



**Danville Area
Community College**
Community College District 507
Danville, IL



Annual Comprehensive Financial Report

**Fiscal year Ended
June 30, 2023**

Danville Area Community College Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2023

Community College District 507
Danville, IL

Prepared by:

Finance and Administration Office

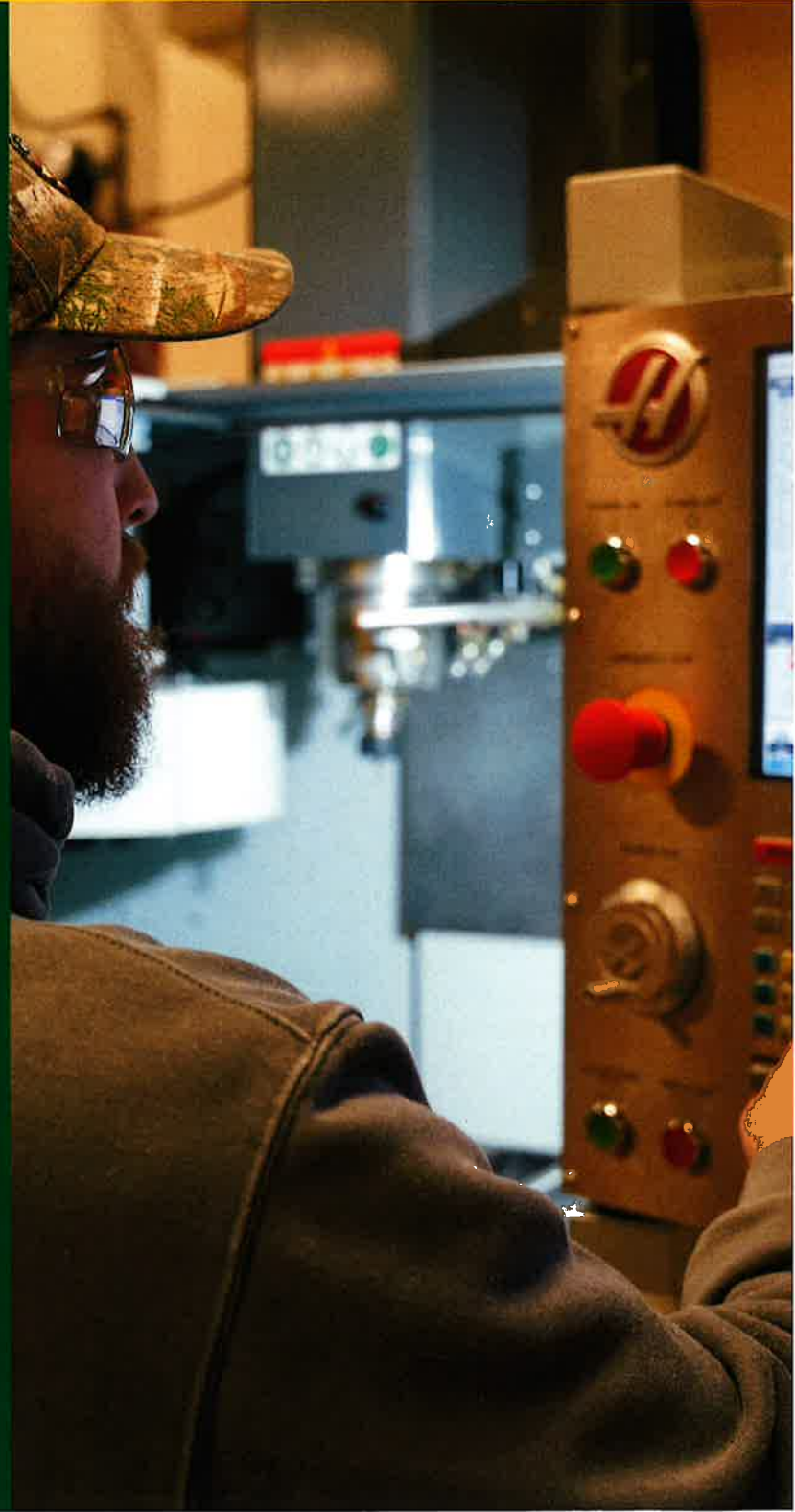
- Tammy L. Betancourt
Chief Financial Officer/Treasurer
- Whitney Yoder
Controller

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 of 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.



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Community College District No. 507

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INTRODUCTORY SECTION





November 15, 2023

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, 2023, 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 78,600.

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:

<u>Fund</u>
Education
Operations and Maintenance
Operations and Maintenance Restricted
Bond and Interest
Auxiliary Enterprises
Restricted Purposes
Working Cash
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 was 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, 2023, the College disbursed \$3,432,099 in awards to students and utilized 85% of its \$5,531,471 institutional and strengthening institutions funds for lost revenue during fiscal years 2020, 2021, 2022 and 2023 that was a result of decreased enrollment from the pandemic.

ECONOMIC CONDITION AND OUTLOOK

The College's financial position remains strong in spite of declining enrollment and a weaker post pandemic 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.

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 significant agricultural, real estate, education, wind farm, and retail economies. 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, McLane Midwest Company, ThyssenKrupp (Crankshaft and Presta), Blue Cross/Blue Shield of Illinois, Vermilion County Government, AutoZone, Quaker Food and Beverages, and OSF Healthcare Sacred Heart Medical Center.

The addition of two wind farms over the last several years has substantially boosted the tax base and represents over 2% 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.

Phase 1 (of 3) of a new casino in Danville opened in April, 2023. This Phase renovated an existing building, adding 500 slot machines, 14 gaming tables, two restaurants and is estimated to have created 300 jobs. The entire project may take up to six years to complete. Carle Health constructed a new \$70 million, 152,000 sq. ft. facility on a 17-acre plot in Danville. With this 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 5.0% 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, with a significant increase this year. This is a result of lower unemployment rates, increases in the property tax bases and increases in wages to district residents. 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 2022 was 1,132 compared to 2,031 in 2012. 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 music production, music for business, cancer registry, insurance claims representative, design and computer-aided drawing and barbering, also contribute to enrollment and growth.

Tax Base:

The District's fiscal year 2022 tax levy base of \$1,278,462,626 experienced a 6.8% increase over the 2021 tax levy base. All categories of taxable property increased 5% or more 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 2023, local property taxes accounted for approximately 27% of total operating funds (Education and Operations & Maintenance Funds) receipts.

Net Position and Liquidity:

Net position increased from \$39.5 million at the end of fiscal year 2022 to \$41.4 million at the end of 2023. This increase is attributable to a decrease in the operating expenses of \$2.8 million in SURS on-behalf of payment and \$1.8 in other postemployment benefits.

Liquidity is strong, with \$12.3 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.

Voluntary Separation Program

The College offered a voluntary separation program from December 2022 through June 2023. Fifteen employees with 15 or more years of service accepted a buy out as severance.

College Enrollment:

In fiscal year 2023 credit hours increased for the first time since 2004. Total credit hours generated increased 7% from 29,385 in FY22 to 31,464.5 in FY23. While enrollment had been steadily declining as a result of not only the pandemic, but also the declining unemployment rate and shrinking population base; strategic initiatives to counteract that decline were implemented and still continue. Examples of those initiatives include: 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; dual-admissions programs with four year schools; offering "couplet" courses, which are courses that are linked consecutively in eight-week blocks; new programs, such as music production, music for business, cancer registry, insurance claims representative, design and computer-aided drawing and barbering; a financial incentive in the form of a \$600 "Early Bird" discount on tuition and fees for students who registered early; increased marketing efforts for dual-credit courses; adding a mechatronics training program and increasing the number of transfer courses at the Danville Correctional Center; developed a hybrid engineering program that offers fast-track completion; offered daytime HVAC classes to both college and high school students in College Express; and purchased a new tractor with an automatic transmission, along with a new trailer, and hired an additional instructor to expand training to six days per week and most evenings. A director of sonography was appointed to lead the accreditation process that will lead to the introduction of an associate in applied science degree. In addition, to encourage students to enroll early and keep on track for graduation, for the Fall 2022 and Spring 2023 semesters DACC introduced the "Early Bird" \$600-bonus program. Along with boosting overall credit enrollment by more than 20 percent during the Spring 2023 semester, the program significantly increased full-time enrollment.

The College also received several large grants that will have a positive impact on enrollment. Two “Bridge” grants for \$388,000 were received to support students transitioning from secondary school or adults returning to college. A PATH (Pipeline for the Advancement of the Healthcare Workforce) grant in excess of \$400,000 was received 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. A grant in excess of \$600,000 was received 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. Finally, two pre-apprenticeship grants of over \$500,000 were received to recruit, prescreen, and provide pre-apprenticeship skills training. All of these grants are either being renewed or continue into FY24.

The fiscal year 2023 budget was predicated on an increase in credit hours of approximately 2.5%. Fortunately, the increase in revenue generating credit hours (10th day) at the end of FY23 was 2.8% more than budgeted credit hours. In addition, effective summer 2023 tuition was increased \$2 per credit hour and the technology/activity fee was increased \$3 per credit hour. With those tuition and fee increases the College’s current per credit hour in-district tuition and fees rate of \$180 is comparable to many other community colleges in the State.

State of Illinois:

While funding for the Illinois Community College System from the State of Illinois was increased by 5% for FY23 and increased by 7% for FY24 the College received a decrease of .1% in FY23 and a decrease of 8.1% in FY24. 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. The Foundation has provided significant funds for scholarships, facilities renovations, technology support, instructional equipment, and support for operating the library. This year the Foundation awarded 716 scholarships totaling more than \$1 million – the most ever. For the third straight year, every student received financial support. 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 2018 Cohort for students who complete within 150% of normal time is 42%. This is 1% below our Comparison Group Median rate of 43% and 5.6% above the overall rate of 36.4% 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.

To improve student retention and completion rates, the College completed the technical implementation and integration of Ellucian's CRM (Customer Relationship Manager) Advise system with our ERP (Colleague) and LMS (Blackboard) systems. This system will automate the former, manual Operation Graduation process, sharing data in real time with each students' identified success team and setting various retention strategies into place as needed (some automatically and some through assigned alerts to staff).

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 Iconic (formerly 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. The program has a Coordinator whose duties include making additional connections with local middle school and high school youth groups that serve African American males; to foster relationships with potential students and their families, helping them prepare for College and talking to them about dual credit, college programs, financial aid, and scholarships. The Coordinator is also responsible for following up with participants individually and within a group setting. He is in continual contact with participants, weekly, and serves as a resource to students for on campus, as well as community services. Additionally, the Coordinator facilitates college and cultural related outings for participants.

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. With the help of the Access, Equity and Diversity team, the College has been working toward increasing diversity through our hiring practices, maintaining a diverse and welcoming atmosphere for students, as well as staff, and improving access and diversity through our processes.

The College introduced the Ally program to advance a culture that is inclusive for LGBTQ+ students and employees. As a follow up DACC students hosted Coming Out Day with a panel discussion consisting of LGBTQ+ students. In addition, the Chief Diversity Officer and the Diversity Team led month-long events for Hispanic Heritage Month and African American History Month.

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, while focusing on diversity and equity.

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.

For the FY2023 fiscal year, DACC focused on 3 main goals with the support of our ATD coach. These 3 goals and processes were:

1. Increase persistence and retention (semester to semester and year to year). To increase these numbers, DACC created and began training on a new Ellucian CRM Advise system. Additionally, tied to this Ellucian system is a new "Ellucian Experience" where cards are created in the student portal so students can easily navigate important aspects of student academics and campus life.
2. Align academic pathways with labor market outcomes. To accomplish this, DACC has created new and updated existing programs, including: barbering, cancer registry, insurance billing, and new marketing options. Additionally, there are expanded opportunities in healthcare and early childhood education due in part to large grant opportunities. DACC's Corporate and Community Education department continues to work with area employers to aid in training opportunities.
3. Create more diverse course opportunities to meet the needs of students. As mentioned in goals # 2, more programs have been developed and others have been updated. Faculty have looked into Open Education Resources (OER) as an option to lower costs of books and materials for courses. More 8-week course offerings have been created. DACC has surveyed students to determine their technological abilities, specifically in terms of the college systems used.

Achieving the Dream pushes DACC to make improvements based on student need, best practices of other community colleges, diversity, and the community. Each year ATD asks DACC to look at the challenges in the community and how they affect the college. So, while there is a look at internal data, there is a knowledge of the importance of community awareness. Consistently decreasing population and economic/resource challenges continue to affect the residents in the DACC district. DACC conducted a SWOT analysis on campus and in the community; the results of this will help determine what changes may need to be made in the near future.

As a result of DACC being a part of the Achieving the Dream Network for over a decade, 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 42 percent in 2023. These percentages are based on 150% completion rates for certificates and degrees.

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 that 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 has expanded to allow more students to participate in the program. The expansion also allows our institution to provide direct advising and student service support to help students transition into college and career courses after graduation.

College Express: College Express, now in its 19th year, is experiencing steady enrollment in FY24, 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. No limit exists on the number of credit hours a student may earn from DACC. Courses are either at the High School, 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. Unfortunately during FY24 some of district high schools have set limits on the number of credits a student can take as dual-credit. This has caused a significant drop in our institution's dual-credit numbers.

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 \$300,000 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. Programming includes Auto Technology, Construction Occupations, Mechatronics and Career Technology. In addition, the College has 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 offered 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 2022-23 year featured the completion of the following capital projects: renovation of the Lincoln Hall Food Service Area; construction of a media suite in the Mary Miller Complex, installation of a new sun shade in the Child Development Center playground; replacement of a light pole in the Mary Miller parking lot; renovation of the Village Mall rooms to accommodate the new Barber School; removal of asbestos from all main domestic water lines in Mary Miller complex; and the replacement of the roof on the Hegeler Center; replaced concrete sections between LH and CTC; replaced chilled water coil in AHU13 CTC; replaced lighting in CDC(IGEN and Ameren paid for), ongoing effort to replace fluorescent light tubes with LED (AMREN incentive) over 1000 tubes changed in 2023; added parking lot lights to the lot located on the corner of Baumgart and Home streets; replaced carpet in all of LH104 counseling offices and waiting areas; hyflex classrooms in 204LH and 212PH; replaced carpet and installed power with network connections for computers creating a computer lab in LH212; replaced carpet in CDL classroom TC 142 . In addition, a new VoIP (Voice over Internet Protocol) system and a new state of the art door access and camera security system were installed.

Upcoming projects include Phase I of Hegeler Hall, which is a \$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 ADA handicap ramps for Vermilion, Prairie and Cannon Halls, 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 canopies over its parking lots, as well as the small plot of land at the front entrance on the Danville campus. Other future projects include roof replacement at the Technology Center in early 2024, Technology center gas piping for weld booth gas distribution, creating an additional wall in Financial Aid office for another secure office, and a handicap ramp at Jacobs Hall.

INFORMATION TECHNOLOGY

The College went live with Ellucian's CRM (Customer Relationship Manager) Advise system in May of 2023. 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.

During the spring of 2023 an information technology assessment was performed by an outside consultant to assess the College network infrastructure and cybersecurity protocols. Short-term and long-term plans were developed. A new Network Engineer position was added and an existing position was upgraded to a Help Desk Supervisor. Additional consulting services were also contracted to address other immediate technical needs.

STRATEGIC INITIATIVES

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

- Develop micro-credentials and certificates that can be earned in accelerated, short-term programs.
- Continue to expand the College express program offerings to reflect an increase in student demand and community need.
- Increase contracted services with Danville Corrections to include CNC machinist and other programs.
- Incorporate all casino training into Corporate Education and partner with AJC for recruitment of job-seekers.

- 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 Iconic (formerly “Toolbox”) program to help boost the success of African-American males.
- Continue to provide mental health services to DACC students and staff, free of charge and promoted Mental Health Awareness.
- Implement a 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.
- Development and implementation of web time entry.
- Support and partner with new industry with workforce development, including restaurants, retail, FedEx, and expanded Carle.
- Implement several Hy-Flex classrooms which allow a class to be attended both in-person and remote via on-line technology.
- Finalize and implement a Strategic Enrollment Management Plan.
- Launch intercollegiate volleyball program.
- Transition eSports from a club format to a competitive NJCAAe sport.
- Upgrade the sound system in the gym.
- Evaluation of the College’s Learning Management System (LMS) for possible change.
- Implement Watermark to improve curriculum and catalog management as well as student learning and licensure.
- Continue preparation for the HLC visit in March 2024.
- A strategic plan matrix for FY24 was created.

These programs, projects, and initiatives 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, 2023. 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

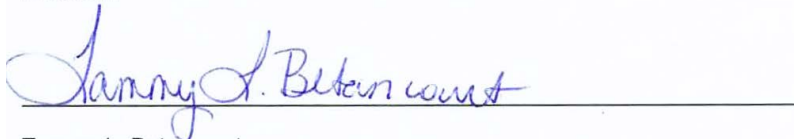
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Danville Area Community College for its comprehensive annual financial report for the fiscal year ended June 30, 2022. This was the eleventh 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 comprehensive annual 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 comprehensive annual 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 comprehensive annual 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.



Dr. Stephen Nacco
President



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	2029
Mr. Greg Wolfe	Vice-chair	2025
Ms. Sandra Finch	Trustee	2027
Mr. Terry T. Hill	Trustee	2029
Ms. Tracy Cherry	Trustee	2025
Mr. Maruti Seth	Trustee	2029
Mr. Dylan Haun	Trustee	2027
Mr. DeCarlo Flagg	Student Trustee	2024

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	Provost/Vice President of Academic and Student Affairs
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, 2022

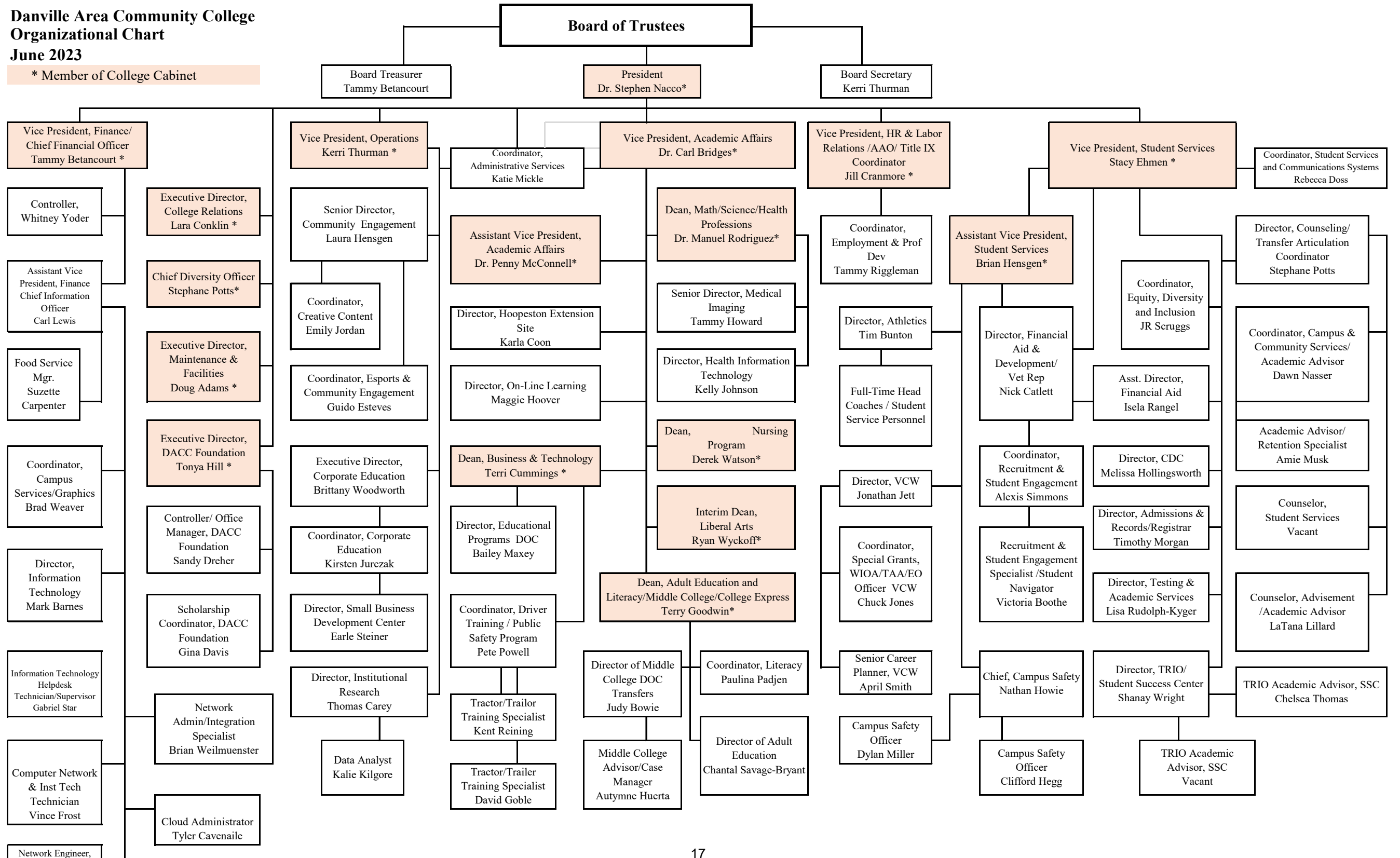
Christopher P. Morill

Executive Director/CEO

Danville Area Community College Organizational Chart

June 2023

* 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 District No. 507 (the College), as of and for the year ended June 30, 2023, 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 audit 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 District No. 507, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, for the year 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, 2023, 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 of Opinions

We conducted our audit 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 2023, the College adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. 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 Responsibility 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 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 November 15, 2023, 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
November 15, 2023

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 fiscal year. It is designed to provide an overview about the changes in financial activities over a two-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, 2023 shows assets at \$61.1 million, deferred outflows at \$0.8 million, liabilities at \$11.8 million, deferred inflows at \$8.7 million and net position at \$41.4 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, 2023, the College recorded total operating revenue of \$5.8 million which is defined as net tuition and fees, and auxiliary revenues. The total operating expenses are \$32.8 million. This difference produced an operating loss of \$27.0 million. Net non-operating revenue is \$28.7 million, which includes the major categories of government grants and contracts, and local property taxes. Including capital contributions, the resulting overall increase in net position was \$1.9 million.

This \$1.9 million increase is primarily a result of a decrease in operating expenses related to a decrease of \$2.8 million in SURS on-behalf of payment and a decrease of \$1.8 in other postemployment benefits.

Operating revenue accounted for 16.7% of the College's total revenue, while non-operating revenues, including donations from the Foundation and grant revenue, accounted for the remaining 83.3% of the College's total revenue. Operating revenue consisted of tuition and fees, net of scholarships, which totaled \$4.0 million and auxiliary enterprise and miscellaneous revenues which totaled \$1.8 million. Non-operating revenue included local property taxes and personal property replacement taxes of \$9.6 million, state appropriations of \$6.8 million, federal grants contracts of \$7.4 million, on-behalf payments from the state of \$4.1 million, donations from the Foundation of \$0.5 million and other miscellaneous revenue of \$0.6 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, 2023. 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 \$34.3 million net investment in property, plant, and equipment after deducting the outstanding technology and equipment funding bond principal obligations and lease and subscription obligations. This represents approximately 83.0% 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, \$11.3 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 (\$4.3) million, comprised of assets of \$8.2 million available for any lawful purpose that supports the mission of the College and (\$12.5) million related to Other Postemployment Benefits (OPEB). Included in this amount are internal Board Restricted Funds reserved for specific purposes in the amount of \$5.3 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:

Summary of Net Position (In Millions)

	FY 2023	FY 2022
Current assets	\$23.3	\$25.1
Noncurrent assets	37.8	35.6
Total assets	61.1	60.7
Deferred outflows	0.8	0.9
Current liabilities	3.6	3.7
Noncurrent liabilities	8.2	14.7
Total liabilities	11.8	18.4
Deferred inflows	8.7	3.7
Net investment in capital assets	34.4	33.7
Restricted:		
Expendable	11.3	11.6
Unrestricted	(4.3)	(5.8)
Total net position	41.4	\$39.5

Fiscal Year 2023 compared to 2022

The value of net position was \$1.9 million more at the end of FY23 as compared to the prior year. This \$1.9 million increase is primarily a result of a decrease in operating expenses related to a decrease of \$2.8 million in SURS on-behalf of payment and a decrease of \$1.8 in other postemployment benefits.

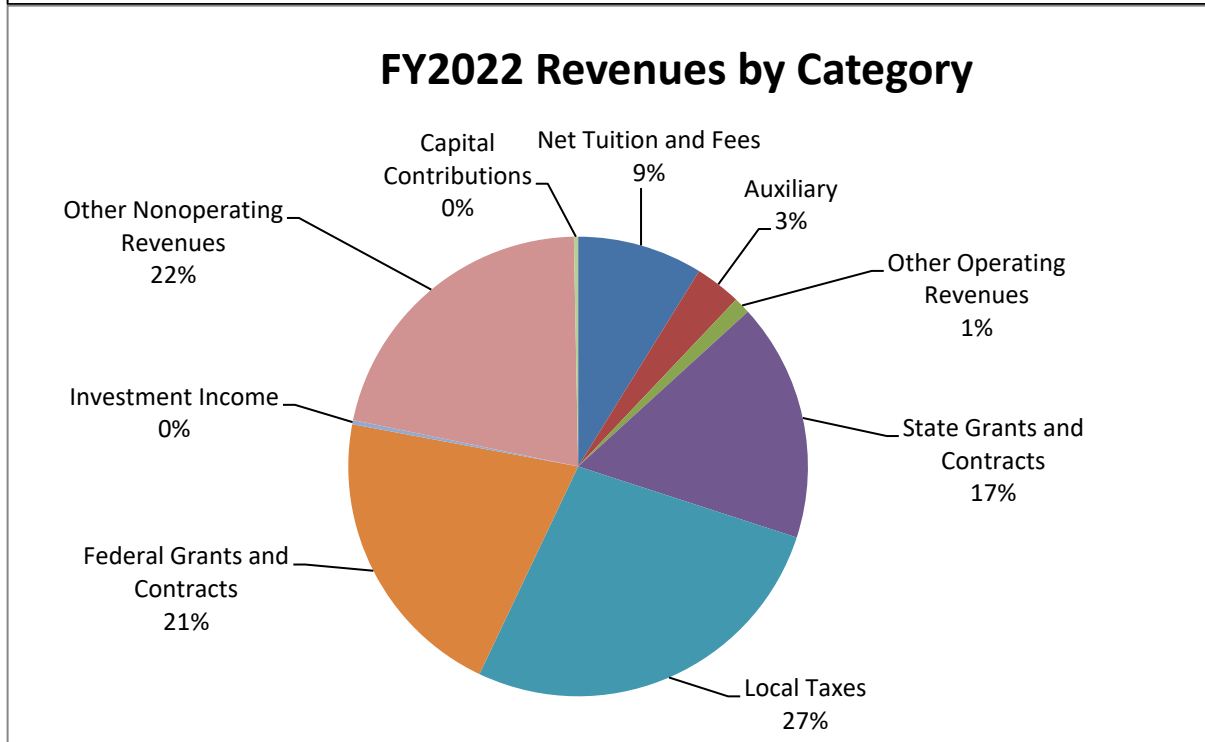
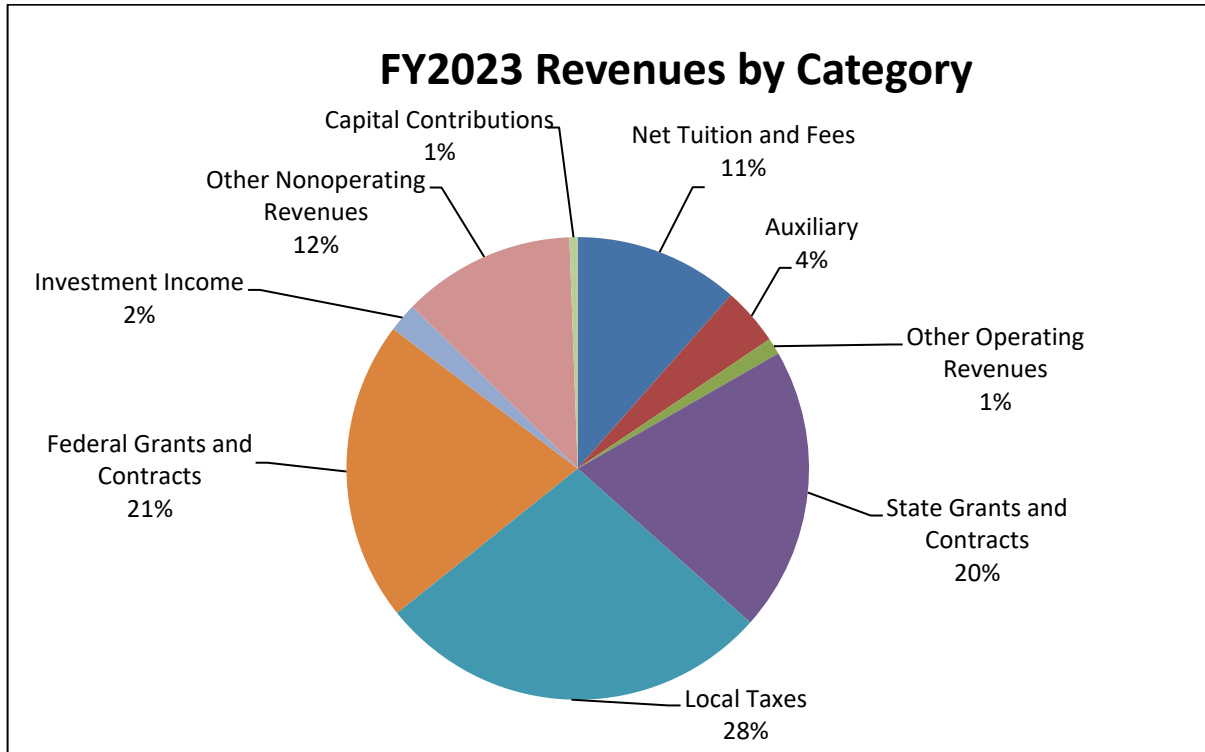
Statement of Revenues, Expenses, and Changes in Net Position

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 2023	FY 2022
Operating revenues:		
Net tuition and fees	\$4.0	\$3.0
Auxiliary	1.4	1.1
Other	0.4	0.4
Total operating revenue	5.8	4.5
Less operating expenses (see detail in following table)	32.8	34.6
Net operating loss	(27.0)	(30.1)
Nonoperating revenue		
State grants and contracts	6.8	5.7
Local taxes	9.6	9.2
Federal grants and contracts	7.4	7.1
Investment income	0.7	0.1
Other	4.2	7.3
Total nonoperating revenue	28.7	29.4
Capital contributions	0.2	0.1
Change in net position	1.9	(0.6)
Net position, beginning of year	39.5	40.1
Net position, end of year	\$41.4	\$39.5

Detail of Operating Expenditures by Classification and Function

	FY 2023	FY 2022
Operating expenditures by classification:		
Salaries and benefits	\$19.6	\$23.4
Supplies and other services	4.8	4.5
Scholarships	4.8	3.7
Depreciation	2.5	2.1
Utilities	1.1	0.9
Total operating expenditures	\$32.8	\$34.6

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

	FY 2023	FY 2022
Operating expenditures by function:		
Instruction	\$9.8	\$8.7
Academic support	1.3	1.2
Student services	2.7	2.5
Public service	1.1	1.1
Auxiliary expense	1.4	1.3
Operation and maintenance of plant	2.5	2.2
Institutional support	4.3	4.8
Scholarships	4.8	3.7
On-behalf payments	4.1	6.9
Other postemployment benefits	(1.7)	0.1
Depreciation and amortization	2.5	2.1
Total operating expenditures	\$32.8	\$34.6

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 2023 compared to 2022

Operating revenues increased by \$1.3 million due primarily to a \$1.0 increase net student tuition and fees, which is due to an increase in credit hour fees, and a \$0.3 increase in auxiliary revenue. Non-operating revenue reflects a significant decrease of \$4.0 million which is primarily due to a \$2.8 decrease in the on-behalf of payments.

Operating expenses decreased \$1.8 million in FY2023. The primary reason for the decrease was related to the \$2.8 million decrease in the on-behalf of payments, while state grants, local tax and federal grants increased \$1.5 million.

The fluctuations previously discussed resulted in the College's net position increasing from the prior year by \$1.9 million to a level of \$41.4 million at June 30, 2023.

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 2023	FY 2022
Cash provided (used) by:		
Operating activities	(\$21.5)	(\$21.2)
Noncapital financing activities	23.0	23.3
Capital and related financing activities	(4.2)	(3.4)
Investing activities	0.6	0.4
Net increase/(decrease) in cash	(2.1)	(0.9)
Cash, beginning of year	14.4	15.3
Cash, end of year	\$12.3	\$14.4

Fiscal Year 2023 compared to 2022

The \$2.1 million decrease in cash and cash equivalents at the end of FY23 as compared to FY22 was due purchase of capital assets of \$2.6 million which included \$2.3 million in subscription based asset purchases.

Capital Assets

FY2023

As of June 30, 2023, the College had recorded \$83.6 million invested in capital assets, \$46.5 million in accumulated depreciation and amortization and \$37.1 million in net capital assets. During FY2023, net capital assets increased by \$2.2 million. The increase is due to the inclusion of subscription-based information technology agreement additions totaling \$2.3 million in FY23 as a result of GASB 96 implementation.

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.

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

Debt Administration

The total balance outstanding at June 30, 2023 for all of the College's various Working Cash, Technology/Equipment and Construction Bonds and Debt Certificates is \$3.0 million.

During fiscal year 2023, the College issued no General Obligation Technology and Equipment Debt Certificates or General Obligation Bonds.

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

Statement of Net Position
For the year ended June 30, 2023

ASSETS

Current assets:	
Cash	\$12,278,740
Investments	0
Property taxes receivable	7,518,249
Student tuition and fees, net of allowance 2023 \$2,517,339	1,530,764
Government claims receivable	1,703,457
Lease receivable, current	19,993
Other accounts receivable	88,358
Prepaid items	139,995
Total current assets	23,279,556
Noncurrent assets:	
Lease receivable, noncurrent	681,669
Capital assets, net of accumulated depreciation/amortization, \$46,479,184	37,145,748
Total noncurrent assets	37,827,417
Total assets	61,106,973

DEFERRED OUTFLOW OF RESOURCES

Subsequent year's pension expense related to federal, trust, or grant contributions in the current year	97,693
Subsequent year's other postemployment benefit expense related to contributions in the current year	681,801
Total deferred outflows of resources	779,494
Total assets and deferred outflows of resources	61,886,467

LIABILITIES

Current liabilities:	
Accounts payable	625,999
Accrued expenses	844,570
Unearned tuition revenue	314,218
Unearned grant revenue	122,075
Bonds payable, current maturities	760,000
Lease liability, current maturities	124,109
Subscription liability, current maturities	492,248
Accrued compensated absences, current	350,000
Total current liabilities	3,633,219
Noncurrent liabilities:	
Bonds payable, noncurrent maturities	2,239,000
Lease liability, noncurrent maturities	282,215
Subscription liability, noncurrent maturities	1,017,069
Accrued compensated absences	119,275
Net other postemployment benefit liabilities	4,522,226
Total noncurrent liabilities	8,179,785
Total liabilities	11,813,004

DEFERRED INFLOWS OF RESOURCES

Long-term leases	701,662
Other postemployment benefits	7,993,961
Total deferred inflows of resources	8,695,623
Total liabilities and deferred inflows of resources	20,508,627

NET POSITION

Net investment in capital assets	34,350,952
Restricted - expendable:	
Capital projects	3,224,954
Debt service	934,343
Grant purposes	729,437
Working cash	5,429,723
Audit purposes	45,887
Liability insurance	916,182
Unrestricted	(4,253,638)
Total net position	\$41,377,840

See Notes to Financial Statements.

Danville Area Community College

Community College District No. 507

Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2023

Operating revenues:	
Student tuition and fees, net of scholarship allowances of \$930,404	\$3,957,698
Auxiliary enterprises revenue	1,375,762
Other operating revenues	450,183
Total operating revenue	5,783,643
Operating expenses:	
Instruction	9,776,192
Academic support	1,275,764
Student services	2,711,963
Public services	1,158,491
Auxiliary enterprises expense	1,458,734
Operation and maintenance of plant	2,471,198
Institutional support	4,277,518
On-behalf payments	4,093,785
Other postemployment benefits	(1,715,551)
Scholarships	4,760,889
Depreciation and amortization	2,526,362
Total operating expenses	32,795,345
Operating loss	(27,011,702)
Nonoperating revenues and (expenses):	
State grants and contracts	6,770,625
Local property tax revenues	7,661,273
Personal property replacement tax	1,940,584
Federal grants and contracts	7,453,124
Local grants and contracts	13,660
On-behalf payments	4,093,785
Investment income	664,341
Other non-operating revenues	229,333
Gain (loss) on disposal of assets	(5,725)
Interest expense	(131,948)
Net nonoperating revenues and (expenses)	28,689,052
Capital contributions	179,146
Change in net position	1,856,496
Net position, beginning of year	39,521,344
Net position, end of year	\$41,377,840

See Notes to Financial Statements.

Danville Area Community College

Community College District No. 507

Statement of Cash Flows

For the year ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Tuition and fees	\$3,797,753
Payments to suppliers	(5,145,857)
Payments to employees and benefits paid	(17,216,338)
Payments for financial aid and scholarships	(4,760,691)
Auxiliary enterprise charges - bookstore and childcare	1,375,762
Other operating	450,187
<hr/>	
Net cash from operating activities	(21,499,184)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Local property taxes	7,366,604
State grants and contracts	7,638,661
Federal grants and contracts	7,749,778
Nongovernmental gifts or grants	228,905
Direct lending receipts	362,249
Direct lending payments	(362,249)
<hr/>	
Net cash from noncapital financing activities	22,983,948

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchases of capital assets	(4,749,245)
Principal paid on bonds payable/capital debt	(803,000)
Principal paid on lease/sbita obligations	(694,161)
Interest paid on bonds payable/capital debt	(93,702)
Proceeds from lease/sbita issuance	2,093,785
<hr/>	
Net cash from capital and related financing activities	(4,246,323)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from investments	0
Interest received	664,339
<hr/>	
Net cash from investing activities	664,339

Net increase (decrease) in cash and cash equivalents	(2,097,220)
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CASH AND CASH EQUIVALENTS:

Beginning of year	14,375,960
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End of year	\$12,278,740

Danville Area Community College Community College District No. 507

Statement of Cash Flows (Continued)

For the year ended June 30, 2023

RECONCILIATION OF OPERATING LOSS TO NET CASH USED

IN OPERATING ACTIVITIES:

Operating loss	(\$27,011,702)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	2,526,362
State on-behalf payments	4,093,785
Changes in deferred outflows and inflows of resources	5,118,565
Changes in assets and liabilities:	
Receivables	(180,155)
Other assets	30,677
Accounts payable	743,074
Accrued liabilities	8,764
Net other postemployment benefit liabilities	(6,848,737)
Unearned revenue	20,183
<hr/>	
Net cash from operating activities	(\$21,499,184)

NONCASH INVESTING, CAPITAL, AND FINANCIAL:

Acquisition of capital assets with capital contributions	\$179,146
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Loss on disposal of assets	\$5,730

STATE ON-BEHALF PAYMENTS	\$4,093,785
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See Notes to Financial Statements.

Danville Area Community College

Community College District No. 507

Component Unit - Danville Area Community College Foundation
 Statement of Financial Position
 For the year ended June 30, 2023

ASSETS

Assets:

Cash and cash equivalents	\$2,761,457
Investments	15,473,184
Contributions receivable	27,173
Beneficial interests in trusts	1,331,922
Land held for investment	2,771,881
Other assets	36,459

Total assets	\$22,402,076
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LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable and accrued expenses	\$296,262
Deferred revenue	\$34,948
Total Liabilities	331,210

Net assets:

Without donor restrictions:	
General operating	956,613
Board designated endowment	2,670,849
	3,627,462

With donor restrictions:

Purpose restricted:

Scholarship	8,609,110
Library	927,362
Total purpose restrictions	9,536,472

Perpetual in nature:

Endowment:

Faculty	308,045
Scholarship	7,277,391
Trust	1,321,496

Total perpetual in nature	8,906,932
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Total net assets	22,070,866
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Total liabilities and net assets	\$22,402,076
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See Notes to Financial Statements

Danville Area Community College

Community College District No. 507

Component Unit - Danville Area Community College Foundation

Statement of Activities

For the year ended June 30, 2023

Changes in net assets without donor restrictions:

Support and revenue:	
Contributions	\$13,467
Investment income	74,401
Realized and unrealized gains (losses), net	381,053
Net assets released from restrictions	1,581,567
Total support and revenue	2,050,488

Expenses and losses:

Program service expenses:	
Grants issued	414,678
Scholarships, awards and projects	758,403
Library	0
Instructional equipment	101,383
Other program services	19,784
Total program service expenses	1,294,248

Supporting service expenses:

General and administrative	198,556
Fundraising	89,694
Total supporting service expenses	288,250

Total expenses	1,582,498
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Change in unrestricted net assets	467,990
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Changes in net assets with donor restrictions - purpose restricted:

Contributions	476,451
Investment income	264,962
Realized and unrealized gains (losses), net	845,748
Gains (losses) on sale of fixed assets	0
Other income	76,991
Donor-restricted income transfer	0
Net assets released from restrictions	(1,581,567)

Change in net assets with donor restrictions - purpose restricted	82,585
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Changes in net assets with donor restrictions - perpetual in nature:

Contributions	381,896
Realized and unrealized gains (losses), net	80,443
Donor-restricted income transfer	0
Change in net assets with donor restrictions - perpetual in nature	462,339

Increase in net assets	1,012,914
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Net assets, beginning of year	21,057,952
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Net assets at end of year	\$22,070,866
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See Notes to Financial Statements.

Danville Area Community College Community College District No. 507

Component Unit - Danville Area Community College Foundation

Statement of Functional Expenses

For the year ended June 30, 2023

	Program Services	General and Administrative	Fundraising	Total Expenses
Salaries and benefits	\$0	\$123,766	\$82,510	\$206,276
Professional services	0	63,707	0	63,707
Printing and postage	0	2,214	0	2,214
Office expense	0	4,094	0	4,094
Events and campaigns	0	0	1,256	1,256
Travel and entertainment	0	300	0	300
Seminar and dues	0	1,479	0	1,479
Insurance	0	2,587	0	2,587
Promotion and newsletters	0	0	5,928	5,928
Grants and scholarships	1,173,081	0	0	1,173,081
Instructional equipment	101,383	0	0	101,383
Other program services	19,784	0	0	19,784
Certificates and awards	0	409	0	409
Total expenses	\$1,294,248	\$198,556	\$89,694	\$1,582,498

See Notes to Financial Statements.

Danville Area Community College

Community College District No. 507

Notes to Financial Statements

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 78,647.

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.

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

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.

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, 2023, the Foundation distributed \$758,403 to students attending the College and gave \$522,189 in direct support to the College. In addition, the College provided the Foundation with \$81,362 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.

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

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.

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.

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

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 2022 were allocated to fiscal year 2023. 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.

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 \$.45 per \$100 of equalized assessed valuations for these two purposes. The statutory maximum tax rates and the respective rates for the December 31, 2022 tax levy, per \$100 of assessed valuation, is reflected in the following table.

	Statutory Maximum	2022 Rate
Education	\$0.3729	\$0.3666
Operations and maintenance	0.0750	0.0737
Workers compensation	-	0.0036
Unemployment compensation	-	0.0000
Social security	-	0.0142
Tort liability, protection	-	0.0671
Audit	0.0050	0.0036
Operations and maintenance (Restricted)		
Protection, Health and Safety	0.0500	0.0059
Bond and interest	-	<u>0.0685</u>
		<u>\$0.6032</u>

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

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.

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

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.

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

Leases (continued)

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 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.

Subscription Based Information Technology Agreements (SBITAs)

The College is a user of multiple noncancelable SBITAs. 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 a SBITA. A subscription asset and subscription liability are recognized at the subscription commencement date based on the present value of the future lease payments over the expected subscription term. The subscription asset is also adjusted for any prepayments made, incentives received, and initial direct cost incurred.

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

Note 1 Summary of Significant Accounting Policies (continued)

Subscription Based Information Technology Agreements (SBITAs) (continued)

The discount rate used is the implicit rate in the subscription agreement, 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 subscriptions. The College's incremental borrowing rate for a subscription is the rate of interest it would have to pay on the collateralized basis to borrow an amount equal to the subscription payments under similar terms and in a similar economic environment.

The subscription asset for SBITAs is amortized on a straight-line basis over the subscription term.

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

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

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods. The College reports decreases 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 contributions made subsequent to the liability measurement date are recorded as deferred outflows of resources.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to future periods. 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 Summary of Significant Accounting Policies (continued)

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.

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.

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

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.

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.

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

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 May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 96, *Subscription-based Information Technology Arrangements (SBITA)*. The statement enhances the relevance and consistency of reporting for the College's subscription based software agreements by establishing requirements for SBITA accounting based on the principle that SBITAs are financings of underlying right-to-use subscription assets. A user of the subscription is required to recognize a subscription liability and a subscription asset, and a lessor is required to recognize a subscription receivable and deferred inflow of resources. The College adopted this guidance for the year ended June 30, 2023.

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.

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

Cash as of June 30, 2023 consist of the following:

	Carrying Amount
Cash on hand	\$1,800
Deposits with financial institutions	12,276,940
Total	\$12,278,740

Note 2 Cash and Deposits (continued)

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, 2023, deposits were collateralized with securities held by the pledging financial institution. Therefore, none of the College's bank balance was exposed to custodial risk.

The College did not have any investments as of June 30, 2023.

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.

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, 2023, 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 year 2023.

At June 30, 2023, the College had several uncompleted construction contracts. The remaining commitment on these construction contracts was approximately \$4,516,497.

	Restated Balance June 30, 2022	Additions	Transfers & Deletions	Balance June 30, 2023
Capital assets not being depreciated:				
Construction in process	\$375,059	\$1,303,136	(\$311,863)	\$1,366,332
Other equipment in process	0	147,927	0	147,927
Land	911,931	10,000	0	921,931
Total capital assets not being depreciated	1,286,990	1,461,063	(311,863)	2,436,190
Capital assets being depreciated:				
Land improvements	5,537,306	0	(11,620)	5,525,686
Buildings	18,529,571	0	(10,221)	18,519,350
Building improvements	44,267,578	340,823	(761,665)	43,846,736
Campus lighting	34,209	0	0	34,209
Equipment	11,202,186	837,478	(2,277,847)	9,761,817
Total capital assets being depreciated	79,570,850	1,178,301	(3,061,353)	77,687,798
Assets being amortized				
Lease Equipment	585,342	29,374	(89,879)	524,837
Lease Building	583,736	84,533	0	668,269
Subscriptions	0	2,307,837	0	2,307,837
Total capital assets being amortized	1,169,078	2,421,744	(89,879)	3,500,943
Less accumulated depreciation:				
Land improvements	3,518,119	138,363	(11,620)	3,644,862
Buildings	10,844,936	335,903	(10,221)	11,170,618
Building improvements	21,324,556	814,203	(755,934)	21,382,825
Campus lighting	34,209	0	0	34,209
Equipment	10,687,537	443,195	(2,277,854)	8,852,878
Total accumulated depreciation	46,409,357	1,731,664	(3,055,629)	45,085,392
Less accumulated amortization:				
Lease Equipment	429,532	156,939	(89,879)	496,592
Lease Building	259,440	64,859	0	324,299
Subscriptions	0	572,900	0	572,900
Total accumulated amortization	688,972	794,698	(89,879)	1,393,791
Net capital assets	\$34,928,589	\$2,534,746	(\$317,587)	\$37,145,748

Danville Area Community College
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Notes to Financial Statements

Note 3 Capital Assets (continued)

Construction in progress represents costs incurred to renovate Hegler Hall, internet phone system, Mary Miller sound system and the access controls and camera system. Total costs for all projects are estimated to be \$4,765,886.

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, 2023 was \$1,116,014.

Note 4 Long-Term Debt

	Restated Balance 6/30/22	Additional Obligations	Retirements	Balance 6/30/23	Due Within One Year
2018A Technology and deferred maint. bonds	284,000	0	284,000	0	0
2020 Technology bonds	519,000	0	519,000	0	0
2021 Deferred Maint Bond	1,499,000	0	0	1,499,000	353,000
2022 Technology Bonds	1,500,000	0	0	1,500,000	407,000
Subtotal bonds	3,802,000	0	803,000	2,999,000	760,000
Lease liabilities	516,017	113,907	223,600	406,324	124,109
Subscription liabilities	0	1,979,878	470,561	1,509,317	492,248
Subtotal	516,017	2,093,785	694,161	1,915,641	616,357
Accrued compensated absences	482,786	336,943	350,454	469,275	350,000
Total	\$4,800,803	\$2,430,728	\$1,847,615	\$5,383,916	\$1,726,357

General Obligation Bonds

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
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	110,000	7,373	117,373
Thereafter	457,000	13,284	470,284
Total	\$1,499,000	\$82,490	\$1,581,490

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

Note 4 Long-Term Debt (continued)

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, the replacement of the College's 10-15 year-old digital phone system, as well as a state-of-the-art security system including cameras and a door access 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:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2028	126,000	12,379	138,379
Thereafter	264,000	12,802	415,180
Total	\$1,500,000	\$167,083	\$1,667,083

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, 2023 was \$348,159. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	6,433	26	6,459

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, 2023 was \$89,879. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	11,678	94	11,772

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, 2023 was \$65,344. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	8,441	47	8,488

Danville Area Community College
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Notes to Financial Statements

Note 4 Long-Term Debt (continued)

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, 2023 was \$56,580. The 2021 bus lease matured in November 2022.

The College entered into a lease arrangement on October 2022, for the right-to-use 1 2019 Ford Starcraft 10+2 passenger minibus. Payments of \$1,296 are due in monthly installments. Total intangible right-to-use assets acquired under the agreement are \$29,374. Accumulated amortization on the equipment as of June 30, 2023 was \$11,016. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2024	14,828	724	15,552
2025	3,850	39	3,889
Total	\$18,678	\$763	\$19,441

Building: The College entered into a lease arrangement on July 1, 2018 for the right-to-use a 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, 2023 was \$324,298. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
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	\$291,402	\$18,856	\$310,258

Mall Barber Space: The College entered into a lease arrangement on August 24, 2022 for the right-to-use a space for the Barbering program. Payments of \$1,500 are due in monthly installments. Total intangible right-to-use asset acquired under the agreement is \$84,533. Accumulated amortization on the space as of June 30, 2023 was \$15,499. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2024	16,396	1,604	18,000
2025	16,819	1,181	18,000
2026	17,264	736	18,000
2027	17,713	287	18,000
2028	1,500	0	1,500
Total	\$69,692	\$3,808	\$73,500

Danville Area Community College
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 Notes to Financial Statements

Note 4 Long-Term Debt (continued)

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

Subscriptions

Kaltura: The College entered into a three-year subscription agreement on October 25, 2022 for the right-to-use the license of the education professional package. Payments of \$12,000 are due in annual installments. Total subscription asset acquired under the agreement is \$35,116. Accumulated amortization on the subscription as of June 30, 2023 was \$5,853. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	11,557	443	12,000
2025	11,850	150	12,000
Total	\$23,407	\$593	\$24,000

People Admin: The College entered into a five-year subscription agreement on July 25, 2022 for the right-to-use the human resource software for a total of \$67,831. Total subscription asset acquired under the agreement is \$67,831. Accumulated amortization on the subscription as of June 30, 2023 was \$12,436. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	12,898	1,094	13,992
2025	13,516	756	14,272
2026	14,155	402	14,557
2027	14,817	31	14,848
Total	\$55,386	\$2,283	57,669

Ellucian CRM: The College entered into a five-year subscription agreement on October 15, 2021 with Ellucian Company LP for the right-to-use CRM Advise software for a total subscription liability of \$300,771. Total subscription asset acquired under the agreement is \$379,173. Accumulated amortization on the subscription as of June 30, 2023 was \$75,835. Annual debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	56,656	4,777	61,433
2025	60,013	3,273	63,286
2026	63,503	1,682	65,185
2027	67,142	0	67,142
Total	\$247,314	\$9,732	257,046

Danville Area Community College
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Notes to Financial Statements

Note 4 Long-Term Debt (continued)

Subscriptions (continued)

Ellucian Colleague Perpetual Software package: The College entered into a four-year subscription agreement on March 26, 2021 with Ellucian Company LP for the right-to-use perpetual software licenses for a total subscription liability of \$1,064,176. Total subscription asset acquired under the agreement is \$1,064,176. Accumulated amortization on the subscription as of June 30, 2023 was \$266,044. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2024	258,223	14,084	272,307
2025	273,239	7,237	280,476
2026	288,892	0	288,892
Total	\$820,354	\$21,321	841,675

Ellucian Cloud: The College entered into a three-year subscription agreement on September 25, 2020 with Ellucian Company LP for the right-to-use software license for managed cloud services for a total subscription liability of \$511,984. Total subscription asset acquired under the agreement is \$626,984. Accumulated amortization on the subscription as of June 30, 2023 was \$208,995. Annual debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2024	152,914	7,022	159,936
2025	156,797	3,139	159,936
2026	53,145	167	53,312
Total	\$362,856	\$10,328	373,184

Watermark: The College entered into a three-year subscription agreement on May 2, 2023 for the right-to-use the license of the curriculum strategy, student learning, and course evaluation software. One payment of \$134,557 is due at commencement of the subscription. Total subscription asset acquired under the agreement is \$134,557. Accumulated amortization on the subscription as of June 30, 2023 was \$3,738.

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, 2023, 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.

Note 5 Contingencies and Commitments (continued)

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, 2023, the balance of the College's trust account was \$1,116,014. The total remaining project costs as of June 30, 2023 is \$3,069,937, of which the College portion is \$1,088,600. 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 Bailey Edward Design, Inc. for \$399,000 for architectural services for remodeling Hegeler Hall. Total costs of the project are estimated to be \$3,399,252. The total remaining project costs as of June 30, 2023 were \$2,179,504. 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 upgrading the phone system. The College also entered into a contract with Gibson Teledata for internet protocol phone equipment for \$160,000. The project is in progress and estimated completion date is August 31, 2023. As of June 30, 2023, the total remaining project costs for the engineering services are \$522,102.

In fiscal year 2023, the College entered into a contract with Core Construction, Johnson Controls, and Glesco Electric for door access controls and a security camera system. The total project costs are estimated to be \$1,209,000 with an estimated completion date of fall 2023. The total remaining project costs as of June 30, 2023 were \$901,552.

In fiscal year 2023, the College entered into a contract with Reifsteck Reid for architectural services for the Technology Center roof replacement. Architectural costs are estimated to be \$120,000. The project is in the design phase and there is no estimated completion date.

Equipment Commitments

The board approved a five-year copier lease with Gordon Flesch Company on April 27, 2023 for an amount of \$3,560 per month or \$42,720 annually. The copiers were not put into service until August 2023.

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 three 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.

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, 2022 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 2022 and fiscal year 2023, respectively, was 12.32% and 12.83% 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).

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Notes to Financial Statements

Note 7 Defined Benefit Pension Plans (continued)

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, 2022. SURS defined benefit plan reported a NPL of \$29,078,053,857.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the NPL to be recognized for the College is \$0. The proportionate share of the State's NPL associated with the College is \$89,298,703 or 0.3071%. The College's proportionate share changed by 0.0110% from 0.2961% since the last measurement date on June 30, 2021. This amount is not recognized in the financial statements. The NPL and total pension liability as of June 30, 2022, was determined based on the June 30, 2021 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 2021.

Defined Benefit Pension Expense

For the year ending June 30, 2022, SURS defined benefit plan reported a collective net pension expense of \$1,903,314,699.

Employer Proportionate Share of Defined Benefit Pension Expense

The employer proportionate share of collective defined benefit 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 pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2022. As a result, the College recognized revenue and defined benefit pension expense of \$5,845,079 from this special funding situation during the year ended June 30, 2023.

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

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$31,973,496	\$28,674,599
Changes in assumptions	279,362,441	982,954,268
Net difference between projected and actual		
Earnings on pension plan investments	31,628,935	0
Total	\$342,964,872	\$1,011,628,867

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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:

Year ending June 30	Net Deferred Outflows (Inflows) of Resources
2023	\$ (332,941,204)
2024	(528,966,820)
2025	(249,290,775)
2026	442,534,804
Total	\$ (668,663,995)

Employer Deferral of Fiscal Year 2023 Contributions

The College paid \$97,692 in federal, trust or grant contributions to SURS defined benefit pension plan during the year ended June 30, 2023. These contributions were made subsequent to the pension liability measurement date of June 30, 2022, and are recognized as deferred outflows of resources as of June 30, 2023.

Assumptions and Other Inputs

Actuarial Assumptions. The actuarial assumptions used in the June 30, 2022 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, 2022 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

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, 2022, these best estimates are summarized in the following table:

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Note 7 Defined Benefit Pension Plans (continued)

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Traditional Growth		
Global Public Equity	38.0%	7.62%
Stabilized Growth		
Credit Fixed Income	9.0	4.20
Core Real Assets	4.5	4.98
Options Strategies	2.5	4.91
Private Credit	1.0	7.45
Non-Traditional Growth		
Private Equity	10.5	11.91
Non-Core Real Assets	2.5	9.43
Inflation Sensitive		
U.S. TIPS	5.0	1.23
Principal Protection		
Core Fixed Income	8.0	1.79
Crisis Risk Offset		
Systematic Trend Following	10.0	4.33
Alternative Risk Premia	5.0	3.59
Long Duration	4.0	2.16
Total	100.0%	6.08%
Inflation		<u>2.25%</u>
Expected Arithmetic Return		8.33%

Discount Rate. A single discount rate of 6.39% 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 a municipal bond rate of 3.69% (based on Fidelity 20-Year Municipal GO AA Index as of June 30, 2022). 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 2076. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2076, 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 NPL to changes in the single discount rate, the following presents the State’s NPL, calculated using a single discount rate of 6.39%, as well as what the State’s NPL would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1- percentage-point higher:

1% Decrease 5.39%	Current Single Discount Rate Assumption 6.39%	1% Increase 7.39%
\$35,261,802,968	\$29,078,053,857	\$23,928,731,076

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.

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. 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.

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.

Note 8 Defined Contribution Pension Plan (continued)

General Information about the Pension Plan (continued)

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, 2022, the State's contributions to the RSP on behalf of individual employers totaled \$89,770,940. Of this amount, \$80,902,699 was funded via an appropriation from the State and \$8,868,241 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 2022. The College's share of pensionable contributions was 0.1368% at June 30, 2022. As a result, the College recognized revenue and defined contribution pension expense of \$122,851 from this special funding situation during the year ended June 30, 2023, of which \$12,136 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.

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

General Information about the OPEB Plan (continued)

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 year ended June 30, 2023 was \$61,974.

Total OPEB Liability. The total OPEB liability was measured as of June 30, 2022. CIP reported a total OPEB liability at June 30, 2022 of \$684,560,152.

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 2022 is \$4,522,226 or 0.6606%. This amount is recognized in the financial statement. The change in the College's proportionate total OPEB liability was an increase of 0.0054%. The proportionate share of the State's total OPEB liability associated with the College at June 30, 2022 was \$4,522,226 or 0.6606%. The total proportionate share of the total OPEB liability associated with the College at June 30, 2022 was \$9,044,452. The total OPEB liability as of June 30, 2022 was determined based on the June 30, 2021 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 2022.

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Notes to Financial Statements

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

OPEB Expense. At June 30, 2022, CIP reported a collective total OPEB income of \$287,349,940.

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 2022 and 2021, respectively. As a result, the College recognized on-behalf revenue of \$63,980 for the fiscal year ended June 30, 2023. Additionally, the College recognized OPEB expense (revenue) of \$(1,938,125) for the fiscal year ended June 30, 2023. For the year ended June 30, 2023, the College recognized OPEB expense (revenue) of (\$1,715,551) for its proportionate share of the OPEB expense (revenue).

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.

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

Fiscal Year Ended June 30, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
<i>Deferred Amounts to be recognized in OPEB expense in future Periods</i>			
Differences between expected and actual experience	\$35,725	\$1,883,647	(\$1,847,922)
Changes of assumptions	0	6,095,819	(6,095,819)
Net difference between projected and actual investment earnings on OPEB plan investments	0	234	(234)
Changes in proportion and differences between employer contributions and share of contributions	584,102	14,261	569,841
Total deferred amounts to be recognized in OPEB expenses In future period	619,827	7,993,961	(7,374,134)
OPEB contributions made subsequent to the measurement date	61,974	0	61,974
Total deferred amounts related to OPEB	\$681,801	\$7,993,961	(\$7,312,160)

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Notes to Financial Statements

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

The College reported \$61,974 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 year ended June 30, 2023. 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>
2024	\$1,229,022
2025	1,229,022
2026	1,229,022
2027	1,229,022
2028	1,229,022
Thereafter	1,229,024
<u>Total</u>	<u>\$7,374,134</u>

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 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend used fiscal year end 2023 based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trends rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.86% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.
Asset Valuation Method	Market Value

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

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table. For disabled annuitants mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

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 to June 30, 2020.

Actuarial assumptions and other inputs

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 3.69% as of June 30, 2022, and 1.92% as of June 30, 2021. The increase in the single discount rate from 1.92% to 3.69% caused the total OPEB liability to decrease by approximately \$119.2 million from 2021 to 2022.

The following presents the plan’s total OPEB liability, calculated using a Single Discount Rate of 3.69% at June 30, 2022, 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:

Sensitivity of the College’s Proportional Share of the Total OPEB Liability As of June 30, 2022 to the Single Discount Rate Assumption			
	1% Decrease 2.69%	Current Single Discount Rate Assumption 3.69%	1% Increase 4.69%
Total OPEB liability	\$4,950,382	\$4,522,226	\$4,156,092

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

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 net OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower.

**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	\$4,041,302	\$4,522,226	\$5,109,875

- a) Current healthcare trend rates Pre-Medicare per capita costs: 9.18% in 2023, 8.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2039. Post-Medicare per capita costs: 2.98% in 2023, 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.86% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2039.
- b) One percentage point decrease in current healthcare trend rates Pre-Medicare per capita costs: 8.18% in 2023, 7.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2039. Post-Medicare per capita costs: 1.98% in 2023, 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 4.86% in 2034 decreasing ratably to an ultimate rate of 3.25% in 2039.
- c) One percentage point increase in current healthcare trend rates Pre-Medicare per capita costs: 10.18% in 2023, 9.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2039. Post-Medicare per capita costs: 3.98% in 2023, 1.00% from 2024 to 2028, 20.42% from 2029 to 2033, 6.86% in 2034 decreasing ratably to an ultimate rate of 5.25% in 2039.

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 \$130,508 as of June 30, 2023.

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Note 10 Lessor (continued)

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 \$571,154 as of June 30, 2023.

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

Fiscal Year Ending June 30,	Lease Receivable
2024	30,866
2025	34,074
2026	34,074
2027	34,074
2028	34,074
2029-2049	635,070
Total minimum lease collections	802,232
Less amount representing Interest	(100,570)
TOTAL	\$ 701,662

Note 11 Impact of Pending Accounting Pronouncements

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, 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.

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.

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 Notes to Financial Statements

Note 12 Component Unit (continued)

Investments and Beneficial Interest in Trusts

Investments

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

	2023 Fair Value
Equity securities and mutual funds	\$10,350,977
Corporate bonds and fixed income mutual funds	2,169,654
U.S. government obligations	2,952,553
Subtotal	15,473,184
Land held for investment	2,771,881
Total	<u>\$18,245,065</u>

Net realized gains totaled \$1,013,391 and net unrealized gain totaled \$293,853 for the year ended June 30, 2023.

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.

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Note 12 Component Unit (continued)

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, 2023.

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.

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, 2023:

	Assets at Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
Equity mutual funds	\$7,394,242	\$0	\$0	\$7,394,242
Equity securities	2,956,735	0	0	2,956,735
Fixed income mutual funds	0	2,952,553	0	2,952,553
Corporate bonds	0	2,169,654	0	2,169,654
U.S. government obligations	0	0	0	0
Total assets at fair value	\$10,350,977	\$5,122,207	\$0	\$15,473,184

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Note 12 Component Unit (continued)

Investments and Beneficial Interest in Trusts (continued)

Credit Risk

Level 2 corporate bonds totaling \$2,169,654 are rated between AA+ to BBB- as of June 30, 2023. No corporate bonds were unrated as of June 30, 2023.

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, 2023.

	Assets at Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
Beneficial interests in trust	\$0	\$0	\$1,331,992	\$1,331,922

	Beneficial Interest in Trusts
Balance – July 1, 2022	\$1,251,479
Unrealized gain (loss)	80,443
Balance – June 30, 2023	\$13,331,922

Note 13 Restricted Net Position

Net position was restricted for the following purposes at June 30:

	2023
Capital Projects	\$3,224,954
Working Cash	5,429,723
Debt Service	934,343
Grant Purposes	729,437
Audit	45,887
Liability, Protection, & Settlement	916,182
	\$11,280,526

The working cash fund was created as a result of the issuance of bonds, for which the proceeds were restricted to be used for working cash purposes. The state of Illinois statutory authority or creating working cash funds (110 ILCS 805/3-33.1 through 3-33.6) restricts the use of established funds to making short-term loans to other funds of the College.

Note 13 Restricted Net Position (continued)

The capital projects fund is restricted for unspent proceeds for capital improvements and the debt service fund is restricted for debt service payments. The audit and liability, protection, and settlement funds are restricted due to state statutes and the grant purposes restriction is due to externally imposed by grantors.

Note 14 Subsequent Events

The board approved a five-year lease of two 15-passenger minibuses on September 28, 2023 for \$1,550 per month or \$18,600 annually from Midwest Transit Equipment. The anticipated delivery date is June 2024.

The board approved a three-year extension of a professional services agreement with Ellucian Company LP on September 28, 2023 to provide operational support to the College. The period covered under the extension is November 1, 2023 through October 31, 2026 for \$368,377.

The board approved the bid from Sentry Roofing for \$371,000 plus alternative bids of \$9,800, \$48,650, and \$56,100 for a total of \$485,550, on September 28, 2023 for the replacement of the Technology Center Roof.

The board approved the bid to Haas Factory Outlet on September 28, 2023 for \$60,212 for CNC Lathe equipment.



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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Proportion percentage of the collective net pension liability	0%	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	\$0
Portion of nonemployer contributing entities' total proportion of collective net pension liability associated with the College	\$89,298,703	\$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	\$11,577,039	\$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	771.34%	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	43.65%	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.

See Accompanying Notes to Required Supplementary Information

Danville Area Community College
 Community College District No. 507

Schedule of Pension Contributions

Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2014)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Federal, trust, grant and other contribution	\$97,692	\$101,977	\$104,490	\$66,990	\$63,957	\$61,429	\$63,075	\$64,668	\$63,187	\$61,599
Contribution in relation to required contribution	97,692	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	\$13,319,786	\$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	0.73%	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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Proportion percentage of the collective total OPEB liability	0.66%	0.66%	0.63%	0.63%	0.61%	0.60%	0.59%			
Proportion amount of the collective total OPEB liability	\$4,522,226	\$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	\$4,522,226	\$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	\$9,044,452	\$22,741,926	\$23,123,153	\$23,936,806	\$23,127,880	\$21,703,087	\$22,155,677			
College covered payroll	\$13,139,664	\$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	68.83%	180.83%	195.04%	209.33%	219.25%	212.37%	208.04%			
College insurance plan net position as a percentage of total OPEB liability	-22.03%	-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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$61,974	\$61,247	\$59,278	\$56,860	\$55,442	\$52,595				
Contribution in relation to the required statutorily	61,974	61,247	59,278	56,860	55,442	52,595				
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0				
College covered-employee payroll	\$13,319,786	\$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%	0.47%	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, 2022.

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. These assumptions are listed below and remained the same for the June 30, 2022 actuarial valuation.

- 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.

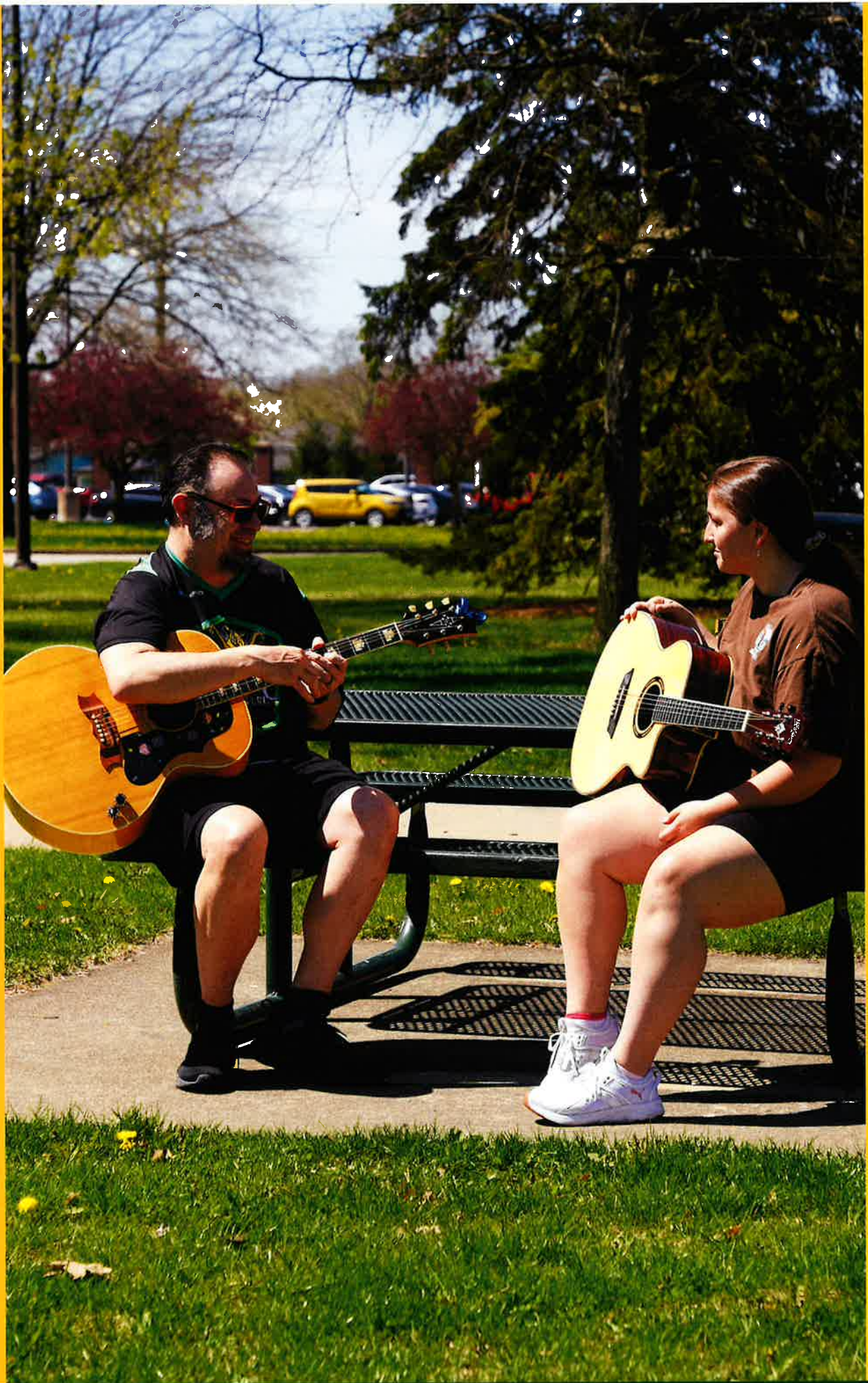
Note 3 Changes of OPEB Benefit Terms:

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2022.

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, 2017 to June 30, 2020, resulting in the adoption of new assumptions as of June 30, 2021. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2020:

- Per capita claim costs for plan year end June 30, 2022, were updated based on projected claims and enrollment experience through June 30, 2022, and updated premium rates through plan year end 2023;
Effective as of January 1, 2023, projected per capita costs reflect the newly established zero premium MAPD plan. Based on discussions with CMS, the MAPD costs are zero for calendar years 2023 through 2027, increase to \$42 per member per month in calendar year 2028, and increases ratably to \$102 per member per month in calendar year 2032. After 2032, costs increase according to the assumed trend rates;
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2021, projected plan cost for plan year end June 30, 2022, premium changes through plan year end 2022, and expectation of future trend increases after June 30, 2022;
- Healthcare plan participation and lapse rates were updated based on observed experience; and
- The discount rate was changed from 1.92 percent at June 30, 2021, to 3.69 percent at June 30, 2022. The discount rate was changed from 2.45 percent at June 30, 2020, to 1.92 percent at June 30, 2021.



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.

	<u>PAGE</u>
<u>Contents</u>	
Financial Trends These schedules contain trend information to help the reader understand how the College’s financial performance and well-being have changed over time.	79 - 80
Revenue Capacity 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.	81 - 85
Debt Capacity 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.	86 - 93
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the College’s financial activities take place.	94 - 96
Operating Information 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	97 - 98

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

	2023	2022	Restated 2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities										
Net investment in capital assets	\$34,350,952	\$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
Restricted										
Capital projects	3,224,954	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
Debt service	934,343	929,035	3,906,499	4,053,341	1,015,844	1,074,550	758,848	766,898	767,757	873,702
Grant purposes	729,436	300,767	387,414	1,084,320	862,148	843,372	1,073,262	1,194,007	1,023,344	359,153
Working cash	5,429,723	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
Audit purposes	45,887	49,140	45,908	48,782	46,705	48,443	42,754	35,348	29,726	36,910
Liability insurance	916,182	958,676	917,066	951,114	1,025,873	957,415	939,510	1,015,161	1,054,830	1,183,036
Unrestricted	(4,253,639)	(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
Total net position	\$41,377,838	\$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

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
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	
Operating revenues											
Student tuition and fees, net of scholarship allowances	\$3,957,698	\$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	
Auxiliary enterprise revenue	1,375,762	1,161,439	964,654	631,080	647,961	730,402	554,770	583,445	611,917	1,572,107	
Other operating revenue	450,187	360,018	290,962	384,344	538,939	158,239	36,450	16,913	5,332	90,872	
Total operating revenues	5,783,647	4,518,923	3,987,065	4,765,281	4,996,969	5,195,718	4,714,912	4,395,568	4,257,475	5,460,571	
Operating expenses											
Instruction	9,921,617	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	
Academic support	1,275,764	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	
Student services	2,711,964	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	
Public service	1,149,137	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	
Auxiliary enterprise	1,459,131	1,305,636	1,214,508	872,158	821,876	752,014	461,973	507,939	527,600	1,411,733	
Operation and maintenance of plant and capital outlay	2,471,198	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	
Institutional support	4,141,647	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	
On-behalf payments	3,970,934	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	
Other postemployment benefits	(1,715,551)	108,346	328,460	623,081	784,116	983,559	0	0	0	0	
Scholarships	4,760,691	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	
Depreciation	2,526,357	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	
Total operating expenses	32,672,889	34,598,718	36,614,968	35,171,147	33,217,623	31,768,273	29,666,679	27,821,531	27,996,560	27,419,033	
Operating (loss)	(26,889,242)	(30,079,795)	(32,627,903)	(30,405,866)	(28,220,654)	(26,572,555)	(24,951,767)	(23,425,963)	(23,739,085)	(21,958,462)	
Nonoperating revenues (expenses)											
State grants and contracts	6,892,946	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	
Local property tax revenues	7,661,273	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	
Personal property replacement tax	1,940,584	1,859,438	859,981	617,229	570,826	513,965	622,143	564,193	616,276	573,034	
Federal grants and contracts	7,330,803	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	
Local grants and contracts	13,660	13,753	11,884	10,151	8,370	40,705	13,922	68,183	5,500	70,374	
On-behalf payments	3,970,934	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	
Investment income earned	664,339	95,840	56,618	232,201	353,590	216,908	110,319	73,257	61,757	66,504	
Other nonoperating revenues (expenses)	229,333	511,427	2,212,545	3,374,361	708,110	224,899	409,688	310,111	184,604	449,161	
Gain (loss) on disposal of assets	(5,730)	800	(80,805)	14,375	(63,889)	0	0	7,000	0	0	
Interest expense	(131,551)	(152,923)	(204,869)	(171,468)	(223,025)	(180,737)	(206,395)	(214,816)	(223,646)	(205,334)	
Net nonoperating revenues	28,566,591	29,327,519	33,383,331	31,730,408	26,491,671	26,811,839	22,408,273	19,664,517	22,331,956	21,425,485	
Capital contributions											
Capital contributions	179,146	116,134	36,939	143,157	41,136	237,000	0	0	0	487,000	
Increase (decrease) in net position	\$1,856,495	(\$636,142)	\$792,367	\$1,467,699	(\$1,687,847)	\$476,284	(\$2,543,494)	(\$3,761,446)	(\$1,407,129)	(\$45,977)	

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
2022	\$538,265,433	\$442,942,177	\$183,829,369	\$53,069,207	\$24,225,584	\$36,130,856	\$0	\$0	1,278,462,626	0.6032	3,874,129,170	33.00%
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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Overlapping Property Tax Rates:										
Vermilion County										
Airport Authority	.07906	.08025	.10118	.09912	.10614	.10927	.11077	.11031	.10589	.10480
Catlin Cemetery	.06207	.06736	.06962	.07122	.07546	.07913	.08212	.08120	.08172	.08481
Georgetown Cemetery	.06608	.06529	.06680	.06580	.06392	.06559	.06718	.06754	.06252	.06071
Pilot Cemetery	.05996	.06033	.05859	.05720	.05563	.05411	.05211	.05009	.04539	.04835
Rossville/South Ross Cemetery	.00000	.00000	.00000	.00000	.08947	.19216	.19908	.19999	.14964	.14617
Vermilion County	1.45409	1.50410	1.48861	1.46338	1.42073	1.40926	1.44450	1.48477	1.44616	1.47315
Conservation District	.11520	.12272	.12443	.12407	.12435	.12846	.13167	.12344	.12058	.12132
Blount Water	.00814	.00890	.00950	.00964	.00961	.01030	.01039	.01051	.01158	.01172
South Ross Water	.01843	.02008	.02529	.02707	.02942	.03151	.03292	.03455	.03652	.03889
City of Allerton	.45226	.46467	.44660	.44778	.47298	.00000	.00000	.00000	.00000	.00000
City of Alvin	.41863	.42748	.42867	.43763	.45065	1.01646	.02481	.47619	.26380	.25000
City of Belgium	.34483	.34484	.33485	.32466	.31061	.31819	.35800	.35800	.35800	.35800
City of Bismarck	.29060	.29552	.30128	.29115	.27817	.27767	.00000	.00000	.00000	.00000
City of Catlin	.67981	.73686	.74549	.75109	.78283	.79262	.79252	.71322	.73532	.74163
City of Danville	2.16068	2.26509	2.31242	2.28835	2.27346	2.24598	2.04299	2.08259	2.05525	2.06604
City of Fairmount	.79201	.77335	.75172	.75140	.74946	.79504	.75516	.73696	.67281	.62460
City of Fithian	.84714	.80190	.79338	.79573	.81899	.79929	.76927	.79817	.77158	.73980
City of Georgetown	1.03831	1.03486	1.08818	1.06999	1.04290	1.07701	1.12495	1.13842	.94365	.92516
City of Henning	.20595	.22531	.00000	.26833	.33774	.33845	.32302	.31588	.31169	.29612
City of Hoopeston	2.86174	2.98978	2.97872	2.87778	2.82191	2.75227	2.61117	2.51197	2.60635	2.44469
City of Indianola	.26595	.27265	.27247	.28756	.29723	.32371	.30947	.34199	.36600	.36057
City of Muncie	.23425	.22655	.28283	.27804	.27646	.26307	.25628	.24873	.25000	.25000
City of Potomac	1.03713	.00000	.99152	1.03319	1.05740	1.12091	1.07765	1.04390	1.04121	.95004
City of Rankin	.72826	1.01241	.75780	.76717	.81806	.81109	.80693	.73564	.78472	.78117
City of Ridge Farm	2.58975	.76162	2.37224	2.48316	2.61055	2.76764	2.69661	2.69345	2.69383	2.57688
City of Rossville	.25000	2.55535	.25000	.25000	.25000	.25000	.25000	.25000	.25000	.25000
City of Sidell	.68724	.25000	.67407	.66643	.66836	.66362	.63572	.64228	.66453	.63396
City of Tilton	.00000	.68842	.00000	.00000	.00000	1.86187	.00000	.00000	.00000	.00000
Allerton Fire	.22373	.26741	.26594	.26721	.26352	.26426	.26006	.25768	.25392	.26129
Bismarck Fire	.60314	.56570	.60023	.60381	.52933	.55464	.54901	.53528	.34508	.33638
Blue Grass Fire	.52083	.52993	.52662	.53396	.54237	.54118	.55213	.55605	.52767	.51590
Catlin Fire	.31574	.32840	.32867	.32687	.32585	.32808	.33015	.33457	.34069	.33804
Carroll Fire	.67458	.69457	.96124	.66432	.47816	.48169	.49734	.51229	.51759	.53011
FMC Fire	.16057	.16104	.16143	.16060	.15513	.15781	.15477	.15120	.14969	.10142
Georgetown Fire	.56804	.56908	.58165	.64188	.64177	.70810	.59571	.61354	.55809	.53746
Grant Township Fire	.17269	.09464	.06682	.07131	.07964	.08438	.00000	.40000	.10088	.10739

Danville Area Community College

Community College District No. 507

Property Tax Rates
 Direct and Overlapping
 Last Ten Fiscal Years

TABLE D

Taxing Bodies	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Overlapping Property Tax Rates:										
Homer Fire	.40517	.41598	.42061	.44491	.36706	.39646	.41247	.40788	.38831	.40104
Kickapoo Fire	.35266	.39335	.42106	.41171	.40762	.41997	.18747	.18522	.18667	.18021
Lynch Fire	.55567	.61409	.63595	.62713	.61642	.63574	.67156	.67976	.69074	.69286
Oakwood Fire	.25423	.29436	.28029	.28053	.29481	.30445	.29532	.30062	.30121	.31243
Ogden/Royal Fire	.15406	.15693	.16236	.16376	.16279	.15592	.15815	.16321	.16219	.16214
Rankin Fire	.40404	.41367	.41210	.41949	.41941	.43765	.44317	.44509	.46694	.46506
Ridge Farm Fire	.40319	.42307	.43620	.45611	.47994	.49151	.49733	.51004	.30661	.31937
Rossville Fire	.41013	.42710	.45402	.46515	.49818	.52723	.53735	.56219	.63496	.63286
Sidell Fire	.29795	.29514	.29157	.29035	.29351	.29428	.28602	.28275	.27791	.27605
Westville Fire	.33577	.34199	.34549	.33713	.33456	.39779	.41704	.42277	.41754	.42604
Catlin Library	.21846	.22583	.22230	.21656	.21851	.21827	.21798	.21635	.20950	.20746
Elwood Library	.37200	.31376	.30592	.30468	.30926	.00000	.00000	.00000	.00000	.00000
Hoopston Library	.13157	.13619	.16013	.18180	.20514	.22524	.22439	.22661	.22663	.22668
Oakwood Library	.20150	.22501	.23558	.24289	.24964	.26386	.26851	.28072	.28989	.28593
Potomac Library	.19331	.19584	.19304	.19368	.19521	.00000	.00000	.00000	.00000	.00000
Sidell Library	.17725	.17695	.17462	.17440	.17499	.17509	.17138	.17856	.18318	.18549
Westville Library	.27567	.28649	.28804	.28042	.27717	.27593	.28021	.28118	.27944	.27990
Carroll/Elwood MTA	.03511	.03541	.03478	.01678	.00352	.06406	.06512	.06727	.06914	.07921
Grant/Butler MTA	.12824	.13548	.13558	.13441	.14362	.15031	.15600	.15634	.18076	.19350
Georgetown/Love/McKendree MTA	.03299	.03369	.03452	.03360	.03509	.03594	.03866	.04031	.03939	.03989
Jamaica/Vance MTA	.03265	.03380	.03336	.03322	.03320	.03316	.03222	.03147	.03157	.03335
Middlefork Pilot MTA	.03618	.03674	.03763	.03918	.04079	.04247	.04157	.04051	.03974	.04033
Rossville Park	.08722	.08727	.08683	.08649	.09103	.00000	.07995	.08456	.09133	.09295
Blount Road & Bridge	.43763	.44358	.44666	.43622	.43361	.43624	.43599	.43147	.44226	.44270
Butler Road & Bridge	.48696	.52644	.55271	.59457	.63748	.68314	.71180	.74745	.97631	.96020
Carroll Road & Bridge	.50414	.51289	.58143	.51569	.52986	.53768	.51417	.51484	.51207	.47042
Catlin Road & Bridge	.39074	.39855	.40631	.40056	.41435	.42662	.42641	.43147	.43307	.44052
Danville Road & Bridge	.42220	.43356	.43053	.43110	.41847	.47859	.47506	.47373	.47257	.45748
Elwood Road & Bridge	.40969	.40769	.39899	.41138	.43915	.44950	.44607	.45101	.45768	.45547
Georgetown Road & Bridge	.27659	.28470	.29829	.30644	.31306	.33674	.36049	.36966	.35965	.35528
Grant Road & Bridge	.34983	.37418	.39170	.40765	.44062	.46422	.53057	.55321	.48408	.48541
Jamaica Road & Bridge	.82958	.82151	.81478	.81148	.81046	.82876	.82822	.82724	.78550	.79253
Love Road & Bridge	.47528	.48123	.48696	.48508	.48851	.49280	.52124	.51901	.50251	.50861
Mc Kendree Road & Bridge	.46663	.47569	.48997	.49317	.50460	.51323	.52412	.52363	.50211	.49129
Middlefork Road & Bridge	.45704	.48744	.49184	.52549	.54154	.58721	.58644	.59343	.62755	.62340
Newell Road & Bridge	.26111	.30373	.29735	.28664	.27968	.27144	.26106	.25824	.24558	.24226
Oakwood Road & Bridge	.43668	.45680	.45697	.45735	.45575	.46931	.44544	.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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Overlapping Property Tax Rates:										
Pilot Road & Bridge	.30267	.30583	.30640	.31018	.31039	.31057	.31088	.31047	.29775	.30014
Rossville Road & Bridge	.18877	.18888	.18794	.19270	.19886	.20893	.21451	.22482	.24603	.24673
Sidell Road & Bridge	.49551	.49594	.49927	.51468	.52351	.52997	.53355	.53803	.53750	.54315
South Ross Road & Bridge	.32019	.33226	.34528	.35196	.20517	.20930	.20824	.20816	.20950	.20603
Vance Road & Bridge	.44708	.45000	.44840	.44750	.44742	.44650	.41917	.41667	.40329	.40865
Westville/Belgium Sanitary	.07028	.07097	.07156	.06903	.07208	.07731	.08056	.08217	.08133	.08021
Danville Special Service	1.62250	1.67465	1.66861	1.66959	1.63872	1.50581	1.53153	1.54626	1.54947	1.54883
Grant Special Service	.01404	.01513	.01615	.01724	.01898	.02012	.02123	.02303	.02408	.02500
North Fork Special Service 01	.00000	.05452	.05773	.06051	.00000	.06765	.06991	.07332	.08245	.08534
North Fork Special Service 02	.00000	.06045	.06128	.06111	.00000	.06550	.06550	.06550	.06550	.06550
North Fork Special Service 03	.00000	.05082	.05081	.05115	.00000	.05270	.05260	.05277	.05199	.05070
Ross Special Service Amb 01	.00000	.12000	.12000	.12000	.12000	.12000	.12000	.12000	.12000	.12000
Ross Special Service Amb 02	.00000	.00892	.00946	.01002	.01070	.01130	.00038	.02500	.01674	.01763
Blount Township	.20666	.21367	.21720	.21127	.20596	.21769	.21320	.20906	.21759	.20813
Butler Township	.40098	.43351	.45513	.49770	.52381	.56133	.55888	.58147	.90106	.92612
Carroll Township	.61413	.61730	.61122	.60783	.63896	.61511	.59973	.61647	.61505	.62468
Catlin Township	.15533	.16858	.17423	.17641	.18691	.19411	.19648	.19886	.20015	.20187
Danville Township	.56251	.59414	.59861	.57356	.56318	.54842	.54173	.53552	.50618	.48114
Elwood Township	.31902	.31706	.31127	.32897	.34576	.51702	.54322	.52861	.55959	.54974
Georgetown Township	.26175	.26601	.27196	.27563	.28465	.30378	.31632	.32915	.30566	.30654
Grant Township	.17269	.18574	.21743	.22359	.25645	.29008	.30051	.33594	.32697	.31609
Jamaica Township	.37062	.36582	.36205	.35993	.35935	.36957	.36070	.35791	.35709	.38065
Love Township	.50294	.52807	.56074	.58033	.60444	.63479	.64059	.64295	.62311	.63442
Mc Kendree Township	.31059	.33221	.35736	.37075	.39713	.42264	.45224	.47557	.47728	.47853
Middlefork Township	.42873	.45724	.46152	.49338	.53485	.58288	.58002	.59386	.61798	.61089
Newell Township	.14245	.14720	.15918	.17253	.18492	.18798	.20764	.20801	.20749	.20468
Oakwood Township	.37771	.40686	.40285	.40042	.40861	.41407	.40495	.40684	.40539	.40002
Pilot Township	.24705	.25824	.25855	.26417	.26948	.27430	.27849	.27997	.26958	.27170
Rossville Township	.52340	.54485	.56543	.57222	.49593	.52080	.53456	.56508	.61863	.62225
Sidell Township	.41813	.43000	.42614	.42544	.43000	.43000	.42373	.41927	.41278	.41712
South Ross Township	.32112	.34652	.48200	.48788	.42634	.45214	.44988	.44973	.45265	.44515
Vance Township	.53877	.53116	.52348	.46351	.46511	.46511	.45075	.43569	.42367	.41908
Bismarck-Henning Unit 1	5.10347	5.17420	5.20194	5.29828	5.32572	5.34021	5.35163	5.35243	5.26859	5.19977
Westville Unit 2	4.61619	4.82330	4.95900	4.99467	5.08649	5.24065	5.44288	5.55050	5.17437	5.12624
Georgetown/Ridge Farm Unit 4	4.74428	4.75111	4.86105	4.88803	5.13551	5.24961	5.57670	5.72343	5.27308	5.26925
Catlin Unit 5	.14820	.16527	.00000	.17297	.17971	.18639	.20249	.20145	5.17412	5.03047
Rossville/Alvin Unit 7	5.25954	5.30800	5.30928	5.48975	5.54266	5.55078	5.25738	5.54454	5.43387	5.45955

Danville Area Community College Community College District No. 507

Property Tax Rates
Direct and Overlapping
Last Ten Fiscal Years

TABLE D

Taxing Bodies	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Overlapping Property Tax Rates:										
Heritage Unit 8C	4.51869	4.72117	4.92321	4.97010	4.88625	5.00157	5.36103	5.50138	5.24637	5.02058
Potomac Unit 10	4.65997	4.73017	4.71320	4.76499	4.82069	4.94754	4.96404	5.15587	4.64882	4.50827
Paxton-Buckley-Loda Unit 10F	5.99097	6.01599	6.10694	6.09831	6.18973	6.27163	6.23634	5.65804	5.46175	5.29721
Hoopston Unit 11	4.86120	4.60292	4.98562	5.01689	5.04797	5.10082	5.13006	5.17614	4.66098	4.64282
Jamaica Unit 12	.00000	.00000	.00000	.00000	5.18729	.00000	.02774	.09692	5.15639	5.15076
Armstrong Unit 61	2.41659	2.37450	.00000	2.54857	2.46824	2.50819	2.57496	2.77210	2.49909	2.54712
Oakwood Unit 76	4.78414	5.12604	5.15037	5.16233	5.18729	5.27602	5.28734	5.35245	5.10057	5.15382
Danville Unit 118	5.23840	5.34616	5.37968	5.66783	5.46967	5.51422	5.70486	5.70722	5.28616	5.30868
Prairieview-Ogden Unit 197	3.01585	2.98598	.00000	2.97399	3.03392	3.05012	3.05999	3.05506	2.82308	2.80997
Armstrong High School 225	2.20857	2.20931	.00000	2.28481	2.12219	2.15195	2.12522	2.34039	2.23827	2.22711
St. Joseph High School 305	1.94069	1.96125	.00000	2.01243	1.99848	1.99986	1.98993	2.00998	1.99897	1.97297
Salt Fork Unit 512	5.21449	5.41223	4.86828	5.03470	5.06214	5.13504	5.14255	5.16532	.00000	.00000
Total Overlapping Rate	107.05563	109.80274	100.60907	112.39394	117.73849	114.48584	113.57023	115.53758	115.97495	114.69619
Direct Property Tax Rate:										
Danville Area Community College										
Education Fund	.36663	.36831	.37290	.37290	.36780	.37290	.37048	.37290	.37290	.36510
Building and Maintenance Fund	.07374	.07360	.07500	.07500	.07400	.07500	.07451	.07500	.07500	.07340
Worker's Compensation Fund	.00356	.00548	.00440	.00450	.00700	.00786	.00889	.00761	.01000	.01010
Audit Fund	.00356	.00421	.00440	.00410	.00420	.00477	.00500	.00500	.00370	.00220
Tort Liability Fund	.06711	.06737	.05928	.06100	.05840	.05758	.05433	.05578	.04500	.04300
Medicare Fund	.01422	.01516	.01537	.01490	.01440	.01623	.01581	.01623	.01730	.01930
Unemployment Fund	.00000	.00421	.00440	.00000	.00000	.00000	.00000	.00000	.00000	.00000
Protection, Health and Safety Fund	.00593	.00632	.00659	.00680	.00700	.00761	.00721	.00894	.00980	.01070
Bond and Interest Fund	.06850	.07308	.07128	.07230	.07410	.08357	.07894	.08200	.08480	.08890
Total Direct Rate	.60325	.61774	.61362	.61150	.60690	.62552	.61517	.62346	.61850	.61270
Total Rate	107.65888	110.42048	101.22269	113.00544	118.34539	115.11136	114.18540	116.16104	116.59345	115.30889

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, 2023

TABLE E

ISSUER (Overlapping)	Bonds Outstanding	Percent	Amount
Vermilion County			
City of Danville	\$3,965,000	100.00%	\$3,965,000
City of Georgetown	220,000	100.00%	220,000
Village of Tilton	2,480,000	100.00%	2,480,000
Carroll Fire	418,762	100.00%	418,762
Kickapoo Fire	230,000	100.00%	230,000
Rankin Fire	275,000	99.79%	274,423
Rossville Fire	900,000	100.00%	900,000
Bismarck-Henning Unit 1	5,225,000	100.00%	5,225,000
Westville Unit 2	2,135,000	100.00%	2,135,000
Georgetown/Ridge Farm Unit 4	9,350,000	100.00%	9,350,000
Catlin Unit 5	375,000	100.00%	375,000
Rossville/Alvin Unit 7	5,580,000	100.00%	5,580,000
Heritage Unit 8C	2,595,000	82.34%	2,136,724
Potomac Unit 10	85,000	100.00%	85,000
Paxton-Buckley-Loda Unit 10F	28,515,000	99.98%	28,509,297
Hoopeston Unit 11	1,549,100	99.94%	1,548,171
Oakwood Unit 76	12,640,000	99.96%	12,634,944
Danville Unit 118	22,900,000	100.00%	22,900,000
Prairieview-Ogden Unit 197	185,000	98.10%	181,485
Armstrong Unit 225	219,000	100.00%	219,000
St. Joseph High School 305	2,035,000	99.22%	2,019,127
Salt Fork 512	10,000,000	99.96%	9,996,000
Vermilion County Conservation District	450,000	97.84%	440,280
Vermilion County	<u>1,785,000</u>	<u>97.84%</u>	<u>1,746,444</u>
Total Vermilion County	<u>114,111,862</u>		<u>113,569,656</u>
Danville Area Community College District No. 507	<u>2,999,000</u>	100.00%	<u>2,999,000</u>
	<u><u>\$117,110,862</u></u>		<u><u>\$116,568,656</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 Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
	2023			2014		
Vermilion County						
California Ridge Wind Energy	\$17,995,769	1	1.4076%			0.0000%
Apex Clean Energy	11,683,605	2	0.9139%			0.0000%
Aqua Illinois - Consumers IL Water	5,009,706	3	0.3919%			0.0000%
Clapp Family Partnership	4,604,011	4	0.3601%			0.0000%
Mc Lane Company Inc.	4,563,232	5	0.3569%	3,189,697	2	0.3419%
Farmland Reserves	4,430,028	6	0.3465%			0.0000%
311 Properties LLC	3,329,202	7	0.2604%			0.0000%
Bungee Milling Inc	3,319,319	8	0.2596%			0.0000%
Autozone	3,291,944	9	0.2575%			0.0000%
Caseys Retail Company	3,204,850	10	0.2507%			0.0000%
Wal Mart Stores Inc.			0.0000%	2,949,791	4	0.3162%
Meijer Stores Limited Partnership			0.0000%	3,814,645	1	0.4088%
T Danville Mall LLC/Village Mall Center			0.0000%	3,000,000	3	0.3215%
EFN Danville Property LLC			0.0000%	2,545,546	7	0.2728%
Physicians Reality			0.0000%	2,632,000	6	0.2821%
Thyssen Krupp Presta/Gerlach			0.0000%	2,847,200	6	0.3052%
Aluminum Co. of America			0.0000%	2,436,920	8	0.2612%
Devonshire Village LLC			0.0000%	2,148,260	9	0.2302%
Quaker Manufacturing LLC			0.0000%	2,948,015	5	0.3160%
Danville Towne Centre LLC			0.0000%	2,103,250		0.2254%
	\$ 61,431,666		4.8051%	\$ 30,615,324		3.2813%

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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fiscal Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assessed valuation										
Vermilion	\$1,061,826,022	\$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
Edgar	116,735,126	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
Iroquois	74,208,438	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
Champaign	25,381,140	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
Ford	311,900	278,680	250,410	231,310	201,800	184,000	183,620	170,290	139,800	139,100
	\$1,278,462,626	\$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
Tax rates (per \$100 of assessed valuation):										
Education Fund	0.3666	0.3683	0.3729	0.3729	0.3678	0.3729	0.3705	0.3729	0.3729	0.3651
Building and Maintenance Fund	0.0737	0.0736	0.0750	0.0750	0.0740	0.0750	0.0745	0.0750	0.0750	0.0734
Worker's Compensation Fund	0.0036	0.0055	0.0044	0.0045	0.0070	0.0078	0.0090	0.0076	0.0100	0.0101
Audit Fund	0.0036	0.0042	0.0044	0.0041	0.0042	0.0048	0.0050	0.0050	0.0037	0.0022
Tort Liability Fund	0.0671	0.0674	0.0592	0.0610	0.0584	0.0576	0.0543	0.0558	0.0451	0.0430
Medicare Fund	0.0142	0.0152	0.0154	0.0149	0.0144	0.0162	0.0158	0.0162	0.0173	0.0193
Unemployment Compensation Fund	0.0000	0.0042	0.0044	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Protection, Health and Safety Fund	0.0059	0.0063	0.0066	0.0068	0.0070	0.0076	0.0072	0.0089	0.0098	0.0107
Bond and Interest Fund	0.0685	0.0731	0.0713	0.0723	0.0741	0.0836	0.0789	0.0821	0.0848	0.0889
	0.6032	0.6177	0.6136	0.6115	0.6069	0.6255	0.6152	0.6235	0.6185	0.6127
Tax extensions:										
Education Fund	\$4,679,983	\$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
Building and Maintenance Fund	942,049	880,420	861,795	838,488	803,244	781,752	757,802	739,550	718,689	685,533
Worker's Compensation Fund	45,485	65,548	50,508	50,467	75,558	81,082	90,585	75,286	95,447	94,299
Audit Fund	45,485	50,394	50,805	45,446	45,374	49,098	50,801	49,303	35,183	20,082
Tort Liability Fund	857,352	805,896	680,642	680,943	634,207	594,064	553,652	551,811	431,749	401,158
Medicare Fund	181,639	181,360	176,488	166,442	156,100	167,443	161,116	160,553	165,693	180,559
Unemployment Compensation Fund	0	50,394	50,508	-	-	-	-	-	-	-
Protection, Health and Safety Fund	75,773	75,610	75,664	75,691	75,558	78,408	73,451	88,427	93,907	100,347
Bond and Interest Fund	875,771	874,881	819,041	807,301	806,495	863,454	805,661	812,308	813,990	830,865
Total tax extensions	\$7,703,537	\$7,389,955	\$7,049,877	\$6,832,616	\$6,587,636	\$6,497,715	\$6,259,010	\$6,154,000	\$5,923,805	\$5,721,897

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
2022	2023	\$7,640,467	\$72,854	0.95%	\$0	\$72,854	0.95%
2021	2022	7,335,781	\$75,932	1.04%	\$7,280,089	\$7,356,021	100.28%
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%

Source: College's Business Office

Note: 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
2023	2,100	1,132	\$180	\$298	\$298	31,464.5	\$2,841,457	\$1,960,022	\$4,801,479
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	170	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
2022	2023	\$1,278,462,626	2.875%	\$36,755,800	\$4,914,641	\$31,841,159	13.37%
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%

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	Suscription Obligations	Total	Ratio of Outstanding Debt to Assessed Value	Per Capita	Percentage of Personal Income
2022	2023	\$1,278,462,626	\$2,999,000	\$406,324	\$1,509,317	4,914,641	0.3844%	62.49	73.27%
2021	2022	1,197,443,545	3,802,000	516,017	0	4,318,017	0.3606%	54.10	77.20%
2020	2021	1,149,060,536	6,052,000	725,822	0	6,777,822	0.5899%	83.23	49.18%
2019	2020	1,118,539,041	5,321,000	224,941	0	5,545,941	0.4958%	68.10	54.79%
2018	2019	1,086,140,805	5,035,000	292,844	0	5,327,844	0.4905%	63.67	56.40%
2017	2018	1,042,980,934	5,800,000	11,150	0	5,811,150	0.5572%	69.45	50.55%
2016	2017	1,016,037,986	5,515,000	64,294	0	5,579,294	0.5491%	65.50	51.50%
2015	2016	986,086,819	6,270,000	115,994	0	6,385,994	0.6476%	74.97	44.23%
2014	2015	958,251,948	5,995,000	165,383	0	6,160,383	0.6429%	71.39	45.31%
2013	2014	933,032,914	5,745,000	212,566	0	5,957,566	0.6385%	69.04	48.40%

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
2022	2023	78,647	\$1,278,462,626	\$2,999,000	\$934,343	\$2,064,657	0.16150%	26.25
2021	2022	79,816	1,197,443,545	3,802,000	929,035	2,872,965	0.23992%	35.99
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

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
2022	2023	78,647	\$1,278,462,626	16,256	\$3,601,015	49,265	5.00%
2021	2022	79,816	1,197,443,545	15,003	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%

Source: College's Business Office (population from Illinois Community College Board); U.S. Dept. of Commerce Bureau of Economic Analysis (www.bea.gov)

Note: Current personal income and per capital personal income amounts are the most current available (2021).

Danville Area Community College
Community College District No. 507

Principal Employers
Current and Ten Years Ago

TABLE N

Taxpayer	2023			2014		
	Employees	Rank	Percentage to Total	Employees	Rank	Percentage to Total
Vermilion County						
Dept. of Veterans Affairs Illiana Healthcare System	1,361	1	6.0200%	1,305	1	5.4203%
Vermilion County Public Schools	1,197	2	5.2946%	1,197	2	4.9718%
Danville District #118	757	3	3.3484%	736	3	3.0570%
McLane Midwest Company	753	4	3.3307%	727	4	3.0196%
ThyssenKrupp (Crankshaft & Presta)	731	5	3.2334%	439	10	1.8234%
Blue Cross/Blue Shield of Illinois	618	6	2.7335%			0.0000%
Vermilion County Government	586	7	2.5920%	586	6	2.4340%
AutoZone	560	8	2.4770%			0.0000%
Quaker Foods & Beverages	525	9	2.3222%	484	8	2.0103%
OSF Healthcare Sacred Heart Medical Center/Provena	520	10	2.3001%	501	7	2.0809%
GenPact			0.0000%	687	5	2.8535%
KIK Custom Products (formerly CCL Custom)			0.0000%	483	9	2.0061%
	<u>7,608</u>		<u>33.6518%</u>	<u>7,145</u>		<u>29.6769%</u>
Total number of employees	<u>22,608</u>			<u>24,076</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 2023 and 2014, this was the most recent year available on www.census.gov

Danville Area Community College
 Community College District No. 507

Capital Asset Statistics
 Last Ten Fiscal Years

TABLE O

Facilities Data	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Size of campus (acres)	76.4	76	76	76	72	72	71	71	71	71
Gross square footage	514,755	512,019	512,019	512,019	466,950	466,950	466,950	466,950	466,950	456,365
Number of classrooms	99	98	98	98	98	98	98	103	103	98
Number of laboratories (including computer labs)	71	70	70	70	70	70	70	70	70	62

Source: Administrative Services Department

Danville Area Community College Community College District No. 507

Operating Information and Employees
Last Ten Fiscal Years

TABLE P

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Enrollment (Fall Unduplicated Headcount)	2,100	2,209	2,928	3,659	3,682	3,813	3,872	4,300	4,614	4,981
Degrees awarded										
Associate in Science and Arts (ASA)	124	118	114	137	146	165	183	167	140	131
Associate in Applied Science (AAS)	101	106	105	138	108	148	145	167	132	162
Associate in Engineering Studies (AES)	0	1	2	0	2	2	1	2	2	2
Associate in Fine Arts (AFA)	0	2	0	0	1	1	0	1	0	0
Associate in General Studies (AGS)	48	38	50	57	54	57	66	77	32	43
	273	265	271	332	311	373	395	414	306	338
Certificates awarded	298	247	276	346	215	315	339	370	328	320
Faculty										
Full-time	59	65	66	65	65	59	65	63	68	68
Part-time	45	52	60	75	74	60	63	63	61	79
	104	117	126	140	139	119	128	126	129	147
Faculty and Staff										
Full-time	196	191	209	202	195	181	177	173	193	197
Part-time	46	53	61	76	76	62	66	69	76	91
	242	244	270	278	271	243	243	242	269	288
Full-Time Employees by Classification										
Admin/Mgt.Prof	83	73	80	74	69	64	60	57	67	71
Faculty	59	65	66	65	65	59	63	63	68	68
Support staff	54	53	63	63	61	58	54	53	58	58
	196	191	209	202	195	181	177	173	193	197
Students/Faculty										
Full-time	36	34	44	56	57	65	60	68	68	73
Part-time	47	42	49	49	50	64	61	68	76	63
	20	19	23	26	26	32	30	34	36	34

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
2023	\$9,921,617	2,100	\$4,725	19.50%	104	20
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

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, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Education	Operations and Maintenance	Operations and Maintenance Restricted	Bond and Interest
Current assets:				
Cash	\$82,989	\$227,557	\$3,151,034	\$129,553
Investments	0	0	0	0
Receivables (net of allowance for uncollectibles):				
Property taxes, net	4,565,523	919,010	73,920	857,469
Student tuition and fees, net	3,389,544	0	0	0
Government claims	227,545	78,464	0	0
Lease receivable, current	0	19,993	0	0
Other	0	0	0	0
Prepaid items	139,995	0	0	0
Due from other funds	0	0	0	0
Total current assets	8,405,596	1,245,024	3,224,954	987,022
Noncurrent assets -				
Lease receivable, noncurrent	0	681,669	0	0
Capital assets, net of accumulated depreciation	0	0	0	0
Total noncurrent assets	0	681,669	0	0
Total assets	8,405,596	1,926,693	3,224,954	987,022
Deferred outflows of resources:				
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
Total deferred outflows of resources	0	0	0	0
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Current liabilities:				
Accounts payable	625,999	0	0	0
Accrued expenses	383,458	1,449	0	52,679
Due to other funds	2,600,000	0	0	0
Unearned tuition revenue	2,533,263	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
Subscription liability, current maturities	0	0	0	0
Accrued compensated absences, current maturities	0	0	0	0
Total current liabilities	6,142,720	1,449	0	52,679
Noncurrent liabilities:				
Bonds payable, less current maturities	0	0	0	0
Lease liability, less current maturities	0	0	0	0
Subscription liability, less current maturities	0	0	0	0
Accrued compensated absences	0	0	0	0
Total other postemployment benefit liabilities	0	0	0	0
Total noncurrent liabilities	0	0	0	0
Total liabilities	6,142,720	1,449	0	52,679
Deferred inflows of resources -				
Long-term leases	0	701,662	0	0
Other postemployment benefits	0	0	0	0
Total deferred inflows of resources	0	701,662	0	0
Fund balance/net position:				
Net investment in capital assets	0	0	0	0
Restricted for:				
Capital projects	0	0	3,224,954	0
Debt service	0	0	0	934,343
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	2,262,876	1,223,582	0	0
Total fund balance/net position	\$2,262,876	\$1,223,582	\$3,224,954	\$934,343

Danville Area Community College
Community College District No. 507

Combining Balance Sheet - All Funds (Continued)
June 30, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Auxiliary Enterprises	Restricted Purposes	Working Cash	Audit	Liability Protection and Settlement
Current assets:					
Cash	\$856,549	\$10,840	\$2,829,723	\$1,514	\$3,228
Investments	0	0	0	0	0
Receivables (net of allowance for uncollectibles):					
Property taxes, net	0	0	0	44,373	1,057,954
Student tuition and fees, net	17,042	31,723	0	0	0
Government claims	7,150	1,390,298	0	0	0
Lease receivable, current	0	0	0	0	0
Other	80,919	7,439	0	0	0
Prepaid items	0	0	0	0	0
Due from other funds	0	0	2,600,000	0	0
Total current assets	961,660	1,440,300	5,429,723	45,887	1,061,182
Noncurrent assets -					
Lease receivable, noncurrent	0	0	0	0	0
Capital assets, net of accumulated depreciation	799,146	0	0	0	0
	799,146	0	0	0	0
Total assets	1,760,806	1,440,300	5,429,723	45,887	1,061,182
Deferred outflows of resources:					
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
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE					
Current liabilities:					
Accounts payable	0	0	0	0	0
Accrued expenses	8,196	398,788	0	0	0
Due to other funds	0	190,000	0	0	145,000
Unearned tuition revenue	0	0	0	0	0
Other unearned revenue	0	122,075	0	0	0
Bonds payable, current maturities	0	0	0	0	0
Lease liability, current maturities	66,192	0	0	0	0
Subscription liability, current maturities	0	0	0	0	0
Accrued compensated absences, current maturities	0	0	0	0	0
Total current liabilities	74,388	710,863	0	0	145,000
Noncurrent liabilities:					
Bonds payable, less current maturities	0	0	0	0	0
Lease liability, less current maturities	225,210	0	0	0	0
Subscription liability, less current maturities	0	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	225,210	0	0	0	0
Total liabilities	299,598	710,863	0	0	145,000
Deferred inflows of resources -					
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
Fund balance/net position:					
Net investment in capital assets	799,146	0	0	0	0
Restricted for:					
Capital projects	0	0	0	0	0
Debt service	0	0	0	0	0
Grant purposes	0	729,437	0	0	0
Working cash	0	0	5,429,723	0	0
Audit purposes	0	0	0	45,887	0
Liability insurance	0	0	0	0	916,182
Unrestricted	662,062	0	0	0	0
Total fund balance/net position	\$1,461,208	\$729,437	\$5,429,723	\$45,887	\$916,182

Danville Area Community College
Community College District No. 507

Combining Balance Sheet - All Funds (Continued)
June 30, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Board Restricted	Long-Term Obligations	Capital Assets	Adjustments	Total
Current assets:					
Cash	\$4,985,753	\$0	\$0	\$0	\$12,278,740
Investments	0	0	0	0	0
Receivables (net of allowance for uncollectibles):					
Property taxes, net	0	0	0	0	7,518,249
Student tuition and fees, net	0	0	0	(1,907,545)	1,530,764
Government claims	0	0	0	0	1,703,457
Lease receivable, current	0	0	0	0	19,993
Other	0	0	0	0	88,358
Prepaid items	0	0	0	0	139,995
Due from other funds	335,000	0	0	(2,935,000)	0
Total current assets	5,320,753	0	0	(4,842,545)	23,279,556
Noncurrent assets -					
Lease receivable, noncurrent	0	0	0	0	681,669
Capital assets, net of accumulated depreciation	0	0	36,346,602	0	37,145,748
	0	0	36,346,602	0	37,827,417
Total assets	5,320,753	0	36,346,602	(4,842,545)	61,106,973
Deferred outflows of resources:					
Subsequent year's pension expense related to federal, trust, or grant contributions in current year	0	0	0	97,693	97,693
Subsequent year's other postemployment benefit expense related to contributions in the current year	0	0	0	681,801	681,801
Total deferred outflows of resources	0	0	0	779,494	779,494
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE					
Current liabilities:					
Accounts payable	0	0	0	0	625,999
Accrued expenses	0	0	0	0	844,570
Due to other funds	0	0	0	(2,935,000)	0
Unearned tuition revenue	0	0	0	(2,219,045)	314,218
Other unearned revenue	0	0	0	0	122,075
Bonds payable, current maturities	0	760,000	0	0	760,000
Lease liability, current maturities	0	57,917	0	0	124,109
Subscription liability, current maturities	0	492,248	0	0	492,248
Accrued compensated absences, current maturities	0	350,000	0	0	350,000
Total current liabilities	0	1,660,165	0	(5,154,045)	3,633,219
Noncurrent liabilities:					
Bonds payable, less current maturities	0	2,239,000	0	0	2,239,000
Lease liability, less current maturities	0	57,005	0	0	282,215
Subscription liability, less current maturities	0	1,017,069	0	0	1,017,069
Accrued compensated absences	0	119,275	0	0	119,275
Total other postemployment benefit liabilities	0	4,522,226	0	0	4,522,226
Total noncurrent liabilities	0	7,954,575	0	0	8,179,785
Total liabilities	0	9,614,740	0	(5,154,045)	11,813,004
Deferred inflows of resources -					
Long-term leases	0	0	0	0	701,662
Other postemployment benefits	0	0	0	7,993,961	7,993,961
Total deferred inflows of resources	0	0	0	7,993,961	8,695,623
Fund balance/net position:					
Net investment in capital assets	0	(2,794,796)	36,346,602	0	34,350,952
Restricted for:					
Capital projects	0	0	0	0	3,224,954
Debt service	0	0	0	0	934,343
Grant purposes	0	0	0	0	729,437
Working cash	0	0	0	0	5,429,723
Audit purposes	0	0	0	0	45,887
Liability insurance	0	0	0	0	916,182
Unrestricted	5,320,753	(6,819,944)	0	(6,902,967)	(4,253,638)
Total fund balance/net position	\$5,320,753	(\$9,614,740)	\$36,346,602	(\$6,902,967)	\$41,377,840

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, 2023

	Education	Operations and Maintenance	Operations and Maintenance Restricted	Bond and Interest
Revenues:				
Operating revenues:				
Student tuition and fees, net	\$4,211,420	\$650,000	\$0	\$0
Auxiliary revenues	0	0	0	0
Other operating revenues	80,803	28,431	0	0
Total operating revenues	4,292,223	678,431	0	0
Expenses:				
Operating expenses:				
Instruction	8,667,787	0	0	0
Academic support	1,310,880	0	0	0
Student services	2,142,493	0	0	0
Public services	283,012	0	0	0
Auxiliary enterprises	0	0	0	0
Operations and maintenance of plant	0	2,606,681	1,287,828	0
Institutional support	5,504,606	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
Total operating expense	17,908,778	2,606,681	1,287,828	0
Operating income (loss)	(13,616,555)	(1,928,250)	(1,287,828)	0
Non-operating revenues (expenses):				
State grants and contracts	3,999,959	333,858	0	0
Property taxes	4,655,635	937,082	75,424	868,112
Personal property replacement tax	1,387,998	552,586	0	0
Federal grants and contracts	36,380	0	0	0
Local grants and contracts	8,244	1,627	140	1,517
SURS & OPEB contribution provided by state	0	0	0	0
Investment income earned	5,714	20,972	190,328	13,103
Other non-operating revenues	79,204	1,764	57,645	290
Debt service:				
Principal	0	0	0	(803,000)
Interest	0	0	0	(74,714)
Non-operating revenues (expenses), net	10,173,134	1,847,889	323,537	5,308
Capital contributions:				
Capital contributions	0	0	179,146	0
Other financing sources (uses):				
Issuance of debt - bonds	0	0	0	0
Issuance of debt - leases/sbita	2,009,252	84,533	0	0
Gain (loss) on disposal of assets	0	0	0	0
Transfer in	1,398,628	0	431,964	0
Transfer out	(71,248)	0	(381,276)	0
Total financing sources (uses)	3,336,632	84,533	50,688	0
Net change in fund balance/net position	(106,789)	4,172	(734,457)	5,308
Fund balance/net position, beginning of year	2,369,665	1,219,410	3,959,411	929,035
Fund balance/net position, end of year	\$2,262,876	\$1,223,582	\$3,224,954	\$934,343

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, 2023

	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	1,385,896	0	0	0	0
Other operating revenues	0	340,949	0	0	0
Total operating revenues	1,385,896	340,949	0	0	0
Expenses:					
Operating expenses:					
Instruction	0	1,536,091	0	0	0
Academic support	0	0	0	0	0
Student services	0	560,537	0	0	0
Public services	0	1,063,041	0	0	0
Auxiliary enterprises	1,441,329	20,551	0	0	0
Operations and maintenance of plant	0	3,318	0	0	0
Institutional support	0	1,107,645	0	48,674	1,128,288
SURS & OPEB contribution provided by state	0	4,093,785	0	0	0
Other postemployment benefits	0	0	0	0	0
Scholarships, grants and waivers	0	5,872,816	0	0	0
Depreciation/Amortization expense	86,571	0	0	0	0
Total operating expense	1,527,900	14,257,784	0	48,674	1,128,288
Operating income (loss)	(142,004)	(13,916,835)	0	(48,674)	(1,128,288)
Non-operating revenues (expenses):					
State grants and contracts	0	2,436,808	0	0	0
Property taxes	0	0	0	45,328	1,079,692
Personal property replacement tax	0	0	0	0	0
Federal grants and contracts	20,427	7,758,566	0	0	0
Local grants and contracts	0	0	0	93	2,039
SURS & OPEB contribution provided by state	0	4,093,785	0	0	0
Investment income earned	0	30,838	192,616	0	4,063
Other non-operating revenues	0	98,039	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	(9,918)	0	0	0	0
Non-operating revenues (expenses), net	10,509	14,418,036	192,616	45,421	1,085,794
Capital contributions:					
Capital contributions	0	0	0	0	0
Other financing sources (uses):					
Issuance of debt	0	0	0	0	0
Issuance of debt - leases/sbita	0	0	0	0	0
Gain (loss) on disposal of assets		0	0	0	0
Transfer in	405,000	108,954	0	0	0
Transfer out	(418,894)	(181,485)	(192,616)	0	0
Total financing sources (uses)	(13,894)	(72,531)	(192,616)	0	0
Net change in fund balance/net position	(145,389)	428,670	0	(3,253)	(42,494)
Fund balance/net position, beginning of year as restated	1,606,597	300,767	5,429,723	49,140	958,676
Fund balance/net position, end of year	\$1,461,208	\$729,437	\$5,429,723	\$45,887	\$916,182

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, 2023

	Board Restricted	Long-Term Obligations	Capital Assets	Adjustments	Total
Revenues:					
Operating revenues:					
Student tuition and fees, net	\$0	\$0	\$0	(\$903,722)	\$3,957,698
Auxiliary revenues	0	0	0	(10,134)	1,375,762
Other operating revenues	0	0	0	0	450,183
Total operating revenues	0	0	0	(913,856)	5,783,643
Expenses:					
Operating expenses:					
Instruction	0	0	(426,766)	(920)	9,776,192
Academic support	0	0	(35,116)	0	1,275,764
Student services	53,436	0	(39,405)	(5,098)	2,711,963
Public services	0	0	0	(187,562)	1,158,491
Auxiliary enterprises	0	0	0	(3,146)	1,458,734
Operations and maintenance of plant	0	0	(1,426,629)	0	2,471,198
Institutional support	0	(13,511)	(2,821,330)	(676,854)	4,277,518
SURS & OPEB contribution provided by state	0	0	0	0	4,093,785
Other postemployment benefits	0	(6,848,737)	0	5,133,186	(1,715,551)
Scholarships, grants and waivers	0	0	0	(1,111,927)	4,760,889
Depreciation/amortization expense	0	0	2,439,791	0	2,526,362
Total operating expense	53,436	(6,862,248)	(2,309,455)	3,147,679	32,795,345
Operating income (loss)	(53,436)	6,862,248	2,309,455	(4,061,535)	(27,011,702)
Non-operating revenues (expenses):					
State grants and contracts	0	0	0	0	6,770,625
Property taxes	0	0	0	0	7,661,273
Personal property replacement tax	0	0	0	0	1,940,584
Federal grants and contracts	0	0	0	(362,249)	7,453,124
Local grants and contracts	0	0	0	0	13,660
SURS & OPEB contribution provided by state	0	0	0	0	4,093,785
Investment income earned	206,707	0	0	0	664,341
Other non-operating revenues	0	0	0	(7,609)	229,333
Debt service:					
Principal	0	1,435,079	0	(632,079)	0
Interest	0	0	0	(47,316)	(131,948)
Non-operating revenues (expenses), net	206,707	1,435,079	0	(1,049,253)	28,694,777
Capital contributions:					
Capital contributions	0	0	0	0	179,146
Other financing sources (uses):					
Issuance of debt	0	-	0	0	0
Issuance of debt - leases/sbita	0	(2,093,785)	0	0	0
Gain (loss) on disposal of assets	0	0	(5,725)	0	(5,725)
Transfer in	55,000	0	0	0	2,399,546
Transfer out	(1,154,027)	0	0	0	(2,399,546)
Total financing sources (uses)	(1,099,027)	(2,093,785)	(5,725)	0	(5,725)
Net change in fund balance/net position	(945,756)	6,203,542	2,303,730	(5,110,788)	1,856,496
Fund balance/net position, beginning of year as restated	6,266,509	(15,818,282)	34,042,872	(1,792,179)	39,521,344
Fund balance/net position, end of year	\$5,320,753	(\$9,614,740)	\$36,346,602	(\$6,902,967)	\$41,377,840

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, 2023

	Budget	Education	Operations and Maintenance	Total	Variance Favorable (Unfavorable)
Receipts:					
Property taxes	\$5,503,000	\$4,655,635	\$937,082	\$5,592,717	\$89,717
Personal property replacement tax	975,000	1,387,998	552,586	1,940,584	965,584
State grants and contracts	4,266,258	3,999,959	333,858	4,333,817	67,559
Federal grants and contracts	0	36,380	0	36,380	36,380
Student tuition and fees, net	4,880,600	4,211,420	650,000	4,861,420	(19,180)
Investment income earned	5,000	5,714	20,972	26,686	21,686
Miscellaneous	158,000	168,251	31,822	200,073	42,073
Total receipts	15,787,858	14,465,357	2,526,320	16,991,677	1,203,819
Disbursements:					
Instruction	8,533,508	8,667,787	0	8,667,787	(134,279)
Academic support	1,298,176	1,310,880	0	1,310,880	(12,704)
Student services	2,217,849	2,142,493	0	2,142,493	75,356
Public services	324,891	283,012	0	283,012	41,879
Operations and maintenance of plant	2,441,000	0	2,606,681	2,606,681	(165,681)
Institutional support	3,496,434	5,504,606	0	5,504,606	(2,008,172)
Total disbursements	18,311,858	17,908,778	2,606,681	20,515,459	(2,203,601)
Excess (deficiency) of receipts over disbursements (budgetary basis)	(2,524,000)	(3,443,421)	(80,361)	(3,523,782)	(999,782)
Other financing sources (uses):					
Issuance of debt proceeds - Leases/SBITA	0	2,009,252	84,533	2,093,785	2,093,785
Gain (loss) on disposal of assets	0	0	0	0	0
Transfers in	2,590,000	1,398,628	0	1,398,628	(1,191,372)
Transfers out	(66,000)	(71,248)	0	(71,248)	(5,248)
Total other financing sources (uses)	2,524,000	3,336,632	84,533	3,421,165	897,165
Excess (deficiency) of receipts over disbursements and other financing sources (uses)	\$0	(106,789)	4,172	(102,617)	(\$102,617)
Fund balance, beginning of year		2,369,665	1,219,410	3,589,075	
Fund balance, end of year		\$2,262,876	\$1,223,582	\$3,486,458	

Danville Area Community College
Community College District No. 507
Uniform Financial Statements

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 Position, Statement of Revenues, Expenses, and Changes in Net Position, 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, 2023

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)
Fund balance, July 1, 2022	\$8,023,387	\$1,832,197	\$3,959,411
Revenues:			
Local tax revenue	4,655,635	937,082	75,424
All other local revenue	1,396,242	554,213	140
ICCB grants	3,999,959	333,858	0
All other state revenue	0	0	0
Federal revenue	36,380	0	0
Student tuition and fees	4,211,420	650,000	0
On-behalf CIP	0	0	0
On-behalf SURS	0	0	0
All other revenue	2,322,441	194,939	427,119
Total revenues	16,622,077	2,670,092	502,683
Expenditures by program:			
Instruction	8,667,787	0	0
Academic support	1,310,880	0	0
Student services	2,195,929	0	0
Public service/continuing education	283,012	0	0
Auxiliary services	0	0	0
Operations and maintenance	0	2,606,681	1,287,828
Institutional support	5,504,606	0	0
Scholarships, student grants, waivers	0	0	0
Total expenditures	17,962,214	2,606,681	1,287,828
Net transfers	279,022	(50,669)	50,688
Fund balance, June 30, 2023	\$6,962,272	\$1,844,939	\$3,224,954

Danville Area Community College

Community College District No. 507

Uniform Financial Statement No. 1

All Funds (Continued)

Year ended June 30, 2023

	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund
Fund balance, July 1, 2022	\$929,035	\$1,606,597	\$300,767	\$5,429,723
Revenues:				
Local tax revenue	868,112	0	0	0
All other local revenue	1,517	0	0	0
ICCB grants	0	0	710,985	0
All other state revenue	0	0	1,725,823	0
Federal revenue	0	20,427	7,396,317	0
Student tuition and fees	0	539,945	0	0
On-behalf CIP	0	0	(1,874,145)	0
On-behalf SURS	0	0	5,967,930	0
All other revenue	13,393	845,951	469,826	192,616
Total revenues	883,022	1,406,323	14,396,736	192,616
Expenditures by program:				
Instruction	0	0	3,784,099	0
Academic support	0	0	217,145	0
Student services	0	0	1,043,294	0
Public service/continuing education	0	0	1,253,188	0
Auxiliary services	0	1,537,818	186,542	0
Operations and maintenance	0	0	208,302	0
Institutional support	877,714	0	1,692,398	0
Scholarships, student grants, waivers	0	0	5,510,567	0
Total expenditures	877,714	1,537,818	13,895,535	0
Net transfers	0	(13,894)	(72,531)	(192,616)
Fund balance, June 30, 2023	\$934,343	\$1,461,208	\$729,437	\$5,429,723

Danville Area Community College

Community College District No. 507

Uniform Financial Statement No. 1

All Funds (Continued)

Year ended June 30, 2023

	Audit Fund	Liability, Protection Settlement Fund	Total All Funds	Total Current Funds Only
Fund balance, July 1, 2022	\$49,140	\$958,676	\$23,088,933	\$12,770,764
Revenues:				
Local tax revenue	45,328	1,079,692	7,661,273	6,717,737
All other local revenue	94	2,039	1,954,245	1,952,588
ICCB grants	0	0	5,044,802	5,044,802
All other state revenue	0	0	1,725,823	1,725,823
Federal revenue	0	0	7,453,124	7,453,124
Student tuition and fees	0	0	5,401,365	5,401,365
On-behalf CIP	0	0	(1,874,145)	(1,874,145)
On-behalf SURS	0	0	5,967,930	5,967,930
All other revenue	0	4,063	4,470,348	3,837,220
Total revenues	45,422	1,085,794	37,804,765	36,226,444
Expenditures by program:				
Instruction	0	0	12,451,886	12,451,886
Academic support	0	0	1,528,025	1,528,025
Student services	0	0	3,239,223	3,239,223
Public service/continuing education	0	0	1,536,200	1,536,200
Auxiliary services	0	0	1,724,360	1,724,360
Operations and maintenance	0	0	4,102,811	2,814,983
Institutional support	48,675	1,128,288	9,251,681	8,373,967
Scholarships, student grants, waivers	0	0	5,510,567	5,510,567
Total expenditures	48,675	1,128,288	39,344,753	37,179,211
Net transfers	0	0	0	141,928
Fund balance, June 30, 2023	\$45,887	\$916,182	\$21,548,945	\$11,959,925

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, 2023

	Capital Asset/ Long-Term Debt Account Groups June 30, 2022	Additions	Deletions	Capital Asset/ Long-Term Debt Account Groups June 30, 2023
Capital assets:				
Land	\$911,931	\$10,000	\$0	\$921,931
Construction in process	375,059	1,451,063	311,863	1,514,259
Land improvements	5,537,306	0	11,620	5,525,686
Buildings	18,529,571	0	10,221	18,519,350
Building improvements	44,267,578	340,823	761,665	43,846,736
Campus lighting	34,209	0	0	34,209
Equipment	11,202,186	837,479	2,277,847	9,761,818
Lease assets - buildings	583,736	84,533	0	668,269
Lease assets - equipment	585,342	29,374	89,879	524,837
Subscription assets	0	2,307,837	0	2,307,837
	<u>82,026,918</u>	<u>5,061,109</u>	<u>3,463,095</u>	<u>83,624,932</u>
Accumulated depreciation	46,409,357	1,724,033	3,047,998	45,085,392
Accumulated amortization	688,972	794,699	89,879	1,393,792
	<u>\$34,928,589</u>	<u>\$2,542,377</u>	<u>\$325,218</u>	<u>\$37,145,748</u>
Long term debt:				
Bonds payable	\$3,802,000	\$0	\$803,000	\$2,999,000
Lease liability	516,017	113,907	223,600	406,324
Subscription liability	0	1,979,878	470,561	1,509,317
Other fixed liabilities	482,786	336,943	350,454	469,275
Net other postemployment benefit liabilities	11,370,963	0	6,848,737	4,522,226
	<u>\$16,171,766</u>	<u>\$2,430,728</u>	<u>\$8,696,352</u>	<u>\$9,906,142</u>

Danville Area Community College Community College District No. 507

Uniform Financial Statement No. 3
Operating Funds Revenues and Expenditures
Year ended June 30, 2023

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating revenues by source:			
Local government revenue:			
Local taxes	\$4,655,635	\$937,082	\$5,592,717
Corporate personal property replacement tax	1,387,998	552,586	1,940,584
Other local revenue	8,244	1,627	9,871
Total local government revenue	6,051,877	1,491,295	7,543,172
State government:			
ICCB base operating grant	1,270,759	333,858	1,604,617
ICCB equalization grant	2,522,630	0	2,522,630
ICCB career and technical education	196,410	0	196,410
ICCB other	10,160	0	10,160
Total state government	3,999,959	333,858	4,333,817
Federal government -			
Department of labor	0	0	0
Department of education	36,380	0	36,380
Total federal government	36,380	0	36,380
Student tuition and fees			
Tuition	5,301,421	650,000	5,951,421
Fees	1,918,772	0	1,918,772
Less waivers	(3,008,773)	0	(3,008,773)
Total student tuition and fees	4,211,420	650,000	4,861,420
Other sources:			
Facilities revenue	0	28,431	28,431
Investment revenue	153,182	80,211	233,393
Other	2,169,259	86,297	2,255,556
Transfers in	1,453,628	0	1,453,628
Total other sources	3,776,069	194,939	3,971,008
Total revenues	\$18,075,705	\$2,670,092	\$20,745,797

Danville Area Community College Community College District No. 507

Uniform Financial Statement No. 3

Operating Funds Revenues and Expenditures (Continued)

Year ended June 30, 2023

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating expenditures:			
By Program:			
Instruction	\$8,667,787	\$0	\$8,667,787
Academic support	1,310,880	0	1,310,880
Student services	2,195,929	0	2,195,929
Public service/continuing education	283,012	0	283,012
Operations and maintenance	0	2,606,681	2,606,681
Institutional support	5,504,606	0	5,504,606
Transfers out	1,174,606	50,669	1,225,275
Total expenditures	19,136,820	2,657,350	21,794,170
Less nonoperating items -			
Instructional service contracts	0	0	0
Adjusted expenditures	\$19,136,820	\$2,657,350	\$21,794,170
By object:			
Salaries	\$10,999,836	\$701,382	\$11,701,218
Employee benefits	2,136,357	231,154	2,367,511
Contractual services	764,915	236,428	1,001,343
General materials and supplies	3,581,873	129,099	3,710,972
Library materials*	359,904	0	359,904
Conference and meeting expenses	290,972	328	291,300
Fixed charges	151,484	237,159	388,643
Utilities	0	1,071,131	1,071,131
Capital outlay	24,000	0	24,000
Other	12,777	0	12,777
Transfers out	1,174,606	50,669	1,225,275
Total expenditures	19,136,820	2,657,350	21,794,170
Less nonoperating items -			
Instructional service contracts	0	0	0
Adjusted expenditures	\$19,136,820	\$2,657,350	\$21,794,170

Danville Area Community College Community College District No. 507

Uniform Financial Statement No. 4

Restricted Purposes Fund Revenues and Expenditures

Year ended June 30, 2023

Revenue by source:

State government	
ICCB - Adult Education	\$181,997
ICCB - Path Workforce	423,626
ICCB - Other	105,362
On-behalf CIP	(1,874,145)
On-behalf SURS	5,967,930
Other	1,725,823
Total state government	6,530,593
Federal government:	
Department of Education	5,958,448
Department of Labor	1,157,263
Department of Health and Human Services	240,574
Other	40,032
Total federal government	7,396,317
Other sources:	
Tuition and fees	0
Other	469,826
Transfers in	108,954
Total other sources	578,780
Total restricted purposes fund revenues	\$14,505,690

Expenditures by program:

Instruction	\$3,784,099
Academic support	217,145
Student services	1,043,294
Public service/continuing education	1,253,188
Auxiliary services	186,542
Operations and maintenance of plant	208,302
Institutional support	1,692,398
Scholarships, grants, and waivers	5,510,567
Transfers out	181,485
Total restricted purposes fund expenditures	\$14,077,020

Expenditures by object:

Salaries	\$1,436,959
Employee benefits	4,497,539
Contractual services	338,709
Student financial aid	5,510,369
General materials and supplies	565,969
Library materials*	0
Travel and conference/meeting expenses	25,850
Fixed charges	101,553
Utilities	804
Capital outlay	1,036,622
Other	381,160
Transfers out	181,485
Total restricted purposes fund expenditures	\$14,077,019

*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, 2023

Instruction	
Instructional programs	\$12,451,886
Academic support:	
Library center	359,804
Instructional materials center	64,414
Educational media services	143,130
Academic computing support	455,226
Other*	505,451
Total academic support	1,528,025
Student services:	
Admissions and records	419,459
Counseling and career guidance	1,016,871
Financial aid administration	228,554
Other*	1,574,339
Total student services	3,239,223
Public service/continuing education:	
Community education	150,196
Customized training (Instructional)	810,903
Community services	174,257
Other*	400,844
Total public service/continuing education	1,536,200
Auxiliary services (including SURS on-behalf)	1,724,360
Operations and maintenance of plant:	
Maintenance	558,992
Custodial services	572,021
Grounds	66,715
Campus security	2,390
Utilities	1,047,919
Administration	95,661
Other*	471,285
Total operations and maintenance of plant	2,814,983
Institutional support:	
Executive management	752,975
Fiscal operations	359,933
Community relations	446,235
Administrative support services	663,569
Board of trustees	32,805
General institution	2,541,338
Institutional research	138,625
Administrative data processing	2,717,863
Other*	720,624
Total institutional support	8,373,967
Scholarships, student grants, and waivers	5,510,567
Total current funds expenditures	\$37,179,211

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

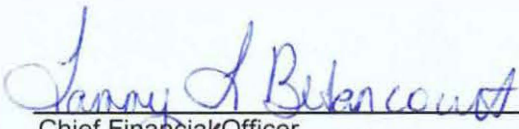
* Includes State of Illinois On-behalf payments

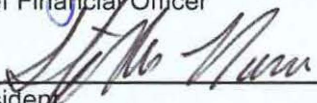
Danville Area Community College
 Community College District No. 507

Certificate of Chargeback Reimbursement
 For Fiscal Year 2024

**All Fiscal Year 2023 Non-Capital Audited Operating
 Expenditures From the Following Funds:**

Education	\$ 15,279,063
Operations and maintenance fund	2,512,147
Bond and interest fund	378,751
Restricted purposes fund	8,457,171
Audit fund	48,675
Liability, protection and settlement fund	<u>1,128,288</u>
 Total non-capital expenditures	 <u>27,804,095</u>
 Depreciation on capital outlay expenditures from sources other than state and federal funds	 <u>1,123,820</u>
 Total costs included	 <u>28,927,915</u>
 Total certified semester credit hours for FY 2023	 <u>31,464.5</u>
 Per capita cost	 <u>919.38</u>
 All FY 2023 state and federal operating grants for non-capital expenditures, except ICCB grants	 8,457,171
 Fiscal year state and federal grants per semester credit hour	 <u>268.78</u>
 District's average ICCB grant rate for fiscal year 2024	 <u>51.80</u>
 District's student tuition and fee rate per semester credit hour for fiscal year 2023	 <u>175.00</u>
 Chargeback reimbursement per semester credit hour	 <u><u>\$ 423.80</u></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 District No. 507 (the "College"), as of and for the year ended June 30, 2023, 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, 2023, 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 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 District No. 507 as of June 30, 2023, 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 opinions 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. 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
November 15, 2023



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 District No. 507 (the “College”), which comprise of the balance sheet as of June 30, 2023, 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 November 15, 2023.

In connection with our audit, nothing came to our attention that caused us to believe Danville Area 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 boards 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.

Wipfli LLP

Sterling, Illinois
November 15, 2023

Danville Area Community College
 Community College District No. 507

State Adult Education Restricted Funds

(State Basic and Performance)

Balance Sheet

June 30, 2023

ASSETS	State Basic	Performance	Total
Cash	\$0	\$10,960	\$10,960
Intergovernmental receivables	0	0	0
Total assets	\$0	\$10,960	\$10,960

LIABILITIES AND FUND BALANCE

Liabilities -			
Accrued liability	\$0	\$10,960	\$10,960
Due to other funds	0	0	0
Total liability	\$0	\$10,960	\$10,960
Fund Balance	0	0	0
Total liabilities and fund balance	\$0	\$10,960	\$10,960

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, 2023

	State Basic	Performance	Total
Revenues - ICCB grant	\$123,872	\$58,125	\$181,997
Expenditures:			
Personnel services	85,838	21,806	107,644
Fringe Benefits	16,690	2,069	18,759
Supplies	1,835	1,410	3,245
Occupancy	0	7,000	7,000
Miscellaneous	1,055	3,480	4,535
General administration/indirect	18,454	22,360	40,814
Total expenditures	123,872	58,125	181,997
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

State Basic	Budget Amount	Actual Generated	Actual Generated Percentage
State basic generated (45% minimum required)	\$123,872	\$70,853	57.20%

Danville Area Community College
Community College District No. 507
Background Information on State Grant Activity

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.

This information is an integral part of the accompanying financial statements.

Danville Area Community College
Community College District No. 507
State Adult Education Restricted Funds
Note to Financial Statements

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.

This information is an integral part of the accompanying financial statements.

**Independent Accountant's Report on Credit Hour 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 Community 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 Credit Hour Data and Other Bases Upon Which Claims Are Filed of Danville Area Community College, Community College District No. 507 during the period July 1, 2022 through June 30, 2023. 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.

Our examination disclosed material noncompliance with the guidelines of the Illinois Community College Board's (ICCB) Fiscal Management Manual applicable to Danville Area Community College, Community College District No. 507 during the period July 1, 2022 through June 30, 2023 as described in finding numbers EA-2023-001 and EA-2023-002 in the accompanying schedule of credit hour data findings and responses.

In our opinion, except for the material noncompliance described in the preceding paragraph, the College complied, in all material respects, with the guidelines of the Illinois Community College Board's (ICCB) *Fiscal Management Manual* included in the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Are Filed of Danville Area Community College, Community College District No. 507 during the period July 1, 2022 through June 30, 2023.

College's Response to Findings

The College's response to the finding identified in our audit is described in the accompanying Schedule of Credit Hour Data Findings and Responses. The College's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Wipfli LLP

Sterling, Illinois
November 15, 2023

Danville Area Community College
Community College District No. 507

Schedule of Credit Hour Data and Other Bases Upon Which Claims are Filed
For the year ended June 30, 2023

Credit Hour Categories	Total Reimbursable Semester Credit Hours by Term							
	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	1,420.0	0.0	8,278.0	0.0	8,086.0	72.0	17,784.0	72.0
Business Occupational	113.0	0.0	1,461.0	25.0	1,431.5	18.5	3,005.5	43.5
Technical Occupation	529.0	1.0	2,585.0	9.0	2,690.0	129.0	5,804.0	139.0
Health Occupational	260.0	0.0	1,542.5	0.0	1,356.5	19.0	3,159.0	19.0
Remedial Development	88.5	0.0	456.0	0.0	488.0	0.0	1,032.5	0.0
Adult Education	0.0	48.0	0.0	163.0	0.0	195.0	0.0	406.0
	2,410.5	49.0	14,322.5	197.0	14,052.0	433.5	30,785.0	679.5
	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:	25,714.5	667.0	6,431.0	0.0	3.0	0.0		
Credit Hours on Chargeback or Contractual Agreement:			397.5					
District equalized assessed valuation			\$1,278,462,628					

Credit Hour Categories	Correctional Semester Credit Hours by Term			
	Summer	Fall	Spring	Total
	Correctional Hours	Correctional Hours	Correctional Hours	Correctional Hours
Baccalaureate	0.0	667.0	630.0	1,297.0
Business Occupational	16.0	160.0	128.0	304.0
Technical Occupation	218.0	553.0	523.0	1,294.0
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
	234.0	1,380.0	1,281.0	2,895.0

Signature: 
President

Signature: 
Chief Financial Officer (CFO)

Danville Area Community College
Community College District No. 507

Schedule of Credit Hour Data and Other Bases Upon Which Claims are Filed
(Continued)
For the year ended June 30, 2023

Credit Hour Categories	Total Reimbursable Semester Credit Hours					
	Unrestricted			Restricted		
	Total Reported in Audit Hours	Total Certified to ICCB Hours	Difference	Total Reported in Audit Hours	Total Certified to ICCB Hours	Difference
Baccalaureate	17,784.0	17,784.0	0.0	72.0	72.0	0.0
Business Occupational	3,005.5	3,005.5	0.0	43.5	43.5	0.0
Technical Occupation	5,804.0	5,804.0	0.0	139.0	139.0	0.0
Health Occupational	3,159.0	3,159.0	0.0	19.0	19.0	0.0
Remedial Development	1,032.5	1,032.5	0.0	0.0	0.0	0.0
Adult Education	0.0	0.0	0.0	406.0	406.0	0.0
Total:	30,785.0	30,785.0	0.0	679.5	679.5	0.0

Credit Hour Categories	Unrestricted			Restricted		
	Total Reported in Audit Hours	Total Certified to ICCB Hours	Difference	Total Reported in Audit Hours	Total Certified to ICCB Hours	Difference
	In-District Credit Hours:	25,714.5	25,714.5	0.0	667.0	667.0
Dual Credit Hours:	6,431.0	6,431.0	0.0	0.0	0.0	0.0
Dual Enrollment Hours:	3.0	3.0	0.0	0.0	0.0	0.0

Credit Hour Categories	Total Correctional Semester Credit Hours					
	Unrestricted			Restricted		
	Total Reported in Audit Hours	Total Certified to ICCB Hours	Difference	Total Reported in Audit Hours	Total Certified to ICCB Hours	Difference
Baccalaureate	1,297.0	1,297.0	0.0	0.0	0.0	0.0
Business Occupational	304.0	304.0	0.0	0.0	0.0	0.0
Technical Occupation	1,294.0	1,294.0	0.0	0.0	0.0	0.0
Health Occupational	0.0	0.0	0.0	0.0	0.0	0.0
Remedial Development	0.0	0.0	0.0	0.0	0.0	0.0
Adult Education	0.0	0.0	0.0	0.0	0.0	0.0
Total:	2,895.0	2,895.0	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)

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.

Danville Area Community College
Community College District No. 507
Schedule of Credit Hour Data Findings and Responses

Finding EA-2023-001:

Criteria – As part of enrollment audit, ICCB requires that we determine that the college instructors verify midterm reports.

Condition – Of the 50 courses that we tested, we determined that three midterm reports were not verified by the instructors.

Cause – The adult education faculty was not properly informed of a change in the process of verifying the midterm reports in the system.

Effects or Potential Effects – The College could have errors on the midterm reports that are not caught by the instructors.

Auditor's Recommendation – The College instructors should all properly verify midterm reports.

View of responsible officials and planned corrective actions – Danville Area Community College (College) acknowledges the compliance finding regarding the criteria of the ICCB Fiscal Management Manual. The College will implement all ICCB Fiscal Management Manual criteria in the future.

Finding EA-2023-002:

Criteria – As part of enrollment audit, ICCB requires that we test a sample of students to determine whether the college has generally compiled with the rules for claiming credit hours for funding.

Condition – Of the 50 courses that we tested, we determined that one student was claimed twice on the SUSR reports for the same courses in one semester.

Cause – The College has two students with the same name enrolled and the wrong student was registered for the courses. The error was not discovered until the end of the term and when the staff tried to correct the error they deregistered the wrong student instead of dropping the student. Both students were being counted on the SUSR reports.

Effects or Potential Effects – The College claimed more credit hours on the SUSR reports than actual.

Auditor's Recommendation – The College should correct and resubmit the SUSR reports.

View of responsible officials and planned corrective actions – Danville Area Community College (College) acknowledges the compliance finding regarding the criteria of the ICCB Fiscal Management Manual. The College has already corrected the SUSR reports and certified credit hour claim report.

FEDERAL REPORTING SECTION



**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 year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated November 15, 2023. 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 have not been 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
November 15, 2023

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, 2023. The College's major federal programs are 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 programs for the year ended June 30, 2023.

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
November 15, 2023

Danville Area Community College
Community College District No. 507

Schedule of Expenditures of Federal Awards
For the year ended June 30, 2023

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass Through Equity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed through Illinois State Board of Education:				
Child & Adult Care Food Program	10.558	N/A	\$20,427	\$0
Total U.S. Department of Agriculture			\$20,427	\$0
U.S. Department of Labor				
Passed through Illinois Department of Commerce and Economic Opportunities (DCEO):				
WIOA Cluster:				
WIOA - Adult Program*	17.258*	420-30-0076	\$494,594	\$0
WIOA - Apprenticeship*	17.258*	420-30-0075	87,209	0
Total WIOA Adult			581,803	0
WIOA - Dislocated Worker*	17.278*	420-30-0076	222,792	0
WIOA - Rapid Response*	17.278*	420-30-0076	115,824	0
Total WIOA Dislocated Worker			338,616	0
WIOA - Youth Program*	17.259*	420-30-0076	236,844	107,837
Total WIOA Cluster			1,157,263	107,837
Total U.S. Department of Labor			\$1,157,263	\$107,837
U.S. Department of the Treasury				
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	\$15,899	\$0
Passed through Illinois Community College Board:				
COVID-19 State and Local Fiscal Recovery Funds College Bridge Program	21.027	684-05-2840	78,630	0
Total U.S. Department of the Treasury			\$94,529	\$0
Small Business Administration				
Passed through Illinois Department of Commerce and Economic Opportunity (DCEO):				
Illinois SBDC - CARES Act	59.037	420-35-0083	\$4,364	\$0
Total Small Business Administration			\$4,364	\$0
U.S. Department of Education:				
Direct award:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	\$68,664	\$0
Federal Work-Study Program	84.033	N/A	35,557	0
Federal Pell Grant Program	84.063	N/A	2,344,334	0
Federal Direct Student Loans	84.268	N/A	362,249	0
Total student financial assistance cluster			2,810,804	0
Direct award:				
TRIO Cluster:				
TRIO Student Support Services	84.042	N/A	334,956	0

Danville Area Community College
Community College District No. 507

Schedule of Expenditures of Federal Awards
For the year ended June 30, 2023

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass Through Equity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Education (continued):				
Passed through Illinois Community College Board:				
Adult Education - Federal Basic	84.002	684-01-1625	120,691	0
Passed through Illinois Community College Board:				
VE - Perkins - Title II C - Post Secondary	84.048	684-00-0465	207,001	0
Direct award:				
COVID-19 Educational Stabilization Fund - Higher Education Emergency Relief Fund (HEERF):				
Student Portion	84.425E*	N/A	1,304,294	0
Institutional Portion	84.425F*	N/A	3,086	0
Strengthening Institutions Program	84.425M*	N/A	94,999	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	92,341	0
Governor's Emergency Education Relief	84.425C*	684-00-2455	0	0
Total ALN #84.425			1,494,720	0
Total U.S. Department of Education			\$4,968,172	\$0
U.S. Department of Health Services:				
Passed through Illinois Community College Board:				
Early Childhood Access Consortium for Equity	93.575	684-05-2840	\$182,510	\$0
Passed through Illinois Student Assistance Commission				
COVID-19 Early Childhood Access Consortium for Equity Scholarship	93.575	444-80-2814	58,064	0
Total ALN #93.575			240,574	0
Total U.S. Department of Health Services:			\$240,574	\$0
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$6,485,329	\$107,837

* denotes major program

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Danville Area Community College
Community College District No. 507
Notes to Schedule of Expenditures of Federal Awards

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, 2023, 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.

Note 4 Loan Program

For the year ended June 30, 2023, the College acted a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$362,249.

Note 5 Non-Cash Assistance

The College did not expend any federal awards in the form of non-cash assistance during the year ended June 30, 2023.

Note 6 Other Federal Award Information

The College did not receive or administer any insurance or loan guarantees during fiscal year ended June 30, 2023.

This information is an integral part of the accompanying financial schedule.

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

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>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425C, 84.425E, 84.425F, 84.425M 17.258, 17.259, 17.278	COVID-19 Education Stabilization Fund WIOA Cluster

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

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Danville Area Community College
Community College District No. 507
Summary Schedule of Prior Audit Findings

Section IV – Prior Year Findings

June 30, 2022

None