



C A R L
S A N D B U R G
C O L L E G E

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

JULY 1, 2012 – JUNE 30, 2013
BUDGET

**Educational &
Financial Plan**

CARL SANDBURG COLLEGE
Budget for Fiscal Year 2013
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I. Introductory Section



CARL SANDBURG COLLEGE

EXECUTIVE SUMMARY

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

FROM: Lori L. Sundberg, President

SUBJECT: Budget for Fiscal Year 2013

Transmitted herewith is the budget for Carl Sandburg College District #518 for fiscal year 2013 (beginning July 1, 2012, and ending June 30, 2013).

The College completed strategic planning this past year and developed focus areas of Student Access and Success; Teaching and Learning; Community Alliances; and Operational Sustainability and Excellence. This budget was developed in light of those focus areas. Additionally, enrollment will continue to be at the forefront of our efforts and the only way the College can really begin to stabilize its financial future in this time of increased instability. While the budget was developed with no increase in enrollment, a new Enrollment Management Committee has been challenged with a 2 percent growth for 2013.

The FY-2013 budget is developed on credit hour projections prepared by our Instructional Team. 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-2013 budget incorporates and reflects recognition of several significant factors:

1. One of the most financially challenging landscapes ever faced by the State of Illinois and the Country as a whole.
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 2012.
3. Consistent with our Assessment process, there is a commitment to look inward on the quality and efficiencies of current programs/activities to determine ways to provide better academic programming and services.
4. Our healthy labor agreement successfully extended through June 30, 2014, as a result of our Interest Based Bargaining (IBB) process with the Sandburg Education Association (SEA).

While the College is certainly facing challenging times on the economic front, we remain committed internally and externally to achieving excellence in all that we do. Above all else, we remain committed to the students we serve.

May 24, 2012

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, 2013. 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 funds is presented on page 7 followed by the governmental funds on page 8 of the Introductory Section. The proprietary funds summary is on page 9, followed by the fiduciary fund. Total budgeted revenues and other sources for Fiscal Year (FY) 2013 are \$31,639,533 (including Transfers In of \$837,600) and total budgeted expenditures are \$31,754,837 (including Transfers Out of \$837,600). This represents a 3.3% decrease from the FY 2012 expenditure budget of \$32,841,005. This includes budgeted transfers to locally fund building renovations/improvements since the state has provided little capital construction funding for ten 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 2010, The Higher Learning Commission North Central Association of College and Schools continued accreditation for ten years and indicated that fiscal management was a strong asset of the College.

Strategic Planning for 2011-2014 was implemented when the College named our new President, Dr. Lori Sundberg effective July 1, 2010. The process included an environmental scan, SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis with the entire College community, a review of the mission statement and current focal points and goals, and a determination of core values. Based upon feedback from the process, the following mission statement, core values and vision statement were crafted.

The College's Mission

The mission of Carl Sandburg College is to provide students an opportunity to succeed by providing 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.

Core Values

The following four Core Values have been identified: Excellence, Collaboration, Integrity and Respect. While it can be noted that these are not an exhaustive list of the values Carl Sandburg College or any organization should hold dear, these are simply the four most representative of Carl Sandburg College.

Our Vision Statement

Where dreams come to life, and lives come to change.

Major Goals and Objectives

Carl Sandburg College believes everyone should have access to quality education. Our strategies focus on communication internally/externally with students, staff and stakeholders of our district. The following four main goals and objectives have been designed to shape departmental, programmatic, and individual decision making. We believe that these areas should drive all activities that are undertaken throughout the year.

Student Access and Success

Teaching and Learning

Community Alliances

Operational Sustainability and Excellence

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.

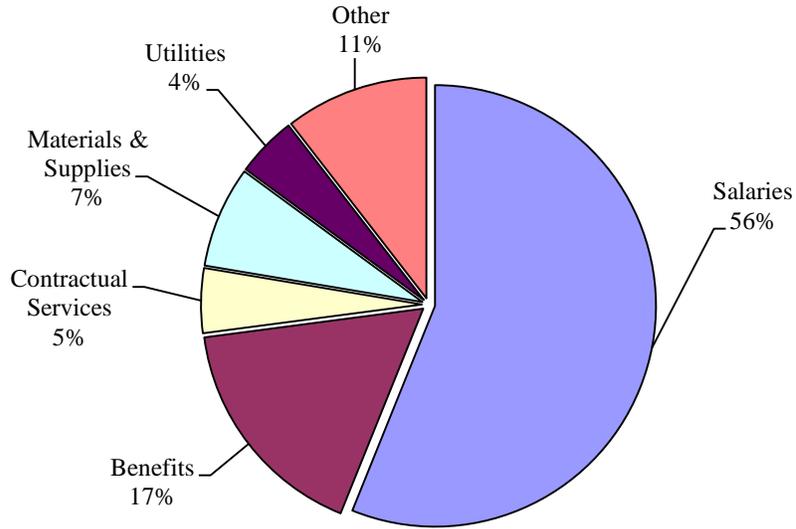
After the budget is developed and approved, it is posted to the general ledger, allowing the College to prepare for operation under the approved Final Budget as soon as possible. Budget overspending is not allowed on the computer system without an override from the Chief Financial Officer.

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.

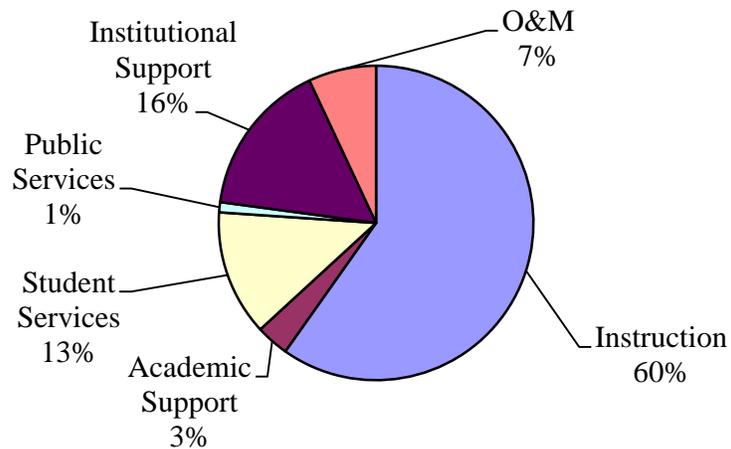
Allocation of Personnel Resources

Carl Sandburg College is committed to its employees. The College dedicates approximately 73% of the operating budget to salaries and benefits. Total general fund salaries include 60% for direct instruction and 13% for student services salaries. This critical investment in people equates to a total of 56 full-time and 142 part-time faculty in FY 2012 and projected 56 full-time and 141 part-time faculty in FY2013.

FY 2013 % of Total General Fund Expenditures By Object



FY 2013 % of Total General Fund Salaries By Function



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 3.95%, 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 2009 furthered our current agreement thru FY 2014 with negotiations scheduled to begin again in the fall of 2012.

Summary of Fiscal Year 2013 Final Budget

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. Shown below is the projected consolidated financial overview of the College for Fiscal Year 2013. The budgeted decrease in net assets is due primarily to the use of accumulated interest earned on investments for capital projects and protecting the District’s assets.

**CARL SANDBURG COLLEGE
SUMMARY OF FISCAL YEAR 2013 FINAL BUDGET**

Budgeted Operating Revenues	\$	8,188,474
<u>Budgeted Operating Expenditures</u>		<u>(29,875,862)</u>
<u>Budgeted Operating Loss</u>	<u>\$</u>	<u>(21,687,388)</u>
Budgeted Nonoperating Revenues	\$	22,613,459
<u>Budgeted Nonoperating Expenditures</u>		<u>(1,041,375)</u>
<u>Budgeted Net Nonoperating Expenditures</u>	<u>\$</u>	<u>21,572,084</u>
<u>Budgeted Decrease in Net Assets</u>	<u>\$</u>	<u>(115,304)</u>

Budget Comparison of Governmental Funds, Current and Prior Year

**FY 2013
GOVERNMENTAL FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY 2013	FY 2012	CHANGE	%
General	\$ 15,765,880	\$ 15,824,972	\$ (59,092)	-0.37%
Special Revenue	10,663,906	10,570,475	93,431	0.88%
Debt Service	3,295,067	3,273,185	21,882	0.67%
Capital Projects	499,492	453,070	46,422	10.25%
Totals	\$ 30,224,345	\$ 30,121,702	\$ 102,643	0.34%

EXPENDITURES

FUND	FY 2013	FY 2012	CHANGE	%
General	\$ 15,765,880	\$ 15,824,972	\$ (59,092)	-0.37%
Special Revenue	10,596,899	11,119,104	(522,205)	-4.70%
Debt Service	3,259,675	3,653,996	(394,321)	-10.79%
Capital Projects	723,772	709,350	14,422	2.03%
Totals	\$ 30,346,226	\$ 31,307,422	\$ (961,196)	-3.07%

Budget Comparison of Proprietary Funds, Current and Prior Year

**FY 2013
PROPRIETARY FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY 2013	FY 2012	CHANGE	%
Auxiliary	\$ 1,262,728	\$ 1,274,783	\$ (12,055)	-0.95%
Totals	\$ 1,262,728	\$ 1,274,783	\$ (12,055)	-0.95%

EXPENDITURES

FUND	FY 2013	FY 2012	CHANGE	%
Auxiliary	\$ 1,257,611	\$ 1,274,783	\$ (17,172)	-1.35%
Totals	\$ 1,257,611	\$ 1,274,783	\$ (17,172)	-1.35%

Budget Comparison of Fiduciary Funds, Current and Prior Year

**FY 2013
FIDUCIARY FUNDS BUDGET COMPARISON**

REVENUE

FUND	FY 2013	FY 2012	CHANGE	%
Nonexpendable Trust	\$ 152,460	\$ 162,335	\$ (9,875)	-6.08%
Totals	\$ 152,460	\$ 162,335	\$ (9,875)	-6.08%

EXPENDITURES

FUND	FY 2013	FY 2012	CHANGE	%
Nonexpendable Trust	\$ 151,000	\$ 258,800	\$ (107,800)	-41.65%
Totals	\$ 151,000	\$ 258,800	\$ (107,800)	-41.65%

Budget and Financial Summaries

Balanced Budget

The following table summarizes revenues and expenditures by major fund categories. The College strives to meet the adoption of a balanced budget, where expenditures equal the available resources.

CARL SANDBURG COLLEGE SUMMARY OF REVENUES BY FUND

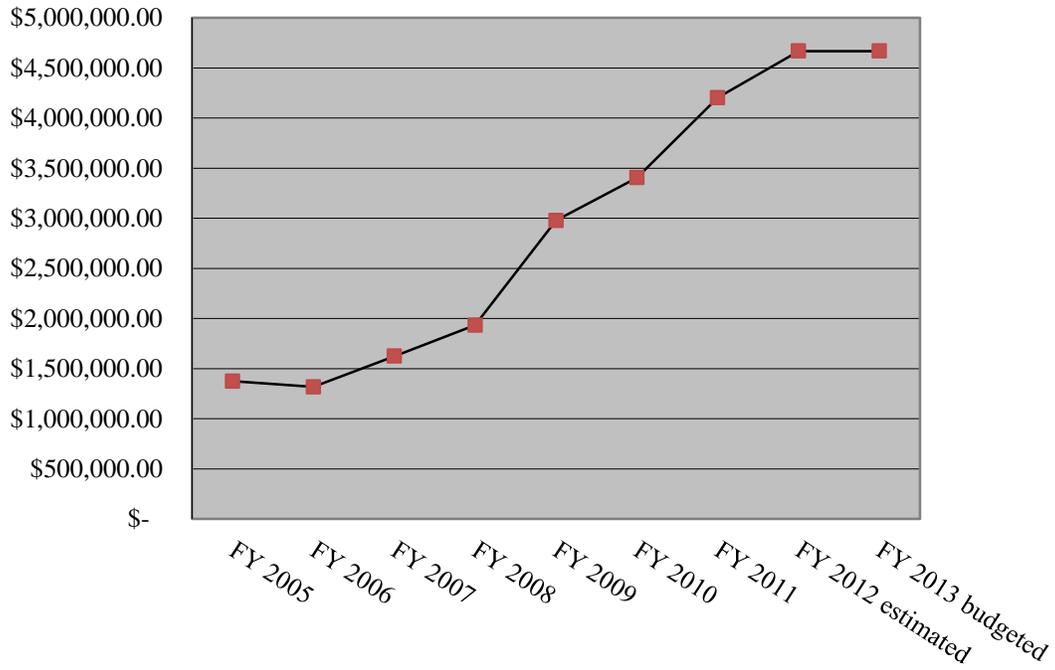
	FY 2011	FY 2012		FY 2013
	Actual Revenues	Original Budget	Estimated Revenues	Estimated Revenues
General Funds				
Education Fund	\$ 14,865,538	\$ 13,333,660	\$ 12,994,381	\$ 13,295,717
Operations & Maintenance	1,674,798	1,660,071	1,638,774	1,779,863
Special Revenue Funds				
Restricted Purpose	8,599,907	8,521,624	8,521,624	8,335,660
Audit	71,568	73,414	72,898	75,463
Liability Protection Settlement	1,809,170	1,956,275	2,078,424	2,207,783
SILO	19,112	19,162	22,009	22,500
Debt Service	7,354,783	3,273,185	3,306,355	3,295,067
Capital Projects				
Operations & Maintenance Restricted	148,361	98,160	100,030	98,090
Strategic Technology Endowment	188,263	304,910	296,787	354,402
Auxiliary	1,142,616	1,208,983	1,111,617	1,184,928
Working Cash	90,962	162,335	177,360	152,460
Total Revenues	\$ 35,965,078	\$ 30,611,779	\$ 30,320,259	\$ 30,801,933
Interfund Transfers	3,011,461	947,041	678,600	837,600
Funds Carried Forward	(3,348,217)	1,282,185	(117,465)	115,304
	\$ 35,628,322	\$ 32,841,005	\$ 30,881,394	\$ 31,754,837

SUMMARY OF APPROPRIATIONS BY FUND

	FY 2011	FY 2012		FY 2013
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Estimated Budget
General Funds				
Education Fund	\$ 14,224,999	\$ 13,984,901	\$ 13,199,040	\$ 13,903,517
Operations & Maintenance	1,516,549	1,840,071	1,522,047	1,862,363
Special Revenue Funds				
Restricted Purpose	8,605,056	8,972,976	8,521,624	8,335,660
Audit	69,205	72,912	65,594	74,555
Liability Protection Settlement	2,059,099	1,956,275	1,947,330	2,085,184
SILO	-	116,941	33,500	101,500
Debt Service	7,169,237	3,653,996	3,613,538	3,259,675
Capital Projects				
Operations & Maintenance Restricted	666,910	136,800	180,469	137,422
Strategic Technology Endowment	84,121	572,550	467,900	586,350
Auxiliary	1,172,146	1,274,783	1,152,997	1,257,611
Working Cash	61,000	258,800	177,355	151,000
Total Appropriations	\$ 35,628,322	\$ 32,841,005	\$ 30,881,394	\$ 31,754,837

General Funds Projected Fund Balance

Fund Balance - General Funds



The College strategic plan adopted a financial goal of maintaining an operating fund balance equal to 20% of the previous year's adopted operating budget. The College has increased the average operating fund balance over the last several years. This allows the College to be more adaptable in periods of economic downturn.

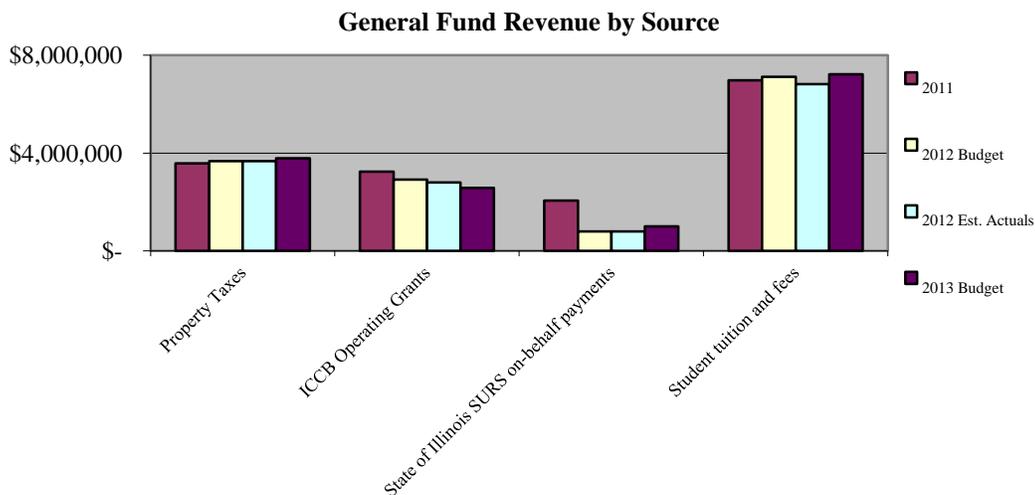
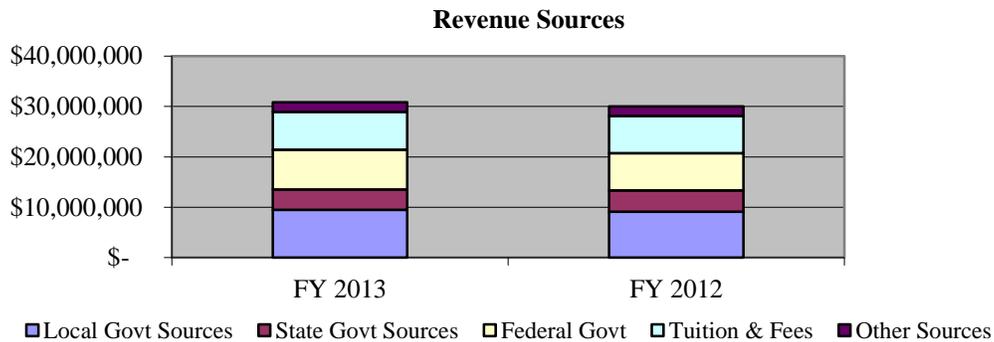
Financial Summary

Budget Overview

The budget includes total resources of \$31,639,533 and expenditures of \$31,754,837. The General Funds (Education and Operations & Maintenance Funds) include a total budget of \$15,765,880. The Special Revenue Funds (Restricted Purpose Fund, Audit Fund, Liability, Protection and Settlement Fund and Program Quasi-Endowment Fund) have a total expenditures budget of \$10,596,899. The Debt Service Fund (Bond and Interest Fund) budget is \$3,259,675. The Capital Projects Funds (Operations & Maintenance – Restricted Fund and Technology Quasi-Endowment Fund) reflect a budget of \$723,772. Other Fund types (Auxiliary and Working Cash) have a total budget of \$1,408,611.

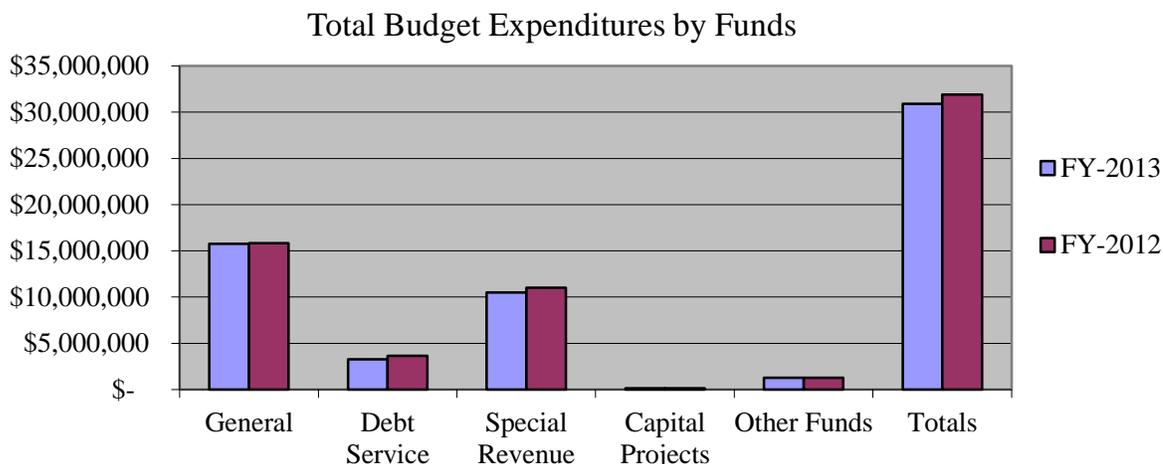
Comparison of FY 2013 and FY 2012 Revenue by Source:

Revenue within each fund is classified according to source: Local Sources, State Sources, Federal Sources, Tuition and Fees, and Other Sources (not including Transfers In). The chart below illustrates revenue sources for the FY 2013 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.



In FY 2013, the four largest categories comprise 96.7% of the available operating revenue.

Comparison of FY 2013 and FY 2012 Expenditures by Fund:



We continue our efforts to remain balanced with budgeted revenues. As shown above, the total expenditure budget increases in comparison with the prior year. Increased expenditures are due to an increase in restricted purpose funds for grant programs and student financial aid. Since the state has provided little capital construction funding for ten years, the College is choosing to locally fund building renovations/improvements. This has been accomplished with the accumulated interest on our Working Cash Fund and our Technology Quasi-Endowment Fund, and bond proceeds without impacting our current operating funds revenue.

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 2014 allows the College to project known salary increases. Fiscal year 2013 includes a 3.95% 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 2012 of \$6,930.96 per full-time employee. Talent grants for students have been budgeted based on prior actual figures as revenue and expense at \$586,000.

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 several years, we anticipated a decreased enrollment in FY 2006 and 2007 and stabilization in FY 2008 and beyond. Unfortunately, FY 2008 and FY 2009 continued the enrollment decline. FY 2010 and FY2011 exceeded our budgeted credit hour projections and were instrumental in the College goal to remain balanced with revenues since the state did not fulfill their appropriations to the Community College System during the respective fiscal years. 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. Fortunately, tax years 2007 through 2011 has seen a steady increase in overall EAV for the College averaging a 2.8% increase annually. Add to this the fact that the state anticipates a deficit over the next fiscal year and you have a 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. FY 2010 and FY 2011 have expanded this fund with an additional \$4.5 million of bond proceeds. We have implemented a policy whereby operating funds short of cash will borrow from the Working Cash Fund. We placed an original \$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. In FY 2009 we have added an additional \$2 million to this fund. We anticipate needing to continue to fund capital projects locally and have placed these funds aside to help accomplish our future endeavors.

Our recent SWOT Analysis revealed the following strengths, weaknesses, opportunities and threats. Keeping in mind that strengths and weaknesses are internal to the College and opportunities and threats are external to the College.

- Strengths: caring faculty and staff, small class sizes, affordable, beautiful campuses and facilities and technology.
- Weaknesses: lack of cohesive and well planned online education, communication, aging parking lots and HVAC systems, climate control in buildings, lack of healthy choices for food in cafeteria and vending and customer (student) service.
- Opportunities: student housing, international recruitment, recruitment of Hispanic and minority populations, expanded partnerships with four-year schools and K-12s.
- Threats: the downturned economy, declining population, shrinking state funding, declining assessed valuations, loss of jobs in the region.

Several initiatives are underway to address many of the items. FY 2013 includes new student housing offered by a third party located nearby, an on-line campus wide directory, and an allocation of accumulated interest to repair sidewalks and ramps.

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 2012 by Farnsworth Group of Peoria, selected in 2011. 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.

Focus on Management

Priorities start with students. We strive to provide access throughout our district through the use of distance learning over our wireless wide area network, Edunet. We have partnered with Noel Levitz to enhance our enrollment management, recruitment and retention. We have evaluated our past, present and future focus of management. The following chart indicates some of our past and our future endeavors. The College believes revenue enhancement is minimal without growth and we must look to expenditure control as well. Growing enrollments overall may no longer be an option. We need to right size enrollments in fields where we excel. Our vision may not be quantity/volume but quality/image.

The Reality

1. Enrollment is down
2. Population is down
3. Market penetration is down
4. State funding is down

What can we do?

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Increase market penetration 2. Increase retention 3. Increase graduation 4. Reallocate space to accommodate growth where possible 5. Increase efforts by the Foundation to provide additional funding for students without financial aid 6. Downsize operations | <p>Branding Initiative 2011
Added two advisors, relocated tutoring</p> <p>Summer 2011, Nursing, Rad Tech, GED</p> |
|---|---|

In the short term we are following an enrollment management plan to address 1, 2 and 3. FY2012 saw space reallocation to accommodate program growth. In the long term, increased efforts will be concentrated with the Foundation, additional events and expansion of the alumni position. Without results, downsizing may be implemented.

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

Informational Summary

General Fund Budget Projections

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. No interfund transfers are reflected.

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.
- FY 2013 implemented lab fees and a technology/facility fee.
 - 2009 to 2012 reflected an increase of \$415,022, an average 2% change per year
 - 2012 to 2016 anticipates an increase of \$774,648, an average 2% change per year

Local Revenue

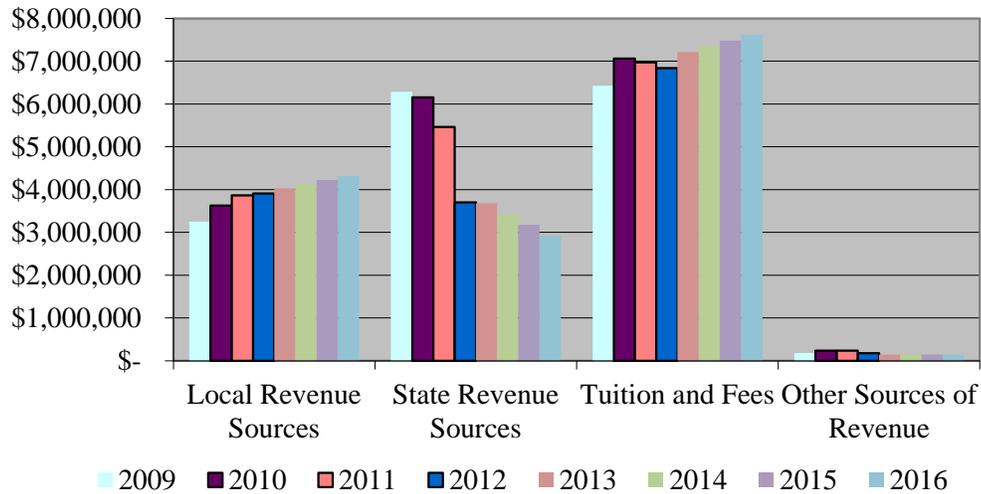
- Tax revenues are based on the most recent tax levies derived from known equalized assessed valuations. The assessed valuations are projected on historic trends as adjusted for local economic conditions and potential development within our district.
 - 2009 to 2012 increased \$662,432, average 5% change per year
 - 2012 to 2016 increases \$413,218, average 3% 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 and potential cuts to the community college system given the state's financial condition.
 - 2009 to 2012 decreased \$2,587,348, average 10% change per year
 - 2012 to 2016 decreases \$1,095,484, average 6% change per year

General Funds Revenue Trend/Projection for Fiscal Years 2009 – 2016

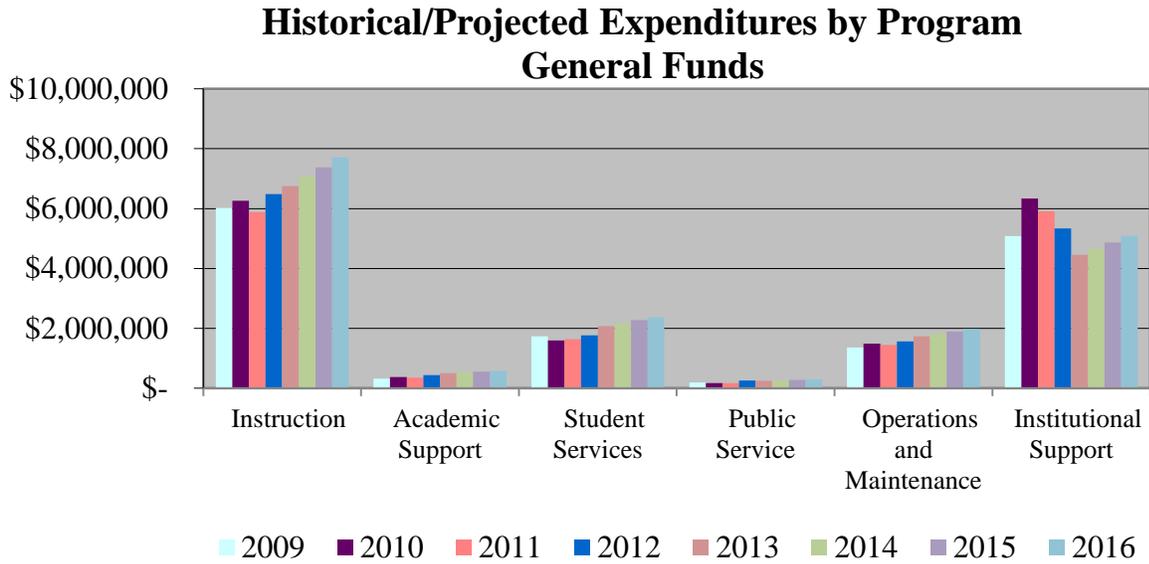
**Revenue Trend/Projection
General Funds**



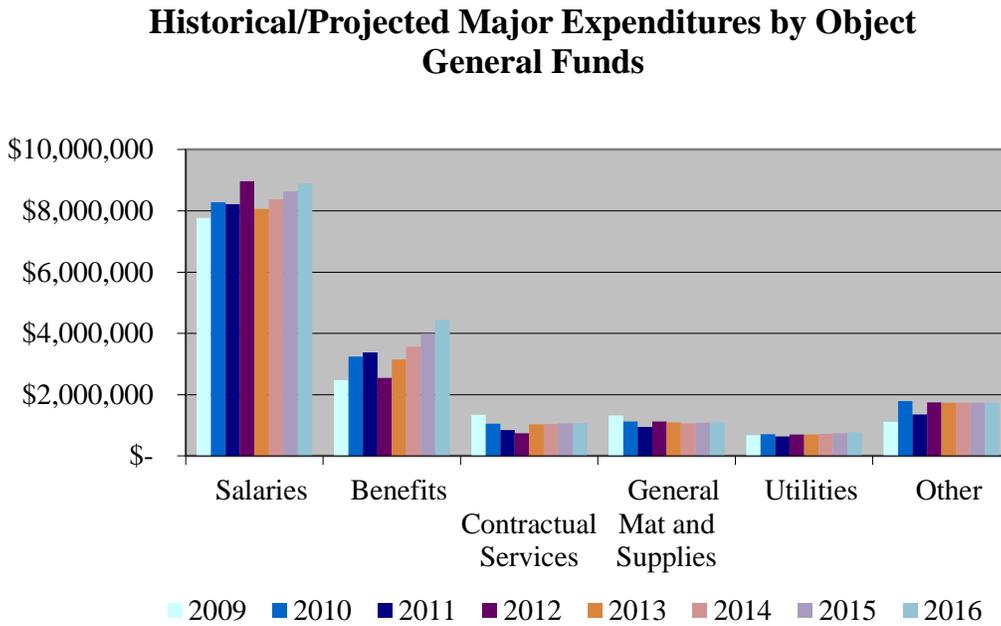
General Funds Expenditures

- Salary expenditure projections are based on the current collective bargaining agreement. This includes a 3.95% negotiated increase in salary in 2012-2014 with negotiations to begin Fall 2012 for fiscal years 2015 and 2016.
- Supplies and equipment costs will increase 1.5% each year.
- Health insurance premiums will increase 5% each year.
- Potential shift of State University Retirement System (SURS) funding from the state to the community colleges.
- Partnership with Noel Levitz to enhance student recruitment and retention completed in FY2010.
 - Salaries increase 2009 to 2012 \$1,195,688, average 4% change per year
 - Salaries increase 2012 to 2016 \$1,341,975, average 3% change per year
 - Benefits increase 2009 to 2012 \$70,870, average 1% change per year
 - Benefits increase 2012 to 2016 \$1,150,451, average 9% change per year
 - Contractual Services decrease 2009 to 2012 \$608,691, average 11% change per year
 - Contractual Services decrease 2012 to 2016 \$336,773, average 9% change per year
 - General Materials and Supplies decrease 2009 to 2012 \$195,524, average 4% change per year
 - General Materials and Supplies decrease 2012 to 2016 \$28,031, average 0.5% change per year
 - Utilities increase 2009 to 2012 \$17,311, average 1% change per year
 - Utilities increase 2012 to 2016 \$62,408, average 2% change per year

Historical/Projected General Funds Expenditures by Program



Historical/Projected General Funds Expenditures by Object



Expenditures shown for the College’s General Fund are presented by program area and by object. Expenditure increases have an effective 1% increase annually.

Student Enrollment Trends

We serve a diverse group of students. In the fall of 2011, the College enrolled 2,383 students, with an average age of 30 years. Women represented 65 percent of the student body and 50 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 2013.

Fiscal Year	2008	2009	2010	2011	Estimate 2012	Projected Estimate 2013
Fall College Enrollment	2,693	2,615	2,661	2,538	2,563	2,589
Annual Full-time equivalent students	1,682	1,641	1,772	1,737	1,754	1,772
Continuing Education Credit Hours	1,066	1,002	1,550	720	727	734
Total Annual Credit Hours	50,471	49,218	52,876	52,113	53,155	50,203

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. We are now faced with the continued unemployment rate rising and retraining needed due to the economic condition of the area.

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 2013-2016.

Property Taxes.

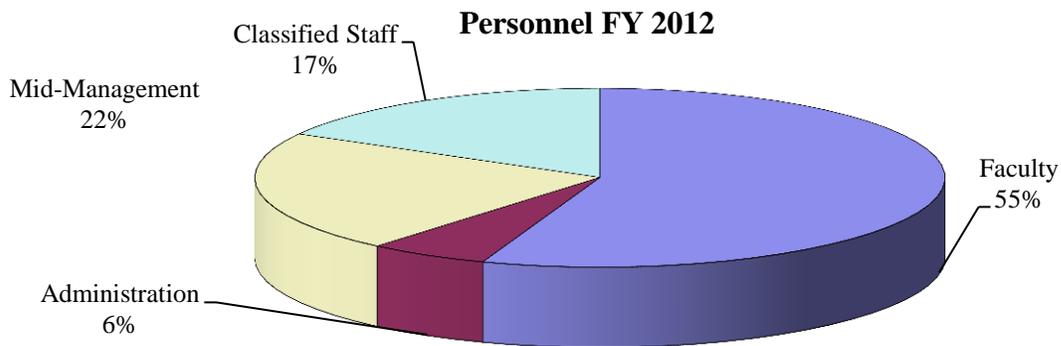
The following table illustrates the College's property tax levy rates and EAV over the last fiscal years.

EAV supporting our fiscal year:

FY	2009	2010	2011	2012	Estimated 2013
EAV	\$1,317,901,792	\$1,374,876,565	\$1,427,057,760	\$1,459,805,981	\$1,502,910,975
% increase/(decrease)	7.6%	4.3%	3.8%	2.3%	3.0%
Levy Rate (per \$100 of assessed valuation per levy year)	\$ 0.6205	\$ 0.6140	\$ 0.6115	\$ 0.6187	\$ 0.6175
% increase/(decrease)	2.7%	-1.0%	-0.4%	1.2%	-0.2%
Change in tax extension	\$ 777,901	\$ 264,161	\$ 284,716	\$ 305,361	\$ 248,656
% increase/(decrease)	10.51%	3.23%	3.37%	3.50%	2.75%

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 55% of the College workforce. Administration 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 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 Administration and Mid-management decreased recently when the College discontinued the contractual relationship with the Illinois Department of Corrections and decided to no longer serve as the fiscal agent for the Local Workforce Area 14. The President's Cabinet now monitors all non-instructional hiring in an effort to use College resources in the most conservative way and to ensure that requests for replacements are essential to College operations.

Personnel Allocations 2008 – 2013

**Carl Sandburg College
Personnel Resource Allocation
Employees 2008-2013**

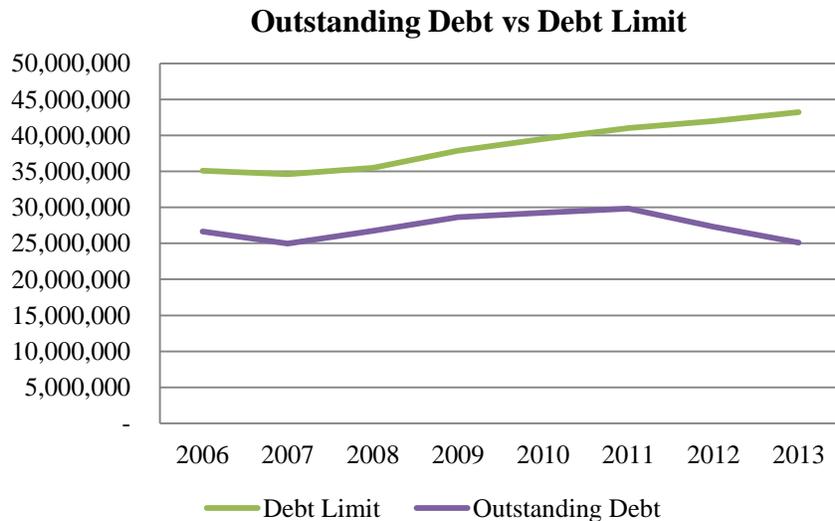
Fiscal Year	2008	2008	2010	2011	2012	Projected 2013
FACULTY						
Full-Time	64	62	64	55	56	56
Part-Time	120	120	137	142	142	141
Subtotal	184	182	201	197	198	197
ADMINISTRATIVE						
Full-Time	21	20	20	20	19	19
Part-Time	0	0	0	0	1	0
Subtotal	21	20	20	20	20	19
MID-MANAGEMENT						
Full-Time	69	69	70	68	66	62
Part-Time	10	10	12	11	11	10
Subtotal	79	79	82	78	77	72
CLASSIFIED STAFF						
Full-Time	55	51	49	53	53	54
Part-Time	7	7	7	6	7	3
Subtotal	62	58	56	59	60	57
GRAND TOTAL	346	339	359	354	355	345

FY 2013 begins with restructuring from the prior fiscal year, as well as one administrative, two mid-management and two classified staff retirements whose duties were distributed among existing personnel.

Debt Administration

Debt of the College is comprised of General Obligation Bonds. The bond payments will be funded through the tax levy. Legally, the College is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$43,208,691. The current general obligation debt of the College is \$27,325,000. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$15,883,691. 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, the College issued new debt to renovate a facility in our southern part of the district that was donated to the College and to expand our Strategic Technology Quasi Endowment Fund. FY 2010 and 2011 debt was issued to expand the working cash fund. FY 2013 indicates a 12% decrease in total long-term debt payments due to debt restructuring in FY2012. With no new debt issued in FY 2013, the College will see a 8.0% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2012	\$ 2,500,000	\$ -	\$ 400,909	\$ 2,900,909	1,110,781	4,011,690
2013	2,210,000			2,210,000	1,041,371	3,251,371
2014	2,415,000			2,415,000	962,566	3,377,566
2015	2,600,000			2,600,000	866,462	3,466,462
2016	2,775,000			2,775,000	762,732	3,537,732
2017-2021	16,575,000			16,575,000	1,935,028	18,510,028
2022-2024	750,000			750,000	50,200	800,200
Total	\$ 29,825,000	\$ -	\$ 400,909	\$ 30,225,909	\$ 6,729,140	\$ 36,955,049



Performance

Carl Sandburg College strives to meet the needs of the students and the community. Several unit goals have been developed and tracking put in place to measure our performance. The information below reflects institution results and various department results.

Priorities and Goals

Student Access and Success

- Create, market, and implement educational programs to meet the needs of our district.
 - Instruction has been challenged to increase enrollment and/or credit hours by 2%. This allows the College to determine if we are offering the educational programs to meet the needs of our district and our students. This must also take into consideration: How many students do you want in your classes/programs? How many can you realistically serve? Do your goals reflect our population?

Department Credit Hours	FY12			FY13	
	FY11	Estimated	Growth	Projected	Growth
CTHE	12,397	12,373	-0.19%	12,166	-1.67%
Humanities	10,033	10,949	9.13%	10,694	-2.33%
Math & Natural Science	8,939	10,200	14.11%	10,247	0.46%
Social & Behavioral Science	8,821	10,047	13.90%	8,998	-10.44%
Nursing	4,643	3,714	-20.01%	4,004	7.81%
College Prep	3,220	1,967	-38.91%	2,064	4.93%
Corporate & Community services	3,519	2,415	-31.36%	2,030	-15.94%
	51,571	51,665	0.18%	50,203	-2.83%

- Create opportunities for students of all backgrounds to have access to higher education.
 - Institutional Support continues to look for opportunities for students of all backgrounds to have access to higher education. This is monitored through Foundation scholarships awarded and the number of recipients.

Foundation Scholarships	FY 2010	FY 2011	FY 2012
\$	\$ 201,302	\$ 211,878	\$ 201,934
Recipients	213	226	233

- Create opportunities for lifelong learning.
 - CSC believes community colleges are vital to economic and workforce development. Customized training will help Illinois Business and industry sustain strong economic growth. The College strives to increase community education opportunities.

Community Education	Courses Taken		FY 2012
	FY 2010	FY 2011	Estimated
Kids on Campus	1216	614	575
College for Seniors	1067	1031	1250
Customized Training	403	389	350

Teaching and Learning

- Monitor, assess, and make changes to promote student learning
 - Pass rates on boards are monitored to promote student learning. The goal is to meet or exceed national pass rates.

Pass Rate % on Boards	FY 2009	National	FY 2010	National	FY 2011	National
Nursing (RN/AND)	79%	88%	93%	87%	83%	87%
Nursing (LPN/PN)	92%	86%	86%	87%	77%	85%
Dental Hygiene	100%	92%	100%	84%	83%	80%
Radiologic Technology	100%	91%	92%	92%	100%	92%
Mortuary Science	81%	81%				
Arts			100%	78%	75%	77%
Science			100%	79%	85%	76%

- Monitor, assess, and make changes to maximize student retention and learning.
 - Student retention rates are evaluated by student services to monitor teaching and learning. The TRiO-SSS program monitors persistence rate, good academic standing, and graduation/transfer rate. This is on a limited number of students annually and the College continues to look for ways to serve additional students.

Academic Year	% of Students		
	Persistence Rate	Good Academic Record	Graduation / Transfer Rate
2008-2009	73%	81%	40%
2009-2010	72%	80%	50%
2010-2011	75%	81%	50%
Average	73%	81%	47%
Goal	60%	60%	20%

Operational Sustainability and Excellence

- Develop Enrollment Management plan to stabilize and guide the institution’s enrollment
 - Student services have been instrumental in developing an enrollment management plan including the tracking of new applications by market segment. This will allow for strategic marketing decisions, an increased applicant pool and an increase in conversion of applications to enrollment of new students.

New Applicant Tracking	Applications % of Goal		
	FY10	FY11	FY12
Fall	121%	126%	88%
Spring	114%	124%	101%

	Conversion of Applicants to Enrollments			
	Goal	FY10	FY11	FY12
Fall	50%	44%	53%	43%
Spring	30%	32%	31%	35%

- Establish/maintain an operating fund balance equal to 20 percent of the previous year's adopted budget

Operating Fund Balance	FY10	FY11	FY12 Estimated	FY13 Projected
Actual	\$ 3,404,811	\$ 4,203,599	\$ 4,668,466	\$ 4,668,466
Goal	\$ 3,101,913	\$ 3,252,088	\$ 3,022,067	\$ 3,164,994

- Monitor, evaluate, and respond to needs of the physical environment.
There is always a need to evaluate and respond to the physical environment. Utilities are a significant expense. The College strives to maintain utility costs per gross square feet at or below the state community college average.

		FY10	FY11	FY12 Estimated	FY13 Projected
Facility Costs per Gross Square Feet	Actual State average	\$ 1.85	\$ 1.75	\$ 2.04	\$ 2.00
	average	\$ 1.94	\$ 1.91	\$ 2.00	\$ 2.00

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,

By: s/s Lori L. Sundberg

Lori L. Sundberg, DBA
President

By: s/s Lisa Blake

Lisa Blake
Chief Financial Officer

**CARL SANDBURG COLLEGE
FY-2013
BUDGET DEVELOPMENT CALENDAR**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/26/12*	Approve Budget Development Calendar	BOT
1/30/12	Distribute electronic spreadsheet forms to review budgeted credit hours	CFO
1/31/12	Finalize Budget parameters	President
1/31/12	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/13/12	Distribute Electronic Budget Packets to Budget Managers	CFO
2/14/12	Budgeted credit hour changes due to the VP of Academic Services	Instructional Team
2/14/12 - 3/2/12	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
3/2/12	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed.)	Budget Managers
3/5/12 – 4/1/12	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/2/12 -5/4/12	Tentative Budget reviewed by Cabinet and CFO	Cabinet Officers & CFO
5/24/12*	Tentative Budget distributed to and adopted by BOT	BOT
5/25/12	Publish Notice of Public Hearing on the Tentative Budget and Public Inspection	CFO
5/25/12	Budget available for public inspection	CFO
5/25/12 – 6/8/12	Necessary revisions to Budget completed	Cabinet Officers & CFO
6/28/12*	6:45 p.m. – Public Hearing	BOT
6/28/12*	Adopt Final Budget	BOT
6/29/12	Submit Final Budget to ICCB, staff, and county clerks	CFO

***Board of Trustees Scheduled Meeting**

Adoption of Tentative FY - 2013 Budget

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting - May 24, 2012

Item

Adoption of Tentative FY-2013 Budget

Background

The Tentative FY-2013 Budget is proposed for Board adoption at the May 24, 2012, 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 24, 2018, at the A. Lewis Long Conference Room, Galesburg, Illinois.

To allow maximum time for its development, we will deliver the Tentative FY-2013 Budget booklet to the Board at your meeting scheduled for May 24, 2012.

Recommended Action

The Administration recommends the Board of Trustees authorize the adoption of the FY-2013 Tentative Budget.

Adoption of FY - 2013 Final Budget

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting - June 28, 2012

Item FY-2013 Final Budget

Background

The tentative FY-2013 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 recommendation of the College's external auditors.

Recommended Action

The Administration recommends the approval of the resolution for adoption of the FY-2013 Budget for Carl Sandburg College.

Principal Officials

Illinois Community College District No. 518 Principal Officials FY 2013 July 1, 2012

Board of Trustees

Name	Position	Term Expires
Mr. Bruce A. Lauerman	Chairperson	2015
Ms. Gayla J. Pacheco	Vice Chairperson	2017
Mr. William C. Robinson	Secretary	2015
Mr. Michael T. Bavery	Trustee	2013
Mt. Thomas H. Colclasure	Trustee	2015
Reverend Jon A. Sibley, Sr.	Trustee	2013
Ms. Sandra L. Wood	Trustee	2013
Ms. Pamela L. Eaves	Student Trustee	
Mr. David Kellogg	Faculty Representative	
Mr. Rodney Blue	Staff Representative	

Officers of the College

Dr. Lori Sundberg	President
Ms. Julie Gibb	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
Mr. Tony Bentley	Director of TRiO Upward Bound Project
Ms. Lisa Blake	Chief Financial Officer/Treasurer
Mr. Larry Byrne	Director of Business Services
Ms. Dylana Carlson	Director of Recruiting
Ms. Robin DeMott	Director of Marketing & Public Relations
Mr. Rick Eddy	Director of Admissions & Records
Ms. Lisa Hanson	Director of Financial Aid
Ms. Misty Lyon	Director of TRiO Student Support Services
Ms. Debra Miller	Dean of Extension Services
Mr. Andrew Tolle	Director of Public Safety
Ms. Linda Thomas	Director of The Extension Center
Dr. Connie Thurman	Dean of Human Resources and Organizational Development
Mr. Michael Walters	Dean of the Library/Adult Education
Ms. Lauri Wiechmann	Dean of Career, Technical, & Health Ed/Program Development

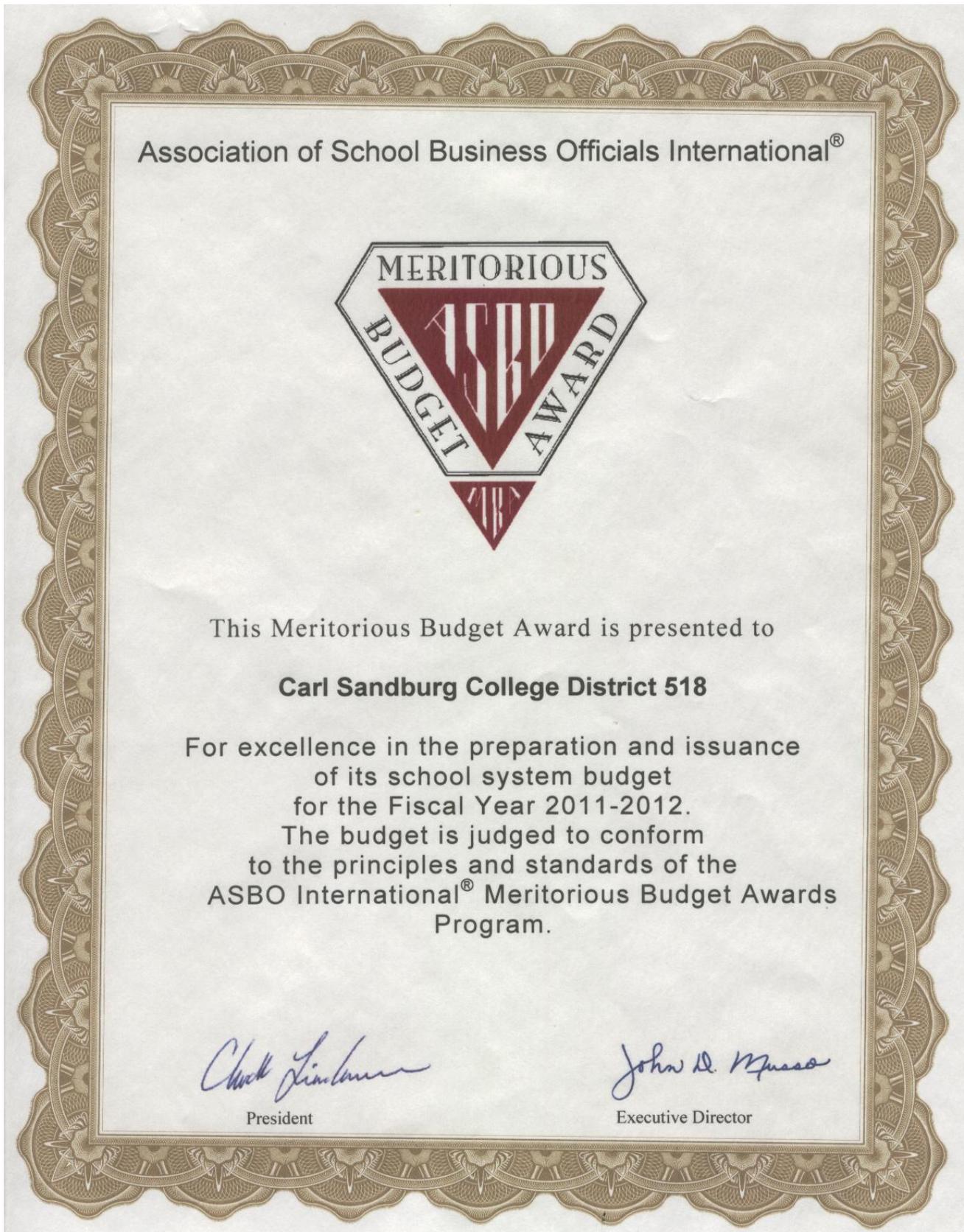
Official Issuing Report

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

Finance Office

Meritorious Budget Award



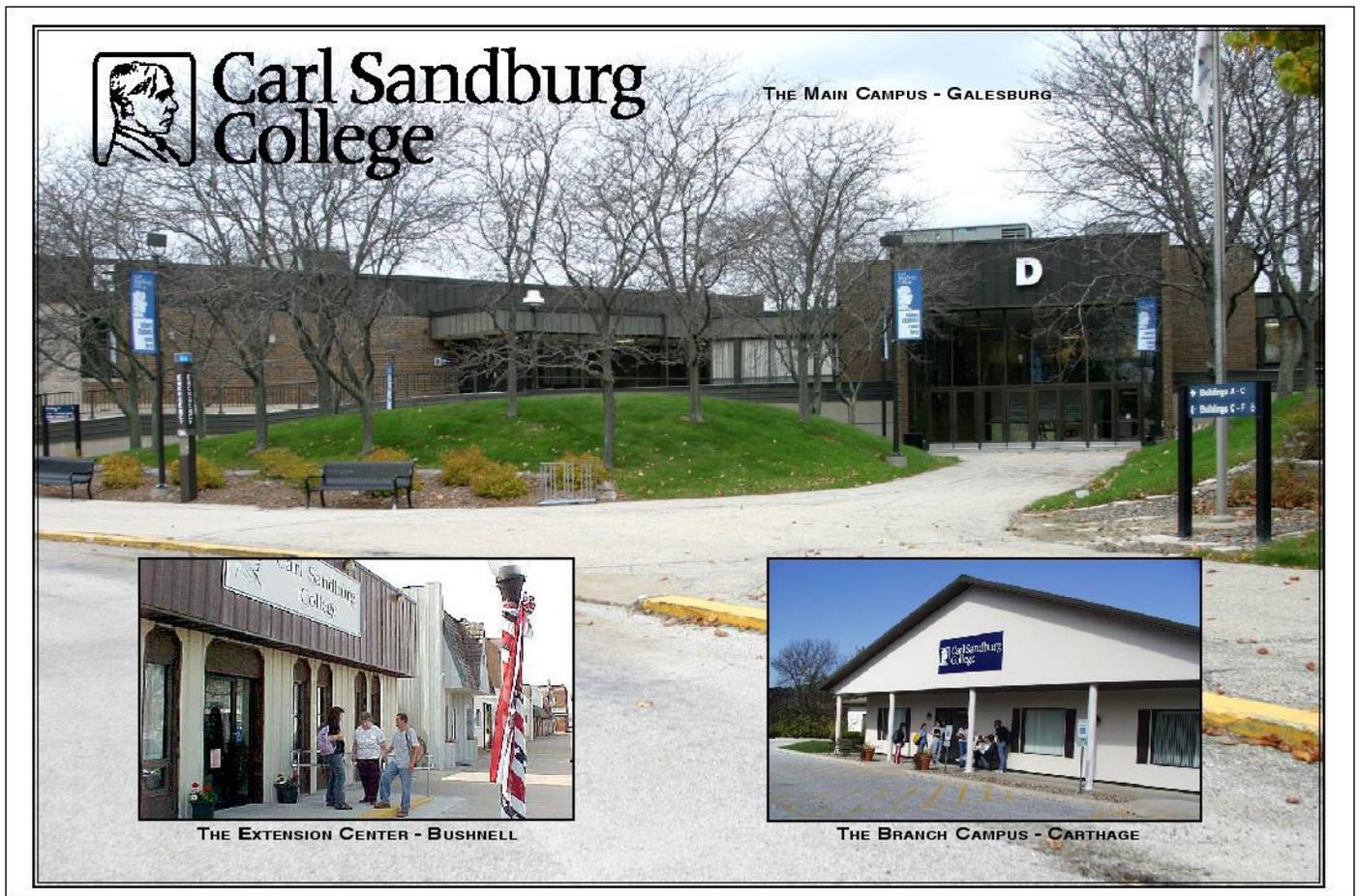
Distinguished Budget Presentation Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Carl Sandburg College, Illinois for the Annual Budget beginning July 01, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

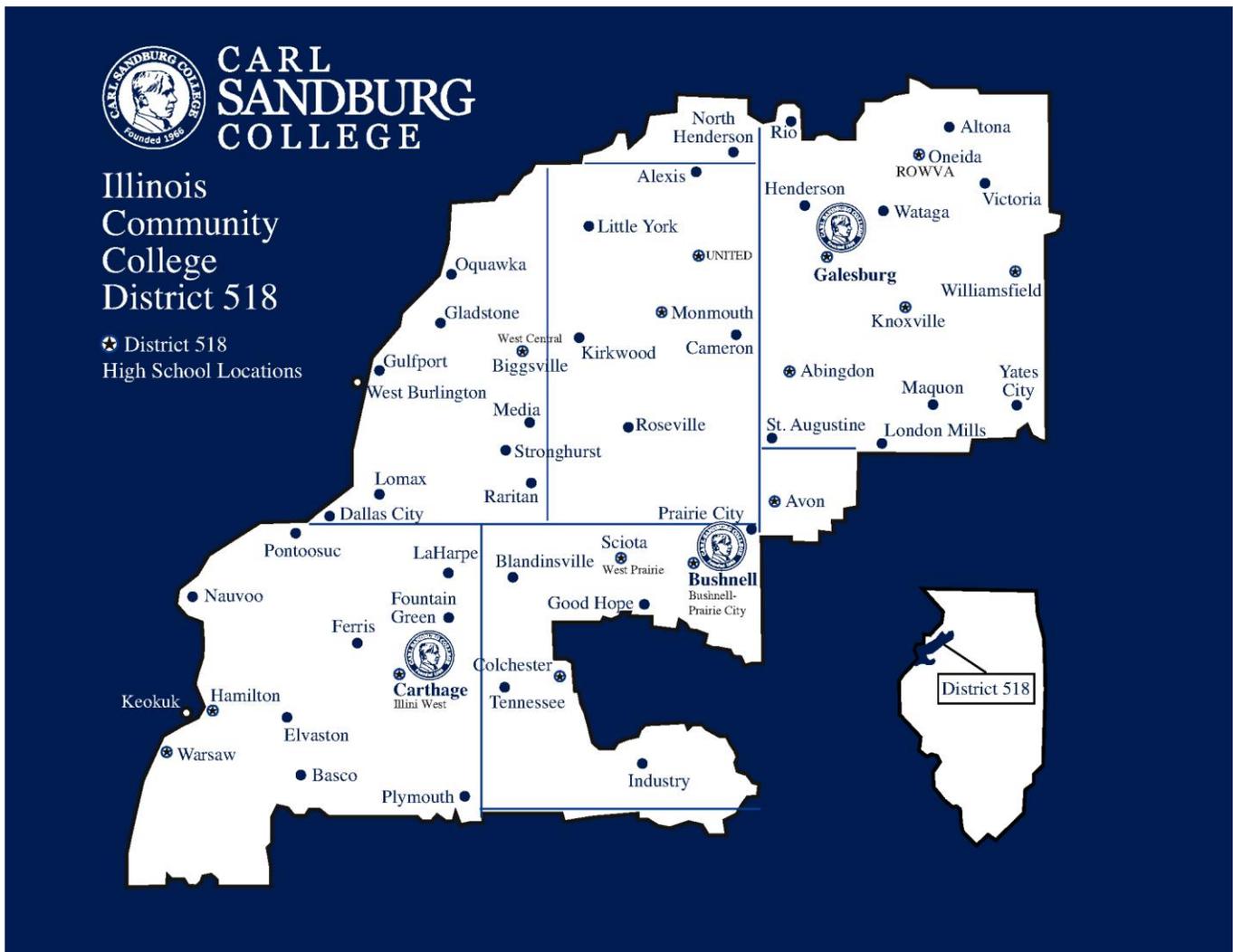
II. Organizational Section



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 2010, the Higher Learning Commission North Central Association 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 being served by three locations. The main campus is located in Galesburg, Knox County, representing our largest property EAV, with a branch campus in Carthage, Hancock County, representing our second largest property EAV and an extension center in Bushnell, McDonough County.

We serve a diverse group of students. Per our fall 2011, tenth day enrollment report submitted to the Illinois Community College Board (ICCB), the CSC total enrollment was 2,383 students, with an average age of 30 years. Women represented 65 percent of the student body and 50 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 390 degrees/certificates per year over the last five years.



Degrees and Programs Offered

Academic Programs (University Studies Degrees)

Associate in Arts Degree

Associate in Fine Arts Degree

(Art, Music Performance, or Music Education)

Associate in Science Degree

Associate in Science Degree

(Agriculture)

Associate in Engineering Science Degree

Associate in General Education

(Individually-Designed Degrees)

Career, Technical, & Health Education Programs (Associate in Applied Science and Certificate Programs)

Associate in Applied Science Degree Programs

- Accounting
- Administrative Office Professional
- Business Administration
- Child Development/Paraprofessional Educator
- Computer Information Systems Specialist
- Computer Networking Specialist
- Criminal Justice
- Dental Hygiene
- Graphic Communications Professional
- Industrial Welding Technology
- Mortuary Science
- Nursing Program (Associate Degree in Nursing) (RN)
- Radiologic Technology
- Surgical Technology
- Therapeutic Massage

Advanced Certificate

- Basic Network Security
- Computed Tomography (CT)
- Diagnostic Cardiac Sonography
- Diagnostic Medical Sonography
- Magnetic Resonance Imaging (MRI)
- Nuclear Medicine Technology

Certificate

- Accounting
- Administrative Office Assistant
- Automotive Technology (Auto Mechanics)
- Child Care/Paraprofessional Educator
- Cisco Network Associate
- Computer Technician
- Cosmetology
- Cosmetology Teacher
- Criminal Justice
- Graphic Communications Professional
- Legal Office Assistant
- Medical Administrative Specialist
- Medical Assisting
- Pipe Welder Specialist
- Practical Nursing (L.P.N.)
- Small Business Management
- Therapeutic Massage
- Welding

Explanation of Financial Structure

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. The College's financial statements focus on the College as a whole. The College financial statements are designed to emulate corporate presentation models whereby all college activities are consolidated into one total. The statements 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. For budgeting purposes, 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. 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,

which 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

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

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

(The 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

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

Expenditures

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

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 Goals and Objectives

In the early stages of the budgeting process, budget managers are asked to review the shell budget and objectives, and recommend budget requests needed for the coming year. Budget managers review prior year credit hour production by subject and determine credit hours for the new budget year during late January and early February. Based on these projections, recommendations are made to respective cabinet officers during late February. 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 during March and considered based on its fulfillment of the Institutional Goals and Objectives. Approved requests are signed off by the cabinet and given to the CFO in April to build into the tentative budget.

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
Ms. Phyllis Bewley	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 48 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 authorized expenditures 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 \$25,000 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. ...
 5. To approve the expenditure of all funds as prescribed in purchasing procedures
 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.
 - Approval of authorized expenditures is performed during monthly board meetings.
 - The annual audit is performed and presented to the Board of Directors by a representative of the audit firm.

Illinois Community College Board Regulations

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

Annual Budget

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

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

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

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

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

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

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

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

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

Certificate of Tax Levy

The language for the Certificate of Tax Levy suggested by the *Public Community College Act* is included in this section. This certificate must be filed with each county clerk on or before the last Tuesday in December. A copy of the certificate, along with each county clerk's verification of the levy, should be filed with the ICCB no later than January 31. In addition to the adopted annual budget, each college must file with each county clerk, within 30 days of its adoption, the local board's budget resolution and a certified summary of anticipated revenues for the fiscal year. Failure to file these documents authorized the county clerk to refuse to extend the district's tax levy. Suggested forms for the budget resolution and the summary of anticipated revenues are included as part of this section.

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

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

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

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

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

External Audit

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

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

Annual Financial Report

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

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

Community College Treasurer's Bond

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

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

Requirements for Financial Transactions

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

Payment of Orders and Bills

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

- Each month the Board of Trustees approves authorized expenditures.

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 \$25,000 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. The following functions direct the Administration and staff.

Instruction Activities

Activities dealing directly with the teaching of students

- VP of Academic Services
- Deans and Associate Deans

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

- VP of Academic Services
- VP of Administrative Services & CIO
- Dean of Library-Services
- Technology Services
- Dean of Human Resources and Organizational Development

Student Services

Provides assistance in the areas of financial aid, admissions and records, placement, testing, counseling, and student activities

- VP of Student Services
- Director of Admissions and Records
- Director of Financial Aid
- Director of Recruiting

Public Service/Continuing Education

Non-credit classes and other activities of an educational nature, such as workshops and seminars

- VP of Academic Services
- Dean of Corporate & Community Services

Institutional Support

Central executive-level activities and support services that benefit the entire institution

- President
- VP of Administrative Services & CIO
- Chief Financial Officer
- Technology Services
- Director of Marketing & Public Relation
- Dean of Human Resources and Organizational Development

Operations & Maintenance

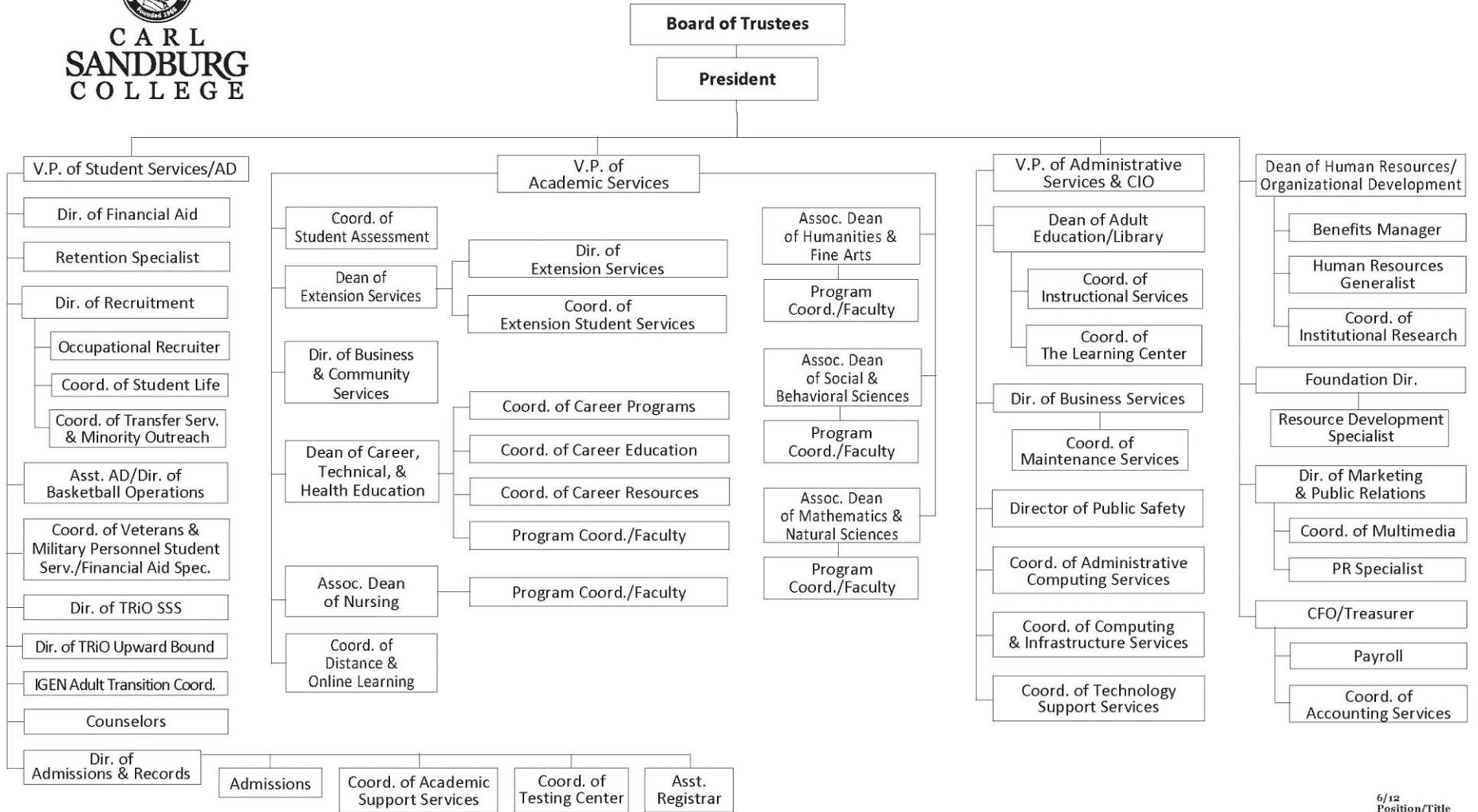
Housekeeping activities necessary in order to keep the physical facilities open and ready for use, security and plant utilities

- VP of Administrative Services & CIO
- Director of Business Services

This philosophy is demonstrated on the following chart.



Carl Sandburg College Organizational Chart



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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 2013 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 2013

<i>Administration</i>	General Funds	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Auxiliary Fund	Working Cash Fund	TOTAL
PRESIDENT	\$ 339,169	\$ 78,037					\$ 417,206
Chief Financial Officer	\$ 1,329,920	\$ 6,692,285	\$ 3,259,675	\$ 586,350	\$ 17,800	\$ 151,000	\$ 12,037,030
Dean of Human Resources/Organizational Develop.	\$ 1,049,535	\$ 235,716			\$ 600		1,285,851
Director of CSC Foundation	78,470						78,470
Director of Marketing & Public Relations	484,893						484,893
Subtotal	\$ 3,281,987	\$ 7,006,038	\$ 3,259,675	\$ 586,350	\$ 18,400	\$ 151,000	\$ 14,303,450
Vice President of Student Services	\$ 1,162,458				\$ 410,102		\$ 1,572,560
Director of Financial Aid	188,177						188,177
Director of Recruiting	159,288						159,288
Director of Admissions & Records	522,848	611,103			10,106		1,144,057
Subtotal	\$ 2,032,771	\$ 611,103	\$ -	\$ -	\$ 420,208	\$ -	\$ 3,064,082
Vice President of Academic Services	\$ 1,240,888				\$ 2,000		\$ 1,242,888
Dean of Extension Services	324,968				6,422		331,390
Director of Corporate & Community Services	313,571						313,571
Dean of CTE, Health Ed/Program Development	1,913,495	173,953			90,218		2,177,666
Assoc. Dean of Nursing	661,736	7,000			71,859		740,595
Assoc. Dean of Humanities & Fine Arts	815,643				15,824		831,467
Assoc. Dean of Social & Behavioral Sciences	732,430						732,430
Assoc. Dean of Math & Natural Sciences	603,283				2,250		605,533
Director of the Extension Center	127,620				1,000		128,620
Subtotal	\$ 6,733,634	\$ 180,953	\$ -	\$ -	\$ 189,573	\$ -	\$ 7,104,160
Vice President of Administrative Services & CIO	\$ 1,070,026	\$ 318,389			\$ 50,400		\$ 1,438,815
Dean of the Library/Outcome Assessment & Grants	557,870	759,126					1,316,996
Director of Business Services	2,089,592	1,721,290		137,422	579,030		4,527,334
Subtotal	\$ 3,717,488	\$ 2,798,805	\$ -	\$ 137,422	\$ 629,430	\$ -	\$ 7,283,145
TOTALS	\$ 15,765,880	\$ 10,596,899	\$ 3,259,675	\$ 723,772	\$ 1,257,611	\$ 151,000	\$ 31,754,837

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The Mission of Carl Sandburg College

The College's Mission

The mission of Carl Sandburg College is to provide students an opportunity to succeed by providing 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.

Core Values

The following four Core Values have been identified: Excellence, Collaboration, Integrity and Respect. While it can be noted that these are not an exhaustive list of the values Carl Sandburg College or any organization should hold dear, these are simply the four most representative of Carl Sandburg College.

Our Vision Statement

Where dreams come to life, and lives come to change.

Major Goals and Objectives

Carl Sandburg College believes everyone should have access to quality education. Our strategies focus on communication internally/externally with students, staff and stakeholders of our district. The following four main goals and objectives have been designed to shape departmental, programmatic, and individual decision making. We believe that these areas should drive all activities that are undertaken throughout the year.

Student Access and Success

1. Create, market, and implement educational programs to meet the needs of our district.
2. Create opportunities for students of all backgrounds to have access to higher education.
3. Prepare students for their educational goals.
4. Create and provide curricula and student services to ensure graduation.
5. Create opportunities for lifelong learning.

Teaching and Learning

1. Monitor, assess, and make changes to promote student learning
2. Monitor, assess, and make changes to maximize student retention and learning.
3. Monitor and evaluate student outcomes.
4. Re-affirm a commitment to an environment that recognizes the need for diversity.
5. Create opportunities for all within the College community to interact with understanding, appreciation, and respect for others.

Community Alliances

1. Expand partnerships with four-year colleges and universities.
2. Continue to work with K-12 school districts.
3. Develop programs in cooperation with neighboring institutions.
4. Maintain and expand alliances within and beyond the College district.
5. Support economic development activities.

Operational Sustainability and Excellence

1. Develop Enrollment Management plan to stabilize and guide the institution's enrollment
2. Establish and maintain effective technology in academic programs and support functions.
3. Upgrade employee skills in use of technology.
4. Continue to lead the way in Technology
5. Establish/maintain an operating fund balance equal to 20 percent of the previous year's adopted budget
6. Maintain a competitive compensation program to enable the College to attract and retain a quality workforce.
7. Monitor, evaluate, and respond to needs of the physical environment
8. Commit to all feasible sustainability efforts.

Unit Goals and Objectives

Instruction

Student Access and Success

Create, market, and implement educational programs to meet the needs of our district.

Monitor program enrollments against budgeted credit hours and overall growth.

Monitored by: Vice President of Academic Services, Deans and Associate Deans

Presented monthly to the Board of Trustees

Department Credit Hours

Allied Health

Humanities & Performing Arts

Math & Natural Science

Occupational Programs

Social & Behavioral Science

Community & Extension Services

College Prep Center/Developmental Education

Short term goal:

Increase department credit hours by 2%

Institutional dashboard showing total credit hours and by department and subject.

Long term goal:

Increase efforts with Foundation-President's Resource Circle

Expansion of alumni position

Teaching and Learning

Monitor, assess, and make changes to promote student learning.

Monitor pass rates on boards.

Monitored by: Dean of CTE/Program Development

Presented on the website - updated annually

Allied Health Licensure Exams

Cosmetology

Dental Hygiene

Diagnostic Medical Sonography

Associate Degree Nursing

Practical Nursing

Radiologic Technology

Meet or exceed National pass rates

Results

Included on the College website by program

Use of SILO fund accumulated interest earnings.

Monitored by: Vice President of Academic Services, Instructional Team

Presented annually and by request to Cabinet.

New program creation

Student Services

Student Access and Success

Create opportunities for students of all backgrounds to have access to higher education.

Monitor financial aid process and awards.

Monitored by: Director of Financial Aid

Presented to students

Process student paperwork within one week of receiving completed forms

Offer FAFSA completion workshops every winter/spring

Teaching and Learning

Monitor, assess, and make changes to maximize student retention.

Offer TRIO-SSS

Monitored by: Director of TRiO SSS

Presented to Department of Education

Persistence Rate 60% or greater

60% of all participants served by the SSS project persist from the previous Academic year to the next or graduate and/or transfer from a 2-year to a 4-year institution during the current academic year

Good Academic Standing 60% or greater of participants

60% of all participants served by the SSS project will meet the performance level required to stay in good academic standing at the grantee institution

Graduation Transfer Rate 20%

20% of each cohort will graduate with an associate's degree or transfer to a four-year institution in 3 years

Retention Alert

Monitored by: Retention Specialist

Presented to Vice President of Student Services

Initiates contact as early in the semester as possible for potential problems; non-attendance

Increased faculty participation

Operational Sustainability and Excellence

Develop Enrollment Management plan to stabilize and guide the institution's enrollment

Monitor new applications/applicants by market segment (age/gender/ethnicity)

Monitored by: Director of Recruitment

Presented to Administrative Staff

Allow for strategic marketing decisions

Increase applicant pool

Increase conversion of applications to enrollment of new students

Institutional dashboards tracking applicants

Public Services

Student Access and Success

Create opportunities for lifelong learning.

Offer community education to various constituents.

Monitored by: Dean of Corporate and Community Services

Presented to the community.

Increased participation in:

Kids on Campus

College for Seniors

Customized training

Community Alliances

Support economic development activities

Encourage community memberships and committees

Monitored by:

Presented to

Increase community participation

Institutional Support

Student Access and Success

Create opportunities for students of all backgrounds to have access to higher education.

Foundation scholarships awarded.

Monitored by: Director of the Foundation

Presented to

Increase scholarship monetary awards/recipients

Teaching and Learning

Re-affirm a commitment to an environment that recognizes the need for diversity.

Monitor diverse enrollment and hiring.

Monitored by: Dean of Human Resources/Organizational Research and Director of Recruitment

Presented to Student Services and Admin staff weekly/monthly/

Community Alliances

Expand partnerships with four-year colleges and universities.

Increase number of partnerships

Continue to work with K-12 school districts.

Monitor dual credit enrollment.

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Institutional Support (continued)

Operational Sustainability and Excellence

Develop Enrollment Management plan to stabilize and guide the institution's enrollment.

Monitor revenue/cost reports

Evaluate changing program enrollment/needs/costs

Monitored by:

Presented to

Establish/maintain an operating fund balance equal to 20 percent of the previous year's adopted budget

Institutional dashboard tracking fund balance over fiscal years

Monitored by: CFO

Presented to Cabinet

Monitor, evaluate, and respond to needs of the physical environment

Monitor Guaranteed Energy Savings Contracts

Maintain cost per gross square foot below state average

Monitored by : Director of Business Services

Presented to the Board of Directors

Capital Refresh

Use accumulated interest dollars in the Working Cash Fund and STEF Fund to address capital needs not being funded by the state

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.

Budget Development Calendar

**FY-2013
CARL SANDBURG COLLEGE**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/26/12*	Approve Budget Development Calendar	BOT
1/30/12	Distribute electronic spreadsheet forms to review budgeted credit hours	CFO
1/31/12	Finalize Budget parameters	President
1/31/12	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/13/12	Distribute Electronic Budget Packets to Budget Managers	CFO
2/14/12	Budgeted credit hour changes due to the VP of Academic Services	Instructional Team
2/14/12 - 3/2/12	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
3/2/12	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed.)	Budget Managers
3/5/12 – 4/1/12	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/2/12 -5/4/12	Tentative Budget reviewed by Cabinet and CFO	Cabinet Officers & CFO
5/24/12*	Tentative Budget distributed to and adopted by BOT	BOT
5/25/12	Publish Notice of Public Hearing on the Tentative Budget and Public Inspection	CFO
5/25/12	Budget available for public inspection	CFO
5/25/12 – 6/8/12	Necessary revisions to Budget completed	Cabinet Officers & CFO
6/28/12*	6:45 p.m. – Public Hearing	BOT
6/28/12*	Adopt Final Budget	BOT
6/29/12	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. Capital assets include property, equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. 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.

Each Cabinet Officer has been provided with contingency accounts to help address capital projects. The College believes the State of Illinois budget problems will persist well into the future. This has caused/forced the College to plan for projects to be locally funded. The most recent infrastructure improvements and building expansions have been done through the prudent utilization of bonded indebtedness, which none the less did negatively affect the College's Primary Reserve.

Capital project planning currently includes technology enhancements and refreshing college offices, furniture and rolling stock. There are no additional building expansions on the near horizon. These projects will be funded thru the use of accumulated interest income on our STEF fund and will not impact the operating dollars of the College. Additional safety projects will continue to be funded thru the Protection, Health, Safety tax levy, again not impacting our daily operating dollars. Completed projects have improved the environment for the students, faculty and staff. The College believes there are opportunities in the Allied Health fields. Dollars spent on the construction expansion and enhancements have allowed for increased credit hours in the Allied Health programs. The College also believes incoming students need to refresh their academic skills to be successful in college courses. Additional enhancements in the College Prep/Developmental areas have also allowed for increased credit hours.

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 authorized expenditures. 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.

III. Financial Section



Financial Section

Summary of Fiscal Year 2013 Final Budget

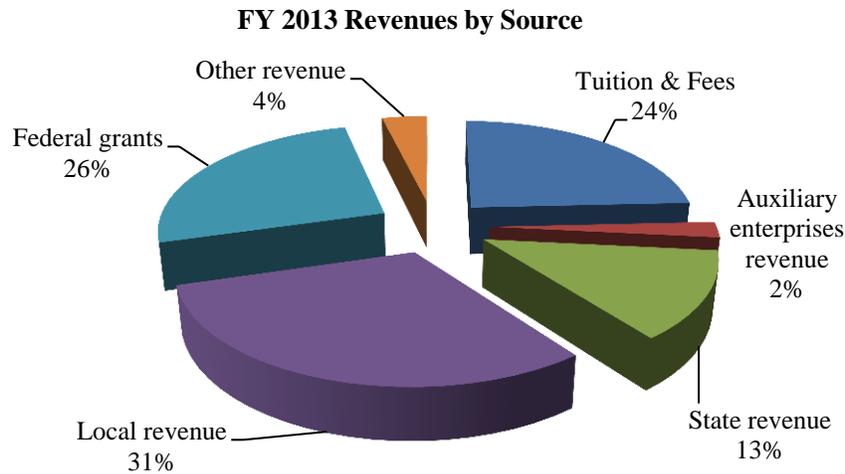
Overall Budget Summary

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. Shown below is the projected consolidated financial overview of the College for Fiscal Year 2013. The budgeted decrease in net assets is due primarily to the use of accumulated interest earned on investments for capital projects and protecting the District's assets.

CARL SANDBURG COLLEGE SUMMARY OF FISCAL YEAR 2013 FINAL BUDGET

Budgeted Operating Revenues	\$ 8,188,474
<u>Budgeted Operating Expenditures</u>	<u>(29,875,862)</u>
<u>Budgeted Operating Loss</u>	<u>\$ (21,687,388)</u>
Budgeted Nonoperating Revenues	\$ 22,613,459
<u>Budgeted Nonoperating Expenditures</u>	<u>(1,041,375)</u>
<u>Budgeted Net Nonoperating Expenditures</u>	<u>\$ 21,572,084</u>
<u>Budgeted Decrease in Net Assets</u>	<u>\$ (115,304)</u>

Revenues by Source

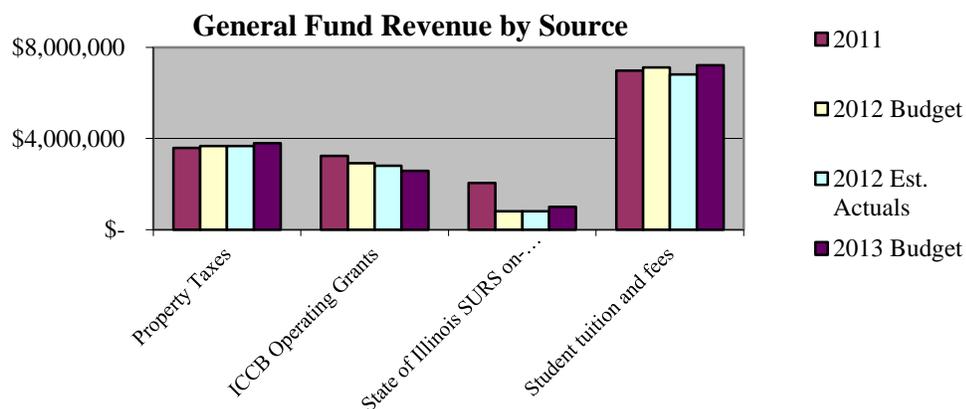


Operating revenues include student tuition and fees and auxiliary enterprises revenue. Nonoperating revenues include local revenue, state revenue, federal revenue and other revenue. Local sources of revenue include Property Taxes, Corporate Personal Property Replacement Taxes and Chargebacks and constitutes the largest source of revenue for FY2013 representing 31%. The equalized assessed valuation (EAV) for the district supporting FY 2013 is approximately \$1,502,910,975; this is a projected 3% increase in EAV compared to FY 2012. Replacement Taxes “replace” the personal property tax previously paid by businesses and are 2.5% of the net income of corporations, and 1.5% on partnerships, trusts, and subchapter S corporations.

Student Tuition and Fees revenue constitutes the second largest source of revenue in FY 2013. Tuition and Fees revenue makes up 24% of the total revenues at \$359,200 more than projected actual for FY 2012. Tuition revenues are based on projected credit hours, which are forecasted to decrease slightly with the projected FY 2012 actuals.

State Revenue is the third largest source of revenue at 13% of total revenue. State sources of funding include the ICCB Grants and the CTE Formula Grant. The ICCB grants are projected to decrease from FY 2012 to FY 2013, due to an overall decrease in state appropriations. The state of Illinois is facing the need to make significant cuts in an effort to reduce budgetary shortfalls.

Although federal grants show a larger percentage of revenue, this source of revenue is legally restricted to expenditures for specific purposes. The following chart summarizes the effect of the FY 2013 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.



CARL SANDBURG COLLEGE
SUMMARY OF FISCAL YEAR 2013 FINAL BUDGET BY FUND TYPE

	General Funds	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Governmental Funds
Beginning Fund Balance*	\$ 4,668,466	\$ 3,947,359	\$ 251,893	\$ 8,542,128	\$ 17,409,846
Budgeted Revenues	15,075,580	10,641,406	3,295,067	452,492	29,464,545
Budgeted Transfers from Other Funds	690,300	22,500	-	47,000	759,800
Budgeted Expenditures	(15,765,880)	(10,495,399)	(3,259,675)	(138,672)	(29,659,626)
Budgeted Transfers to Other Funds	-	(101,500)	-	(585,100)	(686,600)
Ending Fund Balance	\$ 4,668,466	\$ 4,014,366	\$ 287,285	\$ 8,317,848	\$ 17,287,965

	Proprietary Fund	Total Proprietary Fund
Beginning Fund Balance*	\$ 108,926	\$ 108,926
Budgeted Revenues	1,184,928	1,184,928
Budgeted Transfers from Other Funds	77,800	77,800
Budgeted Expenditures	(1,257,611)	(1,257,611)
Budgeted Transfers to Other Funds	-	-
Ending Fund Balance	\$ 114,043	\$ 114,043

	Fiduciary Fund	Total Fiduciary Fund
Beginning Fund Balance*	\$ 8,183,901	\$ 8,183,901
Budgeted Revenues	152,460	152,460
Budgeted Transfers from Other Funds	-	-
Budgeted Expenditures	-	-
Budgeted Transfers to Other Funds	(151,000)	(151,000)
Ending Fund Balance	\$ 8,185,361	\$ 8,185,361

*These represent the actual Fund Balances for Fiscal Year 2011 adjusted for expected operating results for Fiscal Year 2012.

General Fund

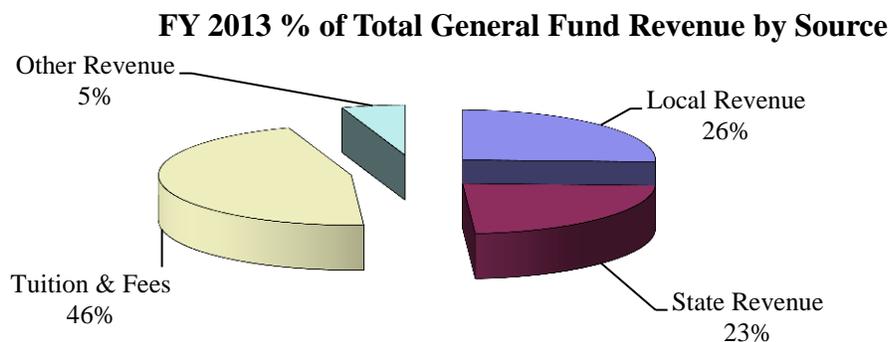
General Fund Revenue Budget

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 2013 total revenue budget of \$15,765,880 represents a decrease of 4%, or \$59,092 from the FY 2012 budget.

- The local revenue increases due to an increase of projected EAV over the projection we used in the FY 2012 budget.
- State revenue reflects a decrease to conservatively align the budget with the state budget problems.
- The College believes in budgeting conservatively and has projected credit hours to decrease slightly in FY 2013 from actual credit hours generated in FY 2012.
- Fiscal year 2013 reflects a decrease in other revenue (less transfer dollars) to enhance learning facilities from the FY 2012 allocation.

General Funds	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 4,034,392	\$ 3,913,464	\$ 120,928	3.09%
State Revenue	3,684,704	3,818,436	(133,732)	-3.50%
Tuition & Fees	7,214,971	7,118,091	96,880	1.36%
Other Revenue	831,813	974,981	(143,168)	-14.68%
Total	\$ 15,765,880	\$ 15,824,972	\$ (59,092)	-0.37%



General Fund Expenditure Budget

Budgeted expenditures for the General Fund for FY 2013 are \$15,765,880. 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:

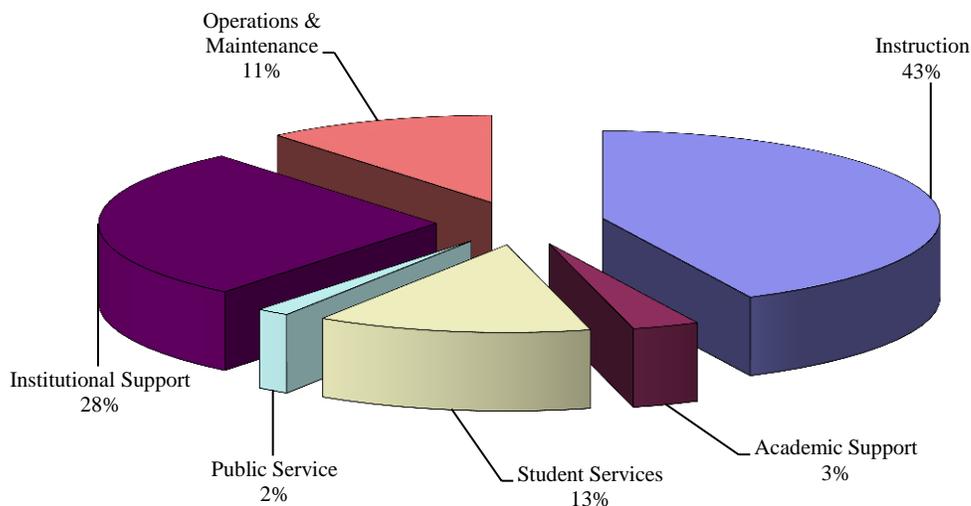
- Salaries
- Benefits
- Contractual
- Materials
- Conference & Meeting
- Fixed Charges
- Utilities
- Capital Outlay
- Other

The following table details the budgeted expenditures by function.

- Instruction increases due to allocating employee benefits by function.
 - \$22,000 decrease in full-time salaries due to retirements.
 - \$417,000 allocation of employee benefits from institutional support.
- Student Services increases from additional college offered student grants and the allocation of employee benefits.
 - Additional \$87,000 offered for student talent grants for tuition and fees to create opportunities for students of all backgrounds to have access to higher education.
 - \$188,000 allocation of employee benefits from Institutional Support.
- Institutional Support decreases with the allocation of benefits to respective functional areas.
 - \$900,000 allocation of employee benefits to other respective functional areas and funds.

General Funds Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Instruction	\$ 6,749,946	\$ 6,408,071	\$ 341,875	5.34%
Academic Support	503,690	434,928	68,762	15.81%
Student Services	2,075,591	1,793,258	282,333	15.74%
Public Service	247,585	218,680	28,905	13.22%
Institutional Support	4,457,580	5,260,839	(803,259)	-15.27%
Operations & Maintenance	1,731,488	1,709,196	22,292	1.30%
Total	\$ 15,765,880	\$ 15,824,972	\$ (59,092)	-0.37%

FY 2013 % of Total General Fund Expenditures By Function



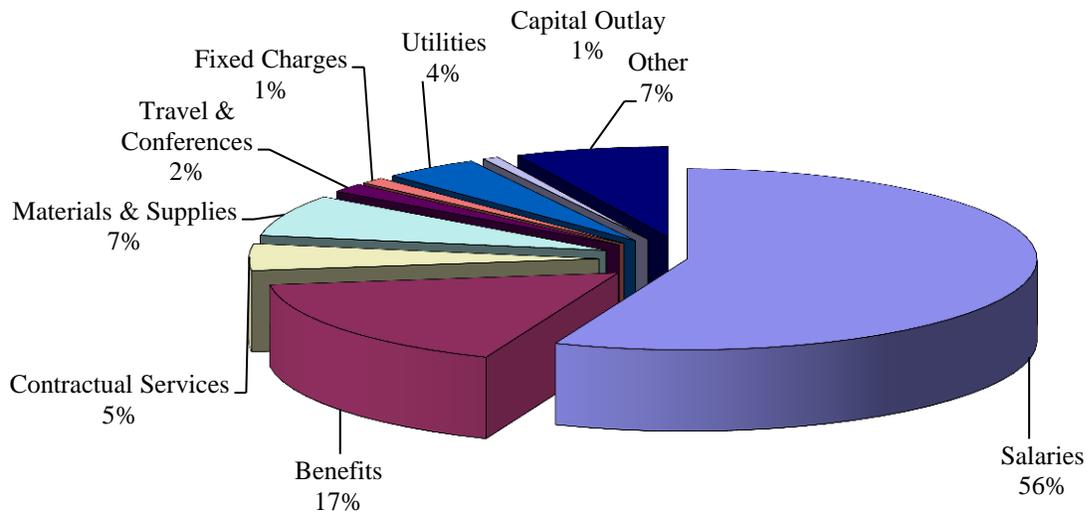
Instruction represents 43% of the General Fund budget. This proportion is slightly below the state average of 44%. The second largest category, Institutional Support, represents 28% of the budget compared to 23% for the statewide average. (Source: ICCB FY 2011 Audited Operating Expenditures by Function Table in the Data & Characteristics Report).

Expenditures by object are shown below.

- Salaries decrease slightly due to retirements.
- Benefits increase due to the rising cost of health insurance.
- Capital outlay decreases with the College using less accumulated interest income to fund equipment and facility upgrades. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years.
- Other expenses increase with awarding additional talent grants to create opportunities for students of all backgrounds to have access to higher education.

General Funds Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Salaries	\$ 8,845,634	\$ 8,962,875	\$ (117,241)	-1.31%
Benefits	2,650,448	2,550,889	99,559	3.90%
Contractual Services	745,466	737,157	8,309	1.13%
Materials & Supplies	1,171,938	1,126,171	45,767	4.06%
Travel & Conferences	251,039	239,868	11,171	4.66%
Fixed Charges	176,636	176,636	-	0.00%
Utilities	698,852	697,352	1,500	0.22%
Capital Outlay	114,610	305,825	(191,215)	-62.52%
Other	1,111,257	1,028,199	83,058	8.08%
Total	\$ 15,765,880	\$ 15,824,972	\$ (59,092)	-0.37%

FY 2013 % of Total General Fund Expenditures By Object

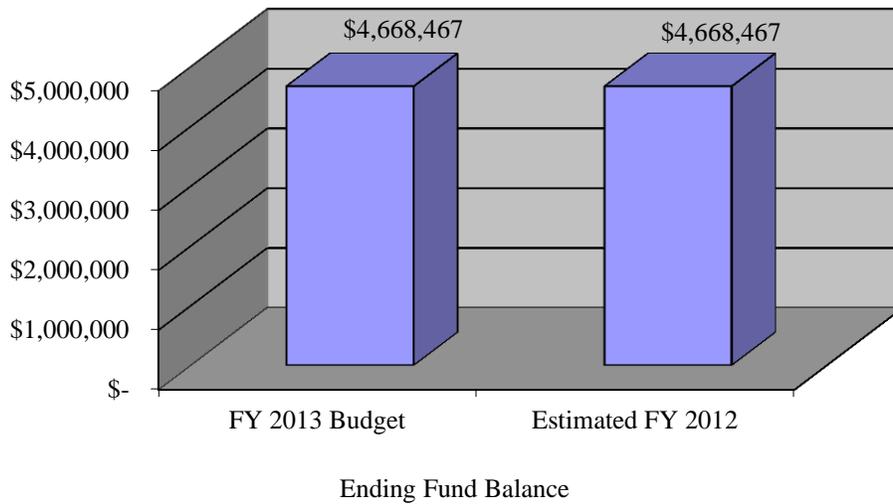


Salaries and benefits represent 73% of the General Funds budget, compared with a statewide average of 75% (Source: FY 2011 ICCB Audited Operating Expenditures by Object Table in the Data & Characteristics Report).

General Funds – Projected Fund Balance

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 15,075,580	\$ 14,633,155	\$ 442,425	3.02%
Expenditures	15,765,880	14,721,087	1,044,793	7.10%
Revenues Over (Under) Expenditures	\$ (690,300)	\$ (87,932)	\$ (602,368)	685.04%
Transfers	690,300	552,800	137,500	24.87%
Change in fund balance	\$ -	\$ 464,868	\$ (464,868)	-100.00%
Fund equity (deficit) beginning of year	4,668,467	4,203,599	464,868	11.06%
Fund equity (deficit) end of year	\$ 4,668,467	\$ 4,668,467	\$ -	0.00%

Projected Fund Balance - General Funds



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.

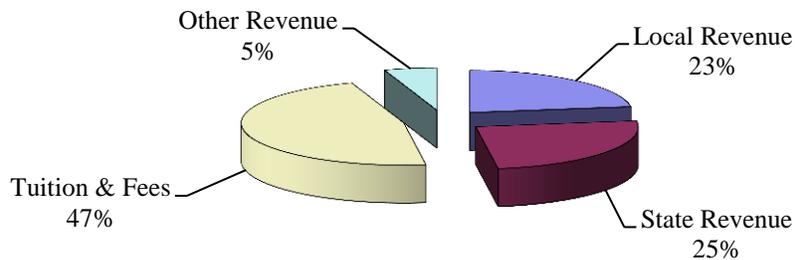
Education Fund Revenue

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 2013 revenue budget of \$13,903,517 represents a 0.58% decrease or \$81,384 from the FY 2012 Budget.

- State aid revenue that can be distributed by discretion has been allocated on a 92-8 basis, (92% to the Education Fund and 8% to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 92-8. The corporate personal property replacement (CPPR) is based on data from the Department of Revenue and Illinois Community College Board. It is divided between the Education Fund (51%) and the Operations and Maintenance Fund (49%).
- State revenue reflects a decrease due to uncertainty regarding state funding.
- Tuition and fee revenue is projected to decrease based on conservative credit hours budgeted for FY2013. FY2013 is based on actual credit hours generated in FY2012.

Education Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 3,163,308	\$ 3,038,572	\$ 124,736	4.11%
State Revenue	3,483,528	3,594,523	(110,995)	-3.09%
Tuition & Fees	6,534,946	6,577,465	(42,519)	-0.65%
Other Revenue	721,735	774,341	(52,606)	-6.79%
Total	\$ 13,903,517	\$ 13,984,901	\$ (81,384)	-0.58%

FY 2013 % of Education Fund Revenue by Source



Education Fund Expenditures

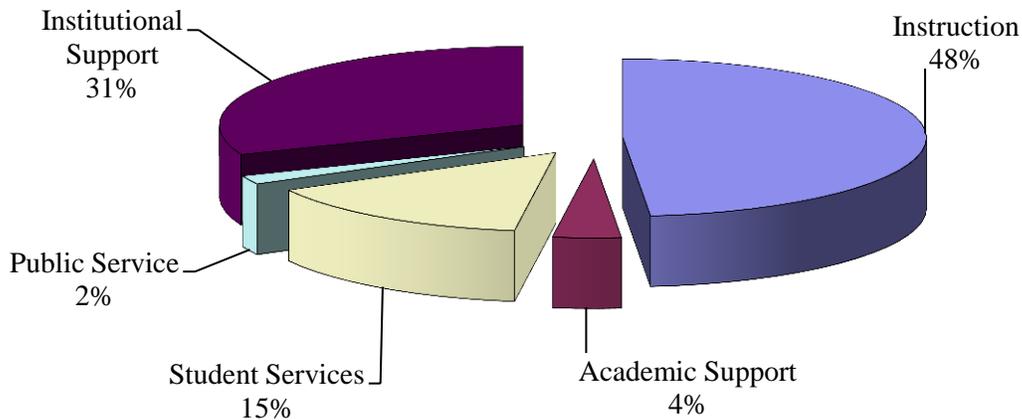
For FY 2013, budgeted expenditures for the Education Fund are \$13,903,517 which represents a decrease of \$81,384, 0.58% from the FY 2012 budget of \$13,984,901.

The emphasis for the FY 2013 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 2013 Budget consists of the following:

Education Fund Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Instruction	\$ 6,749,946	\$ 6,408,071	\$ 341,875	5.34%
Academic Support	503,690	434,928	68,762	15.81%
Student Services	2,075,591	1,793,258	282,333	15.74%
Public Service	247,585	218,680	28,905	13.22%
Institutional Support	4,326,705	5,129,964	(803,259)	-15.66%
Total	\$ 13,903,517	\$ 13,984,901	\$ (81,384)	-0.58%

FY 2013 % of Total Education Fund Expenditures by Function

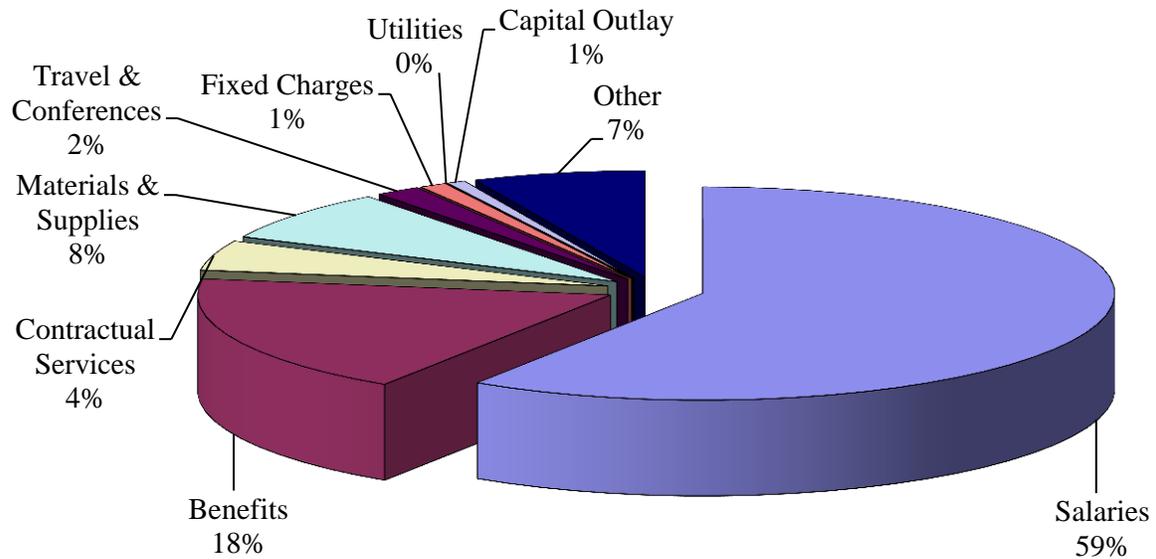


- Instruction increases due to the allocation of employee benefits from institutional support to other respective categories.
- Student Services also increases from additional college offered student grants.
- Institutional Support decreases with the allocation of employee benefits.

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 2013 Education Fund budget includes the following expenditures:

Education Fund Expenditures by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Salaries	\$ 8,230,237	\$ 8,347,950	\$ (117,713)	-1.41%
Benefits	2,531,128	2,550,889	(19,761)	-0.77%
Contractual Services	629,853	599,544	30,309	5.06%
Materials & Supplies	1,078,972	1,036,705	42,267	4.08%
Travel & Conferences	244,829	233,658	11,171	4.78%
Fixed Charges	149,607	149,607	-	0.00%
Utilities	-	1,000	(1,000)	-100.00%
Capital Outlay	100,000	195,825	(95,825)	-48.93%
Other	938,891	869,723	69,168	7.95%
Total	\$ 13,903,517	\$ 13,984,901	\$ (81,384)	-0.58%

FY 2013 % of Total Education Fund Expenditures by Object



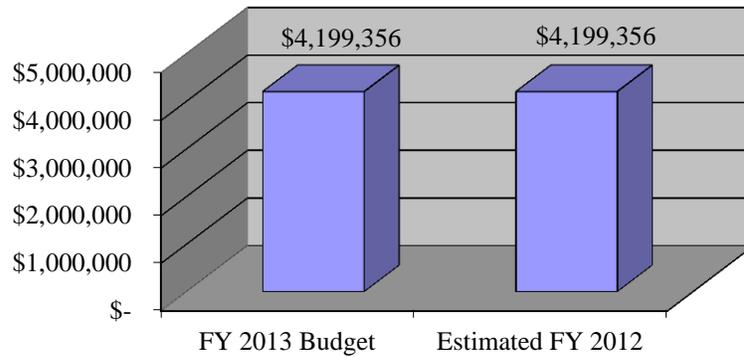
- Salaries and benefits decrease with retirements effective June 30, 2012.
- Capital outlay decreases with the College allocating less accumulated interest income to equipment
- Other expenses increase with awarding additional talent grants for students.

Education Fund Projected Fund Balance

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

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 13,295,717	\$ 12,994,381	\$ 301,336	2.32%
Expenditures	13,903,517	13,199,040	704,477	5.34%
Revenues Over (Under) Expenditures	\$ (607,800)	\$ (204,659)	\$ (403,141)	196.98%
Transfers	607,800	552,800	55,000	9.95%
Change in fund balance	\$ -	\$ 348,141	\$ (348,141)	100.00%
Fund equity (deficit) beginning of year	4,199,356	3,851,215	348,141	9.04%
Fund equity (deficit) end of year	\$ 4,199,356	\$ 4,199,356	\$ -	0.00%

Projected Fund Balance - Education Fund



Ending Fund Balance

Education Fund Revenues Five Year Comparison

**Carl Sandburg College
Fiscal Year 2013**

Operating Revenue by Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Local Government:						
Current Taxes	\$2,598,791	\$2,733,454	\$2,867,698	\$2,942,572		\$3,038,628
Replacement Taxes	\$ 250,373	\$ 205,225	\$ 184,607	\$ 96,000		\$ 124,680
Other	10,522	-	-	-		-
Chargeback	-	-	-	-		-
Total Local Government	\$2,859,686	\$2,938,679	\$3,052,305	\$3,038,572	\$3,038,051	\$3,163,308
State Government:						
ICCB Credit Hour Grant	\$1,913,364	\$1,718,956	\$1,518,400	\$1,464,235		\$1,513,552
ICCB Equalization Grant	2,336,101	1,943,770	1,376,810	1,170,288		799,976
ICCB Small College Grant	60,000	60,000	60,000	60,000		60,000
ISBE Vocational Ed/ICCB CTE Grant	121,012	179,339	155,280	100,000		110,000
Other State sources	-	-	16,884	-		-
State University Retirement	1,210,134	1,928,341	2,055,908	800,000		1,000,000
Total State Government	\$5,640,611	\$5,830,406	\$5,183,282	\$3,594,523	\$3,479,506	\$3,483,528
Student Tuition and Fees:						
Tuition	\$5,844,234	\$6,397,895	\$6,314,265	\$6,456,965		\$6,198,040
Fees	120,140	118,221	119,738	120,500		336,906
Total Tuition and Fees	\$5,964,374	\$6,516,116	\$6,434,003	\$6,577,465	\$6,309,728	\$6,534,946
Other Sources:						
Interest Income	\$ 18,006	\$ 20,288	\$ 52,385	\$ 50,600		\$ 43,935
Federal Government	4,776	74,432	1,211	-		-
Other Income	116,611	92,094	142,352	72,500		70,000
Total Other Sources	\$ 139,393	\$ 186,814	\$ 195,948	\$ 123,100	\$ 167,096	\$ 113,935
Total Revenue before Interfunds & Nonoperating Items						
	\$14,604,064	\$15,472,015	\$14,865,538	13,333,660	\$12,994,381	\$13,295,717
Interfund Transfers	-	185,770	-	651,241	552,800	607,800
Bond Proceeds	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-
Subtotal	\$14,604,064	\$15,657,785	14,865,538	\$13,984,901	\$13,547,181	\$13,903,517
Less Operating Items*:						
Tuition Chargeback Revenue	-	-	-	-		-
Adjusted Revenue-	\$14,604,064	\$15,657,785	\$14,865,538	\$13,984,901	\$13,547,181	\$13,903,517
(After above reduction)						

Education Fund Expenditures Five Year Comparison

**Education Fund Expenditures
Fiscal Year 2013**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Instruction						
Salaries	\$4,860,638	\$5,164,069	\$4,984,390	\$5,308,481		\$5,287,985
Employee Benefits	6,485	4,757	2,808	15,000		432,500
Contractual Services	738,641	590,357	538,935	351,608		385,598
General Maintenance and Supplies	234,873	283,947	145,885	313,707		315,100
Travel and Conference/Meeting Expense	91,041	107,300	97,414	107,259		105,583
Fixed Charges	384	-	-	500		-
Utilities	-	-	-	-		-
Capital Outlay	83,556	98,846	98,413	172,825		100,000
Other Expenditures	6,493	6,443	5,511	138,691		123,180
Total Instruction	\$ 6,022,112	\$6,255,719	\$5,873,356	\$6,408,071	\$ 6,145,911	\$6,749,946
Academic Support						
Salaries	\$ 195,060	\$ 194,296	\$ 244,219	\$ 288,078		\$ 299,490
Employee Benefits						57,350
Contractual Services	19,627	38,055	28,612	40,280		40,280
General Maintenance and Supplies	100,640	107,408	74,432	101,499		101,499
Travel and Conference/Meeting Expense	3,732	2,827	1,954	5,071		5,071
Capital Outlay	-	23,924	-	-		-
Other	-	-	-	-		-
Total Academic Support	\$ 319,059	\$ 366,510	\$ 349,217	\$ 434,928	\$ 418,415	\$ 503,690
Student Services						
Salaries	\$ 954,911	\$1,047,444	\$1,045,525	\$1,145,627		\$1,142,019
Employee Benefits	-	-	-	-		188,720
Contractual Services	303,183	69,495	14,269	18,320		18,320
General Maintenance and Supplies	43,719	30,475	25,145	44,460		45,460
Travel and Conference/Meeting Expense	19,284	15,251	16,968	24,429		31,041
Fixed Charges	515	295	202	413		413
Capital Outlay	-	-	-	-		-
Other	409,856	425,674	531,343	560,009		649,618
Total Student Services	\$ 1,731,468	\$1,588,634	\$1,633,452	\$1,793,258	\$ 1,757,808	\$2,075,591
Public Services/Continuing Education						
Salaries	\$ 84,016	\$ 76,132	\$ 94,700	\$ 106,350		\$ 92,635
Contractual Services	54,288	45,575	34,904	52,200		52,050
General Maintenance and Supplies	26,006	20,427	19,388	27,250		64,700
Travel and Conference/Meeting Expense	22,949	21,067	22,726	24,450		30,700
Fixed Charges	-	-	-	400		900
Utilities	422	1,253	942	1,000		-
Other	1,625	3,081	274	7,030		6,600
Total Public Services/Continuing Education	\$ 189,306	\$ 167,535	\$ 172,934	\$ 218,680	\$ 151,761	\$ 247,585
Institutional Support						
Salaries	\$ 1,180,723	\$1,287,716	\$1,301,796	\$ 499,414		\$1,408,108
Employee Benefits	2,473,534	3,235,358	3,372,237	2,535,889		1,852,558
Contractual Services	135,173	211,227	158,700	137,136		133,605
General Maintenance and Supplies	839,225	580,244	591,872	549,789		552,213
Travel and Conference/Meeting Expense	57,092	44,159	55,847	72,449		72,434
Fixed Charges	27,923	144,870	134,937	148,294		148,294
Capital Outlay	-	-	-	23,000		-
Other Expenditures	279,548	750,264	220,166	163,993		159,493
Total Institutional Support	\$ 4,993,217	\$6,253,838	\$5,835,555	\$5,129,964	\$ 4,725,145	\$4,326,705
Total before transfers	\$13,255,162	\$14,632,236	\$13,864,514	\$13,984,901	\$13,199,040	\$13,903,517
Transfers	400,000	683,477	360,485	-	-	-
GRAND TOTAL	\$13,655,162	\$15,315,713	\$14,224,999	\$13,984,901	\$ 13,199,040	\$13,903,517

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.

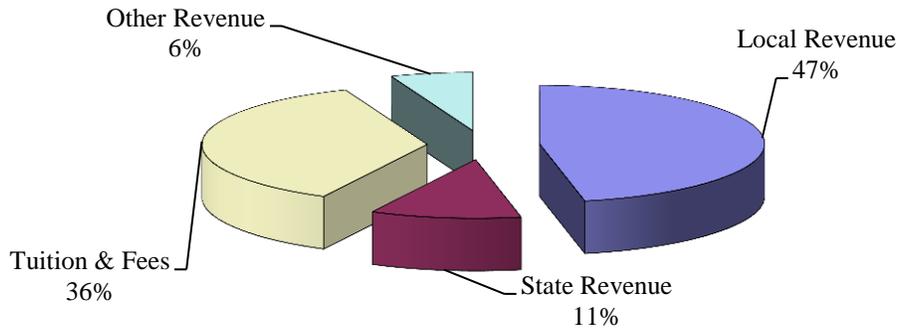
Operations & Maintenance Fund Revenue

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 maximized at .05 cents per \$100 in EAV.

- State aid revenue that can be distributed by discretion has been allocated on a 92-8 basis, (92% to the Education Fund and 8% to the Operation & Maintenance Fund). Tuition revenue is also distributed on the basis of 92-8. The corporate personal property replacement (CPPR) is based on data from the Department of Revenue and Illinois Community College Board. It is divided between the Education Fund (51%) and the Operations and Maintenance Fund (49%).
- State revenue reflects a decrease due to uncertainty regarding state funding.
- Tuition and fee revenue is projected to increase due to the FY 2013 budget including a facility fee paid by all students.
- Other revenue decreases due to decreased transfers of accumulated interest income for campus parking improvements.

O&M Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 871,084	\$ 874,892	\$ (3,808)	-0.44%
State Revenue	201,176	223,913	(22,737)	-10.15%
Tuition & Fees	680,025	540,626	139,399	25.78%
Other Revenue	110,078	200,640	(90,562)	-45.14%
Total	\$ 1,862,363	\$ 1,840,071	\$ 22,292	1.21%

FY 2013 % of O&M Fund Revenue by Source

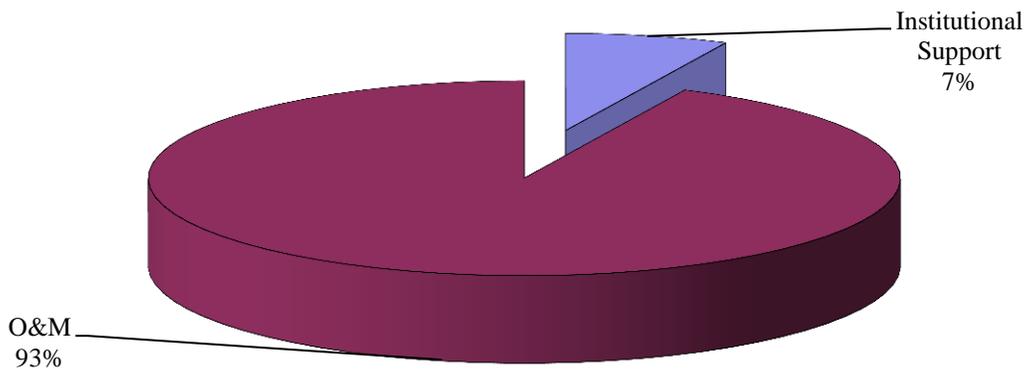


Operations & Maintenance Fund Expenditures

For FY 2013, budgeted expenditures for the Operations & Maintenance Fund are \$1,862,363 which represents an increase of \$22,292, 1.2% from the FY 2012 budget of \$1,840,071.

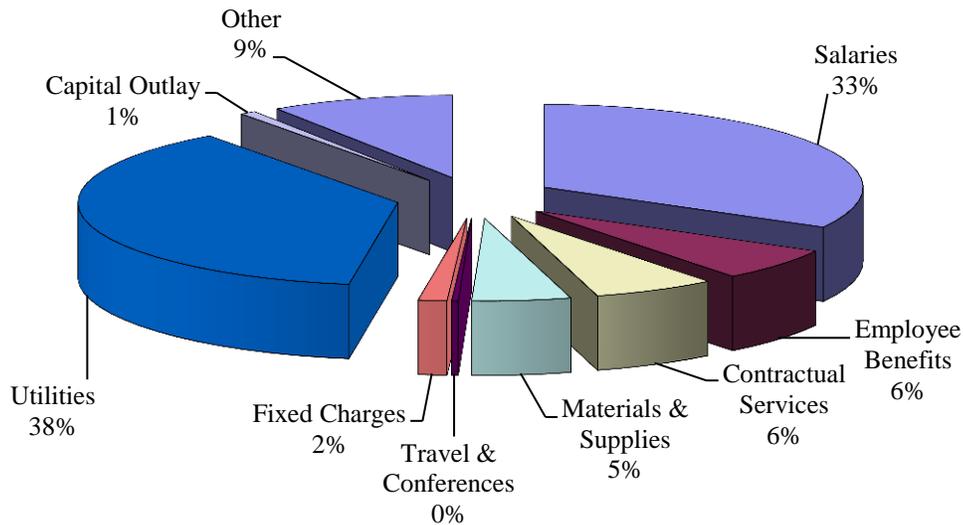
O&M Fund Expenditures by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 130,875	\$ 130,875	\$ -	0.00%
O&M	1,731,488	1,709,196	22,292	1.30%
Total	\$ 1,862,363	\$ 1,840,071	\$ 22,292	1.21%

FY 2013 % of Total O&M Fund Expenditures by Function



O&M Fund Expenditures by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Salaries	\$ 615,397	\$ 614,925	\$ 472	0.08%
Employee Benefits	119,320	-		
Contractual Services	115,613	137,613	(22,000)	-15.99%
Materials & Supplies	92,966	89,466	3,500	3.91%
Travel & Conferences	6,210	6,210	-	0.00%
Fixed Charges	27,029	27,029	-	0.00%
Utilities	698,852	696,352	2,500	0.36%
Capital Outlay	14,610	110,000	(95,390)	-86.72%
Other	172,366	158,476	13,890	8.76%
Total	\$ 1,862,363	\$ 1,840,071	\$ 22,292	1.21%

FY 2013 % of Total O&M Fund Expenditures by Object



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.

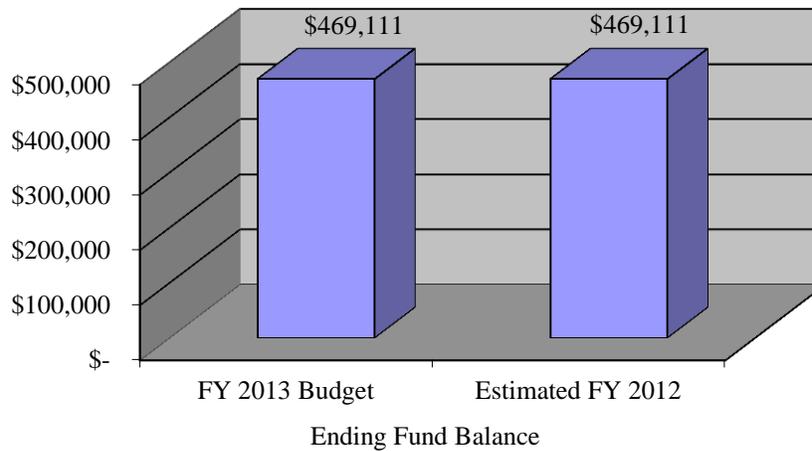
- Contractual services decrease with instructional programs having been moved in FY2012 to allow growth
- Capital outlay decreases with fewer dollars allocated for facility improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Operations & Maintenance Fund Projected Fund Balance

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

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 1,779,863	\$ 1,638,774	\$ 141,089	8.61%
Expenditures	1,862,363	1,522,047	340,316	22.36%
Revenues Over (Under) Expenditures	\$ (82,500)	\$ 116,727	\$ (199,227)	-170.68%
Transfers	82,500	-	82,500	0.00%
Change in fund balance	\$ -	\$ 116,727	\$ (116,727)	-100.00%
Fund equity (deficit) beginning of year	469,111	352,384	116,727	33.12%
Fund equity (deficit) end of year	\$ 469,111	\$ 469,111	\$ -	0.00%

Projected Fund Balance - O&M Fund



Operations & Maintenance Fund Revenue Five Year Comparison

**Operations Maintenance Fund Revenue
Fiscal Year 2013**

Operating Revenue by Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Local Government:						
Current Taxes	\$ 640,875	\$ 677,940	\$ 712,295	\$ 730,892		\$ 751,764
Replacement Taxes	\$ 20,661	\$ 14,039	\$ 99,739	\$ 144,000		\$ 119,320
Total Local Government	\$ 661,536	\$ 691,979	\$ 812,034	\$ 874,892	\$ 874,569	\$ 871,084
State Government:						
ICCB Credit Hour Grant	\$ 184,883	\$ 168,453	\$ 160,341	\$ 122,149		\$ 131,613
ICCB Equalization Grant	189,414	158,285	119,723	101,764		69,563
ICCB Square Footage Grant	-	-	-	-		-
ICCB Small College Grant	-	-	-	-		-
Total State Government	\$ 374,297	\$ 326,738	\$ 280,064	\$ 223,913	\$ 219,088	\$ 201,176
Student Tuition and Fees:						
Tuition	\$ 461,056	\$ 543,023	\$ 541,636	\$ 540,626		\$ 510,025
Fees						\$ 170,000
Total Tuition and Fees	\$ 461,056	\$ 543,023	\$ 541,636	\$ 540,626	\$ 530,724	\$ 680,025
Other Sources:						
Interest Income	\$ 2,043	\$ 1,854	\$ 6,612	\$ 5,740		\$ 5,828
Federal Government	-	5,251	-			
Building Rentals	45,599	45,742	33,956	14,400		21,600
Other Income	727	558	496	500		150
Total Other Sources	\$ 48,369	\$ 53,405	\$ 41,064	\$ 20,640	\$ 14,393	\$ 27,578
Total Revenue before Interfunds & Nonoperating Items	\$1,545,258	\$1,615,145	\$1,674,798	\$ 1,660,071	\$ 1,638,774	\$ 1,779,863
Interfund Transfers	-	36,624	-	180,000	-	82,500
Bond Proceeds	-	-	-	-	-	-
Grand Total	\$1,545,258	\$1,651,769	\$1,674,798	\$ 1,840,071	\$ 1,638,774	\$ 1,862,363

Operations & Maintenance Fund Expenditure Five Year Comparison

**Operations Maintenance Fund Expenditures
Fiscal Year 2013**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012	FY 2013
	Actual	Actual	Actual	Budget	Est Actuals	Budget
Operation & Maintenance of Plant						
Salaries	\$ 491,839	\$ 512,091	\$ 547,274	\$ 614,925		\$ 615,397
Employee benefits						\$ 119,320
Contractual Services	79,262	94,403	65,262	126,498		104,498
General Maintenance and Supplies	77,232	98,197	92,210	88,850		92,350
Travel & Conference/Meeting Expense	2,123	4,744	4,259	5,696		5,696
Fixed Charges	511	448	2,602	27,029		27,029
Utilities	603,234	636,335	574,446	577,722		580,222
Capital Outlay	30,177	11,999	19,559	110,000		14,610
Other Expenditures	73,080	126,147	138,628	158,476		172,366
Total Operation and Maintenance of Plant	\$ 1,357,458	\$ 1,484,364	\$ 1,444,240	\$ 1,709,196	\$ 1,402,343	\$ 1,731,488
Institutional Support						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Contractual Services	15,674	6,153	5,332	11,115		11,115
General Maintenance and Supplies	-	-	42	616		616
Travel & Conference/Meeting Expense	-	-	-	514		514
Utilities	76,385	76,832	66,935	118,630		118,630
Other		-	-	-		-
Total Institutional Support	\$ 92,059	\$ 82,985	\$ 72,309	\$ 130,875	\$ 119,704	\$ 130,875
Total before Interund Transfers	\$ 1,449,517	\$ 1,567,349	\$ 1,516,549	\$ 840,071	\$ 1,522,047	\$ 1,862,363
Transfers	-	-	-	-	-	-
GRAND TOTAL	\$ 1,449,517	\$ 1,567,349	\$ 1,516,549	\$ 1,840,071	\$ 1,522,047	\$ 1,862,363

Special Revenue Funds

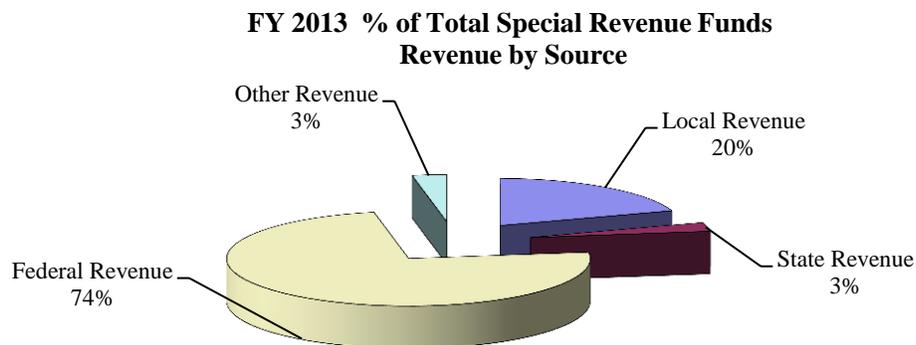
Special Revenue Funds Revenue

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 2013 total revenue budget of \$10,663,906 represents an increase of 0.88 %, or \$93,431 from the FY 2012 budget.

- Local revenue reflects an increase in property tax due to an increase in EAV.
- State and Federal revenue decreases to reflect decreased grants in the Restricted Purpose Fund.

Special Revenue Funds	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 2,119,681	\$ 1,907,713	\$ 211,968	11.11%
State Revenue	322,126	401,195	(79,069)	-19.71%
Federal Revenue	7,895,253	7,956,320	(61,067)	-0.77%
Other Revenue	326,846	305,247	21,599	7.08%
Total	\$ 10,663,906	\$ 10,570,475	\$ 93,431	0.88%



Special Revenue Funds Expenditures

Budgeted expenditures for the Special Revenue Funds for FY 2013 are \$10,596,900 which represents a decrease of \$522,204, 4.7% from the FY 2012 budget of \$11,119,104. 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

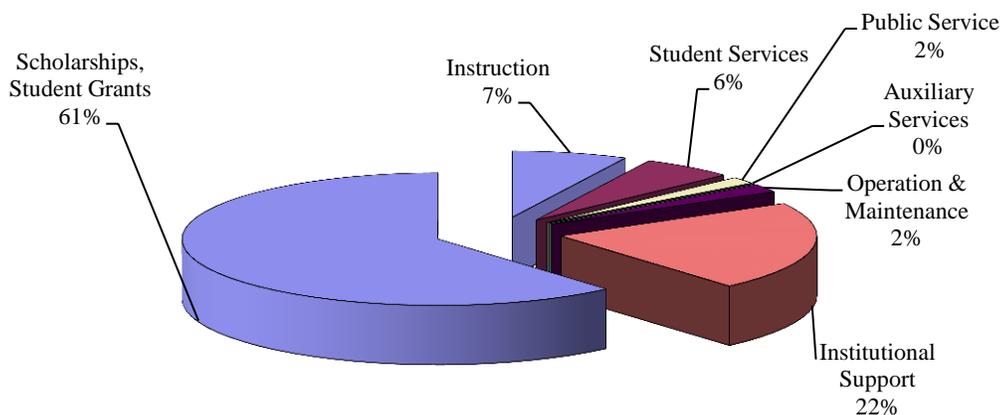
and by Object:

- 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 2013 Budget	FY 2012 Budget	Change	%
Instruction	\$ 772,341	\$ 772,341	\$ -	0.00%
Student Services	617,336	617,336	-	0.00%
Public Service	175,371	382,335	(206,964)	-54.13%
Auxiliary Services	1,840	1,840	-	0.00%
Operation & Maintenance	213,821	213,821		
Institutional Support	2,308,826	2,193,715	115,111	5.25%
Scholarships, Student Grants	6,507,365	6,937,716	(430,351)	-6.20%
Total	\$ 10,596,900	\$ 11,119,104	\$ (522,204)	-4.70%

**FY 2013 % of Total Special Revenue Funds
Expenditures By Function**



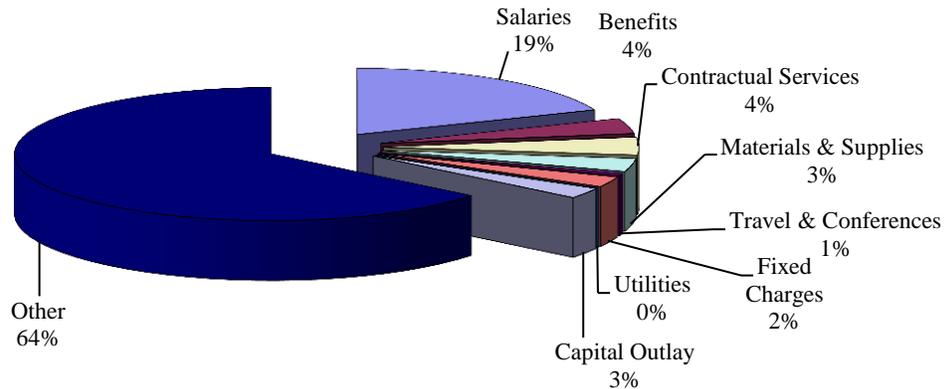
- Public Service decreases with the realignment of personnel and programs due to retirements and loss of grant dollars.
- Institutional Support increases due to reallocation of employee benefits to respective funds.
- Scholarships, Student Grants decrease to reflect the use of financial aid by our students.

Expenditures by object are shown below.

- Salaries are down due to personnel retirements.
- Benefits are budgeted higher due to allocating costs respective to positions related to security.
- Materials and supplies were budgeted based on historical actual expenses.
- Other expenses reflect a decrease in Scholarships, Student Grants that reflects the use of financial aid by our students.

Special Revenue Funds Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Salaries	\$ 2,005,508	\$ 2,097,533	\$ (92,025)	-4.39%
Benefits	395,383	330,187	65,196	19.75%
Contractual Services	452,918	437,908	15,010	3.43%
Materials & Supplies	333,357	339,294	(5,937)	-1.75%
Travel & Conferences	69,931	71,952	(2,021)	-2.81%
Fixed Charges	263,025	270,805	(7,780)	-2.87%
Utilities	-	1,387	(1,387)	-100.00%
Capital Outlay	268,249	268,249	-	0.00%
Other	6,808,529	7,301,789	(493,260)	-6.76%
Total	\$ 10,596,900	\$ 11,119,104	\$ (522,204)	-4.70%

FY 2013 % of Total Speical Revenue Funds Expenditures By Object

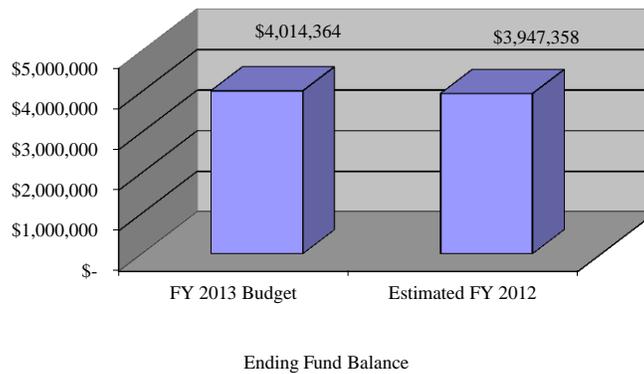


Special Revenue Fund Projected Fund Balance

Carl Sandburg College Special Revenue Funds – Projected Fund Balance

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 10,663,906	\$ 10,694,955	\$ (31,049)	-0.29%
Expenditures	10,517,900	10,568,048	(50,148)	-0.47%
Revenues Over (Under) Expenditures	\$ 146,006	\$ 126,907	\$ 19,099	15.05%
Transfers	(79,000)	-	(79,000)	0.00%
Change in fund balance	\$ 67,006	\$ 126,907	\$ (59,901)	-47.20%
Fund equity (deficit) beginning of year	3,947,358	3,820,451	126,907	3.32%
Fund equity (deficit) end of year	\$ 4,014,364	\$ 3,947,358	\$ 67,006	1.70%

Projected Fund Balance - Special Revenue Funds



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 \$75,176 for FY 2013.

Audit Fund Revenues

Audit Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 75,176	\$ 73,089	\$ 2,087	2.86%
Other Revenue	287	325	(38)	11.69%
Total	\$ 75,463	\$ 73,414	\$ 2,049	2.79%

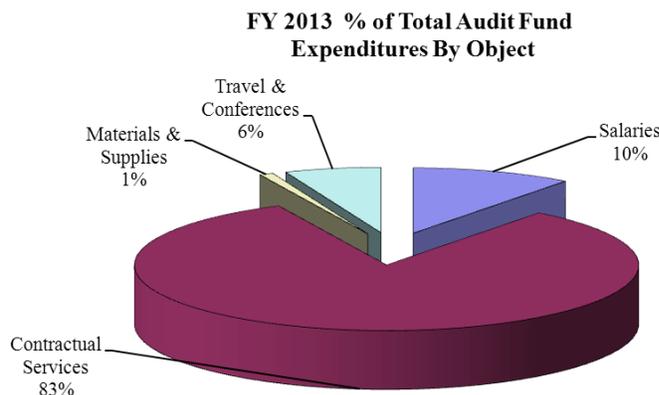
Audit Fund Expenditures

For FY 2013, budgeted expenditures for the Audit Fund are \$74,555 which represents an increase of \$1,643, 2.25% from the FY 2012 budget of \$72,912.

Audit Fund Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 74,555	\$ 72,912	\$ 1,643	\$ 0
Total	\$ 74,555	\$ 72,912	\$ 1,643	2.25%

- Salaries have been reallocated to other funds to bring this fund into balance.
- Travel has been included to allow an opportunity to update knowledge on financial reporting.

Audit Fund Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Salaries	\$ 7,705	\$ 7,412	\$ 293	3.95%
Contractual Services	61,600	60,250	1,350	2.24%
Materials & Supplies	650	650	-	0.00%
Travel & Conferences	4,600	4,600	-	0.00%
Total	\$ 74,555	\$ 72,912	\$ 1,643	2.25%



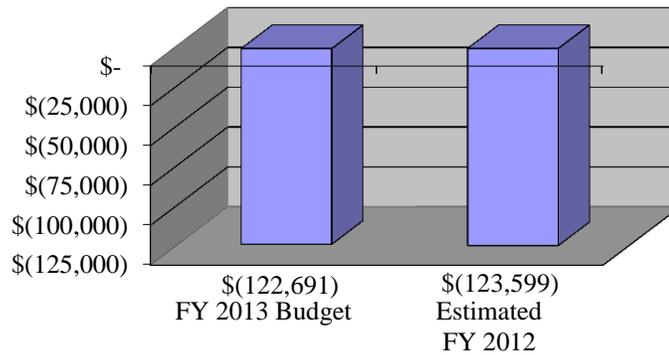
Audit Fund Projected Fund Balance

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

	FY 2012 Budget	Estimated FY 2011	Change	%
Revenues	\$ 73,414	\$ 70,650	\$ 2,764	3.91%
Expenditures	72,912	65,957	6,955	10.54%
Revenues Over (Under) Expenditures	\$ 502	\$ 4,692	\$ (4,190)	-89.30%
Transfers	-	-	-	
Change in fund balance	\$ 502	\$ 4,692	\$ (4,190)	-89.30%
Fund equity (deficit) beginning of year	(128,574)	(133,266)	4,692	-3.52%
Fund equity (deficit) end of year	\$ (128,072)	\$ (128,574)	\$ 502	-0.39%

Management has realigned the expenditures in this fund to stop the additional losses. Continued monitoring of expenditures and levied revenue will help eliminate this negative position.

Projected Fund Balance - Audit Fund



Ending Fund Balance

Audit Fund Revenue and Expenditures Five Year Comparison

**Audit Fund Revenue and Expenditures
Fiscal Year 2013**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Local Governmental Sources:						
Current Taxes	\$ 64,735	\$ 67,794	\$ 71,229	\$ 73,089		\$ 75,176
Total Local Government	\$ 64,735	\$ 67,794	\$ 71,229	\$ 73,089	\$ 72,387	\$ 75,176
Other Sources:						
Interest Income	\$ 108	\$ 108	\$ 339	\$ 325		\$ 287
Total Other Sources	\$ 108	\$ 108	\$ 339	\$ 325	\$ 511	\$ 287
Total Revenue before Interfunds & Nonoperating Items	\$ 64,843	\$ 67,902	\$ 71,568	\$ 73,414	\$ 72,898	\$ 75,463
Interfund Transfers	-	-	-	-	-	-
GRAND TOTAL	\$ 64,843	\$ 67,902	\$ 71,568	\$ 73,414	\$ 72,898	\$ 75,463

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Institutional Support						
Salaries	\$ 5,688	\$ 6,855	\$ 7,130	\$ 7,412		\$ 7,705
Contractual Services	59,466	59,750	62,075	60,250		61,600
General Material & Supplies	-	-	-	650		650
Travel/Meeting	-	-	-	4,600		4,600
Capital Outlay	-	-	-	-		-
GRAND TOTAL	\$ 65,154	\$ 66,605	\$ 69,205	\$ 72,912	\$ 65,594	\$ 74,555

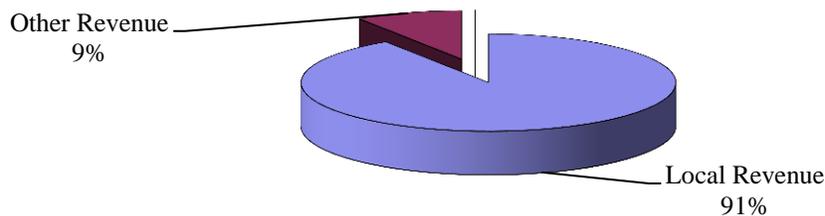
Liability, Protection & Settlement Fund

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.

Liability, Protection and Settlement Fund Revenue

LP&S Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 2,024,532	\$ 1,780,823	\$ 243,709	13.69%
Other Revenue	205,751	175,452	30,299	17.27%
Total	\$ 2,230,283	\$ 1,956,275	\$ 274,008	14.01%

FY 2012 % of LP&S Fund Revenue by Source



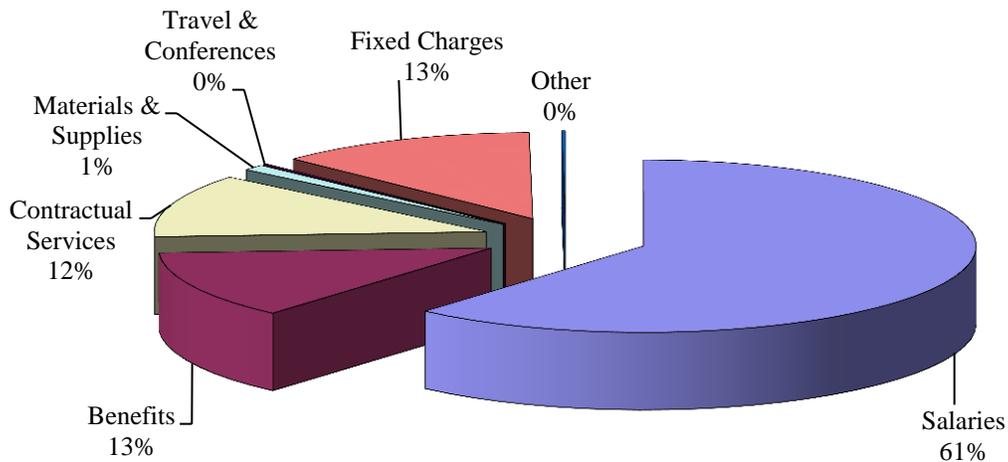
Liability, Protection and Settlement Fund Expenditures

Expenses in this fund include insurance 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 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 2,085,184	\$ 1,956,275	\$ 128,909	6.59%
Total	\$ 2,085,184	\$ 1,956,275	\$ 128,909	6.59%

LP&S Fund Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Salaries	\$ 1,279,765	\$ 1,262,654	\$ 17,111	1.36%
Benefits	265,016	179,218	85,798	47.87%
Contractual Services	246,808	220,808	26,000	11.77%
Materials & Supplies	22,373	22,373	-	0.00%
Travel & Conferences	4,466	4,466	-	0.00%
Fixed Charges	263,025	263,025	-	0.00%
Other	3,731	3,731	-	0.00%
Total	\$ 2,085,184	\$ 1,956,275	\$ 128,909	6.59%

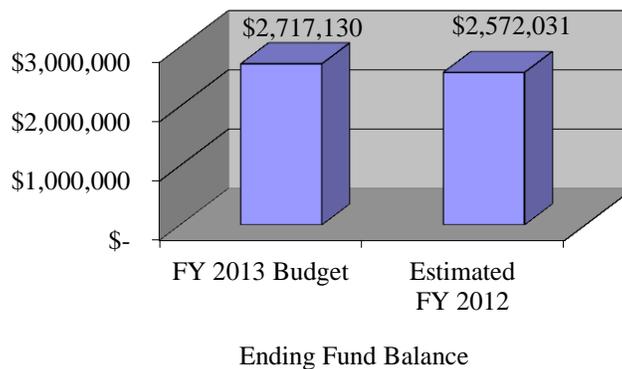
FY 2013 % of Total LP&S Fund Expenditures By Object



Liability, Protection and Settlement Fund Projected Fund Balance

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 2,207,783	\$ 2,078,424	\$ 129,359	6.22%
Expenditures	2,085,184	1,947,330	137,854	7.08%
Revenues Over (Under) Expenditures	\$ 122,599	\$ 131,094	\$ (8,495)	-6.48%
Transfers	22,500	-	22,500	
Change in fund balance	\$ 145,099	\$ 131,094	\$ 14,005	10.68%
Fund equity (deficit) beginning of year	2,572,031	2,440,937	131,094	5.37%
Fund equity (deficit) end of year	\$ 2,717,130	\$ 2,572,031	\$ 145,099	5.64%

Projected Fund Balance - LP&S Fund



Liability, Protection and Settlement Fund Five Year Comparison

**Liability Protection and Settlement Fund Revenues and Expenditures
Fiscal Year 2013**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Local Governmental Sources:						
Current Taxes	\$ 1,676,632	\$ 1,599,938	\$ 1,749,395	\$ 1,780,823		\$ 2,024,532
Total Local Government	\$ 1,676,632	\$ 1,599,938	\$ 1,749,395	\$ 1,780,823	\$ 1,913,743	\$ 2,024,532
Other Sources:						
Other Sales & Services	\$ -	\$ -	\$ -	\$ -		\$ -
Other Non-Government Gifts, Grants	7,479	-	-	16,626		16,626
Interest Income	169,607	92,325	43,715	158,826		166,625
Other Income	9,670	(16,150)	16,060	-		-
Total Other Sources	\$ 186,756	\$ 76,175	\$ 59,775	\$ 175,452	\$ 164,681	\$ 183,251
Total Revenue before Interfunds	\$ 1,863,388	\$ 1,676,113	\$ 1,809,170	\$ 1,956,275	\$ 2,078,424	\$ 2,207,783
Interfunds	163,818	737,290	-	-	-	22,500
GRAND TOTAL	\$ 2,027,206	\$ 2,413,403	\$ 1,809,170	\$ 1,956,275	\$ 2,078,424	\$ 2,230,283

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Institutional Support						
Salaries	\$ 1,416,508	\$ 1,409,570	\$ 1,409,521	\$ 1,262,654		\$ 1,279,765
Employee Benefits	147,406	185,332	196,894	179,218		265,016
Contractual Services	142,899	206,742	173,612	220,808		246,808
General Material & Supplies	12,346	25,281	21,865	22,373		22,373
Travel/Meeting	3,013	1,447	99	4,466		4,466
Fixed Charges	263,087	248,954	246,949	263,025		263,025
Capital Equipment	-	-	-	-		-
Other Expenditures	5,578	7,080	10,159	3,731		3,731
Total Expenditures before Interfunds	\$ 1,990,837	\$ 2,084,406	\$ 2,059,099	\$ 1,956,275	\$ 1,947,330	\$ 2,085,184
Transfers	1,178,818	239,583	-	-	-	-
GRAND TOTAL	\$ 3,169,655	\$ 2,323,989		\$ 1,956,275	\$ 1,947,330	\$ 2,085,184

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.
- Education fund balance transfer in FY 2009, \$400,000.

"SILO" Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Other Revenue	\$ 22,500	\$ 19,162	\$ 3,338	17.42%
Total	\$ 22,500	\$ 19,162	\$ 3,338	17.42%

"SILO" Fund Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 101,500	\$ 116,941	\$ (15,441)	-13.20%
Total	\$ 101,500	\$ 116,941	\$ (15,441)	-13.20%

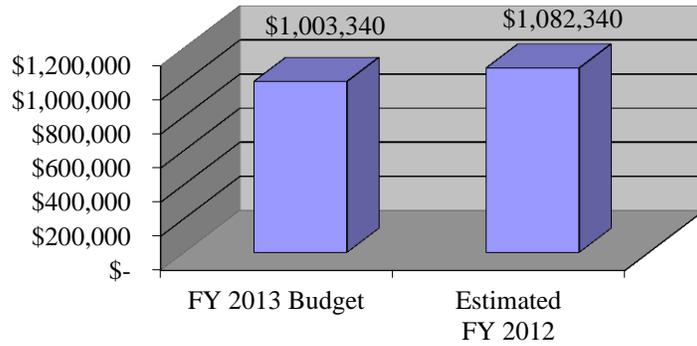
"SILO" Fund Expense by Object	FY 2013 Budget	FY 2013 Budget	Change	%
Other	\$ 101,500	\$ 116,941	\$ (15,441)	-13.20%
Total	\$ 101,500	\$ 116,941	\$ (15,441)	-13.20%

- Transfer to the Education Fund to start new programs.

**Carl Sandburg College
"SILO" Fund-Projected Fund Balance**

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 22,500	\$ 22,009	\$ 491	2.23%
Expenditures	-	-	-	0.00%
Revenues Over (Under) Expenditures	\$ 22,500	\$ 22,009	\$ 491	2.23%
Transfers	(101,500)	(33,500)	(68,000)	202.99%
Change in fund balance	\$ (79,000)	\$ (11,491)	\$ (67,509)	587.49%
Fund equity (deficit) beginning of year	1,082,340	1,093,831	(11,491)	-1.05%
Fund equity (deficit) end of year	\$ 1,003,340	\$ 1,082,340	\$ (79,000)	-7.30%

Projected Fund Balance - "SILO" Fund



Ending Fund Balance

Quasi-Endowment "SILO" Fund Revenues and Expenditures Fiscal Year 2013

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Other Sources:						
Interest Income	\$ 31,291	\$ 24,844	\$ 19,112	\$ 19,162	\$ 22,009	\$ 22,500
Net increase (decrease) in fair value of investments	-	-	-	-	-	-
Total before Nonoperating	\$ 31,291	\$ 24,844	\$ 19,112	\$ 19,162	\$ 22,009	\$ 22,500
Transfers	400,000	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-
GRAND TOTAL	\$ 431,291	\$ 24,844	\$ 19,112	\$ 19,162	\$ 22,009	\$ 22,500

	FY 2009 Actual	FY 2010 Actual	FY2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total before transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	-	-	-	116,941	33,500	101,500
GRAND TOTAL	\$ -	\$ -	\$ -	\$ 116,941	\$ 33,500	\$ 101,500

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.

In December of FY 2009, the College called the remaining outstanding insurance reserve bonds in the amount of \$1,015,000.

In March of FY 2009, the College issued \$4,500,000 of General Obligation Bonds to renovate a building donated to the College to serve as the Charger Community Center auditorium in the southern part of our district and to expand our existing STEF Fund to allow for additional technology updates in our future.

FY 2010 saw the College issued \$2,000,000 of General Obligation Bonds to increase the Working Cash Fund. With State payments delinquent by in excess of 180 days, and little prospects of improvement in the new term, the College determined to issue Working Cash Bonds to provide additional cushion in its reserves, and retain the ability to internally cashflow the operations without interruption.

FY 2010 also allowed the College to issue \$5,895,000 of General Obligation Refunding Bonds during a highly favorable interest rate environment. The College was able to issue these bonds and deliver to residents a net neutral tax result.

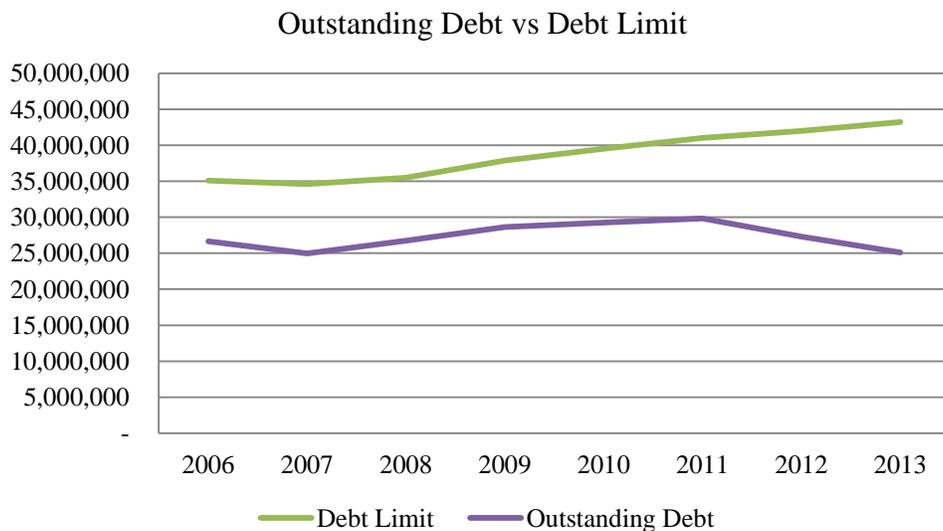
Again in December 2010, the College issued \$2,500,000 of Taxable General Obligation Bonds to increase the Working Cash Fund to the legal limit.

In addition, \$1,610,000 General Obligation Refunding Bonds were issued to refund the District's outstanding General Obligation Bonds, Series 2001A.

Legally, the College is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$43, 208,691. The current general obligation debt of the College is \$27,325,000. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$15,883,691. FY 2013 has not projected any further debt. Debt limitations will factor into future possibilities, although the College goal is to aggressively pay down its debt with 92% of total debt service being retired in the coming ten year period.

The annual requirements to amortize all debt outstanding as of June 30, 2011 with new debt incurred in FY 2012, including interest, are as follows:

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2012	\$ 2,500,000		\$ 400,909	\$ 2,900,909	\$ 1,110,781	\$ 4,011,690
2013	2,210,000			2,210,000	1,041,371	3,251,371
2014	2,415,000			2,415,000	962,566	3,377,566
2015	2,600,000			2,600,000	866,462	3,466,462
2016	2,775,000			2,775,000	762,732	3,537,732
2017-2021	16,575,000			16,575,000	1,935,028	18,510,028
2022-2024	750,000			750,000	50,200	800,200
Total	\$ 29,825,000	\$ -	\$ 400,909	\$ 30,225,909	\$ 6,729,140	\$36,955,049



The College works with BMO Capital Markets to assure that all advantages of lower interest rates are used. Revenue and expenditures are shown below.

Debt Service Fund Revenue

Debt Service Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 3,282,777	\$ 3,257,605	\$ 25,172	0.77%
Other Revenue	12,290	15,580	(3,290)	-21.12%
Total	\$ 3,295,067	\$ 3,273,185	\$ 21,882	0.67%

Debt Service Fund Expenditures

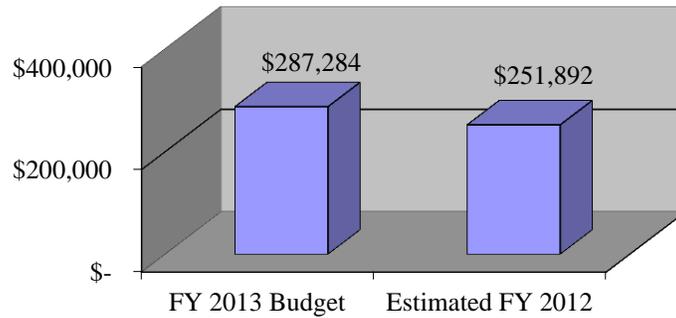
Debt Service Fund Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 3,259,675	\$ 3,653,996	\$ (394,321)	-10.79%
Total	\$ 3,259,675	\$ 3,653,996	\$ (394,321)	-10.79%

Debt Service Fund Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Fixed Charges	3,259,675	3,653,996	(394,321)	-10.79%
Other	-	-	-	0.00%
Total	\$ 3,259,675	\$ 3,653,996	\$ (394,321)	-10.79%

**Carl Sandburg College
Debt Service Fund-Projected Fund Balance**

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 3,295,067	\$ 3,306,355	\$ (11,288)	-0.34%
Expenditures	3,259,675	3,613,538	(353,863)	-9.79%
Revenues Over (Under) Expenditures	\$ 35,392	\$ (307,183)	\$ 342,575	-111.52%
Transfers	-	.-.	-	-
Change in fund balance	\$ 35,392	\$ (307,183)	\$ 342,575	-111.52%
Fund equity (deficit) beginning of year	251,892	559,075	(307,183)	-54.94%
Fund equity (deficit) end of year	\$ 287,284	\$ 251,892	\$ 35,392	14.05%

Projected Fund Balance - Debt Service Fund



Ending Fund Balance

Bond and Interest Fund Revenue and Expenditures Five Year Comparison

**Bond and Interest Fund Revenue and Expenditures
Fiscal Year 2013**

Operating Revenue by Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Local Government:						
Current Taxes	\$ 2,726,631	\$ 2,973,444	\$ 3,222,421	\$ 3,257,605		\$ 3,282,777
Total Local Government	\$ 2,726,631	\$ 2,973,444	\$ 3,222,421	\$ 3,257,605	\$ 3,282,088	\$ 3,282,777
Other Sources:						
Interest Income	\$ 3,843	\$ 5,043	\$ 16,275	\$ 15,580		\$ 12,290
Total Other Sources	\$ 3,843	\$ 5,043	\$ 16,275	\$ 15,580	\$ 24,267	\$ 12,290
Total Revenue before Interfunds & Nonoperating Items	\$ 2,730,474	\$ 2,978,487	\$ 3,238,696	\$ 3,273,185	\$ 3,306,355	\$ 3,295,067
Interfund Transfers	1,015,000		-	-	-	-
Debt Proceeds	8,839,511	7,895,000	4,110,000	-	-	-
Grand Total\$	\$12,584,985	\$ 10,873,487	\$ 7,348,696	\$ 3,273,185	\$ 3,306,355	\$ 3,295,067

	FY 2009 Actual	FY 2010 Actual	FY 2011 Budget	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Institutional Support						
Fixed Charges	\$ 8,060,388	\$ 2,829,484	3,050,534	\$ 3,653,996		\$ 3,259,675
Capital Outlay		-		-		-
Other Expenditures	87,128	5,973	41,591	-		-
Total Expenditures before Interfunds	\$ 8,147,516	\$ 2,835,457	\$ 3,092,125	\$ 3,653,996	\$ 3,613,538	\$ 3,259,675
Interfund Transfers	\$ 4,338,450	\$ 2,000,000	\$ 2,500,000	\$ -	\$ -	\$ -
Repayment of lease certificates		-		-	-	-
Discount on bond issuance		21,362	(6,087)	-	-	-
Payment to refunding bond escrow agent		5,878,386	1,577,112	-	-	-
GRAND TOTAL	\$12,485,966	\$ 10,735,205	\$ 7,163,150	\$ 3,653,996	\$ 3,613,538	\$ 3,259,675

Capital Projects Fund

Capital Projects Fund Revenue

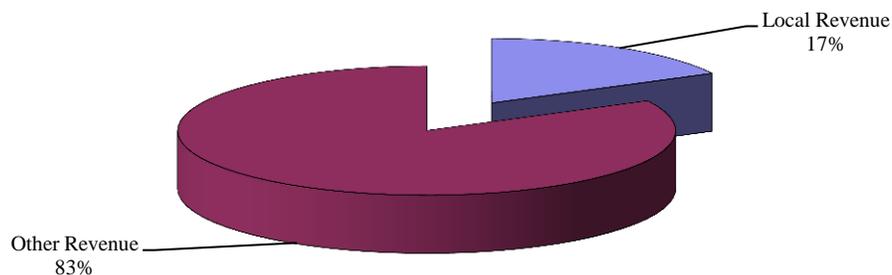
The Operations and Maintenance (Restricted) Fund and The Capital Endowment Fund make up the Capital Projects Fund. These funds account for financial resources to be used for the acquisition or construction of major capital facilities and technology enhancements. Capital assets include property, equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Revenue for the Capital Projects Funds is derived from Local Government and Other Sources of Revenue. These two sources are independent of our operating budget. With the establishment of the STEF fund, we have been able to enhance technology thru the use of accumulated interest income. The original STEF principle plus the addition made thru the bond issuance in FY 2009 remains intact for future developments.

As illustrated below, the FY 2013 total revenue budget of \$499,492 represents an increase of 10.25%, or \$46,422 from the FY 2012 budget of \$453,070.

- The local revenue remains constant in the levy for Protection, Health, Safety. One project is budgeted for completion: Repair of sidewalks and ramps.
- Other revenue increases due to a projected increase in interest income.

Capital Projects Funds	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 86,800	\$ 86,800	\$ -	0.00%
Other Revenue	412,692	366,270	46,422	12.67%
Total	\$ 499,492	\$ 453,070	\$ 46,422	10.25%

**FY 2013 % of Total Capital Projects Funds
Revenue by Source**



Capital Projects Fund Expenditures

Budgeted expenditures for the Capital Projects Funds for FY 2013 are \$723,772.

- Institutional support includes transfers to other funds for the following:

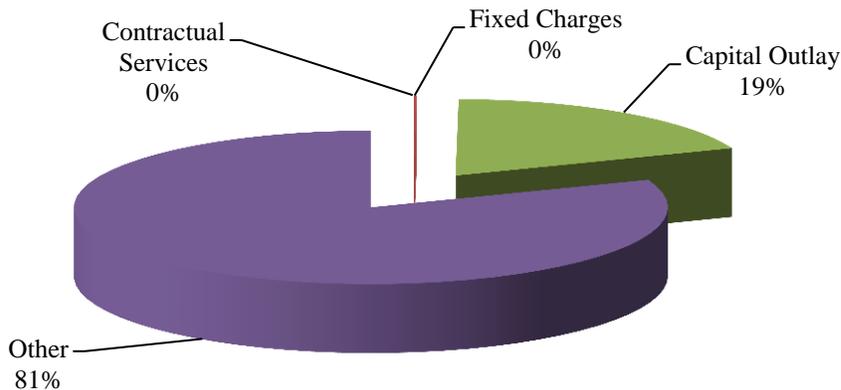
project costs	funding source
○ Facility renovations for learning enhancements, \$47,000	STEF accumulated interest earnings
○ Campus event enhancements, \$25,000	STEF accumulated interest earnings
○ Instructional technology/software, \$20,000	STEF accumulated interest earnings
○ Institutional technology enhancements, \$281,000	STEF accumulated interest earnings
○ Repair of sidewalks and ramps \$90,000	Protection, Health, Safety levy
○ Campus Improvement Plan, \$25,000	STEF accumulated interest earnings

The capital equipment budget, page 112, details the applications of the dollars budgeted for FY 2013.

Capital Projects Funds Expense by Function	FY 2012 Budget	FY 2011 Budget	Change	%
Institutional Support	\$ 723,772	\$ 709,350	\$ 14,422	2.03%
Total	\$ 723,772	\$ 709,350	\$ 14,422	2.03%

Capital Projects Funds Expense by Object	FY 2012 Budget	FY 2011 Budget	Change	%
Contractual Services	\$ -	\$ -	\$ -	
Fixed Charges	1,250	1,250	-	0.00%
Capital Outlay	137,422	136,800	622	0.45%
Other	585,100	571,300	13,800	2.42%
Total	\$ 723,772	\$ 709,350	\$ 14,422	2.03%

FY 2013 % of Total Capital Projects Funds Expenditures By Object

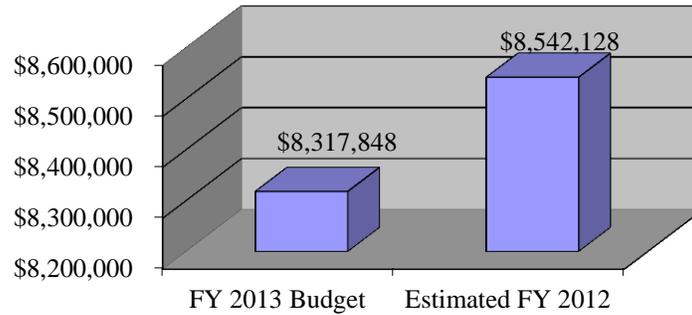


Capital Projects Fund Projected Fund Balance

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

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 452,492	\$ 396,817	\$ 55,675	14.03%
Expenditures	138,672	180,469	(41,797)	-23.16%
Revenues Over (Under) Expenditures	\$ 313,820	\$ 216,348	\$ 97,472	45.05%
Transfers	(538,100)	(382,900)	(155,200)	40.53%
Change in fund balance	\$ (224,280)	\$ (166,552)	\$ (57,728)	34.66%
Fund equity (deficit) beginning of year	8,542,128	8,708,680	(166,552)	-1.91%
Fund equity (deficit) end of year	\$ 8,317,848	\$ 8,542,128	\$ (224,280)	-2.63%

Projected Fund Balance - Capital Projects Funds



Ending Fund Balance

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.

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

The dental hygiene program serves several community colleges (Black Hawk, Spoon River, Southeastern-in Iowa, as well as Sandburg.) The program starts by accommodating 30 students, with a waiting list of over 100 students. This kind of program does not exist anywhere else in this area. Students actually participate in a clinical program under the supervision of actual dentists. The location is easily accessible and has a variety of support services nearby.



Projects Completed in FY 2009:	Actual Cost	Budget
Roof Replacement - Building A	\$ 186,300	\$ 183,857
Emergency Generator	120,100	110,820
Theater Curtains and hardware	87,608	97,471
Campus Refresh Phase I	259,009	218,975
Total	\$ 653,017	\$ 611,123

Projects for FY 2010:	Actual Cost	Budget
Annex Renovations	\$ 250,390	\$ 150,000
Charger Community Center	3,120,579	3,025,390
ADA Door Update	90,145	94,800
Emergency Alert System	192,261	193,500
Guaranteed Energy Savings Phase IV	2,642,487	3,141,529
Campus Refresh	62,714	85,000
Total	\$ 6,358,576	\$ 3,548,690

The Charger Community Center is a performing arts complex to meet the growing need for a facility in the Carthage area, the southern part of the college district. The complex will help enhance the College’s academic linkages with Western Illinois University’s Performance Arts programs.



The Guaranteed Energy Savings Phase IV project provides facility improvement measures, mainly HVAC components campus boiler replacement. Annual project savings were estimated at \$360,291, including \$17,057 in operational material and labor savings and \$15,826 in annual utility savings. Additional savings annually are due to avoided annual capital costs.

Projects for FY 2011	Actual Cost		Budget
Capital Refresh	\$	52,536	\$ 100,000
ADA Carthage		3,120,579	70,000
Expand Video Monitoring		90,145	45,800
Emergency Power Provisions		40,885	41,000
Total	\$	3,304,145	\$ 256,800

Projects for 2012	Actual Cost		Budget
Capital Refresh			\$ 15,000
Lecture Hall C102 Refresh			149,084
Exterior Wall & Foundation Drainage Repairs			86,800
Total			\$ 250,884

The project for FY 2012 refreshed the C102 lecture hall. The room now conforms to the Americans with Disabilities Act standards and enhances the use of the classroom.

The main project for FY 2013 is to repair sidewalks and ramps.

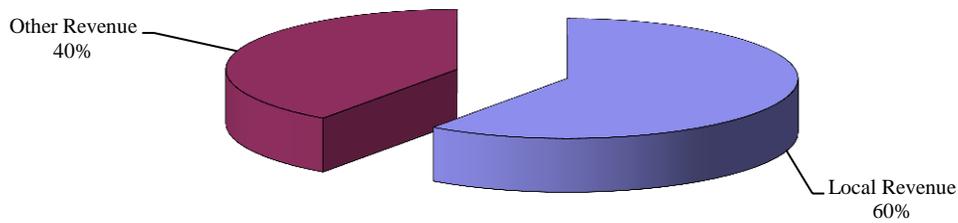
**Carl Sandburg College
Capital Projects Impacts
Projected FY 2014- FY 2016**

Project	Revenue	Expenditures	Net Impact
Dental Hygiene Renovation # students x tuition (fees) Instruction, dentists, utilities	\$ 430,846	\$ 388,152	\$ 42,694
Dental Day # customers served # dentists # student involvement fillings extractions	141 12 53 100 225	160 16 43 111 219	
All direct costs are covered through donated time and a local grant to cover supplies. College costs include utilities included in above estimated project impact.			
Annex Renovations (including Cosmetology and Therapeutic Massage) # students x tuition (fees) Instruction, utilities	\$ 336,502	\$ 300,900	\$ 35,602
Charger Community Center # events	\$ 15,000	\$ 58,365	\$ (43,365)
Guaranteed Energy Savings Phase IV Operational material and labor savings Utility savings		\$ (33,870)	\$ 33,870
Lecture Hall C102 Refresh Decrease in available seats Increased usage of room	\$ 22,650	\$ 15,678	\$ 6,972

Operations & Maintenance (Restricted) Revenue

O&M Restricted Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Local Revenue	\$ 86,800	\$ 86,800	\$ -	0.00%
Other Revenue	58,290	61,360	(3,070)	-5.00%
Total	\$ 145,090	\$ 148,160	\$ (3,070)	-2.07%

FY 2013 % of Total O&M Restricted Fund Revenue by Source



Operations & Maintenance (Restricted) Fund Expenditures

- Institutional support includes the following project costs:
 - Capital Refresh, \$15,000
 - Learning area enhancements \$32,000
 - Sidewalk and ramp repair, \$90,000

O&M Restricted Fund Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 137,422	\$ 136,800	\$ 622	0.45%
Total	\$ 137,422	\$ 136,800	\$ 622	0.45%

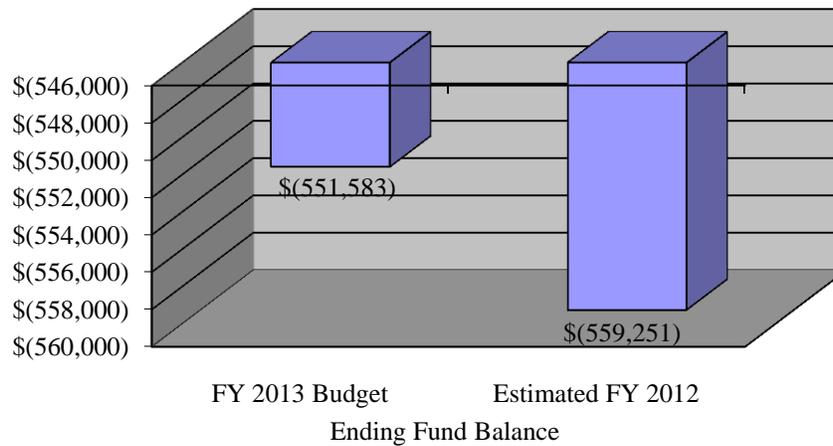
O&M Restricted Fund Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Contractual Services	\$ -	\$ -	\$ -	
Capital Outlay	136,800	171,800	(35,000)	-20.37%
Total	\$ 136,800	\$ 171,800	\$ (35,000)	-20.37%

Operations & Maintenance (Restricted) Fund Projected Fund Balance

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

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 98,090	\$ 100,030	\$ (1,940)	-1.94%
Expenditures	137,422	180,469	(43,047)	-23.85%
Revenues Over (Under) Expenditures	\$ (39,332)	\$ (80,439)	\$ 41,107	-51.10%
Transfers	47,000	85,000	(38,000)	-44.71%
Change in fund balance	\$ 7,668	\$ 4,561	\$ 3,107	68.12%
Fund equity (deficit) beginning of year	(559,251)	(563,812)	4,561	-0.81%
Fund equity (deficit) end of year	\$ (551,583)	\$ (559,251)	\$ 7,668	-1.37%

Projected Fund Balance - O&M Restricted Fund



Operations & Maintenance (Restricted) Fund Revenue Five Year Comparison

**Operations Maintenance Restricted Fund Revenue
Fiscal Year 2013**

Operating Revenue by Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Local Government:						
Current Taxes	\$ 309,433	\$ 357,952	\$ 88,325	\$ 86,800	\$ 88,670	\$ 86,800
Total Local Government	\$ 309,433	\$ 357,952	\$ 88,325	\$ 86,800	\$ 88,670	\$ 86,800
State Government:						
Other State Revenues	\$ -	\$ -	\$ -	\$ -		\$ -
ICCB Deferred Maintenance Grant	-	-	-	-		-
Total State Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Sources:						
Interest Income	\$ 12,225	\$ 8,559	\$ 658	\$ 410		\$ 340
Other Income	190,394	429,909	59,378	10,950		10,950
Total Other Sources	\$ 202,619	\$ 438,468	\$ 60,036	\$ 11,360	\$ 11,360	\$ 11,290
Total Revenue before Interfunds & Nonoperating Items	\$ 512,052	\$ 796,420	\$ 148,361	\$ 98,160	\$ 100,030	\$ 98,090
Interfund Transfers	2,724,236	440,931	463,219	50,000	85,000	47,000
Bond & Lease Certificate Proceeds	-	-	-	-	-	-
Grand Total	\$ 3,236,288	\$ 1,237,351	\$ 611,580	\$ 148,160	\$ 185,030	\$ 145,090

Operations & Maintenance (Restricted) Fund Expenditures Five Year Comparison

**Operations Maintenance Restricted Fund Expenditures
Fiscal Year 2013**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Operation & Maintenance of Plant						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Capital Outlay	-	-	-	-		-
Total Operation & Maintenance of Plant						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Institutional Support						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Contractual Services	85,246	260,202	8,658	-		-
General Maintenance and Supplies	-	-	-	-		-
Travel/Meetings	-	-	-	-		-
Fixed Charges	-	-	-	-		-
Capital Outlay	1,093,747	3,278,392	658,252	136,800		137,422
Other Expenditures	-	-	-	-		-
Total Institutional Support						
	\$ 1,178,993	\$ 3,538,594	\$ 666,910	\$ 136,800	\$ 180,469	\$ 137,422
Total Expenditures before Interfunds						
	\$ 1,178,993	\$ 3,538,594	\$ 666,910	\$ 136,800	\$ 180,469	\$ 137,422
Interfund Transfers	-	-	-	-	-	-
Repayment of Debt Certificates	-	-	-	-	-	-
GRAND TOTAL						
	\$ 1,178,993	\$ 3,538,594	\$ 666,910	\$ 136,800	\$ 180,469	\$ 137,422

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 Revenue

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. Additional bond proceeds in FY 2009 increased this fund by \$2,000,000.

STEF Fund	FY 2013 Budget	FY 2012 Budget	Change	%
Other Revenue	\$ 354,402	\$ 304,910	\$ 49,492	16.23%
Total	\$ 354,402	\$ 304,910	\$ 49,492	16.23%

The Strategic Technology Endowment Fund Expenditures

The capital equipment budget, page 110 details the applications of the STEF accumulated interest budgeted for FY 2013. Projects budgeted for FY 2013 are being funded internally to the College through the use of accumulated interest on the STEF Endowment Fund, no current operating dollars are being used for capital projects at this time.

STEF Fund Expense by Function	FY 2013 Budget	FY 2012 Budget	Change	%
Institutional Support	\$ 586,350	\$ 572,550	\$ 13,800	2.41%
Total	\$ 586,350	\$ 572,550	\$ 13,800	2.41%

STEF Fund Expense by Object	FY 2013 Budget	FY 2012 Budget	Change	%
Fixed Charges	\$ 1,250	\$ 1,250	\$ -	0.00%
Other	585,100	571,300	13,800	2.42%
Total	\$ 586,350	\$ 572,550	\$ 13,800	2.41%

FY-2013 CAPITAL EQUIPMENT BUDGET

Sources	APPLICATIONS ¹			
	Instructional Services	Student Services	Business Services	Institutional Support
07-0000-10-0000-7101000 Working Cash Accumulated Interest \$152,641 available Total \$151,000			\$10,000 Lot Striping/Repairs \$6,000 Repair/Maintenance (Rolling Stock) \$20,000 Contingency	\$10,000 Barter Match \$5,000 Barter Commission \$100,000 Contingency
16-0000-10-3055-7101000 STEF Accumulated Interest \$1,425,881 available Total \$585,100	\$20,000 Instructional Technology \$25,000 Contingency \$19,000 Library Room \$13,000 Adult Learning Center	\$10,000 Recruiting \$12,000 Fitness Center Equip \$25,000 Gym Floor Tarp \$30,000 Contingency \$7,800 Soccer	\$27,000 Rolling Stock \$25,000 CIPS \$104,000 Xerox \$50,000 Business Services \$15,000 Capital Refresh	\$30,000 PC Maint. Non-faculty \$5,000 R&D Tech Staff \$30,000 IT Infrastructure \$112,300 Acces \$ 5,000 Ergonomic \$ 20,000 SURS 6%
Perkins 06 Fund \$75,000	\$15,000 Laptops \$60,000 Equipment			
Tech Fee (2) \$5.50	01-1090-10-3038-5401888 \$140,000			
Barter Dollars				\$20,000

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

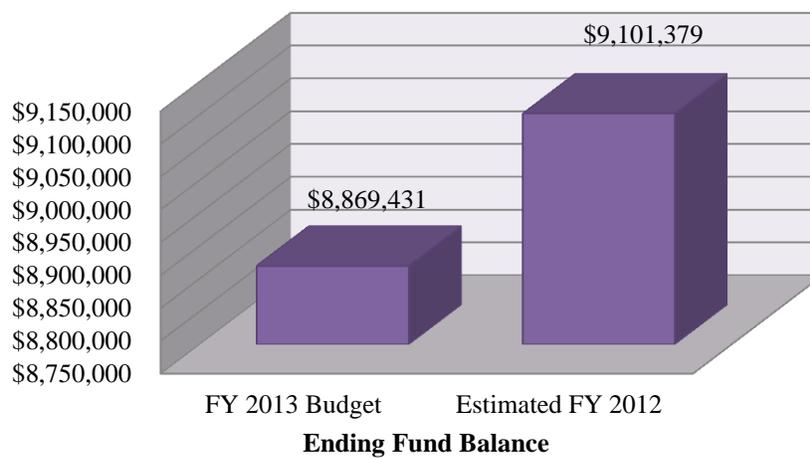
2 Tech fee revenue less salaries in dept. 3071

Strategic Technology Endowment Fund Projected Fund Balance

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

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 354,402	\$ 296,787	\$ 57,615	19.41%
Expenditures	1,250	-	1,250	0
Revenues Over (Under) Expenditures	\$ 353,152	\$ 296,787	\$ 56,365	18.99%
Transfers	(585,100)	(467,900)	(117,200)	25.05%
Change in fund balance	\$ (231,948)	\$ (171,113)	\$ (60,835)	35.55%
Fund equity (deficit) beginning of year	9,101,379	9,272,492	(171,113)	-1.85%
Fund equity (deficit) end of year	\$ 8,869,431	\$ 9,101,379	\$ (231,948)	-2.55%

Projected Fund Balance - STEF Fund



**Quasi-Endowment Fund Revenue and Expenditures
Fiscal Year 2013**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Other Sources:						
Federal Grants	\$ -	\$ -	\$ -	\$ -		\$ -
Interest Income	283,164	321,121	211,882	304,910	296,787	354,402
Net increase (decrease) in fair value of investments	10,280	57,399	(23,619)	-	-	-
Total before Interfund Transfers and Nonoperating	\$ 293,444	\$ 378,520	\$ 188,263	\$ 304,910	\$ 296,787	\$ 354,402
Bond Proceeds	-	-	-	-	-	-
Transfers	2,000,000	-	-	-	-	-
GRAND TOTAL	\$2,293,444	\$ 378,520	\$ 188,263	\$ 304,910	\$ 296,787	\$ 354,402

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Institutional Support						
Fixed Charges	\$ 1,250	\$ 2,500	\$ 1,250	\$ 1,250		\$ 1,250
Other Expenditures	-	67	4	-		-
Total Expenditures before Interfunds	\$ 1,250	\$ 2,567	\$ 1,254	\$ 1,250	\$ -	\$ 1,250
Transfers	-	144,631	82867	571,300	467,900	585,100
GRAND TOTAL	\$ 1,250	\$ 147,198	\$ 84,121	\$ 572,550	\$ 467,900	\$ 586,350

Proprietary Fund

The Auxiliary Enterprise 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.

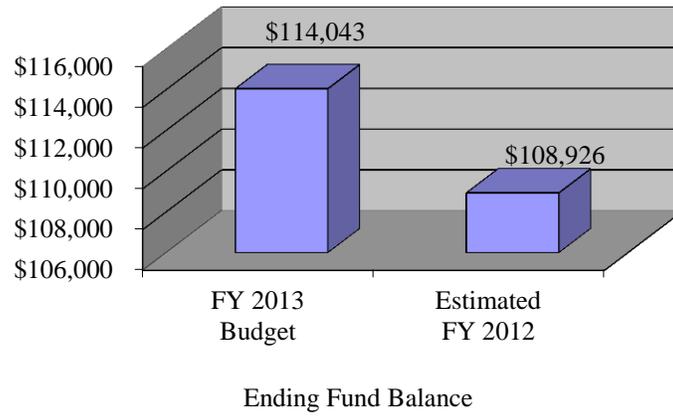
Food Service, budgeted at \$35,050, is expected to earn \$21,000 in commissions for the College. This amount is not sufficient to fund all activities, so the College will subsidize the loss with other sources totaling \$14,050. Expenses include contractual services as well as equipment.

Dental Hygiene Clinic is budgeted at \$29,196. They expect revenues of \$29,196 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 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 1,184,928	\$ 1,111,617	\$ 73,311	6.59%
Expenditures	1,257,611	1,152,997	104,614	9.07%
Revenues Over (Under) Expenditures	\$ (72,683)	\$ (41,380)	\$ (31,303)	75.65%
Transfers	77,800	40,800	37,000	90.69%
Change in fund balance	\$ 5,117	\$ (580)	\$ 5,697	-982.24%
Fund equity (deficit) beginning of year	108,926	109,506	(580)	-0.53%
Fund equity (deficit) end of year	\$ 114,043	\$ 108,926	\$ 5,117	4.70%

Projected Fund Balance - Auxiliary Fund



Management continues to monitor each area to determine feasibility to continue the program. There is consensus that some programs will run with a deficit and be subsidized with other sources.

**Auxiliary Fund Revenues and Expenditures
Fiscal Year 2012**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Student Tuition and Fees:						
Tuition	\$ -	\$ -	\$ -	\$ -		\$ -
Activity Fee Revenue	250,880	280,073	278,879	272,870		251,015
Total Student Tuition and Fees	\$ 250,880	\$ 280,073	\$ 278,879	\$ 272,870	\$ 266,304	\$ 251,015
Other Sources:						
Sales & Service Income	\$ 633,901	\$ 657,750	\$ 683,037	\$ 724,688		\$ 722,488
Commissions	-	-	-	-		-
Federal Government-USDA Reimbursement	28,190	19,868	20,606	20,400		20,400
Interest Income	-	-	-	-		-
Other Income	148,663	198,273	160,094	191,025		191,025
Total Other Sources	\$ 810,754	\$ 875,891	\$ 863,737	\$ 936,113	\$ 845,313	\$ 933,913
Total Revenue before Interfunds & Nonoperating Items	\$ 1,061,634	\$ 1,155,964	\$ 1,142,616	\$ 1,208,983	\$ 1,111,617	\$ 1,184,928
Interfund Transfers	67,372	48,169	42,226	65,800	40,800	77,800
Grand Total	\$ 1,129,006	\$ 1,204,133	\$ 1,184,842	\$ 1,274,783	\$ 1,152,417	\$ 1,262,728
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Auxiliary Services						
Salaries	\$ 510,603	\$ 551,448	\$ 547,374	\$ 624,346		\$ 605,966
Employee Benefits	12,056	12,222	13,165	13,789		13,789
Contractual Services	183,891	172,833	159,403	183,237		179,492
General Maintenance and Supplies	181,857	254,754	267,501	257,010		252,088
Travel and Conference/Meeting Expense	50,534	43,129	53,158	49,419		44,551
Fixed Charges	-	-	-	-		-
Utilities	-	-	-	-		-
Capital Outlay	-	-	-	15,000		27,000
Depreciation	2,762	20,815	23,247	14,957		17,800
Other	126,659	76,955	101,189	117,025		116,925
Total before transfers	\$ 1,068,362	\$ 1,132,156	\$ 1,165,037	\$ 1,274,783	\$ 1,152,997	\$ 1,257,611
Interfund Transfers	34,757	27,827	7,109	-	-	-
GRAND TOTAL	\$ 1,103,119	\$ 1,159,983	\$ 1,172,146	\$ 1,274,783	\$ 1,152,997	\$ 1,257,611

Nonexpendable Trust Fund

Working Cash 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 \$8,183,720, including \$2,500,000 of bond proceeds issued in FY2011, 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.

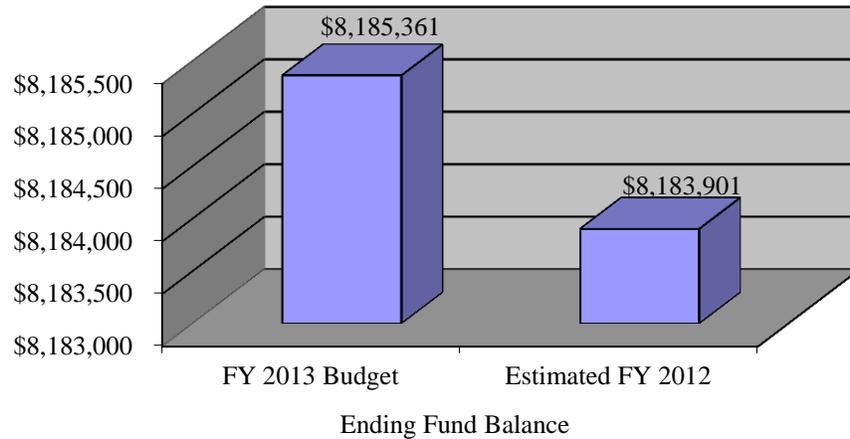
Working Cash Fund Projected Fund Balance

Revenue for this fund is derived solely from investment earnings. For FY 2013, these earnings are projected to decrease due to decreased rates on short term investments. Revenue is budgeted at \$152,460.

Carl Sandburg College Working Cash Fund-Projected Fund Balance

	FY 2013 Budget	Estimated FY 2012	Change	%
Revenues	\$ 152,460	\$ 177,360	\$ (24,900)	-14.04%
Expenditures	-	155	155)	-100.00%
Revenues Over (Under) Expenditures	\$ 152,460	\$ 177,205	\$ (24,745)	-13.96%
Transfers	(151,000)	(177,200)	26,200	-14.79%
Change in fund balance	\$ 1,460	\$ 5	\$ 1,455	29100.00%
Fund equity (deficit) beginning of year	8,183,901	8,183,896	5	0.00%
Fund equity (deficit) end of year	\$ 8,185,361	\$ 8,183,901	\$ 1,460	0.02%

Projected Fund Balance - Working Cash Fund



Working Cash Fund Revenue and Expenditures Fiscal Year 2013

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Other Sources:						
Interest Income	\$ 106,539	\$ 79,415	\$ 83,565	\$ 162,335	\$ 177,360	\$ 152,460
Net increase (decrease) in fair value of investments	(595)	(10,738)	7,397	-	-	-
Total before Nonoperating	\$ 105,944	\$ 68,677	\$ 90,962	\$ 162,335	\$ 177,360	\$ 152,460
Transfers	-	2,000,000	2,500,000	-	-	-
Bond Proceeds	-	-	-	-	-	-
GRAND TOTAL	\$ 105,944	\$ 2,068,677	\$ 2,590,962	\$ 162,335	\$ 177,360	\$ 152,460

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2012 Est Actuals	FY 2013 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 155	\$ -
Total before transfers		-	-	-	155	-
Transfers	418,401	353,266	61,000	258,800	177,200	151,000
GRAND TOTAL	\$ 418,401	\$ 353,266	\$ 61,000	\$ 258,800	\$ 177,355	\$ 151,000

IV. Informational Section



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

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 and small increases in the subsequent years. 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 2011 will be taxed in calendar year 2012 to support our FY 2013. The current EAV is one third of the market value of the property.

EAV supporting our fiscal year:

FY	2009	2010	2011	2012	Est 2013
Market Value	\$ 3,953,705,376	\$ 4,124,629,695	\$ 4,281,173,280	\$ 4,379,417,943	\$ 4,508,732,925
EAV	\$ 1,317,901,792	\$ 1,374,876,565	\$ 1,427,057,760	\$ 1,459,805,981	\$ 1,502,910,975
% increase/(decrease)	7.6%	4.3%	3.8%	2.3%	3.0%
Levy Rate (per \$100 of assessed valuation per levy year)	\$ 0.6205	\$ 0.6140	\$ 0.6115	0.6187	0.6175
% increase/(decrease)	2.7%	-1.0%	-0.4%	1.2%	-0.2%
Change in tax extension	\$ 777,901	\$ 264,161	\$ 284,716	\$ 305,361	\$ 248,656
% increase/(decrease)	10.51%	3.23%	3.37%	3.50%	2.75%

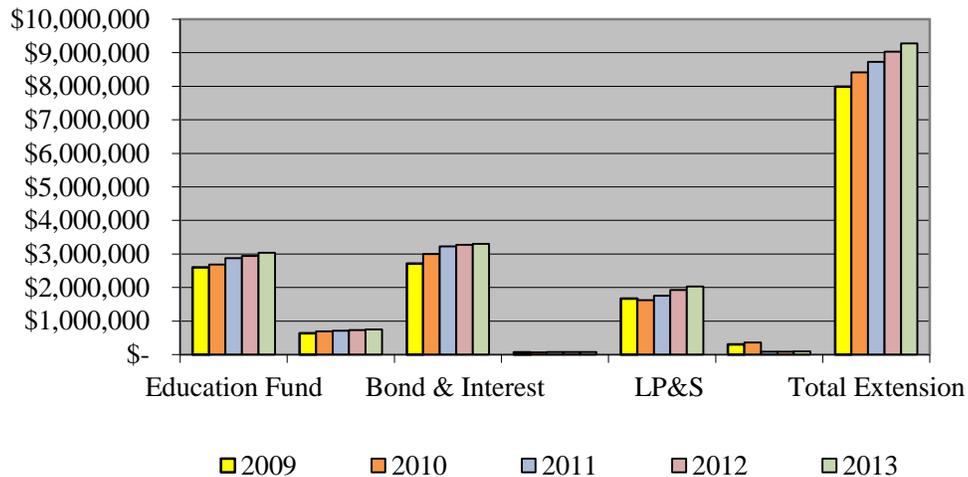
Historic Levies and Extensions

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

**Carl Sandburg College
Fiscal Years 2009-2013**

Fiscal Year	2009	2010	2011	2012	Est 2013
EAV	\$ 1,317,901,792	\$ 1,374,876,565	\$ 1,427,057,760	\$ 1,459,805,981	\$ 1,502,910,975
Taxes Rate					
Education Fund	\$ 0.1998	\$ 0.1953	\$ 0.2013	\$ 0.2015	\$ 0.2021
O&M	0.0495	0.0500	0.0500	0.0500	0.0500
Bond & Interest	0.2106	0.2193	0.2262	0.2244	0.2195
Audit	0.0050	0.0050	0.0050	0.0050	0.0050
LP&S	0.1317	0.1180	0.1228	0.1318	0.1348
PH&S	0.0239	0.0264	0.0062	0.0060	0.0061
Total Rate Per \$100 EAV	\$ 0.6205	\$ 0.6140	\$ 0.6115	\$ 0.6187	\$ 0.6175
Extension					
Education Fund	\$ 2,601,208	\$ 2,685,134	\$ 2,872,667	\$ 2,941,509	\$ 3,037,383
O&M	637,425	687,438	713,529	729,903	751,455
Bond & Interest	2,711,952	2,995,180	3,228,005	3,275,805	3,298,890
Audit	64,386	68,744	71,353	72,990	75,146
LP&S	1,668,973	1,622,354	1,752,427	1,924,024	2,025,924
PH&S	306,400	358,300	88,478	87,588	91,678
Total Extension	\$ 7,990,344	\$ 8,417,150	\$ 8,726,458	\$ 9,031,820	\$ 9,280,475
Collection Loss	-	(0)	(23,525)	(1,887)	
Total Taxes Collected	\$ 7,990,344	\$ 8,417,150	\$ 8,702,933	\$ 9,029,933	

Tax Extensions by Fiscal Year



- Estimated College Property Tax Paid by a Home Owner

Carl Sandburg College District #518

Fiscal Year	Tax Year	Est. Market Value of Home	Est. Taxable Value 1/3	Tax Rate	Est. CSC Tax Paid by Home Owner
2012-13	2011	\$ 90,000	\$ 30,000	\$ 0.6175	\$ 185.25
2011-12	2010	\$ 90,000	\$ 30,000	\$ 0.6187	\$ 185.61
2010-11	2009	\$ 90,000	\$ 30,000	\$ 0.6115	\$ 183.45
2009-10	2008	\$ 90,000	\$ 30,000	\$ 0.6140	\$ 184.20
2008-09	2007	\$ 90,000	\$ 30,000	\$ 0.6205	\$ 186.15
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.

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

The College tax rate represents approximately 6.93% of a local taxpayer's property tax bill. The tax rate levied for FY 2013 of \$0.6175 is high in comparison to the state average of \$0.4280 or other local community college rates average of \$0.4883. Although, the total operating extension of \$3,788,838 is below the average of other local community colleges, \$7,726,370 and the state average, \$19,425,525.

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 2012.

Historic Revenues and Expenditures General Fund Five Year Comparison (GAAP Basis)

Carl Sandburg College
Fiscal Years 2009 - 2011
(GAAP Basis)

General Fund Revenues by Source	2009	2010	2011	2012 Budget	2012 Est. Actuals	2013 Budget
Local Government	\$ 3,250,188	\$ 3,630,658	\$ 3,864,339	\$ 3,913,464	\$ 3,912,620	\$ 4,034,392
State Government	6,285,942	6,157,144	5,463,346	3,818,436	3,698,594	3,684,704
Tuition and Fees	6,425,430	7,059,139	6,975,639	7,118,091	6,840,452	7,214,971
Other Revenue	182,986	240,219	237,012	143,740	181,489	141,513
Total Revenues	\$ 16,144,546	\$ 17,087,160	\$ 16,540,336	\$ 14,993,731	\$ 14,633,155	\$ 15,075,580

General Fund Expenditures

By Program

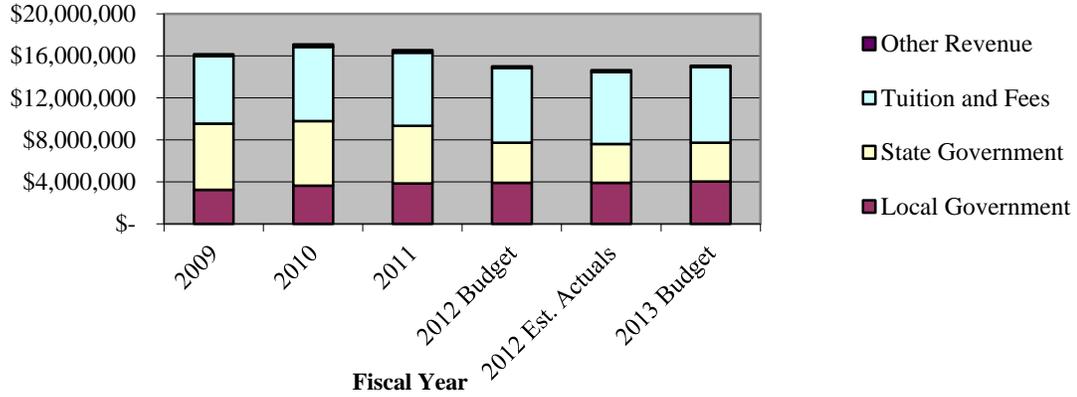
Instruction	\$ 5,793,383	\$ 6,299,144	\$ 5,892,915	\$ 6,408,071	\$ 6,145,911	\$ 6,749,946
Academic Support	329,680	342,586	349,217	434,928	418,415	503,690
Student Services	1,854,519	1,588,634	1,633,452	1,793,258	1,757,808	2,075,591
Public Service	192,454	167,535	172,934	218,680	151,761	247,585
Operations and Maintenance	1,308,689	1,472,365	1,424,681	1,709,196	1,402,343	1,731,488
Institutional Support	4,881,405	6,329,321	5,907,864	5,260,839	4,844,849	4,457,580
Total Expenditures by Program	\$ 14,360,130	\$ 16,199,585	\$ 15,381,063	\$ 15,824,972	\$ 14,721,087	\$ 15,765,880

By Object

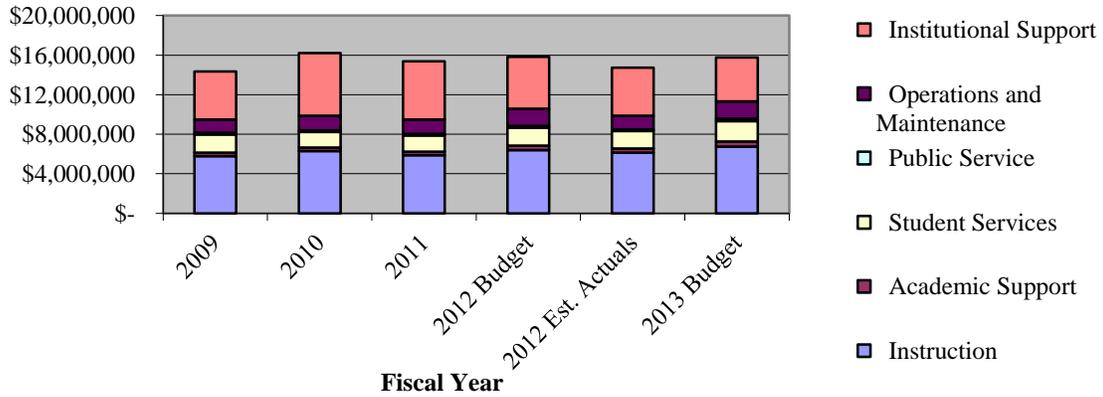
Salaries	\$ 7,755,779	\$ 8,281,748	\$ 8,217,904	\$ 8,090,234	\$ 7,525,892	\$ 8,060,024
Benefits	2,274,287	3,240,115	3,375,045	3,165,188	2,944,397	3,153,369
Contractual Services	1,221,237	1,055,265	846,014	1,030,862	958,953	1,027,013
General Materials and Supplies	1,125,737	1,120,698	948,974	1,094,782	1,018,415	1,090,694
Travel and Conference	179,347	195,348	199,168	190,831	177,519	190,118
Fixed Charges	116,756	145,613	137,741	142,246	132,323	141,715
Utilities	672,173	714,420	642,323	697,899	649,217	695,293
Capital Outlay	114,803	142,271	117,972	138,981	129,286	138,462
Other	900,012	1,304,107	895,922	1,273,949	1,185,084	1,269,193
Total Expenditures by Object	\$ 14,360,130	\$ 16,199,585	\$ 15,381,063	\$ 15,824,972	\$ 14,721,087	\$ 15,765,880

Revenues Over Expenditures	\$ 1,784,416	\$ 887,575	\$ 1,159,273	\$ (831,241)	\$ (87,932)	\$ (690,300)
Net Operating Transfers & Non Operating	(524,320)	(461,083)	(360,485)	831,241	552,800	690,300
Excess Revenue Over Expenditures	\$ 1,260,096	\$ 426,492	\$ 798,788	\$ -	\$ 464,868	\$ -

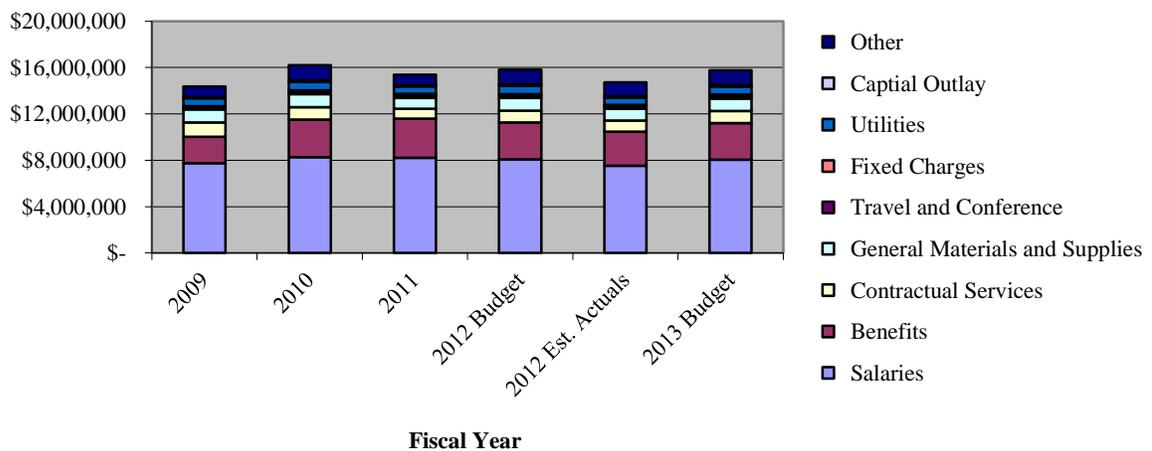
Historical General Fund Revenue by Source



Historical General Fund Expenditures by Program



Historical General Fund Expenditures by Object

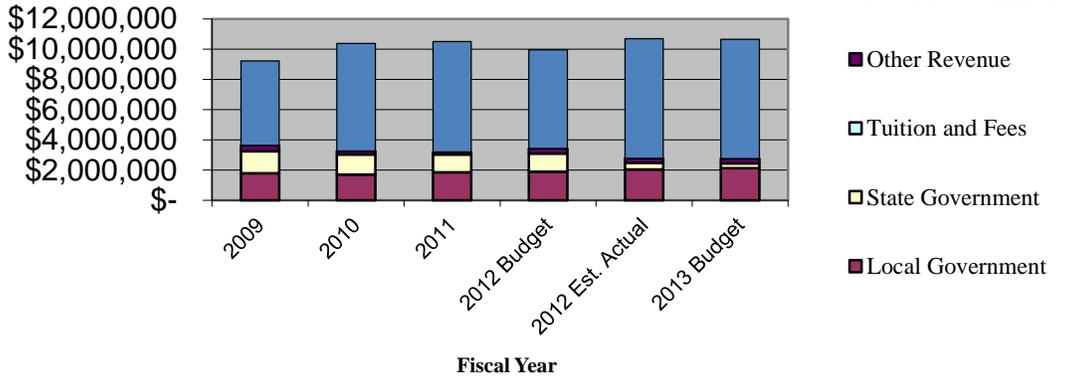


Historic Revenues and Expenditures Special Revenue Fund Five Year Comparison

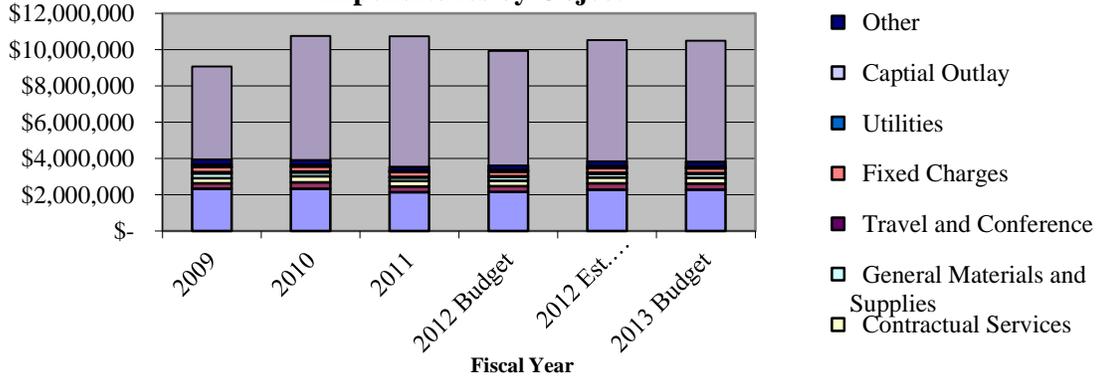
Carl Sandburg College Fiscal Years 2009 - 2011 (GAAP Basis)

Special Revenue Fund Revenues by Source	2009	2010	2011	2012 Budget	2012 Est. Actuals	2013 Budget
Local Government	\$ 1,779,614	\$ 1,702,107	\$ 1,848,055	\$ 1,885,490	\$ 2,039,931	\$ 2,119,681
State Government	1,463,551	1,322,608	1,179,854	1,214,975	435,478	322,126
Federal Government	5,565,695	7,111,508	7,308,784	6,532,780	7,925,045	7,895,253
Tuition and Fees	-	-	-	-	-	-
Other Revenue	405,904	244,785	163,064	326,939	294,502	304,346
Total Revenues	\$ 9,214,764	\$ 10,381,008	\$ 10,499,757	\$ 9,960,184	\$ 10,694,956	\$ 10,641,406
Special Revenue Fund Expenditures						
By Program						
Instruction	\$ 842,587	\$ 666,819	\$ 459,699	\$ 612,330	\$ 772,341	\$ 772,341
Academic Support	4,595	5,054	-	4,641	-	-
Student Services	525,829	537,038	580,657	493,154	617,336	617,336
Public Service	500,268	450,021	376,585	413,248	382,335	175,371
Operations and Maintenance	-	-	-	-	213,821	213,821
Institutional Support	2,079,234	2,259,339	2,132,488	2,128,662	2,062,351	2,209,166
Scholarships, student grants, and waivers	5,129,059	6,848,039	7,183,931	6,288,452	6,486,364	6,507,365
Total Expenditures by Program	\$ 9,081,572	\$ 10,766,310	\$ 10,733,360	\$ 9,940,487	\$ 10,534,548	\$ 10,495,400
By Object						
Salaries	\$ 2,326,369	\$ 2,335,177	\$ 2,129,800	\$ 2,156,059	\$ 2,284,909	\$ 2,276,418
Benefits	308,003	343,913	326,838	317,533	336,510	335,259
Contractual Services	275,343	327,908	291,985	302,756	320,849	319,657
General Materials and Supplies	258,496	212,812	191,802	196,488	208,231	207,457
Travel and Conference	68,177	52,060	34,724	48,067	50,939	50,750
Student financial aid	5,129,059	6,848,039	7,183,931	6,322,764	6,700,624	6,675,723
Fixed Charges	295,287	280,304	283,222	258,803	274,270	273,251
Utilities	3,053	3,160	2,377	2,918	3,092	3,080
Capital Outlay	135,058	93,769	66,938	86,577	91,750	91,410
Other	282,727	269,168	221,743	248,522	263,374	262,395
Total Expenditures by Object	\$ 9,081,572	\$ 10,766,310	\$ 10,733,360	\$ 9,940,487	\$ 10,534,548	\$ 10,495,400
Revenues Over Expenditures	\$ 133,192	\$ (385,302)	\$ (233,603)	\$ 19,697	\$ 160,408	\$ 146,006
Net Operating Transfers & Non Operating	(615,000)	497,707	6,016	(116,941)	(33,500)	(79,000)
Excess Revenue Over Expenditures	\$ (481,808)	\$ 112,405	\$ (227,587)	\$ (97,244)	\$ 126,908	\$ 67,006

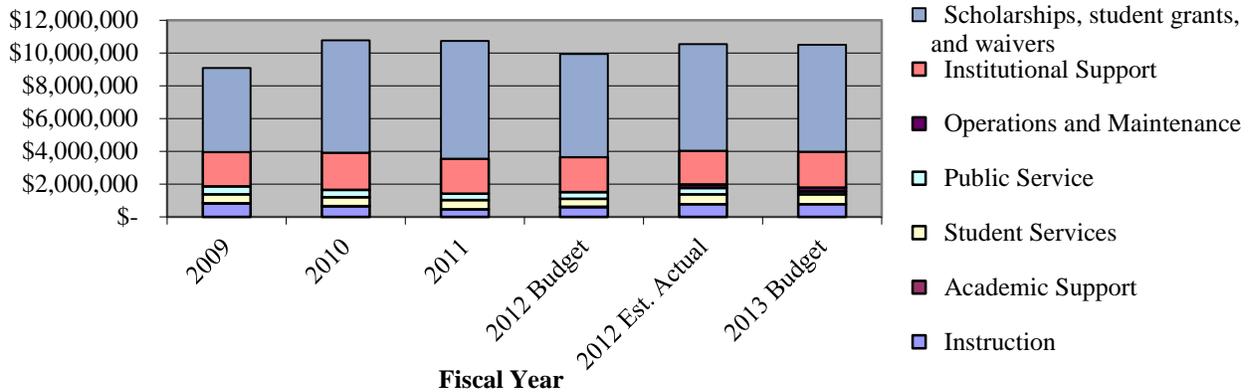
Historical Special Revenue Fund Revenue by Source



Historical Special Revenue Fund Expenditures by Object



Historical Special Revenue Fund Expenditures by Program

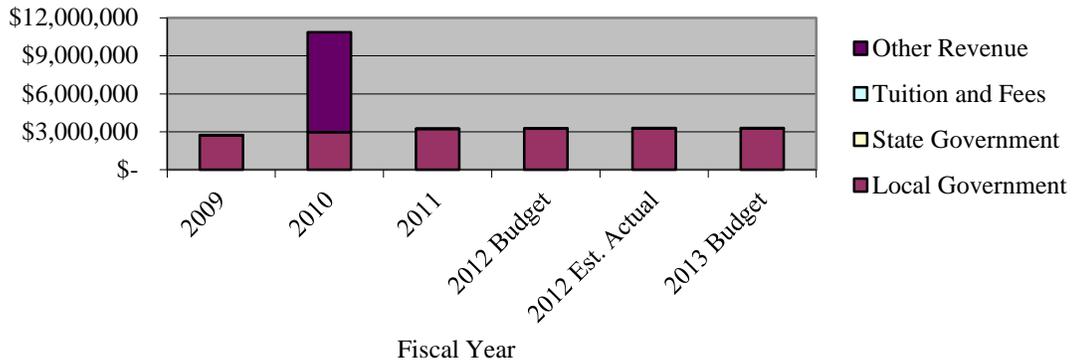


Historic Revenues and Expenditures Debt Service Fund Five Year Comparison (GAAP Basis)

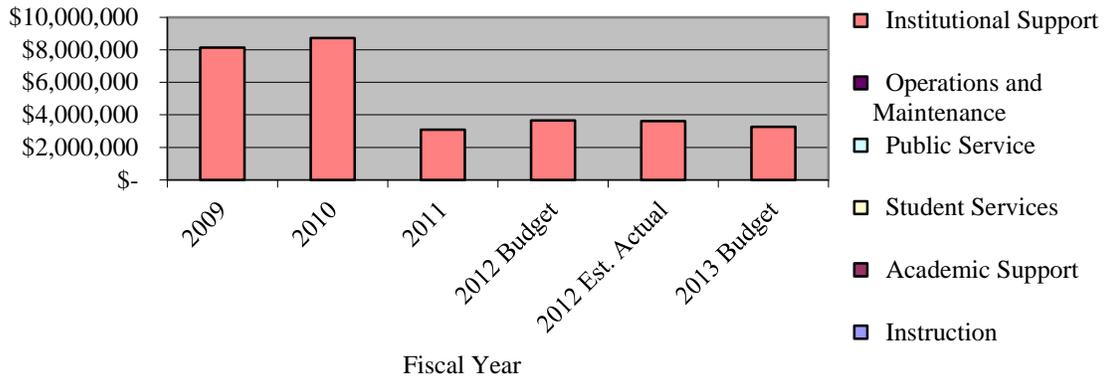
Carl Sandburg College Historic Revenues and Expenditures Fiscal Years 2009 - 2011 (GAAP Basis)

Debt Service Fund Revenues by Source	2009	2010	2011	2012 Budget	2012 Est. Actuals	2013 Budget
Local Government	\$ 2,726,631	\$ 2,973,444	\$ 3,222,421	\$ 3,257,605	\$ 3,282,088	\$ 3,282,777
State Government	-	-				
Tuition and Fees	-	-				
Other Revenue	3,843	7,900,043	16,275	15,580	24,268	12,290
Total Revenues	\$ 2,730,474	\$ 10,873,487	\$ 3,238,696	\$ 3,273,185	\$ 3,306,356	\$ 3,295,067
Debt Service Fund Expenditures						
By Program						
Instruction	\$ -	\$ -		\$ -	\$ -	\$ -
Academic Support	-	-		-	-	-
Student Services	-	-		-	-	-
Public Service	-	-		-	-	-
Operations and Maintenance	-	-		-	-	-
Institutional Support	8,147,516	8,735,205	3,092,125	3,653,996	3,613,538	3,259,675
Total Expenditures by Program	\$ 8,147,516	\$ 8,735,205	\$ 3,092,125	\$ 3,653,996	\$ 3,613,538	\$ 3,259,675
By Object						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-
Contractual Services	-	-	-	-	-	-
General Materials and Supplies	-	-	-	-	-	-
Travel and Conference	-	-	-	-	-	-
Fixed Charges	8,141,142	8,729,232	3,087,892	3,653,996	3,611,067	3,255,213
Utilities	-	-		-	-	-
Capital Outlay	-	-		-	-	-
Other	6,374	5,973	4,233	-	2,471	4,462
Total Expenditures by Object	\$ 8,147,516	\$ 8,735,205	\$ 3,092,125	\$ 3,653,996	\$ 3,613,538	\$ 3,259,675
Revenues Over Expenditures	\$(5,417,042)	\$ 2,138,282	\$ 146,571	\$ (380,811)	\$ (307,182)	\$ 35,392
Net Operating Transfers & Non Operating	5,516,061	(2,000,000)	38,975	-	-	-
Excess Revenue Over Expenditures	\$ 99,019	\$ 138,282	\$ 185,546	\$ (380,811)	\$ (307,182)	\$ 35,392

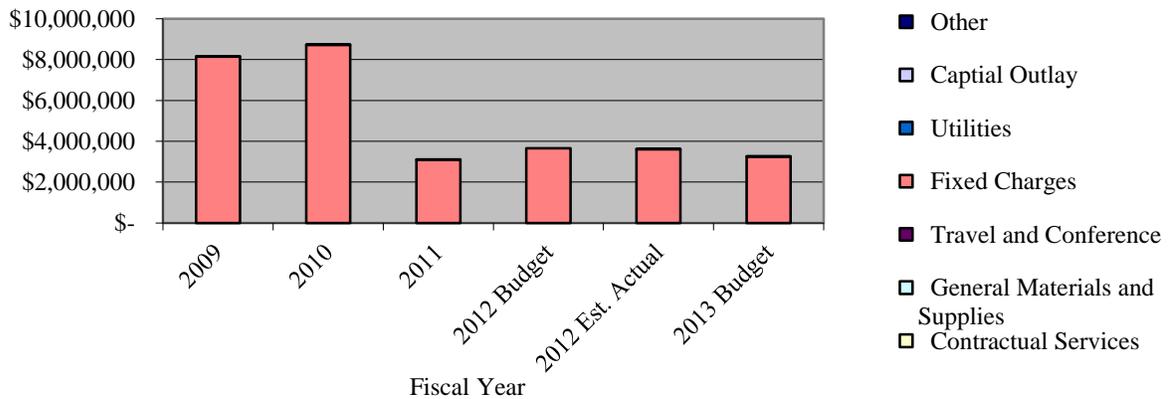
Historical Debt Service Fund Revenue by Source



Historical Debt Service Fund Expenditures by Program



Historical Debt Service Fund Expenditures by Object

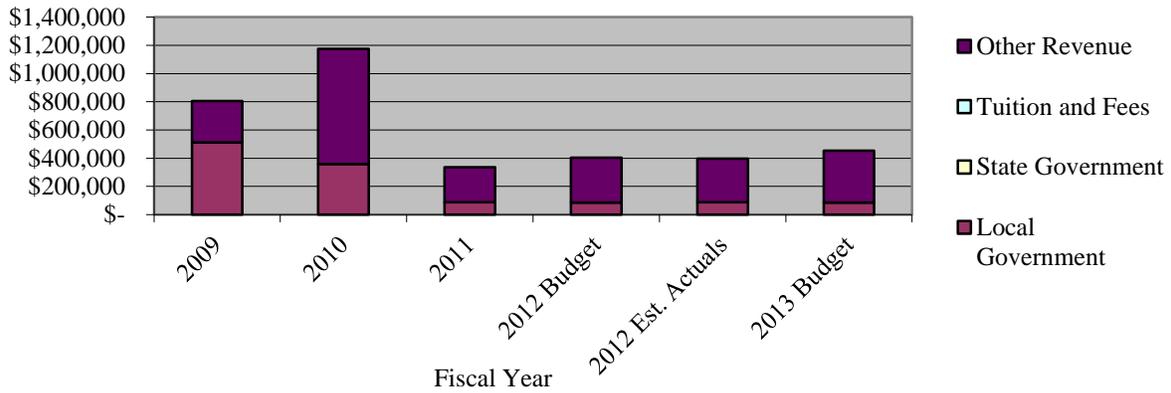


Historic Revenues and Expenditures, Capital Projects Fund Five Year Comparison (GAAP Basis)

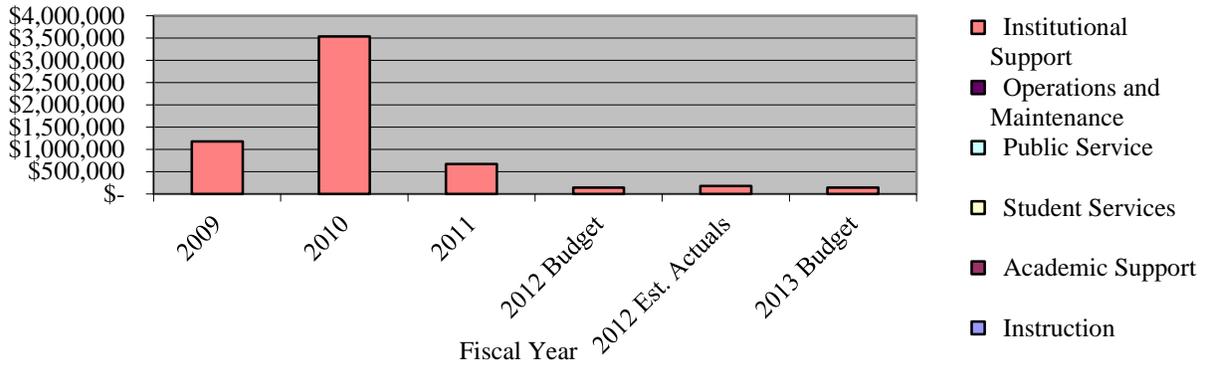
Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2009 - 2011
(GAAP Basis)

Capital Projects Fund Revenues by Source	2009	2010	2011	2012 Budget	2012 Est. Actuals	2013 Budget
Local Government	\$ 512,052	\$ 357,952	\$ 88,325	\$ 86,800	\$ 88,670	\$ 86,800
State Government	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-
Other Revenue	293,444	816,988	248,299	316,270	308,147	365,692
Total Revenues	\$ 805,496	\$ 1,174,940	\$ 336,624	\$ 403,070	\$ 396,817	\$ 452,492
 <u>Capital Projects Fund Expenditures</u>						
<u>By Program</u>						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Public Service	-	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	-
Institutional Support	1,180,243	3,541,161	668,164	138,050	180,469	138,672
Total Expenditures by Program	\$ 1,180,243	\$ 3,541,161	\$ 668,164	\$ 138,050	\$ 180,469	\$ 138,672
 <u>By Object</u>						
Salaries	\$ -	\$ -	-	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-
Contractual Services	85,246	260,202	8,658	-	-	-
General Materials and Supplies	-	-	-	-	-	-
Travel and Conference	-	-	-	-	-	-
Fixed Charges	1,250	2,500	1,250	1,250	-	1,250
Utilities	-	-	-	-	-	-
Capital Outlay	1,093,747	3,278,392	658,252	136,800	180,469	137,422
Other	-	67	4	-	-	-
Total Expenditures by Object	\$ 1,180,243	\$ 3,541,161	\$ 668,164	\$ 138,050	\$ 180,469	\$ 138,672
Revenues Over Expenditures	\$ (374,747)	\$(2,366,221)	\$ (331,540)	\$ 265,020	\$ 216,348	\$ 313,820
Net Operating Transfers & Non Operating	4,724,236	296,300	380,352	(521,300)	(382,900)	(538,100)
Excess Revenue Over Expenditures	\$ 4,349,489	\$(2,069,921)	\$ 48,812	\$ (256,280)	\$ (166,552)	\$ (224,280)

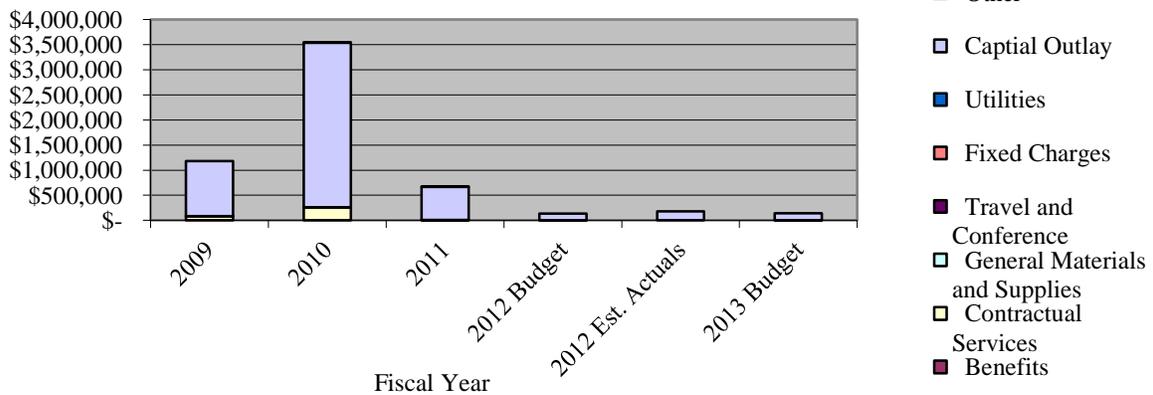
Historical Capital Projects Fund Revenue by Source



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 (GESCs) 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.

Projected Revenues

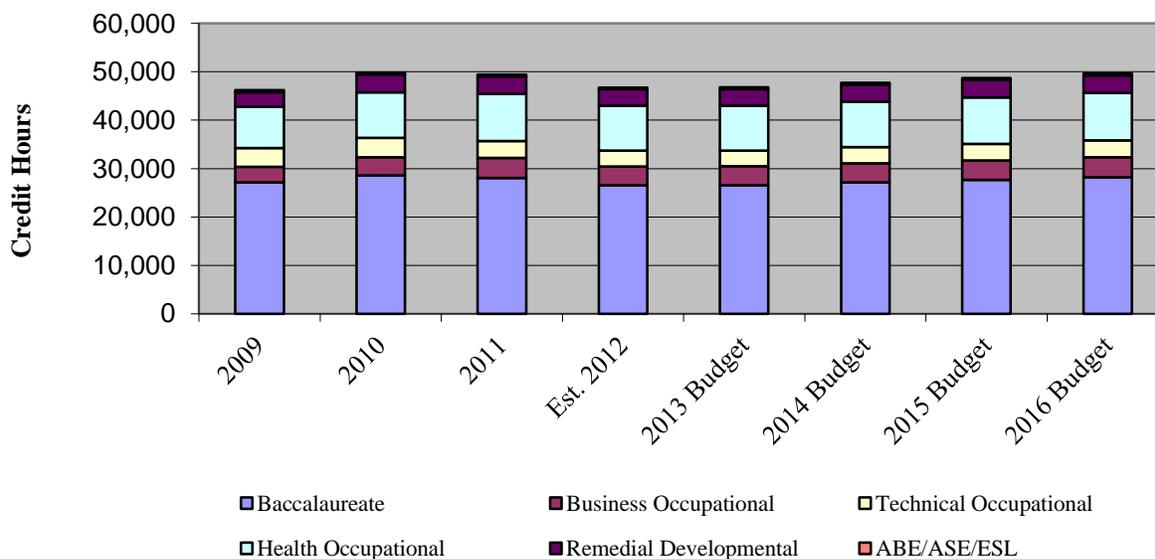
- Local Property taxes were assumed to increase 2.5% annually. These projections are based on the assumption that farmland will not continue to decline after the Bulletin 810 adjustment reflected in FY 2007. This also reflects recent economic development initiatives to stabilize and grow the College's EAV. Local property tax revenue for future bond payments is also reflected.
- State grants were assumed to decrease for FY 2013 and continue to decrease for FY 2014 thru 2016. This remains an estimate based on history of decreasing credit hours that determines state grant allocations and the financial condition of the state of Illinois. 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. There is acknowledgement that the current funding formula is not working. This will be reviewed and possibly a new formula established for the future. Funding for SURS is assumed to decrease from the state and have to be funded by the College. This represents an average 9.0% annual decrease in state revenue 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. Tuition is expected to increase an average of 2.0% annually over the next four years.

Credit Hour History

**Carl Sandburg College
Certified Unrestricted Student Credit Hours by State Funding Category
Fiscal Years 2009 - 2011**

	2009	2010	2011	Est. 2012	2013 Budget	2014 Budget	2015 Budget	2016 Budget
Baccalaureate	27,120.0	28,577.5	28,084.0	26,559.0	26,575.0	27,107.0	27,648.0	28,201.0
Business Occupational	3,268.0	3,750.0	4,126.5	3,902.0	3,904.0	3,982.0	4,062.0	4,143.0
Technical Occupational	3,839.5	4,028.0	3,453.5	3,266.0	3,268.0	3,333.0	3,400.0	3,468.0
Health Occupational	8,566.0	9,394.0	9,768.0	9,237.0	9,242.0	9,427.0	9,616.0	9,808.0
Remedial Developmental	2,941.0	3,683.0	3,617.0	3,421.0	3,423.0	3,491.0	3,561.0	3,632.0
ABE/ASE/ESL	488.5	430.5	410.0	388.0	388.0	396.0	404.0	412.0
	46,223.0	49,863.0	49,459.0	46,773.0	46,800.0	47,736.0	48,691.0	49,665.0
Annual Percentage Change	-2.59%	7.87%	-0.81%	-5.43%	0.06%	2.00%	2.00%	2.00%

**Certified Credit Hours
By State Funding Category**



Credit Hour Rates by Funding Category

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

	Baccalaureate	Business	Technical	Health	Remedial	ABE/ASE	
FY2012	13.13	46.98	49.45	101.94	9.51	80.27	
FY2011	13.13	46.98	49.45	101.94	9.51	80.27	**
FY2010	19.64	30.32	56.05	91.64	14.57	57.13	
FY2009	20.04	23.00	55.31	94.09	16.49	51.97	
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

** Funding category rates were left unchanged as the formula is being reevaluated

Projected General Fund Revenues

Projected General Fund Revenues Fiscal Years 2013 - 2016

	2013	2014	2015	2016
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 3,790,392	\$ 3,885,152	\$ 3,982,281	\$ 4,081,838
Replacement Taxes	244,000	244,000	244,000	244,000
CABI	-	-	-	-
Chargebacks	-	-	-	-
Subtotal Local Revenue Sources	\$ 4,034,392	\$ 4,129,152	\$ 4,226,281	\$ 4,325,838
State Revenue Sources				
ICCB Credit Hour Grant	\$ 1,645,165	\$ 1,562,910	\$ 1,484,760	\$ 1,410,520
ICCB Equalization Grant	869,539	782,590	782,590	782,590
ICCB Small College Grant	60,000	50,000	50,000	50,000
ICCB Square Footage Grant	-	-	-	-
ISBE Vocational Ed.	110,000	110,000	110,000	110,000
SURS	1,000,000	750,000	500,000	250,000
Subtotal State Revenue Sources	\$ 3,684,704	\$ 3,255,500	\$ 2,927,350	\$ 2,603,110
Tuition and Fees				
Tuition	\$ 6,708,065	\$ 6,838,870	\$ 6,972,230	\$ 7,108,190
Fees	\$ 506,906	\$ 506,910	\$ 506,910	\$ 506,910
Subtotal Tuition and Fees	\$ 7,214,971	\$ 7,345,780	\$ 7,479,140	\$ 7,615,100
Other Sources of Revenue				
Interest Income	\$ 49,763	\$ 50,260	\$ 50,760	\$ 51,270
Building Rentals	21,600	21,600	21,600	21,600
Other Income	760,450	723,200	723,200	723,200
Subtotal of Other Sources	\$ 831,813	\$ 795,060	\$ 795,560	\$ 796,070
Total Revenue	\$ 15,765,880	\$ 15,525,492	\$ 15,428,331	\$ 15,340,118

Other Income includes transfers in.

Projected Expenditures

- Projected expenditures reflect the known 3.95% negotiated increase in salary in 2013 and 2014, and 3.0% in 2015 and 2016. Small projected retirements/layoff are also shown.
- Benefits reflect a 5% increase annually to cover potential health insurance increases, contributions to SURS and a potential decrease in full-time employees.
- 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 2014-2016. The College has locked in electric rates by extending our contract thru June 2015. We have also negotiated a natural gas contract thru October 2013.
- Debt payments reflect the bond amortization payments due.
- All other expenses are assumed to remain flat.

Projected General Fund Expenditures

Carl Sandburg College Projected General Fund Expenditures Fiscal Years 2013- 2016

	2013	2014	2015	2016
By Program				
Instruction	\$ 6,749,946	\$ 6,887,300	\$ 6,867,110	\$ 6,847,430
Academic Support	503,690	513,940	512,430	510,960
Student Services	2,075,591	2,117,830	2,111,620	2,105,570
Public Service	247,585	252,620	251,880	251,160
Operations and Maintenance	1,731,488	1,766,720	1,761,540	1,756,490
Institutional Support	4,457,580	4,548,280	4,534,940	4,521,930
Total Expenditures	\$ 15,765,880	\$ 16,086,690	\$ 16,039,520	\$ 15,993,540

By Object				
Salaries	\$ 8,060,024	\$ 7,959,480	\$ 7,788,347	\$ 7,620,900
Benefits	3,153,369	3,561,040	3,632,990	3,701,340
Contractual Services	1,027,013	1,042,420	1,058,060	1,073,930
General Materials and Supplies	1,090,694	1,068,120	1,083,020	1,098,140
Travel and Conference	190,118	190,120	190,120	190,120
Fixed Charges	141,715	141,710	141,710	141,710
Utilities	695,293	716,150	737,630	759,760
Capital Outlay	138,462	138,460	138,460	138,460
Other	1,269,193	1,269,190	1,269,190	1,269,190
Total Expenditures	\$ 15,765,880	\$ 16,086,690	\$ 16,039,527	\$ 15,993,550

Adjustments have been made for Access software purchases out of the Materials and Supplies accounts.
Institutional Support/Other includes transfers out.

Projected General Fund Changes in Fund Balance

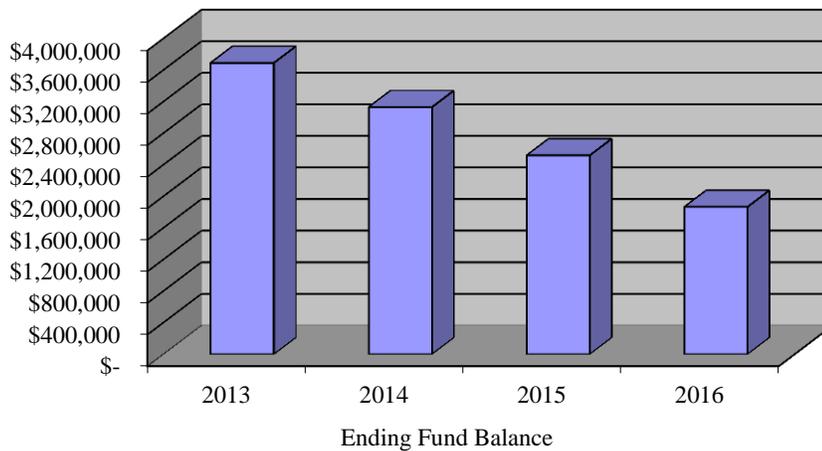
In FY 2013-2016, there are transfers in for operating expenses funded from STEF and Working Cash.

**Carl Sandburg College
General Fund-Projected Changes in Fund Balance
Fiscal Years 2013- 2016**

	2013	2014	2015	2016
Beginning Balance	\$ 3,690,631	\$ 3,690,631	\$ 3,129,433	\$ 2,518,243
Revenues	\$ 14,994,689	\$ 14,791,551	\$ 14,694,390	\$ 14,606,177
Expenditures	15,765,880	16,086,690	16,039,520	15,993,540
Revenues Over (Under) Expenditures	\$ (771,191)	\$ (1,295,139)	\$ (1,345,130)	\$ (1,387,363)
Transfers	771,191	733,941	733,941	733,941
Ending Fund Balance	\$ 3,690,631	\$ 3,129,433	\$ 2,518,243	\$ 1,864,821

In FY 2013-2016, there are transfers in for operating expenses funded from STEF and Working Cash.

Projected Fund Balance - General Fund



Projected Special Revenue Fund Revenues and Expenditures

Carl Sandburg College
Projected Special Revenue Fund Revenues
Fiscal Years 2013 - 2016

	2013	2014	2015	2016
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 2,099,708	\$ 2,152,201	\$ 2,206,006	\$ 2,261,156
Local Government Grants	19,973	19,973	19,973	19,973
Subtotal Local Revenue Sources	\$ 2,119,681	\$ 2,172,174	\$ 2,225,979	\$ 2,281,129
State Revenue Sources				
State Government Grants	\$ 322,126	\$ 306,020	\$ 290,719	\$ 276,183
Federal Revenue Sources				
Federal Government Grants	\$ 7,895,253	\$ 7,895,253	\$ 7,895,253	\$ 7,895,253
Other Sources of Revenue				
Interest Income	\$ 166,912	\$ 168,581	\$ 170,267	\$ 171,970
Other Income	159,934	159,934	159,934	159,934
Subtotal of Other Sources	\$ 326,846	\$ 328,515	\$ 330,201	\$ 331,904
Total Revenue	\$ 10,663,906	\$ 10,701,962	\$ 10,742,151	\$ 10,784,468

Projected Special Revenue Fund Expenditures
Fiscal Years 2013- 2016

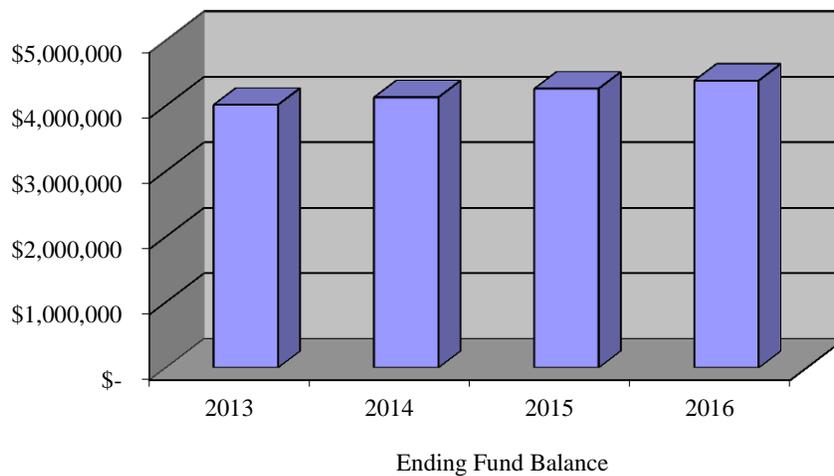
	2013	2014	2015	2016
By Program				
Instruction	\$ 772,341	\$ 770,440	\$ 774,860	\$ 784,380
Academic Support	-	-	-	-
Student Services	617,336	615,820	619,350	626,960
Public Services	175,371	174,940	175,940	178,100
Institutional Support	2,524,487	2,518,276	2,532,725	2,563,846
Scholarships, Student Grants, and Waivers	6,507,365	6,507,365	6,507,365	6,507,365
Total Expenditures	\$ 10,596,900	\$ 10,586,841	\$ 10,610,240	\$ 10,660,651
By Object				
Salaries	\$ 2,005,508	\$ 2,063,883	\$ 2,104,542	\$ 2,146,003
Benefits	395,383	415,150	435,910	457,710
Contractual Services	452,918	459,710	466,610	473,610
General Materials and Supplies	333,357	338,360	343,440	348,590
Travel and Conference	69,931	69,930	69,930	69,930
Fixed Charges	263,025	263,030	263,030	263,030
Utilities	-	-	-	-
Capital Outlay	268,249	168,249	118,249	93,249
Student Financial Aid	6,507,365	6,507,365	6,507,365	6,507,365
Other Expenditures	301,164	301,164	301,164	301,164
Total Expenditures	\$ 10,596,900	\$ 10,586,841	\$ 10,610,240	\$ 10,660,651

Projected Special Revenue Fund Changes in Fund Balance

**Carl Sandburg College
Special Revenue Fund-Projected Changes in Fund Balance
Fiscal Years 2013- 2016**

	2013	2014	2015	2016
Beginning Balance	\$ 3,947,359	\$ 4,014,365	\$ 4,129,486	\$ 4,261,397
Revenues	\$ 10,641,406	\$ 10,701,962	\$ 10,742,151	\$ 10,784,468
Expenditures	10,495,400	10,566,841	10,590,240	10,640,651
Revenues Over (Under) Expenditures	\$ 146,006	\$ 135,121	\$ 151,911	\$ 143,817
Transfers	(79,000)	(20,000)	(20,000)	(20,000)
Ending Fund Balance	\$ 4,014,365	\$ 4,129,486	\$ 4,261,397	\$ 4,385,214

Projected Fund Balances - Special Revenue Fund



Projected Debt Service Revenues and Expenditures

**Carl Sandburg College
Projected Debt Service Revenues
Fiscal Years 2013 - 2016**

	2013	2014	2015	2016
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 3,282,777	\$ 3,377,566	\$ 3,466,462	\$ 3,537,732
Subtotal Local Revenue Sources	\$ 3,282,777	\$ 3,377,566	\$ 3,466,462	\$ 3,537,732
Other Sources of Revenue				
Interest Income	\$ 12,290	\$ 12,351	\$ 12,413	\$ 12,475
Other Income	-	-	-	-
Subtotal of Other Sources	\$ 12,290	\$ 12,351	\$ 12,413	\$ 12,475
Total Revenue	\$ 3,295,067	\$ 3,389,917	\$ 3,478,875	\$ 3,550,207

**Carl Sandburg College
Projected Debt Service Expenditures
Fiscal Years 2013- 2016**

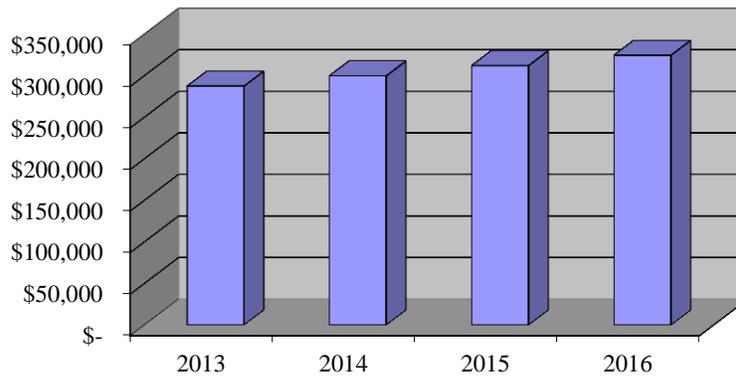
	2013	2014	2015	2016
By Program				
Institutional Support	\$ 3,259,675	\$ 3,377,566	\$ 3,466,462	\$ 3,537,732
Total Expenditures	\$ 3,259,675	\$ 3,377,566	\$ 3,466,462	\$ 3,537,732
By Object				
Fixed Charges	\$ 3,259,675	\$ 3,377,566	\$ 3,466,462	\$ 3,537,732
Capital Outlay	-	-	-	-
Other Expenditures	-	-	-	-
Total Expenditures	\$ 3,259,675	\$ 3,377,566	\$ 3,466,462	\$ 3,537,732

Projected Debt Service Changes in Fund Balance

**Carl Sandburg College
Debt Service Fund-Projected Changes in Fund Balance
Fiscal Years 2013- 2016**

	2013	2014	2015	2016
Beginning Balance	\$ 251,893	\$ 287,285	\$ 299,636	\$ 312,050
Revenues	\$ 3,295,067	\$,389,917	\$ 3,478,875	\$ 3,550,207
Expenditures	3,259,675	3,377,566	3,466,462	3,537,732
Revenues Over (Under) Expenditures	\$ 35,392	\$ 12,351	\$ 12,413	\$ 12,475
Transfers	-	-	-	-
Ending Fund Balance	\$ 287,285	\$ 299,636	\$ 312,050	\$ 324,525

Projected Fund Balance - Debt Service Fund



Ending Fund Balance

Projected Capital Projects Revenues and Expenditures

**Carl Sandburg College
Projected Capital Projects Revenues
Fiscal Years 2013 - 2016**

	2013	2014	2015	2016
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 86,800	\$ 88,970	\$ 91,194	\$ 93,474
Subtotal Local Revenue Sources	\$ 86,800	\$ 88,970	\$ 91,194	\$ 93,474
Other Sources of Revenue				
Interest Income	\$ 354,742	\$ 356,516	\$ 358,298	\$ 360,090
Other Income	57,950	57,950	57,950	57,950
Subtotal of Other Sources	\$ 412,692	\$ 414,466	\$ 416,248	\$ 418,040
Total Revenue	\$ 499,492	\$ 503,436	\$ 507,443	\$ 511,514

**Carl Sandburg College
Projected Capital Projects Expenditures
Fiscal Years 2013- 2016**

	2013	2014	2015	2016
By Program				
Institutional Support	\$ 723,772	\$ 498,623	\$ 503,927	\$ 509,328
Total Expenditures	\$ 723,772	\$ 498,623	\$ 503,927	\$ 509,328

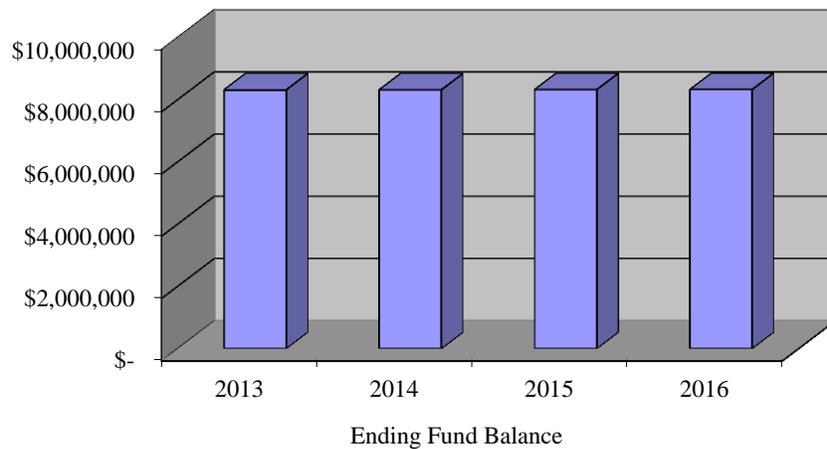
By Object				
Salaries	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-
Contractual Services	-	-	-	-
General Materials and Supplies	-	-	-	-
Travel and Conference	-	-	-	-
Fixed Charges	1,250	1,250	1,250	1,250
Utilities	-	-	-	-
Capital Outlay	137,422	140,858	144,379	147,988
Other	585,100	356,516	358,298	360,090
Total Expenditures	\$ 723,772	\$ 498,623	\$ 503,927	\$ 509,328

Projected Capital Projects Changes in Fund Balance

**Carl Sandburg College
Capital Projects Fund-Projected Changes in Fund Balance
Fiscal Years 2013- 2016**

	2013	2014	2015	2016
Beginning Balance	\$ 8,542,128	\$ 8,317,848	\$ 8,322,660	\$ 8,326,176
Revenues	\$ 452,492	\$ 488,436	\$ 492,443	\$ 496,514
Expenditures	138,672	142,107	145,629	149,238
Revenues Over (Under) Expenditures	\$ 313,820	\$ 346,328	\$ 346,813	\$ 347,276
Transfers	(538,100)	(341,516)	(343,298)	(345,090)
Ending Fund Balance	\$ 8,317,848	\$ 8,322,660	\$ 8,326,176	\$ 8,328,361

Projected Fund Balances - Capital Projects Fund



Enrollment Data

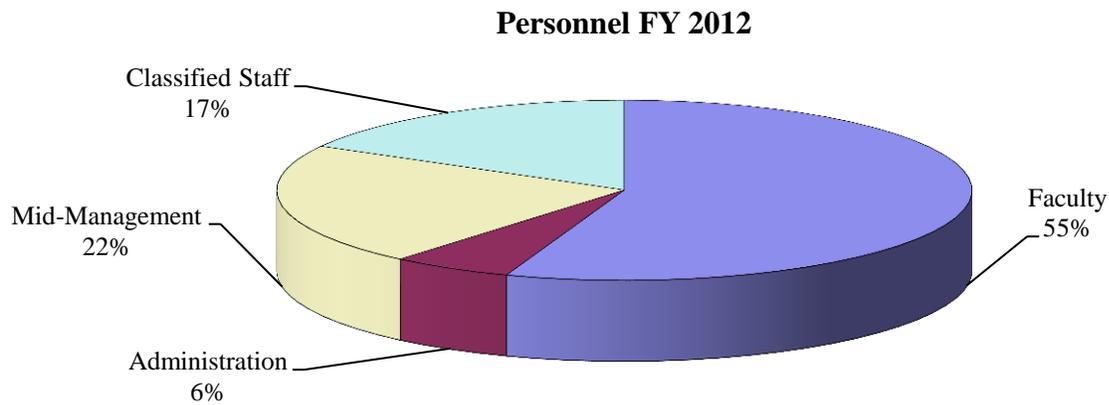
Historically, most employment in the CSC district had been in manufacturing and farming. However, our district has experienced continued economic stress with the loss of several manufacturing plants over the last several years. We have demonstrated our ability to serve the increasing enrollments due 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.
- 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 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 2-3% increase is shown.

Enrollment Trends	2009	2010	2011	Est. 2012	Proj. 2013	Proj. 2014	Proj. 2015	Proj. 2016
Instruction								
Annual Unduplicated Headcount Enrollment								
Bacc/Transfer	2,844	2,965	3,270	3,237	3,270	3,335	3,435	3,504
Main Campus	2,060	2,135	2,626	2,600	2,626	2,678	2,759	2,814
Branch Campus	389	415	374	370	374	381	393	401
Extension Center	117	119	102	101	102	104	107	109
Other by agreement	278	296	168	166	168	171	176	180
Vocational	26	23	19	19	19	20	20	21
Main Campus	26	23	19	19	19	20	20	21
Branch Campus	-	-	-	-	-	-	-	-
Extension Center	-	-	-	-	-	-	-	-
Other by agreement	-	-	-	-	-	-	-	-
Occupational	1,206	1,220	1,055	1,066	1,066	1,098	1,130	1,164
Main Campus	1,105	1,122	1,007	1,017	1,017	1,048	1,078	1,110
Branch Campus	91	92	44	45	45	46	48	49
Extension Center	5	5	4	4	4	4	4	5
Other by agreement	5	1	-	-	-	-	-	-
ABE	201	266	225	223	223	223	223	223
Main Campus	160	200	167	165	165	163	163	163
Branch Campus	30	51	41	43	43	45	45	45
Extension Center	11	15	17	15	15	15	15	15
Other by agreement	-	-	-	-	-	-	-	-
ASE	209	182	142	141	141	142	142	142
Main Campus	95	158	107	117	117	118	118	118
Branch Campus	86	18	24	18	18	18	18	18
Extension Center	29	6	11	6	6	6	6	6
Other by agreement	-	-	-	-	-	-	-	-
ESL	71	67	74	73	73	75	76	78
Main Campus	71	65	70	71	71	73	74	75
Branch Campus	-	2	4	2	2	2	2	3
Extension Center	-	-	-	-	-	-	-	-
Other by agreement	-	-	-	-	-	-	-	-
General Studies	-	1	-	1	1	1	1	1
Main Campus	-	1	-	1	1	1	1	1
Branch Campus	-	-	-	-	-	-	-	-
Extension Center	-	-	-	-	-	-	-	-
Other by agreement	-	-	-	-	-	-	-	-
General Associates	71	80	83	82	82	83	84	85
Main Campus	63	71	72	71	71	73	73	74
Branch Campus	8	9	11	11	11	10	11	11
Extension Center	-	-	-	-	-	-	-	-
Other by agreement	-	-	-	-	-	-	-	-
Total	4,628	4,804	4,868	4,842	4,874	4,976	5,111	5,217
Annual FTE Students	1,641	1,765	1,695	1,689	1,673	1,711	1,745	1,780
Total Credit Hours	49,219	52,954	50,843	50,670	50,203	51,329	52,356	53,403
Main Campus	39,134	42,434	41,152	43,137	42,729	43,690	44,559	45,450
Branch Campus	4,763	4,650	5,732	5,948	5,893	6,025	6,146	6,269
Extension Center	951	915	949	1,086	1,076	1,100	1,122	1,145
Other by agreement	4,371	4,955	3,010	499	504	514	529	540
Degrees awarded								
Associate (Transfer)	108	106	124	160				
Associate in Applied Science	118	122	181	160				
Career & Technical Certificates	141	137	188	165				
Students per faculty	16	17	16	16				

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 55% 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.

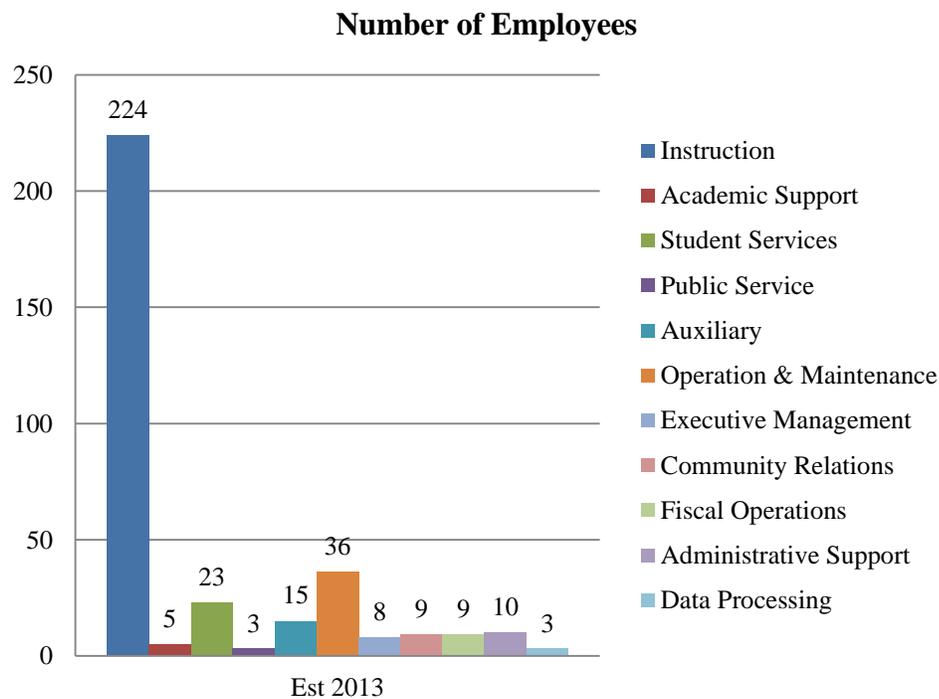


**Carl Sandburg College
Personnel Resource Allocation
Employees 2009-2013**

Fiscal Year	2009	2010	2011	2012	Est 2013
FACULTY					
Full-Time	62	64	55	56	56
Part-Time	120	137	142	142	141
Subtotal	182	201	197	198	197
ADMINISTRATIVE					
Full-Time	20	20	20	19	19
Part-Time	0	0	0	1	0
Subtotal	20	20	20	20	19
MID-MANAGEMENT					
Full-Time	69	70	68	66	62
Part-Time	10	12	11	11	10
Subtotal	79	82	79	77	72
CLASSIFIED STAFF					
Full-Time	51	49	53	53	54
Part-Time	7	7	6	7	3
Subtotal	58	56	59	60	57
GRAND TOTAL	339	359	355	355	345

- 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 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 2011 includes the retirement of five faculty and the elimination of one faculty position and related program due to low and declining enrollment over the last several years. Two retired faculty positions were filled internally through promotions. The other duties were distributed among existing full-time personnel and adjunct faculty.
- FY 2012 indicates the repositioning of one administrative position to part-time and a retirement in the mid-management area.
- FY 2013 includes the retirement of one part-time administrative position, two mid-management positions and two classified staff where the duties were distributed among existing full-time personnel. Retirements increased at the end of FY2012 in part due to anticipated changes in SURS. These positions were filled by normal College hiring procedures.



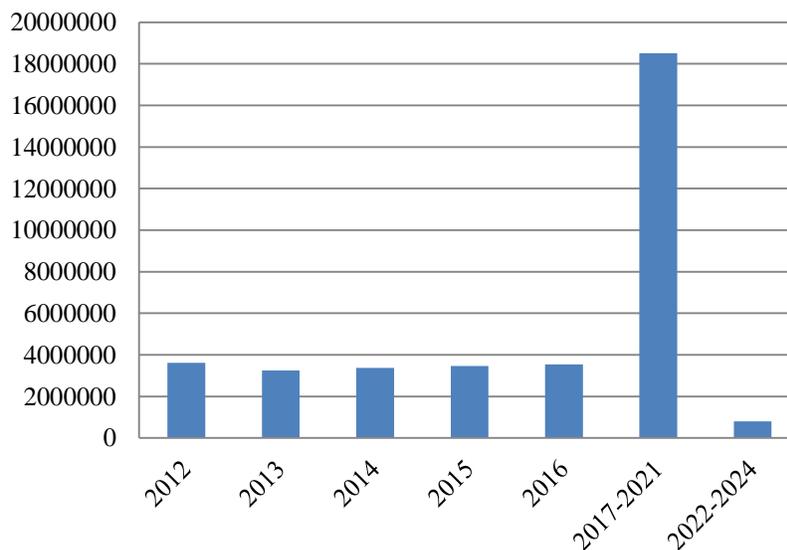
Debt Administration

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 have been 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 \$43,208,691. The current general obligation debt of the College is \$27,325,000. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$15,883,691. 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, the College issued new debt to renovate a facility in our southern part of the district that was donated to the College and to expand our Strategic Technology Quasi Endowment Fund. FY 2010 and FY 2011 debt was issued to expand the working cash fund. With no new debt issued, the College will see an 8.0% decrease in total outstanding principal during FY 2013.

Debt Amortization

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2012	2,500,000		400,909	2,900,909	1,110,781	4,011,690
2013	2,210,000			2,210,000	1,041,371	3,251,371
2014	2,415,000			2,415,000	962,566	3,377,566
2015	2,600,000			2,600,000	866,462	3,466,462
2016	2,775,000			2,775,000	762,732	3,537,732
2017-2021	16,575,000			16,575,000	1,935,028	18,510,028
2022-2024	750,000			750,000	50,200	800,200
Total	\$ 29,825,000	\$ -	\$ 400,909	\$ 30,225,909	\$ 6,729,140	\$ 36,955,049

Debt Retirement



Performance Measures

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

Student Access and Success

Instruction has been challenged to increase enrollment and/or credit hours by 2%. This allows the College to determine if we are offering the educational programs to meet the needs of our district and our students. This must also take into consideration: How many students do you want in your classes/programs? How many can you realistically serve? Do your goals reflect our population?

Department Credit Hours

	FY10	FY11 estimated	Growth	FY12 projected	Growth
CTHE	12,397	12,373	-0.19%	12,166	-1.67%
Humanities	10,033	10,949	9.13%	10,694	-2.33%
Math & Natural Science	8,939	10,200	14.11%	10,247	0.46%
Social & Behavioral Science	8,821	10,047	13.90%	8,998	-10.44%
Nursing	4,643	3,714	-20.01%	4,004	7.81%
College Prep	3,220	1,967	-38.91%	2,064	4.93%
Corporate & Community services	3,519	2,415	-31.36%	2,030	-15.94%
	51,571	51,665	0.18%	50,203	-2.83%

Institutional Support continues to look for opportunities for students of all backgrounds to have access to higher education. This is monitored through Foundation scholarships awarded and the number of recipients.

Foundation Scholarships	FY10	FY11	FY12 Projected
\$	\$ 201,302	\$ 211,878	\$ 201,934
Recipients	213	226	233

Teaching and Learning

Pass rates on boards are monitored to promote student learning. The goal is to meet or exceed national pass rates.

Pass Rate % on Boards	FY09	National	FY10	National	FY11	National
Nursing (RN/ADN)	79%	88%	93%	87%	83%	87%
Nursing (LPN/PN)	92%	86%	86%	87%	77%	85%
Dental Hygiene	100%	92%	100%	84%	83%	80%
Radiologic Technology	100%	91%	92%	92%	100%	92%
Mortuary Science	81%	81%				
Arts			100%	78%	75%	77%
Science			100%	79%	85%	76%

Student retention rates are evaluated by student services to monitor teaching and learning. The TRiO-SSS program monitors persistence rate, good academic standing, and graduation/transfer rate. This is on a limited number of students annually and the College continues to look for ways to serve additional students.

Academic Year	Persistence Rate	% of Students Good Academic Record	Graduation / Transfer Rate
2008-2009	73%	81%	40%
2009-2010	72%	80%	50%
2010-2011	72%	80%	50%
Average	72%	80%	47%
Goal	60%	60%	20%

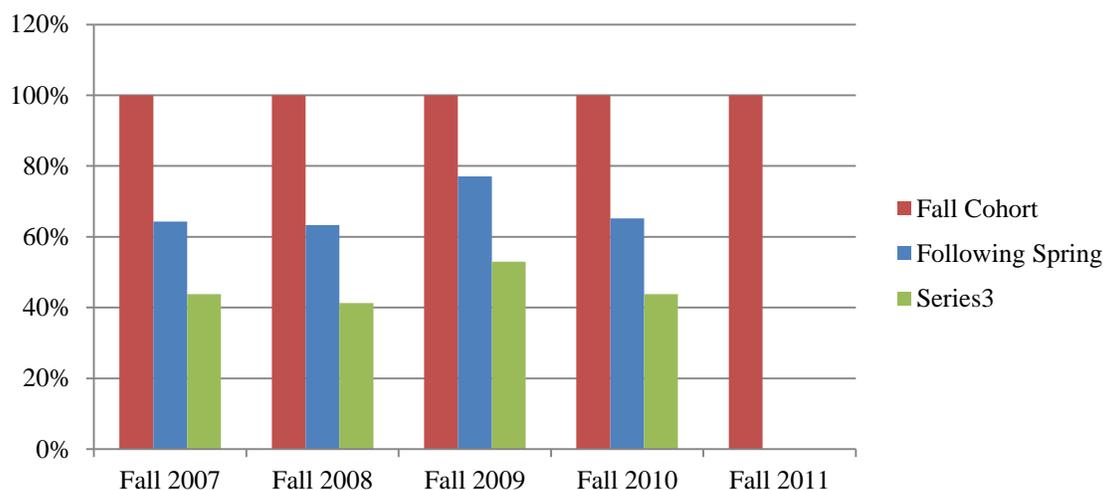
The College has implemented retention alert. This is a way for instructors to refer students as early as possible for potential issues that may interfere with the student’s education. Categories include: attendance, grades, academic dishonesty, financial reasons, or personal issues. Increased faculty participation will help to identify at risk students.

Retention Alert	2009	2010	2011	2012 Estimated
# of cases referred	336	452	455	464

Retention Rates of New Students

The College partnered with an enrollment management consultant to update and build upon our institutional marketing plan. The College anticipates increasing full-time program enrollment and increased retention.

The percentage of new fall students who re-enroll the following spring and subsequent fall has fluctuated. With our enrollment management consultant partnership, the College hopes to see this retention rate increase over the next several years.



Retention Rates of New Full Time Students

	Fall 2007		Fall 2008		Fall 2009		Fall 2010		Fall 2011	
Registered	409		395		402		454		309	
Following Spring	263	64.30%	250	63.29%	310	77.11%	296	65.20%		
Fall, 1 Year	179	43.77%	163	41.27%	213	52.99%	199	43.83%		

An Enrollment Management plan will help to stabilize and guide the institution's enrollment. Revenue/Cost Reports help identify an early warning system for academic programs that may not be as effective as is desired from a financial perspective. Programs may then be placed on our programmatic concern, review or warning list to trigger subsequent management actions.

Revenue Cost Reports				
# of Programs Identified	FY10	FY11	FY12	
Concern	8	5	5	
Review	0	2	0	
Warning	2	2	4	

Recently the Student Opinion Survey (ACT) was administered for a third time on a district wide basis. This assessment allows students to communicate areas they feel the College handles well and to identify areas where the College may need improvement. 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:

Fiscal Year 2009

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

Fiscal Year 2011

1. Academic advisors are approachable
2. Easy access to course schedules and bills
3. Campus is safe and secure

Areas toward the bottom included;

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Opportunities for student employment 2. Student government 3. Opportunities for personal involvement in college activities | <ol style="list-style-type: none"> 1. Excellent quality of instruction 2. Class registration with few conflicts 3. Knowledgeable academic advisors |
|---|---|

Operational Sustainability and Excellence

Student services has been instrumental in developing an enrollment management plan including the tracking of new applications by market segment. This will allow for strategic marketing decisions, an increased applicant pool and an increase in conversion of applications to enrollment of new students.

New Applicant Tracking	Applications % of Goal		
	FY10	FY11	FY12
Fall	121%	126%	88%
Spring	114%	124%	101%

Conversion of Applicants to Enrollments	Goal	Applications % of Goal		
		FY10	FY11	FY12
Fall	50%	44%	53%	43%
Spring	30%	32%	31%	35%

An operating fund balance equal to 20 percent of the previous year's adopted budget will help determine operational sustainability.

Operating Fund Balance	FY10	FY11	FY12 Estimated	FY13 Projected
Actual	\$ 3,404,811	\$ 4,203,599	\$ 4,668,466	\$ 4,668,466
Goal	\$ 3,101,913	\$ 3,252,088	\$ 3,022,067	\$ 3,164,994

There is always a need to evaluate and respond to the physical environment. Utilities are a significant expense. The College strives to maintain utility costs per gross square feet at or below the state community college average.

Facility costs		FY10	FY11	FY12 Estimated	FY13 Projected
Per Gross Square Feet	Actual	\$ 1.85	\$ 1.75	\$ 2.04	\$ 2.00
	State average	\$ 1.94	\$ 1.91	\$ 2.00	\$ 2.00

The College believes in financial responsibility. This includes being able to attract and retain a quality workforce to provide a quality educational experience. Our net instructional unit cost per credit hour remains in line with other Illinois Community Colleges.

Net Instructional Unit Cost per Credit Hour	2008	2009	2010	2011	2012 Est.	2013 Proj.
(Unrestricted Only)						
CSC	\$ 226.93	\$240.31	\$ 230.44	\$ 232.54	\$234.63	\$238.15
State	\$ 217.92	\$229.00	\$ 214.34	\$ 215.86	\$217.37	\$220.63
Average Cost per FTE Student						
CSC	\$ 6,808	\$ 7,209	\$ 6,913	\$ 6,976	\$ 7,039	\$ 7,144
State	\$ 6,538	\$ 6,870	\$ 6,430	\$ 6,476	\$ 6,521	\$ 6,619
Degrees Awarded						
Total	364	367	365	493	485	

Community Alliances

Community Alliances encourages us to expand partnerships with four-year colleges and universities. This will allow students a better transition to four year institutions.

Partner	Date Activated	Current
Dental Hygiene w SIUC	Aug-08	yes
Franklin University	Dec-07	yes
Knox College MAP 2+2	Mar-11	yes
Methodist College of Nursing	Mar-09	yes
University of Illinois, Springfield	May-00	yes
WIU Board of Trustees	Feb-06	yes
WIU Dual Admission	Apr-88	yes
WIU MAP 2+2	Apr-09	yes
WIU Dual Credit Program Agreement	Jun-07	yes

We strive to offer community education and to create opportunities for lifelong learning

<u>Courses Taken</u>			
<u>Community Education</u>	<u>FY10</u>	<u>FY11 Estimated</u>	<u>FY12 Projected</u>
<u>Kids on Campus</u>	<u>1216</u>	<u>614</u>	<u>575</u>
<u>College for Seniors</u>	<u>1067</u>	<u>1031</u>	<u>1250</u>
<u>Customized Training</u>	<u>403</u>	<u>389</u>	<u>350</u>

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.

PRINCIPAL EMPLOYERS

Employer	2011			2002		
	Employees	Rank	Percentage of Total District Employment	Employees	Rank	Percentage of Total District Employment
Farmland Foods	1,400	1	2.25%	875	3	1.31%
Burlington Northern Santa Fe Railroad	1,115	2	1.79%	850	4	1.27%
OSF (Galesburg, Monmouth)	1,025	3	1.65%	525	9	0.79%
School District Number 205	730	4	1.17%	800	5	1.20%
Hy-Vee	574	5	0.92%			
Dick Blick Company	550	6	0.88%			
Galesburg Cottage Hospital	542	7	0.87%	800	6	1.20%
Bridgeway/Bridgeway Training	454	8	0.73%			
Carl Sandburg College	450	9	0.72%			
Knox County	420	10	0.68%	447	10	0.67%
Maytag-Galesburg Refrigeration				2,400	1	3.59%
Methode Electronics				1,200	2	1.80%
Butler Manufacturing				800	7	1.20%
Gates Rubber Company				580	8	0.87%
Total	7,260		11.67%	9,277		13.89%

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

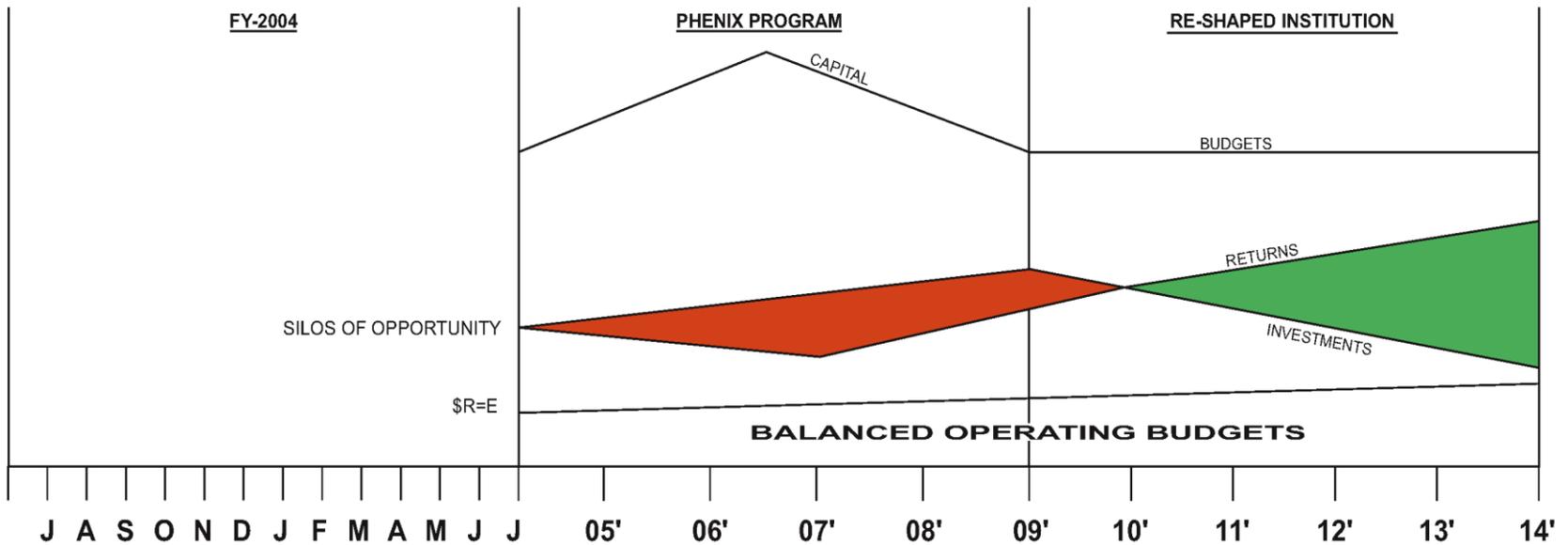
STABILITY

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 →
- CSRP →
 - Shift from Courses to Programs?
 - Submit Title III Grant
 - Annex Renovation
 - AE & FL Complex
 - Facility Renovations
 - Expand PM Certificates/Degrees
 - Expand #/Visibility of Student Clubs and Organizations
 - Expand Recruiting Outside of District
 - Expand Theater Arts Programming & Community Use of College Facilities
 - Light/Enhance Ball Diamonds
- NCA Accreditation →

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

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 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 - Audit Fund, Liability, Protection and Settlement Fund, and Program Quasi-Endowment 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.

TRiO – This refers to six federal programs that provide outreach and support to help low-income, first-generation college students and also students with disabilities.

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