	5.1%	3.5%	3.8%	3.3%	6.1%
Sales and services of auxiliary enterprises	2,817,319	2,693,831	3,087,256	3,084,452	2,628,833	2,496,263	9.2%	9.0%	10.7%	10.6%	8.1%	8.5%
Other operating revenues	-	-	118,708	123,696	-	-	<u>0.0%</u>	<u>0.0%</u>	<u>0.4%</u>	<u>0.4%</u>	<u>0.0%</u>	<u>0.0%</u>
Total operating revenues	<u>7,182,385</u>	<u>7,136,265</u>	<u>6,869,429</u>	<u>7,010,692</u>	<u>6,680,757</u>	<u>7,191,378</u>	23.6%	23.9%	23.9%	24.0%	20.5%	24.5%
State appropriations	6,685,409	6,297,475	5,868,993	5,864,648	10,195,442	6,052,057	21.9%	21.1%	20.4%	20.1%	31.4%	20.6%
Federal grants and appropriations	4,635,730	4,163,427	4,165,037	4,884,140	4,246,577	4,755,756	15.2%	13.9%	14.5%	16.7%	13.1%	16.2%
Property taxes	10,521,623	10,736,918	10,847,195	10,802,297	10,966,095	10,774,851	34.5%	35.9%	37.7%	37.0%	33.7%	36.7%
Investment income	1,363,327	1,536,464	1,041,407	646,775	421,771	573,880	4.5%	5.1%	3.6%	2.2%	1.3%	2.0%
Other nonoperating revenues	98,563	13,047	-	-	-	-	<u>0.3%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Total nonoperating revenues	<u>23,304,652</u>	<u>22,747,331</u>	<u>21,922,632</u>	<u>22,197,860</u>	<u>25,829,885</u>	<u>22,156,544</u>	76.4%	76.1%	76.1%	76.0%	79.5%	75.5%
Total revenues	<u>\$ 30,487,037</u>	<u>\$ 29,883,596</u>	<u>\$ 28,792,061</u>	<u>\$ 29,208,552</u>	<u>\$ 32,510,642</u>	<u>\$ 29,347,922</u>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2008 are available.

Revenue Sources FY08



**Illinois Valley Community College District #513
Schedule of Other Changes in Net Assets
Fiscal Years 2003 to 2008**

	For the Year Ended June 30					
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Income before other changes in net assets	<u>\$ 2,880,568</u>	<u>\$ 3,622,616</u>	<u>\$ 4,056,792</u>	<u>\$ 3,185,099</u>	<u>\$ 3,451,637</u>	<u>\$ 3,451,416</u>
State capital grants and appropriations	-	-	-	-	-	-
Federal capital grants and appropriations	-	-	-	-	-	-
Permanent endowment additions	-	-	-	-	-	-
Transfers to state general fund	-	-	-	-	-	-
Total change in net assets	<u>\$ 2,880,568</u>	<u>\$ 3,622,616</u>	<u>\$ 4,056,792</u>	<u>\$ 3,185,099</u>	<u>\$ 3,451,637</u>	<u>\$ 3,451,416</u>

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2003-2008 are available.

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

Academic Year Beginning in Fall	Illinois Valley	Illinois Peer Community Colleges*	Illinois Community College Highest	Illinois Community College Lowest	Illinois Community College Average
2008	\$ 67.75	\$ 75.94	\$ 127.00	\$ 63.00	\$ 84.04
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

Sources: ICCB Data and Characteristics of the Illinois Public Community College System 1997-2005.
ICCB Tuition and Fee Survey 2006, 2007, 2008, & 2009

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

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

Fiscal Year	Tax Levy Year	Total Tax Levy	Tax Collections	Percent of Levy Collected
2009	2007	9,789,554	2,611	0.03%
2008	2006	10,268,524	10,335,692	100.65%
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%

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*
2008	4,488,587	2,725,314,516	148,147	0.165%	30	0.10%
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	-

*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

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>	
2008	\$ 1,267,298	\$ 1,265,000	\$ -	\$ 1,265,000	1.00
2007	1,263,151	1,265,000	-	1,265,000	1.00
2006	1,266,856	1,265,000	-	1,265,000	1.00
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**

Calendar Year	District Population*	Total Household Income*	Household Income Per Capita*	State Unemployment Rate**	LaSalle-Bureau & Putnam Counties Unemployment Rate***
2007	148,147	\$ 4,700,432,905	\$31,728	5.0%	5.9%
2006	148,800	4,502,052,229	30,256	4.6%	5.0%
2005	148,599	4,266,787,280	28,713	5.8%	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%

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**

<u>Employer</u>	<u>City</u>	<u>Product/Service</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>
**** Exelon Generating	Seneca	Electricity	920	1.7%
** Wal-Mart Distribution Center	Spring Valley	Distribution	800	1.4%
* Clover Technologies	Ottawa	Toner Cartridges	765	1.4%
* I V Healthcorp	Peru	Health Care	650	1.2%
* Ottawa Regional Hospital & Healthcare Center	Ottawa	Health Care	645	1.2%
* St Mary's Hospital	Streator	Health Care	560	1.0%
** IVCC	Oglesby	Higher Education	525	0.9%
** PetSmart	Ottawa	Distribution	521	0.9%
* Martin Engineering	Neponset	Engineering	504	0.9%
* Monterey Mushrooms	Princeton	Mushroom Grower	500	0.9%
* St Margaret's Hospital	Spring Valley	Health Care	485	0.9%
*** Ace Hardware Distribution Center	Princeton	Distribution	485	0.9%
* County of LaSalle	Ottawa	County Government	480	0.9%
* Ingersoll-Rand/LCN Division	Princeton	Door Closers	450	0.8%
* Wal-Mart Store	Peru	Shopping	450	0.8%
* Sabic Innovative Plastics	Ottawa	Plastic Processing	450	0.8%
* Vactor Manufacturing	Streator	Street Sweepers	430	0.8%
* Wal-Mart Store	Ottawa	Shopping	412	0.7%
* Perry Memorial Hospital	Princeton	Health Care	400	0.7%
* Department of Corrections	Sheridan	Prison	400	0.7%

*data obtained from Dunn and Bradstreet www.selectory.com

**data obtained from the businesses' HR offices

***data obtained from City of Princeton website

****data obtained from the LaSalle County Development Connection

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

	<u>Fiscal Year</u>									
	<u>2008</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>
Faculty										
Part-time (FTE)	39	36	36	40	82	104	42	41	41	41
Full-time (FTE)	83	83	83	81	78	82	85	74	68	67
Percentage Tenured	88%	86%	84%	88%	89%	78%	74%	81%	80%	76%
Staff and Administrators										
Part-time (FTE)	27	22	22	18	20	34	109	103	16	10
Full-time (FTE)	153	145	145	136	126	137	81	67	129	121
Total Employees										
Part-time (FTE)	66	58	58	58	102	138	151	144	57	51
Full-time (FTE)	236	228	228	217	204	219	166	141	197	188
Students per Full-Time Faculty	49	47	49	50	51	47	43	51	61	55
Students per Full-time Staff Member	27	27	28	30	32	28	45	57	32	30
Student Headcount	4,103	3,939	4,027	4,078	4,015	3,873	3,673	3,794	4,135	3,678

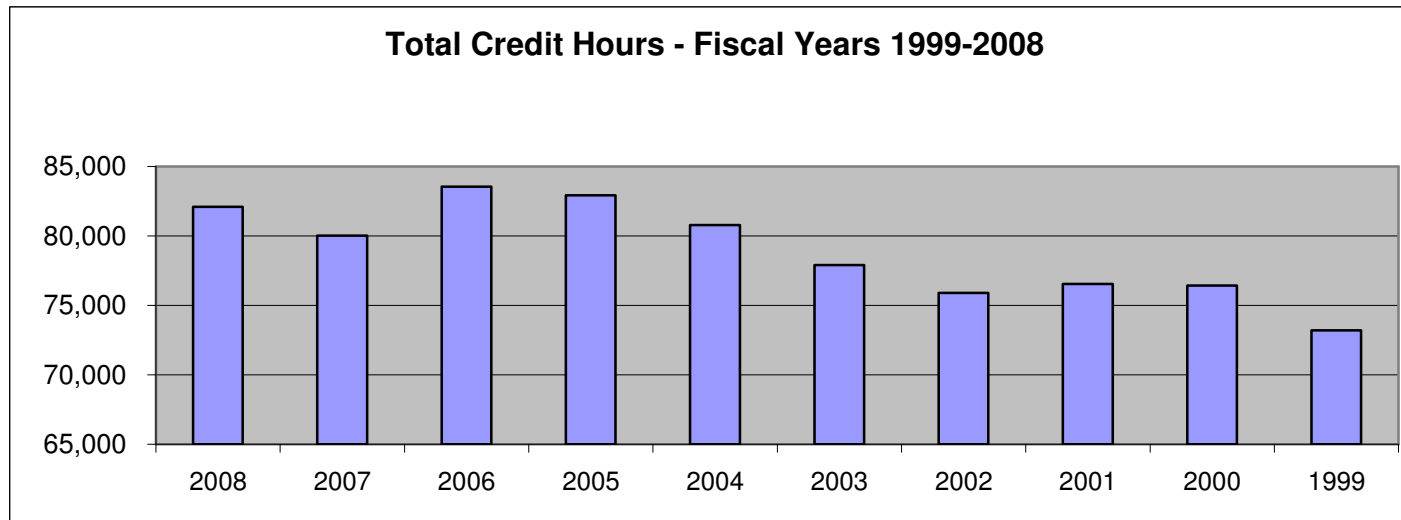
**Illinois Valley Community College
Admissions and Enrollment Statistics
Last Ten Academic Years**

	Academic Year Beginning in Fall									
	<u>2008</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>
Enrollment										
Head Count	4,103	3,939	4,027	4,078	4,015	3,873	3,673	3,794	4,135	3,678
FTE	2,490	2,409	2,511	2,051	2,514	2,284	2,171	2,189	2,334	2,183
Full-time students	44%	44%	45%	44%	43%	41%	4100%	40%	38%	42%
Part-time students	56%	56%	55%	56%	57%	59%	59%	60%	62%	58%
Percentage of men	44%	44%	44%	40%	42%	41%	46%	47%	45%	44%
Percentage of women	56%	56%	56%	60%	58%	59%	54%	53%	55%	56%
Ethnicity Percentage										
American Indian	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Black	4%	4%	3%	2%	1%	1%	2%	2%	2%	2%
Hispanic	6%	7%	6%	5%	5%	6%	5%	4%	4%	4%
White	83%	83%	85%	88%	89%	90%	91%	93%	93%	93%
Not Indicated	5%	5%	5%	4%	4%	2%	1%	0%	0%	0%
Average age	26	26	26	27	27	27	27	28	28	29
Total Credit Hours	82,095	80,036	83,551	82,938	80,793	77,887	75,888	76,528	76,408	73,185
Illinois Community College Board Reimbursed Credit Hours*	80,601	78,107	81,216	80,716	76,891	72,643	75,888	76,527	76,408	73,184

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

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

Fiscal Year	Baccalaureate	Business Occupational	Technical Occupational	Health Occupational	Remedial Developmental	Adult Basic/ Secondary Education	Total Credit Hours
2008	47,999	4,469	14,984	6,353	5,952	2,339	82,095
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



ICCB STATE GRANT FINANCIAL - COMPLIANCE SECTION



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON
THE SECRETARY OF STATE OF THE STATE OF ILLINOIS
LITERACY GRANT PROJECT LIT 08-008 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 08-008 Program, as of and for the year ended June 30, 2008. 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, 2008, of the Illinois Valley Community College District #513 Literacy Grant Project LIT 08-008 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 7, 2008, 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 7, 2008

**SECRETARY OF STATE OF THE STATE OF ILLINOIS
LITERACY GRANT PROJECT LIT 08-008 PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICIT
RESTRICTED - BUDGET AND ACTUAL
Year Ended June 30, 2008**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Grant income	\$ 52,000	\$ 52,000	\$ -
EXPENDITURES			
Personnel	45,138	44,516	622
Fringe benefits	5,211	5,252	(41)
Travel	926	778	148
Supplies	-	215	(215)
Instructional materials	725	1,239	(514)
Volunteer training and support	-	-	-
Other	-	-	-
Total expenditures	52,000	52,000	-
Excess of revenues over (under) expenditures	\$ -	-	\$ -
FUND DEFICIT - RESTRICTED, BEGINNING OF YEAR		-	
FUND DEFICIT - RESTRICTED, END OF YEAR		\$ -	

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SECRETARY OF STATE OF THE STATE OF ILLINOIS
LITERACY GRANT PROJECT LIT 08-008
NOTE TO GRANT FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

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.



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, 2008, 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, 2008, 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 7, 2008

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
WORKFORCE DEVELOPMENT BUSINESS/INDUSTRY GRANT PROGRAM
BALANCE SHEET
June 30, 2008**

ASSETS

Cash

\$ -

LIABILITIES AND FUND BALANCE

Due to other funds

\$ -

Fund balance - unrestricted

TOTAL LIABILITIES AND FUND BALANCE

\$ -

**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, 2008**

	Business & Industry
REVENUE	
State sources	\$ <u>66,519</u>
EXPENDITURES	
Current year's grant	
Salaries	27,333
Employee benefits	1,611
Contractual services	6,198
Materials and supplies	5,862
Conference and meeting expense	5,549
Fixed charges	-
Utilities	-
Capital outlay	-
Student grants	-
Materials and supplies	-
	<u>46,553</u>
Total expenditures	<u>46,553</u>
Excess (deficit) of revenue over (under) expenditures	19,966
OTHER FINANCING SOURCES (USES)	<u>(20,000)</u>
EXCESS (DEFICIT) OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(34)
FUND BALANCE, JULY 1, 2007	<u>34</u>
FUND BALANCE (DEFICIT), JUNE 30, 2008	\$ -
ORIGINAL ALLOCATION	\$ 66,519
MINIMUM EXPENDITURE REQUIREMENT (AT LEAST TWO-THIRDS OF THE ORIGINAL ALLOCATION)	\$ 44,346

**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, 2008**

	Column A <u>General</u>	Column B Operation of Workforce Devel. Office	Column C <u>Total</u>
EXPENDITURES			
1. Personnel (salaries and benefits)	\$ -	\$ 28,944	\$ 28,944
2. Contractual services	-	6,198	6,198
3. Instructional materials	-	-	-
4. Instructional equipment	-	-	-
5. Promotional materials	-	-	-
6. Staff development	-	-	-
7. Conference and meeting expenses	-	5,549	5,549
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	-	5,862	5,862
d. Duplicating	-	-	-
e. Facility rental	-	-	-
10. TOTALS	<u>\$ -</u>	<u>\$ 46,553</u>	<u>\$ 46,553</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
P-16 INITIATIVE GRANT PROGRAM
BALANCE SHEET
June 30, 2008**

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, 2008

	Actual
REVENUES	
State sources	\$ 32,637
EXPENDITURES	
Institutional waivers	32,637
Excess of revenues over (under) expenditures	-
FUND BALANCE, JULY 1, 2007	-
FUND BALANCE, JUNE 30, 2008	\$ -

ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
STATE ADULT EDUCATION RESTRICTED FUNDS
BALANCE SHEET
June 30, 2008

	State Basic	Public Assistance	Performance	Total (Memorandum Only)
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCE				
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, 2008**

	<u>State Basic</u>	<u>Public Assistance</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
REVENUES				
Grant revenue	\$ 131,391	\$ 20,591	\$ 71,881	\$ 223,863
 EXPENDITURES BY PROGRAM				
Instruction	59,126	9,266	9,247	77,639
Social Work Services	5,642	5,877	3,827	15,346
Guidance Services	10,439		5,499	15,938
Assistive and Adaptive Equipment	-	-	-	-
Assessment and Testing	-	-	-	-
Student Transportation Services	-	-	-	-
Literacy Services	11,592	1,186	9,273	22,051
Child Care Services	1,002	-	-	1,002
 Subtotal Instructional and Student Services	 87,801	 16,329	 27,846	 131,976
 Improvement of Instructional Services	 6,852	 1,287	 1,539	 9,678
General Administration	9,667	-	6,185	15,852
Operation and Maintenance of Plant Services	900	-	2,990	3,890
Workforce Coordination	16,187	-	11,141	27,328
Data and Information Services	9,984	2,975	22,180	35,139
Approved Indirect Costs	 -	 -	 -	 -
 Subtotal Program Support	 43,590	 4,262	 44,035	 91,887
 TOTAL COSTS	 131,391	 20,591	 71,881	 223,863
 Deficit revenues over (under) expenditures	 -	 -	 -	 -
 FUND BALANCE, JULY 1, 2007	 -	 -	 -	 -
 FUND BALANCE, JUNE 30, 2008	 \$ -	 \$ -	 \$ -	 \$ -

**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, 2008**

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$59,126	45.00%
General Administration (9% Maximum Allowed)	\$9,667	7.36%

State Public Assistance	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$9,266	45.00%
General Administration (9% Maximum Allowed)	\$0	0%

State Performance	Audited Expenditure Amount	Actual Expenditure Percentage
General Administration (9% Maximum Allowed)	\$6,185	8.60%

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT
BALANCE SHEET
June 30, 2008**

ASSETS

Cash

\$ 8,092

LIABILITIES AND FUND BALANCE

Fund balance - restricted

\$ 8,092

**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, 2008**

	Actual
REVENUE	
State sources	\$ 16,039
EXPENDITURES	
Current year's grant	-
Salaries	-
Employee benefits	-
Contractual services	-
Materials and supplies	7,947
Conference and meeting expenses	-
Utilities	-
Payment of prior year's encumbrances:	
Materials and supplies	2,167
Other - building remodeling	-
Total expenditures	10,114
Excess of revenues over (under) expenditures	5,925
FUND BALANCE, JULY 1, 2007	2,167
FUND BALANCE, JUNE 30, 2008	\$ 8,092

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
STUDENT SUCCESS GRANT PROGRAM
BALANCE SHEET
June 30, 2008**

ASSETS

Cash

\$ -

LIABILITIES AND FUND BALANCE

Fund balance - restricted

\$ -

**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, 2008**

	Actual
REVENUE	
State sources	\$ -
EXPENDITURES	
Current year's grant	
Salaries	-
Employee benefits	-
Contractual services	-
Materials and supplies	-
Conference and meeting expenses	-
Utilities	-
Payment of prior year's encumbrances	-
Materials and supplies	7,374
Other - building remodeling	-
Total expenditures	7,374
Excess of revenues over (under) expenditures	(7,374)
FUND BALANCE, JULY 1, 2007	7,374
FUND BALANCE, JUNE 30, 2008	\$ -

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

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, 2008. Funds obligated for goods prior to June 30 for 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, 2008. 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 7, 2008

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF ENROLLMENT DATA AND
OTHER BASES UPON WHICH CLAIMS ARE FILED
Year Ended June 30, 2008**

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

Categories Notes 1 & 2	Summer		Fall		Winter		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	5,129.0	0.0	22,347.0	0.0	0.0	0.0	20,523.0	0.0	47,999.0	0.0
Business										
Occupational	425.0	0.0	2,049.5	0.0	0.0	0.0	1,994.0	0.0	4,468.5	0.0
Technical										
Occupational	1,931.5	0.0	6,272.0	0.0	0.0	0.0	6,780.5	0.0	14,984.0	0.0
Health										
Occupational	983.5	0.0	2,510.5	0.0	0.0	0.0	2,859.0	0.0	6,353.0	0.0
Remedial										
Developmental	826.0	0.0	3,043.0	0.0	0.0	0.0	2,083.0	0.0	5,952.0	0.0
Adult Basic/ Secondary Education	<u>64.0</u>	<u>75.5</u>	<u>436.5</u>	<u>668.0</u>	<u>0.0</u>	<u>0.0</u>	<u>343.5</u>	<u>751.0</u>	<u>844.0</u>	<u>1,494.5</u>
Total	<u>9,359.0</u>	<u>75.5</u>	<u>36,658.5</u>	<u>668.0</u>	<u>0.0</u>	<u>0.0</u>	<u>34,583.0</u>	<u>751.0</u>	<u>80,600.5</u>	<u>1,494.5</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.

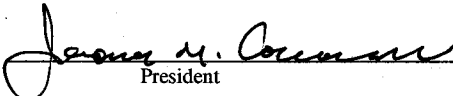
Note 3) Total of unrestricted and restricted should equal the SU and SR record totals.

	<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>68,891.0</u>	<u>1,828.0</u>	<u>70,719.0</u>
	<u>Dual Credit</u>	<u>Dual Enrollment</u>	<u>Total</u>
Reimbursable semester credit hours (all terms)	<u>4,910.0</u>	<u>484.5</u>	<u>5,394.5</u>
District prior year equalized assessed valuation			<u>\$2,725,314.516</u>

Correctional Semester Credit Hours by Term

Categories	<u>Summer</u>	<u>Fall</u>	<u>Winter</u>	<u>Spring</u>	<u>Total</u>
Baccalaureate	536.0	752.0	-	906.0	2,194.0
Business Occupational	48.0	49.0	-	46.0	143.0
Technical Occupational	1,220.0	1,904.5	-	2,504.0	5,628.5
Health Occupational	-	-	-	-	-
Remedial Developmental	245.0	430.0	-	523.0	1,198.0
Adult Basic/Secondary Education	-	-	-	-	-
Total	<u>2,049.0</u>	<u>3,135.5</u>	<u>-</u>	<u>3,979.0</u>	<u>9,163.5</u>

Signatures:



President



Chief Financial Officer

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
Year Ended June 30, 2008**

Categories	Total	Total	Difference	Total	Total	Difference
	Unrestricted Credit Hours	Unrestricted Credit Hours Certified to the ICCB		Restricted Credit Hours	Restricted Credit Hours Certified to the ICCB	
Baccalaureate	47,999.0	47,999.0	-	0.0	0.0	-
Business						
Occupational Technical	4,468.5	4,468.5	-	0.0	0.0	-
Occupational Health	14,984.0	14,984.0	-	0.0	0.0	-
Occupational Remedial	6,353.0	6,353.0	-	0.0	0.0	-
Developmental	5,952.0	5,952.0	-	0.0	0.0	-
Adult Basic/Secondary Education	844.0	844.0	-	1,494.5	1,494.5	-
Total	80,600.5	80,600.5	-	1,494.5	1,494.5	-

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	68,891.0	68,891.0	-
Out of District on Chargeback or Contractual Agreement	<u>1,828.0</u>	<u>1,828.0</u>	<u>-</u>
Total	<u>70,719.0</u>	<u>70,719.0</u>	<u>-</u>

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	4,910.0	4,910.0	-
Dual Enrollment	484.5	484.5	-

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
Year Ended June 30, 2008**

Reconciliation of Total Correctional Semester Credit Hours

Categories	Total Correctional Credit Hours	Total Correctional Credit Hours Certified to the ICCB	Difference
Baccalaureate	2,194.0	2,194.0	-
Business Occupational	143.0	143.0	-
Technical Occupational	5,628.5	5,628.5	-
Health Occupational	-	-	-
Remedial Developmental	1,198.0	1,198.0	-
Adult Basic/Secondary Education	<u>.0</u>	<u>.0</u>	<u>-</u>
Total	<u><u>9,163.5</u></u>	<u><u>9,163.5</u></u>	<u><u>-</u></u>

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

**VERIFICATION OF STUDENT RESIDENCY
June 30, 2008**

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**

<u>Tax Levy Year</u>	<u>Equalized Assessed Valuation</u>
2007	\$ 2,725,314,516
2006	2,551,819,980
2005	2,404,693,073

**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
Background Information on State Grant Activity**

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. This is for the purpose of providing basic education to the 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, 2008, and have issued our report thereon dated October 7, 2008. 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 7, 2008



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, 2008. 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, 2008.

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.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program 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 7, 2008

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008**

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	\$ 2,200,351
Academic Competitiveness Grant	375A	N/A	22,975
Supplemental Education Opportunity Grant Program	(M)84.007	N/A	41,126
Federal Work-Study Program	(M)84.033	N/A	63,084
Total student financial aid			<u>2,327,536</u>
U.S. Department of Education			
Direct			
Student Support Services	84.042A	N/A	224,123
Ccampis	84.335A	N/A	15,789
Passed through the ICCB			
Carl Perkins Title IIE Technical Preparation Grant	84.243	05-TP5130	72,372
Technical Preparation Support Grant	84.048	TPS51305	13,947
Career & Technical Education	84.048	CTEL05513	21,635
Federal Adult Education Act Title II Basic Education	84.002A	51301	138,056
EL/Civics	84.002A	51301	37,849
Carl Perkins Title IIC Vocational Grant Program	84.048	CTE51305	<u>198,291</u>
Total U.S. Department of Education			<u>3,049,598</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008**

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 PY07	(M) 17.260	07-681012	606,514
Workforce Investment Act - Title 1D PY06		06-681012	332,573
FY04 WIA Incentive		05-672012	18,085
FY06 WIA Title 1S		06-651012	36,439
FFY07 TAA		07-661012	64,306
FFY08 TAA		08-661012	59,438
 Earmark Grant			<u>275,132</u>
Total U.S. Department of Labor			1,392,487
 U.S. Small Business Administration			
Passed through the Illinois Department of Commerce and Community Affairs - Small Business Development Center	59.037	05-80153	53,613
 U.S. Department of Justice			
Office on Violence Against Women	16.525		61,495
 U.S. Department of Agriculture			
Passed through Illinois State Board of Education	10.558		10,234
 National Science Foundation	47.076		<u>87,878</u>
 TOTAL FEDERAL AWARDS			<u>\$ 4,655,305</u>

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008**

Guaranteed Student Loans:

During the fiscal year ended June 30, 2008, the College made guaranteed student loans to eligible students totaling \$1,604,420 under the following programs:

Stafford Loan Program	(M)84.032	<u>\$ 1,604,420</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, 2008**

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, 2008, 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, 2008, totaled \$1,604,420.

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

SECTION 1 – SUMMARY OF AUDITORS’ RESULTS

June 30, 2008 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, 2008**

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

**ILLINOIS VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT #513
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

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, 2008**

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

None.