ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529

Olney, Illinois

Annual Comprehensive Financial Report

For the Years Ended

June 30, 2022 and 2021

C O N T E N T S

Martin | Hood

Martin Hood LLC
2507 South Neil Street
Champaign, Illinois 61820
Tel: 217.351.2000
Fax: 217.351.7726
www.martinhood.com

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Illinois Eastern Community Colleges District #529
Olney, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Illinois Eastern Community Colleges District #529 (the District) and the aggregate discretely presented component units (the Foundations) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors on the financial statements of three of the entities composing the four aggregated discretely presented component units, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District and the aggregate discretely presented component units as of June 30, 2022 and 2021 and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of three of the entities comprising the District's four component units, which represent 94 percent and 94 percent, 94 percent and 94 percent, and 97 percent and 95 percent, respectively, of the assets, net assets, and support and revenues of the aggregate discretely presented component units as of and for the years ended June 30, 2022 and 2021. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these three entities, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the

Financial Statements section of our report. The financial statements of the District's component units were not audited in accordance with *Government Auditing Standards*. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 5 through 14, the Schedule of Proportionate Share of Net Pension Liability – SURS and Schedule of Contributions – SURS on page 50, the Schedule of Proportionate Share of Net OPEB Liability- CIP on page 52, and the Schedule of Contributions – CIP on page 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the District and its aggregate discretely presented component units as of and for the year ended June 30, 2022. The information in Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The uniform financial statements in Schedules 4 through 8 and the certificate of chargeback reimbursement (Schedule 9) are presented for purposes of additional analysis as required by the Illinois Community College Board and are also not a required part of the basic financial statements. The accompanying Schedule 19 is also presented for purposes of additional analysis required by the Illinois Grant Accountability and Transparency Act and is not a required part of the basic financial statements. Schedules 20 through 22, including the schedule of expenditures of federal awards, are presented for the purposes of additional analysis as required by Title 2 U.S *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. As described in Note 18, Schedules 4 and 6 through 8 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

Schedules 1 through 9 and 19 through 22 are the responsibility of management. Schedules 1 through 9 and 19 through 22 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Information on Schedules 1 through 9 and 19 through 22 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of American. In our opinion, the information in Schedules 1 through 9 and 19 through 22 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole, except for differences between GAAP for a special-purpose government engaged only in business-type activities and the modified accrual basis of accounting used for the schedules noted above.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated November 8, 2022, 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 grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Martin Hood LLC

Champaign, Illinois
November 8, 2022

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
MANGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022 AND 2021

This section of the Illinois Eastern Community College District #529 (the District) Annual Comprehensive Financial Report presents management's discussion and analysis of the financial activity during the fiscal year ended June 30, 2022. Since the design of this management's discussion and analysis focuses on current activities, resulting change, and current known facts, it should be read in conjunction with the District's basic financial statements and notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the District.

The management discussion and analysis contains comparisons between fiscal years 2022 and 2021 and between 2021 and 2020.

Using This Annual Report

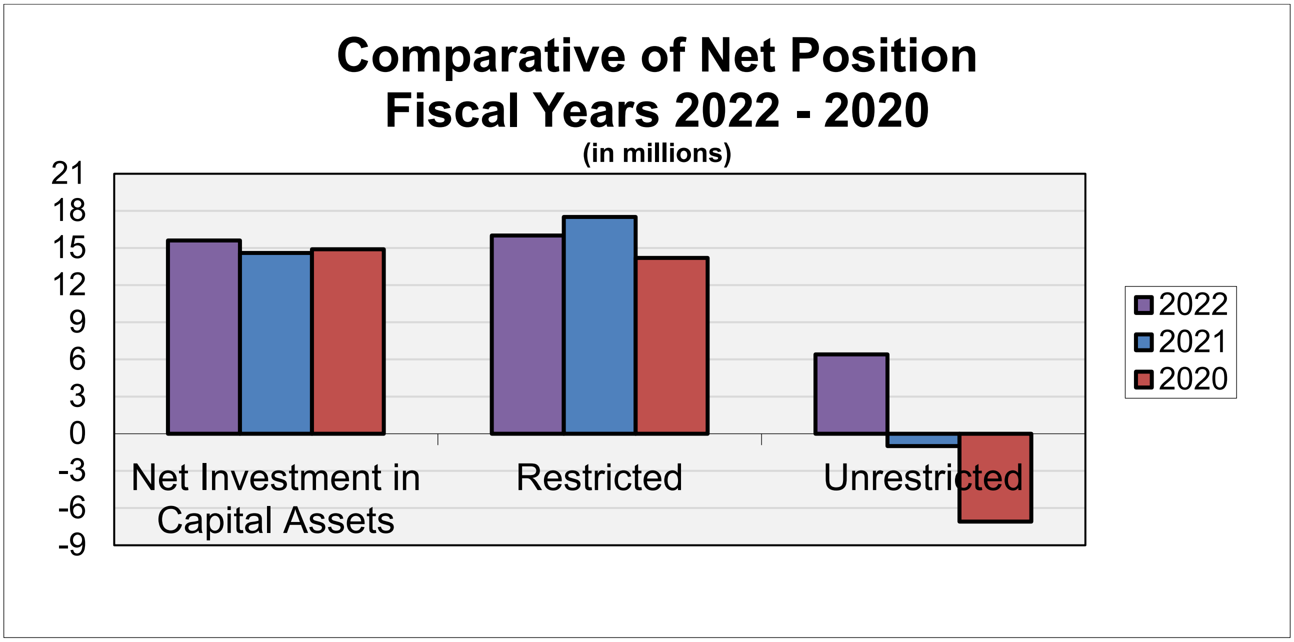
The basic financial statements focus on the District as a whole. These basic financial statements emulate corporate presentation models whereby all District activities have been consolidated into one total. The statement of net position combines and consolidates current financial resources (short-term spendable resources) with capital assets, which gives it a focus on bottom line results of the District. The statement of revenues, expenses, and changes in net position focuses on the costs of the College's activities, which are supported mainly by tuition and fees, state and federal grants and contracts, and property taxes. This approach is intended to summarize and simplify the user's analysis of the cost of various District services to students and the public.

The management discussion and analysis contained herein, focuses only on financial activity of the District. According to Generally Accepted Accounting Principles (GAAP) the financial statement presentation is to include the college Foundations, which are defined as component units of the District. The District's component units have separately issued financial statements. These separately issued financial statements should be used for detailed information on the Foundations' financial activity for the year ending June 30, 2022.

COVID-19

Illinois Eastern Community Colleges continued to feel the effects of the global COVID-19 pandemic. Reimbursable credit hours for the District remained negatively impacted, approximately 28% less than pre-pandemic hours. Much of this impact remains within the District's workforce training program; however, baccalaureate, transfer, and other CTE programs continue to be impacted. This reduction in hours is expected to have a greater impact on state apportionment in the fiscal year ended June 30, 2024.

Statement of Net Position



Net position is divided into three categories. The first is net investment in capital assets, which provides the District's equity position in property, plant, and equipment owned by the District. The next category is restricted net position, which is available to the District, but must be spent for purposes determined by external third parties or enabling legislation. The final category is unrestricted net position, which are resources available to the District for any legal purpose.

During the year ended June 30, 2022, the District's net position increased by $6.8 million to $38.0 million from $31.2 million at June 30, 2021. The net position represents the balance in the District's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted.

The District's net position invested in capital assets increased $0.9 million to $15.6 million. During the year, the District completed a multi-million dollar HVAC replacement project, renovated the natatorium at both Lincoln Trail College and Wabash Valley College, and constructed a new solar array at Frontier Community College.

Restricted net position of the District decreased $1.5 million to $16.0 million, primarily related to expending funds from the Series 2020A and B bonds for protection, health, and safety expenditures.

Financial Analysis of the District as a Whole
Net Position
As of June 30
(in millions)

	2022	2021	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Current Assets	$ 51.6	$ 48.9	$ 2.7	$ 41.3	$ 7.6
Non-Current Assets					
Capital Assets, Net of Depreciation	19.4	16.3	3.1	15.9	0.4
Total Assets	71.0	65.2	5.8	57.2	8.0
Deferred Inflows of Resources	0.4	0.4	0.0	0.4	0.0
Current Liabilities	5.2	4.2	1.0	4.4	(0.2)
Non-Current Liabilities	16.0	19.2	(3.2)	21.3	(2.1)
Total Liabilities	21.2	23.4	(2.2)	25.7	(2.3)
Deferred Inflows of Resources	12.2	11.0	1.2	9.9	1.1
Net Position					
Net Investment in Capital Assets	15.6	14.6	1.0	14.9	(0.3)
Restricted for: Expendable	16.0	17.5	(1.5)	14.3	3.2
Unrestricted	6.4	(0.9)	7.3	(7.1)	6.2
Total Net Position	$ 38.0	$ 31.2	$ 6.8	$ 22.1	$ 9.1

This schedule is prepared from the District's statement of net position, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated. Total deferred outflows and inflows are due to GASB 68 reporting related to pensions, GASB 75 reporting related to post-employment benefits, and property tax deferrals.

Fiscal Year 2022 Compared to 2021

Current assets of the District increased $2.7 million from the prior year. The District's overall cash position decreased $2.8 million on investments in capital assets primarily from the Series 2020A and B protection, health, and safety bond issuance. Accounts receivable of the District decreased $2.0 million, largely due to timing in government claims receivables from the State of Illinois and federal grants that had been requested as of June 30, 2021, but received in the year ended June 30, 2022. Short-term investments of the District increased $7.0 million due to investment in certificates of deposit.

The current liabilities of the District increased $1.0 million from the prior year. This is attributable to an increase of $0.2 million in accrued liabilities, related to accrued salaries at June 30, 2022, an increase of $0.2 million in the current portion of bonds payable, and an increase of $0.5 million in accounts payable. Noncurrent liabilities of the district decreased $3.2 million due to the continued paydown of outstanding bonds and a decrease in the proportional share of the Community College Health Insurance Security Fund liability of $1.2 million.

Fiscal Year 2021 Compared to 2020

Current assets of the District increased $7.6 million from the prior year. The District's overall cash position rose $10.1 million on a reduction in operating expenses and increase in state and local grants received. Accounts receivable of the District increased $5.2 million, largely due to government claims receivables from the State of Illinois and federal grants that had been requested, but not yet received as of June 30, 2021.

The current liabilities of the District remained consistent against the prior year with a decrease of $0.2 million. This is attributable to an increase of $0.2 million in accrued liabilities, related to group health insurance benefits and a continuing paydown on outstanding bonds of $0.6 million. Noncurrent liabilities of the district decreased $2.1 million due to the continued paydown of outstanding bonds and a decrease in the proportional share of the Community College Health Insurance Security Fund liability of $0.7 million.

Overall, the net position of the District increased $9.1 million to a total of $31.2 million. This increase is reflective of various changes noted above in the assets and liabilities of the District.

Statement of Revenues, Expenses, and Changes in Net Position

Operating Results
For the Year Ended June 30
(in millions)

	2022	2021	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Operating Revenue:					
Tuition & Fees	$ 5.4	$ 4.9	$ 0.5	$ 4.9	$ 0.0
Auxiliary	1.3	1.3	0.0	1.3	0.0
Sales & Services	1.0	0.7	0.3	0.9	(0.2)
Total	7.7	6.9	0.8	7.1	(0.2)
Less Operating Expenses	52.6	52.2	0.4	52.6	(0.4)
Net Operating Loss	(44.9)	(45.3)	0.4	(45.5)	(0.2)
Non-Operating Revenue					
Property Taxes	9.9	8.4	1.5	7.7	0.7
State Grants & Contracts	24.7	28.6	(3.9)	27.9	0.7
Federal Grants & Contracts	16.2	16.0	0.2	9.3	6.7
Investment Income	0.4	0.3	0.1	0.5	(0.2)
Other Non-Operating Revenues	0.6	1.1	(0.5)	1.1	0.0
Total	51.8	54.4	(2.6)	46.5	7.9
Increase (Decrease) in Net Position	6.8	9.1	(2.3)	1.0	8.1
Net Position, Beg. of Year	31.2	22.1	9.1	21.1	1.0
Net Position, End of Year	$ 38.0	$ 31.2	$ 6.8	$ 22.1	$ 9.1

The statement of revenues, expenses, and changes in net position presents the operating and non-operating results of the District. While relied on for operations, local property taxes, state appropriations, and state and federal grants are considered non-operating revenues according to GAAP.

Fiscal Year 2022 Compared to 2021

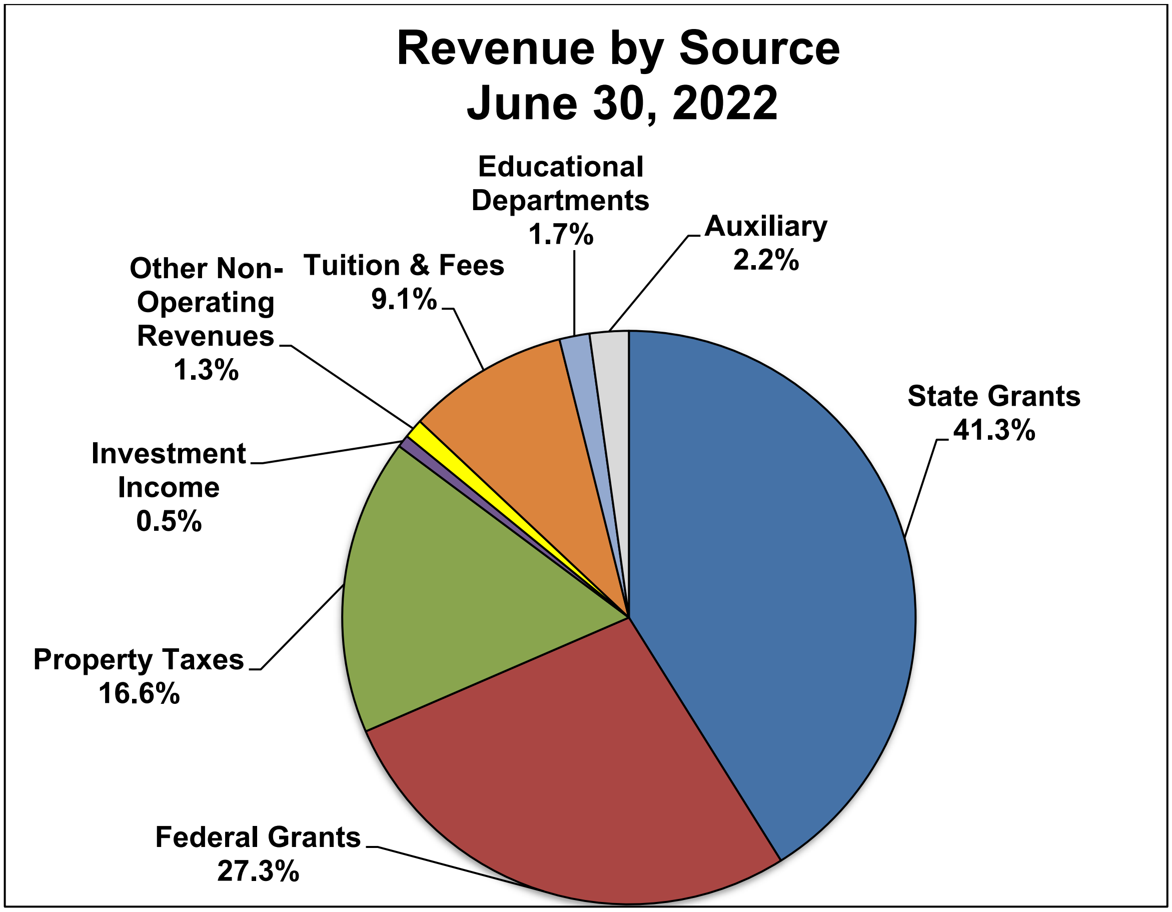
Operating revenues of the District increased $0.8 million from the prior year. Student tuition and fees increased $0.5 million on increased enrollment in international and out-of-district students. Tuition and fee revenue is reported net of scholarship allowances of $7 million. Auxiliary enterprises remained flat against the prior year. Sales and services revenues increased $0.3 million due to increased workforce training opportunities yet remain well behind historic average totals.

The overall operating expenses of the District increased $0.4 million. Salaries of the District increased $1.7 million. This is attributable to annual raises, returning part-time staff following the waning impacts of COVID-19, and minimum wage increases from enacted legislation by the State of Illinois. Benefits decreased $4.6 million. This decrease is driven by a reduction in recognized on-behalf payments by the State of Illinois for pension and other post-employment benefits of $4.4 million. Financial aid and scholarship expense increased $2.2 million. Through the Higher Education Emergency Relief Fund, the District distributed $3.2 million in emergency aid to students. This represents an increase of $2.2 million over the year ended June 30, 2021.

Fiscal Year 2021 Compared to 2020

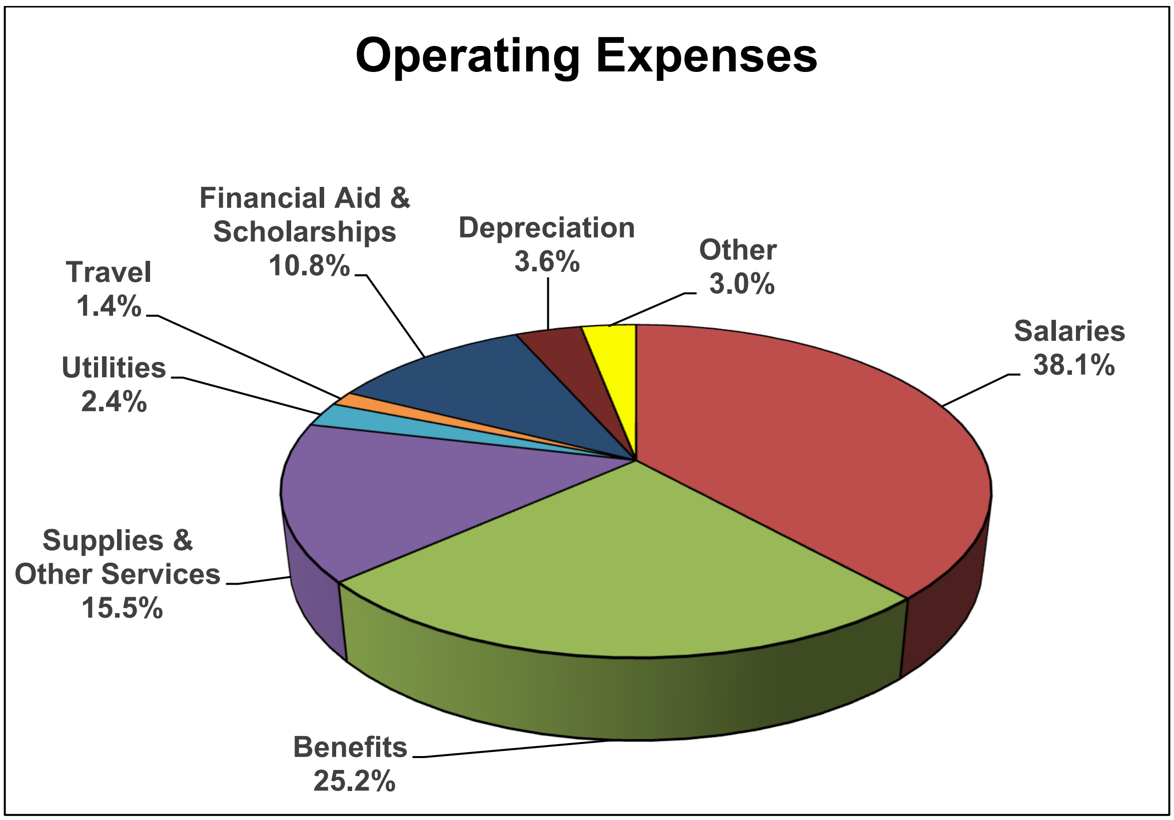
Operating revenues of the District fell $0.2 million from the prior year. Student tuition and fees were flat against the prior year despite a drop of 18% in reimbursable credit hours, due in large part to a reduction in scholarship allowances of $1.5 million. Auxiliary enterprises and sales and services fell a combined $0.2 million. This decrease is primarily related to an overall drop in District head count, resulting in fewer students on campus and fewer auxiliary activities because of the on-going COVID-19 pandemic.

The overall operating expenses of the District decreased $0.4 million. Due to uncertainties in the impacts of COVID-19, the District reduced its part-time positions and reduced travel. The District also had several retirements late in the fiscal year ended June 30, 2020, and early in the fiscal year ended June 30, 2021. Overall, the district salaries decreased $1.0 million. The District recognized $14.6 million in on-behalf payments from the State of Illinois related to pension and other post-employment benefits; an increase of $0.2 million from the previous year's proportional share.


Revenue by Source
June 30, 2022
Educational Departments 1.7%
Auxiliary 2.2%
Other Non-Operating Revenues 1.3%
Tuition & Fees 9.1%
State Grants 41.3%
Investment Income 0.5%
Property Taxes 16.6%
Federal Grants 27.3%

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

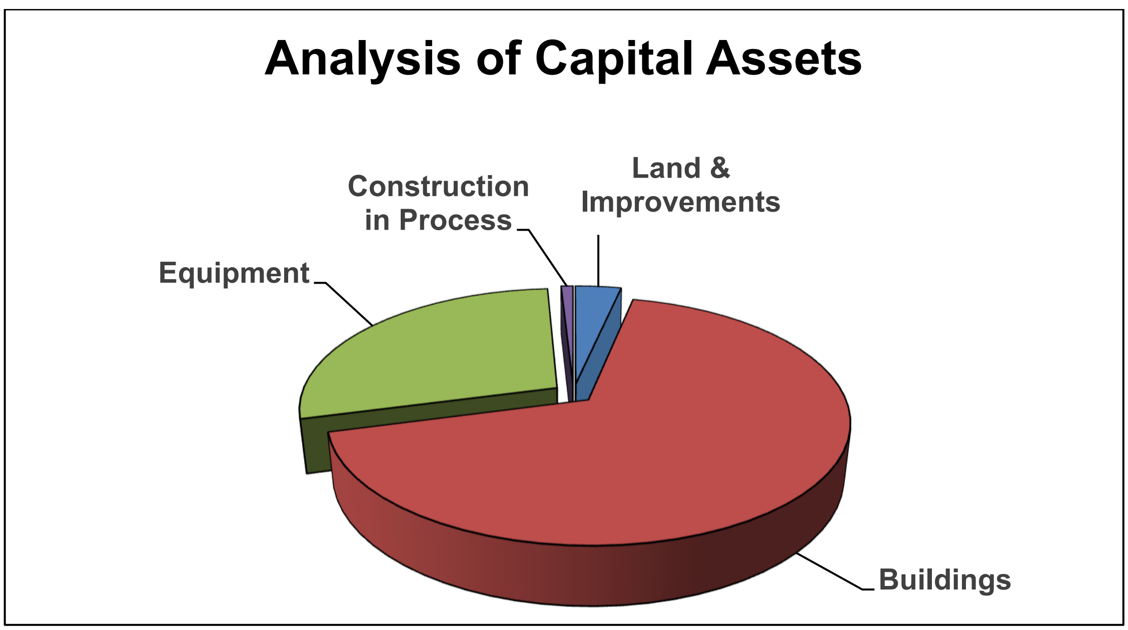
	2022	2021	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Operating Expense					
Salaries	$ 20.0	$ 18.3	$ 1.7	$ 19.3	$ (1.0)
Benefits	13.3	17.9	(4.6)	18.4	(0.5)
Supplies & Other Services	8.2	7.5	0.7	6.2	1.3
Utilities	1.2	1.1	0.1	1.1	0.0
Travel	0.7	0.4	0.3	0.5	(0.1)
Financial Aid & Scholarships	5.7	3.5	2.2	3.8	(0.3)
Depreciation	1.9	1.8	0.1	1.7	0.1
Other	1.6	1.6	0.0	1.6	0.0
Total	$ 52.6	$ 52.1	$ 0.5	$ 52.6	$ (0.5)



Capital Asset Administration

Net Capital Assets
June 30
(in millions)

	2022	2021	Increase (Decrease) 2022-2021	2020	Increase (Decrease) 2021-2020
Capital Assets					
Land & Improvements	$ 2.4	$ 2.4	$ 0.0	$ 2.4	$ 0.0
Buildings	47.1	42.7	4.4	41.6	1.1
Buildings (Leased)	0.0	0.2	(0.2)	0.2	0.0
Equipment	19.8	18.8	1.0	18.2	0.6
Equipment (Leased)	0.2	0.2	0.0	0.2	0.0
Construction in Process	0.6	1.0	(0.4)	0.8	0.2
Total	70.1	65.3	4.8	63.4	1.9
Less Accumulated Depreciation	50.5	48.8	1.7	47.3	1.5
Less Accumulated Amortization	0.2	0.2	0.0	0.2	0.0
	50.7	49.0	1.7	47.5	1.5
Net Capital Assets	$ 19.4	$ 16.3	$ 3.1	$ 15.9	$ 0.4



As of June 30, 2022, the District had $19.4 million invested in a broad range of capital assets, net of accumulated depreciation and amortization. This amount represents an increase of $3.1 million due to completed infrastructure work across the District. During the year ended June 30, 2022, the District completed construction of a solar array ($0.1 million), replaced eight HVAC units at various locations

($1.9 million), installed distance learning equipment across the District ($0.8 million), and renovated instructional spaces ($0.7 million). All other asset purchases primarily consisted of equipment necessary to carry on the operations of the District. As of June 30, 2022, the District had $0.6 million in construction in progress, which included $0.4 million for the installation of twenty synchronous learning classrooms, and progress payment for design of the new Technology Center at Lincoln Trail College ($0.2 million).

Future Outlook and Economic Factors

For fiscal year 2023, the District Board of Trustees did not increase tuition rates. By not raising tuition, the District continues to maintain one of the lowest in-district per credit hour rates of the 39 community college districts in the State of Illinois. As impacts of COVID-19 continues to lessen across the District and more broadly the State of Illinois, the District is anticipating a marginal increase in enrollment for the new fiscal year. This should result in an increase in operating revenues.

The District anticipates modest growth in its property tax revenues due to incremental increases in each of its twelve counties equalized assessed valuation. Overall, the growth in the EAV is expected to be around 4%. For Fiscal Year 2023, the District was allocated $13.2 million in credit hour, equalization, and CTE funding from the State of Illinois for operations. This represents a 1.5% increase from the prior year allocation.

Through the Higher Education Emergency Relief Fund (HEERF), the District was awarded formula grants from the American Recovery Plan Act (ARPA) and the Supplemental Support Under the American Rescue Plan (SSARP). The District has approximately $2.7 million in aid remaining for the year ended June 30, 2023, from these formula grants to be used for institutional needs and emergency financial aid distributions to students. This aid will primarily be utilized to defray the costs associated with COVID-19, including, but not limited to the operation of COVID-19 testing facilities, continued investments in technology to improve distance education, make additional distributions to students with the greatest need, and professional development for faculty and staff.

The District is anticipating beginning design and breaking ground on several large building additions to the college campuses. Funding of $10.7 million is expected to be received from the State of Illinois for construction of two new facilities. The District also anticipates breaking ground on a new recreation center at Lincoln Trail College that has a budget of $4.7 million.

Requests for Information

This financial report is designed to provide a general overview of Illinois Eastern Community College District #529 financial performance. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Illinois Eastern Community College District #529, 233 East Chestnut Street, Olney, IL 62450.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021

ASSETS	**2022**	**2021**
Current Assets:		
Cash and Cash Equivalents	$ 25,273,494	$ 28,016,745
Short-Term Investments	7,846,306	875,500
Restricted Cash and Cash Equivalents	3,915,649	4,019,812
Accounts Receivable (Net of Allowance for Doubtful Accounts of $824,049 and $702,004, Respectively)	5,785,290	7,763,283
Prepaid Expenses	343,127	-
Property Taxes Receivable	7,807,953	7,463,214
Inventories	657,502	749,825
Total Current Assets	51,629,321	48,888,379
Noncurrent Assets:		
Capital Assets, Net	19,412,516	16,264,937
Total Assets	71,041,837	65,153,316
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefit Related Deferred Outflows	213,029	268,674
Subsequent Year's Pension Expense Related to Federal, Trust, or Grant Contributions in the Current Year	169,409	172,540
Total Deferred Outflows of Resources	382,438	441,214
LIABILITIES		
Current Liabilities:		
Accounts Payable	1,390,419	880,134
Accrued Liabilities	1,263,424	1,028,761
Due to Student Groups	298,925	240,978
Unearned Revenue	282,053	305,381
Bonds Payable	1,740,000	1,495,000
Notes Payable	189,496	71,086
Accrued Interest Payable	11,410	137,067
Lease Liabilities	4,431	14,027
Total Current Liabilities	5,180,158	4,172,434
Noncurrent Liabilities:		
Lease Liabilities	9,050	13,482
Bonds Payable	1,330,000	3,070,000
Notes Payable	-	241,279
Accrued Compensated Absences	729,610	758,553
Net Other Postemployment Benefits	13,963,316	15,176,595
Total Noncurrent Liabilities	16,031,976	19,259,909
Total Liabilities	21,212,134	23,432,343
DEFERRED INFLOWS OF RESOURCES		
Subsequent Year's Property Taxes	7,807,953	7,463,214
Other Postemployment Benefit Related Deferred Inflows	4,365,930	3,518,749
Total Deferred Inflows of Resources	12,173,883	10,981,963
NET POSITION		
Net Investment in Capital Assets	15,575,600	14,631,185
Restricted:		
Capital Projects	7,729,459	9,525,956
Purposes Allowed by Property Tax Levies	883,980	609,445
Other	7,390,037	7,390,541
Unrestricted	6,459,182	(976,903)
Total Net Position	$ 38,038,258	$ 31,180,224

See Accompanying Notes

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
REVENUES		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarship Allowances of $7,035,024 and $6,832,978, Respectively	$ 5,408,110	$ 4,929,161
Auxiliary Enterprises:		
Bookstore and Cafeteria	1,279,583	1,268,982
Sales and Services of Educational Departments	986,405	711,472
Total Operating Revenues	7,674,098	6,909,615
EXPENSES		
Operating Expenses:		
Salaries	20,019,449	18,281,259
Benefits	13,239,333	17,939,900
Supplies and Other Services	8,179,325	7,503,974
Utilities	1,239,471	1,138,230
Travel	741,768	392,898
Financial Aid and Scholarships	5,695,276	3,506,635
Depreciation and Amortization	1,885,917	1,786,284
Other	1,604,500	1,624,304
Total Operating Expenses	52,605,039	52,173,484
OPERATING LOSS	(44,930,941)	(45,263,869)
NONOPERATING REVENUES (EXPENSES)		
Local Property Tax Revenue	9,850,032	8,442,885
State Grants and Contracts	24,657,946	28,628,062
Federal Grants and Contracts	16,223,209	16,041,635
Contributions	482,343	725,063
Investment Income	289,894	301,624
Interest Expense	(113,378)	(194,838)
Other Nonoperating Revenues	559,972	425,911
Gain (Loss) on Sale of Property	(161,043)	5,606
Total Nonoperating Revenues (Expenses)	51,788,975	54,375,948
INCREASE IN NET POSITION	6,858,034	9,112,079
NET POSITION, BEGINNING OF YEAR	31,180,224	22,068,145
NET POSITION, END OF YEAR	$ 38,038,258	$ 31,180,224

See Accompanying Notes

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITES		
Student Tuition and Fees	$ 5,285,552	$ 5,045,062
Payments to Suppliers	(7,919,844)	(7,774,958)
Payments for Utilities	(1,239,471)	(1,138,230)
Payments to Employees	(20,707,512)	(18,678,071)
Payments for Benefits	(3,370,643)	(2,815,496)
Payments for Financial Aid and Scholarships	(5,695,276)	(3,506,635)
Auxiliary Enterprise Charges:		
Bookstore and Cafeteria	1,272,318	1,244,563
Sales and Services of Educational Departments	986,405	711,472
Other Payments	(1,604,500)	(1,624,304)
Net Cash Used in Operating Activities	(32,992,971)	(28,536,597)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITES		
Local Property Taxes	9,850,032	8,442,885
State Grants and Contracts	14,158,264	14,368,416
Federal Grants and Contracts	17,740,643	9,922,092
Direct Lending Receipts	1,378,720	1,398,634
Direct Lending Payments	(1,378,720)	(1,398,634)
Contributions	482,343	725,063
Other Receipts	448,356	575,127
Principal Paid on Bonds Payable	(715,000)	(4,620,000)
Net Cash Provided by Noncapital Financing Activities	41,964,638	29,413,583
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITES		
Purchase of Capital Assets	(5,194,539)	(2,153,520)
Federal and State Grants for Capital Purposes	1,116,538	344,534
Principal Received from Issuance of Bonds Payable	-	2,500,000
Principal Paid on Capital Bond Payable	(780,000)	-
Principal Paid on Lease Liabilities	(14,028)	(29,704)
Principal Received on Notes Payable	-	258,311
Principal Paid on Notes Payable	(122,869)	(69,052)
Interest Paid on Bonds Payable	(113,378)	(194,838)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(5,108,276)	655,731
CASH FLOWS FROM INVESTING ACTIVITES		
Net Proceeds from the Sale and Maturities of Investments	400,000	9,025,000
Interest on Investments	289,894	301,624
Net Purchase of Investments	(7,400,699)	(800,000)
Proceeds from Sale of Capital Assets	-	5,606
Net Cash Provided by (Used in) Investing Activities	(6,710,805)	8,532,230

See Accompanying Notes

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,847,414)	10,064,947
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	32,036,557	21,971,610
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 29,189,143	$ 32,036,557
ON THE STATEMENT OF NET POSITION AS FOLLOWS:		
Cash and Cash Equivalents	$ 25,273,494	$ 28,016,745
Restricted Cash and Cash Equivalents	3,915,649	4,019,812
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 29,189,143	$ 32,036,557
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating Loss	$ (44,930,941)	$ (45,263,869)
Adjustments to Reconcile Operating Loss to Net Cash Used In Operating Activities:		
Depreciation and Amortization Expense	1,885,917	1,786,284
SURS On-Behalf Payments	10,117,150	14,738,159
Changes in Deferred Outflows and Inflows of Resources	905,957	816,808
Changes in Assets and Liabilities:		
Receivables	(164,442)	(65,671)
Inventories	92,323	(224,658)
Prepaid Expense	(343,127)	-
Accounts Payable	622,852	198,272
Accrued Liabilities and Due to Student Groups	57,947	54,867
Unearned Revenue	(23,328)	102,285
Net Other Postemployment Benefit Liabilities	(1,213,279)	(679,074)
NET CASH USED IN OPERATING ACTIVITES	$ (32,992,971)	$ (28,536,597)

See Accompanying Notes

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
COMPONENT UNITS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
Assets		
Cash and Cash Equivalents	$ 399,624	$ 555,581
Investments	12,983,370	14,595,076
Other Long-Term Deposits	46,597	48,541
Accounts, Grant, and Notes Receivable	2,093,159	2,213,256
Prepaid Expenses	27,580	30,513
Other Assets	4,909	16,505
Property and Equipment, Net	700,251	904,003
Total Assets	$ 16,255,490	$ 18,363,475
Liabilities		
Accounts and Grant Payable and Accrued Expenses	$ 229,093	$ 4,243
Notes Payable	111,482	166,080
Total Liabilities	340,575	170,323
Net Assets		
Without Donor Restrictions	5,322,438	6,047,719
With Donor Restrictions	10,592,477	12,145,433
Total Net Assets	15,914,915	18,193,152
Total Liabilities and Net Assets	$ 16,255,490	$ 18,363,475

See Accompanying Notes

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
COMPONENT UNITS
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues, Gains, and Other Support:		
Contributions	$ 146,024	$ 250,823
Rental Income	136,129	140,681
Investment Income (Loss)	(522,630)	1,124,528
Gain on Sale of Property and Equipment	108,125	-
Membership Fees	25	750
Other Income	63,286	20,684
Net Assets Released from Prior Years Restrictions	895,286	443,161
Total Revenue, Gains, and Other support	826,245	1,980,627
Expenses and Losses:		
Program Services Expenses:		
Scholarships, Awards, and Projects	297,165	183,889
Athletic Programs	10,475	10,569
Instructional Programs	673,427	606,893
Other	188,753	144,666
Total Program Services Expenses	1,169,820	946,017
Management and General	338,593	290,593
Fundraising	43,112	6,820
Total Expenses and Losses	1,551,525	1,243,430
Increase (Decrease) in Net Assets Without Donor Restrictions	(725,280)	737,197
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	189,517	342,160
Investment Income (Loss)	(1,072,147)	2,157,436
Government Support	224,959	-
Net Assets Released from Prior Year Restrictions	(895,286)	(443,161)
Increase (Decrease) in Net Assets With Donor Restrictions	(1,552,957)	2,056,435
INCREASE (DECREASE) IN NET ASSETS	(2,278,237)	2,793,632
NET ASSETS, BEGINNING OF YEAR	18,193,152	15,399,520
NET ASSETS, END OF YEAR	$ 15,914,915	$ 18,193,152

See Accompanying Notes

Illinois Eastern Community Colleges District #529 (the District) is a four-college community college district located in southeastern Illinois. The colleges are located in Olney, Illinois (Olney Central College); Fairfield, Illinois (Frontier Community College); Robinson, Illinois (Lincoln Trail College); and Mt. Carmel, Illinois (Wabash Valley College). The District covers all/part of the following counties: Clark, Clay, Crawford, Cumberland, Edwards, Hamilton, Jasper, Lawrence, Richland, Wabash, Wayne, and White. The District provides classes in academic/transfer, technical, and general studies to students in the area as well as community education classes in some of the outlying cities.

The accounting policies of the 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 District's financial statements are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements.

1. Reporting Entity

Illinois Eastern Community Colleges District #529 is governed by an elected seven-member Board of Trustees. As required by generally accepted accounting principles in the United States of America (GAAP), these basic financial statements present the financial position and results of operations of Illinois Eastern Community Colleges District #529 (the primary government), as well as its component units, Olney Central College Foundation, Frontier Community College Foundation, Lincoln Trail College Foundation, and Wabash Valley College Foundation (the Foundations).

The Foundations are legally separate, tax-exempt component units of the District. The Foundations act primarily as fundraising organizations to supplement the resources that are available to the District in support of its programs. The Foundations are governed by separate Boards of Directors. Although the District does not control the timing or amount of receipts from the Foundations, the majority of resources, and income thereon that the Foundations hold and invest are restricted to the activities of the District by the donors. Because these restricted resources held by the Foundations can only be used by, or for the benefit of, the District, the Foundations are considered to be component units of the District. The combined assets, liabilities, net assets, revenues, and expenses of the Foundations are included in the basic financial statements presented in the Statement of Financial Position – Component Units and the Statement of Activities – Component Units.

The individual activities of the four Foundations are reported in separate financial statements. Copies of the separately issued financial statements of the Foundations are available upon request to Ryan Hawkins, CFO of the District. There are no other entities for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be materially misstated or incomplete.

2. Basis of Accounting and Significant Accounting Policies

a. The financial statements of the District are prepared in accordance with GAAP. The GASB is responsible for establishing GAAP for state and local governments. GAAP includes all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

b. The District has disclosed pension information based on the requirements of GASB Statement Number 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.*

c. For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and 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.

d. Certain assets are classified as restricted on the statement of net position because their use is limited by tax levies, grant agreements, or other contractual agreements.

e. For purposes of preparing the statements of cash flows, the District considers demand deposits and certificates of deposit with an original maturity of 90 days or less to be cash equivalents.

f. Investments are reported at fair value in accordance with guidelines defined by GASB Statement Number 72. Bank deposits and certificates of deposit are recorded at cost. Investment income consists of interest earned on bank deposits and certificates of deposit.

   The District is authorized to invest in instruments outlined under Chapter 30, Section 235 of Illinois Compiled Statutes. Such instruments include: direct obligations of federally insured banks and savings and loan associations; insured obligations of Illinois credit unions; securities issued or guaranteed by the U.S. Government; money market mutual funds investing only in U.S. Government based securities; commercial paper of U.S. corporations with assets over $500 million; short-term obligations as defined in the Public Fund Investment Act; and the investment pools managed by the State Treasurer of Illinois. The investments consist of negotiable and non-negotiable certificates of deposit with initial maturity terms in excess of three months, which are held at cost. The difference between the cost and fair value of the negotiable certificates of deposit is insignificant.

g. Accounts receivable include uncollateralized student obligations, which generally require payment by the first day of class and government receivables. Accounts receivable are stated at the invoice amount.

Account balances unpaid at the middle of the term are considered delinquent. Collection costs may be applied to account balances still outstanding 30 days following the end of the semester. Payments of accounts receivable are applied to the specific invoices identified on the students' remittance advice or, if unspecified, to the earliest unpaid invoices.

The carrying amount of accounts receivable for student tuition is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of accounts based on the aging of the accounts receivable by semesters. If the actual defaults are higher than the historical experience, management's estimates of recoverability of amounts due could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts. The total allowance as of June 30, 2022 and 2021 was $824,049 and $702,004, respectively.

Accounts receivable also includes outstanding balances from federal and state funding sources and other miscellaneous items. No allowance has been provided for these receivables, as management believes these are fully collectible based on past experience with these funding sources.

h. The District levies property taxes each year, on all taxable real property located within the District. Property taxes are recorded on an accrual basis of accounting. The District records the 2021 levy payable in 2022 as property taxes receivable, less any amounts collected prior to June 30, 2022 and a deferred inflow of resources, as this levy is intended to finance the District's 2022-2023 fiscal year. The amounts accrued from year to year will vary based upon the tax collections of the respective counties.

   Property tax receivables have not been reduced for an allowance as the District's historical collection experience indicates this amount is insignificant.

i. The District has classified its revenues as either operating or nonoperating. Operating revenue includes activities that have the characteristics of exchange transactions, such as (a) student tuition and fees, net of scholarship discounts and allowances and (b) sales and services of auxiliary enterprises. Nonoperating revenue includes activities that have the characteristics of nonexchange transactions, such as (a) local property taxes, (b) state appropriations, (c) most federal, state, and local grants and contracts and federal appropriations, and (d) gifts and contributions.

j. Nonoperating revenues include non-exchange transactions, in which the District receives value without directly giving equal value in return; this includes property taxes, federal, state, and local grants, state appropriations, and other gifts and contributions. On an accrual basis, the revenues from property taxes are recognized in the period for which they are intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, or expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

k. Inventories are stated at the lower of average cost or market. Cost is determined on the weighted average method.

l. Capital assets include property, plant, equipment, and leased assets, which are recorded at cost. Major additions and those expenditures that substantially increase the useful life of a capital asset are capitalized. Capital assets are defined by the District as assets with an initial cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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. Assets are depreciated using the straight-line method over the estimated useful lives of the assets. Leased assets are amortized using the straight-line method over the lease term. The useful lives used by the District include 40 years for buildings, 20 years for building improvements, and a range of five to ten years for equipment.

m. The financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District has two items that qualify for reporting in this category. These items, subsequent year's pension expense related to federal, trust, or grant contributions in the current year and deferred other post-employment benefit (OPEB) contributions are reported in the Statements of Net Position. The subsequent year's pension expense related to federal, trust, or grant contributions deferred outflow item is the amount of contributions made by the District to the State Universities Retirement System (SURS or the System) for retirement benefits on grant funded salaries during the years ended June 30, 2022 and 2021. One of the OPEB related deferred outflows items is the amount of contributions made by the District to the Community College Health Insurance Security Fund (CIP) for health insurance benefits on grant funded salaries during the years ended June 30, 2022 and 2021. These contributions occurred after the SURS and CIP measurement dates of June 30, 2021 and 2020 for the net pension liability and net OPEB liability and will be included in the net pension liability and net OPEB liability measurement at June 30, 2022 and 2021, and pension expense and other post-employment expense in fiscal years 2023 and 2022, respectively. The District's other OPEB related deferred outflows item is the allocated portion of the net difference between projected and actual experience of the total OPEB liability, the District's changing portion of the allocated CIP liability, and the differences between the District's contribution and its share of contribution.

n. The financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which will occur related to revenue recognition. One occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The other post-employment benefit deferred inflow consists of the allocated portion of changes in assumptions, the net difference between projected and actual experience of the total OPEB liability, and the net difference between projected and actual investment earnings on OPEB plan investments. Additionally, this category includes a deferred inflow for the District changing proportion of the allocated CIP liability.

o. Unearned revenue includes amounts received which represent payments for services to be provided in future periods for which asset recognition criteria has been met, but for which revenue recognition criteria have not been met. These amounts consist of unexpended grant funds and tuition and fee charges for a portion of the in-progress Summer semester and all of the upcoming Fall semester. The tuition and fee charges are prorated according to the timing of the semester.

p. Accrued compensated absences consist of accumulated unused vacation days that employees have earned but not taken. For sick leave, the District operates under a policy which allows accumulation from year to year. The policy allows unused sick leave to be applied toward service credit for retirement. Since the accumulated sick leave is not subject to reasonable estimation, no liability has been recorded in the financial statements. The rate of accrued compensated absence is calculated based on the employee's equivalent hourly rate as of Statement of Net Position date.

q. The District's net position is classified as follows:

- Net Investment in Capital Assets – This represents the District's total investment in capital assets, net of accumulated depreciation and related debt that has been used as of the statement of net position date to finance capital additions.

- Restricted Net Position – This includes resources that the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or enabling legislation.

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

When both restricted and unrestricted resources are available to finance expenses for which restricted resources exist, it is the District's policy to first apply restricted resources to such expenses.

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

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

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

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

   The most sensitive estimates affecting the financial statements were:

   1. The valuation of the net other post-employment benefit liability.

   2. The valuation of the allowance for uncollectible accounts receivable.

   3. The useful lives of depreciable capital assets.

   4. The amount of expenses eligible for reimbursement under the District's state and federal grants.

t. In June 2017, GASB issued GASB Statement 87 (GASB 87), *Leases*. The provisions of GASB 87 require that certain lessees recognize a lease liability and asset for all leases greater than 12 months. The District adopted the new standard during Fiscal Year 2022. The adoption of the standard had no impact on net position as of June 30, 2021, as previously reported, or on net position recorded for Fiscal Year 2022.

   In April 2022, the GASB issued GASB Statement 99 (GASB 99), *Omnibus 2022*. The provisions of GASB 99 include clarifications on accounting for leases, public-private and public-public partnerships, subscription-based information technology arrangements, and other various topics. The District adopted the new standard during Fiscal Year 2022. The adoption of the standard had no impact on net position as of June 30, 2021, as previously reported, or on net position recorded for Fiscal Year 2022.

3. Deposits and Investments

Investments

At June 30, 2022 and 2021, the District held the following investments:

	2022	2021
Investment Type		
Non-Negotiable Certificates of Deposit	$ 7,694,259	$ 758,564
Money Market	123,796	79,232
Municipal Bond	27,312	31,346
Promissory Notes	939	6,358
Total	$ 7,846,306	$ 875,500

Custodial Credit Risk – Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. At June 30, 2022, the bank balance of the District's deposits, which includes certificates of deposit, was $29,661,361. At June 30, 2022, all deposits were covered by federal depository insurance or by collateral held by the District's agent in the District's name. It is the District's policy to collateralize all uninsured deposits.

4. Accounts Receivable, Net

Accounts Receivable, Net consists of the following at June 30:

	2022	2021
Student Tuition and Fees Receivables, Net	$ 1,735,554	$ 1,881,577
State Replacement Tax	355,488	187,738
Tuition Receivables from Agencies	270,129	207,020
Grants from Federal and State Sources	4,584,261	6,890,823
Other Receivables	1,577,464	1,414,079
Less: Amounts Related to Future Terms	(2,737,606)	(2,817,954)
Total Accounts Receivable, Net	$ 5,785,290	$ 7,763,283
Unrestricted	$ 1,529,370	$ 920,258
Restricted	4,255,920	6,843,025
Total Accounts Receivable, Net	$ 5,785,290	$ 7,763,283

5. Capital Assets, Net

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	As Restated June 30, 2021	Additions	Disposals	June 30, 2022
Capital Assets, not being Depreciated:				
Land & Site Improvements	$ 2,362,905	$ 30,482	$ -	$ 2,393,387
Construction in Progress	1,031,120	618,087	(1,031,120)	618,087
Total Capital Assets, not being Depreciated	3,394,025	648,569	(1,031,120)	3,011,474
Capital Assets, being Depreciated:				
Buildings	42,719,463	4,370,674	-	47,090,137
Equipment	18,794,895	1,206,416	(191,168)	19,810,143
Total Capital Assets, being Depreciated	61,514,358	5,577,090	(191,168)	66,900,280
Less: Accumulated Depreciation				
Buildings	(33,194,962)	(682,361)	-	(33,877,323)
Equipment & Other Assets	(15,631,667)	(1,192,495)	191,168	(16,632,994)
Total Accumulated Depreciation	(48,826,629)	(1,874,856)	191,168	(50,510,317)
Total Capital Assets, being Depreciated, Net	12,687,729	3,702,234	-	16,389,963
Lease Assets:				
Building	218,364	-	(218,364)	-
Vehicles	203,284	-	-	203,284
Total Lease Assets, being Amortized	421,648	-	(218,364)	203,284
Less: Accumulated Amortization				
Building	(54,591)	(2,730)	57,321	-
Vehicles	(183,874)	(8,331)	-	(192,205)
Total Accumulated Amortization	(238,465)	(11,061)	57,321	(192,205)
Total Lease Assets being Amortized, Net	183,183	(11,061)	(161,043)	11,079
Total Capital Assets, Net	$ 16,264,937	$ 4,339,742	$ (1,192,163)	$ 19,412,516

The following is a summary of changes in capital assets, net for the year ended June 30, 2021:

	As Restated June 30, 2020	Additions	Disposals	As Restated June 30, 2021
Capital Assets, not being Depreciated:				
Land & Site Improvements	$ 2,362,905	$ -	$ -	$ 2,362,905
Construction in Progress	783,620	1,031,120	(783,620)	1,031,120
Total Capital Assets, not being Depreciated	3,146,525	1,031,120	(783,620)	3,394,025
Capital Assets, being Depreciated:				
Buildings	41,562,425	1,157,038	-	42,719,463
Equipment	18,228,332	748,982	(182,419)	18,794,895
Total Capital Assets, being Depreciated	59,790,757	1,906,020	(182,419)	61,514,358
Less: Accumulated Depreciation				
Buildings	(32,577,335)	(617,627)	-	(33,194,962)
Equipment & Other Assets	(14,663,117)	(1,150,969)	182,419	(15,631,667)
Total Accumulated Depreciation	(47,240,452)	(1,768,596)	182,419	(48,826,629)
Total Capital Assets, being Depreciated, Net	12,550,305	137,424	-	12,687,729
Lease Assets:				
Building	218,364	-	-	218,364
Vehicles	203,284	-	-	203,284
Total Lease Assets, being Amortized	421,648	-	-	421,648
Less: Accumulated Amortization				
Building	(49,132)	(5,459)	-	(54,591)
Vehicles	(171,645)	(12,229)	-	(183,874)
Total Accumulated Amortization	(220,777)	(17,688)	-	(238,465)
Total Lease Assets being Amortized, Net	200,871	(17,688)	-	183,183
Total Capital Assets, Net	$ 15,897,701	$ 1,150,856	$ (783,620)	$ 16,264,937

6. Unearned Revenue

Unearned revenue consists of the following at June 30:

	2022	2021
Unearned Student Tuition and Fees	$ 249,054	$ 268,716
Other Unearned Revenue	32,999	36,665
Total Unearned Revenue	$ 282,053	$ 305,381

7. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2022:

	June 30, 2021	Additions	Retired	June 30, 2022	Due Within One Year
Compensated Absences	$ 758,553	$ -	$ 28,943	$ 729,610	$ -
Bonds	4,565,000	-	1,495,000	3,070,000	1,740,000
Notes Payable	312,365	-	122,869	189,496	189,496
Other Postemployment Benefit	15,176,595	-	1,213,279	13,963,316	-
Lease Liabilities	27,509	-	14,028	13,481	4,431
	$ 20,840,022	$ -	$ 2,874,119	$ 17,965,903	$ 1,933,927

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

	June 30, 2020	Additions	Retired	June 30, 2021	Due Within One Year
Compensated Absences	$ 795,772	$ -	$ 37,219	$ 758,553	$ -
Bonds	6,685,000	2,500,000	4,620,000	4,565,000	1,495,000
Notes Payable	123,106	258,311	69,052	312,365	71,086
Other Postemployment Benefit	15,855,669	190,544	869,618	15,176,595	-
Lease Liabilities	57,213	-	29,704	27,509	14,027
	$ 23,516,760	$ 2,948,855	$ 5,625,593	$ 20,840,022	$ 1,580,113

The District issued a General Obligation Community College Bond, Series 2017C in March 2017 to refund outstanding and unpaid claims of the District. The original amount issued was $2,835,000, with principal payments of $2,120,000 due December 1, 2020, and $715,000 due December 1, 2021. Interest rates range from 3.75 percent to 4.00 percent. Interest is payable semiannually on June 1 and December 1 beginning December 1, 2018.

On April 8, 2020, the District issued General Obligation Community College Bonds Series 2020A and 2020B for the purpose of protection health and safety projects. The original amount issued was $3,850,000, with principal payments made annually beginning December 1, 2021 and through December 1, 2023. Interest rates on the bonds range from 2.375 percent to 2.875 percent. Interest is payable semiannually on June 1 and December 1 beginning December 1, 2021.

In September 2020, the District issued General Obligation Community College Bonds Series 2020C (Alternative Revenue Source). The original amount was $2,500,000. The interest rate on the bonds was 4.75 percent. In November 2020, the District redeemed these bonds to satisfy all outstanding obligations on the bonds.

In November 2020, the District issued General Obligation Community College Bonds Series 2020D for the purposes of paying claims of the District. The original amount issued was $2,325,000 with principal payments made annually beginning December 1, 2022 and through December 1, 2026. Interest rates on the bonds range from 2.03 percent to 2.75 percent. Interest is payable semiannually on June 1 and December 1 beginning December 1, 2021. The District subsequently purchased the entire amount of the issuance. The District has eliminated this intra-entity activity in the basic financial statements and in the notes to the financial statements.

Maturities of the bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	$ 1,740,000	$ 62,163	$ 1,802,163
2024	1,330,000	19,119	1,349,119
	$ 3,070,000	$ 81,282	$ 3,151,282

Total interest incurred for all long term debt for the year ended June 30, 2022 and 2021 was $113,378 and $194,838 respectively.

The District also obtained a note payable arrangement from a related party, Olney Central College Foundation, for an amount up to $461,886, that is to be taken as costs are incurred related to a Title III grant performed by the District at Olney Community College. Amounts are intended to be repaid in annual installments on October 1 through fiscal year 2024. The note incurs interest at 3.00 percent, and the District is not discounting the note payable as the discount is not significant.

The legal debt margin of the District at June 30, 2022 is as follows:

Assessed valuation - 2021 levy	$ 1,840,036,736
Debt limit - 2.875 percent of assessed valuation	$ 52,901,056
Bonded indebtedness	5,395,000
Legal debt margin	$ 47,506,056

8. Defined Benefit Pension Plan

Plan Description

The District contributes to 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 Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2021, can be found in the System's Annual Comprehensive Financial Report (ACFR) Notes to the Financial Statements.

Contributions

The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90 percent of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2022 and 2021 was 12.32 percent and 12.70 percent of employee payroll, respectively. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.00 percent of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

The District makes contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants), Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6.00 percent during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).

Net Pension Liability

At June 30, 2021, SURS reported a net pension liability (NPL) of $28,528,477,079. The net pension liability was measured as of June 30, 2021.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the net pension liability to be recognized for the District is $0. The proportionate share of the State's net pension liability associated with the District at June 30, 2021, was $121,743,564 or 0.4267 percent. The District's proportionate share changed by 0.000 percent from 0.4267 percent since the last measurement date on June 30, 2020. This amount is not recognized in the financial statements. The net pension liability was measured as of June 30, 2021, and the total pension used to calculate the net pension liability was determined based on the June 30, 2020, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2021.

Defined Benefit Pension Expense

For the fiscal year ending June 30, 2021, SURS defined benefit plan reported a collective net pension expense of $2,342,460,058.

Employer Proportionate Share of Defined Benefit Pension Expense

The District's proportionate share of collective defined benefit pension expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective defined benefit pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2021. As a result, the District recognized on-behalf revenue and defined benefit pension expense of $9,996,308 from this special funding situation for the fiscal year ended June 30, 2022.

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

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 113,467,689	$ -
Changes in Assumptions	776,968,084	-
Net Difference between projected and actual earnings on pension plan investments	-	2,283,514,660
Total	$ 890,435,773	$ 2,283,514,660

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

Year Ending June 30,	
2022	$ 34,095,451
2023	(197,005,703)
2024	(538,343,058)
2025	(691,825,577)
Total	$ (1,393,078,887)

Employer Deferral of Fiscal Year 2022 Pension Expense

The District paid $169,409 in federal, trust or grant contributions to SURS defined benefit pension plan for the fiscal year ended June 30, 2022. These contributions were made subsequent to the pension liability measurement date of June 30, 2021, and are recognized as Deferred Outflows of Resources as of June 30, 2022.

Assumptions and Other Inputs

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period June 30, 2017 – 2020. The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.25 percent
- Salary increases: 3.00 to 12.75 percent, including inflation
- Investment rate of return: 6.50 percent beginning with the actuarial valuation as of June 30, 2021

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

The long-term expected rate of return on defined benefit pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Traditional Growth		
Global Public Equity	41.0%	6.30%
Stabilized Growth		
Credit Fixed Income	14.0%	1.82%
Core Real Assets	5.0%	3.92%
Options Strategies	6.0%	4.20%
Non-Traditional Growth		
Private Equity	7.5%	10.45%
Non-Core Real Assets	2.5%	8.83%
Inflation Sensitive		
U.S. TIPS	6.0%	-0.22%
Principal Protection		
Core Fixed Income	8.0%	-0.81%
Crisis Risk Offset		
Systematic Trend Following	3.5%	3.45%
Alternative Risk Premia	3.0%	2.30%
Long Duration	3.5%	0.91%
Total	100%	
Weighted Average		4.43%
Inflation		2.25%
Expected Arithmetic Return		6.68%

Discount Rate

A single discount rate of 6.12 percent was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50 percent and a municipal bond rate of 1.92 percent (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2021). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the State's net pension liability, calculated using a single discount rate of 6.12 percent, as well as what the State's net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

1% Decrease 5.12%	Current Single Discount Rate Assumption 6.12%	1% Increase 7.12%
$35,000,704,353	$28,528,477,079	$23,155,085,730

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

9. Defined Contribution Pension Plan

Plan Description

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

Benefits Provided

A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2021, can be found in the System's Annual Comprehensive Financial Report (ACFR) Notes to the Financial Statements.

Contributions

All employees who have elected to participate in the RSP are required to contribute 8.00 percent of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.60 percent of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers.

Employers are required to make the 7.60 percent contribution for employee earnings paid from "trust, federal, and other funds" as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State's General Assembly.

Forfeitures

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

Defined Contribution Pension Expense

For the year ended June 30, 2021, the State's contributions to the RSP on behalf of the individual employers totaled $76,280,832. Of this amount, $70,403,460 was funded via an appropriation from the State and $5,877,372 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense

The District's proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2021. The District's share of pensionable contributions was 0.2038 percent. As a result, the District recognized on-behalf revenue and defined contribution pension expense of $155,444 from this special funding situation for the fiscal year ended June 30, 2022, of which $11,977 constituted forfeitures.

10. Post-Employment Benefits Other Than Pension (OPEB)

Plan Description

The District participates in the State of Illinois Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program "CIP"). CIP is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of Governor's Executive Order 12-

01 the responsibilities in relation to CIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of SURS and the boards of trustees of the various community college districts.

Plan Membership

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

Benefits Provided

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

Contributions

The Act requires every active contributor (employee) of SURS to contribute 0.50 percent of covered payroll and every community college district to contribute 0.50 percent of covered payroll. Retirees pay a premium for coverage that is also determined by the ILCS. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires a special funding situation whereby the State of Illinois to make an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers, and retirees. The result is pay as you go financing of the plan. The employer contributions made by the state of Illinois on behalf of the District to CIP and the District's contributions for the years ended June 30, 2022 and 2021 were $74,807 and $76,572, respectively.

Net OPEB Liability

At June 30, 2021, CIP reported a net OPEB liability of $1,735,532,863.

Employer Proportionate Share of Net OPEB Liability

The proportionate share of the net OPEB liability reported by the District is $13,963,316. The State of Illinois is considered a non-employer contributing entity and the state's contribution meets the definition of special funding situation. The net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined based on the June 30, 2020 actuarial valuation rolled forward. The District's proportion of the net OPEB liability was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. At June 30, 2021, the District's proportion was .804555 percent. The portion of the State of Illinois' liability that is associated with the District is $13,963,316. The total portion associated with the District is $27,926,632.

OPEB Expense

At June 30, 2021, CIP reported a collective net OPEB expense of ($8,291,172).

Employer Proportionate Share of OPEB Expense

For the year ended June 30, 2022, the District recognized proportionate share of collective OPEB expense of ($115,279). The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported contributions made to CIP during fiscal year 2021.

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

Deferred Outflows of Resources are the consumption of net position by the system that is applicable to future reporting periods, and thus will not be recognized as an outflow (expense) until the future periods.

Deferred Inflows of Resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 88,365	$ 1,020,553
Changes in Assumptions	-	2,667,435
Net Difference between projected and actual earnings on pension plan investments	-	402
Changes in proportion and differences between employer contributions and share of contributions	43,454	677,540
Total deferred amounts to be recognized in OPEB expense in future periods	131,819	4,365,930
OPEB contributions made subsequent to the measurement date	81,210	-
Total	$ 213,029	$ 4,365,930

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Year Ending June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 26,364	$ 873,186
2023	26,364	873,186
2024	26,364	873,186
2025	26,364	873,186
2026	26,363	873,186
Total	$ 131,819	$ 4,365,930

Employer Deferral of Fiscal Year 2021 OPEB Expense

The State of Illinois paid $81,210 in OPEB contributions on-behalf of the District for the fiscal year ended June 30, 2022. These contributions were made subsequent to the OPEB liability measurement date of June 30, 2021 and are recognized as Deferred Outflows of Resources as of June 30, 2022. These will be recognized in OPEB expense in Fiscal Year 2023.

Assumptions and Other Inputs

The total CIP plan's net OPEB liability was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

- Inflation – 2.25 percent
- Salary increases – depends on service and ranges from 12.25 percent at less than 1 year of service to 3.25 percent at 34 or more years of service. Salary increases include a 3.25 percent wage inflation assumption.
- Investment rate of return – 0.00 percent, net of OPEB plan investment expense, including inflation
- Healthcare cost trend rates – actual trend used for fiscal year 2022. For fiscal years ending on or after 2023, trend starts at 8.00 percent for non-Medicare costs and post Medicare costs and gradually decreases to an ultimate trend rate of 4.25 percent.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants, mortality rates were based on the RP-2014 Disabled Annuitant Table. Mortality rates for pre-retirement were based on RP-2014 White Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period of June 30, 2014 to June 30, 2017.

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed – income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index "20-year Municipal GO AA Index" has been selected. The discount rates are 1.92 percent as of June 30, 2021 and 2.45 percent as of June 30, 2020.

Sensitivity of total CIP's net OPEB liability to changes in the Single Discount Rate

The following presents the District's proportional share of the net OPEB liability, calculated using a Single Discount Rate of 1.92 percent, as well as what the total CIP's plan net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.92 percent) or 1-percentage-point higher (2.92 percent) than the current discount rate:

1% Decrease 0.92%	Current Single Discount Rate Assumption 1.92%	1% Increase 2.92%
$15,908,320	$13,963,316	$12,283,628

Sensitivity of the total CIP's plan Net OPEB liability to changes in the Healthcare Cost Trend Rate

The following presents the District's share of the net OPEB liability, calculated using the healthcare cost trend rates as well as what the total CIP's net OPEB liability would be if it were calculated using healthcare cost trend rates. The key trend rates are 8.00 percent in 2023 decreasing to an ultimate trend rate of 4.25 percent in 2038.

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
$11,505,551	$13,963,316	$17,254,992

- One percentage point decrease in healthcare trend rates are 7.00 percent in 2023 decreasing to an ultimate trend rate of 3.25 percent in 2038.

- One percentage point increase in healthcare trend rates are 9.00 percent in 2023 decreasing to an ultimate trend rate of 5.25 percent in 2038.

No amount was owed to the plan at June 30, 2022. The District provides no other financially significant post-employment benefit to employees.

11. On-Behalf Payments for Fringe Benefits

For the years ending June 30, 2022 and 2021, payments for fringe benefits made by the State of Illinois on behalf of the District to SURS were $10,151,752 and $14,393,432 for pensions and on-behalf expenses incurred by CIP were ($115,279) and $269,920 for other post-employment benefits, respectively.

12. Related-Party Transactions

As described in Note 1, the District has four related Foundations comprising the aggregate discretely presented component units, Olney Central College Foundation, Frontier Community College Foundation, Lincoln Trail College Foundation, and Wabash Valley College Foundation. The Foundations provide scholarship funding and capital improvement funding for the District. Transactions with component units totaled $866,964 and $832,074 for the years ended June 30, 2022 and 2021, respectively, as follows:

	2022	2021
Olney Central College Foundation	$ 203,380	$ 113,400
Wabash Valley College Foundation	256,989	136,266
Lincoln Trail College Foundation	371,461	551,528
Frontier Community College Foundation	35,134	30,880
	$ 866,964	$ 832,074

At June 30, 2022 and 2021, there were $66 and $132 payable to the Foundations, respectively.

In February 2020, the District entered into a memorandum of understanding with Olney Central College Foundation (OCCF) to receive financial assistance for Olney Central College. See Note 7 to the basic financial statements for more detail.

During Fiscal Year 2022, the District assisted Lincoln Trails College Foundation (LTCF) with the grant LTCF received from the Department of Commerce and Economic Opportunity. The District incurred expenditures totaling $224,959 during Fiscal Year 2022 on behalf of LTCF. As a result, the District has recognized accounts receivable from LTCF in the amount of $224,959 at June 30, 2022. LTCF has recognized a grant receivable and grant payable in the amount of $224,959 at June 30, 2022.

13. Functional Expense

The District’s functional allocation of expenses is as follows for the years ended June 30:

	2022	2021
Instruction	$ 18,529,478	$ 19,994,041
Academic Support	695,946	806,918
Student Services	5,257,054	5,706,044
Public Services	273,578	304,896
Auxiliary Services	5,903,925	5,629,044
Operations and Maintenance of Plant	3,825,329	3,622,819
Institutional Support	10,076,977	10,269,692
Scholarships, Student Grants, and Waivers	6,156,835	4,053,746
Depreciation and Amortization Expense	1,885,917	1,786,284
Total	$ 52,605,039	$ 52,173,484

14. Risk Management Issues

The District is exposed to various risks of loss due to torts, theft, or damage to assets, errors and omissions, and natural disasters. The District purchases commercial insurance for these risks. There has been no significant reduction in coverage over the past two years and settlements have not exceeded insurance coverage in any of the past three years.

As of the date of the Independent Auditor's Report, the District has received claims regarding the District's compliance with Illinois Community College Board grant regulations and while management believes that potential exposure does exist, there was no loss contingency accrued to the financial statements for the year ended June 30, 2022 due to the inability to appropriately estimate the outcome of the proceedings.

15. Commitments

The District has various construction and consulting contract commitments through the date of the Independent Auditor's Report. The remaining commitment on the contracts was approximately $5,416,000 and is expected to be incurred in Fiscal Year 2023.

16. New Government Accounting Standards

In May 2020, GASB issued GASB Statement 96 (GASB 96), *Subscription-Based Information Technology Arrangements.* The provisions of GASB 96 require that a right-to-use subscription asset and corresponding subscription liability be recorded for applicable contracts that are greater than 12 months. GASB 96 is effective for the District's fiscal year 2023.

In June 2022, GASB issued GASB Statement 100 (GASB 100), *Accounting Changes and Error Corrections*. The provisions of GASB 100 enhance accounting and financial reporting and disclosure requirements for accounting changes and error corrections. GASB 100 is effective for the District's fiscal year 2024.

The District's management is currently reviewing what impact, if any, these new standards will have on its future financial statements and disclosures.

17. Uncertainty

Beginning in March 2020, local, U.S. and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the District as of the date of the independent auditor's report, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.

18. Discretely Presented Component Units

The following notes are provided for the District's component units, the Foundations:

A. Summary of Significant Accounting Policies

a. The basic financial statements of the District's discretely presented component units have been prepared in accordance with the accounting principles generally accepted in the United States of America applicable to nonprofit entities. Accounting principles generally accepted in the United States of America requires, among other things, that the financial statements report the changes in and total of each of the net asset classes, based upon donor restrictions, as applicable. Net assets are to be classified as net assets without donor restrictions and net assets with donor restrictions. The following is a description of each class:

   Net Assets Without Donor Restrictions

   The net assets without donor restrictions include all resources available for use by the boards of directors in carrying out the activities of Foundations in accordance with their Articles of Incorporation and Bylaws.

   Net Assets With Donor Restrictions

   The net assets with donor restrictions are only expendable for the purpose specified by the donor or through the passage of time. When a restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

b. The District's discretely presented component units report gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

c. The Foundations are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

B. Investments

The following is a summary of component unit investments at June 30:

	2022		2021	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Mutual Funds	$ 7,996,519	$ 8,889,802	$ 7,719,231	$ 10,306,297
Equity Securities	1,408,635	2,108,281	1,313,165	2,398,816
Corporate Bonds	335,305	316,167	373,507	387,868
U.S. Government Securities	270,301	256,853	222,020	233,768
Mortgage Backed Securities	357,232	323,580	287,269	287,750
Certificates of Deposit	610,117	610,117	611,558	611,558
Other	478,570	478,570	369,019	369,019
	$ 11,456,679	$ 12,983,370	$ 10,895,769	$ 14,595,076

Financial Accounting Standards Board Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value under generally accepted accounting principles. Topic 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Topic 820 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. Topic 820 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

Level 1 Inputs to the valuation methodology are based on unadjusted quoted prices for identical assets or liabilities in active markets that the Foundations have the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022.

Mutual Funds, Equity Securities, Corporate Bonds, U.S. Government Securities, Mortgage-Backed Securities – Valued at unadjusted quoted prices for identical assets in active markets that the Foundations have the ability to access.

Certificates of Deposit and Other – Valued at cost, which approximates fair value.

The following table sets forth by level within the fair value hierarchy, the Foundations' investments at fair value as of June 30, 2022:

	Investments as of June 30, 2022			
	Level 1	Level 2	Level 3	Total
Investments at Fair Value:				
Mutual Funds	$ 8,889,802	$ -	$ -	$ 8,889,802
Equity Securities	1,807,606	300,675	-	2,108,281
Corporate Bonds	316,167	-	-	316,167
U.S. Government Securities	256,853	-	-	256,853
Mortgage Backed Securities	323,580	-	-	323,580
Total Fair Value	11,594,008	300,675	-	11,894,683
Investments at Cost:				
Certificates of Deposit	610,117	-	-	610,117
Other	478,570	-	-	478,570
Total	$ 12,682,695	$ 300,675	$ -	$ 12,983,370

The following table sets forth by level within the fair value hierarchy, the Foundations' investments at fair value as of June 30, 2021:

	Investments as of June 30, 2021			
	Level 1	Level 2	Level 3	Total
Investments at Fair Value:				
Mutual Funds	$ 10,306,297	$ -	$ -	$ 10,306,297
Equity Securities	2,124,516	274,300	-	2,398,816
Corporate Bonds	387,868	-	-	387,868
U.S. Government Securities	233,768	-	-	233,768
Mortgage Backed Securities	287,750	-	-	287,750
Total Fair Value	13,340,199	274,300	-	13,614,499
Investments at Cost:				
Certificates of Deposit	611,558	-	-	611,558
Other	369,019	-	-	369,019
Total	$ 14,320,776	$ 274,300	$ -	$ 14,595,076

C. Property and Equipment, Net

Property and equipment, Net consists of the following as of June 30:

	2022	2021
Land	$ 395,169	$ 395,169
Construction in Progress	66,384	66,384
Buildings	844,675	1,103,663
Equipment	75,201	73,571
Vehicles (Leased)	120,140	120,140
Amphitheater	16,204	16,204
Mineral Interest	1,907	1,907
Land Improvements	25,658	25,658
Leasehold Improvements	31,140	31,140
Total	1,576,478	1,833,836
Less: Accumulated Depreciation	(876,227)	(929,833)
Property and Equipment, Net	$ 700,251	$ 904,003

Depreciation expense for the years ended June 30, 2022 and 2021 was $33,508 and $35,955, respectively.

D. Notes Payable

Notes payable consists of the following as of June 30:

	2022	2021
Note payable - Old National Bank note originally due November 2, 2016, interest at 5.10% and payable in monthly installments of $1,040 was refinanced with an additional $40,150 being added to the loan for building improvements. The refinanced note is due April 23, 2022 with monthly principal and interest payments of $925. Interest rate is 4.05%. Collateral is real estate in Mt. Carmel Illinois.	$ -	$ 8,112
Advanced Technology Center Note Payable - Wabash Savings Bank note originally dated July 24, 2009, was modified on February 28, 2012. The note was extended 120 months with monthly payments of $1,081. Interest rate is 5.00%.	-	6,540
Chemistry Lab Note Payable - Old National Bank, dated August 5, 2014, interest rate at 3.49%. Principal and interest payments of $895 with a maturity date of August 5, 2019. The note was renewed on August 5, 2019 at an interest rate of 4.00% and payable in monthly payments of $897 with final payment due August 5, 2024.	21,461	31,155
Note Payable - First National Bank of Carmi, interest rate at 3.25% and payable in monthly installments of $996. Final payment is due December 2, 2022. The loan is unsecured. Principle amount financed was $34,100 on December 2, 2019.	4,909	16,505
Wayne County Revolving Loan Fund - Dated January 9, 2017, the $150,000 loan bears interest at 0.50% per year. Monthly principal and interest payments are due as follows: Interest payments only of $375 commencing on June 15, 2017 semi annually until January 15, 2019 and payments of $1,594 commencing on January 15, 2019 for 96 months. The note is unsecured.	85,112	103,768
Total	$ 111,482	$ 166,080

Annual maturities of notes payable for the years after June 30, 2022 are as follows:

Fiscal Year Ending June 30		
2023	$	35,598
2024		28,363
2025		18,938
2026		19,032
2027		9,551
Total	$	111,482

19. Supplemental Information

Schedules 4 and 6 through 8 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

In the schedules noted, the modified accrual basis differs from GAAP for a special-purpose government engaged only in business-type activities because:

- Capital assets are not depreciated, and depreciation expense is not presented in the schedules, except for funds considered to be proprietary operations.

- Payments of principal on long-term debt are reported as expenditures in the schedules.

- Debt service expenditures in the schedules are recorded only when payment is due, except for funds considered to be proprietary operations.

- Expenditures in the schedules include the cost of capital asset acquisitions, except for funds considered to be proprietary operations.

- Pension expenditures in the schedules include payments made by the District in the current fiscal year for federal, trust, or grant-funded salaries in the current fiscal year.

- OPEB expenditures in the schedules include payments made by the District in the current fiscal year for salaries in the current fiscal year.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - SURS
For the Year Ended June 30, 2022
(Unaudited)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
a) IECC's Proportionate Percentage of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%	0%	0%
b) IECC's Proportionate Amount of the Collective Net Pension Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability Associated with IECC	94,138,266	101,854,540	115,234,130	109,288,464	118,639,012	127,172,475	130,994,627	121,743,564
Total b) + c)	$ 94,138,266	$ 101,854,540	$ 115,234,130	$ 109,288,464	$ 118,639,012	$ 127,172,475	$ 130,994,627	$ 121,743,564
IECC Defined Benefit Covered Payroll	$ 15,721,786	$ 15,676,719	$ 16,079,959	$ 15,191,656	$ 15,468,356	$ 16,060,042	$ 15,911,436	$ 15,001,353
Proportion of Collective Net Pension Liability Associated with IECC as a Percentage of Defined Benefit Covered Payroll	599%	650%	717%	719%	767%	792%	823%	812%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - SURS
For the Year Ended June 30, 2022
(Unaudited)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
IECC's Federal, Trust, Grant, and Other Contribution	$ 124,684	$ 86,189	$ 86,267	$ 64,774	$ 79,807	$ 95,325	$ 119,730	$ 172,540	$ 169,409
IECC's Contribution in Relation to Required Contribution	124,684	86,189	86,267	64,774	79,807	95,325	119,730	172,540	169,409
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
IECC's Covered Payroll	$ 1,046,888	$ 736,032	$ 679,803	$ 516,950	$ 640,505	$ 775,630	$ 942,755	$ 1,325,193	$ 1,375,073
Contributions as a Percentage of Covered Payroll	11.91%	11.71%	12.69%	12.53%	12.46%	12.29%	12.70%	13.02%	12.32%

NOTE: The system implemented GASB No. 68 in fiscal year 2015. The information is presented for as many years as available. The schedules are intended to show information for 10 years.

Changes of Benefit Terms

There were no benefit changes in the Total Pension Liability as of June 30, 2021.

Changes of Assumptions

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

- Salary increase. Decrease in the overall assumed salary increase rates, ranging from 3.00 percent to 12.75 percent based on years of service, with underlying wage inflation rate of 2.25 percent.
- Investment return. Decrease the investment return assumption to 6.50 percent. This reflects decreasing an assumed real rate of return of 4.25 percent and maintaining the underlying assumed price inflation to 2.25 percent.
- Effective rate of interest. Decrease the long-term assumption for the ERI for crediting the money purchase accounts to 6.50 percent.
- Normal retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Early retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Turnover rates. Change rates to produce slightly lower expected turnover for most members, while maintaining pattern of decreasing termination rates as years of service increase.
- Mortality rates. Change from the RP-2014 to the Pub-2010 mortality tables to reflect the latter's higher applicability to public pensions. Update the projection scale from the MP-2017 to the MP-2020 scale.
- Disability rates. Establish separate rates for members in academic positions and non-academic positions and maintain separate rates for males and females.
- Plan election. Change plan election assumptions to 75 percent Tier 2 and 25 percent Retirement Savings Plan (RSP) for non-academic members. Change plan election assumptions to 55 percent tier 2 and 45 percent Retirement Savings Plan (RSP) for academic members.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY - CIP
For the Year Ended June 30, 2022
(Unaudited)

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
a) IECCs Proportionate Percentage of the Collective Net OPEB Liability	0.835067%	0.837049%	0.839573%	0.832615%	0.804555%
b) IECC's Proportionate Amount of the Collective Net OPEB Liability	$ 15,228,583	$ 15,780,483	$ 15,855,669	$ 15,176,595	$ 13,963,316
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability Associated with IECC	15,028,021	15,780,483	15,855,669	15,176,633	13,963,316
Total b) + c)	$ 30,256,604	$ 31,560,966	$ 31,711,338	$ 30,353,228	$ 27,926,632
IECC's Covered-Employee Payroll	$ 14,532,552	$ 14,627,862	$ 15,135,752	$ 15,314,620	$ 14,961,326
IECC's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered-Employee Payroll	105%	108%	105%	99%	93%
CIP Plan Net Position as a Percentage of Total OPEB Liability	-2.87%	-3.54%	-4.13%	-5.07%	-6.38%

NOTE: The fund implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedules are intended to show information for 10 years.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS-CIP
For the Year Ended June 30, 2022
(Unaudited)

Year Ended June 30	Statutorily Required Contributions*	Covered Payroll	Actual Contribution as a % of Covered Payroll
2022	$ 80,678	$ 16,135,600	0.50%
2021	74,807	14,961,326	0.50%
2020	76,573	15,314,620	0.50%
2019	75,363	15,135,752	0.50%
2018	73,097	14,627,862	0.50%
2017	72,448	14,532,552	0.50%
2016	77,006	15,401,194	0.50%
2015	75,728	15,145,510	0.50%
2014	76,959	15,391,726	0.50%

* Statutorily required contributions equal actual contributions recognized by the plan.

NOTE: The fund implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedules are intended to show information for 10 years.

Changes of Benefit Terms

There were no benefit changes in the Total OPEB Liability as of June 30, 2021.

Assumptions Used

- Actuarial Cost Method – Entry Age Normal, used to measure the Total OPEB Liability
- Contribution Policy – Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2021, contribution rates are 0.50 percent of pay for active members, 0.50 percent of pay for community colleges and 0.50 percent of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but note paid plan costs.
- Asset Valuation Method – Market value
- Investment Rate of Return – 0 percent, net of OPEB plan investment expense, including inflation
- Inflation – 2.25 percent
- Salary Increases – Depends on service and ranges from 12.25 percent at less than 1 year of service to 3.25 percent at 34 or more years of service. Salary increase includes a 3.25 percent wage inflation assumption
- Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation.
- Mortality – Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.
- Healthcare Cost Trend Rates – Actual trend used for fiscal year 2022 based on premium increases. For fiscal years on and after 2023, trend starts at 8.00 percent for non-Medicare costs and post-Medicare costs and gradually decreases to an ultimate trend of 4.25 percent.
- Aging Factors – Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"
- Expenses – Health administrative expenses are included in the development of the per-capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Schedule 1

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ASSESSED VALUATIONS AND TAXES LEVIED -
GOVERNMENTAL FUND TYPES
Levy Years 2021, 2020, and 2019

	2021 Levy	2020 Levy	2019 Levy
ASSESSED VALUES AS EQUALIZED			
Clark	$ 7,640,947	$ 6,677,907	$ 6,137,945
Clay	182,479,494	170,942,121	163,262,337
Crawford	509,028,014	501,910,571	492,406,311
Cumberland	74,214	63,546	54,067
Edwards	92,832,409	85,779,152	84,284,384
Hamilton	873,963	750,105	659,016
Jasper	192,550,859	180,693,896	180,184,694
Lawrence	175,388,236	164,595,384	149,830,349
Richland	260,065,570	248,637,243	241,660,083
Wabash	177,444,978	168,722,481	157,527,927
Wayne	180,389,347	165,638,587	155,569,302
White	61,268,705	66,680,192	60,038,431
TOTAL	$ 1,840,036,736	$ 1,761,091,185	$ 1,691,614,846
TAX RATES (PER $100 OF ASSESSED VALUATION)			
Education Fund	$ 0.1726	$ 0.1750	$ 0.1712
Operations and Maintenance Fund	0.0747	0.0750	0.0736
Bond and Interest Fund	0.1051	0.1007	0.1281
Liability, Protection, and Settlement Fund	0.0565	0.0610	0.0462
Protection, Health, and Safety	0.0116	0.0075	-
Audit Fund	0.0038	0.0045	0.0048
TOTAL	$ 0.4243	$ 0.4237	$ 0.4239
TAXES EXTENDED			
Education Fund	$ 3,175,000	$ 3,081,821	$ 2,896,134
Operations and Maintenance Fund	1,375,000	1,320,782	1,244,898
Bond and Interest Fund	1,934,212	1,773,263	2,166,753
Liability, Protection, and Settlement Fund	1,040,000	1,075,003	782,204
Protection, Health, and Safety	213,741	132,345	-
Audit Fund	70,000	80,000	81,193
TOTAL	$ 7,807,953	$ 7,463,214	$ 7,171,182

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SUMMARY OF TAXES RECEIVABLE AND TAX COLLECTIONS - GOVERNMENTAL FUND TYPES
Year Ended June 30, 2022

Levy Year	Assessed Valuation	Combined Rate	Taxes Extended	Total Collected to June 30, 2021	Collected During Year Ended June 30, 2022	Total Collected to June 30, 2022	Percent Collected June 30, 2022	Allowance for Uncollectible Taxes	Balance After Allowance
2021	$ 1,840,036,736	0.4243	$ 7,807,953	$ -	$ -	$ -	0.00%	$ -	$ 7,807,953
2020	$ 1,761,091,185	0.4237	$ 7,463,214	-	7,463,214	7,463,214	100.00%	-	-
				$ -	$ 7,463,214	$ 7,463,214			$ 7,807,953

2021 TAXES EXTENDED

	Uncollected June 30, 2021	Allowance For Uncollectible Taxes	Balance After Allowance
Education Fund	$ 3,175,000	$ -	$ 3,175,000
Operations and Maintenance Fund	1,375,000	-	1,375,000
Bond and Interest Fund	1,934,212	-	1,934,212
Liability, Protection, and Settlement Fund	1,040,000	-	1,040,000
Protection, Health, and Safety Fund	213,741	-	213,741
Audit Fund	70,000	-	70,000
	$ 7,807,953	$ -	$ 7,807,953

Schedule 3

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SCHEDULE OF DEBT MATURITIES
June 30, 2022

GENERAL OBLIGATION COMMUNITY COLLEGE BONDS

Year Ended June 30,	Interest Rate	Amounts Due During the Current Year Principal	Interest	Total	Principal Outstanding at June 30,
	Tax Exempt 2020A&B Series:				
2023	2.375%	$ 1,740,000	$ 62,163	$ 1,802,163	$ 1,330,000
	Taxable 2020D Series:				
2023	2.030%	$ 325,000	$ 57,049	$ 382,049	2,000,000

Year Ended June 30,	Interest Rate	Amounts Due in Future Years Principal	Interest	Total	Principal Outstanding at June 30,
	Tax Exempt 2020A&B Series:				
2024	2.875%	$ 1,330,000	$ 19,119	$ 1,349,119	-
	Taxable 2020D Series:				
2024	2.500%	$ 500,000	$ 47,500	$ 547,500	1,500,000
2025	2.750%	700,000	31,625	731,625	800,000
2026	2.750%	700,000	12,375	712,375	100,000
2027	2.750%	100,000	1,375	101,375	-
		$ 2,000,000	$ 92,875	$ 2,092,875	

TOTAL AMOUNT DUE IN FUTURE YEARS

	Principal	Interest	Total
2020A&B Series	$ 1,330,000	$ 19,119	$ 1,368,238
2020D Series	2,000,000	92,875	2,092,875
	$ 3,330,000	$ 111,994	$ 3,461,113

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 1
ALL FUNDS SUMMARY - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Bond and Interest Fund	Operations and Maintenance Fund (Restricted)	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Auxiliary Enterprise Activities	Total
FUND BALANCE - BEGINNING OF YEAR	$ 14,584,646	$ 3,531,656	$ 481,485	$ 6,698,337	$ 536,235	$ 6,333,698	$ (12,032)	$ 609,445	$ 7,827,145	$ 40,590,615
REVENUES										
Local Tax Revenue	4,195,823	2,502,276	1,854,968	130,681	-	-	82,532	1,090,985	-	9,857,265
ICCB Grants	13,407,632	-	-	-	282,430	-	-	-	-	13,690,062
All Other State Revenue	-	-	-	622,693	228,041	-	-	-	-	850,734
Federal Revenue	2,465,463	305,732	-	-	16,324,128	-	-	-	502,900	19,598,223
Student Tuition and Fees	10,998,060	1,047,083	-	-	-	-	-	-	381,610	12,426,753
On-Behalf CIP	-	-	-	-	(115,280)	-	-	-	-	(115,280)
On-Behalf SURS	-	-	-	-	10,151,752	-	-	-	-	10,151,752
All Other Revenue	480,829	117,679	-	67,587	137,550	80,332	161	9,168	2,801,789	3,695,095
Total Revenues	31,547,807	3,972,770	1,854,968	820,961	27,008,621	80,332	82,693	1,100,153	3,686,299	70,154,604
EXPENDITURES										
Instruction	12,571,796	-	-	-	6,810,765	-	-	-	592	19,383,153
Academic Support	486,835	-	-	-	203,630	-	-	-	2,951	693,416
Student Services	2,005,422	-	-	-	3,272,169	-	-	-	43,490	5,321,081
Public Service/Continuing Education	4,234	-	-	-	74,517	-	-	-	195,082	273,833
Auxiliary Services	9,099	-	-	-	1,628,391	-	-	-	4,895,511	6,533,001
Operations and Maintenance	47,952	3,257,718	-	-	706,162	-	-	-	28,855	4,040,687
Institutional Support	6,658,119	343,228	1,818,370	3,152,359	6,219,712	19,042	50,741	845,538	-	19,107,109
Scholarships, Student Grants, & Waivers	4,917,633	-	-	-	8,106,190	-	-	-	281,852	13,305,675
Total Expenditures	26,701,090	3,600,946	1,818,370	3,152,359	27,021,536	19,042	50,741	845,538	5,448,333	68,657,955
NET TRANSFERS	(1,247,461)	-	-	-	-	(80,300)	-	-	1,327,761	-
FUND BALANCE - END OF YEAR	$ 18,183,902	$ 3,903,480	$ 518,083	$ 4,366,939	$ 523,320	$ 6,314,688	$ 19,920	$ 864,060	$ 7,392,872	$ 42,087,264

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 2
SUMMARY OF FIXED ASSETS AND LONG-TERM DEBT
For the Year Ended June 30, 2022

	July 1, 2021	Additions	Retirements	June 30, 2022
Land and Site Improvements	$ 2,362,905	$ 30,482	$ -	$ 2,393,387
Buildings	42,937,827	4,370,674	-	47,308,501
Equipment	18,998,179	1,206,416	(409,532)	19,795,063
Construction in Progress	1,031,120	618,087	(1,031,120)	618,087
Total	65,330,031	6,225,659	(1,440,652)	70,115,038
Less Accumulated Depreciation and Accumulated Amortization:				
Buildings	33,249,553	685,091		33,934,644
Equipment	15,815,541	1,200,826	(248,489)	16,767,878
Total Accumulated Depreciation and Accumulated Amortization	49,065,094	1,885,917	(248,489)	50,702,522
CAPITAL ASSETS, NET	$ 16,264,937	$ 4,339,742	$ (1,192,163)	$ 19,412,516
LONG-TERM DEBT				
Lease Obligations	$ 27,509	$ -	$ (14,027)	$ 13,482
Notes Payable	312,365	-	(122,869)	189,496
Bonds Payable	6,890,000	-	(1,495,000)	5,395,000
OPEB Liability	15,176,595	-	(1,213,279)	13,963,316
Accrued Vacation	758,553	-	(28,943)	729,610
TOTAL LONG-TERM DEBT	$ 23,165,022	$ -	$ (2,874,118)	$ 20,290,904

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 3
OPERATING FUNDS REVENUES AND EXPENDITURES - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local Government:			
Property Taxes	$ 3,110,954	$ 1,333,311	$ 4,444,265
Corporate Personal Property Replacement Tax	1,084,869	1,084,869	2,169,738
Other Local Government Sources	-	84,096	84,096
Total Local Government	4,195,823	2,502,276	6,698,099
State Government:			
ICCB Base Operating Grants	4,528,600	-	4,528,600
ICCB Equalization Grant	8,145,190	-	8,145,190
ICCB Career and Technical Education	733,842	-	733,842
Total State Government	13,407,632	-	13,407,632
Federal Government:			
Department of Education	2,465,463	305,732	2,771,195
Total Federal Government	2,465,463	305,732	2,771,195
Student Tuition and Fees:			
Tuition	8,794,211	-	8,794,211
Fees	2,203,849	1,047,083	3,250,932
Total Student Tuition and Fees	10,998,060	1,047,083	12,045,143
Other Sources:			
Sales and Service Fees	67,483	-	67,483
Facilities Revenue	450	29,575	30,025
Investment Income	114,698	26,615	141,313
Gifts, Scholarships, Grants, Bequests	1,763	56,925	58,688
Other	296,435	4,564	300,999
Total Other Sources	480,829	117,679	598,508
Total Operating Revenues	31,547,807	3,972,770	35,520,577
Less: Nonoperating Item -			
Tuition Chargeback Revenue	-	-	-
Adjusted Revenue	$ 31,547,807	$ 3,972,770	$ 35,520,577

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 3
OPERATING FUNDS REVENUES AND EXPENDITURES - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
By Program:			
Instruction	$ 12,571,796	$ -	$ 12,571,796
Academic Support	486,835	-	486,835
Student Services	2,005,422	-	2,005,422
Public Service/Continuing Education	4,234	-	4,234
Auxiliary Services	9,099	-	9,099
Operations and Maintenance	47,952	3,257,718	3,305,670
Institutional Support	6,658,119	343,228	7,001,347
Scholarships, Student Grants, & Waivers	4,917,633	-	4,917,633
Total Expenditures	26,701,090	3,600,946	30,302,036
Transfers	(1,247,461)	-	(1,247,461)
Total Expenditures and Transfers	25,453,629	3,600,946	29,054,575
Less: Nonoperating Item - Tuition Chargeback	-	-	-
Adjusted Expenditures	$ 25,453,629	$ 3,600,946	$ 29,054,575
By Object:			
Salaries	$ 15,092,546	$ 1,029,968	$ 16,122,514
Employee Benefits	2,193,185	236,342	2,429,527
Contractual Services	1,551,729	566,510	2,118,239
General Materials and Supplies	1,988,986	294,041	2,283,027
Conference and Meeting Expenses	221,115	364	221,479
Fixed Charges	26,703	9,812	36,515
Utilities	51,707	1,186,204	1,237,911
Capital Outlay	511,992	277,605	789,597
Other	5,063,127	100	5,063,227
Total Expenditures	26,701,090	3,600,946	30,302,036
Transfers	(1,247,461)	-	(1,247,461)
Total Expenditures and Transfers	25,453,629	3,600,946	29,054,575
Less: Nonoperating Item - Tuition Chargeback	-	-	-
Adjusted Expenditures	$ 25,453,629	$ 3,600,946	$ 29,054,575

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

RESTRICTED PURPOSES FUND REVENUES BY SOURCES	
State Government:	
Illinois Community College Board - Adult Education	$ 232,430
Illinois Community College Board - Other	50,000
On-Behalf CIP	(115,280)
On-Behalf SURS	10,151,752
Other	228,041
Total State Government	10,546,943
Federal Government:	
Department of Education - Nonfinancial Aid	2,354,573
Department of Education - passed through ICCB	627,957
PELL Grant	4,151,578
Supplementary Educational Opportunity Grant	608,215
Federal Work-Study Program	307,484
Department of Labor - passed through Mine Safety Health Adm	27,942
Department of Human and Health Services	138,666
CARES Act	8,107,713
Total Federal Government	16,324,128
Other Sources	137,550
Total Restricted Purposes Fund Revenues by Sources	$ 27,008,621

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

OPERATING EXPENDITURES

By Program:		
Instruction	$	6,810,765
Academic Support		203,630
Student Services		3,272,169
Public Service/Continuing Education		74,517
Auxiliary Services		1,628,391
Operations and Maintenance		706,162
Institutional Support		6,219,712
Scholarships, Student Grants, & Waivers		8,106,190
Total Expenditures	$	27,021,536
By Object:		
Salaries	$	2,150,005
Employee Benefits		10,531,914
Contractual Services		457,688
General Materials and Supplies		756,078
Conference and Meeting Expenses		133,959
Fixed Charges		818
Utilities		-
Capital Outlay		1,331,657
Other		11,659,417
*Scholarships, Grants, Waivers **		*8,106,190*
Total Expenditures	$	27,021,536

* Per ICCB reporting requirements, this line is presented as a memo only figure and is not added into the total expenditure amount.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 5
CURRENT FUNDS* EXPENDITURES BY ACTIVITY - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

INSTRUCTION	
Instructional Programs	$ 11,693,832
Other	7,689,321
Total Instruction	19,383,153
ACADEMIC SUPPORT	
Library Center	418,194
Academic Computing Support	9,055
Other	266,167
Total Academic Support	693,416
STUDENT SERVICES SUPPORT	
Admissions and Records	196,090
Counseling and Career Services	356,625
Financial Aid Administration	740,325
Other	4,028,041
Total Student Services Support	5,321,081
PUBLIC SERVICES	
Community Education	82,392
Customized Training	89,739
Community Services	19,631
Other	82,071
Total Public Service	273,833
AUXILIARY SERVICES	6,533,001

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 5
CURRENT FUNDS* EXPENDITURES BY ACTIVITY - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2022

OPERATIONS AND MAINTENANCE OF PLANT	
Administration	202,876
Custodial Services	621,502
Maintenance	1,005,552
Grounds Maintenance	290,591
Plant Utilities	1,361,041
Other	559,125
Total Operations and Maintenance of Plant	4,040,687
INSTITUTIONAL SUPPORT	
Executive Management	2,120,510
Fiscal Operations	-
Administrative Support Services	1,453,905
Community Relations	(27)
Board of Trustees	35,764
General Institution	8,267,631
Administrative Data Processing	2,239,555
Total Institutional Support	14,117,338
SCHOLARSHIPS, STUDENT GRANTS, AND WAIVERS	13,305,675
Total Current Funds Expenditures	$ 63,668,184

* Current funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; and Liability, Protection, and Settlement Funds

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
CERTIFICATION OF CHARGEBACK REIMBURSEMENT
FOR FISCAL YEAR 2023

ALL FISCAL YEAR 2022 NONCAPITAL AUDITED OPERATING EXPENDITURES FROM THE FOLLOWING FUNDS:

1	Education Fund	$ 26,189,098	
2	Operations and Maintenance Fund	$ 3,323,341	
3	Public Building Commission Operation and Maintenance Fund	$ -	
4	Bond and Interest Fund	$ 823,006	
5	Public Building Commission Rental Fund	$ -	
6	Restricted Purposes Fund	$ 12,433,837	
7	Audit Fund	$ 50,741	
8	Liability, Protection, and Settlement Fund	$ 845,538	
9	Auxiliary Enterprises Fund (subsidy only)	$ 2,012,999	
10	**TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)**		$ 45,678,560
11	Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	$ 1,719,321	
12	**TOTAL COSTS INCLUDED (line 10 plus line 11)**		$ 47,397,881
13	Total certified semester credit hours for FY 2022	80,428.50	
14	**PER CAPITA COST (line 12 divided by line 13)**		$ 589.32
15	All FY 2022 state and federal operating grants for noncapital expenditures DO NOT INCLUDE ICCB GRANTS	$ 12,252,967	
16	FY 2022 state and federal grants per semester credit hour (line 15 divided by line 13)		$ 152.35
17	District's average ICCB grant rate (excluding equalization grants) for FY 2023		$ 44.27
18	District's student tuition and fee rate per semester credit hour for FY 2023		$ 132.00
19	Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17, and 18)		$ 260.70

Approved: 11/8/22
Chief Fiscal Officer / Date

Approved: 11/8/22
Chief Executive Officer / Date

Martin | Hood

Martin Hood LLC
2507 South Neil Street
Champaign, Illinois 61820
Tel: 217.351.2000
Fax: 217.351.7726
www.martinhood.com

INDEPENDENT AUDITOR'S REPORT ON THE ADULT EDUCATION AND FAMILY LITERACY GRANTS PROGRAM

Board of Trustees
Illinois Eastern Community Colleges District #529
Olney, Illinois

Report on the Financial Statements

Opinion

We have audited the accompanying balance sheet of the Adult Education and Family Literacy Grants Program of Illinois Eastern Community Colleges District #529 (the District) as of June 30, 2022, and the related combining statement of revenues, expenditures, and changes in fund balance for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Adult Education and Family Literacy grants of the District at June 30, 2022, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 (ICCB) *Fiscal Management Manual*. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit also includes a review of compliance with the provisions of laws, regulations, contracts, and grants between the District and the State of Illinois and the ICCB. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements and Compliance

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

The accompanying balance sheets and statements of revenue and expenditures were prepared for the purpose of complying with the terms of the ICCB Grants and are not intended to be a complete presentation of the District's revenue and expenditures in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic grant program financial statements taken as a whole. The supplementary ICCB compliance schedule for the Adult Education and Family Literacy Grant (Schedule 12) is presented for purposes of additional analysis as required by the ICCB and is not a required part of the basic grant program financial statements. This schedule is the responsibility of the District's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic grant program financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic grant program financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic grant program financial statements taken as a whole.

Report on Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with terms, covenants, provisions, or conditions of the Adult Education and Family Literacy grants as presented in the policy guidelines of the ICCB's *Fiscal Management Manual*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures; other matters may have come to our attention regarding the District's noncompliance.

Martin Hood LLC

Champaign, Illinois
November 8, 2022

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ADULT EDUCATION AND FAMILY LITERACY GRANTS PROGRAM
BALANCE SHEET
June 30, 2022

	State Basic	Performance	Total
Assets			
Cash	$ -	$ -	$ -
Receivable	-	-	-
Total Assets	-	-	-
Liabilities			
Accounts Payable	-	-	-
Due to the District	-	-	-
Total Liabilities	-	-	-
Fund Balance	-	-	-
Total Liabilities and Fund Balance	$ -	$ -	$ -

See Accompanying Notes on Page 73

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ADULT EDUCATION AND FAMILY LITERACY GRANTS PROGRAM
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2022

	State Basic	Performance	Total
Revenues			
State Sources	$ 161,740	$ 70,690	$ 232,430
Expenditures			
Expenditures by Program:			
Instruction	71,053	33,251	104,304
Guidance Services	28,364	2,177	30,541
Assessment and Testing	39,791	4,805	44,596
Social Services	-	1,882	1,882
Total Expenditures by Program	139,208	42,115	181,323
Program Support:			
Improvement of Instructional Services	5,050	-	5,050
General Administration	17,482	24,648	42,130
Data and Information Services	-	3,927	3,927
Total Program Support	22,532	28,575	51,107
Total Expenditures	161,740	70,690	232,430
Deficit of Revenue Over Expenditures	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	$ -	$ -	$ -

See Accompanying Notes on Page 73

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ICCB COMPLIANCE STATEMENT FOR THE
ADULT EDUCATION AND FAMILY LITERACY GRANTS PROGRAM
EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY
For the Year Ended June 30, 2022

	Audited Expenditure (Dollars)	Actual Expenditure (Percentage)
State Basic		
Instruction (45 Percent Minimum Required)*	$ 71,053	43.93%
General Administration (15 Percent Maximum Allowed)	17,482	10.81%

* This requirement was amended and reduced to 25 percent by ICCB for Fiscal Year 2022.

The Adult Education and Family Literacy Grant Programs were established as special revenue sub-funds of Illinois Eastern Community Colleges District #529 (the District) to account for revenues and expenditures of the respective programs. These programs are administered by the Illinois Community College Board (ICCB). The following is a summary of the significant polices followed by the District in respect to these funds.

Basis of Accounting

The statements have been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2022. 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.

Budgets and Budgetary Accounting

Each year the District prepares a budget for the grants. The budget is prepared on the same basis of accounting as the records are maintained.

Capital Outlay

Capital outlay is charged to expenditure in the period which it is purchased instead of being recognized as an asset and depreciated over its useful life. As a result, the expenditures reflected in the statements include cost of capital outlay purchased during the year rather than a provision for depreciation.

Martin | Hood

Martin Hood LLC
2507 South Neil Street
Champaign, Illinois 61820
Tel: 217.351.2000
Fax: 217.351.7726
www.martinhood.com

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

Board of Trustees
Illinois Eastern Community Colleges District #529
Olney, Illinois

Report on the Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

Opinion

We have audited the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Illinois Eastern Community Colleges District #529 (the District) for the year ended June 30, 2022.

In our opinion, the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of the District for the year ended June 30, 2022 is fairly presented in accordance with the financial reporting provisions of the Illinois Community College Board (ICCB) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the guidelines of the ICCB'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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statement and Compliance

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the ICCB. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement, which is free from material misstatement, whether due to error or fraud.

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement noted above. The information on Schedules 14 through 18 is presented for purposes of additional analysis as required by the Illinois Community College Board and is not a required part of the financial statement. These schedules are the responsibility of the District's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. These schedules have been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated November 8, 2022, 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 grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Martin Hood LLC

Champaign, Illinois
November 8, 2022

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED
Year Ended June 30, 2022

	Total Semester Credit Hours by Term (In-District and Out-of-District Reimbursable)							
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
CATEGORIES								
Baccalaureate	3,113.50	106.00	19,920.50	58.00	19,070.00	48.00	42,104.00	212.00
Business Occupational	647.50	4.00	2,696.50	14.00	2,371.50	33.00	5,715.50	51.00
Technical Occupational	1,373.00	-	6,550.50	63.00	12,737.00	140.00	20,660.50	203.00
Health Occupational	1,204.50	-	4,106.00	70.00	4,320.00	134.00	9,630.50	204.00
Remedial Development	190.00	-	175.00	-	78.00	-	443.00	-
Adult Basic Education/Adult Secondary Education	6.00	376.00	60.00	471.00	30.00	262.00	96.00	1,109.00
TOTAL CREDIT HOURS CERTIFIED	6,534.50	486.00	33,508.50	676.00	38,606.50	617.00	78,649.50	1,779.00

	Attending In-District		Attending Out-of-District on Chargeback or Contractual Agreement	Total
	Unrestricted	Restricted		
Reimbursable semester credit hours (all terms)	62,535.00	1,642.00	296.50	64,473.50

	Dual Credit	Dual Enrollment
Reimbursable semester credit hours (all terms)	12,761.00	2,216.50

District 2021 equalized assessed valuation $ 1,840,036,736

	Summer	Fall	Spring	Total
CORRECTIONAL CREDIT HOURS				
Baccalaureate	-	-	-	-
Business Occupational	-	-	-	-
Technical Occupational	-	-	-	-
Health Occupational	-	-	-	-
Remedial Development	-	-	-	-
Adult Basic Education/Adult Secondary Education	-	-	-	-
TOTAL CORRECTIONAL CREDIT HOURS CERTIFIED	-	-	-	-

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
RECONCILIATION OF SEMESTER CREDIT HOURS
Year Ended June 30, 2022

	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
CATEGORIES						
Baccalaureate	42,104.00	42,104.00	-	212.00	212.00	-
Business Occupational	5,715.50	5,715.50	-	51.00	51.00	-
Technical Occupational	20,660.50	20,660.50	-	203.00	203.00	-
Health Occupational	9,630.50	9,630.50	-	204.00	204.00	-
Remedial Development	443.00	443.00	-	-	-	-
Adult Basic Education/ Adult Secondary Education	96.00	96.00	-	1,109.00	1,109.00	-
TOTAL CREDIT HOURS	78,649.50	78,649.50	-	1,779.00	1,779.00	-
CORRECTIONAL CREDIT HOURS						
Baccalaureate	-	-	-	-	-	-
Business Occupational	-	-	-	-	-	-
Technical Occupational	-	-	-	-	-	-
Health Occupational	-	-	-	-	-	-
Remedial Development	-	-	-	-	-	-
TOTAL CORRECTIONAL CREDIT HOURS	-	-	-	-	-	-

	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB (Unrestricted and Restricted)	Difference
In-district	64,177.00	64,177.00	-
Out-of-district on chargeback or contractual agreement	296.50	296.50	-
TOTAL	64,473.50	64,473.50	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual credit	12,761.00	12,761.00	-
Dual enrollment	2,216.50	2,216.50	-

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Documentation of Residency Verification Steps
For the Year Ended June 30, 2022

Residency Policy

Students should provide official documentation of residency before or at the time of registration but no later than the first day of classes, to determine whether they qualify for in-District, out-of-District, out-of-State, or international tuition rates. (International students cannot establish Illinois residence status.)

1. To qualify for Illinois residency, the student must fulfill one of the following two requirements:

a. If under 18, document that at least one parent, stepparent, or appointed guardian is a legal resident of Illinois, or

b. If 18 or older, document residency in Illinois, in a capacity other than as a student at a post-secondary institution, for at least 30 days prior to the beginning date of class unless evidence is presented that the student has permanently relocated.

Evidence of legal residency must be based on ownership and/or occupancy of a home in Illinois or a copy of one of the following:

1. An Illinois driver's license registration
2. An Illinois automobile license registration
3. An Illinois voter's registration card
4. Employment in the state of Illinois
5. Payment of Illinois income taxes
6. A document pertaining to the student's past or existing status as an Illinois student (e.g., high school record)
7. Other non-self-serving documentation providing verification of the student's address.
8. A statement by the student certifying his/her address and residency. The college shall verify the certification by sending correspondence to the address.
9. An affidavit signed by a staff member from the college who registered the student and personally evaluated one or more of the items listed in 1 through 8.

2. To qualify for in-District residency, the student, in addition to meeting conditions of A or B above, must be a resident of Illinois Eastern Community Colleges District #529, which includes the following school districts:

Clay City Community Unit School District No. 10
Edwards County Community Unit District No. 1
Fairfield Community High School District No. 225
Flora Community Unit School District No. 35
Grayville Community Unit District No. 1

Hutsonville Community Unit School District No. 1
Lawrence County Community School Unit District No. 20
North Wayne Community Unit District No. 200
Oblong Community Unit School District No. 4
Palestine Community Unit School District No. 3
Red Hill Community Unit School District No. 10
Richland County Community Unit School District No. 1
Robinson Community Unit School District No. 2
Wabash Community Unit District No. 348

Students who live within the following public school districts may or may not be residents of Illinois Eastern Community Colleges District #529. Students from these Districts should check their property tax statement to determine community college district residency.

Carmi-White County Community Unit District No. 5
Jasper County Community Unit School District No. 1
North Clay Community Unit School District No. 25

Students shall be classified as residents of Illinois Eastern Community Colleges District 529 without meeting the 30-day residency requirement of the district if they are currently residing in the district and are youth:

- who are currently under the legal guardianship of the Illinois Department of Children and Family Services (DCFS) or have been recently been emancipated from the Department, and
- who have had previously met the 30-day residency requirement of the district but who had a placement change into a new community college district. The student, a caseworker or other personnel of DCFS, or the student's attorney or guardian ad litem appointed under the Juvenile Court Act of 1987 shall provide the district with proof of current in-district residency.

Students shall not be classified as residents of the district where attending, even though they may have met the general 30-day residency provision, if they are:

- Federal job corps workers stationed in the District;
- Members of the armed services stationed in the District;
- Inmates of state or federal correctional/rehabilitation institutions located in the District;
- Full-time students attending a post-secondary educational institution in the District who have not demonstrated, through documentation, a verifiable interest in establishing permanent residency;
- Students attending under the provisions of a chargeback or contractual agreement with another community college.

3. Illinois Out-of-District: Any student who lives outside the Illinois Eastern Community Colleges District but who is a resident of the state of Illinois will be considered an out-of-District student. Students shall be classified as residents of the State without meeting the general 30-day residency provision if they are:

- Federal job corps workers stationed in Illinois;
- Members of the armed services stationed in Illinois;
- Inmates of state correctional/rehabilitation institutions located in Illinois; or
- Employed full-time in Illinois.

4. Out-of-State: Any student who is a resident of another state will be considered an out-of-state student and will be charged the rate established by the Board of Trustees.

5. Out-of-Country: Any student who is a resident of a foreign country will be considered an out-of-country student and will be charged the rate established by the Board of Trustees.

6. Undocumented: Public Act 093-007 states an individual shall be deemed an Illinois resident, until the individual establishes a residence outside of this state: if all of the following conditions are met.

a. The individual resides with his or her parent or guardian while attending a public or private high school in the state of Illinois.
b. The individual graduated from a public or private high school or received the equivalent of a high school diploma in the state of Illinois.
c. The individual attended school in the state of Illinois for at least 3 years as of the date the individual graduated from high school or received the equivalent of a high school diploma.
d. The individual registers as an entering student in the community college not earlier than the 2003 fall semester.
e. In the case of an individual who is not a citizen or permanent resident of the United States, the individual provides the community college with an affidavit stating that the individual will file an application to become a permanent resident of the United States at the earliest opportunity the individual is eligible to do so. Students may obtain the IECC Affidavit form from any of the IECC college student record's office.

A Resolution on Residency of Undocumented Students, was resolved on January 20, 2017, by the Illinois Community College Board, to clarify tuition policy for undocumented students particularly adult students not included in provisions of PA 93-007. The resolution states that in-district tuition should be paid by those community college students meeting the residency rules for in-district tuition regardless of citizen status. Students who do not meet the requirements of the in-district rule should pay out-of-district tuition.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Background Information on State Grant Activity
For the Year Ended June 30, 2022

Unrestricted Grants

Base Operating Grants – General operating funds provided to colleges based upon credit enrollment.

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

Restricted Grants

Career and Technical Education – Program Improvement Grant – Grant funding recognizes that keeping career and technical education 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 acquire. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

Statewide Initiatives

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 District and the State of Illinois. A description of the grants supported by grant agreements may be found in the appendix of the grant agreement governing these grants.

Restricted Adult Education Grants/State

State Basic – Grant awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons of age 21 and over or persons under the age of 21 and not otherwise in attendance in public school for the purpose of providing adults in the community, and other instruction as may be necessary to increase their qualifications for employment or other means of self-support and their ability to meet their responsibilities as citizens including courses of instruction regularly accepted for graduation from elementary or high schools and for Americanization and General Education Development Review classes. Included in this grant are funds for support services, such as student transportation and childcare facilities or provision.

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

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Schedule of Findings and Questioned Costs – ICCB Grant Compliance
For the Year Ended June 30, 2022

Findings – ICCB Grant Compliance

No findings noted in the current fiscal year.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Schedule of Prior Audit Findings – ICCB Grant Compliance
For the Year Ended June 30, 2022

Findings – ICCB Grant Compliance

No findings were noted in the prior fiscal year.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT -
CONSOLIDATED YEAR-END FINANCIAL REPORT
For Year Ended June 30, 2022

CSFA #	Program	State Amount	Federal Amount	Other Amount	Total
422-60-0119	Mine Health and Safety Grants	$ -	$ 28,685	$ -	$ 28,685
684-00-0465	Postsecondary Perkins Basic Grants - Federal CTE	-	272,361	-	272,361
684-00-2455	Governor's Emergency Education Relief - Federal	-	5,636	-	5,636
684-00-2576	Postsecondary Perkins Basic Reserve - Federal Reserve	-	124,085	-	124,085
684-00-2727	Governor's Emergency Education Relief Fund II - Federal	-	108,075	-	108,075
684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	232,430	117,800	-	350,230
684-01-1670	Innovative Bridge and Transition Grant - State	16,129	-	-	16,129
	Other Grants Programs and Activities	-	17,036,307	228,638	17,264,945
	All Other Costs not Allocated	-	-	34,548,271	34,548,271
	Total	$ 248,559	$ 17,692,949	$ 34,776,909	$ 52,718,417

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program or Cluster Title	CFDA Number	Pass-through Grantor's Number	Expenditures	Provided to Subrecipients
U.S. Department of Education				
Major Program:				
Education Stabilization Fund:				
Direct:				
COVID-19 Higher Education Emergency Relief Fund - Student Portion	84.425E		$ 3,206,640	$ -
COVID-19 Higher Education Emergency Relief Fund - Institutional Portion	84.425F		4,699,323	-
COVID-19 Higher Education Emergency Relief Fund - SIP	84.425M		201,750	-
Passed-Through the Illinois Community College Board:				
COVID-19 Governor's Emergency Education Relief Fund	84.425C	GEER-529	113,711	-
Total Education Stabilization Fund			8,221,424	-
Other Direct Programs:				
Student Financial Assistance Cluster:				
PELL Grant Program	84.063		4,151,578	-
Supplementary Education Opportunity Grant Program	84.007		608,215	-
Federal Work-Study Program	84.033		307,484	-
Direct Loan Program	84.268		1,378,720	-
Total Student Financial Assistance Cluster			6,445,997	-
TRIO Cluster:				
Upward Bound	84.047A		985,273	-
Student Support Services	84.042A		346,600	-
Total TRIO Cluster			1,331,873	-
TITLE III	84.031A		1,011,999	-
Pass-Through Programs from the Illinois Community College Board:				
Perkins-Postsecondary/Adult:				
Perkins-Postsecondary/Adult	84.048	CTE52922	272,361	-
Perkins Reserve	84.048	CTE52922	124,085	-
Total Perkins-Postsecondary/Adult			396,446	-
Federal Adult Education - Basic	84.002	5290022	117,800	-
Total U.S. Department of Education			17,525,539	-
U.S. Department of Labor				
Pass-through program from the Illinois Department of Natural Resources:				
Annual Refresher Training	17.600	MST22IECC	28,685	-
U.S. Department of Health and Human Services				
Pass-Through Program from Project Child:				
COVID-19 INCCRRA Child Restoration Grant	93.575		112,266	-
COVID-19 INCCRRA Child Care Workforce Bonus	93.575		26,459	-
Total U.S. Department of Health and Human Services			138,725	-
TOTAL FEDERAL AWARDS			**$ 17,692,949**	**$ -**

See Accompanying Notes on Page 87

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

1. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards (Schedule 20) includes the federal grant activity of Illinois Eastern Community Colleges District #529 (the District) for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the District, which are presented in conformity with accounting principles generally accepted in the United States of America.

The District did not use the 10 percent de minimis indirect cost rate.

2. Basis of Accounting

The schedule has been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2022.

3. Property and Equipment

Property and equipment purchases that are presented as expenditures in the schedule may be capitalized by the District, if applicable.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

1. Summary of Auditor's Results

(i) Type of audit report issued on the financial statements: Unmodified

(ii) The audit did not disclose a significant deficiency or a material weakness in internal control required to be reported in accordance with *Government Auditing Standards*.

(iii) The audit did not disclose instances of noncompliance material to the financial statements required to be reported in accordance with *Government Auditing Standards*.

(iv) The audit did not disclose a significant deficiency or a material weakness in internal control over a major federal award.

(v) Type of report issued on compliance for the major programs: Unmodified

(vi) The audit did not disclose a finding that is required to be reported in accordance with 2 CFR section 200.516a.

(vii) Major Programs:
U.S. Department of Education:
- COVID-19 Education Stabilization Fund
  - CFDA #84.425C
  - CFDA #84.425E
  - CFDA #84.425F
  - CFDA #84.425M

(viii) The dollar threshold used to distinguish Type A and Type B programs was $750,000.

(ix) The District does qualify as a low-risk auditee.

2. Findings – Financial Statement Audit

None noted

3. Findings and Questioned Costs – Major Federal Award Programs Audit

None noted

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022

No findings were noted in the prior fiscal year.

Martin Hood LLC
2507 South Neil Street
Champaign, Illinois 61820
Tel: 217.351.2000
Fax: 217.351.7726
www.martinhood.com

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

Board of Trustees
Illinois Eastern Community Colleges District #529
Olney, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of Illinois Eastern Community Colleges District #529 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 8, 2022.

The financial statements of the District's discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the District's discretely presented component units.

Report on Internal Control over Financial Reporting

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

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

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

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Martin Hood LLC
Champaign, Illinois
November 8, 2022

Martin | Hood

Martin Hood LLC
2507 South Neil Street
Champaign, Illinois 61820
Tel: 217.351.2000
Fax: 217.351.7726
www.martinhood.com

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

Board of Trustees
Illinois Eastern Community Colleges District #529
Olney, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Illinois Eastern Community Colleges District #529 's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Martin Hood LLC

Champaign, Illinois
November 8, 2022