

Carl Sandburg College

ILLINOIS COMMUNITY COLLEGE DISTRICT 518
GALESBURG, ILLINOIS
www.sandburg.edu

JULY 1, 2007 – JUNE 30, 2008
BUDGET



**Educational &
Financial Plan**

CARL SANDBURG COLLEGE
Final Budget for Fiscal Year 2008
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CARL SANDBURG COLLEGE

EXECUTIVE SUMMARY

TO: Board of Trustees, Carl Sandburg College
Community College District #518

FROM: Thomas A. Schmidt, President



SUBJECT: Budget for Fiscal Year 2008

Transmitted herewith is the budget for Carl Sandburg College District #518 for fiscal year 2008 (beginning July 1, 2007, and ending June 30, 2008). This budget reflects many of the significant components/implications contained within the Phenix Program, which was first introduced in September 2003. (See Informational Section – M.A.S.H. Unit # 518)

It maintains our commitment to operating the College as efficiently as possible in light of The Higher Learning Commission's recommendations to implement measures to avoid deficit spending and our long term goal of establishing (and maintaining) appropriate operating fund balances. It is recognized that adjustments to the FY-2008 budget may be necessary. The budget can be amended later in the fiscal year as deemed necessary.

FY-2008 marks the fourteenth year that credit hour projections have been provided in greater detail, including details about our growing dual credit programs. Given that two (2) of our three (3) major funding sources are directly affected by the number of credit hours produced in each program, the College's Instructional Team placed a high priority on this aspect of our planning process.

The FY-2008 budget incorporates and reflects recognition of several significant factors:

1. The most financially challenging landscape ever faced by the State of Illinois. From FY-2002 until FY-2006, state support for community colleges declined by 15%.
2. Despite uncertainty over the local and state economy, the College budget will be adopted in accordance with the timeline approved by the Board of Trustees in January 2007.
3. Consistent with the concepts of "Outcomes Assessment" and our Phenix Program, there is a commitment to look inward on the quality and efficiencies of current programs/activities with an eye towards asking the simple question, "If we were not already doing this today, would we begin doing it tomorrow?"

The FY-2008 budget was prepared in accordance with the following perspectives/expectations and assumptions:

1. Decentralizing decision making, as evidenced by the establishment of contingency accounts under the authority of each Cabinet Officer.
2. CSC spent the decade of the 1990s simultaneously recovering from the 1980s and preparing for the new millennium.
3. The shadow for future programmatic and outcomes assessments, performance evaluations and incremental decision making is assumed to be cast forward over the next three (3) fiscal years (FY-2008 through FY-2010) ending June 30, 2010, now known as the Phenix Program.

During this period of extraordinary uncertainty the College must:

- A. Activate **M.A.S.H. Unit #518**, (**M**obile **A**cademic **S**ervice **H**abitat), if we are to lay legitimate claim to our district's inevitable economic revitalization.
 - B. Commit to our heritage of accommodating fundamental change. **THE STATUS QUO, MAY HAVE TO GO!**
 - C. **Remain a steadfast beacon of STABILITY.**
 - D. Commit to **RE-SHAPING** the College, in part, by launching "**Silos-of-Opportunity.**"
4. In addition to challenges confronting the local economy, the State of Illinois budget woes will persist well into the future. Inadequate state funding and decreasing local tax revenues result in increased costs to our students, as reflected in higher tuition rates and customized program fees.

Our response to fiscal stress will be determined by these internal/external factors:

- A. EXPECTED DURATION OF FISCAL STRESS
- B. FINANCIAL MANAGEMENT FLEXIBILITY
- C. DIVERSIFICATION OF REVENUE SOURCES
- D. HISTORICAL LEVEL OF SUPPORT

In recognition of the predicted (and now actual) decline in enrollment(s) to “pre-layoff levels” (FY-2002), fiscal year 2008 is being defined as a “**Transition Year.**” The administration anticipates that as this year unfolds, it will become clearer as to **what new plateau of credit hour production** the College will experience. The competing factors contributing to this include the declining enrollments due to “retraining programs” having been successfully completed versus the new/emerging enrollments resulting from “Silos of Opportunity” having been recently launched.

The FY-2008 budget will feature a blend of initiatives consistent with the PHENIX Program:

1. Implementing the work of the new Strategic Thinking/Planning Initiative.
2. Formally beginning preparations for re-accreditation by the Higher Learning Commission in the FY-2011.
3. Implementation of the following “**Hiring Perspectives**”:

The President’s Cabinet will monitor all non-instructional hiring in an effort to use college resources in the most conservative way and to ensure that requests for replacements are essential to college operations. It is expected that all full-time positions may be vacant for 90 days before a replacement is hired and that internal transfers, reorganization, and/or re-assignments be considered whenever possible.

4. Evidence of progress in “Re-shaping the Institution”:
 - A. Establishing a \$1M “SILO Fund” or quasi-endowment fund to be established by resolution of the Board of Trustees. Interest income generated will be placed under the tutelage of the Vice President of Academic Services, who will in turn work with the College’s Instructional Team to prioritize the use of these funds to launch new “Silos of Opportunity.”
 - B. Investigating the strategic implications of fostering the provision of improved student housing options to accommodate shifting instructional programming geared to full-time vs. part-time students.
 - C. Refreshment of Cooperative Agreements (Spoon River and Southeastern Community College) to ensure full compliance with ICCB and financial aid guidelines.
 - D. Investigation of additional energy conservation measurers such as Guaranteed Energy Savings Contract (GESC) PHASE IV, new Protection, Health & Safety (PHS) projects, activation of our local Wind Energy Consortium and participation in utility “aggregation” (bulk purchasing) cooperatives.

- E. Implementing recommendations of the three (3) Task Forces which focused on:
 - 1. Copying costs,
 - 2. Telecommunication (phone) costs,
 - 3. The implications (+/-) of a modified summer work schedule, including a four (4) day work week.

- F. Developing/implementing a three (3) year “rolling academic schedule of offerings” in the College’s Occupational and Allied Health Programs.

- G. Developing a prioritization grid to ensure the effective utilization of all marketing resources.

Beginning with FY-2009, I anticipate that Carl Sandburg College (M.A.S.H. Unit #518) will have accommodated significant structural and programmatic changes and enhancements resulting in a “Re-shaped Institution.” I am extremely confident that Carl Sandburg College has the ability and will respond to these challenges.

May 15, 2007

To the Carl Sandburg College Board of Trustees:

Presented in this document is the Budget for Carl Sandburg College for the fiscal year ending June 30, 2008. As prescribed by state law, the Tentative Budget is made conveniently available for public inspection for at least thirty days before the Board adopts the Final Budget for the fiscal year. Prior to adoption, a public hearing is also held to allow comments from members of the community. This budget presents the District's financial and operational plan, and includes all necessary disclosures.

The Annual Budget serves as the financial plan for all funds of the College. It has been developed utilizing a comprehensive, quality-enhancing approach designed to make the budget easily understood. We believe the following budget information presents the College's future plans and financial impact and includes information that has been suggested by the Board of Trustees, community members, and staff. All interested parties are encouraged to interact with College administration. Interaction among interested groups consistently leads to operational and educational improvements.

The revenue and expense summary for all governmental funds is located on page 11 of the Introductory Section. The proprietary funds summary is on page 12. Total budgeted revenues and other sources for FY 2008 are \$22,047,900 (including Transfers In of \$980,000) and total budgeted expenditures are \$22,258,813 (including Transfers Out of \$980,000). This represents a 3% increase from the FY 2007 expenditure budget of \$21,465,375. This includes a budgeted transfer for a new quasi endowment fund balance ("SILO Fund") for program enhancements and new programs over the next several years.

Organizational Summary

Background

Carl Sandburg College was established by authority of the Illinois Community College Act of 1965 and was approved by voters in a September 1966 referendum. In 2001, The North Central Association of College and Schools continued accreditation for ten years and indicated that fiscal management was a strong asset of the College.

The College's mission is as follows:

Opportunity to Succeed

Provide accessible, quality education in a caring environment by keeping the learner's needs at the center of decision making and by working in partnership with communities of the College district.

Major Goals and Objectives

Following a comprehensive institutional planning process, the Board of Trustees adopted a set of six main focal points which support and drive actions to achieve the College's Mission. Within each of these six areas, are goals designed to shape departmental, programmatic, and individual decision making.

We believe that these goals should drive all activities that are undertaken throughout the year. The Institutional Focal Points and Goals are included in the budget document, in every board packet and at the fingertips of each employee as a reminder of our effort to meet the ever changing needs of our community and to keep their best interests uppermost in our thoughts and decisions.

The Focal Points are:

Institutional Focal Points and Goals

- I. Learning
 - A. Promote and support student learning at the classroom, program, and school levels.
 - B. Provide and maintain resources, which enable and enhance student retention and learning.
 - C. Promote and support local research on the learning process.

- II. Caring Environment
 - A. Shape an environment that recognizes the need for diversity.
 - B. Create opportunities for all within the College community to interact with understanding, tolerance, and respect for others.
 - C. Promote sensitivity to individual needs and aspirations of those throughout the College community.
 - D. Promote organizational development as a long-range effort to improve the College's problem-solving and renewal process.

- III. Technology
 - A. Establish and maintain effective technology in academic programs and support functions.
 - B. Upgrade employee skills in use of technology.

- IV. Cooperative Alliances
 - A. Develop programs in cooperation with neighboring institutions.
 - B. Maintain and expand alliances within and beyond the College district.
 - C. Support economic development activities

- V. Stability
 - A. Establish/maintain an operating fund balance equal to 5-6 percent of the previous year's adopted budget.
 - B. Develop institutional shape/make-up that best addresses long-range fiscal concerns.

- C. Maintain the College comprehensive Risk Management Program.
- D. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
- E. Promote operating efficiencies to accommodate growth.
- F. Promote the development of human resources.
- G. Promote and develop information management systems that facilitate decision-making.

VI. Assessment

- A. Promote and support local research on the assessment process.
- B. Promote student assessment at the course, program, and school levels.
- C. Promote assessment as an institutional way of life.

The College's Board lists which Focal Points and Goals are being achieved by each board agenda item. In making budget decisions, these focuses are kept at the forefront of decision making. The College recently revisited our mission, focal points and goals beginning with a Strategic Planning Process involving College board members, staff and community members. This is an ongoing process to reevaluate the students and communities educational needs. The following belief statements and strategies were developed to guide our institutional decisions.

Belief Statements

1. We believe that everyone should have equal access to education.
2. We believe in financial stability and responsibility.
3. We believe in providing a quality educational experience through faculty, staff, curricula, and physical resources.
4. We believe the educational experience is enriched through diversity in its people, curricula, and environment.
5. We believe in the value of partnerships.
6. We believe that learning to learn never ends.
7. We believe that community colleges are vital to economic and workforce development.
8. We believe in assessment and accountability.
9. We believe Carl Sandburg College must have a commitment to every stakeholder in the district.

10. We believe where you live should not determine the quality of the education you can access.
11. We believe in taking ownership of our future.
12. We believe in a safe and secure environment.
13. We believe in student centered decision making.
14. We believe in the use of up-to-date technology.
15. We believe that co-curricular and extra-curricular activities are an integral part of the education experience.
16. We believe in the value of shared governance.

Strategies

1. We will ensure long-term financial stability and accountability.
2. We will implement an effective enrollment management program (housing).
3. We will enhance communications internally.
4. We will enhance communications externally.
5. We will develop and maintain partnerships with all elected officials and hold them accountable.
6. We will ensure a vibrant curriculum.
7. We will ensure an effective delivery of services throughout the entire district.

The Budget Process

It is the philosophy of the College that a balanced budget is a fundamental element of financial accountability. Expenditures for a given year should be no greater than projected resources available. Thus, the first step in the budgeting process is development of a comprehensive revenue estimate. This estimate is extracted from the most recent known data and projections from the five-year forecasting model of assumptions used by the budget committee. Revenue projections are refined as the College progresses through the budget process.

Once budget assumptions (salaries with increases, benefits and cost of living increases) for the upcoming year are set, the requests for budget dollars submitted by budget managers are reviewed by the budget committee. Budget managers have reviewed their areas to identify operating priorities. These requests are submitted to the appropriate cabinet officer for support at the meetings of the budget committee. Once priorities for on-going operations have been determined, new initiatives and expanded services are evaluated and prioritized. After evaluating and reviewing the priorities, adjustments are made and a Tentative Budget is made available for public inspection for thirty days. After a thirty day period, a public budget hearing is conducted and a Final Budget is recommended to the Board of Trustees for approval. This process meets the requirements established by State statute.

All College funds are budgeted at the line item level, although the legal adoption is by object and function within each fund. A detailed description of this process is included in the Organizational Section of the complete FY 2008 budget document.

Budget Process and Policy Changes

Each year improvements are made to streamline and automate the budget process further. Fully integrating budgeting with institutional planning has been an important issue for the College. Policies pertaining to budgeting are also discussed within this document.

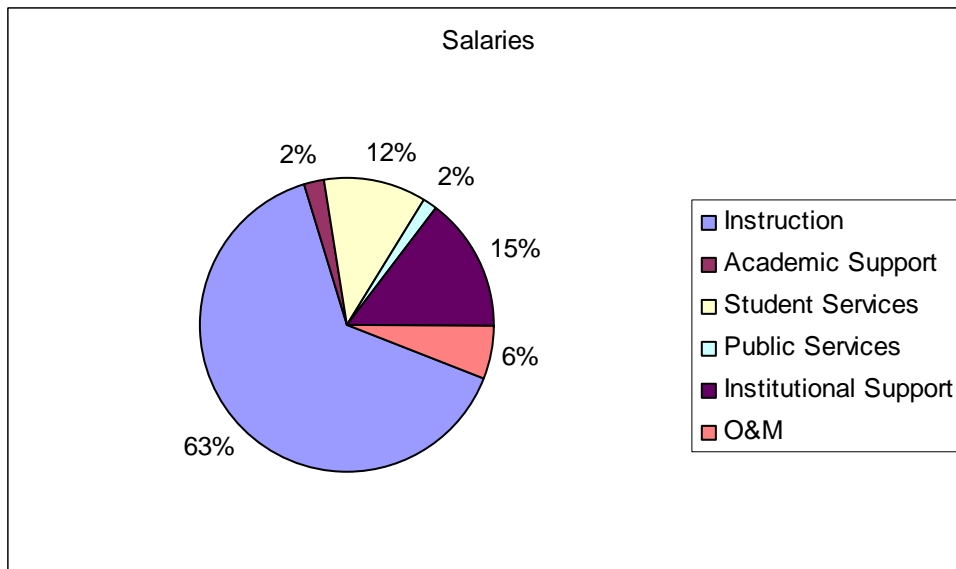
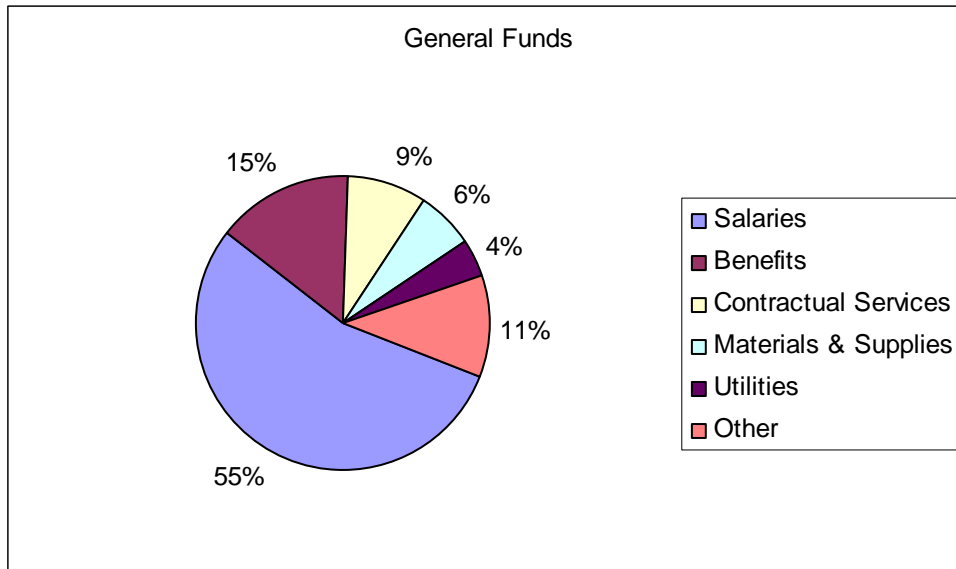
The regulations and procedures of the College shall provide for a decision-making process involving employee consultation. Faculty shall be consulted in areas such as curriculum, subject matter, faculty evaluation, academic standards and student affairs relating to the aforementioned areas.

Over the last several years, an effort has been made to involve individuals from across the College in the annual planning and budgeting process. Budget managers are given shell budgets including certain assumptions, then allowed to develop their specific requests for new dollars or adjust budget dollars within their budget area. We have attempted to push the budget development process to the level where the individual planning and later making the expenditure would be the same person. This system provides ownership in the budget as well as accountability and responsibility. Budget managers are required to stay within their approved budgets. It is our belief that this system provides the flexibility to address program needs while assigning responsibility for accurate planning.

After the budget is developed and approved, it is posted to the general ledger, allowing the College to prepare for operation under the approved Final Budget as soon as possible. Budget overspending is not allowed on the computer system without an override from the Chief Financial Officer.

Allocation of Personnel Resources

Carl Sandburg College is committed to its employees. The College dedicates approximately 70% of the operating budget to salaries and benefits. 63% of total general fund salaries is for direct instruction while student services salaries make up approximately 12% of the total general fund salaries. This critical investment in people equates to a total of 68 full-time and 149 part-time faculty in FY 2007.



The workforce is determined by projected student enrollment and curriculum requirements. With the concentration on meeting the changing needs in our community for a trained workforce, the College continues to search for quality instructional staff.

An annual salary increase of 4.0%, previously approved in the collective bargaining agreement, is included in this budget. The College will continue to bargain for a rolling contract two years out. Negotiations in the fall of 2005 furthered our current agreement thru FY 2010 with negotiations scheduled to begin again in the fall of 2007.

**FY-2008
GOVERNMENTAL FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY-2008	FY-2007	CHANGE	%
General	\$ 15,929,943	\$ 15,330,301	\$ 599,642	3.91%
Debt Service	\$ 2,414,758	\$ 2,265,652	\$ 149,106	6.58%
Capital Projects	\$ 498,160	\$ 356,209	\$ 141,951	39.85%
Special Revenue	\$ 1,945,727	\$ 2,134,452	\$ (188,725)	-8.84%
Nonexpendable Trust	\$ 167,400	\$ 138,000	\$ 29,400	21.30%
Totals	\$ 20,955,988	\$ 20,224,614	\$ 731,374	3.62%

EXPENDITURES

FUND	FY-2008	FY-2007	CHANGE	%
General	\$15,829,943	\$15,330,301	\$ 499,642	3.26%
Debt Service	\$ 2,398,356	\$ 2,204,347	\$ 194,009	8.80%
Capital Projects	\$ 520,000	\$ 522,281	\$ (2,281)	-0.44%
Special Revenue	\$ 2,251,348	\$ 2,169,472	\$ 81,876	3.77%
Nonexpendable Trust	\$ 145,000	\$ 233,167	\$ (88,167)	-37.81%
Totals	\$21,144,647	\$20,459,568	\$ 685,079	3.35%

**FY-2008
PROPRIETARY FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY-2008	FY-2007	CHANGE	%
Auxiliary	\$ 1,091,912	\$ 1,006,256	\$ 85,656	8.51%
Totals	\$ 1,091,912	\$ 1,006,256	\$ 85,656	8.51%

EXPENDITURES

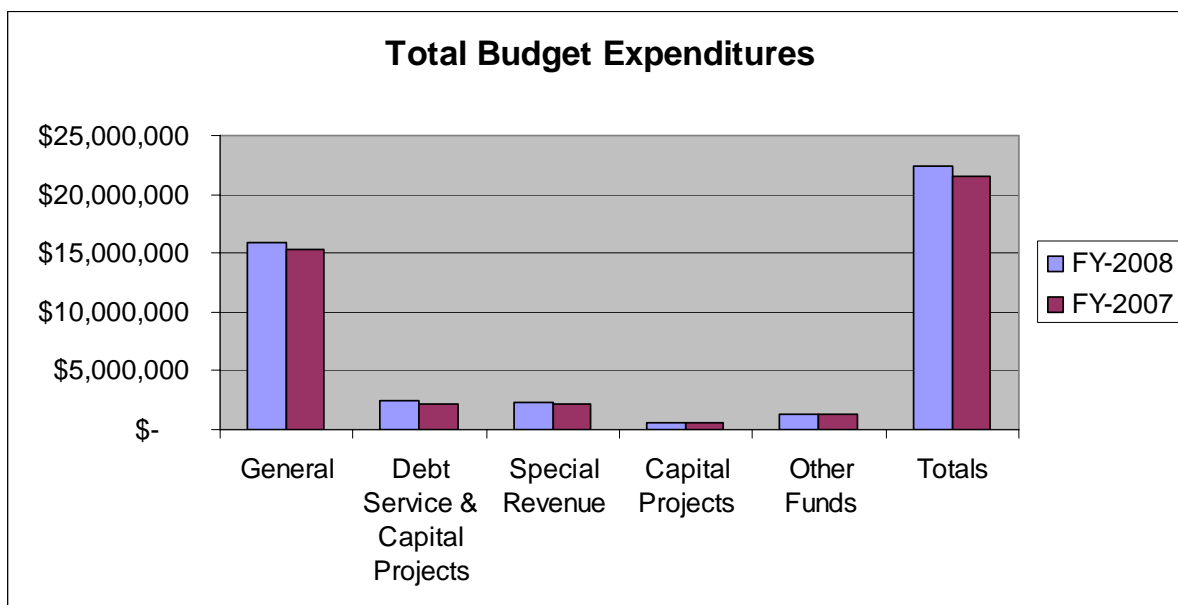
FUND	FY-2008	FY-2007	CHANGE	%
Auxiliary	\$ 1,114,166	\$ 1,005,807	\$ 108,359	10.77%
Totals	\$ 1,114,166	\$ 1,005,807	\$ 108,359	10.77%

Financial Summary

Budget Overview

Budgets for all funds are included within the Financial Section. The budget includes total resources of \$22,047,900 and expenditures of \$22,258,813. The General Fund (Education, Operations & Maintenance and “SILO” Quasi-Endowment Funds) includes a total budget of \$15,829,943. The Special Revenue Fund (Audit Fund and Liability, Protection and Settlement Fund) has a total expenditures budget of \$2,251,348. The Debt Service Fund (Bond and Interest Fund) budget is \$2,398,356. The Capital Projects Fund (Operations & Maintenance – Restricted Fund and Quasi-Endowment Fund) reflects a budget of \$520,000. Other Fund types (Auxiliary and Working Cash) have a total budget of \$1,259,166.

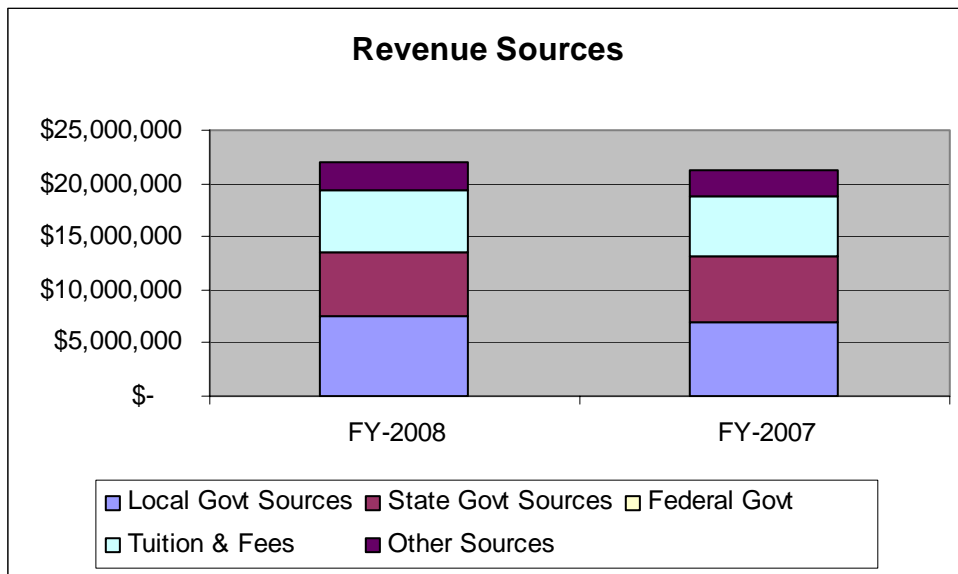
The following chart compares FY 2008 and FY 2007 expenditure budgets:



As shown above, the total expenditure budget increases in comparison with the prior year. Several factors attribute to this increase. There is \$600,000 included in the expenditure budget to establish a Quasi-Endowment “SILO” Fund balance to enhance instructional programs and to launch new programs. We continue our efforts to remain balanced with budgeted revenues. Local revenue begins to level off after seeing declines over the past several years. The College saw equalized assessed valuations (EAV) of the district decrease with the loss of industry and Bulletin 810 changing the valuation of farmland. Tuition revenue is also projected to level off after the College has seen displaced workers complete their education and reenter the workforce. Capital projects have been completed depleting the bond proceeds. Other capital projects are currently being funded internally, including the remodeling of the student services area.

The increased expenditures are the result of projecting expenses based on actual expenses of prior years and known expenditure increases/decreases. The rolling salary agreement in effect through FY 2010 allows the College to project known salary increases. Fiscal year 2008 includes a 4% increase in salaries. As medical costs continue to soar, the administration, in an effort to operate knowing maximum costs, changed the employee health insurance to a wholly funded plan which began January 1, 2006. This enabled us to budget with known costs for the balance of calendar year 2007 of \$5,997.84 per full-time employee. Talent grants for students have been budgeted based on prior actual figures as revenue and expense at \$300,000. No significant capital projects were planned for FY 2007 allowing the College an opportunity to evaluate future needs. The refinancing of and paying off of bonds has increased our expenditures for FY 2008.

Revenue within each fund is classified according to source: Local Sources, State Sources, Tuition and Fees, and Other Sources (includes Transfers In). The chart below illustrates revenue sources for the FY 2008 Budget. The College relies on three major sources of revenue – Local Government Sources (property taxes), State Government Sources (ICCB grants), and Tuition and fees. Fund balance appropriations are not included.



Significant Financial and Demographic Changes

The most critical issues facing the College in the near future are enrollment, property tax base changes and state budget cuts. With the significant changes in unemployment rates from plant closings the past two years, we anticipated a decreased enrollment in FY 2006 and 2007 and stabilization in FY 2008 and beyond. The property tax base is anticipated to drop off as plant closings effect the housing market. This compounds the already present 10% per year annual decline in farmland assessments and Bulletin 810 allowing an even greater decline in farmland based on soil types for FY 2007. Add to this the fact that the state anticipates a deficit over the next fiscal year and you have the third component of significant financial and demographic changes.

Future Outlook

The College is financially stable and fiscally sound. We have done the right things at the right times. We've refunded long-term debt to take advantage of the lowest interest rate in decades. We've placed significant Working Cash Fund bond proceeds in investments to earn interest available to other funds for cash flow needs. We've implemented a policy whereby all funds short of cash for operations will borrow from the Working Cash Fund. We've placed \$5 million in the Strategic Technology Endowment Fund (STEF) to refresh technology and implement the conversion to the new Access software environment. SMART V bond proceeds adds \$682,300 additional funds to the STEF fund for future Acces software and Xerox costs as well as to grow the fund with interest on these additional deposits.

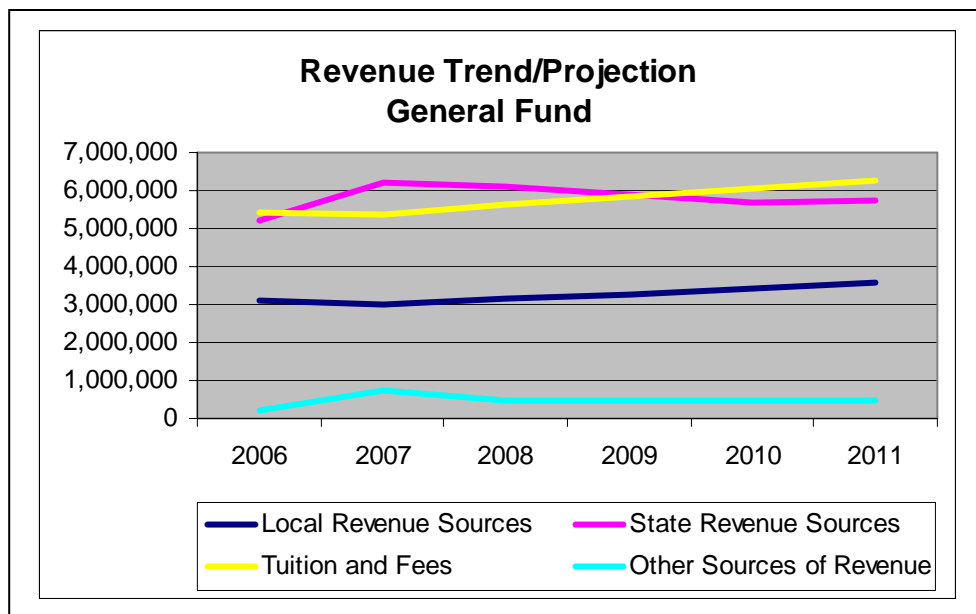
College staff members are working to look inward at efficiencies. The College contracted with Bridger to look at the efficiencies of our indirect costs in FY 2005. We are working on five-year assumptions in long-range planning. The College updates the facilities Master Plan every five years. The Master Plan was completed in 2003 and was reevaluated, updated and adopted by the Board of Trustees in FY 2006 by Phillip Swager and Associates. It is one of the tools the College uses to grow and assess its facilities in an orderly manner as part of a comprehensive planning process.

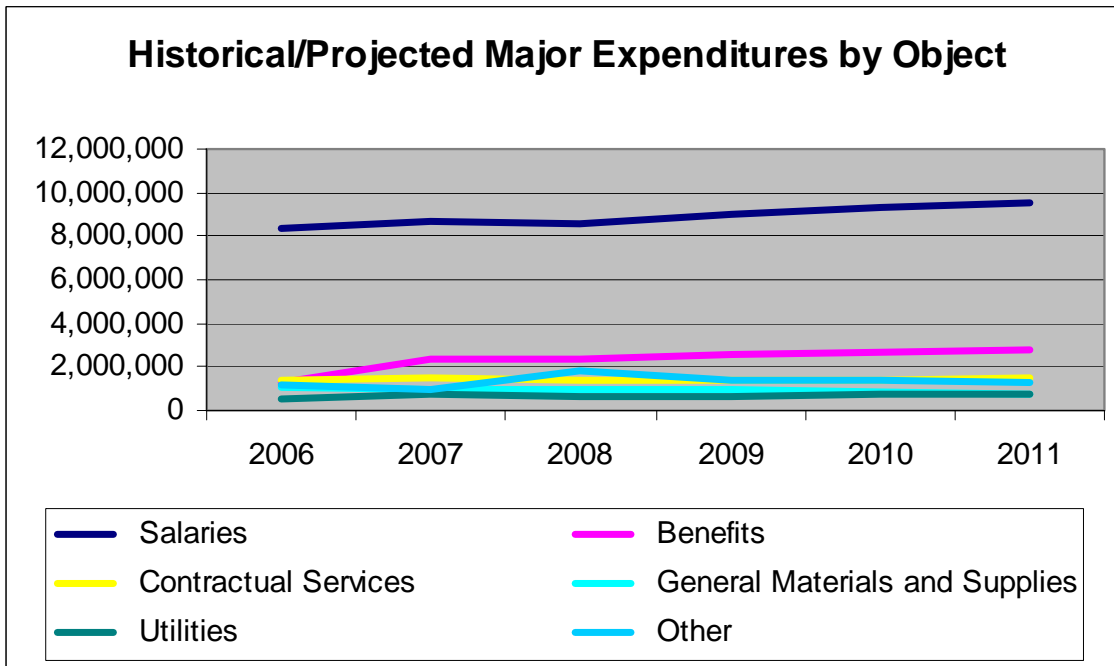
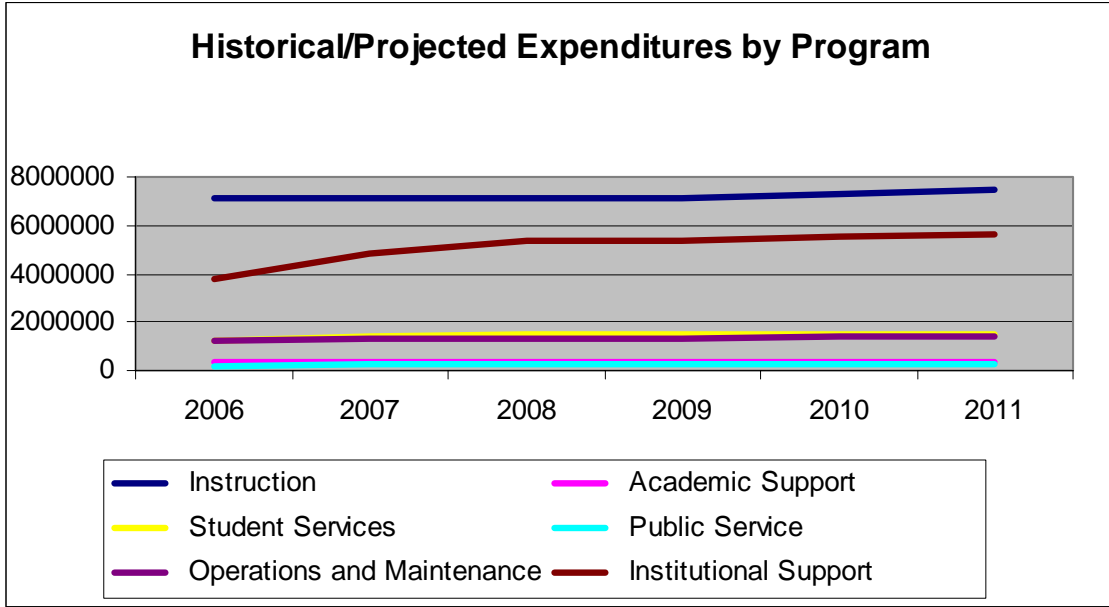
Informational Summary

Presented here is a summary of our projection of future revenues and expenditures as well as a historical view of Carl Sandburg College's financial position. The focus of this section is specific to the College's Operating or General Funds (Education and Operations and Maintenance Funds).

The projections have been developed from historical trends and conservative assumptions developed by College staff.

- Revenue projections are based on historical student enrollments and take into consideration the increased credit hours spreading from 2003-2005 due to retraining displaced workers.
- Enrollment management activities designed to increase enrollments including recruiting and retention positions.
- Evaluation of programs leading to new and improved areas to meet local workforce demands.
- Tax revenues are based on the most recent tax levies derived from known equalized assessed valuations. The assessed valuations are projected on historic trends as adjusted for local economic conditions and potential development within our district.
- Other state revenue is projected to decrease and/or flatten over the near future except for the SURS contribution which will increase in relation to increasing salaries. State revenue includes ICCB grants reflecting past credit hours produced. We anticipate the decrease due to the credit hour production declining after the retraining of displaced workers.
- Expenditure projections are based on the current collective bargaining agreement. This includes a 4% negotiated increase in salary in 2008-2010.
- Supplies and material costs will increase 1.5% each year.
- Health insurance premiums will increase 5% each year.
- Student services area will be renovated in 2008 with other potential areas in subsequent years.
- Includes \$600,000 to establish “SILO Fund”.





Expenditures shown for the College’s General Fund are presented by program area and by object. Expenditure increases have an effective increase of 2% annually.

Additional narratives are presented within the Information Section of the complete FY 2008 budget document.

Student Enrollment Trends

We serve a diverse group of students. In the fall of 2006, the College enrolled 2,930 students, with an average age of 30 years. Women represented 59 percent of the student body and 52 percent of the student body were part-time students. Many students balance the demands of college with work and family responsibilities.

The following table illustrates enrollments and total credit hours over the last five years and projected for 2008.

	2003	2004	2005	2006	2007	2008
Fall College Enrollment	3,554	3,575	3,260	2,930	2,851	2,866
Annual Full-Time Equivalents	2,251	2,392	2,443	2,283	1,893	1,872
Continuing Education Credit Hours	1,167	1,282	1,378	1,400	1,422	1,445
Total Annual Credit Hours	67,534	71,756	73,314	68,500	56,793	56,225

The College has the resources required to serve student enrollment. We have demonstrated our ability to serve the increasing enrollments due to dislocated workers but also acknowledge this will not continue as those students have completed their education and reentered the workforce.

Tax Base Trends

Economic conditions in the communities served by Carl Sandburg College District 518 are such that many industries have moved from the area. We are also faced with the majority of our district being comprised of farmland. Bulletin 810 has caused concern due to not knowing what the potential impact will be on the district's EAV. Due to these factors, we anticipated a revenue decrease in FY 2007. The loss of industry has affected our tax base; however future possibilities for the community look promising and we anticipate level to small increases in FY 2008-2011.

Property Taxes. The following table illustrates the College's property tax levy rates and EAV over the last five years.

EAV supporting our fiscal year:

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
	1,259,152,240	1,281,448,552	1,287,419,979	1,220,959,504	1,203,479,281
% increase/(decrease)		1.8%	.5%	(5.2)%	(1.4)%

Levy rate (per \$100 of assessed valuation per levy year):

	.4808	.5042	.5139	.5530	.5759
% increase/(decrease)		4.9%	1.9%	7.6%	4.1%

<u>Fund Type</u>	Maximum <u>Authority</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Current:						
Education	0.1989	0.2015	0.1989	0.2054	0.2057	0.2021
Operations and Maintenance	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Liability, Protection and Settlement	none	0.1191	0.1095	0.1010	0.0872	0.0680
Audit	0.0050	0.0050	0.0050	0.0041	0.0041	0.0023
Working Cash	none	0.0000	0.0000	0.0000	0.0000	0.0000
Social Security/Medicare	none	0.0170	0.0083	0.0076	0.0076	0.0074
Bond and Interest	none	0.1833	0.1813	0.1458	0.1425	0.1423
Plant:						
Operations and Maintenance (Restricted) - Life Safety	0.0500	0.0000	0.0000	0.0000	0.0071	0.0087
Total		0.5759	0.5530	0.5139	0.5042	0.4808

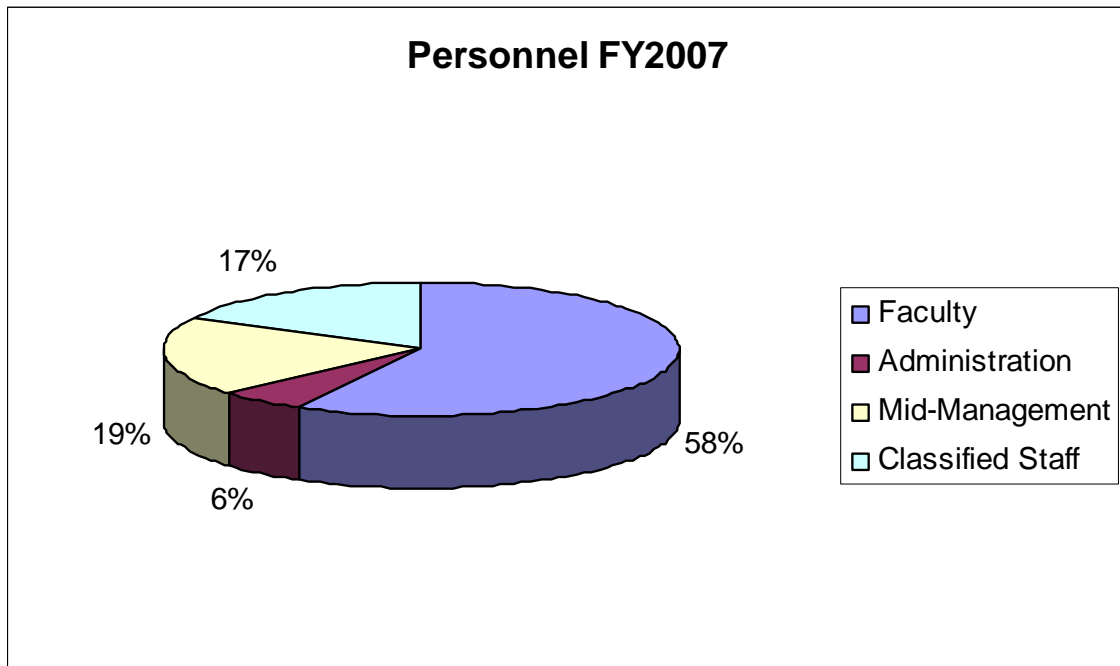
The College was able to enjoy the increase in EAV and levy rate from 2003-2005, but now has had to increase the levy rate and tuition and fees to offset the decline in EAV.

Change in tax extension:

	218,274	407,060	154,988	135,855	178,931
% increase/(decrease)		6.7%	2.4%	2.1%	2.7%

Personnel Resources

The College continues to evaluate positions and responsibilities in order to maintain an effective and efficient learning process. Faculty represents the number of employees in instruction for the College. This is currently 58% of the College workforce. Administrative includes primary officers of the College including the President, Vice Presidents, Deans of the instructional divisions of the College and Directors of non-academic divisions or major departments of the College. Mid-Management personnel have consistent exercise of discretion and judgment in performing support activities. Classified staff include technical, clerical and physical plant employees.



The following table indicates the changes in the number of faculty and staff over the past several years. In the past five years, faculty have been able to serve the fluctuation of the number of students by adjusting the number of part-time instructors and class sizes. The College demonstrated the ability to serve the increasing enrollments due to dislocated workers. The number of staff in the categories of Administrative and Mid-management decreased recently when the College discontinued the contractual relationship with the Illinois Department of Corrections and decided to no longer serve as the fiscal agent for the Local Workforce Area 14. The President's Cabinet now monitors all non-instructional hiring in an effort to use College resources in the most conservative way and to ensure that requests for replacements are essential to College operations.

Personnel Resource Allocation

Employees 2003 – 2008

	2003-04	2004-05	2005-06	2006-07	2007-08
FACULTY					
Full-Time	77	74	72	68	68
Part-Time	155	190	174	149	149
Subtotal	232	264	246	217	217
ADMINISTRATIVE					
Full-Time	26	27	28	21	20
Part-Time	0	0	0	0	0
Subtotal	26	27	28	21	20
MID- MANAGEMENT					
Full-Time	73	89	91	70	68
Part-Time	5	4	6	2	2
Subtotal	78	93	97	72	70
CLASSIFIED STAFF					
Full-Time	61	55	55	60	61
Part-Time	8	2	4	5	5
Subtotal	69	57	59	65	66
GRAND TOTAL	405	441	430	375	373

Debt Administration

Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments will be funded through the tax levy while the capital leases are currently funded by bond proceeds. Legally, the College is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$34,600,029. The current long-term debt of the College is \$27,045,732. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$7,544,297. During the next year, it is anticipated that the College will issue no new debt. FY2008 indicates an 8.7% increase in long-term debt payments. With no new debt issued, the College will see a 5.3% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2007	\$ 1,035,000	\$ 133,420	\$ 253,887	\$ 1,422,307	\$ 1,053,426	\$ 2,475,733
2008	1,285,000	140,354	126,944	1,552,298	1,138,979	2,691,277
2009	1,485,000	142,407		1,627,407	1,070,728	2,698,135
2010	1,705,000	115,347		1,820,347	990,456	2,810,803
2011	1,615,000	95,876		1,710,876	907,081	2,617,957
2012-2016	11,405,000	207,497		11,612,497	3,031,270	14,643,767
2017-2020	7,300,000	-		7,300,000	568,003	7,868,003
Total	\$25,830,000	\$ 834,901	\$ 380,831	\$27,045,732	\$8,759,943	\$35,805,675

Performance

Carl Sandburg College strives to meet the needs of the students and the community. Annually the College conducts a follow up survey of all Occupational Program graduates as required by the Illinois Community College Board. Our average percentage of responses over the last five years is 35%. Results include:

- Number continuing education – 20%
- Number employed – 84%
- Number employed/career related – 63%
- Number employed/career related/in-district – 33%
- Level of job satisfaction – varied
- Level of satisfaction with courses in program major – varied

The College currently utilizes the Classroom Assessment Techniques Instrument (CATS). This activity is part of the Assessment Plan which is approved by the North Central Association. Results are distributed to the appropriate Deans to address as needed.

Recently the Student Opinion Survey (ACT) was administered for a third time on a district wide basis. This survey will continue to be conducted every other year to allow the Retention Committee to analyze the data and facilitate improvements. The top areas of satisfaction with all aspects of the College were:

1. Class size relative to the type of course
2. Attitude of teaching staff toward students
3. Quality of instruction in the major area of study

Areas toward the bottom included:

1. Availability of adequate housing for students
2. Purposes for which student activity fees are used
3. Student government

All aspects were rated on a scale of 1 – 5, 1 being very dissatisfied and 5 being very satisfied. The top areas averaged a 4.1 with the bottom areas averaging 3.31. There is continued effort being made to retain students. We strive to increase awareness of a retention hotline for instructors and students.

Net Instructional Unit Cost per Credit Hour

(Unrestricted Only)	2006	2005	2004	2003
CSC	\$202.88	\$193.23	\$181.17	\$199.94
State	\$208.43	\$198.39	\$186.63	\$182.11
Average Cost per FTE Student				
CSC	\$ 6,086.00	\$ 5,797.00	\$ 5,435.00	\$ 5,998.00
State	\$ 6,253.00	\$ 5,951.00	\$ 5,599.00	\$ 5,463.00
Degrees & Certificates Awarded				
Total #	561	443	450	533

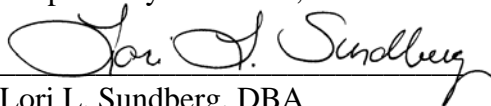
Carl Sandburg College transfer students have achieved consistent academic performance at their transfer colleges and universities.

The College anticipates FY2008 to reveal a new plateau of credit hour production. Enrollments due to “retraining programs” have been successfully completed and new/emerging enrollments resulting from “SILOS of Opportunity” have been launched. Budget officers have submitted credit hour projections based on their respective areas. The College believes this to be the best prediction possible.


Acknowledgments:

We would like to express our appreciation to the Board of Trustees for their continued interest in planning and conducting the fiscal operations of the College in a responsible and accountable manner.

Respectfully submitted,



 Lori L. Sundberg, DBA
 Vice President of Administrative Services



 Lisa Blake
 Chief Financial Officer

**CARL SANDBURG COLLEGE
FY-2008
BUDGET DEVELOPMENT Calendar**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/25/07	Approve budget development calendar	B.O.T.
1/30/07	Finalize budget parameters	President
1/30/07	Distribute electronic spreadsheet forms to prepare credit hour projections	Chief Financial Officer
2/5/07	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/6/07	Distribute electronic budget packets to budget managers	Chief Financial Officer
2/12/07	Credit hour projections due to the VP of Academic Services	Instructional Team
2/27/07	Review credit hour projections with Instructional Team	VP of Academic Services & Instructional Team
2/7/06-3/6/07	Individual budget meetings to be held between budget managers and their cabinet officer to discuss requests for new dollars and prioritization of those requests.	Cabinet Officer & Budget Manager
3/6/07	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed).	Budget Managers
3/8/07 - 4/3/07	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/3/07 -5/4/07	Tentative budget reviewed by Cabinet and CFO	Cabinet Officers & Chief Financial Officer
5/15/07 *	Tentative budget distributed to and adopted by B.O.T.	B.O.T.
5/16/07	Publish notice of public hearing on the tentative budget and public inspection	Chief Financial Officer
5/16/07	Budget available for public inspection	Chief Financial Officer
5/16/07 - 6/5/07	Review tentative budget	B.O.T. Budget Committee
6/5/07 – 6/9/07	Necessary revisions to budget completed	Cabinet Officers & Chief Financial Officer
6/28/07 *	6:30 p.m. – Public Hearing	B.O.T.
6/28/07 *	Adopt final budget	B.O.T.
6/29/07	Submit final budget to ICCB, staff, and county clerks	Chief Financial Officer

*Board of Trustees Scheduled Meeting

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting - May 15, 2007

Item 12 Adoption of Tentative 2008 Budget

Institutional Focal Points/Goals

I-A, II-D, III-A, V-A

Background

The tentative FY-2008 budget is proposed for Board adoption at the May 15, 2007 meeting. According to statutes, the tentative budget must be available for public inspection for thirty days before the final adoption. The law also requires that a legal notice be published stating the budget's availability for examination and the time of the public hearing on the budget. The hearing is scheduled for 6:30 p.m., Thursday, June 28, 2007, at the A. Lewis Long Conference Room, Galesburg, Illinois.

To allow maximum time for its development, we will deliver the tentative FY-2008 budget booklet to the Board at your meeting scheduled for May 15, 2007.

Recommended Action

The Administration recommends the Board of Trustees authorize the adoption of the FY-2008 Tentative Budget.

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting – June 28, 2007

Item FY – 2008 Final Budget

Institutional Focal Points/Goals

I-A, II-A & B, III-A, IV-A, V-A, VI-C

Background

The tentative FY-2008 budget has been reviewed by the Board of Trustees, faculty, students, support staff and administration. It has also been on public display for the required number of days in accordance with State law.

The final budget document incorporates provisions for recognizing the State of Illinois SURS *on-behalf* payments in accordance with recommendations of the College's external auditors.

Recommended Action

The administration recommends approval of the attached resolution for adoption for the FY-2008 budget for Carl Sandburg College.

**Illinois Community College District No. 518
FY 2008**

Principal Officials as of July 1, 2007

Board of Trustees

Name	Position	Term Expires
Mr. William C. Robinson	Chairperson	2011
Mr. Jack P. Ball	Vice Chairperson	2011
Mr. John T. Huston	Secretary	2011
Mr. Michael T. Bavery	Trustee	2013
Mr. Thomas H. Colclasure	Trustee	2009
Dr. D. Wayne Green	Trustee	2009
Reverend John A. Sibley, Sr.	Trustee	2013
Ms. Shalane Worden	Interim Student Trustee	
Ms. Barb Kirchgessner	Faculty Representative	
Ms. Angela Strom	Staff Representative	

Officers of the College

Mr. Thomas A. Schmidt	President
Mr. Larry Benne	Vice President of Academic Services
Mr. Steven Norton	Vice President of Student Services
Mr. Samuel Sudhakar	Vice President of Technology Services
Dr. Lori Sundberg	Vice President of Administrative Services

Administrative Staff

Ms. Gena Alcorn	Director of Foundation
Ms. Sherry Berg	Dean of Corporate and Community Services
Mr. Tony Bentley	Director of TRiO Upward Bound Project
Ms. Lisa Blake	Chief Financial Officer/Treasurer
Mr. Larry Byrne	Director of Business Services
Ms. Sally Day	Director of Nursing
Ms. Robin DeMott	Director of Marketing & Public Relations
Ms. Marnie Dugan	Director of Recruiting
Ms. Lisa Hanson	Director of Financial Aid
Ms. Carol Kreider	Dean of Student Support Services
Ms. Misty Lewis	Director of TRIO Student Support Services
Ms. Elaine Long	Dean of Allied Health
Ms. Debra Miller	Dean of Extension Services
Mr. Mark Pfeleger	Dean of Occupational Programs
Mr. Jim Rich	Dean of Adult & Developmental Education
Dr. Connie Thurman	Director of Human Resources
Mr. Michael Walters	Dean of Learning Resource Services/Evening Administrator

Official Issuing Report

Ms. Lisa Blake	Chief Financial Officer/Treasurer
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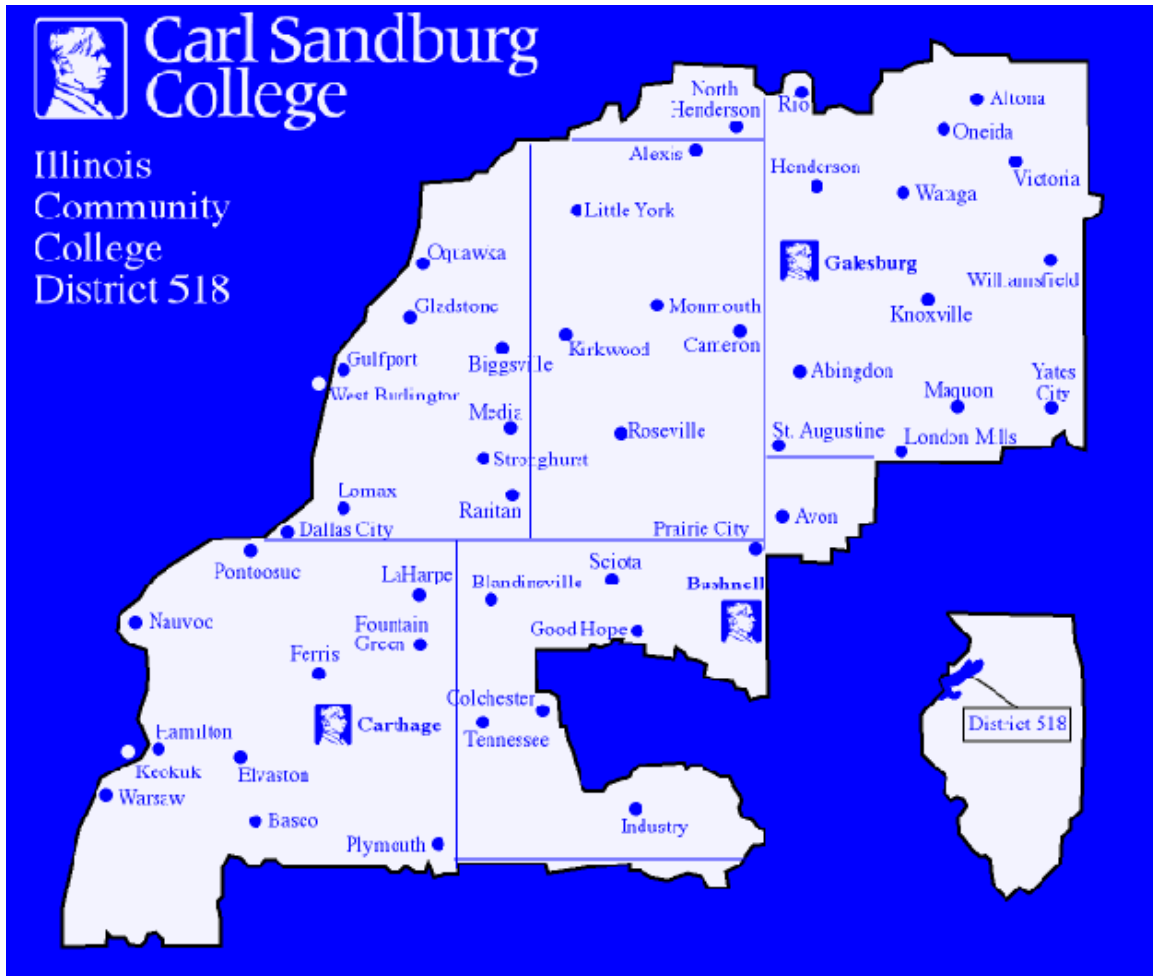
Department Issuing Report

Finance Office

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II. Organizational Section

Carl Sandburg College was established by authority of the Illinois Community College Act of 1965 and was approved by voters in a September 1966 referendum. We are fiscally independent although governed by laws and policies as set forth by the State of Illinois, the Illinois Community College Board and the District's Board of Trustees. In 2001, the North Central Association of College and Schools continued accreditation for ten years and indicated that fiscal management was a strong asset of the College. The College's district now covers all or part of ten counties in Illinois. The main campus is located in Galesburg with a branch campus in Carthage and an extension center in Bushnell. We serve a diverse group of students. In the fall of 2006, the College enrolled 2,930 students, with an average age of 30 years. Women represented 59 percent of the student body and 52 percent of the student body were part-time students. Many students balance the demands of College with work and family responsibilities. The college has awarded an average of 490 degrees/certificates per year over the last five years.



Degrees and Programs Offered

Academic Programs (Transfer Degrees)

Associate in Arts Degree
Associate in Arts in Teaching Degree
(Early Childhood, Secondary Math, Secondary Science or Special Education)
Associate in Fine Arts Degree
(Music Performance or Music Education)
Associate in Science Degree
Associate in Engineering Science Degree

Occupational Programs (Associate in Applied Science, Certificate Programs)

Associate in Applied Science Degree
Accounting
Administrative Office Professional
Automotive Body Repair
Automotive Technology
Child Development
Computer Information Systems Specialist
Computer Networking Specialist
Criminal Justice
Dental Hygiene
Desktop Publishing
Industrial Control Technology (formerly Industrial Electricity)
Industrial Technologies (Machine Drafting & Design Option) *
Industrial Technologies (Manufacturing Processes Option) *
Marketing/Mid-Management
Mortuary Science
Nursing Program

**These career programs are options in the dual-degree agreement with Bradley University and Western Illinois University. Students completing the requirements of a dual-degree program receive an A.A.S. from Carl Sandburg College and a Bachelor's degree from one of the participating colleges.*

Advanced Certificate

Computed Tomography
Diagnostic Medical Sonography
Magnetic Resonance Imaging
Nuclear Medicine Technology

Certificate

Accounting
Administrative Office Assistant
Basic Automotive Body Repair
Computer Aided Drafting/Design
Cosmetology
Cosmetology Teacher
Criminal Justice
Desktop Publishing
Emergency Medical Technician
Engine Performance
Human Services Assistant
Legal Office Assistant
Limited Radiography
Machine Tool
Medical Administrative Specialist
Medical Assisting
Microcomputer Applications Specialist
Nail Technology
Numerical Control
Nursing Assistant/Aide

Explanation of Financial Structure

The accounts of the College are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balances, revenues and expenditures. For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements and the budget are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. Pursuant to the Board of Trustees resolution, property tax levies passed in December of the calendar year are allocated and will be recognized as revenue in the following College fiscal year. The following Fund types are used by the College.

Governmental Fund Types

The General Fund, which consists of the Education Fund, the Operations and Maintenance Fund, and the Quasi-Endowment "SILO" Fund, is the general operating fund of the College. It is used to account for the day-to-day operation of the school district. Revenues are received from state and local government and student tuition and fees. Expenditures are tracked by program and object code (description of the expense.)

The Special Revenue Fund consists of the Restricted Purpose Fund, Audit Fund and the Liability, Protection, and Settlement Fund. These funds are used to account for the proceeds for specific revenue sources that are legally restricted to expenditures for specific purposes.

The Debt Service Fund, which consists of the Bond and Interest Fund, accounts for the accumulation of resources for and the payment of debt principal, interest, and related costs.

The Capital Projects Fund, which consists of the Operations and Maintenance (Restricted) Fund and the Capital Endowment Fund, is used to account for financial resources to be used for the acquisition or construction of major capital facilities and technology enhancements.

For budgetary purposes all governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (receipts and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Proprietary Fund Types

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the College is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the College has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Fund Type

Fiduciary Funds are used to account for assets held by the College in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

The Nonexpendable Trust Fund (Working Cash Fund) accounts for financial resources held by the College to be used for temporary transfers to the operating funds.

Classification of Revenues and Expenditures

Revenues for the district are classified by source within a fund. Revenues are grouped into major divisions. The divisions, with examples of major revenue sources, are:

- Local government sources – Property taxes
- State governmental sources – ICCB grants, Corporate Personal Property Replacement Taxes, SURS
- Student Tuition and Fees
- Other – Interest income

Expenditures are classified by fund, program, and object. Major programs are:

- Instruction
- Academic Support
- Student Services
- Public Service/Continuing Education
- Auxiliary Services
- Operation and Maintenance of Plant
- Institutional Support

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the Governmental Funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Summer School Revenues and Expenditures – Summer session revenues prior to fiscal year 2004 were recognized entirely in the year the tuition was collected. Related expenditures were paid over the summer term. Beginning in fiscal year 2004, the College changed this to be in compliance with Government Accounting Standards issued by GASB. Summer school revenues will be allocated by the number of days taught in each fiscal year. Revenues not earned until the following year will be deferred and shown as a liability on the Statement of Net Assets. Expenditures will be fine as they are paid out over the term and payroll due by June 30 is paid on June 30.

Property Taxes – The board of the College adopted a resolution in November of 2001 regarding property taxes. It determined that local real estate taxes are to be recorded as deferred revenue in the year of the levy and are recognized 100% as revenue the following year when substantially collected.

Inventories – Inventories consisted primarily of supplies and are valued at cost on a first-in, first-out basis.

Fixed Assets – Prior to fiscal year 2004, only the Proprietary Funds capitalized and depreciated assets. During that time, General fixed asset purchases were recognized as capital outlay expenditures of the governmental fund types and were then capitalized at cost in the general fixed asset account group. In March of 2001, the College's board adopted a resolution to become GASB compliant and capitalize all assets valued at over \$5,000, regardless of fund, and depreciate them over their useful life recommended by the Illinois Community College Board.

Allocation of Non-tax Revenue – In accordance with the Fiscal Management Manual of the Illinois Community College Board, the local Board of Trustees is permitted to make distributions of unrestricted revenues other than local property taxes among the operating funds (i.e. Education and Operations and Maintenance).

Explanation of Budgeting Methods

The College adopts legal budgets for all Governmental Fund types.

The College's budgetary basis of accounting differs from generally accepted accounting principles (GAAP). For budgetary purposes, encumbrances are recorded as expenditures but are reflected as reservations of fund balance for GAAP purposes. Appropriations not encumbered by year-end lapse.

Budget Objectives and the Institutional Focal Points and Goals

In the early stages of the budgeting process, budget managers are asked to review the shell budget and focal points and goals and recommend budget requests needed for the coming year. These requests can include new programs, new equipment, new staffing or additional budget adjustments. By prioritizing these requests, the link between planning and budgeting is reinforced. Each request is reviewed by the budget committee and considered based on its fulfillment of the Institutional Focal Points and Goals.

Budget and Financial Policies

The official budget adopted by the Board of Trustees is the same as the operating budget in total. In other words, the law requires the Board to adopt a budget that specifies expenditures by object and function (purpose). The College actually operates with a budget that is far more detailed to better control expenditures. Within each fund, budgets are adopted for each fiscal year.

Capital projects are coordinated with the development of the operating budget. Future operating costs associated with new capital improvement will be projected and included in operating budgets. The College identifies estimated costs and potential funding sources for each capital project proposal before it is submitted to the Board for approval. All financial activity is monitored monthly comparing the budgeted funds to reduce cost overruns.

The budgeting process begins in January of each year for the following fiscal year. The College adjusts certain object codes by a percentage to reflect salary agreements or other anticipated increases. Budget managers are able to review and reallocate dollars related to their specific areas, but not add additional dollars. This allows the tentative budget to reflect the needs in each area. The Tentative Budget is presented to the Board of Trustees in May and approved for public display for at least thirty days prior to a public hearing and final adoption. Notice of the public display is published in a local newspaper. The public hearing and adoption of the Final Budget take place at the June Board meeting.

Once the Final Budget is adopted, copies are filed with the Illinois Community College Board (ICCB) by October 15.

Mr. Scott Erickson	Knox County Courthouse	200 S. Cherry St.	Galesburg, IL 61401
Mr. Jim Nelson	Fulton County Courthouse	200 N. Main St.	Lewistown, IL 61542
Ms. Marcella Cisna	Henderson County Courthouse	PO Box 308	Oquawka, IL 61469
Mr. Kerry Asbridge	Hancock County Courthouse	PO Box 39	Carthage, IL 62469
Ms. Barbara Link	Henry County Courthouse	307 West Center St.	Cambridge, IL 61238
Ms. Gretchen DeJanes	McDonough County Courthouse	1 Courthouse Square	Macomb, IL 61455
Mr. Tom Hanson	Mercer County Courthouse	PO Box 66	Aledo, IL 61231
Ms Linda Ward	Schuyler County Courthouse	PO Box 200	Rushville, IL 62681
Ms. Linda Pyell	Stark County Courthouse	PO Box 97	Toulon, IL 61483
Ms. Tina Conard	Warren County Courthouse	100 W. Broadway	Monmouth, IL 61462

The District observes laws and policies as set forth by the State of Illinois, the Illinois Community College Board and the District's Board of Trustees.

Illinois Statutes

Major aspects of budgeting and finance are prescribed by the Illinois Public Community College Act. This section summarizes the major provisions of the Act which address finance and budgeting.

805/3-20.1. Adoption of annual budget; contents; fiscal year

The board of each community college district shall within or before the first quarter of each fiscal year, adopt an annual budget which it deems necessary to defray all necessary expenses and liabilities of the district, and in such annual budget shall specify the objects and purposes of each item and amount needed for each object or purpose.

The budget shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. Nothing in the Section shall be construed as requiring any district to change or preventing any district from changing its system of accounting.

The board of each community college district shall fix a fiscal year.

Such budget shall be prepared in tentative form by some person or persons designated by the board, and in such tentative form shall be made conveniently available to public inspection for at least 30 days prior to final action thereon. At least one public hearing shall be held as to such budget prior to final action thereon. Notice of availability for public inspection and of such public hearing shall be given by publication in a newspaper published in such district, at least 30 days prior to the time of such hearing.

The board may make transfers between the items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget. The board may amend the budget by the same procedure as provided for in its original adoption.

- The College Board of Trustees adopts a budget development calendar as shown on page 47 which details the responsibilities and allows the administration to meet the above requirements.

805/3-20.3. Expenses payable from taxes for operation and maintenance of facilities purposes and for purchase of college grounds; educational fund

This section specifies expenditures that must be paid from the amount levied for Operations and Maintenance purposes. Included are "...obligations incurred for the improvement, maintenance, repair or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement and maintenance of building fixtures, for the rental of buildings and property for community college purposes..." Other expenditures are to be paid from the Educational Fund.

- Accounts are established in the Operations and Maintenance Funds and a budget officer assigned to monitor this activity. All payment requests are approved by the budget officer.

805/3-20.5. Determination of amount to be raised by tax for educational purposes and for operations and maintenance of facilities purposes; certificate of tax levy

Each year, the Community College must determine the amount of funds to be raised by the tax levy for the ensuing year. These amounts must be certified by the board and submitted to the county clerk before the last Tuesday in December each year. Suggested language for the Certificate of Tax Levy is also included in this section.

- The College presents a board item each year at the November meeting with tentative tax levies. This item includes historical levy information as well as estimated property values and allowed rates. Any additional notices and public hearings needed due to increased rates are also presented. This process allows for adoption of the tax levies and certificates at the December meeting so filing with county clerks can take place before the last Tuesday in December each year.

805/3-20.6. Districts in two or more counties; determination of amounts; certificates of tax levy

If a college district lies in two or more counties, the certificate of tax levy must be filed with each of the county clerks within the district. Each county clerk is then to determine the portion of the district valuation that lies within the county, and provide this information to the county clerk where the institution is located. Based on the levy certification, the county clerk will determine the tax rates for all of the counties.

- The College covers all or part of ten counties. The College surveys all 10 county clerks to determine projected EAV. After the Board adopts the tax resolution, the certificate of tax levy is filed with all 10 county clerks.

805/3-27. Payment of orders and bills; revolving funds; collection of funds

It is lawful for the Board to create a revolving cash fund provided such funds are in the custody of an employee who shall be bonded and who shall be responsible to the Board and the treasurer, and that such funds are subject to regular annual audit by licensed public accountants. A monthly report and annual summary of all receipts and expenditures of the revolving cash fund shall be submitted to the Board and the treasurer.

- The College annually renews the treasurer's bond.
- Monthly reports of all checks written, signed and dispersed are included in board packets to all board members.
- An external audit is performed annually by licensed public accountants, typically beginning in August after the close of the fiscal year and the report issued in early October. The Board approves changes in the firm selected to perform the audit.

805/3-27.1. Contracts

Contracts for the purchase of supplies, materials, or work exceeding \$10,000 are awarded to the lowest responsible bidder considering conformity with specifications, terms of delivery, quality, and serviceability. Several exceptions to this rule are noted in this section, including (1) services of individuals possessing a high degree of professional skill, (2) contracts for printing financial reports, (3) contracts for printing or engraving bonds or other debt instruments, (4) and many others as outlined in the statute. This section also includes procedures for awarding contracts through the sealed bid process.

- The College follows a request for proposal process. This allows all interested parties to bid. Typically ads are run within and out of our immediate district area. The request is also posted on our website under the business services section. A pre-bid meeting is scheduled to allow for any questions to be addressed. There are specific deadlines set for bids to be submitted. This way, all parties having followed the bid specifications will be considered during the College review of the bids.

805/3-33.5. Working Cash Fund; monies derived from bonds; state and federal funds

Funds raised by the sale of Working Cash bonds must be maintained in a separate fund, and they are not to be appropriated in the annual budget. The Board may appropriate to the maximum amount allowable in the fund. The Board may transfer from the Working Cash Fund in anticipation of the receipt of federal or state funds, but the debt to the Working Cash Fund must be satisfied.

- A Working Cash Fund has been established and accounted for separately. Investments are reconciled monthly.

805/3-33.6. Working cash fund; transfers of monies; abolition of fund

Transfers from the Working Cash Fund to the Education or Operations & Maintenance Fund may be made only by board resolution. This section specifies the terms of such a resolution. The Board may also issue a resolution to abolish the Working Cash Fund and direct the Treasurer as to directing the transfer. If it is abolished, a district may not establish another Working Cash Fund without voter approval. Interest earned by the Fund may be transferred to the Education or Operations and Maintenance Fund by board resolution.

- Interest earned on the investments of the Working Cash Fund is budgeted each year by the budget committee. This is presented in the tentative budget and adopted with the final budget. Each year a resolution is adopted to allow the transfer of the interest earned to the General Fund.

Carl Sandburg College Board of Trustees Policies

This section includes policies of the Carl Sandburg College Board of Trustees that pertain to fiscal and budgetary issues.

1.12 Duties and Responsibilities of the Governing Board

While duties of the College Board are set forth in the Public Community College Act, the details of which are heretofore set out, more specifically the duties of the Board will be as follows:

...4. To approve the annual budget, etc. ...

13. To provide for an annual audit of all funds handled under the authority of the College in accordance with law and generally accepted accounting procedure...

- The annual budget is adopted each June before the new fiscal year begins in July. This follows the development calendar adopted by the board each January.
- The annual audit is performed and presented to the Board of Directors by a representative of the audit firm.

Illinois Community College Board Regulations

Financial Reporting requirements are summarized in Subpart E of ICCB rules.

Annual Budget

The budget is a controlled plan to be used in implementing the philosophy and the objectives of the College. Its development should involve maximum participation and, therefore, the aims and objectives of the College should be reflected at each level.

Colleges are encouraged to use either of the following budgetary formats: line-item appropriation or program budgeting in conjunction with program performance budgeting (PPB), or zero-based budgeting (ZBB). However, a budgetary crosswalk may be necessary to complete the line-item appropriation by function budget required by the ICCB.

Each local Board of Trustees must adopt a budget for each fiscal year within or before the first quarter of each fiscal year. Moreover, a tentative budget must be available for public inspection for at least 30 days, or ten days for community college districts in cities of over 500,000 inhabitants, prior to final adoption; and at least one public hearing must be held on the tentative budget.

It is anticipated that each district will develop an expanded operational budget that is more detailed than the budget required by the ICCB. Care should be taken that any budget adopted by the local board of trustees meets the requirements of Section 3-20.1 of the *Public Community College Act* for community college districts in cities with less than 500,000 inhabitants or Sections 7-8 through 7-16 for other community college districts.

The budget shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. (Section 3-20.1)

The budget shall set forth estimates, by classes, of all current assets and liabilities of each fund of the board as of the beginning of the fiscal year, and the amounts of those assets estimated to be available for appropriation in that year, either for expenditures or charges to be made or incurred during that year or for liabilities unpaid at the beginning thereof. Estimates of taxes to be received from the levies of prior years shall be net, after deducting amounts estimated to be sufficient to cover the loss and cost of collecting those taxes and also deferred collections thereof and abatements in the amount of those taxes extended or to be extended upon the collector's books. (section 7-9)

The local boards of trustees of community college districts in cities of less than 500,000 inhabitants may transfer among budgeted items in a fund, providing that all transfers do not exceed 10 percent of the total of such fund as set forth in the budget. The local board of trustees also may amend the budget by using the same procedure as the original adoption.

One copy of the annual budget in the format prescribed shall be filed with the ICCB no later than October 15.

- These items are addressed and followed per the budget calendar adopted by the Board of Trustees each January.

Certificate of Tax Levy

The language for the Certificate of Tax Levy suggested by the *Public Community College Act* is included in this section. This certificate must be filed with each county clerk on or before the last Tuesday in December. A copy of the certificate, along with each county clerk's verification of the levy, should be filed with the ICCB no later than January 31. In addition to the adopted annual budget, each college must file with each county clerk,

within 30 days of its adoption, the local board's budget resolution and a certified summary of anticipated revenues for the fiscal year. Failure to file these documents authorized the county clerk to refuse to extend the district's tax levy. Suggested forms for the budget resolution and the summary of anticipated revenues are included as part of this section.

Moreover, when a district levies more than 105 percent of the previous year's tax extensions, the district must have at least one public hearing which may not coincide with the hearing on the tentative budget. The notice must fulfill the following requirements:

The notice shall appear no more than 14 days nor less than 7 days prior to the date of the public hearing. The notice shall be no less than one eighth page in size, and the smallest type used shall be twelve point and shall be enclosed in a black border no less than ¼ inch wide. The notice shall not be placed in that portion of the newspaper where legal notices and classified advertisements appear. The notice shall state in plain and simple language the following information: (1) the legal name of the taxing district; (2) the commonly known name of the taxing district; (3) the amount of property taxes, exclusive of election costs, extended or estimated to be extended on behalf of the taxing district for the preceding year; (4) the amount of the proposed levy, exclusive of election costs, for the current year; (5) the percentage increase; and (6) the date, time and place of the public hearing concerning the proposed budget and the proposed levy increase. Such hearing may not coincide with the hearing on the proposed budget of the taxing district.

Any notice which includes information substantially in excess of that specified and required by this Act shall be an invalid notice. (Chapter 120, Section 866)

Additionally, an amended Certificate of Tax Levy may be filed within ten days of notification from the county clerk of the multiplier providing such multipliers will alter the amount of revenue received by the district.

- Each December a final tax year levy is presented to the Board of Trustees. This item includes the adoption of the annual tax levy, the certificate of tax levy and the truth in taxation certificate of compliance, if required.

External Audit

Each district is required to submit two copies of its external audit to the ICCB by October 15 following the end of the fiscal year. Required schedules and recommended formats are detailed in this section.

- The Board of Trustees approves the placement of the audit services with an audit partner. The external audit then proceeds with preliminary work, final fieldwork, issuing the report and management letters. The completed report is presented to the Board of Trustees at the next scheduled meeting by the audit partner.

Annual Financial Report

Pursuant to Section 3-22.2 of the *Public Community College Act*, each district is required to publish a financial statement at least once annually prior to November 15 in a newspaper of general circulation in the district, and a copy of this publication must be filed with the ICCB by December 1. The format for this statement suggested by the ICCB is found in the Fiscal Management Manual issued by the ICCB.

- After completion of the external audit, the annual financial report is published and a copy and certification of publication is submitted to ICCB by the December 1 deadline.

Community College Treasurer's Bond

Each community college treasurer must be bonded. A copy of each bond must be filed with the county clerk(s) and the ICCB. The suggested statutory language for each treasurer's bond is provided by ICCB.

- Annually the renewal of the Treasurer's bond is submitted to the Board of Trustees for approval.

Requirements for Financial Transactions

The *Public Community College Act* and ICCB rules contain many financial requirements. Although several requirements are highlighted below, you are encouraged to review the *Public Community College Act* and ICCB rules.

Payment of Orders and Bills

The local boards of trustees of community college districts in cities of less than 500,000 inhabitants must approve payment of all bills showing to whom and for what purpose each payment is to be made and to what budgetary item each payment should be debited. The payment's purpose and budgetary line item can be shown by *Fiscal Management Manual* account codes. College staff should ensure that each item is properly charged to the correct account and that authority exists for such a transaction. For example, custodial salaries and utilities can be paid from the Operations and Maintenance Fund only upon resolution of the local board of trustees.

- Each month the Board of Trustees approves a report of checks written, signed and dispersed.

Bidding Policy

Section 3-27.1 of the *Public Community College Act* requires each district to let all contracts for supplies, materials, or work involving an expenditure in excess of \$10,000 to the lowest responsible bidder after due advertisement, excluding the exceptions which are listed in Section 3-27.1 of the Act. The local board may adopt a more restrictive bidding policy.

- The College follows a request for proposal process. This allows all interested parties to bid. Typically ads are run within and out of our immediate district area.

- The request is also posted on our website under the business services section. A pre-bid meeting is scheduled to allow for any questions to be addressed. There are specific deadlines set for bids to be submitted. This way all parties having followed the bid specifications will be considered during the College review of the bids.

Organizational Reporting & Budget Responsibility

Organizational Chart

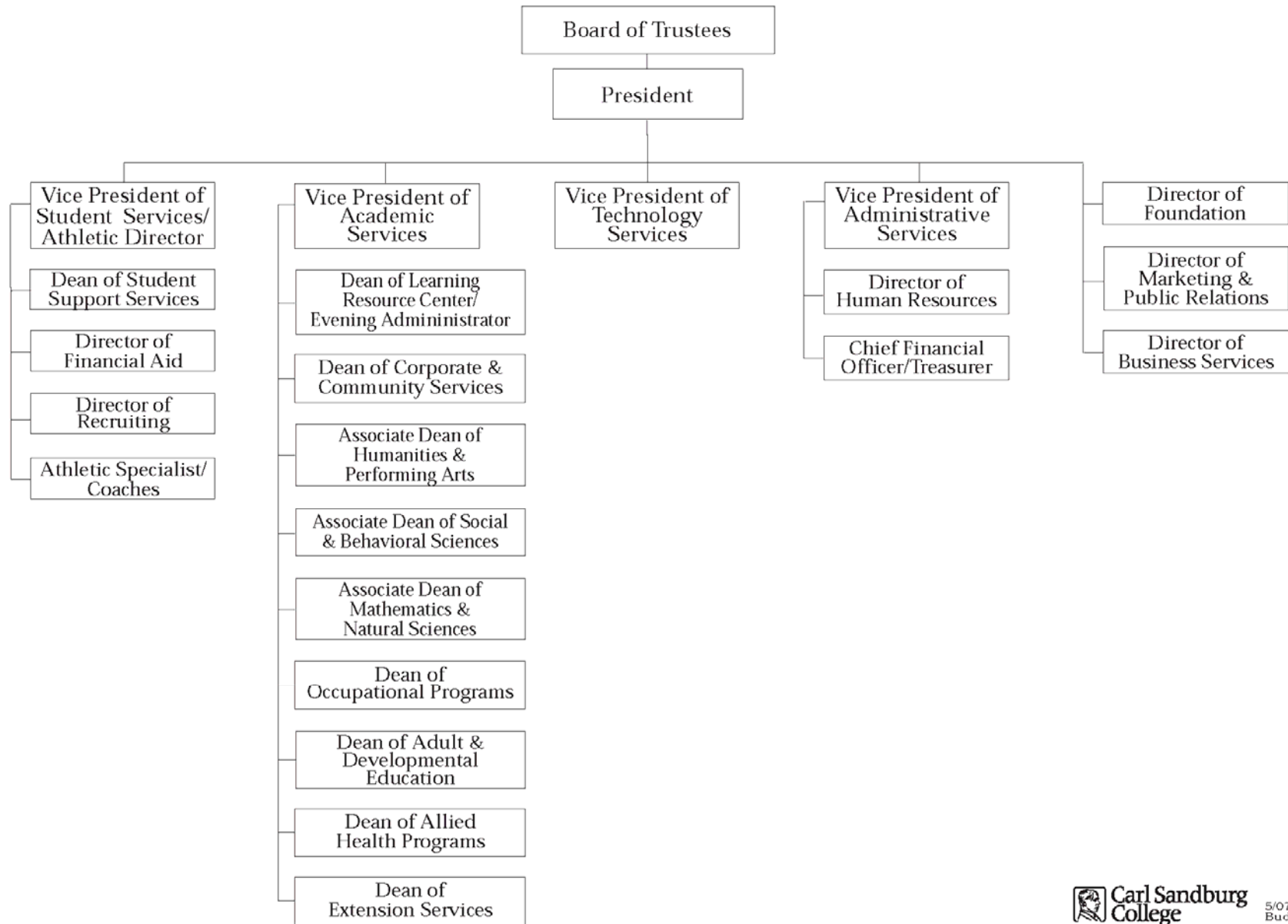
The College functions with the needs of the students in mind. All College functions and support activities strive to place the student at the center. Additionally, all direction flows from the Board of Trustees through the President to the Administration and staff. This philosophy is demonstrated on the following chart.

Organizational Reporting by Budget Responsibility

The next graphic table in this section identifies budgeted amounts by fund and grouped by line/staff responsibilities.

This table provides a description of the budgeted amounts for fiscal year 2008 by the budget manager, by fund, divided by the functional reporting areas of the College. In some instances, budget responsibility may be delegated to a lower level subordinate. This structure allows involvement directly from the administration in the areas they excel in. It also allows for review by cabinet level personnel. The College continues to strive in empower those directly involved on a day-to-day basis.

Carl Sandburg College Organizational Chart



Carl Sandburg College
Organizational Chart by Budget Responsibility
FY 2008

Administration	Education	Operations & Maint.	O/M Restricted	Bond & Interest	Auxiliary	Working Cash	Audit	Liability & Protection	Quasi- Endowment	TOTAL
President	881,561									881,561
Director of Business Services	300,504	1,450,679	183,750		50,519			1,750,655		3,736,107
Director of CSC Foundation	81,679				52,020					133,699
Director of Marketing & Public Relations	382,215									382,215
Subtotal	1,645,959	1,450,679	183,750	0	102,539	0	0	1,750,655	0	5,133,582
Vice President of Academic Services	1,342,960				2,000					1,344,960
Dean of Allied Health	1,423,563				66,000					1,489,563
Dean of Occupational Programs	1,302,786				437,253					1,740,039
Asst. Dean of Humanities & Performing Arts	675,230				14,029					689,259
Asst. Dean of Mathematics & Natural Sciences	541,579				2,081					543,660
Asst. Dean of Social & Behavioral Sciences	489,247									489,247
Dean of Extension Services	729,945				4,750					734,695
Dean of Corporate & Community Services	632,071				2,200					634,271
Dean of Learning Resource Services	313,349									313,349
Dean of Adult & Developmental Education	310,422									310,422
Subtotal	7,761,152	0	0	0	528,313	0	0	0	0	8,289,465
Vice President of Student Services	569,127				382,857					951,984
Dean of Admissions & Records	650,836				10,935					661,771
Director of Financial Aid	143,806									143,806
Director of Recruitment	44,484									44,484
Subtotal	1,408,253	0	0	0	393,792	0	0	0	0	1,802,045
Vice President of Technology Services	722,249		0		48,922			101,500		872,671
Subtotal	722,249	0	0	0	48,922	0	0	101,500	0	872,671
Vice President of Administrative Services	1,549,262				600			321,029		1,870,891
Chief Financial Officer	958,720	122,752		2,398,356	40,000	145,000	78,164		336,250	4,079,242
Director of Human Resources	210,917									210,917
Subtotal	2,718,899	122,752	0	2,398,356	40,600	145,000	78,164	321,029	336,250	6,161,050
TOTALS	14,256,512	1,573,431	183,750	2,398,356	1,114,166	145,000	78,164	2,173,184	336,250	22,258,813

The Mission of Carl Sandburg College

Mission Statement

Opportunity to Succeed

The mission of Carl Sandburg College is to provide accessible, quality education in a caring environment by keeping the learner's needs at the center of decision making and by working in partnership with communities of the College district.

Institutional Focal Points and Goals

- I. Learning
 - A. Promote and support student learning at the classroom, program, and school levels.
 - B. Provide and maintain resources, which enable and enhance student retention and learning.
 - C. Promote and support local research on the learning process.
- II. Caring Environment
 - A. Shape an environment that recognizes the need for diversity.
 - B. Create opportunities for all within the College community to interact with understanding, tolerance, and respect for others.
 - C. Promote sensitivity to individual needs and aspirations of those throughout the College community.
 - D. Promote organizational development as a long-range effort to improve the College's problem-solving and renewal process.
- III. Technology
 - A. Establish and maintain effective technology in academic programs and support functions.
 - B. Upgrade employee skills in use of technology.
- IV. Cooperative Alliances
 - A. Develop programs in cooperation with neighboring institutions.
 - B. Maintain and expand alliances within and beyond the College district.
 - C. Support economic development activities
- V. Stability
 - A. Establish/maintain an operating fund balance equal to 5-6 percent of the previous year's adopted budget.
 - B. Develop institutional shape/make-up that best addresses long-range fiscal concerns.
 - C. Maintain the College comprehensive Risk Management Program.
 - D. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
 - E. Promote operating efficiencies to accommodate growth.
 - F. Promote the development of human resources.

- G. Promote and develop information management systems that facilitate decision-making.

VI. Assessment

- A. Promote and support local research on the assessment process.
- B. Promote student assessment at the course, program, and school levels.
- C. Promote assessment as an institutional way of life.

NOTE: Institutional Focal Points are indicated by Roman numerals. Their accompanying Institutional Goals are noted by capital letters.

- The College believes retention is of concern. Students are under-prepared when entering the college arena. We continue to work with faculty to identify potential students in need of assistance. The College has retention staff to evaluate performance surveys and attempt to discover areas that need to be addressed.
- Carl Sandburg College was awarded 8th place for the use of information technology across mid-sized community colleges in the country. This was awarded by the Center for Digital Education in collaboration with the American Association of Community Colleges after conducting the digital community colleges survey. The annual survey examines and documents how community colleges have progressed in using information technology to deliver services to their students, faculty and staff.
- The College has experienced success in their Professional Negotiations Agreement with the Sandburg Education Association. This creates stability of the workforce and instruction. This agreement currently stems thru fiscal year 2010.
- In cooperation with Johnson Controls, Inc., our performance contracting provider, we have entered into three phases of a Guaranteed Energy Savings Contract.

Budget Development

In January of each year, the cabinet reviews the proposed budget calendar which is developed by the Chief Financial Officer. This calendar (included within this section) details the chain of events that occur for planning, preparation and adoption of the Final Budget. A shell budget is developed using cost of living increase assumptions determined by the cabinet and backing out new money requests from the previous year. Beginning in February, enrollment and revenue projections for the new fiscal year are developed and refined. Requests for new budget dollars, new equipment, new programs, new staff and capital improvements are submitted by the budget managers. These new initiatives are reviewed by the budget committee for approval and funding. Final Budget requests are turned in during March, compiled and compared to revenue projections. Adjustments necessary to balance the budget are discussed and made. Following this, a balanced Tentative Budget is presented to the President, Cabinet and Board of Trustees at the May meeting.

**CARL SANDBURG COLLEGE
FY-2008
BUDGET DEVELOPMENT Calendar**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/25/07	Approve budget development calendar	B.O.T.
1/30/07	Finalize budget parameters	President
1/30/07	Distribute electronic spreadsheet forms to prepare credit hour projections	Chief Financial Officer
2/5/07	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/6/07	Distribute electronic budget packets to budget managers	Chief Financial Officer
2/12/07	Credit hour projections due to the VP of Academic Services	Instructional Team
2/27/07	Review credit hour projections with Instructional Team	VP of Academic Services & Instructional Team
2/7/06-3/6/07	Individual budget meetings to be held between budget managers and their cabinet officer to discuss requests for new dollars and prioritization of those requests.	Cabinet Officer & Budget Manager
3/6/07	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed).	Budget Managers
3/8/07 - 4/3/07	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/3/07 -5/4/07	Tentative budget reviewed by Cabinet and CFO	Cabinet Officers & Chief Financial Officer
5/15/07 *	Tentative budget distributed to and adopted by B.O.T.	B.O.T.
5/16/07	Publish notice of public hearing on the tentative budget and public inspection	Chief Financial Officer
5/16/07	Budget available for public inspection	Chief Financial Officer
5/16/07 - 6/5/07	Review tentative budget	B.O.T. Budget Committee
6/5/07 – 6/9/07	Necessary revisions to budget completed	Cabinet Officers & Chief Financial Officer
6/28/07 *	6:30 p.m. – Public Hearing	B.O.T.
6/28/07 *	Adopt final budget	B.O.T.
6/29/07	Submit final budget to ICCB, staff, and county clerks	Chief Financial Officer

*Board of Trustees Scheduled Meeting

Capital Projects Process

Budget managers have the opportunity during the budget process to submit requests for capital equipment as well as capital improvement projects for the facilities. These requests are formalized in writing and presented to the appropriate Cabinet member. During the budget process, these requests are discussed and analyzed by the Cabinet. Approvals are made based on availability of funds and priorities of the district in conjunction with the Institutional Focal Points and Goals of the College.

Budget Administration and Management

Overall responsibility for budget development and management lies with the Chief Financial Officer (CFO). The CFO is also responsible for the day-to-day management of the budget and expenditure control.

Expenditure Control

All funds of the College are divided into Departments or Responsibility Centers. A budget manager is assigned to each department. Each budget manager is responsible for approving the expenditures within their department(s). Initially, expenditures are requested via a Requisition with the appropriate budget manager's approval. In times of budgetary constraints, it is possible that all Requisitions must also be approved by the Vice President or President with ultimate responsibility for the cost center involved. In FY 2005, the College implemented the new Colleague Financial Accounts Payable module for all Purchasing and Accounts Payable operations. This new software requires budget manager approval of all purchase requisitions and will not allow any payment exceeding available budgeted funds without an override from the CFO. Following these approvals, the Requisition is approved by the Director of Business Services who also assures that legal purchasing procedures have been complied with. Once this occurs, the Requisition is formalized into an online Purchase Order which will be emailed to the vendor. Subsequently, a copy of the Purchase Order is available electronically to Shipping and Receiving Dept. to match with the merchandise and ensure it gets to the person who ordered it.

Encumbrance Control

Approved purchase orders are automatically entered as encumbrances against the related appropriation as a control to insure that budgeted appropriations are not over-expended. The accounting software allows for encumbrance of salaries. However, payroll will be paid regardless of budget availability.

Budget Transfers

Budget transfers will now be done by budget managers between only accounts for which they have budgetary control. Anything transferred outside the budget manager's area of responsibility will have to be done by the CFO. Budget managers must observe certain constraints in transfers between cost centers under their direction.

Management Information Reports

Budget managers have access to online query and review functions of the accounting system to review transaction detail. They are able to monitor available funds and do budgetary transfers as needed. In addition, the CFO will alert the Cabinet of any serious overspent payroll budgets as they appear on the error report.

Detailed reports are also prepared monthly for the Board of Trustees. These reports include comparisons by fund of: actual expenditures against budgets by function and object; revenue receipts against budget; total salary commitments against budget; and cash and investment balances. Additionally, the report includes a listing of bills paid. The Board is asked to review and approve these monthly reports.

The monitoring of revenue is a crucial component of the budget management. In the event of an unexpected decline in revenue, certain expenses are identified by budget managers and frozen to insure a balanced budget at year end.

Additionally, day-to-day operations require the use of various management information reports and online query available to all administrators and managers relative to their areas of responsibility.

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III. Financial Section

The chart on page 83 summarizes the effect of the FY 2008 budgeted revenues, expenditures and transfers on the fund balance of each fund. Funds are further grouped by Fund Type.

General Fund Revenue Budget

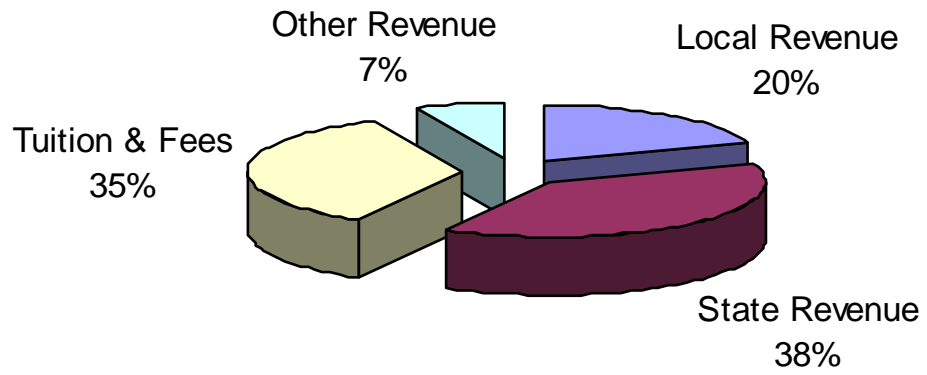
The General Fund consists of three individual “sub-funds” – the Education Fund, the Operations & Maintenance Fund and the Quasi-Endowment “SILO Fund”. These funds are used to account for all revenues and expenditures related to the educational functions of the college. Revenue for the General Fund is derived from the following sources: Local Government, State Government, Tuition and Fees, and Other Sources of Revenue.

As illustrated below, the FY 2008 total revenue budget of \$15,929,943 represents a change of 3.91%, or \$599,642 from the FY 2007 budget.

- The local revenue increases due to a small increase in the rate applied for property taxes as well as an increase of projected EAV over the projection we used in the FY2007 budget. We have also experienced an increase in the amount of CPPRT received.
- Tuition reflects a 4%, \$3.00 increase in the rate per credit hour and fees have a 13%, \$2.00 increase per credit hour.
- Fiscal year 2007 reflected an increase in other revenue (thru a transfer) to cover increased utilities and a VoIP project. This is now built in thru regular income sources in fiscal year 2008.
- Fiscal year 2008 reflects the establishment of the “SILO Fund”.

Source General Fund	Current FY2008 Budget	Prior FY2007 Budget	Increase/ (Decrease)	% Change
Local Revenue	\$3,142,191	\$3,022,568	\$119,623	3.96%
State Revenue	6,084,178	6,190,334	(106,156)	-1.71%
Tuition & Fees	5,631,484	5,378,441	253,043	4.70%
Other Revenue	1,072,090	738,958	333,132	45.08%
Total	\$15,929,943	\$15,330,301	\$599,642	3.91%

FY 2008 General Fund Revenue Budget



General Fund Expenditure Budget

Budgeted expenditures for the General Fund for FY 2008 are \$15,829,943. Of this amount, \$14,256,512 is represented in the Education Fund, and \$1,573,431 in the Operations & Maintenance Fund. Expenditure information is presented for both the Education and Operations and Maintenance Fund in two formats. Expenditures are classified by Function:

- Instruction-activities dealing directly with the teaching of students
- Academic Support-activities designed to provide support services for instruction and research, including the library, educational media services and academic computing used in the learning process
- Student Services-provides assistance in the areas of financial aid, admissions and records, placement, testing, counseling, and student activities
- Public Service/Continuing Education-noncredit classes and other activities of an educational nature, such as workshops and seminars
- Institutional Support-central executive-level activities and support services that benefit the entire institution
- Operations & Maintenance-housekeeping activities necessary in order to keep the physical facilities open and ready for use, security and plant utilities

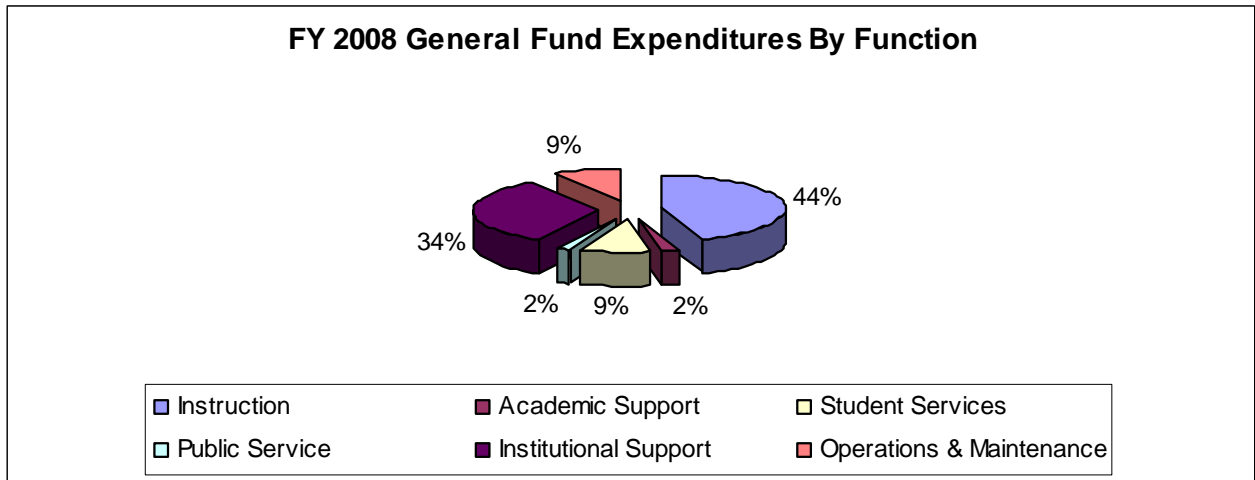
and by Object:

- Salaries
- Benefits
- Contractual
- Materials
- Conference & Meeting
- Fixed Charges
- Utilities
- Capital Outlay
- Other

The following table details the budgeted expenditures by function.

- Academic support decreases from personnel retirements without replacement at this time.
- Student services shows an increase mainly due to the 4% salary increase for FY2008.
- Institutional support appears to increase due to a proposed \$500,000 allocation as designated funds for new programs and enhancements of existing instructional programs budgeted in fiscal year 2008 – “SILO Fund”.

Function	Education Fund	Operations & Maint. Fund	Total General Fund	2007 Total General Fund	Difference	% change
Instruction	\$7,084,525		\$7,084,525	\$ 7,144,083	(\$59,558)	-.83%
Academic Support	333,863		\$333,863	369,599	(\$35,736)	-9.67%
Student Services	1,462,224		\$1,462,224	1,384,453	\$77,771	5.62%
Public Service	256,243		\$256,243	248,208	\$8,035	3.24%
Institutional Support	5,119,657	224,296	\$5,343,953	4,846,044	497,909	10.027%
Operations & Maintenance		1,349,135	\$1,349,135	1,337,914	\$11,221	0.84%
Total	\$14,256,512	\$1,573,431	\$15,829,943	\$15,330,301	\$499,642	3.26%



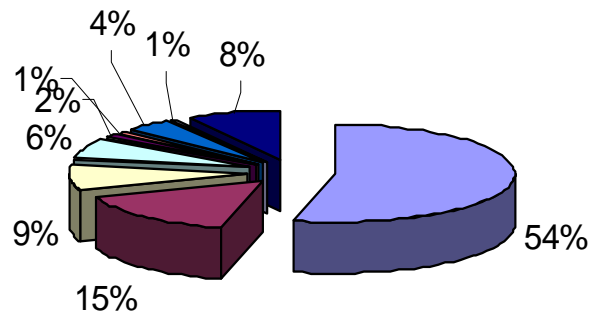
Instruction represents 44% of the General Fund budget. This proportion is slightly below the state average of 47%. The second largest category, Institutional Support, represents 34% of the budget compared to 21% for the statewide average. (Source: ICCB FY 2005 Audited Operating Expenditures by Function Table in the Data & Characteristics Report).

Expenditures by object are shown below.

- Utilities were higher in 2007 due to a VoIP project budgeted.
- Contractual services are budgeted to be down in FY2008 due to a new educational agreement with another community college. This agreement allows students in the two districts to attend either school without chargeback dollars between the two schools.
- Capital outlay dollars have increased due to the increase in the technology fee students pay per credit hour. These dollars are budgeted to further enhance the educational technology at the college.
- Other expenditures include contingency dollars for each vice-presidential area to allocate in FY2008. This is a change from FY2007. Previously, all dollars were distributed to specific object codes.
- Other also includes \$500,000 to establish a “SILO Fund”.

Object	Education Fund	Operations & Maint. Fund	Total General Fund	FY2007 Total General Fund	Difference	% change
Salaries	\$8,097,517	\$ 506,793	\$8,604,310	\$8,658,970	(\$54,660)	-0.63%
Benefits	2,408,786	0	2,408,786	2,386,985	21,801	0.91%
Contractual Services	1,288,326	99,186	1,387,512	1,537,704	(150,192)	-9.77%
Materials & Supplies	948,869	67,022	1,015,891	933,735	82,156	8.80%
Travel & Conferences	260,566	7,715	268,281	239,823	28,458	11.87%
Fixed Charges	123,302	2,456	125,758	148,736	(22,978)	-15.45%
Utilities	2,200	642,057	644,257	797,257	(153,000)	-19.19%
Capital Outlay	125,777	15,000	140,777	54,377	86,400	158.89%
Other	1,001,169	233,202	1,234,371	572,714	661,657	115.53%
Total	\$14,256,512	\$1,573,431	\$15,829,943	\$ 15,330,301		

FY 2008 General Fund Expenditures By Object



Salaries	Benefits	Contractual Services
Materials & Supplies	Travel & Conferences	Fixed Charges
Utilities	Capital Outlay	Other

Salaries and benefits represent 69% of the General Fund budget, compared with a statewide average of 77% (Source: FY 2005 ICCB Audited Operating Expenditures by Object Table in the Data & Characteristics Report).

Education Fund

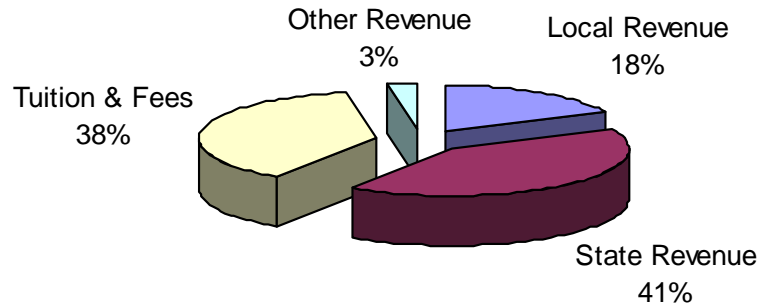
The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the College. It includes the cost of instructional, administrative and professional salaries, supplies and movable equipment, library books and materials, maintenance of instructional and administrative equipment and other costs pertaining to the educational programs of the College.

As shown above and below, revenue for the Education Fund is derived from the following sources: Local Government, State Government, Tuition and Fees, and Other Sources of Revenue. The FY 2008 revenue budget of \$13,856,512 represents a 1.03% increase or \$140,829 from the FY 2007 Budget.

- The local revenue increases due to a small increase in the rate applied for property taxes as well as an increase of projected EAV over the projection we used in the FY2007 budget. We have also experienced an increase in the amount of CPPRT received.
- State aid revenue that can be distributed by discretion has been allocated on a 92-8 basis, (92% to the Education Fund and 8% to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 92-8. The corporate personal property replacement (CPPR) is based on data from the Department of Revenue and Illinois Community College Board. It is divided between the Education Fund (92%) and the Operations and Maintenance Fund (8%). FY2007 was allocated 94-6.
- Tuition reflects a 4%, \$3.00 increase in the rate per credit hour to \$77.50 and fees have a 13%, \$2.00 increase per credit hour to \$17.00.
- Other revenue increases due to transfers allocated from interest earned in the Working Cash Fund and the STEF – Quasi-Endowment Fund for capital projects.

Source Education Fund	Current FY2008 Budget	Prior FY2007 Budget	Increase / (Decrease)	% Change
Local Revenue	\$2,519,495	\$2,416,974	\$102,521	4.24%
State Revenue	5,701,940	5,884,778	(182,838)	-3.11%
Tuition & Fees	5,253,062	5,101,117	\$151,945	2.98%
Other Revenue	382,014	312,813	69,201	22.12%
Total	\$13,856,511	\$13,715,682	\$140,829	1.03%

FY 2008 Education Fund Revenue Budget



State Revenue is the highest source of revenue at 41% of total revenue. State sources of funding include the ICCB Grants, CTE Formula Grant, and Corporate Personal Property Replacement Taxes. The ICCB grants remain fairly consistent from FY2007 to FY2008. Replacement Tax funding is anticipated to be higher than budgeted in FY2007 due to the actual received in 2007 being higher than budgeted. Replacement Taxes “replace” the personal property tax previously paid by businesses and are 2.5% of the net income of corporations, and 1.5% on partnerships, trusts, and subchapter S corporations.

Student Tuition and Fees revenue constitutes the second largest source of revenue in FY 2008. Tuition and Fees revenue makes up 38% of the total Education Fund revenues at \$151,945 more than last year. Tuition and Fees includes tuition for credit and some non-credit classes as well as course, deferment, additional technology, program and late fees. Included in this budget is a tuition increase of \$3.00 per credit hour to \$77.50. Also included is a 13% or \$2.00 increase in fees per credit hour. These numbers also reflect the shifting of dollars between the Education and the O & M Funds as well. The FY 2008 split is budgeted at 92.17/7.83% , whereas the prior year was budgeted with a 93.9/6.1% split. Tuition revenues are based on projected credit hours, which are forecasted to decrease 1.0% from FY 2007.

Local sources of revenue include Property Taxes and Chargebacks. The 2006 equalized assessed valuation (EAV) for the district is approximately \$1,208,189,663; this is a flat projection compared to 2005. FY 2008 budgeted property tax revenue for the Education Fund is \$2,492,495, an increase of \$90,521 primarily resulting from a small increase in the EAV and a small increase in the tax rate. The tax rate increased from 20.15 cents per \$100 of EAV to 20.63 cents. Chargeback revenue is received from other community college districts for out-of-district tuition.

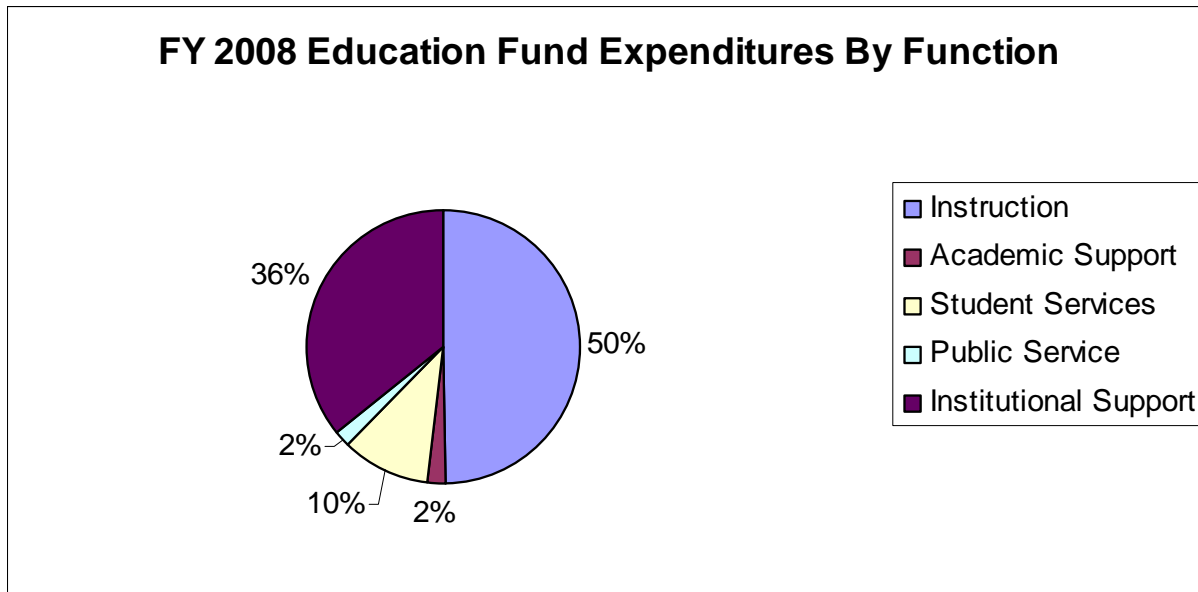
Other sources of revenue include interest income, transfers in and other minor sources of revenue. Investments are managed according to the Board Investment Policy, with funds being invested in short-term, fully collateralized instruments as well as long-term less liquid investments not to exceed ten years to maturity. An increase in the market's interest rates is reflected. Also included are the transfers in of \$285,000 which represents funding from SMART V, Working Cash interest and STEF. (Additional detail on page 113.)

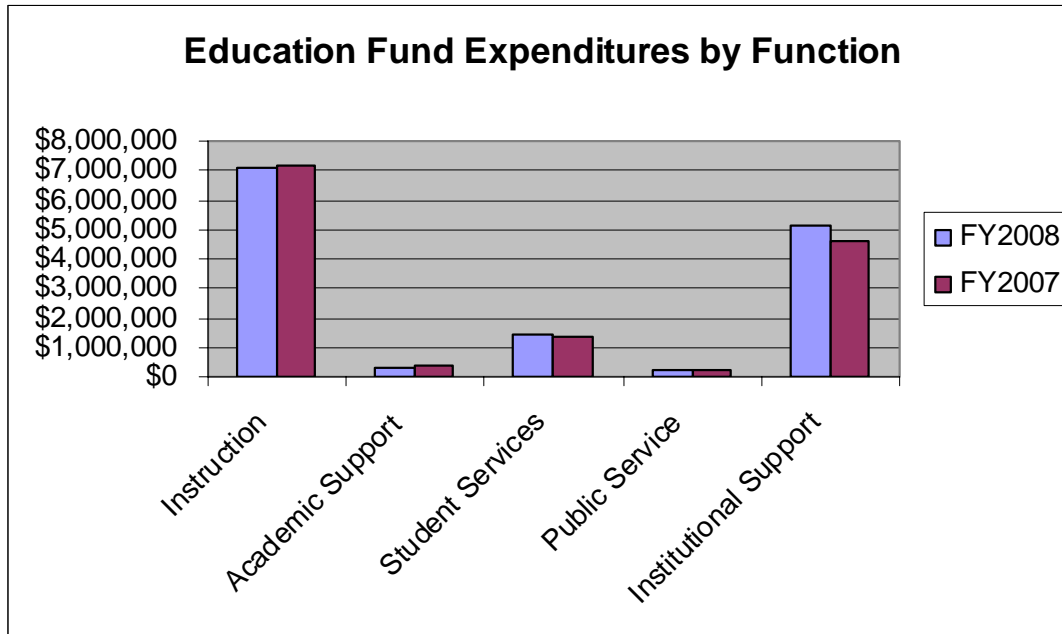
For FY 2008, budgeted expenditures for the Educational Fund are \$14,256,512 which represents an increase of \$540,830 (3.94%) over the FY 2007 budget of \$13,715,682.

The emphasis for the FY 2008 Education Fund budget is to monitor programs and support staffing at appropriate levels to serve the district's needs.

Expenditures are classified into functional categories including Instruction, Academic Support, Student Services, Public Service and Institutional Support. The FY 2008 Budget consists of the following:

<u>Function</u>	<u>Amount</u>	<u>%</u>
Instruction	\$7,084,525	49.7
Academic Support	333,863	2.3
Student Services	1,462,224	10.3
Public Service	256,243	1.8
Institutional Support	<u>5,119,657</u>	<u>35.9</u>
Total	\$14,256,512	100.0

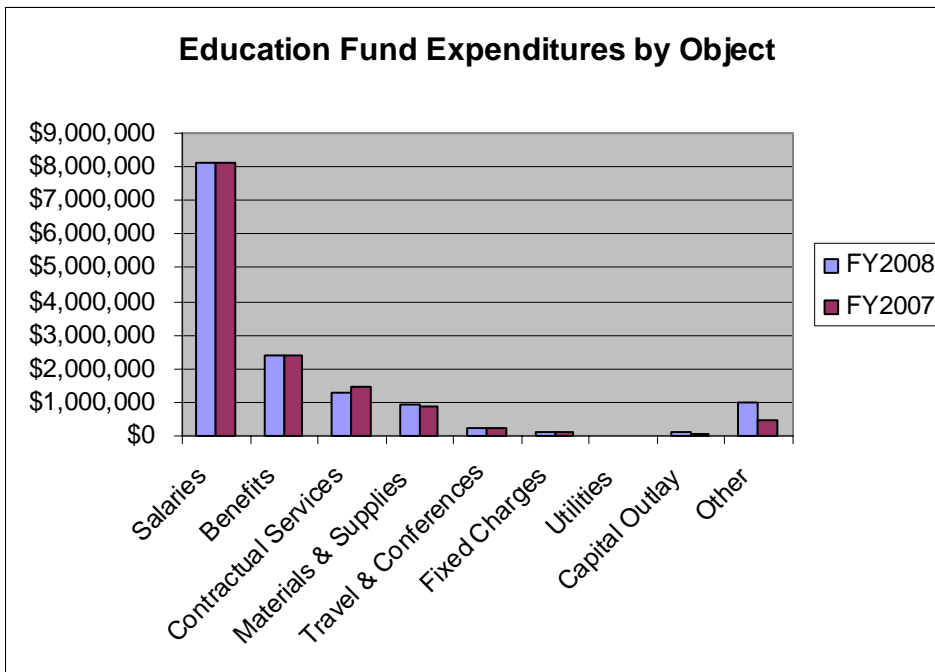
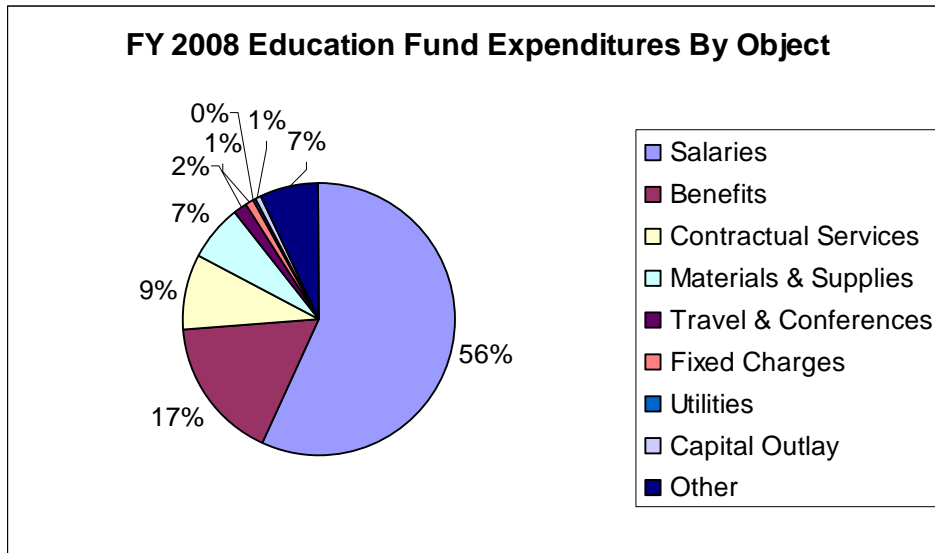




- Academic support decreases from personnel retirements without replacement at this time.
- Student services shows an increase mainly due to the 4% salary increase for FY2008.
- Institutional support appears to increase due to a proposed \$400,000 allocation for new programs and enhancements of existing instructional programs budgeted in fiscal year 2008 – “SILO Fund”.
- Contingency dollars also account for part of the change in the Institutional Support area.

Classified by object, the Education Fund includes Salaries, Benefits, Contractual, Materials, Travel and Conferences, Fixed Charges, Utilities, Capital Outlay and Other Expenses. The FY 2008 Education Fund budget includes the following expenditures:

<u>Object</u>	<u>Amount</u>	<u>%</u>
Salaries	\$8,097,517	56.8
Benefits	2,408,786	16.9
Contractual	1,288,326	9.0
Materials	948,869	6.7
Travel & Conf.	260,566	1.8
Fixed Charges	123,302	.9
Utilities	2,200	.0
Capital Outlay	125,777	.9
Other	<u>1,001,169</u>	<u>7.0</u>
Total	\$14,256,512	100.0



- An annual salary increase of 4.0% for all administrative and support staff is shown in this budget proposal. This increase is also extended to employees paid by grant funds, to the extent those funds support such an increase.
- Contractual services are budgeted to be down in FY2008 due to a new educational agreement with another community college. This agreement allows students in the two districts to attend either school without chargeback dollars between the two schools.
- Capital outlay dollars have increased due to the increase in the technology fee students pay per credit hour. These dollars are budgeted to further enhance the educational technology at the college.
- Other expenditures include contingency dollars for each vice-presidential area to allocate in FY2008. This is a change from FY2007. Previously, all dollars were distributed to specific object codes.
- “SILO Fund” - \$400,000.

Education Fund Revenues Fiscal Year 2008

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Operating Revenue by Sources						
Local Government:						
Current Taxes	\$ 2,635,280	\$ 2,673,756	\$ 2,461,659	\$ 2,401,974		\$ 2,492,495
CABI	-	30,185	34,548	15,000		20,500
Chargeback	25,815	4,169	3,741	-		6,500
Total Local Government	2,661,095	2,708,110	2,499,948	2,416,974	2,501,437	2,519,495
State Government:						
ICCB Credit Hour Grant	1,763,054	1,919,280	1,851,034	2,257,577		1,948,054
ICCB Equalization Grant	1,530,779	2,036,534	2,186,720	2,439,367		2,495,489
ICCB Small College Grant	56,400	56,400	56,400	56,340		55,301
ISBE Vocational Ed/ICCB CTE Grant	113,471	126,376	112,798	80,000		80,000
Replacement Taxes	163,038	190,981	243,742	147,329		218,931
State University Retirement	5,467,348	842,599	501,526	904,165		904,165
Total State Government	9,094,090	5,172,170	4,952,220	5,884,778	5,869,487	5,701,940
Student Tuition and Fees:						
Tuition endeavors	4,111,375	4,538,539	4,250,900	4,373,193		4,454,339
Fees	504,666	627,210	836,797	727,924		798,723
Total Tuition and Fees	4,616,041	5,165,749	5,087,697	5,101,117	4,895,974	5,253,062
Other Sources:						
Interest Income	7,900	58,158	96,494	7,200		73,500
Dept. of Corrections	21,117	-	-	-		-
Other Income	22,836	93,427	61,995	61,192		23,514
Total Other Sources	51,853	151,585	158,489	68,392	75,969	97,014
Total Revenue before Interfunds & Non-operating Items	16,423,079	13,197,614	12,698,354	13,471,261	13,342,867	13,571,511
Interfund Transfers	518,952	508,049	291,245	244,421	144,421	285,000
Bond Proceeds	-	-	-	-		-
Capital Leases	-	156,611	44,294	-		-
Subtotal	16,942,031	13,862,274	13,033,893	13,715,682	13,487,288	13,856,511
Less Operating Items*:						
Tuition Chargeback Revenue	25,815	4,169	3,741	-		6,500
Adjusted Revenue- (After above reduction)	\$16,916,216	\$13,858,105	\$13,030,152	\$13,715,682	\$13,487,288	\$13,850,011

*Inter-district revenues that do not generate related local district credit hours are subtracted to allow for statewide comparison. On-Behalf revenue is included above

Education Fund Expenditures Fiscal Year 2008

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Instruction						
Salaries	\$5,190,915	\$5,430,168	\$5,406,816	\$5,565,458		\$5,515,117
Employee Benefits	4,981	8,456	5,325	9,200		9,338
Contractual Services	1,050,965	1,065,324	1,149,714	1,191,856		990,666
General Maintenance and Supplies	216,969	221,892	285,956	255,829		285,594
Travel and Conference/Meeting Expense	149,130	157,552	102,543	89,233		114,503
Fixed Charges	384	384	984	1,500		1,500
Utilities	-	-	-	-		-
Capital Outlay	303,350	287,761	85,280	28,977		125,777
Other Expenditures	7,136	1,561	1,581	2,030		42,030
Total Instruction	6,923,830	7,173,098	7,038,199	7,144,083	6,836,792	7,084,525
Academic Support						
Salaries	250,111	255,739	233,304	231,399		190,545
Contractual Services	32,122	34,365	29,135	38,520		39,098
General Maintenance and Supplies	88,786	88,571	96,066	95,830		99,298
Travel and Conference/Meeting Expense	1,535	2,100	2,270	3,850		4,922
Capital Outlay	-	-	-	-		-
Other	108	-	-	-		-
Total Academic Support	372,662	380,775	360,775	369,599	377,667	333,863
Student Services						
Salaries	686,175	849,344	905,348	932,131		991,012
Employee Benefits	-	-	-	-		-
Contractual Services	4,224	11,030	10,718	12,140		11,592
General Maintenance and Supplies	31,015	50,389	63,412	51,652		52,058
Travel and Conference/Meeting Expense	9,185	17,342	20,545	28,170		27,196
Fixed Charges	326	242	310	380		386
Capital Outlay	-	-	-	-		-
Other	226,989	184,727	250,056	359,980		379,980
Total Student Services	957,914	1,113,074	1,250,389	1,384,453	1,315,230	1,462,224
Public Services/Continuing Education						
Salaries	23,959	137,094	125,636	146,008		145,800
Contractual Services	1,087	34,895	31,958	40,300		47,120
General Maintenance and Supplies	9,617	34,283	16,772	27,800		28,927
Travel and Conference/Meeting Expense	237	15,048	16,406	25,800		25,463
Fixed Charges	100	-	-	500		503
Utilities	-	2,714	2,349	2,400		2,200
Other	-	2,578	1,083	5,400		6,230
Total Public Services/Continuing Education	35,000	226,612	194,204	248,208	235,797	256,243
Institutional Support						
Salaries	1,191,356	1,100,771	1,220,866	1,276,735		1,255,043
Employee Benefits	6,485,103	1,273,532	1,318,111	2,377,785		2,399,448
Contractual Services	107,661	113,220	122,578	171,835		199,850
General Maintenance and Supplies	467,957	753,540	493,389	437,474		482,992
Travel and Conference/Meeting Expense	63,641	56,254	56,199	85,170		88,482
Fixed Charges	180,110	161,672	148,546	120,086		120,913
Capital Outlay	-	-	44,294	-		-
Other Expenditures	46,601	96,004	271,819	100,254		172,929
Total Institutional Support	8,542,429	3,554,993	3,675,802	4,569,339	4,340,872	4,719,657
Total before transfers	16,831,835	12,448,552	12,519,369	13,715,682	13,106,358	13,856,512
Transfers	-	895,890	591,452	-		400,000
GRAND TOTAL	\$16,831,835	\$13,344,442	\$13,110,821	\$13,715,682	\$13,106,358	\$14,256,512

Operations & Maintenance Fund

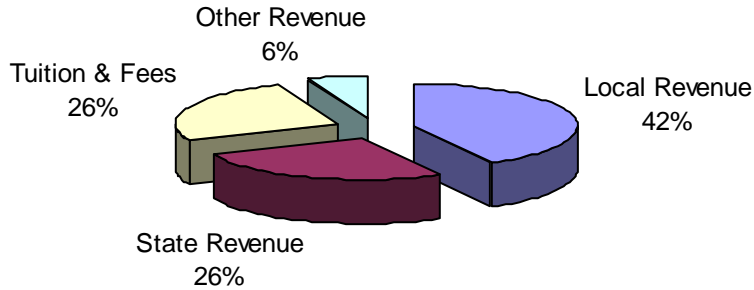
The Operations & Maintenance Fund (O&M) is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property for community college purposes; salaries of maintenance and custodial employees; all costs of fuel, lights, gas, water, telephone service and custodial supplies and equipment.

The O&M Fund receives revenue from three major sources: property taxes, state funding and student tuition and fees. The property tax rate for this fund is fixed at .05 cents per \$100 in EAV.

- Tuition reflects a 4%, \$3.00 increase in the rate per credit hour to \$77.50 and fees have a 13%, \$2.00 increase per credit hour to \$17.00.
- Other revenue in fiscal year 2007 included a transfer to cover increased utilities and a VOIP Project. This is now built in thru regular income sources in fiscal year 2008.
- State aid revenue that can be distributed by discretion has been allocated on a 92-8 basis, (92% to the Education Fund and 8% to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 92-8 The corporate personal property replacement (CPPR) is based on data from the Department of Revenue and Illinois Community College Board. It is divided between the Education Fund (92%) and the Operations and Maintenance Fund (8%). FY2007 was allocated 94-6.

Source O&M Fund	Current FY2008 Budget	Prior FY2007 Budget	Increase / (Decrease)	% Change
Local Revenue	\$622,696	\$605,594	\$17,102	2.82%
State Revenue	382,238	305,556	\$76,682	25.10%
Tuition & Fees	378,422	277,324	\$101,098	36.45%
Other Revenue	90,076	426,145	(\$336,069)	-78.86%
Total	\$1,473,432	\$1,614,619	(\$141,187)	-8.74%

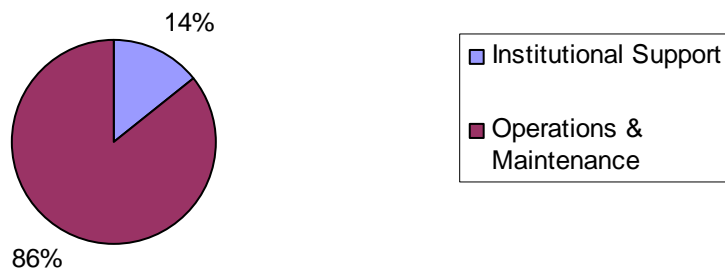
FY 2008 O&M Fund Revenue Budget

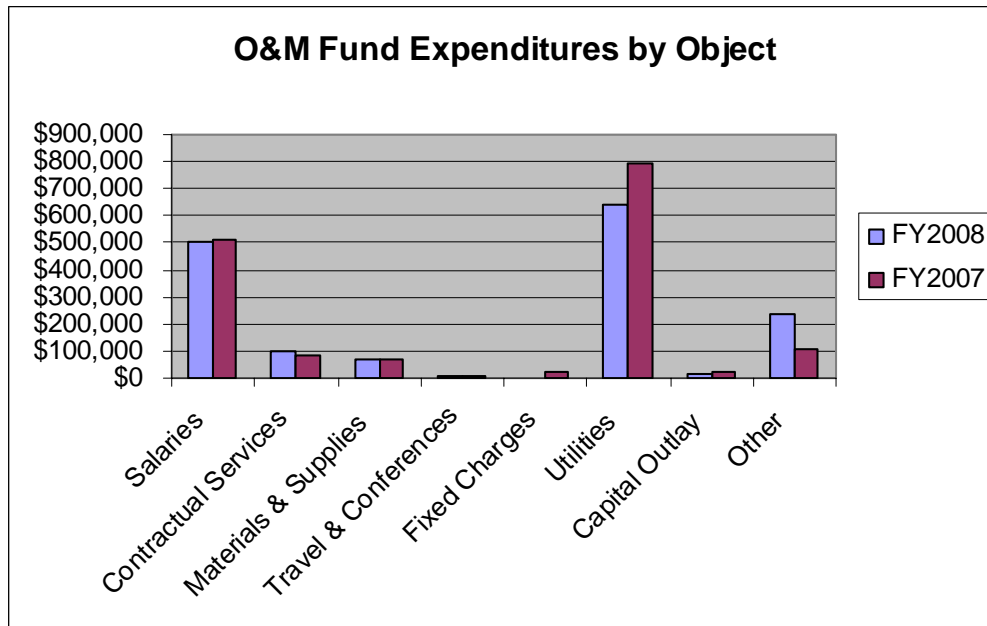
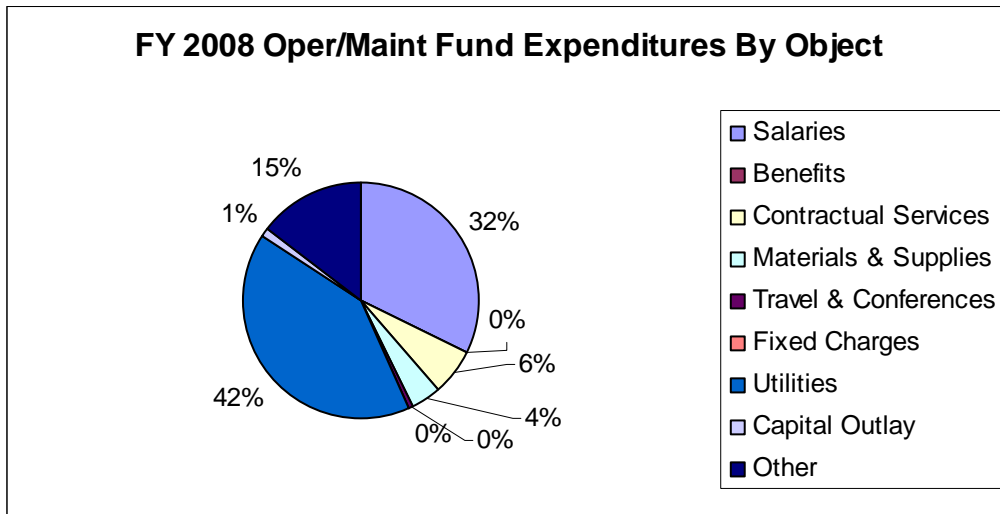


For FY 2008, budgeted expenditures for the Operations & Maintenance Fund are \$1,573,431 which represents a decrease of \$41,188 (2.6%) from the FY 2007 budget of \$1,614,619. Included are:

<u>Object</u>	<u>Amount</u>	<u>%</u>
Salaries	\$506,793	32.2
Contractual	99,186	6.3
Materials	67,022	4.3
Travel & Conf.	7,715	.5
Fixed Charges	2,456	.1
Utilities	642,057	40.8
Capital Outlay	15,000	1.0
Other	<u>233,202</u>	<u>14.8</u>
Total	\$1,573,431	100.0

FY 2008 O&M Fund Expenditures By Function





Expenditures within this fund include salaries for the maintenance staff, supervisors, and appropriate support staff. Major expense items include salaries and benefits, security, custodial, maintenance supplies, and utilities.

- Utilities were higher in 2007 due to a VoIP project budgeted.
- Contractual services are budgeted to be up in FY2008 due to dollars being budgeted to improve parking facilities at the CME building.
- Fixed charges are down due to the ending of a lease for space at a building located in downtown Galesburg.
- Other expenditures increase due to a transfer of funds to establish the “SILO Fund”.

**Operations Maintenance Fund Revenue
Fiscal Year 2008**

Operating Revenue by Sources	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Local Government:						
Current Taxes	\$ 640,564	\$ 650,866	\$ 618,494	\$ 596,023		\$ 604,095
Replacement Taxes	7,504	8,790	12,744	9,571		18,601
Total Local Government	648,068	659,656	631,238	605,594	619,304	622,696
State Government:						
ICCB Credit Hour Grant	112,535	122,506	118,151	116,502		165,514
ICCB Equalization Grant	97,709	129,991	100,644	158,468		212,025
ICCB Square Footage Grant	25,205	27,740	28,104	26,926		-
ICCB Small College Grant	3,600	3,600	3,600	3,660		4,699
Total State Government	239,049	283,837	250,499	305,556	311,226	382,238
Student Tuition and Fees:						
Tuition	241,353	275,885	340,233	277,324		378,422
Total Tuition and Fees	241,353	275,885	340,233	277,324	263,457	378,422
Other Sources:						
Interest Income	5,384	3,936	1	5,000		7,350
Building Rentals	5,580	17,988	25,918	12,000		41,148
Other Income	5,652	2,107	1,466	4,178		1,578
Total Other Sources	16,616	24,031	27,385	21,178	30,099	50,076
Total Revenue before Interfunds & Non-operating Items	1,145,086	1,243,409	1,249,355	1,209,652	1,224,086	1,433,431
Interfund Transfers	101,726	127,734	137,994	404,967	304,967	40,000
Bond Proceeds	-	-	-	-		-
Grand Total	\$ 1,246,812	\$ 1,371,143	\$ 1,387,349	\$ 1,614,619	\$ 1,529,053	\$ 1,473,431

Operations Maintenance Fund Expenditures
Fiscal Year 2008

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Operation & Maintenance of Plant						
Salaries	\$ 465,825	\$ 485,739	\$ 458,263	\$ 501,834		\$ 501,172
Contractual Services	85,176	42,533	59,876	72,423		88,397
General Maintenance and Supplies	53,188	77,950	83,922	64,560		66,424
Travel & Conference/Meeting Expense	6,322	3,440	2,966	7,110		7,217
Fixed Charges	52,108	66,872	60,241	26,270		2,456
Utilities	407,119	435,329	447,475	535,267		535,267
Capital Outlay	11,771	3,247	23,472	20,000		15,000
Other Expenditures	24,211	78,045	51,606	110,450		133,202
Total Operation and Maintenance of Plant	1,105,720	1,193,155	1,187,821	1,337,914	1,271,018	1,349,135
Institutional Support						
Salaries	8,055	5,523	3,032	5,405		5,621
Contractual Services	6,075	6,401	9,301	10,630		10,789
General Maintenance and Supplies	123	406	3,882	590		598
Travel & Conference/Meeting Expense	-	22	-	490		498
Utilities	132,708	112,455	102,482	259,590		106,790
Other	-	-	-	-		-
Total Institutional Support	146,961	124,807	118,697	276,705	290,560	124,296
Total before Interfund Transfers	1,252,681	1,317,962	1,306,518	1,614,619	1,561,578	1,473,431
Transfers	30,915	-	62,000			100,000
GRAND TOTAL	\$1,283,596	\$ 1,317,962	\$ 1,368,518	\$ 1,614,619	\$ 1,561,578	\$ 1,573,431

Quasi-Endowment “SILO Fund”

The Quasi-Endowment “SILO Fund” will be used to generate interest income to be placed under the tutelage of the Vice President of Academic Services, who will in turn work with the College’s Instructional Team to prioritize the use of these funds to launch new “SILOS of Opportunity”.

The establishment of the “SILO Fund” will be from transferring existing fund balance from the Education and O&M Funds.

- Education fund balance transfer in FY2008, \$400,000.
- O&M fund balance transfer in FY2008, \$100,000.
- Transfer of accumulated interest from the Working Cash fund in the amount of \$100,000.
- Continued growth of principal in future years to establish a \$1,000,000 fund balance.

Special Revenue Fund

The special revenue funds consists of the Restricted Purpose Fund, the Audit Fund and the Liability, Protection & Settlement Fund. The Restricted Purpose Fund is not reflected in this budget since all revenues are received thru grants and legally restricted to expenditures for specific purposes.

Audit Fund

The Audit Fund is used to record revenues and expenditures related to the annual audit. The college levies property taxes for this expense. Each year, the college retains the services of an external independent audit firm to perform the audit and compile related reports and statements. In the spring of 2007, an RFP for audit services was conducted. After reviewing experience, timeliness and cost, a new partner for audit services was selected and will begin with FY2007. Revenue is derived mainly from property taxes budgeted at \$60,409 for FY 2008.

Liability, Protection & Settlement Fund

The Liability, Protection & Settlement Fund (L, P & S) is used to record revenues and expenditures related to protection of the District’s assets. The fund receives property tax revenue for the portion of the annual levy associated with tort liability and insurance. The fund also earns interest on its investments. For FY 2008, taxes of \$1,644,793 and earnings of \$229,150 are projected.

Expenses in this fund include insurance premiums and employee benefits as well as costs for security, legal and risk management activities. This is an area of growing concern for the college. Everyone is encouraged to report any area they feel is unsafe or a potential liability.

**Audit Fund Revenue and Expenditures
Fiscal Year 2008**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Local Governmental Sources:						
Current Taxes	\$ 52,526	\$ 52,069	\$ 62,500	\$ 59,602		\$ 60,409
Total Local Government	52,526	52,069	62,500	59,602	67,089	60,409
Other Sources:						
Interest Income	153	100	-	180		1,375
Total Other Sources	153	100	-	180	180	1,375
Total Revenue before Interfunds & Non-operating Items	52,679	52,169	62,500	59,782	67,269	61,784
Interfund Transfers	-	-	11,250	-	-	-
GRAND TOTAL	\$ 52,679	\$ 52,169	\$ 73,750	\$ 59,782	\$ 67,269	\$ 61,784

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Institutional Support						
Salaries	\$24,583	\$23,353	\$ 26,096	\$ 27,920		\$ 22,195
Contractual Services	46,525	58,642	77,815	75,415		55,000
General Material & Supplies	456	481	-	670		680
Travel/Meeting	32	57	2	285		289
Capital Outlay	-	-	-	-		-
GRAND TOTAL	\$ 71,596	\$ 82,533	\$103,913	\$ 104,290	\$ 119,659	\$ 78,164

**Liability Protection and Settlement Fund Revenues and Expenditures
Fiscal Year 2008**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Local Governmental Sources:						
Current Taxes	\$ 1,214,509	\$1,381,137	\$1,424,184	\$1,683,170		\$1,644,793
Total Local Government	1,214,509	1,381,137	1,424,184	1,683,170	1,505,287	1,644,793
Other Sources:						
Other Sales & Services	787,117	-	-	-		-
Other Non-Government Gifts, Grants	276,316	283,260	-	181,500		10,000
Interest Income	26	204,826	197,471	210,000		229,150
Other Income	-	224,045	182,632	-		-
Total Other Sources	1,063,459	712,131	380,103	391,500	218,317	239,150
Total Revenue before Interfunds	2,277,968	2,093,268	1,804,287	2,074,670	1,723,604	1,883,943
Interfunds	-	895,170	591,452	-		-
GRAND TOTAL	\$2,277,968	\$2,988,438	\$2,395,739	\$2,074,670	\$1,723,604	\$1,883,943

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Est Actuals	FY 2008 Budget
Institutional Support						
Salaries	\$773,963	\$884,164	\$909,476	\$1,280,793		\$ 440,247
Employee Benefits	1,609,997	1,806,842	865,103	328,200		275,034
Contractual Services	317,544	184,149	175,702	208,418		210,814
General Material & Supplies	11,018	4,380	33,212	14,020		14,961
Travel/Meeting	5,915	973	1,556	4,900		4,975
Fixed Charges	146,408	124,154	208,523	220,120		223,422
Capital Equipment	-	-	-	-		-
Other Expenditures	7,703	5,399	4,881	3,731		3,731
Total Expenditures before Interfunds	2,872,548	3,010,061	2,198,453	2,060,182	2,024,249	2,173,184
Transfers	-	-	-	5,000		-
GRAND TOTAL	\$2,872,548	\$3,010,061	\$2,198,453	\$2,065,182	\$2,024,249	\$2,173,184

Debt Service Fund

The debt service fund consists of the Bond and Interest Fund. It accounts for the accumulation of resources for and the payment of debt principal, interest, and related costs.

In FY 2000, the College issued general obligation bonds in the amount of \$6,685,000 to refinance existing debt as well as to fund the Supplemental Retirement Program and to increase the Working Cash fund by \$1.43 million.

In FY 2001, the College issued \$7.1 million in general obligation bonds to fund a \$5 million Strategic Technology Endowment Fund (STEF) the interest from which would be used to refresh technology, our \$1.1 million 25% match for the state's 75% contribution toward the building of the new Instructional Computing Student Center and to finish furnishing and equipping the Dental Hygiene Annex.

In 1992, the board approved issuance of \$5 million of insurance reserve fund bonds. These bonds were refunded in FY 2002 to take advantage of lower interest rates.

In FY 2002, the college also issued almost \$5 million to refinance debt certificates issued to build the Annex, to purchase pianos for the campus as well as implement Guaranteed Energy Savings Project Phase III. In addition, money was positioned to finance five renovation projects: the E-F Connector, the Customer Service Renovation Project, the Bushnell Expansion, the Fitness Center Expansion and the new Maintenance Building.

In June of FY 2004, the college issued \$4,000,000 of General Obligation Bonds to retire FY 2004 debt certificates issued for renovation projects and the construction of a new Allied Health building. The college also issued additional Working Cash Fund Bonds in the amount of \$303,720.

In May of FY 2005, the college refinanced previous debt for a savings of approximately \$390,000.

Legally, the college is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$34,600,029. The current long-term debt of the college is \$27,045,732. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$7,554,297. There was no new debt incurred in FY2007. FY2008 has not projected any further debt either. The college does continue to research a GESG Phase IV. This project may require additional debt obligations but at this time is only in preliminary stages. Debt limitations will factor into future possibilities.

The annual requirements to amortize all debt outstanding as of June 30, 2006, including interest, are as follows:

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2007	1,035,000	133,420	253,887	1,422,307	1,053,426	2,475,733
2008	1,285,000	140,354	126,944	1,552,298	1,138,979	2,691,277
2009	1,485,000	142,407	-	1,627,407	1,070,728	2,698,135
2010	1,705,000	115,347	-	1,820,347	990,456	2,810,803
2011	1,615,000	95,876	-	1,710,876	907,081	2,617,957
2012-2016	11,405,000	207,497	-	11,612,497	3,031,270	14,643,767
2017-2020	7,300,000	-	-	7,300,000	568,003	7,868,003
Total	25,830,000	834,901	380,831	27,045,732	8,759,943	35,805,675

The college works with Harris Bank & Trust, Public Finance Department to assure that all advantages of lower interest rates are used.

**Bond and Interest Fund Revenue and Expenditures
Fiscal Year 2008**

Operating Revenue by Sources	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Local Government:					
Current Taxes	\$ 1,825,607	\$1,853,666	\$2,194,193	\$ 2,255,352	\$ 2,396,583
Total Local Government	<u>1,825,607</u>	<u>1,853,666</u>	<u>2,194,193</u>	<u>2,255,352</u>	<u>2,396,583</u>
Other Sources:					
Interest Income	15,658	19,220	222	10,300	18,175
Total Other Sources	<u>15,658</u>	<u>19,220</u>	<u>222</u>	<u>10,300</u>	<u>18,175</u>
Total Revenue before Interfunds & Non-operating Items	<u>1,841,265</u>	<u>1,872,886</u>	<u>2,194,415</u>	<u>2,265,652</u>	<u>2,414,758</u>
Interfund Transfers	-	-	-	-	-
Bond Proceeds	<u>5,678,480</u>	<u>9,690,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grand Total	<u>\$ 7,519,745</u>	<u>\$11,562,886</u>	<u>\$2,194,415</u>	<u>\$ 2,265,652</u>	<u>\$ 2,414,758</u>

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Institutional Support					
Fixed Charges	\$ 1,826,872	\$2,048,092	\$2,259,737	\$ 2,199,347	\$ 2,394,656
Capital Outlay	1,343,843	-	-	-	-
Other Expenditures	<u>69,647</u>	<u>88,862</u>	<u>8,547</u>	<u>5,000</u>	<u>3,700</u>
Total Expenditures before Interfunds	<u>3,240,362</u>	<u>2,136,954</u>	<u>2,268,284</u>	<u>2,204,347</u>	<u>2,398,356</u>
Interfund Transfers	80,390	2,858,876	1,591,512	-	-
Repayment of lease certificates	-	-	-	-	-
Discount on bond issuance	-	151,100	-	-	-
Payment to refunding bond escrow agent	<u>-</u>	<u>9,451,380</u>	<u>-</u>	<u>-</u>	<u>-</u>
GRAND TOTAL	<u>\$ 3,320,752</u>	<u>\$14,598,310</u>	<u>\$3,859,796</u>	<u>\$ 2,204,347</u>	<u>\$ 2,398,356</u>

Capital Projects Fund

The Operations and Maintenance (Restricted) Fund and The Capital Endowment Fund make up the Capital Projects Fund. These funds account for financial resources to be used for the acquisition or construction of major capital facilities and technology enhancements.

Operations & Maintenance Fund (Restricted)

The O&M Restricted Fund is used to account for monies restricted for building purposes and site acquisition.

The revenue budget reflects interest earnings from investments, the Deferred Maintenance Grant (when funded), as required by state regulations, and tax revenues from the Protection, Health and Safety (PHS) Levy. Bond proceeds from prior years have been spent for renovation projects as noted below. FY2007 was a year with no projects budgeted. The college used FY2007 to evaluate completed projects and potential future facility improvements. The final tax levy in December 2006 included PHS levy for security cameras throughout the college facilities. This project is included in the FY2008 budget for \$183,750. A state capital budget is not in place and creates uncertainty for future projects. Therefore, at this time, the security project is the only budgeted item for FY2008.

Projects completed in FY 2006:	Actual cost	Budget
Adult Education & Family Literacy Renovation	\$ 670,309	\$ 621,144
Allied Health Building New Construction	\$1,403,702	\$1,364,540
Cosmetology Renovation	\$ 198,135	\$ 195,800
Fine Arts Building Improvements	\$ 131,777	\$ 125,843
Theater Renovation	\$ 146,625	\$ 209,000
EDUNET	<u>\$ 632,246</u>	<u>\$ 645,000</u>
Grand Total	\$3,182,794	\$3,161,327

Quasi-Endowment Fund

The Quasi-Endowment Fund is used to account for funds intended to remain as principal as well as interest earned on these funds. Interest is then to be transferred to another fund to support needs of the college.

The Strategic Technology Endowment Fund (STEF) was established by issuing \$5 million in bonds to be invested. The June 30, 2004 bond issuance expanded this fund by \$1,028,650 to service capital lease agreements for Xerox copiers and Access computer software. The interest from the investments in the STEF fund is available to fund technology refreshment activities through transfers to appropriate funds.

**Operations Maintenance Restricted Fund Revenue
Fiscal Year 2008**

Operating Revenue by Sources	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Local Government:					
Current Taxes	\$ 90,960	\$ -	\$ -	\$ -	\$183,750
Total Local Government	90,960	-	-	-	183,750
State Government:					
Other State Revenues	-	-	-	-	-
ICCB Deferred Maintenance Grant	-	-	-	-	-
Total State Government	-	-	-	-	-
Other Sources:					
Interest Income	4,325	7,884	13,922	5,980	18,310
Other Income	63,837	-	85,000	-	-
Total Other Sources	68,162	7,884	98,922	5,980	18,310
Total Revenue before Interfunds & Non-operating Items	159,122	7,884	98,922	5,980	202,060
Interfund Transfers	80,795	1,248,748	1,581,765	50,000	-
Bond & Lease Certificate Proceeds	-	-	-	-	-
Grand Total	\$ 239,917	\$1,256,632	\$1,680,687	\$55,980	\$202,060

**Operations Maintenance Restricted Fund Expenditures
Fiscal Year 2008**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Operation & Maintenance of Plant					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-	-
<hr/>					
Total Operation & Maintenance of Plant	-	-	-	-	-
<hr/>					
Institutional Support					
Salaries	-	-	-	-	-
Contractual Services	40,556	282,641	96,357	-	-
General Maintenance and Supplies	1,232	-	-	-	-
Travel/Meetings	-	-	-	-	-
Fixed Charges	-	-	-	-	-
Capital Outlay	197,432	1,316,292	1,707,611	50,000	183,750
Other Expenditures	17,579	-	-	-	-
<hr/>					
Total Institutional Support	256,799	1,598,933	1,803,968	50,000	183,750
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Total Expenditures before Interfunds	256,799	1,598,933	1,803,968	50,000	183,750
<hr/>					
Interfund Transfers	132,537	82,909	-	-	-
Repayment of Lease Certificates	-	-	-	-	-
<hr/>					
GRAND TOTAL	\$ 389,336	\$1,681,842	\$1,803,968	\$50,000	\$183,750

**Quasi-Endowment Fund Revenue and Expenditures
Fiscal Year 2008**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Other Sources:					
Federal Grants	\$ 97,553	\$ 51,492	\$ 177,101	\$ -	\$ -
Interest Income	677	436,005	307,038	300,229	296,100
Net increase (decrease) in fair value of investments	-	-	(223,970)	-	-
Total before Interfund Transfers and Non-operating	98,230	487,497	260,169	300,229	296,100
Bond Proceeds	-	-	-	-	-
Transfers	-	1,028,650	-	-	-
GRAND TOTAL	\$ 98,230	\$ 1,516,147	\$ 260,169	\$ 300,229	\$ 296,100

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget	FY 2008 Budget
Institutional Support					
Fixed Charges	\$ 672	\$ 865	\$ 1,058	\$ 1,060	\$ 1,250
Other Expenditures	100	20	20	-	-
Total Expenditures before Interfunds	772	885	1,078	1,060	1,250
Transfers	560,978	315,994	476,813	471,221	335,000
GRAND TOTAL	\$ 561,750	\$ 316,879	\$ 477,891	\$ 472,281	\$ 336,250

Proprietary Fund

The Auxiliary Enterprise Fund is used to account for college services where a fee is charged to students/staff and the activity is intended to be self-supporting. Each enterprise/service should be accounted for separately using a group of self-balancing accounts within the fund. Included in this fund are the Food Service, Bookstore, Athletics, Cosmetology Clinic, Children's School and Dental Hygiene Clinic.

Food Service, budgeted at \$27,296, is expected to earn \$13,000 in commissions for the college. This amount is not sufficient to fund all activities, so the college will subsidize the loss with other sources totaling \$14,300. Expenses include contractual services as well as equipment.

Dental Hygiene Clinic is budgeted at \$29,860. They expect revenues of \$29,420 as well which will offset the expenses for the supplies and equipment. The college has moved the cost of the dentist to the Education and Risk Management areas.

Nonexpendable Trust Fund

The Working Cash Fund was established for the purpose of enabling the district to have on hand at all times sufficient cash to meet the demands for ordinary and necessary expenditures. Bonds may be issued, without voter approval, in an amount or amounts not to exceed in the aggregate 75 percent of the total tax extension from the authorized maximum rates for the Education Fund and the Operations and Maintenance Fund combined, plus 75 percent of last known corporate personal property replacement tax allocation.

This fund is used to account for the proceeds of working cash bonds. By making temporary transfers, the Working Cash Fund is used as a source of working capital by other funds. Such temporary transfers assist operating funds in meeting the demands for ordinary and necessary expenditures during periods of temporary low cash balances.

The college currently shows a principal balance of \$3,501,970 which is invested in staggered maturities to insure liquidity and follows the board's Investment Policy. Interest earned in this fund may be transferred to the General Fund with Board approval. The transfer of interest has become an important source of college revenue.

Revenue for this fund is derived solely from investment earnings. For FY 2008, these earnings remain steady. Revenue is budgeted at \$167,400.

**Auxiliary Fund Revenues and Expenditures
Fiscal Year 2008**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Student Tuition and Fees:					
Tuition	\$ 919	\$ -	\$ -	\$ 129	\$ -
Activity Fee Revenue	208,310	245,132	230,747	218,165	238,380
Total Student Tuition and Fees	209,228	245,132	230,747	218,294	238,380
Other Sources:					
Sales & Service Income	463,745	511,080	600,743	624,206	644,106
Commissions	111,683	-	-	120,396	103,000
Federal Government-USDA Reimbursement	15,442	23,681	23,970	25,000	25,000
Interest Income	10	575	3	30	-
Other Income	23,964	144,322	122,560	8,330	26,426
Total Other Sources	614,844	679,658	747,276	777,962	798,532
Total Revenue before Interfunds & Non-operating Items	824,072	924,790	978,023	996,256	1,036,912
Interfund Transfers	48,135	26,030	32,970	10,000	55,000
Grand Total	\$ 872,207	\$950,820	\$1,010,993	\$1,006,256	\$1,091,912
	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Auxiliary Services					
Salaries	\$ 390,511	\$418,577	\$ 453,129	\$ 493,702	\$ 536,415
Employee Benefits	10,000	10,000	10,000	11,865	12,044
Contractual Services	134,275	99,334	153,416	154,689	156,473
General Maintenance and Supplies	158,092	172,037	186,960	196,410	211,651
Travel and Conference/Meeting Expense	26,920	25,545	37,169	38,400	39,099
Fixed Charges	-	-	-	-	-
Utilities	-	-	-	-	-
Capital Outlay	-	-	-	-	35,141
Depreciation	33,862	42,059	26,902	40,000	40,000
Other	64,608	80,275	102,618	70,741	83,343
Total Auxiliary Services	818,268	847,827	970,194	1,005,807	1,114,166
GRAND TOTAL	\$ 818,268	\$847,827	\$ 970,194	\$1,005,807	\$1,114,166

**Working Cash Fund Revenue and Expenditures
Fiscal Year 2007**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Other Sources:					
Interest Income	\$ 63,551	\$ 82,629	\$119,004	\$ 138,000	\$ 167,400
Net increase (decrease) in fair value of investments	-	(6,018)	(7,705)	-	-
Total before Non-operating	63,551	76,611	111,299	138,000	167,400
Transfers	-	303,720	-	-	-
Bond Proceeds	-	-	-	-	-
GRAND TOTAL	<u>\$ 63,551</u>	<u>\$ 380,331</u>	<u>\$111,299</u>	<u>\$ 138,000</u>	<u>\$ 167,400</u>

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Total before transfers	-	-	-	-	-
Transfers	39,135	29,041	115,948	233,167	145,000
GRAND TOTAL	<u>\$ 39,135</u>	<u>\$ 29,041</u>	<u>\$115,948</u>	<u>\$ 233,167</u>	<u>\$ 145,000</u>

CARL SANDBURG COLLEGE
SUMMARY OF FISCAL YEAR 2008 FINAL BUDGET BY FUND

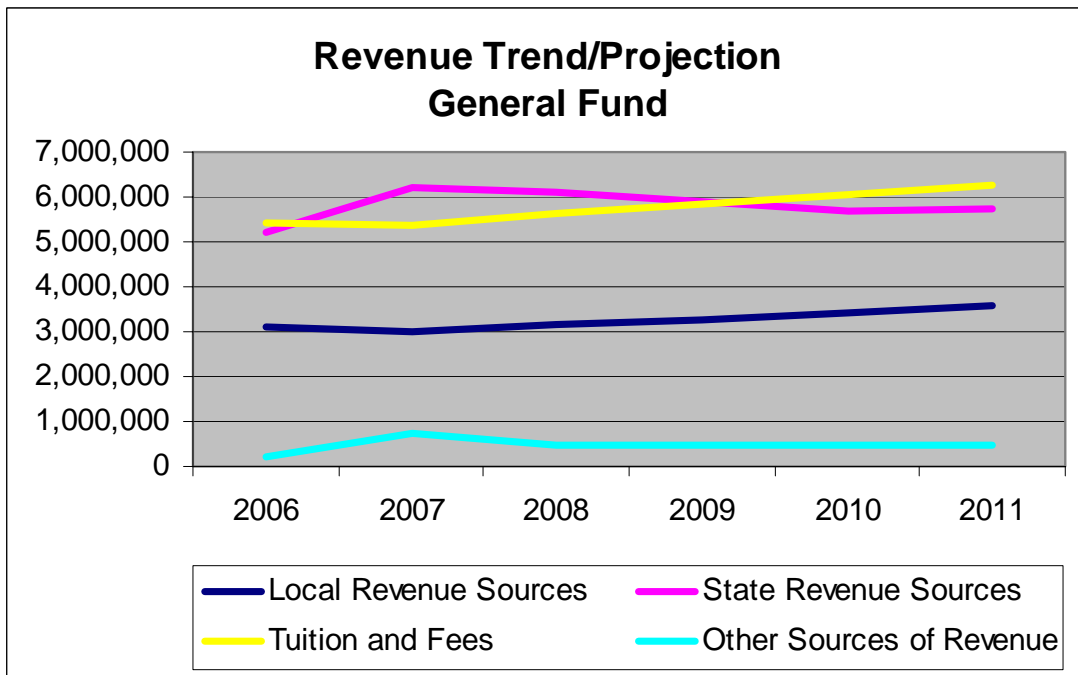
	General			Special Revenue		Debt Service
	Operations and Education <u>Fund</u>	Maintenance <u>Fund</u>	"SILO" Quasi- Endowment <u>Fund</u>	Audit <u>Fund</u>	Liability Protection and Settlement <u>Fund</u>	Bond and Interest <u>Fund</u>
	Beginning Fund Balance*	909,080	408,116	-	(117,667)	3,619,601
Budgeted Revenues	13,571,512	1,433,431	-	61,784	1,883,943	2,414,758
Budgeted Transfers from Other Funds	285,000	40,000	600,000	-	-	-
Budgeted Expenditures	(13,856,512)	(1,473,431)	-	(78,164)	(2,173,184)	(2,398,356)
Budgeted Transfers to Other Funds	(400,000)	(100,000)	-	-	-	-
Ending Fund Balance	509,080	308,116	600,000	(134,047)	3,330,360	174,329

	Capital Projects		Proprietary Fund	Nonexpendable Trust Fund	TOTALS
	Operations & Maintenance Fund <u>(Restricted)</u>	Quasi- Endowment Fund <u>Fund</u>	Auxiliary Enterprises <u>Fund</u>	Working Cash <u>Fund</u>	
	Beginning Fund Balance*	(718,304)	5,965,081	31,105	3,923,711
Budgeted Revenues	202,060	296,100	1,036,912	167,400	21,067,900
Budgeted Transfers from Other Funds	-	-	55,000	-	980,000
Budgeted Expenditures	(183,750)	(1,250)	(1,114,166)	-	(21,278,813)
Budgeted Transfers to Other Funds	-	(335,000)	-	(145,000)	(980,000)
Ending Fund Balance	(699,994)	5,924,931	8,851	3,946,111	13,967,737

IV. Informational Section Narratives

A three year budget forecast is prepared each year and provided for public information. The budget forecast is but one of many tools used in budget development and is prepared using an incremental approach which projects increases in revenue and other resources as well as new expenditure demands for each year. All figures are subject to change and are for preliminary planning purposes only.

Revenue Sources



The college is most dependent on State Revenue Sources and Tuition and Fees. These two sources represent 76% of the college general fund revenue. These two areas are related in that State Revenue Sources are determined by credit hours produced two years prior. Other revenue is the least significant for the college. In making projections, the three major revenue sources were analyzed.

1. State grants were assumed to increase 1% in 2008 and then decrease 5% in 2009 and 2010, then remain flat in 2011. This remains an estimate based on history of decreasing credit hours that determines state grant allocations. SURS is assumed to increase 4% in 2008-2010 according to known negotiated salary increases and 3.0% in 2011. The represents an average 1.44% annual decrease over the next four years.

2. Tuition is assumed to increase 4.0% annually to help make up for lost state revenue and known salary increases. This will be accomplished with tuition rate increases but also figures flat to decreased credit hour generation. Fees are budgeted with increases in FY2008 and then assumed to remain constant for FY2009. FY2010 fees increase 3% with 2011 fees remaining constant. This projects an average 2.79% annual increase over the next four years.
3. Local Property taxes were assumed to increase 4.5% annually for the college to avoid the truth in taxation publication. These projections are based on the assumption that farmland will not continue to decline after the Bulletin 810 adjustment reflected in FY 2007. This projects an average 3.5% annual increase over the next four years.

Tax Base Trends

Economic conditions in the communities served by Carl Sandburg College District 518 are such that many industries have moved from the area. We are also faced with the majority of our district being comprised of farmland. Bulletin 810 has caused concern due to not knowing what the potential impact will be on the district's EAV. Due to these factors, we anticipated a revenue decrease in FY 2007. The loss of industry has affected our tax base; however future possibilities for the community look promising and we anticipate the EAV to remain flat in FY 2008-2011.

Property Taxes. The following table illustrates the College's property tax levy rates and EAV over the last five years. The EAV determined in December of 2006 will be taxed in calendar year 2007 to support our FY 2008. The current EAV is one third of the market value of the property.

EAV supporting our fiscal year:

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Est. 2008</u>
	1,281,448,552	1,287,419,979	1,220,959,504	1,203,479,281	1,203,742,993
% increase/(decrease)		.5%	(5.2)%	(1.4)%	0%
Levy rate (per \$100 of assessed valuation per levy year):					
	.5042	.5139	.5530	.5759	.5976
% increase/(decrease)		1.9%	7.6%	4.1%	3.8%

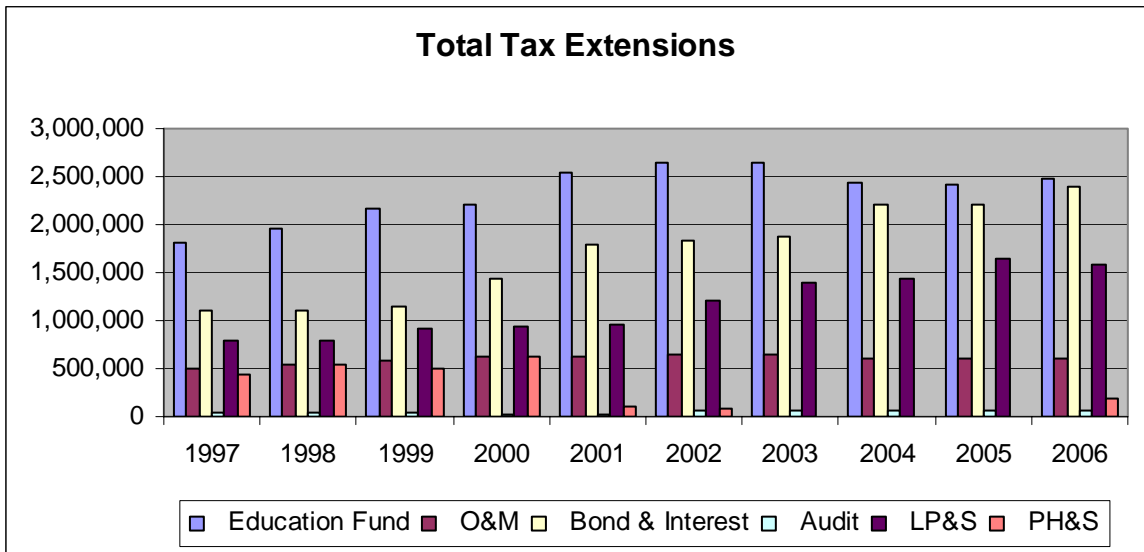
Levy Rates (Per \$100 of assessed valuation):

<u>Fund Type</u>	<u>Maximum Authority</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>State Avg. 2003</u>
Current:							
Education	0.1989	0.2063	0.2015	0.1989	0.2054	0.2057	.1936
Operations and Maintenance	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	.0579
Liability, Protection and Settlement	none	0.1146	0.1191	0.1095	0.1010	0.0872	.0656
Audit	0.0050	0.0050	0.0050	0.0050	0.0041	0.0041	.0020
Working Cash	none	0.0000	0.0000	0.0000	0.0000	0.0000	.0138
Social Security/Medicare	none	0.0164	0.0170	0.0083	0.0076	0.0076	
Bond and Interest	none	0.1907	0.1833	0.1813	0.1458	0.1425	.0328
Plant:							
Operations and Maintenance (Restricted) - Life Safety	0.0500	0.0146	0.0000	0.0000	0.0000	0.0071	.0151
Total		0.5976	0.5759	0.5530	0.5139	0.5042	.3808

Carl Sandburg College
Historic Levies & Extensions
Levy Years 1997-2006

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u> (Estimated)
EAV	997,151,829	1,083,613,429	1,189,634,012	1,229,609,983	1,259,152,240	1,281,448,552	1,287,419,979	1,220,959,504	1,203,479,281	1,203,742,993
Taxes Rate										
Education Fund	0.1825	0.1814	0.1841	0.1801	0.2021	0.2057	0.2054	0.1989	0.2015	0.2063
O&M	0.0500	0.0497	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Bond & Interest	0.1108	0.1023	0.0982	0.1171	0.1423	0.1425	0.1458	0.1813	0.1823	0.1907
Audit	0.0041	0.0030	0.0030	0.0017	0.0023	0.0041	0.0041	0.0050	0.0050	0.0050
LP&S	0.0785	0.0740	0.0773	0.0757	0.0754	0.0948	0.1086	0.1178	0.1361	0.1310
PH&S	0.0445	0.0497	0.0425	0.0500	0.0087	0.0071	0.0000	0.0000	0.0000	0.0146
Total Rate Per \$100										
EAV	0.4704	0.4601	0.4551	0.4746	0.4808	0.5042	0.5139	0.5530	0.5749	0.5976
Extension										
Education Fund	1,819,802	1,965,677	2,161,022	2,214,528	2,544,747	2,635,940	2,644,361	2,428,488	2,425,542	2,483,322
O&M	498,576	538,557	586,915	614,805	629,576	640,724	643,710	610,480	601,871	601,871
Bond & Interest	1,104,844	1,108,538	1,152,701	1,439,873	1,791,774	1,826,064	1,877,058	2,213,600	2,206,461	2,396,583
Audit	40,883	32,508	35,215	20,903	28,960	52,539	52,784	61,048	60,187	60,187
LP&S	782,764	801,875	907,371	930,815	949,400	1,214,813	1,398,138	1,438,290	1,638,294	1,576,903
PH&S	443,733	538,557	498,878	614,805	109,546	90,983	0	0	0	183,750
Total Extension	4,690,602	4,985,712	5,342,102	5,835,729	6,054,003	6,461,063	6,616,051	6,751,906	6,932,355	7,302,617
Collection Loss	-10,506	-5,143	-3,718	4,696	9,765	16,637	4,557	-3,661	32,777	
Total Taxes Collected	4,701,108	4,990,855	5,345,820	5,831,033	6,044,238	6,444,426	6,611,494	6,755,567	6,899,578	

Note: The 2006 levy is estimated and will be collected in calendar year 2007 to support the expenditures of fiscal year 2008.



Carl Sandburg College Estimated College Property Tax Paid by a Home Owner

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Est. Market Value of Home</u>	<u>Est. Taxable Value 1/3</u>	<u>Tax Rate</u>	<u>Est. CSC Tax Paid by Home Owner</u>
2007-08	2006	90,000	30,000	0.5976	179.28
2006-07	2005	90,000	30,000	0.5759	172.77
2005-06	2004	90,000	30,000	0.5530	165.90
2004-05	2003	90,000	30,000	0.5139	154.17
2003-04	2002	90,000	30,000	0.5042	151.26
2002-03	2001	90,000	30,000	0.4808	144.24
2001-02	2000	90,000	30,000	0.4746	142.38
2000-01	1999	90,000	30,000	0.4551	136.53
1999-00	1998	90,000	30,000	0.4601	138.03
1998-99	1997	90,000	30,000	0.4704	141.12

Note: This chart estimates a homeowner's property tax bill assuming a constant estimated market value of a home.

Tax rates are expressed in dollars per hundred of assessed value.

The college tax rate represents approximately 6.6% of a local taxpayers property tax bill. The tax rate levied in 2003 of .5139 is high in comparison to the 2003 state average of .3808 or other local community college rates average of .4310. Although, the total operating extension of \$3,288,071 is below the average of other local community colleges, \$6,026,814 and the state average, \$13,614,598.

Budget Forecasts

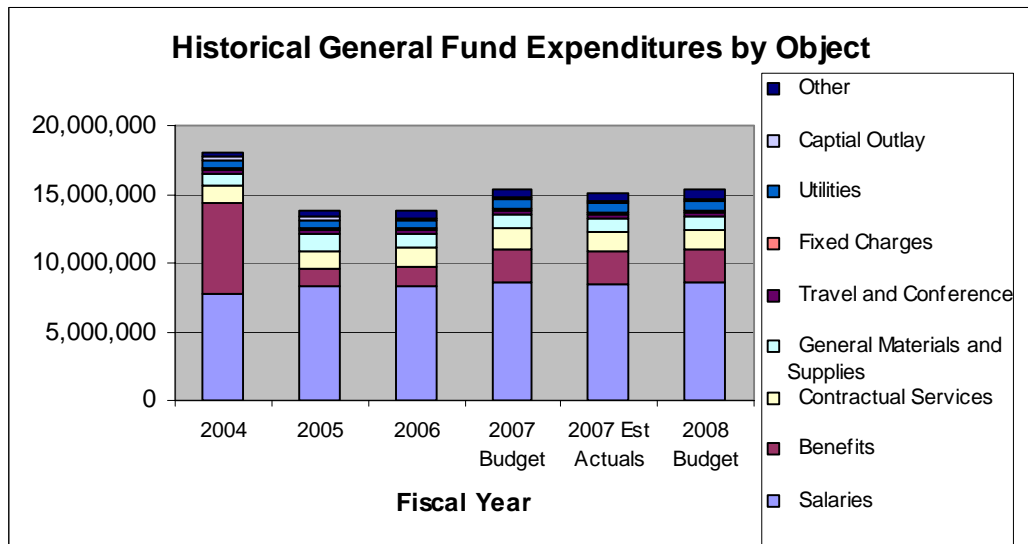
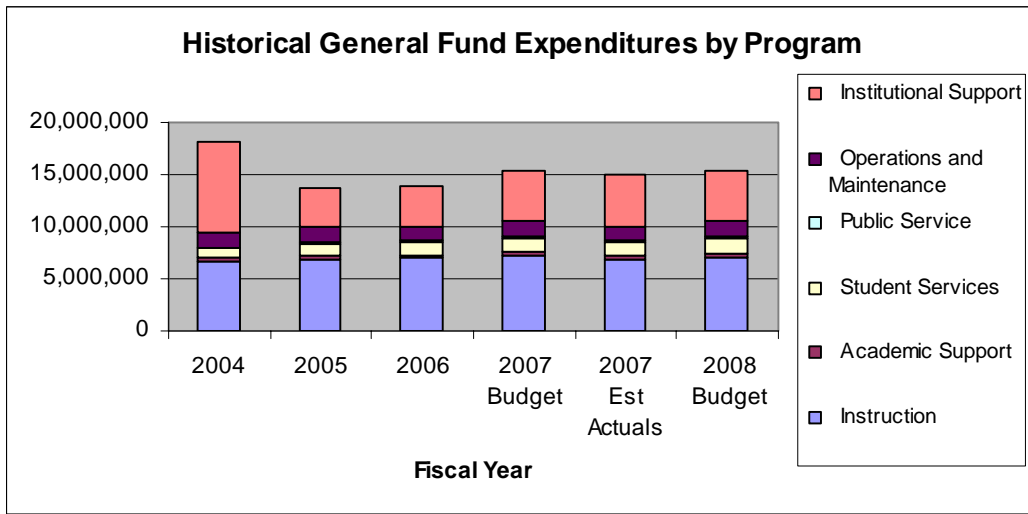
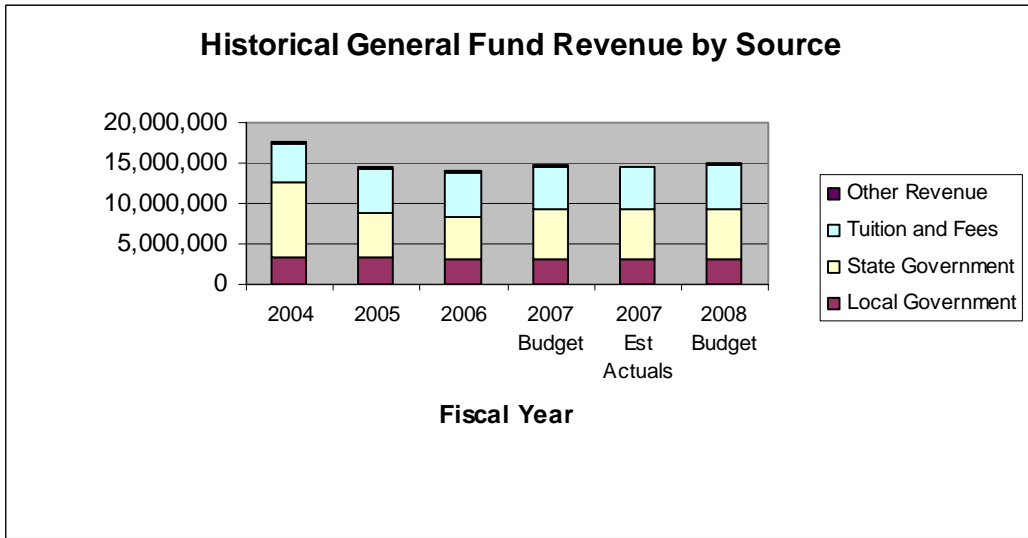
Year-end projected fund balances are shown applying the projected revenues and expenditures to the current year budgeted fund balances.

- The chart indicates the college increasing expenditures for the known negotiated salary rates through FY 2010. Projected expenditures assume the known 4% negotiated increase in salary in 2008-2010 and a projected 3% in 2011.
- Carl Sandburg College has undertaken several initiatives to assist in meeting operating expenditures. Long-term debt issuances and refinancing has occurred in the past to fund the cost of the copying environment, some building leases, early retirement incentives, etc.
- The college is using the STEF fund interest to purchase the Acces software environment and refresh the Xerox copier environment. At the end of FY 2004, \$1,028,650 of General Obligation bond proceeds were transferred into the STEF fund for this purpose.
- The college increased tuition for FY 2008 in consideration of possible state cuts and a potential continued loss of tax base.
- Finally, the college is looking inward at possible efficiencies to control costs while maintaining the highest level of quality education possible.
- Supplies and material costs will increase 1.5% each year.
- Benefits are projected to increase 5% each year.
- All other expenses are assumed to remain flat.

Historical General Fund revenues and expenditures are presented on pages 91-92. Those schedules provide a snapshot view of the past 3 years audited revenue and expenditures. From this information, various trends can be developed. These trends have been incorporated into the projections presented on the following pages.

Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 1998 - 2006
(GAAP Basis)

<u>General Fund Revenues by Source</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 Budget</u>	<u>2007 Est. Actuals</u>	<u>2008 Budget</u>
Local Government	3,301,659	3,358,976	3,118,442	3,022,568	3,120,741	3,142,190
State Government	9,340,643	5,464,797	5,215,463	6,190,334	6,180,713	6,084,178
Tuition and Fees	4,857,394	5,441,634	5,427,930	5,378,441	5,159,431	5,631,484
Other Revenue	68,469	175,616	185,874	89,570	106,068	147,091
Total Revenues	17,568,165	14,441,023	13,947,709	14,680,913	14,566,953	15,004,943
<u>General Fund Expenditures</u>						
<u>By Program</u>						
Instruction	6,620,480	6,885,337	6,952,919	7,144,083	6,836,792	7,084,525
Academic Support	372,662	380,775	360,775	369,599	377,667	333,863
Student Services	957,914	1,113,074	1,250,389	1,384,453	1,315,230	1,462,224
Public Service	35,000	226,612	194,204	248,208	235,797	256,243
Operations and Maintenance	1,409,070	1,480,916	1,317,395	1,337,914	1,271,018	1,349,135
Institutional Support	8,689,390	3,679,800	3,750,205	4,846,044	5,010,217	4,843,953
Total Expenditures by Program	18,084,516	13,766,514	13,825,887	15,330,301	15,046,721	15,329,943
<u>By Object</u>						
Salaries	7,816,396	8,264,378	8,353,265	8,658,970	8,468,503	8,604,310
Benefits	6,490,084	1,281,988	1,323,436	2,386,985	2,333,351	2,408,786
Contractual Services	1,287,310	1,307,768	1,413,280	1,537,704	1,503,152	1,387,512
General Materials and Supplies	867,655	1,227,031	1,043,399	933,735	912,755	1,015,891
Travel and Conference	230,050	251,758	200,929	239,823	234,434	268,281
Fixed Charges	233,028	229,170	210,081	148,736	141,299	125,758
Utilities	539,827	550,498	552,306	797,257	811,791	644,257
Capital Outlay	315,121	291,008	153,046	54,377	95,451	140,777
Other	305,045	362,915	576,145	572,714	545,985	734,371
Total Expenditures by Object	18,084,516	13,766,514	13,825,887	15,330,301	15,046,721	15,329,943
Revenues Over Expenditures	-516,351	674,509	121,822	-649,388	-479,768	-325,000
Net Operating Transfers & Non Operating	141,567	(103,496)	(179,919)	649,388	479,768	425,000
Excess Revenue Over Expenditures	-374,784	571,013	-58,097	0	0	100,000



Shown without transfers.

Projected Revenues

- State grants were assumed to increase 1% in 2008 and then decrease 5% in 2009 and 2010, then remain flat in 2011. This remains an estimate based on history of decreasing credit hours that determines state grant allocations. SURS is assumed to increase 4% in 2008-2010 according to known negotiated salary increases and 3.0% in 2011. This represents an average 1.44% annual decrease over the next four years.
- Tuition is assumed to increase 4.0% annually to help make up for lost state revenue and known salary increases. This will be accomplished with tuition rate increases but also figures flat to decreased credit hour generation. Fees are budgeted with increases in FY2008 and then assumed to remain constant for FY2009. FY2010 fees increase 3% with 2011 fees remaining constant. This projects an average 2.79% annual increase over the next four years.
- Local Property taxes were assumed to increase 4.5% annually for the college to avoid the truth in taxation publication. These projections are based on the assumption that farmland will not continue to decline after the Bulletin 810 adjustment reflected in FY 2007. This projects an average 3.5% annual increase over the next four years. This also reflects local property tax revenue for future bond payments.

Projected Expenditures

- Projected expenditures reflect the known 4% negotiated increase in salary in 2008-2010 and a projected 3% in 2011.
- Benefits reflect a 5% increase annually to cover potential health insurance increases.
- Contractual services and general materials and supplies are adjusted by 1.5% annually for a cost of living adjustment.
- Utilities assume a 5% increase in 2009 and 3% in 2010 and 2011. Last fall the college was able to lock in electric rates by establishing an 18 month contract. This spring a natural gas contract has also been approved.
- Debt payments reflect the bond amortization payments due.
- All other expenses are assumed to remain flat.

Carl Sandburg College
Projected Operating Revenues
Fiscal Years 2008 - 2011

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues:				
Local Revenue Sources				
Local Property Taxes	3,096,590	3,235,937	3,381,554	3,533,724
CABI	20,500	20,500	20,500	20,500
Chargebacks	6,500	6,500	6,500	6,500
Subtotal Local Revenue Sources	<u>3,123,590</u>	<u>3,262,937</u>	<u>3,408,554</u>	<u>3,560,724</u>
State Revenue Sources				
ICCB Credit Hour Grant	2,113,568	2,007,890	1,907,500	1,917,040
ICCB Equalization Grant	2,707,514	2,572,140	2,443,530	2,455,750
ICCB Small College Grant	60,000	57,000	54,150	54,420
ICCB Square Footage Grant	0	0	0	0
ISBE Vocational Ed.	80,000	80,000	80,000	80,000
Replacement Taxes	237,532	237,530	237,530	237,530
SURS	904,165	940,330	977,940	1,007,280
Subtotal State Revenue Sources	<u>6,102,779</u>	<u>5,894,890</u>	<u>5,700,650</u>	<u>5,752,020</u>
Tuition and Fees				
Tuition	4,832,761	5,026,070	5,227,110	5,436,190
Fees	798,723	798,720	822,680	822,680
Subtotal Tuition and Fees	<u>5,631,484</u>	<u>5,824,790</u>	<u>6,049,790</u>	<u>6,258,870</u>
Other Sources of Revenue				
Interest Income	80,850	80,850	80,850	80,850
Dept. of Corrections	0	0	0	0
Building Rentals	41,148	41,148	41,148	41,148
Other Income	950,092	550,092	550,092	350,092
Subtotal of Other Sources	<u>1,072,090</u>	<u>672,090</u>	<u>672,090</u>	<u>472,090</u>
Total Revenue	<u>15,929,943</u>	<u>15,654,707</u>	<u>15,831,084</u>	<u>16,043,704</u>

Other Income includes transfers in.

**Carl Sandburg College
Projected Operating Expenditures
Fiscal Years 2008- 2011**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
By Program				
Instruction	7,084,525	7,106,854	7,309,734	7,435,474
Academic Support	333,863	334,920	344,480	350,410
Student Services	1,462,224	1,466,840	1,508,710	1,534,660
Public Service	256,243	257,050	264,390	268,940
Operations and Maintenance	1,349,135	1,353,390	1,392,030	1,415,970
Institutional Support	5,343,953	5,360,810	5,513,840	5,608,680
Total Expenditures	<u>15,829,943</u>	<u>15,879,864</u>	<u>16,333,184</u>	<u>16,614,134</u>

By Object				
Salaries	8,604,310	8,948,480	9,306,420	9,585,610
Benefits	2,408,786	2,529,230	2,655,690	2,788,470
Contractual Services	1,387,512	1,408,320	1,429,440	1,450,880
General Materials and Supplies	1,015,891	948,174	875,684	802,324
Travel and Conference	268,281	268,280	268,280	268,280
Fixed Charges	125,758	125,760	125,760	125,760
Utilities	644,257	676,470	696,760	717,660
Capital Outlay	140,777	140,780	140,780	140,780
Other	1,234,371	834,370	834,370	734,370
Total Expenditures	<u>15,829,943</u>	<u>15,879,864</u>	<u>16,333,184</u>	<u>16,614,134</u>

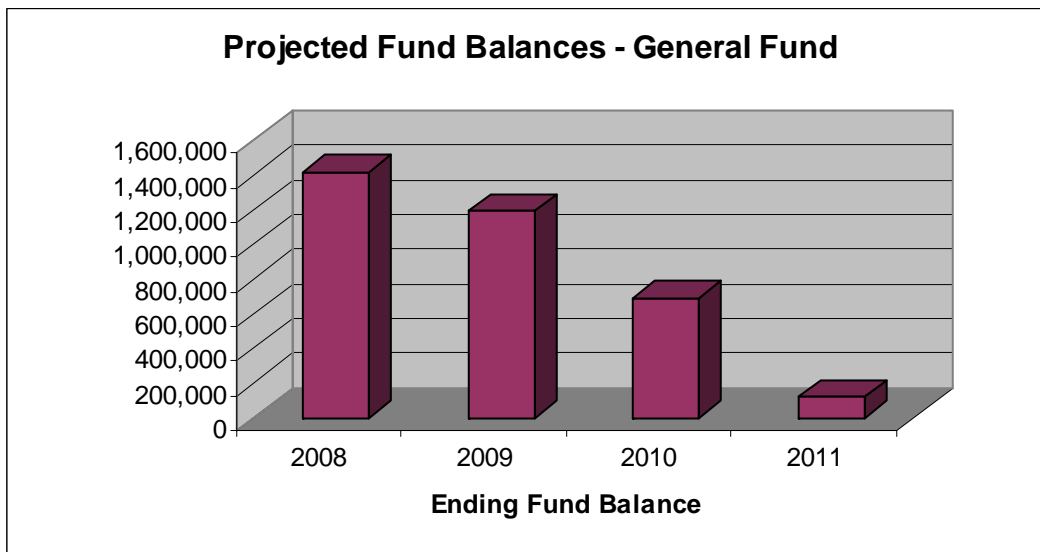
Adjustments have been made for Access software purchases out of the Materials and Supplies accounts.

Institutional support/other includes transfers out.

**Carl Sandburg College
General Fund-Projected Changes in Fund Balance
Fiscal Years 2008- 2011**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Beginning Balance	1,317,196	1,417,196	1,192,039	689,938
Revenues	15,004,943	15,129,707	15,306,084	15,718,704
Expenditures	15,329,943	15,779,864	16,233,184	16,614,134
Revenues Over (Under) Expenditures	-325,000	-650,157	-927,100	-895,430
Transfers	425,000	425,000	425,000	325,000
Ending Fund Balance	1,417,196	1,192,039	689,938	119,508

In FY 2008-2011, there are transfers in for operating expenses funded from STEF and Working Cash and transfers out to establish and grow the “SILO Fund”.



Carl Sandburg College
Projected Special Revenue Fund Revenues
Fiscal Years 2008 - 2011

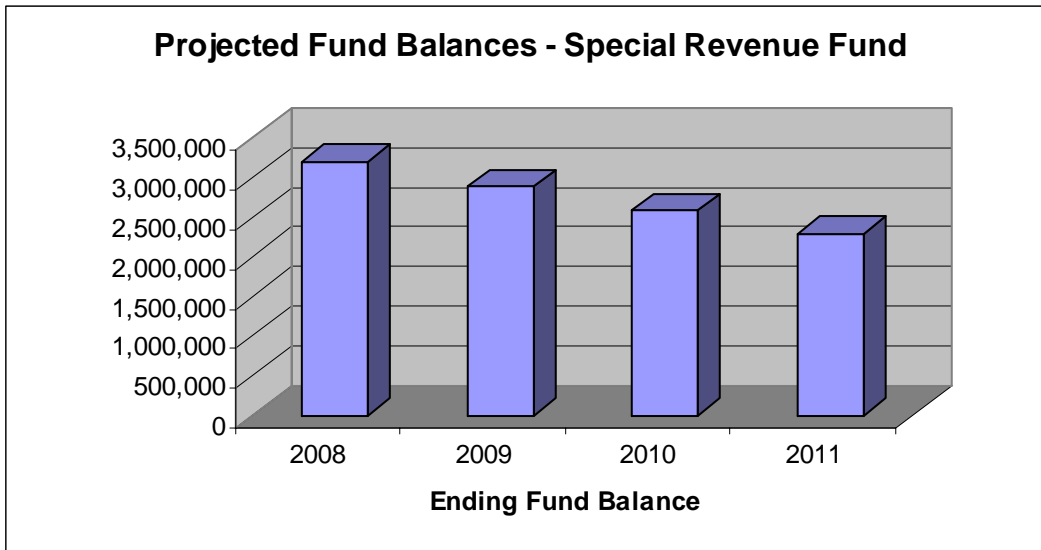
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues:				
Local Revenue Sources				
Local Property Taxes	1,705,202	1,781,936	1,862,123	1,945,919
Subtotal Local Revenue Sources	<u>1,705,202</u>	<u>1,781,936</u>	<u>1,862,123</u>	<u>1,945,919</u>
Other Sources of Revenue				
Interest Income	230,525	230,530	230,530	230,530
Other Income	10,000	10,000	10,000	10,000
Subtotal of Other Sources	<u>240,525</u>	<u>240,530</u>	<u>240,530</u>	<u>240,530</u>
Total Revenue	<u><u>1,945,727</u></u>	<u><u>2,022,466</u></u>	<u><u>2,102,653</u></u>	<u><u>2,186,449</u></u>

Carl Sandburg College
Projected Special Revenue Fund Expenditures
Fiscal Years 2008- 2011

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
By Program				
Institutional Support	2,251,348	2,327,820	2,407,390	2,474,350
Total Expenditures	<u><u>2,251,348</u></u>	<u><u>2,327,820</u></u>	<u><u>2,407,390</u></u>	<u><u>2,474,350</u></u>
By Object				
Salaries	1,462,442	1,520,940	1,581,780	1,629,230
Benefits	275,034	288,790	303,230	318,390
Contractual Services	265,814	269,800	273,850	277,960
General Materials and Supplies	15,641	15,880	16,120	16,360
Travel and Conference	5,264	5,260	5,260	5,260
Fixed Charges	223,422	223,420	223,420	223,420
Other Expenditures	3,731	3,730	3,730	3,730
Total Expenditures	<u><u>2,251,348</u></u>	<u><u>2,327,820</u></u>	<u><u>2,407,390</u></u>	<u><u>2,474,350</u></u>

Carl Sandburg College
Special Revenue Fund-Projected Changes in Fund Balance
Fiscal Years 2008- 2011

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Beginning Balance	3,501,934	3,196,313	2,890,959	2,586,222
Revenues	1,945,727	2,022,466	2,102,653	2,186,449
Expenditures	2,251,348	2,327,820	2,407,390	2,474,350
Revenues Over (Under) Expenditures	-305,621	-305,354	-304,737	-287,901
Transfers	0	0	0	0
Ending Fund Balance	3,196,313	2,890,959	2,586,222	2,298,321



**Carl Sandburg College
Projected Debt Service Revenues
Fiscal Years 2008 - 2011**

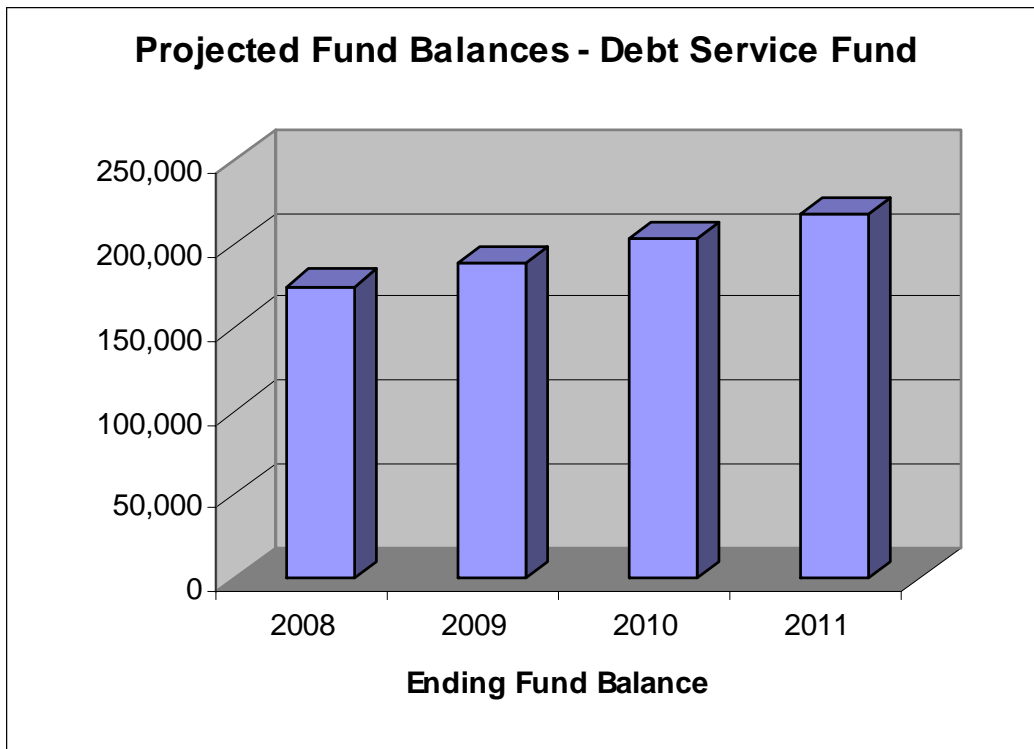
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues:				
Local Revenue Sources				
Local Property Taxes	2,396,583	2,555,728	2,695,456	2,522,081
Subtotal Local Revenue Sources	<u>2,396,583</u>	<u>2,555,728</u>	<u>2,695,456</u>	<u>2,522,081</u>
 Other Sources of Revenue				
Interest Income	18,175	18,180	18,180	18,180
Other Income	0	0	0	0
Subtotal of Other Sources	<u>18,175</u>	<u>18,180</u>	<u>18,180</u>	<u>18,180</u>
 Total Revenue	 <u><u>2,414,758</u></u>	 <u><u>2,573,908</u></u>	 <u><u>2,713,636</u></u>	 <u><u>2,540,261</u></u>

**Carl Sandburg College
Projected Debt Service Expenditures
Fiscal Years 2008- 2011**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
By Program				
Institutional Support	2,398,356	2,559,430	2,699,160	2,525,780
Total Expenditures	<u>2,398,356</u>	<u>2,559,430</u>	<u>2,699,160</u>	<u>2,525,780</u>
 By Object				
Fixed Charges	2,394,656	2,555,728	2,695,456	2,522,081
Capital Outlay	0	0	0	0
Other Expenditures	3,700	3,700	3,700	3,700
Total Expenditures	<u>2,398,356</u>	<u>2,559,428</u>	<u>2,699,156</u>	<u>2,525,781</u>

Carl Sandburg College
Debt Service Fund-Projected Changes in Fund Balance
Fiscal Years 2008- 2011

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Beginning Balance	157,927	174,329	188,807	203,283
Revenues	2,414,758	2,573,908	2,713,636	2,540,261
Expenditures	2,398,356	2,559,430	2,699,160	2,525,780
Revenues Over (Under) Expenditures	16,402	14,478	14,476	14,481
Transfers	0	0	0	0
Ending Fund Balance	174,329	188,807	203,283	217,764



**Carl Sandburg College
Projected Capital Projects Revenues
Fiscal Years 2008 - 2011**

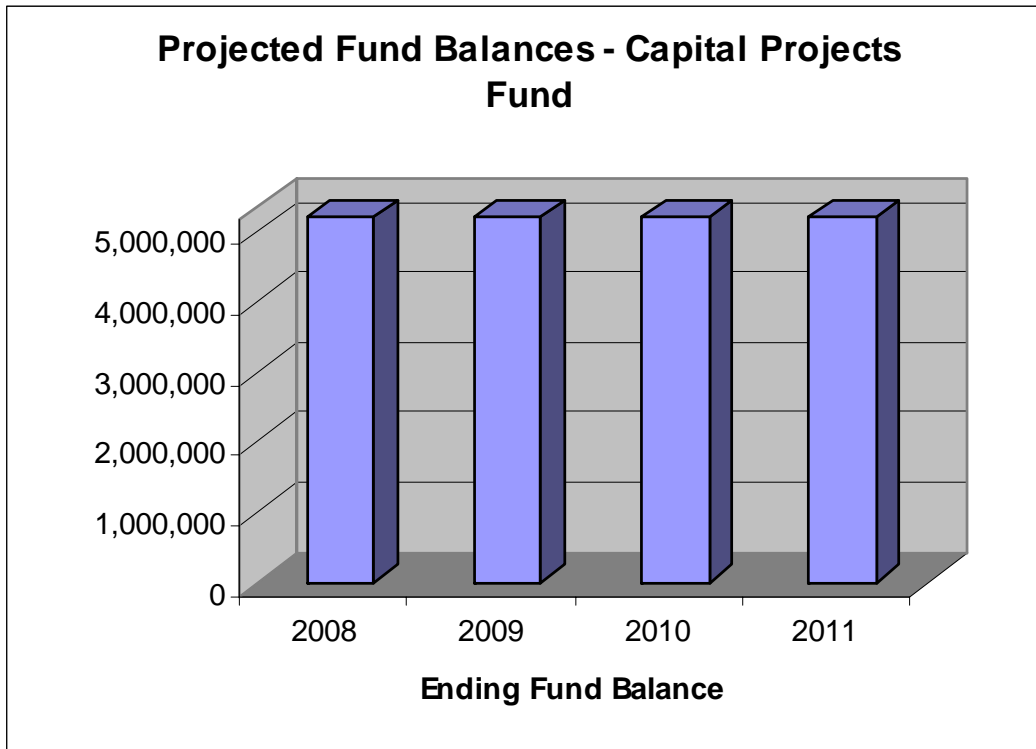
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues:				
Local Revenue Sources				
Local Property Taxes	183,750	192,019	200,660	209,689
Subtotal Local Revenue Sources	<u>183,750</u>	<u>192,019</u>	<u>200,660</u>	<u>209,689</u>
Other Sources of Revenue				
Interest Income	314,410	314,410	314,410	314,410
Other Income	0	0	0	0
Subtotal of Other Sources	<u>314,410</u>	<u>314,410</u>	<u>314,410</u>	<u>314,410</u>
Total Revenue	<u><u>498,160</u></u>	<u><u>506,429</u></u>	<u><u>515,070</u></u>	<u><u>524,099</u></u>

**Carl Sandburg College
Projected Capital Projects Expenditures
Fiscal Years 2008- 2011**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
By Program				
Institutional Support	520,000	506,430	515,070	524,100
Total Expenditures	<u><u>520,000</u></u>	<u><u>506,430</u></u>	<u><u>515,070</u></u>	<u><u>524,100</u></u>
By Object				
Salaries	0	0	0	0
Benefits	0	0	0	0
Contractual Services	0	0	0	0
General Materials and Supplies	0	0	0	0
Travel and Conference	0	0	0	0
Fixed Charges	1,250	1,250	1,250	1,250
Utilities	0	0	0	0
Capital Outlay	183,750	192,020	200,660	209,690
Other	335,000	313,160	313,160	313,160
Total Expenditures	<u><u>520,000</u></u>	<u><u>506,430</u></u>	<u><u>515,070</u></u>	<u><u>524,100</u></u>

Carl Sandburg College
Capital Projects Fund-Projected Changes in Fund Balance
Fiscal Years 2008- 2011

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Beginning Balance	<u>5,246,777</u>	<u>5,224,937</u>	<u>5,224,936</u>	<u>5,224,935</u>
Revenues	498,160	506,429	515,070	524,099
Expenditures	<u>185,000</u>	<u>193,270</u>	<u>201,910</u>	<u>210,940</u>
Revenues Over (Under) Expenditures	313,160	313,159	313,160	313,159
Transfers	<u>-335,000</u>	<u>-313,160</u>	<u>-313,160</u>	<u>-313,160</u>
Ending Fund Balance	<u><u>5,224,937</u></u>	<u><u>5,224,936</u></u>	<u><u>5,224,935</u></u>	<u><u>5,224,935</u></u>



Enrollment Data

Page 105 provides a historic view of annual certified unrestricted credit hours and budgeted/projected unrestricted credit hours thru 2011. We have demonstrated our ability to serve the increasing enrollments due to dislocated workers but do acknowledge this inflated enrollment will not continue as those students complete their education and reenter the workforce. New programs are being designed to meet potential employment opportunities within our district.

- Headcount for FY2006 dropped back to the level of FY2002
- Projected headcount will see a minimal change
- Estimated reimbursable credit hours for FY2007 dropped to a level prior to FY2002
- Anticipate reimbursable credit hours to climb back to the FY2002 level
- Envision number of full-time students to grow

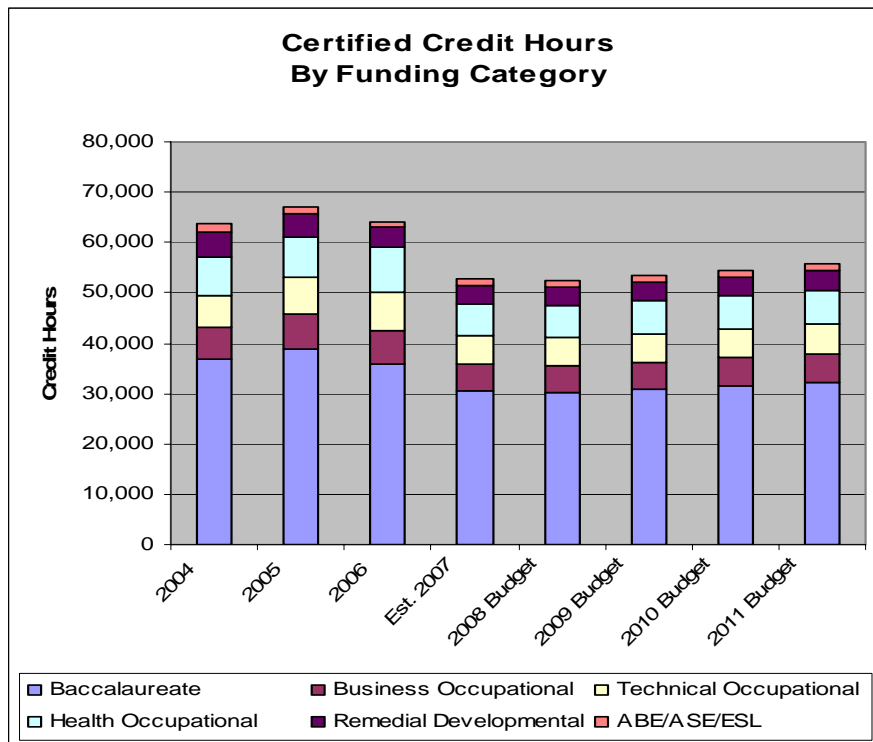
**CARL SANDBURG COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 518**

Enrollment Trends

	2002	2003	2004	2005	2006	Est. 2007	Proj. 2008	Proj. 2009	Proj. 2010	Proj. 2011
Instruction										
Annual Unduplicated Headcount Enrollment										
Bacc/Transfer	2,389	2,230	2,240	2,289	2,349	2,360	2,372	2,396	2,420	2,444
Vocational	1,071	1,411	1,541	1,209	1,281	1,294	1,307	1,333	1,359	1,387
Occupational	2,008	2,444	2,645	2,572	1,880	1,889	1,899	1,918	1,937	1,956
ABE	58	62	43	50	43	44	45	45	45	45
ASE	468	439	493	382	226	213	200	200	200	200
ESL	27	35	45	61	14	17	20	25	30	35
General Studies	-	-	1	1	1	-	-	-	-	-
General Associates	15	19	33	55	241	55	60	60	60	60
Total	6,036	6,640	7,041	6,619	6,035	5,872	5,903	5,977	6,052	6,127
Annual FTE Students	2,015	2,251	2,392	2,443	2,283	1,893	1,914	1,975	2,036	2,097
Total Reimbursable Credit Hours	59,970	67,530	71,756	73,314	68,499	56,793	56,225	57,450	58,675	59,900
Degrees awarded										
Associate (Transfer)	161	147	105	130	109					
Associate in Applied Science	130	181	175	190	295					
Career & Technical Certificates	175	205	170	123	157					
Students per faculty	15	17	18	18	17					

Carl Sandburg College
Certified Unrestricted Student Credit Hours by State Funding Category
Fiscal Years 2004 - 2011

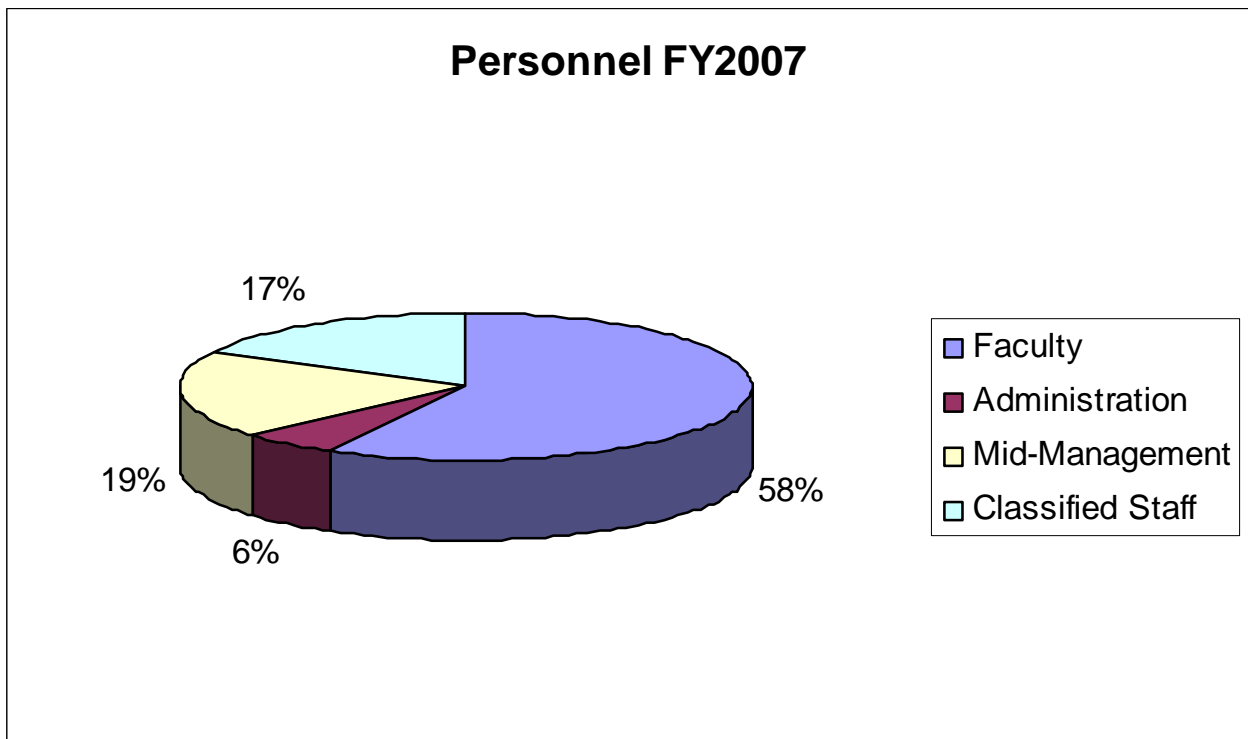
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Est. 2007</u>	<u>2008 Budget</u>	<u>2009 Budget</u>	<u>2010 Budget</u>	<u>2011 Budget</u>
Baccalaureate	36,855.5	38,952.5	35,907.5	30,635.6	30,329.2	30,988.2	31,648.9	32,310.1
Business Occupational	6,360.5	7,001.5	6,726.0	5,282.0	5,229.2	5,342.8	5,456.7	5,570.7
Technical Occupational	6,259.5	7,107.0	7,605.5	5,546.1	5,490.6	5,609.9	5,729.5	5,849.2
Health Occupational	7,586.3	8,152.0	8,792.0	6,338.4	6,275.0	6,411.4	6,548.0	6,684.8
Remedial Developmental	4,867.0	4,524.0	4,070.5	3,697.4	3,660.4	3,740.0	3,819.7	3,899.5
ABE/ASE/ESL	1,693.0	1,417.0	870.0	1,320.5	1,307.3	1,335.7	1,364.2	1,392.7
	63,621.8	67,154.0	63,971.5	52,820.0	52,291.8	53,428.0	54,567.0	55,707.0
Annual Percentage Change	3.67%	5.55%	-4.74%	-17.43%	-1.00%	2.17%	2.13%	2.09%



	<u>Baccalaureate</u>	<u>Business</u>	<u>Technical</u>	<u>Health</u>	<u>Remedial</u>	<u>ABE/ASE</u>
FY2008	19.12	23.51	62.27	97.92	16.52	51.83
FY2007	19.06	23.62	59.36	91.58	15.78	56.23
FY2006	19.31	27.02	61.05	89.33	13.82	46.37
FY2005	21.72	27.90	59.26	94.88	18.68	56.87
FY2004	24.63	28.23	49.93	93.43	18.58	69.99
FY2003	34.45	22.90	40.03	78.81	25.52	13.16
FY2002	35.91	17.51	41.83	78.75	26.67	9.78
FY2001	31.84	15.89	41.64	72.48	26.69	16.16
FY2000	32.71	18.88	40.55	69.55	22.53	13.16
FY1999	31.23	20.08	43.61	65.10	19.25	12.71
FY1998	28.54	18.73	40.86	60.63	30.68	14.19
FY1997	27.25	19.33	39.75	57.75	30.35	14.07

Personnel Resource Allocations

The College continues to evaluate positions and responsibilities in order to maintain an effective and efficient learning process. Faculty represents the number of employees in instruction for the college. This is currently 58% of the college workforce. Administrative includes primary officers of the college including the President, Vice Presidents, Deans of the instructional divisions of the college and Directors of non-academic divisions or major departments of the college. Mid-Management personnel have consistent exercise of discretion and judgment in performing support activities. This category also includes technical staff. Classified staff include clerical and physical plant employees.



**Carl Sandburg College
Personnel Resource Allocation
Employees 2003-2008**

	2003-04	2004-05	2005-06	2006-07	2007-08
FACULTY					
Full-Time	77	74	72	68	68
Part-Time	155	190	174	149	149
Subtotal	232	264	246	217	217
ADMINISTRATIVE					
Full-Time	26	27	28	21	20
Part-Time	0	0	0	0	0
Subtotal	26	27	28	21	20
MID-MANAGEMENT					
Full-Time	73	89	91	70	68
Part-Time	5	4	6	2	2
Subtotal	78	93	97	72	70
CLASSIFIED STAFF					
Full-Time	61	55	55	60	61
Part-Time	8	2	4	5	5
Subtotal	69	57	59	65	66
GRAND TOTAL	405	441	430	375	373

- In the past five years, faculty have been able to serve the fluctuation of the number of students by adjusting the number of part-time instructors and class sizes. The college demonstrated the ability to serve the increasing enrollments due to dislocated workers.
- The number of staff in the categories of Administrative and Mid-management decreased recently when the college discontinued the contractual relationship with the Illinois Department of Corrections and decided to no longer serve as the fiscal agent for the Local Workforce Area 14.
- The President's Cabinet now monitors all non-instructional hiring in an effort to use college resources in the most conservative way and to ensure that requests for replacements are essential to college operations. FY2008 includes a retirement in the administrative staff that will not be filled. Also, a retirement is shown in the mid-management area to remain vacant at this time.

Debt Administration

Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments will be funded through the tax levy while the capital leases are currently funded by bond proceeds. Legally, the College is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$34,600,029. The current long-term debt of the College is \$27,045,732. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$7,544,297. During the next year, it is anticipated that the College will issue no new debt. FY2008 indicates an 8.7% increase in long-term debt payments. With no new debt issued, the College will see a 5.3% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2007	\$ 1,035,000	\$ 133,420	\$ 253,887	\$ 1,422,307	\$ 1,053,426	\$ 2,475,733
2008	1,285,000	140,354	126,944	1,552,298	1,138,979	2,691,277
2009	1,485,000	142,407		1,627,407	1,070,728	2,698,135
2010	1,705,000	115,347		1,820,347	990,456	2,810,803
2011	1,615,000	95,876		1,710,876	907,081	2,617,957
2012-2016	11,405,000	207,497		11,612,497	3,031,270	14,643,767
2017-2020	7,300,000	-		7,300,000	568,003	7,868,003
Total	\$25,830,000	\$ 834,901	\$ 380,831	\$27,045,732	\$8,759,943	\$35,805,675

Performance Measures

Carl Sandburg College strives to meet the needs of the students and the community. Annually the College conducts a follow up survey of all Occupational Program graduates as required by the Illinois Community College Board. Our average percentage of responses over the last five years is 35% which exceeds the required 20% by the ICCB. Results include:

- Number continuing education – 20%
- Number employed – 84%
- Number employed/career related – 63%
- Number employed/career related/in-district – 33%
- Level of job satisfaction - varied
- Level of satisfaction with courses in program major - varied

The College currently utilizes the Classroom Assessment Techniques Instrument (CATS). This activity is part of the Assessment Plan which is approved by the North Central Association. Results are distributed to the appropriate Deans to address as needed.

Recently the Student Opinion Survey (ACT) was administered for a third time on a district wide basis. This survey will now be conducted every other year to allow the Retention Committee to analyze the data and facilitate improvements. The top areas of satisfaction with all aspects of the College were:

1. Class size relative to the type of course
2. Attitude of teaching staff toward students
3. Quality of instruction in the major area of study

Areas toward the bottom included:

1. Availability of adequate housing for students
2. Purposes for which student activity fees are used
3. Student government

All aspects were rated on a scale of 1 – 5, 1 being very dissatisfied and 5 being very satisfied. The top area averaged a 4.1 with the bottom areas averaging 3.31. There is continued effort being made to retain students. We strive to increase awareness of a retention hotline for instructors and students.

Carl Sandburg College transfer students have achieved consistent academic performance at their transfer colleges and universities.

The College administers the COMPASS Academic Placement Test to all incoming students prior to registering for classes. The (COMPASS) program will not only help place students in courses most beneficial to their needs, but also will orient them to the many programs, activities and resources offered by the College. In addition, the results of the COMPASS testing will provide the Students Services staff with a valuable tool for more effective counseling of students.

- COMPASS is an academic placement test which measures students' writing, reading and mathematics skills.
- Test scores are used to place students into courses appropriate for their skill level.
- Tests are untimed, thus reducing test anxiety.
- Immediate on-site (score) results are available upon completion of test.

The following chart shows results from 2005 – 2007. Reading and writing have seen improvement in being ready for college level work while math continues to show students not prepared for college level work.

COMPASS Placement Summary

Score Range	2005	2006	2007
Pre-Algebra			
0-46	70.4%	90.8%	90.8%
47-100	29.6%	9.2%	9.2%
Algebra			
0-45	66.5%	80.0%	69.8%
46-65	31.8%	18.6%	27.0%
66-100	1.7%	1.4%	3.2%
College Algebra			
0-48	33.3%	26.4%	18.8%
49-100	66.7%	73.6%	81.3%
Reading			
0-58	12.9%	11.1%	6.7%
59-82	37.6%	41.7%	43.4%
83-100	49.5%	47.2%	49.9%
Writing			
0-16	8.7%	9.1%	5.0%
17-37	14.2%	11.6%	16.9%
38-69	30.2%	27.6%	28.5%
70-100	46.9%	51.6%	49.6%

Retention

Fall to Spring		Fall to Fall	
Year	Rate	Year	Rate
2000	68.50%		
2001	67.50%	2001	53.30%
2002	71.50%	2002	51.90%
2003	70.90%	2003	58.30%
2004	69.40%	2004	58.50%
2005	71.90%	2005	55.80%
2006	70.00%	2006	55.60%
<i>Average</i>	<i>69.96%</i>	<i>Average</i>	<i>55.57%</i>

Fall to Spring-Definition

All students enrolled for a degree or certificate in the fall and then back in the spring

Fall to Fall-Definition

First-time degree or certificate seeking students here in the fall and then back the next fall

Other Community Trends

The enrollment of Carl Sandburg College is declining due to completion of retraining offered to laid off workers from plant closures. This trend is expected to continue for the next year. A stabilization will then likely occur.

PRINCIPLE TAXPAYERS

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2006</u>			<u>1997</u>		
		<u>Taxable Assessed Value</u>	<u>Percent of District's Total EAV</u>	<u>Percent of District's Total EAV</u>	<u>Taxable Assessed Value</u>	<u>Percent of District's Total EAV</u>	<u>Percent of District's Total EAV</u>
Burlington Northern Santa Fe	Railroad	18.84	1	1.57%	10.39	1	1.04%
Galesburg Hospital Corporation	Hospital	8.04	2	0.67%			0.00%
First Property Management Corp.	Mall	4.46	3	0.37%	4.69	3	0.47%
United Facilities, Inc.	Shipping	3.57	4	0.30%			0.00%
Hy-Vee Food Stores Inc.	Retailer	2.59	5	0.22%			0.00%
Wal-Mart Stores # 775	Retailer	2.45	6	0.20%	1.85	8	0.19%
Lowes Home Centers, Inc.	Retailer	2.17	7	0.18%			0.00%
CRC Cherry Street Facility LLC	Restaurant	2.09	8	0.17%			0.00%
Target Corporation	Retailer	2.08	9	0.17%			
Dick Blick Company	Wholesale/Retail	1.73	10	0.14%			
Admiral-Maytag Co.	Manufacturer				8.59	2	0.86%
Twomey Company	Grain				4.01	4	0.40%
RFMS	Healthcare Facility Mgmt				2.09	5	0.21%
Pioneer H-Bred	Retailer				1.98	6	0.20%
Gates Rubber	Manufacturer				1.90	7	0.19%
Lexington Trank							
Galesburg LLC, et al	Retailer				1.65	9	0.17%
Butler Manufacturing	Manufacturer				1.64	10	0.16%
		<u>48.02</u>		<u>3.99%</u>	<u>38.79</u>		<u>3.89%</u>

Sources: Knox County Assessor's Office

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Estimated Population*	Personal Income (amounts expressed in thousands)	Unemployment Rate	District Student Enrollment
2006	121,986	2,099,623	5.6%	2,930
2005	123,180	2,120,174	5.8%	3,260
2004	124,778	2,147,679	6.7%	3,575
2003	125,828	2,165,752	7.0%	3,554
2002	126,632	2,179,590	6.2%	3,441
2001	127,399	2,192,792	5.3%	3,341
2000	127,605	2,196,337	4.6%	3,220
1999	132,191	2,275,291	3.3%	2,739
1998	132,191	1,476,671	3.4%	2,906
1997	132,191	1,476,671	3.6%	2,635

*Includes the largest four counties based on EAV of the district

Sources: U.S. Census Bureau
College records

Sources	APPLICATIONS ¹			
	Instructional Services	Student Services	Business Services	Institutional Support
Working Cash Accumulated Interest (2) \$145,000	\$100,000 "Silo" Fund	\$15,000 Ball Diamonds	\$15,000 CME Lots	\$10,000 Barter Match \$5,000 Barter Commission
STEF Accumulated Interest (2) 335,000	\$15,000 Academic Program Equipment \$20,000 Instructional Technology-Faculty Peer Grp	\$20,000 Fitness Center Eq \$20,000 Ball Diamonds \$20,000 Theater Curtains	\$25,000 CIPS \$80,000 Xerox	\$45,000 Access \$30,000 IT Infrastructure \$15,000 Salary Structure Review \$5,000 R&D Tech Staff \$40,000 PC Maint non-faculty
General Operating Fund Balances (2) \$500,000	\$500,000 "Silo" Fund			
Perkins \$75,000	\$15,000 Laptops \$60,000 Equipment			
Title III \$45,000				\$45,000 Access
Tech Fee (3) \$5.50	\$44,589			
Barter Dollars \$20,000				\$20,000

1 All of these dollar allocations are included in the draft budget.

2 Education Fund - \$285,000, Operations & Maintenance Fund - \$40,000, SILO Fund - \$600,000, Auxiliary Fund - \$55,000

Find Your Future At CSC M.A.S.H. Unit #518 (Mobile Academic Service Habitat)

PRIORITIES

STUDENTS

TECHNOLOGY

ENVIRONMENT

HR/ORG. DEV.

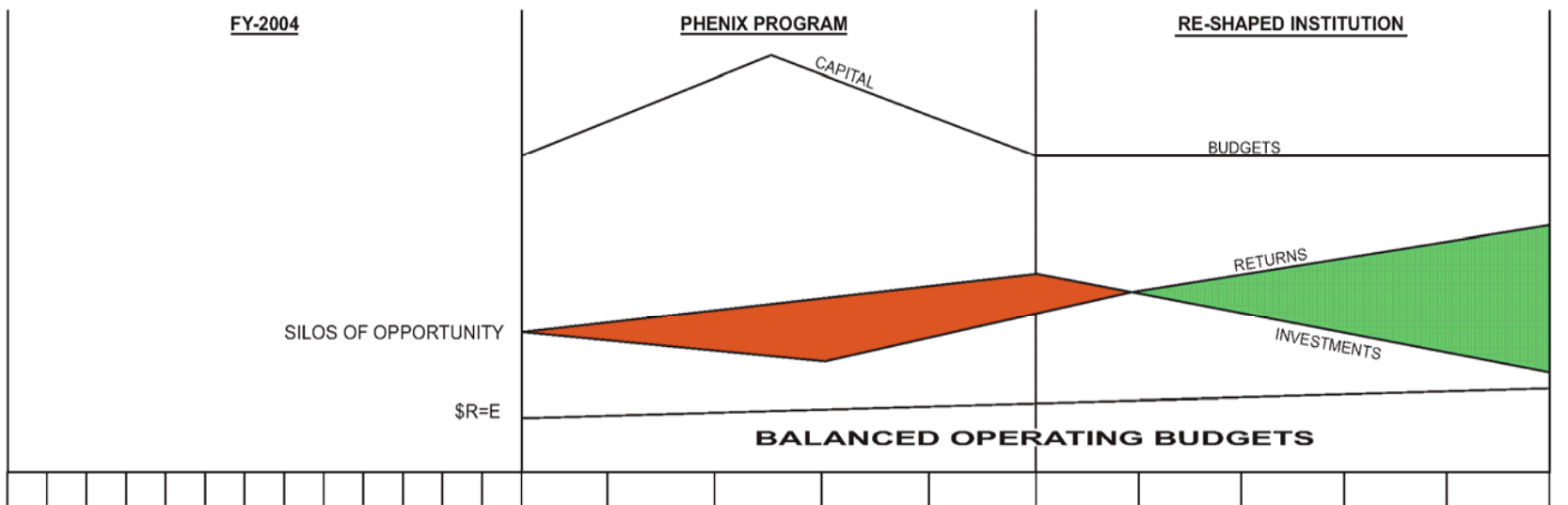
LINKAGES

STABILITY

ASSESSMENT

LEARNING

DATA



J A S O N D J F M A M J J 05' 06' 07' 08' 09' 10' 11' 12' 13' 14'

- ERC-ED Subcommittee
- Facility Master Plan
- Expanded Dual Credit Offerings/K-12 Partnerships

• SSC/Retention Program

• ACCES PROJECT →

• CSC 101, Expanded Advising, Surveys, Expanded Course Offerings, Promote Cooperative Agreements, Internal/External Communications

• Launch Envoy Program

• Extended SEA Agreement →

• CSC FY-05 Budget Summit

• WWAN Project →

• 3 - 7% Reductions

• Revitalize Citizen's Advisory Committees

• Energize Program To Achieve Diversity

• Structure Follows Strategy/Re-Shape the College →

• CSRP →

• Shift from Courses to Programs?

• Submit Title III Grant

• Annex Renovation

• AE & FL Complex

• Facility Renovations

• Expand PM Certificates/Degrees

• Expand #/Visibility of Student Clubs and Organizations

• Expand Recruiting Outside of District

• Expand Theater Arts Programming & Community Use of College Facilities

• Light/Enhance Ball Diamonds

• NCA Accreditation →

GLOSSARY

ABE - Adult Basic Education

Academic Support - Academic support includes the operation of the library, educational media services, instructional materials center, and academic computing used in the learning process. It also includes all equipment, material, supplies, and costs that are necessary to support this function.

Accrual Basis - The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Annual Budget. A budget applicable to a single fiscal year.

ASE - Adult Secondary Education

Assess - To value property officially for the purpose of taxation.

Bond - A written promise to pay a specific sum of money called the face value or principal amount, at a specified date or dates in the future, called maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a period of time and requires greater legal formality.

BOT - Board of Trustees

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body.

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CABI - Center for Agriculture, Business and Industry

Capital Outlay - Capital outlay for all funds except proprietary funds should be recorded as an expenditure of the appropriate fund and as an asset of the General Fixed Assets Account Group.

CAFR - Comprehensive Annual Financial Report

C.H. - Credit Hour

CFO - Chief Financial Officer

Conference and Meeting Expense - Conference and Meeting expenses associated with College related travel.

Contingency - Something that may or may not happen as it is conditional upon another event.

Contractual Services - Charges for services rendered by firms or persons not employed by the local Board of Trustees.

Corporate Personal Property Replacement Tax - A tax collected by the Illinois Department of Revenue as replacement personal property tax under Public Act 81-1st-S.S.-1. Section 616 of the State Revenue Sharing Act requires taxing districts to first apply any replacement taxes against the required debt service for any bonds outstanding as of December 31, 1978.

CPPR - Corporate Personal Property Replacement

CSC - Carl Sandburg College

CTE. Career and Technical Education

Current - A term which, applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods. It usually connotes items likely to be used or converted into cash within one year.

Current Funds - Those funds through which most educational functions of the College are financed. The acquisition, use and balances of the College's expendable financial resources and the related liabilities are accounted for through current funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

Debt Limit - The maximum amount of gross or net debt which is legally permitted.

Deferred Revenues - Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under modified accrual basis of accounting, such amounts are measurable but not available.

Deficit - (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period.

DAVTE - Department of Adult, Vocational and Technical Education

EAV - Equalized Assessed Valuation

Employee Benefits - The cost of all employee benefits including the portion of insurance paid for by the College (not including the portion withheld from the employee's wages, when both the employee and the college contribute toward the benefit), sabbatical leave salaries, and any pension contributions paid by the community college district.

Expenditures - Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

Facilities Revenue - Revenue from the use of college facilities.

FA - Fall Semester

Federal Governmental Sources - Revenues from all agencies of the Federal Government.

Fixed Assets - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Fixed Charges - Charges for rentals, debt principal and interest, and general insurance.

Full Accrual - Revenues are recognized when earned, and expenses are recognized when incurred

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Type - In College and University accounting, all funds are classified into two generic fund types: Current and Plant.

FY - Fiscal Year

GAAP - Generally Accepted Accounting Principles

GASB - Government Accounting Standards Board

General Materials and Supplies - Costs of all general material and supplies.

ICCB - Illinois Community College Board

Institutional Support - Institutional support includes expenditures for central executive-level activities and support services that benefit the entire institution. Administrative data processing, insurance costs, legal fees, provision for contingencies, scholarships, non-operating expenses, and tuition chargebacks. Examples include expenses for the President's Office, Business Office, Marketing and Public Information, Personnel Services, Administrative Information Systems, and Board of Trustees.

Instruction - Instruction consists of those activities dealing directly with or aiding in the teaching of students. It includes the activities of the faculty in the baccalaureate-oriented transfer, occupational-technical career, general studies, and remedial and ABE/ASE programs (associate degree credit and certificate credit). It also includes all equipment, materials, supplies, and costs that are necessary to support the instructional program.

Interfund Transfers - All interfund transactions except loans or advances, quasi-external transactions, and reimbursements are transfers.

Internal Control - A plan of organization under which employees' duties are so arranged and records and procedures so designated as to make it possible to exercise effective accounting control over assets, liabilities, revenues and expenditures. Under such a system, the work of employees is subdivided so that no single employee performs a complete cycle of operations. Moreover, under such a system, the procedures to be followed are clearly established and require proper authorization by designated officials for all actions to be taken.

Investment Revenue - Revenue from investments such as certificates of deposit.

ISBE - Illinois State Board of Education

Levy - (Verb) To impose taxes for the support of college activities. (Noun) The total amount of taxes imposed by a government.

Liab/Prot/Settlement - Liability Protection and Settlement

L,P&S - Liability Protection and Settlement Fund

Local Governmental Sources - Revenues from district taxes, from chargebacks, and from all governmental agencies below the state level.

M.A.S.H. - Mobile Academic Service Habitat

Measurement Focus and Basis of Accounting - Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange like transactions should be recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions should be recognized in accordance with GASB statements 33 and 34.

Modified Accrual Basis - Under the accrual basis of accounting, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred except for: (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need to be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal

and interest on long-term debt which are generally recognized when due. All government funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

O&M - Operations and Maintenance

Object - Expenditure classifications grouped by materials or services purchased; further divided for cost accounting and control purposes.

On-Behalf Revenue and Payments - Payments made by the State to the State Unemployment Retirement System on behalf of the District's employees. Beginning in Fiscal 1996, the Government Accounting Standards Board required these to be reflected on GAAP basis Financial Statements.

Operation and Maintenance of Plant - Operation of plant consists of housekeeping activities necessary in order to keep the physical facilities open and ready for use. Maintenance of plant consists of those activities necessary to keep the grounds, buildings, and equipment operating efficiently. This function also provides for campus security and plant utilities, as well as equipment, materials, supplies and costs that are necessary to support this function.

Organized Research - Organized research includes any separately budgeted research projects, other than institutional research projects that are included under institutional support, whether supported by the college or by an outside person or agency. It also includes all equipment, materials, supplies and costs that are necessary to support this function.

Other Expenditures - This object is reserved for all expenditures that cannot be classified in any other object classification.

Other Revenues - Revenues which do not fit into specific revenue source categories.

Plant Fund - Operation and Maintenance Fund (Restricted) and Bond and Interest Fund. This fund is used to account for financial resources to be used for building purposes and the acquisition or construction of major capital facilities.

PHS - Protection, Health and Safety

PPB - Program Performance Budgeting

Program - A level in the classification structure hierarchy representing the collection of elements serving a common set of objectives that reflect the major institutional missions and related support activities.

Property Taxes - Compulsory charges levied on real property by the district for the purpose of financing services performed for the common benefit. Revenues equal the District's assessed valuation multiplied by the property tax rates.

Provision for Contingency - Budgetary appropriations that are set aside for unforeseen expenditures. The Board of Trustees must approve a budget adjustment by resolution to transfer from the Provision for Contingency budget account to the appropriate budget account in accordance with the Illinois Public Community College Act. This adjustment is usually made at the end of the fiscal year.

Public Service - Public service consists of noncredit classes and other activities of an educational nature, such as workshops, seminars, forums, exhibits, and the provision of college facilities and expertise to the community designed to be of service to the public.

Revenues - (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers-in are classified as “other financing sources” rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers-in are classified separately from revenues.

Salaries - Salaries and wages paid to an employee, before any deductions, for personal services rendered to the community college district.

SMART - Strategic Management and Resources Together

SP - Spring Semester

State Governmental Sources - State revenues from all state governmental agencies.

STEF - Strategic Technology Endowment Fund

Student Services - The student services function provides assistance in the areas of financial aid, admissions and records, health, placement, testing, counseling, and student activities. It includes all equipment, materials, supplies, and costs that are necessary to support this function.

Student Tuition and Fees - All tuition and fees, less refunds, remissions, and exemptions, assessed against students for educational and general purposes.

SU - Summer Session

SURS - State University Retirement System

Utilities - This account provides for all utility costs necessary to operate the plant and for other on-going services.

VoIP - Voice over Internet Protocol. Routing of voice conversations over the internet or other IP-based network.

WCF - Working Cash Fund

WIB - Workforce Investment Board

WIA - Workforce Investment Act

ZBB - Zero Based Budgeting

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