

Carl Sandburg College

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

JULY 1, 2008 – JUNE 30, 2009
BUDGET



**Educational &
Financial Plan**

CARL SANDBURG COLLEGE
Final Budget for Fiscal Year 2009
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Introductory Section

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 2009

Transmitted herewith is the budget for Carl Sandburg College District #518 for fiscal year 2009 (beginning July 1, 2008, and ending June 30, 2009). This budget reflects many of the significant components/implications contained within the Phenix Program, which was first introduced in September 2003.

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-2009 budget may be necessary. The budget can be amended later in the fiscal year as deemed necessary.

FY-2009 marks the fifteenth 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-2009 budget incorporates and reflects recognition of several significant factors:

1. The most financially challenging landscape ever faced by the State of Illinois. The Illinois Community College System budget has not been increased since FY2002 (FY-1993 when adjusted for inflation). Also, the state has not had a capital budget since 1999.
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 2008.
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?"
4. At its regular meeting held in February 2008, the Board of Trustees approved a Financial Recovery Plan (FRP) as required by our accrediting agency, The Higher Learning Commission. This subsequently led to approving a new Enrollment Management partner (Noel-Levitz) for the purpose of "revitalizing Carl Sandburg College through the development of a comprehensive Enrollment Management Program (EMP)."

The FY-2009 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 six (6) fiscal years (FY-2009 through FY-2014) ending June 30, 2014, 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.

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 2009 is being defined as a "**New Beginning.**" 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-2009 budget will feature a blend of initiatives consistent with the PHENIX Program:

1. Implementing the work of our new Strategic Enrollment Management Partner (Noel-Levitz).
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 \$600K “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 measures such as new Protection, Health & Safety (PHS) projects, activation of our local Wind Energy Consortium and participation in utility “aggregation” (bulk purchasing) cooperatives.
 - E. Full implementation of the provisions of our Financial Recovery Plan (FRP), specifically our new Tuition Rate Guarantee (TRG) and Fast Forward Program (FFP).

I believe that Carl Sandburg College (M.A.S.H. Unit #518) is accommodating significant structural and programmatic changes and enhancements which will result in a “Re-shaped Institution.” I am extremely confident that Carl Sandburg College has the ability and will respond to these challenges.

May 15, 2008

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, 2009. 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, followed by the fiduciary fund. Total budgeted revenues and other sources for Fiscal Year (FY) 2009 are \$30,426,708 (including Transfers In of \$1,474,100) and total budgeted expenditures are \$31,784,016 (including Transfers Out of \$1,474,100). This represents a 5.7% increase from the FY 2008 expenditure budget of \$30,070,473. This includes budgeted transfers to locally fund building renovations/improvements since the state has not provided any capital construction funding for six 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.

In February 2007, a Strategic Planning Process was conducted. This effort involved students, employees and stake holders from throughout the College district and resulted in the Board of Trustees formally approving/affirming our Mission Statement, Belief Statements, Strategies and Institutional Focal Points and Goals.

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

The following belief statements and strategies were developed to guide our institutional decisions in addition to 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.

I. Beliefs

- A. We believe that everyone should have equal access to education.
- B. We believe in financial stability and responsibility.
- C. We believe in providing a quality educational experience through faculty, staff, curricula, and physical resources.
- D. We believe the educational experience is enriched through diversity in its people, curricula, and environment.
- E. We believe in the value of partnerships.
- F. We believe that learning to learn never ends.
- G. We believe that community colleges are vital to economic and workforce development.
- H. We believe in assessment and accountability.
- I. We believe Carl Sandburg College must have a commitment to every stakeholder in the district.
- J. We believe where you live should not determine the quality of the education you can access.
- K. We believe in taking ownership of our future.

- L. We believe in a safe and secure environment.
- M. We believe in student centered decision making.
- N. We believe in the use of up-to-date technology.
- O. We believe that co-curricular and extra-curricular activities are an integral part of the education experience.
- P. We believe in the value of shared governance.

II. **Strategies**

- A. We will ensure long-term financial stability and accountability.
- B. We will implement an effective enrollment management program (housing).
- C. We will enhance communications internally.
- D. We will enhance communications externally.
- E. We will develop and maintain partnerships with all elected officials and hold them accountable.
- F. We will ensure vibrant curricula.
- G. We will ensure an effective delivery of services throughout the entire district.

III. **Focal Points and Goals**

- A. Learning
 - 1. Promote and support student learning at the classroom, program, and school levels.
 - 2. Provide and maintain resources, which enable and enhance student retention and learning.
 - 3. Promote and support local research on the learning process
- B. Caring Environment
 - 1. Shape an environment that recognizes the need for diversity.
 - 2. Create opportunities for all within the College community to interact with understanding, tolerance, and respect for others.
 - 3. Promote sensitivity to individual needs and aspirations of those throughout the College community.

4. Promote organizational development as a long-range effort to improve the College's problem-solving and renewal process.
- C. Technology
1. Establish and maintain effective technology in academic programs and support functions.
 2. Upgrade employee skills in use of technology.
- D. Cooperative Alliances
1. Develop programs in cooperation with neighboring institutions.
 2. Maintain and expand alliances within and beyond the College district.
 3. Support economic development activities.
- E. Stability
1. Establish/maintain an operating fund balance equal to 5-6 percent of the previous year's adopted budget.
 2. Develop institutional shape/make-up that best addresses long-range fiscal concerns.
 3. Maintain the College comprehensive Risk Management Program.
 4. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
 5. Promote operating efficiencies to accommodate growth.
 6. Promote the development of human resources.
 7. Promote and develop information management systems that facilitate decision-making.
- F. Assessment
1. Promote and support local research on the assessment process.
 2. Promote student assessment at the course, program, and school levels.
 3. Promote assessment as an institutional way of life.

The Budget Process

Planning is a continuous process which takes place at various management levels of the College and involves students, administrators, faculty, staff, and stake holders, in a coordinated effort to constantly improve the College's ability to best serve the residents of the District. Energies focus on stakeholder concerns, community condition, capital asset assessment, debt levels, performance measures and **safety**.

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.

The process of putting expenditure numbers onto paper begins in January with a memo to all administrators which establishes the schedule and due dates for budget submissions. Budget assumptions (salaries with increases, benefits and cost of living increases) for the upcoming year are set, and requests for budget dollars are submitted by budget managers to their respective cabinet officer. Budget managers review their areas to identify operating priorities. These requests are presented to the budget committee to determine their inclusion in the developing budget. 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.

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.

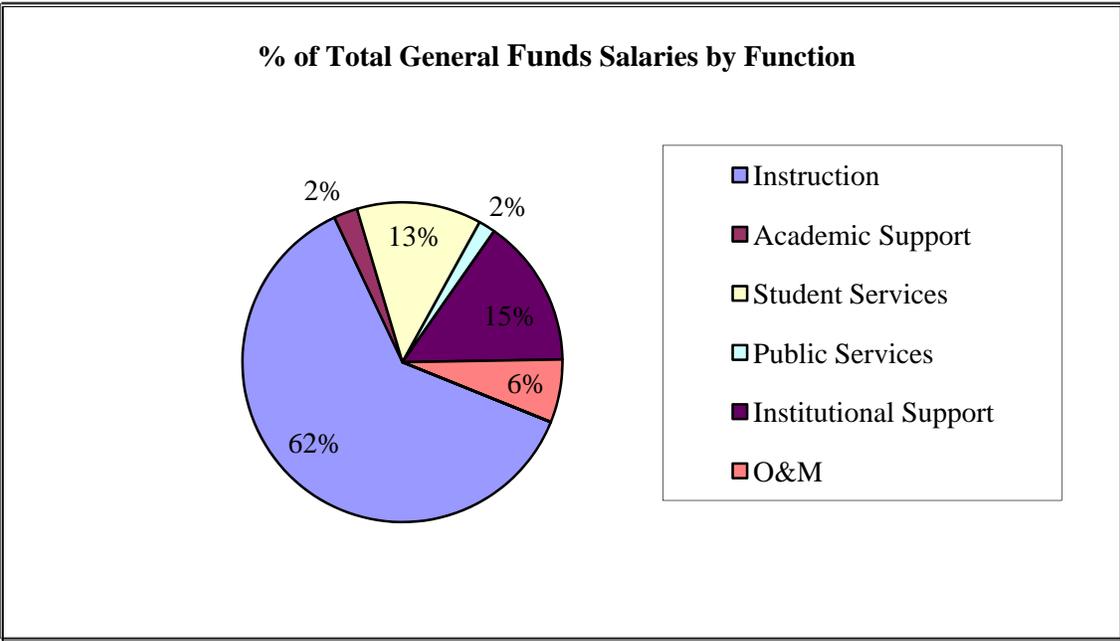
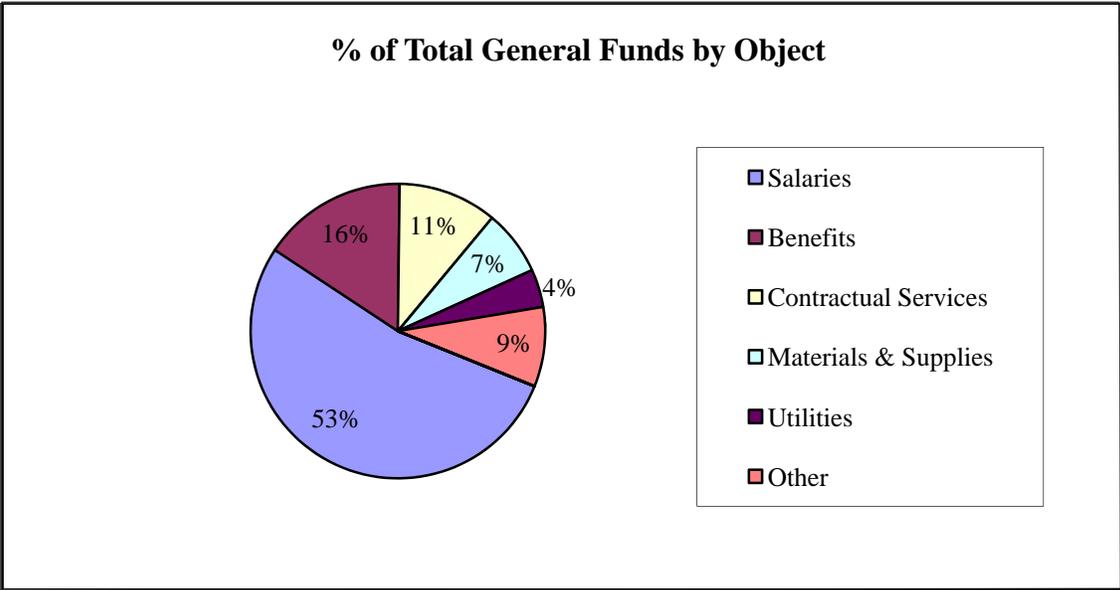
Over the last several years, an effort has been made to involve individuals from across the College in the annual planning and budgeting process. Budget managers are given shell budgets including certain assumptions, and then allowed to develop their specific requests for new dollars or adjust budget 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.

Due to uncertainty in state funding and projected program enrollments, the budget is considered a plan. Procedurally, the budget, once it is published in the form of the legal budget, may not be changed until it is acted upon by the Board of Trustees. At the time of initial approval, and at any time thereafter, the Board may make changes to the legal budget by Board resolution within the limits established by law. Internal transfers made within the same function and within the same object group are handled by the budget officer assigned to the specific department. Transfers not falling into this scenario are handled through the Chief Financial Officer. These require board resolution prior to adjusting budget amounts.

Allocation of Personnel Resources

Carl Sandburg College is committed to its employees. The College dedicates approximately 69% of the operating budget to salaries and benefits. 62% of total general funds salaries are for direct instruction while student services salaries make up approximately 13% of the total general funds salaries. This critical investment in people equates to a total of 64 full-time and 120 part-time faculty in FY 2008.



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 2007 furthered our current agreement thru FY 2012 with negotiations scheduled to begin again in the fall of 2009.

**FY 2009
GOVERNMENTAL FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY 2009	FY 2008	CHANGE	%
General	\$ 15,509,564	\$ 15,329,943	\$ 179,621	1.17%
Special Revenue	9,620,434	10,357,387	(736,953)	-7.12%
Debt Service	2,712,522	2,414,758	297,764	12.33%
Capital Projects	1,301,350	498,160	803,190	161.23%
Totals	\$ 29,143,870	\$ 28,600,248	\$ 543,622	1.90%

EXPENDITURES

FUND	FY 2009	FY 2008	CHANGE	%
General	\$ 15,509,564	\$ 15,829,943	\$ (320,379)	-2.02%
Special Revenue	9,845,216	10,063,008	(217,792)	-2.16%
Debt Service	2,696,167	2,398,356	297,811	12.42%
Capital Projects	1,911,100	520,000	1,391,100	267.52%
Totals	\$ 29,962,047	\$ 28,811,307	\$ 1,150,740	3.99%

**FY 2009
PROPRIETARY FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY 2009	FY 2008	CHANGE	%
Auxiliary	\$ 1,161,538	\$ 1,091,912	\$ 69,626	6.38%
Totals	\$ 1,161,538	\$ 1,091,912	\$ 69,626	6.38%

EXPENDITURES

FUND	FY 2009	FY 2008	CHANGE	%
Auxiliary	\$ 1,301,669	\$ 1,114,166	\$ 187,503	16.83%
Totals	\$ 1,301,669	\$ 1,114,166	\$ 187,503	16.83%

**FY 2009
FIDUCIARY FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY 2009	FY 2008	CHANGE	%
Nonexpendable Trust	\$ 121,300	\$ 167,400	\$ (46,100)	-27.54%
Totals	\$ 121,300	\$ 167,400	\$ (46,100)	-27.54%

EXPENDITURES

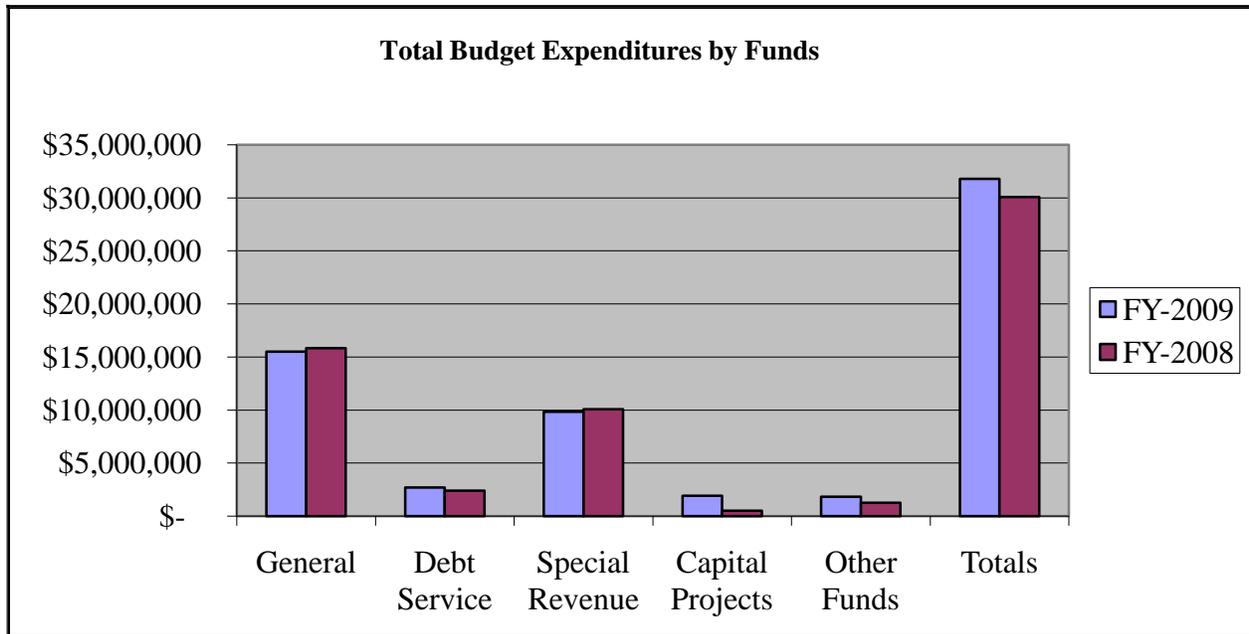
FUND	FY 2009	FY 2008	CHANGE	%
Nonexpendable Trust	\$ 520,300	\$ 145,000	\$ 375,300	258.83%
Totals	\$ 520,300	\$ 145,000	\$ 375,300	258.83%

Financial Summary

Budget Overview

The budget includes total resources of \$30,426,708 and expenditures of \$31,784,016. The General Funds (Education and Operations & Maintenance Funds) include a total budget of \$15,509,564. The Special Revenue Funds (Restricted Purpose, Audit Fund, Liability, Protection and Settlement Fund and Program Quasi-Endowment Fund) have a total expenditures budget of \$9,845,216. The Debt Service Fund (Bond and Interest Fund) budget is \$2,696,167. The Capital Projects Funds (Operations & Maintenance – Restricted Fund and Technology Quasi-Endowment Fund) reflect a budget of \$1,911,100. Other Fund types (Auxiliary and Working Cash) have a total budget of \$1,821,969.

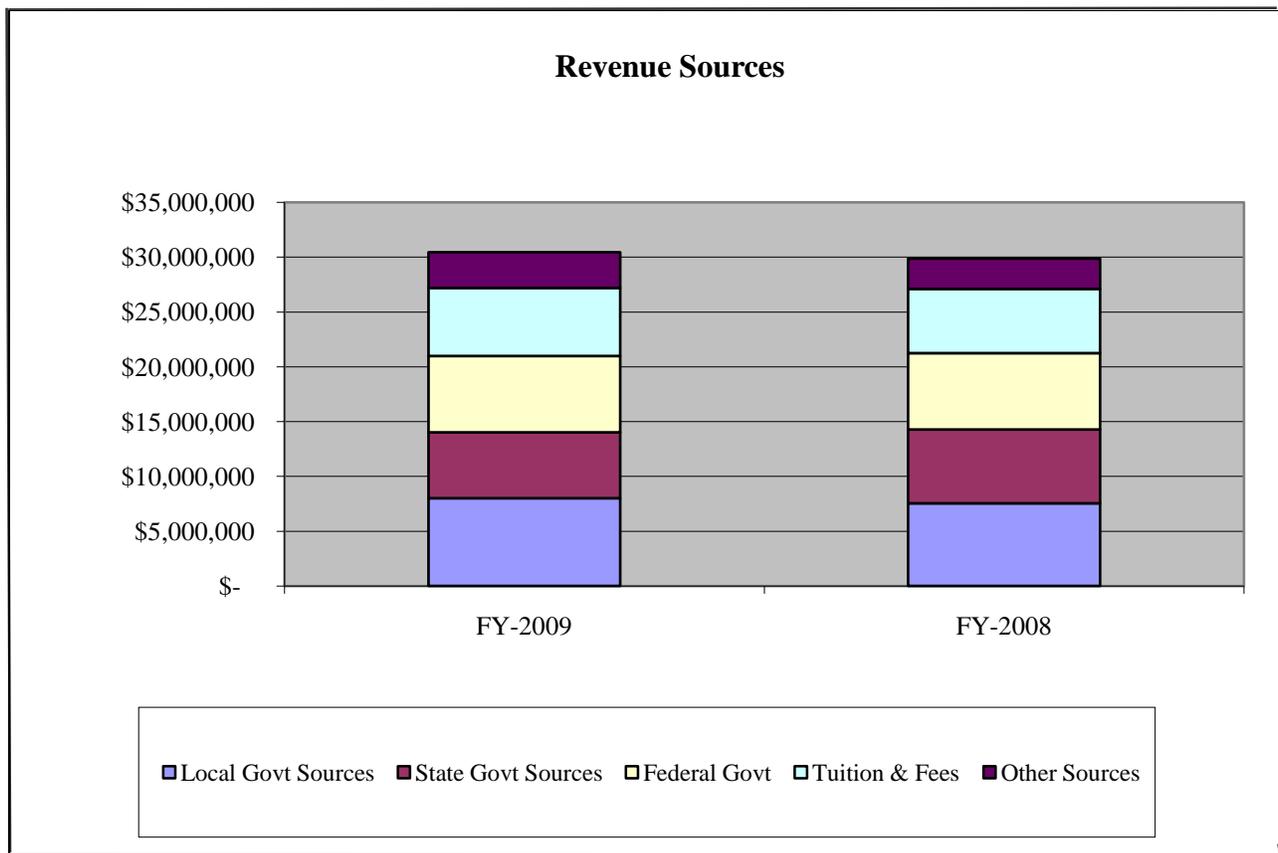
The following chart compares FY 2009 and FY 2008 expenditure budgets:



As shown above, the total expenditure budget increases in comparison with the prior year. 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. Increased expenditures are in capital projects being funded internally through the use of accumulated interest earned on our Working Cash Fund and Technology Quasi-Endowment Fund and principal existing in this fund. Since the state has not provided any capital construction funding for six years, the College is choosing to use internal funds for building renovations/improvements.

Other 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 2012 allows the College to project known salary increases. Fiscal year 2009 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 2008 of \$6,057.36 per full-time employee. Talent grants for students have been budgeted based on prior actual figures as revenue and expense at \$300,000. The refinancing of and paying off of bonds has also increased our expenditures for FY 2009.

Revenue within each fund is classified according to source: Local Sources, State Sources, Federal Sources, Tuition and Fees, and Other Sources (includes Transfers In). The chart below illustrates revenue sources for the FY 2009 Budget. The College relies on three major sources of revenue for operating – Local Government Sources (property taxes), State Government Sources (ICCB grants), and Tuition and fees. Federal Sources reflect grants received and restricted to expenditures for specific purposes. 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. Unfortunately, FY 2008 continued the enrollment decline. The Equalized Assessed Value (EAV) or property tax base has seen a 10% per year annual decline in farmland assessments and Bulletin 810 allowed 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 have refunded long-term debt to take advantage of the lowest interest rate in decades. We have placed significant Working Cash Fund bond proceeds in investments to earn interest available to other funds for cash flow needs. We have implemented a policy whereby all funds short of cash for operations will borrow from the Working Cash Fund. We have 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 \$1,028,650 additional funds to the STEF fund for future Access 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.

Tuition and Fee Revenue

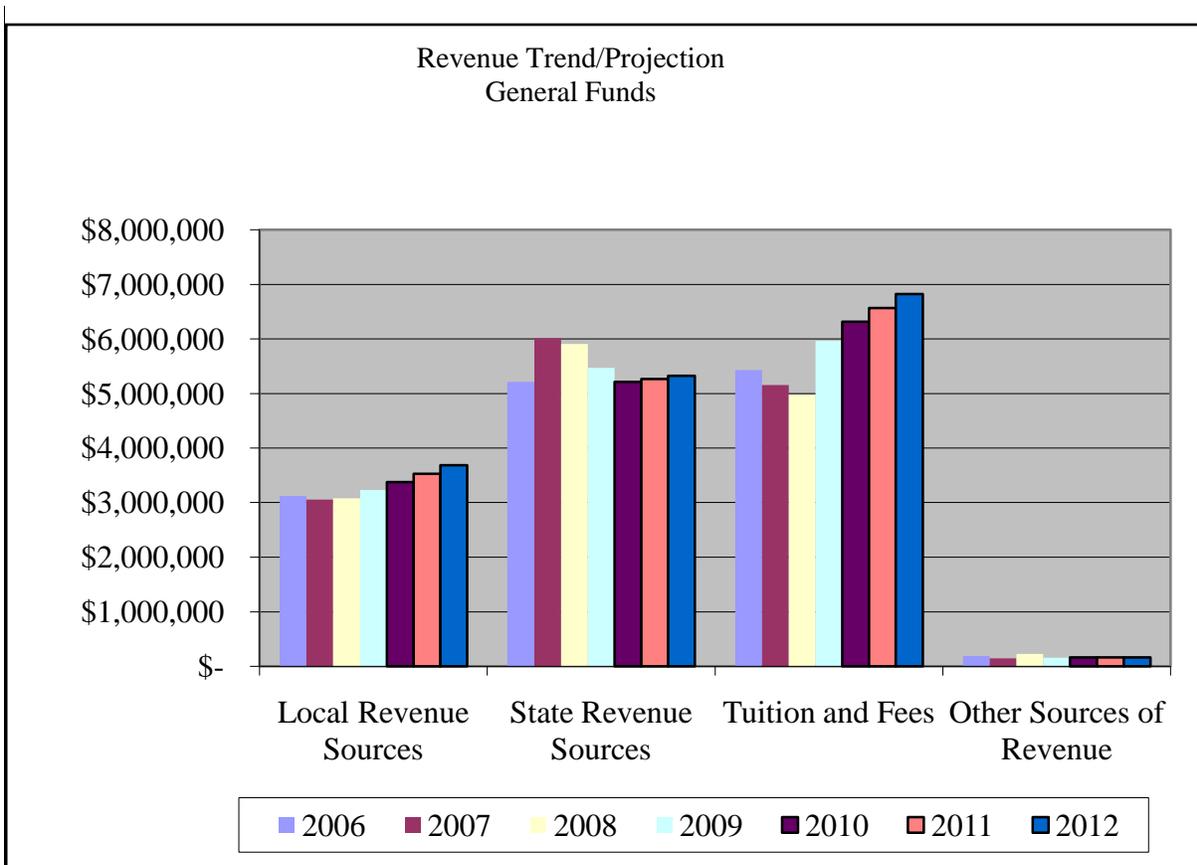
- Revenue projections are based on historical student enrollments and take into consideration the increased credit hours spreading from 2003-2005 due to retraining displaced workers.
- Enrollment management activities are being designed to increase enrollments including recruiting and retention positions.
- Evaluation of programs leading to new and improved areas to meet local workforce demands.
 - 2006 to 2008 reflected a decrease of \$447,502, an average 4% change per year
 - 2008 to 2012 anticipates an increase of \$1,538,150, an average 8% change per year

Local Revenue

- 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.
 - 2006 to 2008 decrease \$38,385, average 1% change per year
 - 2008 to 2012 increase \$602,963, average 5% change per year

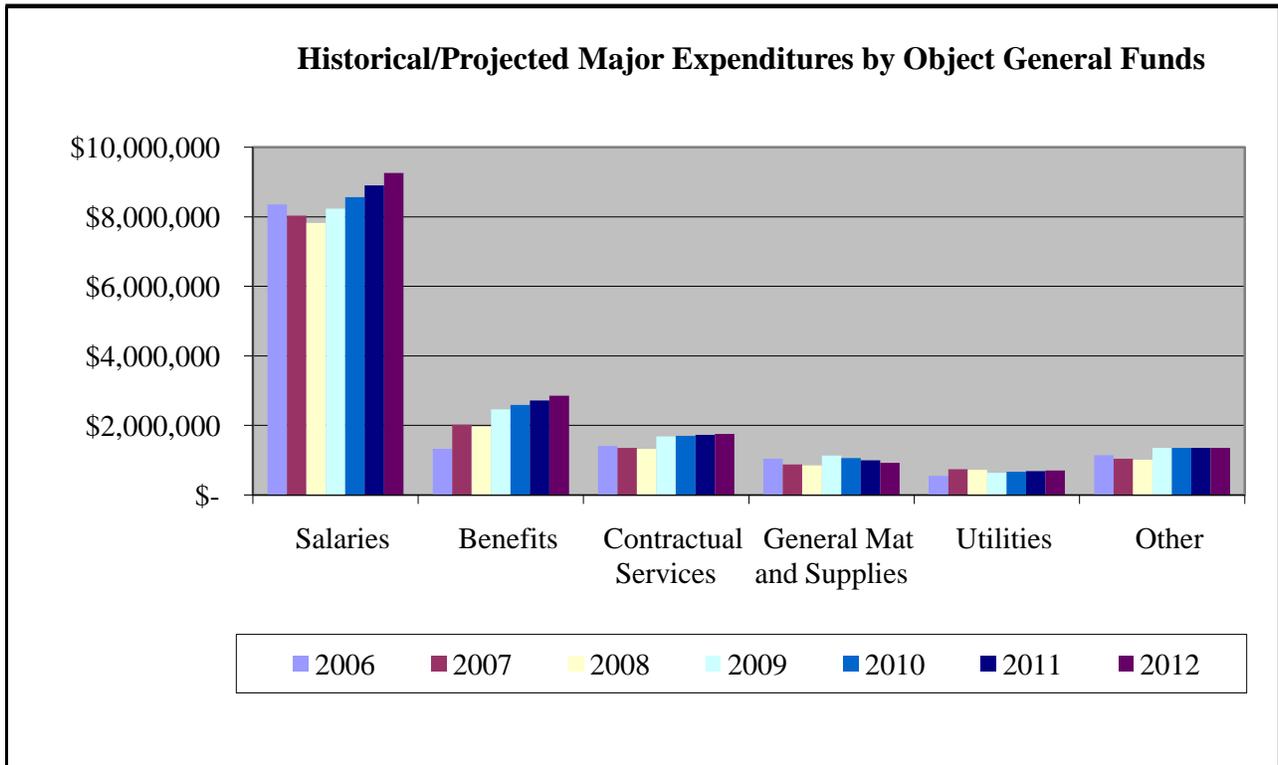
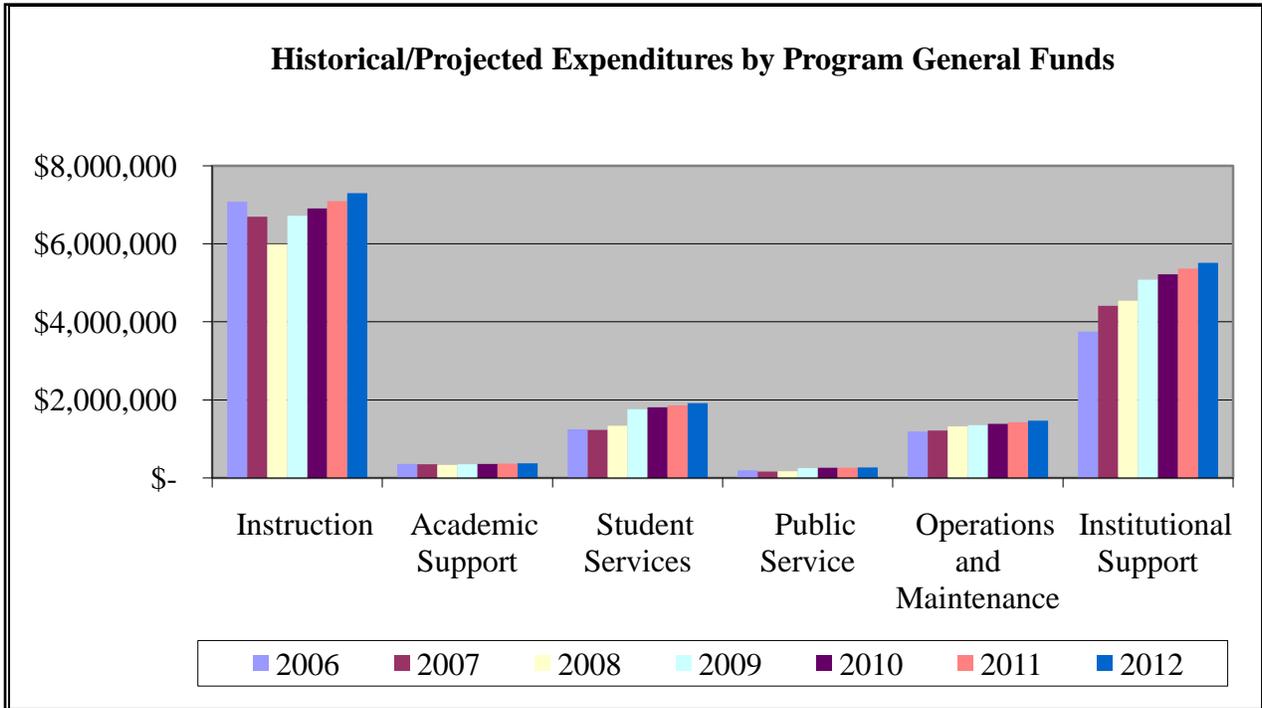
State Revenue

- Other state revenue is projected to decrease and/or flatten over the near future. 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.
 - 2006 to 2008 increase \$691,241, average 7% change per year
 - 2008 to 2012 decrease \$538,670, average 2% change per year



General Funds Expenditures

- Expenditure projections are based on the current collective bargaining agreement. This includes a 4% negotiated increase in salary in 2008-2011 and 3.95% in 2012.
- Supplies and equipment costs will increase 1.5% each year.
- Health insurance premiums will increase 5% each year.
- Student Services area completed renovation in 2008 with other potential areas in subsequent years.
 - Salaries decrease 2006 to 2008 \$530,962, average 3% change per year
 - Salaries increase 2008 to 2012 \$1,562,944, average 5% change per year
 - Benefits increase 2006 to 2008 \$643,621, average 25% change per year
 - Benefits increase 2008 to 2012 \$393,030, average 5% change per year
 - Utilities increase 2006 to 2008 \$167,366, average 15% change per year
 - Utilities increase 2008 to 2012 \$143,795, average 5% change per year



Expenditures shown for the college's General Fund are presented by program area and by object. Expenditure increases have an effective 3% increase annually.

Student Enrollment Trends

We serve a diverse group of students. In the fall of 2007, the College enrolled 2,693 students, with an average age of 30 years. Women represented 64 percent of the student body and 54 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 2009.

Fiscal Year	2004	2005	2006	2007	Estimate 2008	Projected Estimate 2009
Fall College enrollment	3,554	3,575	3,260	2,930	2,693	2,666
Annual Full-time equivalent students	2,392	2,443	2,283	1,581	1,682	1,683
Continuing Education Credit Hours	1,282	1,378	1,400	1,029	1,021	1,020
Total Annual Credit Hours	71,756	73,314	68,500	57,434	50,469	50,476

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 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 40% of our district being comprised of farmland. Bulletin 810 caused concerns due to the potential impact on the district's EAV. 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 2009-2012.

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

EAV supporting our fiscal year:

	2004	2005	2006	2007	2008
	\$1,281,448,552	\$1,287,419,979	\$1,220,959,504	\$1,203,479,281	\$1,225,315,390
% increase / (decrease)	1.8%	.5%	(5.2)%	(1.4)%	1.8%
Levy rate (per \$100 of assessed valuation per levy year):					
	\$ 0.5042	\$ 0.5139	\$ 0.5530	\$ 0.5759	\$ 0.6039
% increase / (decrease)	4.9%	1.9%	7.6%	4.1%	4.9%

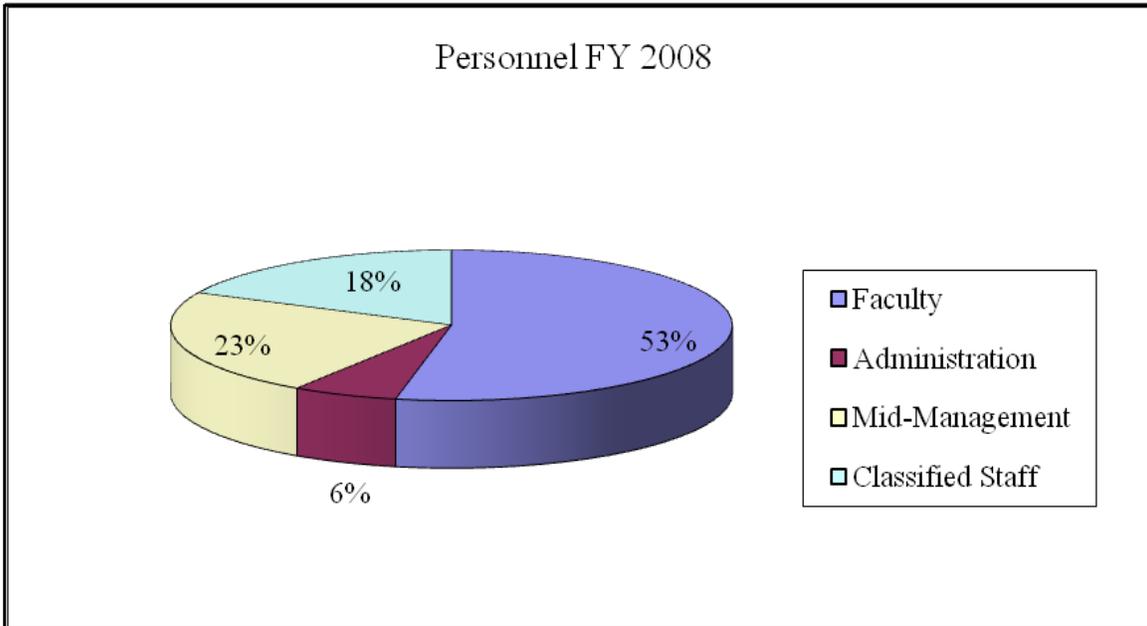
The College was able to enjoy the increase in EAV and levy rate from 2003-2005, but now has had to increase the levy rate and tuition and fees to offset the decline in EAV.

Change in tax extension:

	\$ 407,060	\$ 154,988	\$ 135,855	\$ 178,931	\$ 468,843
% increase / (decrease)	6.7%	2.4%	2.1%	2.7%	6.8%

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 53% 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 includes 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 has 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.

**Carl Sandburg College
Personnel Resource Allocation
Employees 2004-2008**

Fiscal Year	2004	2005	2006	2007	2008
FACULTY					
Full-Time	77	74	72	68	64
Part-Time	155	190	174	149	120
Subtotal	232	264	246	217	184
ADMINISTRATIVE					
Full-Time	26	27	28	21	21
Part-Time	0	0	0	0	0
Subtotal	26	27	28	21	21
MID-MANAGEMENT					
Full-Time	73	89	91	70	69
Part-Time	5	4	6	8	10
Subtotal	78	93	97	78	79
CLASSIFIED STAFF					
Full-Time	61	55	55	60	55
Part-Time	8	2	4	5	7
Subtotal	69	57	59	65	62
GRAND TOTAL	405	441	430	381	346

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 \$35,227,817. The current general obligation debt of the college is \$28,861,030. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$6,366,787. In FY 2008, the College incurred additional bond debt to implement phase IV of the Guaranteed Energy Savings contract to address energy conservation measures and facility improvement measures. During FY 2009, it is anticipated that the college will issue no new debt. FY 2009 indicates an 8.8% decrease in total long-term debt payments. With no new debt issued, the College will see a 7.0% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2008	\$ 1,685,000	\$ 75,661	\$ 257,996	\$ 2,018,657	\$ 1,142,111	\$ 3,160,768
2009	1,485,000	63,886	127,073	1,675,959	1,207,190	2,883,149
2010	1,705,000	34,851		1,739,851	1,103,410	2,843,261
2011	1,615,000	6,563		1,621,563	1,024,249	2,645,812
2012	1,890,000			1,890,000	937,316	2,827,316
2013-2017	12,120,000			12,120,000	3,129,416	15,249,416
2018-2020	7,795,000			7,795,000	566,205	8,361,205
Total	\$28,295,000	\$ 180,961	\$ 385,069	\$ 28,861,030	\$ 9,109,897	\$ 37,970,927

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 33%. Results include:

- Number continuing education – 17%
- Number employed – 92%
- Number employed/career related – 72%
- Number employed/career related/in-district – 43%
- 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 regarding all aspects of the College were:

1. General registration procedures
2. Academic calendar
3. Availability of the courses you want at times you can take them

Areas toward the bottom included;

1. Opportunities for student employment
2. Student government
3. Opportunities for personal involvement in college activities

All aspects were rated on a scale of 1 – 5, 1 being very dissatisfied and 5 being very satisfied. The top areas average a 3.94 with the bottom areas averaging 3.52. 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)	2004	2005	2006	2007
CSC	\$ 181.17	\$ 193.23	\$ 202.88	\$ 209.75
IL Community Colleges	\$ 186.63	\$ 198.39	\$ 208.43	\$ 216.34
Average Cost per FTE Student				
CSC	\$ 5,435.00	\$ 5,797.00	\$ 6,086.00	\$ 6,292.00
IL Community Colleges	\$ 5,599.00	\$ 5,951.00	\$ 6,253.00	\$ 6,490.00
Degrees & Certificates Awarded				
Total #	450	443	561	475

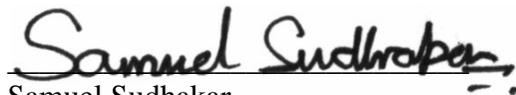
Carl Sandburg College transfer students have achieved consistent academic performance at their transfer colleges and universities.

The College has partnered with an enrollment management consultant as we update and build upon our institutional marketing plan for FY 2009 and beyond. The College anticipates increasing full-time program enrollment. 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,



Samuel Sudhakar

Vice President of Administrative Services, CIO



Lisa Blake

Chief Financial Officer, Treasurer

**CARL SANDBURG COLLEGE
FY-2009
BUDGET DEVELOPMENT CALENDAR**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/24/08*	Approve Budget Development Calendar	BOT
1/30/08	Finalize Budget parameters	President
1/30/08	Distribute electronic spreadsheet forms to prepare credit hour projections	CFO
2/4/08	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/11/08	Distribute Electronic Budget Packets to Budget Managers	CFO
2/11/08	Credit hour projections due to the VP of Academic Services	Instructional Team
2/26/08	Review credit hour projections with Instructional Team	VP of Academic Services & Instructional Team
2/7/08-3/7/08	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 Officers & Budget Managers
3/7/08	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed.)	Budget Managers
3/10/08 – 4/4/08	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/7/08 -5/9/08	Tentative Budget reviewed by Cabinet and CFO	Cabinet Officers & CFO
5/22/08*	Tentative Budget distributed to and adopted by BOT	BOT
5/23/08	Publish Notice of Public Hearing on the Tentative Budget and Public Inspection	CFO
5/23/08	Budget available for public inspection	CFO
5/23/08 – 6/6/08	Necessary revisions to Budget completed	Cabinet Officers & CFO
6/26/08*	6:30 p.m. – Public Hearing	BOT
6/26/08*	Adopt Final Budget	BOT
6/27/08	Submit Final Budget to ICCB, staff, and county clerks	CFO

*Board of Trustees Scheduled Meeting

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting - May 22, 2008

Item 11 Adoption of Tentative 2009 Budget

Focal Points and Goals

A-1, B-4, C-1, E-1

Background

The tentative FY-2009 budget is proposed for Board adoption at the May 22, 2008, 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 26, 2008, at the A. Lewis Long Conference Room, Galesburg, Illinois.

To allow maximum time for its development, we will deliver the tentative FY-2009 budget booklet to the Board at your meeting scheduled for May 22, 2008.

Recommended Action

The Administration recommends the Board of Trustees authorize the adoption of the FY-2009 Tentative Budget.

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting – June 26, 2008

Item 8 FY – 2009 Final Budget

Focal Points and Goals

A-1, B-1 & 2, C-1, D-1, E-1, F-3

Background

The Tentative FY-2009 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 resolution for adoption for the FY-2009 Budget for Carl Sandburg College.

**Illinois Community College District No. 518
FY 2009
Principal Officials as of July 1, 2008**

Board of Trustees

Name	Position	Term Expires
Mr. John T. Huston	Chairperson	2011
Reverend Jon A. Sibley, Sr.	Vice Chairperson	2013
Mr. Michael T. Bavery	Secretary	2013
Mr. Jack P. Ball	Trustee	2011
Mr. Thomas H. Colclasure	Trustee	2009
Dr. D. Wayne Green	Trustee	2009
Mr. William C. Robinson	Trustee	2011
Ms. Brittany O. Manser	Student Trustee	
Ms. Barbara Kirchgessner	Faculty Representative	
Ms. Laura Shay	Staff Representative	

Officers of the College

Mr. Thomas A. Schmidt	President
Dr. Lori Sundberg	Vice President of Academic Services
Mr. Steven Norton	Vice President of Student Services
Mr. Samuel Sudhakar	Vice President of Administrative Services and CIO

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. 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. 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
Ms. Lauri Wiechmann	Dean of Allied Health

Official Issuing Report

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

Finance Office

Association of School Business Officials International



This Meritorious Budget Award is presented to

Carl Sandburg College District 518

for excellence in the preparation and issuance
of its school system budget
for the Fiscal Year 2007-2008.

The budget is judged to conform
to the principles and standards of the
ASBO International Meritorious Budget Awards Program.

Jerry Brendel
President

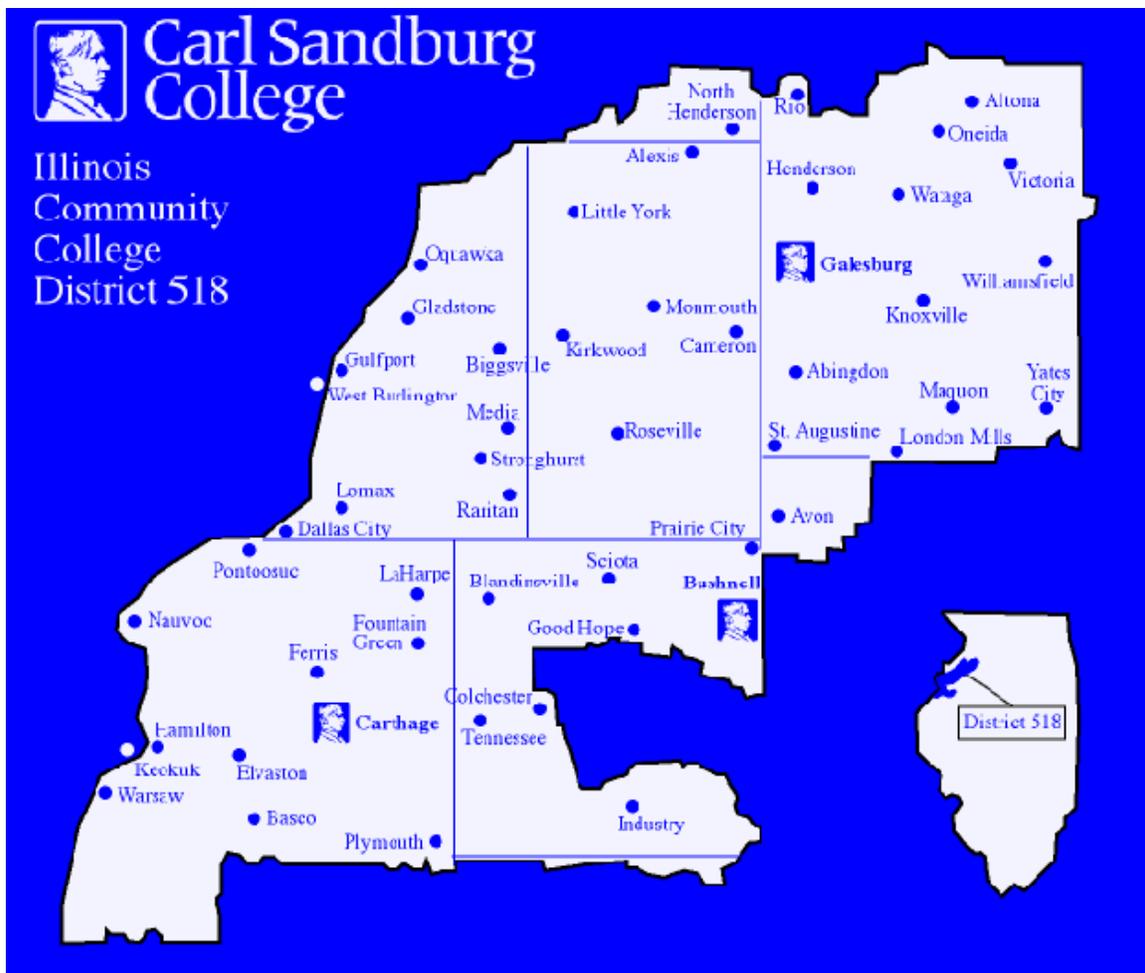
John D. Musso
Executive Director

II. Organizational Section

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. Per our fall 2007, tenth day enrollment report submitted to the Illinois Community College Board (ICCB), the CSC total enrollment was 2,693 students, with an average age of 30 years. Women represented 64 percent of the student body and 54 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 (Application Programming Option)
Computer Information Systems Specialist (System Support Option)
Computer Networking Specialist
Criminal Justice
Dental Hygiene
Electrical Control Technology (formerly Industrial Electricity)
Graphic Design Professional
Industrial Technologies (Machine Drafting & Design Option) *
Industrial Technologies (Manufacturing Processes Option) *
Industrial Welding Technology
Marketing/Mid-Management
Mortuary Science
Nursing Program
Organizational Management and Supervision
Radiologic Technology
Registered Respiratory Therapy
Renewable Energy Technology
Surgical Technology

**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
Automotive Customizing, Street Rod/Street Machine
Basic Automotive Body Repair
Computer Aided Drafting/Design
Cosmetology
Cosmetology Teacher
Criminal Justice
Emergency Medical Technician
Engine Performance
Graphic Design Specialist
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
Practical Nursing
Small Business Management
Therapeutic Massage
Welding

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 and the Operations and Maintenance 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, the Liability, Protection, and Settlement Fund, and the Program Quasi-Endowment "SILO" 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 submitted to the appropriate Vice-President and 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 53 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 or 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.

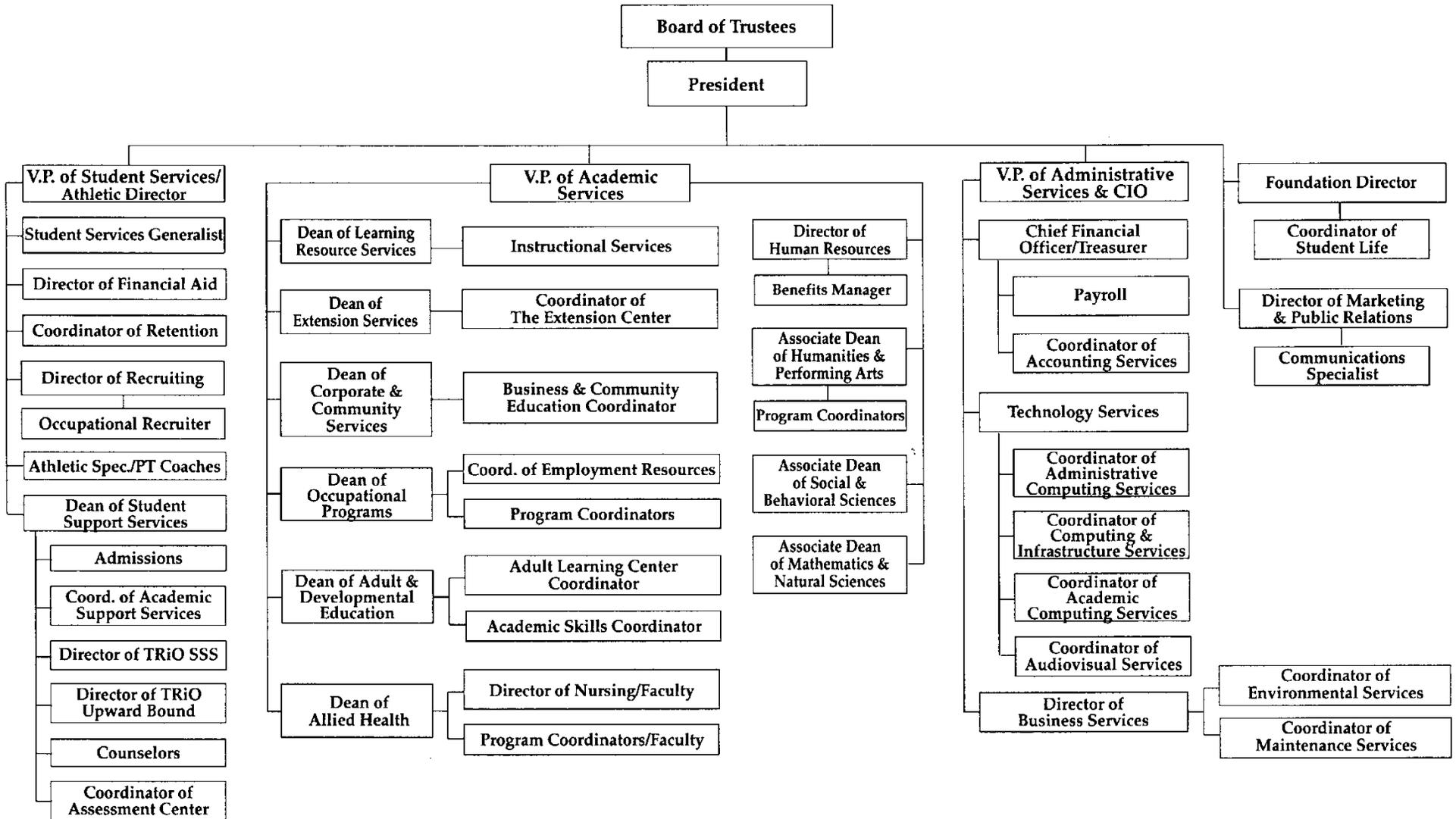
- The College follows a request for proposal process. This allows all interested parties to bid. Typically ads are run within and out of our immediate district area.
- The request is also posted on our website under the business services section. A pre-bid meeting is scheduled to allow for any questions 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.

CARL SANDBURG COLLEGE ORGANIZATIONAL CHART



Organizational Reporting by Budget Responsibility

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

This table provides a description of the budgeted amounts for fiscal year 2009 by the budget manager, by fund type, 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 to empower those directly involved on a day-to-day basis.

Carl Sandburg College
Organizational Chart by Budget Responsibility
FY 2009

Administration

	General Funds	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Auxiliary Fund	Working Cash Fund	TOTAL
PRESIDENT	\$ 392,994						\$ 392,994
Director of CSC Foundation	425,035				12,120		437,155
Director of Marketing & Public Relations	401,968						401,968
Subtotal	\$ 1,219,997	\$ -	\$ -	\$ -	\$ 12,120	\$ -	\$ 1,232,117
Vice President of Student Services	\$ 524,234	\$ 15,736			\$ 451,205		\$ 991,175
Director of Financial Aid	149,132						149,132
Director of Recruiting	83,610						83,610
Dean Student Support Services	628,406	157,437			11,143		796,986
Subtotal	\$ 1,385,382	\$ 73,173	\$ -	\$ -	\$ 462,348	\$ -	\$ 2,020,903
Vice President of Academic Services	\$ 1,274,493	\$ 293,004			\$ 2,000		\$ 1,569,497
Dean of Learning Resource Services	322,846						322,846
Dean of Extension Services	586,967	364,560			7,401		958,928
Dean of Corporate & Community Services	382,604	64,765			2,200		449,569
Dean of Occupational Programs	1,332,268	32,764			462,004		1,827,036
Dean of Adult & Developmental Education	333,810	277,289					611,099
Dean of Allied Health	1,448,216				68,227		1,516,443
Director of Human Resources	1,765,135	34,498			600		1,800,233
Asst. Dean of Humanities & Performing Arts	608,564				16,134		624,698
Asst. Dean of Social & Behavioral Sciences	447,878						447,878
Asst. Dean of Mathematics & Natural Sciences	550,756				2,112		552,868
Subtotal	\$ 9,053,537	\$ 1,066,880	\$ -	\$ -	\$ 560,678	\$ -	\$ 10,681,095
Vice President of Administrative Services & CIO	\$ 878,062	\$ 108,097	\$ -	\$ 77,800	\$ 99,656		\$ 1,163,615
Chief Financial Officer	1,187,028	6,741,928	2,696,167	905,050	40,000	520,300	12,090,473
Director of Business Services	1,785,558	1,755,138		928,250	126,867		4,595,813
Subtotal	\$ 3,850,648	\$ 8,605,163	\$ 2,696,167	\$ 1,911,100	\$ 266,523	\$ 520,300	\$ 17,849,901
TOTALS	\$15,509,564	\$ 9,845,216	\$ 2,696,167	\$ 1,911,100	\$ 1,301,669	\$ 520,300	\$ 31,784,016

The Mission of Carl Sandburg College

“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

The following belief statements and strategies were developed to guide our institutional decisions in addition to 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.

I. Beliefs

- A. We believe that everyone should have equal access to education.
- B. We believe in financial stability and responsibility.
- C. We believe in providing a quality educational experience through faculty, staff, curricula, and physical resources.
- D. We believe the educational experience is enriched through diversity in its people, curricula, and environment.
- E. We believe in the value of partnerships.
- F. We believe that learning to learn never ends.
- G. We believe that community colleges are vital to economic and workforce development.
- H. We believe in assessment and accountability.
- I. We believe Carl Sandburg College must have a commitment to every stakeholder in the district.
- J. We believe where you live should not determine the quality of the education you can access.
- K. We believe in taking ownership of our future.

- L. We believe in a safe and secure environment.
- M. We believe in student centered decision making.
- N. We believe in the use of up-to-date technology.
- O. We believe that co-curricular and extra-curricular activities are an integral part of the education experience.
- P. We believe in the value of shared governance.

II. **Strategies**

- A. We will ensure long-term financial stability and accountability.
- B. We will implement an effective enrollment management program (housing).
- C. We will enhance communications internally.
- D. We will enhance communications externally.
- E. We will develop and maintain partnerships with all elected officials and hold them accountable.
- F. We will ensure vibrant curricula.
- G. We will ensure an effective delivery of services throughout the entire district.

III. **Focal Points and Goals**

A. Learning

1. Promote and support student learning at the classroom, program, and school levels.
2. Provide and maintain resources, which enable and enhance student retention and learning.
3. Promote and support local research on the learning process

B. Caring Environment

1. Shape an environment that recognizes the need for diversity.
2. Create opportunities for all within the College community to interact with understanding, tolerance, and respect for others.

3. Promote sensitivity to individual needs and aspirations of those throughout the College community.
4. Promote organizational development as a long-range effort to improve the College's problem-solving and renewal process.

C. Technology

1. Establish and maintain effective technology in academic programs and support functions.
2. Upgrade employee skills in use of technology.

D. Cooperative Alliances

1. Develop programs in cooperation with neighboring institutions.
2. Maintain and expand alliances within and beyond the College district.
3. Support economic development activities.

E. Stability

1. Establish/maintain an operating fund balance equal to 5-6 percent of the previous year's adopted budget.
2. Develop institutional shape/make-up that best addresses long-range fiscal concerns.
3. Maintain the College comprehensive Risk Management Program.
4. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
5. Promote operating efficiencies to accommodate growth.
6. Promote the development of human resources.
7. Promote and develop information management systems that facilitate decision-making.

F. Assessment

1. Promote and support local research on the assessment process.
2. Promote student assessment at the course, program, and school levels.
3. Promote assessment as an institutional way of life.

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 to the appropriate Vice-President. 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-2009
BUDGET DEVELOPMENT CALENDAR**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/24/08*	Approve Budget Development Calendar	BOT
1/30/08	Finalize Budget parameters	President
1/30/08	Distribute electronic spreadsheet forms to prepare credit hour projections	CFO
2/4/08	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/11/08	Distribute Electronic Budget Packets to Budget Managers	CFO
2/11/08	Credit hour projections due to the VP of Academic Services	Instructional Team
2/26/08	Review credit hour projections with Instructional Team	VP of Academic Services & Instructional Team
2/7/08-3/7/08	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 Officers & Budget Managers
3/7/08	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed.)	Budget Managers
3/10/08 – 4/4/08	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/7/08 -5/9/08	Tentative Budget reviewed by Cabinet and CFO	Cabinet Officers & CFO
5/22/08*	Tentative Budget distributed to and adopted by BOT	BOT
5/23/08	Publish Notice of Public Hearing on the Tentative Budget and Public Inspection	CFO
5/23/08	Budget available for public inspection	CFO
5/23/08 – 6/6/08	Necessary revisions to Budget completed	Cabinet Officers & CFO
6/26/08*	6:30 p.m. – Public Hearing	BOT
6/26/08*	Adopt Final Budget	BOT
6/27/08	Submit Final Budget to ICCB, staff, and county clerks	CFO

***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 the Shipping and Receiving Dept. to match with the merchandise and ensure it is delivered 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

III. Financial Section

The College budget is primarily a communications document, presenting the College's financial plans to the residents of the District in a reasonably compact but informative format. The budget represents our efforts to control expenditures while still maintaining the quality of education, technological foresight, and responsiveness to community educational needs. The following chart summarizes the effect of the FY 2009 budgeted revenues, expenditures and transfers on the fund balance of each fund. Additional information is included in the breakdown by fund type and individual funds.

	General Funds	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Governmental Funds
Beginning Fund Balance*	\$ 1,652,144	\$ 4,232,063	\$ 161,415	\$ 5,788,317	\$ 11,833,939
Budgeted Revenues	14,824,314	9,620,434	2,712,522	629,500	27,786,770
Budgeted Transfers from Other Funds	685,250	-	-	671,850	1,357,100
Budgeted Expenditures	(15,509,564)	(9,845,216)	(2,696,167)	(1,007,300)	(29,058,247)
Budgeted Transfers to Other Funds	-	-	-	(903,800)	(903,800)
Ending Fund Balance	\$ 1,652,144	\$ 4,007,281	\$ 177,770	\$ 5,178,567	\$ 11,015,762

	Proprietary Fund	Total Proprietary Fund
Beginning Fund Balance*	\$ 1,814	\$ 1,814
Budgeted Revenues	1,044,538	1,044,538
Budgeted Transfers from Other Funds	117,000	117,000
Budgeted Expenditures	(1,251,669)	(1,251,669)
Budgeted Transfers to Other Funds	(50,000)	(50,000)
Ending Fund Balance	\$ (138,317)	\$ (138,317)

	Fiduciary Fund	Total Fiduciary Fund
Beginning Fund Balance*	\$ 4,244,889	\$ 4,244,889
Budgeted Revenues	121,300	121,300
Budgeted Transfers from Other Funds	-	-
Budgeted Expenditures	-	-
Budgeted Transfers to Other Funds	(520,300)	(520,300)
Ending Fund Balance	\$ 3,845,889	\$ 3,845,889

*These represent the actual Fund Balances for Fiscal Year 2007 adjusted for expected operating results for Fiscal Year 2008.

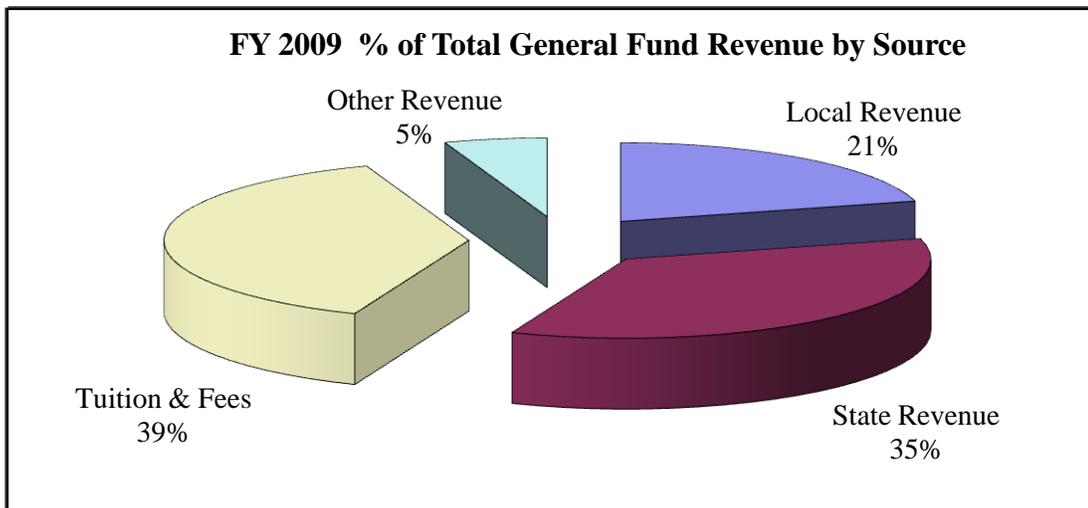
General Fund Revenue Budget

The General Fund consists of two individual “sub-funds” – the Education Fund and the Operations & Maintenance 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 2009 total revenue budget of \$15,509,564 represents an increase of 1.2%, or \$179,621 from the FY 2008 budget.

- The local revenue increases due to an increase in the rate applied for property taxes as well as an increase of projected EAV over the projection we used in the FY 2008 budget. We have also experienced an increase in the amount of CPPRT received.
- State revenue reflects a decrease due to decreased credit hour production after displaced workers have completed their education and reentered the workforce.
- The College has established a tuition rate inclusive of fees. This increased rate for FY 2009 will also be guaranteed for three years for students enrolling full-time during successive terms.
- Fiscal year 2009 reflects an increase in other revenue (thru a transfer) to establish an Enrollment Management Partner/Consultant. This partnership will update and build upon the college’s Institutional Marketing Plan.

General Funds	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 3,230,758	\$ 3,142,191	\$ 88,567	2.82%
State Revenue	5,468,034	6,084,178	(616,144)	-0.13%
Tuition & Fees	5,965,422	5,631,484	333,938	5.93%
Other Revenue	845,350	472,090	373,260	79.07%
Total	\$15,509,564	\$15,329,943	\$ 179,621	1.17%



General Fund Expenditure Budget

Budgeted expenditures for the General Fund for FY 2009 are \$15,509,564. Expenditure information is presented 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.

- Instruction decreases from personnel retirements and adjustments to correlate with decreased credit hour production.
- Student Services shows an increase due to the budgeted establishment of an Enrollment Management Partner/Consultant. This partnership will update and build upon the college's Institutional Marketing Plan.
- A Supplemental Retirement Plan offered from late January 2008 thru early March 2008 with employment termination to be effective June 30, 2008. This voluntary plan has financial and operational impacts to the college budget for FY 2009.
- Institutional support in FY 2008 reflected the establishment of the "SILO" Fund through transfers from the general funds and accumulated interest in the working cash fund.

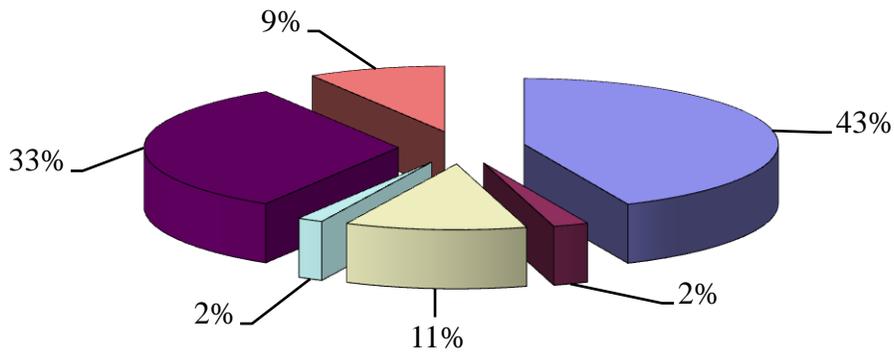
General Funds

Expense by

Function

	FY 2009 Budget	FY 2008 Budget	Change	%
Instruction	\$ 6,718,337	\$ 7,084,525	\$(366,188)	-5.17%
Academic Support	347,801	333,863	13,938	4.17%
Student Services	1,789,263	1,462,224	327,039	22.37%
Public Service	250,729	256,243	(5,514)	-2.15%
Institutional Support	5,050,410	5,343,953	(293,543)	-5.49%
Operations & Maintenance	1,353,024	1,349,135	3,889	0.29%
Total	\$ 15,509,564	\$15,829,943	\$(320,379)	-2.02%

FY 2009 % of Total General Fund Expenditures By Function

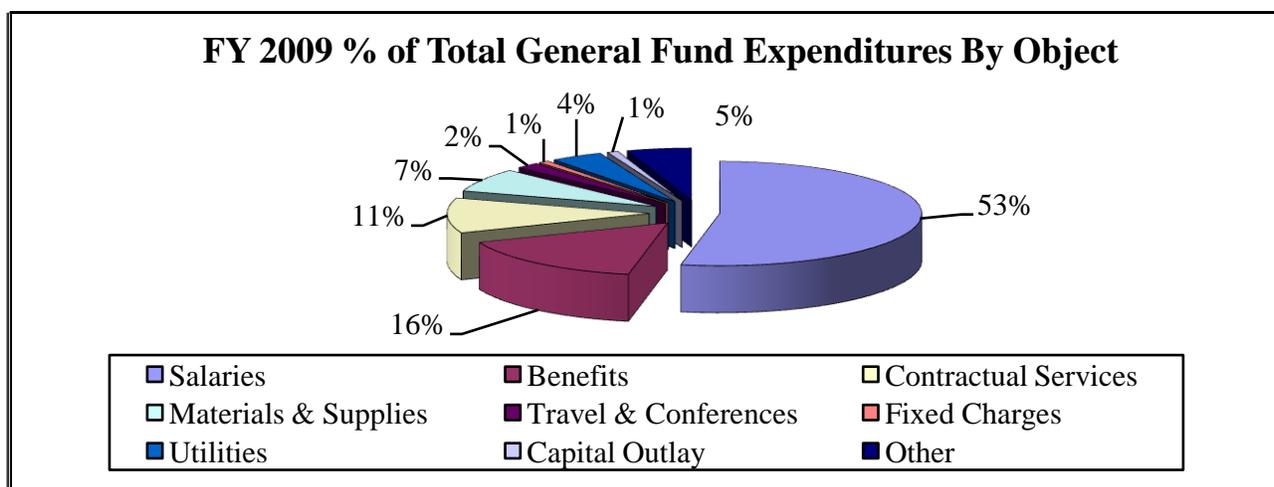


Instruction represents 43% of the General Fund budget. This proportion is consistent with the state average of 44%. The second largest category, Institutional Support, represents 33% of the budget compared to 22% for the statewide average. (Source: ICCB FY 2007 Audited Operating Expenditures by Function Table in the Data & Characteristics Report).

Expenditures by object are shown below.

- A Supplemental Retirement Plan offered from late January 2008 thru early March 2008 with employment termination to be effective June 30, 2008. This voluntary plan has financial and operational impacts to the college budget for FY 2009.
- Salaries decrease from personnel retirements and adjustments to correlate with decreased credit hour production.
- General materials and supplies increase due to additional Allied Health programs offered and technology maintenance.
- Contractual services shows an increase due to the budgeted establishment of an Enrollment Management Partner/Consultant. This partnership will update and build upon the college’s Institutional Marketing Plan.
- Other expenses included \$500,000 to establish a “SILO Fund” in FY 2008.

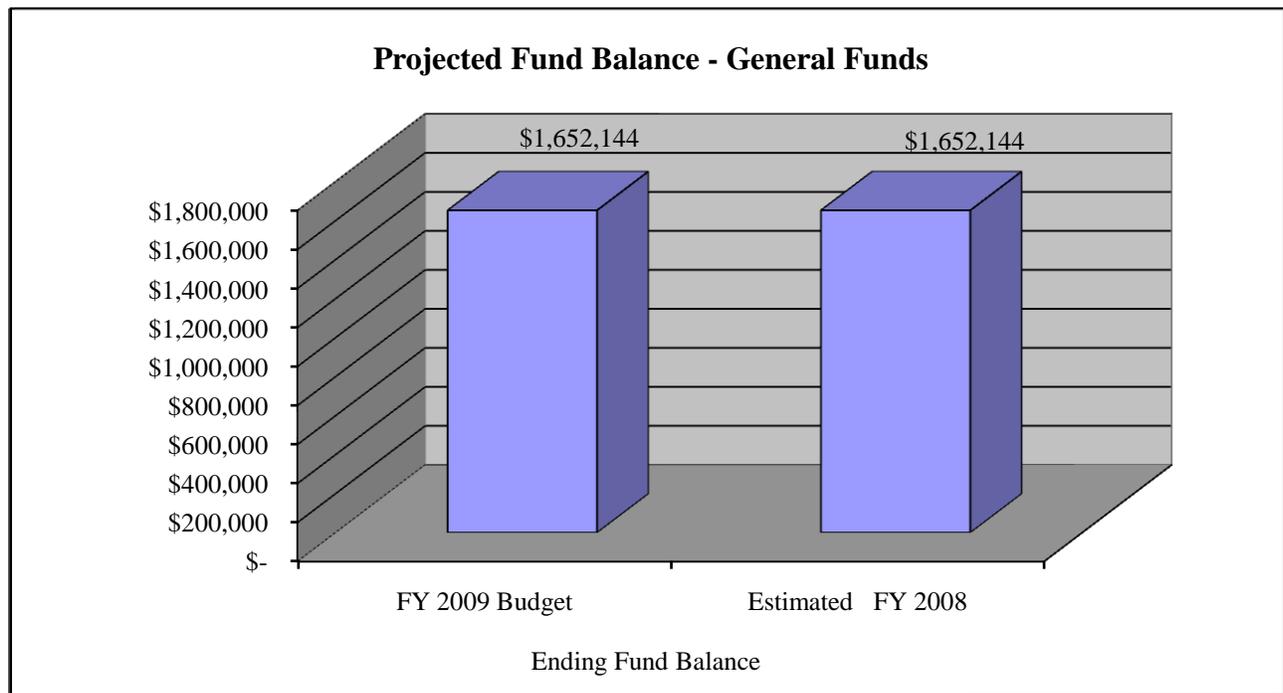
General Funds Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Salaries	\$ 8,232,413	\$8,604,310	\$(371,897)	-4.32%
Benefits	2,462,406	2,408,786	53,620	2.23%
Contractual Services	1,679,487	1,387,512	291,975	21.04%
Materials & Supplies	1,135,073	1,015,891	119,182	11.73%
Travel & Conferences	288,974	268,281	20,693	7.71%
Fixed Charges	128,568	125,758	2,810	2.23%
Utilities	644,257	644,257	-	0.00%
Capital Outlay	136,705	140,777	(4,072)	-2.89%
Other	801,681	1,234,371	(432,690)	-35.05%
Total	\$15,509,564	\$15,829,943	\$(320,379)	-2.02%



Salaries and benefits represent 69% of the General Funds budget, compared with a statewide average of 75% (Source: FY 2007 ICCB Audited Operating Expenditures by Object Table in the Data & Characteristics Report).

**Carl Sandburg College
General Funds-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 14,824,314	\$ 14,191,951	\$ 632,363	4.46%
Expenditures	15,509,564	13,703,604	1,805,960	13.18%
Revenues Over (Under) Expenditures	\$ (685,250)	\$ 488,347	\$ (1,173,597)	-240.32%
Transfers	685,250	(460,000)	1,145,250	-248.97%
Change in fund balance	\$ -	\$ 28,347	\$ (28,347)	-100.00%
Fund equity (deficit) beginning of year	1,652,144	1,623,797	28,347	1.75%
Fund equity (deficit) end of year	\$ 1,652,144	\$ 1,652,144	\$ -	0.00%



Education Fund

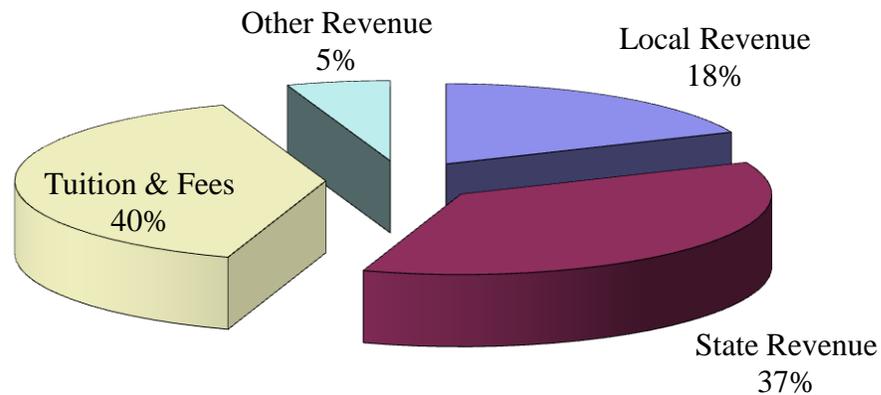
One “sub-fund” of the General Funds is the Education Fund. The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the College. It includes the cost of instructional, administrative and professional salaries, supplies and movable equipment, library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

As shown 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 2009 revenue budget of \$14,012,913 represents a 1.13% increase or \$156,402 from the FY 2008 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 FY 2008 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 92.5-7.5 basis, (92.5% to the Education Fund and 7.5% to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 92.5-7.5. 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 (92.5%) and the Operations and Maintenance Fund (7.5%). FY 2008 was allocated 92-8.
- State revenue reflects a decrease due to decreased credit hour production after displaced workers have completed their education and reentered the workforce.
- The College has established a tuition rate inclusive of fees. This increased rate for FY 2009 will also be guaranteed for three years for students enrolling full-time during successive terms.
- Fiscal year 2009 reflects an increase in other revenue (thru a transfer) to establish an Enrollment Management Partner/Consultant. This partnership will update and build upon the college’s Institutional Marketing Plan.

Education Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 2,593,594	\$ 2,519,495	\$ 74,099	2.94%
State Revenue	5,123,932	5,701,940	(578,008)	-10.14%
Tuition & Fees	5,541,513	5,253,062	288,451	5.49%
Other Revenue	753,874	382,014	371,860	97.34%
Total	\$ 14,012,913	\$ 13,856,511	\$ 156,402	1.13%

FY 2009 % of Education Fund Revenue by Source



Student Tuition and Fees revenue constitutes the largest source of revenue in FY 2009. Tuition and Fees revenue makes up 40% of the total Education Fund revenues at \$288,451 more than last year. The College has established a tuition rate inclusive of fees for FY 2009. This increased rate for FY 2009 will also be guaranteed for three years for students enrolling full-time during successive terms. Tuition revenues are based on projected credit hours, which are forecasted to decrease 3.0% from FY 2008 actuals.

State Revenue is the second highest source of revenue at 37% of total revenue. State sources of funding include the ICCB Grants, CTE Formula Grant, and Corporate Personal Property Replacement Taxes. The ICCB grants are projected to decrease from FY 2008 to FY 2009. State revenue reflects a decrease due to decreased credit hour production after displaced workers have completed their education and reentered the workforce. Replacement Tax funding is anticipated to be flat. 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.

Local sources of revenue include Property Taxes and Chargebacks. The equalized assessed valuation (EAV) for the district supporting FY 2009 is approximately \$1,274,328,006; this is a 4% increase compared to FY 2008. FY 2009 budgeted property tax revenue for the Education Fund is \$2,571,594, an increase of \$43,768 primarily resulting from a small increase in the EAV and a small decrease in the tax rate. The tax rate decreased from 20.63 cents per \$100 of EAV to 20.18 cents. Chargeback revenue is received from other community college districts for out-of-district tuition.

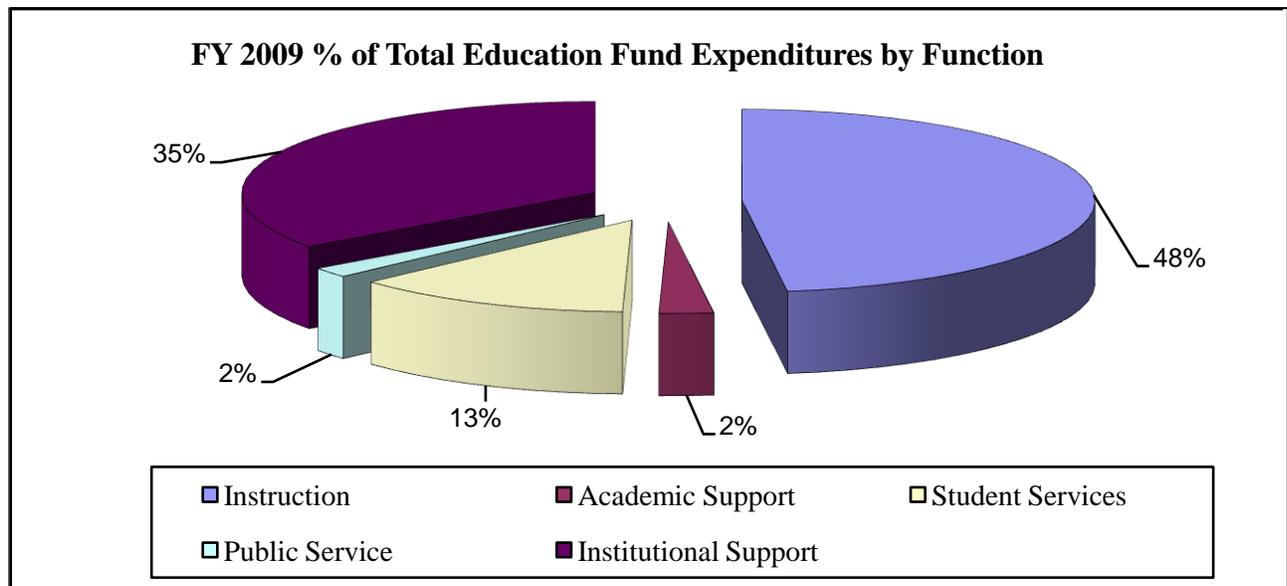
Other sources of revenue include interest income, transfers in and other minor sources of revenue. Investments are managed according to the Board Investment Policy, with funds being invested in short-term, fully collateralized instruments as well as long-term less liquid investments not to exceed ten years to maturity. A decrease in the market's interest rates is reflected. Also included are the transfers in of \$645,250 which represents funding from Working Cash accumulated interest and STEF accumulated interest and principal. (Additional detail on page 108, Capital Project spreadsheet)

For FY 2009, budgeted expenditures for the Education Fund are \$14,012,913 which represents a decrease of \$243,599, (1.71%) from the FY 2008 budget of \$14,256,512.

The emphasis for the FY 2009 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 2009 Budget consists of the following:

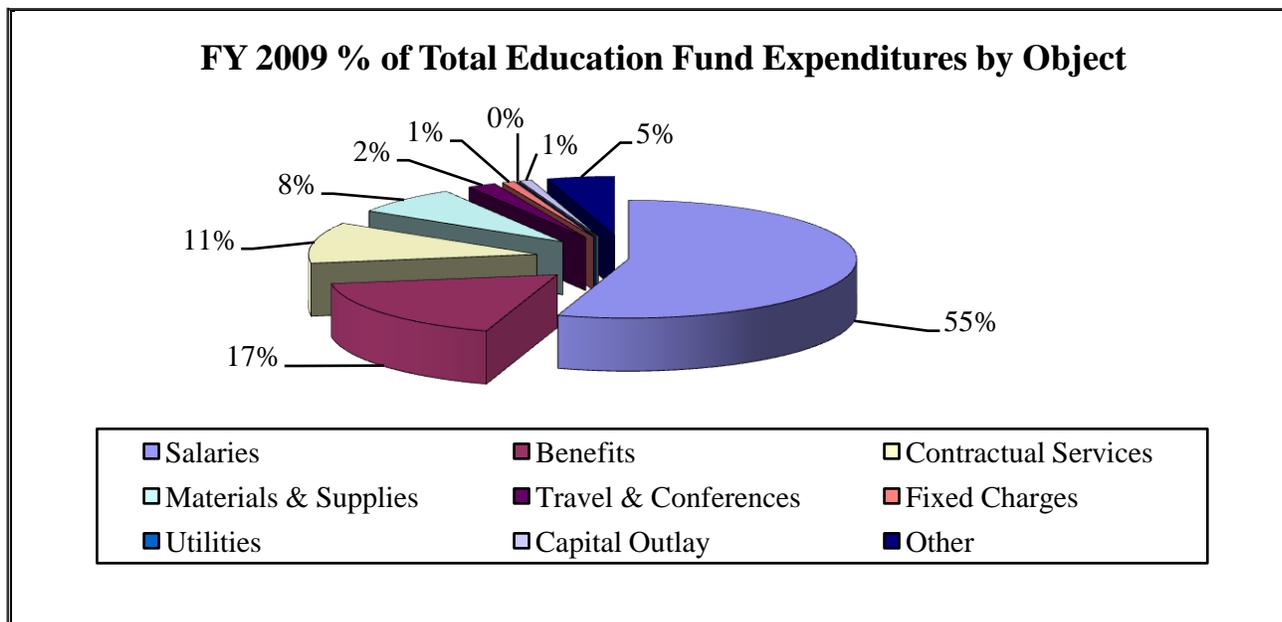
Education Fund Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Instruction	\$ 6,718,337	\$ 7,084,525	\$ (366,188)	-5.17%
Academic Support	347,801	333,863	13,938	4.17%
Student Services	1,789,263	1,462,224	327,039	22.37%
Public Service	250,729	256,243	(5,514)	-2.15%
Institutional Support	4,906,783	5,119,657	(212,874)	-4.16%
Total	\$ 14,012,913	\$14,256,512	\$ (243,599)	-1.71%



- Instruction decreases from personnel retirements and adjustments to correlate with decreased credit hour production.
- Student Services shows an increase due to the budgeted establishment of an Enrollment Management Partner/Consultant. This partnership will update and build upon the college's Institutional Marketing Plan.
- A Supplemental Retirement Plan offered from late January 2008 thru early March 2008 with employment termination to be effective June 30, 2008. This voluntary plan has financial and operational impacts to the college budget for FY 2009.
- FY 2008 reflected the establishment of the "SILO" Fund through transfers from the general funds and accumulated interest in the working cash fund.

Classified by object, the Education Fund includes Salaries, Benefits, Contractual Services, Materials & Supplies, Travel and Conferences, Fixed Charges, Utilities, Capital Outlay and Other Expenses. The FY 2009 Education Fund budget includes the following expenditures:

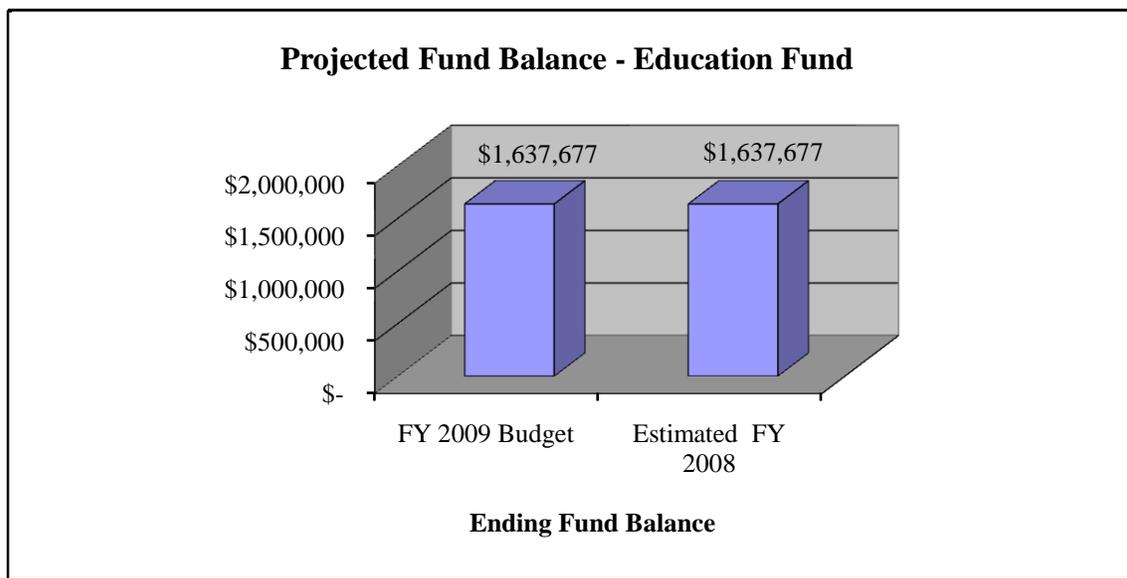
Education Fund Expenditures by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Salaries	\$ 7,706,713	\$ 8,097,517	\$ (390,804)	-4.83%
Benefits	2,462,406	2,408,786	53,620	2.23%
Contractual Services	1,576,347	1,288,326	288,021	22.36%
Materials & Supplies	1,067,046	948,869	118,177	12.45%
Travel & Conferences	282,462	260,566	21,896	8.40%
Fixed Charges	126,076	123,302	2,774	2.25%
Utilities	2,200	2,200	-	0.00%
Capital Outlay	121,705	125,777	(4,072)	-3.24%
Other	667,958	1,001,169	(333,211)	-33.28%
Total	\$ 14,012,913	\$ 14,256,512	\$ (243,599)	-1.71%



- A Supplemental Retirement Plan offered from late January 2008 thru early March 2008 with employment termination to be effective June 30, 2008. This voluntary plan has financial and operational impacts to the college budget for FY 2009.
- Salaries decrease from personnel retirements and adjustments to correlate with decreased credit hour production.
- General materials and supplies increase due to additional Allied Health programs offered and technology maintenance.
- Contractual services show an increase due to the budgeted establishment of an Enrollment Management Partner/Consultant. This partnership will update and build upon the college's Institutional Marketing Plan.
- Other expenses included \$400,000 to establish a "SILO Fund" in FY 2008.

**Carl Sandburg College
Education Fund-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 13,367,663	\$ 12,842,947	\$ 524,716	4.09%
Expenditures	14,012,913	12,308,223	1,704,690	13.85%
Revenues Over (Under) Expenditures	\$ (645,250)	\$ 534,724	\$(1,179,974)	-220.67%
Transfers	645,250	(400,000)	1,045,250	-261.31%
Change in fund balance	\$ -	\$ 134,724	\$ (134,724)	-100.00%
Fund equity (deficit) beginning of year	1,637,677	1,502,953	134,724	8.96%
Fund equity (deficit) end of year	\$ 1,637,677	\$ 1,637,677	\$ -	0.00%



**Education Fund Revenues
Fiscal Year 2009**

Operating Revenue by Sources	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Local Government:						
Current Taxes	\$ 2,673,756	\$ 2,461,659	\$ 2,434,151	\$ 2,492,495		\$ 2,571,594
CABI	30,185	34,548	11,502	20,500		15,500
Chargeback	4,169	3,741	8,133	6,500		6,500
Total Local Government	\$ 2,708,110	\$ 2,499,948	\$ 2,453,786	\$ 2,519,495	\$ 2,482,008	\$ 2,593,594
State Government:						
ICCB Credit Hour Grant	\$ 1,919,280	\$ 1,851,034	\$ 2,113,106	\$ 1,948,054		\$ 1,783,406
ICCB Equalization Grant	2,036,534	2,186,720	2,439,372	2,495,489		2,185,309
ICCB Small College Grant	56,400	56,400	60,000	55,301		55,500
ISBE Vocational Ed/ICCB CTE Grant	126,376	112,798	132,062	80,000		80,000
Replacement Taxes	190,981	243,742	267,693	218,931		219,717
State University Retirement	842,599	501,526	683,730	904,165		800,000
Total State Government	\$ 5,172,170	\$ 4,952,220	\$ 5,695,963	\$ 5,701,940	\$ 5,503,979	\$ 5,123,932
Student Tuition and Fees:						
Tuition	\$ 4,538,539	\$ 4,250,900	\$ 4,240,053	\$ 4,454,339		\$ 5,427,711
Fees	627,210	836,797	684,030	798,723		113,802
Total Tuition and Fees	\$ 5,165,749	\$ 5,087,697	\$ 4,924,083	\$ 5,253,062	\$ 4,679,137	\$ 5,541,513
Other Sources:						
Interest Income	\$ 58,158	\$ 96,494	\$ 7,334	\$ 73,500		\$ 77,110
Dept. of Corrections	-	-	-	-		-
Other Income	93,427	61,995	92,420	23,514		31,514
Total Other Sources	\$ 151,585	\$ 158,489	\$ 99,754	\$ 97,014	\$ 177,824	\$ 108,624
Total Revenue before Interfunds & Non-operating Items	\$13,197,614	\$12,698,354	\$13,173,586	\$13,571,511	\$12,842,948	\$13,367,663
Interfund Transfers	508,049	291,245	7,500	285,000	-	645,250
Bond Proceeds	-	-	-	-		-
Capital Leases	156,611	44,294	-	-		-
Subtotal	\$13,862,274	\$13,033,893	\$13,181,086	\$13,856,511	\$12,842,948	\$14,012,913
Less Operating Items*:						
Tuition Chargeback Revenue	4,169	3,741	8,133	6,500		6,500
Adjusted Revenue-	\$13,858,105	\$13,030,152	\$13,172,953	\$13,850,011	\$12,842,948	\$14,006,413

(After above reduction)

*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 2009**

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Instruction						
Salaries	\$ 5,430,168	\$ 5,406,816	\$5,228,286	\$ 5,515,117		\$ 5,104,049
Employee Benefits	8,456	5,325	3,027	9,338		9,805
Contractual Services	1,065,324	1,149,714	1,071,395	990,666		994,458
General Maintenance and Supplies	221,892	285,956	185,584	285,594		320,106
Travel and Conference/Meeting Expense	157,552	102,543	88,997	114,503		123,841
Fixed Charges	384	984	384	1,500		1,523
Capital Outlay	287,761	85,280	116,697	125,777		121,705
Other Expenditures	1,561	1,581	1,707	42,030		42,850
Total Instruction	\$ 7,173,098	\$ 7,038,199	\$6,696,077	\$ 7,084,525	\$ 5,992,184	\$ 6,718,337
Academic Support						
Salaries	\$ 255,739	\$ 233,304	\$ 212,000	\$ 190,545		\$ 198,197
Contractual Services	34,365	29,135	34,588	39,098		39,685
General Maintenance and Supplies	88,571	96,066	96,918	99,298		104,924
Travel and Conference/Meeting Expense	2,100	2,270	5,462	4,922		4,995
Total Academic Support	\$ 380,775	\$ 360,775	\$ 348,968	\$ 333,863	\$ 332,787	\$ 347,801
Student Services						
Salaries	\$ 849,344	\$ 905,348	\$ 864,016	\$ 991,012		\$ 1,002,443
Contractual Services	11,030	10,718	10,791	11,592		297,426
General Maintenance and Supplies	50,389	63,412	63,328	52,058		53,980
Travel and Conference/Meeting Expense	17,342	20,545	19,029	27,196		28,113
Fixed Charges	242	310	462	386		407
Other	184,727	250,056	271,989	379,980		380,394
Total Student Services	\$ 1,113,074	\$ 1,250,389	\$ 1,229,615	\$ 1,462,224	\$ 1,338,974	\$ 1,762,763
Public Services/Continuing Education						
Salaries	\$ 137,094	\$ 125,636	\$ 87,354	\$ 145,800		\$ 139,682
Contractual Services	34,895	31,958	35,325	47,120		47,818
General Maintenance and Supplies	34,283	16,772	19,291	28,927		30,202
Travel and Conference/Meeting Expense	15,048	16,406	22,151	25,463		23,971
Fixed Charges	-	-	-	503		506
Utilities	2,714	2,349	1,041	2,200		2,200
Other	2,578	1,083	1,499	6,230		6,350
Total Public Services/Continuing Ed	\$ 226,612	\$ 194,204	\$ 166,661	\$ 256,243	\$ 173,255	\$ 250,729
Institutional Support						
Salaries	\$ 1,100,771	\$ 1,220,866	\$ 1,173,872	\$ 1,255,043		\$ 1,262,342
Employee Benefits	1,273,532	1,318,111	2,016,135	2,399,448		2,452,601
Contractual Services	113,220	122,578	129,128	199,850		196,960
General Maintenance and Supplies	753,540	493,389	451,533	482,992		557,834
Travel and Conference/Meeting Expense	56,254	56,199	43,711	88,482		101,542
Fixed Charges	161,672	148,546	134,624	120,913		123,640
Capital Outlay	-	44,294	-	-		-
Other Expenditures	96,004	271,819	196,889	172,929		238,364
Total Institutional Support	\$ 3,554,993	\$ 3,675,802	\$ 4,145,892	\$ 4,719,657	\$ 4,471,023	\$ 4,933,283
Total before transfers	\$12,448,552	\$12,519,369	\$12,587,213	\$13,856,512	\$12,308,223	\$14,012,913
Transfers	895,890	591,452	-	400,000	400,000	-
GRAND TOTAL	\$13,344,442	\$13,110,821	\$12,587,213	\$14,256,512	\$12,708,223	\$14,012,913

Operations & Maintenance Fund

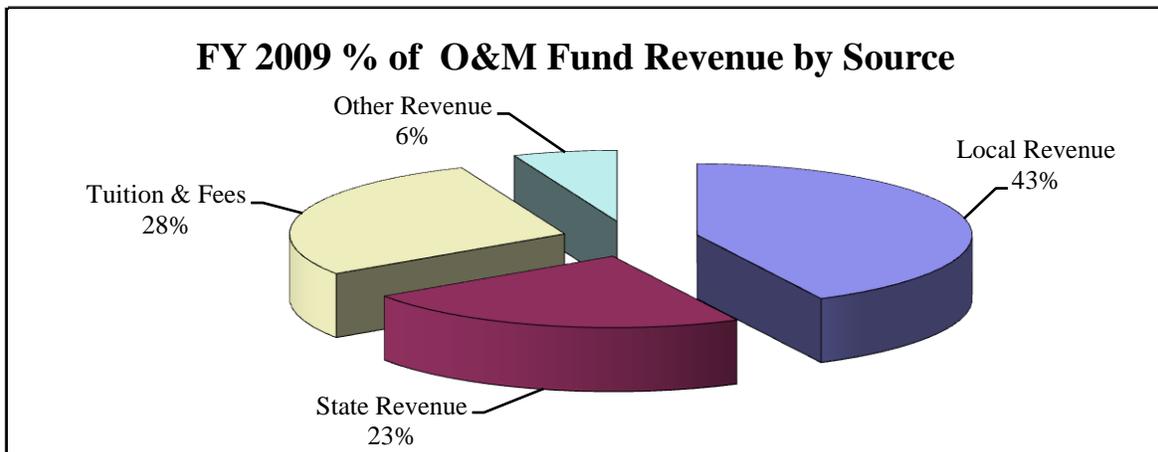
The Operations & Maintenance Fund (O&M) is also a general fund type. The O&M Fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance 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.

Operations and Maintenance Fund Revenues

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.

- State aid revenue that can be distributed by discretion has been allocated on a 92.5-7.5 basis, (92.5% to the Education Fund and 7.5% to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 92.5-7.5. 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 (92.5%) and the Operations and Maintenance Fund (7.5%). FY 2008 was allocated 92-8.
- State revenue reflects a decrease due to decreased credit hour production after displaced workers have completed their education and reentered the workforce.
- The College has established a tuition rate inclusive of fees. This increased rate for FY 2009 will also be guaranteed for three years for students enrolling full-time during successive terms.

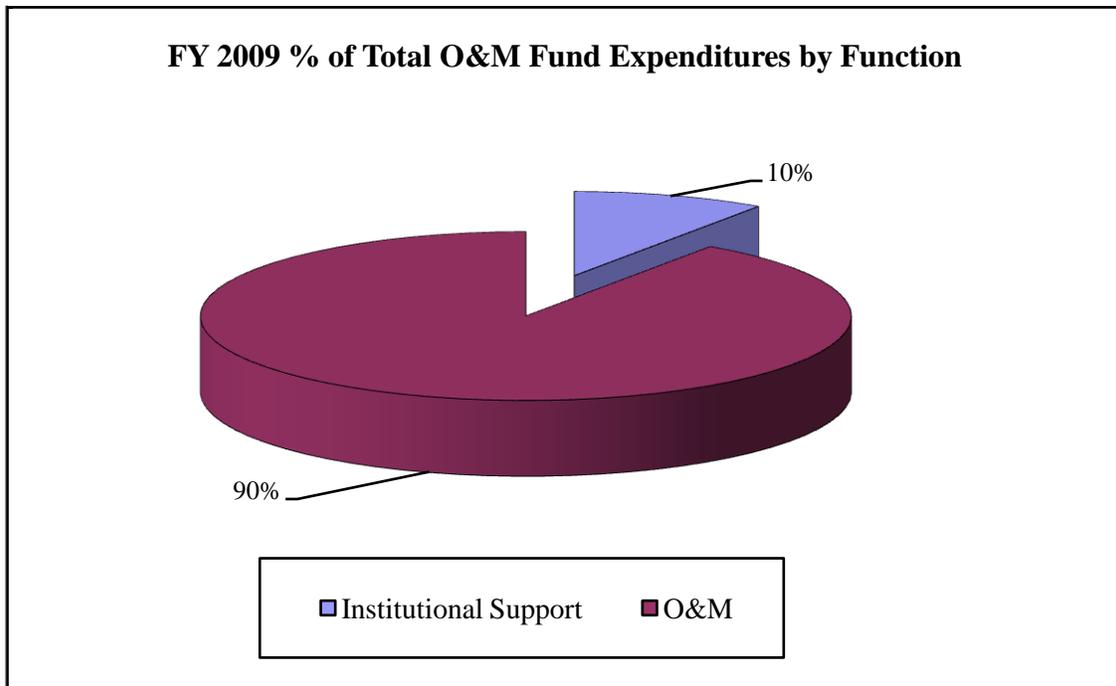
O&M Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 637,164	\$ 622,696	\$ 14,468	2.32%
State Revenue	344,102	382,238	(38,136)	-9.98%
Tuition & Fees	423,909	378,422	45,487	12.02%
Other Revenue	91,476	90,076	1,400	1.55%
Total	\$ 1,496,651	\$ 1,473,432	\$ 23,219	1.58%



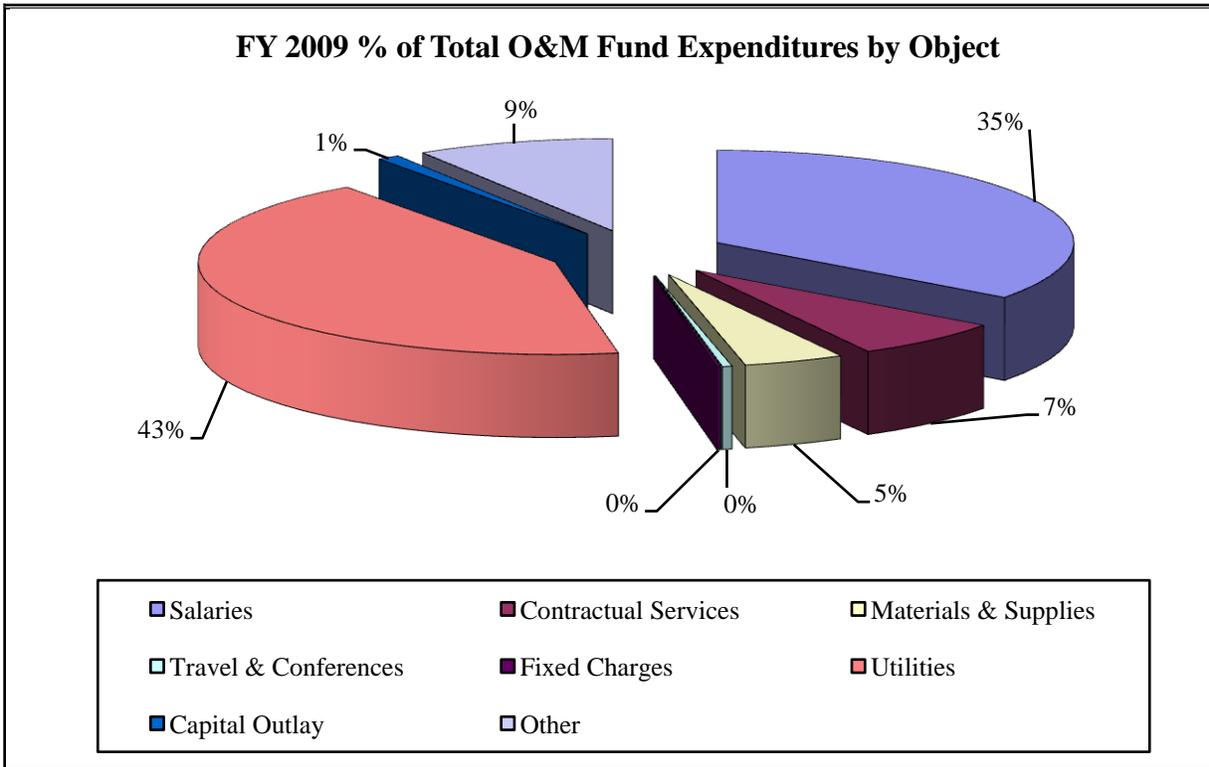
Operations and Maintenance Fund Expenditures

For FY 2009, budgeted expenditures for the Operations & Maintenance Fund are \$1,496,651 which represents a decrease of \$76,780, (4.9%) from the FY 2008 budget of \$1,573,431.

O&M Fund Expenditures by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$ 143,627	\$ 224,296	\$ (80,669)	35.97%
O&M	1,353,024	1,349,135	3,889	0.29%
Total	\$ 1,496,651	\$ 1,573,431	\$ (76,780)	-4.88%



O&M Fund Expenditures by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Salaries	\$ 525,700	\$ 506,793	\$ 18,907	3.73%
Contractual Services	103,140	99,186	3,954	3.99%
Materials & Supplies	68,027	67,022	1,005	1.50%
Travel & Conferences	6,512	7,715	(1,203)	-15.59%
Fixed Charges	2,492	2,456	36	1.47%
Utilities	642,057	642,057	-	0.00%
Capital Outlay	15,000	15,000	-	0.00%
Other	133,723	233,202	(99,479)	-42.66%
Total	\$ 1,496,651	\$ 1,573,431	\$ (76,780)	-4.88%

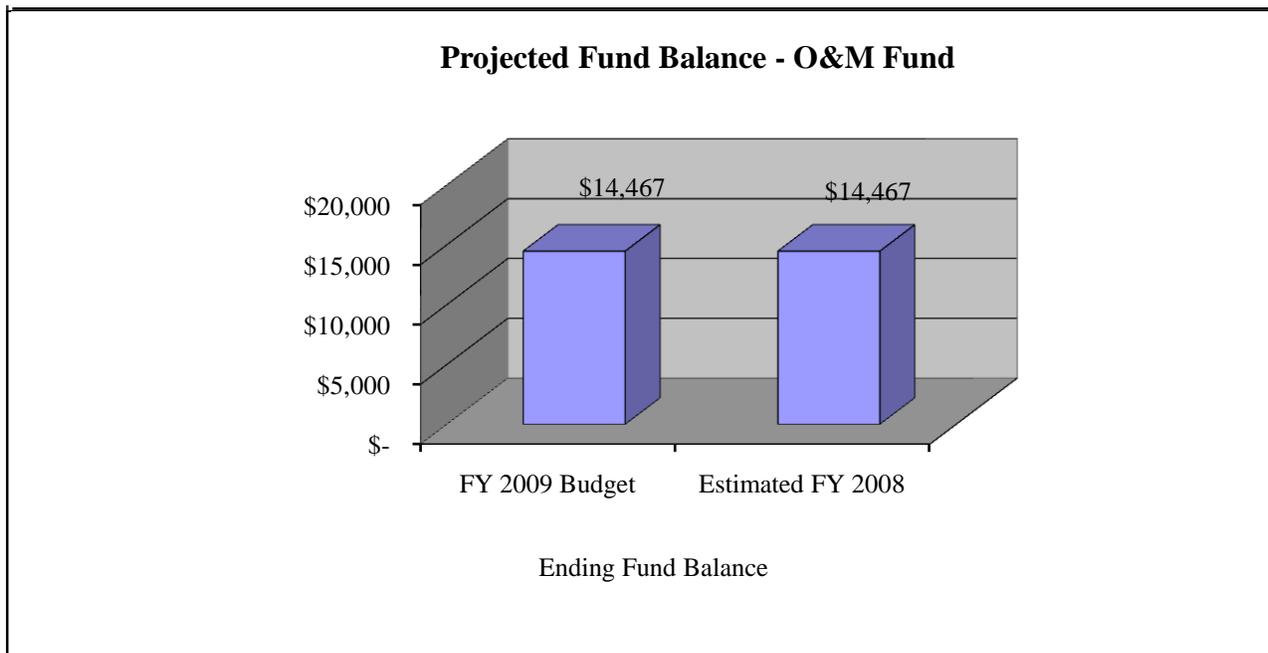


Expenditures within this fund include salaries for the maintenance staff, supervisors, and appropriate support staff. Major expense items include salaries and benefits, security, custodial, maintenance supplies, and utilities.

- Salaries increase due to additional staffing for enhanced security.
- Other expenditures decrease due to a transfer of funds to establish the “SILO Fund” in FY 2008.

**Carl Sandburg College
Operations & Maintenance Fund-Projected Fund Balance**

	FY 2009 Budget	FY 2008 Estimated	Change	%
Revenues	\$ 1,456,651	\$ 1,349,004	\$ 107,647	7.98%
Expenditures	1,496,651	1,395,381	101,270	7.26%
Revenues Over (Under) Expenditures	\$ (40,000)	\$ (46,377)	\$ 6,377	-13.75%
Transfers	40,000	(60,000)	100,000	-166.67%
Change in fund balance	\$ -	\$ (106,377)	\$ 106,377	-100.00%
Fund equity (deficit) beginning of year	14,467	120,844	(106,377)	-88.03%
Fund equity (deficit) end of year	\$ 14,467	\$ 14,467	\$ -	0.00%



**Operations Maintenance Fund Revenue
Fiscal Year 2009**

Operating Revenue by Sources	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY2009 Budget
Local Government:						
Current Taxes	\$ 650,866	\$ 618,494	\$ 604,023	\$ 604,095		\$ 637,164
Replacement Taxes	8,790	12,744	17,390	18,601		17,815
Total Local Government	\$ 659,656	\$ 631,238	\$ 621,413	\$ 622,696	\$ 598,050	\$ 654,979
State Government:						
ICCB Credit Hour Grant	\$ 122,506	\$ 118,151	\$ 110,584	\$ 165,514		\$ 144,600
ICCB Equalization Grant	129,991	100,644	158,468	212,025		177,187
ICCB Square Footage Grant	27,740	28,104	26,926	-		-
ICCB Small College Grant	3,600	3,600	3,660	4,699		4,500
Total State Government	\$ 283,837	\$ 250,499	\$ 299,638	\$ 382,238	\$ 402,726	\$ 326,287
Student Tuition and Fees:						
Tuition	\$ 275,885	\$ 340,233	\$ 227,909	\$ 378,422		\$ 423,909
Total Tuition and Fees	\$ 275,885	\$ 340,233	\$ 227,909	\$ 378,422	\$ 301,293	\$ 423,909
Other Sources:						
Interest Income	\$ 3,936	\$ 1	\$ 5,139	\$ 7,350		\$ 8,750
Building Rentals	17,988	25,918	34,043	41,148		41,148
Other Income	2,107	1,466	3,966	1,578		1,578
Total Other Sources	\$ 24,031	\$ 27,385	\$ 43,148	\$ 50,076	\$ 46,934	\$ 51,476
Total Revenue before Interfunds & Non-operating Items	\$1,243,409	\$1,249,355	\$1,192,108	\$1,433,431	\$ 1,349,003	\$1,456,651
Interfund Transfers	127,734	137,994	-	40,000	40,000	40,000
Bond Proceeds	-	-	-	-	-	-
Grand Total	\$1,371,143	\$1,387,349	\$1,192,108	\$1,473,431	\$1,389,003	\$1,496,651

**Operations Maintenance Fund Expenditures
Fiscal Year 2009**

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Operation & Maintenance of Plant						
Salaries	\$ 485,739	\$ 458,263	\$ 463,979	\$ 501,172		\$ 525,700
Contractual Services	42,533	59,876	70,022	88,397		92,189
General Maintenance and Supplies	77,950	83,922	58,759	66,424		67,420
Travel & Conference/Meeting Expense	3,440	2,966	3,100	7,217		6,006
Fixed Charges	66,872	60,241	24,332	2,456		2,492
Utilities	435,329	447,475	483,272	535,267		535,267
Capital Outlay	3,247	23,472	3,988	15,000		15,000
Other Expenditures	78,045	51,606	108,934	133,202		133,723
Total Operation and Maintenance of Plant	\$1,193,155	\$1,187,821	\$1,216,386	\$1,349,135	\$ 1,324,440	\$1,377,797
Institutional Support						
Salaries	\$ 5,523	\$ 3,032	\$ -	\$ 5,621		\$ -
Contractual Services	6,401	9,301	5,899	10,789		10,951
General Maintenance and Supplies	406	3,882	2,673	598		607
Travel & Conference/Meeting Expense	22	-	-	498		506
Utilities	112,455	102,482	254,422	106,790		106,790
Other	-	-	-	-		-
Total Institutional Support	\$ 124,807	\$ 118,697	\$ 262,994	\$ 124,296	\$ 70,942	\$ 118,854
Total before Interfund Transfers	\$ 1,962	\$1,306,518	\$1,479,380	\$1,473,431	\$1,395,382	\$1,496,651
Transfers	-	62,000	-	100,000	100,000	-
GRAND TOTAL	\$1,317,962	\$1,368,518	\$1,479,380	\$1,573,431	\$ 1,495,382	\$1,496,651

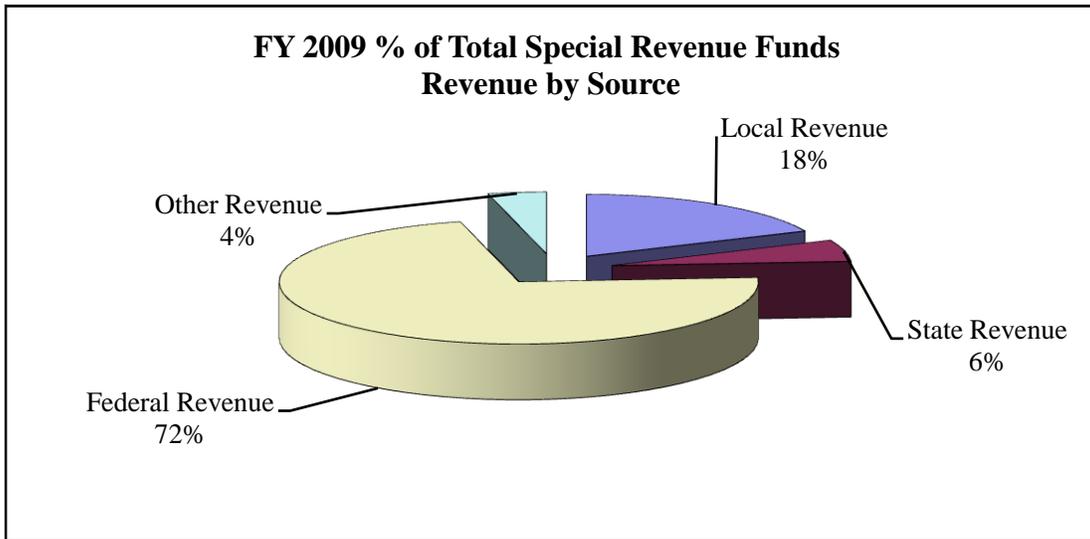
Special Revenue Funds

The special revenue funds consists of four individual “sub-funds” - the Restricted Purpose Fund, the Audit Fund, the Liability, Protection & Settlement Fund and the Quasi-Endowment “SILO” Fund. The Restricted Purpose Fund is not reflected in detail in this budget since all revenues are received thru grants and legally restricted to expenditures for specific purposes. Revenue for the Special Revenue Fund is derived from the following sources: Local Government, State Government, Federal Government and Other Sources of Revenue.

As illustrated below, the FY 2009 total revenue budget of \$9,620,434 represents a decrease of 7.1%, or \$736,953 from the FY 2008 budget.

- Other revenue reflects the establishment of the “SILO” Fund in FY 2008 for \$600,000.
- State revenue decreases due to some grants now flowing through other organizations.

Special Revenue Funds	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 1,759,632	\$ 1,810,472	\$ (50,840)	-2.81%
State Revenue	540,401	637,306	(96,905)	-15.21%
Federal Revenue	6,942,615	6,942,615	-	0.00%
Other Revenue	377,786	966,994	(589,208)	-60.93%
Total	\$ 9,620,434	\$ 10,357,387	\$(736,953)	-7.12%



Special Revenue Funds Expenditure Budget

Budgeted expenditures for the Special Revenue Funds for FY 2009 are \$9,845,216 which represents a decrease of \$217,792, (2.16%) from the FY 2008 budget of \$10,063,008. Expenditure information is presented 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
- Scholarships, Student Grants, and Waivers-activities in the form of grants to students, prizes and awards, and institutional tuition and fee waivers

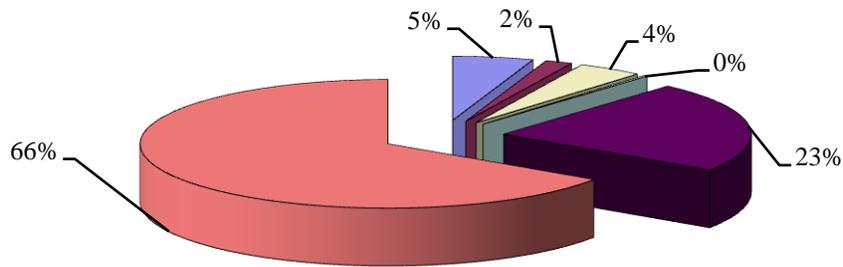
and by Object:

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

The following table details the budgeted expenditures by function.

Special Revenue Funds Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Instruction	\$ 519,965	\$ 599,233	\$ (79,268)	-13.23%
Student Services	173,173	109,649	63,524	57.93%
Public Service	420,148	495,352	(75,204)	-15.18%
Auxiliary Services	22,764	30,370	(7,606)	-25.04%
Institutional Support	2,249,940	2,281,348	(31,408)	-1.38%
Scholarships, Student Grants	6,459,226	6,547,056	(87,830)	-1.34%
Total	\$ 9,845,216	\$10,063,008	\$ (217,792)	-2.16%

**FY 2009 % of Total Special Revenue Funds
Expenditures By Function**



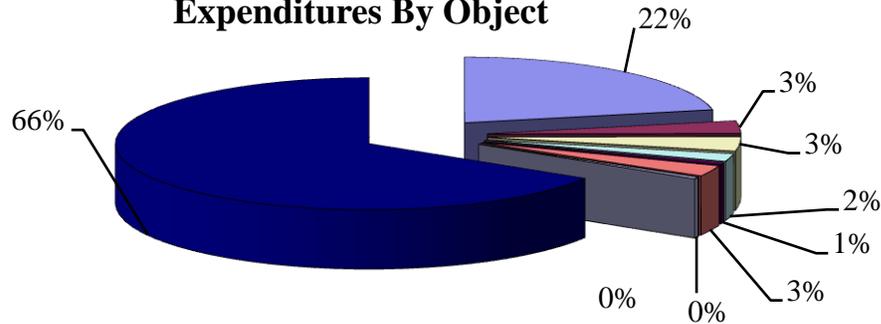
■ Instruction	■ Student Services	□ Public Service
□ Auxiliary Services	■ Institutional Support	■ Scholarships, Student Grants

Expenditures by object are shown below.

- Benefits are budgeted down due to a review of part-time personnel. The consistent part-time personnel have been moved to the State Universities Retirement System (SURS) rather than the social security system. The state matches the SURS rather than the College which would match FICA.
- Materials and supplies for FY 2009 were budgeted based on actual expenses for FY 2008.

Special Revenue Funds Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Salaries	\$ 2,146,845	\$ 2,113,008	\$ 33,837	1.60%
Benefits	304,590	354,551	(49,961)	-14.09%
Contractual Services	342,188	343,649	(1,461)	-0.43%
Materials & Supplies	184,685	170,098	14,587	8.58%
Travel & Conferences	50,901	55,624	(4,723)	-8.49%
Fixed Charges	257,269	253,622	3,647	1.44%
Utilities	3,027	4,727	(1,700)	-35.96%
Capital Outlay	39,000	53,332	(14,332)	-26.87%
Other	6,516,711	6,714,397	(197,686)	-2.94%
Total	\$ 9,845,216	\$ 10,063,008	\$ (217,792)	-2.16%

**FY 2009 % of Total Speical Revenue Funds
Expenditures By Object**

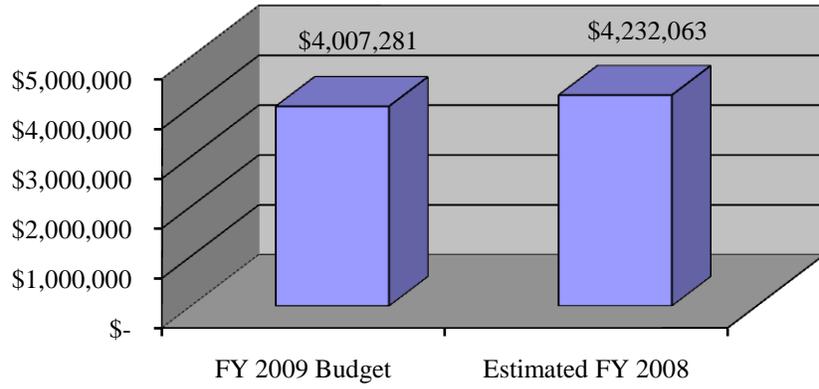


Salaries	Benefits	Contractual Services
Materials & Supplies	Travel & Conferences	Fixed Charges
Utilities	Capital Outlay	Other

**Carl Sandburg College
Special Revenue Funds – Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 9,620,434	\$ 10,317,399	\$ (696,965)	-6.76%
Expenditures	9,845,216	9,907,455	(62,239)	-0.63%
Revenues Over (Under) Expenditures	\$ (224,782)	\$ 409,944	\$ (634,726)	-154.83%
Change in fund balance	\$ (224,782)	\$ 409,944	\$ (634,726)	-154.83%
Fund equity (deficit) beginning of year	4,232,063	3,822,119	409,944	10.73%
Fund equity (deficit) end of year	\$ 4,007,281	\$ 4,232,063	\$ (224,782)	-5.31%

Projected Fund Balance - Special Revenue Funds

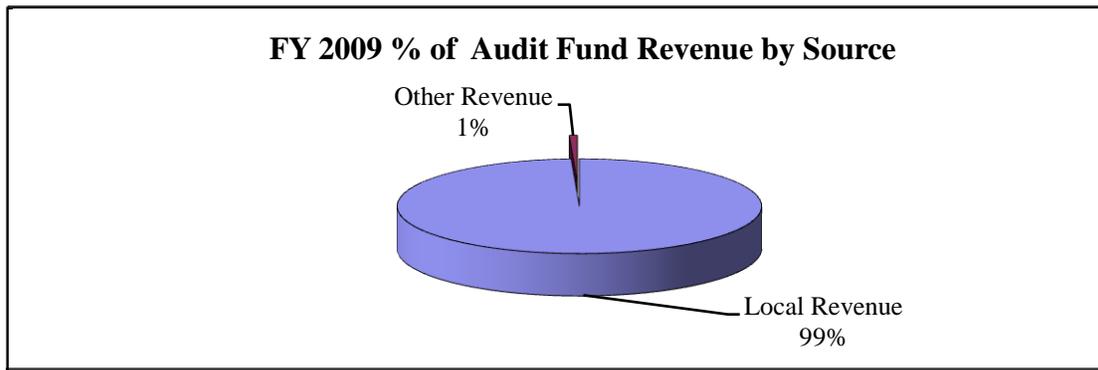


Ending Fund Balance

Audit Fund

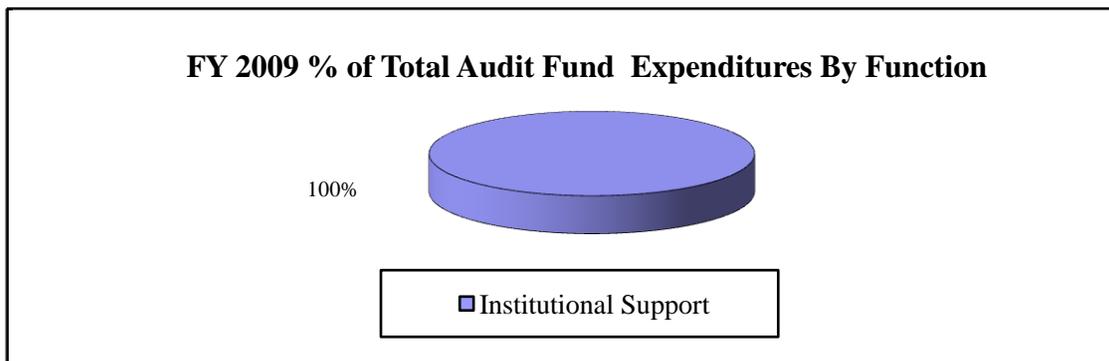
The Audit Fund is used to record revenues and expenditures related to the annual audit. The college levies property taxes for this expense. Each year, the college retains the services of an external independent audit firm to perform the audit and compile related reports and statements. In the spring of 2007, an RFP for audit services was conducted. After reviewing experience, timeliness and cost, a new partner for audit services was selected and began with FY 2007. Revenue is derived mainly from property taxes budgeted at \$63,716 for FY 2009.

Audit Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 63,716	\$ 60,409	\$ 3,307	5.47%
Other Revenue	460	1,375	(915)	-66.55%
Total	\$ 64,176	\$ 61,784	\$ 2,392	3.87%

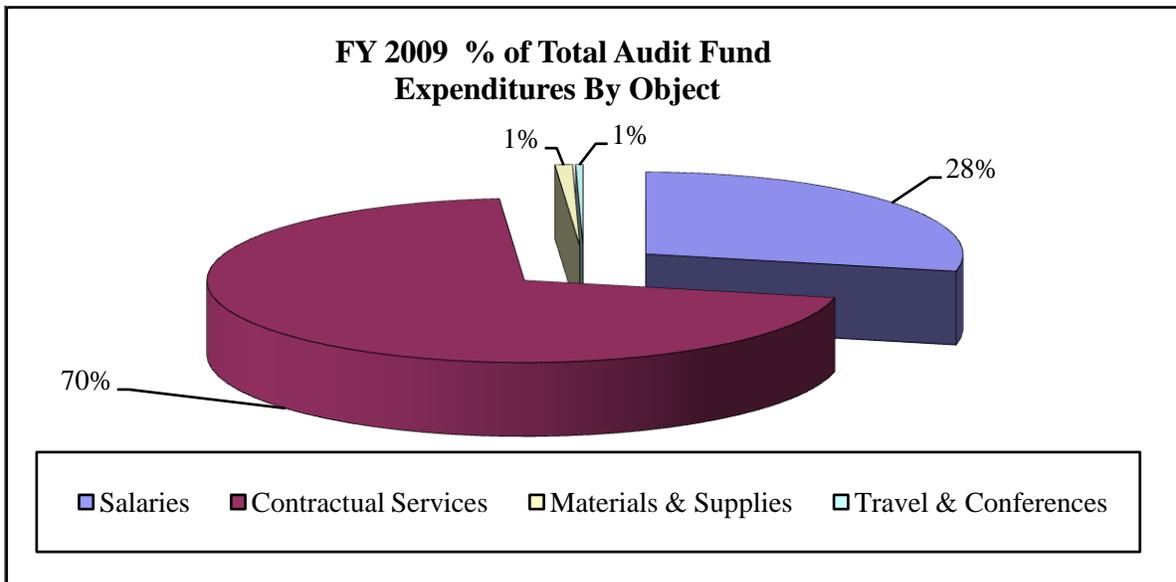


For FY 2009, budgeted expenditures for the Audit Fund are \$77,861 which represents a decrease of \$303 (0.39%) from the FY 2008 budget of \$78,164.

Audit Fund Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$ 77,861	\$ 78,164	\$ (303)	-0.39%
Total	\$ 77,861	\$ 78,164	\$ (303)	-0.39%



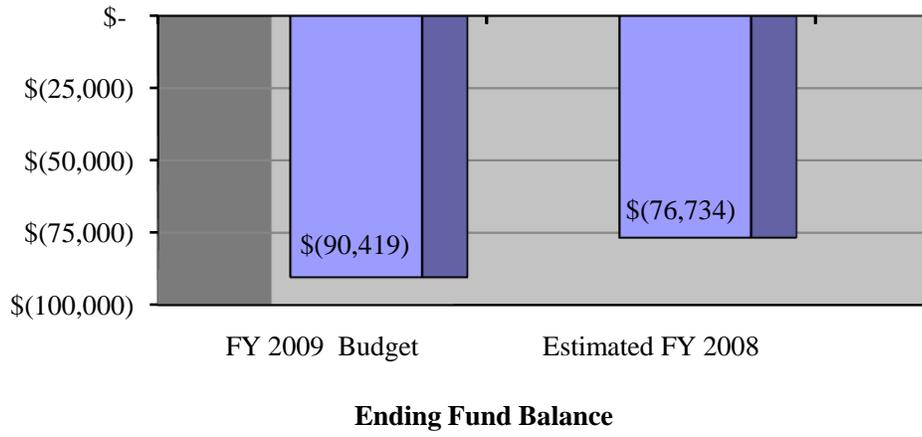
Audit Fund Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Salaries	\$ 22,090	\$ 22,195	\$ (105)	-0.47%
Contractual Services	54,788	55,000	(212)	-0.39%
Materials & Supplies	690	680	10	1.47%
Travel & Conferences	293	289	4	1.38%
Total	\$ 77,861	\$ 78,164	\$ (303)	-0.39%



**Carl Sandburg College
Audit Fund-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 64,176	\$ 61,646	\$ 2,530	4.10%
Expenditures	77,861	73,103	4,758	6.51%
Revenues Over (Under) Expenditures	\$ (13,685)	\$ (11,457)	\$ (2,228)	19.45%
Change in fund balance	\$ (13,685)	\$ (11,457)	\$ (2,228)	19.45%
Fund equity (deficit) beginning of year	(76,734)	(65,277)	(11,457)	17.55%
Fund equity (deficit) end of year	\$ (90,419)	\$ (76,734)	\$ (13,685)	17.83%

Projected Fund Balance - Audit Fund



**Audit Fund Revenue and Expenditures
Fiscal Year 2009**

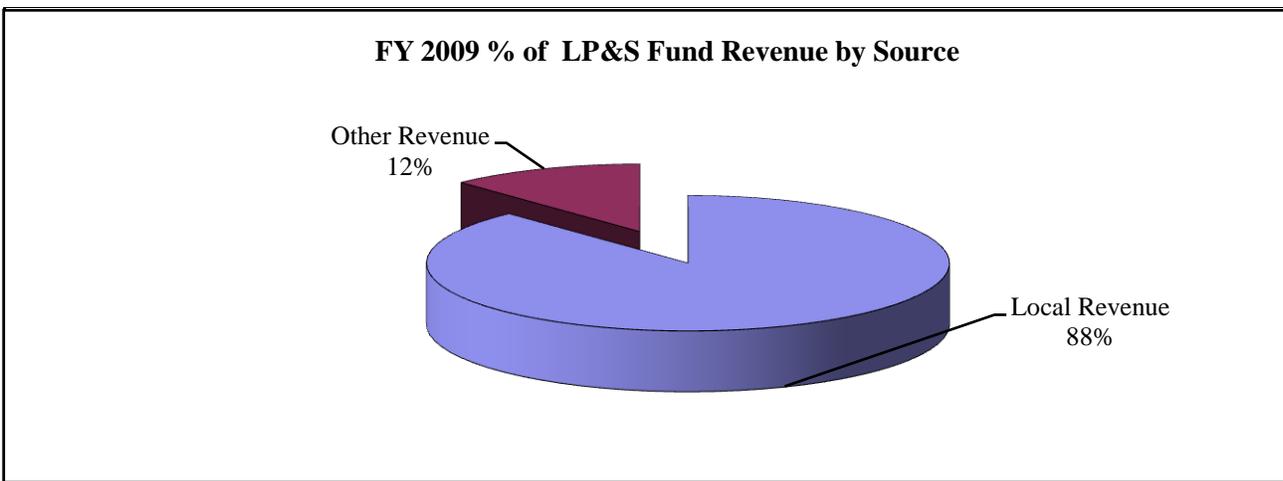
	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Local Governmental Sources:						
Current Taxes	\$ 52,069	\$ 62,500	\$ 60,401	\$ 60,409		\$ 63,716
Total Local Government	\$ 52,069	\$ 62,500	\$ 60,401	\$ 60,409	\$ 59,806	\$ 63,716
Other Sources:						
Interest Income	\$ 100	\$ -	\$ 182	\$ 1,375	\$ 1,841	\$ 460
Total Other Sources	\$ 100	\$ -	\$ 182	\$ 1,375	\$ 1,841	\$ 460
Total Revenue before Interfunds & Non-operating Items	\$ 52,169	\$ 62,500	\$ 60,583	\$ 61,784	\$ 61,647	\$ 64,176
Interfund Transfers	-	11,250	-	-		-
GRAND TOTAL	\$ 52,169	\$ 73,750	\$ 60,583	\$ 61,784	\$ 61,647	\$ 64,176

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Institutional Support						
Salaries	\$ 23,353	\$ 26,096	\$ 27,120	\$ 22,195		\$ 22,090
Contractual Services	58,642	77,815	90,895	55,000		54,788
General Material & Supplies	481	-	204	680		690
Travel/Meeting	57	2	-	289		293
Capital Outlay	-	-	-	-		-
GRAND TOTAL	\$ 82,533	\$ 103,913	\$ 118,219	\$ 78,164	\$ 73,103	\$ 77,861

Liability, Protection & Settlement Fund

The Liability, Protection & Settlement Fund (LP&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.

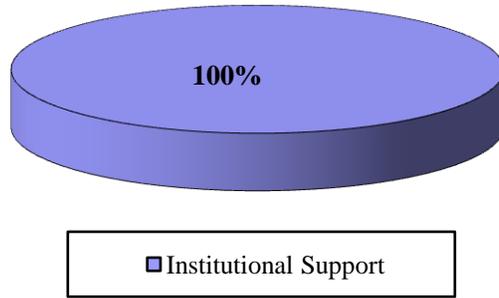
LP&S Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 1,665,546	\$ 1,644,793	\$ 20,753	1.26%
Other Revenue	227,381	239,150	(11,769)	-4.92%
Total	\$ 1,892,927	\$ 1,883,943	\$ 8,984	0.48%



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.

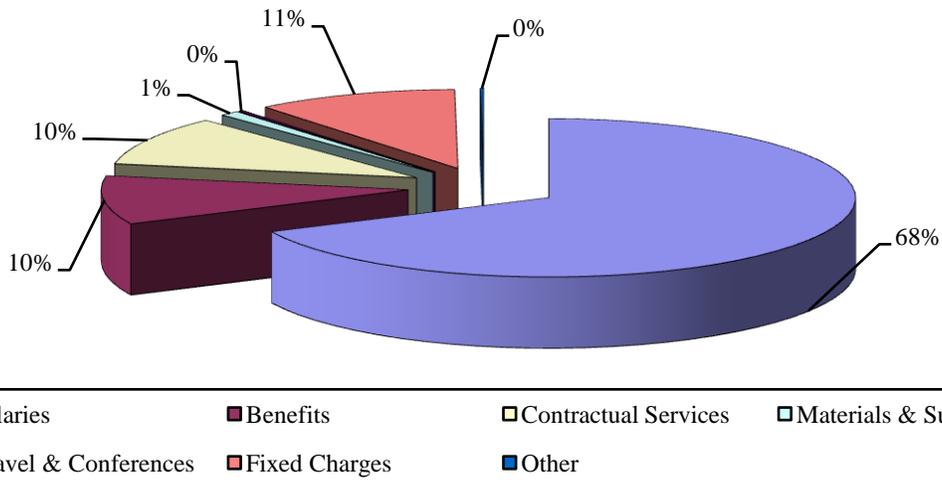
LP&S Fund Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$ 2,127,499	\$ 2,173,184	\$ (45,685)	-2.10%
Total	\$ 2,127,499	\$ 2,173,184	\$ (45,685)	-2.10%

FY 2009 % of Total LP&S Fund Expenditures By Function



LP&S Fund Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Salaries	\$ 1,444,785	\$ 1,440,247	\$ 4,538	0.32%
Benefits	211,180	275,034	(63,854)	-23.22%
Contractual Services	214,704	210,814	3,890	1.85%
Materials & Supplies	21,276	14,961	6,315	42.21%
Travel & Conferences	5,050	4,975	75	1.51%
Fixed Charges	226,773	223,422	3,351	1.50%
Other	3,731	3,731	-	0.00%
Total	\$ 2,127,499	\$ 2,173,184	\$ (45,685)	-2.10%

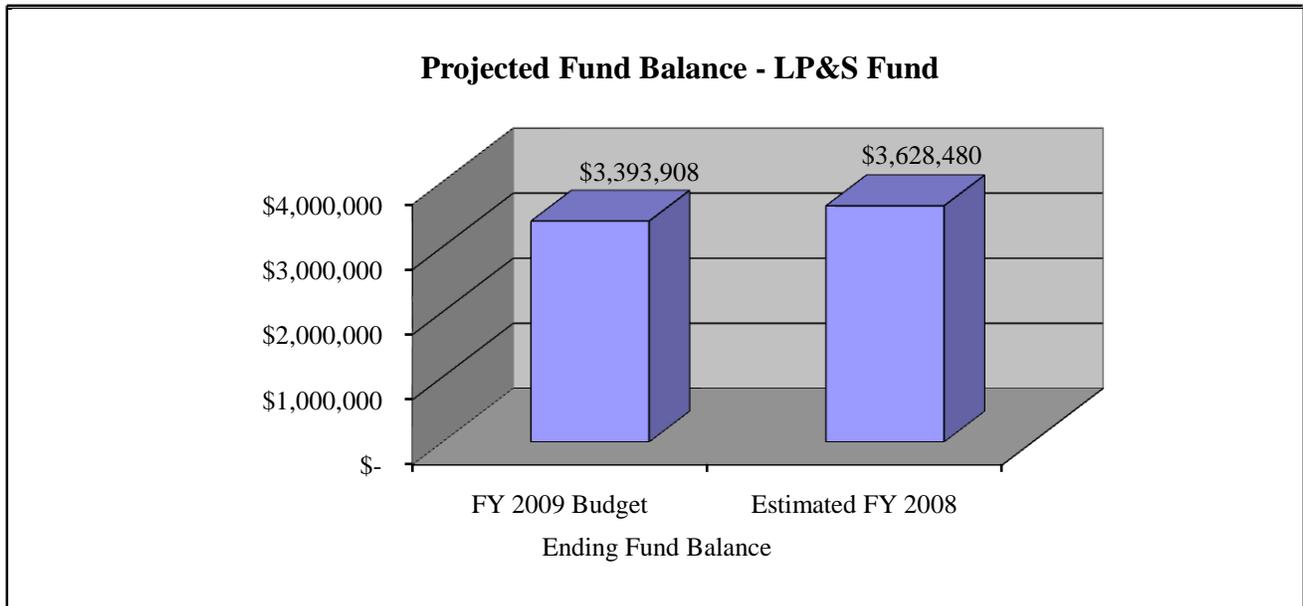
FY 2009 % of Total LP&S Fund Expenditures By Object



- Benefits are budgeted down due to a review of part-time personnel. The consistent part-time personnel have been moved to the State Universities Retirement System (SURS) rather than the social security system. The state matches the SURS rather than the College which would match FICA.
- Materials and supplies for FY 2009 were budgeted based on actual expenses for FY 2008.

Carl Sandburg College
Liability Protection and Settlement Fund-Projected Fund Balance

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 1,892,927	\$1,817,830	\$ 75,097	4.13%
Expenditures	2,127,499	2,022,692	104,807	5.18%
Revenues Over (Under) Expenditures	\$ (234,572)	\$(204,862)	\$ (29,710)	14.50%
Change in fund balance	\$ (234,572)	\$(204,862)	\$ (29,710)	14.50%
Fund equity (deficit) beginning of year	3,628,480	3,833,342	(204,862)	-5.34%
Fund equity (deficit) end of year	\$ 3,393,908	\$3,628,480	\$(234,572)	-6.46%



**Liability Protection and Settlement Fund Revenues and Expenditures
Fiscal Year 2009**

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Local Governmental Sources:						
Current Taxes	\$1,381,137	\$ 1,424,184	\$1,644,103	\$1,644,793		\$1,665,546
Total Local Government	\$1,381,137	\$ 1,424,184	\$1,644,103	\$1,644,793	\$1,583,638	\$1,665,546
Other Sources:						
Other Sales & Services	\$ -	\$ -	\$ -	\$ -		\$ -
Other Non-Government Gifts, Grants	283,260	-	10,541	10,000		10,000
Interest Income	204,826	197,471	212,603	229,150		217,381
Other Income	224,045	182,632	-	-		-
Total Other Sources	\$ 712,131	\$ 380,103	\$ 223,144	\$ 239,150	\$ 234,193	\$ 227,381
Total Revenue before Interfunds	\$2,093,268	\$1,804,287	\$1,867,247	\$1,883,943	\$1,817,831	\$1,892,927
Interfunds	895,170	591,452	-	-	-	-
GRAND TOTAL	\$2,988,438	\$2,395,739	\$1,867,247	\$1,883,943	\$1,817,831	\$1,892,927

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Institutional Support						
Salaries	\$ 884,164	\$ 909,476	\$1,357,251	\$1,440,247		\$1,444,785
Employee Benefits	1,806,842	865,103	176,088	275,034		211,180
Contractual Services	184,149	175,702	152,316	210,814		214,704
General Material & Supplies	4,380	33,212	12,833	14,961		21,276
Travel/Meeting	973	1,556	3,915	4,975		5,050
Fixed Charges	124,154	208,523	246,043	223,422		226,773
Capital Equipment	-	-	-	-		-
Other Expenditures	5,399	4,881	5,705	3,731		3,731
Total Expenditures before Interfunds	\$3,010,061	\$2,198,453	\$1,954,151	\$2,173,184	\$2,022,692	\$2,127,499
Transfers	-	-	-	-	-	-
GRAND TOTAL	\$3,010,061	\$2,198,453	\$1,954,151	\$2,173,184	\$2,022,692	\$2,127,499

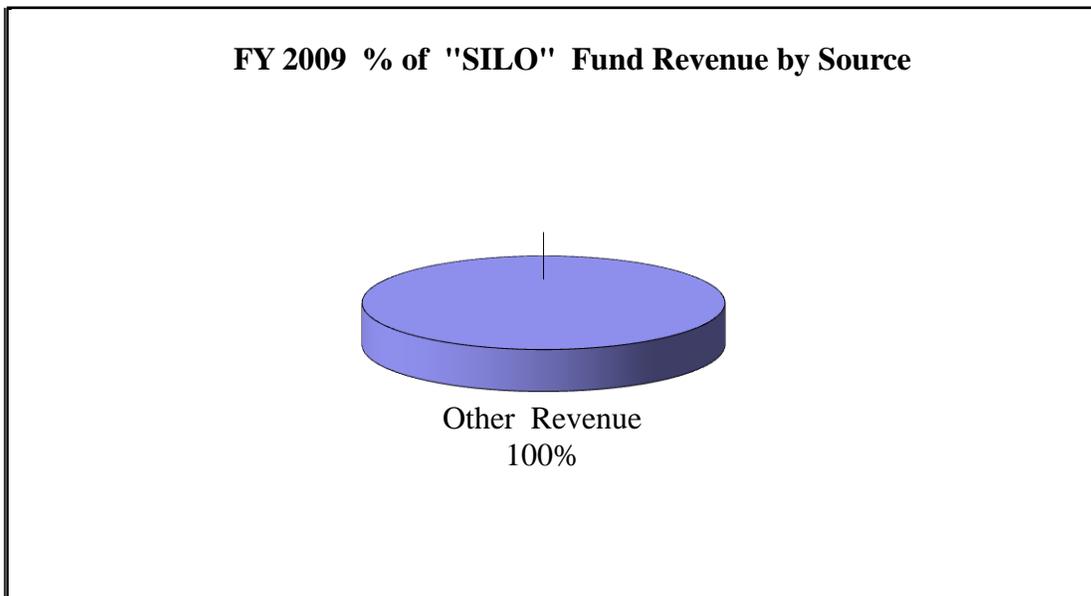
Quasi-Endowment "SILO" Fund

The Quasi-Endowment "SILO Fund" is 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 was accomplished by transferring existing fund balance from the Education and O&M Funds and accumulated interest from the Working Cash fund.

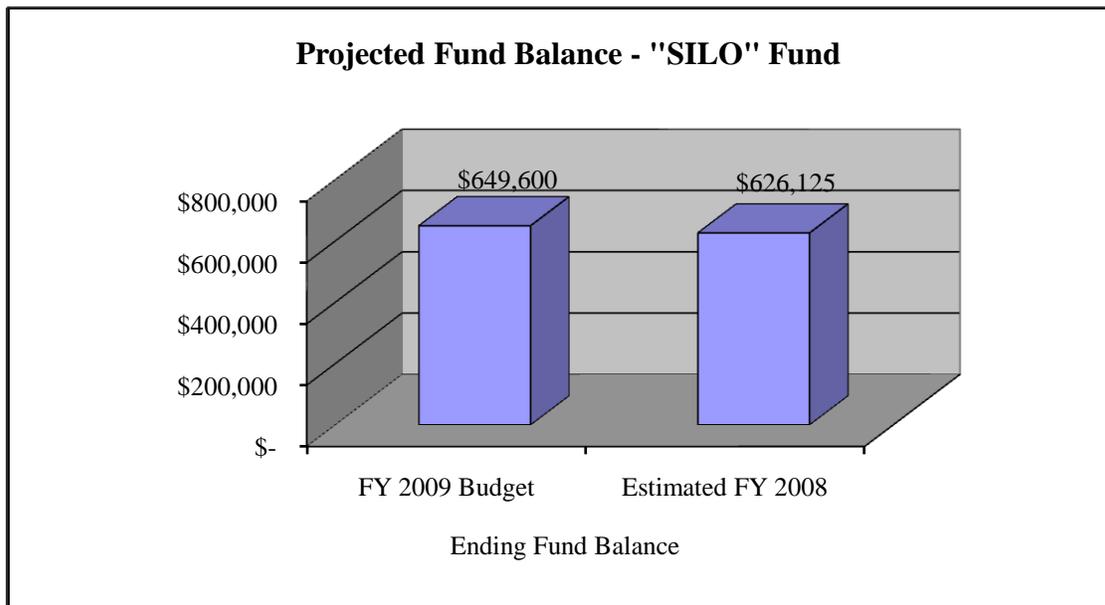
- Education fund balance transfer in FY 2008, \$400,000.
- O&M fund balance transfer in FY 2008, \$100,000.
- Transfer of accumulated interest from the Working Cash fund in the amount of \$100,000.
- Continued growth of principal in future years to establish a \$1,000,000 fund balance.
- There are no projected expenditures for FY 2009.

"SILO" Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Other Revenue	\$ 23,475	\$ 600,000	\$ (576,525)	-96.09%
Total	\$ 23,475	\$ 600,000	\$ (576,525)	-96.09%



Carl Sandburg College
"SILO" Fund-Projected Fund Balance

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 23,475	\$ 626,125	\$ (602,650)	-96.25%
Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	\$ 23,475	\$ 626,125	\$ (602,650)	-96.25%
Transfers	-	-	-	-
Change in fund balance	\$ 23,475	\$ 626,125	\$ (602,650)	-96.25%
Fund equity (deficit) beginning of year	626,125	-	626,125	-
Fund equity (deficit) end of year	\$ 649,600	\$ 626,125	\$ 23,475	3.75%



**Quasi-Endowment "SILO" Fund Revenues and Expenditures
Fiscal Year 2009**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Other Sources:							
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,125	\$ 23,475
Net increase (decrease) in fair value of investments	-	-	-	-	-	-	-
Total before Non-operating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,125	\$ 23,475
Transfers	-	-	-	-	600,000	600,000	-
Bond Proceeds	-	-	-	-	-	-	-
GRAND TOTAL	\$ -	\$ -	\$ -	\$ -	\$600,000	\$ 626,125	\$ 23,475

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total before transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	-	-	-	-	-	-	-
GRAND TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.

In October of FY 2008, the College issued \$3,500,000 of General Obligation Bonds to retire FY 2008 debt certificates issued to implement phase IV of the Guaranteed Energy Savings contract to address energy conservation measures and facility improvement measures.

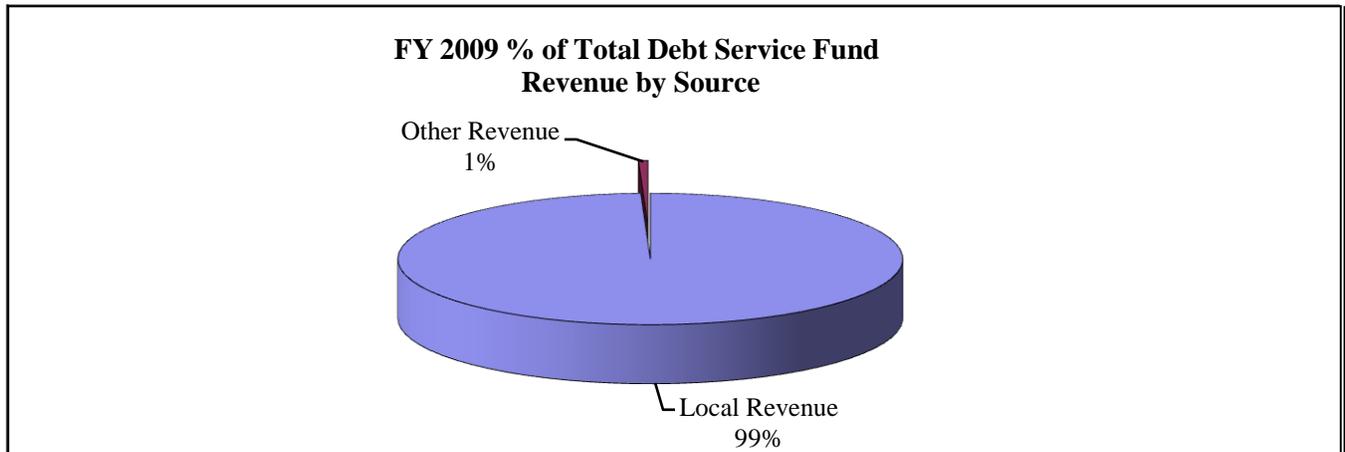
Legally, the college is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$35,227,817. The current long-term debt of the college is \$28,861,030. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$6,366,787. FY 2009 has not projected any further debt. Debt limitations will factor into future possibilities.

The annual requirements to amortize all debt outstanding as of June 30, 2007 and the debt incurred in FY 2008, including interest, are as follows:

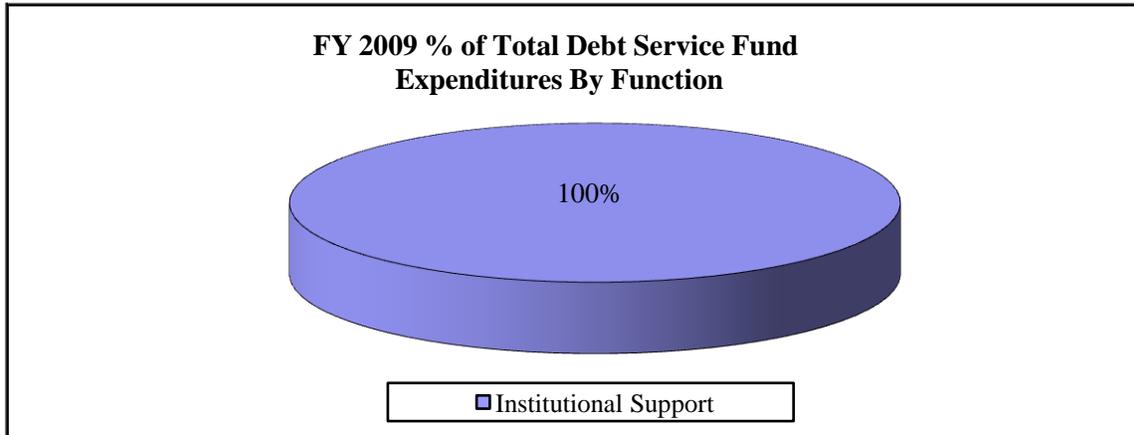
Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2008	\$ 1,685,000	\$ 75,661	\$ 257,996	\$ 2,018,657	\$ 1,142,111	\$ 3,160,768
2009	1,485,000	63,886	127,073	1,675,959	1,207,190	2,883,149
2010	1,705,000	34,851		1,739,851	1,103,410	2,843,261
2011	1,615,000	6,563		1,621,563	1,024,249	2,645,812
2012	1,890,000			1,890,000	937,316	2,827,316
2013-2017	12,120,000			12,120,000	3,129,416	15,249,416
2018-2020	7,795,000			7,795,000	566,205	8,361,205
Total	\$28,295,000	\$ 180,961	\$ 385,069	\$ 28,861,030	\$ 9,109,897	\$ 37,970,927

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

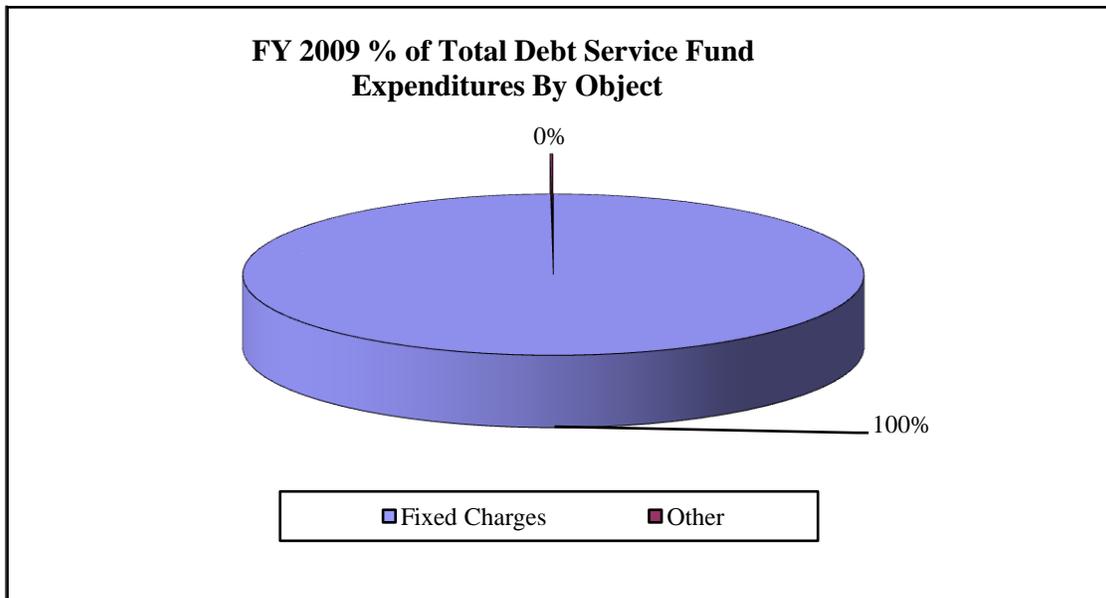
Debt Service Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 2,696,167	\$ 2,396,583	\$ 299,584	12.50%
Other Revenue	16,355	18,175	(1,820)	-10.01%
Total	\$ 2,712,522	\$ 2,414,758	\$ 297,764	12.33%



Debt Service Fund Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$2,696,167	\$2,398,356	\$297,811	12.42%
Total	\$2,696,167	\$2,398,356	\$297,811	12.42%

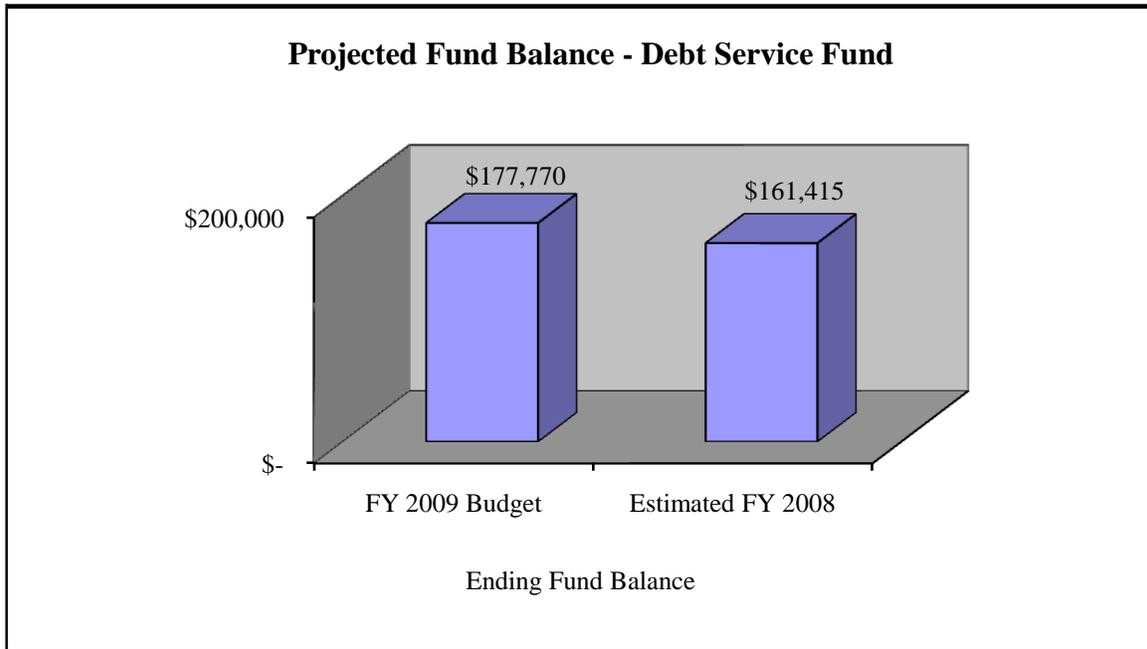


Debt Service Fund Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Fixed Charges	\$ 2,692,567	\$ 2,394,656	\$ 297,911	12.44%
Other	3,600	3,700	(100)	-2.70%
Total	\$ 2,696,167	\$ 2,398,356	\$ 297,811	12.42%



Carl Sandburg College
Debt Service Fund-Projected Fund Balance

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 2,712,522	\$ 5,860,110	\$(3,147,588)	-53.71%
Expenditures	2,696,167	5,903,865	(3,207,698)	-54.33%
Revenues Over (Under) Expenditures	\$ 16,355	\$ (43,755)	\$ 60,110	-137.38%
Transfers	-	-	-	-
Change in fund balance	\$ 16,355	\$ (43,755)	\$ 60,110	-137.38%
Fund equity (deficit) beginning of year	161,415	205,170	(43,755)	-21.33%
Fund equity (deficit) end of year	\$ 177,770	\$ 161,415	\$ 16,355	10.13%



**Bond and Interest Fund Revenue and Expenditures
Fiscal Year 2009**

Operating Revenue by Sources	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Local Government:							
Current Taxes	\$ 1,825,607	\$ 1,853,666	\$ 2,194,193	\$ 2,201,549	\$ 2,396,583		\$2,696,167
Total Local Government	\$ 1,825,607	\$ 1,853,666	\$ 2,194,193	\$ 2,201,549	\$ 2,396,583	\$2,335,984	\$2,696,167
Other Sources:							
Interest Income	\$ 15,658	\$ 19,220	\$ 222	\$ 94,683	\$ 18,175		\$ 16,355
Total Other Sources	\$ 15,658	\$ 19,220	\$ 222	\$ 94,683	\$ 18,175	\$ 24,125	\$ 16,355
Total Revenue before Interfunds & Non-operating Items	\$ 1,841,265	\$ 1,872,886	\$ 2,194,415	\$ 2,296,232	\$ 2,414,758	\$2,360,109	\$2,712,522
Interfund Transfers	-	-	-	-	-	-	-
Bond Proceeds	5,678,480	9,690,000	-	-	-	3,500,000	-
Grand Total	\$ 7,519,745	\$11,562,886	\$ 2,194,415	\$ 2,296,232	\$ 2,414,758	\$5,860,109	\$2,712,522
	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Institutional Support							
Fixed Charges	\$ 1,826,872	\$ 2,048,092	\$2,259,737	\$ 2,181,491	\$ 2,394,656		\$ 2,696,167
Capital Outlay	1,343,843	-	-	-	-		-
Other Expenditures	69,647	88,862	8,547	6,193	3,700		-
Total Expenditures before Interfunds	\$ 3,240,362	\$ 2,136,954	\$2,268,284	\$ 2,187,684	\$ 2,398,356	\$ 2,803,865	\$ 2,696,167
Interfund Transfers	\$ 80,390	\$ 2,858,876	\$1,591,512	\$ -	\$ -	\$ 3,100,000	\$ -
Repayment of lease certificates	-	-	-	-	-	-	-
Discount on bond issuance	-	151,100	-	-	-	-	-
Payment to refunding bond escrow agent	-	9,451,380	-	-	-	-	-
GRAND TOTAL	\$ 3,320,752	\$14,598,310	\$3,859,796	\$ 2,187,684	\$ 2,398,356	\$ 5,903,865	\$ 2,696,167

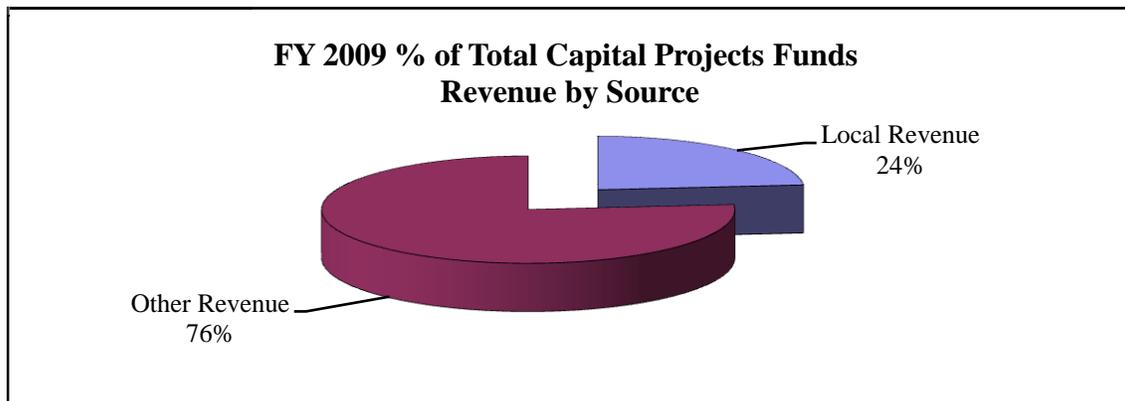
Capital Projects Fund

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. Revenue for the Capital Projects Funds is derived from Local Government and Other Sources of Revenue.

As illustrated below, the FY 2009 total revenue budget of \$1,301,350 represents a change of 161%, or \$803,190 from the FY 2008 budget of \$498,160.

- The local revenue increases due to an increase in the levy for Protection, Health, and Safety. Two projects are budgeted for completion: Building A roof replacement and an emergency generator replacement.
- Other revenue increases due to transfers to renovate the second floor of the Annex for the massage therapy program, capital refresh project for faculty offices, and potential renovations to the Carthage Community Center.

Capital Projects Funds	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 306,400	\$ 183,750	\$ 122,650	66.75%
Other Revenue	994,950	314,410	680,540	216.45%
Total	\$ 1,301,350	\$ 498,160	\$ 803,190	161.23%

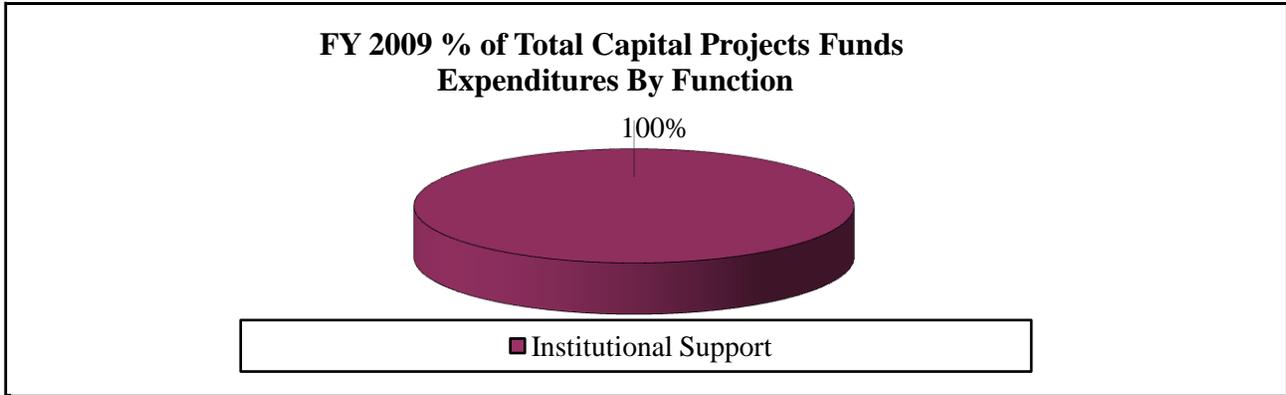


Budgeted expenditures for the Capital Projects Funds for FY 2009 are \$1,911,100. The following table details the budgeted expenditures by function.

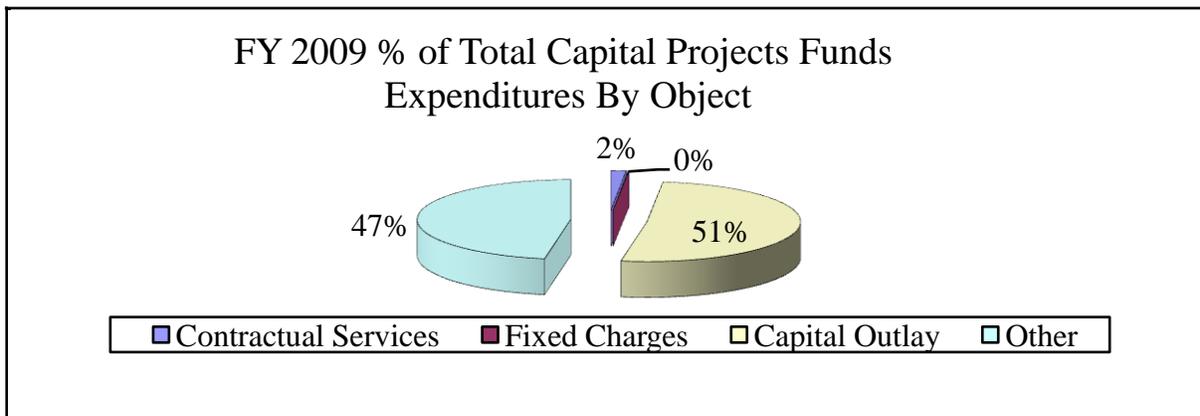
- Institutional support increases for the following project costs:
 - Building A roof replacement \$186,300
 - Emergency generator replacement \$120,100
 - Annex renovations \$450,000
 - Capital refresh \$85,000
 - Carthage Community Center \$86,850

Additional transfer dollars are shown for expenditures in other funds. The capital equipment budget, page 108 details the applications of the dollars budgeted for FY 2009.

Capital Projects Funds Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$ 1,911,100	\$ 520,000	\$1,391,100	267.52%
Total	\$ 1,911,100	\$ 520,000	\$1,391,100	267.52%

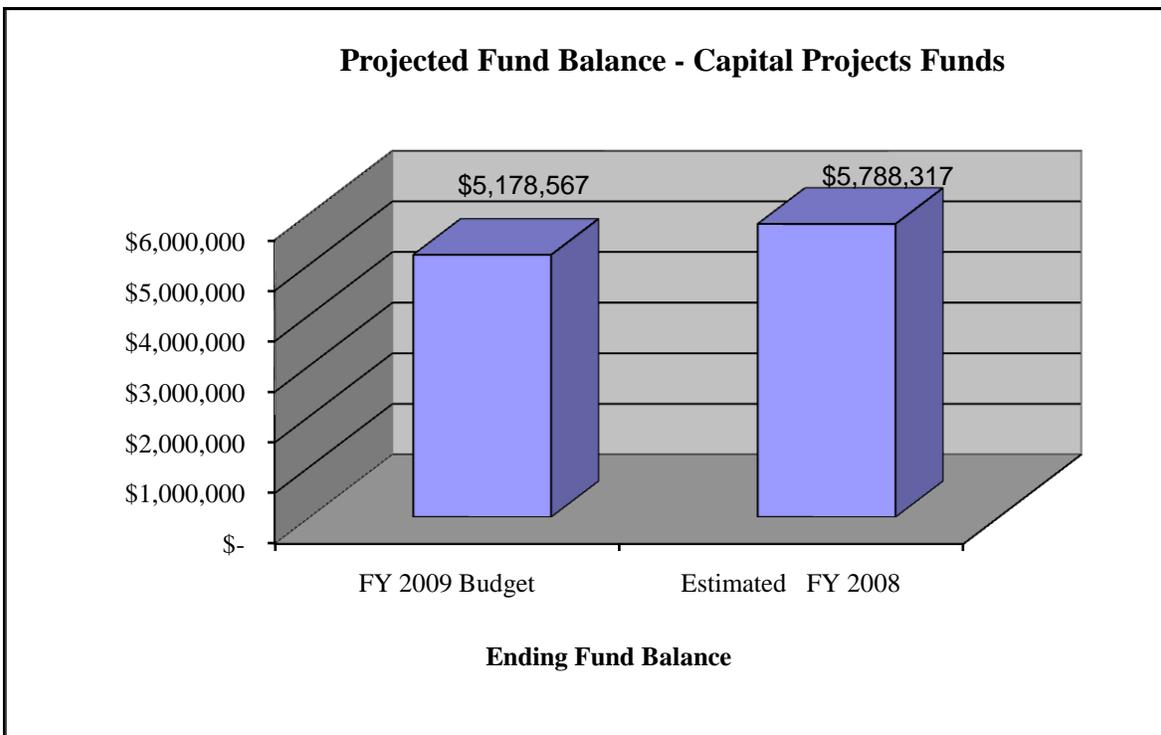


Capital Projects Funds Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Contractual Services	\$ 30,640	\$ -	\$ 30,640	N/A
Fixed Charges	1,250	1,250	-	0.00%
Capital Outlay	975,410	183,750	791,660	430.84%
Other	903,800	335,000	568,800	169.79%
Total	\$ 1,911,100	\$ 520,000	\$1,391,100	267.52%



**Carl Sandburg College
Capital Projects Funds-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 629,500	\$ 524,781	\$ 104,719	19.95%
Expenditures	1,007,300	3,514,408	(2,507,108)	-71.34%
Revenues Over (Under) Expenditures	\$ (377,800)	\$ (2,989,627)	\$ 2,611,827	-87.36%
Transfers	(231,950)	3,135,981	(3,367,931)	-107.40%
Change in fund balance	\$ (609,750)	\$ 146,354	\$ (756,104)	-516.63%
Fund equity (deficit) beginning of year	5,788,317	5,641,963	146,354	2.59%
Fund equity (deficit) end of year	\$ 5,178,567	\$ 5,788,317	\$ (609,750)	-10.53%



Operations & Maintenance Fund (Restricted)

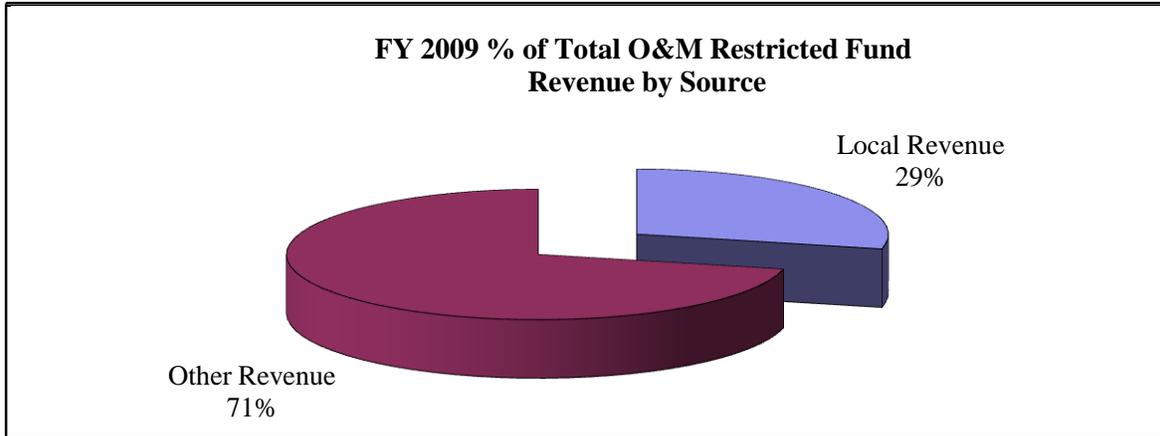
The O&M Restricted Fund is one of the funds comprising the Capital Projects Funds and is used to account for monies restricted for building purposes and site acquisition.

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. FY 2007 was a year with no projects budgeted. The college used FY 2007 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 was included in FY 2008. FY 2009 includes a PHS levy to complete two projects, r0oof replacement for building A and an emergency generator replacement. A state capital budget is not in place and creates uncertainty for future projects. Therefore, at this time, other projects budgeted for FY 2009 are being funded internally to the College through the use of accumulated interest on the Working Cash Fund and the STEF Endowment Fund. A portion of STEF principal is also budgeted in order to complete projects.

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	\$ 632,246	\$ 645,000
Total	\$ 3,182,794	\$ 3,161,327

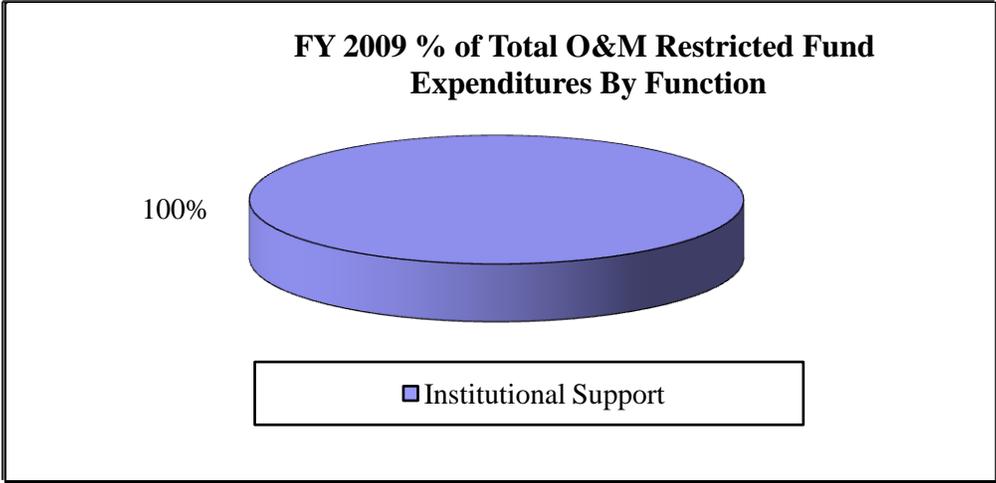
Projects Completed in FY 2008:	Actual Cost	Budget
Customer Service Renovation	\$ 122,936	\$ 520,080
Dental Hygiene Renovation	\$ 1,707,932	\$ 1,755,559
Closed Circuit Cameras	\$ 143,595	\$ 183,750
Total	\$ 1,974,463	\$ 2,459,389

O&M Restricted Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Local Revenue	\$ 306,400	\$ 183,750	\$ 122,650	66.75%
Other Revenue	764,145	18,310	745,835	4073.38%
Total	\$1,070,545	\$ 202,060	\$ 868,485	429.82%

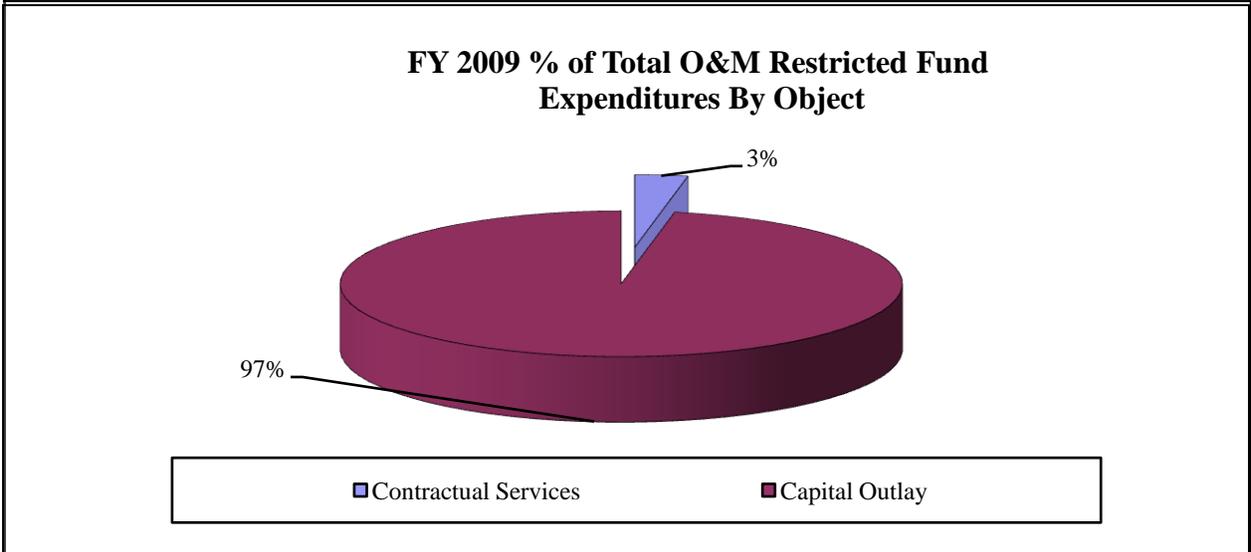


- Institutional support increases for the following project costs:
 - Building A roof replacement \$186,300
 - Emergency generator replacement \$120,100
 - Annex renovations \$450,000
 - Capital refresh \$85,000
 - Carthage Community Center \$86,850

O&M Restricted Fund Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$ 1,006,050	\$ 183,750	\$ 822,300	447.51%
Total	\$ 1,006,050	\$ 183,750	\$ 822,300	447.51%

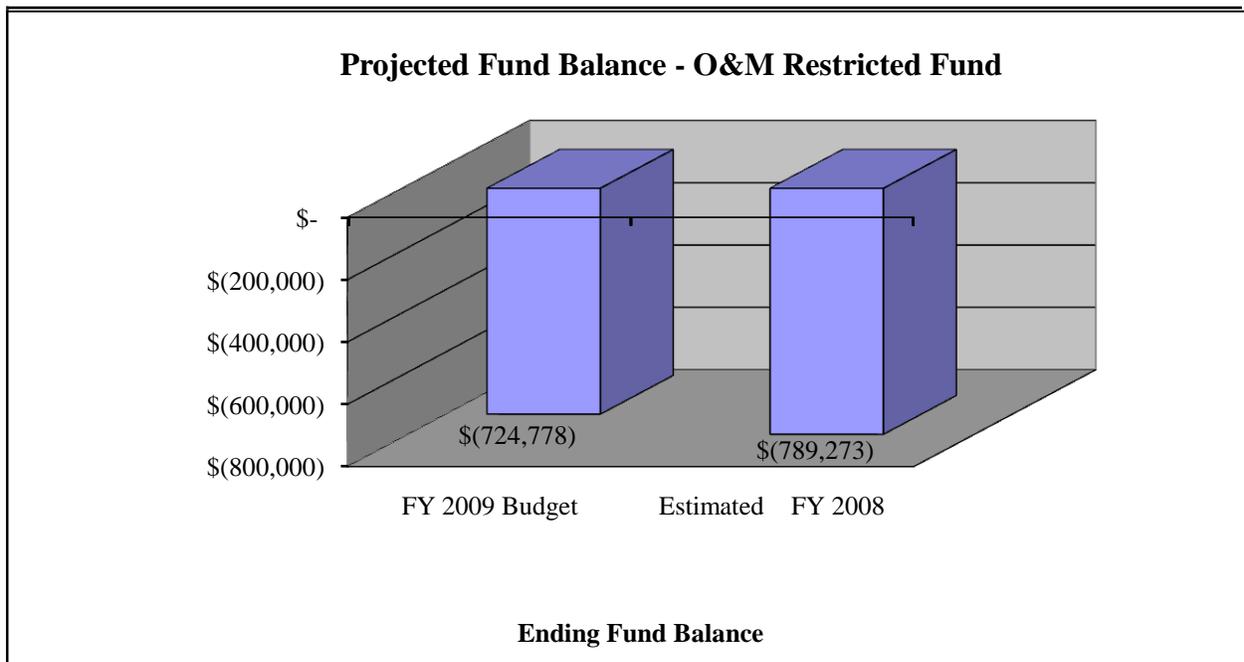


O&M Restricted Fund Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Contractual Services	\$ 30,640	\$ -	\$ 30,640	N/A
Capital Outlay	975,410	183,750	791,660	430.84%
Total	\$ 1,006,050	\$ 183,750	\$ 822,300	447.51%



**Carl Sandburg College
O&M Restricted Fund-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 398,695	\$ 247,041	\$ 151,654	61.39%
Expenditures	1,006,050	3,513,158	(2,507,108)	-71.36%
Revenues Over (Under) Expenditures	\$ (607,355)	\$ (3,266,117)	\$2,658,762	-81.40%
Transfers	671,850	3,180,981	(2,509,131)	-78.88%
Change in fund balance	\$64,495	\$ (85,136)	\$ 149,631	-175.76%
Fund equity (deficit) beginning of year	(789,273)	(704,137)	(85,136)	12.09%
Fund equity (deficit) end of year	\$ (724,778)	\$ (789,273)	\$64,495	-8.17%



**Operations Maintenance Restricted Fund Revenue
Fiscal Year 2009**

Operating Revenue by Sources	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Local Government:						
Current Taxes	\$ -	\$ -	\$ -	\$183,750		\$ 306,400
Total Local Government	\$ -	\$ -	\$ -	\$183,750	\$ 178,219	\$ 306,400
State Government:						
Other State Revenues	\$ -	\$ -	\$ -	\$ -		\$ -
ICCB Deferred Maintenance Grant	-	-	-	-		-
Total State Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Sources:						
Interest Income	\$ 7,884	\$ 13,922	\$ 18,463	\$ 18,310		\$ 14,495
Other Income	-	85,000	29,447	-		77,800
Total Other Sources	\$ 7,884	\$ 98,922	\$ 47,910	\$ 18,310	\$ 68,821	\$ 92,295
Total Revenue before Interfunds & Non-operating Items	\$ 7,884	\$ 98,922	\$ 47,910	\$202,060	\$ 247,040	\$ 398,695
Interfund Transfers	1,248,748	1,581,765	48,512	-	80,981	671,850
Bond & Lease Certificate Proceeds	-	-	-	-	3,100,000	-
Grand Total	\$ 1,256,632	\$ 1,680,687	\$ 96,422	\$202,060	\$3,428,021	\$1,070,545

**Operations Maintenance Restricted Fund Expenditures
Fiscal Year 2009**

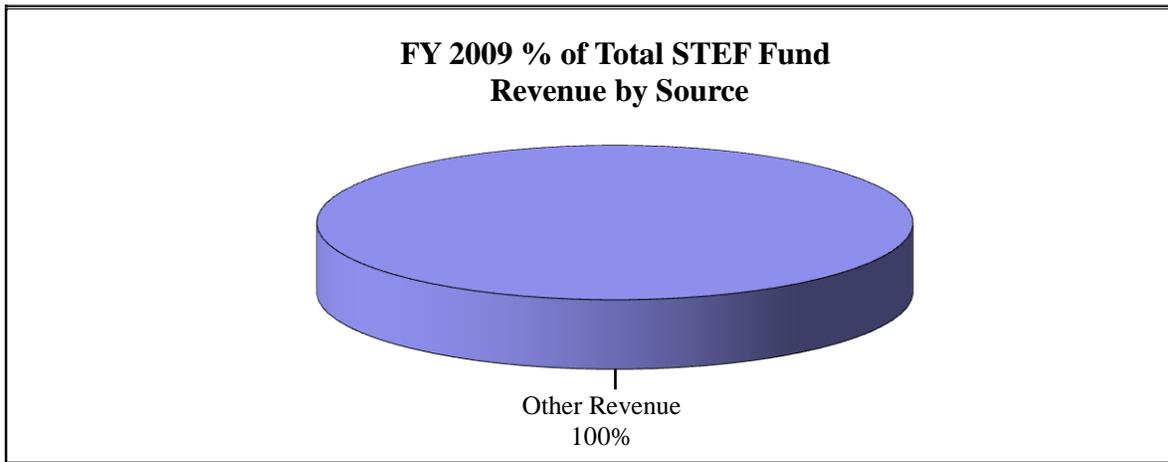
	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Operation & Maintenance of Plant						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Capital Outlay	-	-	-	-		-
Total Operation & Maintenance of Plant	\$ -	\$ -				
Institutional Support						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Contractual Services	282,641	96,357	7,632	-		-
General Maintenance and Supplies	-	-	-	-		-
Travel/Meetings	-	-	-	-		-
Fixed Charges	-	-	-	-		-
Capital Outlay	1,316,292	1,707,611	200,358	183,750		1,006,050
Other Expenditures	-	-	-	-		-
Total Institutional Support	\$ 1,598,933	\$ 1,803,968	\$ 207,990	\$ 183,750	\$ 3,513,158	\$ 1,006,050
Total Expenditures before Interfunds	\$ 1,598,933	\$ 1,803,968	\$ 207,990	\$ 183,750	\$ 3,513,158	\$ 1,006,050
Interfund Transfers	82,909	-	-	-	-	-
Repayment of Lease Certificates	-	-	-	-	-	-
GRAND TOTAL	\$ 1,681,842	\$ 1,803,968	\$ 207,990	\$ 183,750	\$ 3,513,158	\$ 1,006,050

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.

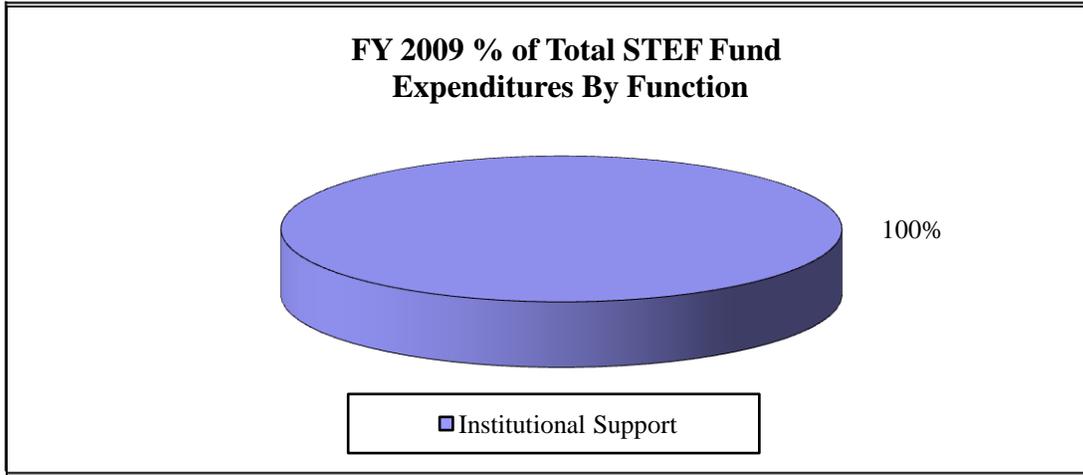
The Strategic Technology Endowment Fund (STEF) was established by issuing \$5 million in bonds to be invested. The June 30, 2004 bond issuance expanded this fund by \$1,028,650 to service capital lease agreements for Xerox copiers and Access computer software. The interest from the investments in the STEF fund is available to fund technology refreshment activities through transfers to appropriate funds. FY 2009 reflects a decrease in interest earnings due to the decrease in rates and budgeted use of principal.

STEF Fund	FY 2009 Budget	FY 2008 Budget	Change	%
Other Revenue	\$ 230,805	\$ 296,100	\$ (65,295)	-22.05%
Total	\$ 230,805	\$ 296,100	\$ (65,295)	-22.05%

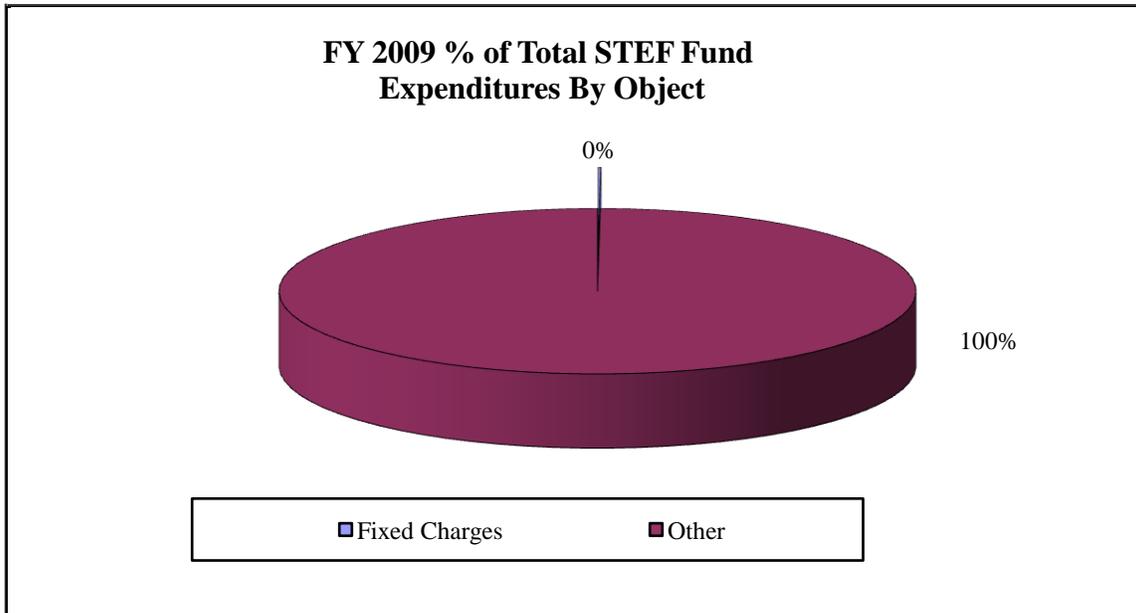


The capital equipment budget, page 108 details the applications of the STEF accumulated interest and principal dollars budgeted for FY 2009. Projects budgeted for FY 2009 are being funded internally to the College through the use of accumulated interest on the STEF Endowment Fund. A portion of STEF principal is also budgeted in order to fund projects.

STEF Fund Expense by Function	FY 2009 Budget	FY 2008 Budget	Change	%
Institutional Support	\$ 905,050	\$ 336,250	\$ 568,800	169.16%
Total	\$ 905,050	\$ 336,250	\$ 568,800	169.16%



STEF Fund Expense by Object	FY 2009 Budget	FY 2008 Budget	Change	%
Fixed Charges	\$ 1,250	\$ 1,250	\$ -	0.00%
Other	903,800	335,000	568,800	169.79%
Total	\$ 905,050	\$ 336,250	\$ 568,800	169.16%



FY-2009 CAPITAL EQUIPMENT (PHENIX) BUDGET

Sources	APPLICATIONS ¹			
	Instructional Services	Student Services	Business Services	Institutional Support
Working Cash Accumulated Interest \$520,300 ³	\$50,450 Annex Renovations	\$30,000 Soccer facility \$63,000 Capital Refresh	\$15,000 CME Lots \$75,000 Rolling stock	\$10,000 Barter Match \$ 5,000 Barter Commission \$80,000 SRP \$85,000 Capital refresh \$86,850 Carthage Comm. Center \$ 5,000 Ergonomic \$15,000 Capital Refresh
STEF Accumulated Interest & Principal \$903,800 ³	\$15,000 Academic Program Equipment \$20,000 Instructional Tech.- Faculty Peer Group \$399,550 Annex Renovations	\$12,000 Fitness Center Equip.	\$25,000 CIPS \$80,000 Xerox	\$173,500 EM Initiative \$93,750 Access \$30,000 IT Infrastructure \$5,000 R&D Tech Staff \$50,000 PC Maint Non-faculty
Perkins	\$15,000 Laptops \$60,000 Equipment			
Tech Fee ² \$5.50	\$70,033			
Barter Dollars				\$20,000

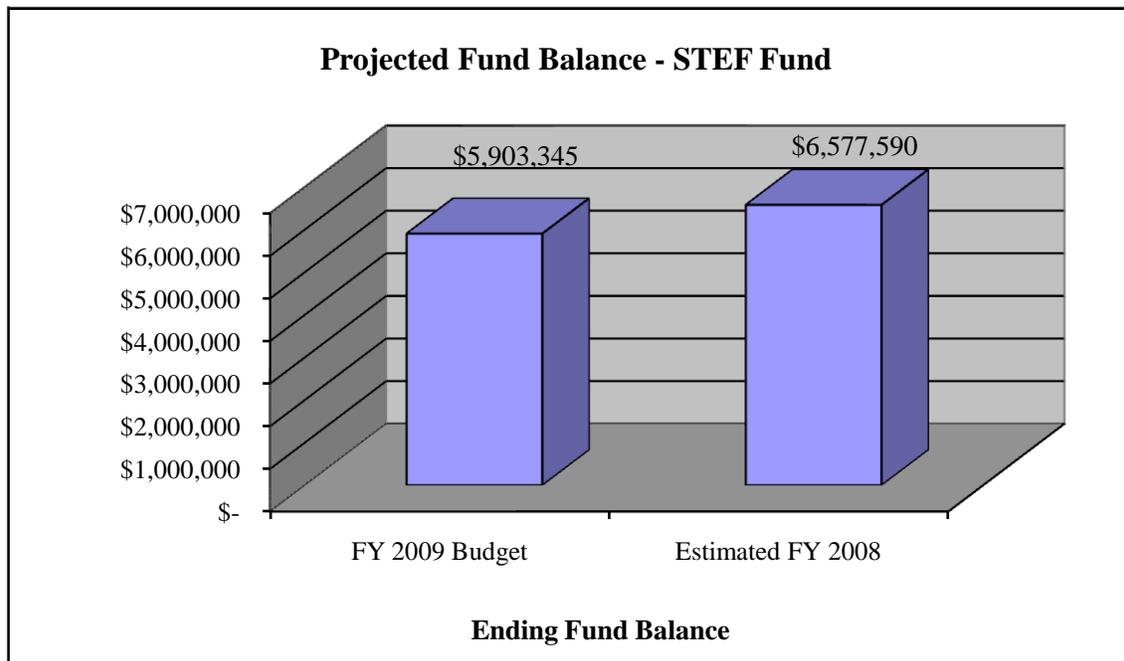
¹. All of these dollar allocations are included in the draft budget.

². Tech fee revenue less salaries in dept 3071

³. Education fund - \$645,250, Operations & Maintenance Fund - \$40,000, Operations & Maintenance Restricted - \$621,850, Auxiliary fund - \$117,000

**Carl Sandburg College
STEF Fund-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 230,805	\$ 277,740	\$ (46,935)	-16.90%
Expenditures	1,250	1,250	-	0.00%
Revenues Over (Under) Expenditures	\$ 229,555	\$ 276,490	\$ (46,935)	-16.98%
Transfers	(903,800)	(45,000)	(858,800)	1908.44%
Change in fund balance	\$ (674,245)	\$ 231,490	\$ (905,735)	-391.26%
Fund equity (deficit) beginning of year	6,577,590	6,346,100	231,490	3.65%
Fund equity (deficit) end of year	\$5,903,345	\$ 6,577,590	\$ (674,245)	-10.25%



**Quasi-Endowment Fund Revenue and Expenditures
Fiscal Year 2009**

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Other Sources:						
Federal Grants	\$ 51,492	\$ 177,101	\$ -	\$ -		\$ -
Interest Income	436,005	307,038	317,011	296,100		230,805
Net increase (decrease) in fair value of investments	-	(223,970)	(37,326)	-		-
Total before Interfund Transfers & Non-operating	\$ 487,497	\$ 260,169	\$ 279,685	\$ 296,100	\$ 277,740	\$ 230,805
Bond Proceeds	-	-	-	-	-	-
Transfers	1,028,650	-	-	-	-	-
GRAND TOTAL	\$1,516,147	\$ 260,169	\$ 279,685	\$ 296,100	\$ 277,740	\$ 230,805

	FY 2005 Actual	FY 2006 Budget	FY 2007 Budget	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Institutional Support						
Fixed Charges	\$ 865	\$ 1,058	\$ 1,250	\$ 1,250		\$ 1,250
Other Expenditures	20	20	11,020	-		-
Total Expenditures before Interfunds	\$ 885	\$ 1,078	\$ 12,270	\$ 1,250	\$ 1,250	\$ 1,250
Transfers	315,994	476,813	58,448	335,000	45,000	903,800
GRAND TOTAL	\$ 316,879	\$ 477,891	\$ 70,718	\$ 336,250	\$ 46,250	\$ 905,050

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 Auto Mechanics, Food Service, Bookstore, Athletics, Cosmetology Clinic, Children's School and Dental Hygiene Clinic.

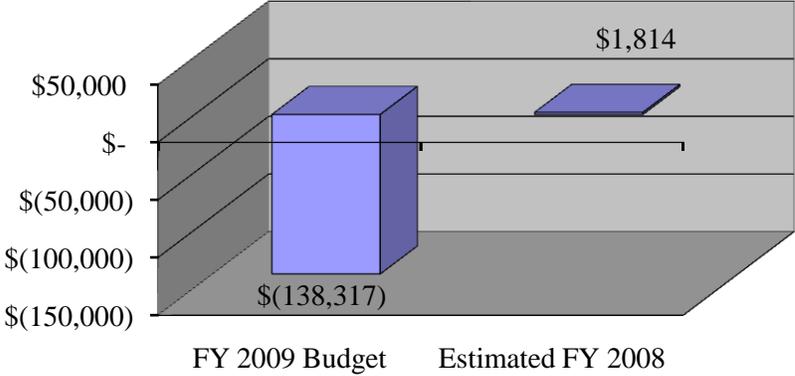
Food Service, budgeted at \$29,697, is expected to earn \$15,000 in commissions for the college. This amount is not sufficient to fund all activities, so the college will subsidize the loss with other sources totaling \$14,697. Expenses include contractual services as well as equipment.

Dental Hygiene Clinic is budgeted at \$30,306. They expect revenues of \$29,420 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.

Carl Sandburg College Auxiliary Fund-Projected Fund Balance

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 1,044,538	\$ 863,703	\$ 180,835	20.94%
Expenditures	1,301,669	900,368	401,301	44.57%
Revenues Over (Under) Expenditures	\$ (257,131)	\$ (36,665)	\$ (220,466)	601.30%
Transfers	117,000	(50,503)	167,503	-331.67%
Change in fund balance	\$ (140,131)	\$ (87,168)	\$ (52,963)	60.76%
Fund equity (deficit) beginning of year	1,814	88,982	(87,168)	-97.96%
Fund equity (deficit) end of year	\$ (138,317)	\$ 1,814	\$ (140,131)	-7724.97%

Projected Fund Balance - Auxiliary Fund



Ending Fund Balance

**Auxiliary Fund Revenues and Expenditures
Fiscal Year 2009**

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Student Tuition and Fees:						
Tuition	\$ -	\$ -	\$ -	\$ -		\$ -
Activity Fee Revenue	245,132	230,747	211,956	238,380		235,505
Total Student Tuition and Fees	\$ 245,132	\$ 230,747	\$ 211,956	\$ 238,380	\$ 205,920	\$ 235,505
Other Sources:						
Sales & Service Income	\$ 511,080	\$ 600,743	\$ 628,320	\$ 644,106		\$ 650,007
Commissions	-	-	-	103,000		-
Federal Government-USDA Reimbursement	23,681	23,970	27,677	25,000		27,000
Interest Income	575	3	32	-		-
Other Income	144,322	122,560	130,625	26,426		132,026
Total Other Sources	\$ 679,658	\$ 747,276	\$ 786,654	\$ 798,532	\$ 657,783	\$ 809,033
Total Revenue before Interfunds & Non-operating Items	\$ 924,790	\$ 978,023	\$ 998,610	\$ 1,036,912	\$ 863,703	\$ 1,044,538
Interfund Transfers	26,030	32,970	9,936	55,000	30,478	117,000
Grand Total	\$ 950,820	\$ 1,010,993	\$ 1,008,546	\$ 1,091,912	\$ 894,181	\$ 1,161,538
	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Auxiliary Services						
Salaries	\$ 418,577	\$ 453,129	\$ 474,456	\$ 536,415		\$ 563,547
Employee Benefits	10,000	10,000	12,354	12,044		12,115
Contractual Services	99,334	153,416	136,936	156,473		201,630
General Maintenance and Supplies	172,037	186,960	177,864	211,651		224,282
Travel and Conference/Meeting Expense	25,545	37,169	54,693	39,099		49,306
Fixed Charges	-	-	-	-		-
Utilities	-	-	-	-		-
Capital Outlay	-	-	-	35,141		115,141
Depreciation	42,059	26,902	935	40,000		-
Other	80,275	102,618	92,982	83,343		85,648
Total before transfers	\$ 847,827	\$ 970,194	\$ 950,220	\$ 1,114,166	\$ 900,368	\$ 1,251,669
Interfund Transfers	-	-	-	-	80,981	50,000
GRAND TOTAL	\$ 847,827	\$ 970,194	\$ 950,220	\$ 1,114,166	\$ 981,349	\$ 1,301,669

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.

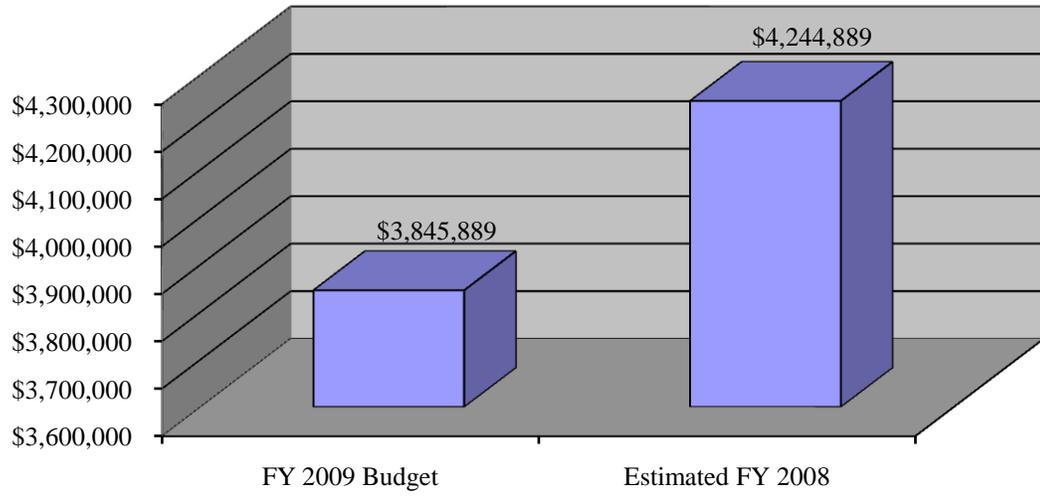
The college currently shows a principal balance of \$3,093,770 which is invested in staggered maturities to insure liquidity and follows the board's Investment Policy. Interest earned in this fund may be transferred to the General Fund with Board approval. The transfer of interest has become an important source of college revenue.

Revenue for this fund is derived solely from investment earnings. For FY 2009, these earnings are projected to decrease due to lower investment rates. Revenue is budgeted at \$121,300.

**Carl Sandburg College
Working Cash Fund-Projected Fund Balance**

	FY 2009 Budget	Estimated FY 2008	Change	%
Revenues	\$ 121,300	\$ 175,223	\$ (53,923)	-30.77%
Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	\$ 121,300	\$ 175,223	\$ (53,923)	-30.77%
Transfers	(520,300)	(125,478)	(394,822)	314.65%
Change in fund balance	\$ (399,000)	\$ 49,745	\$ (448,745)	-902.09%
Fund equity (deficit) beginning of year	4,244,889	4,195,144	49,745	1.35%
Fund equity (deficit) end of year	\$ 3,845,889	\$ 4,244,889	\$ (399,000)	-10.69%

Projected Fund Balance - Working Cash Fund



Ending Fund Balance

**Working Cash Fund Revenue and Expenditures
Fiscal Year 2009**

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Other Sources:							
Interest Income	\$ 63,551	\$ 82,629	\$ 119,004	\$ 175,193	\$ 167,400		\$ 121,300
Net increase (decrease) in fair value of investments	-	(6,018)	(7,705)	8,573	-		-
Total before Non- operating	\$ 63,551	\$ 76,611	\$ 111,299	\$ 183,766	\$ 167,400	\$ 175,223	\$ 121,300
Transfers	-	303,720	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-
GRAND TOTAL	\$ 63,551	\$ 380,331	\$ 11,299	\$ 183,766	\$ 167,400	\$ 175,223	\$ 121,300

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Est. Actuals	FY 2009 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total before transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	39,135	29,041	115,948	7,500	145,000	125,478	520,300
GRAND TOTAL	\$ 39,135	\$ 29,041	\$ 115,948	\$ 7,500	\$ 145,000	\$ 125,478	\$ 520,300

IV. Informational Section

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.

Projections have been developed from historical trends and conservative assumptions developed by College staff. 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 projections is the development of comprehensive revenue estimates.

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 caused concern due to not knowing what the potential impact would 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 recent economic development initiatives bode well for stabilizing and growing the College's EAV.

- US Congress has designated Galesburg as the site for a new National Railroad Hall of Fame
- Logistics Park is "shovel ready" adjacent to Burlington Northern Santa Fe Railroad
- Seminary Square Investments constructed new retail space

Property Taxes. The following tables illustrate the College's property tax levy rates and EAV over the last five years. The EAV determined in December of 2007 will be taxed in calendar year 2008 to support our FY 2009. The current EAV is one third of the market value of the property.

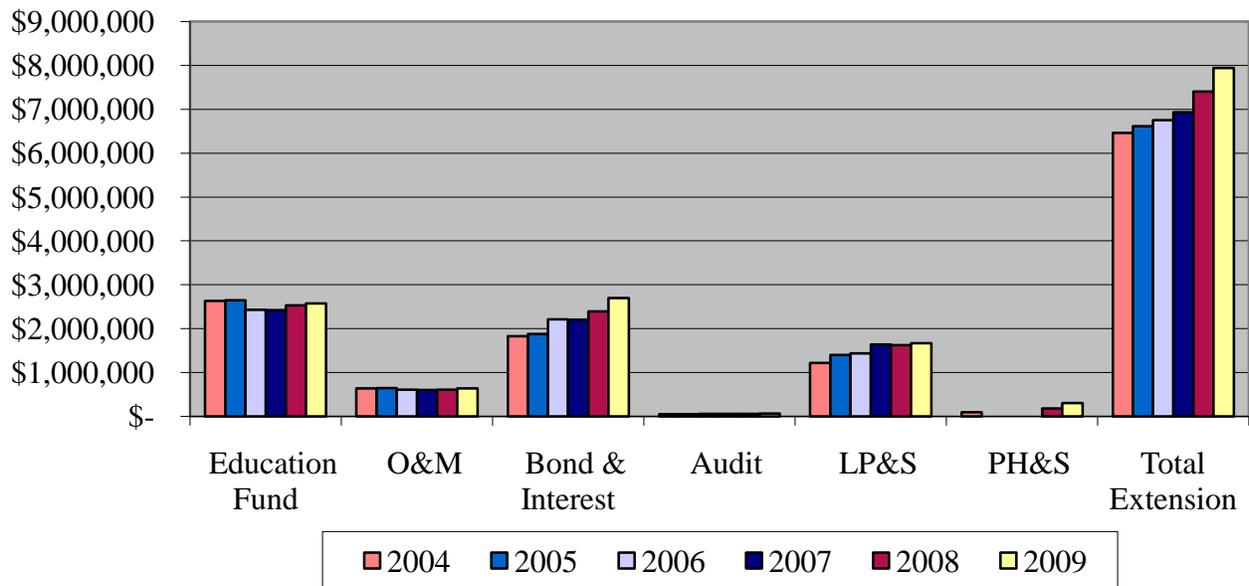
EAV supporting our fiscal year:

FY	2004	2005	2006	2007	2008	Est. 2009
Market Value	\$3,844,345,656	\$3,862,259,937	\$3,662,878,512	\$3,610,437,843	\$3,675,946,170	\$3,822,984,018
EAV	\$1,281,448,552	\$1,287,419,979	\$1,220,959,504	\$1,203,479,281	\$1,225,315,390	\$1,274,328,006
% increase/(decrease)		0.5%	-5.2%	-1.4%	1.8%	4.0%
Levy Rate *	\$ 0.5042	\$ 0.5139	\$ 0.5530	\$ 0.5759	\$ 0.6039	\$ 0.6231
% increase/(decrease)		1.9%	7.6%	4.1%	4.9%	3.2%
*(per \$100 of assessed valuation per levy year)						

**Carl Sandburg College
Historic Levies & Extensions
Fiscal Years 2004 – 2009**

Fiscal Year	2004	2005	2006	2007	2008	Estimated 2009
EAV	\$1,281,448,552	\$1,287,419,979	\$1,220,959,504	\$1,203,479,281	\$1,225,315,390	\$1,274,328,006
Taxes Rate						
Education Fund	\$ 0.2057	\$ 0.2054	\$ 0.1989	\$ 0.2015	\$ 0.2063	\$ 0.2018
O&M	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Bond & Interest	0.1425	0.1458	0.1813	0.1833	0.1953	0.2116
Audit	0.0041	0.0041	0.0050	0.0050	0.0050	0.0050
LP&S	0.0948	0.1086	0.1178	0.1361	0.1324	0.1307
PH&S	0.0071	-	-	-	0.0149	0.0240
Total Rate Per \$100 EAV	\$ 0.5042	\$ 0.5139	\$ 0.5530	\$ 0.5759	\$ 0.6039	\$ 0.6231
Extension						
Education Fund	\$ 2,635,940	\$ 2,644,361	\$ 2,428,488	\$ 2,425,542	\$ 2,527,826	\$ 2,571,594
O&M	640,724	643,710	610,480	601,871	612,658	637,164
Bond & Interest	1,826,064	1,877,058	2,213,600	2,206,461	2,396,583	2,696,478
Audit	52,539	52,784	61,048	60,187	61,266	63,716
LP&S	1,214,813	1,398,138	1,438,290	1,638,294	1,622,318	1,665,547
PH&S	90,983	0	0	0	183,750	305,839
Total Extension	\$ 6,461,063	\$ 6,616,051	\$ 6,751,906	\$ 6,932,355	\$ 7,404,400	\$ 7,940,338
Collection Loss	16,637	4,557	-8,066	288	-6,099	
Total Taxes Collected	\$ 6,444,426	\$ 6,611,494	\$ 6,759,972	\$ 6,932,067	\$ 7,410,499	

Tax Extensions by Fiscal Year



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

Fiscal Year	Tax Year	Est. Market Value of Home	Est. Taxable Value 1/3	Tax Rate	Est. CSC Tax Paid by Home Owner
2008-09	2007	\$ 90,000	\$ 30,000	\$0.6231	\$ 186.93
2007-08	2006	\$ 90,000	\$ 30,000	\$0.6039	\$ 181.17
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

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

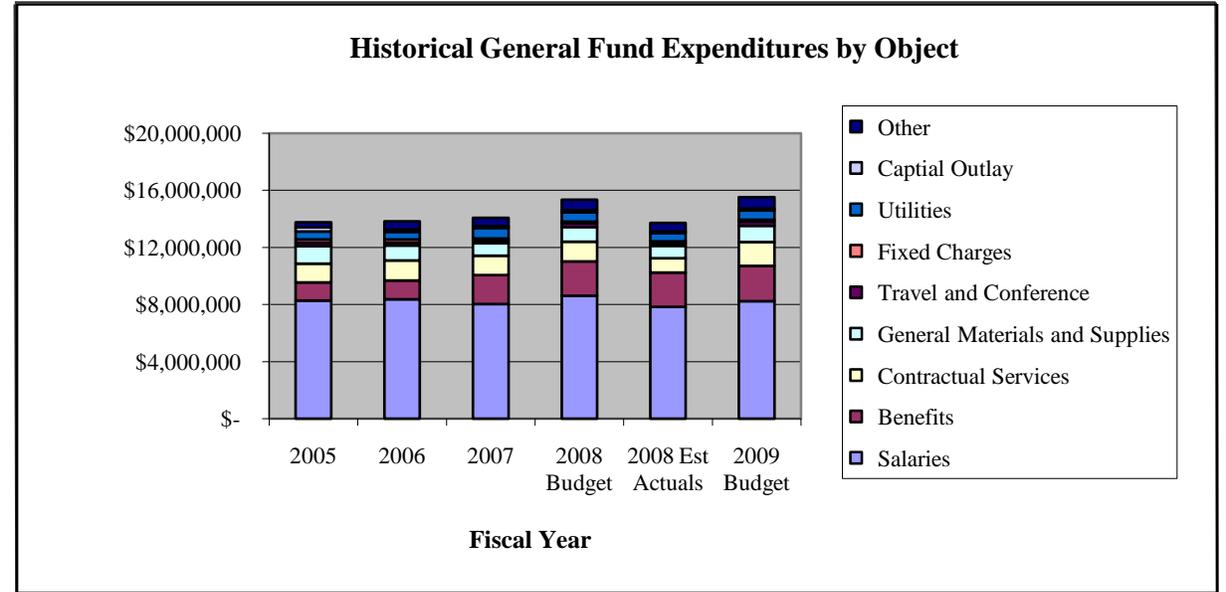
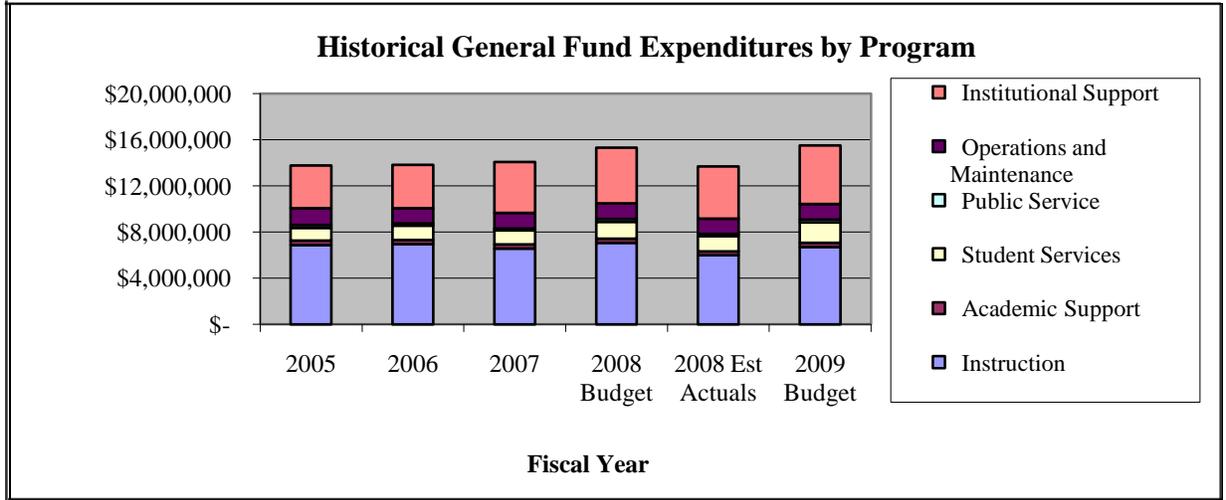
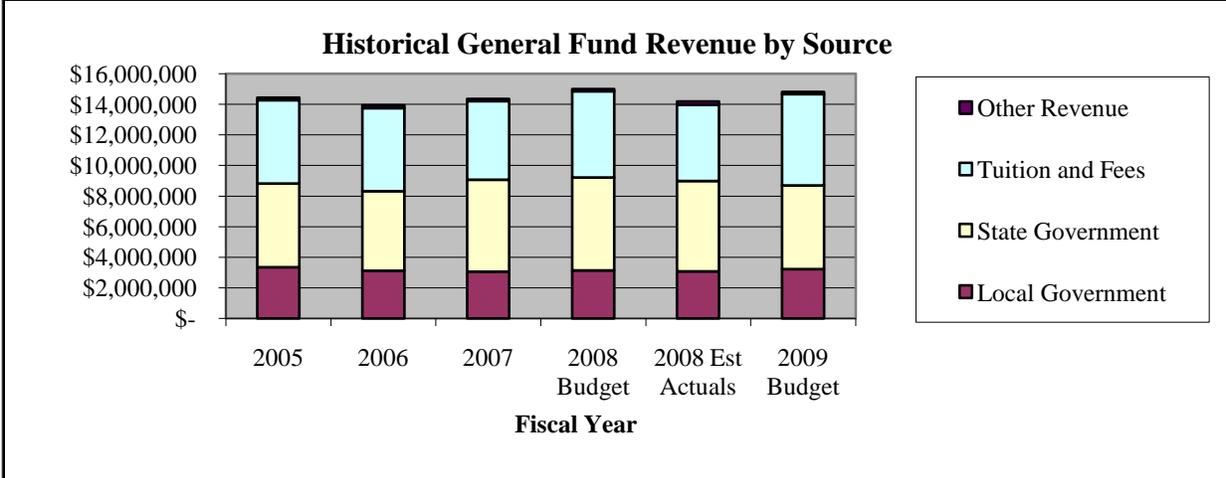
The College tax rate represents approximately 6.9% of a local taxpayers property tax bill. The tax rate levied for FY 2008 of \$0.6039 is high in comparison to the state average of \$0.3995 or other local community college rates average of \$0.4465. Although, the total operating extension of \$3,140,484 is below the average of other local community colleges, \$6,235,489 and the state average, \$15,546,010.

Historic Revenues and Expenditures

Historical revenues and expenditures are presented on the following pages. These schedules provide a snapshot view of the past three years audited revenue and expenditures. From this information, various trends can be developed. These trends have been incorporated into the forecasts beyond FY 2009.

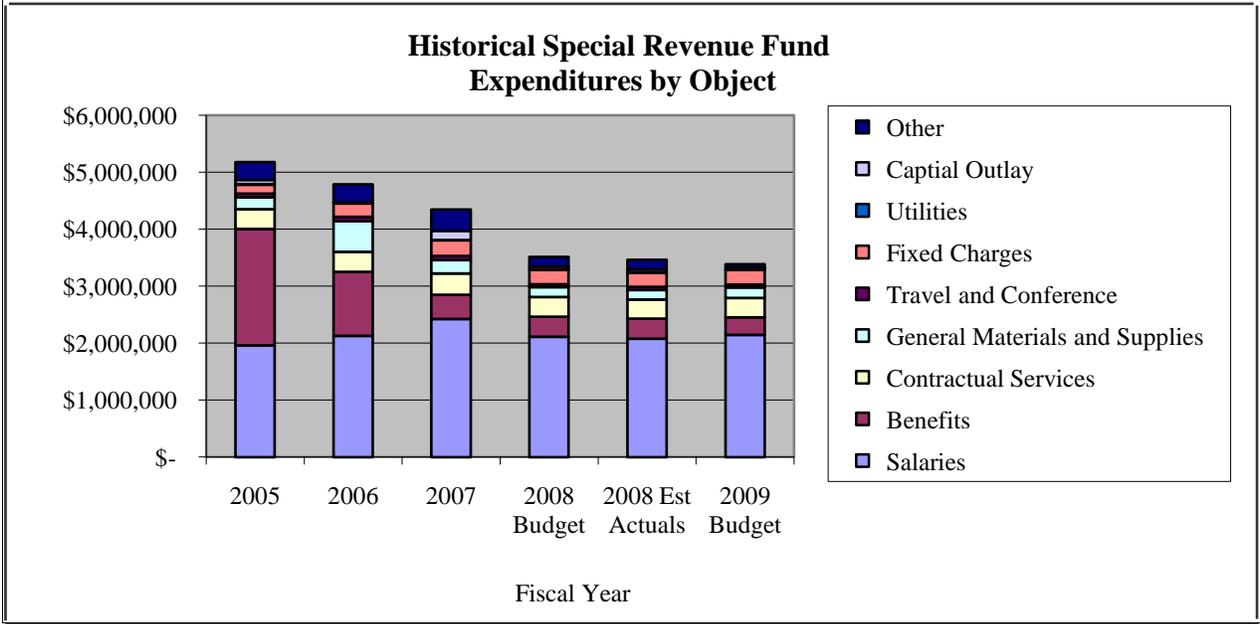
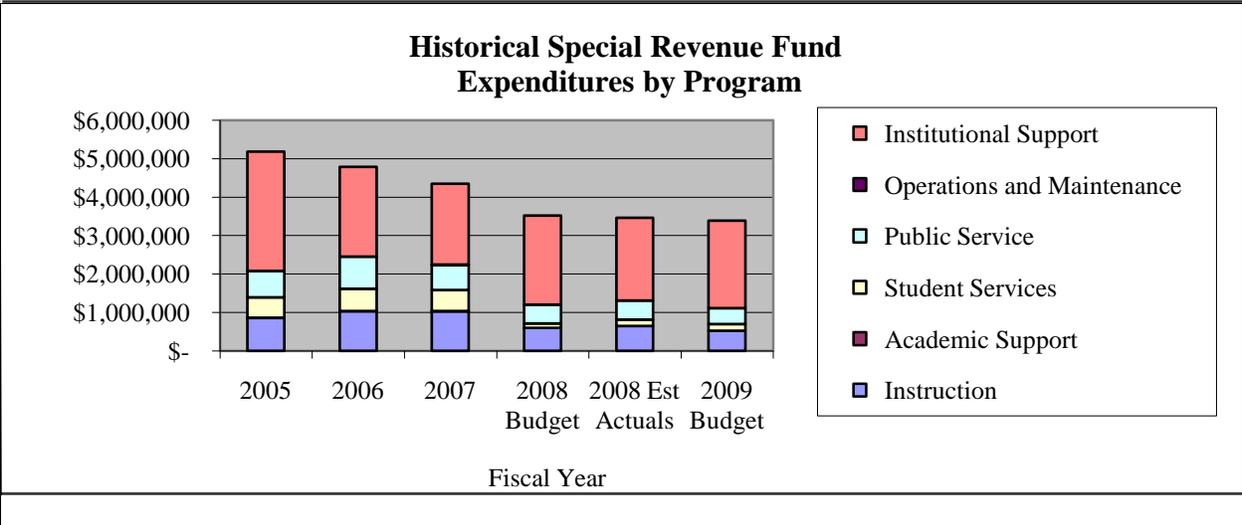
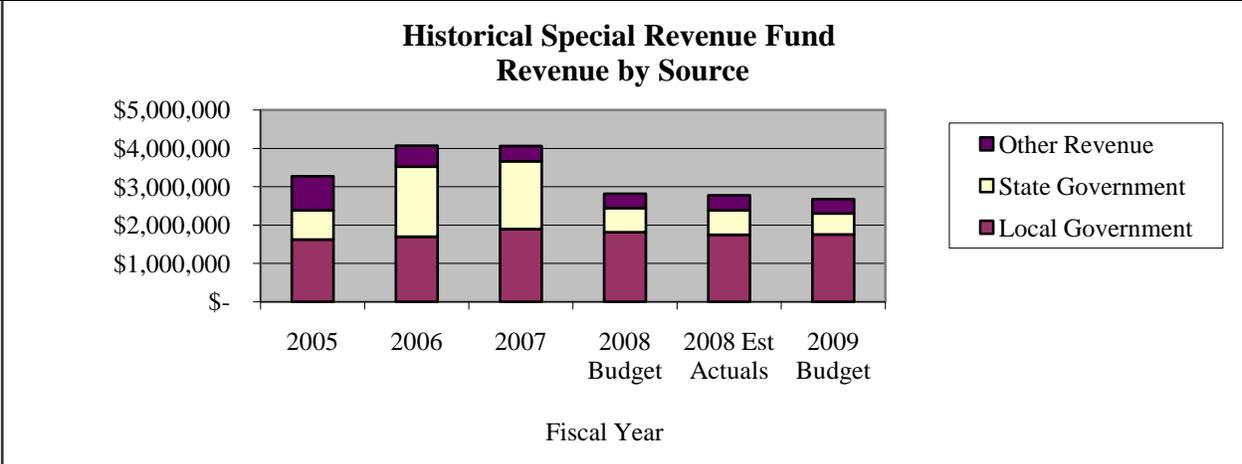
Carl Sandburg College Historic Revenues and Expenditures Fiscal Years 2005 – 2007

General Fund Revenues by Source	2005	2006	2007	2008 Budget	2008 Est. Actuals	2009 Budget
Local Government	\$ 3,358,976	\$ 3,118,442	\$ 3,057,809	\$ 3,142,190	\$ 3,080,058	\$ 3,230,758
State Government	5,464,797	5,215,463	6,012,991	6,084,178	5,906,705	5,468,034
Tuition and Fees	5,441,634	5,427,930	5,151,992	5,631,484	4,980,429	5,965,422
Other Revenue	175,616	185,874	142,902	147,091	224,758	160,100
Total Revenues	\$14,441,023	\$13,947,709	\$ 14,365,694	\$15,004,943	\$14,191,950	\$ 14,824,314
General Fund Expenditures By Program						
Instruction	\$ 6,885,337	\$ 6,952,919	\$ 6,579,380	\$ 7,084,525	\$ 5,992,184	\$ 6,718,337
Academic Support	380,775	360,775	348,968	333,863	332,787	347,801
Student Services	1,113,074	1,250,389	1,229,615	1,462,224	1,338,974	1,762,763
Public Service	226,612	194,204	166,661	256,243	173,255	250,729
Operations and Maintenance	1,480,916	1,317,395	1,333,083	1,349,135	1,324,440	1,355,045
Institutional Support	3,679,800	3,750,205	4,408,886	4,843,953	4,541,965	5,074,889
Total Expenditures by Program	\$13,766,514	\$13,825,887	\$ 14,066,593	\$15,329,943	\$13,703,605	\$ 15,509,564
By Object						
Salaries	\$ 8,264,378	\$ 8,353,265	\$ 8,029,507	\$ 8,604,310	\$ 7,830,724	\$ 8,232,413
Benefits	1,281,988	1,323,436	2,019,162	2,408,786	2,399,800	2,462,406
Contractual Services	1,307,768	1,413,280	1,357,148	1,387,512	1,008,252	1,679,487
General Materials and Supplies	1,227,031	1,043,399	878,086	1,015,891	866,907	1,135,073
Travel and Conference	251,758	200,929	182,450	268,281	172,880	288,974
Fixed Charges	229,170	210,081	159,802	125,758	134,031	128,568
Utilities	550,498	552,306	738,735	644,257	595,205	644,257
Capital Outlay	291,008	153,046	120,685	140,777	95,724	136,705
Other	362,915	576,145	581,018	734,371	600,082	801,681
Total Expenditures by Object	\$13,766,514	\$13,825,887	\$ 14,066,593	\$15,329,943	\$13,703,605	\$ 15,509,564
Revenues Over Expenditures	\$ 674,509	\$ 121,822	\$ 299,101	\$ (325,000)	\$ 488,345	\$ (685,250)
Net Operating Transfers & Non- Operating	(103,496)	(179,919)	7,500	(175,000)	(460,000)	685,250
Excess Revenue Over Expenditures	\$ 571,013	\$ (58,097)	\$ 306,601	\$ (500,000)	\$ 28,345	\$ -



Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2005 – 2007
(GAAP Basis)

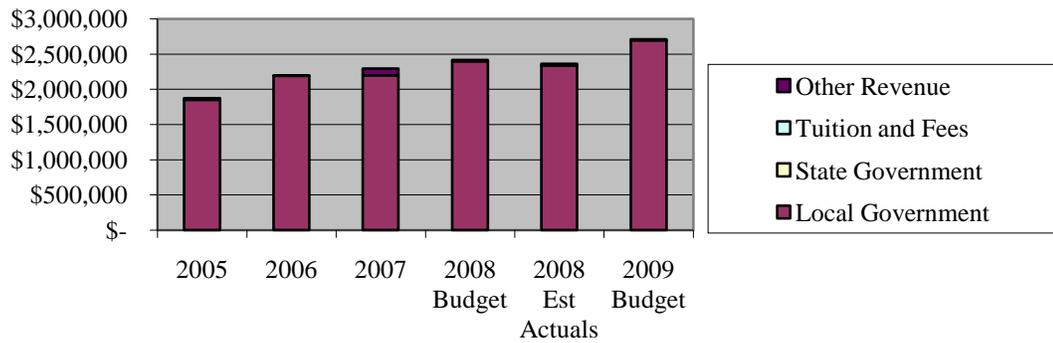
Special Revenue Fund Revenues by Source	2005	2006	2007	2008 Budget	2008 Est. Actuals	2009 Budget
Local Government	\$ 1,625,107	\$ 1,693,278	\$ 1,900,121	\$ 1,810,472	\$ 1,748,714	\$ 1,759,632
State Government	760,855	1,829,491	1,761,501	637,306	637,306	540,401
Federal Government	5,475,034	4,960,537	4,825,019	6,942,615	6,942,615	6,942,615
Other Revenue	889,314	545,925	404,525	366,994	388,764	377,786
Total Revenues	\$ 8,750,310	\$ 9,029,231	\$ 8,891,166	\$ 9,757,387	\$9,717,399	\$ 9,620,434
Special Revenue Fund Expenditures						
By Program						
Instruction	\$ 860,244	\$ 1,033,622	\$ 1,030,040	\$ 599,233	\$ 649,835	\$ 519,965
Academic Support	1,378	3,506	6,000	-	-	-
Student Services	531,071	577,240	542,309	109,649	160,251	173,173
Public Service	687,450	837,659	661,674	495,352	495,352	420,148
Institutional Support	3,100,710	2,333,670	2,104,470	2,311,718	2,156,165	2,272,704
Scholarships, student grants & waivers	4,542,654	4,535,679	4,835,540	6,547,056	6,445,852	6,459,226
Total Expenditures by Program	\$ 9,723,507	\$ 9,321,376	\$ 9,180,523	\$10,063,008	\$9,907,455	\$ 9,845,216
By Object						
Salaries	\$ 1,962,204	\$ 2,129,756	\$ 2,426,368	\$ 2,113,008	\$2,080,345	\$ 2,146,845
Benefits	2,045,710	1,123,662	426,105	354,551	349,070	304,590
Contractual Services	344,973	351,553	368,926	343,649	338,337	342,188
General Materials and Supplies	207,399	534,053	235,315	170,098	167,469	184,685
Travel and Conference	66,856	76,209	72,459	55,624	54,764	50,901
Student Financial Aid	4,542,654	4,535,679	4,835,540	6,547,056	6,445,852	6,459,226
Fixed Charges	157,583	237,161	278,803	253,622	249,702	257,269
Utilities	5,630	4,729	4,906	4,727	4,654	3,027
Capital Outlay	77,230	13,717	157,094	53,332	52,508	39,000
Other	313,268	314,857	375,007	167,341	164,754	57,485
Total Expenditures by Object	\$ 9,723,507	\$ 9,321,376	\$ 9,180,523	\$10,063,008	\$9,907,455	\$ 9,845,216
Revenues Over Expenditures	\$ (973,197)	\$ (292,145)	\$ (289,357)	\$ (305,621)	\$ (190,056)	\$ (224,782)
Net Operating Transfers & Non Operating	939,779	805,001	-	600,000	600,000	-
Excess Revenue Over Expenditures	\$ (33,418)	\$ 512,856	\$ (289,357)	\$ 294,379	\$ 409,944	\$ (224,782)



Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2005 – 2007
(GAAP Basis)

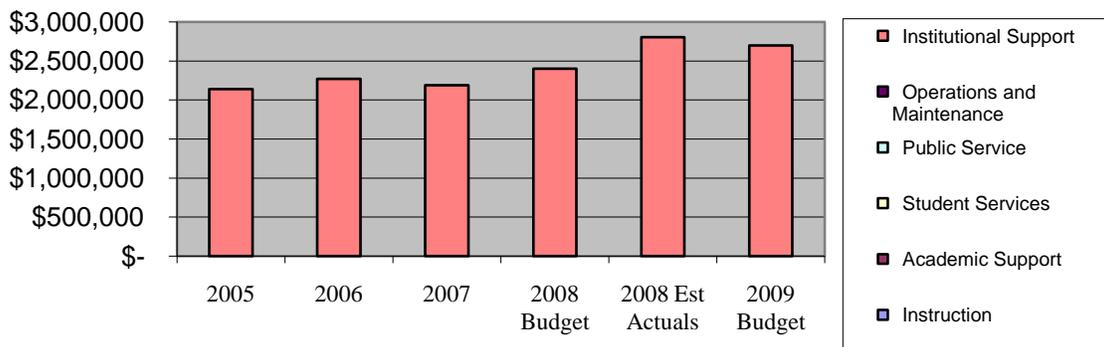
Debt Service Fund Revenues by Source	2005	2006	2007	2008 Budget	2008 Est. Actuals	2009 Budget
Local Government	\$ 1,853,666	\$ 2,194,193	\$ 2,201,549	\$ 2,396,583	\$ 2,335,984	\$ 2,696,167
State Government	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-
Other Revenue	19,220	222	94,683	18,175	24,125	16,355
Total Revenues by Source	\$ 1,872,886	\$ 2,194,415	\$ 2,296,232	\$ 2,414,758	\$ 2,360,109	\$ 2,712,522
Debt Service Fund Expenditures						
By Program						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Public Service	-	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	-
Institutional Support	2,136,954	2,268,284	2,187,684	2,398,356	2,803,865	2,696,167
Total Expenditures by Program	\$ 2,136,954	\$ 2,268,284	\$ 2,187,684	\$ 2,398,356	\$ 2,803,865	\$ 2,696,167
By Object						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-
Contractual Services	-	-	-	-	-	-
General Materials and Supplies	-	-	-	-	-	-
Travel and Conference	-	-	-	-	-	-
Fixed Charges	2,048,092	2,259,737	2,181,491	2,394,656	2,799,539	2,696,167
Utilities	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Other	88,862	8,547	6,193	3,700	4,326	-
Total Expenditures by Object	\$ 2,136,954	\$ 2,268,284	\$ 2,187,684	\$ 2,398,356	\$ 2,803,865	\$ 2,696,167
Revenues Over Expenditures	\$ (264,068)	\$ (73,869)	\$ 108,548	\$ 16,402	\$ (443,756)	\$ 16,355
Net Operating Transfers & Non Operating	(2,771,356)	(1,591,512)	-	-	400,000	-
Excess Revenue Over Expenditures	\$(3,035,424)	\$(1,665,381)	\$ 108,548	\$ 16,402	\$ (43,756)	\$ 16,355

Historical Debt Service Fund Revenue by Source



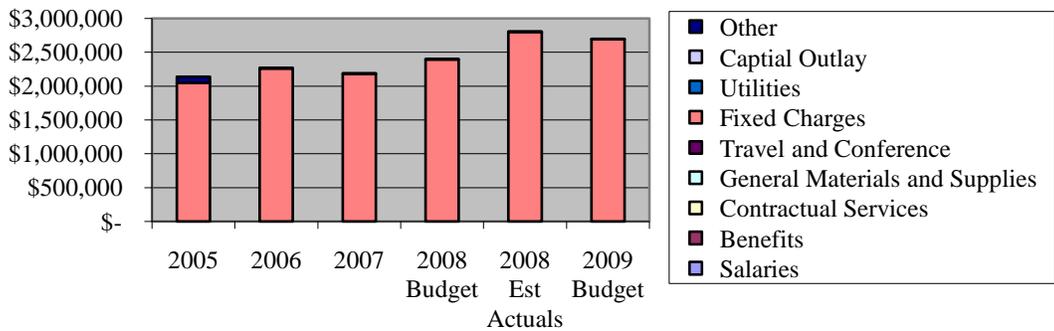
Fiscal Year

Historical Debt Service Fund Expenditures by Program



Fiscal Year

Historical Debt Service Fund Expenditures by Object

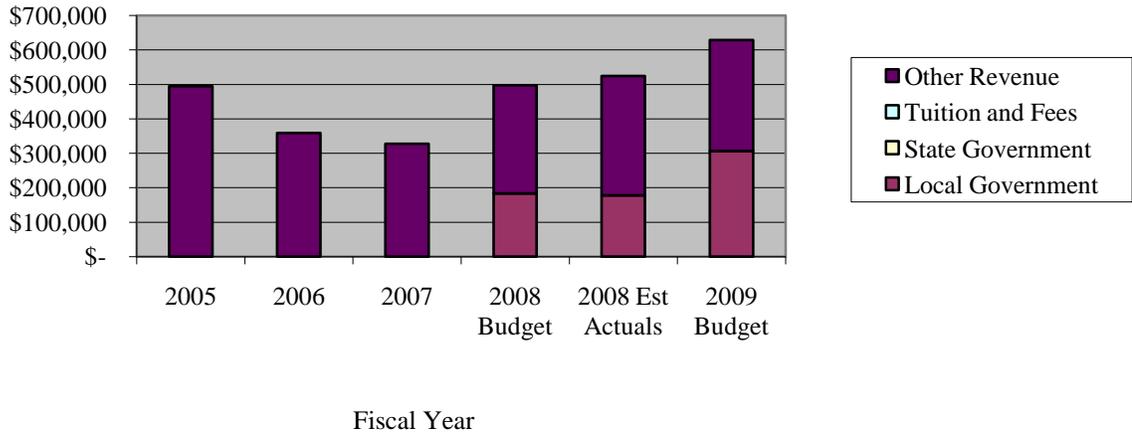


Fiscal Year

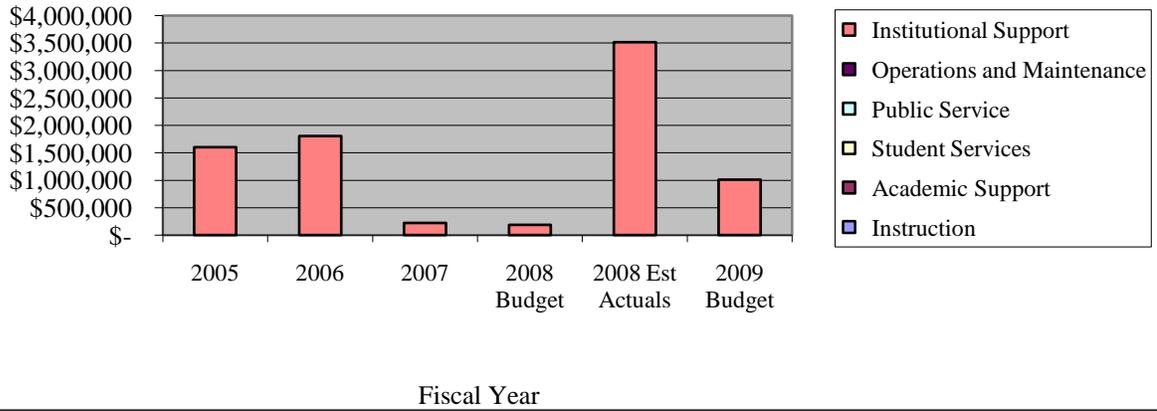
Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2005 – 2007
(GAAP Basis)

Capital Projects Fund Revenues by Source	2005	2006	2007	2008 Budget	2008 Est. Actuals	2009 Budget
Local Government	\$ -	\$ -	\$ -	\$ 183,750	\$ 178,219	\$ 306,400
State Government	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-
Other Revenue	495,381	359,091	327,595	314,410	346,561	323,100
Total Revenues	\$ 495,381	\$ 359,091	\$ 327,595	\$ 498,160	\$ 524,781	\$ 629,500
Capital Projects Fund Expenditures						
By Program						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Public Service	-	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	-
Institutional Support	1,599,818	1,805,046	220,260	185,000	3,513,158	1,007,300
Total Expenditures by Program	\$ 1,599,818	\$ 1,805,046	\$ 220,260	\$ 185,000	\$ 3,513,158	\$1,007,300
By Object						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-
Contractual Services	282,641	96,357	7,632	-	-	-
General Materials and Supplies	-	-	-	-	-	-
Travel and Conference	-	-	-	-	-	-
Fixed Charges	865	1,058	1,250	1,250	1,250	1,250
Utilities	-	-	-	-	-	-
Capital Outlay	1,316,292	1,707,611	200,358	183,750	3,511,908	1,006,050
Other	20	20	11,020	-	-	-
Total Expenditures by Object	\$ 1,599,818	\$ 1,805,046	\$ 220,260	\$ 185,000	\$ 3,513,158	\$1,007,300
Revenues Over Expenditures	\$(1,104,437)	\$(1,445,955)	\$ 107,335	\$ 313,160	\$(2,989,628)	\$(377,800)
Net Operating Transfers & Non Operating	1,878,495	1,104,952	(9,936)	(335,000)	3,135,981	(231,950)
Excess Revenue Over Expenditures	\$ 774,058	\$ (341,003)	\$ 97,399	\$ (21,840)	\$ 146,353	\$(609,750)

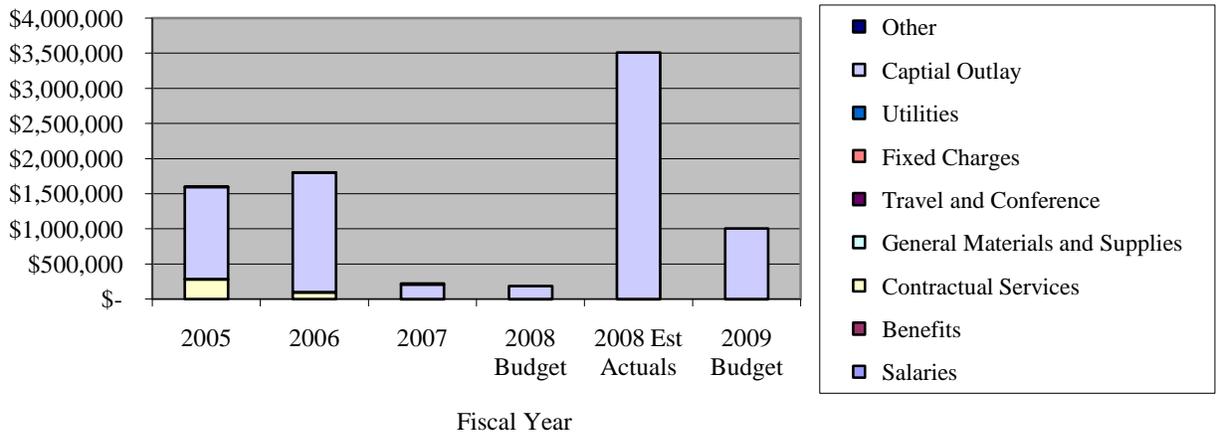
Historical Capital Projects Fund Revenue by Source



Historical Capital Projects Fund Expenditures by Program



Historical Capital Projects Fund Expenditures by Object



Budget Forecasts

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

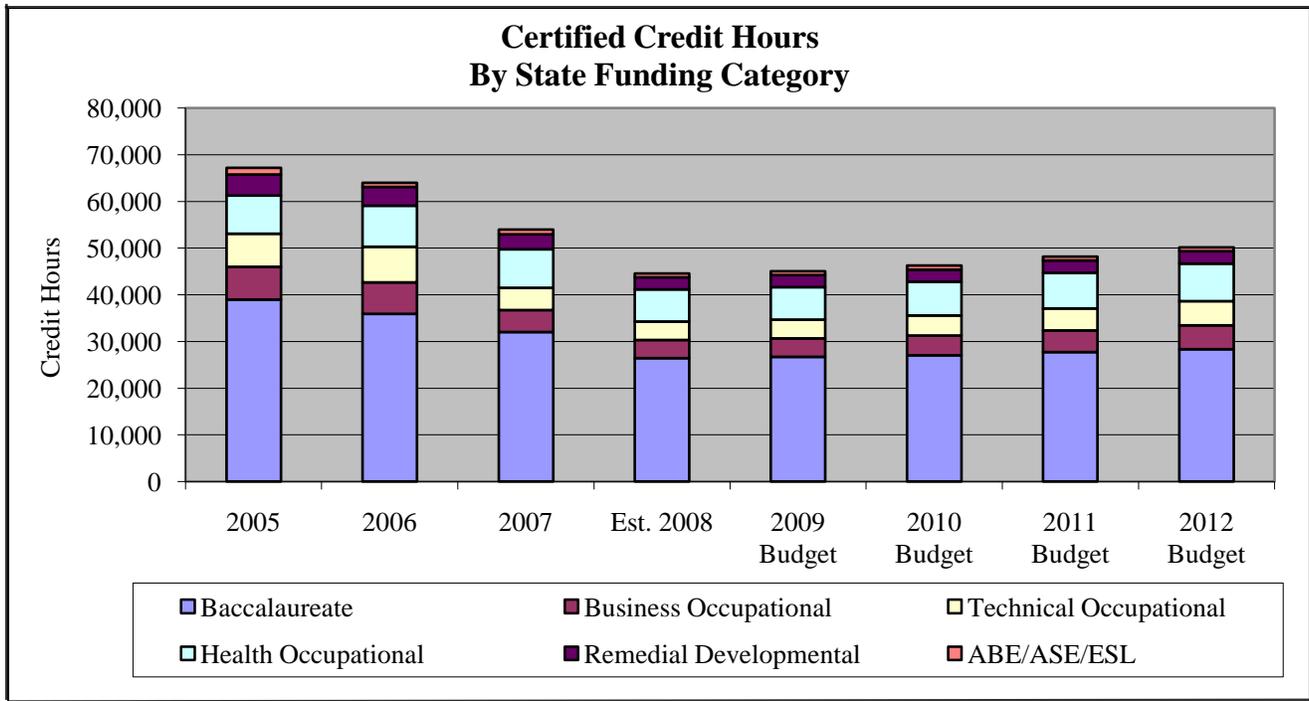
- Carl Sandburg College has undertaken several initiatives to assist in meeting operating expenditures. Long-term debt issuances and refinancing has occurred in the past to fund the cost of the copying environment, some building leases, early retirement incentives, etc.
- The college is using the STEF 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 has implemented four Guaranteed Energy Savings Contracts (GESc) to reduce utility costs.
- Finally, the college is looking inward at possible efficiencies to control costs while maintaining the highest level of quality education possible.
- Effective with the Fall of 2008, full-time students will be able to “lock into” a Tuition Rate Guarantee Program.

Projected Revenues

- Local Property taxes were assumed to increase 4.5% annually. These projections are based on the assumption that farmland will not continue to decline after the Bulletin 810 adjustment reflected in FY 2007. This also reflects recent economic development initiatives to stabilize and grow the College’s EAV. Local property tax revenue for future bond payments is also reflected.
- State grants were assumed to decrease 7% in FY 2009 and an additional 3% in FY 2010. FY 2011 and 2012 are projected to remain flat. This remains an estimate based on history of decreasing credit hours that determines state grant allocations. The following graph reflects the fiscal year change in certified credit hours by state funding category. While the College derives state aid for each credit hour produced, there is a two year lag in the funding, and the state is funding only 80% of what the system formulas call for. SURS is assumed to increase 4% in 2010-2011 according to known negotiated salary increases and 3.95% in 2012. This represents an average 0.67% annual decrease over the next four years.
- Tuition rates per credit hour will be between 80 and 100% of the College’s most recently audited per capita cost (excluding bond and interest payments) per board resolution in January 2008. This rate is inclusive of fees charged to all students. Tuition is expected to increase an average of 3.6% annually over the next four years.

Carl Sandburg College
Certified Unrestricted Student Credit Hours by State Funding Category
Fiscal Years 2005 - 2007

	2005	2006	2007	Est. 2008	2009 Budget	2010 Budget	2011 Budget	2012 Budget
Baccalaureate	38,952.5	35,907.5	31,986.0	26,441.0	26,672.5	27,059.0	27,693.0	28,359.0
Business Occupational	7,001.5	6,726.0	4,698.0	3,884.0	3,961.0	4,219.0	4,642.0	5,086.0
Technical Occupational	7,107.0	7,605.5	4,776.5	3,948.0	4,025.0	4,283.0	4,706.0	5,150.0
Health Occupational	8,152.0	8,792.0	8,285.5	6,849.0	6,926.0	7,184.0	7,607.0	8,051.0
Remedial Developmental	4,524.0	4,070.5	3,169.0	2,620.0	2,633.0	2,646.0	2,659.0	2,672.0
ABE/ASE/ESL	1,417.0	870.0	999.0	826.0	831.0	835.0	840.0	845.0
	67,154.0	63,971.5	53,914.0	44,568.0	45,031.0	46,191.0	48,093.0	50,090.0
Annual Percentage Change	5.55%	-4.74%	-15.72%	-17.34%	1.04%	2.58%	4.12%	4.15%



**Carl Sandburg College
Credit Hour Rates By Funding Category**

	Baccalaureate	Business	Technical	Health	Remedial	ABE/ASE	
FY2008	18.61	22.98	61.65	97.19	16.01	51.42	
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	

* First Year of funding formula change to unrestricted only

Projected Expenditures

- Projected expenditures reflect the known 4% negotiated increase in salary in 2010-2011 and 3.95% in 2012.
- 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 3% increase in 2010-2012. Effective January 2007, the College was able to lock in electric rates by establishing an 18 month contract. In April 2007, a natural gas contract was established.
- Debt payments reflect the bond amortization payments due.
- All other expenses are assumed to remain flat.

Carl Sandburg College Projected General Fund Revenues Fiscal Years 2009 - 2012

	2009	2010	2011	2012
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 3,208,758	\$ 3,353,152	\$ 3,504,044	\$ 3,661,726
CABI	15,500	15,500	15,500	15,500
Chargebacks	6,500	6,500	6,500	6,500
Subtotal Local Revenue Sources	\$ 3,230,758	\$ 3,375,152	\$ 3,526,044	\$ 3,683,726
State Revenue Sources				
ICCB Credit Hour Grant	\$ 1,928,006	\$ 1,831,610	\$ 1,840,770	\$ 1,849,970
ICCB Equalization Grant	2,362,496	2,173,500	2,184,370	2,195,290
ICCB Small College Grant	60,000	60,000	60,000	60,000
ICCB Square Footage Grant	-	-	-	-
ISBE Vocational Ed.	80,000	80,000	80,000	80,000
Replacement Taxes	237,532	237,530	237,530	237,530
SURS	800,000	832,000	865,280	899,460
Subtotal State Revenue Sources	\$ 5,468,034	\$ 5,214,640	\$ 5,267,950	\$ 5,322,250
Tuition and Fees				
Tuition	\$ 5,851,620	\$ 6,202,720	\$ 6,450,830	\$ 6,708,860
Fees	113,802	113,800	113,800	113,800
Subtotal Tuition and Fees	\$ 5,965,422	\$ 6,316,520	\$ 6,564,630	\$ 6,822,660
Other Sources of Revenue				
Interest Income	\$ 85,860	\$ 86,290	\$ 86,720	\$ 87,150
Dept. of Corrections	-	-	-	-
Building Rentals	41,148	41,148	41,148	41,148
Other Income	718,342	657,192	577,392	534,092
Subtotal of Other Sources	\$ 845,350	\$ 784,630	\$ 705,260	\$ 662,390
Total Revenue	\$ 15,509,564	\$ 15,690,942	\$ 16,063,884	\$ 16,491,026

Carl Sandburg College
Projected General Fund Expenditures
Fiscal Years 2009- 2012

	2009	2010	2011	2012
By Program				
Instruction	\$ 6,718,337	\$ 6,903,404	\$ 7,096,914	\$ 7,297,277
Academic Support	347,801	357,380	367,400	377,770
Student Services	1,762,763	1,811,320	1,862,090	1,914,660
Public Service	250,729	257,640	264,860	272,340
Operations and Maintenance	1,353,024	1,390,300	1,429,270	1,469,620
Institutional Support	5,076,910	5,216,770	5,363,000	5,514,410
Total Expenditures	\$ 15,509,564	\$ 15,936,814	\$ 16,383,534	\$ 16,846,077

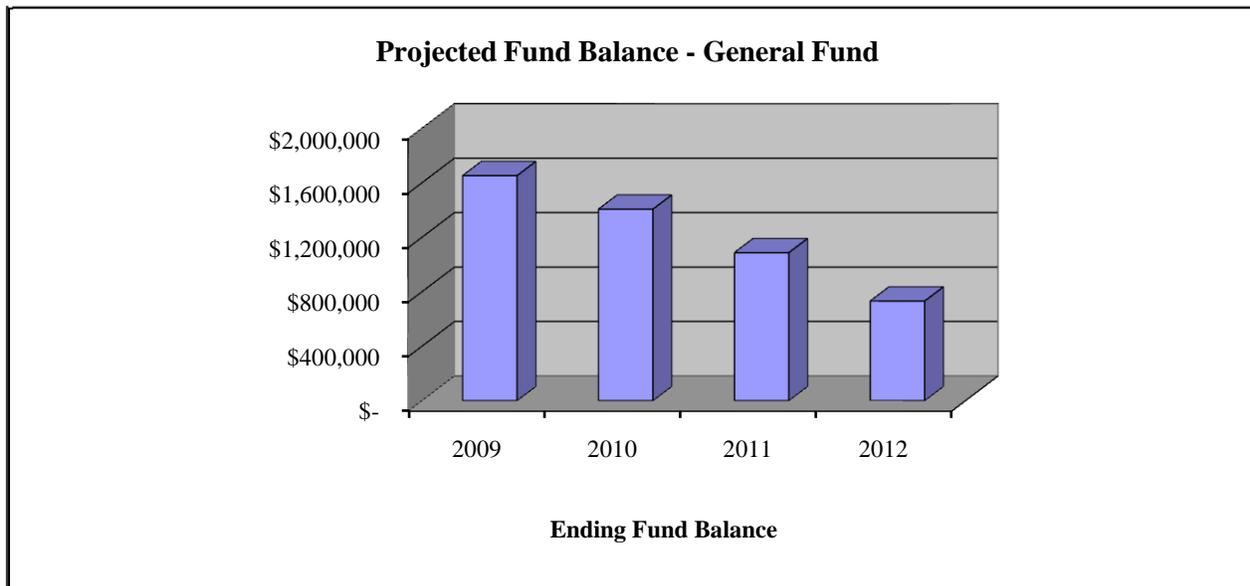
By Object				
Salaries	\$ 8,232,413	\$ 8,561,710	\$ 8,904,180	\$ 9,255,900
Benefits	2,462,406	2,585,530	2,714,810	2,850,550
Contractual Services	1,679,487	1,704,680	1,730,250	1,756,200
General Materials and Supplies	1,135,073	1,065,384	994,874	923,507
Travel and Conference	288,974	288,970	288,970	288,970
Fixed Charges	128,568	128,570	128,570	128,570
Utilities	644,257	663,580	683,490	703,990
Capital Outlay	136,705	136,710	136,710	136,710
Other	801,681	801,680	801,680	801,680
Total Expenditures	\$ 15,509,564	\$ 15,936,814	\$ 16,383,534	\$ 16,846,077

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 2009- 2012**

	2009	2010	2011	2012
Beginning Balance	\$ 1,652,144	\$ 1,652,144	\$ 1,406,272	\$ 1,086,622
Revenues	\$14,824,314	\$15,066,842	\$15,515,284	\$15,985,726
Expenditures	15,509,564	15,936,814	16,383,534	16,846,077
Revenues Over (Under) Expenditures	\$ (685,250)	\$ (869,972)	\$ (868,250)	\$ (860,351)
Transfers	685,250	624,100	548,600	505,300
Ending Fund Balance	\$ 1,652,144	\$ 1,406,272	\$ 1,086,622	\$ 731,571

In FY 2009-2012, there are transfers in for operating expenses funded from STEF and Working Cash.



Carl Sandburg College
Projected Special Revenue Fund Revenues
Fiscal Years 2009 - 2012

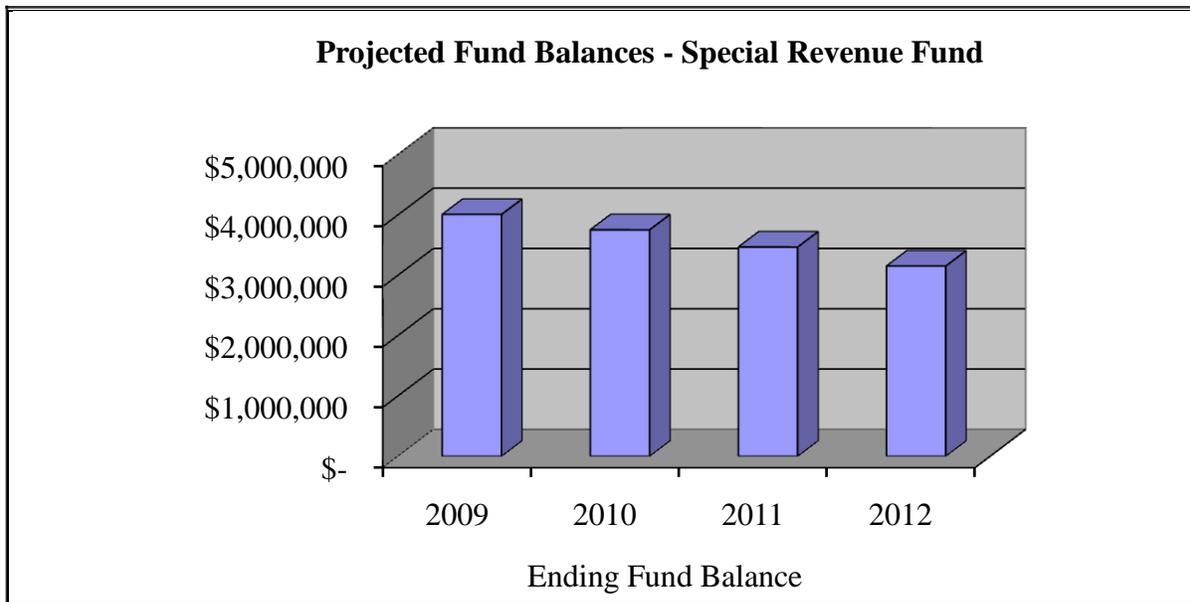
	2009	2010	2011	2012
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 1,729,262	\$ 1,807,079	\$ 1,888,397	\$ 1,973,375
Local Government Grants	30,370	30,370	30,370	30,370
Subtotal Local Revenue Sources	\$ 1,759,632	\$ 1,837,449	\$ 1,918,767	\$ 2,003,745
State Revenue Sources				
State Government Grants	\$ 540,401	\$ 540,401	\$ 540,401	\$ 540,401
Federal Revenue Sources				
Federal Government Grants	\$ 6,942,615	\$ 6,942,615	\$ 6,942,615	\$ 6,942,615
Other Sources of Revenue				
Interest Income	\$ 307,653	\$ 309,191	\$ 310,737	\$ 312,291
Other Income	70,133	70,133	70,133	70,133
Subtotal of Other Sources	\$ 377,786	\$ 379,324	\$ 380,870	\$ 382,424
Total Revenue	\$ 9,620,434	\$ 9,699,789	\$ 9,782,654	\$ 9,869,185

Carl Sandburg College
Projected Special Revenue Fund Expenditures
Fiscal Years 2009- 2012

	2009	2010	2011	2012
By Program				
Instruction	\$ 519,965	\$ 536,730	\$ 554,160	\$ 572,100
Academic Support	-	-	-	-
Student Services	173,173	178,760	184,560	190,530
Public Services	420,148	433,690	447,770	462,270
Institutional Support	2,272,704	2,345,980	2,422,150	2,500,560
Scholarships, Student Grants, and Waivers	6,459,226	6,459,226	6,459,226	6,459,226
Total Expenditures	\$ 9,845,216	\$ 9,954,386	\$10,067,866	\$ 10,184,686
By Object				
Salaries	\$2,146,845	\$ 2,232,720	\$ 2,322,030	\$ 2,413,750
Benefits	304,590	319,820	335,810	352,600
Contractual Services	342,188	347,320	352,530	357,820
General Materials and Supplies	184,685	187,460	190,270	193,120
Travel and Conference	50,901	50,900	50,900	50,900
Fixed Charges	257,269	257,270	257,270	257,270
Utilities	3,027	3,180	3,340	3,510
Capital Outlay	39,000	39,000	39,000	39,000
Student Financial Aid	6,459,226	6,459,226	6,459,226	6,459,226
Other Expenditures	57,485	57,490	57,490	57,490
Total Expenditures	\$ 9,845,216	\$ 9,954,386	\$ 10,067,866	\$ 10,184,686

Carl Sandburg College
Special Revenue Fund-Projected Changes in Fund Balance
Fiscal Years 2009- 2012

	2009	2010	2011	2012
Beginning Balance	\$4,232,063	\$4,007,281	\$3,752,684	\$3,467,472
Revenues	\$9,620,434	\$9,699,789	\$9,782,654	\$9,869,185
Expenditures	9,845,216	9,954,386	10,067,866	10,184,686
Revenues Over (Under) Expenditures	\$(224,782)	\$(254,597)	\$(285,212)	\$(315,501)
Transfers	-	-	-	-
Ending Fund Balance	\$4,007,281	\$3,752,684	\$3,467,472	\$3,151,971



**Carl Sandburg College
Projected Debt Service Revenues
Fiscal Years 2009 - 2012**

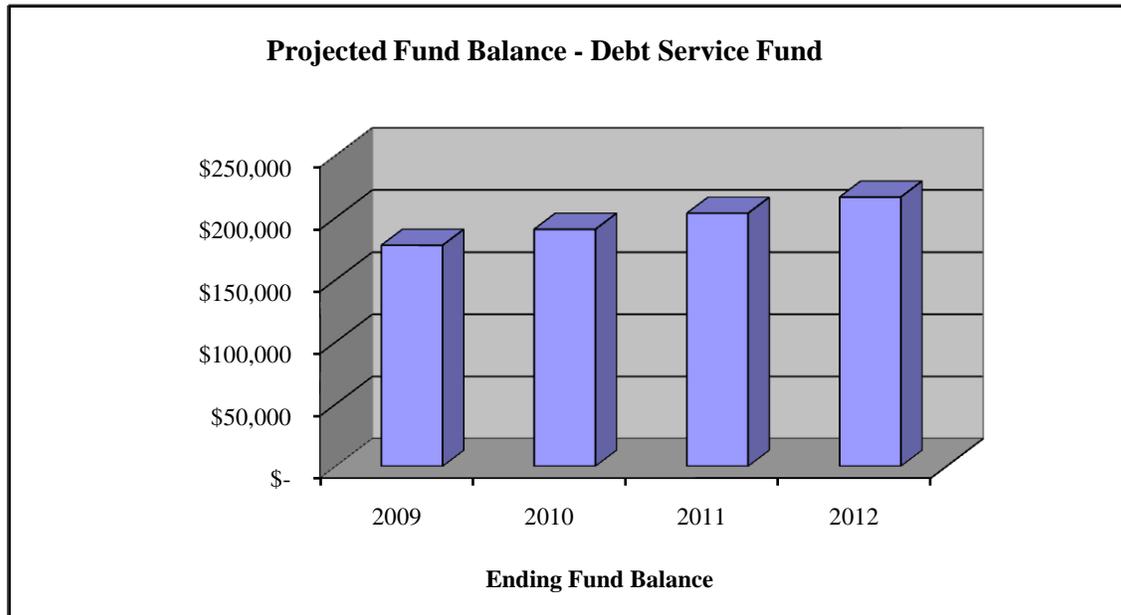
	2009	2010	2011	2012
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 2,696,167	\$ 2,843,161	\$ 2,645,812	\$ 2,827,316
Subtotal Local Revenue Sources	\$ 2,696,167	\$ 2,843,161	\$ 2,645,812	\$ 2,827,316
Other Sources of Revenue				
Interest Income	\$ 16,355	\$ 16,437	\$ 16,519	\$ 16,602
Other Income	-	-	-	-
Subtotal of Other Sources	\$ 16,355	\$ 16,437	\$ 16,519	\$ 16,602
Total Revenue	\$ 2,712,522	\$ 2,859,598	\$ 2,662,331	\$ 2,843,918

**Carl Sandburg College
Projected Debt Service Expenditures
Fiscal Years 2009- 2012**

	2009	2010	2011	2012
By Program				
Institutional Support	\$ 2,696,167	\$ 2,846,761	\$ 2,649,412	\$ 2,830,916
Total Expenditures	\$ 2,696,167	\$ 2,846,761	\$ 2,649,412	\$ 2,830,916
By Object				
Fixed Charges	\$ 2,692,567	\$ 2,843,161	\$ 2,645,812	\$ 2,827,316
Capital Outlay	-	-	-	-
Other Expenditures	3,600	3,600	3,600	3,600
Total Expenditures	\$ 2,696,167	\$ 2,846,761	\$ 2,649,412	\$ 2,830,916

Carl Sandburg College
Debt Service Fund-Projected Changes in Fund Balance
Fiscal Years 2009- 2012

	2009	2010	2011	2012
Beginning Balance	\$ 161,415	\$ 177,770	\$ 190,607	\$ 203,526
Revenues	\$ 2,712,522	\$ 2,859,598	\$ 2,662,331	\$ 2,843,918
Expenditures	2,696,167	2,846,761	2,649,412	2,830,916
Revenues Over (Under) Expenditures	\$ 16,355	\$ 12,837	\$ 12,919	\$ 13,002
Transfers	-	-	-	-
Ending Fund Balance	\$ 177,770	\$ 190,607	\$ 203,526	\$ 216,527



**Carl Sandburg College
Projected Capital Projects Revenues
Fiscal Years 2009 - 2012**

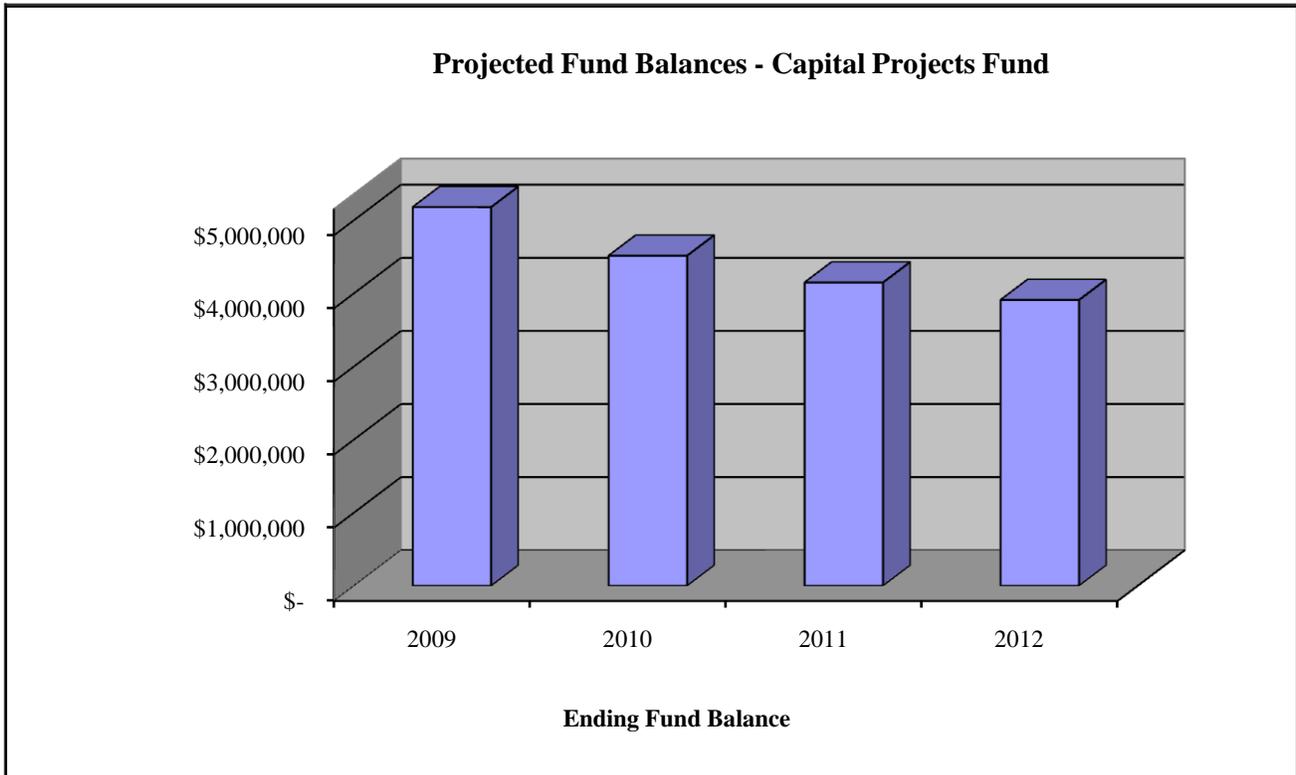
	2009	2010	2011	2012
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 306,400	\$ 320,188	\$ 334,596	\$ 349,653
Subtotal Local Revenue Sources	\$ 306,400	\$320,188	\$ 334,596	\$ 349,653
Other Sources of Revenue				
Interest Income	\$ 245,300	\$ 246,527	\$ 247,759	\$ 248,998
Other Income	749,650	374,000	166,200	98,500
Subtotal of Other Sources	\$ 994,950	\$ 620,527	\$ 413,959	\$ 347,498
Total Revenue	\$ 1,301,350	\$ 940,715	\$ 748,556	\$ 697,151

**Carl Sandburg College
Projected Capital Projects Expenditures
Fiscal Years 2009- 2012**

	2009	2010	2011	2012
By Program				
Institutional Support	\$ 1,911,100	\$ 1,605,460	\$ 1,114,830	\$ 936,600
Total Expenditures	\$ 1,911,100	\$ 1,605,460	\$ 1,114,830	\$ 936,600
By Object				
Salaries	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-
Contractual Services	30,640	31,100	31,570	32,040
General Materials and Supplies	-	-	-	-
Travel and Conference	-	-	-	-
Fixed Charges	1,250	1,250	1,250	1,250
Utilities	-	-	-	-
Capital Outlay	975,410	677,560	469,760	402,060
Other	903,800	895,550	612,250	501,250
Total Expenditures	\$ 1,911,100	\$ 1,605,460	\$ 1,114,830	\$ 936,600

**Carl Sandburg College
Capital Projects Fund-Projected Changes in Fund Balance
Fiscal Years 2009- 2012**

	2009	2010	2011	2012
Beginning Balance	\$ 5,788,317	\$ 5,178,567	\$ 4,513,822	\$ 4,147,547
Revenues	\$ 629,500	\$ 566,715	\$ 582,356	\$ 598,651
Expenditures	1,007,300	709,910	502,580	435,350
Revenues Over (Under) Expenditures	\$ (377,800)	\$ (143,196)	\$ 79,776	\$ 163,301
Transfers	(231,950)	(521,550)	(446,050)	(402,750)
Ending Fund Balance	\$ 5,178,567	\$ 4,513,822	\$ 4,147,547	\$ 3,908,099



Enrollment Data

Historically, most employment in the CSC district had been in manufacturing and farming. However, our district has experienced continued economic stress with the loss of several manufacturing plants over the last several years. 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.
 - To encourage full-time status, students will be able to “lock into” a tuition rate for a maximum of three years as long as they enroll for at least twelve credit hours during successive Fall and Spring semesters.
 - A Fast Forward Program will be implemented in FY 2009 to promote and increase full-time participation and completion of targeted two-year occupational degree programs. Academic schedules will be built and offered for the full two year program.
 - The administration estimates that currently 20% of our full-time students are participating in our athletic programs. The College has recently added Men’s and Women’s Golf, Cross Country, and Soccer to meet our students’ interests.
-
- Baccalaureate/Transfer enrollment will continue to be steady to small growth. There can be significant savings in completing general education requirements through the community college and then transferring to complete your degree. Projections show a 2%-4% increase per year.
 - The fast forward concept is designed to increase occupational enrollment. Classes are scheduled to allow completion of a program on a specific time frame.
 - The Enrollment Management commission has also been established to develop a comprehensive enrollment management program. Implementation will increase recruitment and retention.
Initial calculations show FTE students increasing an average of 6% annually over the next four years. For budget purposes, a more conservative 4% increase is shown.

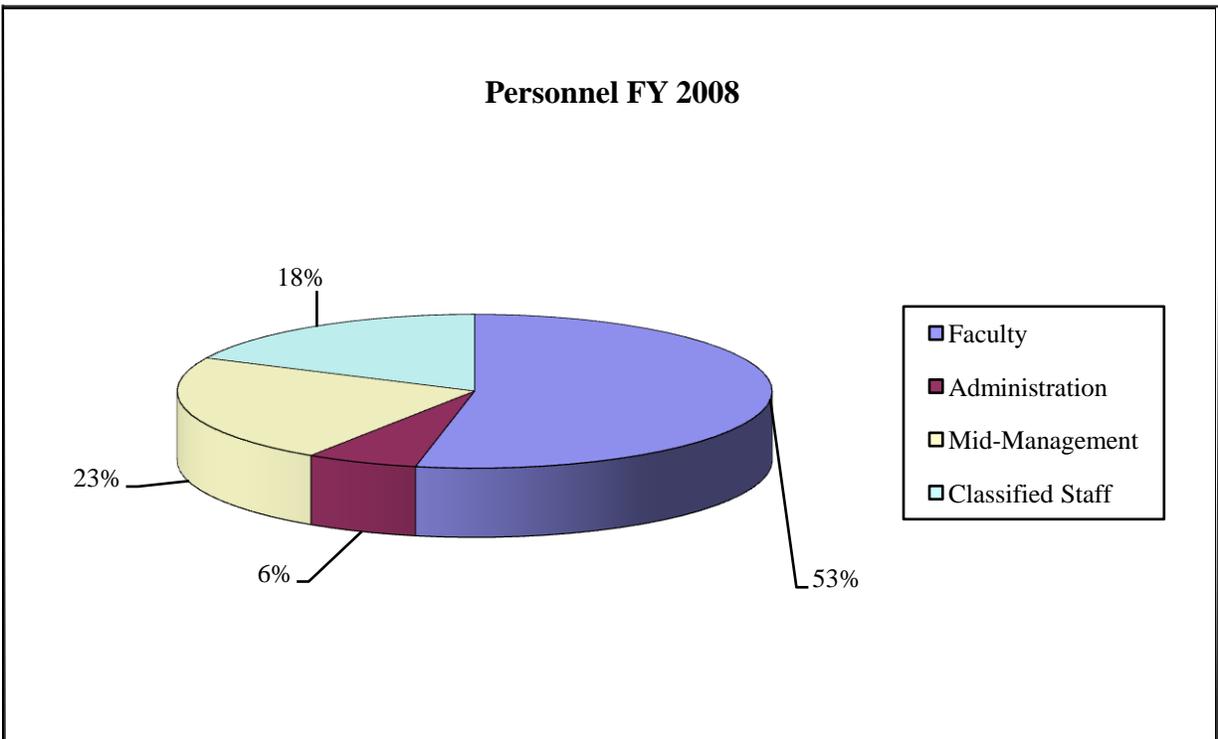
**CARL SANDBURG COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 518**

Enrollment Trends

	2005	2006	2007	Est. 2008	Proj. 2009	Proj. 2010	Proj. 2011	Proj. 2012
Instruction								
Annual Unduplicated Headcount Enrollment								
Bacc/Transfer	2,289	2,349	2,972	2,299	2,425	2,498	2,598	2,702
Vocational	1,209	1,281	101	891	940	977	1,016	1,057
Occupational	2,572	1,880	1,536	1,540	1,632	1,697	1,765	1,835
ABE	50	43	146	75	45	45	45	45
ASE	382	226	226	226	225	200	200	200
ESL	61	14	46	38	25	30	35	35
General Studies	1	1	3	1	-	-	-	-
General Associates	55	241	170	140	60	60	60	60
Total	6,619	6,035	5,200	5,210	5,351	5,507	5,719	5,934
Annual FTE Students	2,443	2,283	1,914	1,915	1,991	2,071	2,154	2,197
Total Credit Hours	73,314	68,499	57,435	57,444	59,741	62,131	64,616	65,908
Degrees awarded								
Associate (Transfer)	130	109	107					
Associate in Applied Science	190	295	181					
Career & Technical Certificates	123	157	187					
Students per faculty	18	17	13					

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 53% 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 includes clerical and physical plant employees.



**Carl Sandburg College
Personnel Resource Allocation
Employees 2004-2008**

Fiscal Year	2004	2005	2006	2007	2008
FACULTY					
Full-Time	77	74	72	68	64
Part-Time	155	190	174	149	120
Subtotal	232	264	246	217	184
ADMINISTRATIVE					
Full-Time	26	27	28	21	21
Part-Time	0	0	0	0	0
Subtotal	26	27	28	21	21
MID-MANAGEMENT					
Full-Time	73	89	91	70	69
Part-Time	5	4	6	8	10
Subtotal	78	93	97	78	79
CLASSIFIED STAFF					
Full-Time	61	55	55	60	55
Part-Time	8	2	4	5	7
Subtotal	69	57	59	65	62
GRAND TOTAL	405	441	430	381	346

- 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. FY 2008 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 \$35,227,817. The current long-term debt of the College is \$28,861,030. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$6,366,787. In FY 2008, the College incurred additional bond debt to implement phase IV of the Guaranteed Energy Savings contract to address energy conservation measures and facility improvement measures. During FY 2009, it is anticipated that the College will issue no new debt. FY 2009 indicates an 8.8% decrease in long-term debt payments. With no new debt issued, the College will see a 7.0% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2008	\$ 1,685,000	\$ 75,661	\$ 257,996	\$ 2,018,657	\$ 1,142,111	\$ 3,160,768
2009	1,485,000	63,886	127,073	1,675,959	1,207,190	2,883,149
2010	1,705,000	34,851		1,739,851	1,103,410	2,843,261
2011	1,615,000	6,563		1,621,563	1,024,249	2,645,812
2012	1,890,000			1,890,000	937,316	2,827,316
2013-2017	12,120,000			12,120,000	3,129,416	15,249,416
2018-2020	7,795,000			7,795,000	566,205	8,361,205
Total	\$ 28,295,000	\$ 180,961	\$ 385,069	\$ 28,861,030	\$ 9,109,897	\$ 37,970,927

Performance Measures

Carl Sandburg College strives to meet the needs of the students and the community.

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%
2007	71.30%	2007	59.00%
<i>Average</i>	<i>69.96%</i>	<i>Average</i>	<i>55.57%</i>
<u>Fall to Spring-definition</u>		<u>Fall to fall-definition</u>	
All students enrolled for a degree or certificate in the fall and then back in the spring		First-time degree or certificate seeking students here in the fall and then back the next fall	

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 compared to national averages of satisfaction were:

1. General registration procedures
2. Academic calendar
3. Availability of the courses you want at times you can take them

Areas toward the bottom included:

1. Opportunities for student employment
2. Student government
3. Opportunities for personal involvement in college activities

All aspects were rated on a scale of 1 – 5, 1 being very dissatisfied and 5 being very satisfied. The top area averaged a 3.94 with the bottom areas averaging 3.52. There is continued effort being made to retain students. We strive to increase awareness of a retention hotline for instructors and students.

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. Feedback obtained is resulting in the modification of the focus in the development of course content. Also, generally students react positively to instructor designed group learning experiences.

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 33%. Results for the Class of 2006 include:

- Number continuing education – 17%
- Number employed – 92%
- Number employed/career related – 72%
- Number employed/career related/in-district – 43%
- Level of job satisfaction - varied
- Level of satisfaction with courses in program major - varied

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

Other Community Trends

The enrollment of Carl Sandburg College is declining due to completion of retraining offered to laid off workers from plant closures:

Briggs Manufacturing (Abingdon) closed in 2000, 300 jobs lost

Maytag Refrigeration Products (Knox County’s largest employer) downsized in July 2002, downsized 300 workers, followed by October 2002 announcement of closing, additional loss of 2,400 jobs

Methode Electronics (Carthage) announced restructuring, January 2008, estimated 550 jobs will be lost.

While these are not unique occurrences across the American landscape, when they happen in a sparsely populated, 3,000 square mile community college district, their impact is greatly amplified when:

1. Half of our district households earn less than \$25,000 a year.
2. Nearly (1/3) of families are eligible for free/reduced lunches.
3. 40% of single parent families live in poverty.
4. Only 15% of area residents hold bachelor’s degrees (26.1% statewide).
5. Nearly 1/5 of adults lack a high school diploma.
6. 93% of students are “underprepared” based on ACT, SAT, ASSET, or COMPASS Scores (41% nationally).

CSC has responded by declaring ourselves a Mobile Academic Service Habitat (MASH) Unit. We continue to work under the Phenix Program introduced in FY 2004. This was developed to articulate a vision for the future. The effect will be to focus on controlling our expenditures and reshaping the institution. 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?”

PRIORITIES

STUDENTS

TECHNOLOGY

ENVIRONMENT

HR/ORG. DEV.

LINKAGES

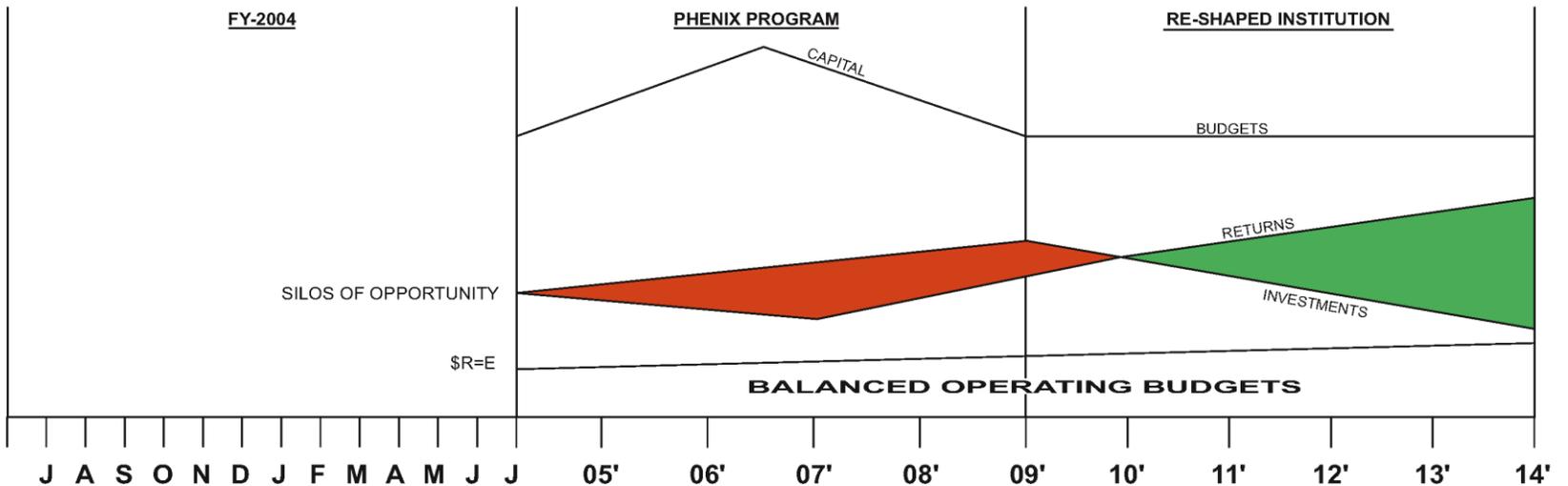
STABILITY

ASSESSMENT

LEARNING

DATA

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



- 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
- CSR
- 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

Positive developments within the district will enable the College to build upon identified strengths, including:

1. EDUNET – a wireless wide area network providing high speed broadband internet access; IP Based private distance learning; WebCT; Voice over IP; data bureau and disaster recovery services; e-mail/web hosting and technical support to district high schools.
2. \$1,825,000 Title III (Strengthening Institution Grant – 10/2005 thru 9/2010) This project entails three “Pathways” for institutional improvements:
 - a. Pathway one – Strengthening Instruction for Student Success
 - b. Pathway two – Student Information for Student Success
 - c. Pathway three – Professional Development for Student Success

Further clarification of our past, present, and future initiatives are summarized into the following “Focus of Management.

FOCUS OF MANAGEMENT

I. PAST	II. PRESENT	III. FUTURE
1.1 Revenue Enhancement		3.1 Expenditure Controls
1.2 Growing Enrollments	2.A PHENIX Program	3.2 Right-sizing Enrollments
1.3 Energy Conservation		3.3 Energy Production
1.4 Facility Expansion	2.B Structure Follows New Strategies	3.4 Facility Rejuvenation
1.5 Technology Infrastructure		3.5 Technology as a Tool
1.6 Accommodating Enrollments	2.C Strategic Planning:	3.6 Target Marketing Enrollments
1.7 Quantity/Volume	* Facility Master Plan	3.7 Quality/Image
1.8 INTRA-District	* IBB (6/30/2012)	3.8 INTER-District
1.9 Economic Contractions	* Bridger Report	3.9 Economic Development
1.10 Academic Transition (s)	* Security Audit	3.10 Academic Transitions (s) & Remediation
1.11 Financial Autonomy	* I/T Audit	3.11 Strategic Partnerships
1.12 Border Wars	* ASBO (2004-2007)	3.12 Border Blurring
1.13 Labor Relations	* Mission Review	3.13 Student Relations
1.14 Avoiding Change/Conflict		3.14 Embracing Change
1.15 Commuter Students	2.D Accreditation Efforts	3.15 Student Housing
1.16 Offering Courses		3.16 Promoting Programs
1.17 In-district Graduates	2.E Outcomes Assessment	3.17 Out-of-District “Academics”
1.18 Out-of-Conference Athletes		3.18 In-district “Extra-Curricular (s)”
1.19 Maintaining Status Quo	2.F Organizational Development & Problem Solving	3.19 Launching New Opportunities (SILOS)
1.20 Centralized Anxiety		3.20 Decentralized Activities
1.21 Top Down Initiatives	2.G Data Driven Decision Making	3.21 Bottom-up Ownership
1.22 Publicly Accountable		3.22 Privately Competitive

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.

Capital Projects Funds - Operations & Maintenance Restricted Fund and Technology Quasi-Endowment (STEF) Fund.

CAFR - Comprehensive Annual Financial Report

C.H. - Credit Hour

CFO - Chief Financial Officer

COMPASS - Computer Adaptive Placement Assessment and Support System. An academic placement test which helps to place students in courses most beneficial to their needs.

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.

Debt Service Fund - Bond and Interest Funds.

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.

EMP - Enrollment Management Program

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.

ESL - English as a second language.

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.

FICA - The Federal Insurance Contributions Act (FICA) tax is a United States payroll (or employment) tax. Social Security taxes are called FICA contributions.

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.

FRP - Financial Recovery Plan

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

FTE – Full time enrollment (or full-time enrolled students).

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.

GESC - Guaranteed Energy Savings Contracts. Contracts the College has implemented to reduce utility costs.

General Funds - The Education Fund and the Operations & Maintenance Funds

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.

PHENIX Program - A component of M.A.S.H. Unit #518, economic revitalization plan.

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.

“SILO” Fund – A quasi-endowment fund established by resolution of the Board of Trustees. Interest income is used by the instructional team to launch new “Silos of Opportunity”, a component of the M.A.S.H. Unit #518, economic revitalization plan.

SMART - Strategic Management and Resources Together

SP - Spring Semester

Special Revenue Funds – Restricted Purpose Fund, Audit Fund, Liability, Protection and Settlement Fund, and Program Quasi-Endowment (SILO) Fund.

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