

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529

Olney, Illinois

Annual Comprehensive Financial Report

For the Year Ended

June 30, 2025

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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 year ended June 30, 2025, 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 the other auditors on the financial statements of two of the entities composing the four aggregate 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, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of two of the entities comprising the District's four component units, which represent 54 percent, 54 percent, and 44 percent, respectively, of the assets, net assets, and support and revenues of the aggregate discretely presented component units as of June 30, 2025. 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 two entities, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 audit. 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 (GAAP), 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 51, the Schedule of Proportionate Share of Net OPEB Liability – CIP on page 54, and the Schedule of Contributions – CIP on page 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. 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 certification of per capita cost (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 and 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 are also not a required part of the basic financial statements. As described in Note 22, 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, 19 through 20, and 22 are the responsibility of management. Schedules 1 through 9, 19 through 20, and 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, 19 through 20, and 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 America. In our opinion, the information in Schedules 1 through 9, 19 through 20, and 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 February 10, 2026, 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.

MH CPA PLLC
Champaign, Illinois
February 10, 2026

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024**

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, 2025. 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.

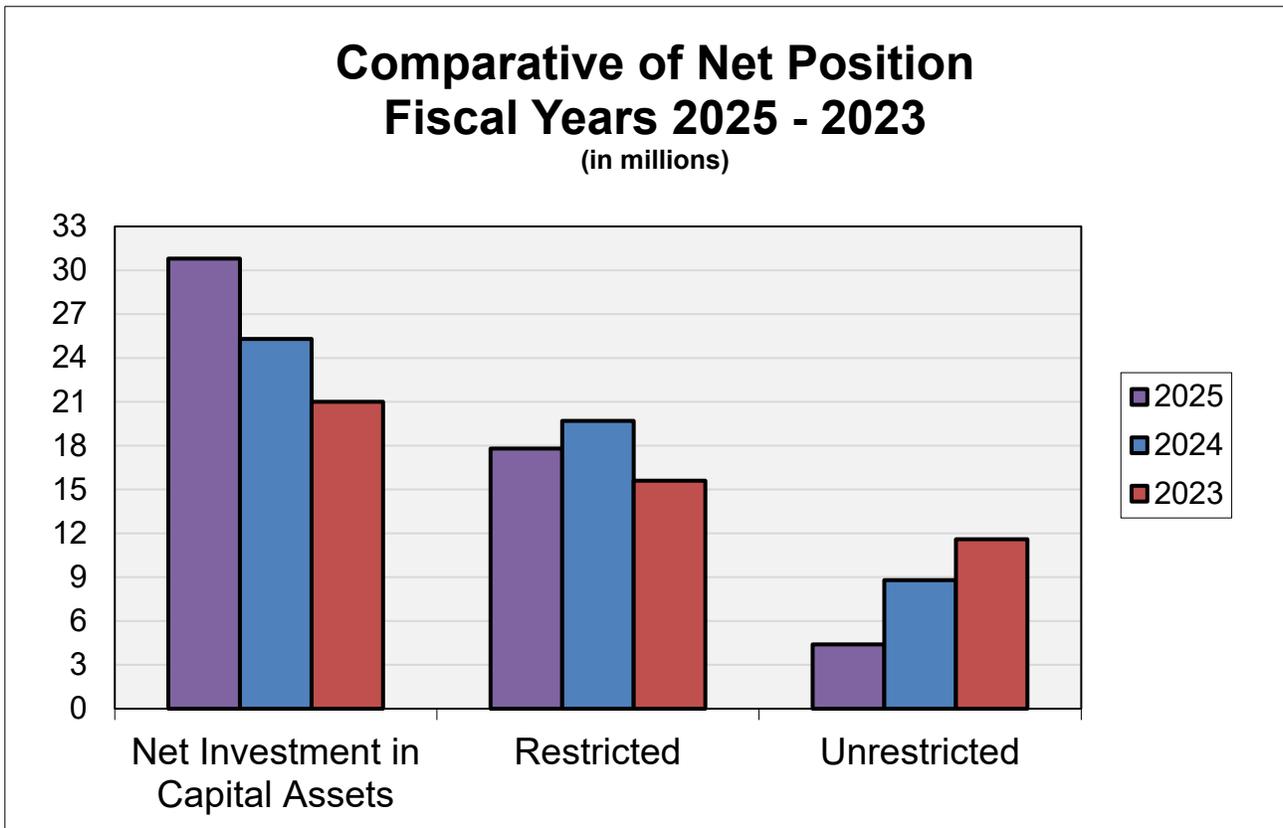
The management discussion and analysis contains comparisons between fiscal years 2025 and 2024 and between 2024 and 2023.

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, 2025.

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, 2025, the District’s net position decreased by \$1.3 million to \$52.5 million from \$53.8 million at June 30, 2024. 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 \$5.5 million to \$30.8 million. The District started and completed multiple capital projects during the year ended June 30, 2025. Substantial progress was also made on Illinois Capital Development Projects, including \$1.4 million on the Allied Health addition to Wattleworth Hall at the Olney Central campus. The athletic training facility at the Wabash Valley campus was nearly complete as of June 30, totaling another \$2.0 million in capital spending. Finally, the solar field at the Olney Central campus was also completed, totaling \$1.2 million.

Restricted net position of the District decreased \$2.4 million to \$17.3 million. Restricted funds for capital projects have been decreasing due to construction progress. The Working Cash fund of the District decreased \$1.4 million from use in paying claims of the District during the year ended June 30, 2025.

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

	<u>2025</u>	<u>2024</u>	Increase (Decrease) <u>2025-2024</u>	<u>2023</u>	Increase (Decrease) <u>2024-2023</u>
Current Assets	\$ 49.9	\$ 52.7	\$ (2.8)	\$ 51.8	\$ 0.9
Non-Current Assets					
Investments	6.7	5.6	1.1	2.1	3.5
Capital Assets, Net of Depreciation	<u>35.9</u>	<u>29.2</u>	<u>6.7</u>	<u>24.5</u>	<u>4.7</u>
Total Assets	<u>92.5</u>	<u>87.5</u>	<u>5.0</u>	<u>78.4</u>	<u>9.1</u>
Deferred Inflows of Resources	<u>1.5</u>	<u>1.6</u>	<u>(0.1)</u>	<u>1.3</u>	<u>0.3</u>
Current Liabilities	5.8	4.6	1.2	5.6	(1.0)
Non-Current Liabilities	<u>18.0</u>	<u>12.8</u>	<u>5.2</u>	<u>7.2</u>	<u>5.6</u>
Total Liabilities	<u>23.8</u>	<u>17.4</u>	<u>6.4</u>	<u>12.8</u>	<u>4.6</u>
Deferred Inflows of Resources	<u>17.7</u>	<u>17.9</u>	<u>(0.2)</u>	<u>18.9</u>	<u>(1.0)</u>
Net Position					
Net Investment in Capital Assets	30.8	25.3	5.5	21.1	4.2
Restricted for: Expendable	17.3	19.7	(2.4)	15.6	4.1
Unrestricted	<u>4.4</u>	<u>8.8</u>	<u>(4.4)</u>	<u>11.3</u>	<u>(2.5)</u>
Total Net Position	<u>\$ 52.5</u>	<u>\$ 53.8</u>	<u>\$ (1.3)</u>	<u>\$ 48.0</u>	<u>\$ 5.8</u>

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 2025 Compared to 2024

Current assets of the District decreased \$2.8 million from the prior year to \$49.9 million. While the District's cash and cash equivalents position increased \$1.3 million, the overall cash and short-term investments decreased \$3.6 million. Investment in capital assets was the primary reason behind this decrease as restricted funds for capital projects were removed from investments and used to pay for construction costs. Funds were also placed in longer term investments based on cash flow planning for future capital projects, allowing for a maximization in return of earnings. The equalized assessed

valuation of the District continued to outpace expectations, increasing by 10.0% over the previous year assessment. This increase along with stable tax rates increased the expected property tax receivable by \$1.8 million.

Noncurrent assets of the District increased \$7.8 million to \$42.6 million. Long-term investments increased \$1.1 million on the investment in longer maturity certificates of deposit based on cash flow needs and maximizing the available rates on longer term assets. Investment in capital assets, particularly facilities, increased the Capital Assets of the District by \$6.7 million, net of depreciation and amortization.

The current liabilities of the District increased \$1.2 million from the prior year. Accounts payable and accrued liabilities increased a combined \$0.6 million primarily on timing of purchasing in grants and capital projects near June 30, 2025. The outstanding bond maturities due December 1 increased \$0.9 million over the prior year based on the scheduled maturities of the 2024 Series bonds. Noncurrent liabilities of the District increased \$5.2 million primarily due to the issuance of the Series 2025 bonds (\$7.0 million) for the purposes of paying claims of the District and investment in capital assets for planned construction. The District's proportional share of the Community College Health Insurance Security Fund decreased \$0.3 million from the prior year to \$6.0 million.

Fiscal Year 2024 Compared to 2023

Current assets of the District increased \$0.9 million from the prior year to \$52.7 million. The District's overall cash position decreased \$2.1 million due to placing funds in short and long-term investments based on cash flow need and to achieve increased rates of return to support the institution. Accounts receivable of the District decreased \$5.1 million primarily based on receipt of insurance proceeds from the loss of the Harry L Crisp Center in Robinson, IL recorded as a receivable at June 30, 2023. The equalized assessed valuation of the District continued to outpace expectations, increasing by 10.5% over the previous year assessment. This increase along with stable tax rates increased the expected property tax receivable by \$1.3 million.

Noncurrent assets of the District increased \$8.2 million to \$34.8 million. Long-term investments increased \$3.5 million on the investment in longer range certificates of deposit based on cash flow needs and maximizing the available rates on longer term assets.

The current liabilities of the District decreased \$1.0 million from the prior year predicated on the pay down of outstanding bonds (\$0.7 million). Accounts payable and accrued liabilities decreased a combined \$0.5 million primarily on timing of payment and purchasing. Noncurrent liabilities of the District increased \$5.6 million primarily due to the issuance of the Series 2024 bonds (\$5.5 million) for the purposes of capital improvements across the District. The District's proportional share of the Community College Health Insurance Security Fund increased by \$0.4 million from the prior year to \$6.3 million.

Statement of Revenues, Expenses, and Changes in Net Position

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

	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease) 2025-2024</u>	<u>2023</u>	<u>Increase (Decrease) 2024-2023</u>
Operating Revenue:					
Tuition & Fees	\$ 6.0	\$ 6.2	\$ (0.2)	\$ 5.7	\$ 0.5
Auxiliary	1.1	1.3	(0.2)	1.2	0.1
Sales & Services	<u>1.2</u>	<u>0.9</u>	<u>0.3</u>	<u>1.1</u>	<u>(0.2)</u>
Total	8.3	8.4	(0.1)	8.0	0.4
Less Operating Expenses	<u>49.1</u>	<u>49.3</u>	<u>(0.2)</u>	<u>48.9</u>	<u>0.4</u>
Net Operating Loss	(40.8)	(40.9)	0.1	(40.9)	0.0
Non-Operating Revenue					
Property Taxes	10.6	9.7	0.9	10.3	(0.6)
State Grants & Contracts	21.4	23.0	(1.6)	20.7	2.3
Federal Grants & Contracts	7.5	8.7	(1.2)	11.0	(2.3)
Investment Income	1.9	1.9	0.0	1.0	0.9
Other Non-Operating					
Revenues	5.6	3.4	2.2	7.9	(4.5)
Expenditures	<u>(7.5)</u>	<u>0.0</u>	<u>(7.5)</u>	<u>0.0</u>	<u>0.0</u>
Total	39.5	46.7	(7.2)	50.9	(4.2)
Increase (Decrease) in Net Position	(1.3)	5.8	(7.1)	10.0	(4.2)
Net Position, Beg. of Year	<u>53.8</u>	<u>48.0</u>	<u>5.8</u>	<u>38.0</u>	<u>10.0</u>
Net Position, End of Year	\$ <u>52.5</u>	\$ <u>53.8</u>	\$ <u>(1.3)</u>	\$ <u>48.0</u>	\$ <u>5.8</u>

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

Fiscal Year 2025 Compared to 2024

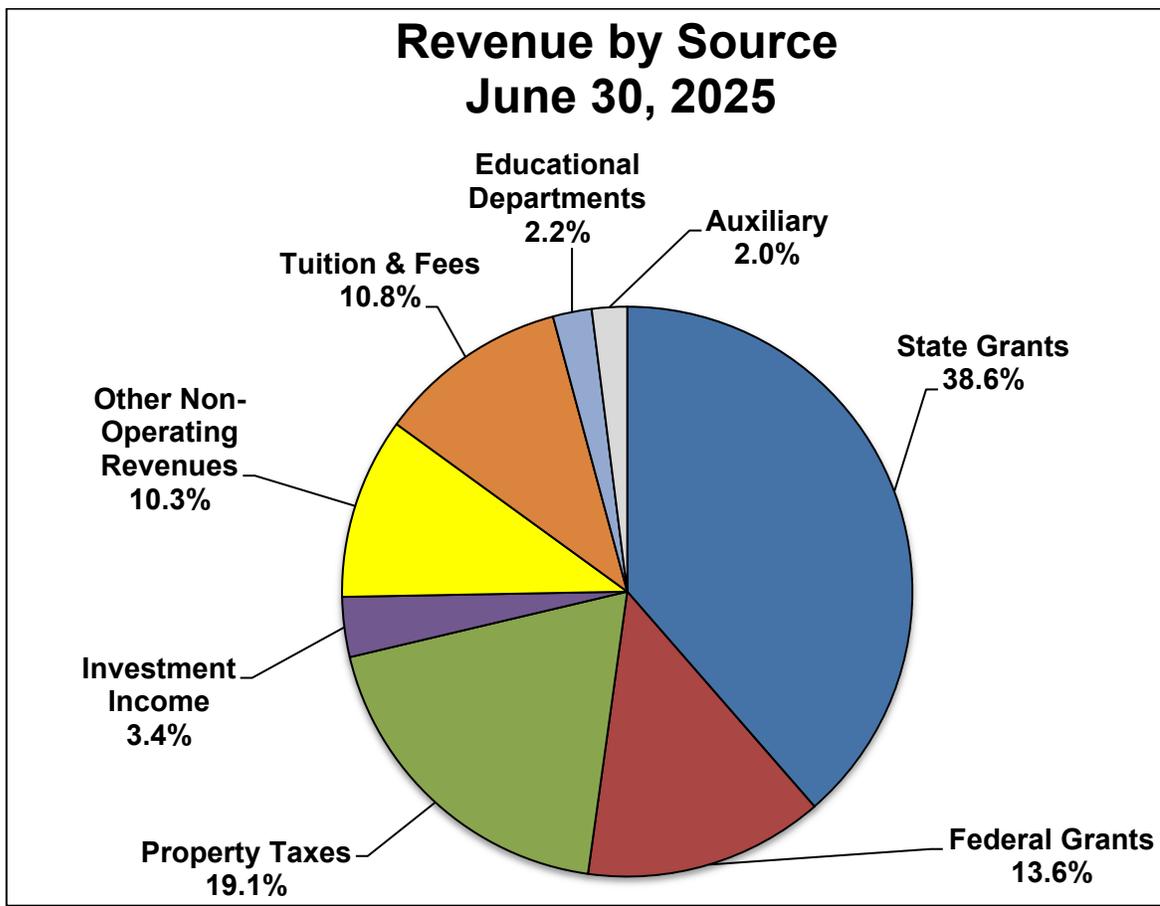
Operating revenues of the District were flat against the prior year at \$8.3 million. Student tuition and fees decreased \$0.2 million despite a 23% increase in the in-district tuition rate. Certified credit hours of the District fell 9.9% from the prior year to 71,370.5. Tuition and fee revenue are reported net of scholarship allowances of \$7.2 million, a slight decrease of \$0.1 million from the prior year. Auxiliary enterprises and sales and services revenues increased \$0.1 million from the prior year.

The overall operating expenses of the District decreased by \$0.2 million from the prior year to \$49.1 million. Salaries of the District increased \$0.8 million. During the year, the District settled its Collective Bargaining Agreement resulting in \$0.4 million in salary payments to faculty attributable to the previous year through retroactive provisions within the contract and another \$0.4 million in increases to base pay for the 2024-25 academic year. Other staff raises continued within past practice designed to address staying competitive in the hiring market considering the Illinois minimum wage movement to \$15/hour by 2025. Supplies and Other Services decreased \$1.5 million on planned reduction in spending through budgetary controls. Financial aid and scholarship expense decreased \$0.1 million on decreasing enrollments.

Fiscal Year 2024 Compared to 2023

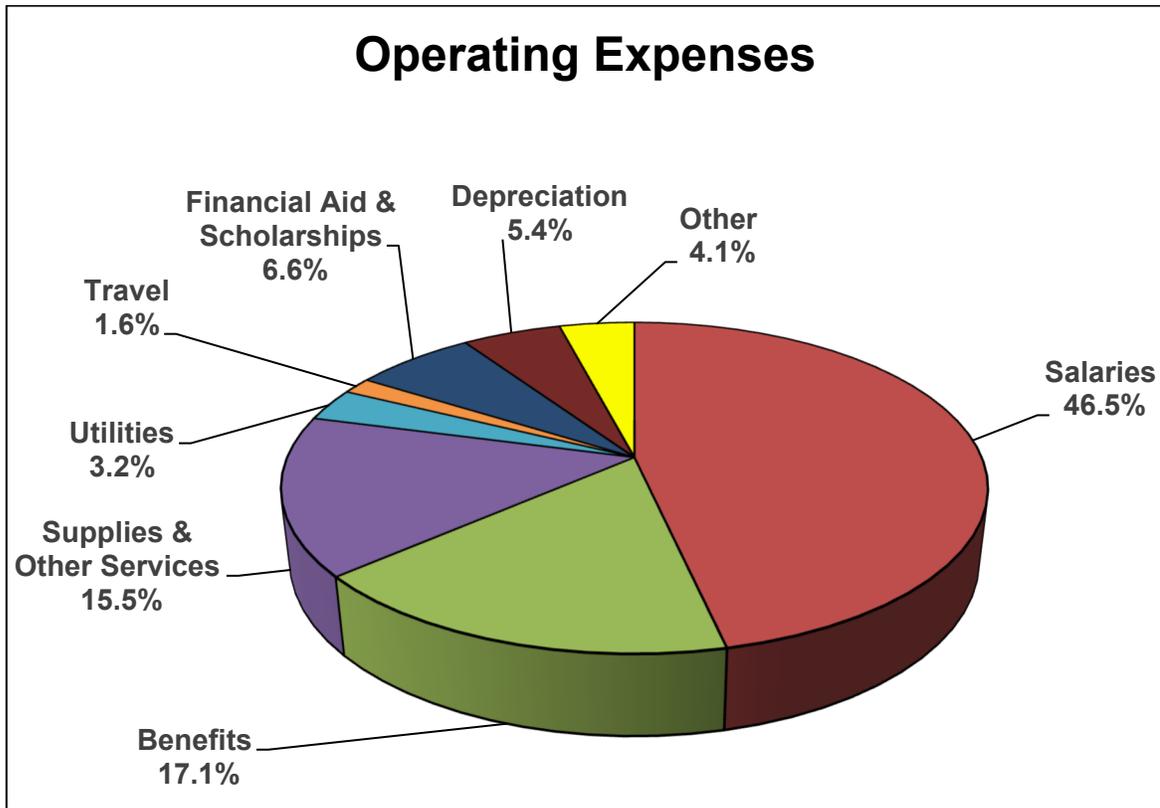
Operating revenues of the District increased \$0.4 million from the prior year. Student tuition and fees increased \$0.5 million on a 10% increase in the in-district tuition rate despite a 1.1% decrease in reimbursable credit hours. Tuition and fee revenue are reported net of scholarship allowances of \$7.3 million, an increase of \$0.5 million from the prior year. Auxiliary enterprises and sales and services revenues remained flat against the prior year.

The overall operating expenses of the District increased slightly over the prior year to \$49.3 million (\$0.4 million increase). Salaries of the District increased \$0.3 million. This is attributable to annual raises driven by the District's response to enacted legislation by the State of Illinois to raise minimum wage to \$15 by 2025. Benefits increased \$1.2 million. This increase is driven by a 3% increase in health insurance costs and a moderate increase in recognized on-behalf payments by the State of Illinois for pension and other post-employment benefits. Financial aid and scholarship expense decreased \$1.6 million due to in large part to utilizing all Higher Education Emergency Relief Funds in the prior year.



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

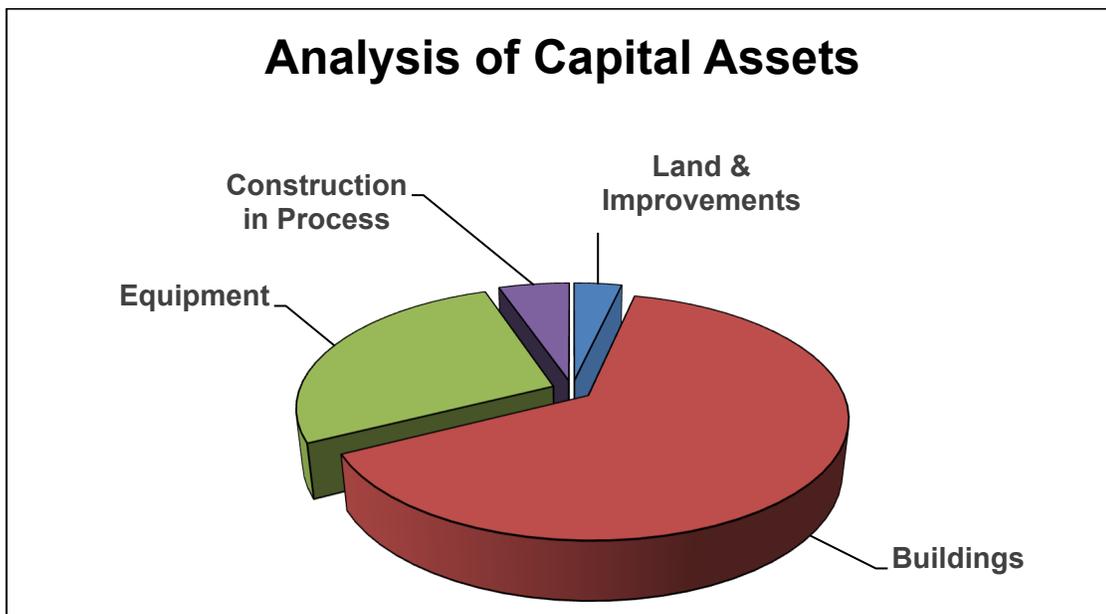
	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease) 2025-2024</u>	<u>2023</u>	<u>Increase (Decrease) 2024-2023</u>
Operating Expense					
Salaries	\$ 22.8	\$ 22.0	\$ 0.8	\$ 21.7	\$ 0.3
Benefits	8.4	8.0	0.4	6.8	1.2
Supplies & Other Services	7.6	9.1	(1.5)	8.9	0.2
Utilities	1.6	1.5	0.1	1.5	0.0
Travel	0.8	0.8	0.0	0.8	0.0
Financial Aid & Scholarships	3.3	3.2	0.1	4.8	(1.6)
Depreciation and Amortization	2.6	2.5	0.1	2.4	0.1
Other	<u>2.0</u>	<u>2.2</u>	<u>(0.2)</u>	<u>2.0</u>	<u>0.2</u>
Total	\$ <u>49.1</u>	\$ <u>49.3</u>	\$ <u>(0.2)</u>	\$ <u>48.9</u>	\$ <u>0.4</u>



Capital Asset Administration

**Net Capital Assets
June 30
(in millions)**

	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease) 2025-2024</u>	<u>2023</u>	<u>Increase (Decrease) 2024-2023</u>
Capital Assets					
Land & Improvements	\$ 3.2	\$ 3.2	\$ 0.0	\$ 2.4	\$ 0.8
Buildings	58.0	51.9	6.1	46.2	5.7
Equipment	24.3	22.9	1.4	21.9	1.0
Equipment (Leased)	0.3	0.3	0.0	0.2	0.1
Technology Hardware/Software	1.4	1.2	0.2	1.2	0.0
Construction in Process	4.8	3.4	1.4	4.1	(0.7)
Total	<u>92.0</u>	<u>82.9</u>	<u>9.1</u>	<u>76.0</u>	<u>6.9</u>
Less Accumulated Depreciation	55.0	52.9	2.1	51.0	1.9
Less Accumulated Amortization	<u>1.2</u>	<u>0.8</u>	<u>0.4</u>	<u>0.5</u>	<u>0.3</u>
Total	<u>56.2</u>	<u>53.7</u>	<u>2.5</u>	<u>51.5</u>	<u>2.2</u>
Net Capital Assets	\$ <u>35.8</u>	\$ <u>29.2</u>	\$ <u>6.6</u>	\$ <u>24.5</u>	\$ <u>4.7</u>



As of June 30, 2025, the District had \$35.8 million invested in a broad range of capital assets, net of accumulated depreciation and amortization. This amount represents an increase of \$6.6 million due to completed infrastructure work across the District.

Future Outlook and Economic Factors

For fiscal year 2026, Illinois Eastern Community College District #529 intends to maintain close oversight of enrollment figures, which are projected to remain level compared to the year ended June 30, 2025. The District will continue to implement organizational changes as it transitions to operating as one college with four distinct campuses.

Over the previous two fiscal years, ending June 30, 2025, and June 30, 2024, the District generated interest earnings exceeding \$3.8 million from deposits. With anticipated actions by the Federal Reserve to reduce interest rates, the District expects future interest earnings to decline. These earnings have played a significant role in balancing the budget and supporting strategic investments. Continued capital investment will also begin to spend down restricted cash and short and long-term investments.

Other economic indicators for the District remain positive, highlighted by a projected 10% increase in the Equalized Assessed Valuation (EAV) for District #529. This growth surpasses initial expectations by 3%, likely resulting in an estimated \$1.7 million increase in property tax revenue.

For Fiscal Year 2026, the State of Illinois allocated a preliminary \$13.2 million in credit hour, equalization, and Career and Technical Education (CTE) funding to the District for operational purposes. This allocation is 3.0% less (\$0.4 million) than the prior year. However, the anticipated increase of \$0.9 million in property tax revenue for operational funds is expected to offset this decrease.

The District has continued its salary plan for fiscal year 2026 to address legislative requirements, granting an average raise of 3% to staff from implementing a tiered salary increase structure of 1.5%, 3%, and 4% based on employees' annual wages. Full-time faculty will receive a 5.1% salary increase for the new year. Collectively, these raises will increase salary expenditures by approximately \$0.5 million. Additionally, health insurance trends are projected to increase benefits expenses by 9%, totaling an estimated \$0.3 million.

During fiscal year 2026, the District will initiate construction projects totaling \$19.0 million. These include a new athletic facility with a gymnasium for Frontier Community at a cost of \$5.6 million and a Technology Center at Lincoln Trail (CDB Project 810-040-007) valued at \$11.4 million. Plans also include the design and remodeling of the third floor of Wattleworth Hall at Olney Central, with an anticipated budget of \$2.0 million.

The Board of Trustees approved the Fiscal Year 2026 budget on July 15, 2025. The budget outlines \$35.2 million in operating expenditures and net transfers, supported by \$34.9 million in operating revenues. Certain one-time expenses are included in the operating budget totaling \$0.3 million. Overall, the budget reflects a reduction of \$1.5 million from the Fiscal Year 2025 budget, representing a 4.1% decrease.

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
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS

Current Assets:	
Cash and Cash Equivalents	\$ 13,827,123
Short-Term Investments	17,014,877
Restricted Cash and Cash Equivalents	5,080,947
Accounts Receivable (Net of Allowance for Doubtful Accounts of \$648,074)	2,309,166
Property Taxes Receivable	11,173,573
Inventories	485,671
Total Current Assets	49,891,357
Noncurrent Assets:	
Long-Term Investments	6,743,501
Capital Assets, Net	35,847,849
Total Assets	92,482,707

DEFERRED OUTFLOWS OF RESOURCES

Other Postemployment Benefit Related Deferred Outflows	1,384,987
Subsequent Year's Pension Expense Related to Federal, Trust, or Grant Contributions in the Current Year	97,570
Total Deferred Outflows of Resources	1,482,557

LIABILITIES

Current Liabilities:	
Accounts Payable	1,988,569
Accrued Liabilities	1,416,394
Due to Student Groups	390,434
Unearned Revenue	294,248
Bonds Payable	1,550,000
Accrued Interest Payable	19,846
Lease Liabilities	24,514
Subscription Liabilities	87,108
Total Current Liabilities	5,771,113
Noncurrent Liabilities:	
Lease Liabilities	8,047
Subscription Liabilities	89,674
Bonds Payable	11,025,000
Accrued Compensated Absences	905,887
Net Other Postemployment Benefits	5,983,109
Total Noncurrent Liabilities	18,011,717
Total Liabilities	23,782,830

DEFERRED INFLOWS OF RESOURCES

Subsequent Year's Property Taxes	11,173,573
Other Postemployment Benefit Related Deferred Inflows	6,511,227
Total Deferred Inflows of Resources	17,684,800

NET POSITION

Net Investment in Capital Assets	30,778,108
Restricted:	
Capital Projects	10,780,757
Purposes Allowed by Property Tax Levies	193,428
Other	6,347,673
Unrestricted	4,397,668
Total Net Position	\$ 52,497,634

See Accompanying Notes

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025**

REVENUES

Operating Revenues:	
Student Tuition and Fees, Net of Scholarship Allowances of \$7,228,239	\$ 5,988,551
Auxiliary Enterprises:	
Bookstore and Cafeteria	1,112,344
Sales and Services of Educational Departments	1,242,220
Total Operating Revenues	<u>8,343,115</u>

EXPENSES

Operating Expenses:	
Salaries	22,840,133
Benefits	8,401,735
Supplies and Other Services	7,593,302
Utilities	1,576,707
Travel	799,117
Financial Aid and Scholarships	3,258,587
Depreciation and Amortization	2,670,658
Other	2,005,641
Total Operating Expenses	<u>49,145,880</u>

OPERATING LOSS (40,802,765)

NONOPERATING REVENUES (EXPENSES)

Local Property Tax Revenue	10,574,382
State Grants and Contracts	21,365,780
Federal Grants and Contracts	7,501,972
Contributions	2,453,499
Investment Income	1,865,998
Interest Expense	(243,784)
Other Nonoperating Revenues	492,621
Other Nonoperating Expenditures	(7,500,000)
Gain on Sale of Property	207,460
Total Nonoperating Revenues (Expenses)	<u>36,717,928</u>

CAPITAL CONTRIBUTIONS 2,787,212

DECREASE IN NET POSITION (1,297,625)

NET POSITION, BEGINNING OF YEAR 53,795,259

NET POSITION, END OF YEAR \$ 52,497,634

See Accompanying Notes

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Student Tuition and Fees	\$ 5,801,515
Payments to Suppliers	(6,743,436)
Payments for Utilities	(1,576,707)
Payments to Employees	(23,614,217)
Payments for Benefits	(3,939,029)
Payments for Financial Aid and Scholarships	(3,258,587)
Auxiliary Enterprise Charges:	
Bookstore and Cafeteria	1,095,508
Sales and Services of Educational Departments	1,242,220
Other Payments	<u>(2,005,641)</u>
Net Cash Used in Operating Activities	<u>(32,998,374)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Local Property Taxes	10,574,382
State Grants and Contracts	13,368,226
Federal Grants and Contracts	8,046,475
Proceeds Received from Issuance of Bonds Payable	6,175,000
Direct Lending Receipts	1,231,133
Direct Lending Payments	(1,231,133)
Contributions	693,499
Other Payments	<u>(6,928,694)</u>
Net Cash Provided by Noncapital Financing Activities	<u>31,928,888</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchase of Capital Assets	(5,795,669)
Contributions for Capital Purposes	125,660
Federal and State Grants for Capital Purposes	2,661,552
Proceeds Received from Issuance of Bonds Payable	865,000
Principal Paid on Capital Bond Payable	(640,000)
Principal Paid on Lease Liabilities	(28,060)
Principal Paid on Subscription Liabilities	(484,054)
Interest Paid on Bonds Payable	<u>(243,784)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(3,539,355)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Net Proceeds from the Sale and Maturities of Investments	6,617,945
Interest on Investments	1,865,998
Net Purchase of Investments	(1,757,252)
Proceeds from Sale of Capital Assets	<u>299,746</u>
Net Cash Provided by Investing Activities	<u>7,026,437</u>

See Accompanying Notes

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025**

NET INCREASE IN CASH AND CASH EQUIVALENTS	2,417,596
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>16,490,474</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 18,908,070</u></u>
 ON THE STATEMENT OF NET POSITION AS FOLLOWS:	
Cash and Cash Equivalents	\$ 13,827,123
Restricted Cash and Cash Equivalents	5,080,947
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 18,908,070</u></u>
 RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating Loss	\$ (40,802,765)
Adjustments to Reconcile Operating Loss to Net Cash	
Used In Operating Activities:	
Depreciation and Amortization Expense	2,670,658
SURS On-Behalf Payments	6,602,182
Changes in Deferred Outflows and Inflows of Resources	(1,903,389)
Changes in Assets and Liabilities:	
Accounts Receivable	(263,998)
Inventories	139,737
Prepaid Expenses	229,874
Accounts Payable	566,739
Due to Student Groups	64,296
Unearned Revenue	(4,170)
Net Other Postemployment Benefit Liabilities	<u>(297,538)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u><u>\$ (32,998,374)</u></u>
 SUPPLEMENTAL DISCLOSE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITY	
Capital Assets Acquired through Subscription Liabilities	<u>\$ 253,326</u>
Contributed Capital Assets	<u><u>\$ 3,372,081</u></u>

See Accompanying Notes

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
 COMPONENT UNITS
 STATEMENT OF FINANCIAL POSITION
 JUNE 30, 2025**

Assets

Cash and Cash Equivalents	\$ 767,482
Investments	16,955,430
Other Long-Term Deposits	48,288
Accounts and Notes Receivable	2,005,178
Prepaid Expenses	19,426
Property and Equipment, Net	569,904
Total Assets	\$ 20,365,708

Liabilities

Accounts Payable and Accrued Expenses	\$ 17,151
Notes Payable	28,584
Total Liabilities	45,735

Net Assets

Without Donor Restrictions	6,468,112
With Donor Restrictions	13,851,861
Total Net Assets	20,319,973
Total Liabilities and Net Assets	\$ 20,365,708

See Accompanying Notes

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
 COMPONENT UNITS
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2025**

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues, Gains, and Other Support:	
Contributions	\$ 242,164
Grant Income	118,841
Rental Income	111,197
Investment Income	607,517
Other Income	64,976
Net Assets Released from Prior Years Restrictions	756,033
Total Revenue, Gains, and Other Support	1,900,728
Expenses and Losses:	
Program Services Expenses:	
Scholarships, Awards, and Projects	416,050
Athletic Programs	10,194
Instructional Programs	510,590
Other	259,232
Total Program Services Expenses	1,196,066
Management and General	344,822
Fundraising	54,636
Total Expenses and Losses	1,595,524
Increase in Net Assets Without Donor Restrictions	305,204

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Contributions	439,143
Investment Income	1,404,599
Other Income	1,959
Net Assets Released from Prior Year Restrictions	(756,033)
Increase in Net Assets With Donor Restrictions	1,089,668

INCREASE IN NET ASSETS	1,394,872
NET ASSETS, BEGINNING OF YEAR	18,925,101
NET ASSETS, END OF YEAR	\$ 20,319,973

See Accompanying Notes

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Notes to Basic Financial Statements
June 30, 2025

Illinois Eastern Community Colleges District #529 (the District) is one of thirty-nine community colleges in Illinois, located in southeastern Illinois. The District delivers educational offerings from its four locations 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 (GAAP) 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 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 statement 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, 2025 was \$648,074.

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 2024 levy payable in 2025 as property taxes receivable, less any amounts collected prior to June 30, 2025 and a deferred inflow of resources, as this levy is intended to finance the District's 2025-2026 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.

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 in 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.

- j. Inventories are stated at the lower of average cost or net realizable value. Cost is determined on the weighted average method.
- k. Capital assets include property, plant, equipment, leased assets, which are recorded at cost, and subscription-based information technology arrangement assets. 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 and subscription assets are amortized using the straight-line method over the term of the agreement. The useful lives used by the District include 40 years for buildings, 20 years for building improvements, and a range of 5 to 10 years for equipment.
- l. 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 Statement 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 year ended June 30, 2025. 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 during the year ended June 30, 2025. These contributions occurred after the SURS and CIP measurement dates of June 30, 2024 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, 2025, and pension expense and other post-employment expense in fiscal year 2026. 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.
- m. 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.

- n. As of July 1, 2024, the District adopted GASB Statement No. 101, *Compensated Absences* (GASB 101). This Statement provides updated recognition and measurement requirements for compensated absences, including vacation, sick leave, and other forms of paid time off. Under GASB 101, liabilities are recognized for leave that has vested and is expected to be paid upon termination or retirement, as well as for non-vested leave when it is more likely than not to be used for leave or to vest and be paid in the future. The adoption of GASB 101 did not result in a restatement of net position as of June 30, 2024, or impact any amounts in the financial statements for the year ended June 30, 2025, as the impact of implementation was not material to the financial statements of either year. The District has implemented a last-in, first-out (LIFO) flow assumption for the pattern of usage of compensated absences. Management of the District has determined to present only a liability for vested leave earned as of each fiscal year end, as has been historically presented under the previously applicable GASB standard. No liability has been recorded for non-vested leave as management has determined that it does not reach the more likely than not threshold. However, the liability activity for fiscal year 2025 presented in Note 9 below is shown as a net amount as allowed by GASB 101.

Accrued compensated absences consist of accumulated unused vacation days that employees have earned but not taken. Those days are guaranteed to be paid to employees upon termination of employment. The rate of accrued compensated absence is calculated based on the employee's equivalent hourly rate as of the Statement of Net Position date.

Two other types of compensated absences that the District provides are personal leave and sick leave.

- Personal leave expense is recorded as incurred. Personal leave does not carry over or accumulate. Any unused personal leave hours are not reimbursable at the time of separation from employment.
 - Sick leave may carry over and accumulate with no maximum. Sick leave is not reimbursable at the time of separation from employment. Unused sick leave may be applied toward service credit for retirement as permitted with the State University Retirement System.
- 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 has 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. 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.

q. 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.

r. 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:

- The valuation of the net other post-employment benefit liability.
- The valuation of the allowance for uncollectible accounts receivable.
- The amount of expenses eligible for reimbursement under the District’s state and federal grants.

3. Over Expenditure of Legal Budgets

The District over expended its legally adopted budgets for the following funds in the Fiscal Year 2025.

- The Auxiliary Fund budget was over expended by \$380,186. The over expenditure was due to an under-appropriated budget.
- The Liability, Protection, and Settlement Fund budget was over expended by \$7,464,809. The over expenditure was due to the legal settlement of \$7,500,000 discussed in Note 18, which was not an expected expenditure.

4. Deposits and Investments

Fair Value Measurements

The District categorizes its fair value measurements of investments within the fair value hierarchy established by GAAP. The three levels of fair value hierarchy are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical investments
- Level 2 – inputs (other than quoted prices included within Level 1) that are observable for the investment, either directly or indirectly.
- Level 3 – unobservable inputs – market data are not available and are developed using the best information available about the assumptions that market participants would use when pricing an investment.

The fair value of investments measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The District has the following fair value measurements as of June 30, 2025:

Investment Type	Carrying Value	Level
Non-Negotiable Certificates of Deposit	\$ 22,960,081	N/A
Negotiable Certificates of Deposit	488,593	2
Money Market	278,381	N/A
Municipal Bond	27,932	2
Promissory Notes	3,391	2
Total	<u>\$ 23,758,378</u>	

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, 2025, the bank balance of the District’s deposits, which includes certificates of deposit, was \$19,274,474. At June 30, 2025, 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.

5. Accounts Receivable, Net

Accounts Receivable, Net consists of the following at June 30, 2025:

Student Tuition and Fees Receivables, Net	\$ 2,515,027
State Replacement Tax	157,785
Tuition Receivables from Agencies	326,286
Grants from Federal and State Sources	572,199
Other Receivables	2,185,218
Less: Amounts Related to Future Terms	<u>(3,447,349)</u>
Total Accounts Receivable, Net	<u>\$ 2,309,166</u>
Unrestricted	\$ 1,820,833
Restricted	488,333
Total Accounts Receivable, Net	<u>\$ 2,309,166</u>

6. Capital Assets, Net

The following is a summary of changes in capital assets for the year ended June 30, 2025:

	June 30, 2024	Additions	Disposals	June 30, 2025
Capital Assets, not being Depreciated:				
Land & Site Improvements	\$ 3,220,750	\$ 37,500	\$ (21,950)	\$ 3,236,300
Construction in Progress	3,432,164	3,818,284	(2,461,261)	4,789,187
Total Capital Assets, not being Depreciated	<u>6,652,914</u>	<u>3,855,784</u>	<u>(2,483,211)</u>	<u>8,025,487</u>
Capital Assets, being Depreciated:				
Buildings	51,904,931	6,059,376	-	57,964,307
Equipment	22,907,392	1,667,736	(233,955)	24,341,173
Total Capital Assets, being Depreciated	<u>74,812,323</u>	<u>7,727,112</u>	<u>(233,955)</u>	<u>82,305,480</u>
Less: Accumulated Depreciation				
Buildings	(34,341,135)	(818,133)	-	(35,159,268)
Equipment & Other Assets	(18,578,698)	(1,464,683)	209,735	(19,833,646)
Total Accumulated Depreciation	<u>(52,919,833)</u>	<u>(2,282,816)</u>	<u>209,735</u>	<u>(54,992,914)</u>
Total Capital Assets, being Depreciated, Net	<u>21,892,490</u>	<u>5,444,296</u>	<u>(24,220)</u>	<u>27,312,566</u>
Subscription Assets:				
Technology Hardware/ Software	1,164,170	253,326	-	1,417,496
Less: Accumulated Amortization				
Technology Hardware/ Software	(594,429)	(367,942)	-	(962,371)
Total Subscription Assets Being Amortized, Net	<u>569,741</u>	<u>(114,616)</u>	<u>-</u>	<u>455,125</u>
Lease Assets:				
Vehicles	291,710	-	-	291,710
Total Lease Assets, being Amortized	<u>291,710</u>	<u>-</u>	<u>-</u>	<u>291,710</u>
Less: Accumulated Amortization				
Vehicles	(217,138)	(19,901)	-	(237,039)
Total Accumulated Amortization	<u>(217,138)</u>	<u>(19,901)</u>	<u>-</u>	<u>(237,039)</u>
Total Lease Assets being Amortized, Net	<u>74,572</u>	<u>(19,901)</u>	<u>-</u>	<u>54,671</u>
Total Capital Assets, Net	<u>\$ 29,189,717</u>	<u>\$ 9,165,563</u>	<u>\$ (2,507,431)</u>	<u>\$ 35,847,849</u>

7. Subscription-Based Information Technology Arrangements

The District has entered into subscription-based technology arrangements (SBITA) involving staff software, academic software, communications software, and various information systems software arrangements. The District is obligated under these non-cancellable arrangements on a subscription basis which require either one time or annual payments. These arrangements have terms running through April 2028. The District has no variable payments or termination penalties not included in the subscription liability.

The total costs of the District's SBITA assets are recorded as \$1,417,496 less accumulated amortization on those assets of \$962,371 as of June 30, 2025.

Future minimum payments under these arrangements are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 87,108	\$ 6,066	\$ 93,174
2027	89,674	2,974	92,648
Total	\$ 176,782	\$ 9,040	\$ 185,822

8. Unearned Revenue

Unearned revenue consists of the following at June 30:

Unearned Student Tuition and Fees	\$ 272,251
Other Unearned Revenue	21,997
Total Unearned Revenue	\$ 294,248

9. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

	June 30, 2024	Additions	Retired	June 30, 2025	Due Within One Year
Accrued Compensated Absences - Net Activity	\$ 947,875	\$ -	\$ 41,988	\$ 905,887	\$ -
Bonds Payable	6,175,000	7,040,000	640,000	12,575,000	1,550,000
Subscription Liabilities	407,510	253,326	484,054	176,782	87,108
Other Postemployment Benefit	6,280,647	-	297,538	5,983,109	-
Lease Liabilities	60,622	-	28,060	32,562	24,514
	\$ 13,871,654	\$ 7,293,326	\$ 1,491,640	\$ 19,673,340	\$ 1,661,622

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.

In January 2024, the District issued General Obligation Community College Bonds Series 2024 for the purpose of paying outstanding debt certificates whose original purpose was to fund capital projects. The original amount issued was \$6,175,000, with principal payments made annually beginning December 1, 2024 and through December 1, 2027. Interest rates on the bonds range from 3.85 percent to 4.00 percent. Interest is payable semiannually on June 1 and December 1 beginning December 1, 2024.

In June 2025, the District issued Taxable General Obligation Community College Bonds Series 2025A for the purpose of paying claims against the District. The original amount issued was \$6,175,000, with principal payments made annually beginning December 1, 2027 and through December 1, 2030. Interest rates on the bonds range from 4.60 percent to 5.00 percent. Interest is payable semiannually on June 1 and December 1 beginning December 1, 2025.

In June 2025, the District issued General Obligation Community College Bonds Series 2025B for the purpose of increasing the working cash fund for capital projects. The original amount issued was \$865,000, with the principal payment due December 1, 2030. The interest rate on the bonds is 4.10 percent. Interest is payable semiannually on June 1 and December 1 beginning December 1, 2025.

Maturities of the bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 1,550,000	\$ 491,613	\$ 2,041,613
2027	1,970,000	449,448	2,419,448
2028	2,225,000	367,414	2,592,414
2029	2,405,000	266,676	2,671,676
2030	2,605,000	146,386	2,751,386
Thereafter	1,820,000	41,608	1,861,608
Total	<u>\$ 12,575,000</u>	<u>\$ 1,763,145</u>	<u>\$ 14,338,145</u>

Total interest incurred for all long term debt for the year ended June 30, 2025 was \$243,784.

The legal debt margin of the District at June 30, 2025 is as follows:

Assessed valuation - 2024 levy	<u>\$ 2,407,167,025</u>
Debt limit - 2.875 percent of assessed valuation	\$ 69,206,052
Bonded indebtedness	<u>13,375,000</u>
Legal debt margin	<u>\$ 55,831,052</u>

10. Defined Benefit Pension Plan

Plan Description

The District contributes to the State Universities Retirement System (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, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, 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 Annual Comprehensive Financial Report (ACFR) 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. Tier 1 of the traditional and portable plan 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 began participation on or after January 1, 2011, and who do not have other eligible reciprocal system service. 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 whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2024, can be found in the Financial Section of SURS ACFR.

Contributions

The State of Illinois is primarily responsible for funding SURS 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 within SURS 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 2025 was 11.98 percent of employee payroll. The normal cost is equal to the value of the 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, except for police officers and fire fighters who contribute 9.50 percent of their earnings. 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

The net pension liability (NPL) was measured as of June 30, 2024. At June 30, 2024, SURS defined benefit plan reported a NPL of \$30,230,907,727.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the NPL to be recognized for the District is \$0. The proportionate share of the State of Illinois’ NPL associated with the District is \$128,378,573 or 0.4247 percent. The District’s proportionate share changed by 0.0034 percent from 0.4212 percent since the last measurement date on June 30, 2023. This amount is not recognized in the District’s financial statements. The NPL and total pension liability as of June 30, 2024, was determined based on the June 30, 2023, 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 defined benefit plan during Fiscal Year 2023.

Defined Benefit Pension Expense

For the year ending June 30, 2024, SURS defined benefit plan reported a collective net pension expense of \$1,996,285,670.

Employer Proportionate Share of Defined Benefit Pension Expense

The District’s proportionate share of collective defined benefit 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 pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during Fiscal Year 2023. As a result, the District recognized revenue and defined benefit pension expense of \$8,477,427 from this special funding situation during the fiscal year ended June 30, 2025.

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

Deferred outflows of resources are the consumption of net position by SURS 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	\$ 305,114,071	\$ -
Changes in Assumptions	483,809,428	-
Net Difference between projected and actual earnings on pension plan investments	-	27,577,324
Total	<u>\$ 788,923,499</u>	<u>\$ 27,577,324</u>

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

Year Ending June 30,	Net Deferred Outflows of Resources
2025	\$ 126,531,380
2026	756,545,086
2027	(49,545,529)
2028	(72,184,762)
Total	<u>\$ 761,346,175</u>

Employer Deferral of Fiscal Year 2025 Contributions

The District paid \$97,570 in federal, trust or grant contributions to SURS defined benefit pension plan during the fiscal year ended June 30, 2025. These contributions were made subsequent to the pension liability measurement date of June 30, 2024, and are recognized as deferred outflows of resources as of June 30, 2025.

Assumptions and Other Inputs

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period June 30, 2020 through June 30, 2023. The total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.40 percent
- Salary increases: 3.15 to 15.00 percent, including inflation
- Investment rate of return: 6.50 percent

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 consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024, 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	36.0%	7.13%
Stabilized Growth		
Core Real Assets	8.0%	5.06%
Public Credit Fixed Income	6.5%	4.10%
Private Credit	2.5%	7.36%
Non-Traditional Growth		
Private Equity	11.0%	10.92%
Non-Core Real Assets	4.0%	9.09%
Inflation Sensitive		
U.S. TIPS	5.0%	2.12%
Principal Protection		
Core Fixed Income	10.0%	1.34%
Crisis Risk Offset		
Systematic Trend Following	10.0%	2.90%
Alternative Risk Premia	3.0%	2.62%
Long Duration	2.0%	2.84%
Long Volatility/Tail Risk	2.0%	-1.22%
Total	100%	
Weighted Average		5.63%
Inflation		2.80%
Expected Arithmetic Return		8.43%

Discount Rate

A single discount rate of 6.35 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 3.97 percent (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2024). 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 SURS 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 NPL to changes in the single discount rate, the following presents the State’s NPL, calculated using a single discount rate of 6.35 percent, as well as what the State’s NPL would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

1% Decrease 5.35%	Current Single Discount Rate Assumption 6.35%	1% Increase 7.35%
\$36,700,168,358	\$30,230,907,727	\$24,839,790,537

Additional information regarding the SURS basic financial statements, including the plan’s net position, can be found in SURS Annual Comprehensive Financial Report by accessing the website at www.SURS.org.

\$78,058 was payable to the plan at June 30, 2025.

11. 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, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, 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, 2024, can be found in SURS 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, 2024, the State’s contributions to the RSP on behalf of the individual employers totaled \$96,741,887. Of this amount, \$89,857,115 was funded via an appropriation from the State and \$6,884,772 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 2024. The District’s share of pensionable contributions was 0.2390 percent. As a result, the District recognized on-behalf revenue and defined contribution pension expense of \$231,166 from this special funding situation for the fiscal year ended June 30, 2025, of which \$16,451 constituted forfeitures.

\$11,244 was payable to the plan at June 30, 2025.

12. 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 the 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

Beginning July 1, 2023, and through June 30, 2024, The Act (5 ILCS 375/6.10) requires every active contributor (employee) of SURS to contribute 0.75 percent of covered payroll and every community college district to contribute 0.75 percent of covered payroll. Beginning July 1, 2024 and through June 30, 2026, the contribution rate shall be a percentage of salary to be determined by the Department, which in each fiscal year shall not exceed a 0.1 percentage point increase in the amount of salary actually required to be contributed for the previous fiscal year. Beginning July 1, 2026, the active member and employer contribution rates shall be a percentage of salary to be determined by the Department, which in each fiscal year shall not exceed 105 percent of the percentage of salary actually required to be contributed for the previous fiscal year. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires a special funding situation whereby the State of Illinois makes 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 year ended June 30, 2025 was \$161,577.

Net OPEB Liability

At June 30, 2024, CIP reported a net OPEB liability of \$665,190,300.

Employer Proportionate Share of Net OPEB Liability

The proportionate share of the net OPEB liability reported by the District is \$5,983,109. 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, 2024. The total OPEB liability used to calculate the net OPEB liability was determined based on the June 30, 2023 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, 2024, the District's proportion was 0.8995 percent. The portion of the State of Illinois' liability that is associated with the District is \$5,983,109. The total portion associated with the District is \$11,966,218.

OPEB Expense

At June 30, 2024, CIP reported a collective net OPEB expense of (\$252,150,464).

Employer Proportionate Share of OPEB Expense

For the year ended June 30, 2025, the District recognized proportionate share of collective OPEB expense of (\$2,267,988). The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported contributions made to CIP during Fiscal Year 2024.

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	\$ 75,851	\$ 1,802,682
Changes in Assumptions	44,243	4,347,091
Net Difference between projected and actual earnings on pension plan investments	-	2,966
Changes in proportion and differences between employer contributions and share of contributions	1,105,416	358,488
Total deferred amounts to be recognized in OPEB expense in future periods	1,225,510	6,511,227
OPEB contributions made subsequent to the measurement date	159,477	-
Total	<u>\$ 1,384,987</u>	<u>\$ 6,511,227</u>

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
2025	\$ 245,102	\$ 1,302,245
2026	245,102	1,302,245
2027	245,102	1,302,245
2028	245,102	1,302,245
2029	245,102	1,302,247
Total	<u>\$ 1,225,510</u>	<u>\$ 6,511,227</u>

Employer Deferral of Fiscal Year 2025 OPEB Expense

The State of Illinois paid \$161,577 in OPEB contributions on-behalf of the District for the fiscal year ended June 30, 2025. These contributions were made subsequent to the OPEB liability measurement date of June 30, 2024 and are recognized as deferred outflows of resources as of June 30, 2025. These will be recognized in OPEB expense in Fiscal Year 2026.

Assumptions and Other Inputs

The total CIP plan's net OPEB liability was determined by an actuarial valuation as of June 30, 2023, 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 age and service and ranges from 12.75 percent at less than 1 year of service to 3.50 percent at 34 or more years of service for employees under 50 and ranges from 12.00 percent at less than 1 year of service to 3.00 percent at 34 or more years of service for employees over 50. Salary increase includes a 3.00 percent wage inflation assumption.

- Investment rate of return – 0 percent, net of OPEB plan investment expense, including inflation, for all plan years.
- Healthcare cost trend rates – actual trend used for Fiscal Year 2025 based on premium increases. For fiscal years on or after 2026, trend starts at 8.00 percent for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate rate of 4.25 percent in 2041. For MAPD costs, trends rates are based on actual premium increases for 2025, 15.00 percent in 2026 to 2030 and 7.00 percent in 2031, declining gradually to an ultimate rate of 4.25 percent in 2041.

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. For disabled annuitants, mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period of June 30, 2017 to June 30, 2020.

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 rate is 3.97 percent as of June 30, 2024. The increase in the discount rate from 3.86 percent at June 30, 2023 to 3.97 percent caused the total OPEB liability to decrease by approximately \$6.3 million from 2023 to 2024.

Sensitivity of the Total CIP’s Plan OPEB Liability to Changes in the Single Discount Rate

The following presents the District’s proportional share of the OPEB liability, calculated using a Single Discount Rate of 3.97 percent, as well as what the total CIP’s plan OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (4.97 percent) or lower (2.97 percent) than the current rate:

1% Decrease 2.97%	Current Single Discount Rate Assumption 3.97%	1% Increase 4.97%
\$6,536,936	\$5,983,387	\$5,509,478

Sensitivity of the Total CIP's Plan OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the District's share of the OPEB liability, calculated using the healthcare cost trend rates as well as what the total CIP's plan OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower.

1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
\$5,376,042	\$5,983,387	\$6,719,139

- The key trend rates are 9.02 percent in 2025, decreasing to an ultimate trend rate of 4.25 percent in 2041.
- One percentage point decrease in healthcare trend rates are 8.02 percent in 2025, decreasing to an ultimate trend rate of 3.25 percent in 2041.
- One percentage point increase in healthcare trend rates are 10.02 percent in 2025, decreasing to an ultimate trend rate of 5.25 percent in 2041.

No amount was owed to the plan at June 30, 2025. The District provides no other financially significant post-employment benefit to employees.

13. On-Behalf Payments for Fringe Benefits

For the year ending June 30, 2025, payments for fringe benefits made by the State of Illinois on behalf of the District to SURS were \$8,708,593 for pensions and on-behalf expenses incurred by CIP were (\$2,267,988) for other post-employment benefits.

14. Voluntary Separation Incentive Plan for Faculty

In March 2025, the District implemented a Faculty Voluntary Separation Incentive Plan (VSIP) for eligible, full-time faculty members. The purpose of the plan was to align the District's programs with community educational interests and achieve financial savings by reducing the workforce through voluntary separations, thereby minimizing the need for future reductions-in-force.

Eligibility and Terms

Eligible participants were full-time faculty members aged 50 or older with at least 10 years of total teaching or related work experience. Participation in the plan was entirely voluntary. The application period was open from March 28, 2025, to April 15, 2025, with separation dates ranging from May 8, 2025, to July 31, 2025.

Benefits Provided

Faculty members who elected to participate and executed the required separation agreement received the following benefits:

- A lump-sum payment ranging from \$25,000 to \$50,000, based on years of service.
- An additional lump-sum payment of \$18,000 intended to assist with post-employment health insurance coverage, which could be used for SURS group insurance, COBRA coverage, or other healthcare options at the participant's discretion.
- Payment of all amounts was subject to applicable tax withholdings and deductions.
- The plan also provided for reporting of final creditable earnings and unused sick leave to SURS, and a positive letter of reference for each participant.

Accounting and Recognition

In accordance with GASB Statement No. 47 (GASB 47), the District recognized an expense for the VSIP in the period in which eligible faculty members accepted the offer and the amounts could be reasonably estimated. The total expense recognized for the plan as of June 30, 2025, was \$247,000, representing the sum of all approved lump-sum payments and healthcare-related benefits to be paid to participants. Subsequent to June 30, 2025, a liability and expense of \$378,000 was recognized for faculty who completed the acceptance after June 30, 2025. No liability was recorded for the VSIP as of June 30, 2025.

Measurement of Healthcare-Related Benefits

The healthcare-related incentive was provided as a lump-sum payment and not as a direct commitment to provide post-employment healthcare coverage. Therefore, the expense was measured at the gross amount of the lump-sum payment, consistent with GASB 47 guidance for non-continuing healthcare-related benefits.

Other Terms

Participation in the plan was irrevocable after the revocation period. Faculty members who separated under the plan may seek re-employment with the District after two academic years, subject to applicable statutes and regulations.

Management believes the plan will result in long-term cost savings and operational efficiencies for the District.

15. Related-Party Transactions

As described in Note 1, the District has four related Foundations comprising the aggregate discreetly presented component units. Those foundations are: 1) Frontier Community College Foundation, Fairfield, Illinois; 2) Lincoln Trail College Foundation, Robinson, Illinois; 3) Olney Central College Foundation, Olney, Illinois; and 4) Wabash Valley College Foundation, Mount Carmel, Illinois. As noted in Note 1, the Foundations are legally separate, tax-exempt component units of the District

that act primarily as fundraising organizations to supplement the resources of the District in support of its students and programs. Contributions received by the District are recorded as Institutional Support. More information on the Foundations can be found in Note 1 or by requesting a copy of the separately issued statements of each foundation.

The following table outlines the nature of and amounts of transactions between the District and each of its Foundations:

Related Party	Nature	Revenue (Expense)	In-Kind Revenue (Expense)
Frontier Community College Foundation	Institutional Support Facility Lease	\$ 51,839	\$ 102,210
Lincoln Trail College Foundation	Institutional Support Vehicle Lease Repayment Grant Reimbursement	335,193 (30,368) 118,841	
Olney Central College Foundation	Institutional Support Staff	305,434	(17,699)
Wabash Valley College Foundation	Institutional Support Facility Lease	231,400	29,000

The District has various lease arrangements with the Lincoln Trail College Foundation for the lease of motor vehicles. During the year ended June 30, 2025, the District made repayments on outstanding leases totaling \$30,368.

The District has certain lease arrangements with the Frontier Community College Foundation and the Wabash Valley College Foundation for the use of buildings owned by the Foundations. The lease arrangements do not provide for any monthly or annual rent, but do require the District to maintain the buildings, provide commercial property insurance, and pay all utilities in exchange for use. The in-kind contribution of the rent is noted in the table above.

The District provides support to the Olney Central College Foundation in the form of donated services consisting of salaries and benefits. For the year ended June 30, 2025, the amount contributed and included as in-kind in the table above was \$17,446 for salaries and \$253 for benefits.

The District serves as the fiscal agent for a grant awarded to the Lincoln Trail College Foundation from the Department of Commerce and Economic Opportunity. In the capacity as the fiscal agent, the District received reimbursement for \$118,841 of recognized expenditures incurred on the project during the year ended June 30, 2025.

During the year ended June 30, 2025, the Wabash Valley College Foundation deeded, through Special Warranty Deed, the Valley Gardens apartments on Risley Avenue in Mount Carmel, IL. The fair value of the donation was recorded as a revenue and expense totaling \$1,750,000 and recorded to the District's depreciation schedule.

At June 30, 2025, \$115 was payable to the Foundations.

16. Functional Expense

The District's functional allocation of expenses is as follows for the year ended June 30, 2025:

Instruction	\$ 15,799,949
Academic Support	736,817
Student Services	5,532,895
Public Services	763,854
Auxiliary Services	5,766,247
Operations and Maintenance of Plant	4,223,208
Institutional Support	9,911,154
Scholarships, Student Grants, and Waivers	3,741,098
Depreciation and Amortization Expense	2,670,658
Total	<u>\$ 49,145,880</u>

17. 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.

18. Legal Settlement

During the year ended June 30, 2025, the District settled claims regarding the District's compliance with Illinois Community College Board grant regulations. The legal settlement of \$7,500,000 was paid during the year ended June 30, 2025 and is reported in Other Nonoperating Expenditures in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. No further liability remains as of June 30, 2025.

19. Contingencies

Federal and State Grants

The District participates in a number of federal and state funded grant programs. Under the terms of these programs, periodic audits may be required by grantor agencies, and certain costs may be questioned as not being appropriate expenditures under the terms of these programs. Such audits could lead to reimbursements to grantor agencies. Based on prior experience, the District's management believes examinations would not result in any material disallowed costs for grant revenue recorded in these financial statements or from prior years.

20. Commitments

The District has various construction contract commitments through the date of the Independent Auditor's Report. The remaining commitment on the contracts was approximately \$11,455,000 and is expected to be incurred in Fiscal Year 2026.

21. New Government Accounting Standards

In April 2024, GASB issued GASB Statement 103 (GASB 103), *Financial Reporting Model Improvements*. The provisions of GASB 103 improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. GASB 103 will be effective for the District's Fiscal Year 2026.

In September 2024, GASB issued GASB Statement 104 (GASB 104), *Disclosure of Certain Capital Assets*. The provisions of GASB 104 require certain types of capital assets, specifically lease assets and subscription assets, to be disclosed separately in the capital assets note disclosures. This Statement also requires additional disclosures for capital assets held for sale. GASB 104 will be effective for the District's Fiscal Year 2026.

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

22. 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 costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.
- d. The Foundations are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.
- e. The Foundations have evaluated subsequent events through February 10, 2026, the date which the financial statements were available to be issued.

B. Investments

The following is a summary of component unit investments at June 30, 2025:

	<u>Amortized Cost</u>	<u>Fair Value</u>
Mutual Funds	\$ 9,309,094	\$ 12,834,385
Equity Securities	718,310	1,292,095
Corporate Bonds	320,120	317,708
Foreign Bonds	19,817	20,254
Municipal Bonds	134,758	125,913
U.S. Government Securities	738,540	809,305
Mortgage Backed Securities	16,896	15,416
Certificates of Deposit	693,077	693,088
Other	847,266	847,266
	<u>\$ 12,797,878</u>	<u>\$ 16,955,430</u>

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, 2025.

Mutual Funds, Equity Securities, Corporate Bonds, Foreign Bonds, Municipal Bonds, U.S. Government Securities, Mortgage-Backed Securities – Level 1 assets are valued at unadjusted quoted prices for identical assets in active markets that the Foundations have the ability to access. Level 2 assets are valued using quoted market prices for similar assets in markets that are not active.

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, 2025:

	Investments as of June 30, 2025			Total
	Level 1	Level 2	Level 3	
Investments at Fair Value:				
Mutual Funds	\$ 12,834,385	\$ -	\$ -	\$ 12,834,385
Equity Securities	1,081,093	211,002	-	1,292,095
Corporate Bonds	317,708	-	-	317,708
Foreign Bonds	20,254	-	-	20,254
Municipal Bonds	125,913	-	-	125,913
U.S. Government Securities	-	809,305	-	809,305
Mortgage Backed Securities	15,416	-	-	15,416
Total Fair Value	14,394,769	1,020,307	-	15,415,076
Investments at Cost:				
Certificates of Deposit	693,088	-	-	693,088
Other	847,266	-	-	847,266
Total	\$ 15,935,123	\$ 1,020,307	\$ -	\$ 16,955,430

C. Property and Equipment, Net

Property and equipment, net consists of the following as of June 30, 2025:

Land	\$	395,266
Buildings		459,307
Equipment		75,649
Vehicles (Leased)		120,140
Royalty Interest		1,907
Land Improvements		25,658
Leasehold Improvements		31,140
Total		<u>1,109,067</u>
Less: Accumulated Depreciation		<u>(539,163)</u>
Property and Equipment, Net	\$	<u>569,904</u>

Depreciation expense for the year ended June 30, 2025 was \$29,544.

D. Notes Payable

Notes payable consists of the following as of June 30, 2025:

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.

	\$	<u>28,584</u>
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Annual maturities of notes payable for the years after June 30, 2025 are as follows:

Fiscal Year Ending June 30		
2026		\$ 19,032
2027		9,552
Total		<u>\$ 28,584</u>

E. Conditional Contributions

The Foundations have \$300,000 of conditional contributions to be earned in future years as allowable expenses are incurred or project milestones are achieved.

23. 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 and amortization 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, 2025
(Unaudited)

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2024</u>
a) IECC's Proportionate Percentage of the Collective Net Pension Liability	0%	0%	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	<u>101,854,540</u>	<u>115,234,130</u>	<u>109,288,464</u>	<u>118,639,012</u>	<u>127,172,475</u>	<u>130,667,510</u>	<u>121,743,564</u>	<u>116,682,961</u>	<u>124,032,467</u>	<u>128,378,573</u>
Total b) + c)	<u>\$ 101,854,540</u>	<u>\$ 115,234,130</u>	<u>\$ 109,288,464</u>	<u>\$ 118,639,012</u>	<u>\$ 127,172,475</u>	<u>\$ 130,667,510</u>	<u>\$ 121,743,564</u>	<u>\$ 116,682,961</u>	<u>\$ 124,032,467</u>	<u>\$ 128,378,573</u>
IECC Defined Benefit Covered Payroll	<u>\$ 15,676,719</u>	<u>\$ 16,079,959</u>	<u>\$ 15,191,656</u>	<u>\$ 15,468,356</u>	<u>\$ 16,060,042</u>	<u>\$ 15,911,436</u>	<u>\$ 15,001,353</u>	<u>\$ 16,111,248</u>	<u>\$ 17,016,757</u>	<u>\$ 17,941,731</u>
Proportion of Collective Net Pension Liability Associated with IECC as a Percentage of Defined Benefit Covered Payroll	650%	717%	719%	767%	792%	821%	812%	724%	729%	716%
SURS Plan Net Position as a Percentage of Total Pension Liability	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%	43.65%	44.06%	44.60%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - SURS
For the Year Ended June 30, 2025
(Unaudited)

	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>
IECC's Federal, Trust, Grant, and Other Contribution	\$ 86,267	\$ 64,774	\$ 79,807	\$ 95,325	\$ 119,730
IECC's Contribution in Relation to Required Contribution	86,267	64,774	79,807	95,325	119,730
Contribution Deficiency (Excess)	<u>\$ -</u>				
IECC's Covered Payroll	<u>\$ 679,803</u>	<u>\$ 516,950</u>	<u>\$ 640,505</u>	<u>\$ 775,630</u>	<u>\$ 942,755</u>
Contributions as a Percentage of Covered Payroll	12.69%	12.53%	12.46%	12.29%	12.70%
	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2024</u>	<u>Fiscal Year 2025</u>
IECC's Federal, Trust, Grant, and Other Contribution	\$ 172,540	\$ 169,409	\$ 170,439	\$ 129,259	\$ 97,570
IECC's Contribution in Relation to Required Contribution	172,540	169,409	170,439	129,259	97,570
Contribution Deficiency (Excess)	<u>\$ -</u>				
IECC's Covered Payroll	<u>\$ 1,325,193</u>	<u>\$ 1,375,073</u>	<u>\$ 1,328,441</u>	<u>\$ 1,031,596</u>	<u>\$ 814,441</u>
Contributions as a Percentage of Covered Payroll	13.02%	12.32%	12.83%	12.53%	11.98%

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Notes to Required Supplementary Information – Pension Liability
For the Year Ended June 30, 2025
(Unaudited)

Changes of Benefit Terms

Public Act 103-0080, effective August 11, 2023, made changes to the calculation of service and eliminated the part-time adjustment for participants on or after September 1, 2024. This change was reflected in the Total Pension Liability as of June 30, 2024.

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, 2020 to June 30, 2023 was performed in Spring 2024, resulting in the adoption of new assumptions as of June 30, 2024. These assumptions are listed below.

- Salary increase. The overall assumed rates of salary increase range from 3.15 percent to 15.00 percent based on years of service, with an underlying wage inflation rate of 2.40 percent. Separate rates of increase are assumed for members in academic and non-academic positions.
- Investment return. The investment return is assumed to be 6.50 percent. This reflects an assumed real rate of return of 4.10 percent and assumed price inflation of 2.40 percent.
- Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 7.00 percent.
- Normal retirement rates. Separate rates are assumed for members in academic positions, non-academic positions, and public safety positions. Rates are generally highest for public safety positions and lowest for academic positions.
- Early retirement rates. Separate rates are assumed for members in academic positions and non-academic positions. Rates are generally higher for non-academic positions.
- Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase, with separate rates for academic and non-academic positions.
- Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2021 scale, with separate rates for academic, non-academic, and public safety members.
- Disability rates. Separate rates are assumed for members in academic positions, non-academic positions and public safety positions, as well as for males and females. Public safety disability incidence is assumed to be 50 percent line-of-duty related and 50 percent ordinary.

- Plan election. For non-academic members, assumed plan election rates are 75 percent for Tier 2 and 25 percent for Retirement Savings Plan (RSP). For new academic members, assumed plan election rates are 55 percent for Tier 2 and 45 percent for RSP.
- Cost of living adjustment. Annual annuity increases are assumed to be 3.00 percent for Tier 1 members and 1.20 percent for Tier 2 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, 2025
(Unaudited)

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2024</u>
a) IECCs Proportionate Percentage of the Collective Net OPEB Liability	0.835067%	0.837049%	0.839573%	0.832615%	0.804555%	0.855499%	0.889185%	0.899456%
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	\$ 5,856,409	\$ 6,280,647	\$ 5,983,109
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability Associated with IECC	<u>15,028,021</u>	<u>15,780,483</u>	<u>15,855,669</u>	<u>15,176,633</u>	<u>13,963,316</u>	<u>5,856,409</u>	<u>6,280,646</u>	<u>5,983,109</u>
Total b) + c)	<u>\$ 30,256,604</u>	<u>\$ 31,560,966</u>	<u>\$ 31,711,338</u>	<u>\$ 30,353,228</u>	<u>\$ 27,926,632</u>	<u>\$ 11,712,818</u>	<u>\$ 12,561,293</u>	<u>\$ 11,966,218</u>
IECC's Covered-Employee Payroll	<u>\$ 14,532,552</u>	<u>\$ 14,627,862</u>	<u>\$ 15,135,752</u>	<u>\$ 15,314,620</u>	<u>\$ 14,961,326</u>	<u>\$ 16,135,600</u>	<u>\$ 17,589,400</u>	<u>\$ 19,067,467</u>
IECC's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered-Employee Payroll	105%	108%	105%	99%	93%	36%	36%	31%
CIP Plan Net Position as a Percentage of Total OPEB Liability	-2.87%	-3.54%	-4.13%	-5.07%	-6.38%	-22.03%	-17.87%	-18.45%

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, 2025
(Unaudited)

Year Ended June 30	Statutorily Required Contributions*	Covered Payroll	Actual Contribution as a % of Covered Payroll
2025	\$ 161,577	\$ 19,009,059	0.85%
2024	143,006	19,067,467	0.75%
2023	87,947	17,589,400	0.50%
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%

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

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Notes to Required Supplementary Information – OPEB Liability
For the Year Ended June 30, 2025
(Unaudited)

Changes of Benefit Terms

There were no benefit changes in the Total OPEB Liability as of June 30, 2024.

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, 2024, contribution rates are 0.75 percent of pay for active members, 0.75 percent of pay for community colleges and 0.75 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 not paid plan costs.
- Asset Valuation Method – Market value
- Investment Rate of Return – 0 percent, net of OPEB plan investment expense, including inflation, for all plan years.
- Inflation – 2.25 percent
- Salary Increases – Depends on age and service and ranges from 12.75 percent at less than 1 year of service to 3.50 percent at 34 or more years of service for employees under 50 and ranges from 12.00 percent at less than 1 year or service to 3.00 percent at 34 or more years of service for employees over 50. Salary increase includes a 3.00 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, 2021, actuarial valuation.
- Mortality – Retirement and Beneficiary Annuitants: Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.
- Healthcare Cost Trend Rates – Trend used plan year end 2025 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00 percent for plan year 2026 and decrease gradually to an ultimate rate of 4.25 percent in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00 percent in 2026 to 2030 and 7.00 percent in 2031, declining gradually to an ultimate rate of 4.25 percent in 2041.
- 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.

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ASSESSED VALUATIONS AND TAXES LEVIED -
GOVERNMENTAL FUND TYPES
Levy Years 2024, 2023, and 2022

	<u>2024 Levy</u>	<u>2023 Levy</u>	<u>2022 Levy</u>
ASSESSED VALUES AS EQUALIZED			
Clark	\$ 10,438,696	\$ 9,431,071	\$ 8,108,535
Clay	235,774,444	215,375,111	193,181,265
Crawford	626,229,851	569,029,287	532,578,512
Cumberland	114,850	100,978	88,357
Edwards	132,159,467	118,754,473	102,934,316
Hamilton	1,205,826	1,084,022	933,664
Jasper	237,725,180	221,330,876	206,345,861
Lawrence	254,687,490	225,093,194	197,172,384
Richland	340,603,829	310,817,871	281,528,948
Wabash	** 212,433,110	206,245,646	188,067,939
Wayne	262,087,994	231,239,710	202,908,692
White	<u>93,706,288</u>	<u>95,146,843</u>	<u>70,418,206</u>
TOTAL	<u>\$ 2,407,167,025</u>	<u>\$ 2,203,649,082</u>	<u>\$ 1,984,266,679</u>
TAX RATES (PER \$100 OF ASSESSED VALUATION)			
Education Fund	0.1750	0.1710	0.1685
Operations and Maintenance Fund	0.0750	0.0734	0.0727
Statewide Average Tax	0.0376	0.0327	-
Bond and Interest Fund	0.1017	0.0773	0.0961
Liability, Protection, and Settlement Fund	0.0623	0.0636	0.0575
Protection, Health, and Safety Audit Fund	0.0083	0.0091	0.0101
	<u>0.0043</u>	<u>0.0027</u>	<u>0.0025</u>
TOTAL	<u>0.4642</u>	<u>0.4298</u>	<u>0.4074</u>
TAXES EXTENDED			
Education Fund	\$ 4,212,542	\$ 3,750,000	\$ 3,345,922
Operations and Maintenance Fund	1,805,375	1,610,000	1,442,549
Statewide Average Tax	905,761	717,433	-
Bond and Interest Fund	2,447,395	1,694,541	1,914,363
Liability, Protection, and Settlement Fund	1,500,000	1,344,804	1,075,271
Protection, Health, and Safety Audit Fund	200,000	200,000	201,871
	<u>102,500</u>	<u>60,000</u>	<u>50,468</u>
TOTAL	<u>\$ 11,173,573</u>	<u>\$ 9,376,778</u>	<u>\$ 8,030,444</u>

** Estimated as of June 30, 2025

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SUMMARY OF TAXES RECEIVABLE AND TAX COLLECTIONS -
GOVERNMENTAL FUND TYPES
Year Ended June 30, 2025**

Levy Year	Assessed Valuation	Combined Rate	Taxes Extended	Collected		Total Collected to June 30, 2025	Percent Collected June 30, 2025	Allowance for Uncollectible Taxes	Balance After Allowance
				Total Collected to June 30, 2024	During Year Ended June 30, 2025				
2024	\$ 2,407,167,025	0.4642	\$ 11,173,573	\$ -	\$ -	\$ -	0.00%	\$ -	\$ 11,173,573
2023	\$ 2,203,649,082	0.4298	\$ 9,376,778	-	9,376,778	9,376,778	100.00%	-	-
				\$ -	\$ 9,376,778	\$ 9,376,778			\$ 11,173,573

2024 TAXES EXTENDED

	Uncollected June 30, 2025	Allowance For Uncollectible Taxes	Balance After Allowance
Education Fund	\$ 4,212,542	\$ -	\$ 4,212,542
Operations and Maintenance Fund	1,805,375	-	1,805,375
Statewide Average Tax	905,761	-	905,761
Bond and Interest Fund	2,447,395	-	2,447,395
Liability, Protection, and Settlement Fund	1,500,000	-	1,500,000
Protection, Health, and Safety Fund	200,000	-	200,000
Audit Fund	102,500	-	102,500
	<u>\$ 11,173,573</u>	<u>\$ -</u>	<u>\$ 11,173,573</u>

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SCHEDULE OF DEBT MATURITIES
June 30, 2025

GENERAL OBLIGATION COMMUNITY COLLEGE BONDS

Year Ended June 30,	<u>Amounts Due During the Current Year</u>				Principal Outstanding at June 30,
	Interest Rate	Principal	Interest	Total	
Taxable					
2020D Series:					
2026	2.750%	\$ 700,000	\$ 12,375	\$ 712,375	\$ 100,000
2025A Series:					
2026	4.600%	\$ -	\$ 273,985	\$ 273,985	\$ 6,175,000
Tax Exempt					
2024 Series:					
2026	3.950%	\$ 1,550,000	\$ 185,020	\$ 1,735,020	\$ 3,985,000
2025B Series:					
2026	4.100%	\$ -	\$ 32,608	\$ 32,608	\$ 865,000
Amounts Due in Future Years					
	Interest Rate	Principal	Interest	Total	
Taxable					
2020D Series:					
2027	2.750%	\$ 100,000	\$ 1,375	\$ 101,375	\$ -
2025A Series:					
2027	4.600%	\$ -	\$ 297,990	\$ 297,990	\$ 6,175,000
2028	4.600%	210,000	293,160	503,160	5,965,000
2029	4.750%	2,405,000	231,211	2,636,211	3,560,000
2030	4.850%	2,605,000	110,921	2,715,921	955,000
2031	5.000%	955,000	23,875	978,875	-
		\$ 6,175,000	\$ 957,157	\$ 7,132,157	
Tax Exempt					
2024 Series:					
2027	3.900%	\$ 1,970,000	\$ 115,993	\$ 2,085,993	2,015,000
2028	3.850%	2,015,000	38,789	2,053,789	-
		\$ 3,985,000	\$ 154,782	\$ 4,139,782	
2025B Series:					
2027	4.100%	\$ -	\$ 35,465	\$ 35,465	\$ 865,000
2028	4.100%	-	35,465	35,465	865,000
2029	4.100%	-	35,465	35,465	865,000
2030	4.100%	-	35,465	35,465	865,000
2031	4.100%	865,000	17,733	882,733	-
		\$ 865,000	\$ 159,593	\$ 1,024,593	
TOTAL AMOUNT DUE IN FUTURE YEARS					
2020D Series		\$ 100,000	\$ 1,375	\$ 101,375	
2024 Series		3,985,000	154,782	4,139,782	
2025A Series		6,175,000	957,157	7,132,157	
2025B Series		865,000	159,593	1,024,593	
		\$ 11,125,000	\$ 1,272,907	\$ 12,397,907	

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 1
ALL FUNDS SUMMARY - MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2025

	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	\$ 14,908,435	\$ 3,468,112	\$ 357,168	\$ 15,403,511	\$ 1,089,430	\$ 6,307,110	\$ 615	\$ 349,566	\$ 4,546,846	\$ 46,430,793
REVENUES										
Local Tax Revenue	4,587,429	2,612,215	1,837,496	1,079,722	-	-	63,546	7,433,974	-	17,614,382
ICCB Grants	13,628,774	225,000	-	-	900,694	-	-	-	-	14,754,468
All Other State Revenue	-	-	-	1,612,081	459,414	-	-	-	-	2,071,495
Federal Revenue	-	-	-	-	8,101,159	-	-	-	-	8,101,159
Student Tuition and Fees	12,044,215	945,895	-	-	-	-	-	-	203,562	13,193,672
On-Behalf CIP	-	-	-	-	(2,267,988)	-	-	-	-	(2,267,988)
On-Behalf SURS	-	-	-	-	8,708,593	-	-	-	-	8,708,593
All Other Revenue	1,006,357	2,300,592	21,240	653,293	156,800	295,899	106	11,241	3,222,138	7,667,666
Total Revenues	31,266,775	6,083,702	1,858,736	3,345,096	16,058,672	295,899	63,652	7,445,215	3,425,700	69,843,447
EXPENDITURES										
Instruction	13,205,065	-	-	-	4,142,369	-	-	6,076	5,999	17,359,509
Academic Support	635,347	-	-	-	136,807	-	-	-	1,616	773,770
Student Services	2,065,721	100	-	-	3,700,697	-	-	-	101,352	5,867,870
Public Service/Continuing Education	89,909	-	-	-	625,280	-	-	-	325,201	1,040,390
Auxiliary Services	6,000	10,344	-	-	750,601	-	-	-	5,185,423	5,952,368
Operations and Maintenance	55,776	4,035,678	-	842,793	408,637	-	-	-	26,887	5,369,771
Institutional Support	7,913,214	1,929,289	1,696,093	5,480,072	1,189,715	11,681	67,510	9,095,276	(4,323)	27,378,527
Scholarships, Student Grants, & Waivers	5,367,177	-	-	-	5,305,587	-	-	-	296,573	10,969,337
Total Expenditures	29,338,209	5,975,411	1,696,093	6,322,865	16,259,693	11,681	67,510	9,101,352	5,938,728	74,711,542
NET TRANSFERS	(1,946,588)	10,000	-	-	-	(1,650,000)	-	1,500,000	2,086,588	-
FUND BALANCE - END OF YEAR	\$ 14,890,413	\$ 3,586,403	\$ 519,811	\$ 12,425,742	\$ 888,409	\$ 4,941,328	\$ (3,243)	\$ 193,429	\$ 4,120,406	\$ 41,562,698

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, 2025

	<u>July 1, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2025</u>
Land and Site Improvements	\$ 3,220,750	\$ 37,500	\$ (21,950)	\$ 3,236,300
Buildings	51,904,931	6,059,376	-	57,964,307
Equipment	24,410,280	1,921,062	(280,963)	26,050,379
Construction in Progress	3,432,164	3,818,284	(2,461,261)	4,789,187
Total	<u>82,968,125</u>	<u>11,836,222</u>	<u>(2,764,174)</u>	<u>92,040,173</u>
Less Accumulated Depreciation and Accumulated Amortization:				
Buildings	34,398,456	760,812	-	35,159,268
Equipment	19,379,952	1,862,839	(209,735)	21,033,056
Total Accumulated Depreciation and Accumulated Amortization	<u>53,778,408</u>	<u>2,623,651</u>	<u>(209,735)</u>	<u>56,192,324</u>
 CAPITAL ASSETS, NET	 <u>\$ 29,189,717</u>	 <u>\$ 9,212,571</u>	 <u>\$ (2,554,439)</u>	 <u>\$ 35,847,849</u>
 LONG-TERM DEBT				
Lease Obligations	\$ 60,622	\$ -	\$ (28,060)	\$ 32,562
Subscription Liabilities	407,510	253,326	(484,054)	176,782
Bonds Payable	7,675,000	7,040,000	(1,340,000)	13,375,000
OPEB Liability	6,280,647	-	(297,538)	5,983,109
Accrued Vacation	947,875	-	(41,988)	905,887
 TOTAL LONG-TERM DEBT	 <u>\$ 15,371,654</u>	 <u>\$ 7,293,326</u>	 <u>\$ (2,191,640)</u>	 <u>\$ 20,473,340</u>

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, 2025

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local Government:			
Property Taxes	\$ 3,856,318	\$ 1,650,871	\$ 5,507,189
Special Tax Levy	731,111	-	731,111
Corporate Personal Property Replacement Tax	-	915,004	915,004
Other Local Government Sources	-	46,340	46,340
Total Local Government	<u>4,587,429</u>	<u>2,612,215</u>	<u>7,199,644</u>
State Government:			
ICCB Base Operating Grants	4,133,272	225,000	4,358,272
ICCB Equalization Grant	8,898,960	-	8,898,960
ICCB Career and Technical Education	596,542	-	596,542
Other Illinois Government Sources	-	-	-
Total State Government	<u>13,628,774</u>	<u>225,000</u>	<u>13,853,774</u>
Student Tuition and Fees:			
Tuition	9,857,444	-	9,857,444
Fees	2,186,771	945,895	3,132,666
Total Student Tuition and Fees	<u>12,044,215</u>	<u>945,895</u>	<u>12,990,110</u>
Other Sources:			
Sales and Service Fees	58,348	-	58,348
Facilities Revenue	250	105,105	105,355
Investment Income	709,433	138,773	848,206
Gifts, Scholarships, Grants, Bequests	5,893	1,750,000	1,755,893
Other	232,433	306,714	539,147
Total Other Sources	<u>1,006,357</u>	<u>2,300,592</u>	<u>3,306,949</u>
Total Operating Revenues	31,266,775	6,083,702	37,350,477
Less: Nonoperating Item -			
Tuition Chargeback Revenue	-	-	-
Adjusted Revenue	<u>\$ 31,266,775</u>	<u>\$ 6,083,702</u>	<u>\$ 37,350,477</u>

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
UNIFORM FINANCIAL STATEMENT NO. 3
For the Year Ended June 30, 2025

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
By Program:			
Instruction	\$ 13,205,065	\$ -	\$ 13,205,065
Academic Support	635,347	-	635,347
Student Services	2,065,721	100	2,065,821
Public Service/Continuing Education	89,909	-	89,909
Auxiliary Services	6,000	10,344	16,344
Operations and Maintenance	55,776	4,035,678	4,091,454
Institutional Support	7,913,214	1,929,289	9,842,503
Scholarships, Student Grants, & Waivers	5,367,177	-	5,367,177
Transfers	1,946,588	(10,000)	1,936,588
Total Expenditures	<u>31,284,797</u>	<u>5,965,411</u>	<u>37,250,208</u>
Less: Nonoperating Items			
Transfers	(1,946,588)	10,000	(1,936,588)
Tuition Chargeback	-	-	-
Adjusted Expenditures	<u>\$ 29,338,209</u>	<u>\$ 5,975,411</u>	<u>\$ 35,313,620</u>
By Object:			
Salaries	\$ 17,387,281	\$ 1,302,493	\$ 18,689,774
Employee Benefits	2,610,495	313,131	2,923,626
Contractual Services	1,711,609	590,057	2,301,666
General Materials and Supplies	1,644,454	284,179	1,928,633
Conference and Meeting Expenses	229,044	112	229,156
Fixed Charges	41,557	36	41,593
Utilities	56,068	1,520,639	1,576,707
Capital Outlay	192,229	1,963,372	2,155,601
Other	5,465,472	1,392	5,466,864
Transfers	1,946,588	(10,000)	1,936,588
Total Expenditures	<u>31,284,797</u>	<u>5,965,411</u>	<u>37,250,208</u>
Less: Nonoperating Items			
Transfers	(1,946,588)	10,000	(1,936,588)
Tuition Chargeback	-	-	-
Adjusted Expenditures	<u>\$ 29,338,209</u>	<u>\$ 5,975,411</u>	<u>\$ 35,313,620</u>

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, 2025

RESTRICTED PURPOSES FUND REVENUES BY SOURCES

State Government:

Illinois Community College Board - Adult Education	\$ 200,775
Illinois Community College Board - Other	699,919
On-Behalf CIP	(2,267,988)
On-Behalf SURS	8,708,593
Other	<u>459,414</u>
Total State Government	<u>7,800,713</u>

Federal Government:

Department of Education - Nonfinancial Aid	1,493,136
Department of Education - passed through ICCB	406,687
PELL Grant	4,838,541
Supplementary Educational Opportunity Grant	421,731
Federal Work-Study Program	495,141
Department of Labor - passed through Small Business Administration	80,805
Department of Labor - passed through Mine Safety Health Administration	35,000
Distance Learning and Telemedicine	<u>330,118</u>
Total Federal Government	<u>8,101,159</u>

Other Sources

	<u>156,800</u>
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Total Restricted Purposes Fund Revenues by Sources

	<u>\$ 16,058,672</u>
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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, 2025

OPERATING EXPENDITURES

By Program:

Instruction	\$ 4,142,369
Academic Support	136,807
Student Services	3,700,697
Public Service/Continuing Education	625,280
Auxiliary Services	750,601
Operations and Maintenance	408,637
Institutional Support	1,189,715
Scholarships, Student Grants, & Waivers	5,305,587

Total Expenditures	<u>\$ 16,259,693</u>
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By Object:

Salaries	\$ 1,815,811
Employee Benefits	6,842,112
Contractual Services	513,933
General Materials and Supplies	381,999
Conference and Meeting Expenses	124,582
Fixed Charges	4,308
Utilities	-
Capital Outlay	849,815
Other	5,727,133
<i>Scholarships, Grants, Waivers *</i>	<u>5,305,587</u>

Total Expenditures	<u>\$ 16,259,693</u>
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* 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, 2025

INSTRUCTION

Instructional Programs	\$ 12,336,606
Other	5,022,903
Total Instruction	<u>17,359,509</u>

ACADEMIC SUPPORT

Library Center	636,713
Instructional Material	21,117
Academic Computing Support	105
Other	115,835
Total Academic Support	<u>773,770</u>

STUDENT SERVICES SUPPORT

Admissions and Records	322,792
Counseling and Career Services	778,702
Financial Aid Administration	927,466
Other	3,838,910
Total Student Services Support	<u>5,867,870</u>

PUBLIC SERVICES

Community Education	72,482
Customized Training	635,567
Community Services	234,459
Other	97,882
Total Public Service	<u>1,040,390</u>

AUXILIARY SERVICES

5,952,368

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, 2025

OPERATIONS AND MAINTENANCE OF PLANT

Administration	255,875
Custodial Services	750,773
Maintenance	1,178,860
Grounds Maintenance	396,018
Plant Utilities	1,576,065
Other	369,387
Total Operations and Maintenance of Plant	4,526,978

INSTITUTIONAL SUPPORT

Executive Management	1,955,261
Fiscal Operations	964,186
Administrative Support Services	838,143
Community Relations	526,702
Board of Trustees	40,681
General Institution	13,148,838
Administrative Data Processing	2,716,870
Total Institutional Support	20,190,681

SCHOLARSHIPS, STUDENT GRANTS, AND WAIVERS

10,969,337

Total Current Funds Expenditures

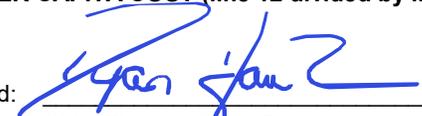
\$ 66,680,903

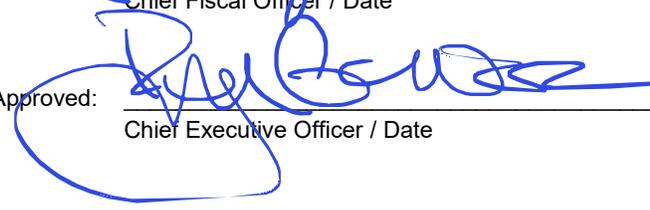
* Current funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; and Liability, Protection, and Settlement Funds

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
FISCAL YEAR 2026 CERTIFICATION OF PER CAPITA COST
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**ALL FISCAL YEAR 2025 NONCAPITAL AUDITED OPERATING
EXPENDITURES FROM THE FOLLOWING FUNDS:**

1	Education Fund	\$ 29,145,979
2	Operations and Maintenance Fund	4,012,040
3	Public Building Commission Operation and Maintenance Fund	-
4	Bond and Interest Fund	733,178
5	Public Building Commission Rental Fund	-
6	Restricted Purposes Fund	8,969,273
7	Audit Fund	67,510
8	Liability, Protection, and Settlement Fund	9,101,352
9	Auxiliary Enterprises Fund (subsidy only)	<u>2,191,588</u>
10	TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)	\$ 54,220,920
11	Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u>\$ 2,169,816</u>
12	TOTAL COSTS INCLUDED (line 10 plus line 11)	<u>\$ 56,390,736</u>
13	Total certified semester credit hours for FY 2025	<u>71,370.50</u>
14	PER CAPITA COST (line 12 divided by line 13)	<u>\$ 790.11</u>

Approved:  2/10/26
Chief Fiscal Officer / Date

Approved:  2/10/26
Chief Executive Officer / Date



CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE
REQUIREMENTS FOR ADULT EDUCATION
AND FAMILY LITERACY GRANTS

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, 2025, and the related 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, 2025, 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.

The accompanying balance sheets and statements of revenues 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 College's revenue and expenditures in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information

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.

MH CPA PLLC

Champaign, Illinois
February 10, 2026

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ADULT EDUCATION AND FAMILY LITERACY GRANTS PROGRAM
BALANCE SHEET
June 30, 2025**

	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 75

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
ADULT EDUCATION AND FAMILY LITERACY GRANTS PROGRAM
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Year Ended June 30, 2025

	State Basic	Performance	Total
Revenues			
State Sources	\$ 154,680	\$ 46,095	\$ 200,775
Expenditures			
Personnel Services (Salaries and Wages)	126,406	14,013	140,419
Fringe Benefits	17,339	2,784	20,123
Travel	4,117	7,377	11,494
Supplies	6,818	11,778	18,596
Contractual Services	-	8,820	8,820
Training and Education	-	400	400
Miscellaneous	-	923	923
Total Expenditures	154,680	46,095	200,775
Excess of Revenue Over Expenditures	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -

See Accompanying Notes on Page 75

**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, 2025**

	<u>Generation (Dollars)</u>	<u>Generation as a percent of Actual Expenditure (Percentage)</u>
State Basic		
Generation (45 Percent Minimum Required)*	\$ -	0.00%

* This requirement was removed by ICCB for grants effective as of July 1, 2023 and after

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Notes to the ICCB Grant Financial Statements
June 30, 2025

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 policies 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, 2025. 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.

Certain capital outlay expenditures are accumulated in the General Fixed Assets Account Group of the District, for reporting specific to ICCB and in capital assets for external financial reporting on the statement of net position.



CERTIFIED PUBLIC ACCOUNTANTS



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, 2025.

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, 2025 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 February 10, 2026, 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.

MH CPA PLLC

Champaign, Illinois
February 10, 2026

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED
Year Ended June 30, 2025**

CATEGORIES	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
Baccalaureate	2,846.00	195.00	17,331.50	69.00	16,778.50	43.00	36,956.00	307.00
Business Occupational	369.50	-	2,186.50	-	2,114.00	7.00	4,670.00	7.00
Technical Occupational	2,115.00	1.00	8,077.00	16.00	10,024.00	6.00	20,216.00	23.00
Health Occupational	827.00	-	2,931.50	-	3,992.00	-	7,750.50	-
Remedial Development	-	-	-	-	-	-	-	-
Adult Basic Education/Adult Secondary Education	313.00	229.00	39.00	442.00	10.00	408.00	362.00	1,079.00
TOTAL CREDIT HOURS CERTIFIED	<u>6,470.50</u>	<u>425.00</u>	<u>30,565.50</u>	<u>527.00</u>	<u>32,918.50</u>	<u>464.00</u>	<u>69,954.50</u>	<u>1,416.00</u>
					Attending In-District		Attending Out-of-District on Chargeback or Contractual Agreement	Total
Reimbursable semester credit hours (all terms)					<u>55,424.50</u>	<u>1,336.00</u>	<u>356.00</u>	<u>57,116.50</u>
					Dual Credit	Dual Enrollment		
Reimbursable semester credit hours (all terms)					<u>13,147.00</u>	<u>1,963.00</u>		
District 2024 equalized assessed valuation							\$ <u>2,407,167,025</u>	
CORRECTIONAL CREDIT HOURS					Summer	Fall	Spring	Total
Baccalaureate					-	-	-	-
Business Occupational					-	-	-	-
Technical Occupational					-	-	-	-
Health Occupational					-	-	-	-
Remedial Development					-	-	-	-
Adult Basic Education/Adult Secondary Education					-	-	-	-
TOTAL CORRECTIONAL CREDIT HOURS CERTIFIED					<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
RECONCILIATION OF SEMESTER CREDIT HOURS
Year Ended June 30, 2025**

CATEGORIES	<u>Total Unrestricted Credit Hours</u>	<u>Total Unrestricted Credit Hours Certified to the ICCB</u>	<u>Difference</u>	<u>Total Restricted Credit Hours</u>	<u>Total Restricted Credit Hours Certified to the ICCB</u>	<u>Difference</u>
Baccalaureate	36,956.00	36,956.00	-	307.00	307.00	-
Business Occupational	4,670.00	4,670.00	-	7.00	7.00	-
Technical Occupational	20,216.00	20,216.00	-	23.00	23.00	-
Health Occupational	7,750.50	7,750.50	-	-	-	-
Remedial Development	-	-	-	-	-	-
Adult Basic Education/ Adult Secondary Education	362.00	362.00	-	1,079.00	1,079.00	-
TOTAL CREDIT HOURS	<u>69,954.50</u>	<u>69,954.50</u>	<u>-</u>	<u>1,416.00</u>	<u>1,416.00</u>	<u>-</u>
CORRECTIONAL CREDIT HOURS						
Baccalaureate	-	-	-	-	-	-
Business Occupational	-	-	-	-	-	-
Technical Occupational	-	-	-	-	-	-
Health Occupational	-	-	-	-	-	-
Remedial Development	-	-	-	-	-	-
TOTAL CORRECTIONAL CREDIT HOURS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
				Total Attending as Certified to the ICCB (Unrestricted and Restricted)	Total Attending as Certified to the ICCB (Unrestricted and Restricted)	Difference
In-district				56,760.50	56,760.50	-
Out-of-district on chargeback or contractual agreement				356.00	356.00	-
TOTAL				<u>57,116.50</u>	<u>57,116.50</u>	<u>-</u>
				Total Reimbursable Certified to ICCB	Total Reimbursable Certified to ICCB	Difference
Dual credit				13,147.00	13,147.00	-
Dual enrollment				1,963.00	1,963.00	-

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Documentation of Residency Verification Steps
For the Year Ended June 30, 2025

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, 2025

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 Responses – ICCB Grant Compliance
For the Year Ended June 30, 2025

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, 2025

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, 2025

CSFA #	Program	State Amount	Federal Amount	Other Amount	Total
420-30-0513	Job Training Economic Development Program	\$ 288,458	\$ -	\$ -	\$ 288,458
420-35-0083	Small Business Development Centers	-	80,805	-	80,805
684-00-0465	Postsecondary Perkins Basic Grants - Federal CTE	-	289,724	-	289,724
684-00-3272	Adult Education - Technology Infrastructure	6,072	-	-	6,072
684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	200,775	116,963	-	317,738
684-01-1670	Innovative Bridge and Transition Grant - State	140,678	-	-	140,678
	All Other Federal Expenditures	-	8,844,800	-	8,844,800
	All Other Costs not Allocated	-	-	46,921,389	46,921,389
	Total	<u>\$ 635,983</u>	<u>\$ 9,332,292</u>	<u>\$ 46,921,389</u>	<u>\$ 56,889,664</u>

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Grantor's Number	Expenditures	Provided to Subrecipients
U.S. Department of Education				
Major Program:				
Student Financial Assistance Cluster:				
Direct:				
PELL Grant Program	84.063		\$ 4,838,541	\$ -
Supplementary Education Opportunity Grant Program	84.007		421,730	-
Federal Work-Study Program	84.033		495,141	-
Direct Loan Program	84.268		1,231,133	-
Total Student Financial Assistance Cluster			<u>6,986,545</u>	<u>-</u>
Other Direct Programs:				
TRIO Cluster:				
Upward Bound	84.047A		1,011,166	-
Student Support Services	84.042A		346,352	-
Total TRIO Cluster			<u>1,357,518</u>	<u>-</u>
TITLE III	84.031A		<u>135,619</u>	<u>-</u>
Pass-Through Programs from the Illinois Community College Board:				
Perkins-Postsecondary/Adult:				
Federal Adult Education - Basic	84.002	AE-52901-25	116,963	-
Perkins-Postsecondary/Adult	84.048	CTE-529-25	289,724	-
Total Perkins-Postsecondary/Adult			<u>406,687</u>	<u>-</u>
Total U.S. Department of Education			<u>8,886,369</u>	<u>-</u>
U.S. Department of Agriculture				
Direct:				
Distance Learning and Telemedicine	10.855		<u>330,118</u>	<u>-</u>
U.S. Department of Labor				
Pass-Through Program from the Illinois Department of Natural Resources:				
Annual Refresher Training	17.600	MST25IECC	35,000	-
Pass-Through Programs from the Illinois Department of Commerce and Economic Opportunity - Small Business Assistance:				
Small Business Development	59.037	24-561157	41,859	-
Small Business Development	59.037	24-565157	38,946	-
Total U.S. Department of Labor			<u>115,805</u>	<u>-</u>
TOTAL FEDERAL AWARDS			<u>\$ 9,332,292</u>	<u>\$ -</u>

See Accompanying Notes on Page 89

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

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, 2025. 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, 2025.

3. Property and Equipment

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



CERTIFIED PUBLIC ACCOUNTANTS



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, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 10, 2026. Our report includes a reference to other auditors who audited the financial statements of two of the discretely presented component units as described in our report on the District's financial statements.

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 or significant deficiencies may exist that were not 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.

MH CPA PLLC

Champaign, Illinois
February 10, 2026



CERTIFIED PUBLIC ACCOUNTANTS



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, 2025. 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, 2025.

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 our 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.

MH CPA PLLC

Champaign, Illinois
February 10, 2026

ILLINOIS EASTERN COMMUNITY COLLEGES DISTRICT #529
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2025

1. Summary of Auditor's Results

- (i) Type of audit report issued on the financial statements: Unmodified
- (ii) The audit did not disclose a material weakness or report a significant deficiency in internal control over financial reporting that is 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 material weakness or report a significant deficiency in internal control over a major federal award program.
- (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:
 - Student Financial Aid Cluster
 - Assistance Listing #84.063
 - Assistance Listing #84.007
 - Assistance Listing #84.033
 - Assistance Listing #84.268
 - U.S. Department of Agriculture:
 - Distance Learning and Telemedicine
 - Assistance Listing #10.855
- (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, 2025

No findings were noted in the prior fiscal year.