

Carl Sandburg College

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

**JULY 1, 2009 – JUNE 30, 2010
BUDGET**



**Educational &
Financial Plan**

CARL SANDBURG COLLEGE
Final Budget for Fiscal Year 2010
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CARL SANDBURG COLLEGE

EXECUTIVE SUMMARY

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

FROM: Thomas A. Schmidt, President 

SUBJECT: Budget for Fiscal Year 2010

Transmitted herewith is the budget for Carl Sandburg College District #518 for fiscal year 2010 (beginning July 1, 2009, and ending June 30, 2010). This budget reflects many of the significant components/implications contained within the Phenix Program, which was first introduced in September 2003.

It maintains our commitment to operating the College as efficiently as possible in light of The Higher Learning Commission's recommendations to implement measures to avoid deficit spending and our long term goal of establishing (and maintaining) appropriate operating fund balances. It is recognized that adjustments to the FY-2010 budget may be necessary. The budget can be amended later in the fiscal year as deemed necessary.

The FY-2010 budget is predicated on credit hour projections that have been provided in greater detail, including projections on our growing dual credit programs. Given that two (2) of our three (3) major funding sources are directly affected by the number of credit hours produced in each program, the College's Instructional Team placed a high priority on this aspect of our planning process.

The FY-2010 budget incorporates and reflects recognition of several significant factors:

1. The most financially challenging landscape ever faced by the State of Illinois. The Illinois Community College System budget has not been increased since FY2002 (FY-1993 when adjusted for inflation). Also, the state has not had a capital budget since 1999.
2. Despite uncertainty over the local and state economy, the College budget will be adopted in accordance with the timeline approved by the Board of Trustees in January 2009.
3. Consistent with the concepts of "Outcomes Assessment" and our Phenix Program, there is a commitment to look inward on the quality and efficiencies of current programs/activities with an eye towards asking the simple question, "If we were not already doing this today, would we begin doing it tomorrow?"
4. At its regular meeting held in February 2008, the Board of Trustees approved a Financial Recovery Plan (FRP) as required by our accrediting agency, The Higher Learning Commission. This subsequently led to approving a new Enrollment Management partner (Noel-Levitz) for the purpose of "revitalizing Carl Sandburg College through the development of a comprehensive Enrollment Management Program (EMP)."

The FY-2010 budget was prepared in accordance with the following perspectives/expectations and assumptions:

1. Decentralizing decision making, as evidenced by the establishment of contingency accounts under the authority of each Cabinet Officer.
2. CSC spent the decade of the 1990s simultaneously recovering from the 1980s and preparing for the new millennium.
3. The shadow for future programmatic and outcomes assessments, performance evaluations and incremental decision making is assumed to be cast forward over the next five (5) fiscal years (FY-2010 through FY-2014) ending June 30, 2014, now known as the Phenix Program.

During this period of extraordinary uncertainty the College must:

- A. Activate **M.A.S.H. Unit #518**, (**Mobile Academic Service Habitat**), if we are to lay legitimate claim to our district's inevitable economic revitalization.
 - B. Commit to our heritage of accommodating fundamental change. **THE STATUS QUO, MAY HAVE TO GO!**
 - C. **Remain a steadfast beacon of STABILITY.**
 - D. Commit to **RE-SHAPING** the College, in part, by launching "**Silos-of-Opportunity.**"
4. In addition to challenges confronting the local economy, the State of Illinois budget woes will persist well into the future.

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

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

The FY-2010 budget will feature a blend of initiatives consistent with the PHENIX Program:

1. Implementing the work of our new Strategic Enrollment Management Partner (Noel-Levitz).
2. Formally beginning preparations for re-accreditation by the Higher Learning Commission (November 2011).

3. Implementation of the following **“Hiring Perspectives”**:

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

4. Evidence of progress in “Re-shaping the Institution”:

- A. Establishing and fully funding our \$1M “SILO Fund” or quasi-endowment fund by resolution of the Board of Trustees. Interest income generated will be placed under the tutelage of the Vice President of Academic Services, who will in turn work with the College’s Instructional Team to prioritize the use of these funds to launch new “Silos of Opportunity.”
- B. Investigating the strategic implications of fostering the provision of improved student housing options to accommodate shifting instructional programming geared to full-time vs. part-time students.
- C. A vigorous use of our new partnership with Western Illinois University and the Illinois Student Assistance Commission (ISAC).
- D. Investigation of additional energy conservation measures such as new Protection, Health & Safety (PHS) projects, activation of our local Wind Energy Consortium and participation in utility “aggregation” (bulk purchasing) cooperatives.
- E. Full implementation of the provisions of our Financial Recovery Plan (FRP), specifically our new Tuition Rate Guarantee (TRG) and Fast Forward Program (FFP).

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

May 15, 2009

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, 2010. 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 8 followed by the governmental funds on page 9 of the Introductory Section. The proprietary funds summary is on page 10, followed by the fiduciary fund. Total budgeted revenues and other sources for Fiscal Year (FY) 2010 are \$32,117,866 (including Transfers In of \$1,301,059) and total budgeted expenditures are \$35,599,742 (including Transfers Out of \$1,301,059). This represents a 12.0% increase from the FY 2009 expenditure budget of \$31,784,016. This includes budgeted transfers to locally fund building renovations/improvements since the state has not provided any capital construction funding for seven years.

Organizational Summary

Background

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

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

The College's mission is as follows:

“Opportunity to Succeed”

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

Major Goals and Objectives

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 six main focal areas 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.

Focal Points

1. Learning
2. Caring Environment
3. Technology
4. Cooperative Alliances
5. Stability
6. Assessment

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.

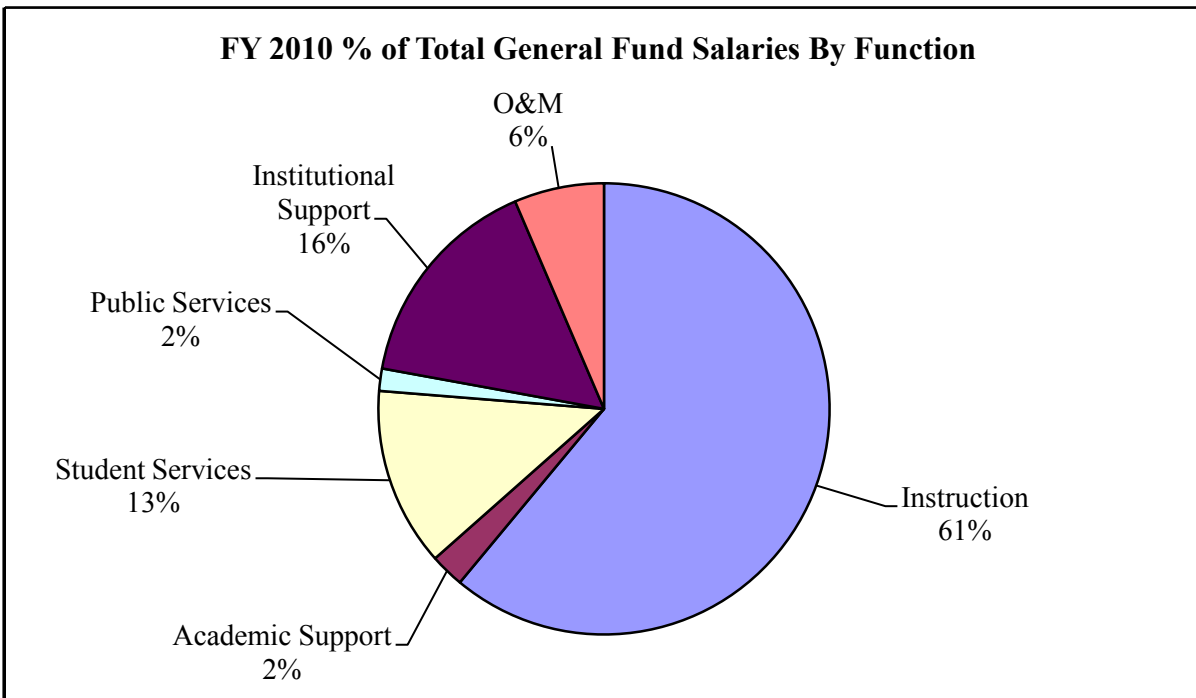
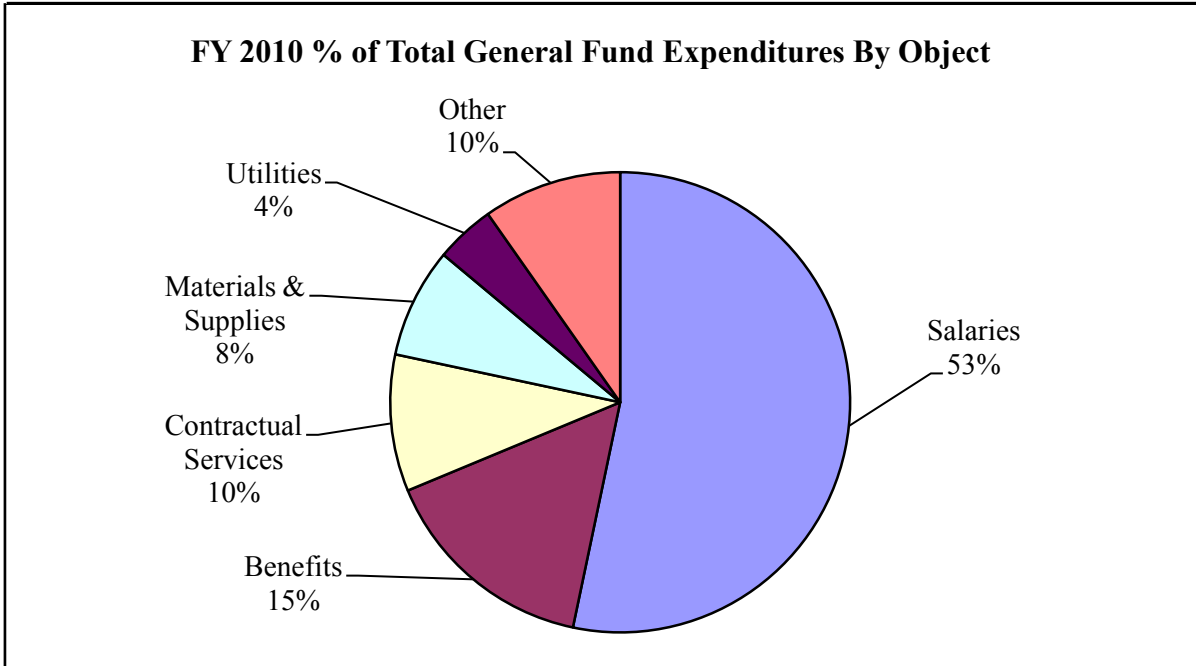
The regulations and procedures of the College shall provide for a decision-making process involving employee consultation. Faculty shall be consulted in areas such as curriculum, subject matter, faculty evaluation, academic standards and student affairs relating to the aforementioned areas. Over the 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 68% of the operating budget to salaries and benefits. 61% of total general funds salaries are for direct instruction while student services salaries make up approximately 13% of the total general funds salaries. This critical investment in people equates to a total of 62 full-time and 120 part-time faculty in FY 2009.



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

An annual salary increase of 4.0%, previously approved in the collective bargaining agreement, is included in this budget. The College will continue to bargain for a rolling contract two years out. Negotiations in the fall of 2007 furthered our current agreement thru FY 2012 with negotiations scheduled to begin again in the fall of 2009.

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 2010. The budgeted decrease in net assets is due primarily to the use of the 2009 bond proceeds to renovate the Charger Community Center and other capital projects.

CARL SANDBURG COLLEGE
SUMMARY OF FISCAL YEAR 2010 FINAL BUDGET

Budgeted Operating Revenues	\$ 7,099,592
Budgeted Operating Expenditures	(33,073,503)
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Budgeted Operating Loss	\$ (25,973,911)
<hr/>	
Budgeted Nonoperating Revenues	\$ 23,717,215
Budgeted Nonoperating Expenditures	(1,225,180)
<hr/>	
Budgeted Net Nonoperating Expenditures	\$ 22,492,035
<hr/>	
Budgeted Decrease in Net Assets	\$ (3,481,876)
<hr/>	

FY 2010

GOVERNMENTAL FUNDS BUDGET COMPARISON

REVENUE

FUND	FY 2010	FY 2009	CHANGE	%
General	\$ 16,260,442	\$ 15,509,564	\$ 750,878	4.84%
Special Revenue	10,468,456	9,620,434	848,022	8.81%
Debt Service	3,001,880	2,712,522	289,358	10.67%
Capital Projects	1,029,211	1,301,350	(272,139)	-20.91%
Totals	\$ 30,759,989	\$ 29,143,870	\$ 1,616,119	5.55%

EXPENDITURES

FUND	FY 2010	FY 2009	CHANGE	%
General	\$ 16,260,442	\$ 15,509,564	\$ 750,878	4.84%
Special Revenue	10,764,977	9,845,216	919,761	9.34%
Debt Service	3,001,880	2,696,167	305,713	11.34%
Capital Projects	4,088,810	1,911,100	2,177,710	113.95%
Totals	\$ 34,116,109	\$ 29,962,047	\$ 4,154,062	13.86%

FY 2010

PROPRIETARY FUNDS BUDGET COMPARISON

REVENUE

FUND	FY 2010	FY 2009	CHANGE	%
Auxiliary	\$ 1,262,633	\$ 1,161,538	\$ 101,095	8.70%
Totals	\$ 1,262,633	\$ 1,161,538	\$ 101,095	8.70%

EXPENDITURES

FUND	FY 2010	FY 2009	CHANGE	%
Auxiliary	\$ 1,262,633	\$ 1,301,669	\$ (39,036)	-3.00%
Totals	\$ 1,262,633	\$ 1,301,669	\$ (39,036)	-3.00%

FY 2010

FIDUCIARY FUNDS BUDGET COMPARISON

REVENUE

FUND	FY 2010	FY 2009	CHANGE	%
Nonexpendable Trust	\$ 95,244	\$ 121,300	\$ (26,056)	-21.48%
Totals	\$ 95,244	\$ 121,300	\$ (26,056)	-21.48%

EXPENDITURES

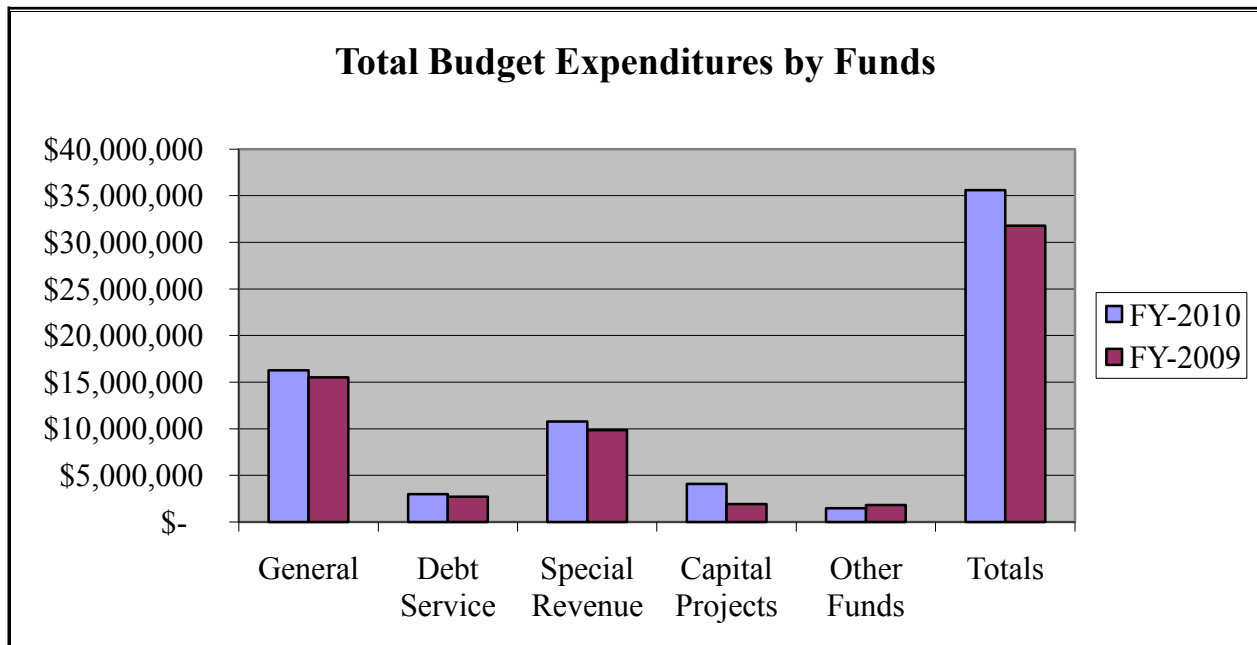
FUND	FY 2010	FY 2009	CHANGE	%
Nonexpendable Trust	\$ 221,000	\$ 520,300	\$ (299,300)	-57.52%
Totals	\$ 221,000	\$ 520,300	\$ (299,300)	-57.52%

Financial Summary

Budget Overview

The budget includes total resources of \$32,117,866 and expenditures of \$35,599,742. The General Funds (Education and Operations & Maintenance Funds) include a total budget of \$16,260,442. 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 \$10,764,977. The Debt Service Fund (Bond and Interest Fund) budget is \$3,001,880. The Capital Projects Funds (Operations & Maintenance – Restricted Fund and Technology Quasi-Endowment Fund) reflect a budget of \$4,088,810. Other Fund types (Auxiliary and Working Cash) have a total budget of \$1,483,633.

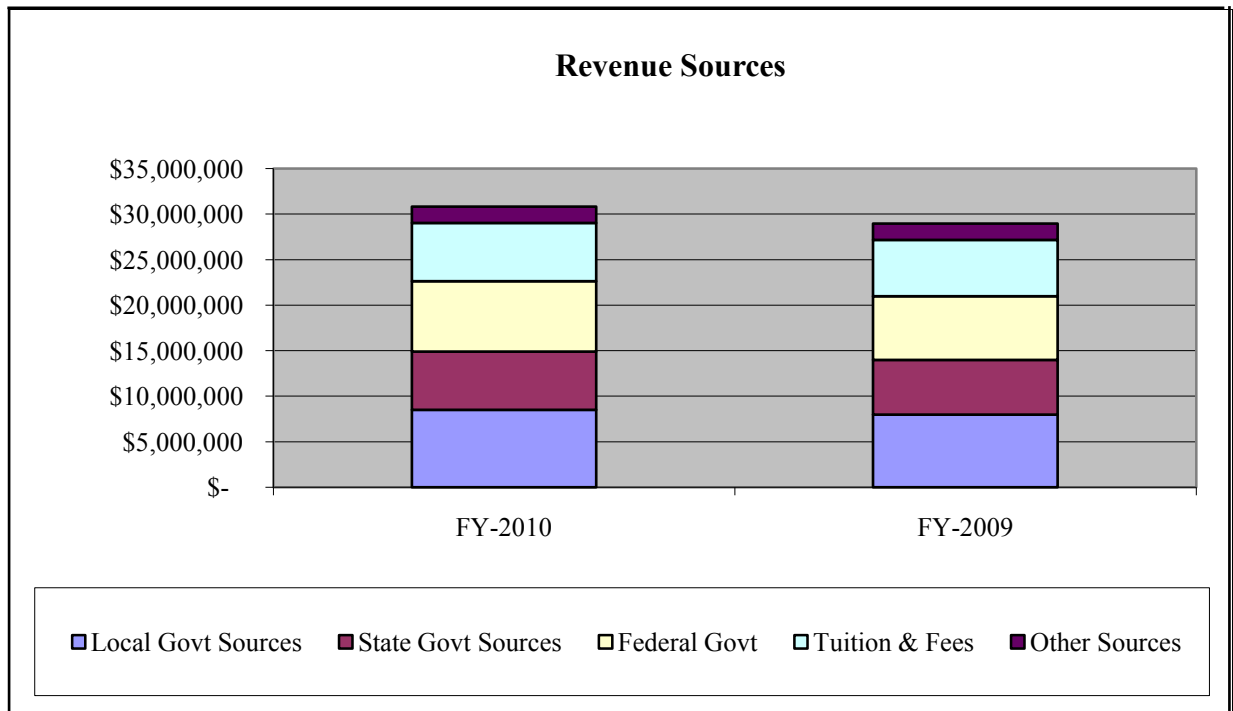
The following chart compares FY 2010 and FY 2009 expenditure budgets:



As shown above, the total expenditure budget increases in comparison with the prior year. We continue our efforts to remain balanced with budgeted revenues. Local revenue begins to level off after seeing declines over the past several years. The College saw equalized assessed valuations (EAV) of the district decrease with the loss of industry and Bulletin 810 changing the valuation of farmland. Tuition revenue is also projected to level off after the College has seen displaced workers complete their education and reenter the workforce. Increased expenditures are in capital projects being funded internally through the use of accumulated interest earned on our Working Cash Fund and Technology Quasi-Endowment Fund and FY 2009 bond proceeds for the Charger Community Center located in the southern part of our district. Since the state has not provided any capital construction funding for seven years, the College is choosing to locally fund building renovations/improvements. This is being accomplished with the accumulated interest, 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 2012 allows the College to project known salary increases. Fiscal year 2010 includes a 4% increase in salaries. As medical costs continue to soar, the administration, in an effort to operate knowing maximum costs, changed the employee health insurance to a wholly funded plan which began January 1, 2006. This enabled us to budget with known costs for the balance of calendar year 2009 of \$5,999.04 per full-time employee. Talent grants for students have been budgeted based on prior actual figures as revenue and expense at \$377,500. The refinancing of and paying off of bonds has also increased our expenditures for FY 2010.

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 2010 Budget. The College relies on three major sources of revenue for operating – Local Government Sources (property taxes), State Government Sources (ICCB grants), and Tuition and fees. Federal Sources reflect grants received and restricted to expenditures for specific purposes. Fund balance appropriations are not included.



Significant Financial and Demographic Changes

The most critical issues facing the College in the near future are enrollment, property tax base changes and state budget cuts. With the significant changes in unemployment rates from plant closings the past 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. The Equalized Assessed Value (EAV) or property tax base has seen a 10% per year annual decline in farmland assessments and Bulletin 810 allowed an even greater decline in farmland based on soil types for FY 2007. Add to this the fact that the state anticipates a deficit over the next fiscal year and you have the third component of significant financial and demographic changes.

Future Outlook

The College is financially stable and fiscally sound. We have done the right things at the right times. We have refunded long-term debt to take advantage of the lowest interest rate in decades. We have placed significant Working Cash Fund bond proceeds in investments to earn interest available to other funds for cash flow needs. We have implemented a policy whereby all funds short of cash for operations will borrow from the Working Cash Fund. We 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.

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

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.

FOCUS OF MANAGEMENT

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

Informational Summary

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

The projections have been developed from historical trends and conservative assumptions developed by college staff. 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 2009 introduced a higher tuition rate but included our tuition rate guarantee for full-time students.
 - 2007 to 2009 reflected an increase of \$954,238, an average 9% change per year
 - 2009 to 2013 anticipates an increase of \$437,450, an average 2% change per year

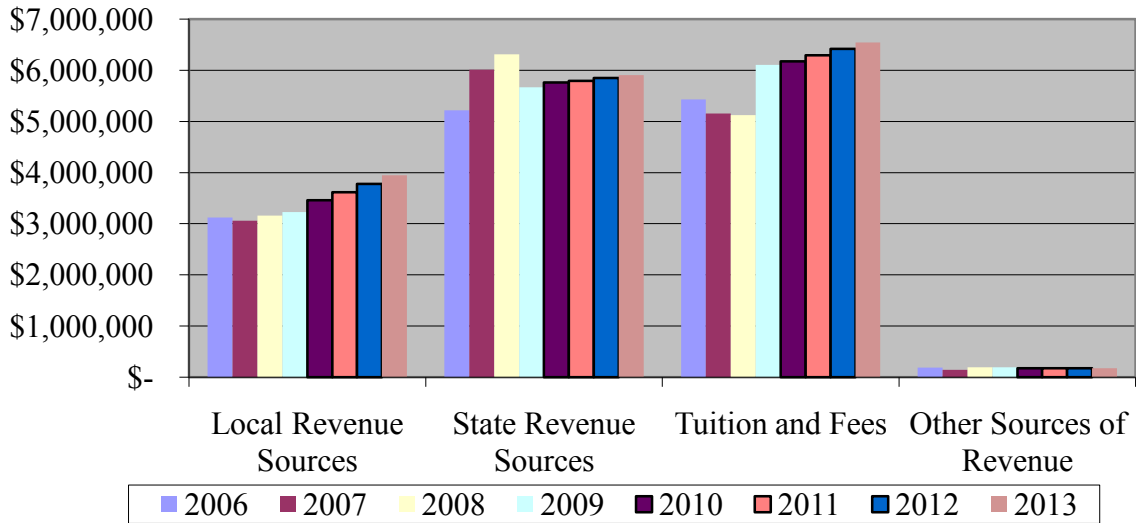
Local Revenue

- 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.
 - 2007 to 2009 increased \$169,383, average 3% change per year
 - 2009 to 2013 increases \$719,591, average 6% 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.
 - 2007 to 2009 decreased \$346,458, average 3% change per year
 - 2009 to 2013 increases \$237,607, average 1% change per year

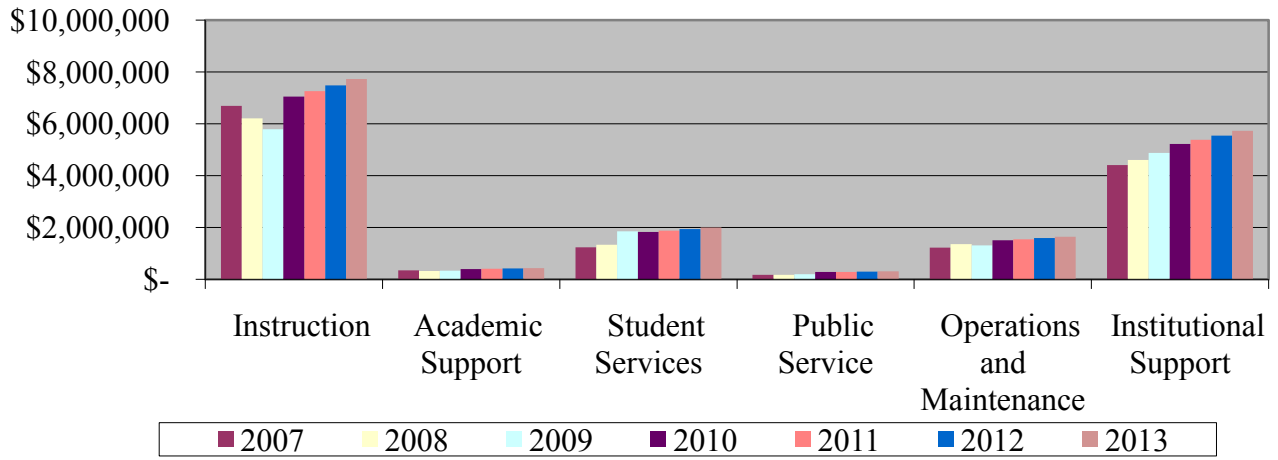
Revenue Trend/Projection General Funds



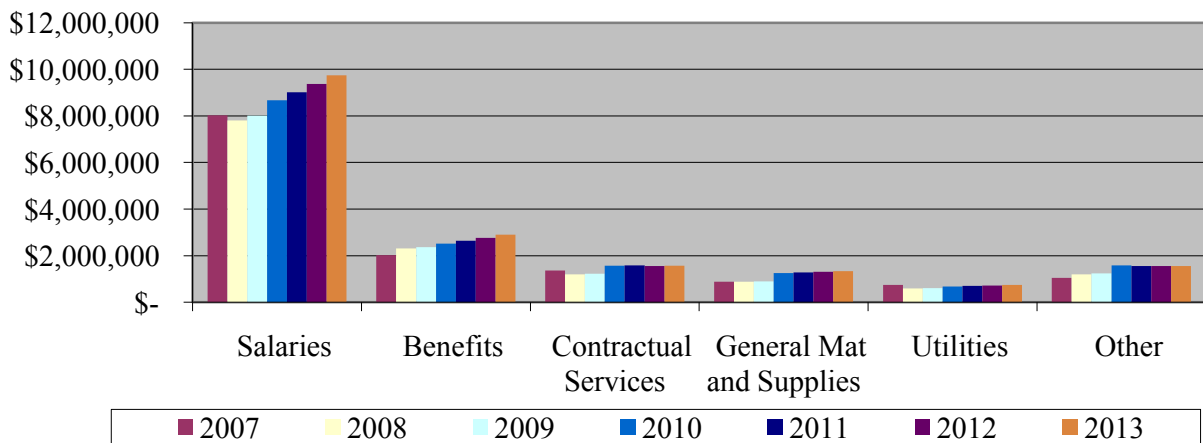
General Funds Expenditures

- Salary expenditure projections are based on the current collective bargaining agreement. This includes a 4% negotiated increase in salary in 2010-2011 and 3.95% in 2012.
- Supplies and equipment costs will increase 1.5% each year.
- Health insurance premiums will increase 5% each year.
- Student services area completed renovation in 2008 with other potential areas in subsequent years.
 - Salaries decrease 2007 to 2009 \$ 20,467, average 0% change per year
 - Salaries increase 2009 to 2013 \$1,729,411, average 5% change per year
 - Benefits increase 2007 to 2009 \$ 353,097, average 9% change per year
 - Benefits increase 2009 to 2013 \$ 533,911, average 6% change per year
 - Utilities decrease 2007 to 2009 \$ 128,101, average 9% change per year
 - Utilities increase 2009 to 2013 \$ 131,566, average 5% change per year

Historical/Projected Expenditures by Program General Funds



Historical/Projected Major Expenditures by Object General Funds



Expenditures shown for the College's General Fund are presented by program area and by object. Expenditure increases have an effective 6% increase annually.

Student Enrollment Trends

We serve a diverse group of students. In the fall of 2008, the College enrolled 2,615 students, with an average age of 28 years. Women represented 64 percent of the student body and 55 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 2010.

Fiscal Year	2005	2006	2007	2008	Estimate 2009	Projected Estimate 2010
Fall College enrollment	3,575	3,260	2,930	2,693	2,615	2,667
Annual Full-time equivalent students	2,443	2,283	1,914	1,809	1,665	1,683
Continuing Education Credit Hours	1,378	1,400	1,029	1,066	1,164	1,020
Total Annual Credit Hours	73,314	68,500	57,434	50,471	49,128	50,476

The College has the resources required to serve student enrollment. We have demonstrated our ability to serve the increasing enrollments due to dislocated workers but also acknowledge those students have completed their education and reentered the workforce.

Tax Base Trends

Economic conditions in the communities served by Carl Sandburg College District 518 are such that many industries have moved from the area. We are also faced with 40% of our district being comprised of farmland. Bulletin 810 caused concern 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 2010-2012.

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

EAV supporting our fiscal year:

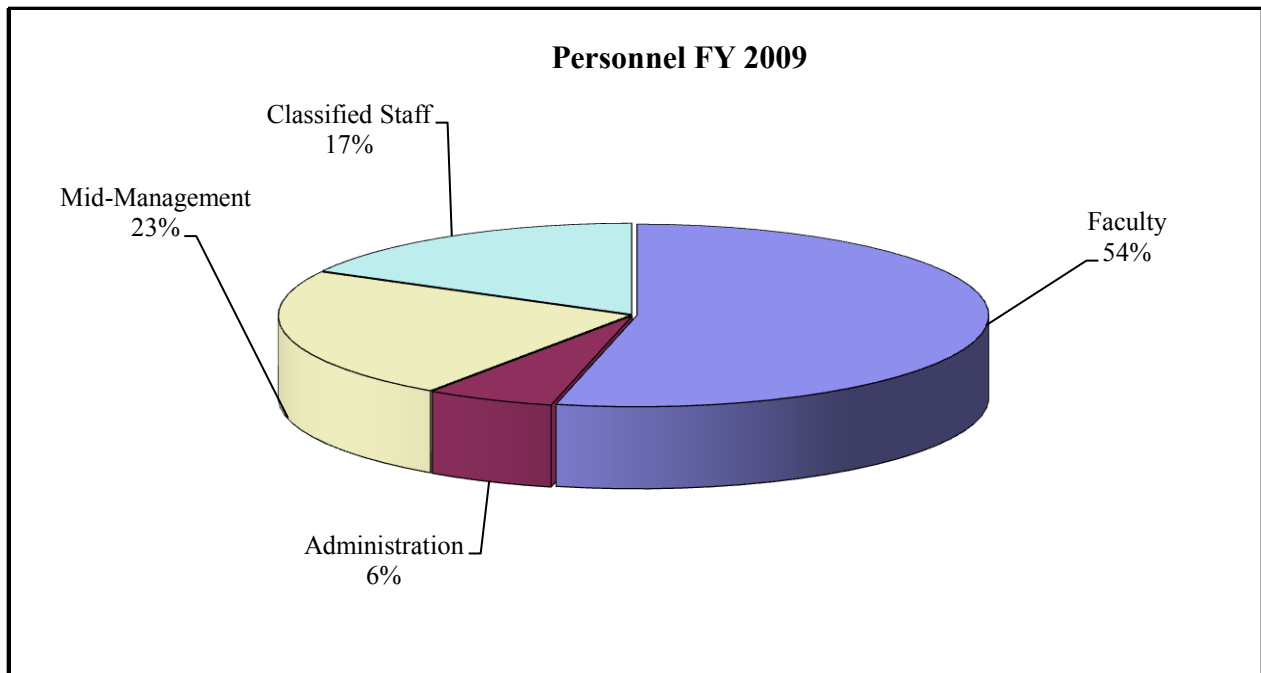
FY	2005	2006	2007	2008	2009
EAV	\$1,287,419,979	\$1,220,959,504	\$1,203,479,281	\$1,225,315,390	\$1,317,901,792
% increase/(decrease)	0.5%	-5.2%	-1.4%	1.8%	7.6%
Levy Rate (per \$100 of assessed valuation per levy year)	\$ 0.5139	\$ 0.5530	\$ 0.5759	\$ 0.6039	\$ 0.6205
% increase/(decrease)	1.9%	7.6%	4.1%	4.9%	2.7%

The College has suffered a decrease in EAV in fiscal years 2006 and 2007. This led to an increase in the levy rate and tuition and fees to offset the decline in EAV.

Change in tax extension	\$ 154,988	\$ 135,855	\$ 178,931	\$ 468,843	\$ 777,901
% increase/(decrease)	2.40%	2.10%	2.70%	6.80%	10.51%

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 54% 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.

**Carl Sandburg College
Personnel Resource Allocation
Employees 2005-2009**

Fiscal Year	2005	2006	2007	2008	2009
FACULTY					
Full-Time	74	72	68	64	62
Part-Time	190	174	149	120	120
Subtotal	264	246	217	184	182
ADMINISTRATIVE					
Full-Time	27	28	21	21	20
Part-Time	0	0	0	0	0
Subtotal	27	28	21	21	20
MID-MANAGEMENT					
Full-Time	89	91	70	69	69
Part-Time	4	6	8	10	10
Subtotal	93	97	78	79	79
CLASSIFIED STAFF					
Full-Time	55	55	60	55	51
Part-Time	2	4	5	7	7
Subtotal	57	59	65	62	58
GRAND TOTAL					
	441	430	381	346	339

Debt Administration

Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments will be funded through the tax levy while the capital leases are currently funded by bond proceeds. Legally, the College is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$37,889,676. The current general obligation debt of the College is \$31,342,273. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$6,547,403. 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. FY 2010 indicates a 22% decrease in total long-term debt payments. With no new debt issued, the College will see a 6.0% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2009	\$ 2,500,000	\$ 63,886	\$ 127,073	\$ 2,690,959	\$ 1,207,190	\$ 3,898,149
2010	1,770,000	34,751		1,804,751	1,226,294	3,031,045
2011	2,070,000	6,563		2,076,563	1,171,995	3,248,558
2012	2,415,000			2,415,000	1,055,870	3,470,870
2013	2,200,000			2,200,000	938,419	3,138,419
2014-2018	13,410,000			13,410,000	2,972,444	16,382,444
2019-2024	6,745,000			6,745,000	489,202	7,234,202
Total	\$ 31,110,000	\$ 105,200	\$ 127,073	\$ 31,342,273	\$ 9,061,414	\$ 40,403,687

Performance

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

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:

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

Areas toward the bottom included;

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

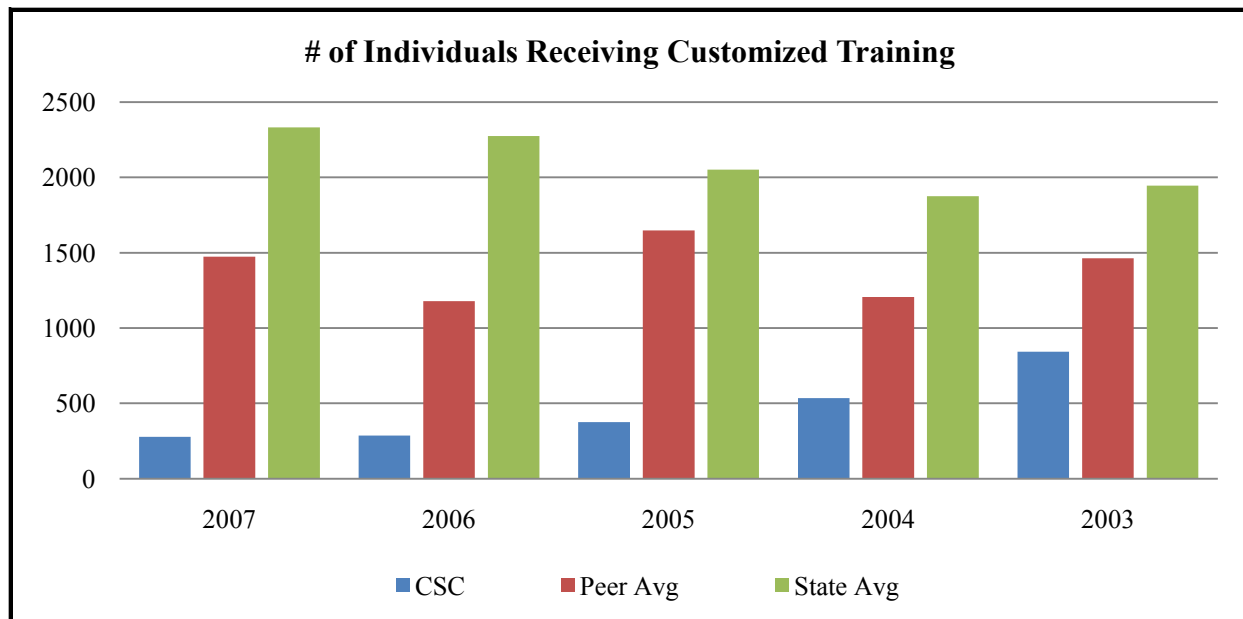
All aspects were rated on a scale of 1 – 5, 1 being very dissatisfied and 5 being very satisfied. The top areas average a 3.94 with the bottom areas averaging 3.52. There is continued effort being made to retain students.

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

	2005	2006	2007	2008
(unrestricted only)				
CSC	193.23	202.88	209.75	226.93
State	198.39	208.43	214.92	217.92
Average Cost per FTE Student				
CSC	5,797	6,086	6,293	6,808
State	5,951	6,253	6,490	6,538
Degrees awarded				
Total	443	561	475	364

CSC believes community colleges are vital to economic and workforce development. Customized training will help Illinois Business and industry sustain strong economic growth. We hope to see a continued increase in this arena.



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

Acknowledgments:

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

Respectfully submitted,

Samuel Sudhakar
 Samuel Sudhakar
 Vice President of Administrative Services

Lisa Blake
 Lisa Blake
 Chief Financial Officer

**CARL SANDBURG COLLEGE
FY-2010
BUDGET DEVELOPMENT CALENDAR**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/22/09*	Approve Budget Development Calendar	BOT
1/30/09	Finalize Budget parameters	President
1/30/09	Distribute electronic spreadsheet forms to prepare credit hour goals	CFO
2/2/09	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/16/09	Distribute Electronic Budget Packets to Budget Managers	CFO
2/16/09	Credit hour goals due to the VP of Academic Services	Instructional Team
2/27/09	Review credit hour goals with Instructional Team	VP of Academic Services & Instructional Team
2/9/09-3/6/09	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
3/6/09	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed.)	Budget Managers
3/9/09 – 4/3/09	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/6/09 -5/8/09	Tentative Budget reviewed by Cabinet and CFO	Cabinet Officers & CFO
5/21/09*	Tentative Budget distributed to and adopted by BOT	BOT
5/25/09	Publish Notice of Public Hearing on the Tentative Budget and Public Inspection	CFO
5/25/09	Budget available for public inspection	CFO
5/22/09 – 6/5/09	Necessary revisions to Budget completed	Cabinet Officers & CFO
6/25/09*	6:30 p.m. – Public Hearing	BOT
6/25/09*	Adopt Final Budget	BOT
6/26/09	Submit Final Budget to ICCB, staff, and county clerks	CFO

***Board of Trustees Scheduled Meeting**

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting - May 21, 2009

Item 4.3-A Adoption of Tentative FY-2010 Budget

Focal Points and Goals

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

Background

The tentative FY-2010 budget is proposed for Board adoption at the May 21, 2009, 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 25, 2009, at the A. Lewis Long Conference Room, Galesburg, Illinois.

To allow maximum time for its development, we will deliver the tentative FY-2010 budget booklet to the Board at your meeting scheduled for May 21, 2009.

Recommended Action

The Administration recommends the Board of Trustees authorize the adoption of the FY-2010 Tentative Budget.

CARL SANDBURG COLLEGE

Board of Trustees Meeting

Regular Meeting – June 25, 2009

Item FY – 2010 Final Budget

Focal Points and Goals

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

Background

The Tentative FY-2010 Budget has been reviewed by the Board of Trustees, faculty, students, support staff and administration. It has also been on public display for the required number of days in accordance with State law.

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

Recommended Action

The Administration recommends approval of the resolution for adoption for the FY-2010 Budget for Carl Sandburg College.

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

Board of Trustees

Name	Position	Term Expires
Reverend Jon A. Sibley, Sr.	Chairperson	2013
Mr. Michael T. Bavery	Vice Chairperson	2013
Ms. Gayla J. Pacheco	Secretary	2011
Mr. Thomas H. Colclasure	Trustee	2015
Mr. John T. Huston	Trustee	2011
Mr. Bruce Lauerman	Trustee	2015
Mr. William C. Robinson	Trustee	2011
Ms. Cristina Campos	Student Trustee	
Ms. Carol J. Petersen	Faculty Representative	
Ms. Diane E. Inman	Staff Representative	

Officers of the College

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

Administrative Staff

Ms. Gena Alcorn	Director of Foundation
Mr. Tony Bentley	Director of TRiO Upward Bound Project
Ms. Lisa Blake	Chief Financial Officer/Treasurer
Mr. Larry Byrne	Director of Business Services
Ms. Robin DeMott	Director of Marketing & Public Relations
Ms. Marnie Dugan	Director of Recruiting
Ms. Sherry Foster	Dean of Corporate and Community Services
Ms. Lisa Hanson	Director of Financial Aid
Ms. Carol Kreider	Dean of Student Support Services
Ms. Misty Lyon	Director of TRiO Student Support Services
Ms. Debra Miller	Dean of Extension Services
Mr. Mark Pfleiger	Dean of Occupational Programs
Mr. Jim Rich	Dean of Adult & Developmental Education
Dr. Connie Thurman	Dean of Human Resources
Mr. Michael Walters	Dean of the Library
Ms. Lauri Wiechmann	Dean of Allied Health

Official Issuing Report

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

Finance Office

Association of School Business Officials International



This Meritorious Budget Award is presented to

Carl Sandburg College District 518

for excellence in the preparation and issuance
of its school system budget

for the Fiscal Year 2008-2009

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

Jerry Brendel
President

John D. Russo
Executive Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Carl Sandburg College

Illinois

For the Fiscal Year Beginning

July 1, 2008

Handwritten signature of the President of GFOA.

President

Handwritten signature of the Executive Director of GFOA.

Executive Director

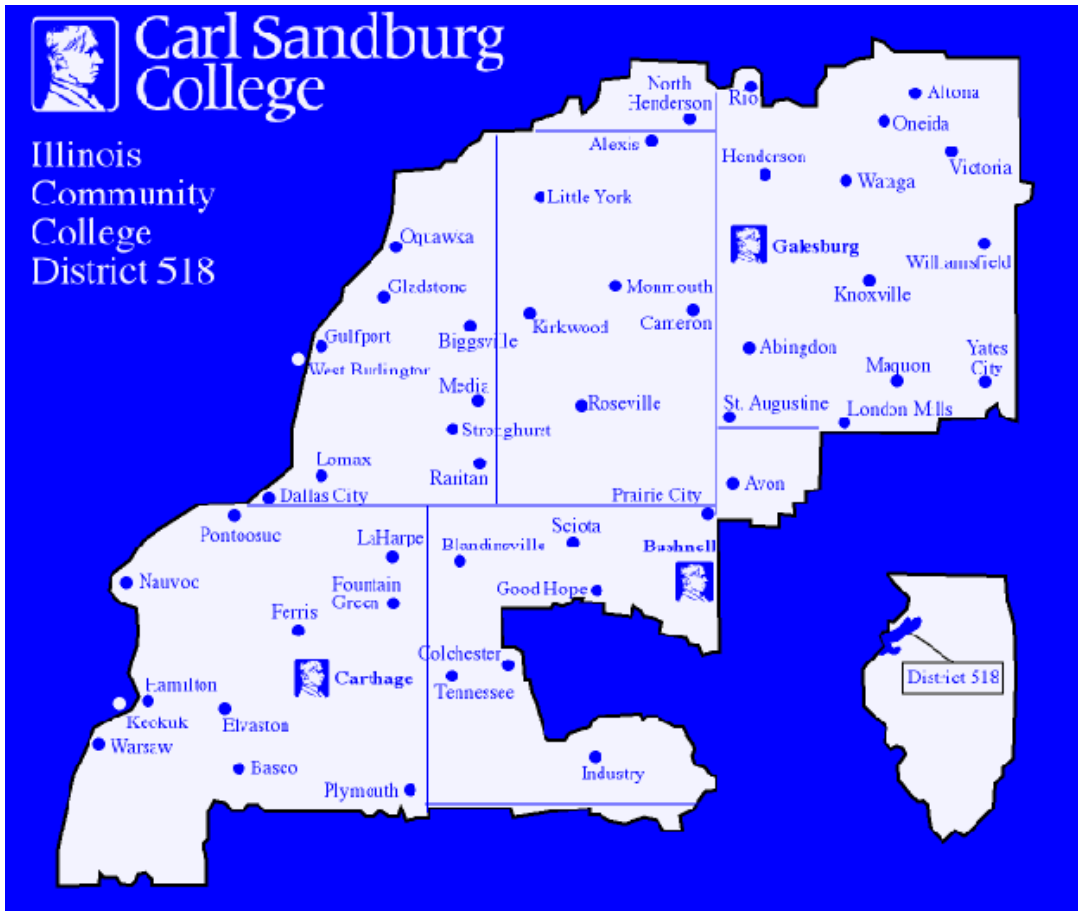
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Carl Sandburg College, Illinois for the Annual Budget beginning July 01, 2008. In order to receive this award, a governmental unit must publish a budget document that 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

Carl Sandburg College was established by authority of the Illinois Community College Act of 1965 and was approved by voters in a September 1966 referendum. We are fiscally independent although governed by laws and policies as set forth by the State of Illinois, the Illinois Community College Board and the District's Board of Trustees. In 2001, the North Central Association of College and Schools continued accreditation for ten years and indicated that fiscal management was a strong asset of the College. The College's district now covers all or part of ten counties in Illinois 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 2008, tenth day enrollment report submitted to the Illinois Community College Board (ICCB), the CSC total enrollment was 2,615 students, with an average age of 28 years. Women represented 64 percent of the student body and 55 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 465 degrees/certificates per year over the last five years.



Degrees and Programs Offered

Academic Programs (Transfer Degrees)

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

Occupational Programs (Associate in Applied Science, Certificate Programs)

Associate in Applied Science Degree
Accounting
Administrative Office Professional
Automotive Body Repair
Automotive Technology
Child Development
Computer Information Systems Specialist (Application Programming Option)
Computer Information Systems Specialist (System Support Option)
Computer Networking Specialist
Criminal Justice
Dental Hygiene
Electrical Control Technology (formerly Industrial Electricity)
Graphic Design Professional
Industrial Technologies (Machine Drafting & Design Option) *
Industrial Technologies (Manufacturing Processes Option) *
Industrial Welding Technology
Marketing/Mid-Management
Mortuary Science
Nursing Program
Organizational Management and Supervision
Radiologic Technology
Registered Respiratory Therapy
Renewable Energy Technology
Surgical Technology

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

Advanced Certificate

Computed Tomography
Diagnostic Medical Sonography
Magnetic Resonance Imaging
Nuclear Medicine Technology

Certificate

Accounting
Administrative Office Assistant
Automotive Customizing, Street Rod/Street Machine
Basic Automotive Body Repair
Computer Aided Drafting/Design
Cosmetology
Cosmetology Teacher
Criminal Justice
Emergency Medical Technician
Engine Performance
Graphic Design Specialist
Human Services Assistant
Legal Office Assistant
Limited Radiography
Machine Tool
Medical Administrative Specialist
Medical Assisting
Microcomputer Applications Specialist
Nail Technology
Numerical Control
Nursing Assistant/Aide
Practical Nursing
Small Business Management
Therapeutic Massage
Welding

Explanation of Financial Structure

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 consists of the Restricted Purpose Fund, Audit Fund, the Liability, Protection, and Settlement Fund, and the Program Quasi-Endowment "SILO" Fund. These funds are used to account for the proceeds for specific revenue sources that are legally restricted to expenditures for specific purposes.

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

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

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

Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Proprietary Fund Types

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

Fiduciary Fund Type

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

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

Classification of Revenues and Expenditures

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

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

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

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

Expenditures 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

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

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

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

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

Fixed Assets – Prior to fiscal year 2004, only the Proprietary Funds capitalized and depreciated assets. During that time, General fixed asset purchases were recognized as capital outlay expenditures of the governmental fund types and were then capitalized at cost in the general fixed asset account group. In March of 2001, the College's board

adopted a resolution to become GASB compliant and capitalize all assets valued at over \$5,000, regardless of fund, and depreciate them over their useful life recommended by the Illinois Community College Board.

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

Explanation of Budgeting Methods

The College adopts legal budgets for all Governmental Fund types.

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

Budget Objectives and the Institutional Focal Points and Goals

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

Budget and Financial Policies

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

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

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

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

Mr. Scott Erickson	Knox County Courthouse	200 S. Cherry St.	Galesburg, IL 61401
Mr. Jim Nelson	Fulton County Courthouse	200 N. Main St.	Lewistown, IL 61542
Ms. Marcella Cisna	Henderson County Courthouse	PO Box 308	Oquawka, IL 61469
Mr. Kerry Asbridge	Hancock County Courthouse	PO Box 39	Carthage, IL 62469
Ms. Barbara Link	Henry County Courthouse	307 West Center St.	Cambridge, IL 61238
Ms. Gretchen DeJanes	McDonough County Courthouse	1 Courthouse Square	Macomb, IL 61455
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 54 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

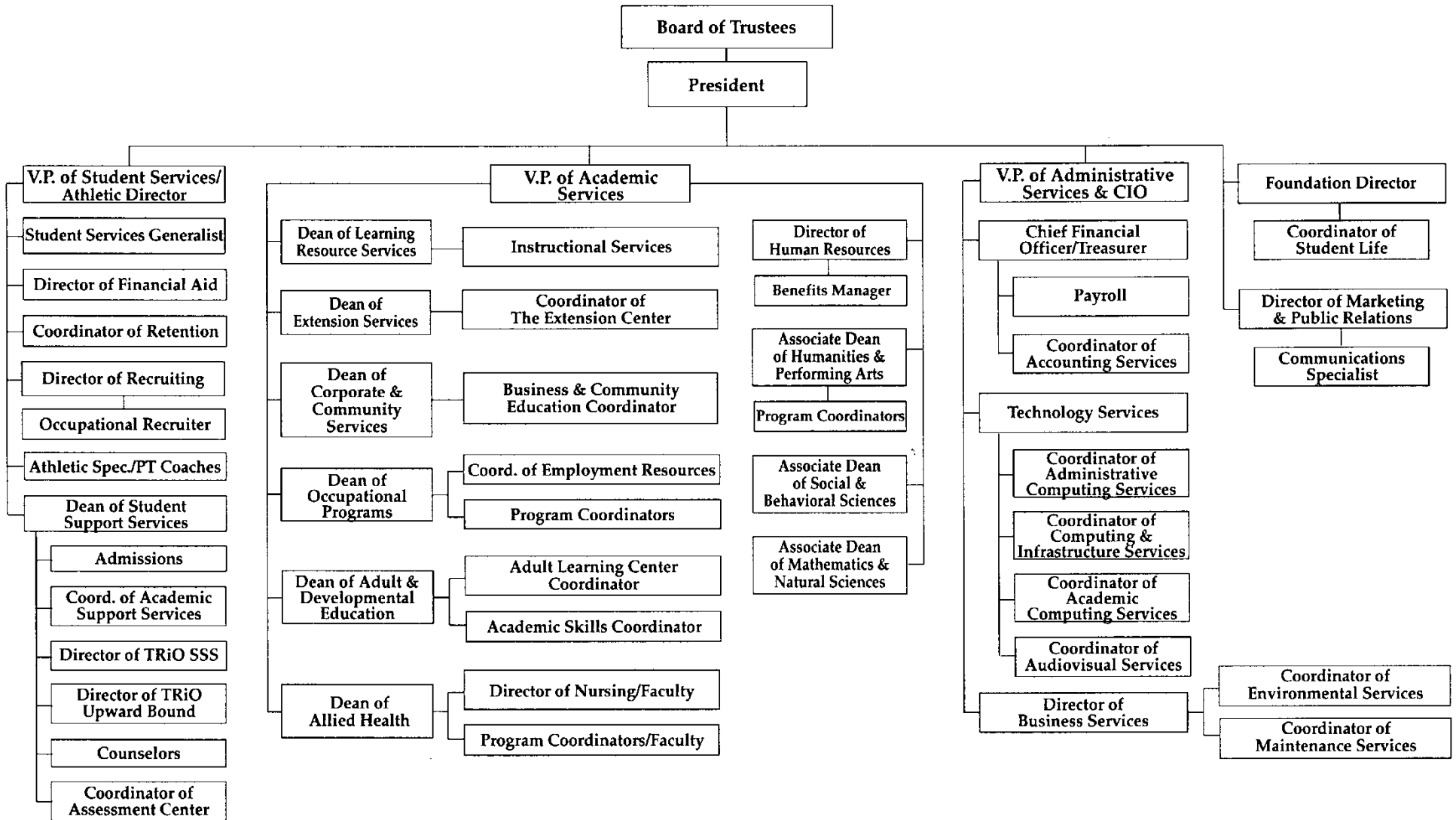
Organizational Chart

- 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 dealing directly with the teaching of students
 - VP of Academic Services
 - Deans and Associate Deans
 - Director of Human Resources
- 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 Learning Resource Services
- Technology Services
- Student Services-provides assistance in the areas of financial aid, admissions and records, placement, testing, counseling, and student activities
 - VP of Student Services
 - Dean of Student Support Services
 - Director of Financial Aid
 - Coordinator of Retention
 - Director of Recruiting
- Public Service/Continuing Education-noncredit 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 Relations
- 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



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 2010 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 2010

<i>Administration</i>	General Funds	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Auxiliary Fund	Working Cash Fund	TOTAL
PRESIDENT	\$ 426,879						\$ 426,879
Director of CSC Foundation	77,431						77,431
Director of Marketing & Public Relations	445,510						445,510
Subtotal	\$ 949,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 949,820
Vice President of Student Services	\$ 863,392	\$ 6,000			\$ 396,449		\$ 1,265,841
Director of Financial Aid	168,170						168,170
Director of Recruiting	118,826						118,826
Dean Student Support Services	612,189	524,348			9,868		1,146,405
Subtotal	\$ 1,762,577	\$ 530,348	\$ -	\$ -	\$ 406,317	\$ -	\$ 2,699,242
Vice President of Academic Services	\$ 1,448,158	\$ 257,019			\$ 2,000		\$ 1,707,177
Dean of Learning Resource Services	365,888	360,434					726,322
Dean of Extension Services	459,758	203,001			7,422		670,181
Dean of Corporate & Community Services	386,015	62,126			2,200		450,341
Dean of Occupational Programs	1,341,894	38,202			498,870		1,878,966
Dean of Adult & Developmental Education	386,695	408,829					795,524
Dean of Allied Health	1,561,086				69,250		1,630,336
Director of Human Resources	1,826,987	35,016			600		1,862,603
Asst. Dean of Humanities & Performing Arts	665,218				15,824		681,042
Asst. Dean of Social & Behavioral Sciences	455,382						455,382
Asst. Dean of Mathematics & Natural Sciences	589,467				2,144		591,611
Subtotal	\$ 9,486,548	\$ 1,364,627	\$ -	\$ -	\$ 598,310	\$ -	\$11,449,485
Vice President of Administrative Services & CIO	\$ 942,110	\$ 104,568		\$ 6,500	\$ 100,000		\$ 1,153,178
Chief Financial Officer	1,154,562	6,959,287	3,001,880	972,010	19,235	221,000	12,327,974
Director of Business Services	1,964,825	1,806,147		3,110,300	138,771		7,020,043
Subtotal	\$ 4,061,497	\$ 8,870,002	\$3,001,880	\$ 4,088,810	\$ 258,006	\$ 221,000	\$20,501,195
TOTALS	\$16,260,442	\$10,764,977	\$3,001,880	\$ 4,088,810	\$1,262,633	\$ 221,000	\$35,599,742

The Mission of Carl Sandburg College

“Opportunity to Succeed”

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

Major Goals and Objectives

The following belief statements and strategies were developed to guide our institutional decisions in addition to a set of six main focal points which support and drive actions to achieve the College’s Mission. Within each of these six areas, are goals designed to shape departmental, programmatic, and individual decision making.

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

I. Beliefs

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

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

II. **Strategies**

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

III. **Focal Points and Goals**

A. Learning

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

B. Caring Environment

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

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

C. Technology

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

D. Cooperative Alliances

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

E. Stability

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

F. Assessment

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

Listed below are specific goals by expenditure function.

Instruction

Develop programs that anticipate and respond to labor market demand.

- Provide additional Allied Health classes and programs
- Use SILO funding to establish new opportunities
- Renewable energy, Language lab, Radiology Technology accreditation, Swine management program
- Increase Distance Learning/Dual Credit/Online classes via EDUNET

Student Services

Improve student success with an emphasis on recruitment, enrollment, and retention.

- Have completed applications trigger contact to answer any questions.
- Place phone calls before students are dropped for non-payment
- Institute a mandatory orientation program for first-time students
- Improve tutoring services/labs to improve retention

Public Service

Develop programs that anticipate and respond to labor market demand.

- Offer a variety of customized programs for companies

Institutional Support

Upgrade facilities for aesthetic and safety reasons.

- Improve facility appearances for recruitment
- Increase ability to communicate in emergency situations
- Install thumb locks for safety purposes in classrooms

Budget Development

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

**CARL SANDBURG COLLEGE
FY-2010
BUDGET DEVELOPMENT CALENDAR**

<u>DUE DATE</u>	<u>ACTION</u>	<u>RESPONSIBLE</u>
1/22/09*	Approve Budget Development Calendar	BOT
1/30/09	Finalize Budget parameters	President
1/30/09	Distribute electronic spreadsheet forms to prepare credit hour goals	CFO
2/2/09	Review Risk Management Program/Allocations with Risk Management Committee	Cabinet Officers
2/16/09	Distribute Electronic Budget Packets to Budget Managers	CFO
2/16/09	Credit hour goals due to the VP of Academic Services	Instructional Team
2/27/09	Review credit hour goals with Instructional Team	VP of Academic Services & Instructional Team
2/9/09-3/6/09	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
3/6/09	Budget sheets and requests for new dollars due to CFO's Office. (Please submit earlier if completed.)	Budget Managers
3/9/09 – 4/3/09	Budget requests compiled and New Initiatives Approved	CFO and Cabinet Officers
4/6/09 -5/8/09	Tentative Budget reviewed by Cabinet and CFO	Cabinet Officers & CFO
5/21/09*	Tentative Budget distributed to and adopted by BOT	BOT
5/25/09	Publish Notice of Public Hearing on the Tentative Budget and Public Inspection	CFO
5/25/09	Budget available for public inspection	CFO
5/22/09 – 6/5/09	Necessary revisions to Budget completed	Cabinet Officers & CFO
6/25/09*	6:30 p.m. – Public Hearing	BOT
6/25/09*	Adopt Final Budget	BOT
6/26/09	Submit Final Budget to ICCB, staff, and county clerks	CFO

***Board of Trustees Scheduled Meeting**

Capital Projects Process

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

Budget Administration and Management

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

Expenditure Control

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

Encumbrance Control

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

Budget Transfers

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

Management Information Reports

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

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

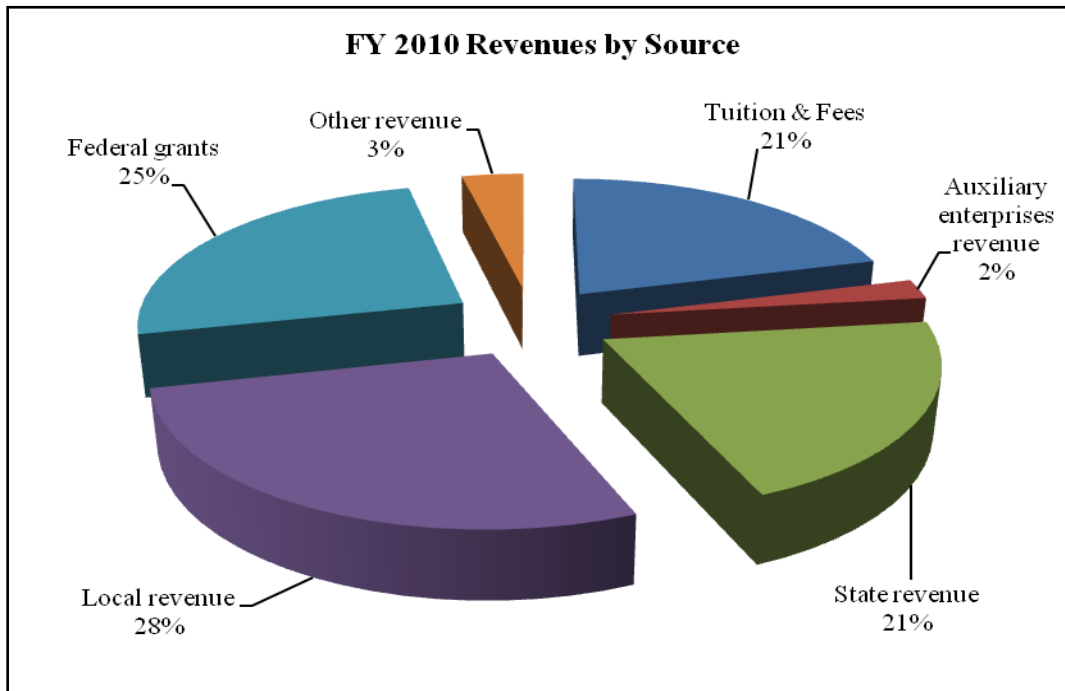
Additionally, day-to-day operations require the use of various management information reports and online query available to all administrators and managers relative to their areas of responsibility.

III. Financial Section

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 2010. The budgeted decrease in net assets is due primarily to the use of the 2009 bond proceeds to renovate the Charger Community Center and other capital projects.

CARL SANDBURG COLLEGE SUMMARY OF FISCAL YEAR 2010 FINAL BUDGET

Budgeted Operating Revenues	\$ 7,099,592
Budgeted Operating Expenditures	(33,073,503)
<hr/>	
Budgeted Operating Loss	\$(25,973,911)
<hr/>	
Budgeted Nonoperating Revenues	\$ 23,717,215
Budgeted Nonoperating Expenditures	(1,225,180)
<hr/>	
Budgeted Net Nonoperating Expenditures	\$ 22,492,035
<hr/>	
Budgeted Decrease in Net Assets	\$ (3,481,876)



Operating revenues include student tuition, fees, and auxiliary enterprises revenue. Nonoperating revenues include local revenue, state revenue, federal revenue and other revenue. Local sources of revenue include Property Taxes and Chargebacks and constitutes the largest source of revenue for FY2010 representing 28%. The equalized assessed valuation (EAV) for the district supporting FY 2010 is approximately \$1,370,617,864; this is a projected 4% increase in EAV compared to FY 2009.

State Revenue is the second highest source of revenue at 21% of total revenue. State sources of funding include the ICCB Grants, CTE Formula Grant, and Corporate Personal Property Replacement Taxes. The ICCB grants are projected to remain constant from FY 2009 to FY 2010, after the 2.5% decrease announced by the state for FY 2009. Replacement Tax funding is anticipated to be flat. Replacement Taxes “replace” the personal property tax previously paid by businesses and are 2.5% of the net income of corporations, and 1.5% on partnerships, trusts, and subchapter S corporations.

Student Tuition and Fees revenue constitutes the third largest source of revenue in FY 2010. Tuition and Fees revenue makes up 21% of the total revenues at \$288,451 more than last year. The College has established a tuition rate inclusive of fees beginning in FY 2009. This increased rate for FY 2009 is guaranteed for three years for students enrolling full-time during successive terms. Tuition revenues are based on projected credit hours, which are forecasted to increase 4.0% from FY 2009 actuals.

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 2010 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 2010 FINAL BUDGET BY FUND TYPE

	General Funds	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Governmental Funds
Beginning Fund Balance*	\$ 2,243,627	\$ 3,679,988	\$ 119,902	\$11,096,091	\$ 17,139,608
Budgeted Revenues	15,556,783	10,398,456	3,001,880	602,611	29,559,730
Budgeted Transfers from Other Funds	703,659	70,000	-	426,600	1,200,259
Budgeted Expenditures	(16,260,442)	(10,705,278)	(3,001,880)	(3,118,050)	(33,085,650)
Budgeted Transfers to Other Funds	-	(59,699)	-	(970,760)	(1,030,459)
Ending Fund Balance	\$ 2,243,627	\$ 3,383,467	\$ 119,902	\$ 8,036,492	\$ 13,783,488

	Proprietary Fund	Total Proprietary Fund
Beginning Fund Balance*	\$ (28,354)	\$ (28,354)
Budgeted Revenues	1,161,833	1,161,833
Budgeted Transfers from Other Funds	100,800	100,800
Budgeted Expenditures	(1,213,033)	(1,213,033)
Budgeted Transfers to Other Funds	(49,600)	(49,600)
Ending Fund Balance	\$ (28,354)	\$ (28,354)

	Fiduciary Fund	Total Fiduciary Fund
Beginning Fund Balance*	\$ 3,809,747	\$ 3,809,747
Budgeted Revenues	95,244	95,244
Budgeted Transfers from Other Funds	-	-
Budgeted Expenditures	-	-
Budgeted Transfers to Other Funds	(221,000)	(221,000)
Ending Fund Balance	\$ 3,683,991	\$ 3,683,991

*These represent the actual Fund Balances for Fiscal Year 2008 adjusted for expected operating results for Fiscal Year 2009.

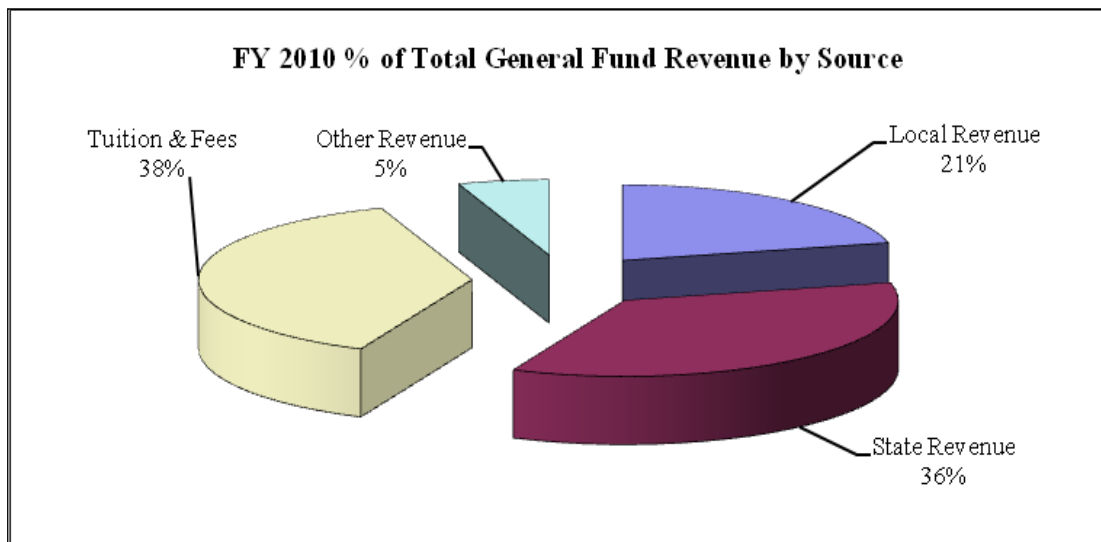
General Fund Revenue Budget

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 2010 total revenue budget of \$16,260,442 represents an increase of 4.8%, or \$750,878 from the FY 2009 budget.

- The local revenue increases due to an increase of projected EAV over the projection we used in the FY 2009 budget.
- State revenue reflects an increase to align the budget with the prior year actuals.
- The College has established a tuition rate inclusive of fees. The increased rate for FY 2009 will be guaranteed for three years for students enrolling full-time during successive terms. This will also remain for students beginning in FY2010. The tuition rate for FY2010 will be guaranteed for three years for students enrolling full-time during successive terms.
- Fiscal year 2010 reflects an increase in other revenue (thru a transfer) to further technology enhancements.

General Funds	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 3,453,475	\$ 3,230,758	\$ 222,717	6.89%
State Revenue	5,758,762	5,468,034	290,728	5.32%
Tuition & Fees	6,171,834	5,965,422	206,412	3.46%
Other Revenue	876,371	845,350	31,021	3.67%
Total	\$16,260,442	\$15,509,564	\$ 750,878	4.84%



General Fund Expenditure Budget

Budgeted expenditures for the General Fund for FY 2010 are \$16,260,442. 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

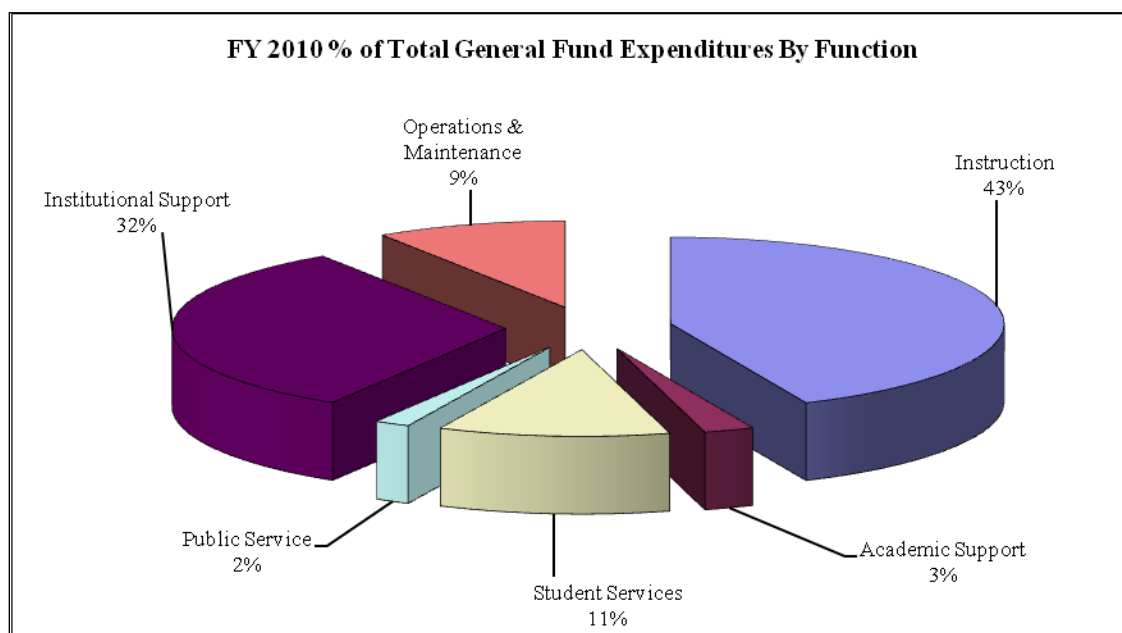
and by Object:

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

The following table details the budgeted expenditures by function.

- Instruction increases from the known 4% salary increase effective July 1, 2009. There are also budgeted increased costs for technology.
- Academic Support has budgeted for a library security upgrade.
- Public Services increases for additional customized training opportunities.
- Institutional support increases in FY 2010 due to salary increases and higher employee benefit costs.
- Operations and Maintenance reflects increased utility costs.

General Funds Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Instruction	\$ 7,049,814	\$ 6,730,337	\$ 319,477	4.75%
Academic Support	391,218	347,801	43,417	12.48%
Student Services	1,820,750	1,762,763	57,987	3.29%
Public Service	276,938	250,729	26,209	10.45%
Institutional Support	5,220,618	5,064,910	155,708	3.07%
Operations & Maintenance	1,501,104	1,353,024	148,080	10.94%
Total	\$ 16,260,442	\$ 15,509,564	\$ 750,878	4.84%

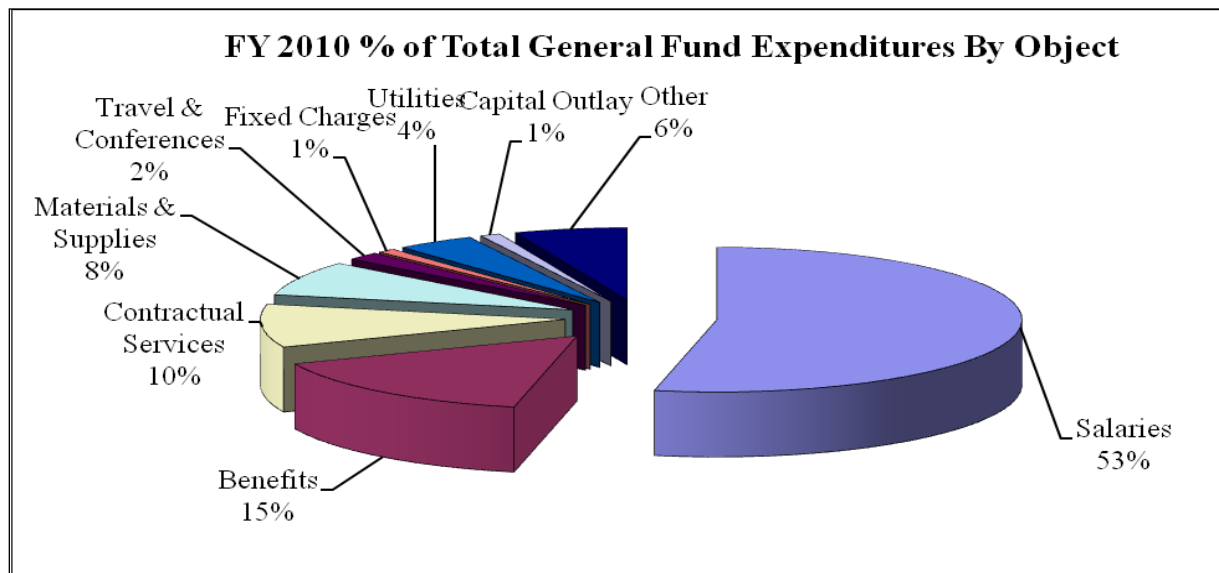


Instruction represents 43% of the General Fund budget. This proportion is slightly below the state average of 44%. The second largest category, Institutional Support, represents 32% of the budget compared to 22% for the statewide average. (Source: ICCB FY 2007 Audited Operating Expenditures by Function Table in the Data & Characteristics Report).

Expenditures by object are shown below.

- Salaries increase mainly from the negotiated raise of 4%.
- General materials and supplies increase due to technology enhancements and maintenance.
- Contractual services shows a decrease due to being in our second year with our Enrollment Management Partner/Consultant. This partnership will update and build upon the college's Institutional Marketing Plan.
- Fixed charges increase due to updated Xerox enhancements.
- Capital outlay includes a library security update and parking lot improvements.
- Other expenses include potential new programs using generated interest from the establishment of our SILO Fund and increased awarding of talent grants

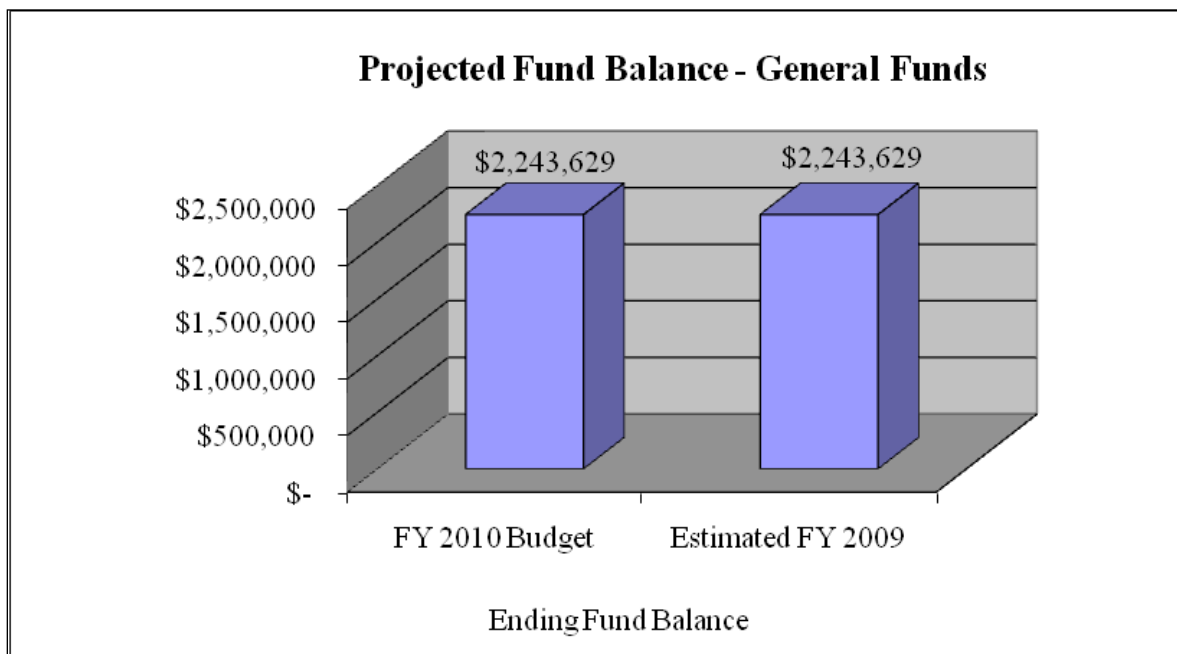
General Funds Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Salaries	\$ 8,665,779	\$ 8,232,413	\$ 433,366	5.26%
Benefits	2,510,459	2,462,406	48,053	1.95%
Contractual Services	1,563,286	1,679,487	(116,201)	-6.92%
Materials & Supplies	1,256,901	1,135,073	121,828	10.73%
Travel & Conferences	287,698	288,974	(1,276)	-0.44%
Fixed Charges	152,836	128,568	24,268	18.88%
Utilities	679,212	644,257	34,955	5.43%
Capital Outlay	173,080	136,705	36,375	26.61%
Other	971,191	801,681	169,510	21.14%
Total	\$16,260,442	\$15,509,564	\$ 750,878	4.84%



Salaries and benefits represent 68% of the General Funds budget, compared with a statewide average of 75% (Source: FY 2007 ICCB Audited Operating Expenditures by Object Table in the Data & Characteristics Report).

General Funds-Projected Fund Balance

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$15,556,783	\$15,194,404	\$ 362,379	2.38%
Expenditures	16,260,442	14,360,131	1,900,311	13.23%
Revenues Over (Under) Expenditures	\$ (703,659)	\$ 834,273	\$ (1,537,932)	184.34%
Transfers	703,659	(524,320)	1,227,979	-234.20%
Change in fund balance	\$ -	\$ 309,953	\$ (309,953)	-100.00%
Fund equity (deficit) beginning of year	2,243,629	1,933,676	309,953	16.03%
Fund equity (deficit) end of year	\$ 2,243,629	\$ 2,243,629	\$ -	0.00%



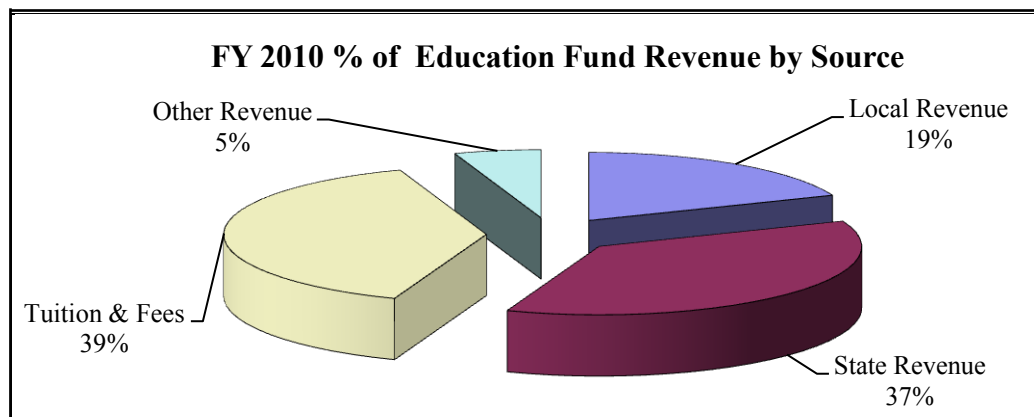
Education Fund

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

As shown below, revenue for the Education Fund is derived from the following sources: Local Government, State Government, Tuition and Fees, and Other Sources of Revenue. The FY 2010 revenue budget of \$14,616,628 represents a 4.31% increase or \$603,715 from the FY 2009 Budget.

- The local revenue increases due to an increase of projected EAV over the projection we used in the FY 2009 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 (92%) and the Operations and Maintenance Fund (8%). FY 2009 was allocated 92.5-7.5.
- State revenue reflects an increase due to budgeting based on actual amounts to be received from ICCB for FY 2009.
- The College has established a tuition rate inclusive of fees. This increased rate for FY 2009 is guaranteed for three years for students enrolling full-time during successive terms. The rate established each year going forward will also follow this guarantee format.

Education Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 2,768,166	\$ 2,593,594	\$ 174,572	6.73%
State Revenue	5,369,061	5,123,932	245,129	4.78%
Tuition & Fees	5,699,628	5,541,513	158,115	2.85%
Other Revenue	779,773	753,874	25,899	3.44%
Total	\$ 14,616,628	\$14,012,913	\$ 603,715	4.31%

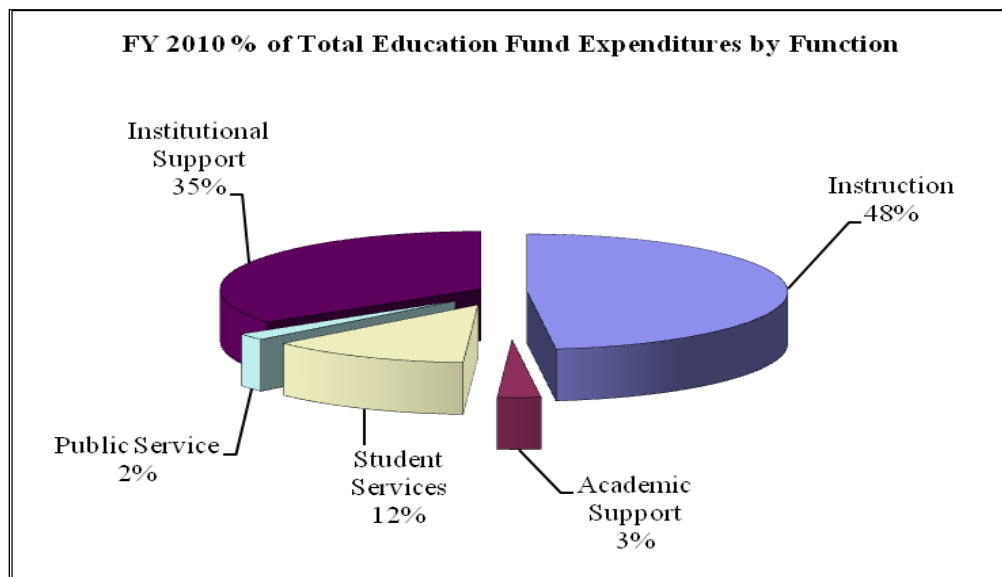


For FY 2010, budgeted expenditures for the Education Fund are \$14,616,628 which represents an increase of \$603,715, 4.31% from the FY 2009 budget of \$14,012,913.

The emphasis for the FY 2010 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 2010 Budget consists of the following:

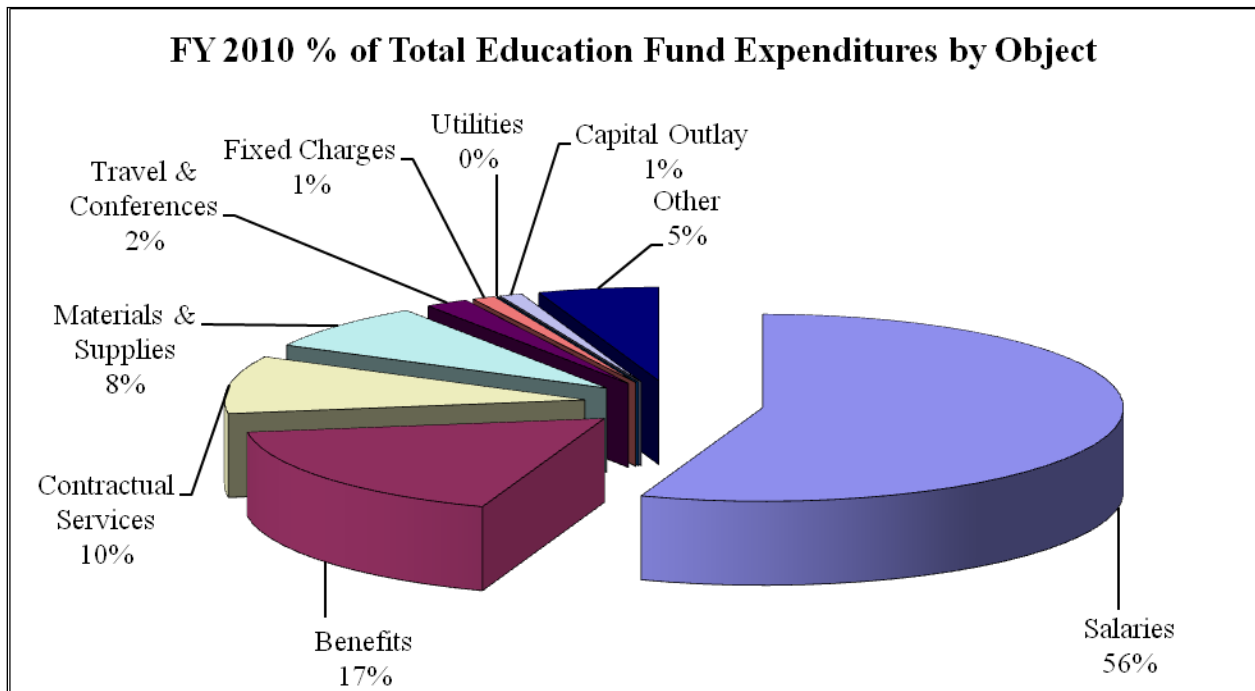
Education Fund Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Instruction	\$ 7,049,814	\$ 6,730,337	\$ 319,477	4.75%
Academic Support	391,218	347,801	43,417	12.48%
Student Services	1,820,750	1,762,763	57,987	3.29%
Public Service	276,938	250,729	26,209	10.45%
Institutional Support	5,077,908	4,921,283	156,625	3.18%
Total	\$ 14,616,628	\$ 14,012,913	\$ 603,715	4.31%



- Instruction increases primarily from the negotiated 4% salary increase.
- Academic support includes an update for the library security system.
- Public service increases due to additional customized training opportunities.
- Institutional support reflects the negotiated raise of 4% and projected higher employee benefit costs.

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 2010 Education Fund budget includes the following expenditures:

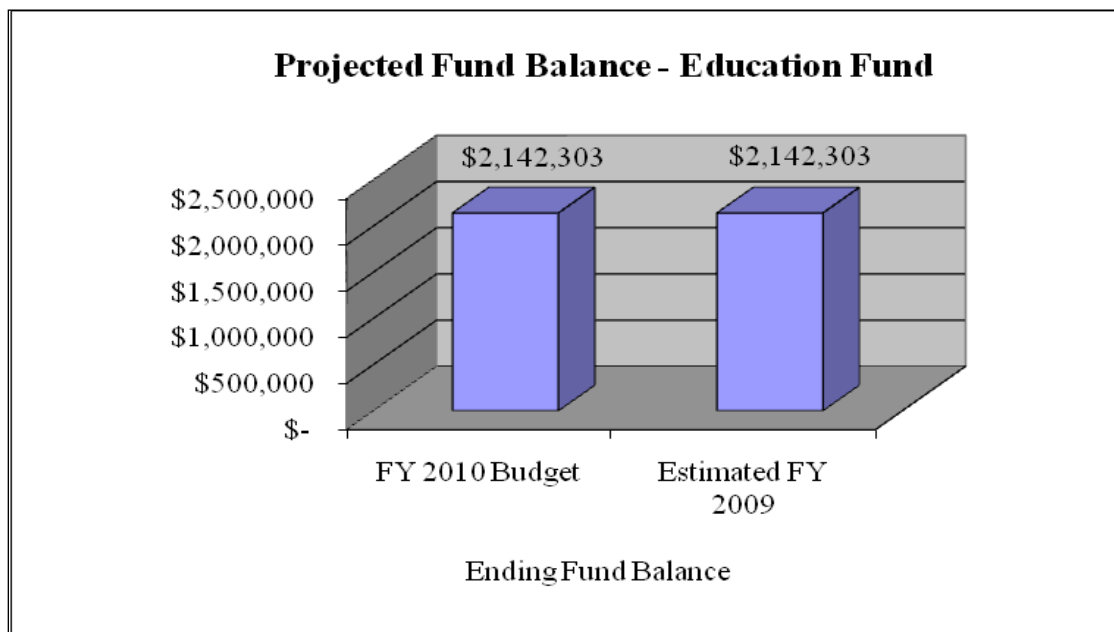
Education Fund Expenditures by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Salaries	\$ 8,107,588	\$ 7,706,713	\$ 400,875	5.20%
Benefits	2,510,459	2,462,406	48,053	1.95%
Contractual Services	1,455,573	1,576,347	(120,774)	-7.66%
Materials & Supplies	1,171,493	1,067,046	104,447	9.79%
Travel & Conferences	281,488	282,462	(974)	-0.34%
Fixed Charges	150,707	126,076	24,631	19.54%
Utilities	2,200	2,200	-	0.00%
Capital Outlay	148,080	121,705	26,375	21.67%
Other	789,040	667,958	121,082	18.13%
Total	\$ 14,616,628	\$ 14,012,913	\$ 603,715	4.31%



- Salaries increase mainly from the negotiated raise of 4%.
- General materials and supplies increase due to technology enhancements and maintenance.
- Contractual services show a decrease due to being in our second year with our Enrollment Management Partner/Consultant. This partnership will update and build upon the college's Institutional Marketing Plan.
- Fixed charges increase due to updated Xerox enhancements.
- Capital outlay includes a library security update.
- Other expenses include potential new programs using generated interest from the establishment of our SILO Fund and increased awarding of talent grants.

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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 13,962,969	\$ 13,691,742	\$ 271,227	1.98%
Expenditures	14,616,628	12,944,821	1,671,807	12.91%
Revenues Over (Under) Expenditures	\$ (653,659)	\$ 746,921	\$ (1,400,580)	187.51%
Transfers	653,659	(524,320)	1,177,979	-224.67%
Change in fund balance	\$ -	\$ 222,601	\$ (222,601)	-100.00%
Fund equity (deficit) beginning of year	2,142,303	1,919,702	222,601	11.60%
Fund equity (deficit) end of year	\$ 2,142,303	\$ 2,142,303	\$ -	0.00%



**Education Fund Revenues
Fiscal Year 2010**

Operating Revenue by Sources	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Local Government:						
Current Taxes	\$ 2,461,659	\$ 2,434,151	\$ 2,531,522	\$ 2,571,594		\$ 2,763,166
CABI	34,548	11,502	5,119	15,500		5,000
Chargeback	3,741	8,133	9,333	6,500		6,500
Total Local Government	\$ 2,499,948	\$ 2,453,786	\$ 2,545,974	\$ 2,593,594	\$ 2,587,436	\$ 2,774,666
State Government:						
ICCB Credit Hour Grant	\$ 1,851,034	\$ 2,113,106	\$ 1,946,093	\$ 1,783,406		\$ 1,925,587
ICCB Equalization Grant	2,186,720	2,439,372	2,454,821	2,185,309		2,323,474
ICCB Small College Grant	56,400	60,000	60,000	55,500		60,000
ISBE Vocational Ed/ICCB CTE Grant	112,798	132,062	122,458	80,000		60,000
Replacement Taxes	243,742	267,693	336,475	219,717		200,000
State University Retirement	501,526	683,730	962,082	800,000		800,000
Total State Government	\$ 4,952,220	\$ 5,695,963	\$ 5,881,929	\$ 5,123,932	\$ 5,291,068	\$ 5,369,061
Student Tuition and Fees:						
Tuition	\$ 4,250,900	\$ 4,240,053	\$ 4,133,046	\$ 5,427,711		\$ 5,587,870
Fees	836,797	684,030	683,587	113,802		111,758
Total Tuition and Fees	\$ 5,087,697	\$ 4,924,083	\$ 4,816,633	\$ 5,541,513	\$ 5,667,127	\$ 5,699,628
Other Sources:						
Interest Income	\$ 96,494	\$ 7,334	\$ 64,863	\$ 77,110		\$ 30,150
Dept. of Corrections	-	-	-	-		-
Other Income	61,995	92,420	78,218	31,514		95,964
Total Other Sources	\$ 158,489	\$ 99,754	\$ 143,081	\$ 108,624	\$ 146,111	\$ 126,114
Total Revenue before Interfunds & Nonoperating Items	\$12,698,354	\$13,173,586	\$13,387,616	\$13,367,663	\$13,691,742	\$13,969,469
Interfund Transfers	291,245	7,500	14,264	645,250		653,659
Bond Proceeds	-	-	-	-		-
Capital Leases	44,294	-	-	-		-
Subtotal	\$13,033,893	\$13,181,086	\$13,401,880	\$14,012,913	\$13,691,742	\$14,623,128
Less Operating Items*:						
Tuition Chargeback Revenue	3,741	8,133	9,333	6,500		6,500
Adjusted Revenue-	\$13,030,152	\$13,172,953	\$13,392,547	\$14,006,413	\$13,691,742	\$14,616,628

(After above reduction)

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

**Education Fund Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Instruction						
Salaries	\$ 5,406,816	\$ 5,228,286	\$ 4,912,655	\$ 5,104,049		\$ 5,288,720
Employee Benefits	5,325	3,027	3,117	9,805		8,654
Contractual Services	1,149,714	1,071,395	884,966	994,458		1,010,940
General Maintenance and Supplies	285,956	185,584	200,913	320,106		394,855
Travel and Conference/Meeting Expense	102,543	88,997	97,036	123,841		122,272
Fixed Charges	984	384	384	1,523		1,500
Utilities	-	-	-	-		-
Capital Outlay	85,280	116,697	80,184	121,705		120,080
Other Expenditures	1,581	1,707	26,944	42,850		102,793
Total Instruction	\$ 7,038,199	\$ 6,696,077	\$ 6,206,199	\$ 6,718,337	\$ 5,793,383	\$ 7,049,814
Academic Support						
Salaries	\$ 233,304	\$ 212,000	\$ 190,286	\$ 198,197		\$ 211,368
Contractual Services	29,135	34,588	34,882	39,685		40,280
General Maintenance and Supplies	96,066	96,918	92,071	104,924		106,499
Travel and Conference/Meeting Expense	2,270	5,462	2,878	4,995		5,071
Capital Outlay	-	-	-	-		28,000
Other	-	-	-	-		-
Total Academic Support	\$ 360,775	\$ 348,968	\$ 320,117	\$ 347,801	\$ 329,680	\$ 391,218
Student Services						
Salaries	\$ 905,348	\$ 864,016	\$ 954,096	\$ 1,002,443		\$ 1,109,665
Employee Benefits	-	-	-	-		-
Contractual Services	10,718	10,791	18,546	297,426		137,673
General Maintenance and Supplies	63,412	63,328	38,652	53,980		55,803
Travel and Conference/Meeting Expense	20,545	19,029	20,859	28,113		27,520
Fixed Charges	310	462	471	407		413
Capital Outlay	-	-	-	-		-
Other	250,056	271,989	298,168	380,394		489,676
Total Student Services	\$ 1,250,389	\$ 1,229,615	\$ 1,330,792	\$ 1,762,763	\$ 1,854,519	\$ 1,820,750
Public Services/Continuing Education						
Salaries	\$ 125,636	\$ 87,354	\$ 98,937	\$ 139,682		\$ 138,339
Contractual Services	31,958	35,325	32,112	47,818		70,000
General Maintenance and Supplies	16,772	19,291	18,649	30,202		32,095
Travel and Conference/Meeting Expense	16,406	22,151	18,758	23,971		26,904
Fixed Charges	-	-	-	506		500
Utilities	2,349	1,041	3,346	2,200		2,200
Other	1,083	1,499	1,517	6,350		6,900
Total Public Services/Continuing Education	\$ 194,204	\$ 166,661	\$ 173,319	\$ 250,729	\$ 192,454	\$ 276,938
Institutional Support						
Salaries	\$ 1,220,866	\$ 1,173,872	\$ 1,151,136	\$ 1,262,342		\$ 1,359,496
Employee Benefits	1,318,111	2,016,135	2,308,563	2,452,601		2,501,805
Contractual Services	122,578	129,128	129,418	196,960		196,680
General Maintenance and Supplies	493,389	451,533	443,338	557,834		582,241
Travel and Conference/Meeting Expense	56,199	43,711	56,316	101,542		99,721
Fixed Charges	148,546	134,624	146,336	123,640		148,294
Capital Outlay	44,294	-	-	-		-
Other Expenditures	271,819	196,889	319,598	238,364		189,671
Total Institutional Support	\$ 3,675,802	\$ 4,145,892	\$ 4,554,705	\$ 4,933,283	\$ 4,774,784	\$ 5,077,908
Total before transfers	\$12,519,369	\$12,587,213	\$12,585,132	\$14,012,913	\$12,944,820	\$14,616,628
Transfers	591,452	-	400,000	-	524,320	-
GRAND TOTAL	\$13,110,821	\$12,587,213	\$12,985,132	\$14,012,913	\$13,469,140	\$14,616,628

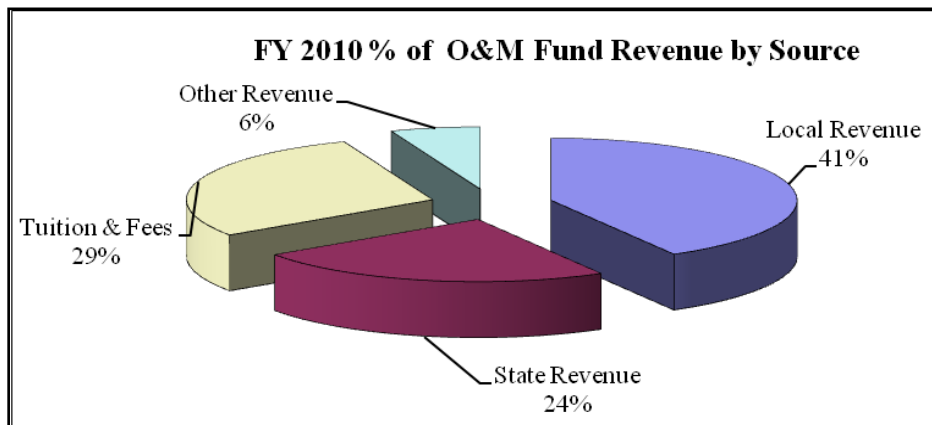
Operations & Maintenance Fund

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.

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

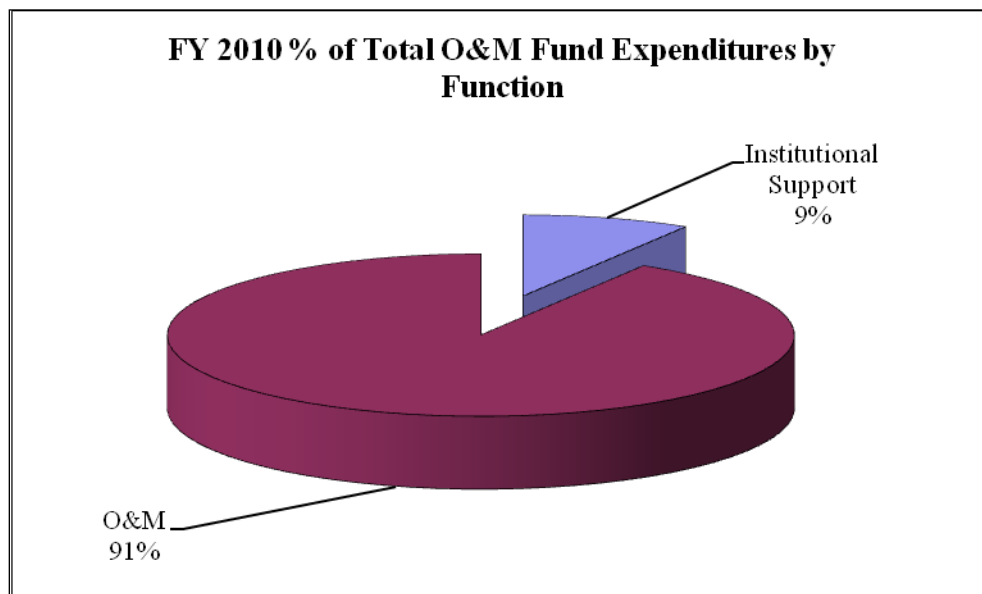
- The local revenue increases due to an increase of projected EAV over the projection we used in the FY 2009 budget.
- State aid revenue that can be distributed by discretion has been allocated on a 92-8 basis, (92% to the Education Fund and 8% to the Operation & Maintenance Fund). Tuition revenue is 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 (92%) and the Operations and Maintenance Fund (8%). FY 2009 was allocated 92.5-7.5.
- State revenue reflects an increase due to budgeting based on actual amounts to be received from ICCB for FY 2009.
- The College has established a tuition rate inclusive of fees. This increased rate for FY 2009 is guaranteed for three years for students enrolling full-time during successive terms. The rate established each year going forward will also follow this guarantee format.

O&M Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 685,309	\$ 637,164	\$ 48,145	7.56%
State Revenue	389,701	344,102	45,599	13.25%
Tuition & Fees	472,206	423,909	48,297	11.39%
Other Revenue	96,598	91,476	5,122	5.60%
Total	\$ 1,643,814	\$ 1,496,651	\$ 147,163	9.83%



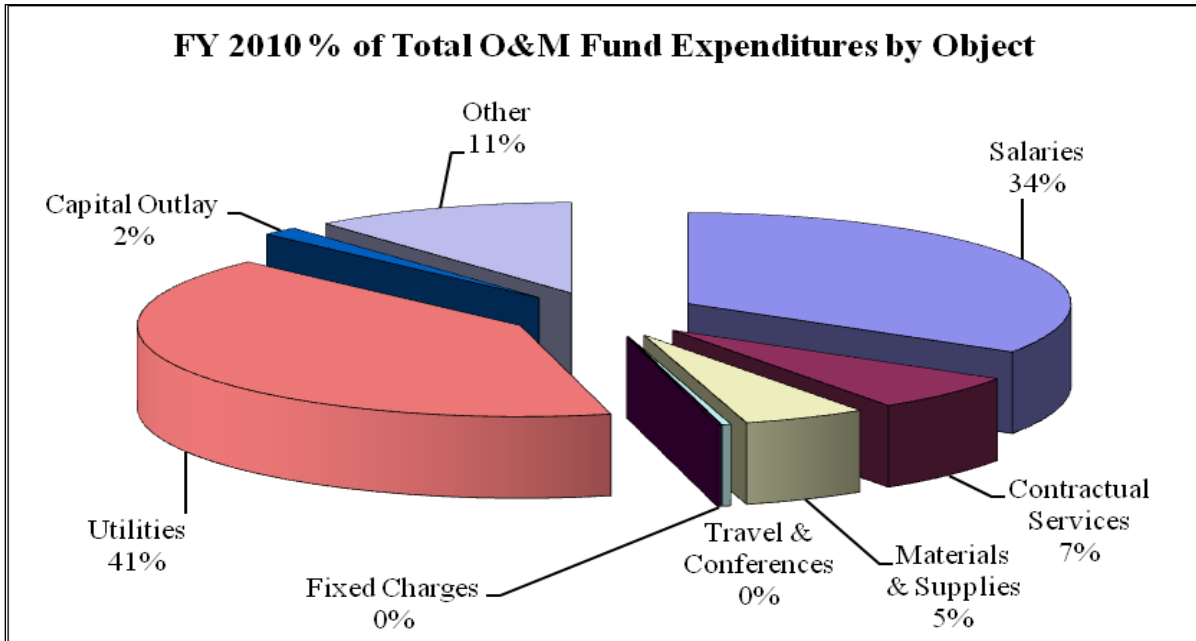
For FY 2010, budgeted expenditures for the Operations & Maintenance Fund are \$1,643,814 which represents an increase of \$147,163, 9.83% from the FY 2009 budget of \$1,496,651

O&M Fund Expenditures by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 142,710	\$ 143,627	\$ (917)	-0.64%
O&M	1,501,104	1,353,024	148,080	10.94%
Total	\$ 1,643,814	\$ 1,496,651	\$ 147,163	9.83%



- O&M increases due to parking lot improvements to be made and increased supply expense.

O&M Fund Expenditures by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Salaries	\$ 558,191	\$ 525,700	\$ 32,491	6.18%
Contractual Services	107,713	103,140	4,573	4.43%
Materials & Supplies	85,408	68,027	17,381	25.55%
Travel & Conferences	6,210	6,512	(302)	-4.64%
Fixed Charges	2,129	2,492	(363)	-14.57%
Utilities	677,012	642,057	34,955	5.44%
Capital Outlay	25,000	15,000	10,000	66.67%
Other	182,151	133,723	48,428	36.22%
Total	\$ 1,643,814	\$ 1,496,651	\$ 147,163	9.83%

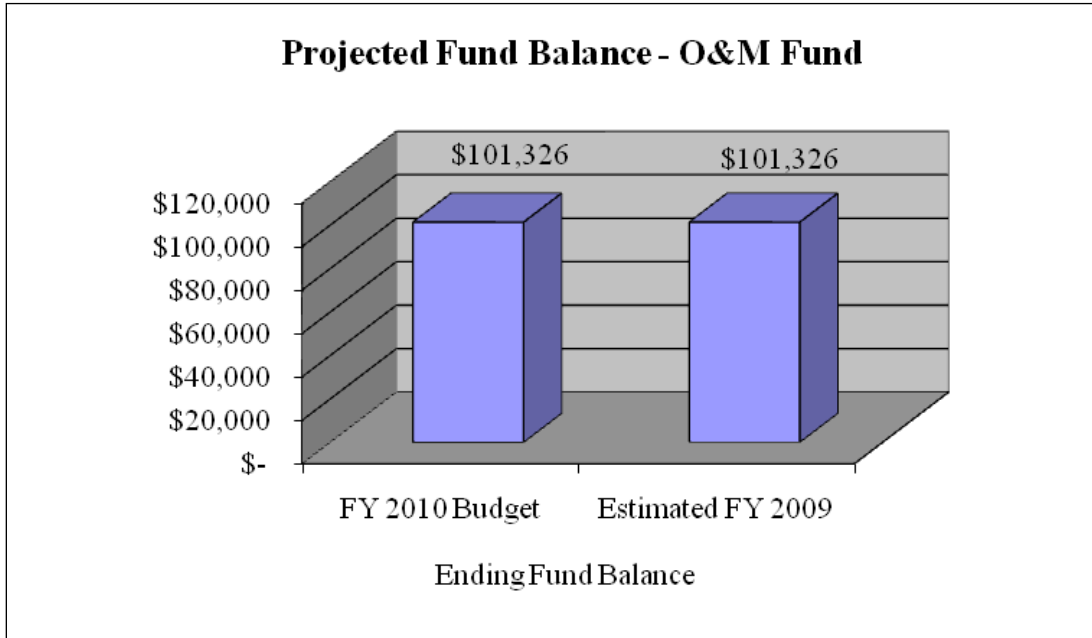


Expenditures within this fund include salaries for the maintenance staff, supervisors, and appropriate support staff. Major expense items include salaries and benefits, security, custodial, maintenance supplies, and utilities.

- Materials and supplies increase for custodial and grounds upkeep.
- Capital outlay includes parking lot improvements.
- Other expenditures increase due to fees for the five phases of guaranteed energy savings contracts.

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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 1,593,814	\$ 1,502,662	\$ 91,152	6.07%
Expenditures	1,643,814	1,415,310	228,504	16.15%
Revenues Over (Under) Expenditures	\$ (50,000)	\$ 87,352	\$(137,352)	-157.24%
Transfers	50,000	-	50,000	0.00%
Change in fund balance	\$ -	\$ 87,352	\$ (87,352)	-100.00%
Fund equity (deficit) beginning of year	101,326	13,974	87,352	625.10%
Fund equity (deficit) end of year	\$ 101,326	\$ 101,326	\$ -	0.00%



**Operations Maintenance Fund Revenue
Fiscal Year 2010**

Operating Revenue by Sources	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Local Government:						
Current Taxes	\$ 618,494	\$ 604,023	\$ 613,554	\$ 637,164		\$ 685,309
Total Local Government	\$ 618,494	\$ 604,023	\$ 613,554	\$ 637,164	\$ 639,756	\$ 685,309
State Government:						
ICCB Credit Hour Grant	\$ 118,151	\$ 110,584	\$ 196,362	\$ 144,600		\$ 172,660
ICCB Equalization Grant	100,644	158,468	207,675	177,187		202,041
ICCB Square Footage Grant	28,104	26,926		-		-
ICCB Small College Grant	3,600	3,660		4,500		-
Replacement Taxes	12,744	17,390	24,511	17,815		15,000
Total State Government	\$ 263,243	\$ 317,028	\$ 428,548	\$ 344,102	\$ 375,465	\$ 389,701
Student Tuition and Fees:						
Tuition	\$ 340,233	\$ 227,909	\$ 306,477	\$ 423,909		\$ 472,206
Total Tuition and Fees	\$ 340,233	\$ 227,909	\$ 306,477	\$ 423,909	\$ 439,103	\$ 472,206
Other Sources:						
Interest Income	\$ 1	\$ 5,139	\$ 6,367	\$ 8,750		\$ 3,420
Building Rentals	25,918	34,043	45,463	41,148		42,000
Other Income	1,466	3,966	1,013	1,578		1,178
Total Other Sources	\$ 27,385	\$ 43,148	\$ 52,843	\$ 51,476	\$ 48,338	\$ 46,598
Total Revenue before Interfunds & Nonoperating Items	\$1,249,355	\$ 1,192,108	\$1,401,422	\$ 1,456,651	\$ 1,502,662	\$ 1,593,814
Interfund Transfers	137,994	-	-	40,000	-	50,000
Bond Proceeds	-	-	-	-	-	-
Grand Total	\$1,387,349	\$ 1,192,108	\$1,401,422	\$ 1,496,651	\$ 1,502,662	\$ 1,643,814

**Operations Maintenance Fund Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Operation & Maintenance of Plant						
Salaries	\$ 458,263	\$ 463,979	\$ 497,407	\$ 525,700		\$ 558,191
Contractual Services	59,876	70,022	96,188	92,189		96,598
General Maintenance and Supplies	83,922	58,759	83,927	67,420		84,792
Travel & Conference/Meeting Expense	2,966	3,100	2,658	6,006		5,696
Fixed Charges	60,241	24,332	362	2,492		2,129
Utilities	447,475	483,272	547,796	535,267		570,222
Capital Outlay	23,472	3,988	12,838	15,000		25,000
Other Expenditures	51,606	108,934	116,908	108,950		158,476
Total Operation and Maintenance of Plant	\$ 1,187,821	\$ 1,216,386	\$ 1,358,084	\$1,353,024	\$1,308,689	\$1,501,104
Institutional Support						
Salaries	\$ 3,032	\$ -	\$ -	\$ -		\$ -
Contractual Services	9,301	5,899	4,480	10,951		11,115
General Maintenance and Supplies	3,882	2,673	-	607		616
Travel & Conference/Meeting Expense	-	-	-	506		514
Utilities	102,482	254,422	45,728	106,790		106,790
Other	-	-		24,773		23,675
Total Institutional Support	\$ 118,697	\$ 262,994	\$ 50,208	\$ 143,627	\$ 106,621	\$ 142,710
Total before Interfund Transfers	\$ 1,306,518	\$ 1,479,380	\$ 1,408,292	\$1,496,651	\$1,415,310	\$1,643,814
Transfers	62,000	-	100,000	-	-	-
GRAND TOTAL	\$ 1,368,518	\$ 1,479,380	\$ 1,508,292	\$1,496,651	\$1,415,310	\$1,643,814

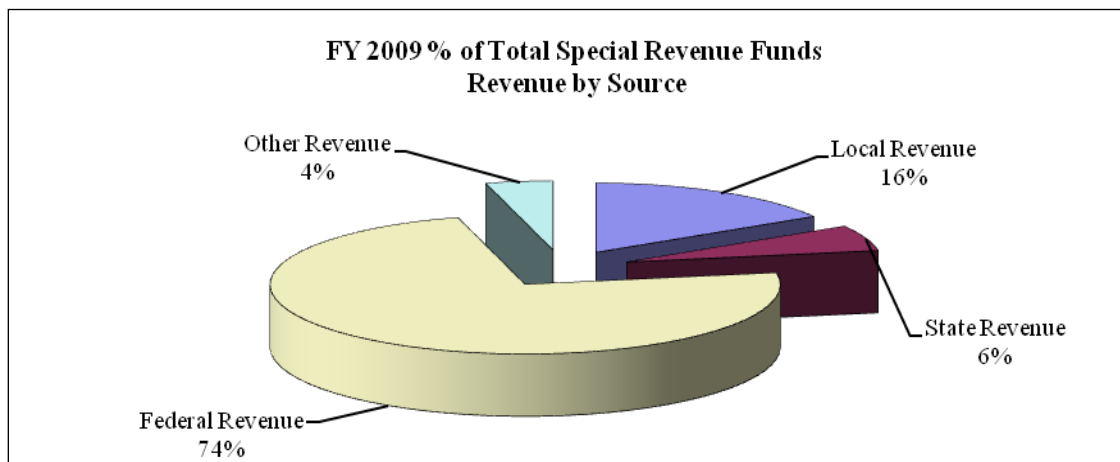
Special Revenue Funds

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

As illustrated below, the FY 2010 total revenue budget of \$10,468,456 represents an increase of 8.81%, or \$848,023 from the FY 2009 budget.

- Other revenue reflects an interfund transfer to repay self-funded medical claims paid in prior years.
- State and Federal revenue increases due to grants received in the Restricted Purpose Fund.
- Local revenue decreases due to a reduction in the levy for LPS due to a reallocation of salaries to other funds.

Special Revenue Funds	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 1,709,322	\$ 1,759,632	\$ (50,310)	-2.86%
State Revenue	627,723	540,401	87,322	16.16%
Federal Revenue	7,686,257	6,942,615	743,642	10.71%
Other Revenue	445,154	377,785	67,369	17.83%
Total	\$ 10,468,456	\$ 9,620,433	\$ 848,023	8.81%



Budgeted expenditures for the Special Revenue Funds for FY 2010 are \$10,764,977, which represents an increase of \$919,761, 9.34% from the FY 2009 budget of \$9,845,216. Expenditure information is presented in two formats. Expenditures are classified by Function:

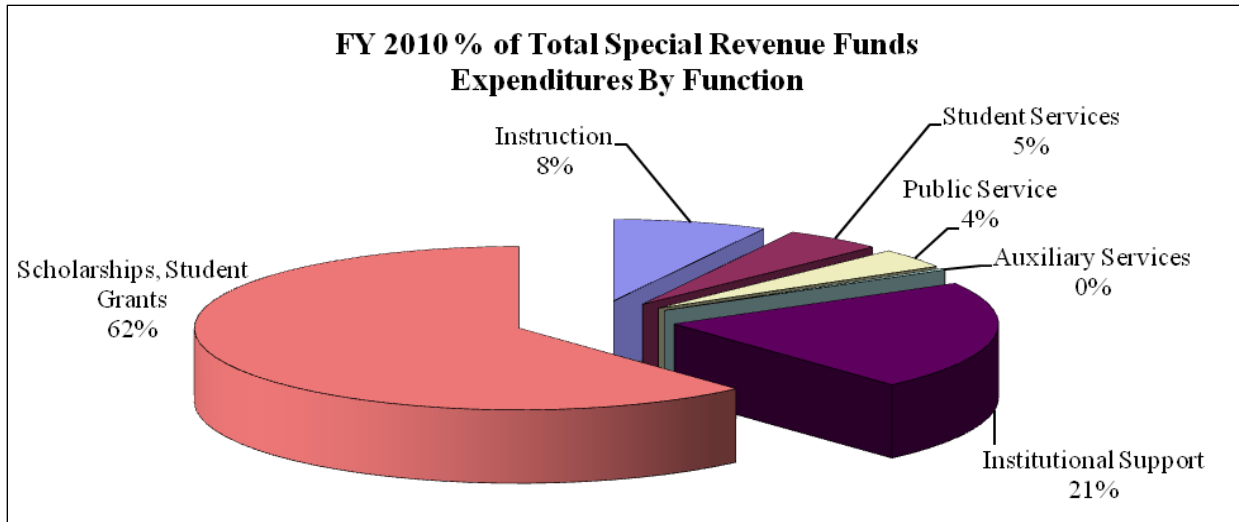
- Instruction-activities dealing directly with the teaching of students
- Academic Support-activities designed to provide support services for instruction and research, including the library, educational media services and academic computing used in the learning process
- Student Services-provides assistance 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 2010 Budget	FY 2009 Budget	Change	%
Instruction	\$ 826,537	\$ 519,965	\$ 306,572	58.96%
Student Services	528,348	173,173	355,175	205.10%
Public Service	413,197	420,148	(6,951)	-1.65%
Auxiliary Services	29,427	22,764	6,663	29.27%
Institutional Support	2,328,468	2,249,940	78,528	3.49%
Scholarships, Student Grants	6,639,000	6,459,226	179,774	2.78%
Total	\$ 10,764,977	\$ 9,845,216	\$ 919,761	9.34%



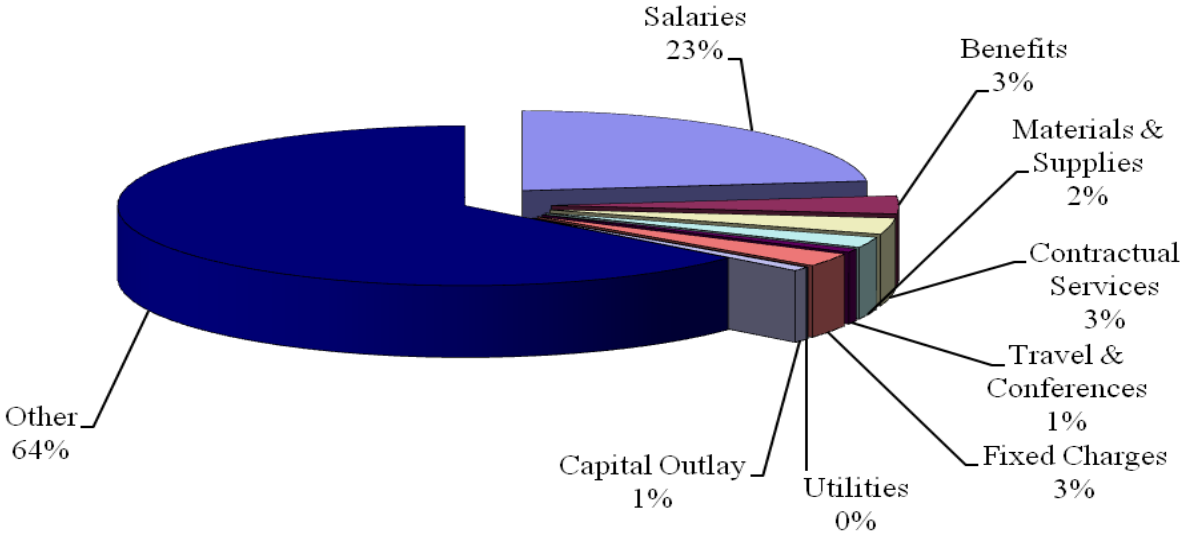
- Instruction increases to more accurately reflect the actual of the FY 2009 including the Title III grant.
- Student services also increases to more accurately reflect our TRIO and Upward Bound programs.
- Scholarships, Student Grants increase reflecting the use of financial aid by our students.

Expenditures by object are shown below.

- Salaries are up due to the negotiated raise and the allocation of salaries to specific grants.
- Benefits are budgeted higher due to increased costs being reflected in the appropriate grants.
- Materials and supplies for FY 2010 were budgeted based on actual expenses for FY 2009.
- Travel is projected to be higher to better reflect actual expenses of FY 2009.
- Capital outlay includes expenditures for Title III.

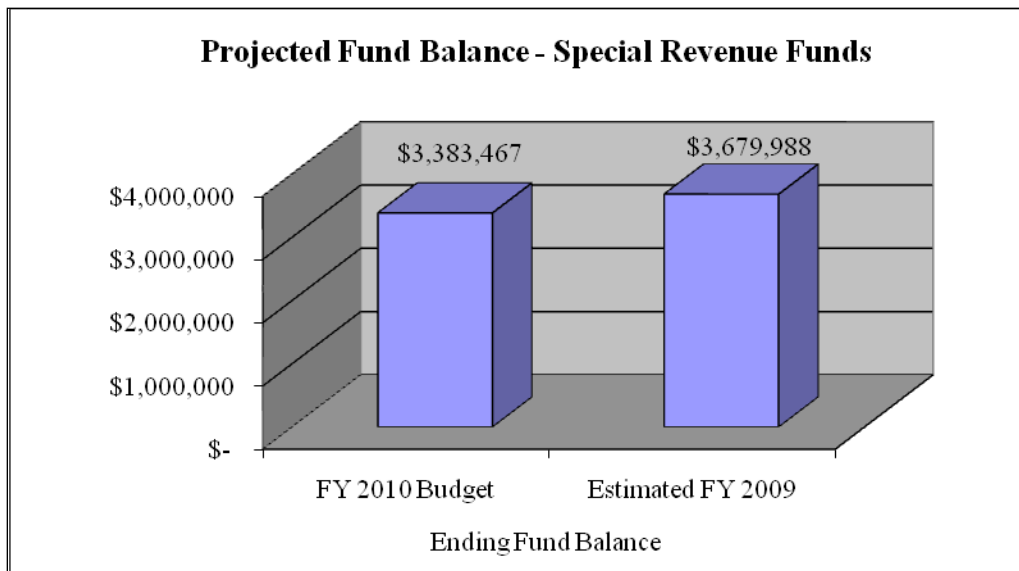
Special Revenue Funds Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Salaries	\$ 2,483,384	\$ 2,146,845	\$ 336,539	15.68%
Benefits	389,407	304,590	84,817	27.85%
Contractual Services	351,249	342,188	9,061	2.65%
Materials & Supplies	229,485	184,685	44,800	24.26%
Travel & Conferences	77,823	50,901	26,922	52.89%
Fixed Charges	291,911	257,269	34,642	13.47%
Utilities	2,817	3,027	(210)	-6.94%
Capital Outlay	85,378	39,000	46,378	118.92%
Other	6,853,523	6,516,711	336,812	5.17%
Total	\$ 10,764,977	\$ 9,845,216	\$ 919,761	9.34%

**FY 2010 % of Total Speical Revenue Funds
Expenditures By Object**



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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$10,398,456	\$10,076,947	\$ 321,509	3.19%
Expenditures	10,705,278	10,199,400	505,878	4.96%
Revenues Over (Under) Expenditures	\$ (306,822)	\$ (122,453)	\$ (184,369)	150.56%
Transfers	10,301	(615,000)	625,301	-101.67%
Change in fund balance	\$ (296,521)	\$ (737,453)	\$ 440,932	-59.79%
Fund equity (deficit) beginning of year	3,679,988	4,417,441	(737,453)	-16.69%
Fund equity (deficit) end of year	\$ 3,383,467	\$ 3,679,988	\$ (296,521)	-8.06%



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 \$68,531 for FY 2010.

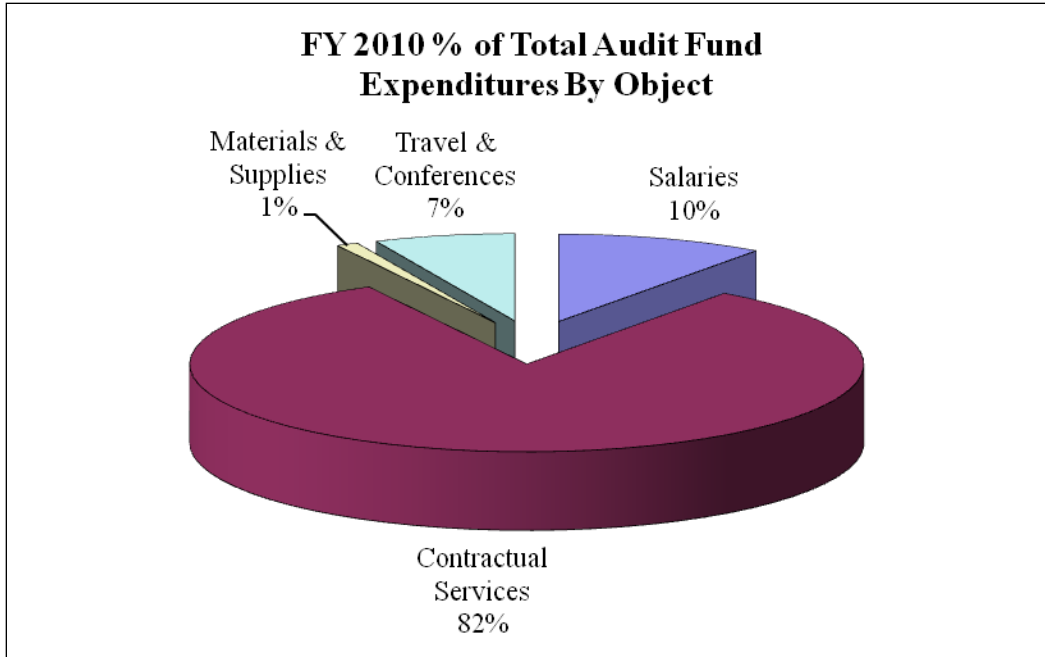
Audit Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 68,531	\$ 63,716	\$ 4,815	7.56%
Other Revenue	180	460	(280)	-60.87%
Total	\$ 68,711	\$ 64,176	\$ 4,535	7.07%

For FY 2010, budgeted expenditures for the Audit Fund are \$68,711 which represents a decrease of \$9,150, (11.75%) from the FY 2009 budget of \$77,861.

Audit Fund Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 68,711	\$ 77,861	\$ (9,150)	-11.75%
Total	\$ 68,711	\$ 77,861	\$ (9,150)	-11.75%

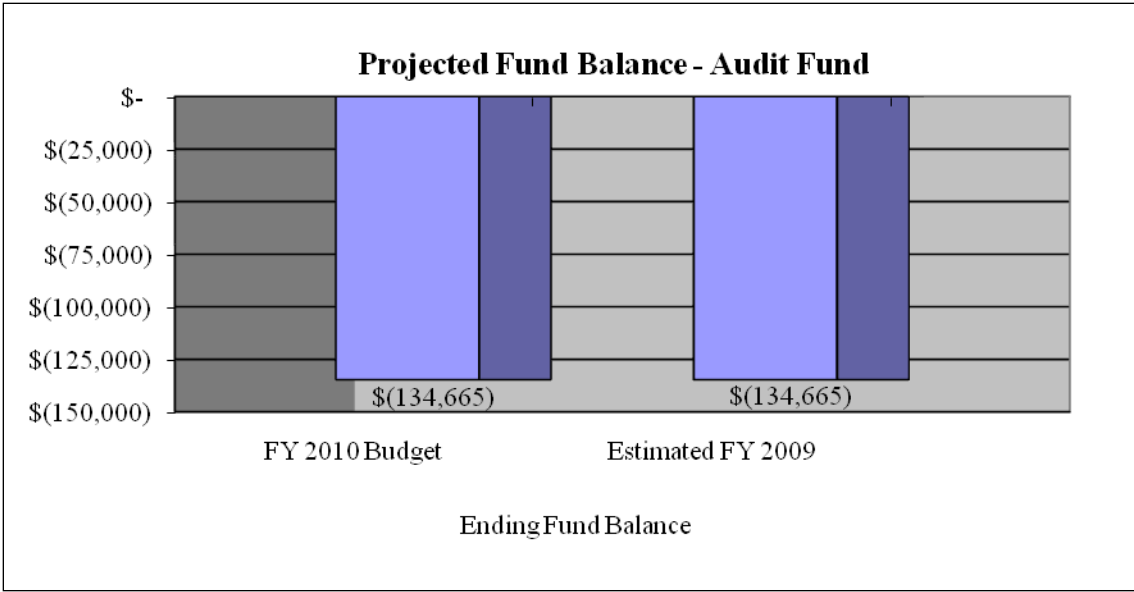
- Salaries have been reallocated to other funds to bring this fund into balance.
- Travel has been included to allow an opportunity to update knowledge on financial reporting.

Audit Fund Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Salaries	\$ 6,855	\$ 22,090	\$ (15,235)	-68.97%
Contractual Services	56,516	54,788	1,728	3.15%
Materials & Supplies	700	690	10	1.45%
Travel & Conferences	4,640	293	4,347	1483.62%
Total	\$ 68,711	\$ 77,861	\$ (9,150)	-11.75%



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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 68,711	\$ 64,740	\$ 3,971	6.13%
Expenditures	68,711	65,153	3,558	5.46%
Revenues Over (Under) Expenditures	\$ -	\$ (413)	\$ 413	-100.00%
Transfers	-	-	-	-
Change in fund balance	\$ -	\$ (413)	\$ 413	-100.00%
Fund equity (deficit) beginning of year	(134,665)	(134,252)	(413)	0.31%
Fund equity (deficit) end of year	\$ (134,665)	\$ (134,665)	\$ -	0.00%



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.

**Audit Fund Revenue and Expenditures
Fiscal Year 2010**

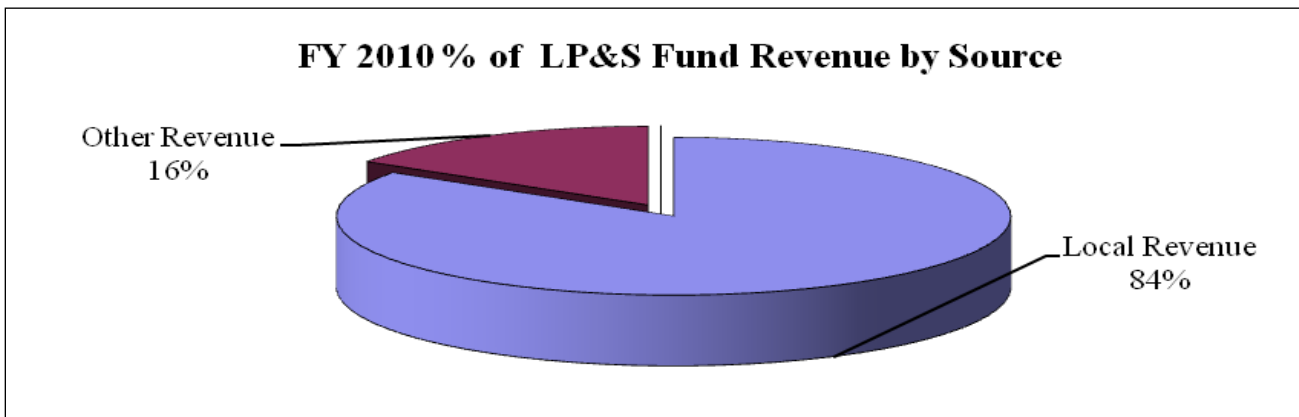
	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Local Governmental Sources:						
Current Taxes	\$ 62,500	\$ 60,401	\$ 61,355	\$ 63,716		\$ 68,531
Total Local Government	\$ 62,500	\$ 60,401	\$ 61,355	\$ 63,716	\$ 64,568	\$ 68,531
Other Sources:						
Interest Income	\$ -	\$ 182	\$ 910	\$ 460	\$ 172	\$ 180
Total Other Sources	\$ -	\$ 182	\$ 910	\$ 460	\$ 172	\$ 180
Total Revenue before Interfunds & Nonoperating Items	\$ 62,500	\$ 60,583	\$ 62,265	\$ 64,176	\$ 64,740	\$ 68,711
Interfund Transfers	11,250	-	-	-		-
GRAND TOTAL	\$ 73,750	\$ 60,583	\$ 62,265	\$ 64,176	\$ 64,740	\$ 68,711

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2008 Est Actuals	FY 2010 Budget
Institutional Support						
Salaries	\$ 26,096	\$ 27,120	\$ 21,233	\$ 22,090		\$ 6,855
Contractual Services	77,815	90,895	52,371	54,788		56,516
General Material & Supplies	-	204	-	690		700
Travel/Meeting	2	-	-	293		4,640
Capital Outlay	-	-	-	-		-
GRAND TOTAL	\$ 103,913	\$ 118,219	\$ 73,604	\$ 77,861	\$ 65,153	\$ 68,711

Liability, Protection & Settlement Fund

The Liability, Protection & Settlement Fund (LP&S) is used to record revenues and expenditures related to protection of the District's assets. The fund receives property tax revenue for the portion of the annual levy associated with tort liability and insurance. The fund also earns interest on its investments.

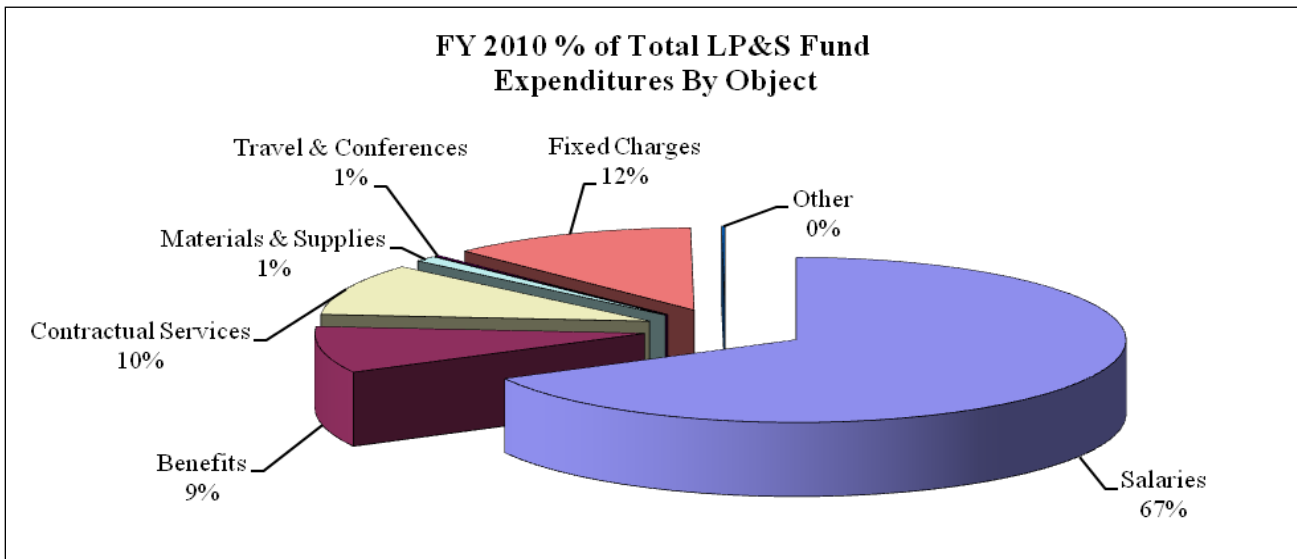
LP&S Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 1,606,364	\$ 1,665,546	\$ (59,182)	-3.55%
Other Revenue	299,026	227,381	71,645	31.51%
Total	\$ 1,905,390	\$ 1,892,927	\$ 12,463	0.66%



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

LP&S Fund Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 2,168,058	\$ 2,127,499	\$ 40,559	1.91%
Total	\$ 2,168,058	\$ 2,127,499	\$ 40,559	1.91%

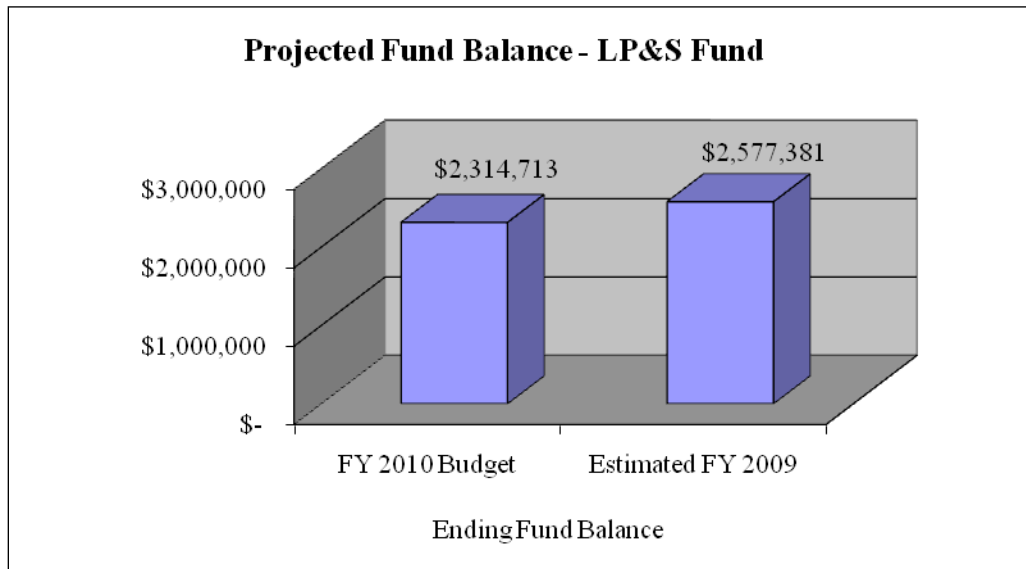
LP&S Fund Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Salaries	\$ 1,456,897	\$ 1,444,785	\$ 12,112	0.84%
Benefits	197,608	211,180	(13,572)	-6.43%
Contractual Services	220,108	214,704	5,404	2.52%
Materials & Supplies	23,073	21,276	1,797	8.45%
Travel & Conferences	4,466	5,050	(584)	-11.56%
Fixed Charges	262,175	226,773	35,402	15.61%
Other	3,731	3,731	-	0.00%
Total	\$ 2,168,058	\$ 2,127,499	\$ 40,559	1.91%



- Benefits are budgeted down due to decreased FICA Medicare liability.
- Fixed charges increase for insurance costs.

**Carl Sandburg College
LP&S Fund-Projected Fund Balance**

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 1,835,390	\$ 1,914,218	\$ (78,828)	-4.12%
Expenditures	2,168,058	2,065,738	102,320	4.95%
Revenues Over (Under) Expenditures	\$ (332,668)	\$ (151,520)	\$ (181,148)	119.55%
Transfers	70,000	(1,015,000)	1,085,000	-106.90%
Change in fund balance	\$ (262,668)	\$(1,166,520)	\$ 903,852	-77.48%
Fund equity (deficit) beginning of year	2,577,381	3,743,901	(1,166,520)	-31.16%
Fund equity (deficit) end of year	\$ 2,314,713	\$ 2,577,381	\$ (262,668)	-10.19%



**Liability Protection and Settlement Fund Revenues and Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Local Governmental Sources:						
Current Taxes	\$ 1,424,184	\$ 1,644,103	\$1,624,690	\$ 1,665,546		\$ 1,606,364
Total Local Government	\$ 1,424,184	\$ 1,644,103	\$1,624,690	\$ 1,665,546	\$1,700,254	\$ 1,606,364
Other Sources:						
Other Sales & Services	\$ -	\$ -	\$ -	\$ -		\$ -
Other Non-Government Gifts, Grants	-	10,541	4,998	10,000		16,626
Interest Income	197,471	212,603	279,227	217,381		212,400
Other Income	182,632	-	-	-		-
Total Other Sources	\$ 380,103	\$ 223,144	\$ 284,225	\$ 227,381	\$ 213,964	\$ 229,026
Total Revenue before Interfunds	\$ 1,804,287	\$ 1,867,247	\$1,908,915	\$ 1,892,927	\$1,914,218	\$ 1,835,390
Interfunds	591,452	-	-	-		70,000
GRAND TOTAL	\$ 2,395,739	\$ 1,867,247	\$1,908,915	\$ 1,892,927	\$1,914,218	\$ 1,905,390

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Institutional Support						
Salaries	\$ 909,476	\$ 1,357,251	\$ 1,431,418	\$ 1,444,785		\$ 1,456,897
Employee Benefits	865,103	176,088	95,668	211,180		197,608
Contractual Services	175,702	152,316	213,318	214,704		220,108
General Material & Supplies	33,212	12,833	21,392	21,276		23,073
Travel/Meeting	1,556	3,915	2,475	5,050		4,466
Fixed Charges	208,523	246,043	216,753	226,773		262,175
Capital Equipment	-	-	-	-		-
Other Expenditures	4,881	5,705	17,332	3,731		3,731
Total Expenditures before Interfunds	\$ 2,198,453	\$ 1,954,151	\$1,998,356	\$ 2,127,499	\$ 2,065,738	\$ 2,168,058
Transfers	-	-	-	-	1,015,000	-
GRAND TOTAL	\$ 2,198,453	\$ 1,954,151	\$1,998,356	\$ 2,127,499	\$ 3,080,738	\$ 2,168,058

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 2010 Budget	FY 2009 Budget	Change	%
Other Revenue	\$ 25,846	\$ 23,475	\$ 2,371	10.10%
Total	\$ 25,846	\$ 23,475	\$ 2,371	10.10%

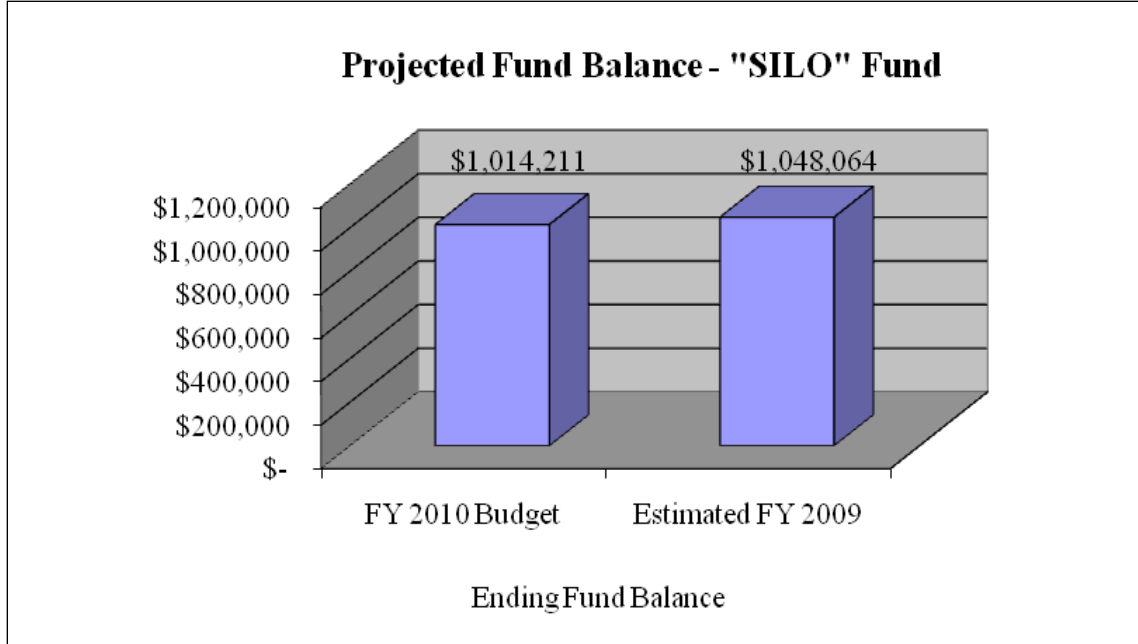
"SILO" Fund Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 59,699	\$ -	\$ 59,699	-
Total	\$ 59,699	\$ -	\$ 59,699	-

"SILO" Fund Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Other	\$ 59,699	\$ -	\$ 59,699	-
Total	\$ 59,699	\$ -	\$ 59,699	-

- Transfer to the Education Fund to start new programs.

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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 25,846	\$ 29,480	\$ (3,634)	-12.33%
Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	\$ 25,846	\$ 29,480	\$ (3,634)	-12.33%
Transfers	(59,699)	400,000	(459,699)	-114.92%
Change in fund balance	\$ (33,853)	\$ 429,480	\$ (463,333)	-107.88%
Fund equity (deficit) beginning of year	1,048,064	618,584	429,480	69.43%
Fund equity (deficit) end of year	\$ 1,014,211	\$ 1,048,064	\$ (33,853)	-3.23%



**Quasi-Endowment "SILO" Fund Revenues and Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Other Sources:						
Interest Income	\$ -	\$ -	\$ 18,584	\$ 23,475	\$ 29,480	\$ 25,846
Net increase (decrease) in fair value of investments	-	-	-	-	-	-
Total before Nonoperating	\$ -	\$ -	\$ 18,584	\$ 23,475	\$ 29,480	\$ 25,846
Transfers	-	-	600,000	-	400,000	-
Bond Proceeds	-	-	-	-	-	-
GRAND TOTAL	\$ -	\$ -	\$ 618,584	\$ 23,475	\$ 429,480	\$ 25,846

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est. Actuals	FY 2010 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total before transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	-	-	-	-	-	59,699
GRAND TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,699

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.

Legally, the college is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$37,889,676. The current long-term debt of the college is \$31,342,273. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$6,547,403. FY 2010 has not projected any further debt. Debt limitations will factor into future possibilities.

The annual requirements to amortize all debt outstanding as of June 30, 2008 and the debt called early and incurred in FY 2009, including interest, are as follows:

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2009	\$ 2,500,000	\$ 63,886	\$ 127,073	\$ 2,690,959	\$ 1,207,190	\$ 3,898,149
2010	1,770,000	34,751		1,804,751	1,226,294	3,031,045
2011	2,070,000	6,563		2,076,563	1,171,995	3,248,558
2012	2,415,000			2,415,000	1,055,870	3,470,870
2013	2,200,000			2,200,000	938,419	3,138,419
2014-2018	13,410,000			13,410,000	2,972,444	16,382,444
2019-2024	6,745,000			6,745,000	489,202	7,234,202
Total	\$ 31,110,000	\$ 105,200	\$ 127,073	\$31,342,273	\$ 9,061,414	\$ 40,403,687

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

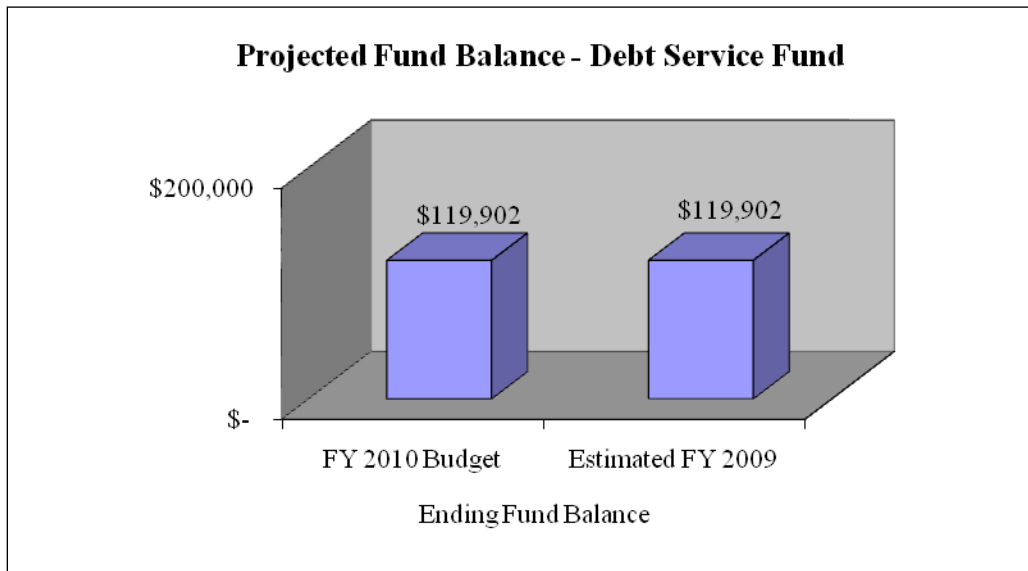
Debt Service Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 2,995,180	\$ 2,696,167	\$ 299,013	11.09%
Other Revenue	6,700	16,355	(9,655)	-59.03%
Total	\$ 3,001,880	\$ 2,712,522	\$ 289,358	10.67%

Debt Service Fund Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 3,001,880	\$ 2,696,167	\$ 305,713	11.34%
Total	\$ 3,001,880	\$ 2,696,167	\$ 305,713	11.34%

Debt Service Fund Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Fixed Charges	\$ 2,995,180	\$ 2,692,567	\$ 302,613	11.24%
Other	6,700	3,600	3,100	86.11%
Total	\$ 3,001,880	\$ 2,696,167	\$ 305,713	11.34%

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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 3,001,880	\$ 11,566,907	\$ (8,565,027)	-74.05%
Expenditures	3,001,880	8,223,233	(5,221,353)	-63.50%
Revenues Over (Under) Expenditures	\$ -	\$ 3,343,674	\$ (3,343,674)	-100.00%
Transfers	-	(3,360,000)	3,360,000	-100.00%
Change in fund balance	\$ -	\$ (16,326)	\$ 16,326	-100.00%
Fund equity (deficit) beginning of year	119,902	136,228	(16,326)	-11.98%
Fund equity (deficit) end of year	\$ 119,902	\$ 119,902	\$ -	0.00%



**Bond and Interest Fund Revenue and Expenditures
Fiscal Year 2010**

Operating Revenue by Sources	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Local Government:						
Current Taxes	\$ 2,194,193	\$ 2,201,549	\$ 2,396,540	\$ 2,696,167		\$ 2,995,180
Total Local Government	\$ 2,194,193	\$ 2,201,549	\$ 2,396,540	\$ 2,696,167	\$ 2,685,768	\$ 2,995,180
Other Sources:						
Interest Income	\$ 222	\$ 94,683	\$ 71,631	\$ 16,355		\$ 6,700
Total Other Sources	\$ 222	\$ 94,683	\$ 71,631	\$ 16,355	\$ 6,139	\$ 6,700
Total Revenue before Interfunds & Nonoperating Items	\$ 2,194,415	\$ 2,296,232	\$ 2,468,171	\$ 2,712,522	\$ 2,691,907	\$ 3,001,880
Interfund Transfers	-	-		-	1,015,000	-
Debt Proceeds	-	-	6,562,895	-	8,875,000	-
Grand Total	\$ 2,194,415	\$ 2,296,232	\$ 9,031,066	\$ 2,712,522	\$ 12,581,907	\$ 3,001,880

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Institutional Support						
Fixed Charges	\$2,259,737	\$ 2,181,491	\$ 5,952,073	\$ 2,696,167		\$ 2,995,180
Capital Outlay	-	-	-	-		-
Other Expenditures	8,547	6,193	47,935	-		6,700
Total Expenditures before Interfunds	\$2,268,284	\$ 2,187,684	\$,000,008	\$ 2,696,167	\$ 8,223,233	\$ 3,001,880
Interfund Transfers	\$1,591,512	\$ -	\$ 3,100,000	\$ -	\$ 4,375,000	\$ -
Repayment of lease certificates	-	-	-	-	-	-
Discount on bond issuance	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-
GRAND TOTAL	\$3,859,796	\$ 2,187,684	\$ 9,100,008	\$ 2,696,167	\$ 12,598,233	\$ 3,001,880

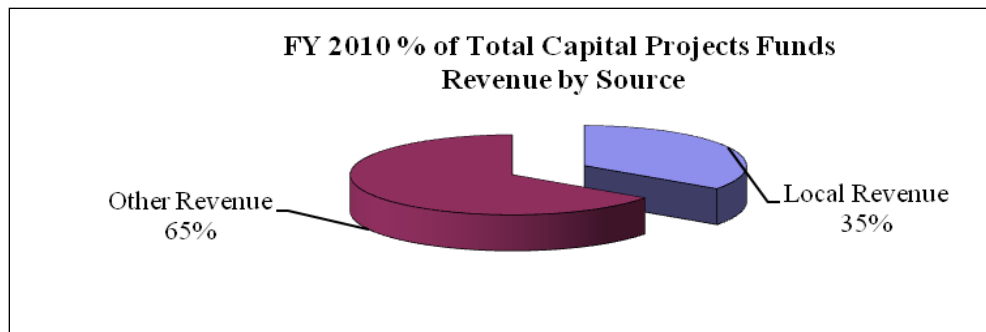
Capital Projects Fund

The Operations and Maintenance (Restricted) Fund and The Capital Endowment Fund make up the Capital Projects Fund. These funds account for financial resources to be used for the acquisition or construction of major capital facilities and technology enhancements. Revenue for the Capital Projects Funds is derived from Local Government and Other Sources of Revenue. 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 2010 total revenue budget of \$1,029,211 represents a decrease of 20.91%, or \$272,139 from the FY 2009 budget of \$1,301,350.

- The local revenue increases due to an increase in the levy for Protection, Health, Safety. Two projects are budgeted for completion: ADA door upgrades and security alert system.
- Other revenue decreases due to reduced transfers of STEF accumulated interest.

Capital Projects Funds	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 358,300	\$ 306,400	\$ 51,900	16.94%
Other Revenue	670,911	994,950	(324,039)	-32.57%
Total	\$ 1,029,211	\$ 1,301,350	\$ (272,139)	-20.91%



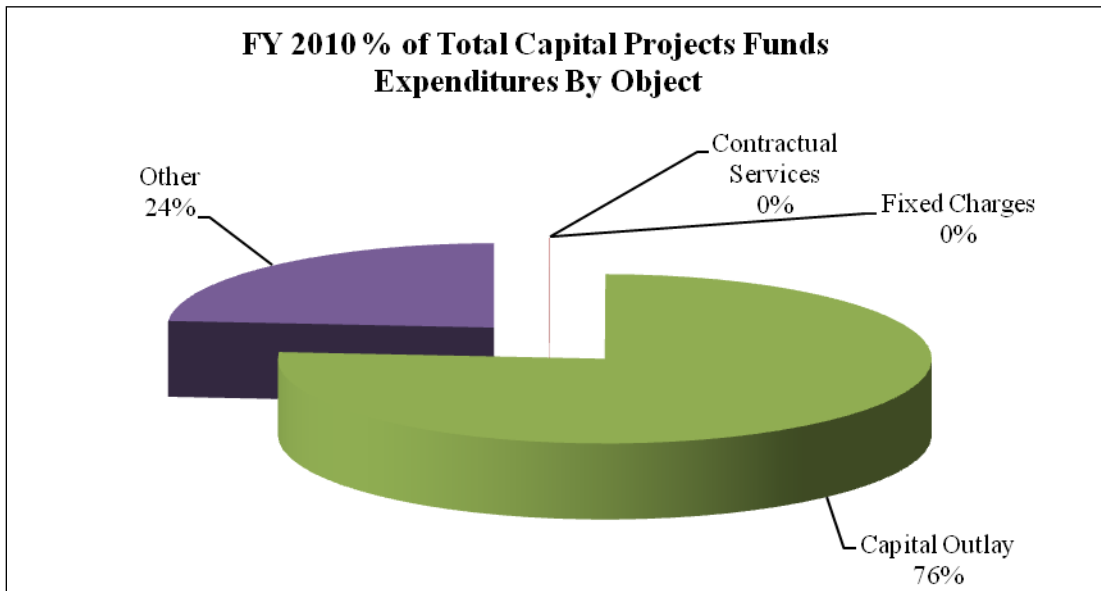
Budgeted expenditures for the Capital Projects Funds for FY 2010 are \$4,088,810. The following table details the budgeted expenditures by function.

- Institutional support increases for the following project costs:
 - Annex renovations \$292,000
 - Capital refresh \$85,000
 - Charger Community Center \$2,375,000 bond proceeds from FY 2009
 - Emergency alert system \$193,500
 - ADA upgrades \$164,800

Additional transfer dollars are shown for expenditures in other funds. The capital equipment budget, page 106, details the applications of the dollars budgeted for FY 2010.

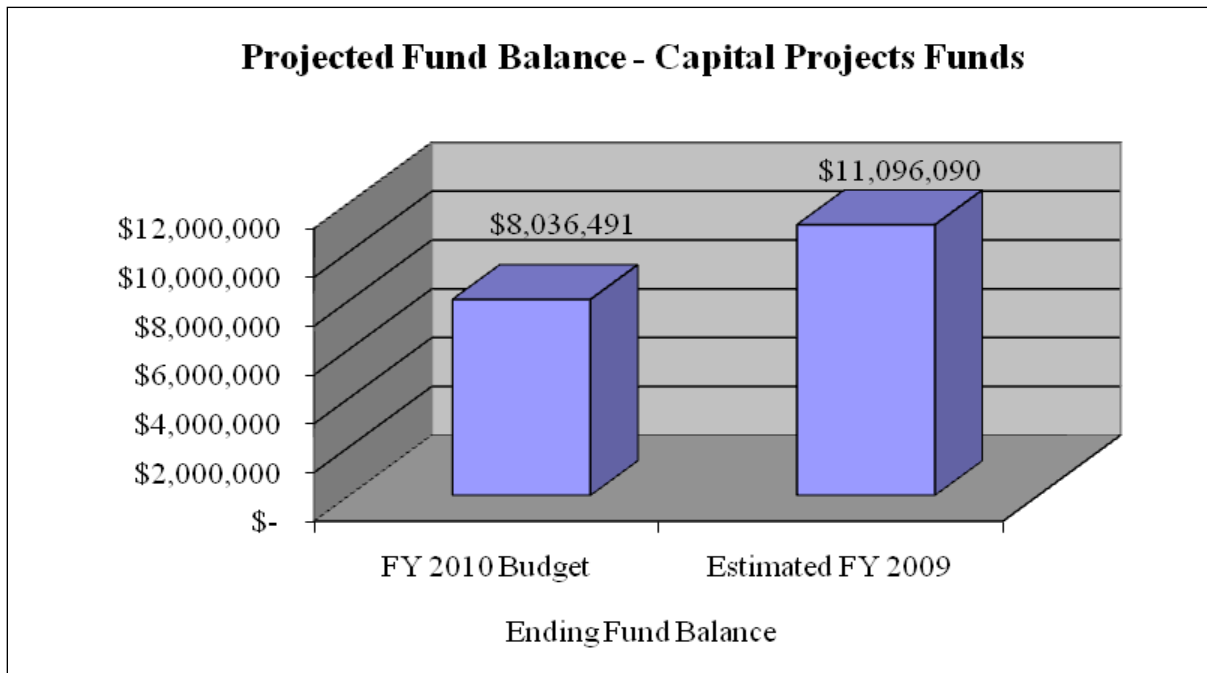
Capital Projects Funds Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 4,088,810	\$ 1,911,100	\$ 2,177,710	113.95%
Total	\$ 4,088,810	\$ 1,911,100	\$ 2,177,710	113.95%

Capital Projects Funds Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Contractual Services	\$ -	\$ 30,640	\$ (30,640)	-100.00%
Fixed Charges	1,250	1,250	-	0.00%
Capital Outlay	3,116,800	975,410	2,141,390	219.54%
Other	970,760	903,800	66,960	7.41%
Total	\$ 4,088,810	\$ 1,911,100	\$ 2,177,710	113.95%



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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 602,611	\$ 638,023	\$ (35,412)	-5.55%
Expenditures	3,118,050	969,402	2,148,648	221.65%
Revenues Over (Under) Expenditures	\$ (2,515,439)	\$ (331,379)	\$ (2,184,060)	659.08%
Transfers	(544,160)	5,047,170	(5,591,330)	-110.78%
Change in fund balance	\$ (3,059,599)	\$ 4,715,791	\$ (7,775,390)	-164.88%
Fund equity (deficit) beginning of year	11,096,090	6,380,299	4,715,791	73.91%
Fund equity (deficit) end of year	\$ 8,036,491	\$11,096,090	\$ (3,059,599)	-27.57%



Operations & Maintenance Fund (Restricted)

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

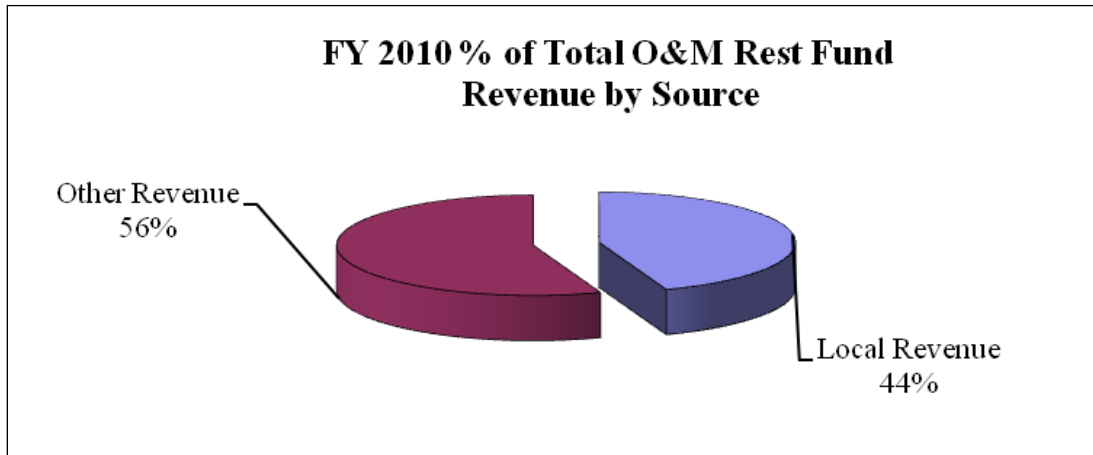
The revenue budget reflects interest earnings from investments, the Deferred Maintenance Grant (when funded), as required by state regulations, and tax revenues from the Protection, Health and Safety (PHS) Levy. Bond proceeds from prior years have been spent for renovation projects as noted below. FY 2007 was a year with no projects budgeted. The college used FY 2007 to evaluate completed projects and potential future facility improvements. The final tax levy in December 2006 included PHS levy for security cameras throughout the college facilities. This project was included in FY 2008. A state capital budget is not in place and creates uncertainty for future projects. Therefore, at this time, projects budgeted for FY 2009 are being funded internally to the College through the use of accumulated interest on the Working Cash Fund and the STEF Endowment Fund. A portion of STEF principal is also budgeted in order to complete projects. We are fortunate to have accumulated interest to spend on these projects so as not to have to use operating dollars.

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

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

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	\$237,416	

O&M Restricted Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Local Revenue	\$ 358,300	\$ 306,400	\$ 51,900	16.94%
Other Revenue	447,778	764,145	(316,367)	-41.40%
Total	\$ 806,078	\$ 1,070,545	\$ (264,467)	-24.70%



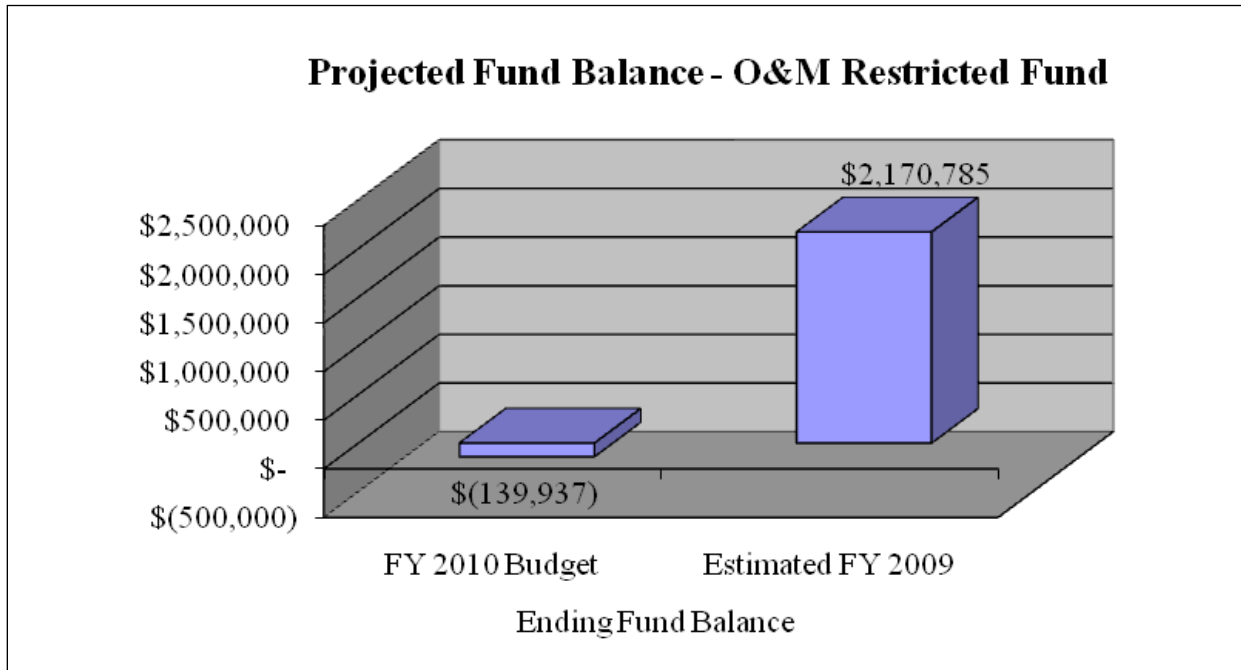
- Institutional support includes the following project costs:
 - Annex renovations \$292,000
 - Charger Community Center \$2,375,000 bond proceeds from FY 2009
 - Emergency alert system \$193,500
 - ADA upgrades \$164,800

O&M Restricted Fund Expense by Function	FY 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 3,116,800	\$ 1,006,050	\$ 2,110,750	209.81%
Total	\$ 3,116,800	\$ 1,006,050	\$ 2,110,750	209.81%

O&M Restricted Fund Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Contractual Services	\$ -	\$ 30,640	\$ (30,640)	-100.00%
Capital Outlay	3,116,800	975,410	2,141,390	219.54%
Total	\$ 3,116,800	\$ 1,006,050	\$ 2,110,750	209.81%

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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 379,478	\$ 356,302	\$ 23,176	6.50%
Expenditures	3,116,800	968,152	2,148,648	221.93%
Revenues Over (Under) Expenditures	\$ (2,737,322)	\$ (611,850)	\$(2,125,472)	347.38%
Transfers	426,600	3,047,170	(2,620,570)	-86.00%
Change in fund balance	\$ (2,310,722)	\$ 2,435,320	\$(4,746,042)	-194.88%
Fund equity (deficit) beginning of year	2,170,785	(264,535)	2,435,320	-920.60%
Fund equity (deficit) end of year	\$ (139,937)	\$ 2,170,785	\$(2,310,722)	-106.45%



**Operations Maintenance Restricted Fund Revenue
Fiscal Year 2010**

Operating Revenue by Sources	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Local Government:						
Current Taxes	\$ -	\$ -	\$ 182,839	\$ 306,400		\$ 358,300
Total Local Government	\$ -	\$ -	\$ 182,839	\$ 306,400	\$ 304,778	\$ 358,300
State Government:						
Other State Revenues	\$ -	\$ -	\$ -	\$ -		\$ -
ICCB Deferred Maintenance Grant	-	-	-	-		-
Total State Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Sources:						
Interest Income	\$ 13,922	\$ 18,463	\$ 15,639	\$ 14,495	\$ 8,211	\$ 10,228
Other Income	85,000	29,447	68,896	77,800	43,313	10,950
Total Other Sources	\$ 98,922	\$ 47,910	\$ 84,535	\$ 92,295	\$ 51,524	\$ 21,178
Total Revenue before Interfunds & Nonoperating Items	\$ 98,922	\$ 47,910	\$ 267,374	\$ 398,695	\$ 356,302	\$ 379,478
Interfund Transfers	1,581,765	48,512	107,905	749,850	672,170	426,600
Bond & Lease Certificate Proceeds	-		3,100,000	-	2,375,000	-
Grand Total	\$1,680,687	\$ 96,422	\$3,475,279	\$1,148,545	\$ 3,403,472	\$ 806,078

**Operations Maintenance Restricted Fund Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Operation & Maintenance of Plant						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Capital Outlay	-	-	-	-		-
Total Operation & Maintenance of Plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Institutional Support						
Salaries	\$ -	\$ -	\$ -	\$ -		\$ -
Contractual Services	96,357	7,632	48,792	-		-
General Maintenance and Supplies	-	-	-	-		-
Travel/Meetings	-	-	-	-		-
Fixed Charges	-	-	-	-		-
Capital Outlay	1,707,611	200,358	2,972,620	1,084,050		3,116,800
Other Expenditures	-	-	-	-		-
Total Institutional Support	\$1,803,968	\$207,990	\$ 3,021,412	\$1,084,050	\$ 968,152	\$3,116,800
Total Expenditures before Interfunds	\$1,803,968	\$207,990	\$ 3,021,412	\$1,084,050	\$ 968,152	\$3,116,800
Interfund Transfers	-	-	14,264	-	-	-
Repayment of Debt Certificates	-	-	-	-	-	-
GRAND TOTAL	\$1,803,968	\$207,990	\$ 3,035,676	\$1,084,050	\$ 968,152	\$3,116,800

Quasi-Endowment Fund

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

The Strategic Technology Endowment Fund (STEF) was established by issuing \$5 million in bonds to be invested. The June 30, 2004 bond issuance expanded this fund by \$1,028,650 to service capital lease agreements for Xerox copiers and Access computer software. The interest from the investments in the STEF fund is available to fund technology refreshment activities through transfers to appropriate funds. Additional bond proceeds in FY 2009 increased this fund by \$2,000,000. FY 2010 reflects a decrease in interest earnings due to the decrease in rates.

STEF Fund	FY 2010 Budget	FY 2009 Budget	Change	%
Other Revenue	\$ 223,133	\$ 230,805	\$ (7,672)	-3.32%
Total	\$ 223,133	\$ 230,805	\$ (7,672)	-3.32%

The capital equipment budget, page 106, details the applications of the STEF accumulated interest budgeted for FY 2010. Projects budgeted for FY 2010 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 2010 Budget	FY 2009 Budget	Change	%
Institutional Support	\$ 972,010	\$ 905,050	\$ 66,960	7.40%
Total	\$ 972,010	\$ 905,050	\$ 66,960	7.40%

STEF Fund Expense by Object	FY 2010 Budget	FY 2009 Budget	Change	%
Fixed Charges	\$ 1,250	\$ 1,250	\$ -	0.00%
Other	970,760	903,800	66,960	7.41%
Total	\$ 972,010	\$ 905,050	\$ 66,960	7.40%

FY-2010 CAPITAL EQUIPMENT (PHENIX) BUDGET

Sources	APPLICATIONS ¹			
	Instructional Services	Student Services	Business Services	Institutional Support
Working Cash Accumulated Interest			\$15,000 CME Lots \$10,000 Lot Striping/Repairs \$6,000 Repair/Maintenance (Rolling Stock)	\$10,000 Barter Match \$5,000 Barter Commission \$85,000 Capital Refresh \$10,000 CSC TV's
Total \$221,000 ³				\$80,000 SRP
STEF Accumulated Interest	\$15,000 Academic Program Equipment \$20,000 Instructional Technology \$292,000 Annex Renovations \$28,000 Library Security	\$12,000 Fitness Center Equip \$7,800 Soccer	\$75,000 Rolling Stock \$25,000 CIPS \$104,000 Xerox	\$50,000 PC Maint. Non-faculty \$5,000 R&D Tech Staff \$30,000 IT Infrastructure \$5,000 Ergonomic \$108,050 EM Initiative \$101,710 Access \$70,000 LPS/ED Fund Equity \$22,200 TBD - President
Total \$970,760 ³				
Perkins 06 Fund	\$15,000 Laptops			
\$75,000	\$60,000 Equipment			
Title III 06 Fund				
\$45,000				
Tech Fee ²				
\$5.50	\$129,982			
Barter Dollars				\$20,000

106

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

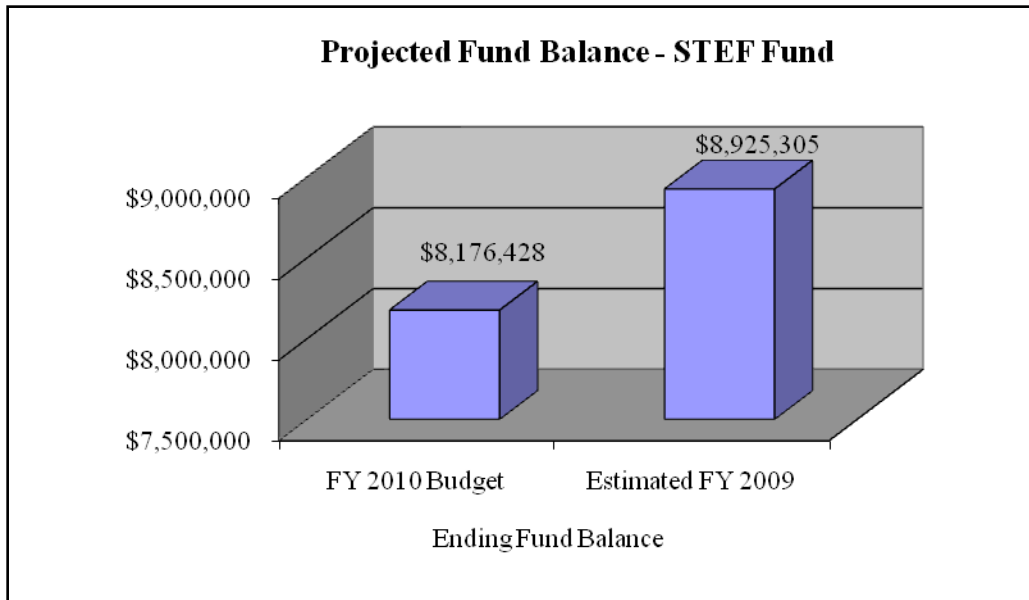
2 – Tech fee revenue less salaries in dept 3071

3 – Fund breakdown

Education Fund - \$593,960; Operations & Maintenance - \$50,000; Operations & Maintenance Restricted - \$377,000; Auxiliary Fund - \$100,800; Liability, Protection & Settlement Fund - \$70,000.

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

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 223,133	\$ 281,721	\$ (58,588)	-20.80%
Expenditures	1,250	1,250	-	0.00%
Revenues Over (Under) Expenditures	\$ 221,883	\$ 280,471	\$ (58,588)	-20.89%
Transfers	(970,760)	2,000,000	(2,970,760)	-148.54%
Change in fund balance	\$ (748,877)	\$ 2,280,471	\$ (3,029,348)	-132.84%
Fund equity (deficit) beginning of year	8,925,305	6,644,834	2,280,471	34.32%
Fund equity (deficit) end of year	\$ 8,176,428	\$ 8,925,305	\$ (748,877)	-8.39%



**Quasi-Endowment Fund Revenue and Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Other Sources:						
Federal Grants	\$ 177,101	\$ -	\$ -	\$ -		\$ -
Interest Income	307,038	317,011	304,566	230,805		223,133
Net increase (decrease) in fair value of investments	(223,970)	(37,326)	33,919	-		-
Total before Interfund Transfers and Nonoperating	\$ 260,169	\$279,685	\$338,485	\$230,805	\$ 281,721	\$223,133
Bond Proceeds	-	-	-	-	2,000,000	-
Transfers	-	-	-	-	-	-
GRAND TOTAL	\$ 260,169	\$279,685	\$338,485	\$230,805	\$ 2,281,721	\$223,133

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Institutional Support						
Fixed Charges	\$ 1,058	\$ 1,250	\$ 1,250	\$ 1,250		\$ 1,250
Other Expenditures	20	11,020	-	-		-
Total Expenditures before Interfunds	\$ 1,078	\$ 12,270	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
Transfers	476,813	58,448	38,501	903,800	-	970,760
GRAND TOTAL	\$ 477,891	\$ 70,718	\$ 39,751	\$905,050	\$ 1,250	\$972,010

Proprietary Fund

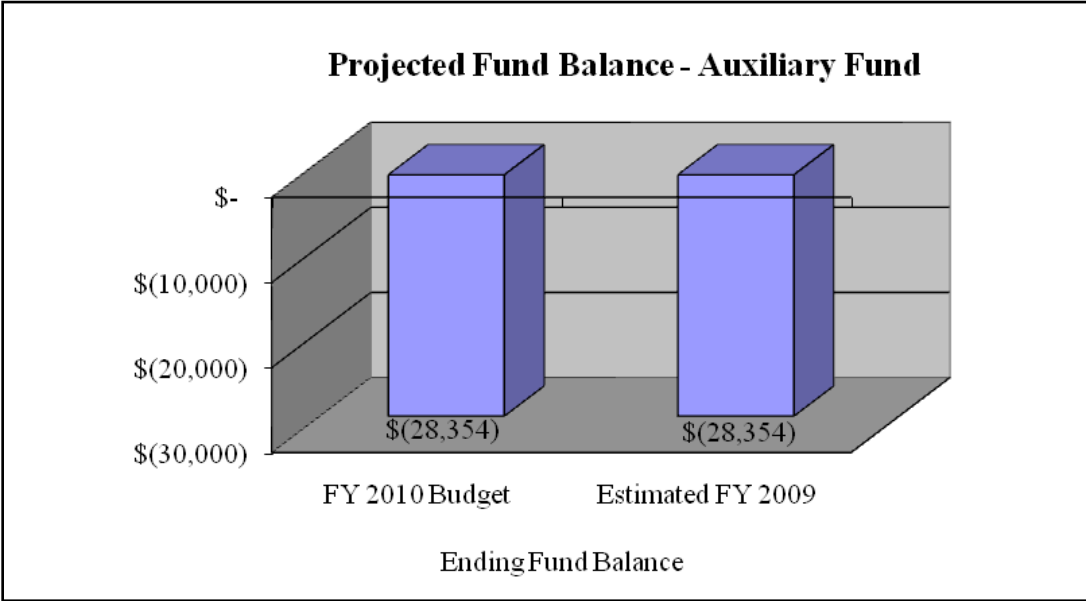
The Auxiliary Enterprise Fund is used to account for college services where a fee is charged to students/staff and the activity is intended to be self-supporting. Each enterprise/service should be accounted for separately using a group of self-balancing accounts within the fund. Included in this fund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

Food Service, budgeted at \$36,194, 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 \$15,194. Expenses include contractual services as well as equipment.

Dental Hygiene Clinic is budgeted at \$30,759. They expect revenues of \$30,759 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 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 1,161,833	\$ 1,039,545	\$ 122,288	11.76%
Expenditures	1,213,033	1,128,047	84,986	7.53%
Revenues Over (Under) Expenditures	\$ (51,200)	\$ (88,502)	\$ 37,302	-42.15%
Transfers	51,200	33,375	17,825	53.41%
Change in fund balance	\$ -	\$ (55,127)	\$ 55,127	-100.00%
Fund equity (deficit) beginning of year	(28,354)	26,773	(55,127)	-205.91%
Fund equity (deficit) end of year	\$ (28,354)	\$ (28,354)	\$ -	0.00%



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 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Student Tuition and Fees:						
Tuition	\$ -	\$ -	\$ -	\$ -		\$ -
Activity Fee Revenue	230,747	211,956	207,328	235,505		240,645
Total Student Tuition and Fees	\$ 230,747	\$ 211,956	\$ 207,328	\$ 235,505	\$ 238,941	\$ 240,645
Other Sources:						
Sales & Service Income	\$ 600,743	\$ 628,320	\$ 669,538	\$ 650,007		\$ 687,113
Commissions	-	-	-			
Federal Government-USDA Reimbursement	23,970	27,677	26,882	27,000		27,000
Interest Income	3	32	-	-		-
Other Income	122,560	130,625	130,021	132,026		207,075
Total Other Sources	\$ 747,276	\$ 786,654	\$ 826,441	\$ 809,033	\$ 800,604	\$ 921,188
Total Revenue before Interfunds & Nonoperating Items	\$ 978,023	\$ 998,610	\$1,033,769	\$1,044,538	\$1,039,545	\$1,161,833
Interfund Transfers	32,970	9,936	38,501	117,000	67,375	100,800
Grand Total	\$1,010,993	\$1,008,546	\$1,072,270	\$1,161,538	\$1,106,920	\$1,262,633
	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Auxiliary Services						
Salaries	\$ 453,129	\$ 474,456	\$ 529,245	\$ 563,547		\$ 556,634
Employee Benefits	10,000	12,354	14,316	12,115		11,998
Contractual Services	153,416	136,936	163,569	201,630		186,335
General Maintenance and Supplies	186,960	177,864	193,978	224,282		222,246
Travel and Conference/Meeting Expense	37,169	54,693	37,458	49,306		48,957
Fixed Charges	-	-	-	-		-
Utilities	-	-	-	-		-
Capital Outlay	-	-	-	115,141		75,141
Depreciation	26,902	935	1,020	-		19,235
Other	102,618	92,982	86,988	85,648		92,487
Total before transfers	\$ 970,194	\$ 950,220	\$1,026,574	\$1,251,669	\$1,128,047	\$1,213,033
Interfund Transfers			107,905	50,000	34,000	49,600
GRAND TOTAL	\$ 970,194	\$ 950,220	\$1,134,479	\$1,301,669	\$1,162,047	\$1,262,633

Nonexpendable Trust Fund

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

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

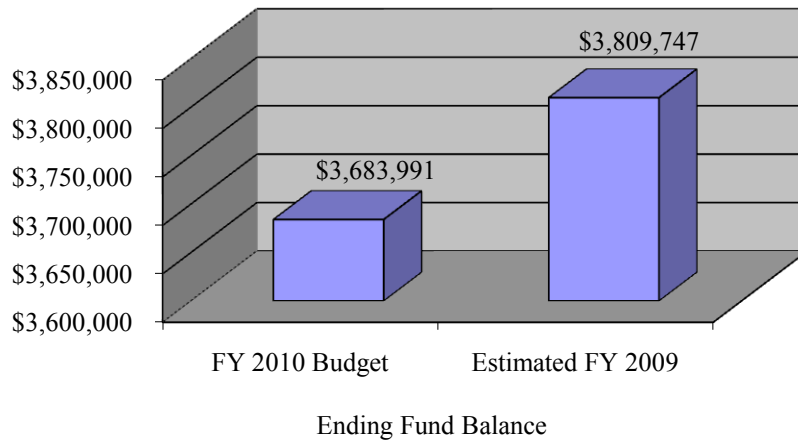
The college currently shows a principal balance of \$3,683,720 which is invested in staggered maturities to insure liquidity and follows the board's Investment Policy. Interest earned in this fund may be transferred to the General Fund with Board approval. The transfer of interest has become an important source of college revenue.

Revenue for this fund is derived solely from investment earnings. For FY 2010, these earnings are projected to decrease due to lower investment rates. Revenue is budgeted at \$95,244.

Carl Sandburg College Working Cash Fund-Projected Fund Balance

	FY 2010 Budget	Estimated FY 2009	Change	%
Revenues	\$ 95,244	\$ 139,992	\$ (44,748)	-31.96%
Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	\$ 95,244	\$ 139,992	\$ (44,748)	-31.96%
Transfers	(221,000)	(581,225)	360,225	-61.98%
Change in fund balance	\$ (125,756)	\$ (441,233)	\$ 315,477	-71.50%
Fund equity (deficit) beginning of year	3,809,747	4,250,980	(441,233)	-10.38%
Fund equity (deficit) end of year	\$ 3,683,991	\$ 3,809,747	\$ (125,756)	-3.30%

Projected Fund Balance - Working Cash Fund



**Working Cash Fund Revenue and Expenditures
Fiscal Year 2010**

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Other Sources:						
Interest Income	\$119,004	\$ 175,193	\$ 145,072	\$ 121,300		\$ 95,244
Net increase (decrease) in fair value of investments	(7,705)	8,573	10,764	-		-
Total before Nonoperating	\$111,299	\$ 183,766	\$ 155,836	\$ 121,300	\$ 139,992	\$ 95,244
Transfers	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-
GRAND TOTAL	\$111,299	\$ 183,766	\$ 155,836	\$ 121,300	\$ 139,992	\$ 95,244

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2009 Est Actuals	FY 2010 Budget
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total before transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	115,948	7,500	100,000	520,300	581,225	221,000
GRAND TOTAL	\$115,948	\$ 7,500	\$ 100,000	\$ 520,300	\$ 581,225	\$ 221,000

IV. Informational Section Narratives

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

Projections have been developed from historical trends and conservative assumptions developed by College staff. It is the philosophy of the College that a balanced budget is a fundamental element of financial accountability. Expenditures for a given year should be no greater than projected resources available. Thus, the first step in projections is the development of comprehensive revenue estimates.

Tax Base Trends

Economic conditions in the communities served by Carl Sandburg College District 518 are such that many industries have moved from the area. We are also faced with the majority of our district being comprised of farmland. Bulletin 810 caused concern due to not knowing what the potential impact would be on the district's EAV. Due to these factors, we anticipated a revenue decrease in FY 2007 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 2008 will be taxed in calendar year 2009 to support our FY 2010. The current EAV is one third of the market value of the property.

EAV supporting our fiscal year:

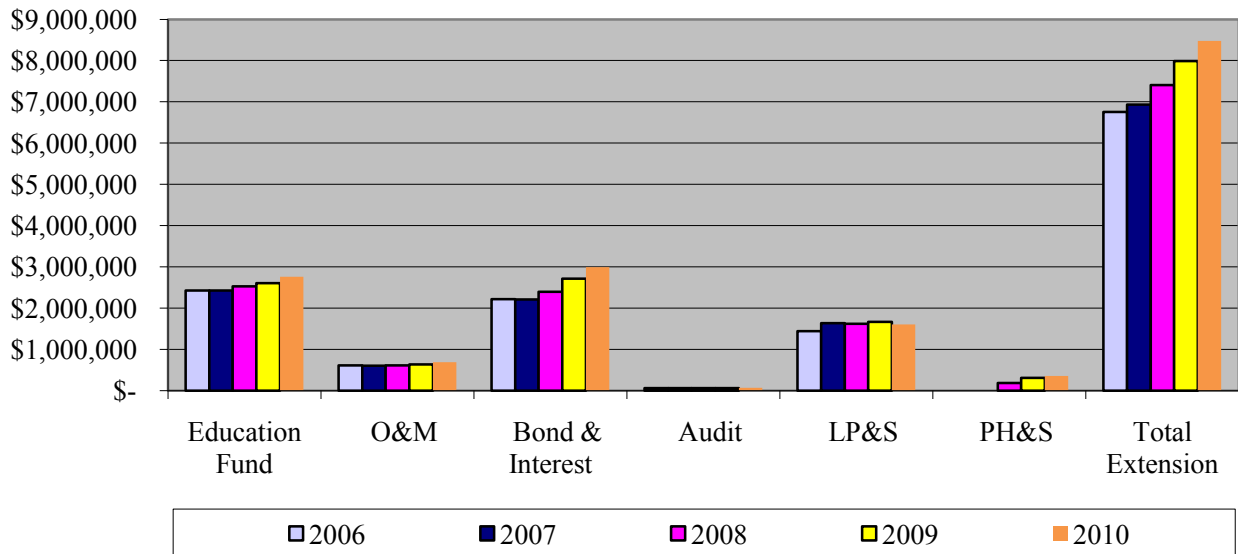
FY	2006	2007	2008	2009	Est. 2010
Market Value	\$3,662,878,512	\$3,610,437,843	\$3,675,946,170	\$3,953,705,376	\$4,111,853,591
EAV	\$1,220,959,504	\$1,203,479,281	\$1,225,315,390	\$1,317,901,792	\$1,370,617,864
% increase/(decrease)	-5.2%	-1.4%	1.8%	7.6%	4.0%
Levy Rate (per \$100 of assessed valuation per levy year)	\$ 0.5530	\$ 0.5759	\$ 0.6039	\$ 0.6205	\$ 0.6205
% increase/(decrease)	7.6%	4.1%	4.9%	2.7%	0.0%

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

**Carl Sandburg College
Historic Levies & Extensions
Fiscal Years 2006-2010**

Fiscal Year	2006	2007	2008	2009	est. 2010
EAV	\$1,220,959,504	\$1,203,479,281	\$1,225,315,390	\$ 1,317,901,792	\$1,370,617,864
Taxes Rate					
Education Fund	\$ 0.1989	\$ 0.2015	\$ 0.2063	\$ 0.1998	\$ 0.2016
O&M	0.0500	0.0500	0.0500	0.0495	0.0500
Bond & Interest	0.1813	0.1833	0.1953	0.2106	0.2206
Audit	0.0050	0.0050	0.0050	0.0050	0.0050
LP&S	0.1178	0.1361	0.1324	0.1317	.0.1172
PH&S	-	-	0.0149	0.0239	0.0261
Total Rate Per \$100					
EAV	\$ 0.5530	\$ 0.5759	\$ 0.6039	\$ 0.6205	\$ 0.6205
Extension					
Education Fund	\$ 2,428,488	\$ 2,425,542	\$ 2,527,826	\$ 2,601,208	\$ 2,763,166
O&M	610,480	601,871	612,658	637,425	685,309
Bond & Interest	2,213,600	2,206,461	2,396,583	2,711,952	2,995,180
Audit	61,048	60,187	61,266	64,386	68,531
LP&S	1,438,290	1,638,294	1,622,318	1,668,973	1,606,364
PH&S	0	0	183,750	306,400	358,300
Total Extension	\$ 6,751,906	\$ 6,932,355	\$ 7,404,400	\$ 7,990,344	\$ 8,476,850
Collection Loss	-8,066	288	24,155	(7,847)	
Total Taxes Collected	\$ 6,759,972	\$ 6,932,067	\$ 7,380,245	\$ 7,982,497	\$ 8,476,850

Tax Extensions by Fiscal Year



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

Fiscal Year	Tax Year	Est. Market Value of Home	Est. Taxable Value 1/3	Tax Rate	Est. CSC Tax Paid by Home Owner
2009-10	2008	\$ 90,000	\$ 30,000	\$ 0.6205	\$ 186.15
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.

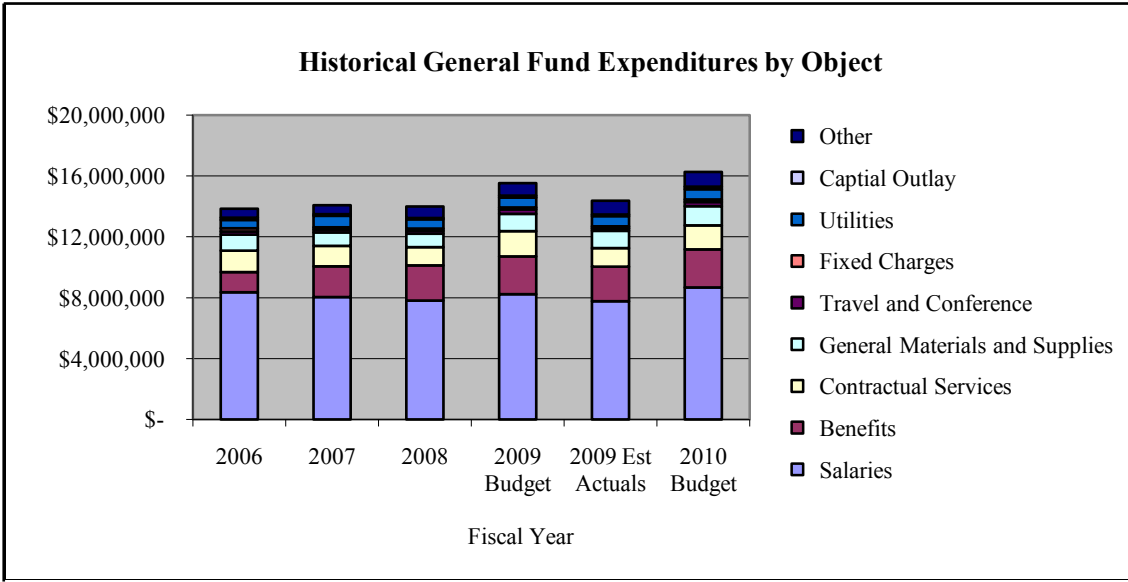
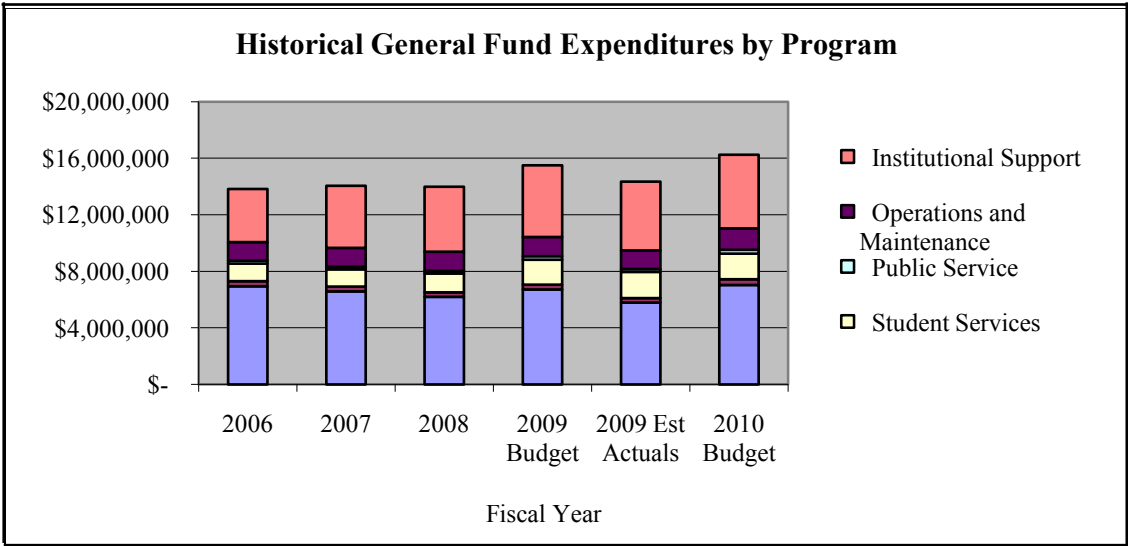
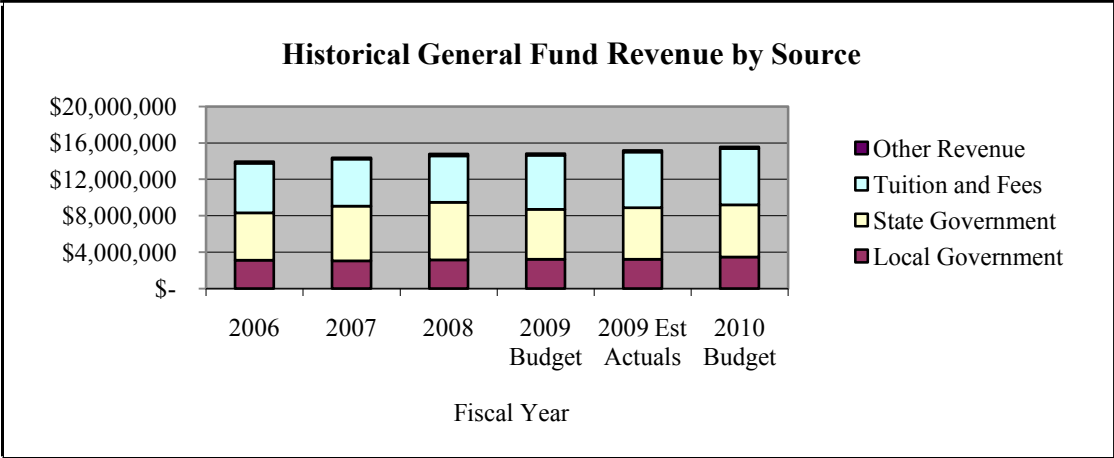
The College tax rate represents approximately 6.95% of a local taxpayer's property tax bill. The tax rate levied for FY 2009 of \$0.6205 is high in comparison to the state average of \$0.4051 or other local community college rates average of \$0.4613. Although, the total operating extension of \$3,285,529 is below the average of other local community colleges, \$6,598,026 and the state average, \$16,393,705.

Historic Revenues and Expenditures

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

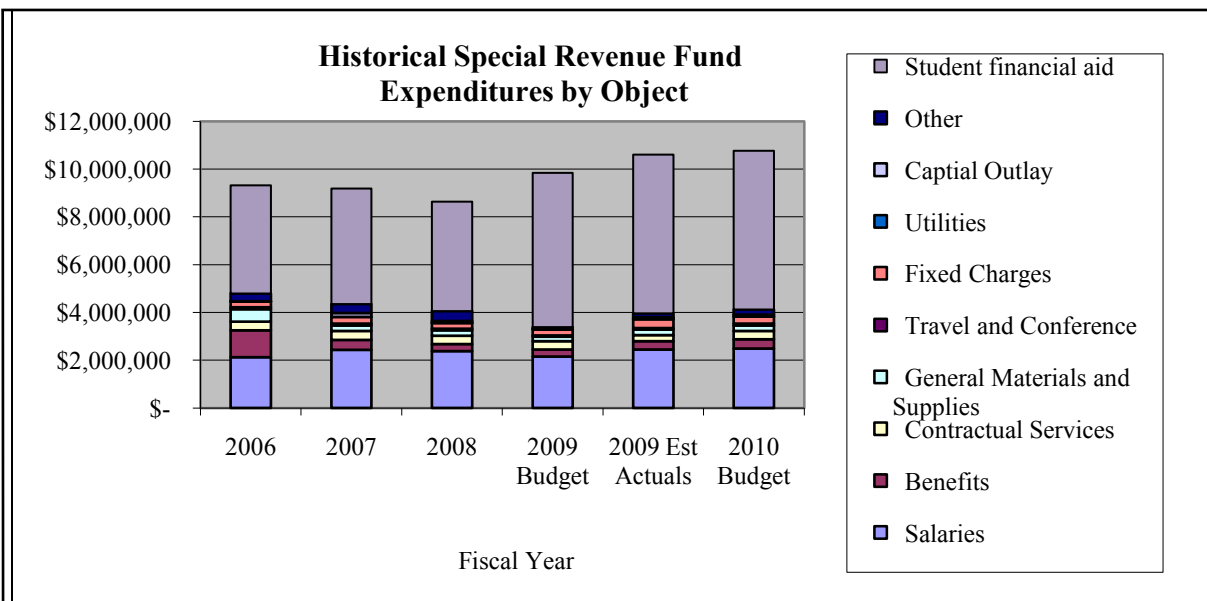
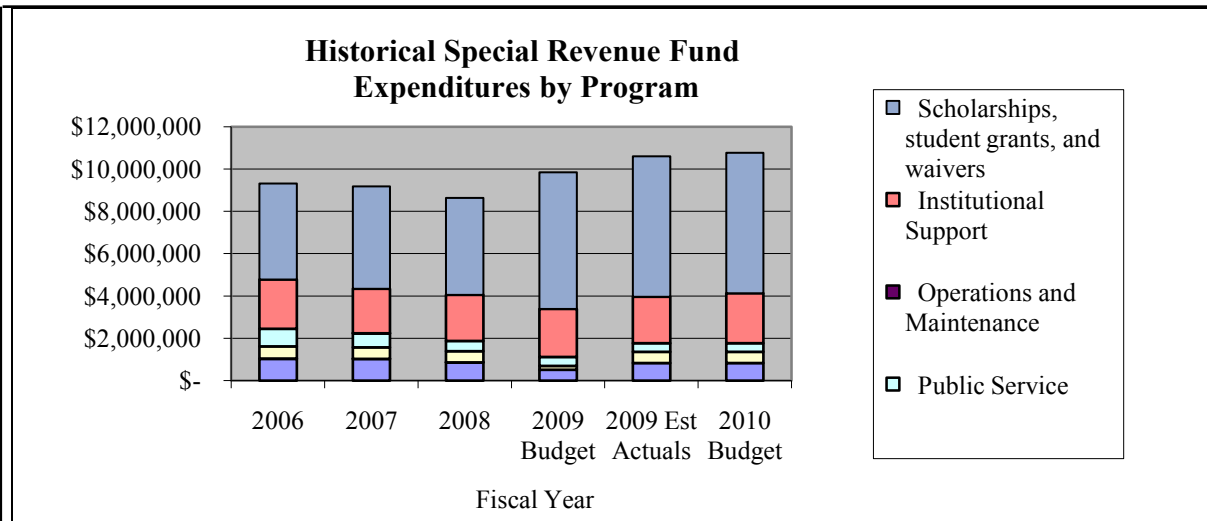
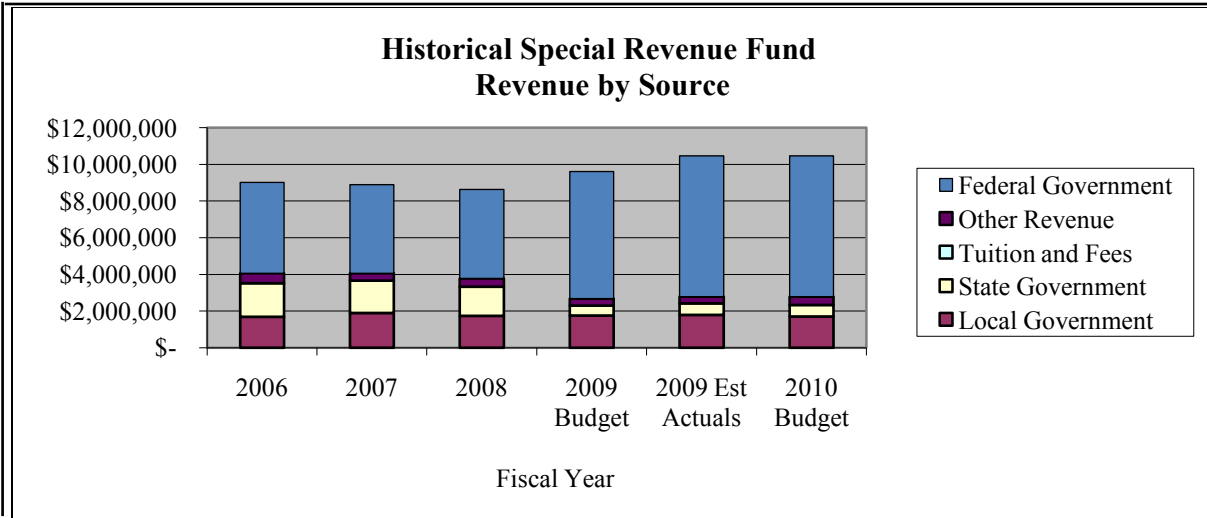
Carl Sandburg College Historic Revenues and Expenditures Fiscal Years 2006 - 2008 (GAAP Basis)

General Fund Revenues by Source	2006	2007	2008	2009 Budget	2009 Est. Actuals	2010 Budget
Local Government	\$ 3,118,442	\$ 3,057,809	\$ 3,159,528	\$ 3,230,758	\$ 3,227,192	\$ 3,453,475
State Government	5,215,463	6,012,991	6,310,477	5,468,034	5,666,533	5,758,762
Tuition and Fees	5,427,930	5,151,992	5,123,110	5,965,422	6,106,230	6,171,834
Other Revenue	185,874	142,902	195,924	160,100	194,449	172,712
Total Revenues	\$ 13,947,709	\$ 14,365,694	\$ 14,789,039	\$ 14,824,314	\$ 15,194,404	\$ 15,556,783
General Fund Expenditures						
By Program						
Instruction	\$ 6,952,919	\$ 6,579,380	\$ 6,206,199	\$ 6,718,337	\$ 5,793,383	\$ 7,049,814
Academic Support	360,775	348,968	320,117	347,801	329,680	391,218
Student Services	1,250,389	1,229,615	1,330,792	1,762,763	1,854,519	1,820,750
Public Service	194,204	166,661	173,319	250,729	192,454	276,938
Operations and Maintenance	1,317,395	1,333,083	1,358,084	1,355,045	1,308,689	1,501,104
Institutional Support	3,750,205	4,408,886	4,604,913	5,074,889	4,881,405	5,220,618
Total Expenditures by Program	\$ 13,825,887	\$ 14,066,593	\$ 13,993,424	\$ 15,509,564	\$ 14,360,130	\$ 16,260,442
By Object						
Salaries	\$ 8,353,265	\$ 8,029,507	\$ 7,804,517	\$ 8,232,413	\$ 7,755,779	\$ 8,665,779
Benefits	1,323,436	2,019,162	2,311,680	2,462,406	2,274,287	2,510,459
Contractual Services	1,413,280	1,357,148	1,200,592	1,679,487	1,221,237	1,563,286
General Materials and Supplies	1,043,399	878,086	877,550	1,135,073	1,125,737	1,256,901
Travel and Conference	200,929	182,450	198,505	288,974	179,347	287,698
Fixed Charges	210,081	159,802	147,553	128,568	116,756	152,836
Utilities	552,306	738,735	595,041	644,257	672,173	679,212
Capital Outlay	153,046	120,685	93,022	136,705	114,803	173,080
Other	576,145	581,018	764,964	801,681	900,012	971,191
Total Expenditures by Object	\$ 13,825,887	\$ 14,066,593	\$ 13,993,424	\$ 15,509,564	\$ 14,360,130	\$ 16,260,442
Revenues Over Expenditures	\$ 121,822	\$ 299,101	\$ 795,615	\$ (685,250)	\$ 834,274	\$ (703,659)
Net Operating Transfers & Non Operating	(179,919)	7,500	(485,736)	685,250	(524,320)	703,659
Excess Revenue Over Expenditures	\$ (58,097)	\$ 306,601	\$ 309,879	\$ -	\$ 309,954	\$ -



Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2006 - 2008
(GAAP Basis)

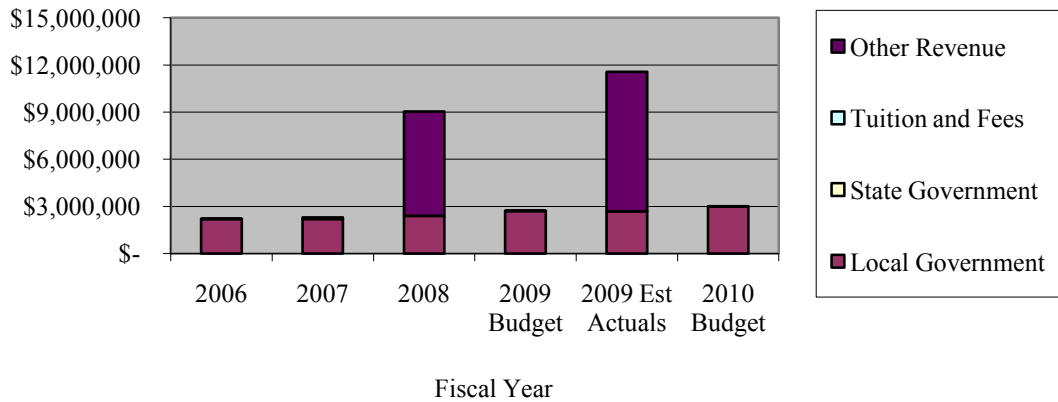
Special Revenue Fund Revenues by Source	2006	2007	2008	2009 Budget	2009 Est. Actuals	2010 Budget
Local Government	\$ 1,693,278	\$ 1,900,121	\$ 1,732,189	\$ 1,759,632	\$ 1,799,249	\$ 1,709,322
State Government	1,829,491	1,761,501	1,589,311	540,401	627,723	627,723
Federal Government	4,960,537	4,825,019	4,842,320	6,942,615	7,686,257	7,686,257
Tuition and Fees	-	-	-	-	-	-
Other Revenue	545,925	404,525	467,449	377,786	363,718	445,154
Total Revenues	\$ 9,029,231	\$ 8,891,166	\$ 8,631,269	\$ 9,620,434	\$ 10,476,947	\$ 10,468,456
Special Revenue Fund Expenditures						
By Program						
Instruction	\$ 1,033,622	\$ 1,030,040	\$ 859,698	\$ 519,965	\$ 826,537	\$ 826,537
Academic Support	3,506	6,000	4,750	-	-	-
Student Services	577,240	542,309	526,481	173,173	528,348	528,348
Public Service	837,659	661,674	484,080	420,148	413,197	413,197
Operations and Maintenance	-	490	-	-	-	-
Institutional Support	2,333,670	2,104,470	2,173,469	2,272,704	2,192,318	2,357,895
Scholarships, student grants, and waivers	4,535,679	4,835,540	4,587,469	6,459,226	6,639,000	6,639,000
Total Expenditures by Program	\$ 9,321,376	\$ 9,180,523	\$ 8,635,947	\$ 9,845,216	\$ 10,599,400	\$ 10,764,977
By Object						
Salaries	\$ 2,129,756	\$ 2,426,368	\$ 2,374,395	\$ 2,146,845	\$ 2,446,600	\$ 2,483,384
Benefits	1,123,662	426,105	296,133	304,590	341,187	389,407
Contractual Services	351,553	368,926	347,991	342,188	261,063	351,249
General Materials and Supplies	534,053	235,315	227,225	184,685	220,948	229,485
Travel and Conference	76,209	72,459	67,529	50,901	71,858	77,823
Student financial aid	4,535,679	4,835,540	4,587,469	6,459,226	6,639,000	6,639,000
Fixed Charges	237,161	278,803	246,733	257,269	374,700	291,911
Utilities	4,729	4,906	2,624	3,027	2,817	2,817
Capital Outlay	13,717	157,094	80,622	39,000	85,378	85,378
Other	314,857	375,007	405,226	57,485	155,849	214,523
Total Expenditures by Object	\$ 9,321,376	\$ 9,180,523	\$ 8,635,947	\$ 9,845,216	\$ 10,599,400	\$ 10,764,977
Revenues Over Expenditures	\$ (292,145)	\$ (289,357)	\$ (4,678)	\$ (224,782)	\$ (122,453)	\$ (296,521)
Net Operating Transfers & Non Operating	805,001	-	600,000	-	(615,000)	10,301
Excess Revenue Over Expenditures	\$ 512,856	\$ (289,357)	\$ 595,322	\$ (224,782)	\$ (737,453)	\$ (286,220)



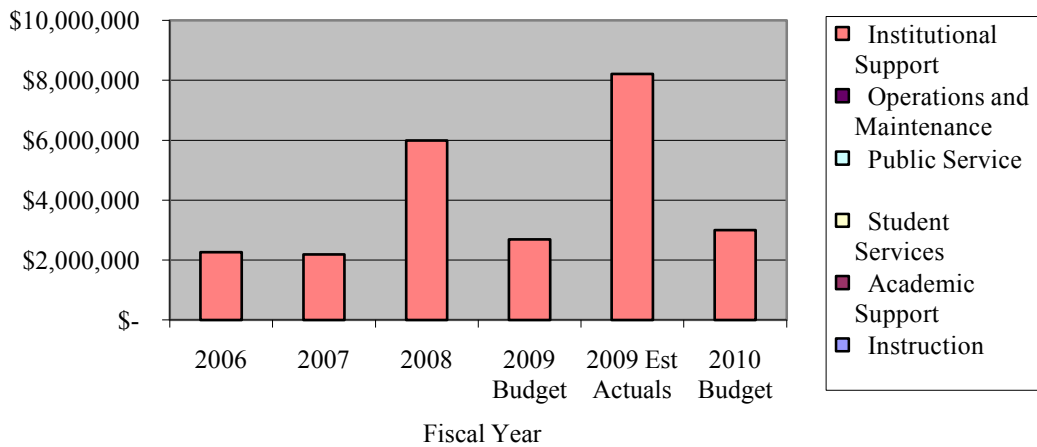
Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2006 - 2008
(GAAP Basis)

Debt Service Fund Revenues by Source	2006	2007	2008	2009 Budget	2009 Est. Actuals	2010 Budget
Local Government	\$ 2,194,193	\$ 2,201,549	\$ 2,396,540	\$ 2,696,167	\$ 2,685,768	\$ 2,995,180
State Government	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-
Other Revenue	222	94,683	6,634,526	16,355	8,881,139	6,700
Total Revenues	\$ 2,194,415	\$ 2,296,232	\$ 9,031,066	\$ 2,712,522	\$11,566,907	\$ 3,001,880
Debt Service Fund Expenditures						
By Program						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Public Service	-	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	-
Institutional Support	2,268,284	2,187,684	6,000,008	2,696,167	8,223,233	3,001,880
Total Expenditures by Program	\$ 2,268,284	\$ 2,187,684	\$ 6,000,008	\$ 2,696,167	\$ 8,223,233	\$ 3,001,880
By Object						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-
Contractual Services	-	-	-	-	-	-
General Materials and Supplies	-	-	-	-	-	-
Travel and Conference	-	-	-	-	-	-
Fixed Charges	2,259,737	2,181,491	5,952,073	2,692,567	8,218,677	2,995,180
Utilities	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Other	8,547	6,193	47,935	3,600	4,556	6,700
Total Expenditures by Object	\$ 2,268,284	\$ 2,187,684	\$ 6,000,008	\$ 2,696,167	\$ 8,223,233	\$ 3,001,880
Revenues Over Expenditures	\$ (73,869)	\$ 108,548	\$ 3,031,058	\$ 16,355	\$ 3,343,674	\$ -
Net Operating Transfers & Non Operating	(1,591,512)	-	(3,100,000)	-	(3,360,000)	-
Excess Revenue Over Expenditures	\$(1,665,381)	\$ 108,548	\$ (68,942)	\$ 16,355	\$ (16,326)	\$ -

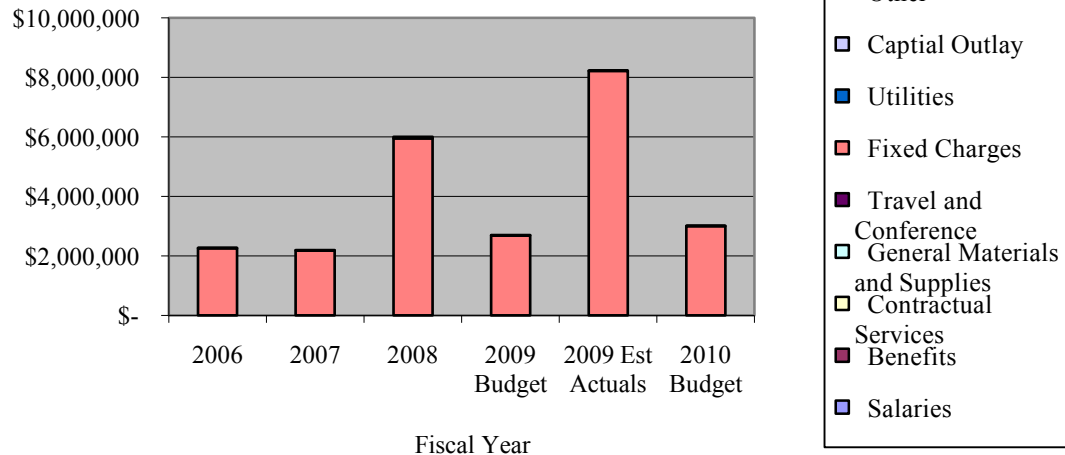
Historical Debt Service Fund Revenue by Source



Historical Debt Service Fund Expenditures by Program



Historical Debt Service Fund Expenditures by Object



Carl Sandburg College
Historic Revenues and Expenditures
Fiscal Years 2006 - 2008
(GAAP Basis)

Capital Projects Fund Revenues by Source	2006	2007	2008	2009 Budget	2009 Est. Actuals	2010 Budget
Local Government	\$ -	\$ -	\$ 182,839	\$ 306,400	\$ 304,778	\$ 358,300
State Government	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-
Other Revenue	359,091	327,595	423,020	323,100	4,708,245	244,311
Total Revenues	\$ 359,091	\$ 327,595	\$ 605,859	\$ 629,500	\$ 5,013,023	\$ 602,611

Capital Projects Fund Expenditures

By Program

Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Support	-	-	-	-	-	-
Student Services	-	-	-	-	-	-
Public Service	-	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	-
Institutional Support	1,805,046	220,260	3,022,662	1,085,300	969,402	3,118,050
Total Expenditures by Program	\$ 1,805,046	\$ 220,260	\$ 3,022,662	\$ 1,085,300	\$ 969,402	\$ 3,118,050

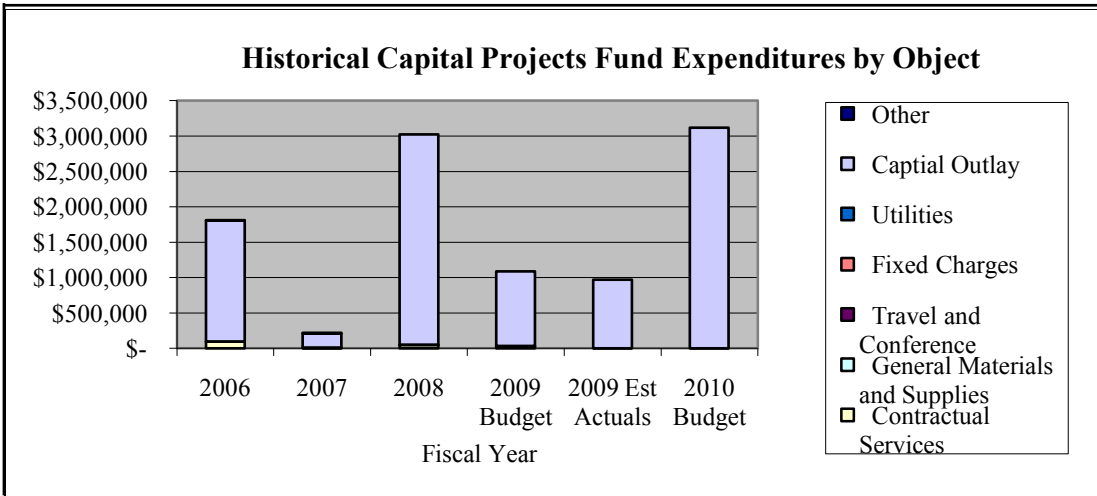
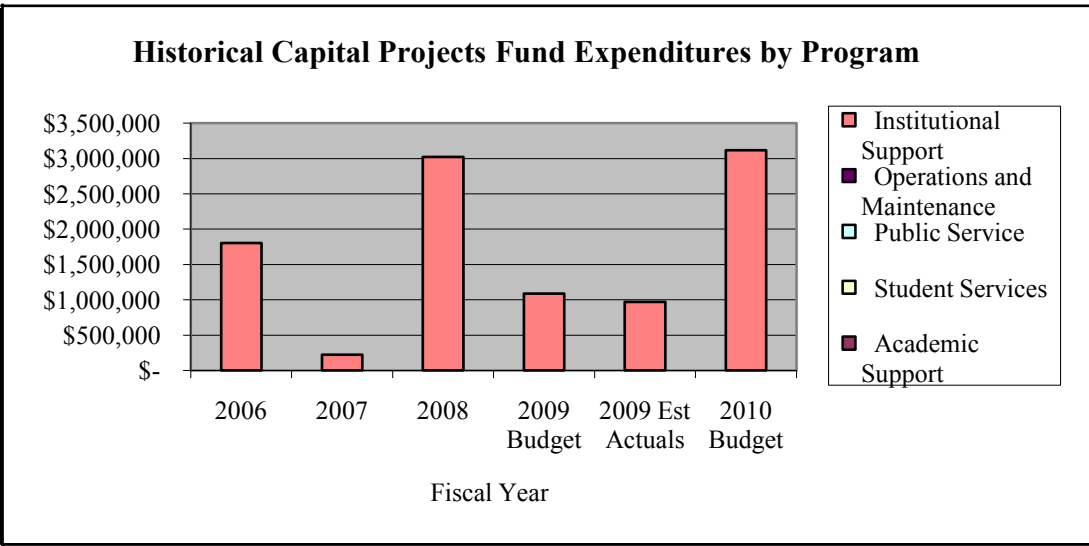
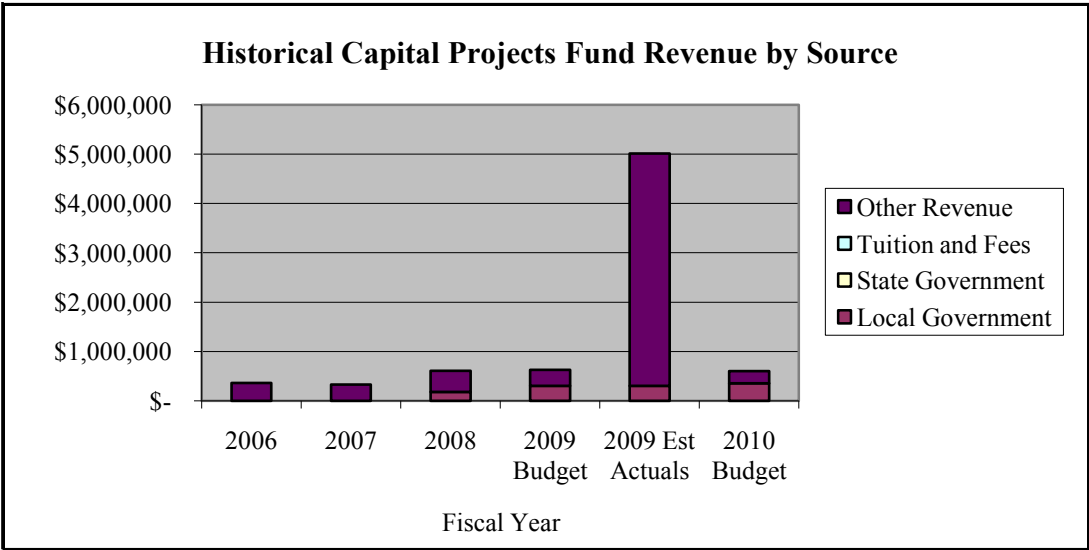
By Object

Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-
Contractual Services	96,357	7,632	48,792	30,640	-	-
General Materials and Supplies	-	-	-	-	-	-
Travel and Conference	-	-	-	-	-	-
Fixed Charges	1,058	1,250	1,250	1,250	1,250	1,250
Utilities	-	-	-	-	-	-
Capital Outlay	1,707,611	200,358	2,972,620	1,053,410	968,152	3,116,800
Other	20	11,020	-	-	-	-
Total Expenditures by Object	\$ 1,805,046	\$ 220,260	\$ 3,022,662	\$ 1,085,300	\$ 969,402	\$ 3,118,050

Revenues Over Expenditures	\$(1,445,955)	\$ 107,335	\$(2,416,803)	\$(455,800)	\$ 4,043,621	\$(2,515,439)
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Net Operating Transfers & Non Operating	1,104,952	(9,936)	3,155,140	(153,950)	672,170	(970,760)
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Excess Revenue Over Expenditures	\$ (341,003)	\$ 97,399	\$ 738,337	\$(609,750)	\$ 4,715,791	\$(3,486,199)
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Budget Forecasts

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

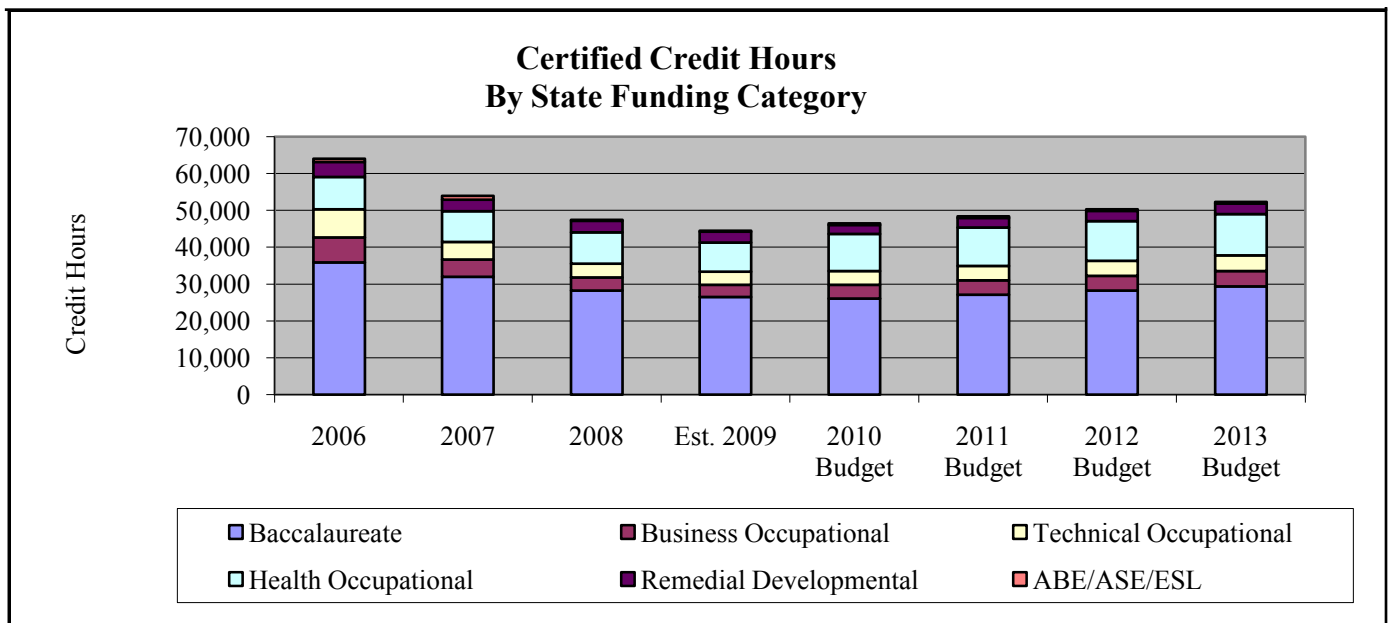
- Carl Sandburg College has undertaken several initiatives to assist in meeting operating expenditures. Long-term debt issuances and refinancing has occurred in the past to fund the cost of the copying environment, some building leases, early retirement incentives, etc.
- The College is using the STEF 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.
- Effective with the Fall of 2008, full-time students will be able to “lock into” a Tuition Rate Guarantee Program.

Projected Revenues

- Local Property taxes were assumed to increase 4.5% annually. These projections are based on the assumption that farmland will not continue to decline after the Bulletin 810 adjustment reflected in FY 2007. This also reflects recent economic development initiatives to stabilize and grow the College’s EAV. Local property tax revenue for future bond payments is also reflected.
- State grants were assumed to remain flat for FY 2010 and FY 2011 and increase slightly for FY 2012 and 2013. This remains an estimate based on history of decreasing credit hours that determines state grant allocations. The following graph reflects the fiscal year change in certified credit hours by state funding category. While the College derives state aid for each credit hour produced, there is a two year lag in the funding, and the state is funding only 80% of what the system formulas call for. SURS is assumed to increase 4% in 2010-2011 according to known negotiated salary increases and 3.95% in 2012 and 2013. This represents an average 0.84% annual increase 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. This rate is inclusive of fees charged to all students. Tuition is expected to increase an average of 2.0% annually over the next four years.

Carl Sandburg College
Certified Unrestricted Student Credit Hours by State Funding Category
Fiscal Years 2006 - 2008

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Est. 2009</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>
Baccalaureate	35,907.5	31,986.0	28,240.5	26,472.0	27,751.0	28,860.0	30,015.0	31,216.0
Business Occupational	6,726.0	4,698.0	3,536.0	3,314.0	3,728.5	3,878.0	4,033.0	4,194.0
Technical Occupational	7,605.5	4,776.5	3,768.0	3,532.0	3,728.5	3,878.0	4,033.0	4,194.0
Health Occupational	8,792.0	8,285.5	8,503.0	7,970.0	9,999.0	10,399.0	10,815.0	11,248.0
Remedial Developmental	4,070.5	3,169.0	3,136.0	2,939.0	2,502.0	2,602.0	2,706.0	2,814.0
ABE/ASE/ESL	870.0	999.0	270.0	253.0	420.0	437.0	454.0	472.0
	63,971.5	53,914.0	47,453.5	44,480.0	48,129.0	50,054.0	52,056.0	54,138.0
Annual Percentage Change	-4.74%	-15.72%	-11.98%	-6.27%	8.20%	4.00%	4.00%	4.00%



Carl Sandburg College
Credit Hour Rates by Funding Category

	<u>Baccalaureate</u>	<u>Business</u>	<u>Technical</u>	<u>Health</u>	<u>Remedial</u>	<u>ABE/ASE</u>
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

Projected Expenditures

- Projected expenditures reflect the known 4% negotiated increase in salary in 2010-2011 and 3.95% in 2012.
- Benefits reflect a 5% increase annually to cover potential health insurance increases.
- Contractual services and general materials and supplies are adjusted by 1.5% annually for a cost of living adjustment.
- Utilities assume a 3% increase in 2010-2012. Effective January 2007, the College was able to lock in electric rates by establishing an 18 month contract. In April 2007, a natural gas contract was established.
- Debt payments reflect the bond amortization payments due.
- All other expenses are assumed to remain flat.

Carl Sandburg College Projected General Fund Revenues Fiscal Years 2010 - 2013

	2010	2011	2012	2013
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 3,448,475	\$ 3,603,656	\$ 3,765,821	\$ 3,935,283
CABI	5,000	5,000	5,000	5,000
Chargebacks	6,500	6,500	6,500	6,500
Subtotal Local Revenue Sources	\$ 3,459,975	\$ 3,615,156	\$ 3,777,321	\$ 3,946,783
State Revenue Sources				
ICCB Credit Hour Grant	\$ 2,098,247	\$ 2,098,250	\$ 2,108,740	\$ 2,119,280
ICCB Equalization Grant	2,525,515	2,525,520	2,538,150	2,550,840
ICCB Small College Grant	60,000	60,000	60,000	60,000
ICCB Square Footage Grant	-	-	-	-
ISBE Vocational Ed.	60,000	60,000	60,000	60,000
Replacement Taxes	215,000	215,000	215,000	215,000
SURS	800,000	832,000	864,860	899,020
Subtotal State Revenue Sources	\$ 5,758,762	\$ 5,790,770	\$ 5,846,750	\$ 5,904,140
Tuition and Fees				
Tuition	\$ 6,060,076	\$ 6,178,250	\$ 6,298,730	\$ 6,421,560
Fees	\$ 111,758	\$ 115,110	\$ 118,560	\$ 122,120
Subtotal Tuition and Fees	\$ 6,171,834	\$ 6,293,360	\$ 6,417,290	\$ 6,543,680
Other Sources of Revenue				
Interest Income	\$ 33,570	\$ 33,910	\$ 34,250	\$ 34,590
Dept. of Corrections	-	-	-	-
Building Rentals	42,000	42,000	42,000	42,000
Other Income	800,801	699,441	656,141	661,091
Subtotal of Other Sources	\$ 876,371	\$ 775,351	\$ 732,391	\$ 737,681
Total Revenue	\$ 16,266,942	\$ 16,474,637	\$ 16,773,752	\$ 17,132,284

Other Income includes transfers in.

Carl Sandburg College
Projected General Fund Expenditures
Fiscal Years 2010- 2013

	2010	2011	2012	2013
By Program				
Instruction	\$ 7,049,814	\$ 7,266,362	\$ 7,485,420	\$ 7,735,270
Academic Support	391,218	403,230	415,390	429,250
Student Services	1,820,750	1,876,680	1,933,250	1,997,780
Public Service	276,938	285,440	294,040	303,850
Operations and Maintenance	1,501,104	1,547,210	1,593,850	1,647,050
Institutional Support	5,220,618	5,380,980	5,543,200	5,728,220
Total Expenditures	\$ 16,260,442	\$ 16,759,902	\$ 17,265,150	\$ 17,841,420

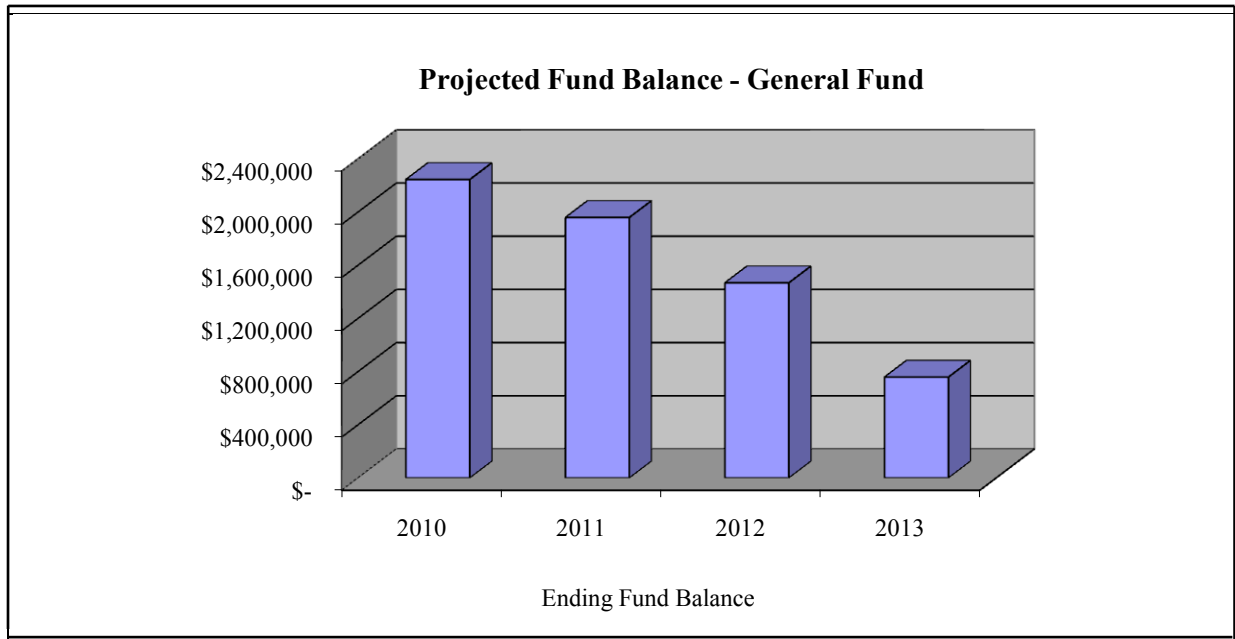
By Object				
Salaries	\$ 8,665,779	\$ 9,012,410	\$ 9,368,400	\$ 9,738,450
Benefits	2,510,459	2,635,980	2,767,780	2,906,170
Contractual Services	1,563,286	1,586,740	1,550,870	1,574,130
General Materials and Supplies	1,256,901	1,275,070	1,307,410	1,330,360
Travel and Conference	287,698	287,700	287,700	287,700
Fixed Charges	152,836	152,840	152,840	152,840
Utilities	679,212	699,590	720,580	742,200
Capital Outlay	173,080	173,080	173,080	173,080
Other	971,191	936,492	936,490	936,490
Total Expenditures	\$ 16,260,442	\$ 16,759,902	\$ 17,265,150	\$ 17,841,420

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

**Carl Sandburg College
General Fund-Projected Changes in Fund Balance
Fiscal Years 2010- 2013**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Beginning Balance	\$ 2,243,629	\$ 2,243,629	\$ 1,958,364	\$ 1,466,966
Revenues	\$ 15,556,783	\$ 15,872,338	\$16,214,753	\$ 16,568,335
Expenditures	16,260,442	16,759,902	17,265,150	17,841,420
Revenues Over (Under) Expenditures	\$ (703,659)	\$ (887,564)	\$ (1,050,397)	\$ (1,273,085)
Transfers	703,659	602,299	558,999	563,949
Ending Fund Balance	\$ 2,243,629	\$ 1,958,364	\$ 1,466,966	\$ 757,830

In FY 2009-2013, there are transfers in for operating expenses funded from STEF and Working Cash.



**Carl Sandburg College
Projected Special Revenue Fund Revenues
Fiscal Years 2010 - 2013**

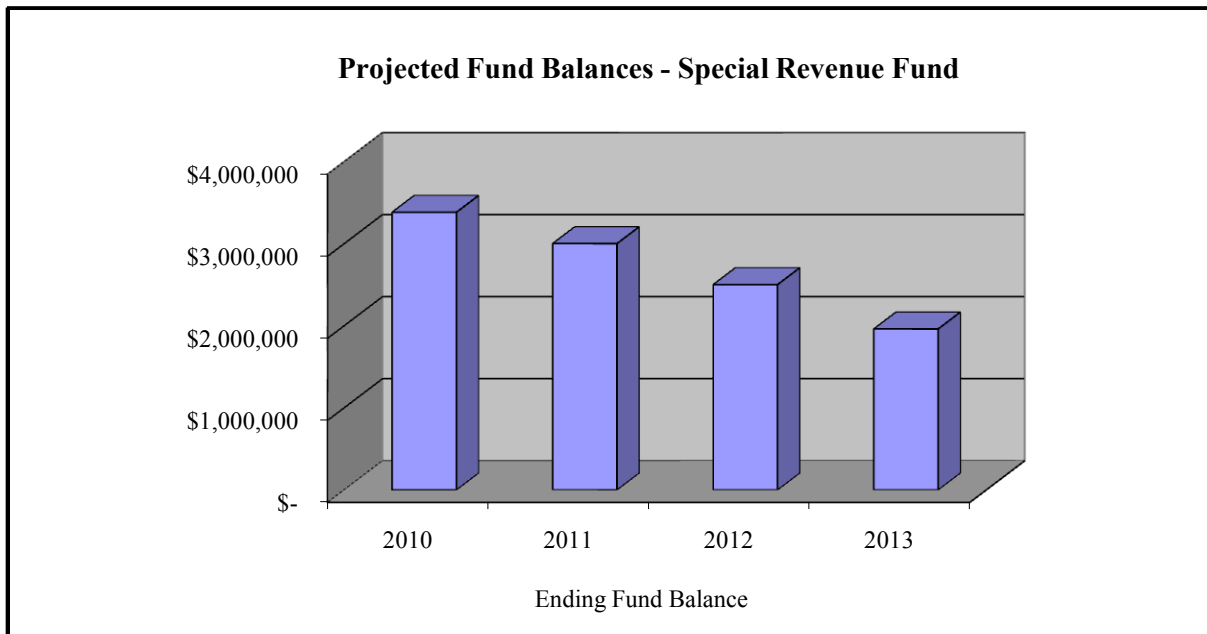
	2010	2011	2012	2013
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 1,674,895	\$ 1,750,265	\$ 1,829,027	\$ 1,911,333
Local Government Grants	34,427	34,427	34,427	34,427
Subtotal Local Revenue Sources	\$ 1,709,322	\$ 1,784,692	\$ 1,863,454	\$ 1,945,760
State Revenue Sources				
State Government Grants	\$ 627,723	\$ 621,446	\$ 615,231	\$ 615,231
Federal Revenue Sources				
Federal Government Grants	\$ 7,686,257	\$ 7,342,673	\$ 7,180,039	\$ 7,180,039
Other Sources of Revenue				
Interest Income	\$ 255,052	\$ 256,327	\$ 257,609	\$ 258,897
Other Income	190,102	190,102	190,102	190,102
Subtotal of Other Sources	\$ 445,154	\$ 446,429	\$ 447,711	\$ 448,999
Total Revenue	\$ 10,468,456	\$ 10,195,240	\$ 10,106,436	\$ 10,190,030

**Carl Sandburg College
Projected Special Revenue Fund Expenditures
Fiscal Years 2010- 2013**

	2010	2011	2012	2013
By Program				
Instruction	\$ 826,537	\$ 788,860	\$ 794,750	\$ 819,630
Academic Support	-	-	-	-
Student Services	528,348	504,260	508,020	523,920
Public Services	413,197	394,360	397,300	409,740
Institutional Support	2,357,895	2,250,390	2,267,190	2,338,170
Scholarships, Student Grants, and Waivers	6,639,000	6,639,000	6,639,000	6,639,000
Total Expenditures	\$ 10,764,977	\$ 10,576,870	\$ 10,606,260	\$ 10,730,460
By Object				
Salaries	\$ 2,483,384	\$ 2,428,314	\$ 2,473,440	\$ 2,571,140
Benefits	389,407	359,448	361,200	379,260
Contractual Services	351,249	348,485	351,050	356,320
General Materials and Supplies	229,485	209,595	205,000	208,080
Travel and Conference	77,823	70,741	68,380	68,380
Fixed Charges	291,911	291,910	291,910	291,910
Utilities	2,817	2,900	2,990	3,080
Capital Outlay	85,378	45,817	32,630	32,630
Student Financial Aid	6,639,000	6,639,000	6,639,000	6,639,000
Other Expenditures	214,523	180,671	180,670	180,670
Total Expenditures	\$ 10,764,977	\$ 10,576,881	\$ 10,606,270	\$ 10,730,470

Carl Sandburg College
Special Revenue Fund-Projected Changes in Fund Balance
Fiscal Years 2010- 2013

	2010	2011	2012	2013
Beginning Balance	\$ 3,679,988	\$ 3,383,467	\$ 3,001,837	\$ 2,502,013
Revenues	\$10,398,456	\$10,125,240	\$10,036,436	\$ 10,120,030
Expenditures	10,705,278	10,551,020	10,580,410	10,704,610
Revenues Over (Under) Expenditures	\$ (306,822)	\$ (425,780)	\$ (543,974)	\$ (584,580)
Transfers	10,301	44,150	44,150	44,150
Ending Fund Balance	\$ 3,383,467	\$ 3,001,837	\$ 2,502,013	\$ 1,961,582



**Carl Sandburg College
Projected Debt Service Revenues
Fiscal Years 2010 - 2013**

	2010	2011	2012	2013
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 2,995,180	\$ 3,223,403	\$3,466,146	\$3,138,420
Subtotal Local Revenue Sources	\$ 2,995,180	\$ 3,223,403	\$3,466,146	\$3,138,420
Other Sources of Revenue				
Interest Income	\$ 6,700	\$ 6,734	\$ 6,767	\$ 6,801
Other Income	-	-	-	-
Subtotal of Other Sources	\$ 6,700	\$ 6,734	\$ 6,767	\$ 6,801
Total Revenue	\$ 3,001,880	\$ 3,230,137	\$3,472,913	\$3,145,221

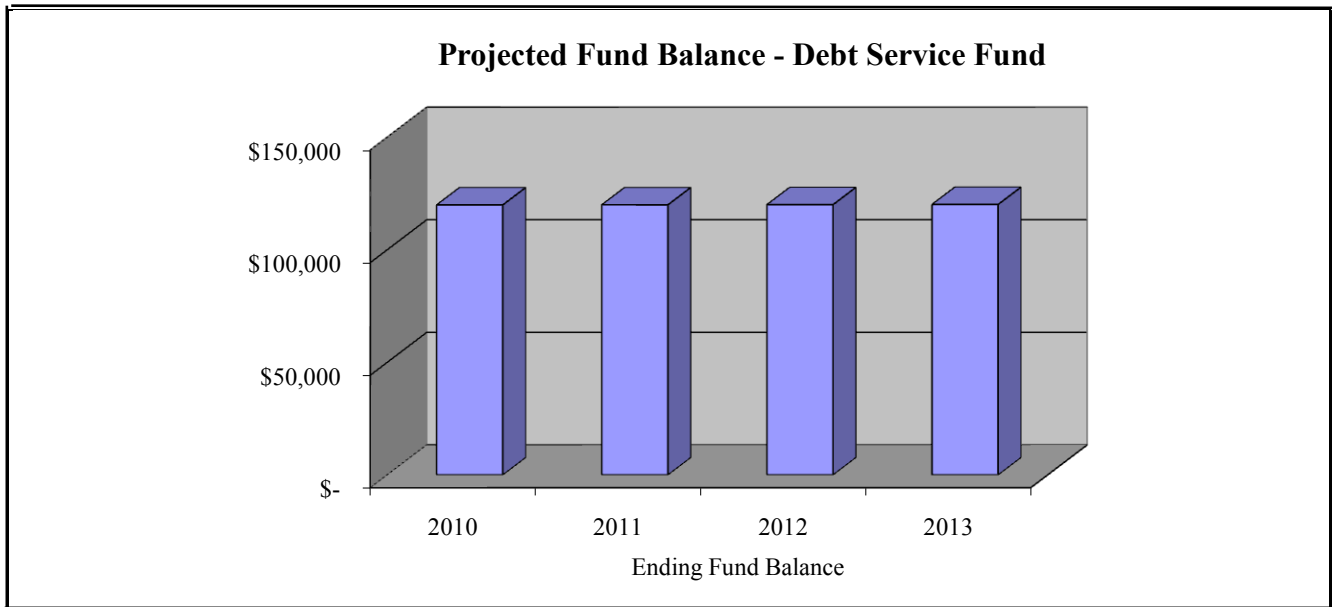
**Carl Sandburg College
Projected Debt Service Expenditures
Fiscal Years 2010- 2013**

	2010	2011	2012	2013
By Program				
Institutional Support	\$ 3,001,880	\$ 3,230,103	\$3,472,846	\$3,145,120
Total Expenditures	\$ 3,001,880	\$ 3,230,103	\$3,472,846	\$3,145,120

By Object				
Fixed Charges	\$ 2,995,180	\$ 3,223,403	\$3,466,146	\$3,138,420
Capital Outlay	-	-	-	-
Other Expenditures	6,700	6,700	6,700	6,700
Total Expenditures	\$ 3,001,880	\$ 3,230,103	\$3,472,846	\$3,145,120

**Carl Sandburg College
Debt Service Fund-Projected Changes in Fund Balance
Fiscal Years 2010- 2013**

	2010	2011	2012	2013
Beginning Balance	\$ 119,902	\$ 119,902	\$ 119,936	\$ 120,003
Revenues	\$3,001,880	\$3,230,137	\$3,472,913	\$ 3,145,221
Expenditures	3,001,880	3,230,103	3,472,846	3,145,120
Revenues Over (Under) Expenditures	\$ -	\$ 34	\$ 67	\$ 101
Transfers	-	-	-	-
Ending Fund Balance	\$ 119,902	\$ 119,936	\$ 120,003	\$ 120,104



**Carl Sandburg College
Projected Capital Projects Revenues
Fiscal Years 2010 - 2013**

	2010	2011	2012	2013
Revenues:				
Local Revenue Sources				
Local Property Taxes	\$ 358,300	\$ 374,424	\$ 391,273	\$408,880
Subtotal Local Revenue Sources	\$ 358,300	\$ 374,424	\$ 391,273	\$408,880
Other Sources of Revenue				
Interest Income	\$ 233,361	\$ 234,528	\$ 235,700	\$236,879
Other Income	437,550	145,550	75,550	75,550
Subtotal of Other Sources	\$ 670,911	\$ 380,078	\$ 311,250	\$312,429
Total Revenue	\$ 1,029,211	\$ 754,501	\$ 702,523	\$721,309

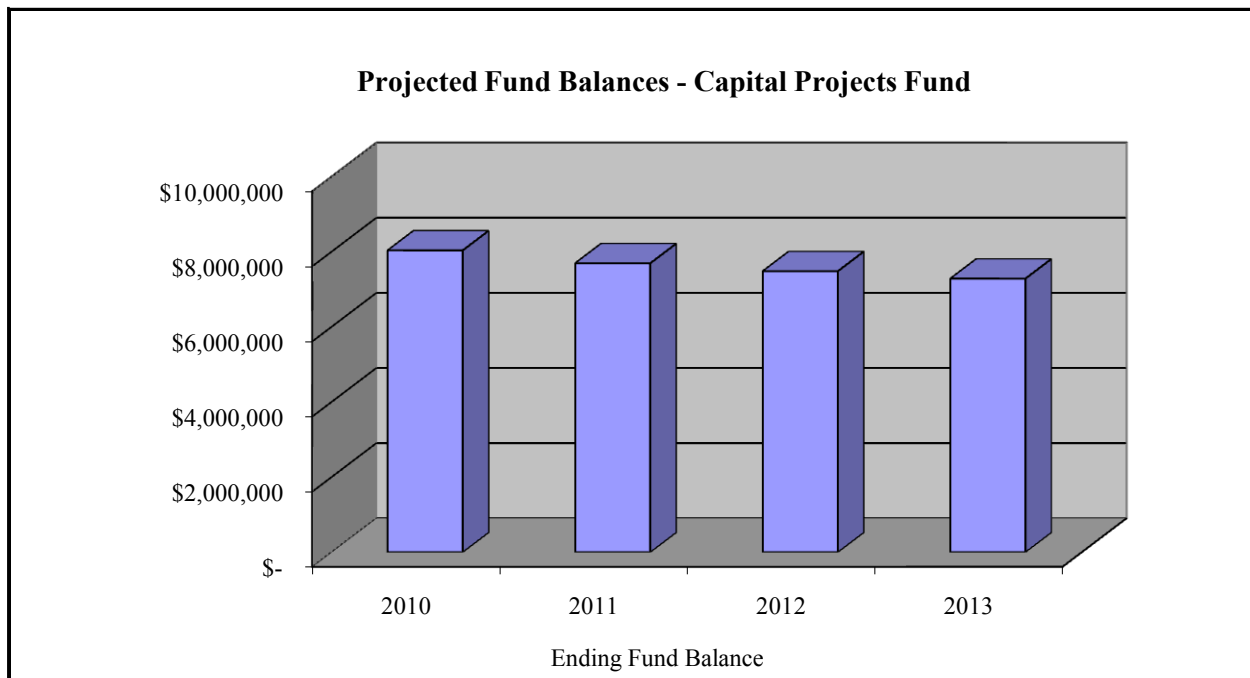
**Carl Sandburg College
Projected Capital Projects Expenditures
Fiscal Years 2010- 2013**

	2010	2011	2012	2013
By Program				
Institutional Support	\$ 4,088,810	\$ 1,097,086	\$ 914,057	\$919,007
Total Expenditures	\$ 4,088,810	\$ 1,097,086	\$ 914,057	\$919,007

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	3,116,800	449,800	379,800	379,800
Other	970,760	646,036	533,007	537,957
Total Expenditures	\$ 4,088,810	\$ 1,097,086	\$ 914,057	\$919,007

**Carl Sandburg College
Capital Projects Fund-Projected Changes in Fund Balance
Fiscal Years 2010- 2013**

	2010	2011	2012	2013
Beginning Balance	\$ 11,096,090	\$ 8,036,491	\$ 7,693,906	\$ 7,482,372
Revenues	\$ 602,611	\$ 619,901	\$ 637,923	\$ 671,709
Expenditures	3,118,050	451,050	381,050	381,050
Revenues Over (Under) Expenditures	\$ (2,515,439)	\$ 168,851	\$ 256,873	\$ 290,659
Transfers	(544,160)	(511,436)	(468,407)	(488,357)
Ending Fund Balance	\$ 8,036,491	\$7,693,906	\$ 7,482,372	\$ 7,284,674



Enrollment Data

Historically, most employment in the CSC district had been in manufacturing and farming. However, our district has experienced continued economic stress with the loss of several manufacturing plants over the last several years. We have demonstrated our ability to serve the increasing enrollments due to dislocated workers but do acknowledge this inflated enrollment will not continue as those students complete their education and reenter the workforce.

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

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

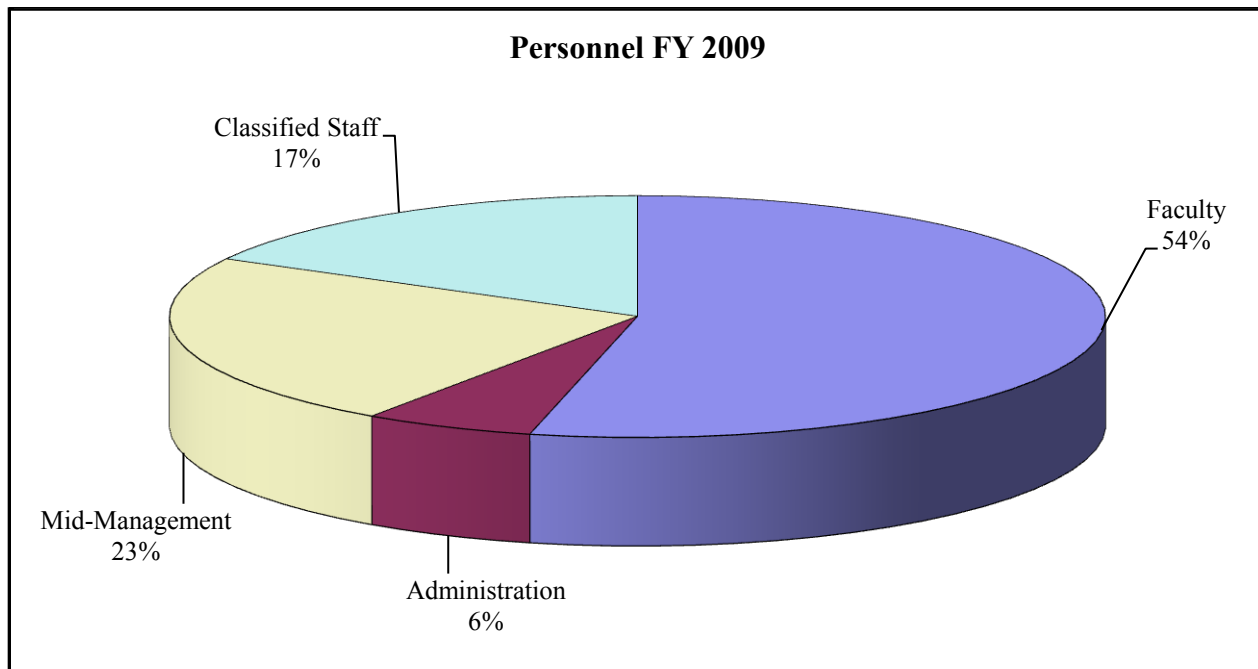
Enrollment Trends

	2006	2007	2008	Est. 2009	Proj. 2010	Proj. 2011	Proj. 2012	Proj. 2013
Instruction								
Annual Unduplicated Headcount Enrollment								
Bacc/Transfer	2,349	2,966	2,731	2,622	2,596	2,673	2,754	2,836
Main Campus	1,500	1,894	1,918	1,899				
Branch Campus	365	461	405	358				
Extension Center	166	209	144	108				
Other by agreement	318	402	263	256				
Vocational	1,281	101	85	84	84	87	90	94
Main Campus	1,060	84	81	84				
Branch Campus	133	10	4	-				
Extension Center	22	2	-	-				
Other by agreement	66	5	-	-				
Occupational	1,880	1,517	1,311	1,272	1,297	1,349	1,403	1,459
Main Campus	1,578	1,274	1,059	1,165				
Branch Campus	101	81	96	96				
Extension Center	41	33	9	5				
Other by agreement	160	129	147	5				
ABE	43	127	153	151	151	151	151	151
Main Campus	20	58	77	120				
Branch Campus	18	54	53	22				
Extension Center	5	15	24	9				
Other by agreement	-	-	-	-				
ASE	226	226	206	204	204	204	204	204
Main Campus	186	186	159	93				
Branch Campus	32	32	40	83				
Extension Center	5	5	7	28				
Other by agreement	3	3	-	-				
ESL	14	46	39	39	39	39	39	39
Main Campus	14	46	39	39				
Branch Campus	-	-	-	-				
Extension Center	-	-	-	-				
Other by agreement	-	-	-	-				
General Studies	1	3	2	-	-	-	-	-
Main Campus	1	3	2	-				
Branch Campus	-	-	-	-				
Extension Center	-	-	-	-				
Other by agreement	-	-	-	-				
General Associates	241	167	88	86	86	86	86	86
Main Campus	129	90	75	76				
Branch Campus	11	7	6	10				
Extension Center	-	-	2	-				
Other by agreement	101	70	5	-				
Total	6,035	5,153	4,615	4,458	4,457	4,589	4,727	4,869

	2006	2007	2008	Est. 2009	Proj. 2010	Proj. 2011	Proj. 2012	Proj. 2013
Annual FTE Students	2,283	1,914	1,682	1,610	1,715	1,758	1,811	1,883
Total Credit Hours	68,499	57,435	50,471	48,291	51,450	52,736	54,318	56,491
Main Campus	50,539	41,821	38,403	38,206	40,930			
Branch Campus	5,949	5,222	4,709	4,763	4,650			
Extension Center	1,459	1,459	1,010	951	915			
Other by agreement	10,552	8,933	6,349	4,371	4,955			
Degrees awarded								
Associate (Transfer)	109	107	102					
Associate in Applied Science	295	181	123					
Career & Technical Certificates	157	187	139					
Students per faculty	17	13	11					

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 54% 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 2005-2009**

Fiscal Year	2005	2006	2007	2008	2009
FACULTY					
Full-Time	74	72	68	64	62
Part-Time	190	174	149	120	120
Subtotal	264	246	217	184	182
ADMINISTRATIVE					
Full-Time	27	28	21	21	20
Part-Time	0	0	0	0	0
Subtotal	27	28	21	21	20
MID-MANAGEMENT					
Full-Time	89	91	70	69	69
Part-Time	4	6	8	10	10
Subtotal	93	97	78	79	79
CLASSIFIED STAFF					
Full-Time	55	55	60	55	51
Part-Time	2	4	5	7	7
Subtotal	57	59	65	62	58
GRAND TOTAL	441	430	381	346	339

- In the past five years, faculty have been able to serve the fluctuation of the number of students by adjusting the number of part-time instructors and class sizes. The College demonstrated the ability to serve the increasing enrollments due to dislocated workers.
- The number of staff in the categories of Administrative and Mid-management decreased recently when the College discontinued the contractual relationship with the Illinois Department of Corrections and decided to no longer serve as the fiscal agent for the Local Workforce Area 14.
- The President's Cabinet now monitors all non-instructional hiring in an effort to use college resources in the most conservative way and to ensure that requests for replacements are essential to college operations. FY 2008 includes a retirement in the administrative staff that will not be filled. Also, a retirement is shown in the mid-management area to remain vacant at this time.

Debt Administration

Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments will be funded through the tax levy while the capital leases are currently funded by bond proceeds. Legally, the College is not allowed to have debt in excess of 2.875% of the District's EAV, or an estimated \$37,889,676. The current long-term debt of the College is \$31,342,273. Therefore, the amount of debt available to be issued is the difference between these two numbers or the legal debt margin of \$6,547,403. 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. FY 2010 indicates a 22% decrease in total long-term debt payments. With no new debt issued, the College will see a 6.0% decrease in total outstanding principal.

Year Ending June 30,	General Obligation Bonds	Capital Lease Obligations	Compensated Absences	Total Principal	Interest	Total Principal & Interest
2009	2,500,000	63,886	127,073	2,690,959	1,207,190	3,898,149
2010	1,770,000	34,751		1,804,751	1,226,294	3,031,045
2011	2,070,000	6,563		2,076,563	1,171,995	3,248,558
2012	2,415,000			2,415,000	1,055,870	3,470,870
2013	2,200,000			2,200,000	938,419	3,138,419
2014-2018	13,410,000			13,410,000	2,972,444	16,382,444
2019-2024	6,745,000			6,745,000	489,202	7,234,202
Total	\$31,110,000	\$ 105,200	\$ 127,073	\$31,342,273	\$9,061,414	\$40,403,687

Performance Measures

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

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:

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

Areas toward the bottom included;

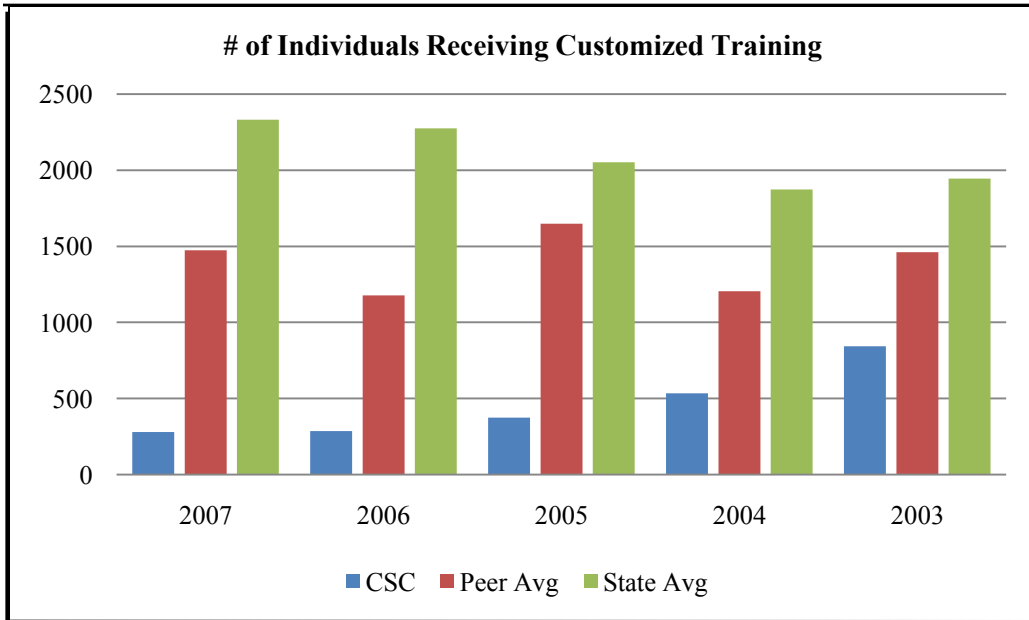
1. Opportunities for student employment
2. Student government
3. Opportunities for personal involvement in college activities

All aspects were rated on a scale of 1 – 5, 1 being very dissatisfied and 5 being very satisfied. The top areas average a 3.94 with the bottom areas averaging 3.52. There is continued effort being made to retain students.

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	2005	2006	2007	2008
(unrestricted only)				
CSC	193.23	202.88	209.75	226.93
State	198.39	208.43	214.92	217.92
 Average Cost per FTE Student				
CSC	5,797	6,086	6,293	6,808
State	5,951	6,253	6,490	6,538
 Degrees awarded				
Total	443	561	475	364

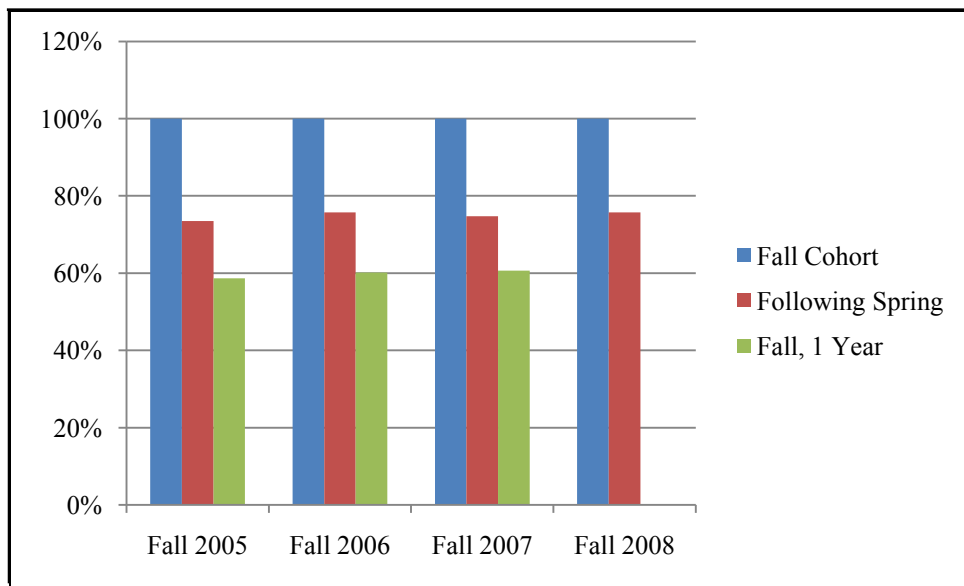
CSC believes community colleges are vital to economic and workforce development. Customized training will help Illinois Business and industry sustain strong economic growth. We hope to see an increase in this arena.



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

The percentage of new fall students who re-enroll the following spring and subsequent fall has remained relatively constant at 75% and 60%, respectively. With our enrollment management consultant partnership, the College hopes to see this retention rate increase over the next several years.

Retention Rates of New Students



Retention Rates of New Students

	Fall 2005		Fall 2006		Fall 2007		Fall 2008	
	793		626		666		573	
Following Spring	583	73.52%	474	75.72%	498	74.77%	434	75.74%
Fall, 1 Year	342	58.66%	285	60.13%	302	60.64%		

Another goal of many CSC credit students is job training through career education programs. Often such students do not intend to transfer or may already hold baccalaureate degrees. The success of career programs usually depends on helping students prepare for and find gainful employment immediately after completing a degree or certificate.

Pass Rates on Licensure Exams

One measure of institutional effectiveness is performance of CSC students on occupational licensure exams.¹

CSC nursing students exceeded the national pass rates for two out of the last three years. CSC students in other listed programs exceeded the national pass rates for the last three years.

Pass Rates on Licensure Exams

Field	Pass Rate Information for Selected Exams: Number of Students Tested, Institutional Pass Rate & National Pass Rate								
	2004-05			2005-06			2006-07		
	# Students	Pass Rate (%)		# Students	Pass Rate (%)		# Students	Pass Rate (%)	
		Inst'l	Nat'l		Inst'l	Nat'l		Inst'l	Nat'l
Nursing (RN/ADN) - NCLEX	30	97%	87%	26	100%	88%	28	83%	86%
Dental Hygiene	22	100%	95.3%	27	96.3%	94.4%	22	100%	96.9%
Radiologic Technology	18	100%	89.4%	17	100%	90.5%	17	100%	84.7%
Emergency Medical Technician	16	88%	65%	23	100%	54%	22	100%	71%

¹ ICCB 2008 Performance Report

Other Community Trends

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

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

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

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

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

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

CSC has responded by declaring ourselves a Mobile Academic Service Habitat (MASH) Unit. We continue to work under the Phenix Program introduced in FY 2004. This was developed to articulate a vision for the future. The effect will be to focus on controlling our expenditures and reshaping the institution. There is a commitment to look inward on the quality and efficiencies of current programs/activities with an eye towards asking the simple question, "If we were not already doing this today, would we begin doing it tomorrow?"

PRIORITIES

STUDENTS

TECHNOLOGY

ENVIRONMENT

HR/ORG. DEV.

LINKAGES

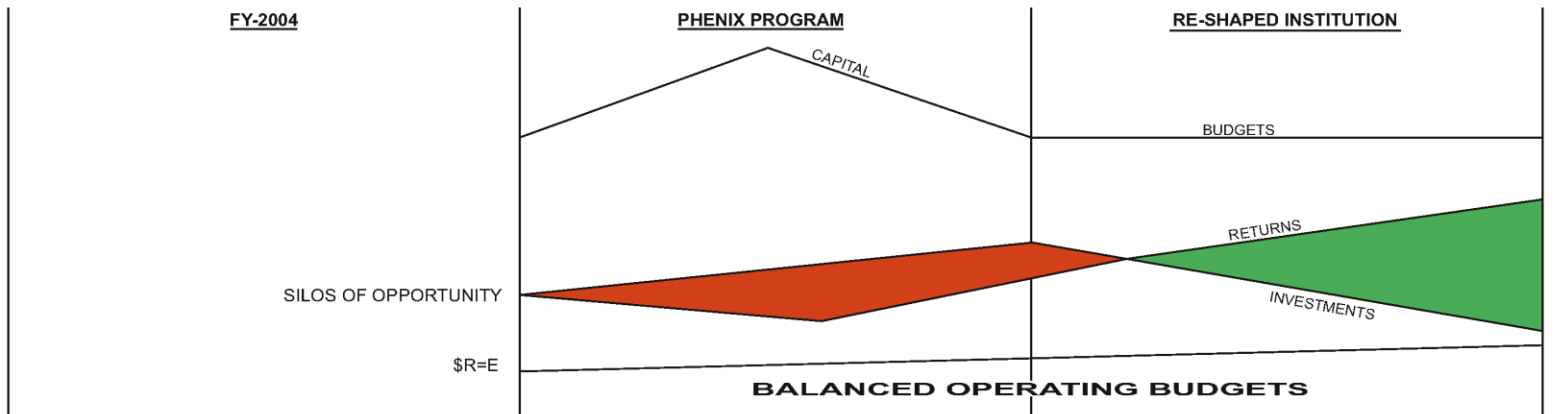
STABILITY

ASSESSMENT

LEARNING

DATA

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



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

- ERC-ED Subcommittee
- Facility Master Plan
- Expanded Dual Credit Offerings/K-12 Partnerships
- SSC/Retention Program
- ACCES PROJECT
- CSC 101, Expanded Advising, Surveys, Expanded Course Offerings, Promote Cooperative Agreements, Internal/External Communications
- Launch Envoy Program
- Extended SEA Agreement
- CSC FY-05 Budget Summit
- WWAN Project
- 3 - 7% Reductions
- Revitalize Citizen's Advisory Committees
- Energize Program To Achieve Diversity
- Structure Follows Strategy/Re-Shape the College
- CSR
- Shift from Courses to Programs?
- Submit Title III Grant
- Annex Renovation
- AE & FL Complex
- Facility Renovations
- Expand PM Certificates/Degrees
- Expand #/Visibility of Student Clubs and Organizations
- Expand Recruiting Outside of District
- Expand Theater Arts Programming & Community Use of College Facilities
- Light/Enhance Ball Diamonds
- NCA Accreditation

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

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

GLOSSARY

ABE - Adult Basic Education

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

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

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

ASE - Adult Secondary Education

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

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

BOT - Board of Trustees

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

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

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

CABI - Center for Agriculture, Business and Industry

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

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

CAFR - Comprehensive Annual Financial Report

C.H. - Credit Hour

CFO - Chief Financial Officer

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

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

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

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

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

CPPR - Corporate Personal Property Replacement

CSC - Carl Sandburg College

CTE - Career and Technical Education

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

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

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

Debt Service Fund - Bond and Interest Funds.

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

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

DAVTE - Department of Adult, Vocational and Technical Education.

EAV - Equalized Assessed Valuation.

EMP - Enrollment Management Program

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

ESL - English as a second language.

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

Facilities Revenue - Revenue from the use of college facilities.

FA - Fall Semester

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

FFP – Fast Forward Program

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.

ISAC - Illinois Student Assistance Commission

ISBE - Illinois State Board of Education

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

Liab/Prot/Settlement - Liability Protection and Settlement

L,P&S - Liability Protection and Settlement Fund

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

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

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

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

O&M - Operations and Maintenance

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

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

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

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

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

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

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

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

PHS - Protection, Health and Safety

PPB - Program Performance Budgeting

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

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

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

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

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

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

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

SMART - Strategic Management and Resources Together

SP - Spring Semester

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

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

STEF - Strategic Technology Endowment Fund

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

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

SU - Summer Session

SURS - State University Retirement System

TRG – Tuition Rate Guarantee

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

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

WCF - Working Cash Fund

WIB - Workforce Investment Board

WIA - Workforce Investment Act

ZBB - Zero Based Budgeting