

# Danville Area Community College

Community College District No. 507

Danville, IL

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Years Ended

June 30, 2022 and 2021



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**Danville, IL**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT Fiscal Years Ended June 30, 2022 and 2021**

**Prepared by:**

**Finance and Administration Office**

**Tammy L. Betancourt - Chief Financial Officer/Treasurer**

**Whitney Yoder - Controller**

### **MISSION STATEMENT**

Danville Area Community College is committed to providing quality, innovative, and accessible learning experiences which meet the lifelong academic, cultural and economic needs of our diverse communities and the world we share.

### **NON-DISCRIMINATION STATEMENT:**

Danville Area Community College does not discriminate on the basis of race, color, national origin, sex, disability or age in its programs and activities. Inquiries may be directed to Jill A. Cranmore, Vice President, Human Resources, Affirmative Action Officer, Title IX Coordinator, and Section 504/ADA Coordinator, Danville Area Community College, 2000 E. Main St., Martin Luther King Memorial Way, Danville, IL 61832-5199, 217-443-8756, or [jcranmore@dacc.edu](mailto:jcranmore@dacc.edu).

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# INTRODUCTORY SECTION





December 22, 2022

Members of the Board of Trustees, and  
Citizens of Danville Area Community College District No. 507:

The Annual Comprehensive Financial Report (Annual Report) of Danville Area Community College, Community College District No. 507 (the College), Counties of Vermilion, Edgar, Iroquois, Champaign, and Ford, State of Illinois, for the fiscal year ended June 30, 2022, is hereby submitted. The Annual Report provides a snap shot of the College's financial performance and major initiatives as well as an overview of trends in the local economy. Above all, the report represents the College's commitment to inform members of the community about the College's finances.

The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, of this report rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission have been included.

The Annual Report is presented in six sections: Introductory, Financial, Required Supplementary Information, Statistical, Special Reports, and Federal Reporting. The Introductory Section includes this transmittal letter, the College's principal officials, Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association, and an organization chart. The Financial Section includes the report of the independent auditors, management's discussion and analysis, basic financial statements, and notes to the financial statements. The Required Supplementary Information Section includes various schedules related to pension and other post-employment retirement benefits and their corresponding notes. The Statistical Section includes selected unaudited financial and demographic information presented on a multi-year basis. The Special Reports Section includes a Combining Balance Sheet and Schedule of Changes in Net Position for all funds, a Statement of Receipts, Disbursements and Changes in Fund Balance (Budgetary Basis) Budget Compared to Actual for the Operating Funds (Education/Operations and Maintenance), various schedules required by the ICCB, together with the related auditor's reports and notes. The Federal Reporting Section includes all of the required schedules and notes required by Government Auditing Standards and federal Uniform Guidance.

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis (MD&A), which immediately follows the independent auditors' report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and focuses on current activities, accounting changes, and currently known facts.

2000 East Main Street  
Martin Luther King  
Memorial Way  
Danville, IL 61832  
217-443-DACC (3222)



## **PROFILE OF THE COLLEGE**

Danville Area Community College is a comprehensive community college operating in accordance with the provisions of the Illinois Public Community College Act and is recognized by the Illinois Community College Board (ICCB).

The College is accredited by the Higher Learning Commission. In addition, various health professions programs (i.e. Nursing, Radiologic Technology, and Health Information Technology) are also accredited through their respective accrediting bodies.

While the campus is located in Danville, with an extension center in Hoopston, the College District encompasses high school districts in Vermilion, Edgar, Iroquois, Ford and Champaign counties with an estimated population of approximately 73,000.

## **MISSION, VISION AND CORE VALUES**

Danville Area Community College is committed to student success. The College represents a vital and progressive community resource. Our mission:

Danville Area Community College is committed to providing quality, innovative, and accessible learning experiences which meet the lifelong academic, cultural and economic needs of our diverse communities and the world we share.

Our vision is to continue to be a nationally recognized leader in student success and an active partner in building and maintaining academic excellence and the economic vitality of the communities it serves.

Our core values:

***Integrity*** – Trusting relationships and an ethical reputation with those we serve (students, faculty, employees, community, business, other educational institutions, government).

- Being respectful
- Being honest and sincere
- Being fair and reasonable
- Acting responsibly by meeting commitments and obligations
- Remaining true to the academic disciplines

***Excellence*** – Consistently achieving exceptional results that delight those we serve.

- Being accountable through the evaluation and adjustment of our services, processes and programs as needed to assure timeliness, quality, effectiveness, and financial stability
- Providing superior learning experiences and services
- Being learner focused to meet the needs of those we serve
- Encouraging continuous improvement and lifelong learning, growth
- Being innovative and proactive

**Communication** – Positive and productive relationships and environment for those we serve.

- Openly exchanging thoughts, messages, information and ideas throughout our college and community
- Fostering an environment of belonging, acceptance
- Encouraging participation, involvement and collaboration
- Demonstrating spirit, sound teamwork principles and practices
- Empowering others by enabling them to make decisions, take actions that match their capabilities

**Adaptability** – Continuously meeting the changing needs of those we serve.

- Providing relevant, meaningful educational services
- Being flexible and willing to change
- Developing and demonstrating the competencies, as well as versatility needed for continuing success
- Anticipating and capitalizing on opportunities for growth, success
- Taking appropriate risks that contribute to learning, growth, or ultimate success

**Diversity** – Providing a safe and secure learning environment for the personal and intellectual growth of those we serve, preparing them to participate in an increasingly changing world.

- Promoting and upholding our vision that all are treated with equality, fairness, dignity, and respect.
- Delivering a curriculum and services which are inclusive of global considerations and which value the voices, experiences, and worth of a variety of cultural perspectives.
- Fostering educational practices which support the learning styles of each unique human being.

## **FINANCIAL INFORMATION**

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental and Financial Accounting Standards Board (GASB and FASB), National Association of College and University Business Officers (NACUBO) and the Illinois Community College Board (ICCB). The ICCB requires accounting by funds so that limitations and restrictions on resources can be easily accounted for. The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay. The notes of the financial statements expand and explain the financial statements and the accounting principles applied.

### Internal Controls:

Management of the College is responsible for establishing and maintaining internal controls designed to protect the assets of the College, prevent loss from theft or misuse and to provide that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

### Budgeting Controls:

The College maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. The annual budget includes the following funds:

#### **Fund**

---

Education  
Operations and Maintenance  
Operations and Maintenance Restricted  
Bond and Interest  
Auxiliary Enterprises  
Restricted Purposes  
Working Cash  
Trust and Agency  
Audit  
Liability, Protection, and Settlement  
Board Restricted

The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established for each individual fund. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances are only re-authorized as part of the following year's budget when funds are available and with appropriate administrative approvals. As demonstrated by the statements and schedules included in the financial section of the report, the College continues to meet its responsibility of sound financial management.

### **HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF) GRANTS**

The College has been awarded approximately \$9.0 million in HEERF grant funds since the start of the coronavirus pandemic in late March 2020. These grants include CARES (Coronavirus Aid, Relief, and Economic Security Act), CRRSAA (Coronavirus Response and Relief Supplemental Appropriations Act), and ARP (American Rescue Plan). Out of the College's \$9.0 million in awards, approximately 40% was for emergency financial aid assistance to students and the remainder covers lost revenue and costs at an institutional level that are associated with the coronavirus. As of June 30, 2022, the College has disbursed \$2,131,613 in awards to students, with \$1,300,486 available to be disbursed prior to the end of the grant at June 30, 2023. As of June 30, 2022 the College has spent \$5,464,668 of institutional and strengthening institutions portions with \$66,803 remaining.

### **ECONOMIC CONDITION AND OUTLOOK**

The College's financial position remains strong in spite of declining enrollment and a weaker State economy. This is attributed to a growing, diverse tax base, low debt burden, sound reserves and financial planning, a long-term strategic financial plan, and relief from the federal government through the Higher Education Emergency Relief Fund grants to subsidize lost revenue as a result of decreased enrollment from the pandemic. Over the last ten years, excluding the net position impact related to OPEB, the College's net position has remained stable, in spite of reduced state funding and declining enrollment.

## District Economy

The Danville Area Community College district is an important business and agricultural region in east central Illinois, supported by several large manufacturers, distribution centers, healthcare providers, and other service providers, as well as a significant agricultural economy, real estate, education, wind farm, and retail. Some of the largest employers in the district are Department of Veterans Affairs Illiana Healthcare System, Vermilion County Public Schools, Danville School District No. 118, ThyssenKrupp (Crankshaft and Presta), McLane Midwest Company, OSF Healthcare Sacred Heart Medical Center, AutoZone, Vermilion County Government, Blue Cross/Blue Shield of Illinois, and Quaker Food and Beverages.

The addition of two wind farms over the last several years has substantially boosted the tax base and represents over 2.5% of the College's equalized assessed valuation (EAV) for all counties. Two additional wind farms in Vermilion County are in the development phase. Indications are that one of them will be the largest wind project in East Central Illinois and would increase our EAV significantly.

The construction of a new casino in Danville has been approved by the Illinois Gaming Board. While the entire project may take up to six years to complete, it is anticipated that Phase 1 (of 3) could be completed in early 2023, including 500 slot machines 14 gaming tables, two restaurants and could bring in 300 jobs. Carle Health is constructing a new \$70 million, 152,000 sq.ft. facility on a 17-acre plot in Danville which is expected to be completed in late 2022. Along with the new facility, it is expected that Carle Health will also purchase areas near the facility in the downtown area for retail. These establishments would be ratable for property tax purposes. In addition to these new construction projects, a new FedEx distribution center is expected to be built in Danville in the next few years, which could employ 150 to 180 full-time workers and a couple hundred part-time and seasonal employees.

With these new additions, the economy in the next several years is expected to experience significant growth through the creation of new jobs, an influx of new residents, an increase in tourism, new homes, hotels, and restaurants. Not only is this expected to boost the overall economy of the area, but is also expected to increase enrollment at the College through various programs and partnerships with the casino. The College hopes to provide not only specific training for casino employees such as card dealers, callers, and wheel spinners, but also a wide range of supervisors, cashiers, computer programmers, attendants, clerks, hosts, surveillance officers, and uniformed security. New associate-degree programs could include culinary arts, hospitality management, and food-service management, as well as transferable associate of science degrees such as psychosocial rehabilitation and addictions counseling.

Unemployment in the Danville Metropolitan Statistical Area decreased to 6.5% as a result of the recovery from the large increase in 2021, which was due to the pandemic. This decrease is indicative the local economy is recovering from the pandemic. Per capita income has also been increasing steadily even though population has been decreasing, which would be a result of lower or reasonable unemployment rates, as well as the increase in the property tax base from the additional wind farms. Typically as unemployment decreases, enrollment also decreases. With the exception of FY21, the pandemic year, this has been the case for the College the last several years. Coupled with that, the College is experiencing its lowest enrollment in the last ten years. Full-time equivalent for fall 2021 was 1,122 compared to 2,031 in 2011. FTE was at its highest of 2,364 in 2011 when the unemployment rate was at its second highest of 11.4%. The College continues to actively pursue enrollment in areas such as dual credit, on-line, and student retention. New programs, such as barbering, insurance claims examiners and a new Health Professions Exploration Certificate, also contribute to enrollment and growth. The College has also invested in customer relationship management (CRM) software for retention and has plans to investigate the same product for recruitment.

### Tax Base:

The District's fiscal year 2021 tax levy base of \$1,197,443,545 experienced a 4.2% increase over the 2020 tax levy base. This increase is primarily attributable to continued increases in farm property. However, over the last several years all but one property category have been steadily increasing, which reflects an improving economy in the area.

The tax base is diverse, with the ten largest taxpayers making up only approximately 5.0% of the EAV. The 2021 EAV was comprised of 42% residential, 35% farm, 14% commercial, 4% industrial and 5% railroad and mineral (includes wind farms). Local property taxes will continue to be a significant source of revenue to the College. During fiscal year 2022, local property taxes accounted for approximately 32% of total operating funds (Education and Operations & Maintenance Funds) receipts.

### Net Position and Liquidity:

Net position decreased from \$40.2 million at the end of fiscal year 2021 to \$39.5 million at the end of 2022. This decrease is attributable to a combination of a decrease in other non-operating revenue, which includes a \$1.0 million decrease in donations from the Foundation and a decrease in on-behalf of payments of \$3.3 million. Operating expense also noticed a significant decrease which includes a decrease in state on-behalf payments of \$3.3 million.

Liquidity is strong, with \$14.4 million of cash and cash equivalents at year end. An additional indicator of financial strength is the College's Moody's rating. The College's Moody's rating was reviewed in June, 2019, and while it retained its rating of A1, the negative outlook was removed. The rating action, according to the Moody's report, *"reflects the college's moderately sized tax base, below average demographic profile, healthy reserves, limited expenditure flexibility with a high reliance on the State of Illinois for operating revenue and a low debt burden."* This rating is considered "upper-medium grade" and is the highest rating in that category.

### College Enrollment:

While enrollment continues to steadily decline as a result of not only the pandemic, but also the declining unemployment rate and shrinking population base; strategic initiatives to counteract that decline continue, such as expanding baccalaureate partnerships with universities, including "3 + 1" programs that enable students to take three years at DACC and a fourth year online to earn a bachelor's degree, as well as dual-admissions programs with four year schools. Other initiatives include offering "couplet" courses, which are courses that are linked consecutively in eight-week blocks, introducing DACC Academy as an outline of the full gamut of courses and programs available to high school students, new music programs (AAS in music performance, AFA in music education, and AAS in music business and media production, as well as certificates in each), and a new robotics lab, along with a new curriculum based on local manufacturing needs. Financial incentives were also offered to encourage enrollment. Students who enrolled in 12 credit hours or more received a \$600 discount on their tuition and fees. In addition, marketing efforts for dual-credit courses continued, as did the offering of vocational programs and transfer courses at the Danville Correctional Center.

The fiscal year 2022 budget was predicated on a decrease in credit hours of approximately 4%. Unfortunately, the decrease in revenue generating credit hours (10th day) at the end of FY22 was 12.8% less than budgeted credit hours. However, a tuition increase of \$5 was made in summer of 2022 which helped to offset the decline in enrollment. With this tuition increase the College's current per credit hour in-district tuition and fees rate of \$175 is comparable to many other community colleges in the State. HEERF Grant funds also helped to absorb this lost revenue.

#### State of Illinois:

While funding for the Illinois Community College System from the State of Illinois was level funded for FY22 and increased by 5% for FY23, the College received a decrease of .9% if FY22 and a decrease of .1% in FY23. Fluctuations in state revenue occur as the funding formula is based on credit hour changes of the College in relation to credit hour changes of other community colleges. Overall, state funding has remained relatively steady over the last several years.

#### Foundation:

The College's Foundation continues to support the mission of the College and the students. During the past six years, the Foundation has provided significant funds for scholarships, facilities renovations, technology support, instructional equipment, and support for operating the library. Scholarships were awarded for FY22; 584 scholarships equaling \$745,000. With these awards, 100% of students who applied for a scholarship in 2021 received one during FY22. The Foundation Board is determined to grow its resources in order to maintain and enhance their level of support to the College and to students through scholarship awards and program enhancements.

### **STUDENT SUCCESS**

The College's graduation rates continue to be above our ten college comparison group and the overall rate as reported to IPEDS. The overall graduation rate for the DACC 2019 Cohort (Class of 2022) for students who complete within 150% of normal time is 43%. This is 2% above our Comparison Group Median rate of 41% and 7% above the overall rate of 36% as reported by IPEDS. Faculty and staff interaction with students through initiatives such as mandatory advising, the mentoring program, the Technology Educational Loan Program, TRiO and Achieving the Dream are believed to be the key to DACC's success.

### **STUDENT SUCCESS – UNDERREPRESENTED STUDENTS**

The College continues to focus on reducing the retention and completion performance gaps of underserved populations, especially for African-American males. To reduce the educational barriers for African American males, the College developed the Toolbox program. The goal was to connect the students to faculty and staff, building meaningful relationships with each participant. By getting "proximate" with the students, going to them versus waiting for them to self-identify, the College increased student engagement, learned valuable insight on how to help the students, and increased retention. In FY 22, the College dedicated 50% of an employee's time to serve as the Toolbox Coordinator. This provides the Coordinator the time to make additional connections with local middle school and high school youth groups that serve African American males. To increase the number of Toolbox participants in the future, the Coordinator hopes to foster relationships with the potential students and their families, helping them prepare for College and talking to them about dual credit, college programs, financial aid, and scholarships.



The College developed an Equity Plan that was vetted with the College community and approved by the Board in April 2022. The Equity Plan features seven key strategies to recruit and retain a diverse workforce and student body. The College also established an Official Diversity Statement approved by the Board of Trustees on October 28, 2022.

## **STUDENT SUCCESS – ACHIEVING THE DREAM**

Since 2009, DACC has valued its affiliation with the national Achieving the Dream (ATD) movement. ATD's network of more than 300 colleges and universities are committed to building key strategies to improve student success and outcomes. DACC has earned a Leader College status through its obligation to using data driven decisions and moving the needle on improving student outcomes.

DACC's annual strategic plan, "The Matrix", is developed around many of the ATD yearly initiatives. ATD works with DACC to learn how to better utilize data and how to determine what initiatives fit the needs of the college.

The student-success plan operates according to three main principles: 1) Students will be given information upfront concerning all services and processes needed to reach their individual educational goals; 2) Students will feel engaged in classes, welcome on campus and have at least one person on campus with whom they connect; and 3) Students will have an educational goal to strive for, an academic plan to keep them on track toward this goal, and an easy, accessible way to view their progress each semester until they reach their goal.

As a result, DACC has improved major student performance metrics since embracing ATD principles. In 2008, prior to joining ATD, DACC's full-time and part-time completion rate was a little over 24 percent. Our rates have risen over the years, reaching 41 percent in 2020. We saw a decline in 2021, but this is very likely due to the many COVID challenges that our students have experienced.

Though the COVID-19 pandemic created barriers to students and the college, DACC still provided tools and support to students and employees. Some tools that were created as a result were the technology equipment loan program (TELP), online tutoring, and new and increased course modes. The TELP program served 146 students from August 2020-June 2021; this program allows students to borrow laptops, mobile-wifi hotspots, backpacks, and webcams free of charge, as well as offers "free-to-keep" headphones and flash drives. Online and virtual tutoring was offered through all of our on-site tutoring centers; the Writing Center, the Technology Lab, and the Math and Science Solutions Center. In addition to these, DACC began offering SMART online tutoring for all students, which was previously only offered to TRIO students. Course modes were changed to increase safety and flexibility to students; more courses were offered online, many on-campus instructors offered students to join the class via video, and there was an increase in the number of synchronous and asynchronous courses. DACC plans to keep many of these modes as we move out of COVID regulations since it offers added flexibility to many of our students.

As part of changing the way courses are offered, some instructors began offering courses in a faster paced 8-week session. This method allows students to focus on fewer classes at a time, but still complete their degree in the same amount of time. The pass rate of these courses for spring 2021 was 84.2 percent, as compared to the same course offered spring 2020 in a 16-week format with a 75.7 percent pass rate.

ATD encourages its colleges to look at data and not just create new initiatives, but to improve those that are already in place. One such initiative that showed improvement was the TOOLBOX program. This program works with African American male students. This year, the Toolbox retention rate was 82%; this is 12% higher than the overall retention rate. The program worked on expanding resources to students and used multiple modes of contact to reach students where they are.

As we continue to be an ATD Leader College, DACC will continue to look at ways to improve student outcomes.

## **STUDENT SUCCESS – TRIO**

The TRIO Student Support Services (SSS) Program is a competitive, five-year grant funded by the United States Department of Education. TRIO SSS offers academic support services and interventions to increase college retention, degree completion, and transfer rates to four-year institutions among first-generation, low-income students and students with documented learning and physical disabilities. Danville Area Community College's TRIO SSS grant application has been consistently funded for 25 years.

TRIO services include:

- Academic advisement and course selection
- Professional tutoring- in person and online
- Virtual student success center via Blackboard
- Financial aid counseling
- Financial literacy
- Transfer counseling
- Assistance with applications to four-year universities and colleges transfer visits
- Assistance with scholarship searches and applications
- Computer lab access
- Academic Success Workshops

## **STUDENT SUCCESS – HIGH SCHOOL INITIATIVES**

*Middle College:* Middle College is a collaborative effort with local High Schools which provides select students alternative learning opportunities on Campus including mentoring support. Transfer and career courses are included in this program which is designed for juniors and seniors with a history of academic success who have barriers to high school completion. This program is expanding to allow more students to participate, and providing direct advising and student service support to help them transition into college and career courses after graduation.

*College Express:* College Express, now in its 18th year, experienced steady enrollment in FY22, enrolling over 400 high school students. This program provides high school students career-specific dual enrollment opportunities, typically vocational in nature, at the College. Students enrolled in one of these programs can expect to earn up to sixteen (16) credit hours toward an associate degree or certificate. This program is successful due to the strong partnership with the Regional Office of Education, high schools in our district, Vermilion Vocational Educational Delivery System, and the College.

*Traditional Dual Credit:* In the traditional dual credit program, both university transfer and career courses are included. There is no limit on the number of credit hours a student may earn. Courses are either at the High School, at the College, or online. Enrollment in this has increased by nearly 10 percent in each of the past two years, as high school students and their

parents are increasingly coming to understand the value of earning college credits during their final two high-school years.

*Project Lead the Way:* This program is comprised of four courses taken in sequence that satisfy some transfer and some career degree requirements. Students may earn up to fourteen (14) credit hours in pre-engineering courses designed to encourage interest in the engineering and applied engineering fields.

## **STUDENT SUCCESS – OTHER LEARNING OPPORTUNITIES**

The College also provides life-long learning through our Adult Education and Corporate and Community Education Divisions. Adult Education provides literacy training, basic education, GED review, English as a second language, American citizenship and basic skills for Math, English and Reading.

Corporate Education serves the business community by providing customized training for incumbent workers or job seekers either on-site or on the DACC campus. In the past year, Corporate Education generated over \$110,000 in gross revenue.

Community Education is dedicated to enhancing and improving the lives of community members by offering courses, workshops, seminars, tours, conferences, and other activities that expand their area of knowledge. Community Education is focused on providing experiences, knowledge, and information to the general public at an affordable cost and is geared toward all ages and educational levels. The goal of Community Education is to provide opportunities for individuals to explore new areas of interest, brush up on skills, and to develop employable skills that are needed and desired by employers.

## **WORKFORCE DEVELOPMENT AND THE AMERICAN JOB CENTER**

The College is the One-Stop Operator for the Local Workforce Area's American Job Center, serving job seekers by managing partner agencies that provide other "wrap around" services and providing the public with seamless services ranging from basic-skills instruction and occupational training to job preparation and placement. Examples of partner agencies include Vermilion County Works, Illinois Department of Employment Security, Department of Human Services, Department of Rehabilitation Services, and the Housing Authority of the City of Danville. As part of this initiative, the College will undergo a merging of services to share resources in adult education and literacy, high-school equivalency, career services, and corporate education.

## **DANVILLE CORRECTIONAL CENTER**

Vocational programs continue at the Danville Correctional Center despite several breaks due to COVID-19. Programming includes Auto Technology, Construction Occupations, and Career Technology. At the beginning of the year a new Mechatronics program will be starting at the facility. In addition, the College has reinstated transfer courses in the prison and continues to collaborate with the Illinois Department of Corrections on improving the technology and methods used to learning. The facility has implemented remote learning and DACC will be offering their first remote learning class in the Spring of 2023. Higher education in prisons, whether in the form of vocational training or traditional coursework, is believed to impact recidivism by providing individuals in custody with specific skills needed to find employment after release, as well as developing overall life skills. This programming will also help to increase enrollment.

## **FACILITIES**

The \$2.0M renovation of Dr. Alice Marie Jacobs Hall was completed in August, 2021. Jacobs Hall will serve as the College's new center for students studying visual, performing, and musical arts. This project was made possible from a \$2.0M donation from the Foundation through a donation from the Julius W. Hegeler II Foundation.

Upcoming projects include Phase I of the Hegeler Hall (formerly the Army Reserve Center) \$3M renovation project, a \$4.4M Illinois Capital Development Board project to renovate Clock Tower and Ornamental Horticulture buildings, upgrade other passenger elevators on campus to comply with building codes and modernize controls, replace plumbing in Mary Miller, replace ADA handicap ramps for Vermilion, Prairie and Cannon Halls, convert the existing phone system to a VOiP (Voice Over internet Protocol) system, a new door access and camera system, and other projects included on the deferred maintenance list that will be funded through bond proceeds. The College is also investigating the possibility of installing solar arrays on approximately 10 acres of unused land near the Danville campus.

## **INFORMATION TECHNOLOGY**

The College continues to upgrade and enhance our technological infrastructure. At the September 2021 Board meeting the Board approved a monumental step towards a safer and more secure student information and enterprise resource planning (SIS/ERP) system by authorizing a contract with Ellucian to migrate our Colleague SIS/ERP system to the Ellucian Managed Services Cloud (the Cloud), which is powered by AWS or Amazon Web Services. The College went live on the Cloud on February 23, 2022. By migrating Colleague to the Cloud, we are protecting the College from the potential loss of all business operations due to a breakdown of on-campus computer servers (natural disaster or otherwise) or cyber-attacks from criminal hackers.

The College also migrated its traditional perpetual Colleague software licenses with Ellucian to a subscription based software model. By moving to a subscription model, as Ellucian develops new functionality for the Self-Service component of the software, the College won't have to purchase each latest improvement; it will automatically be accessible to us. In addition, this agreement provided the College access to three key software components: Intelligent Learning Platform (ILP) for Blackboard; Ellucian Experience; and On Demand Training. ILP is a bidirectional connector between Blackboard (our student learning management software) and Ellucian Experience is Colleague's "personalized hub for timely, actionable, campus information."

Another very important technology project is the upcoming implementation of Ellucian's CRM (Customer Relation Management) Advise system for College. This product is designed to enhance student success and improve retention rates. It helps detect student problems early, facilitate meaning engagement, apply insightful analytics to better understand when and why students are having issues, and measure which programs and activities are effective in resolving them.

## **STRATEGIC INITIATIVES**

Other initiatives and program enhancements completed and/or planned for the future are:

- Entered into new transfer articulation agreement with Southern Illinois University to offer full programs in high demand fields.
- Preparation for casino training (planned opening in Spring 2023).

- Continued the enrollment financial incentive in the form of a \$600 discount for students enrolled in 12 or more credit hours.
- Courses developed as “couplets” – two courses linked consecutively in eight-week blocks.
- Introduced DACC Academy as an outline of the full gamut of courses and programs available to high school students.
- Developed new music education, music performance, insurance claims examiner, and barbering programs.
- A College-managed food service plan was developed and opened in Fall of 2022.
- Received a grant in excess of \$600,000 to support participation in the Early Childhood Education consortium for Equity which supports educational programs serving the early childhood workforce to increase the number of persons earning early childhood degrees.
- Received a PATH (Pipeline for the Advancement of the Healthcare Workforce) grant in excess of \$400,000 to create, support and expand the opportunities of individuals in the nursing pathway and select healthcare pathways to obtain credentials and degrees that allow them to enter and/or advance their careers in the healthcare industry.
- Continued focus on assessment of student learning outcomes by continuing the work of sub-teams on academic assessment improvements and developed and disseminated a co-curricular assessment manual.
- Continued the “Toolbox” program to help boost the success of African-American males.
- Provided mental health services to DACC students and staff, free of charge and promoted Mental Health Awareness by passing out support packets to students around campus and sponsored an expert mental health speaker to present on campus. Funding was provided through Covid grant funds.
- Continued planning for the Teaching and Learning Center which will provide faculty with instructional best practices and on-line training.
- Continued the Second Chance Scholarship Program (a retroactive scholarship) to provide a path for students with past due balances to attend the College; increased marketing efforts for the program in an attempt to increase participation
- Continued emphasis on institutional effectiveness and assessment activities
- Continued emphasis on increasing purchases to minority-owned, women-owned and disabled-owned businesses qualifying with the State of Illinois’ Business Enterprise program.
- A strategic plan matrix for FY23 was created

These programs, projects, and initiative are examples of the College’s emphasis on meeting the needs of the community, ensuring quality of student learning, attempting to maintain enrollment levels, and improving student retention and success.

## **OTHER INFORMATION**

### Independent Audit:

State statutes require an annual audit by independent certified public accountants. The accounting firm of Wipfli LLP was selected by the College’s Board of Trustees. Wipfli LLP, Certified Public Accountants, have issued an unmodified (clean) opinion on Danville Area Community College, Community College District No. 507’s ACFR for the year ended June 30, 2022. The independent auditors’ report on the financial statements and schedules is included in the financial section of this report.

The College was also subject to the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Wipfli LLP, Certified Public Accountants, have issued unmodified (clean) opinions on both “Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards” and “Compliance for Each Major Program and on Internal Control Over Compliance required by the Uniform Guidance.” The required auditors’ reports on compliance are included in the federal reporting section of this report.

*Awards for Financial Reporting*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Danville Area Community College for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the tenth consecutive year that the College has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive report continues to meet the stringent program requirements for the Certificate of Achievement Program’s requirements and we are submitting it the GFOA to determine its eligibility for another certificate.

*Acknowledgements:* Thanks are to be extended to the Board of Trustees for its continued interest and support in planning and conducting the financial operations of the College with fiscal integrity. In addition, the timely preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Business Office led by the College’s Controller, Mrs. Whitney Yoder. Each member of the Business Office has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,



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Dr. Stephen Nacco  
President



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Tammy L. Betancourt  
Vice President of Finance and Chief Financial Officer/Treasurer



# DANVILLE AREA COMMUNITY COLLEGE COMMUNITY COLLEGE DISTRICT NO. 507

## LIST OF PRINCIPAL OFFICIALS

### BOARD OF TRUSTEES

<u>Name</u>	<u>Position</u>	<u>Term Ends</u>
Mr. David W. Harby	Chair	2023
Mr. Greg Wolfe	Vice-chair	2025
Ms. Sandra Finch	Trustee	2027
Mr. Terry T. Hill	Trustee	2023
Ms. Tracy Cherry	Trustee	2025
Mr. John Spezia	Trustee	2023
Mr. Dylan Haun	Trustee	2027
Ms. Olivia Logue	Student Trustee	2023

### OFFICERS OF THE COLLEGE

<u>Name</u>	<u>Position</u>
Dr. Stephen Nacco	President
Mrs. Tammy L. Betancourt	Board Treasurer/Vice President of Finance and Chief Financial Officer
Mrs. Kerri Thurman	Board Secretary/Vice President of Operations
Dr. Carl Bridges	Vice President of Academic Affairs
Mrs. Stacy Ehmen	Vice President of Student Services
Mrs. Jill Cranmore	Vice President of Human Resources

### OFFICIAL ISSUING REPORT

Mrs. Tammy L. Betancourt	Board Treasurer/Vice President of Finance and Chief Financial Officer
Mrs. Whitney Yoder	Controller

### DIVISION ISSUING REPORT

Finance and Administration



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Danville Area Community College  
Community College District No. 507  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

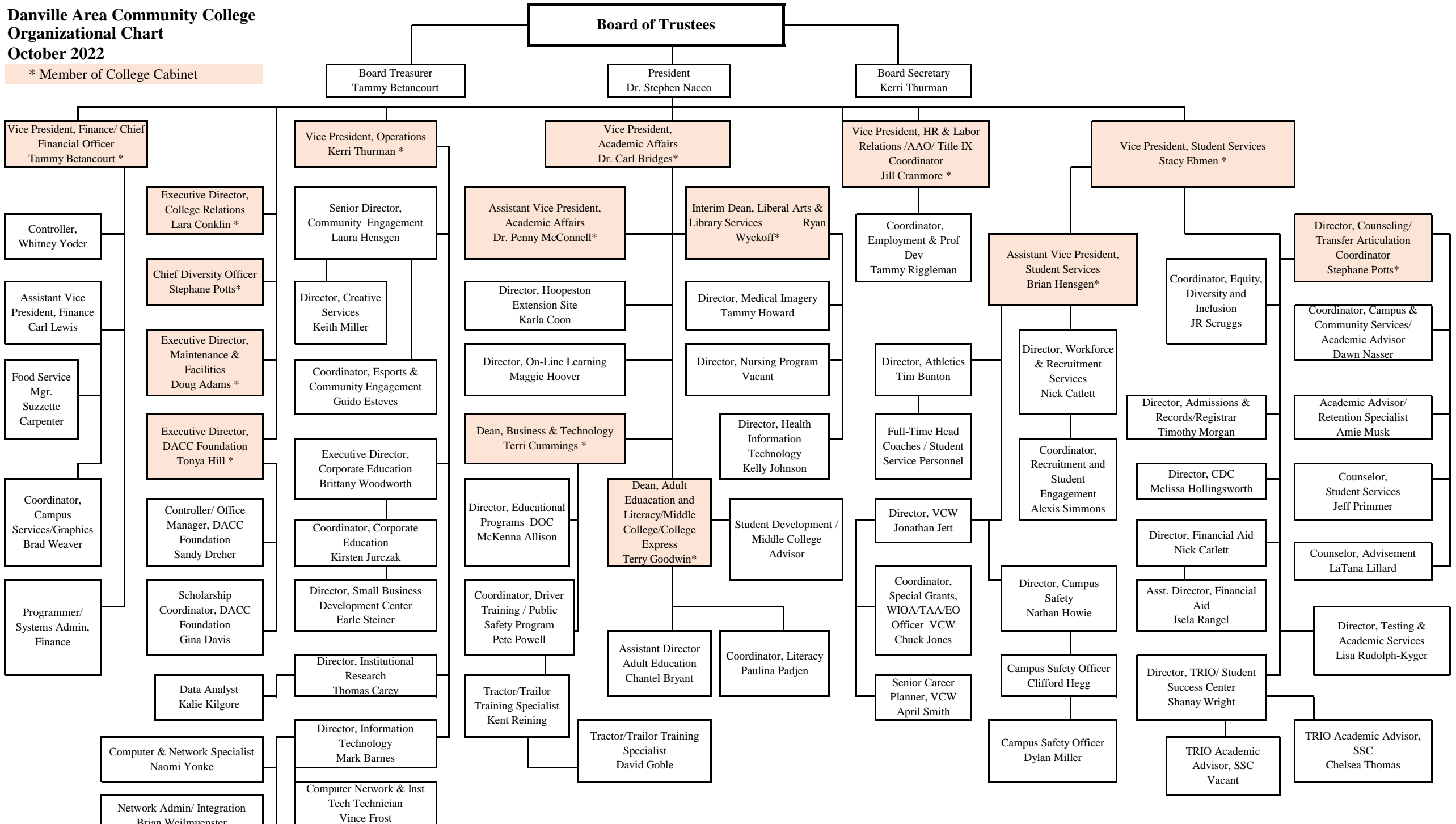
June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

**Danville Area Community College  
Organizational Chart  
October 2022**

\* Member of College Cabinet



# FINANCIAL SECTION



## **Independent Auditor's Report**

Board of Trustees  
Danville Area Community College  
Community College District No. 507  
Danville, Illinois

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Danville Area Community College, Community College District No. 507 (the College), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Danville Area Community College, Community College District No. 507, as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Danville Area Community College Foundation, a discretely presented nonprofit component unit of the College, which represents 100% of the assets, net assets, and revenues of the discretely presented component unit as of June 30, 2022 and 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for Danville Area Community College Foundation is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Danville Area Community College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, in 2022, the College adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of net pension liability, schedule of pension contributions, schedule of proportionate share of total OPEB liability, and schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental financial information and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental financial information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and other financial information listed in the special reports section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

*Wipfli LLP*

Sterling, Illinois  
December 22, 2022

## Introduction

This section of Danville Area Community College's Comprehensive Annual Financial Report presents the College's financial information in a condensed financial presentation format for the current and previous two fiscal years. It is designed to provide an overview about the changes in financial activities over a three-year period. This discussion should be read in conjunction with the transmittal letter and the College's basic financial statements. Responsibility for the completeness and fairness of this information rests with the College.

The discussion and analysis contains financial activities of Danville Area Community College. The component unit, Danville Area Community College Foundation, has separately issued audited financial statements which should be referenced for detailed information.

The three financial statements discussed are: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These statements are designed to emulate corporate presentation models whereby all College financial activities are consolidated into one total.

## Financial Highlights

The College's financial position at June 30, 2022 shows assets at \$60.7 million, deferred outflows at \$0.9 million, liabilities at \$18.4 million, deferred inflows at \$3.7 million and net position at \$39.5 million. Net position represents the balance in the College's assets and deferred outflows after liabilities and deferred inflows are deducted.

For the year ended June 30, 2022, the College recorded total operating revenue of \$4.5 million which is defined as net tuition and fees, and auxiliary revenues. The total operating expenses are \$34.6 million. This difference produced an operating loss of \$30.1 million. Net non-operating revenue is \$29.4 million, which includes the major categories of government grants and contracts, and local property taxes. Including capital contributions, the resulting overall decrease in net position was \$0.6 million.

This \$0.6 million decrease is primarily a result of a decrease in other non-operating revenue, which includes a \$1.7 million decrease in other non-operating revenues that resulted from a decrease in foundation donations due to the Jacob's Hall project being completed early in FY 2022 and a \$3.3 million decrease in the on-behalf payments.

Operating revenue accounted for 13.3% of the College's total revenue, while non-operating revenues, including donations from the Foundation and grant revenue, accounted for the remaining 86.7% of the College's total revenue. Operating revenue consisted of tuition and fees, net of scholarships, which totaled \$3.0 million and auxiliary enterprise and miscellaneous revenues which totaled \$1.5 million. Non-operating revenue included local property taxes and personal property replacement taxes of \$9.2 million, state appropriations of \$5.7 million, on-behalf payments from the state of \$6.9 million, federal grants contracts of \$7.1 million, donations from the Foundation of \$0.2 million and other miscellaneous revenue of \$0.3 million.

## Statement of Net Position

The Statement of Net Position presents the assets and deferred outflows, liabilities and deferred inflows and net position of the College at fiscal year-end June 30, 2022. The purpose of this statement is to present a snapshot of the financial condition of the College and classifies assets and liabilities into current and non-current categories. Total net position, which is the difference between total assets and deferred outflows and total liabilities and deferred inflows, is one of the indicators of the current financial condition of the College.

The assets and liabilities are categorized between current and non-current. The difference is current assets and liabilities mature or become payable within the 12 month accounting or operating cycle as compared to non-current which mature or become payable after 12 months. The College's current assets consist primarily of cash, property taxes receivable, and student accounts receivable. Non-current assets consist of capital assets, which are the property, plant, and equipment owned by the College, net of any related accumulated depreciation.

Net position is presented in three major categories. The first is net investment in capital assets, which is a \$33.7 million net investment in property, plant, and equipment after deducting the outstanding technology and equipment funding bond principal obligations and capital lease obligations. This represents approximately 85.3% of the total net position. The College uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

The second category is restricted net position. These assets, \$11.6 million, are funds that are limited in terms of the purpose and time for which they can be spent. Restricted net position is further categorized between expendable and non-expendable. Restricted expendable net position is available to be spent by the College with adherence to externally imposed rules and regulations. This category includes the funds restricted for the 25% matching share of implementing the Campus Master Plan; the Protection, Health, Safety Projects; the principal and interest payments for the Technology/Equipment Bonds and Construction Bonds; the various federal and state grants awarded to the College; the Working Cash principal; the funds provided for the annual audit; and the Liability, Protection and Settlement Fund.

The third category is unrestricted net position. These assets of (\$5.8 million), comprised of assets of \$8.8 million available for any lawful purpose that supports the mission of the College and (\$14.6) related to Other Postretirement Benefits (OPEB). Included in this amount are internal Board Restricted Funds reserved for specific purposes in the amount of \$6.3 million. The major accounts in the reserves provide additional funding support for one-time future expenditures such as the support for the Campus Master Plan, support for the Management Information System, building and grounds repair and maintenance, SURS/Retirement cost support, long-term illness and equipment replacement. The net position related to OPEB is the result of recording the College's proportionate share of the collective OPEB amounts for OPEB benefits provided to members through the Community College Health Insurance Security Fund (CCHISF) as required under GASB Statement No. 75.

# Danville Area Community College - Community College District No. 507

## Management Discussion and Analysis

The following chart is a summary of the College's net position at June 30:

	(In Millions)		
	FY 2022	Restated FY 2021	FY 2020*
Current assets	\$25.1	\$25.9	\$24.3
Noncurrent assets	35.6	36.9	35.1
<b>Total assets</b>	<b>60.7</b>	<b>62.8</b>	<b>59.4</b>
Deferred outflows	0.9	0.7	0.9
Current liabilities	3.7	2.6	2.4
Noncurrent liabilities	14.7	17.5	16.9
<b>Total liabilities</b>	<b>18.4</b>	<b>20.1</b>	<b>19.3</b>
Deferred inflows	3.7	3.3	2.0
Net investment in capital assets	33.7	31.7	30.6
Restricted:			
Expendable	11.6	14.3	13.2
Unrestricted	(5.8)	(5.9)	(4.8)
<b>Total net position</b>	<b>\$39.5</b>	<b>\$40.1</b>	<b>\$39.0</b>

\*2020 has not been restated for the effects of GASB 87.

### Fiscal Year 2022 compared to 2021

The value of net position was \$0.6 million less at the end of FY22 as compared to the prior year. This \$0.6 million decrease is a combination of a decrease in other non-operating revenue of \$4.1 million and a decrease in the on-behalf of payments of \$3.3 million. The other non-operating revenues decrease is related to a \$1.0 million decrease in donations received from the foundation

### Fiscal Year 2021 compared to 2020

The value of net position was \$1.1 million more at the end of FY21 as compared to the prior year. This \$1.1 million increase is a combination of an increase in other non-operating revenue, which includes a \$2.0 million donation from the Foundation for the renovation of Jacobs Hall, and an increase in operating expenses, which includes an increase in state on-behalf payments of \$0.4 million, salary increases for all classes of employees, an increase in scholarships, and an increase in instructional supplies and equipment as a result of spending funds from technology/equipment bonds.

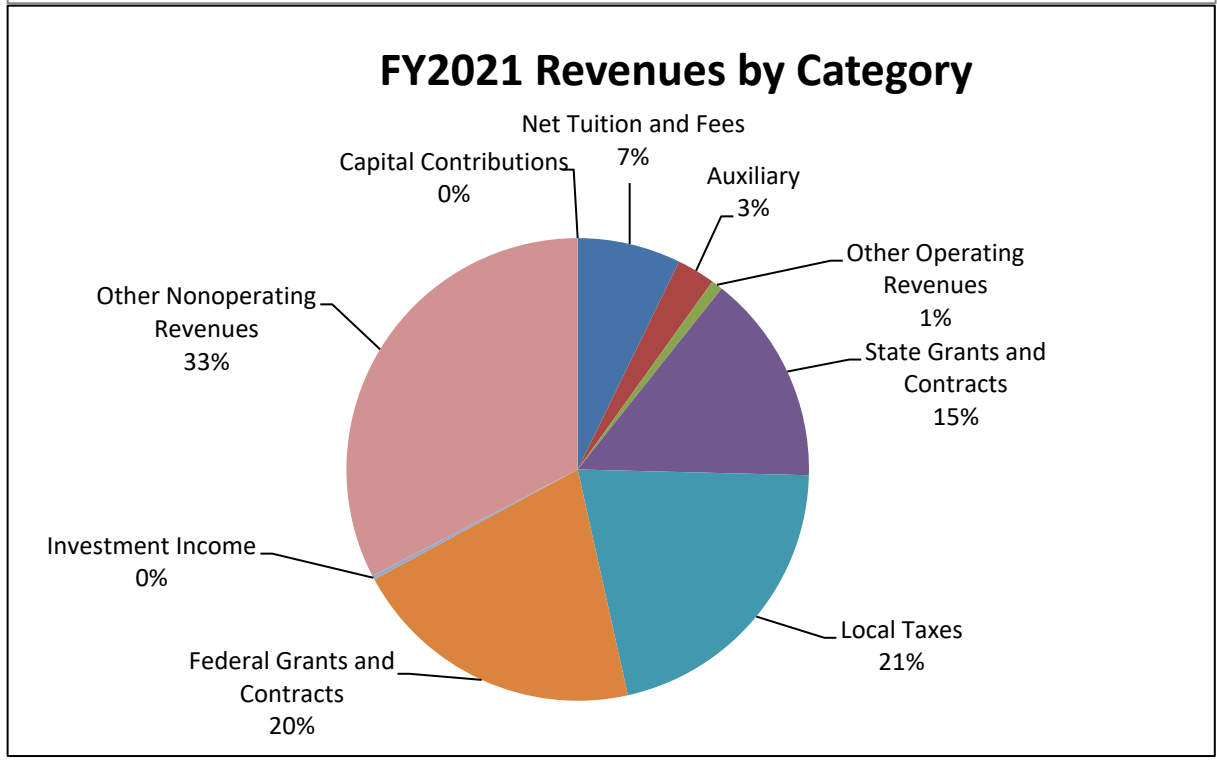
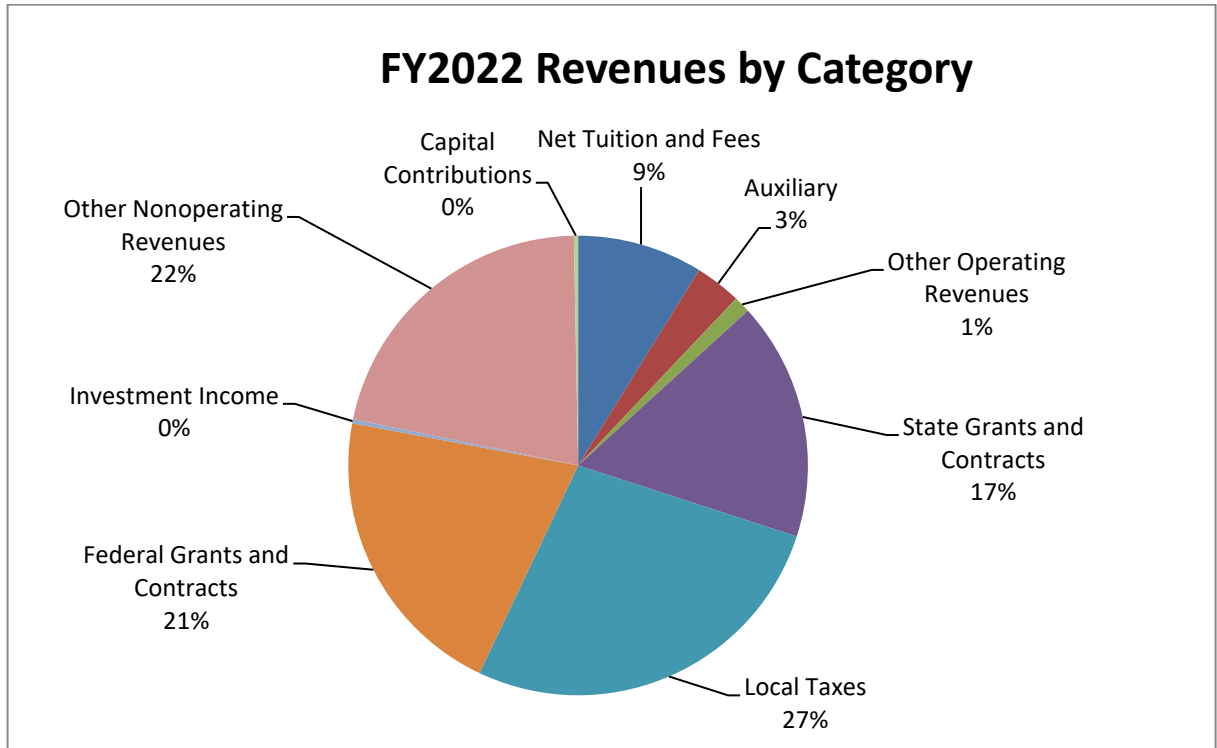
### **Statement of Revenues, Expenses, and Changes in Net Position**

The Statement of Revenues, Expenses and Changes in Net Position presents the revenue earned and expense incurred during the year. Activities are reported as either operating or nonoperating. The primary operating revenues are tuition and fees, which are stated net of scholarship waivers, and auxiliary revenues. The auxiliary revenues are commissions from the externally operated bookstore operations and service fees charged by the Child Development Center. Other operating revenue also includes fees for continuing education and corporate training.

# Danville Area Community College - Community College District No. 507

## Management Discussion and Analysis

The major components of *nonoperating* revenues include government grants and contracts, and local property tax revenues. The reporting model classifies these revenues as *nonoperating* since no direct exchange of goods and services are received by the government or local taxpayers, respectively. Therefore, the College's dependency on government grants and local property tax revenues, which are both classified as *nonoperating*, will result in operating deficits.



Danville Area Community College - Community College District No. 507  
 Management Discussion and Analysis

The following schedule is a summary of the College's operating results for fiscal years:

**Summary of Operating Results**

	(In Millions)		
	FY 2022	Restated FY 2021	FY 2020*
Operating revenues:			
Net tuition and fees	\$3.0	\$2.7	\$3.8
Auxiliary	1.1	1.0	0.6
Other	0.4	0.3	0.4
<b>Total operating revenue</b>	<b>4.5</b>	<b>4.0</b>	<b>4.8</b>
Less operating expenses (see detail in following table)	34.6	36.6	35.2
<b>Net operating loss</b>	<b>(30.1)</b>	<b>(32.6)</b>	<b>(30.4)</b>
Nonoperating revenue			
State grants and contracts	5.7	5.5	5.2
Local taxes	9.2	7.9	7.4
Federal grants and contracts	7.1	7.7	5.8
Investment income	0.1	0.1	0.2
Other	7.3	12.2	13.1
<b>Total nonoperating revenue</b>	<b>29.4</b>	<b>33.4</b>	<b>31.7</b>
Capital contributions	0.1	0.0	0.1
Change in net position	(0.6)	0.8	1.4
Net position, beginning of year	40.1	39.0	37.6
Cumulative effect of GASB 84 (Fiduciary Activities) and GASB 87 (Leases)	0.0	0.3	0.0
<b>Net position, end of year</b>	<b>\$39.5</b>	<b>\$40.1</b>	<b>\$39.0</b>

\*2020 has not been restated for the effects of GASB 87.

**Detail of Operating Expenditures by Classification and Function**

	FY 2022	Restated FY 2021	FY 2020*
Operating expenditures by classification:			
Salaries and benefits	\$23.4	\$26.6	\$26.1
Supplies and other services	4.5	4.4	4.3
Scholarships	3.7	2.9	2.1
Depreciation	2.1	1.9	1.9
Utilities	0.9	0.8	0.8
<b>Total operating expenditures</b>	<b>\$34.6</b>	<b>\$36.6</b>	<b>\$35.2</b>

\*2020 has not been restated for the effects of GASB 87.

# Danville Area Community College - Community College District No. 507

## Management Discussion and Analysis

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	FY 2022	Restated FY 2021	FY 2020*
Operating expenditures by function:			
Instruction	\$8.7	\$8.8	\$8.3
Academic support	1.2	1.2	1.2
Student services	2.5	2.2	2.3
Public service	1.1	1.0	1.0
Auxiliary expense	1.3	1.3	0.9
Operation and maintenance of plant	2.2	2.2	2.0
Institutional support	4.8	4.5	5.0
Scholarships	3.7	2.9	2.1
On-behalf payments	6.9	10.3	9.9
Other postemployment benefits	0.1	0.3	0.6
Depreciation	2.1	1.9	1.9
<b>Total operating expenditures</b>	<b>\$34.6</b>	<b>\$36.6</b>	<b>\$35.2</b>

\*2020 has not been restated for the effects of GASB 87.

The majority of the expenditures of the College are classified as operating expenses. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the costs of an asset over its expected useful life. Therefore, the purchase cost of fixed assets which exceed the capitalization threshold policy is not included as an expense.

### Fiscal Year 2022 compared to 2021

Operating revenues increased by \$0.5 million due primarily to a \$0.3 increase net student tuition and fees, which is due to an increase in credit hour fees and a \$0.2 increase in auxiliary revenue. Non-operating revenue reflects a significant decrease of \$4.0 million which is primarily due a \$3.3 decrease in the on-behalf of payments.

Operating Expenses decreased \$2.0 million in FY2022. The primary reason for the decrease was related to the \$3.3 million decrease in the on-behalf of payments.

The fluctuations previously discussed resulted in the College's net position decreasing from the prior year by \$0.6 million to a level of \$39.5 million at June 30, 2022.

### Fiscal Year 2021 compared to 2020

Operating revenues decreased by \$0.8 million due primarily to a decrease net student tuition and fees, which is due to a decrease in enrollment from the Covid-19 pandemic. Non-operating revenue reflects a significant increase of \$1.7 million which is primarily due to a \$1.9 million increase in federal grant revenue from the Department of Education's Higher Education Emergency Relief Fund (HEERF).

Operating Expenses increased \$1.4 million in FY2021. The primary reason for the increase was the addition of approximately \$0.7 million expense related to the increase of state on-behalf payments and an increase of \$0.7 million in scholarships from HEERF student grants.

The fluctuations previously discussed resulted in the College's net position increasing from the prior year by \$1.1 million to a level of \$40.1 million at June 30, 2021.



**Statement of Cash Flows**

The Statement of Cash Flows identifies the sources and uses of cash by the major categories of operating, noncapital financing, capital and related financing, and investing activities. This statement also emphasizes the College’s dependence on government grants and local property taxes. The following is a summary of the statement of cash flows for the year ended June 30:

**Statement of Cash Flows**

	FY 2022	FY 2021	FY 2020
Cash provided (used) by:			
Operating activities	(\$21.2)	(\$19.8)	(\$18.4)
Noncapital financing activities	23.3	23.1	17.8
Capital and related financing activities	(3.4)	(2.1)	(1.5)
Investing activities	0.4	0.1	0.4
Net increase/(decrease) in cash	(0.9)	1.3	(1.7)
Cash, beginning of year	15.3	14.0	15.7
Cash, end of year	\$14.4	\$15.3	\$14.0

Fiscal Year 2022 compared to 2021

The \$0.9 million decrease in cash and cash equivalents at the end of FY22 as compared to FY21 was due primarily to pay downs of bonded debt. In FY22, \$3.8 million was used to pay down bonds compared to \$0.8 in FY21.

Fiscal Year 2021 compared to 2020

The \$1.3 million increase in cash and cash equivalents at the end of FY21 as compared to FY20 was due primarily to timing of distributions of property tax revenues.

**Capital Assets**

FY2022

As of June 30, 2022, the College had recorded \$82.0 million invested in capital assets, \$47.1 million in accumulated depreciation and amortization and \$34.9 million in net capital assets. During FY2022, net capital assets decreased by \$1.2 million. The decrease is due to more asset deletions in the current year, along with a depreciation expense of \$2.0 million.

FY2021

As of June 30, 2021, the College had recorded \$81.9 million invested in capital assets, \$45.7 million in accumulated depreciation and amortization and \$36.2 million in net capital assets. During FY2021, net capital assets decreased by \$0.5 million. The increase is due to the addition of new HVAC units in the Mary Miller gymnasium.

Additional information on capital assets can be found in Note 3 of the financial statements.

## **Debt Administration**

The total balance outstanding at June 30, 2022 for all of the College's various Working Cash, Technology/Equipment and Construction Bonds and Debt Certificates is \$3,802,000.

During fiscal year 2022 the College issued \$1,500,000 in General Obligation Technology and Equipment Debt Certificates to provide funding for deferred maintenance projects.

In previous fiscal years the College issued two separate Working Cash bond issues for a total of \$2,000,000, increasing the Working Cash Fund to almost \$5.5 million, which should provide sufficient cash balances to weather any unforeseen cash flow issues.

The College's rating of "A1" with a negative outlook from Moody's Investor Services for bonds issued in fiscal year 2013 was reviewed in June of 2019 and while Moody's affirmed the rating, the negative outlook was removed. The rating action, according to the Moody's report, *"reflects the college's moderately sized tax base, below average demographic profile, healthy reserves, limited expenditure flexibility with a high reliance on the State of Illinois for operating revenue and a low debt burden. The removal of the negative outlook reflects an improved reserve position."*

Additional information on long-term debt activity can be found in Note 4 of the financial statements.

## **Contacting the College's Financial Management**

This financial report is designed to provide our constituents and other interested parties with a general overview of the College's finances and to demonstrate accountability for the resources we receive, both financial and those non-financial in nature. For further information regarding this report contact Tammy L. Betancourt, Vice President of Finance and Chief Financial Officer/Treasurer, at Danville Area Community College, Community College No. 507, 2000 East Main Street, Danville, IL 61832.

# Danville Area Community College - Community College District No. 507

Statements of Net Position

June 30, 2022 and 2021

<b>ASSETS</b>	<b>2022</b>	<b>Restated 2021</b>
<b>Current assets:</b>		
Cash	\$14,375,960	\$15,261,830
Investments	0	363,104
Property taxes receivable	7,209,920	6,990,306
Student tuition and fees, net of allowance 2022 \$2,336,599 and 2021 \$2,194,068	1,249,452	1,221,331
Government claims receivable	1,927,092	1,835,896
Lease receivable, current	18,906	18,452
Other accounts receivable	170,610	95,015
Prepaid items	170,672	158,424
Total current assets	25,122,612	25,944,358
<b>Noncurrent assets:</b>		
Lease receivable, noncurrent	701,662	720,568
Capital assets, net of accumulated depreciation/amortization, 2022 \$47,098,329 and 2021 \$45,714,249	34,928,589	36,141,711
Total noncurrent assets	35,630,251	36,862,279
Total assets	60,752,863	62,806,637
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Subsequent year's pension expense related to federal, trust, or grant contributions in the current year	101,977	104,490
Subsequent year's other postemployment benefit expense related to contributions in the current year	845,631	640,574
Total deferred outflows of resources	947,608	745,064
Total assets and deferred outflows of resources	61,700,471	63,551,701
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	286,449	387,056
Accrued expenses	380,922	383,307
Unearned tuition revenue	294,035	299,373
Unearned grant revenue	1,300,782	243,451
Bonds payable, current maturities	803,000	755,000
Lease liability, current maturities	198,063	209,805
Accrued compensated absences, current	398,000	315,000
Total current liabilities	3,661,251	2,592,992
<b>Noncurrent liabilities:</b>		
Bonds payable, noncurrent maturities	2,999,000	5,297,000
Lease liability, noncurrent maturities	317,954	516,017
Accrued compensated absences	84,786	167,021
Total other postemployment benefit liabilities	11,370,963	11,561,588
Total noncurrent liabilities	14,772,703	17,541,626
Total liabilities	18,433,954	20,134,618
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Long-term leases	720,568	739,020
Other postemployment benefits	3,024,605	2,520,577
Total Deferred inflows of resources	3,745,173	3,259,597
Total liabilities and deferred inflows of resources	22,179,127	23,394,215
<b>NET POSITION</b>		
Net investment in capital assets	33,726,423	31,699,351
<b>Restricted - expendable:</b>		
Capital projects	3,959,411	3,624,513
Debt service	929,035	3,906,499
Grant purposes	300,767	387,414
Working cash	5,429,723	5,429,723
Audit purposes	49,140	45,908
Liability insurance	958,676	917,066
Unrestricted	(5,831,831)	(5,852,988)
Total net position	\$39,521,344	\$40,157,486

See Notes to Financial Statements.

# Danville Area Community College - Community College District No. 507

## Statements of Revenues, Expenses, and Changes in Net Position

For the years ended June 30, 2022 and 2021

	2022	Restated 2021
Operating revenues:		
Student tuition and fees, net of scholarship allowances of \$1,434,149 and \$1,514,484, respectively	\$2,997,466	\$2,731,449
Auxiliary enterprises revenue	1,161,439	964,654
Other operating revenues	360,018	290,962
<b>Total operating revenue</b>	<b>4,518,923</b>	<b>3,987,065</b>
Operating expenses:		
Instruction	8,733,624	8,791,215
Academic support	1,160,402	1,176,455
Student services	2,514,738	2,237,416
Public services	1,084,103	973,251
Auxiliary enterprises expense	1,305,636	1,214,508
Operation and maintenance of plant	2,204,837	2,205,914
Institutional support	4,794,634	4,486,070
On-behalf payments	6,905,098	10,254,480
Other postemployment benefits	108,346	328,460
Scholarships	3,730,360	2,934,244
Depreciation and amortization	2,056,940	2,012,955
<b>Total operating expenses</b>	<b>34,598,718</b>	<b>36,614,968</b>
<b>Operating loss</b>	<b>(30,079,795)</b>	<b>(32,627,903)</b>
Nonoperating revenues and (expenses):		
State grants and contracts	5,668,644	5,545,290
Local property tax revenues	7,328,084	7,015,290
Personal property replacement tax	1,859,438	859,981
Federal grants and contracts	7,097,358	7,712,917
Local grants and contracts	13,753	11,884
On-behalf payments	6,905,098	10,254,480
Investment income	95,840	56,618
Other non-operating revenues	511,427	2,212,545
Gain (loss) on disposal of assets	800	(80,805)
Interest expense	(152,923)	(204,869)
<b>Net nonoperating revenues and (expenses)</b>	<b>29,327,519</b>	<b>33,383,331</b>
Capital contributions	116,134	36,939
<b>Change in net position</b>	<b>(636,142)</b>	<b>792,367</b>
Net position, beginning of year, as previously reported	40,157,486	39,376,429
Cumulative effect of Adoption of GASB 87	0	(11,310)
<b>Net position, beginning of year as restated</b>	<b>40,157,486</b>	<b>39,365,119</b>
<b>Net position, end of year</b>	<b>\$39,521,344</b>	<b>\$40,157,486</b>

See Notes to Financial Statements.

# Danville Area Community College - Community College District No. 507

## Statements of Cash Flows

For the years ended June 30, 2022 and 2021

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Tuition and fees	\$2,984,957	\$3,058,815
Payments to suppliers	(5,546,249)	(5,270,205)
Payments to employees and benefits paid	(16,394,491)	(15,933,534)
Payments for financial aid and scholarships	(3,730,362)	(2,934,094)
Auxiliary enterprise charges - bookstore and childcare	1,157,557	964,656
Other operating	364,646	290,963
<b>Net cash from operating activities</b>	<b>(21,163,942)</b>	<b>(19,823,399)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Local property taxes	7,022,572	6,861,639
State grants and contracts	8,648,967	6,656,065
Federal grants and contracts	7,058,723	7,355,286
Other nonoperating	533,015	2,193,861
Direct lending receipts	285,827	358,533
Direct lending payments	(285,827)	(358,533)
<b>Net cash from noncapital financing activities</b>	<b>23,263,277</b>	<b>23,066,851</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchases of capital assets	(843,818)	(2,438,153)
Principal paid on bonds payable/capital debt	(5,249,000)	(768,000)
Principal paid on lease obligations	(209,805)	(185,373)
Interest paid on bonds payable/capital debt	(140,523)	(182,619)
Proceeds from bonds issued	2,999,000	1,499,000
<b>Net cash from capital and related financing activities</b>	<b>(3,444,146)</b>	<b>(2,075,145)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from investments	363,104	0
Interest received	95,837	56,620
<b>Net cash from investing activities</b>	<b>458,941</b>	<b>56,620</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(885,870)</b>	<b>1,224,927</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of year	15,261,830	14,036,903
<b>End of year</b>	<b>\$14,375,960</b>	<b>\$15,261,830</b>

See Notes to Financial Statements.

# Danville Area Community College - Community College District No. 507

Statements of Cash Flows (Continued)

For the years ended June 30, 2022 and 2021

	2022	2021
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:</b>		
Operating loss	(\$30,079,795)	(\$32,627,903)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	2,056,940	2,012,955
State on-behalf payments	6,905,098	10,254,480
Changes in deferred outflows and inflows of resources	283,032	697,775
Changes in assets and liabilities:		
Receivables	(7,169)	238,495
Other assets	(9,773)	45,764
Accounts payable	(114,060)	(157,099)
Accrued liabilities	(2,252)	30,070
Net other postemployment benefit liabilities	(190,625)	(406,815)
Unearned revenue	(5,338)	88,879
<b>Net cash used in operating activities</b>	<b>(\$21,163,942)</b>	<b>(\$19,823,399)</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCIAL:</b>		
Acquisition of capital assets with capital contributions	\$116,134	\$36,939
Loss on disposal of assets	\$0	\$80,806
<b>STATE ON-BEHALF PAYMENTS</b>	<b>\$6,905,098</b>	<b>\$10,254,480</b>

See Notes to Financial Statements.

# Danville Area Community College - Community College District No. 507

Component Unit - Danville Area Community College Foundation

Statements of Financial Position

June 30, 2022 and 2021

<b>ASSETS</b>	<b>2022</b>	<b>2021</b>
Assets:		
Cash and cash equivalents	\$2,522,023	\$1,884,397
Investments	14,400,240	16,775,041
Contributions receivable	192,763	80,159
Beneficial interests in trusts	1,251,479	1,464,901
Land held for investment	2,771,881	2,771,881
Other assets	32,703	29,379
<b>Total assets</b>	<b>\$21,171,089</b>	<b>\$23,005,758</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$113,137	\$138,987
Net assets:		
Without donor restrictions:		
General operating	794,742	3,463,235
Board designated endowment	2,364,730	2,846,342
	3,159,472	6,309,577
With donor restrictions:		
Purpose restricted:		
Scholarship	8,542,857	7,420,081
Library	911,030	911,116
Total purpose restrictions	9,453,887	8,331,197
Perpetual in nature:		
Endowment:		
Faculty	308,045	308,045
Scholarship	6,885,069	6,453,051
Trust	1,251,479	1,464,901
Total perpetual in nature	8,444,593	8,225,997
<b>Total net assets</b>	<b>21,057,952</b>	<b>22,866,771</b>
<b>Total liabilities and net assets</b>	<b>\$21,171,089</b>	<b>\$23,005,758</b>

See Notes to Financial Statements.

# Danville Area Community College - Community College District No. 507

Component Unit - Danville Area Community College Foundation

Statements of Activities

For the years ended June 30, 2022 and 2021

	2022	2021
<b>Changes in net assets without donor restrictions:</b>		
Support and revenue:		
Contributions	\$15,363	\$12,844
Investment income	41,354	31,704
Realized and unrealized gains (losses), net	(3,249,611)	2,538,367
Net assets released from restrictions	1,334,898	2,619,020
Total support and revenue	(1,857,996)	5,201,935
Expenses and losses:		
Program service expenses:		
Grants issued	266,483	1,855,504
Scholarships, awards and projects	604,638	497,313
Library	0	65,000
Instructional equipment	105,731	95,659
Other program services	17,623	14,573
Total program service expenses	994,475	2,528,049
Supporting service expenses:		
General and administrative	211,304	170,630
Fundraising	86,330	71,725
Total supporting service expenses	297,634	242,355
Total expenses	1,292,109	2,770,404
Change in unrestricted net assets	(3,150,105)	2,431,531
<b>Changes in net assets with donor restrictions - purpose restricted:</b>		
Contributions	1,636,227	1,362,864
Investment income	215,343	159,741
Realized and unrealized gains (losses), net	690,917	993,115
Gains (losses) on sale of fixed assets	0	(22,623)
Other income	83,875	83,875
Donor-restricted income transfer	(168,774)	(40,896)
Net assets released from restrictions	(1,334,898)	(2,619,020)
Change in net assets with donor restrictions - purpose restricted	1,122,690	(82,944)
<b>Changes in net assets with donor restrictions - perpetual in nature:</b>		
Contributions	263,244	602,444
Realized and unrealized gains (losses), net	(213,422)	280,826
Donor-restricted income transfer	168,774	40,896
Change in net assets with donor restrictions - perpetual in nature	218,596	924,166
Increase in net assets	(1,808,819)	3,272,753
Net assets, beginning of year	22,866,771	19,594,018
Net assets at end of year	\$21,057,952	\$22,866,771

See Notes to Financial Statements.



# Danville Area Community College - Community College District No. 507

Component Unit - Danville Area Community College Foundation

Statements of Functional Expenses

For the years ended June 30, 2022 and 2021

	2022				2021			
	Program Services	General and Administrative	Fundraising	Total Expenses	Program Services	General and Administrative	Fundraising	Total Expenses
Salaries and benefits	\$0	\$117,244	\$78,163	\$195,407	\$0	\$98,386	\$65,591	\$163,977
Professional services	0	68,217	0	68,217	0	62,738	0	62,738
Printing and postage	0	1,880	0	1,880	0	1,244	0	1,244
Office expense	0	5,440	0	5,440	0	3,593	0	3,593
Events and campaigns	0	0	2,034	2,034	0	0	94	94
Travel and entertainment	0	491		491		0	0	
Seminar and dues	0	1,062	0	1,062	0	1,086	0	1,086
Insurance	0	2,418	0	2,418	0	2,418	0	2,418
Promotion	0	0	6,133	6,133	0	0	6,040	6,040
Grants and scholarships	994,475	0	0	994,475	2,528,049	0	0	2,528,049
Certificates and awards	0	14,552	0	14,552	0	1,165	0	1,165
<b>Total expenses</b>	<b>\$994,475</b>	<b>\$211,304</b>	<b>\$86,330</b>	<b>\$1,292,109</b>	<b>\$2,528,049</b>	<b>\$170,630</b>	<b>\$71,725</b>	<b>\$2,770,404</b>

See Notes to Financial Statements.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

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### **Note 1 Organization and Summary of Significant Accounting Policies**

Danville Area Community College, Community College District No. 507 (College) is an accredited public two-year community college providing higher education opportunities for youth and adults in East Central Illinois. Established initially as an extension center of the University of Illinois in 1946, the College became a public junior college named Danville Community College under Danville Public Schools in 1949. In 1951, the name was changed to Danville Junior College. In June of 1966, the College separated from Danville School District No. 118 under provisions of the Public Junior College Act and became an independent two-year area college under the control of the Board of Trustees of Junior College District No. 507. The name Danville Junior College was changed to Danville Area Community College on July 1, 1979, to be more reflective of the services rendered. The College district encompasses high school districts in Vermilion, Edgar, Iroquois, Ford, and Champaign counties with an estimated population of 73,000.

The Board of Trustees is the College's ruling body which establishes the policies and procedures by which the College is governed.

#### **Reporting Entity**

Danville Area Community College, Community College District No. 507 is governed by an elected eight-member Board of Trustees. The governing board of the College consists of seven voting members who are chosen at large on a nonpartisan basis in public elections held in odd-numbered years. These members serve six-year terms which are staggered. A non-voting student member of the Board is elected by the student body for a one-year term. As required by generally accepted accounting principles, these basic financial statements present the financial position and results of operations of Danville Area Community College, Community College District No. 507 (the primary government).

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component unit, the Danville Area Community College Foundation (Foundation).

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The board of the Foundation is self-perpetuating and consists of local professionals and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon that the Foundation holds and invests is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standard's Board (FASB) Accounting Standards Codification (ASC). Most significant to the Foundation's operations and reporting models is FASB ASC 958 related to accounting for contributions received and financial reporting for not-for-profit organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences. However, the Foundation records transactions under the income tax basis of accounting which differs from the accrual basis of accounting. Conversion adjustments were made to the Foundation's financial statements to convert them from income tax basis to accrual basis. The conversion adjustments resulted in the recording of contributions receivable.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

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### **Note 1 Organization and Summary of Significant Accounting Policies** (continued)

#### **Reporting Entity** (continued)

Significant note disclosures (Note 12) to the Foundation's financial statements have been incorporated into the College's notes to the financial statements. Financial statements for the Foundation can be obtained by calling the Foundation at (217) 443-8843.

During the fiscal year ended June 30, 2022, the Foundation distributed \$601,714 to students attending the College and gave \$389,837 in direct support to the College. In addition, the College provided the Foundation with \$78,003 of in-kind services.

The economic resources held by the College do not directly benefit any organizations which would be considered a primary government. The College is not financially integrated or closely related to another governmental entity. In addition, the College is not aware of any entity which would be financially accountable for the College. Based on this criteria, the College is not considered to be a component entity of another entity.

#### **Basis of Accounting**

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's basic financial statements have been 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. All significant intra-agency and intra-fund transactions have been eliminated. Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

The accounting policies of the College conform to accounting principles generally accepted in the United States of America as applicable to colleges and universities as well as those prescribed by the Illinois Community College Board (ICCB). The College reports are based on all applicable Government Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant policies.

#### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows of resources and deferred outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Note 1 Organization and Summary of Significant Accounting Policies (continued)**

#### **Cash and Cash Equivalents**

Cash includes deposits held at banks plus small amounts maintained for change funds. Cash equivalents are defined as short-term highly liquid investments readily converted to cash with maturities of three months or less at the time of purchase.

#### **Investments**

Investments, which consist of Illinois Funds, are stated at cost, which approximates fair value. These investments are not subject to the fair value hierarchy disclosures.

#### **Accounts Receivable**

Accounts receivable includes uncollateralized student obligations, which generally require payment by the first day of class. Accounts receivable are stated at the invoice amount.

Account balances that are not on a payment plan and are unpaid at the end of the term are considered delinquent. Collection costs may be applied to account balances still outstanding thirty days following the end of the semester. Payments of accounts receivable are applied to the specific invoices identified on the student's remittance advise or, if unspecified, to the earliest unpaid invoices.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of specific student accounts and the aging of the accounts receivable. If the actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts.

Accounts receivable also includes outstanding balances due from federal and state funding sources and other miscellaneous items.

#### **Prepaid Items**

Prepaid items represent current expenditures which benefit future periods.

#### **Property Taxes**

The College's property taxes are levied each calendar year on all taxable real property located in the District. Pursuant to Board of Trustees resolution, property tax levies passed in December 2021 were allocated to fiscal year 2022. Property taxes and personal property replacement taxes are recorded on the accrual basis.

Property taxes are certified on or before the last Tuesday in December and attach as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in the following calendar year and are collected by the county collectors in the District who, in turn, remit to the College its respective share. Collection dates vary according to the schedules of the individual counties with disbursements to the College normally made within thirty days of collection.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 1 Organization and Summary of Significant Accounting Policies (continued)

#### Property Taxes (continued)

The College is permitted, by the Illinois Community College Board, to levy up to \$.75 per \$100 of equalized assessed valuation for educational purposes, and \$.10 per \$100 of equalized assessed valuation for operations, building and maintenance purposes. However, a local referendum allows a maximum total of only \$0.45 per \$100 of equalized assessed valuations for these two purposes. The statutory maximum tax rates and the respective rates for the December 31, 2021 and 2020 tax levies, per \$100 of assessed valuation, are reflected in the following table.

	<b>Statutory Maximum</b>	<b>2021 Rate</b>	<b>2020 Rate</b>
Education	\$0.3729	\$0.3683	\$0.3653
Operations and maintenance	0.0750	0.0736	0.0750
Workers compensation	-	0.0055	0.0044
Unemployment compensation	-	0.0042	0.0044
Social security	-	0.0152	0.0154
Tort liability, protection	-	0.0674	0.0592
Audit	0.0050	0.0042	0.0044
Operations and maintenance (Restricted)			
Protection, Health and Safety	0.0500	0.0063	0.0066
Bond and interest	-	<u>0.0730</u>	<u>0.0713</u>
		<u>\$0.6177</u>	<u>\$0.6136</u>

#### Capital Assets

Capital assets include property, movable equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial cost of \$10,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the College are depreciated using the straight-line method over the following useful lives.

<b>Assets</b>	<b>Years</b>
Land improvements	10 to 20
Buildings and improvements	40 to 60
Equipment	5 to 10
Technology equipment	3 to 5
Vehicles	3 to 5

### **Note 1 Organization and Summary of Significant Accounting Policies (continued)**

#### **Impairment of Assets**

The College reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

#### **Leases**

The College is a lessee in multiple noncancelable leases. If the contract provides the College the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments are provided or can be calculated using an index or a rate.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the College's incremental borrowing rate. The College uses the incremental borrowing rate based on the information available at the commencement date for all leases. The College's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

The ROU asset for leases is amortized on a straight-line basis over the lease term.

For all underlying classes of assets, the College has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the College is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense.

For all underlying classes of assets, the College separates lease and non-lease components of an agreement to determine the lease payment.

The College is a lessor in a two noncancellable lease agreements. The lease receivables are measured at the present value of lease payments expected to be received during the lease terms. Deferred inflows of resources are recorded for the leases. The deferred inflow is recorded at the initiation of the lease at the same value as the lease receivable and is amortized on a straight-line basis over the term of the lease.

### **Note 1 Summary of Significant Accounting Policies (continued)**

#### **Deferred Outflows of Resources**

The College reports decrease in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its statements of net position. The College has two types of items, one of which occurs related to pension expense and the other which occurs related to other postemployment benefits other than pensions. Employer paid contribution made subsequent to the liability measurement date are recorded as deferred outflows of resources.

#### **Unearned Revenue**

Unearned revenue includes amounts received which represents payment for services to be provided in future periods for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. These amounts consist primarily of: 1) amounts received or accrued for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year, and 2) amounts received from grant and contract sponsors that have not been earned.

#### **Noncurrent Liabilities**

Noncurrent liabilities include: estimated amounts of accrued compensated absences; bonds payable, and lease liabilities that will not be paid within the next fiscal year.

The College records a liability for employees' vacation leave earned, but not taken. Employees are allowed to carry over a limited number of vacation days from year to year. The College has no commitment for accumulated sick leave and no liability is recorded. Employees who retire are given credit of up to one year for unused sick leave towards years of service in the State Universities Retirement System pension plan.

#### **Deferred Inflows of Resources**

The College's financial statements report a separate section for deferred inflows of resources. These financial statement elements reflect an increase in net position or fund equity that applies to a future period. The College will not recognize the related revenue until a future event occurs. The College has two types of items that are deferred inflows of resources. One is related to the difference between expected and actual results and changes in assumptions related to postemployment benefits other than pensions.

The second is lease-related amounts that are recognized at the inception of leases in which the College is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner of the term of the lease.

### Note 1 Organization and Summary of Significant Accounting Policies (continued)

#### Pensions

Financial reporting information pertaining to the College's participation in the State Universities Retirement System of Illinois (SURS) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan net position of the State Universities Retirement System (SURS) and additions to/deductions from SURS plan net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For financial reporting purposes, the State of Illinois (State) and its public universities and community colleges are under a special funding situation. A special funding situation exists when a non-employer entity (the State) is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity (the College) and the non-employer entity (the State) is the only entity with a legal obligation to make contributions directly to a pension plan. The College recognizes its proportionate share of the State's pension expense relative to the College's employees as non-operating revenue and pension expense, with the expense further allocated to the related function by employees.

#### Other Post-Employment ("OPEB") Obligations

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and to OPEB expense, information about the plan net position of the College Insurance Plan ("CIP") and additions to/deductions from CIP's plan net position has been determined on the same basis as they are reported by CIP. For this purpose, OPEB payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a OPEB plan that is used to provide OPEB to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to OPEB or (2) the non-employer is the only entity with a legal obligation to make contributions directly to an OPEB plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

#### Net Position

The College's net position is classified as follows:

**Net investment in capital assets** – This represents the College's total investment in capital assets, net of accumulated depreciation and net of related debt.



### Note 1 Organization and Summary of Significant Accounting Policies (continued)

#### Net Position (continued)

**Restricted net position** – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources when they are needed.

**Unrestricted net position** – This includes resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose.

#### Classification of Revenues and Expenses

The College has classified its revenues and expenses as either Operating or Non-Operating. Operating revenue and expenses include activities that have the characteristics of exchange transactions, such as (a) student tuition and fees, net of scholarship discounts and allowances (b) sales and services of auxiliary enterprises, (c) salaries and benefits and (d) materials and supplies. Non-operating revenue and expenses include activities that have the characteristics of non-exchange transactions, such as (a) local property taxes, (b) state appropriations, (c) most Federal, state, and local grants and contracts and Federal appropriations, and (d) gifts and contributions.

#### Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, Student Support Services and Federal Direct Student Loan programs. Federal programs are audited in accordance with *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

#### New Accounting Pronouncement

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. The statement enhances the relevance and consistency of reporting for the College's leasing activities by establishing requirements for lease accounting based on the principle that leases are financings of underlying right-to-use assets. A lessee is required to recognize a lease liability and a right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. The College adopted this guidance retroactively for the year ended June 30, 2022. The adoption of this guidance resulted in a restatement of the beginning net position for the year ended June 30, 2021. See Note 13 for the details of the restatement.

### Note 2 Cash and Investments

The Board of Trustees has authorized the College to invest funds in accordance with the Illinois Community College Act and the Public Funds Investment Act. In general, the College may invest in obligations of the United States of America or its agencies (or guaranteed by the full faith and credit of same) and certain time deposits and short-term obligations as defined in the Public Fund Investment Act.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 2 Cash and Deposits (continued)

The College's cash throughout the year and at year-end consisted of demand deposit accounts and money markets.

Cash as of June 30, 2022 and 2021 consist of the following:

	<u>Carrying Amount</u>	
	2022	2021
Cash on hand	\$1,800	\$1,800
Deposits with financial institutions	14,374,160	15,260,030
<b>Total</b>	<b>\$14,375,960</b>	<b>\$15,261,830</b>

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's deposit policy allows that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent, third-party institution in the name of the College. As of June 30, 2022 and 2021, deposits were collateralized with securities held by the pledging financial institution. Therefore, none of the College's bank balance was exposed to custodial risk.

Investments at June 30, 2022 and 2021 comprise the following at fair value:

	2022	2021
Local Government Investment Pool	\$0	\$363,104

The College did not have any investments as of June 30, 2022.

As of June 30, 2021, the College had the following investments with stated maturities.

	Fair Value	<u>Investment Maturities (In Years)</u>			
		Less Than 1	1-5	6-10	More Than 10
Local Government Investment Pool	\$366,104	\$366,104	\$0	\$0	\$0

As of June 30, 2021, the College had the following investments with stated ratings.

	Total	<u>Investment Ratings by Standard &amp; Poor's</u>			
		AAA	AA	A	Unrated
Local Government Investment Pool	\$366,104	\$366,104	\$0	\$0	\$0

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

### **Note 2 Cash and Deposits (continued)**

*Credit Risk.* Credit risk is the risk that the issuer or other counterparty to a debt investment will not fulfill its obligations. The College's investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to conform with legal requirements, seek reasonable income, preserve capital, maintain liquidity and, in general, avoid speculative instruments.

*Custodial Credit Risk.* Custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2022 and 2021, there are no investments with custodial credit risk.

*Concentration Risk.* Concentration risk is the risk associated with having more than 5 percent of investments in any issuer, other than the U.S. Government. The College's investment policy limits its concentration risk by not allowing investments that are not secured by the U.S. Government. The College has no investments that represent 5 percent or more of the total investments.

*Foreign Currency Risk.* Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The College's investment policy does not permit investment that are not secured by the U.S. Government. The College does not have any investments with foreign currency risk exposure.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 3 Capital Assets

The following tables present the changes in various capital asset categories for fiscal years 2022 and 2021.

At June 30, 2022 and 2021, the College had several uncompleted construction contracts. The remaining commitment on these construction contracts was approximately \$5,694,100 and \$160,000, respectively.

	Restated Balance June 30, 2021	Additions	Transfers & Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Construction in process	\$2,113,022	\$382,333	(\$2,120,296)	\$375,059
Land	911,931	0	0	911,931
<b>Total capital assets not being depreciated</b>	<b>3,024,953</b>	<b>382,333</b>	<b>(2,120,296)</b>	<b>1,286,990</b>
Capital assets being depreciated:				
Land improvements	5,537,306	0	0	5,537,306
Buildings	18,529,571	0	0	18,529,571
Building improvements	42,088,626	58,656	2,120,296	44,267,578
Campus lighting	34,209	0	0	34,209
Equipment	11,472,217	402,829	(672,860)	11,202,186
<b>Total capital assets being depreciated</b>	<b>77,661,929</b>	<b>461,485</b>	<b>1,447,436</b>	<b>79,570,850</b>
Lease assets being amortized				
Equipment	585,342	0	0	585,342
Building	583,736	0	0	583,736
<b>Total capital assets being amortized</b>	<b>1,169,078</b>	<b>0</b>	<b>0</b>	<b>1,169,078</b>
Less accumulated depreciation:				
Land improvements	3,379,756	138,363	0	3,518,119
Buildings	10,509,934	335,002	0	10,844,936
Building improvements	20,499,488	825,068	0	21,324,556
Campus lighting	34,209	0	0	34,209
Equipment	10,814,652	545,745	(672,860)	10,687,537
<b>Total accumulated depreciation</b>	<b>45,238,039</b>	<b>1,844,178</b>	<b>(672,860)</b>	<b>46,409,357</b>
Less accumulated amortization:				
Equipment	281,630	147,902	0	429,532
Building	194,580	64,860	0	259,440
<b>Total accumulated amortization</b>	<b>476,210</b>	<b>212,762</b>	<b>0</b>	<b>688,972</b>
<b>Net capital assets</b>	<b>\$36,141,711</b>	<b>(\$1,213,122)</b>	<b>\$0</b>	<b>\$34,928,589</b>

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 3 Capital Assets (continued)

Construction in progress represents costs incurred to renovate Hegler Hall, internet phone system and install a new elevator in the Mary Miller Center. Total costs for all projects are estimated to be \$5,883,000.

The College deposited \$1,088,600 in a trust account for its share of project costs. Disbursements from this account are authorized by the Illinois Capital Development Board. The balance of this account as of June 30, 2022 and 2021 was \$1,080,884 and \$755,267, respectively.

	Restated Balance June 30, 2020	Restated Additions	Restated Deletions	Restated Balance June 30, 2021
Capital assets not being depreciated:				
Construction in process	\$666,973	\$1,963,524	\$517,475	\$2,113,022
Land	911,931	0	0	911,931
<b>Total capital assets not being depreciated</b>	<b>1,578,904</b>	<b>1,963,524</b>	<b>517,475</b>	<b>3,024,953</b>
Capital assets being depreciated:				
Land improvements	5,563,184	0	25,878	5,537,306
Buildings	18,576,872	11,622	58,923	18,529,571
Building improvements	41,797,872	595,066	304,312	42,088,626
Campus lighting	40,955	0	6,746	34,209
Equipment	16,810,487	385,416	5,723,686	11,472,217
<b>Total capital assets being depreciated</b>	<b>82,789,370</b>	<b>992,104</b>	<b>6,119,545</b>	<b>77,661,929</b>
Lease assets being amortized				
Equipment	443,951	141,391	0	585,342
Building	583,736	0	0	583,736
<b>Total capital assets being amortized</b>	<b>1,027,687</b>	<b>141,391</b>	<b>0</b>	<b>1,169,078</b>
Less accumulated depreciation:				
Land improvements	3,248,958	155,167	24,369	3,379,756
Buildings	10,307,079	335,002	132,147	10,509,934
Building improvements	19,975,036	801,318	276,866	20,499,488
Campus lighting	40,954	0	6,745	34,209
Equipment	15,884,685	528,180	5,598,213	10,814,652
<b>Total accumulated depreciation</b>	<b>49,456,712</b>	<b>1,819,667</b>	<b>6,038,340</b>	<b>45,238,039</b>
Less accumulated amortization:				
Equipment	153,202	128,428	0	281,630
Building	129,720	64,860	0	194,580
<b>Total accumulated amortization</b>	<b>282,922</b>	<b>193,288</b>	<b>0</b>	<b>476,210</b>
<b>Net capital assets</b>	<b>\$35,656,327</b>	<b>\$1,084,064</b>	<b>\$598,680</b>	<b>\$36,141,711</b>

Danville Area Community College - Community College District No. 507  
 Notes to Financial Statements

**Note 4 Long-Term Debt**

	<b>Restated Balance 6/30/21</b>	<b>Additional Obligations</b>	<b>Retirements</b>	<b>Balance 6/30/22</b>	<b>Due Within One Year</b>
2013A Construction bonds	\$2,995,000	\$0	\$2,995,000	\$0	\$0
2018A Technology and deferred maint. bonds	558,000	0	274,000	284,000	284,000
2020 Technology bonds	1,000,000	0	481,000	519,000	519,000
2021 Debt certificates	1,499,000	0	1,499,000	0	0
2021 Deferred Maint Bond	0	1,499,000	0	1,499,000	0
2022 Technology Bonds	0	1,500,000	0	1,500,000	0
Subtotal bonds	6,052,000	2,999,000	5,249,000	3,802,000	803,000
Lease liabilities	725,822	0	209,805	516,017	198,063
Subtotal	6,777,822	2,999,000	5,458,805	4,318,017	1,001,063
Accrued compensated absences	482,021	399,099	398,334	482,786	398,000
<b>Total</b>	<b>\$7,259,843</b>	<b>\$3,398,099</b>	<b>\$5,857,139</b>	<b>\$4,800,803</b>	<b>\$1,399,063</b>

	<b>Restated Balance 6/30/20</b>	<b>Restated Additional Obligations</b>	<b>Restated Retirements</b>	<b>Restated Balance 6/30/21</b>	<b>Due Within One Year</b>
2013A Construction bonds	\$2,995,000	\$0	\$0	\$2,995,000	\$0
2016 Technology and deferred maint. bonds	525,000	0	525,000	0	0
2018A Technology and deferred maint. bonds	801,000	0	243,000	558,000	274,000
2020 Technology bonds	1,000,000	0	0	1,000,000	481,000
2021 Debt Certificates	0	1,499,000	0	1,499,000	0
Subtotal bonds	5,321,000	1,499,000	768,000	6,052,000	755,000
Leases liabilities	769,804	141,391	185,373	725,822	209,805
Subtotal	6,090,804	1,640,391	953,373	6,777,822	964,805
Accrued compensated absences	422,455	376,334	316,768	482,021	315,000
<b>Total</b>	<b>\$6,513,259</b>	<b>\$2,016,725</b>	<b>\$1,270,141</b>	<b>\$7,259,843</b>	<b>\$1,279,805</b>

**Note 4 Long-Term Debt (continued)**

**General Obligation Bonds**

**Series 2013A Construction Bonds:** On October 11, 2013, the College issued bonds in the amount of \$2,995,000. The proceeds of the bonds were used to pay off outstanding debt certificates previously issued to fund the construction and equipment of a 10,000 square foot addition to the Technology Center (the "Project"). Serial retirement interest began on July 1, 2014, with interest payable semiannually at 4.25%. A lump sum principal payment will be due upon maturity. Maturity date is January 1, 2028. A donor has contributed \$3,000,000 to the Foundation to be used to call the bonds on date of January 1, 2022.

**Series 2018A Technology and Deferred Maintenance Bonds:** On July 2, 2018, the College issued bonds in the amount of \$1,000,000. The proceeds of the bonds were used to pay off outstanding debt certificates previously issued to fund the purchase of deferred maintenance projects and technological and instructional equipment. Serial retirement of principal and interest begins on December 1, 2019, with interest payable semiannually at 3.75% - 4.00%. Maturity date is December 1, 2022. Remaining principal and interest payments to maturity are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$284,000	\$5,325	\$289,325
<b>Total</b>	<b>\$284,000</b>	<b>\$5,325</b>	<b>\$289,325</b>

**Series 2020 Technology Bonds:** On June 12, 2020, the College issued bonds in the amount of \$1,000,000. The proceeds of the bonds were used to pay off outstanding debt certificates previously issued to fund the purchase of technological and instructional equipment. Serial retirement of principal and interest begins on December 1, 2021, with interest payable semiannually at 3.75% and 1.40%. As of June 30, 2022, proceeds of the bonds were used 20% for the purchase capital assets. Maturity date is December 1, 2022. Remaining principal and interest payments to maturity are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$519,000	\$3,633	\$522,633
<b>Total</b>	<b>\$519,000</b>	<b>\$3,633</b>	<b>\$522,633</b>

**Series 2021 Debt Certificates:** On April 21, 2021, the College issued debt certificates in the amount of \$1,499,000. The proceeds of the debt certificates will be used to fund the purchase of deferred maintenance projects. Maturity date was July 22, 2021.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 4 Long-Term Debt (continued)

**Series 2021 Deferred Maintenance Bonds:** On August 12, 2021, the College issued bonds in the amount of \$1,499,000. The proceeds of the bonds were used to pay off the outstanding debt certificates previously issued to fund the purchase of deferred maintenance projects. Serial retirement of principal and interest begins on December 1, 2022, with interest payable semiannually at 2.75% and 1.44%. Maturity date is December 1, 2031. Principal and interest payments to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$0	\$55,823	\$55,823
2024	353,000	26,111	379,111
2025	363,000	16,267	379,267
2026	107,000	10,505	117,505
2027	109,000	8,950	117,950
2028 and thereafter	567,000	20,656	596,656
<b>Total</b>	<b>\$1,499,000</b>	<b>\$138,312</b>	<b>\$1,637,312</b>

**Series 2022 Technology Bonds:** On January 4, 2022, the College issued General Obligation Debt Bonds (Limited Tax), Series 2022, in the amount of \$1,500,000. The proceeds of the bond will be used to fund the purchase of technological and instructional equipment to provide state-of-the art capital resources in our classrooms and supporting services, as well as the replacement of the College's 10-15 year-old digital phone system. Serial retirement of principal and interest begins on December 1, 2023, with interest payable semiannually at 2.58%-5.50%. Maturity date is December 1, 2029. Remaining principal and interest payments to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$0	\$0	\$0
2024	407,000	81,455	488,455
2025	462,000	26,182	488,182
2026	119,000	18,687	137,687
2027	122,000	15,578	137,578
Thereafter	390,000	25,180	415,180
<b>Total</b>	<b>\$1,500,000</b>	<b>\$167,082</b>	<b>\$1,667,082</b>

### Leases

**Copiers:** The College entered into a lease arrangement on May 17, 2018 for the right-to-use 31 copiers/scanners. Payments of \$6,422 are due in monthly installments. Total intangible right-to-use assets acquired under the agreement are \$354,072. Accumulated amortization on the equipment as of June 30, 2022 and 2021 was \$277,337 and \$206,535, respectively. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$75,403	\$1,661	\$77,064
2024	6,433	26	6,459
<b>Total</b>	<b>\$81,836</b>	<b>\$1,687</b>	<b>\$83,523</b>



**Note 4 Long-Term Debt (continued)**

**Buses:** The College entered into a lease arrangement on December 1, 2019, for the right-to-use 2 2019 Starcraft minibuses. Payments of \$2,577 are due in monthly installments. Total intangible right-to-use assets acquired under the agreement are \$89,879. Accumulated amortization on the equipment as of June 30, 2022 and 2021 was \$77,407 and \$47,443, respectively. Annual debt service requirements to maturity are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$22,883	\$661	\$23,544
2024	11,678	94	11,772
<b>Total</b>	<b>\$34,561</b>	<b>\$755</b>	<b>\$35,316</b>

The College entered into a lease arrangement on August 26, 2020, for the right-to-use 2 Ford Starcraft 2021 minibuses. Payments of \$2,122 are due in monthly installments. Total intangible right-to-use assets acquired under the agreement are \$73,505. Accumulated amortization on the equipment as of June 30, 2022 and 2021 was \$40,840 and \$16,336, respectively. Annual debt service requirements to maturity are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$24,879	\$585	\$25,464
2024	8,441	47	8,488
<b>Total</b>	<b>\$33,320</b>	<b>\$632</b>	<b>\$33,952</b>

The College entered into a lease arrangement on January 22, 2021, for the right-to-use 2 2021 Ford Elkhart minibuses. Payments of \$1,962 are due in monthly installments. Total intangible right-to-use assets acquired under the agreement are \$67,886. Accumulated amortization on the equipment as of June 30, 2022 and 2021 was \$33,948 and \$11,316, respectively. Annual debt service requirements to maturity are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$12,816	\$69	\$12,885
<b>Total</b>	<b>\$12,816</b>	<b>\$69</b>	<b>\$12,885</b>

**Note 4 Long-Term Debt (continued)**

**Leases (continued)**

**Building:** The College entered into a lease arrangement on July 1, 2018 for the right-to use building for the American Jobs Center. Payments of \$6,000 are due in monthly installments. Total intangible right-to-use asset acquired under the agreement is \$583,736. Accumulated amortization on the building as of June 30, 2022 and 2021 was \$259,440 and \$194,580, respectively. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$62,082	\$9,918	\$72,000
2024	66,192	7,968	74,160
2025	70,496	5,889	76,385
2026	75,000	3,676	78,676
2027	79,714	1,323	81,037
Total	\$353,484	\$28,774	\$382,258

Amortization of leased machinery, equipment, and building under capital assets is included with amortization expense.

**Note 5 Contingencies and Commitments**

**Grant Contingencies**

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. College management believes disallowances, if any, will be immaterial.

**Litigation**

As of June 30, 2022, the College is involved in various litigated issues. Possible judgments in these cases cannot be predicted at this time nor any damages, if any, reasonably estimated.

**Construction Commitments**

In fiscal year 2021, the College entered into a contract with the Illinois Capital Development Board for the remodeling of the Clock Tower Center and Ornamental Horticulture buildings with an estimated total cost of approximately \$3,354,400. The contract states that the Capital Development Board is to pay \$2,265,800 and the College's portion is \$1,088,600. Of the College's portion, \$1,088,600 has been put in a trust account. As of June 30, 2022 and 2021, the balance of the College's trust account was \$1,080,884 and \$755,267, respectively. The total remaining project costs as of June 30, 2022 and June 30, 2021 were \$3,249,083, of which the College portion is \$1,088,600. The project is in the design phase and there is no estimated completion date.

### **Note 5 Contingencies and Commitments (continued)**

In fiscal year 2022, the College entered into a contract with Bailey Edward Design, Inc. for \$399,000 for architectural services for remodeling the Hegeler Hall. Total estimated cost of the project is estimated to be \$3,399,252. The total remaining project costs as of June 30, 2022 were \$3,322,380. The project is in the design phase and there is no estimated completion date.

In fiscal year 2022, the College entered into a contract with GHR Engineers and Assoc., Inc for \$483,825 for architectural services for the upgrading phone system. The project is in the design phase and there is no estimated completion date or total project cost. As of June 30, 2022, the total remaining project costs for the engineering services are \$477,425.

### **Note 6 Risk Management**

The College is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters, for which the College carries commercial insurance.

The College is fully insured for its health, dental and vision benefits, utilizing the services of various commercial providers.

The College continues to carry commercial insurance for all other risks of loss, including general liability, property and workers' compensation insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past fiscal years.

### **Note 7 Defined Benefit Pension Plans**

#### **General Information about the Pension Plan**

*Plan Description.* The College contributes to the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's Annual Comprehensive Financial Report (ACFR) as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org).

### **Note 7 Defined Benefit Pension Plans (continued)**

*Benefits Provided.* A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2021 can be found in SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.

*Contributions.* The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from “trust, federal, and other funds” are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2021 and fiscal year 2022, respectively, was 12.70% and 12.32% of employee payroll. The normal cost is equal to the value of current year’s pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State’s General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of “affected annuitants” or specific return to work annuitants) and Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).

### **Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Defined Benefit Pensions**

#### *Net Pension Liability*

The net pension liability (NPL) was measured as of June 30, 2021 and June 30, 2020. SURS defined benefit plan reported a NPL of \$28,528,477,079 at June 30, 2021 and \$30,619,504,321 at June 30, 2020.

#### *Employer Proportionate Share of Net Pension Liability*

The amount of the proportionate share of the NPL to be recognized for the College at both fiscal years ended June 30, 2021 and 2020 was \$-0-. The proportionate share of the State’s net pension liability associated with the College at June 30, 2021 and 2020 was \$84,480,809 or 0.2961% and \$90,673,232 or 0.2961%, respectively. These amounts are not recognized in the financial statements. The NPL and total pension liability as of June 30, 2021 was determined based on the June 30, 2020 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2020.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 7 Defined Benefit Pension Plans (continued)

#### Defined Benefit Pension Expense

At June 30, 2021 and June 30, 2020, SURS defined benefit plan reported a collective net pension expense of \$2,342,460,058 and \$3,364,411,021, respectively.

#### Employer Proportionate Share of Defined Benefit Pension Expense

The employer proportionate share of collective defined benefit expense should be recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2021 and 2020, respectively. As a result, the College recognized revenue and defined benefit pension expense of \$6,936,680 and \$9,962,997, respectively, for the fiscal years ended June 30, 2022 and 2021.

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

Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position by SURS that is applicable to future reporting periods.

#### SURS Collective Deferred Outflows and Deferred Inflows of Resources

<b>Fiscal Year Ended June 30, 2021</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$113,467,689	\$0
Changes in assumptions	776,968,084	0
Net difference between projected and actual		
Earnings on pension plan investments	0	2,283,514,660
<b>Total</b>	<b>\$890,435,773</b>	<b>\$2,283,514,660</b>

<b>Fiscal Year Ended June 30, 2020</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$170,987,483	\$0
Changes in assumptions	473,019,629	0
Net difference between projected and actual		
Earnings on pension plan investments	474,659,178	0
<b>Total</b>	<b>\$1,118,666,290</b>	<b>\$0</b>

**Note 7 Defined Benefit Pension Plans (continued)**

SURS collective deferred outflows and deferred inflows of resources by year to be recognized in future pension expenses:

<u>Year ending June 30</u>	<u>Net Deferred Outflows of Resources</u>
2022	\$34,095,451
2023	(197,005,703)
2024	(538,343,058)
2025	(691,825,577)
Total	(\$1,393,078,887)

**Employer Deferral of Fiscal Year 2022 and 2021 Contributions**

The College paid \$101,977 and \$104,490 in federal, trust or grant contributions for the fiscal year ended June 30, 2022 and June 30, 2021, respectively. These contributions were made subsequent to the pension liability date of June 30, 2021 and June 30, 2020 and are recognized as deferred outflows of resources as of June 30, 2022 and June 30, 2021.

**Assumptions and Other Inputs**

*Actuarial Assumptions.* The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2017, through June 30, 2020. The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.00 to 12.75 percent, including inflation
Investment rate of return	6.50 percent beginning with the actuarial valuation as of June 30, 2021

Mortality rates were based on the Pub-2010 employee and retiree gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan’s trustees after considering input from the plan’s investment consultants and actuary. For each major asset class that is included in the pension plans target asset allocation as of June 30, 2021, these best estimates are summarized in the following table:

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Notes to Financial Statements

**Note 7 Defined Benefit Pension Plans (continued)**

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
<b>Traditional Growth</b>		
Global Public Equity	41.0%	6.30%
<b>Stabilized Growth</b>		
Credit Fixed Income	14.0	1.82
Core Real Assets	5.0	3.92
Options Strategies	6.0	4.20
<b>Non-Traditional Growth</b>		
Private Equity	7.5	10.45
Non-Core Real Assets	2.5	8.83
<b>Inflation Sensitive</b>		
U.S. TIPS	6.0	(0.22)
<b>Principal Protection</b>		
Core Fixed Income	8.0	(0.81)
<b>Crisis Risk Offset</b>		
Systematic Trend Following	3.5	3.45
Alternative Risk Premia	3.0	2.30
Long Duration	3.5	0.91
<b>Total</b>	100.0%	4.43%
<b>Inflation</b>		<u>2.25%</u>
<b>Expected Arithmetic Return</b>		<b>6.68%</b>

*Discount Rate.* A single discount rate of 6.12% and 6.49% at June 30, 2021 and June 30, 2020, respectively, was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and 6.75% at June 30, 2021 and June 30, 2020, respectively, and a municipal bond rate of 1.92% and 2.45% at June 30, 2021 and June 30, 2020, respectively (based on Fidelity 20-Year Municipal GO AA Index as of June 30, 2021).

The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

**Note 7 Defined Benefit Pension Plans (continued)**

*Sensitivity of SURS Net Pension Liability to Changes in the Discount Rate.* Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the State’s net pension liability, calculated using a single discount rate of 6.12% and 6.49% at June 30, 2021 and June 30, 2020, respectively, as well as what the State’s net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1- percentage-point higher:

<b>June 30, 2021</b>		
<b>1% Decrease 5.12%</b>	<b>Current Single Discount Rate Assumption 6.12%</b>	<b>1% Increase 7.12%</b>
\$35,000,704,353	\$28,528,477,079	\$23,155,087,730
<b>June 30, 2020</b>		
<b>1% Decrease 5.49%</b>	<b>1% Decrease 6.49%</b>	<b>1% Decrease 7.49%</b>
\$36,893,469,884	\$30,619,504,321	\$25,441,837,592

Additional information regarding the SURS basic financial statements including the plan’s net position can be found in the SURS annual comprehensive financial report by accessing the website at [www.SURS.org](http://www.SURS.org).

**Note 8 Defined Contribution Pension Plan**

**General Information about the Pension Plan**

*Plan Description.* The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org). The RSP and its benefit terms were established and may be amended by the State’s General Assembly.

*Benefits Provided.* A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2021, can be found in SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.



### **Note 8 Defined Contribution Pension Plan (continued)**

#### **General Information about the Pension Plan (continued)**

*Contributions.* All employees who have elected to participate in the RSP are required to contribute 8.0% of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.6% of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers. Employers are required to make the 7.6% contribution for employee earnings paid from "trust, federal, and other funds" as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State's General Assembly.

*Forfeitures.* Employees are not vested in employer contributions to the RSP until they have attained five years of service credit. Should an employee leave SURS-covered employment with less than five years of service credit, the portion of the employee's RSP account designated as employer contributions is forfeited. Employees who later return to SURS-covered employment will have these forfeited employer contributions reinstated to their account, so long as the employee's own contributions remain in the account. Forfeited employer contributions are managed by SURS and are used both to reinstate previously forfeited contributions and to fund a portion of the State's contributions on behalf of the individual employers. The vesting and forfeiture provisions of the RSP were established and may be amended by the State's General Assembly.

#### **Pension Expense Related to Defined Contribution Pensions**

##### *Defined Contribution Pension Expense*

For the year ended June 30, 2021, the State's contributions to the RSP on behalf of individual employers totaled \$76,280,832. Of this amount, \$70,403,460 was funded via an appropriation from the State and \$5,877,372 was funded from previously forfeited contributions. For the year ended June 30, 2020, the State's contributions to the RSP on behalf of individual employers totaled \$74,418,691. Of this amount, \$68,874,215 was funded via an appropriation from the State and \$5,544,476 was funded from previously forfeited contributions.

##### *Employer Proportionate Share of Defined Contribution Pension Expense*

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2021. The College's share of pensionable contributions was 0.3921% at June 30, 2021 and 0.1255% at June 30, 2020. As a result, the College recognized revenue and defined contribution pension expense of \$299,067 from this special funding situation during the year ended June 30, 2022, of which \$23,043 constituted forfeitures. The College recognized revenue and defined contribution pension expense of \$93,413 from this special funding situation during the year ended June 30, 2021, of which \$6,960 constituted forfeitures.

### **Note 9 Postemployment Benefits Other Than Pension (OPEB)**

#### **General Information about the OPEB Plan**

*Plan Administration.* The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program ("CIP")) is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to CIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the State Universities Retirement System and the boards of trustees of the various community college districts.

*Plan membership.* All members receiving benefits from the State Universities Retirement System (SURS) who have been full-time employees of a community college district or an association of a community college who have paid the required active member CIP contributions prior to retirement are eligible to participate in CIP. Survivors of an annuitant or benefit recipient eligible for CIP coverage are also eligible for coverage under CIP.

*Benefit Provisions.* A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department may be obtained by writing to the Department of Central Management Services, 401 South Spring Street, Springfield, Illinois, 62706-4100.

*Benefits Provided.* CIP health coverage includes provisions for medical, prescription drugs, vision, dental and behavioral health benefits. Eligibility to participate in the CIP is defined in the State Employees Group Insurance Act of 1971 (ACT) (5 ILCS 375/3). The Act (5 ILCS 375/6.9) also establishes health benefits for community college benefit recipients and dependent beneficiaries.

*Contributions.* The Act requires every active contributor of SURS, who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of the salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriate Act (40 ILCS 15/1.4) requires a special funding situation whereby the State makes an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The Act requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF. The result is pay as you go financing of the plan. The employer contributions made by the state of Illinois on behalf of the College to CIP and the College's contributions for the years ended June 30, 2022 and 2021 were \$61,247 and \$59,278, respectively.

**Note 9 Postemployment Benefits Other Than Pension (OPEB) (continued)**

**OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

*Total OPEB Liability.* The total OPEB liability was measured as of June 30, 2021 and June 30, 2020. CIP reported a total OPEB liability at June 30, 2021 of \$1,735,532,863 and at June 30, 2020 of \$1,822,763,537.

*Employer Proportionate Share of Total OPEB Liability.* The amount of the proportionate share of the total OPEB liability to be recognized for the College in fiscal year 2021 is \$11,370,963 or 0.6552%, and for fiscal year 2020 is \$11,561,588 or 0.6343%. This amount is recognized in the financial statement. The change in the College's proportionate total OPEB liability was an increase of 0.0209%. The proportionate share of the State's total OPEB liability associated with the College at June 30, 2021 and June 30, 2020 was \$11,370,963 or 0.6552% and \$11,561,565 or 0.6343%, respectively. The total proportionate share of the total OPEB liability associated with the College at June 30, 2021 and June 30, 2020 was \$22,741,926 and \$23,123,153, respectively. The total OPEB liability as of June 30, 2021 was determined based on the June 30, 2020 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of total OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2021.

*OPEB Expense.* At June 30, 2021 and June 30, 2020, CIP reported a collective total OPEB expense (income) of \$(8,291,172) and \$38,455,955, respectively.

*Employer Proportionate Share of OPEB Expense.* The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2021 and 2020, respectively. As a result, the College recognized on-behalf revenue of \$62,298 and \$60,918 for the fiscal years ended June 30, 2022 and June 30, 2021, respectively. Additionally, the College recognized OPEB expense (and revenue) of \$(93,878) and \$205,626 for the fiscal years ended June 30, 2022 and June 30, 2021. For the year ended June 30, 2022 and 2021, the College recognized OPEB expense of \$108,382 and \$328,460, respectively, for its proportionate share of the OPEB expense.

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* Deferred outflows of resources are the consumption of net position by the plan that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position by the plan that is applicable to future reporting periods.

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**Note 9 Postemployment Benefits Other Than Pension (OPEB) (continued)**

The College's Deferred Outflows and Deferred Inflows of Resources by Sources:

<b>Fiscal Year Ended June 30, 2022</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Net Deferred Outflows of Resources</b>
<i>Deferred Amounts to be recognized in OPEB expense in future Periods</i>			
Differences between expected and actual experience	\$71,960	\$831,082	(\$759,122)
Changes of assumptions	0	2,172,214	(2,172,214)
Net difference between projected and actual investment earnings on OPEB plan investments	0	328	(28)
Changes in proportion and differences between employer contributions and share of contributions	712,424	20,981	691,443
Total deferred amounts to be recognized in OPEB expenses In future period	784,384	3,024,605	(2,240,221)
OPEB contributions made subsequent to the measurement date	61,247	0	61,247
Total deferred amounts related to OPEB	\$845,631	\$3,024,605	(\$2,178,974)

<b>Fiscal Year Ended June 30, 2021</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Net Deferred Outflows of Resources</b>
<i>Deferred Amounts to be recognized in OPEB expense in future Periods</i>			
Differences between expected and actual experience	\$105,027	\$647,078	(\$542,051)
Changes of assumptions	0	1,848,275	(1,848,275)
Net difference between projected and actual investment earnings on OPEB plan investments	0	490	(490)
Changes in proportion and differences between employer contributions and share of contributions	476,269	24,734	451,535
Total deferred amounts to be recognized in OPEB expenses In future period	581,296	2,520,577	(1,939,281)
OPEB contributions made subsequent to the measurement date	59,278	0	59,278
Total deferred amounts related to OPEB	\$640,574	\$2,520,577	(\$1,880,003)

**Note 9 Postemployment Benefits Other Than Pension (OPEB) (continued)**

The College reported \$61,247 and \$59,278 as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the reporting years ended June 30, 2023 and June 30, 2022, respectively. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

<u>Year ended June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2023	\$373,370
2024	373,370
2025	373,370
2026	373,370
2027	373,370
Thereafter	373,371
<b>Total</b>	<b>\$2,240,221</b>

**Actuarial assumptions and other inputs.**

*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 9 Postemployment Benefits Other Than Pension (OPEB) (continued)

Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend used for fiscal year 2022 based on premium increases. For fiscal years on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants, mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017.

**Discount Rate.** Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with the 20 years to maturity that include only federally tax-exempt municipal bonds reported in Fidelity's index "20-year Municipal GO AA Index" has been selected. The discount rates are 1.92% as of June 30, 2021, and 2.45% as of June 30, 2020. The decrease in the single discount rate from 2.45% to 1.92% caused the total OPEB liability to increase by approximately \$114.7 million from 2020 to 2021.

### Sensitivity of the College's Proportionate Share of the Total OPEB Liability to Changes in the Single Discount Rate

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 1.92% and 2.45% at June 30, 2021 and June 30, 2020, respectively, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher or lower than the current rate:

<b>Sensitivity of the College's Proportional Share of the Total OPEB Liability As of June 30, 2021 to the Single Discount Rate Assumption</b>			
	<b>1% Decrease 0.92%</b>	<b>Current Single Discount Rate Assumption 1.92%</b>	<b>1% Increase 2.92%</b>
Total OPEB liability	\$12,954,868	\$11,370,963	\$10,003,116

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 9 Postemployment Benefits Other Than Pension (OPEB) (continued)

#### Sensitivity of the College's Proportional Share of the Total OPEB Liability As of June 30, 2020 to the Single Discount Rate Assumption

	1% Decrease 1.45%	Current Single Discount Rate Assumption 2.45%	1% Increase 3.45%
Total OPEB liability	\$13,173,575	\$11,561,588	\$10,171,502

#### Sensitivity of the College's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the plan's total OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

#### Sensitivity of the College's Proportional Share of the Total OPEB Liability As of June 30, 2021 to the Healthcare Cost Trend Rate Assumption

	1% Decrease	Healthcare Cost Trend Rate Assumption	1% Increase
Net OPEB liability	\$9,369,493	\$11,370,963	\$14,051,524

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate trend rate of 3.25% in 2038.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.

#### Sensitivity of the College's Proportional Share of the Total OPEB Liability As of June 30, 2020 to the Healthcare Cost Trend Rate Assumption

	1% Decrease	Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	\$9,579,933	\$11,561,588	\$14,190,160

- (a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.
- (b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

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### Note 10 Lessor

In accordance with GASB Statement No. 87, Leases, the College's lessor activity is as follows:

The College entered into a lease arrangement on January 9, 2006, to lease cell tower property. Payments ranging from \$1,000 to \$1,465 are due to the College in monthly installments, through January 5, 2034. The lease agreement is noncancelable and maintains an interest rate of 5.77%. During the fiscal year, the College collected \$14,520 and recognized a \$6,397 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$137,284 as of June 30, 2022.

The College entered into a lease agreement on March 20, 2000, to lease cell tower property. Payments ranging from \$9,000 to \$31,661 are due to the College in annual installments, through March 20, 2049. The lease agreement is noncancelable and maintains an interest rate of 7.43%. During the fiscal year, the College collected \$15,741 and recognized a \$12,055 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$583,284 as of June 30, 2022.

The following table represents expected future minimum collections the College will receive under these lease arrangements:

Fiscal Year Ending June 30,	Lease Receivable
2023	\$ 30,261
2024	30,866
2025	34,074
2026	34,074
2027	34,074
2028-2049	669,144
Total minimum lease collections	832,494
Less amount representing Interest	(111,926)
TOTAL	\$ 720,568

### Note 11 Impact of Pending Accounting Pronouncements

GASB Statement No. 92, *Omnibus 2021*, improves the consistency of several practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, amends certain hedge accounting from GASB Statement No. 53 and variable lease payments in accordance with GASB Statement No. 87. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.



### **Note 11 Impact of Pending Accounting Pronouncements (continued)**

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides more guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, defines a SBITA, establishes a right-to-use subscription asset and liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 99, *Omnibus 2022*, improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 and 2023. The College has not determined the effect of this Statement.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The College has not determined the effect of this Statement.

GASB Statement No. 101, *Compensated Absences*, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The College has not determined the effect of this Statement.

### **Note 12 Component Unit**

Significant note disclosures to the Foundation's financial statements are as follows:

#### Investments

Investments consist of U.S. government agencies' securities and notes, corporate obligations and equity securities and mutual funds. Net realized and unrealized gain or loss are presented separately in the statement of activities as an increase or decrease in without restrictions or with restrictions as designated by the donor.

The land held for investment includes farm land donated to the Foundation. The land is carried at the lower of cost (value at the date of the donation) or fair value. Income derived from the land is included in other income in the Foundation's statement of activities.

**Note 12 Component Unit (continued)**

Beneficial Interest in Trust

The Foundation is a partial beneficiary in a trust that was created under terms of a will. Terms of the trusts vary but generally require the principal to remain intact in perpetuity with the income distributed to the beneficiaries. The Foundation believes fair value of the future cash flows to be received from its beneficial interest in assets approximate the fair value of the underlying assets held by the trusts.

Net Assets

Net assets are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. Donor-imposed restrictions expire, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributions and Revenue

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions are recorded at their estimated fair value and are considered to be available for unrestricted use unless specifically restricted by a donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

Investments and Beneficial Interest in Trusts

*Investments*

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

	<b>2022 Fair Value</b>	<b>2021 Fair Value</b>
Equity securities and mutual funds	\$9,155,158	\$11,061,907
Corporate bonds and fixed income mutual funds	3,294,148	4,399,419
U.S. government obligations	1,950,934	1,313,715
Subtotal	14,400,240	16,775,041
Land held for investment	2,771,881	2,771,881
Total	\$17,172,121	\$19,546,922

### Note 12 Component Unit (continued)

Net realized gains totaled \$823,950 and \$1,190,802 and net unrealized losses totaled \$3,596,066 and unrealized gains \$2,621,505 for the years ended June 30, 2022 and 2021, respectively.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the component unit has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy. There have been no changes in the methodologies used at June 30, 2022 and 2021.

Equity securities and mutual funds listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction price before year-end. Such securities are classified within Level 1 of the valuation hierarchy.

Debt securities consisting of corporate bonds and government agency debt obligations are generally valued at the most recent price of the equivalent quoted yield for such securities, or those of comparable maturity, quality and type. Debt securities are generally classified within Level 2 of the valuation hierarchy.

Real estate investments are generally valued based at appraised amounts or assumptions used to determine fair values. Such investments are generally classified within Level 3 of the valuation hierarchy.

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 12 Component Unit (continued)

#### Investments and Beneficial Interest in Trusts (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the component unit believes their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Following is a description of the nature of the categories of mutual funds by major security type.

*Equity funds:* This asset class is generally comprised of investment options that invest in shares of ownership in large to small companies.

*Fixed Income funds:* This asset class is generally comprised of investment options that pay a fixed rate of return through government bonds or corporate bonds.

The following tables set forth by level, within the fair value hierarchy, the component unit's assets at fair value as of June 30, 2022 and 2021:

	Assets at Fair Value as of June 30, 2022			
	Level 1	Level 2	Level 3	Total
Equity mutual funds	\$6,737,976	\$0	\$0	\$6,737,976
Equity securities	2,417,183	0	0	2,417,183
Fixed income mutual funds	485,957	0	0	485,957
Corporate bonds	0	2,808,191	0	2,808,191
U.S. government obligations	0	1,950,934	0	1,950,934
<b>Total assets at fair value</b>	<b>\$9,641,116</b>	<b>\$4,759,125</b>	<b>\$0</b>	<b>\$14,400,240</b>

	Assets at Fair Value as of June 30, 2021			
	Level 1	Level 2	Level 3	Total
Equity mutual funds	\$8,338,202	\$0	\$0	\$8,338,202
Equity securities	2,723,705	0	0	2,723,705
Fixed income mutual funds	891,973	0	0	891,973
Corporate bonds	0	3,507,449	0	3,507,446
Municipal bonds	0	197,514	0	197,514
U.S. government obligations	0	1,116,201	0	1,116,201
<b>Total assets at fair value</b>	<b>\$11,953,880</b>	<b>\$4,821,161</b>	<b>\$0</b>	<b>\$16,775,041</b>

# Danville Area Community College - Community College District No. 507

## Notes to Financial Statements

### Note 12 Component Unit (continued)

#### Investments and Beneficial Interest in Trusts (continued)

##### *Credit Risk*

Level 2 corporate bonds totaling \$2,808,191 and \$3,405,023 are rated between AA+ to BBB- as of June 30, 2022 and 2021, respectively. The remaining level 2 corporate bonds of \$0 and \$102,423 are not rated as of June 30, 2022 and 2021, respectively.

##### *Beneficial Interest in Trusts*

The beneficial interest trusts are valued based on the underlying assets of the trusts, in the same manner as noted above. The following table sets forth by level, within the fair value hierarchy, the Foundation's interest in the trusts at fair value as of June 30, 2022 and 2021.

	<b>Assets at Fair Value as of June 30, 2022</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Beneficial interests in trust	\$0	\$0	\$1,251,479	\$1,251,479

	<b>Assets at Fair Value as of June 30, 2021</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Beneficial interests in trust	\$0	\$0	\$1,464,901	\$1,464,901

<b>Beneficial Interest in Trusts</b>	
Balance – July 1, 2020	\$1,145,563
Unrealized gain (loss)	319,338
<b>Balance – June 30, 2021</b>	<b>\$1,464,901</b>
Balance – July 1, 2021	\$1,464,901
Unrealized gain (loss)	(213,422)
<b>Balance – June 30, 2022</b>	<b>\$1,251,479</b>

**Note 13      Restatement**

During the fiscal year, the College made a prior period adjustment to the financial statements to implement GASB Statement No. 87 related to leases in compliance with accounting principles generally accepted in the United States.

	<b>Statements of Net Position</b>	
	<b>June 30, 2022</b>	<b>June 30, 2021</b>
Net Position, beginning of year, as previously reported	\$40,176,626	\$39,376,429
GASB Statement No. 87 implementation	(19,140)	(11,310)
<b>Net position, beginning of year, as restated</b>	<b>\$40,157,486</b>	<b>\$39,365,119</b>

**Note 14      Subsequent Events**

During the August 18, 2022 Board meeting, the Board approved a 5 year lease agreement with Danville Mall, LLC to lease space for the Barbering program. The annual rental amount per year is \$18,000 and begins September 1, 2022.

During the August 18, 2022 Board meeting, a Minibus lease extension was approved. The lease extension is for two years at the current monthly rate of \$1,296. Total cost of the lease for the two-year period would be \$31,104.

Approval of a bid for scale computer equipment was awarded to Alliance Technology Group for \$88,480 by the Board during the July 21, 2022 Board meeting. The computer equipment will be funded by 2022 Technology/Equipment Bond proceeds.

On November 17, 2022, the Board approved a voluntary separation program for full time employees with more than 15 years of service. Upon approval by the Board, employees with more than 25 years of service would receive \$30,000 and employees with more than 15 years of service would receive \$25,000 if during the time period of December 1, 2022 and June 30, 2023, they elect to separate from the College between the dates of March 1, 2023 and September 30, 2023. All elections require a 90 day written notice and recommendation by College administration. The lump sum amount would be a one-time, non-pensionable payment upon employment end date.

**REQUIRED SUPPLEMENTARY INFORMATION**



# Danville Area Community College - Community College District No. 507

## Schedule of Proportionate Share of Net Pension Liability

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2014)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion percentage of the collective net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Proportion amount of the collective net pension liability	0%	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Portion of nonemployer contributing entities' total proportion of collective net pension liability associated with the College	\$84,480,809	\$90,673,232	\$86,476,134	\$79,651,731	\$73,512,991	\$76,320,380	\$68,062,674	\$63,586,595		
College defined benefit covered payroll	\$11,480,708	\$11,041,311	\$10,919,715	\$10,385,095	\$10,219,702	\$10,649,612	\$10,466,182	\$10,591,044		
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	735.85%	821.22%	791.93%	766.98%	719.33%	716.65%	650.31%	600.38%		
SURS plan net position as a percentage of total pension liability	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%		

Note: The System implemented GASB No. 68 in fiscal year 2015. The information is presented for as many years as available. The schedule is intended to show information for 10 years.



# Danville Area Community College - Community College District No. 507

## Schedule of Pension Contributions

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2014)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Federal, trust, grant and other contribution	\$101,977	\$104,490	\$66,990	\$63,957	\$61,429	\$63,075	\$64,668	\$63,187	\$61,599	
Contribution in relation to required contribution	101,977	104,490	66,990	63,957	61,429	63,075	64,668	63,187	61,599	
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
College covered payroll	\$13,139,664	\$12,576,459	\$11,855,548	\$11,435,132	\$10,548,446	\$10,219,702	\$10,649,612	\$10,466,182	\$10,591,044	
Contribution as a percentage of covered payroll	0.78%	0.83%	0.57%	0.56%	0.58%	0.62%	0.61%	0.60%	0.58%	

Note: The System implemented GASB No. 68 in fiscal year 2015. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

# Danville Area Community College - Community College District No. 507

## Schedule of Proportionate Share of Total OPEB Liability

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2016)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion percentage of the collective total OPEB liability	0.66%	0.63%	0.63%	0.61%	0.60%	0.59%				
Proportion amount of the collective total OPEB liability	\$11,370,963	\$11,561,588	\$11,968,403	\$11,563,940	\$10,923,478	\$10,774,342				
Portion of nonemployer contributing entities' total proportion of collective total OPEB liability associated with the College	\$11,370,963	\$11,561,565	\$11,968,403	\$11,563,940	\$10,779,609	\$11,381,335				
Total collective total OPEB liability associated with the College	\$22,741,926	\$23,123,153	\$23,936,806	\$23,127,880	\$21,703,087	\$22,155,677				
College covered payroll	\$12,576,459	\$11,855,548	\$11,435,132	\$10,548,446	\$10,219,702	\$10,649,612				
Proportion of collective total OPEB liability associated with the College as a percentage of covered-employee payroll	180.83%	195.04%	209.33%	219.25%	212.37%	208.04%				
College insurance plan net position as a percentage of total OPEB liability	-6.38%	-5.07%	-4.13%	-3.54%	-2.87%	-2.15%				

Note: The College implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

# Danville Area Community College - Community College District No. 507

## Schedule of OPEB Contributions

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2018)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statorily required contribution	\$61,247	\$59,278	\$56,860	\$55,442	\$52,595					
Contribution in relation to the required statorily	61,247	59,278	56,860	55,442	52,595					
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0					
College covered-employee payroll	\$13,139,664	\$12,576,459	\$11,855,548	\$11,435,132	\$10,548,446					
Contribution as a percentage of covered payroll	0.47%	0.47%	0.48%	0.48%	0.50%					

Note: The College implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedule is intended to show information for 10 years.

### **Note 1 Changes of Pension Benefit Terms:**

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2021.

### **Note 2 Changes of Pension Assumptions:**

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020 was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021.

- Salary increase. Decrease in the overall assumed salary increase rates, ranging from 3.00 percent to 12.75 percent based on years of service, with underlying wage inflation of 2.25 percent.
- Investment return. Decrease the investment return assumption to 6.50 percent. This reflects maintaining an assumed real rate of return of 4.25 percent and decreasing the underlying assumed price inflation to 2.25 percent.
- Effective rate of interest. Decrease the long-term assumption for the ERI for crediting the money purchase accounts to 6.50 percent.
- Normal retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions
- Early retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Mortality rates. Maintain the RP-2014 to the Pub-2010 mortality tables to reflect the latter's higher applicability to public pensions. Update the projection scale from the MP-2017 to the MP-2020 scale.
- Disability rates. Establish separate rates for members in academic positions and non-academic positions and maintain separate rates for males and females.
- Plan election. Change plan election assumptions to 75 percent Tier 2 and 25 percent Retirement Savings Plan (RSP) for non-academic members. Change plan election assumptions to 55 percent Tier 2 and 45 percent Retirement Savings Plan (RSP) for academic members.

### **Note 3 Changes of OPEB Benefit Terms:**

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2021.

### **Note 4 Changes of OPEB Assumptions:**

In accordance with *Illinois Compiled Statutes*, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of CIP. An experience review for the years June 30, 2014 to June 30, 2017, resulting in the adoption of new assumptions as of June 30, 2020. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2019:

- The discount rate was changed from 2.45 percent at June 30, 2020, to 1.92 percent at June 30, 2021.
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2020, projected plan cost for plan year end June 30, 2021, premium changes through plan year end 2021, and expectation of future trend increases after June 30, 2021;
- Per capita claim costs for plan year end June 30, 2021, were updated based on projected claims and enrollment experience through June 30, 2021, and updated premium rates through plan year end 2022; and
- Healthcare plan participation rates by plan were updated based on observed experience

# STATISTICAL SECTION



This part of the College's Statistical section of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the College's overall financial health.

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These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

**Revenue Capacity**

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These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax, and tuition and fees data.

**Debt Capacity**

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These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

**Demographic and Economic Information**

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These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.

**Operating Information**

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These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs

*Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*

# Danville Area Community College - Community College District No. 507

Net Position by Component

Last Ten Fiscal Years

Table A

	2022	Restated 2021	2020	2019	2018	2017	2016	2015	2014	2013
Business-type activities										
Net investment in capital assets	\$33,726,423	\$31,699,351	\$30,576,834	\$30,131,204	\$31,482,497	\$31,923,227	\$32,954,847	\$35,099,459	\$35,944,120	\$37,411,102
Restricted										
Capital projects	3,959,411	3,624,513	1,676,429	2,105,044	1,217,062	1,668,655	1,636,621	1,038,308	2,642,071	590,986
Debt service	929,035	3,906,499	4,053,341	1,015,844	1,074,550	758,848	766,898	767,757	873,702	908,937
Grant purposes	300,767	387,414	1,084,320	862,148	843,372	1,073,262	1,194,007	1,023,344	359,153	463,566
Working cash	5,429,723	5,429,723	5,429,723	5,429,723	5,429,723	5,429,723	5,179,723	4,854,723	4,119,723	3,824,723
Audit purposes	49,140	45,908	48,782	46,705	48,443	42,754	35,348	29,726	36,910	57,021
Liability insurance	958,676	917,066	951,114	1,025,873	957,415	939,510	1,015,161	1,054,830	1,183,036	1,293,686
Unrestricted	(5,831,831)	(5,852,988)	(4,770,146)	(3,033,843)	(1,782,517)	7,680,658	9,277,526	11,953,430	12,069,991	12,724,662
Total net position	\$39,521,344	\$40,157,486	\$39,050,397	\$37,582,698	\$39,270,545	\$49,516,637	\$52,060,131	\$55,821,577	\$57,228,706	\$57,274,683

Source: College's Annual Financial Reports



# Danville Area Community College - Community College District No. 507

Changes in Net Position

Last Ten Fiscal Years

	Restated									Table B
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Operating revenues</b>										
Student tuition and fees, net of scholarship allowances	\$2,997,466	\$2,731,449	\$3,749,857	\$3,810,069	\$4,307,077	\$4,123,692	\$3,795,210	\$3,640,226	\$3,797,592	\$3,444,023
Auxiliary enterprise revenue	1,161,439	964,654	631,080	647,961	730,402	554,770	583,445	611,917	1,572,107	1,635,844
Other operating revenue	360,018	290,962	384,344	538,939	158,239	36,450	16,913	5,332	90,872	96,297
<b>Total operating revenues</b>	<b>4,518,923</b>	<b>3,987,065</b>	<b>4,765,281</b>	<b>4,996,969</b>	<b>5,195,718</b>	<b>4,714,912</b>	<b>4,395,568</b>	<b>4,257,475</b>	<b>5,460,571</b>	<b>5,176,164</b>
<b>Operating expenses</b>										
Instruction	8,733,624	8,791,215	8,300,465	8,843,999	8,149,799	7,891,261	8,153,578	8,282,774	8,172,747	7,677,960
Academic support	1,160,402	1,176,455	1,172,255	1,061,446	786,882	968,749	1,091,578	1,059,757	1,115,259	1,078,947
Student services	2,514,738	2,237,416	2,322,309	2,177,494	2,278,768	2,029,366	1,955,524	1,941,911	1,909,172	1,872,718
Public service	1,084,103	973,251	965,404	1,013,695	1,067,489	1,099,860	1,044,724	1,515,176	1,165,666	1,192,022
Auxiliary enterprise	1,305,636	1,214,508	872,158	821,876	752,014	461,973	507,939	527,600	1,411,733	1,544,480
Operation and maintenance of plant and capital outlay	2,204,837	2,205,914	2,061,719	2,146,072	2,404,679	2,176,315	2,218,289	2,394,952	2,335,408	2,213,157
Institutional support	4,794,634	4,486,070	5,001,090	4,029,300	3,878,478	4,004,008	3,795,615	3,980,444	3,806,755	3,703,532
On-behalf payments	6,905,098	10,254,480	9,876,311	8,567,738	7,915,506	7,544,386	5,658,291	4,752,538	3,869,867	3,502,084
Other postemployment benefits	108,346	328,460	623,081	784,116	983,559	0	0	0	0	0
Scholarships	3,730,360	2,934,244	2,102,618	1,863,400	1,701,431	1,610,882	1,421,511	1,423,858	1,734,556	1,888,823
Depreciation	2,056,940	2,012,955	1,873,737	1,908,487	1,849,668	1,879,879	1,974,482	2,117,550	1,897,870	1,773,702
<b>Total operating expenses</b>	<b>34,598,718</b>	<b>36,614,968</b>	<b>35,171,147</b>	<b>33,217,623</b>	<b>31,768,273</b>	<b>29,666,679</b>	<b>27,821,531</b>	<b>27,996,560</b>	<b>27,419,033</b>	<b>26,447,425</b>
<b>Operating (loss)</b>	<b>(30,079,795)</b>	<b>(32,627,903)</b>	<b>(30,405,866)</b>	<b>(28,220,654)</b>	<b>(26,572,555)</b>	<b>(24,951,767)</b>	<b>(23,425,963)</b>	<b>(23,739,085)</b>	<b>(21,958,462)</b>	<b>(21,271,261)</b>
<b>Nonoperating revenues (expenses)</b>										
State grants and contracts	5,668,644	5,545,290	5,210,090	4,405,902	5,946,734	2,267,118	1,438,607	4,998,816	5,064,905	5,876,838
Local property tax revenues	7,328,084	7,015,290	6,765,353	6,547,752	6,444,604	6,215,639	6,111,782	5,880,830	5,649,735	5,705,172
Personal property replacement tax	1,859,438	859,981	617,229	570,826	513,965	622,143	564,193	616,276	573,034	566,452
Federal grants and contracts	7,097,358	7,712,917	5,801,805	5,616,297	5,690,901	5,433,046	5,590,168	5,992,094	5,887,239	6,137,625
Local grants and contracts	13,753	11,884	10,151	8,370	40,705	13,922	68,183	5,500	70,374	65,400
On-behalf payments	6,905,098	10,254,480	9,876,311	8,567,738	7,913,860	7,542,793	5,716,032	4,815,725	3,869,867	3,502,084
Investment income earned	95,840	56,618	232,201	353,590	216,908	110,319	73,257	61,757	66,504	106,496
Other nonoperating revenues (expenses)	511,427	2,212,545	3,374,361	708,110	224,899	409,688	310,111	184,604	449,161	14,349
Gain (loss) on disposal of assets	800	(80,805)	14,375	(63,889)	0	0	7,000	0	0	0
Interest expense	(152,923)	(204,869)	(171,468)	(223,025)	(180,737)	(206,395)	(214,816)	(223,646)	(205,334)	(126,848)
<b>Net nonoperating revenues</b>	<b>29,327,519</b>	<b>33,383,331</b>	<b>31,730,408</b>	<b>26,491,671</b>	<b>26,811,839</b>	<b>22,408,273</b>	<b>19,664,517</b>	<b>22,331,956</b>	<b>21,425,485</b>	<b>21,847,568</b>
<b>Capital contributions</b>										
Capital contributions	116,134	36,939	143,157	41,136	237,000	0	0	0	487,000	73,296
<b>Increase (decrease) in net position</b>	<b>(\$636,142)</b>	<b>\$792,367</b>	<b>\$1,467,699</b>	<b>(\$1,687,847)</b>	<b>\$476,284</b>	<b>(\$2,543,494)</b>	<b>(\$3,761,446)</b>	<b>(\$1,407,129)</b>	<b>(\$45,977)</b>	<b>\$649,603</b>

Source: College's Annual Financial Reports

# Danville Area Community College - Community College District No. 507

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Table C

Tax Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Mineral Property	Other Property	Unallocated TIF	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2021	\$506,892,246	\$413,824,156	\$172,178,729	\$47,795,375	\$22,982,166	\$33,770,873	\$0	\$0	1,197,443,545	0.6177	3,628,616,803	33.00%
2020	489,570,494	388,618,073	170,633,396	44,935,019	19,894,419	35,409,135	0	0	1,149,060,536	0.6136	3,482,001,624	33.00%
2019	482,830,189	365,502,984	170,540,991	44,271,747	18,990,654	36,402,476	0	0	1,118,539,041	0.6115	3,389,512,245	33.00%
2018	472,120,795	344,275,185	169,683,597	44,063,755	18,378,148	37,619,325	0	0	1,086,140,805	0.6255	3,291,335,773	33.00%
2017	448,435,619	306,362,629	167,583,423	41,146,758	17,675,061	34,834,496	0	0	1,016,037,986	0.6235	3,078,902,988	33.00%
2016	439,319,200	289,791,685	164,119,648	40,813,423	18,705,613	33,337,250	0	0	986,086,819	0.6185	2,988,141,876	33.00%
2015	433,762,886	297,447,603	168,042,132	40,933,844	5,253,911	1,046,825	11,764,747	0	958,251,948	0.6185	2,903,793,782	33.00%
2014	436,829,009	278,541,423	161,675,354	41,564,120	5,277,629	1,047,838	8,097,541	0	933,032,914	0.6127	2,827,372,467	33.00%
2013	451,283,044	238,494,724	162,443,020	41,140,807	4,908,504	1,048,813	12,190,641	0	911,509,553	0.6307	2,762,150,161	33.00%
2012	466,219,117	221,309,760	171,295,781	49,576,083	4,765,082	1,044,806	12,108,841	0	926,319,470	0.6233	2,807,028,697	33.00%

Source: College's Business Office; County Clerk's Offices

# Danville Area Community College - Community College District No. 507

Property Tax Rates  
Direct and Overlapping  
Last Ten Fiscal Years

TABLE D

Taxing Bodies	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Overlapping Property Tax Rates:</b>										
<b>Vermilion County</b>										
Airport Authority	.08025	.10118	.09912	.10614	.10927	.11077	.11031	.10589	.10480	.09730
Catlin Cemetery	.06736	.06962	.07122	.07546	.07913	.08212	.08120	.08172	.08481	.08620
Georgetown Cemetery	.06529	.06680	.06580	.06392	.06559	.06718	.06754	.06252	.06071	.05820
Pilot Cemetery	.06033	.05859	.05720	.05563	.05411	.05211	.05009	.04539	.04835	.05030
Rossville/South Ross Cemetery	.00000	.00000	.00000	.08947	.19216	.19908	.19999	.14964	.14617	.14500
Vermilion County	1.50410	1.48861	1.46338	1.42073	1.40926	1.44450	1.48477	1.44616	1.47315	1.44860
Conservation District	.12272	.12443	.12407	.12435	.12846	.13167	.12344	.12058	.12132	.12420
Blount Water	.00890	.00950	.00964	.00961	.01030	.01039	.01051	.01158	.01172	.01230
South Ross Water	.02008	.02529	.02707	.02942	.03151	.03292	.03455	.03652	.03889	.04160
City of Allerton	.46467	.44660	.44778	.47298	.00000	.00000	.00000	.00000	.00000	.00000
City of Alvin	.42748	.42867	.43763	.45065	1.01646	.02481	.47619	.26380	.25000	.24890
City of Belgium	.34484	.33485	.32466	.31061	.31819	.35800	.35800	.35800	.35800	.35730
City of Bismarck	.29552	.30128	.29115	.27817	.27767	.00000	.00000	.00000	.00000	.00000
City of Catlin	.73686	.74549	.75109	.78283	.79262	.79252	.71322	.73532	.74163	.73870
City of Danville	2.26509	2.31242	2.28835	2.27346	2.24598	2.04299	2.08259	2.05525	2.06604	1.99890
City of Fairmount	.77335	.75172	.75140	.74946	.79504	.75516	.73696	.67281	.62460	.59350
City of Fithian	.80190	.79338	.79573	.81899	.79929	.76927	.79817	.77158	.73980	.69050
City of Georgetown	1.03486	1.08818	1.06999	1.04290	1.07701	1.12495	1.13842	.94365	.92516	.85160
City of Henning	.22531	.00000	.26833	.33774	.33845	.32302	.31588	.31169	.29612	.31050
City of Hoopeston	2.98978	2.97872	2.87778	2.82191	2.75227	2.61117	2.51197	2.60635	2.44469	2.21840
City of Indianola	.27265	.27247	.28756	.29723	.32371	.30947	.34199	.36600	.36057	.35890
City of Muncie	.22655	.28283	.27804	.27646	.26307	.25628	.24873	.25000	.25000	.25000
City of Potomac	.00000	.99152	1.03319	1.05740	1.12091	1.07765	1.04390	1.04121	.95004	.88280
City of Rankin	1.01241	.75780	.76717	.81806	.81109	.80693	.73564	.78472	.78117	.75900
City of Ridge Farm	.76162	2.37224	2.48316	2.61055	2.76764	2.69661	2.69345	2.69383	2.57688	2.46490
City of Rossville	2.55535	.25000	.25000	.25000	.25000	.25000	.25000	.25000	.25000	.25000
City of Sidell	.25000	.67407	.66643	.66836	.66362	.63572	.64228	.66453	.63396	.61600
City of Tilton	.68842	.00000	.00000	.00000	1.86187	.00000	.00000	.00000	.00000	.00000
Allerton Fire	.26741	.26594	.26721	.26352	.26426	.26006	.25768	.25392	.26129	.26460
Bismarck Fire	.56570	.60023	.60381	.52933	.55464	.54901	.53528	.34508	.33638	.33840
Blue Grass Fire	.52993	.52662	.53396	.54237	.54118	.55213	.55605	.52767	.51590	.58480
Catlin Fire	.32840	.32867	.32687	.32585	.32808	.33015	.33457	.34069	.33804	.33650
Carroll Fire	.69457	.96124	.66432	.47816	.48169	.49734	.51229	.51759	.53011	.54350
FMC Fire	.16104	.16143	.16060	.15513	.15781	.15477	.15120	.14969	.10142	.15410
Georgetown Fire	.56908	.58165	.64188	.64177	.70810	.59571	.61354	.55809	.53746	.51290
Grant Township Fire	.09464	.06682	.07131	.07964	.08438	.00000	.40000	.10088	.10739	.11230

# Danville Area Community College - Community College District No. 507

Property Tax Rates  
Direct and Overlapping  
Last Ten Fiscal Years

TABLE D

Taxing Bodies	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Overlapping Property Tax Rates:</b>										
Homer Fire	.41598	.42061	.44491	.36706	.39646	.41247	.40788	.38831	.40104	.41200
Kickapoo Fire	.39335	.42106	.41171	.40762	.41997	.18747	.18522	.18667	.18021	.17940
Lynch Fire	.61409	.63595	.62713	.61642	.63574	.67156	.67976	.69074	.69286	.68800
Oakwood Fire	.29436	.28029	.28053	.29481	.30445	.29532	.30062	.30121	.31243	.33160
Ogden/Royal Fire	.15693	.16236	.16376	.16279	.15592	.15815	.16321	.16219	.16214	.20270
Rankin Fire	.41367	.41210	.41949	.41941	.43765	.44317	.44509	.46694	.46506	.42360
Ridge Farm Fire	.42307	.43620	.45611	.47994	.49151	.49733	.51004	.30661	.31937	.32030
Rossville Fire	.42710	.45402	.46515	.49818	.52723	.53735	.56219	.63496	.63286	.64990
Sidell Fire	.29514	.29157	.29035	.29351	.29428	.28602	.28275	.27791	.27605	.27410
Westville Fire	.34199	.34549	.33713	.33456	.39779	.41704	.42277	.41754	.42604	.40760
Catlin Library	.22583	.22230	.21656	.21851	.21827	.21798	.21635	.20950	.20746	.20630
Elwood Library	.31376	.30592	.30468	.30926	.00000	.00000	.00000	.00000	.00000	.00000
Hoopston Library	.13619	.16013	.18180	.20514	.22524	.22439	.22661	.22663	.22668	.22580
Oakwood Library	.22501	.23558	.24289	.24964	.26386	.26851	.28072	.28989	.28593	.28390
Potomac Library	.19584	.19304	.19368	.19521	.00000	.00000	.00000	.00000	.00000	.00000
Sidell Library	.17695	.17462	.17440	.17499	.17509	.17138	.17856	.18318	.18549	.21570
Westville Library	.28649	.28804	.28042	.27717	.27593	.28021	.28118	.27944	.27990	.26800
Carroll/Elwood MTA	.03541	.03478	.01678	.00352	.06406	.06512	.06727	.06914	.07921	.08190
Grant/Butler MTA	.13548	.13558	.13441	.14362	.15031	.15600	.15634	.18076	.19350	.20280
Georgetown/Love/McKendree MTA	.03369	.03452	.03360	.03509	.03594	.03866	.04031	.03939	.03989	.03880
Jamaica/Vance MTA	.03380	.03336	.03322	.03320	.03316	.03222	.03147	.03157	.03335	.03470
Middlefork Pilot MTA	.03674	.03763	.03918	.04079	.04247	.04157	.04051	.03974	.04033	.04230
Rossville Park	.08727	.08683	.08649	.09103	.00000	.07995	.08456	.09133	.09295	.09410
Blount Road & Bridge	.44358	.44666	.43622	.43361	.43624	.43599	.43147	.44226	.44270	.44350
Butler Road & Bridge	.52644	.55271	.59457	.63748	.68314	.71180	.74745	.97631	.96020	.98390
Carroll Road & Bridge	.51289	.58143	.51569	.52986	.53768	.51417	.51484	.51207	.47042	.47160
Catlin Road & Bridge	.39855	.40631	.40056	.41435	.42662	.42641	.43147	.43307	.44052	.43710
Danville Road & Bridge	.43356	.43053	.43110	.41847	.47859	.47506	.47373	.47257	.45748	.45200
Elwood Road & Bridge	.40769	.39899	.41138	.43915	.44950	.44607	.45101	.45768	.45547	.45320
Georgetown Road & Bridge	.28470	.29829	.30644	.31306	.33674	.36049	.36966	.35965	.35528	.34200
Grant Road & Bridge	.37418	.39170	.40765	.44062	.46422	.53057	.55321	.48408	.48541	.48060
Jamaica Road & Bridge	.82151	.81478	.81148	.81046	.82876	.82822	.82724	.78550	.79253	.79690
Love Road & Bridge	.48123	.48696	.48508	.48851	.49280	.52124	.51901	.50251	.50861	.50570
Mc Kendree Road & Bridge	.47569	.48997	.49317	.50460	.51323	.52412	.52363	.50211	.49129	.47670
Middlefork Road & Bridge	.48744	.49184	.52549	.54154	.58721	.58644	.59343	.62755	.62340	.63070
Newell Road & Bridge	.30373	.29735	.28664	.27968	.27144	.26106	.25824	.24558	.24226	.25000
Oakwood Road & Bridge	.45680	.45697	.45735	.45575	.46931	.44544	.45000	.45000	.45000	.45000

# Danville Area Community College - Community College District No. 507

Property Tax Rates  
Direct and Overlapping  
Last Ten Fiscal Years

TABLE D

Taxing Bodies	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Overlapping Property Tax Rates:</b>										
Pilot Road & Bridge	.30583	.30640	.31018	.31039	.31057	.31088	.31047	.29775	.30014	.32560
Rossville Road & Bridge	.18888	.18794	.19270	.19886	.20893	.21451	.22482	.24603	.24673	.24710
Sidell Road & Bridge	.49594	.49927	.51468	.52351	.52997	.53355	.53803	.53750	.54315	.54430
South Ross Road & Bridge	.33226	.34528	.35196	.20517	.20930	.20824	.20816	.20950	.20603	.20990
Vance Road & Bridge	.45000	.44840	.44750	.44742	.44650	.41917	.41667	.40329	.40865	.40450
Westville/Belgium Sanitary	.07097	.07156	.06903	.07208	.07731	.08056	.08217	.08133	.08021	.07540
Danville Special Service	1.67465	1.66861	1.66959	1.63872	1.50581	1.53153	1.54626	1.54947	1.54883	1.47640
Grant Special Service	.01513	.01615	.01724	.01898	.02012	.02123	.02303	.02408	.02500	.02500
North Fork Special Service 01	.05452	.05773	.06051	.00000	.06765	.06991	.07332	.08245	.08534	.08780
North Fork Special Service 02	.06045	.06128	.06111	.00000	.06550	.06550	.06550	.06550	.06550	.06550
North Fork Special Service 03	.05082	.05081	.05115	.00000	.05270	.05260	.05277	.05199	.05070	.04890
Ross Special Service Amb 01	.12000	.12000	.12000	.12000	.12000	.12000	.12000	.12000	.12000	.12000
Ross Special Service Amb 02	.00892	.00946	.01002	.01070	.01130	.00038	.02500	.01674	.01763	.01850
Blount Township	.21367	.21720	.21127	.20596	.21769	.21320	.20906	.21759	.20813	.20560
Butler Township	.43351	.45513	.49770	.52381	.56133	.55888	.58147	.90106	.92612	.94830
Carroll Township	.61730	.61122	.60783	.63896	.61511	.59973	.61647	.61505	.62468	.63830
Catlin Township	.16858	.17423	.17641	.18691	.19411	.19648	.19886	.20015	.20187	.20870
Danville Township	.59414	.59861	.57356	.56318	.54842	.54173	.53552	.50618	.48114	.45140
Elwood Township	.31706	.31127	.32897	.34576	.51702	.54322	.52861	.55959	.54974	.53480
Georgetown Township	.26601	.27196	.27563	.28465	.30378	.31632	.32915	.30566	.30654	.29280
Grant Township	.18574	.21743	.22359	.25645	.29008	.30051	.33594	.32697	.31609	.32690
Jamaica Township	.36582	.36205	.35993	.35935	.36957	.36070	.35791	.35709	.38065	.38330
Love Township	.52807	.56074	.58033	.60444	.63479	.64059	.64295	.62311	.63442	.63080
Mc Kendree Township	.33221	.35736	.37075	.39713	.42264	.45224	.47557	.47728	.47853	.47660
Middlefork Township	.45724	.46152	.49338	.53485	.58288	.58002	.59386	.61798	.61089	.60530
Newell Township	.14720	.15918	.17253	.18492	.18798	.20764	.20801	.20749	.20468	.19170
Oakwood Township	.40686	.40285	.40042	.40861	.41407	.40495	.40684	.40539	.40002	.39940
Pilot Township	.25824	.25855	.26417	.26948	.27430	.27849	.27997	.26958	.27170	.37930
Rossville Township	.54485	.56543	.57222	.49593	.52080	.53456	.56508	.61863	.62225	.63540
Sidell Township	.43000	.42614	.42544	.43000	.43000	.42373	.41927	.41278	.41712	.41800
South Ross Township	.34652	.48200	.48788	.42634	.45214	.44988	.44973	.45265	.44515	.45350
Vance Township	.53116	.52348	.46351	.46511	.46511	.45075	.43569	.42367	.41908	.43060
Bismarck-Henning Unit 1	5.17420	5.20194	5.29828	5.32572	5.34021	5.35163	5.35243	5.26859	5.19977	5.15800
Westville Unit 2	4.82330	4.95900	4.99467	5.08649	5.24065	5.44288	5.55050	5.17437	5.12624	4.95180
Georgetown/Ridge Farm Unit 4	4.75111	4.86105	4.88803	5.13551	5.24961	5.57670	5.72343	5.27308	5.26925	5.16130
Catlin Unit 5	.16527	.00000	.17297	.17971	.18639	.20249	.20145	5.17412	5.03047	5.12230
Rossville/Alvin Unit 7	5.30800	5.30928	5.48975	5.54266	5.55078	5.25738	5.54454	5.43387	5.45955	5.09560

# Danville Area Community College - Community College District No. 507

Property Tax Rates  
Direct and Overlapping  
Last Ten Fiscal Years

TABLE D

Taxing Bodies	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Overlapping Property Tax Rates:</b>										
Heritage Unit 8C	4.72117	4.92321	4.97010	4.88625	5.00157	5.36103	5.50138	5.24637	5.02058	4.98060
Potomac Unit 10	4.73017	4.71320	4.76499	4.82069	4.94754	4.96404	5.15587	4.64882	4.50827	4.62860
Paxton-Buckley-Loda Unit 10F	6.01599	6.10694	6.09831	6.18973	6.27163	6.23634	5.65804	5.46175	5.29721	5.19900
Hoopston Unit 11	4.60292	4.98562	5.01689	5.04797	5.10082	5.13006	5.17614	4.66098	4.64282	4.64930
Jamaica Unit 12	.00000	.00000	.00000	5.18729	.00000	.02774	.09692	5.15639	5.15076	5.11960
Armstrong Unit 61	2.37450	.00000	2.54857	2.46824	2.50819	2.57496	2.77210	2.49909	2.54712	3.02280
Oakwood Unit 76	5.12604	5.15037	5.16233	5.18729	5.27602	5.28734	5.35245	5.10057	5.15382	4.92270
Danville Unit 118	5.34616	5.37968	5.66783	5.46967	5.51422	5.70486	5.70722	5.28616	5.30868	5.12690
Prairieview-Ogden Unit 197	2.98598	.00000	2.97399	3.03392	3.05012	3.05999	3.05506	2.82308	2.80997	2.80140
Armstrong High School 225	2.20931	.00000	2.28481	2.12219	2.15195	2.12522	2.34039	2.23827	2.22711	2.53270
St. Joseph High School 305	1.96125	.00000	2.01243	1.99848	1.99986	1.98993	2.00998	1.99897	1.97297	1.93330
Salt Fork Unit 512	5.41223	4.86828	5.03470	5.06214	5.13504	5.14255	5.16532	.00000	.00000	.00000
<b>Total Overlapping Rate</b>	<b>109.80274</b>	<b>100.60907</b>	<b>112.39394</b>	<b>117.73849</b>	<b>114.48584</b>	<b>113.57023</b>	<b>115.53758</b>	<b>115.97495</b>	<b>114.69619</b>	<b>113.92360</b>
<b>Direct Property Tax Rate:</b>										
<b>Danville Area Community College</b>										
Education Fund	.36831	.37290	.37290	.36780	.37290	.37048	.37290	.37290	.36510	.37290
Building and Maintenance Fund	.07360	.07500	.07500	.07400	.07500	.07451	.07500	.07500	.07340	.07500
Worker's Compensation Fund	.00548	.00440	.00450	.00700	.00786	.00889	.00761	.01000	.01010	.01040
Audit Fund	.00421	.00440	.00410	.00420	.00477	.00500	.00500	.00370	.00220	.00500
Tort Liability Fund	.06737	.05928	.06100	.05840	.05758	.05433	.05578	.04500	.04300	.04900
Medicare Fund	.01516	.01537	.01490	.01440	.01623	.01581	.01623	.01730	.01930	.01980
Unemployment Fund	.00421	.00440	.00000	.00000	.00000	.00000	.00000	.00000	.00000	.00000
Protection, Health and Safety Fund	.00632	.00659	.00680	.00700	.00761	.00721	.00894	.00980	.01070	.00800
Bond and Interest Fund	.07308	.07128	.07230	.07410	.08357	.07894	.08200	.08480	.08890	.09060
<b>Total Direct Rate</b>	<b>.61774</b>	<b>.61362</b>	<b>.61150</b>	<b>.60690</b>	<b>.62552</b>	<b>.61517</b>	<b>.62346</b>	<b>.61850</b>	<b>.61270</b>	<b>.63070</b>
<b>Total Rate</b>	<b>110.42048</b>	<b>101.22269</b>	<b>113.00544</b>	<b>118.34539</b>	<b>115.11136</b>	<b>114.18540</b>	<b>116.16104</b>	<b>116.59345</b>	<b>115.30889</b>	<b>114.55430</b>

Source: College's Business Office; County Clerk's Office

**Notes:**

- (1) The direct tax rates reported for the College are those of Vermilion County, as it comprises approximately 90% of the District.
- (2) Tax rates for property within the District are expressed in dollars per hundred dollars of equalized assessed value.

# Danville Area Community College - Community College District No. 507

Computation of Direct and Overlapping Bond Debt

General Obligation Bonds

June 30, 2022

**TABLE E**

ISSUER (Overlapping)	Bonds Outstanding	Percent	Amount
<b>Vermilion County</b>			
City of Danville	\$4,540,000	100.00%	\$4,540,000
City of Georgetown	220,000	100.00%	220,000
Village of Tilton	3,080,000	100.00%	3,080,000
Carroll Fire	446,754	100.00%	446,754
Kickapoo Fire	400,000	100.00%	400,000
Rankin Fire	275,000	99.80%	274,450
Rossville Fire	955,000	100.00%	955,000
Bismarck-Henning Unit 1	3,000,000	100.00%	3,000,000
Westville Unit 2	2,405,000	100.00%	2,405,000
Georgetown/Ridge Farm Unit 4	2,150,000	100.00%	2,150,000
Catlin Unit 5	450,000	100.00%	450,000
Rossville/Alvin Unit 7	6,110,000	100.00%	6,110,000
Heritage Unit 8C	3,060,000	80.62%	2,466,973
Potomac Unit 10	140,000	100.00%	140,000
Paxton-Buckley-Loda Unit 10F	29,455,000	99.98%	29,449,109
Oakwood Unit 76	13,640,000	99.96%	13,634,544
Danville Unit 118	28,880,000	100.00%	28,880,000
Prairieview-Ogden Unit 197	275,000	98.02%	269,555
Armstrong Unit 225	321,000	100.00%	321,000
St. Joseph High School 305	2,870,000	99.19%	2,846,753
Salt Fork 512	10,315,000	99.96%	10,310,874
Vermilion County Conservation District	645,000	97.79%	630,746
Vermilion County	<u>2,185,000</u>	97.79%	<u>2,136,712</u>
<b>Total Vermilion County</b>	<u>115,817,754</u>		<u>115,117,469</u>
Danville Area Community College District No. 507	<u>3,802,000</u>	100.00%	<u>3,802,000</u>
	<u><u>\$119,619,754</u></u>		<u><u>\$118,919,469</u></u>

**Source:** County Clerk Office

**Notes:**

- (1) Overlapping debt is reported for Vermilion County, as it comprises approximately 90% of the District.
- (2) Percent of overlap was calculated by dividing the taxable value of the taxing entity in the District by the total taxable value of the entity in Vermilion County.

# Danville Area Community College - Community College District No. 507

Principal Property Taxpayers

Current and Ten Years Ago

TABLE F

Taxpayer	Taxable Assessed	Rank	Percentage of	Taxable Assessed	Rank	Total District Taxable
	Value		Total District Taxable	Value		Assessed Value
<b>Vermilion County</b>		<b>2021</b>			<b>2011</b>	
California Ridge Wind Energy	\$17,862,980	1	1.5546%			0.0000%
Apex Clean Energy	11,528,373	2	1.0033%			0.0000%
Aqua Illinois - Consumers IL Water	4,700,438	3	0.4091%			0.0000%
Hanson Aggregate Inc.	4,522,631	4	0.3936%			0.0000%
Mc Lane Company Inc.	4,225,215	5	0.3677%	\$3,895,515	3	0.4098%
Clapp Family Partnership	3,795,029	6	0.3303%			0.0000%
Farmland Reserves	3,380,254	7	0.2942%			0.0000%
Autozone	3,296,890	8	0.2869%			0.0000%
311 Properties LLC	3,082,595	9	0.2683%			0.0000%
Wal Mart Stores Inc.	3,065,503	10	0.2668%	3,199,340	6	0.3366%
Lauoff Grain/Bungee Milling			0.0000%	2,757,866	10	0.2901%
Dynegy Property Tax			0.0000%	8,200,000	1	0.8627%
EFN Danville Property LLC			0.0000%	3,025,730	8	0.3183%
Thyssen Krupp Presta/Gerlach			0.0000%	3,671,668	4	0.3863%
Aluminum Co. of America			0.0000%	4,883,590	2	0.5138%
Carle Foundation			0.0000%	3,212,290	5	0.3380%
Quaker Manufacturing LLC			0.0000%	3,197,413	7	0.3364%
Tatman Family LLC			0.0000%	2,847,790	9	0.2996%
	<b>\$ 59,459,908</b>		<b>5.1747%</b>	<b>\$ 38,891,202</b>		<b>4.0916%</b>

Source: County Clerk Office

**Notes:**

- (1) Principal taxpayers are reported for Vermilion County, as it comprises approximately 90% of the District.
- (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.



# Danville Area Community College - Community College District No. 507

## Schedule of Property Tax Rates, Extensions and Collections

Last Ten Fiscal Years

Table G

Tax Levy Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fiscal Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Assessed valuation										
Vermilion	\$993,784,775	\$956,361,035	\$936,186,706	\$912,245,886	\$876,737,120	\$855,410,106	\$832,322,839	\$812,473,213	\$794,698,498	\$784,487,938
Edgar	111,284,321	106,689,430	102,080,247	97,869,082	94,401,730	91,114,490	87,460,426	83,277,719	77,310,479	73,076,011
Iroquois	68,098,097	62,783,823	58,268,335	54,810,590	51,696,217	49,372,504	46,902,425	44,360,394	43,361,728	41,968,744
Champaign	23,997,672	22,975,838	21,772,443	21,013,447	19,961,867	19,957,266	19,230,839	18,000,822	17,523,109	11,843,380
Ford	278,680	250,410	231,310	201,800	184,000	183,620	170,290	139,800	139,100	133,480
	\$1,197,443,545	\$1,149,060,536	\$1,118,539,041	\$1,086,140,805	\$1,042,980,934	\$1,016,037,986	\$986,086,819	\$958,251,948	\$933,032,914	\$911,509,553
Tax rates (per \$100 of assessed valuation):										
Education Fund	0.3683	0.3729	0.3729	0.3678	0.3729	0.3705	0.3729	0.3729	0.3651	0.3729
Building and Maintenance Fund	0.0736	0.0750	0.0750	0.0740	0.0750	0.0745	0.0750	0.0750	0.0734	0.0750
Worker's Compensation Fund	0.0055	0.0044	0.0045	0.0070	0.0078	0.0090	0.0076	0.0100	0.0101	0.0104
Audit Fund	0.0042	0.0044	0.0041	0.0042	0.0048	0.0050	0.0050	0.0037	0.0022	0.0050
Tort Liability Fund	0.0674	0.0592	0.0610	0.0584	0.0576	0.0543	0.0558	0.0451	0.0430	0.0490
Medicare Fund	0.0152	0.0154	0.0149	0.0144	0.0162	0.0158	0.0162	0.0173	0.0193	0.0198
Unemployment Compensation Fund	0.0042	0.0044	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Protection, Health and Safety Fund	0.0063	0.0066	0.0068	0.0070	0.0076	0.0072	0.0089	0.0098	0.0107	0.0080
Bond and Interest Fund	0.0731	0.0713	0.0723	0.0741	0.0836	0.0789	0.0821	0.0848	0.0889	0.0906
	0.6177	0.6136	0.6115	0.6069	0.6255	0.6152	0.6235	0.6185	0.6127	0.6307
Tax extensions:										
Education Fund	\$4,405,452	\$4,284,426	\$4,167,838	\$3,991,100	\$3,882,414	\$3,765,942	\$3,676,762	\$3,569,147	\$3,409,054	\$3,400,883
Building and Maintenance Fund	880,420	861,795	838,488	803,244	781,752	757,802	739,550	718,689	685,533	683,632
Worker's Compensation Fund	65,548	50,508	50,467	75,558	81,082	90,585	75,286	95,447	94,299	94,652
Audit Fund	50,394	50,805	45,446	45,374	49,098	50,801	49,303	35,183	20,082	45,575
Tort Liability Fund	805,896	680,642	680,943	634,207	594,064	553,652	551,811	431,749	401,158	446,239
Medicare Fund	181,360	176,488	166,442	156,100	167,443	161,116	160,553	165,693	180,559	180,350
Unemployment Compensation Fund	50,394	50,508	-	-	-	-	-	-	-	-
Protection, Health and Safety Fund	75,610	75,664	75,691	75,558	78,408	73,451	88,427	93,907	100,347	72,761
Bond and Interest Fund	874,881	819,041	807,301	806,495	863,454	805,661	812,308	813,990	830,865	826,387
<b>Total tax extensions</b>	<b>\$7,389,955</b>	<b>\$7,049,877</b>	<b>\$6,832,616</b>	<b>\$6,587,636</b>	<b>\$6,497,715</b>	<b>\$6,259,010</b>	<b>\$6,154,000</b>	<b>\$5,923,805</b>	<b>\$5,721,897</b>	<b>\$5,750,479</b>

Source: College's Business Office

# Danville Area Community College - Community College District No. 507

## Property Tax Levies and Collections

Last Ten Fiscal Years

Table H

Tax Levy Year	Fiscal Year Ended June 30,	Tax Levy	Collected within the Fiscal Year of the Levy		Collections Subsequent to the Fiscal Year of the Levy	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2021	2022	\$7,335,781	\$75,932	1.04%	\$0	\$75,932	1.04%
2020	2021	7,073,403	79,920	1.13%	6,932,889	7,012,809	99.14%
2019	2020	6,820,350	5,006	0.07%	6,849,755	6,854,761	100.50%
2018	2019	6,544,906	3,077,085	47.01%	3,451,969	6,529,054	99.76%
2017	2018	6,337,880	70,853	1.12%	6,388,326	6,459,179	101.91%
2016	2017	6,232,412	66,318	1.06%	6,143,162	6,209,480	99.63%
2015	2016	6,157,744	49,631	0.81%	6,062,573	6,112,204	99.26%
2014	2015	5,932,547	61,734	1.04%	5,823,306	5,885,040	99.20%
2013	2014	5,703,979	76,949	1.35%	5,591,122	5,668,071	99.37%
2012	2013	5,936,261	42,103	0.71%	5,627,828	5,669,931	95.51%

**Source:** College's Business Office

Collections may exceed the levy as not all counties breakout back taxes on the distributions. In addition, some counties add on an amount to the Bond and Interest levy to account for bad debts to ensure there are sufficient funds to meet future debt service requirements.

# Danville Area Community College - Community College District No. 507

Enrollment, Tuition and Fee Rates, Credit Hours, and Tuition and Fee Revenues Generated

Last Ten Fiscal Years

TABLE I

Fiscal Year	Fall Term Enrollment		Tuition and Fee Rates			Tuition and Fee Revenues			
	Credit Headcount	Full-Time Equivalent	In District Tuition and Fees per Credit Hour	Out of District Tuition and Fees per Credit Hour	Out of State Tuition and Fees per Credit Hour	Total Credit Hours Generated	Tuition	Fees	Total
2022	2,209	1,122	\$175	\$295	\$295	29,385.0	\$2,906,097	\$1,510,026	\$4,416,123
2021	2,928	1,285	165	285	285	31,767.5	2,553,704	1,617,968	4,171,671
2020	3,659	1,565	165	275	275	39,552.5	4,391,442	1,603,556	5,994,998
2019	3,682	1,529	155	265	265	41,311.5	4,990,494	1,472,114	6,462,608
2018	3,813	1,602	150	250	250	43,596.0	5,416,663	1,545,374	6,962,037
2017	3,872	1,620	140	235	235	44,383.5	5,047,363	1,575,116	6,622,479
2016	4,300	1,880	130	205	205	48,164.5	5,100,658	1,588,651	6,689,309
2015	4,614	1,884	125	205	205	51,588.5	4,749,004	1,543,734	6,292,738
2014	4,981	2,011	120	202	202	54,674.0	5,059,679	1,499,697	6,559,376
2013	5,348	2,031	110	202	202	55,998.5	4,562,071	1,582,115	6,144,186

**Source:** College's Annual Financial Reports; College's Business Office

**Note:** Tuition and Fee Revenues may differ from the Statement of Revenues, Expenses, and Changes in Net Assets as they are shown on this Schedule before adjustment for scholarship allowance.

# Danville Area Community College - Community College District No. 507

## Legal Debt Margin Information

### Last Ten Fiscal Years

TABLE J

Tax Levy Year	Fiscal Year	Assessed Value	Debt Limit Rate	Debt Limit (Assessed Value x Debt Limit Rate)	Net Debt Applicable to Debt Limit (1)(2)	Legal Debt Margin	Net Debt Applicable to Debt Limit as a Percentage of Debt Limit
2021	2022	\$1,197,443,545	2.875%	\$34,426,502	\$4,318,017	\$30,108,485	12.54%
2020	2021	1,149,060,536	2.875%	33,035,490	6,777,822	26,257,668	20.52%
2019	2020	1,118,539,041	2.875%	32,157,997	5,545,941	26,612,056	17.25%
2018	2019	1,086,140,805	2.875%	31,226,548	5,327,884	25,898,664	17.06%
2017	2018	1,042,980,934	2.875%	29,985,702	4,811,150	25,174,552	16.04%
2016	2017	1,016,037,986	2.875%	29,211,092	5,579,294	23,631,798	19.10%
2015	2016	986,086,819	2.875%	28,349,996	6,385,994	22,846,894	22.53%
2014	2015	958,251,948	2.875%	27,549,744	6,160,383	22,322,501	22.36%
2013	2014	933,032,914	2.875%	26,824,696	5,957,566	20,867,130	22.21%
2012	2013	911,509,553	2.875%	26,205,900	3,221,964	22,983,936	12.29%

Source: College's Annual Financial Reports

**Notes:**

- (1) Balances include current and non-current portions of bonds payable and capital lease obligations.
- (2) Details of the College's outstanding debt can be found in the notes to the financial statements.

# Danville Area Community College - Community College District No. 507

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

TABLE K

Tax Levy Year	Fiscal Year	Assessed Value	General Obligation Bonds	Lease Obligations	Total	Ratio of Outstanding Debt to Assessed Value	Per Capita	Percentage of Personal Income
2021	2022	\$1,197,443,545	\$3,802,000	\$516,017	4,318,017	0.3606%	59.07	77.20%
2020	2021	1,149,060,536	6,052,000	725,822	6,777,822	0.5899%	83.23	49.18%
2019	2020	1,118,539,041	5,321,000	224,941	5,545,941	0.4958%	68.10	54.79%
2018	2019	1,086,140,805	5,035,000	292,844	5,327,844	0.4905%	63.67	56.40%
2017	2018	1,042,980,934	5,800,000	11,150	5,811,150	0.5572%	69.45	50.55%
2016	2017	1,016,037,986	5,515,000	64,294	5,579,294	0.5491%	65.50	51.50%
2015	2016	986,086,819	6,270,000	115,994	6,385,994	0.6476%	74.97	44.23%
2014	2015	958,251,948	5,995,000	165,383	6,160,383	0.6429%	71.39	45.31%
2013	2014	933,032,914	5,745,000	212,566	5,957,566	0.6385%	69.04	48.40%
2012	2013	911,509,553	3,460,000	0	3,460,000	0.3796%	39.89	79.18%

Source: College's Business Office

# Danville Area Community College - Community College District No. 507

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

TABLE L

Tax Levy Year	Fiscal Year	Estimated Population	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2021	2022	73,095	\$1,197,443,545	\$3,802,000	\$929,035	\$2,872,965	0.23992%	39.30
2020	2021	81,439	1,149,060,536	6,052,000	3,906,499	2,145,501	0.18672%	26.34
2019	2020	82,563	1,118,539,041	5,321,000	4,053,341	1,267,659	0.11333%	15.35
2018	2019	83,679	1,086,140,805	5,035,000	1,015,844	4,019,156	0.37004%	48.03
2017	2018	83,679	1,042,980,934	4,800,000	1,074,550	3,725,450	0.35719%	44.52
2016	2017	85,178	1,016,037,986	5,515,000	758,848	4,756,152	0.46811%	55.84
2015	2016	85,178	986,086,819	6,270,000	766,898	5,503,102	0.55807%	64.61
2014	2015	86,288	958,251,948	5,995,000	767,757	5,227,243	0.54550%	60.58
2013	2014	86,288	933,032,914	5,745,000	873,702	4,871,298	0.52209%	56.45
2012	2013	86,744	911,509,553	3,460,000	908,937	2,551,063	0.27987%	29.41

**Source:** College's Business Office (population from Illinois Community College Board)

# Danville Area Community College - Community College District No. 507

Demographic and Economic Statistics

Last Ten Fiscal Years

TABLE M

Tax Levy Year	Fiscal Year	District Population	District Assessed Value	District Per Capita Assessed Value	Danville, IL Metropolitan Statistical Area		
					Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2021	2022	73,095	\$1,197,443,545	16,382	\$3,333,523	44,533	6.50%
2020	2021	81,439	1,149,060,536	14,109	3,333,523	44,533	8.80%
2019	2020	82,563	1,118,539,041	13,548	3,038,613	40,109	5.10%
2018	2019	83,679	1,086,140,805	12,980	3,004,944	39,177	6.20%
2017	2018	85,178	1,042,980,934	12,245	2,937,597	37,812	6.30%
2016	2017	85,178	1,016,037,986	11,928	2,873,484	36,577	7.20%
2015	2016	85,178	986,086,819	11,577	2,824,827	35,630	7.10%
2014	2015	86,288	958,251,948	11,105	2,791,196	35,009	8.60%
2013	2014	86,288	933,032,914	10,813	2,883,170	35,892	10.70%
2012	2013	86,744	911,509,553	10,508	2,739,650	33,937	9.90%

**Source:** College's Business Office (population from Illinois Community College Board); Regional Economic

**Note:** Current personal income and per capital personal income amounts are not available.

# Danville Area Community College - Community College District No. 507

Principal Employers  
Current and Ten Years Ago

TABLE N

Taxpayer	2022			2012		
	Employees	Rank	Percentage to Total	Employees	Rank	Percentage to Total
<b>Vermilion County</b>						
Dept. of Veterans Affairs Illiana Healthcare System	1,361	1	5.7937%	1,339	1	5.7468%
Vermilion County Public Schools	1,197	2	5.0956%	1,197	2	5.1373%
Danville District #118	883	3	3.7589%	755	4	3.2403%
ThyssenKrupp (Crankshaft & Presta)	757	4	3.2225%	982	3	4.2146%
McLane Midwest Company	753	5	3.2055%	663	5	2.8455%
OSF Healthcare Sacred Heart Medical Center/Provena	673	6	2.8649%	549	10	2.3562%
AutoZone	626	7	2.6649%	366		1.5708%
Vermilion County Government	586	8	2.4946%	586	9	2.5150%
Blue Cross/Blue Shield of Illinois	580	9	2.4690%	485		2.0815%
Quaker Foods & Beverages	517	10	2.2008%	589	8	2.5279%
GenPact			0.0000%	548	7	2.3519%
KIK Custom Products (formerly CCL Custom)			0.0000%	471	6	2.0215%
	<u>7,933</u>		<u>33.7704%</u>	<u>8,530</u>		<u>36.6094%</u>
Total number of employees	<u>23,491</u>			<u>23,300</u>		

Source: Vermilion Advantage

**Notes:**

- (1) Every effort has been made to seek out and report the principal employers of the District. There are five counties in the District and Vermilion County represents approximately 90% of the total taxable Estimated Assessed Valuation (EAV) of the District. Therefore, this schedule was limited to this county and includes the major taxpayers in that county in our district.
- (2) The total number of employees represents the total number of employees in Vermilion county as a whole for the calendar year 2022 and 2012, this was the most recent year available on [www.census.gov](http://www.census.gov)



# Danville Area Community College - Community College District No. 507

Capital Asset Statistics

Last Ten Fiscal Years

**TABLE O**

<b>Facilities Data</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Size of campus (acres)	76	76	76	72	72	71	71	71	71	71
Gross square footage	512,019	512,019	512,019	466,950	466,950	466,950	466,950	466,950	456,365	456,365
Number of classrooms	98	98	98	98	98	98	103	103	98	98
Number of laboratories (including computer labs)	70	70	70	70	70	70	70	70	62	62

**Source:** Administrative Services Department

# Danville Area Community College - Community College District No. 507

Operating Information and Employees

Last Ten Fiscal Years

TABLE P

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Enrollment (Fall Unduplicated Headcount)</b>	2,209	2,928	3,659	3,682	3,813	3,872	4,300	4,614	4,981	5,348
<b>Degrees awarded</b>										
Associate in Science and Arts (ASA)	118	114	137	146	165	183	167	140	131	133
Associate in Applied Science (AAS)	106	105	138	108	148	145	167	132	162	129
Associate in Engineering Studies (AES)	1	2	0	2	2	1	2	2	2	3
Associate in Fine Arts (AFA)	2	0	0	1	1	0	1	0	0	0
Associate in General Studies (AGS)	38	50	57	54	57	66	77	32	43	58
	265	271	332	311	373	395	414	306	338	323
<b>Certificates awarded</b>	247	276	346	215	315	339	370	328	320	328
<b>Faculty</b>										
Full-time	65	66	65	65	59	65	63	68	68	61
Part-time	52	60	75	74	60	63	63	61	79	85
	117	126	140	139	119	128	126	129	147	146
<b>Faculty and Staff</b>										
Full-time	191	209	202	195	181	177	173	193	197	180
Part-time	53	61	76	76	62	66	69	76	91	92
	244	270	278	271	243	243	242	269	288	272
<b>Full-Time Employees by Classification</b>										
Admin/Mgf.Prof	73	80	74	69	64	60	57	67	71	63
Faculty	65	66	65	65	59	63	63	68	68	61
Support staff	53	63	63	61	58	54	53	58	58	56
	191	209	202	195	181	177	173	193	197	180
<b>Students/Faculty</b>										
Full-time	34	44	56	57	65	60	68	68	73	88
Part-time	42	49	49	50	64	61	68	76	63	63
	19	23	26	26	32	30	34	36	34	37

Source: College's Office of Institutional Research; College Administrative Data Management Systems

# Danville Area Community College - Community College District No. 507

Operating Statistics

Last Ten Fiscal Years

TABLE Q

Fiscal Year	Instructional Expenses	Enrollment	Cost Per Student	Percentage Change	Faculty	Student/Faculty Ratio
2022	\$8,733,624	2,209	\$3,954	31.68%	117	19
2021	8,791,215	2,928	3,002	32.35%	126	23
2020	8,300,465	3,659	2,269	-5.56%	140	26
2019	8,843,999	3,682	2,402	12.38%	139	26
2018	8,149,799	3,813	2,137	4.87%	119	32
2017	7,891,261	3,872	2,038	7.48%	128	30
2016	8,153,578	4,300	1,896	5.63%	126	34
2015	8,282,774	4,614	1,795	9.41%	129	36
2014	8,172,747	4,981	1,641	14.29%	147	34
2013	7,677,960	5,348	1,436	7.38%	146	37

**Source:** College's Business Office; College's Annual Financial Reports; College's Human Resources Office

# SPECIAL REPORTS SECTION



# Danville Area Community College - Community College District No. 507

Combining Balance Sheet - All Funds  
June 30, 2022

<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>Education</b>	<b>Operations and Maintenance</b>	<b>Operations and Maintenance Restricted</b>	<b>Bond and Interest</b>
<b>Current assets:</b>				
Cash	\$1,215	\$264,266	\$3,814,737	\$112,269
Investments	0	0	0	0
Receivables (net of allowance for uncollectibles):				
Property taxes, net	4,294,105	858,168	73,699	859,513
Student tuition and fees, net	2,666,937	0	0	0
Government claims	206,375	98,274	0	0
Lease receivable, current	0	18,906	0	0
Other	65,000	0	70,975	0
Prepaid items	170,672	0	0	0
Due from other funds	0	0	0	0
<b>Total current assets</b>	<b>7,404,304</b>	<b>1,239,614</b>	<b>3,959,411</b>	<b>971,782</b>
<b>Noncurrent assets -</b>				
Lease receivable, noncurrent	0	701,662	0	0
Capital assets, net of accumulated depreciation	0	0	0	0
<b>Total noncurrent assets</b>	<b>0</b>	<b>701,662</b>	<b>0</b>	<b>0</b>
<b>Total assets</b>	<b>7,404,304</b>	<b>1,941,276</b>	<b>3,959,411</b>	<b>971,782</b>
<b>Deferred outflows of resources:</b>				
Subsequent year's pension expense related to federal, trust, or grant contributions in current year	0	0	0	0
Subsequent year's other postemployment benefit expense related to contributions in the current year	0	0	0	0
<b>Total deferred outflows of resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>Current liabilities:</b>				
Accounts payable	286,449	0	0	0
Accrued expenses	320,964	1,298	0	42,747
Due to other funds	2,375,000	0	0	0
Unearned tuition revenue	2,052,226	0	0	0
Other unearned revenue	0	0	0	0
Bonds payable, current maturities	0	0	0	0
Lease Liability, current maturities	0	0	0	0
Accrued compensated absences, current maturities	0	0	0	0
<b>Total current liabilities</b>	<b>5,034,639</b>	<b>1,298</b>	<b>0</b>	<b>42,747</b>
<b>Noncurrent liabilities:</b>				
Bonds payable, less current maturities	0	0	0	0
Lease liability, less current maturities	0	0	0	0
Accrued compensated absences	0	0	0	0
Total other postemployment benefit liabilities	0	0	0	0
<b>Total noncurrent liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>5,034,639</b>	<b>1,298</b>	<b>0</b>	<b>42,747</b>
<b>Deferred inflows of resources -</b>				
Long-term leases	0	720,568	0	0
Other postemployment benefits	0	0	0	0
<b>Total deferred inflows of resources</b>	<b>0</b>	<b>720,568</b>	<b>0</b>	<b>0</b>
<b>Fund balance/net position:</b>				
Net investment in capital assets	0	0	0	0
Restricted for:				
Capital projects	0	0	3,959,411	0
Debt service	0	0	0	929,035
Grant purposes	0	0	0	0
Working cash	0	0	0	0
Audit purposes	0	0	0	0
Liability insurance	0	0	0	0
Unrestricted	2,369,665	1,219,410	0	0
<b>Total fund balance/net position</b>	<b>\$2,369,665</b>	<b>\$1,219,410</b>	<b>\$3,959,411</b>	<b>\$929,035</b>

# Danville Area Community College - Community College District No. 507

Combining Balance Sheet - All Funds (Continued)

June 30, 2022

<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>Auxiliary Enterprises</b>	<b>Restricted Purposes</b>	<b>Working Cash</b>	<b>Audit</b>	<b>Liability Protection and Settlement</b>
<b>Current assets:</b>					
Cash	\$1,012,956	\$904	\$3,054,723	\$20	\$8,361
Investments	0	0	0	0	0
Receivables (net of allowance for uncollectibles):					
Property taxes, net	0	0	0	49,120	1,075,315
Student tuition and fees, net	29,817	26,071	0	0	0
Government claims	12,628	1,609,815	0	0	0
Lease receivable, current	0	0	0	0	0
Other	33,013	1,622	0	0	0
Prepaid items	0	0	0	0	0
Due from other funds	0	0	2,375,000	0	0
Total current assets	1,088,414	1,638,412	5,429,723	49,140	1,083,676
<b>Noncurrent assets -</b>					
	0	0	0	0	0
Capital assets, net of accumulated depreciation	885,717	0	0	0	0
	885,717	0	0	0	0
Total assets	1,974,131	1,638,412	5,429,723	49,140	1,083,676
<b>Deferred outflows of resources:</b>					
Subsequent year's pension expense related to federal, trust, or grant contributions in current year	0	0	0	0	0
Subsequent year's other postemployment benefit expense related to contributions in the current year	0	0	0	0	0
Total deferred outflows of resources	0	0	0	0	0
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>Current liabilities:</b>					
Accounts payable	0	0	0	0	0
Accrued expenses	14,050	1,863	0	0	0
Due to other funds	0	35,000	0	0	125,000
Unearned tuition revenue	0	0	0	0	0
Other unearned revenue	0	1,300,782	0	0	0
Bonds payable, current maturities	0	0	0	0	0
Lease Liability, current maturities	62,082	0	0	0	0
Accrued compensated absences, current maturities	0	0	0	0	0
Total current liabilities	76,132	1,337,645	0	0	125,000
<b>Noncurrent liabilities:</b>					
Bonds payable, less current maturities	0	0	0	0	0
Lease liability, less current maturities	291,402	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Total other postemployment benefit liabilities	0	0	0	0	0
Total noncurrent liabilities	291,402	0	0	0	0
Total liabilities	367,534	1,337,645	0	0	125,000
<b>Deferred inflows of resources -</b>					
Long-term leases	0	0	0	0	0
Other postemployment benefits	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
<b>Fund balance/net position:</b>					
Net investment in capital assets	885,717	0	0	0	0
Restricted for:					
Capital projects	0	0	0	0	0
Debt service	0	0	0	0	0
Grant purposes	0	300,767	0	0	0
Working cash	0	0	5,429,723	0	0
Audit purposes	0	0	0	49,140	0
Liability insurance	0	0	0	0	958,676
Unrestricted	720,880	0	0	0	0
Total fund balance/net position	\$1,606,597	\$300,767	\$5,429,723	\$49,140	\$958,676

# Danville Area Community College - Community College District No. 507

Combining Balance Sheet - All Funds (Continued)

June 30, 2022

<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>Board Restricted</b>	<b>Long-Term Obligations</b>	<b>Capital Assets</b>	<b>Adjustments</b>	<b>Total</b>
<b>Current assets:</b>					
Cash	\$6,106,509	\$0	\$0	\$0	\$14,375,960
Investments	0	0	0	0	0
Receivables (net of allowance for uncollectibles):					
Property taxes, net	0	0	0	0	7,209,920
Student tuition and fees, net	0	0	0	(1,473,373)	1,249,452
Government claims	0	0	0	0	1,927,092
Lease receivable, current	0	0	0	0	18,906
Other	0	0	0	0	170,610
Prepaid items	0	0	0	0	170,672
Due from other funds	160,000	0	0	(2,535,000)	0
<b>Total current assets</b>	<b>6,266,509</b>	<b>0</b>	<b>0</b>	<b>(4,008,373)</b>	<b>25,122,612</b>
<b>Noncurrent assets -</b>					
Capital assets, net of accumulated depreciation	0	0	34,042,872	0	34,928,589
	0	0	34,042,872	0	35,630,251
<b>Total assets</b>	<b>6,266,509</b>	<b>0</b>	<b>34,042,872</b>	<b>(4,008,373)</b>	<b>60,752,863</b>
<b>Deferred outflows of resources:</b>					
Subsequent year's pension expense related to federal, trust, or grant contributions in current year	0	0	0	101,977	101,977
Subsequent year's other postemployment benefit expense related to contributions in the current year	0	0	0	845,631	845,631
<b>Total deferred outflows of resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>947,608</b>	<b>947,608</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>Current liabilities:</b>					
Accounts payable	0	0	0	0	286,449
Accrued expenses	0	0	0	0	380,922
Due to other funds	0	0	0	(2,535,000)	0
Unearned tuition revenue	0	0	0	(1,758,191)	294,035
Other unearned revenue	0	0	0	0	1,300,782
Bonds payable, current maturities	0	803,000	0	0	803,000
Lease Liability, current maturities	0	135,981	0	0	198,063
Accrued compensated absences, current maturities	0	398,000	0	0	398,000
<b>Total current liabilities</b>	<b>0</b>	<b>1,336,981</b>	<b>0</b>	<b>(4,293,191)</b>	<b>3,661,251</b>
<b>Noncurrent liabilities:</b>					
Bonds payable, less current maturities	0	2,999,000	0	0	2,999,000
Lease liability, less current maturities	0	26,552	0	0	317,954
Accrued compensated absences	0	84,786	0	0	84,786
<b>Total other postemployment benefit liabilities</b>	<b>0</b>	<b>11,370,963</b>	<b>0</b>	<b>0</b>	<b>11,370,963</b>
<b>Total noncurrent liabilities</b>	<b>0</b>	<b>14,481,301</b>	<b>0</b>	<b>0</b>	<b>14,772,703</b>
<b>Total liabilities</b>	<b>0</b>	<b>15,818,282</b>	<b>0</b>	<b>(4,293,191)</b>	<b>18,433,954</b>
<b>Deferred inflows of resources -</b>					
Long-term leases	0	0	0	0	720,568
Other postemployment benefits	0	0	0	3,024,605	3,024,605
<b>Total deferred inflows of resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,024,605</b>	<b>3,745,173</b>
<b>Fund balance/net position:</b>					
Net investment in capital assets	0	(1,202,166)	34,042,872	0	33,726,423
Restricted for:					
Capital projects	0	0	0	0	3,959,411
Debt service	0	0	0	0	929,035
Grant purposes	0	0	0	0	300,767
Working cash	0	0	0	0	5,429,723
Audit purposes	0	0	0	0	49,140
Liability insurance	0	0	0	0	958,676
Unrestricted	6,266,509	(14,616,116)	0	(1,792,179)	(5,831,831)
<b>Total fund balance/net position</b>	<b>\$6,266,509</b>	<b>(\$15,818,282)</b>	<b>\$34,042,872</b>	<b>(\$1,792,179)</b>	<b>\$39,521,344</b>

# Danville Area Community College - Community College District No. 507

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Fund Types

For the year ended June 30, 2022

	Education	Operations and Maintenance	Operations and Maintenance Restricted	Bond and Interest
<b>Revenues:</b>				
Operating revenues:				
Student tuition and fees, net	\$3,765,826	\$650,000	\$0	\$0
Auxiliary revenues	0	0	0	0
Other operating revenues	30,286	25,477	0	0
<b>Total operating revenues</b>	<b>3,796,112</b>	<b>675,477</b>	<b>0</b>	<b>0</b>
<b>Expenses:</b>				
Operating expenses:				
Instruction	7,998,742	0	0	0
Academic support	1,160,402	0	0	0
Student services	2,065,678	0	0	0
Public services	250,227	0	0	0
Auxiliary enterprises	0	0	0	0
Operations and maintenance of plant	0	2,203,452	428,005	0
Institutional support	3,325,872	0	0	0
SURS & OPEB contribution provided by state	0	0	0	0
Other postemployment benefits	0	0	0	0
Scholarships, grants and waivers	0	0	0	0
Depreciation/Amortization expense	0	0	0	0
<b>Total operating expense</b>	<b>14,800,921</b>	<b>2,203,452</b>	<b>428,005</b>	<b>0</b>
<b>Operating income (loss)</b>	<b>(11,004,809)</b>	<b>(1,527,975)</b>	<b>(428,005)</b>	<b>0</b>
<b>Non-operating revenues (expenses):</b>				
State grants and contracts	4,150,605	293,242	0	0
Property taxes	4,347,445	869,516	74,745	896,695
Personal property replacement tax	1,534,620	324,818	0	0
Federal grants and contracts	3,170	0	0	0
Local grants and contracts	8,358	1,681	148	1,598
SURS & OPEB contribution provided by state	0	0	0	0
Investment income earned	1,668	15,945	17,768	7,241
Other non-operating revenues	109,996	1,635	220,775	1,818
Debt service:				
Principal	0	0	0	(5,249,000)
Interest	1,085	0	0	(134,816)
<b>Non-operating revenues (expenses), net</b>	<b>10,156,947</b>	<b>1,506,837</b>	<b>313,436</b>	<b>(4,476,464)</b>
<b>Capital contributions:</b>				
Capital contributions	0	0	116,134	0
<b>Other financing sources (uses):</b>				
Issuance of debt	0	0	0	1,499,000
Gain (loss) on disposal of assets	800	0	0	0
Transfer in	2,321,251	32,455	333,333	0
Transfer out	(1,473,178)	0	0	0
<b>Total financing sources (uses)</b>	<b>848,873</b>	<b>32,455</b>	<b>333,333</b>	<b>1,499,000</b>
<b>Net change in fund balance/net position</b>	<b>1,011</b>	<b>11,317</b>	<b>334,898</b>	<b>(2,977,464)</b>
<b>Fund balance/net position, beginning of year, as previously reported</b>				
	2,368,654	1,208,093	3,624,513	3,906,499
<b>Cumulative effect of Adoption of GASB 87</b>				
	0	0	0	0
<b>Fund balance/net position, beginning of year as restated</b>	<b>2,368,654</b>	<b>1,208,093</b>	<b>3,624,513</b>	<b>3,906,499</b>
<b>Fund balance/net position, end of year</b>	<b>\$2,369,665</b>	<b>\$1,219,410</b>	<b>\$3,959,411</b>	<b>\$929,035</b>



# Danville Area Community College - Community College District No. 507

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Fund Types (Continued)

For the year ended June 30, 2022

	Auxiliary Enterprises	Restricted Purposes	Working Cash	Audit	Liability Protection and Settlement
Revenues:					
Operating revenues:					
Student tuition and fees, net	\$0	\$0	\$0	\$0	\$0
Auxiliary revenues	1,165,739	0	0	0	0
Other operating revenues	0	304,255	0	0	0
<b>Total operating revenues</b>	<b>1,165,739</b>	<b>304,255</b>	<b>0</b>	<b>0</b>	<b>0</b>
Expenses:					
Operating expenses:					
Instruction	0	735,445	0	0	0
Academic support	0	0	0	0	0
Student services	0	481,940	0	0	0
Public services	0	931,531	0	0	0
Auxiliary enterprises	1,200,784	105,102	0	0	0
Operations and maintenance of plant	0	0	0	0	0
Institutional support	0	868,306	0	46,749	1,050,436
SURS & OPEB contribution provided by state	0	6,905,098	0	0	0
Other postemployment benefits	0	0	0	0	0
Scholarships, grants and waivers	0	5,352,890	0	0	0
Depreciation/Amortization expense	86,571	0	0	0	0
<b>Total operating expense</b>	<b>1,287,355</b>	<b>15,380,312</b>	<b>0</b>	<b>46,749</b>	<b>1,050,436</b>
<b>Operating income (loss)</b>	<b>(121,616)</b>	<b>(15,076,057)</b>	<b>0</b>	<b>(46,749)</b>	<b>(1,050,436)</b>
Non-operating revenues (expenses):					
State grants and contracts	0	1,224,797	0	0	0
Property taxes	0	0	0	49,882	1,089,801
Personal property replacement tax	0	0	0	0	0
Federal grants and contracts	20,413	7,359,602	0	0	0
Local grants and contracts	0	0	0	99	1,869
SURS & OPEB contribution provided by state	0	6,905,098	0	0	0
Investment income earned	0	3,526	29,720	0	376
Other non-operating revenues	0	178,504	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	(11,781)	0	0	0	0
<b>Non-operating revenues (expenses), net</b>	<b>8,632</b>	<b>15,671,527</b>	<b>29,720</b>	<b>49,981</b>	<b>1,092,046</b>
Capital contributions:					
Capital contributions	0	0	0	0	0
Other financing sources (uses):					
Issuance of debt	0	1,500,000	0	0	0
Gain (loss) on disposal of assets		0	0	0	0
Transfer in	199,062	78,668	0	0	0
Transfer out	(151,000)	(2,260,785)	(29,720)	0	0
<b>Total financing sources (uses)</b>	<b>48,062</b>	<b>(682,117)</b>	<b>(29,720)</b>	<b>0</b>	<b>0</b>
<b>Net change in fund balance/net position</b>	<b>(64,922)</b>	<b>(86,647)</b>	<b>0</b>	<b>3,232</b>	<b>41,610</b>
Fund balance/net position, beginning of year, as previously reported					
	1,696,066	387,414	5,429,723	45,908	917,066
Cumulative effect of Adoption of GASB 87					
	(24,547)	0	0	0	0
Fund balance/net position, beginning of year as restated					
	1,671,519	387,414	5,429,723	45,908	917,066
Fund balance/net position, end of year					
	\$1,606,597	\$300,767	\$5,429,723	\$49,140	\$958,676

# Danville Area Community College - Community College District No. 507

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Fund Types (Continued)

For the year ended June 30, 2022

	Board Restricted	Long-Term Obligations	Capital Assets	Adjustments	Total
Revenues:					
Operating revenues:					
Student tuition and fees, net	\$0	\$0	\$0	(\$1,418,360)	\$2,997,466
Auxiliary revenues	0	0	0	(4,300)	1,161,439
Other operating revenues	0	0	0	0	360,018
Total operating revenues	0	0	0	(1,422,660)	4,518,923
Expenses:					
Operating expenses:					
Instruction	0	0	0	(563)	8,733,624
Academic support	0	0	0	0	1,160,402
Student services	30,420	0	(62,800)	(500)	2,514,738
Public services	0	0	0	(97,655)	1,084,103
Auxiliary enterprises	0	0	0	(250)	1,305,636
Operations and maintenance of plant	0	0	(426,320)	(300)	2,204,837
Institutional support	798	765	(340,029)	(158,263)	4,794,634
SURS & OPEB contribution provided by state	0	0	0	0	6,905,098
Other postemployment benefits	0	(190,625)	0	298,971	108,346
Scholarships, grants and waivers	0	0	0	(1,622,530)	3,730,360
Depreciation/amortization expense	0	0	1,970,369	0	2,056,940
Total operating expense	31,218	(189,860)	1,141,220	(1,581,090)	34,598,718
Operating income (loss)	(31,218)	189,860	(1,141,220)	158,430	(30,079,795)
Non-operating revenues (expenses):					
State grants and contracts	0	0	0	0	5,668,644
Property taxes	0	0	0	0	7,328,084
Personal property replacement tax	0	0	0	0	1,859,438
Federal grants and contracts	0	0	0	(285,827)	7,097,358
Local grants and contracts	0	0	0	0	13,753
SURS & OPEB contribution provided by state	0	0	0	0	6,905,098
Investment income earned	19,596	0	0	0	95,840
Other non-operating revenues	0	0	0	(1,301)	511,427
Debt service:					
Principal	0	5,398,586	0	(149,586)	0
Interest	0	0	0	(7,411)	(152,923)
Non-operating revenues (expenses), net	19,596	5,398,586	0	(444,125)	29,326,719
Capital contributions:					
Capital contributions	0	0	0	0	116,134
Other financing sources (uses):					
Issuance of debt	0	(2,999,000)	0	0	0
Gain (loss) on disposal of assets	0	0	0	0	800
Transfer in	1,455,500	0	0	0	4,420,269
Transfer out	(505,586)	0	0	0	(4,420,269)
Total financing sources (uses)	949,914	(2,999,000)	0	0	800
Net change in fund balance/net position	938,292	2,589,446	(1,141,220)	(285,695)	(636,142)
Fund balance/net position, beginning of year, as previously reported	5,328,217	(18,250,233)	35,021,190	(1,506,484)	40,176,626
Cumulative effect of Adoption of GASB 87	0	(157,495)	162,902	0	(19,140)
Fund balance/net position, beginning of year as restated	5,328,217	(18,407,728)	35,184,092	(1,506,484)	40,157,486
Fund balance/net position, end of year	\$6,266,509	(\$15,818,282)	\$34,042,872	(\$1,792,179)	\$39,521,344

# Danville Area Community College - Community College District No. 507

Statement of Receipts, Disbursements and Changes in Fund Balance

(Budgetary Basis)

Budget Compared to Actual

Operating Funds (Education/Operations and Maintenance)

For the year ended June 30, 2022

	Budget	Education	Operations and Maintenance	Total	Variance Favorable (Unfavorable)
<b>Receipts:</b>					
Property taxes	\$5,229,000	\$4,347,445	\$869,516	\$5,216,961	(\$12,039)
Personal property replacement tax	775,000	1,534,620	324,818	1,859,438	1,084,438
State grants and contracts	4,245,921	4,150,605	293,242	4,443,847	197,926
Federal grants and contracts	0	3,170	0	3,170	3,170
Student tuition and fees, net	5,050,000	3,765,826	650,000	4,415,826	(634,174)
Investment income earned	3,250	1,668	15,945	17,613	14,363
Miscellaneous	172,000	148,640	28,793	177,433	5,433
<b>Total receipts</b>	<b>15,475,171</b>	<b>13,951,974</b>	<b>2,182,314</b>	<b>16,134,288</b>	<b>659,117</b>
<b>Disbursements:</b>					
Instruction	8,361,132	7,998,742	0	7,998,742	362,390
Academic support	1,241,003	1,160,402	0	1,160,402	80,601
Student services	2,185,895	2,065,678	0	2,065,678	120,217
Public services	350,997	250,227	0	250,227	100,770
Operations and maintenance of plant	2,218,000	0	2,203,452	2,203,452	14,548
Institutional support	3,157,144	3,324,787	0	3,324,787	(167,643)
<b>Total disbursements</b>	<b>17,514,171</b>	<b>14,799,836</b>	<b>2,203,452</b>	<b>17,003,288</b>	<b>510,883</b>
<b>Excess (deficiency) of receipts over disbursements (budgetary basis)</b>	<b>(2,039,000)</b>	<b>(847,862)</b>	<b>(21,138)</b>	<b>(869,000)</b>	<b>1,170,000</b>
<b>Other financing sources (uses):</b>					
Gain (loss) on disposal of assets	0	800	0	800	800
Transfers in	2,085,000	2,321,251	32,455	2,353,706	268,706
Transfers out	(46,000)	(1,473,178)	0	(1,473,178)	(1,427,178)
<b>Total other financing sources (uses)</b>	<b>2,039,000</b>	<b>848,873</b>	<b>32,455</b>	<b>881,328</b>	<b>(1,157,672)</b>
<b>Excess (deficiency) of receipts over disbursements and other financing sources (uses)</b>	<b>\$0</b>	<b>1,011</b>	<b>11,317</b>	<b>12,328</b>	<b>\$12,328</b>
Fund balance, beginning of year		2,368,654	1,208,093	3,576,747	
Fund balance, end of year		\$2,369,665	\$1,219,410	\$3,589,075	

# Danville Area Community College - Community College District No. 507

## Uniform Financial Statements

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The Uniform Financial Statements are required by the Illinois Community College Board (ICCB) for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Net Assets, the Uniform Financial Statements are completed using the accrual basis of accounting and a total financial resource measurement focus prescribed by ICCB. The Uniform Financial Statements include the following:

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# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 1

All Funds

Year ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)
Fund balance, July 1, 2021, as restated	\$6,725,964	\$2,179,000	\$3,624,513
Revenues:			
Local tax revenue	4,347,445	869,516	74,745
All other local revenue	1,542,978	326,499	148
ICCB grants	4,150,605	293,242	0
All other state revenue	0	0	116,135
Federal revenue	3,170	0	0
Student tuition and fees	3,765,826	650,000	0
On-behalf CIP	0	0	0
On-behalf SURS	0	0	0
All other revenue	154,678	50,725	238,542
<b>Total revenues</b>	<b>13,964,702</b>	<b>2,189,982</b>	<b>429,570</b>
Expenditures by program:			
Instruction	7,998,742	0	0
Academic support	1,160,402	0	0
Student services	2,096,098	0	0
Public service/continuing education	250,227	0	0
Auxiliary services	0	0	0
Operations and maintenance	0	2,203,452	428,005
Institutional support	3,325,585	0	0
Scholarships, student grants, waivers	0	0	0
<b>Total expenditures</b>	<b>14,831,054</b>	<b>2,203,452</b>	<b>428,005</b>
Net transfers	2,163,775	(333,333)	333,333
Fund balance, June 30, 2022	\$8,023,387	\$1,832,197	\$3,959,411

# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 1

All Funds (Continued)

Year ended June 30, 2022

	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund
Fund balance, July 1, 2021, as restated	\$3,906,499	\$1,671,519	\$387,414	\$5,429,723
Revenues:				
Local tax revenue	896,695	0	0	0
All other local revenue	1,598	0	0	0
ICCB grants	0	0	258,526	0
All other state revenue	0	0	966,271	0
Federal revenue	0	20,413	7,073,775	0
Student tuition and fees	0	535,411	0	0
On-behalf CIP	0	0	(31,582)	0
On-behalf SURS	0	0	6,936,680	0
All other revenue	1,508,059	630,328	1,986,284	29,720
<b>Total revenues</b>	<b>2,406,352</b>	<b>1,186,152</b>	<b>17,189,954</b>	<b>29,720</b>
Expenditures by program:				
Instruction	0	0	4,367,208	0
Academic support	0	0	368,618	0
Student services	0	0	1,325,791	0
Public service/continuing education	0	0	1,283,857	0
Auxiliary services	0	1,299,136	387,353	0
Operations and maintenance	0	0	358,629	0
Institutional support	5,383,816	0	1,935,965	0
Scholarships, student grants, waivers	0	0	5,067,063	0
<b>Total expenditures</b>	<b>5,383,816</b>	<b>1,299,136</b>	<b>15,094,484</b>	<b>0</b>
Net transfers	0	48,062	(2,182,117)	(29,720)
Fund balance, June 30, 2022	\$929,035	\$1,606,597	\$300,767	\$5,429,723

# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 1

All Funds (Continued)

Year ended June 30, 2022

	Audit Fund	Liability, Protection Settlement Fund	Total All Funds	Total Current Funds Only
Fund balance, July 1, 2021, as restated	\$45,908	\$917,066	\$24,887,606	\$11,926,871
Revenues:				
Local tax revenue	49,882	1,089,801	7,328,084	6,356,644
All other local revenue	99	1,869	1,873,191	1,871,445
ICCB grants	0	0	4,702,373	4,702,373
All other state revenue	0	0	1,082,406	966,271
Federal revenue	0	0	7,097,358	7,097,358
Student tuition and fees	0	0	4,951,237	4,951,237
On-behalf CIP	0	0	(31,582)	(31,582)
On-behalf SURS	0	0	6,936,680	6,936,680
All other revenue	0	376	4,598,712	2,822,391
<b>Total revenues</b>	<b>49,981</b>	<b>1,092,046</b>	<b>38,538,459</b>	<b>35,672,817</b>
Expenditures by program:				
Instruction	0	0	12,365,950	12,365,950
Academic support	0	0	1,529,020	1,529,020
Student services	0	0	3,421,889	3,421,889
Public service/continuing education	0	0	1,534,084	1,534,084
Auxiliary services	0	0	1,686,489	1,686,489
Operations and maintenance	0	0	2,990,086	2,562,081
Institutional support	46,749	1,050,436	11,742,551	6,358,735
Scholarships, student grants, waivers	0	0	5,067,063	5,067,063
<b>Total expenditures</b>	<b>46,749</b>	<b>1,050,436</b>	<b>40,337,132</b>	<b>34,525,311</b>
Net transfers	0	0	0	(303,613)
Fund balance, June 30, 2022	\$49,140	\$958,676	\$23,088,933	\$12,770,764

# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 2

Summary of Capital Assets and Long-Term Debt

Year ended June 30, 2022

	<b>Capital Asset/ Long-Term Debt Account Groups June 30, 2021</b>	<b>Additions</b>	<b>Deletions</b>	<b>Capital Asset/ Long-Term Debt Account Groups June 30, 2022</b>
<b>Capital assets:</b>				
Land	\$911,931	\$0	\$0	\$911,931
Construction in process	2,113,022	382,333	2,120,296	375,059
Land improvements	5,537,306	0	0	5,537,306
Buildings	18,529,571	0	0	18,529,571
Building improvements	42,088,626	2,178,952	0	44,267,578
Campus lighting	34,209	0	0	34,209
Equipment	11,472,217	402,829	672,860	11,202,186
Lease assets - buildings	583,736	0	0	583,736
Lease assets - equipment	585,342	0	0	585,342
	<b>81,855,960</b>	<b>2,964,114</b>	<b>2,793,156</b>	<b>82,026,918</b>
Accumulated depreciation	45,238,039	1,844,178	672,860	46,409,357
Accumulated amortization	476,210	212,762	0	688,972
<b>Total net fixed assets</b>	<b>\$36,141,711</b>	<b>\$907,174</b>	<b>\$2,120,296</b>	<b>\$34,928,589</b>
<b>Long term debt:</b>				
Bonds payable	\$4,553,000	\$2,999,000	\$3,750,000	\$3,802,000
Debt certificate	1,499,000	0	1,499,000	0
Lease liability	725,822	0	209,805	516,017
Other fixed liabilities	482,021	399,099	398,334	482,786
Net other postemployment benefit liabilities	11,561,588	0	190,625	11,370,963
<b>Total fixed debt</b>	<b>\$18,821,431</b>	<b>\$3,398,099</b>	<b>\$6,047,764</b>	<b>\$16,171,766</b>



# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 3

Operating Funds Revenues and Expenditures

Year ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating revenues by source:			
Local government revenue:			
Local taxes	\$4,347,445	\$869,516	\$5,216,961
Corporate personal property replacement tax	1,534,620	324,818	1,859,438
Other local revenue	8,358	1,681	10,039
<b>Total local government revenue</b>	<b>5,890,423</b>	<b>1,196,015</b>	<b>7,086,438</b>
State government:			
ICCB base operating grant	1,322,569	293,242	1,615,811
ICCB equalization grant	2,618,580	0	2,618,580
ICCB career and technical education	189,731	0	189,731
ICCB other	19,725	0	19,725
<b>Total state government</b>	<b>4,150,605</b>	<b>293,242</b>	<b>4,443,847</b>
Federal government -			
Department of labor	0	0	0
Department of education	3,170	0	3,170
<b>Total federal government</b>	<b>3,170</b>	<b>0</b>	<b>3,170</b>
Student tuition and fees			
Tuition	4,981,918	650,000	5,631,918
Fees	1,509,729	0	1,509,729
Less waivers	(2,725,821)	0	(2,725,821)
<b>Total student tuition and fees</b>	<b>3,765,826</b>	<b>650,000</b>	<b>4,415,826</b>
Other sources:			
Facilities revenue	0	25,477	25,477
Investment revenue	13,596	23,613	37,209
Other	141,082	1,635	142,717
Transfers in	3,776,751	32,455	3,809,206
<b>Total other sources</b>	<b>3,931,429</b>	<b>83,180</b>	<b>4,014,609</b>
<b>Total revenues</b>	<b>\$17,741,453</b>	<b>\$2,222,437</b>	<b>\$19,963,890</b>

# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 3

Operating Funds Revenues and Expenditures (Continued)

Year ended June 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating expenditures:			
By Program:			
Instruction	\$7,998,742	\$0	\$7,998,742
Academic support	1,160,402	0	1,160,402
Student services	2,096,098	0	2,096,098
Public service/continuing education	250,227	0	250,227
Operations and maintenance	0	2,203,452	2,203,452
Institutional support	3,325,585	0	3,325,585
Transfers out	1,612,976	365,788	1,978,764
<b>Total expenditures</b>	<b>16,444,030</b>	<b>2,569,240</b>	<b>19,013,270</b>
Less nonoperating items -			
Instructional service contracts	0	0	0
<b>Adjusted expenditures</b>	<b>\$16,444,030</b>	<b>\$2,569,240</b>	<b>\$19,013,270</b>
By object:			
Salaries	\$10,606,490	\$706,806	\$11,313,296
Employee benefits	1,857,671	204,606	2,062,277
Contractual services	636,242	184,781	821,023
General materials and supplies	1,391,433	129,375	1,520,808
Library materials*	389,198	0	389,198
Conference and meeting expenses	197,036	160	197,196
Fixed charges	123,420	125,043	248,463
Utilities	0	813,442	813,442
Capital outlay	0	39,239	39,239
Other	18,762	0	18,762
Transfers out	1,612,976	365,788	1,978,764
<b>Total expenditures</b>	<b>16,444,030</b>	<b>2,569,240</b>	<b>19,013,270</b>
Less nonoperatiing items -			
Instructional service contracts	0	0	0
<b>Adjusted expenditures</b>	<b>\$16,444,030</b>	<b>\$2,569,240</b>	<b>\$19,013,270</b>

# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 4

Restricted Purposes Fund Revenues and Expenditures

Year ended June 30, 2022

Revenue by source:

State government	
ICCB - adult education	\$258,526
ICCB - bridges	0
On-behalf CIP	(31,582)
On-behalf SURS	6,936,680
Other	966,271
<b>Total state government</b>	<b>8,129,895</b>
Federal government:	
Department of Education	5,858,818
Department of Labor	1,213,602
Other	1,355
<b>Total federal government</b>	<b>7,073,775</b>
Other sources:	
Tuition and fees	0
Other	1,986,284
Transfers in	78,668
<b>Total other sources</b>	<b>2,064,952</b>
<b>Total restricted purposes fund revenues</b>	<b>\$17,268,622</b>

Expenditures by program:

Instruction	\$4,367,208
Academic support	368,618
Student services	1,325,791
Public service/continuing education	1,283,857
Auxiliary services	387,353
Operations and maintenance of plant	358,629
Institutional support	1,935,965
Scholarships, grants, and waivers	5,067,063
Transfers out	2,260,785
<b>Total restricted purposes fund expenditures</b>	<b>\$17,355,269</b>

Expenditures by object:

Salaries	\$1,521,140
Employee benefits	7,230,785
Contractual services	193,959
Student financial aid	5,067,063
General materials and supplies	446,270
Library materials*	0
Travel and conference/meeting expenses	31,685
Fixed charges	93,610
Utilities	42,266
Capital outlay	453,266
Other	14,440
Transfers out	2,260,785
<b>Total restricted purposes fund expenditures</b>	<b>\$17,355,269</b>

\*Non-add line

# Danville Area Community College - Community College District No. 507

Uniform Financial Statement No. 5  
 Current Funds Expenditures by Activity  
 Year ended June 30, 2022

Instruction	
Instructional programs	\$12,365,950
Academic support:	
Library center	389,198
Instructional materials center	80,408
Educational media services	98,491
Academic computing support	354,490
Other*	606,433
Total academic support	1,529,020
Student services:	
Admissions and records	377,734
Counseling and career guidance	960,812
Financial aid administration	260,762
Other*	1,822,581
Total student services	3,421,889
Public service/continuing education:	
Community education	132,442
Customized training (Instructional)	702,025
Community services	251,298
Other*	448,319
Total public service/continuing education	1,534,084
Auxiliary services (including SURS on-behalf)	1,686,489
Operations and maintenance of plant:	
Maintenance	499,088
Custodial services	580,742
Grounds	77,814
Campus security	3,136
Utilities	808,504
Administration	87,628
Other*	505,169
Total operations and maintenance of plant	2,562,081
Institutional support:	
Executive management	692,402
Fiscal operations	346,504
Community relations	395,847
Administrative support services	588,575
Board of trustees	33,846
General institution	2,343,375
Institutional research	130,880
Administrative data processing	760,443
Other*	1,066,863
Total institutional support	6,358,735
Scholarships, student grants, and waivers	5,067,063
Total current funds expenditures	\$34,525,311

(1) Current funds include: Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection and Settlement; and Board Restricted.


\* Includes State of Illinois On-behalf payments

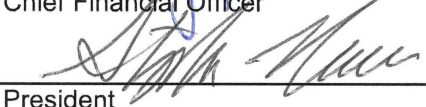
Danville Area Community College - Community College District No. 507  
 Certificate of Chargeback Reimbursement  
 For Fiscal Year 2023

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**All Fiscal Year 2022 Non-Capital Audited Operating Expenditures From the Following Funds:**

Education	\$ 14,673,882
Operations and maintenance fund	2,184,452
Bond and interest fund	1,853,750
Restricted purposes fund	7,786,557
Audit fund	46,749
Liability, protection and settlement fund	<u>1,050,436</u>
 Total non-capital expenditures	 <u>27,595,826</u>
 Depreciation on capital outlay expenditures from sources other than state and federal funds	 <u>793,408</u>
 Total costs included	 <u>28,389,234</u>
 Total certified semester credit hours for FY 2022	 <u>29,385.0</u>
 Per capita cost	 <u>966.11</u>
 All FY 2021 state and federal operating grants for non-capital expenditures, except ICCB grants	 7,786,557
 Fiscal year state and federal grants per semester credit hour	 <u>264.98</u>
 District's average ICCB grant rate for fiscal year 2023	 <u>44.37</u>
 District's student tuition and fee rate per semester credit hour for fiscal year 2022	 <u>175.00</u>
 Chargeback reimbursement per semester credit hour	 <u>\$ 481.76</u>

Approved:   
 Chief Financial Officer

Approved:   
 President

**Independent Auditor's Report on the Adult Education  
and Family Literacy Grants Financial Statements**

Board of Directors  
Danville Area Community College  
Community College District No. 507  
Danville, Illinois

**Opinion**

We have audited the accompanying financial statements of the State Adult Education and Family Literacy Grants of Danville Area Community College, Community College District No. 507 (the "Grant Program"), as of and for the year ended June 30, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Adult Education and Family Literacy Grants of Danville Area Community College, Community College District No. 507 as of June 30, 2022, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the grant policy guidelines of the Illinois Community College Board's (ICCB) *Fiscal Management Manual*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State Adult Education and Family Literacy Grants of Danville Area Community College, Community College District No. 507, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

As discussed in the State Adult Education Restricted Funds Notes to Financial Statements, the financial statements present only the State Adult Education and Family Literacy Grants and do not purport to, and do not present fairly the financial position of Danville Area Community College, Community College District No. 507 as of June 30, 2022, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Grant Programs' financial statements. The ICCB Compliance Statement is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Wipfli LLP*

Sterling, Illinois  
December 22, 2022



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

Board of Trustees  
Danville Area Community College  
Community College District No. 507  
Danville, Illinois

**Compliance**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State Adult Education and Family Literacy Grants Program of Danville Area Community College, Community College District No. 507 (the "Grant Program"), which comprise of the statement of net position as of June 30, 2022, and the related statement of revenues, expenditures, and changes in net position for the year then ended, and the related notes to the financial statements, and we have issued our report there on dated December 22, 2022.

In connection with our audit, nothing came to our attention that caused us to believe Danville Area Community College, Community College District No. 507 failed to comply with the terms or conditions of the grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*, insofar as they relate to State Adult Education and Family Literacy Grants. Our audit was not directed primarily toward obtaining knowledge of all such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the College's noncompliance with the above referenced terms or conditions of the grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*, insofar as they relate to State Adult Education and Family Literacy Grants.

The report is intended solely for the information and use of the board of trustees and management of Danville Area Community College District No. 507, and the Illinois Community College Board and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Sterling, Illinois  
December 22, 2022

# Danville Area Community College - Community College District No. 507

State Adult Education Restricted Funds

(State Basic and Performance)

Balance Sheet

June 30, 2022

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## **ASSETS**

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Cash	\$0
Intergovernmental receivables	0
<b>Total assets</b>	<b>\$0</b>

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## **LIABILITIES AND FUND BALANCE**

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Liabilities -	
Due to other funds	\$0
Fund balance	0
<b>Total liabilities and fund balance</b>	<b>\$0</b>

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# Danville Area Community College - Community College District No. 507

State Adult Education Restricted Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2022

	<b>State Basic</b>	<b>Performance</b>	<b>Total</b>
Revenues - ICCB grant	\$124,392	\$65,185	\$189,577
Expenditures:			
Instruction	56,864	4,800	61,664
Social work services	12,253	6,238	18,491
Guidance services	12,034	6,598	18,632
Assessment and testing	12,639	6,598	19,237
Literacy services	12,350	7,074	19,424
Total instructional student services	106,140	31,308	137,448
Improvement of instructional services	0	0	0
General administration	13,757	22,021	35,778
Operation and maintenance of plant	500	6,000	6,500
Workforce coordination	2,851	4,309	7,160
Data and information services	1,144	1,547	2,691
Total program support	18,252	33,877	52,129
Total expenditures	124,392	65,185	189,577
Excess of revenues over expenditures	0	0	0
Fund balance, beginning of year	0	0	0
Fund balance, end of year	\$0	\$0	\$0

# Danville Area Community College - Community College District No. 507

ICCB Compliance Statement for the

State Adult Education Restricted Funds

Expenditure Amounts and Percentages for ICCB Grant Funds Only

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<b>State Basic</b>	<b>Audited Expenditure Amount</b>	<b>Actual Expenditure Percentage</b>
Instruction (45% minimum required)	\$56,864	45.71%
General Administration (20% maximum allowed)	\$13,757	11.06%

**RESTRICTED ADULT EDUCATION GRANTS**

**State Basic** - Grant awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons of age 21 and over or persons under the age of 21 and not otherwise in attendance in public school for the purpose of providing adults in the community, and other instruction as may be necessary to increase their qualifications for employment or other means of self-support and their ability to meet their responsibilities as citizens including courses of instruction regularly accepted for graduation from elementary or high schools and for Americanization and General Education Development Review classes. Included in this grant are funds for support services, such as student transportation and childcare facilities or provision.

**Performance** - Grant awarded to Adult Education and Family Literacy providers based on performance outcomes.

**Note 1 Summary of Significant Accounting Policies**

**General**

The accompanying statements include only those transactions resulting from the State Adult Education and Family Literacy Grants. These transactions have been accounted for in the College's Restricted Purpose Fund.

**Basis of Accounting**

The statements have been prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

**Fixed Assets**

Fixed asset purchases are recorded as capital outlay and not capitalized. However, for the Statement of Net Position for the College as a whole, capital assets are capitalized.

**Note 2 Payment of Prior Year's Encumbrances**

Payments of prior year's encumbrances for goods received prior to August 31 are reflected as expenditures during the current fiscal year.

**Independent Accountant's Report on Enrollment Data  
and Other Bases Upon Which Claims Are Filed**

Board of Trustees  
Danville Area Community College  
Community College District No. 507  
Danville, Illinois

We have examined management of Danville Area College, Community College District No. 507's (the "College") assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Danville Area College District No. 507 during the period July 1, 2021 through June 30, 2022. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the College's compliance with the specified requirements.

In our opinion, management's assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Danville Area College District No. 507 is fairly stated, in all material respects.



Sterling, Illinois  
December 22, 2022

# Danville Area Community College - Community College District No. 507

Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

For the year ended June 30, 2022

## Total Reimbursable Semester Credit Hours by Term

Credit Hour Categories	Summer Term		Fall Term		Spring Term		Total All Terms	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Baccalaureate	1,649.0	0.0	8,047.5	20.0	7,079.0	0.0	16,775.5	20.0
Business Occupational	256.5	0.0	1,306.5	0.0	856.0	0.0	2,419.0	0.0
Technical Occupation	268.0	0.0	2,823.5	0.0	2,292.5	0.0	5,384.0	0.0
Health Occupational	357.0	0.0	1,667.5	0.0	1,388.5	0.0	3,413.0	0.0
Remedial Development	136.0	0.0	528.0	0.0	336.0	0.0	1,000.0	0.0
Adult Education	2.0	117.0	0.0	159.0	0.0	95.0	2.0	371.0
	2,668.5	117.0	14,373.0	179.0	11,952.0	95.0	28,993.5	391.0

	In-District (All Terms)		Dual Credit (All Terms)		Dual Enrollment (All Terms)	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Reimbursable Credit Hours:	24,441.0	391.5	5,565.0	3.0	0.0	0.0

Credit Hours on Chargeback or Contractual Agreement: 286.5

District equalized assessed valuation \$1,197,443,545

## Correctional Semester Credit Hours by Term

Credit Hour Categories	Summer	Fall	Spring	Total
	Correctional Hours	Correctional Hours	Correctional Hours	Correctional Hours
Baccalaureate	36.0	650.0	443.0	1,129.0
Business Occupational	60.0	100.0	52.0	212.0
Technical Occupation	14.0	752.0	248.0	1,014.0
Health Occupational	0.0	0.0	0.0	0.0
Remedial Development	0.0	0.0	0.0	0.0
Adult Education	0.0	0.0	0.0	0.0
	110.0	1,502.0	743.0	2,355.0

Signature: \_\_\_\_\_

President

Signature: \_\_\_\_\_

Chief Financial Officer (CFO)

See Notes to Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed.



# Danville Area Community College - Community College District No. 507

Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

(Continued)

For the year ended June 30, 2022

<b>Total Reimbursable Semester Credit Hours</b>						
<b>Credit Hour Categories</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit Unrestricted Hours</b>	<b>Certified to ICCB Unrestricted Hours</b>		<b>Reported in Audit Restricted Hours</b>	<b>Certified to ICCB Restricted Hours</b>	
Baccalaureate	16,775.5	16,775.5	0.0	20.0	20.0	0.0
Business Occupational	2,419.0	2,419.0	0.0	0.0	0.0	0.0
Technical Occupation	5,384.0	5,384.0	0.0	0.0	0.0	0.0
Health Occupational	3,413.0	3,413.0	0.0	0.0	0.0	0.0
Remedial Development	1,000.0	1,000.0	0.0	0.0	0.0	0.0
Adult Education	2.0	2.0	0.0	371.5	371.5	0.0
<b>Total:</b>	<b>28,993.5</b>	<b>28,993.5</b>	<b>0.0</b>	<b>391.5</b>	<b>391.5</b>	<b>0.0</b>
<b>Total Correctional Semester Credit Hours</b>						
<b>Credit Hour Categories</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit Unrestricted Hours</b>	<b>Certified to ICCB Unrestricted Hours</b>		<b>Reported in Audit Restricted Hours</b>	<b>Certified to ICCB Restricted Hours</b>	
In-District Credit Hours:	24,441.0	24,441.0	0.0	391.5	391.5	0.0
Dual Credit Hours:	5,565.0	5,565.0	0.0	3.0	3.0	0.0
Dual Enrollment Hours:	0.0	0.0	0.0	0.0	0.0	0.0

See Notes to Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed.

# Danville Area Community College - Community College District No. 507

## Verification of Student Residency (Unaudited)

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The following procedures detail the process for verifying the residency status of the students of Danville Area Community College, Community College District No. 507.

### **Applicants**

The residency status on application forms is normally determined by the address the student uses on his application form for admission. If the address is an in-district address, then the student is tagged by the College's Admissions Office as "1" for in-district. Likewise, if there is an out-of-district or out-of-state address, then a code of "3" or "5" is used, respectively.

However, there are some exceptions to the above-mentioned procedures. If a student indicates an in-district address on the application but lists an out-of-district high school and the student is still in high school or a recent high school graduate, then the student will be tagged as an out-of-district student. The student will then have to provide residency proof, such as a copy of a driver's license, voter registration card, property tax statement, or other valid item providing verification of the student's address.

### **Students**

If a student already in the College's computer system is changing an address from out-of-district to in-district, the College will change the address but not change the residency code. In order to change an out-of-district status to an in-district status, the student must complete the Request for Change of Residency paperwork and provide the required documentation. The request is then reviewed by the Director of Admissions and Records who makes the decision based upon pre-determined, allowable reasons.

### **Returned Mail**

When any mail is returned to the College in which the post office has provided a label indicating the forwarding address is out-of-district or out-of-state, the College will correct the address in the computer system and change the residency code to the proper code.

# FEDERAL REPORTING SECTION



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**Independent Auditor’s Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

To the Board of Trustees  
Danville Area Community College  
Community College District No. 507  
Danville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Danville Area Community College, Community College District No. 507 (the “College”), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements, and have issued our report thereon dated December 22, 2022. Our report includes a reference to other auditors who audited the financial statements of Danville Area Community College Foundation, as described in our report on the College’s financial statements.

The financial statements of Danville Area Community College Foundation (a nonprofit organization, discretely presented component unit of the College) were not audited in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Danville Area Community College Foundation or that are reported on separately by those auditors who audited the financial statements of Danville Area Community College Foundation.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College’s internal control. Accordingly, we do not express an opinion on the effectiveness the College’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention of those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wipfli LLP*

Sterling, Illinois  
December 22, 2022

**Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by The Uniform Guidance**

To the Board of Trustees  
Danville Area Community College  
Community College District No. 507  
Danville, Illinois

**Report on Compliance for Each Major Federal Program*****Opinion on Each Major Federal Program***

We have audited Danville Area Community College, Community College District No. 507's (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2022. The College's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Danville Area Community College, Community College District No. 507 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weakness in internal control over compliance that we identified during the audit.



## Report on Internal Control Over Compliance

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Wipfli LLP*

Sterling, Illinois  
December 22, 2022

# Danville Area Community College - Community College District No. 507

## Schedule of Expenditures of Federal Awards

For the year ended June 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass Through Equity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Agriculture</b>				
Passed through Illinois State Board of Education:				
Child & Adult Care Food Program	10.558	N/A	\$20,413	\$0
<b>Total U.S. Department of Agriculture</b>			<b>\$20,413</b>	<b>\$0</b>
<b>U.S. Department of Labor</b>				
Passed through Illinois Department of Commerce and Economic Opportunities (DCEO):				
WIOA Cluster:				
WIOA - Adult Program	17.258	420-30-0076	\$429,888	\$0
WIOA - Apprenticeship	17.258	420-30-0075	193,492	0
Total WIOA Adult			623,380	0
WIOA - Dislocated Worker	17.278	420-30-0076	229,919	0
WIOA - Rapid Response	17.278	420-30-0076	22,202	0
Total WIOA Dislocated Worker			252,121	0
WIOA - Youth Program	17.259	420-30-0076	338,101	65,609
Total WIOA Cluster			1,213,602	65,609
<b>Total U.S. Department of Labor</b>			<b>\$1,213,602</b>	<b>\$65,609</b>
<b>U.S. Department of the Treasury</b>				
Passed through Illinois Network of Child Care Resource and Referral Agencies (INCCRRA):				
COVID-19 Coronavirus Relief Fund:				
COVID-19 Child Care Restoration Grant	21.019	420-00-2452	\$100,122	\$0
<b>Total U.S. Department of the Treasury</b>			<b>\$100,122</b>	<b>\$0</b>
<b>Small Business Administration</b>				
Passed through Illinois Department of Commerce and Economic Opportunity (DCEO):				
Illinois SBDC - CARES Act	59.037	420-35-0083	\$64,962	\$0
<b>Total Small Business Administration</b>			<b>\$64,962</b>	<b>\$0</b>
<b>U.S. Department of Education:</b>				
Direct award:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	\$97,309	\$0
Federal Work-Study Program	84.033	N/A	82,684	0
Federal Pell Grant Program	84.063	N/A	2,285,195	0
Federal Direct Student Loans	84.268	N/A	285,827	0
Total student financial assistance cluster			2,751,015	0
Direct award:				
TRIO Cluster:				
TRIO Student Support Services	84.042	N/A	326,046	0

See Accompanying Notes to Schedule of Expenditures of Federal Awards

# Danville Area Community College - Community College District No. 507

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass Through Equity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Education (continued):</b>				
Direct award:				
COVID-19 Educational Stabilization Fund - Higher Education Emergency Relief Fund (HEERF):				
Student Portion	84.425E*	N/A	\$1,185,731	\$0
Institutional Portion	84.425F*	N/A	2,246,805	0
Strengthening Institutions Program	84.425M*	N/A	106,522	0
Passed through Illinois Community College Board:				
COVID-19 Educational Stabilization Fund - Elementary and Secondary Education:				
Governor's Emergency Education Relief	84.425C*	684-00-2727	38,056	0
Governor's Emergency Education Relief	84.425C*	684-00-2455	155,482	0
Total ALN #84.425			3,732,596	0
Passed through Illinois Community College Board:				
VE - Perkins - Title II C - Post Secondary	84.048	684-00-0465	172,717	0
Passed through Illinois Community College Board:				
Adult Education - Federal Basic	84.002	684-01-1625	90,598	0
<b>Total U.S. Department of Education</b>			<b>\$7,072,972</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$8,472,071</b>	<b>\$65,609</b>

\* denotes major program

# Danville Area Community College - Community College District No. 507

## Notes to Schedule of Expenditures of Federal Awards

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### **Note 1 Summary Of Significant Accounting Policies**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Danville Area Community College, Community College District No. 507 (the "College") for the year ended June 30, 2022, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### **Note 2 Federal Non-Cash Assistance**

Danville Area Community College did not receive any federally provided insurance, or federal loan or loan guarantees.

### **Note 3 Indirect Cost Rate**

The College has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Danville Area Community College - Community College District No. 507  
 Schedule of Findings and Questioned Costs

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**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued: Unmodified  
 Internal control over financial reporting:  
 • Material weakness(es) identified? \_\_\_ yes X no  
 • Significant deficiency(ies) identified that are not  
 considered to be material weakness(es)? \_\_\_ yes X none reported  
 Noncompliance material to financial statements noted? \_\_\_ yes X no

**Federal Awards**

Type of auditor’s report issued on compliance for major  
 programs: Unmodified  
 Internal control over major programs:  
 • Material weakness(es) identified? \_\_\_ yes X no  
 • Significant deficiency(ies) identified that are not  
 considered to be material weakness(es) \_\_\_ yes X none reported  
 Any audit findings disclosed that are required  
 to be reported in accordance with Uniform Guidance? \_\_\_ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	COVID-19 Education Stabilization Fund

Dollar threshold used to distinguish between  
 type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes \_\_\_ no

Danville Area Community College - Community College District No. 507  
Schedule of Findings and Questioned Costs

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**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**Section IV – Prior Year Findings**

**June 30, 2021**

None

**June 30, 2020**

**Finding 2020-001: Allowable Activities and Period of Performance**

COVID-19 Education Stabilization Fund – Higher Education Emergency Relief Fund (HEERF)  
ALN 84.425  
Department of Education Direct Award  
Grant period: April 25, 2020 through May 5, 2021

Payroll costs were improperly allocated to the HEERF grant. One cost was the number of payroll hours submitted to be applied towards the grant was improperly calculated. In this instance, the employee was paid the correct amount but the grant was overcharged. The other payroll cost related to student worker wages in which the pay period was before March 13, 2020. This resulted in questioned costs of \$8,391. The College's corrective action plan was implemented and this finding has been fully corrected.