LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517

Mattoon, Illinois

Annual Comprehensive Financial Report

For the Year Ended

June 30, 2024

C O N T E N T S

UNIFORM FINANCIAL STATEMENTS

FISCAL YEAR 2025 CERTIFICATION OF PER CAPITA COST

ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS FINANCIAL COMPLIANCE SECTION

ADULT EDUCATION AND FAMILY LITERACY COMPONENT GRANTS

CERTIFIED PUBLIC ACCOUNTANTS

AICPA GAQC Member

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Lake Land College
Community College District #517
Mattoon, Illinois

Report on 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 Lake Land College (the College) as of and for the year ended June 30, 2024, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component unit, as of June 30, 2024, 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 (GAAP).

Basis for 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. 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.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 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 12 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. The financial statements of Lake Land College Foundation were not audited in accordance with *Government Auditing Standards*.

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

- Exercise professional judgment 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 12, the Schedule of Proportionate Share of Net Pension Liability – SURS on page 54, Schedule of Contributions – SURS on page 55, the Schedule of Proportionate Share of OPEB Liability – CIP on page 57, and the Schedule of Contributions – CIP on page 58 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 an opinion on the financial statements that collectively comprise the College's basic financial statements. The accompanying combining financial statements and other data in Schedules 1 through 15 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The uniform financial statements in Schedules 16 through 20 and the certification of per capita cost (Schedule 21) are presented for purposes of additional analysis as required by the Illinois Community College Board and are also not a required part of the basic financial statements. The accompanying Schedules 31 through 33, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* are presented for the purpose of additional analysis and are not a required part of the basic financial statements. As described in Note 26, Schedules 1 through 3, Schedules 6 through 9, Schedule 16, and Schedules 18 through 20 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

Schedules 1 through 21 and Schedules 31 through 33, including the schedule of expenditures of federal awards, are the responsibility of management. Schedules 1 through 21 and Schedules 31 through 33, were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Information on Schedules 1 through 21 and Schedules 31 through 33, 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 information on Schedules 1 through 21 and Schedules 31 through 33, including the schedule of expenditures of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole, except for differences between GAAP for a special-purpose government engaged only in business-type activities and the modified accrual basis of accounting used for the schedules noted above.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated September 26, 2024, on our consideration of the College's internal control over financial reporting and 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.

MH CPA PLLC

Champaign, Illinois
September 26, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Lake Land College's Annual Comprehensive Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal year ended June 30, 2024. Since this management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the College's basic financial statements (pages 13-17) and the footnotes (beginning on page 18). Included in the basic financial statements is information on the College's component unit, The Lake Land College Foundation, Inc., which also has a separately issued financial statement that may be obtained by calling the Foundation Office at (217) 234-5354. Responsibility for the completeness and fairness of the College's report rests with the College.

USING THE ANNUAL REPORT

The financial statements focus on the College as a whole, versus the traditional presentation by fund types. The College's financial statements (see pages 13-17) are designed to emulate corporate presentation models whereby all of the College's activities are consolidated into one total. The purpose of the Statement of Net Position is to present the bottom line results of the College. This statement combines and consolidates current financial resources with capital assets. The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of the College's activities, which are supported mainly by local property taxes, tuition, federal and state revenues. This approach is intended to summarize and simplify the user's analysis of the cost of the various services which the College provides to its students, the district, and the local community.

FINANCIAL OVERVIEW AND HIGHLIGHTS

For the fiscal year ended June 30, 2024, the College experienced more normal state funding levels. Some significant items during this year are as follows:

- The College experienced a delay in collecting the receivables from the Department of Corrections Program and the Department of Juvenile Justice, with approximately $2.0 million and $303 thousand respectively outstanding at June 30, 2024.

- All Base Operating Grant and Equalization payments from the state were received prior to June 30, 2024.

FINANCIAL ANALYSIS OF THE COLLEGE AS A WHOLE

Net Position
As of June 30,

	2024	2023	Increase (Decrease)
Current assets	$ 112,053,410	$ 108,300,974	$ 3,752,436
Lease Receivable, Net of Current Portion	$ 663,133	$ 728,372	(65,239)
Noncurrent assets			
Capital assets, net of depreciation	94,294,642	91,407,954	2,886,688
Total assets	207,011,185	200,437,300	6,573,885
Deferred Outflows of Resources	1,090,879	1,199,411	(108,532)
Current liabilities	13,358,951	11,762,612	1,596,339
Noncurrent liabilities	20,055,509	26,253,254	(6,197,745)
Total liabilities	33,414,460	38,015,866	(4,601,406)
Deferred inflows of resources	35,397,305	38,411,702	(3,014,397)
Net position			
Net investment in capital assets	77,900,922	68,966,326	8,934,596
Restricted for:			
Capital projects	1,080,693	3,417,536	(2,336,843)
Debt service	2,929,179	2,714,028	215,151
Enabling legislation	-	659,226	(659,226)
Unrestricted	57,379,505	49,452,027	7,927,478
Total net position	$ 139,290,299	$ 125,209,143	$ 14,081,156

Total assets increased $6.6 million or 3.3% from fiscal 2023. Current Assets increased by $3.8 million. This increase is a result of cash and cash equivalents increasing by $3.3 million and property taxes increasing by $1.9 million. These increases are offset by investments decreasing by $0.4 million, the receivable from the component unit decreasing $0.3 million and government grants decreasing by $1.2 million.

Total liabilities decreased $4.6 million or 12.1% from fiscal 2023. This decrease is a result of a $5.9 million decrease in bonds payable. The decrease is offset by accounts payable increasing by $1.0 million, accrued liabilities increasing by $0.2 million, and planned retirement payable increasing by $0.1 million. The total net position of the College was increased by $14.1 million due to the above mentioned changes and the operating results for the year ended June 30, 2024 as shown on the following page.

Operating Results for the Years Ended
June 30,

	2024	2023	Increase (Decrease)
Operating revenue:			
Tuition and fees	$ 7,752,414	$ 7,102,853	$ 649,561
Auxiliary	1,881,583	2,112,922	(231,339)
Department of Corrections instructional	7,149,504	7,990,714	(841,210)
Other	2,106,333	2,474,885	(368,552)
Total operating revenue	18,889,834	19,681,374	(791,540)
Less operating expenses	71,688,511	70,375,431	1,313,080
Operating income (loss)	(52,798,677)	(50,694,057)	(2,104,620)
Non-operating revenue (expenses):			
Other state revenues	18,443,396	16,972,577	1,470,819
Federal and local grants and contracts	10,731,600	14,924,316	(4,192,716)
Property taxes	22,086,998	22,891,780	(804,782)
On-Behalf Payments	7,463,053	7,929,874	(466,821)
Contribution	967,916	901,359	66,557
Investment income	4,803,880	2,222,025	2,581,855
Interest expense and bond issuance costs	(826,135)	(1,226,869)	400,734
Non-operating revenue (net)	63,670,708	64,615,062	(944,354)
Capital Contributions	3,209,125	3,418,749	(209,624)
Increase (decrease) in net position	14,081,156	17,339,754	(3,258,598)
Net position, beginning of year	125,209,143	107,869,389	17,339,754
Net position, end of year	$ 139,290,299	$ 125,209,143	$ 14,081,156

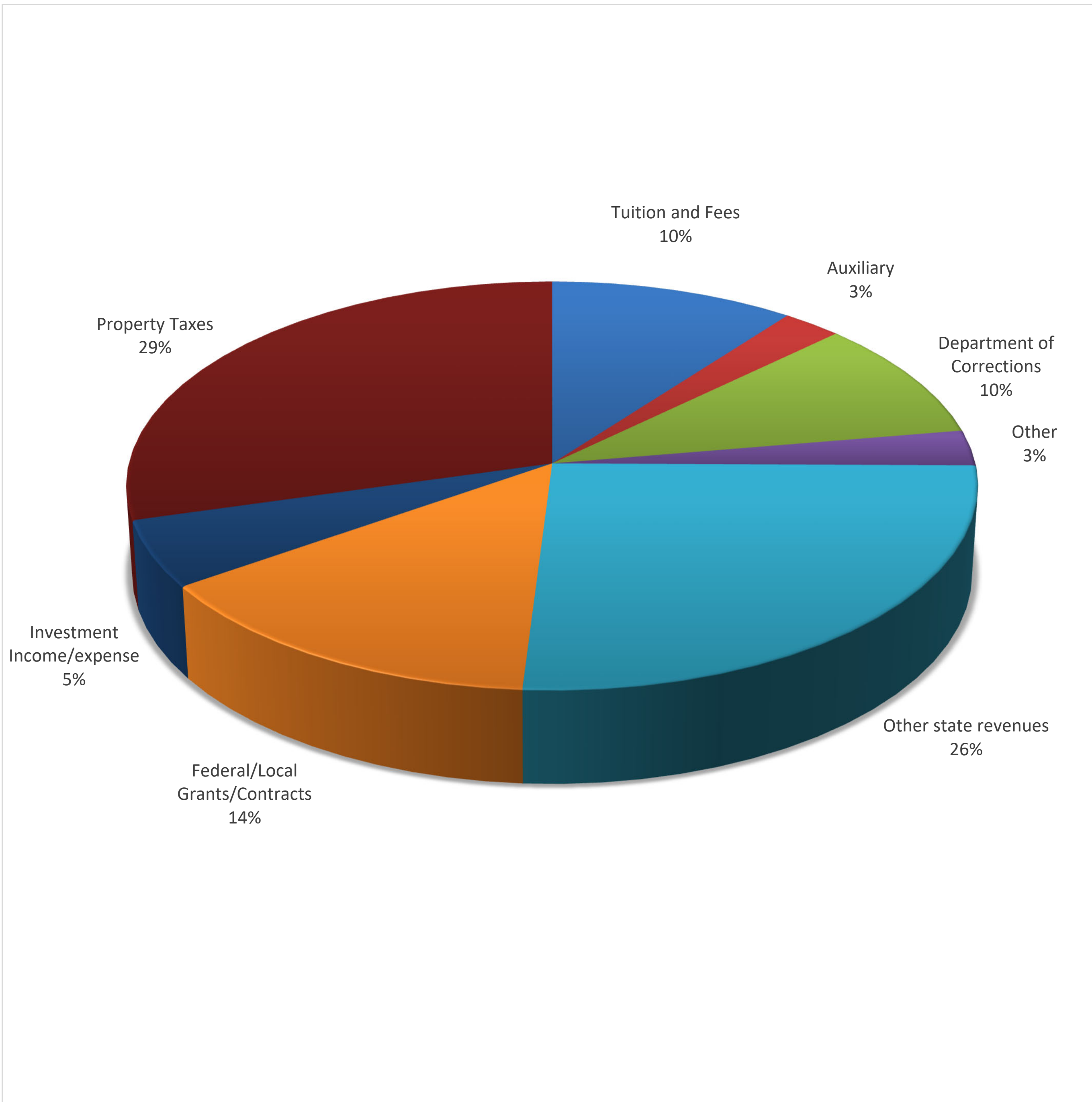
For the year ended June 30, 2024, the College recorded total operating revenues of $18,889,834 and total operating expenses of $71,688,511. The difference produced an operating loss of $52,798,677 which is marginally higher than the previous year operating loss of $50,694,057. Net non-operating revenue of $63,670,708 was also marginally lower than the previous year non-operating revenue of $64,615,062. This results in an overall increase in net position of $14,081,156 compared to the fiscal 2023 increase in net position of $17,339,754.

Non-operating revenue, net of non-operating expenses, included local property taxes of $22,086,998, other state revenues of $18,443,396, federal grants and local contracts of $10,731,600 and investment earnings net of interest expense of $3,977,745.

Of the College's total revenue, excluding on-behalf payment revenue, operating revenue accounted for approximately 26%, non-operating revenues accounted for 74%. Operating revenue consisted of tuition and fees, net of scholarships, totaling $7,752,414, auxiliary enterprise revenues totaling $1,881,583, instructional revenues from the Department of Corrections totaling $7,149,504 and other miscellaneous revenue of $2,106,333.

The College had a net position at the beginning of the year totaling $125,209,143. The current year increase in net position of $14,081,156 brought the total of net position at the end of the year to $139,290,299.

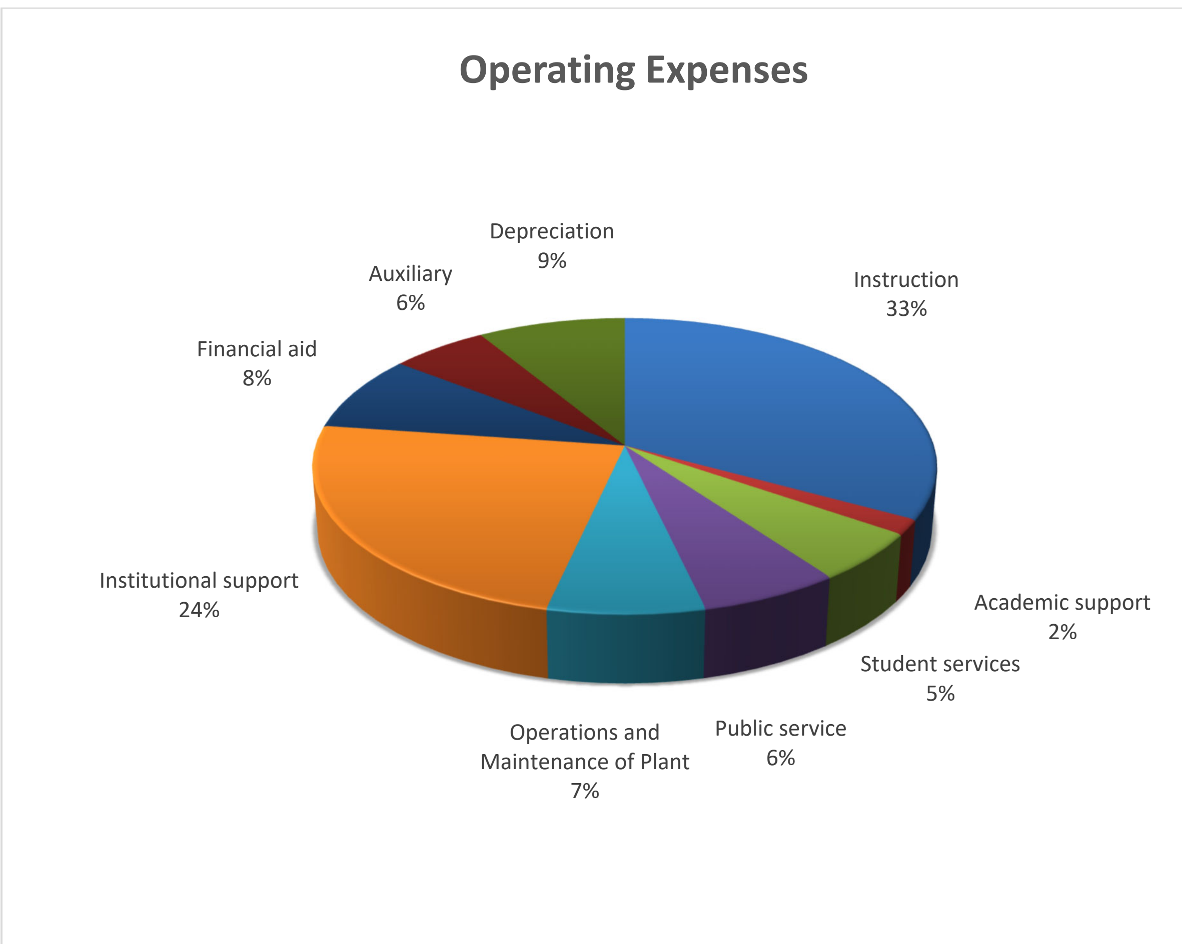
Revenue by Source



The tables for operating expenses below exclude expenses related to other postemployment benefits (OPEB) which was ($3,297,076) for the year ended June 30, 2024. Expenses related to OPEB were ($3,762,957) for the year ended June 30, 2023.

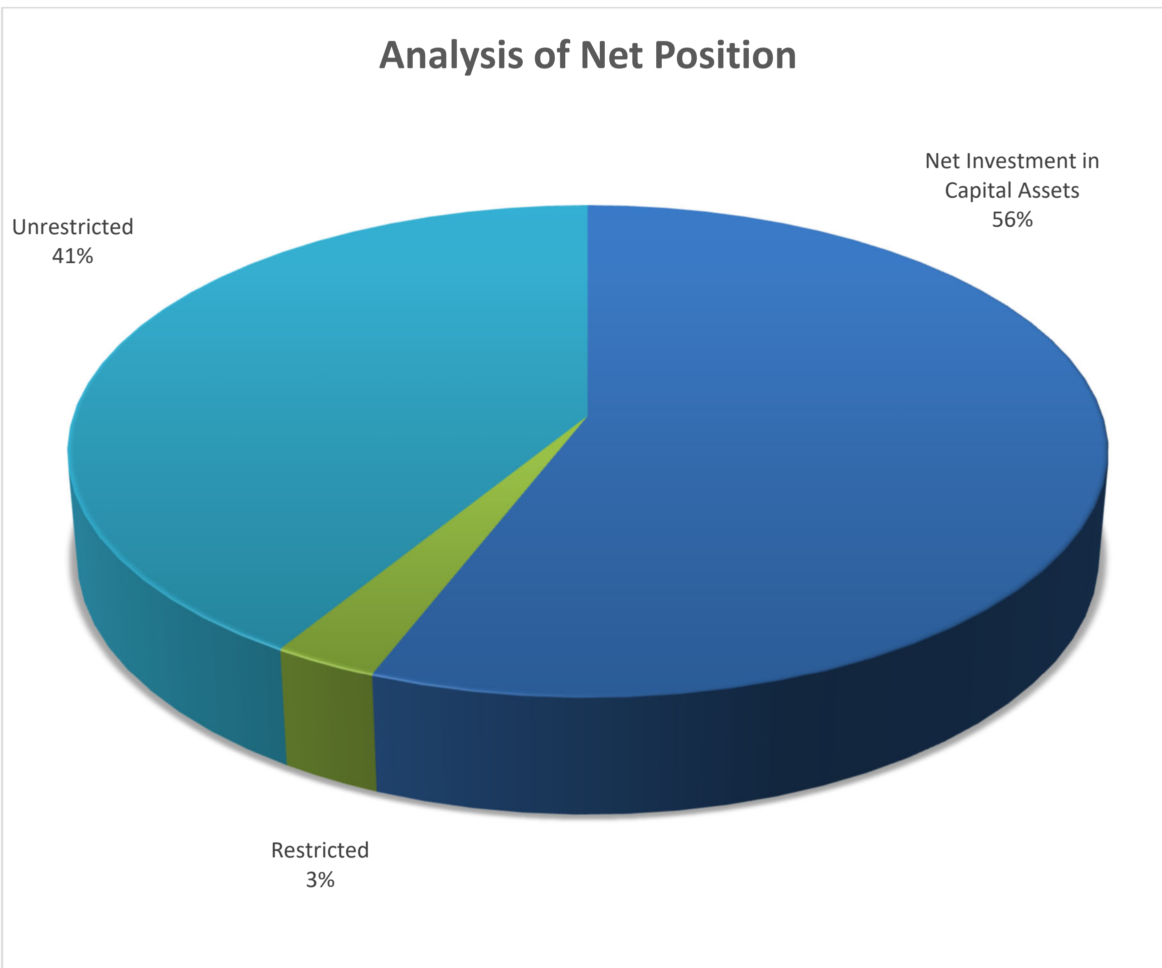
Operating Expenses
For the Years Ended June 30,

	2024	2023	Increase (Decrease)
Operating expense			
Instruction	$ 22,222,975	$ 24,960,964	$ (2,737,989)
Academic support	1,098,374	1,019,528	78,846
Student services	3,643,938	2,797,268	846,670
Public service	4,343,383	4,277,154	66,229
Operations and maintenance of plant	4,839,950	4,029,113	810,837
Institutional support	15,985,921	15,514,609	471,312
Financial aid	5,592,204	4,800,632	791,572
Auxiliary	3,890,257	3,649,376	240,881
Depreciation and Amortization	5,905,532	5,159,870	745,662
Total	$ 67,522,534	$ 66,208,514	$ 1,314,020



Analysis of Net Position
June 30,

	2024	2023	Increase (Decrease)
Net Position			
Net Investment in Capital Assets	$ 77,900,922	$ 68,966,326	$ 8,934,596
Restricted			
Capital Projects	1,080,693	3,417,536	(2,336,843)
Debt Services	2,929,179	2,714,028	215,151
Enabling Legislation	-	659,226	(659,226)
Unrestricted	57,379,505	49,452,027	7,927,478
Total	$ 139,290,299	$ 125,209,143	$ 14,081,156



Capital Assets, Net
June 30,

	2024	2023	Increase (Decrease)
Capital Assets			
Land	$ 5,013,637	$ 5,013,637	$ -
Equipment Held for Future Use	1,597,560	1,554,775	42,785
Building, Leased Assets	135,560,375	135,738,259	(177,884)
Equipment, Subscription IT Assets	12,013,269	11,188,346	824,923
Construction in progress	7,829,875	1,274,330	6,555,545
Total	162,014,716	154,769,347	7,245,369
Less Accumulated Depreciation and Ammoritization	(67,720,074)	(63,361,393)	(4,358,681)
Net Capital Assets	$ 94,294,642	$ 91,407,954	$ 2,886,688

As of June 30, 2024, the College had recorded approximately $162.0 million invested in capital assets, approximately $67.7 million in accumulated depreciation and approximately $94.3 million in net capital assets. Capital asset additions exceeded deletions by approximately $7.2 million (see Note 6). Accumulated depreciation increased approximately $4.4 million during the year.

LONG-TERM DEBT

During fiscal year 2024, the College did not issue any new bonds or debt certificates.

The College did not issue a bond in the current year but amortized $374,512 in interest income. The College had a net increase of OPEB liability in the amount of $391,546. The College had a net increase of $110,916 in accrued compensated absences. The College paid down $40,001 of lease liabilities. The College added $300,043 and paid down $283,614 of subscription-based liabilities in the current year. The College had a net increase of planned retirement payable of $119,083 in the current year. The College plans to issue $4.6 million in bonds during FY2025. The proceeds from this sale will be used for the construction of a new Athletic Facility, updating in Webb Hall and the NW Classroom Building as well as landscaping upgrades.

THE COLLEGE'S ECONOMIC OUTLOOK

The College's economic outlook remains strong due to the College's Administration and Board of Trustees being proactive and strategic in its allocation of resources. By remaining committed to the College's core priority of enhancing student success, Lake Land College enters the 2025 fiscal year in a solid position. As a result, Lake Land College was able to keep tuition levels well below the state average for community college tuition costs. The ability to maintain lower than average tuition allows the College to attract approximately 29 percent of the entire district's graduating high school class who continue to choose Lake Land College as their choice for higher education.

While the College is conservatively meeting current financial needs and positioning itself favorably with the respective employee groups' collective bargaining agreements on campus, private, state and federal grants are providing growth opportunities. The College is in its fifth year of a five-year TRiO Student Success grant which will assist in developing and educating first generation and low-income college students. The College is also in the fourth year of a five-year TRiO talent search grant.

CONTACTING FINANCIAL MANAGEMENT

This final report is designed to provide our stakeholders with a general overview of Lake Land College's finances and to show Lake Land College's accountability for the revenue it receives. If you have questions about this report or need additional information, contact Mr. John Woodruff at 5001 Lake Land Blvd, Mattoon, IL 61938 (217)234-5224.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Statement of Net Position
June 30, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Primary Government	Component Unit
Current Assets		
Unrestricted:		
Cash and Cash Equivalents	$ 5,374,652	$ 210,887
Investments	76,126,097	14,756,687
Receivables:		
Property Taxes	13,416,230	-
Student Tuition and Fees, Net of Allowance of $5,732,963	1,286,755	-
Lease Receivable, Current Portion	65,239	-
Other	1,309,321	-
Prepaid Expenses	661,884	-
Inventories	350,455	-
Restricted:		
Cash and Cash Equivalents	1,288,453	-
Investments	1,080,693	-
Receivables:		
Property Taxes	8,450,640	-
Governmental Grants and Contracts	2,642,991	-
Total Current Assets	112,053,410	14,967,574
Lease Receivable, Net of Current Portion	663,133	-
Capital Assets, Net	94,294,642	3,040,661
Total Assets	207,011,185	18,008,235
Deferred Outflows of Resources		
Pension Related Deferred Outflows	109,722	-
Other Postemployment Benefits Related Deferred Outflows	981,157	-
Total Deferred Outflows of Resources	1,090,879	-
Total Assets and Deferred Outflows of Resources	$ 208,102,064	$ 18,008,235

LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

	Primary Government	Component Unit
Current Liabilities		
Accounts Payable	$ 2,889,104	$ 40,428
Accrued Liabilities	1,922,308	-
Unearned Revenue	1,308,090	-
Lease Liabilities	24,851	-
Subscription Liabilities	111,601	-
Unamortized Bond Premium	121,170	-
Due to Agency Funds	-	353,927
Planned Retirement Payable	796,827	-
Bonds Payable	6,185,000	-
Total Current Liabilities	13,358,951	394,355
Long-Term Liabilities		
Lease Liabilities, Net of Current Portion	140,969	-
Subscription Liabilities, Net of Current Portion	42,577	-
Unamortized Bond Premium, Net of Current Portion	882,376	-
Planned Retirement Payable, Net of Current Portion	1,552,621	-
Bonds Payable, Net of Current Portion	8,650,000	-
Net Other Postemployment Benefit Liabilities	8,786,966	-
Total Long-Term Liabilities	20,055,509	-
Total Liabilities	33,414,460	394,355
Deferred Inflows of Resources		
Deferred Property Taxes	21,866,870	-
Deferred Inflow - Related to Leases	703,895	-
Other Postemployment Benefits Related Deferred Inflows	12,826,540	-
Total Deferred Inflows of Resources	35,397,305	-
Net Position		
Net Investment in Capital Assets	77,900,922	-
Restricted for:		
Capital Projects	1,080,693	-
Debt Service	2,929,179	-
Net Assets With Donor Restrictions	-	15,336,000
Unrestricted	57,379,505	2,277,880
Total Net Position	139,290,299	17,613,880
Total Liabilities, Deferred Inflows, and Net Position	$ 208,102,064	$ 18,008,235

See Accompanying Notes

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2024

Operating Revenues	
Student Tuition and Fees, Net of Scholarship	
Allowance of $4,355,346	$ 7,752,414
Department of Corrections Institutional	7,149,504
Auxiliary Enterprises Revenue	1,881,583
Revenue from Educational Services and Materials	1,007,408
Other Operating Revenues	1,098,925
Total Operating Revenues	18,889,834
Operating Expenses	
Instruction	22,222,975
Academic Support	1,098,374
Student Services	3,643,938
Public Services/Continuing Education	4,343,383
Operation and Maintenance of Plant	4,839,950
Institutional Support	15,985,921
Scholarship, Student Grants, and Waivers	5,592,204
Auxiliary Enterprise	3,890,257
Depreciation and Amortization	5,905,532
Other Postemployment Benefits	(3,297,076)
On-Behalf Expenditures	7,463,053
Total Operating Expenses	71,688,511
Operating Loss	(52,798,677)
Non-Operating Revenues (Expenses)	
State Grants and Contracts	18,443,396
Local Property Tax Revenues	22,086,998
Federal Grants and Contracts	10,731,600
On-Behalf Payments	7,463,053
Investment Income Earned	4,429,368
Contributions	967,916
Interest Income	374,512
Interest Expense	(826,135)
Total Non-Operating Revenues	63,670,708
Capital Contributions	3,209,125
Increase in Net Position	14,081,156
Net Position, Beginning of Year	125,209,143
Net Position, End of Year	$ 139,290,299

See Accompanying Notes

LAKE LAND COLLEGE
Statement of Activities - Component Unit
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions of Cash and Other Financial Assets	$ 187,326	$ 478,853	$ 666,179
Contributions of Nonfinancial Assets	124,409	103,940	228,349
Support Provided by Lake Land College	254,438	-	254,438
Special Events	60,260	-	60,260
Rental Income	43,660	-	43,660
Farm Income	144,277	-	144,277
Interest and Dividends, Net of Fees	(31,553)	414,835	383,282
Realized Gain on Investments	19,610	138,991	158,601
Unrealized Gain on Investments	68,087	910,184	978,271
Net Assets Released from Restrictions	1,136,752	(1,136,752)	-
Total Support and Revenue	2,007,266	910,051	2,917,317
Expenses			
Program Services	1,358,501	-	1,358,501
Management and General	524,352	-	524,352
Fundraising	160,622	-	160,622
Total Expenses	2,043,475	-	2,043,475
Change in Net Assets	(36,209)	910,051	873,842
Net Assets, Beginning of Year	2,314,089	14,425,949	16,740,038
Net Assets, End of Year	$ 2,277,880	$ 15,336,000	$ 17,613,880

See Accompanying Notes

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Statement of Cash Flows
For the Year Ended June 30, 2024

Cash Flows from Operating Activities	
Student Tuition and Fees	$ 7,381,589
Payments to Suppliers	(18,606,464)
Payments to Employees and Benefits Paid	(36,323,279)
Department of Corrections Instructional	7,707,947
Payments for Financial Aid and Scholarships	(5,592,204)
Auxiliary Enterprise Charges	1,881,583
Other Receipts	2,087,108
Net Cash Used in Operating Activities	(41,463,720)
Cash Flows from Non-Capital Financing Activities	
Grants and Contracts	29,683,080
Local Property Taxes	21,057,070
Contributions	967,916
Net Cash Provided by Non-Capital Financing Activities	51,708,066
Cash Flows from Capital and Related Financing Activities	
Principal Paid on Debt Certificates and Bonds	(5,885,000)
Interest Paid on Bonds	(875,926)
Federal and State Grants for Capital Purposes	518,568
Purchase of Property and Equipment	(5,502,657)
Principal Paid on Subscription Liabilities	(283,614)
Principal Paid on Lease Liabilities	(40,001)
Net Cash Used in Capital and Related Financing Activities	(12,068,630)
Cash Flows from Investing Activities	
Interest on Investments	4,429,368
Payments Received from Due from Component Unit	250,000
Net Proceeds from Sale of Investments	406,055
Net Cash Provided by Investing Activities	5,085,423
Net Increase in Cash and Cash Equivalents	3,261,139
Cash and Cash Equivalents, Beginning of Year	3,401,966
Cash and Cash Equivalents, End of Year	$ 6,663,105
On the Statement of Net Position as:	
Unrestricted - Cash and Cash Equivalents	$ 5,374,652
Restricted - Cash and Cash Equivalents	1,288,453
Cash and Cash Equivalents, End of Year	$ 6,663,105

See Accompanying Notes

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Statement of Cash Flows
For the Year Ended June 30, 2024

Reconciliation of Operating Loss to Net Cash Used in Operating Activities	
Operating Loss	$ (52,798,677)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation and Amortization Expense	5,905,532
Impairment Reserve Adjustment	(66,000)
On-Behalf Expenditures	7,463,053
Loss on Disposal of Capital Assets	2,213
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:	
Student Tuition and Fees Receivables	224,609
Prepaid Expenses	20,215
Inventories	(269)
Lease Receivable	61,220
Deferred Inflows - Related to Leases	(80,445)
Pension Related Deferred Outflows	(29,251)
OPEB Related Deferred Outflows	137,783
Accounts Payable	738,060
Accrued Liabilities	281,753
Unearned Tuition and Fees	(36,991)
Planned Retirement Payable	119,083
Net OPEB Liabilities	391,546
OPEB Related Deferred Inflows	(3,797,154)
Net Cash Used in Operating Activities	$ (41,463,720)

Supplemental Disclosure of Non-Cash Capital and Related Financing Activity	
Capital Assets Acquired through Subscription Liabilities	$ 300,043
Contributed Capital Assets	$ 3,049,416

See Accompanying Notes

Lake Land College, Community College District #517 (the College) is organized under the Illinois Public Community College Act with partial funding by the Illinois Community College Board. The College encompasses parts of 15 counties in East Central Illinois. The main campus is located in Mattoon, with extension centers in Effingham, Pana, and Marshall, Illinois. The summary of accounting policies is presented to assist you in understanding the College's financial statements.

1. Reporting Entity

The accompanying financial statements include all entities for which the Board of Trustees of the College has financial accountability.

The College is a community college governed by an elected seven-member Board of Trustees. The College's mission is to provide affordable vocational, technical, and academic education.

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the financial reporting entity of the College, which consists of the College (the primary government of the reporting entity) and the Lake Land College Foundation (the Foundation), a discretely presented component unit of the College. The Foundation is a discretely presented component unit because the resources received and held by the Foundation are entirely for the direct benefit of the College and those resources are significant to the College.

Separate financial statements for the Foundation can be obtained from the Foundation office at 5001 Lake Land Blvd, Mattoon, Illinois, 61938.

2. Basis of Accounting and Significant Accounting Policies

a. The financial statements of the College are prepared in accordance with GAAP. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. GAAP includes all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

b. For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's 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 transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return, include property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, 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.

c. Cash includes deposits held at banks and small amounts of cash held for change funds. Cash equivalents include deposits held in the Illinois Funds Money Market Fund and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

d. Cash and cash equivalents that are subject to certain limitations as to their uses are reported as restricted. These amounts include property taxes received for specific purposes, grant funds, and bond proceeds or trust funds held for capital projects.

e. Investments are reported at fair value, with unrealized gains or losses included in investment income. Securities traded on a national exchange are valued at the last reported sales price at the current exchange rates. Cash deposits and money market accounts held in investment accounts are reported at carrying amount, which reasonably estimates fair value.

f. Student tuition and fees receivables include uncollateralized student obligations, which generally require payment by the first day of classes. These receivables are stated at the invoice amount.

Student balances unpaid at the middle of the term are considered delinquent. Collection costs may be applied to account balances still outstanding 30 days following the end of the semester. Payments of accounts receivable are applied to the specific invoices identified on the students' remittance advice or, if unspecified, to the earliest unpaid invoices.

The carrying amount of student tuition and fees receivables 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 students' accounts and based on the aging of the accounts receivable by semesters. If the actual defaults are higher than the historical experience, management's estimates of 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. The total allowance as of June 30, 2024, was $5,732,963.

Receivables also include outstanding balances from replacement taxes, federal and state funding sources, leases, and other miscellaneous items. No allowance has been provided for these receivables, as management believes these are fully collectible based on past experience with these funding sources.

g. Inventories are stated at the lower of cost or net realizable value. Cost is determined on a first-in, first-out (FIFO) basis. Inventories consist of items held for resale in the bookstore and printing supplies utilized in the print shop.

h. Capital assets include property, plant equipment, infrastructure assets, such as roads, parking lots, sidewalks, leased assets, and subscription-based information technology arrangement assets. 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 estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Leased assets and subscription assets are capitalized based on the present value of lease payments. Leased assets and subscription assets are amortized using the straight-line method over the lease term.

   Depreciation is computed by the straight-line method over the estimated lives as follows:

Land Improvements	10 Years
Buildings	40 Years
Building Improvements	8-20 Years
Equipment	8 Years
Vehicles	5 Years
Technology Hardware/Software	4 Years

i. The financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The College has two items that qualify for reporting in this category. These items, the pension related deferred outflows and other postemployment benefits (OPEB) related deferred outflows, are reported in the Statement of Net Position. The pension related deferred outflows item is the amount of contributions made by the College to the State Universities Retirement System (SURS or the System) for retirement benefits on grant funded salaries during the year ended June 30, 2024. One of the OPEB related deferred outflows items is the amount of contributions made by the College to the Community College Health Insurance Security Fund (also known as the College Insurance Program (CIP)) for retiree health insurance benefits. These contributions occurred after the SURS and CIP liability measurement date of June 30, 2023 and will be included in the pension and other postemployment benefit expense, respectively, in Fiscal Year 2025. The College’s other OPEB related deferred outflows item is the allocated portion of the net difference between projected and actual experience of the total OPEB liability, the College’s changing portion of the allocated CIP liability, and the differences between the College’s contribution and its share of contributions.

   The financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Other postemployment benefit related deferred inflows qualify for reporting in this category at June 30, 2024. The other postemployment benefit related deferred inflows consist of the College's allocated portion of changes in assumptions, the net difference between projected and actual experience of the total OPEB liability, and the net difference between projected and actual investment earnings on OPEB plan investments. Additionally, this category includes a deferred inflow for the College's changing proportion of the allocated CIP liability.

j. Accrued liabilities include accrued vacation, which is a limited number of accumulated unused vacation days that employees are allowed to accumulate. Those days are guaranteed to be paid to employees upon termination of employment. The rate of accrued compensated absence is calculated based on the employee's equivalent hourly rate as of Statement of Net Position date. The College considers the entire liability to be current based on a review of employee usage.

k. Unearned revenue includes amounts received which represent payments for services to be provided in future periods for which asset recognition criteria has been met, but for which revenue recognition criteria have not been met. These amounts consist of unexpended grant funds.

   Unearned revenue also includes tuition and fee charges for a portion of the in-progress Summer semester and all of the upcoming Fall semester. The tuition and fee charges are prorated according to the timing of the semester.

l. Deferred Inflows related to Leases represents the unamortized amount of the present value of future receipts related to lease agreements where the College is the lessor. These amounts are to be recognized ratably into operating revenue over the term of the lease agreement.

m. 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 related debt that has been used as of the statement of net position date to finance capital additions.
   - 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 or enabling legislation. Sources of restricted revenue included federal, state, and private grants and contracts. Externally restricted funds may be utilized only in accordance with the purpose established by the source of such funds and are in contrast with unrestricted funds over which the Board of Trustees retains full control to use in achieving any of its institutional purposes.
   - 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 may be 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 lawful purpose.

   When both restricted and unrestricted resources are available to finance expenses, it is the College's policy to first apply restricted resources to such expenses.

n. Operating revenues include all activities that have the characteristics of exchange transactions, such as student tuition and fees, and sales and services of auxiliary enterprises, net of scholarship discounts and allowances. All other revenues are considered non-operating.

o. The College's property taxes are levied each calendar year on all taxable real estate located in the College's district. The district's boundaries overlap fifteen counties with each serving as a local taxing authority for the College. Property taxes are recorded on an accrual basis of accounting. The College records the 2023 levy payable in 2024 as property taxes receivable, less any amounts collected prior to June 30, 2024 and a deferred inflow of resources, as this levy is intended to finance the College's 2024-2025 academic year. The amounts accrued from year to year will vary based upon the tax collections of the respective counties. The College must file its tax levy ordinance by the last Tuesday in December of each year. The College's property tax is levied each year on all taxable real property located within the district. These taxes attach an enforceable lien on real property as of January 1 and are payable in two installments; due dates vary by county. The College receives significant property tax receipts from July through November.

   Property tax receivables have not been reduced for an allowance as the College's historical collection experience indicates this amount is insignificant.

p. For purposes 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 SURS and additions to/deduction 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 purposes of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the plan net position of the Community College Health Insurance Security Fund (CIP) and additions to/deduction from CIP's plan net position has been determined on the same basis as they are reported by CIP. 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 the purposes of financial reporting, the State of Illinois and its public universities and community colleges are under a special funding situation. A special funding situation exists when a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity and the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. The College recognizes its proportionate share of the State's pension expense relative to the College's employees as non-operating revenue and on-behalf expense.

q. Student tuition and fee revenues, and certain other revenues from students are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and student charges, the College has recorded a scholarship discount and allowance.

r. Budgeted amounts used for comparison in this report are obtained from the operating budget approved by the Board of Trustees. The Board of Trustees adopts the budget at the fund level for all governmental funds. The Board of Trustees does not adopt a budget for the Working Cash and the Custodial Fund.

   The College's board of Trustees must adopt a budget for each fiscal year within or before the first quarter of each fiscal year. A tentative budget must be available for public inspection at least 30 days prior to final adoption, and at least one public hearing must be held on the tentative budget.

   Although the College adopts an expanded operational budget, the budget legally required by the Illinois Community College Board contains only a statement of cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The Board may, from time to time, make transfers between the various items in any fund not exceeding, in the aggregate, 10 percent of the total of such fund as set forth in the budget. Budgetary transfers that exceed this limit must follow the procedures for the adoption of the original budget.

s. The preparation of financial statements in conformity with GAAP requires the use of management's estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

   The most sensitive estimates affecting the financial statements were:

   - The valuation of the student tuition receivable
   - The valuation of the self-insured health benefit obligation
   - The valuation of the liability for post-employment health insurance benefits
   - The amount of expenses eligible for reimbursement under the College's state and federal grants

3. Over Expenditure of Legal Budgets

The College over expended its legally adopted budgets for the following funds in Fiscal Year 2024.

- The Audit Fund budget was over expended by $1,687. The over expenditure was due to Audit Fund expenditures being higher than expected.
- The Liability, Protection, and Settlement Fund budget was over expended by $52,382. The over expenditure was due to expenditures being higher than expected.
- The Auxiliary Fund budget was over expended by $653,136. The over expenditure was due to an under-appropriated budget.

4. Deposits and Investments

The College is authorized to invest in instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes. Such instruments include: direct obligations of federally insured banks and savings and loan associations; insured obligations of Illinois credit unions; securities issued or guaranteed by the U.S. Government; money market mutual funds investing only in U.S. Government based securities; commercial paper of U.S. corporations with assets over $500 million; short-term obligations as defined in the Public Fund Investment Act; and the investment pools managed by the State Treasurer of Illinois.

Fair Value Measurements

The College categorizes its fair value measurements of investments within the fair value hierarchy established by GAAP. The three levels of fair value hierarchy are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical investments
- Level 2 – inputs (other than quoted prices included within Level 1) that are observable for the investment, either directly or indirectly.
- Level 3 – unobservable inputs – market data are not available and are developed using the best information available about the assumptions that market participants would use when pricing an investment.

The fair value of investments measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The College has the following fair value measurements as of June 30, 2024:

	Carrying Value	Level
Money Market Accounts - Not Held at Depository Banks	$ 1,528,110	N/A
Debt Exchange Traded Funds	12,753,571	1
Non-Negotiable Certificates of Deposit	1,630,139	N/A
U.S. Government Bonds	8,749,314	2
Open Ended Bond Mutual Funds	52,545,656	1
Total Investments	$ 77,206,790	

Custodial Credit Risk – Bank Deposits

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 investment policy requires that funds on deposit in excess of federal deposit insurance limits must be secured by collateral pledged by the financial institution. At June 30, 2024, $7,521,731 of the College's $7,772,415 bank balance was exposed to custodial credit risk. The exposed balance was fully collateralized by securities pledged by the depository bank, but such securities are not held in the name of the College.

Custodial Credit Risk - Investments

Of the investment amount held in investment accounts at June 30, 2024, $21,002,885 is subject to custodial credit risk as their value exceeds coverage provided by the Securities Investor Protection Corporation.

Credit Risk – Investments

Credit risk is the risk that the issuer of a bond or note security will not repay the principal or pay the interest due on the debt. The College's investment policy limits investments in collateralized repurchase agreements, commercial paper, and the Illinois Public Treasurer's Investment Pool to 33 percent of the total investments. Investments in banks and mutual bond funds are limited to 90 percent of the total investments. 100 percent of the total investments can be invested in U.S. Government securities and money market mutual funds registered under the Investment Company Act of 1940. The College held $1,528,110 in money market funds all with Moody's AAA ratings. The bond mutual funds balance of $52,545,656 was unrated as of June 30, 2024. The bond mutual funds were distributed between investment grade, non-investment grade, and unrated securities. The bond mutual funds have not disclosed to the College whether derivates are used, held, or were written during the period covered by the financial statements.

Interest Rate Risk – Investments

Interest rate risk is the risk that a change in the market rate of interest for a category of debt securities will negatively impact the fair value of a debt security. The College's investment policy does not limit the maturities of investments as a means of managing its exposure to fair value losses arising from increasing interest rates. The weighted average maturity method is presented below to display the College's investments subject to interest rate risk as of June 30, 2024:

	0-1 years	1-5 years	5-10 years	10+ years	Total
U.S. Government Bonds	$ 4,695,793	$ 4,053,521	$ -	$ -	$ 8,749,314
Debt Exchange Traded Funds	1,725,480	7,128,747	379,959	3,519,385	12,753,571
Open Ended Bond Mutual Funds	2,469,424	7,291,059	42,785,173	-	52,545,656
Total	$ 8,890,697	$ 18,473,327	$ 43,165,132	$ 3,519,385	$ 74,048,541

Restricted Investments

The College periodically enters into trust agreements with the State of Illinois Capital Development Board (CDB) to fund various construction projects. These funds have been invested and can only be released with the approval of CDB. As of June 30, 2024, the College held $1,080,693 in restricted assets related to CDB projects.

5. Lease Receivable

The College leases a portion of one of its buildings to a third party, from whom the College bought the building in 2023. The agreement expires April 30, 2033, and includes fees for shared maintenance costs, which are considered a non-lease component of the agreement.

Revenue recognized under this lease during the year ended June 30, 2024 was $80,445, which includes both lease revenue and interest.

The future minimum lease receipts that are included in the lease receivable are:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	$ 65,239	$ 24,948	$ 90,187
2026	69,440	22,551	91,991
2027	73,830	20,001	93,831
2028	78,417	17,291	95,708
2029	83,208	14,413	97,621
2030-2033	358,238	25,354	383,592
	$ 728,372	$ 124,558	$ 852,930

6. Property and Equipment, Net

The following is a summary of changes in property and equipment for the year ended June 30, 2024:

	June 30, 2023	Additions	Disposals	June 30, 2024
Capital Assets, Not Being Depreciated:				
Land	$ 5,013,637	$ -	$ -	$ 5,013,637
Equipment Held for Future Use	1,554,775	42,785	-	1,597,560
Construction in Progress	1,274,330	6,887,745	332,200	7,829,875
Total Capital Assets, Not Being Depreciated	7,842,742	6,930,530	332,200	14,441,072
Capital Assets Being Depreciated:				
Buildings and Improvements	135,503,751	605,063	782,947	135,325,867
Equipment	10,553,130	1,224,997	700,117	11,078,010
Total Capital Assets, Being Depreciated	146,056,881	1,830,060	1,483,064	146,403,877
Less: Accumulated Depreciation				
Buildings and Improvements	(58,057,914)	(4,348,679)	(782,947)	(61,623,646)
Equipment	(5,124,619)	(1,280,468)	(763,904)	(5,641,183)
Total Accumulated Depreciation	(63,182,533)	(5,629,147)	(1,546,851)	(67,264,829)
Total Capital Assets, Being Depreciated, Net	82,874,348	(3,799,087)	(63,787)	79,139,048
Lease Assets:				
Building	234,508	-	-	234,508
Less: Accumulated Amortization				
Building	(31,437)	(43,504)	-	(74,941)
Total Lease Assets, Being Amortized, Net	203,071	(43,504)	-	159,567
Subscription Assets:				
Technology Hardware / Software	635,216	300,043	-	935,259
Less: Accumulated Amortization				
Technology Hardware / Software	(147,423)	(232,881)	-	(380,304)
Total Subscription Assets, Being Amortized, Net	487,793	67,162	-	554,955
Total Capital Assets, Net	$ 91,407,954	$ 3,155,101	$ 268,413	$ 94,294,642

The College recorded depreciation and amortization expense of $5,905,532 for the year ended June 30, 2024.

During Fiscal Year 2024, the College recognized $42,785 of donated office equipment and fixtures related to the Patterson building. The use of the equipment at the Patterson building has not been determined as of June 30, 2024 and is being held as a non-depreciable capital asset until future use is determined.

The College recognized $2,925,733 of capital asset contributions from the Capital Development Board (CDB) related to construction in progress during the year ended June 30, 2024.

7. Lease Liabilities

The College is obligated under four non-cancellable operating leases for classroom space which require monthly lease payments totaling $3,937 with terms running through January 1, 2026. One of the leases includes an option to extend for two additional three year terms, which has been included in the term used for lease measurement as management expects to renew the lease.

The total costs of the College's lease assets are recorded as $234,508, less accumulated amortization of $74,941.

Future minimum lease payments under these operating leases are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	$ 24,851	$ 5,459	$ 30,310
2026	19,643	4,707	24,350
2027	19,994	4,006	24,000
2028	20,719	3,281	24,000
2029	21,471	2,529	24,000
2030-2032	59,142	2,858	62,000
	$ 165,820	$ 22,840	$ 188,660

8. Subscription-Based Information Technology Arrangements

The College has entered into subscription-based technology arrangements (SBITA) involving staff software, academic software, communications software, and various information systems software arrangements. The College is obligated under these non-cancellable arrangements on a subscription basis which require either one time or annual payments. These arrangements have terms running through July 4, 2027.

The total costs of the College's SBITA assets are recorded as $935,259, less accumulated amortization of $380,304.

Future minimum payments under these arrangements are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	$ 111,601	$ 6,187	$ 117,788
2026	42,577	1,703	44,280
	$ 154,178	$ 7,890	$ 162,068

9. Accrued Liabilities

Accrued liabilities consist of the following at June 30, 2024:

Accrued Salaries and Payroll Liabilities	$	1,385,558
Accrued Compensated Absences		501,724
Accrued Interest		35,026
Total Accrued Liabilities	$	1,922,308

10. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

	June 30, 2023	Additions	Retired	June 30, 2024	Due Within One Year
Bonds	$ 20,720,000	$ -	$ 5,885,000	$ 14,835,000	$ 6,185,000
Bond Premium	1,378,058	-	374,512	1,003,546	121,170
Net Other Postemployment Benefit liability	8,395,420	514,589	123,043	8,786,966	-
Accrued Compensated Absences	390,808	110,916	-	501,724	501,724
Lease Liabilities	205,821	-	40,001	165,820	24,851
Subscription Liabilities	137,749	300,043	283,614	154,178	111,601
Planned Retirement Payable	2,230,365	580,129	461,046	2,349,448	796,827
Total Long-Term Debt	$ 33,458,221	$ 1,505,677	$ 7,167,216	$ 27,796,682	$ 7,741,173

In 2016, the College issued Series 2016B general obligation funding bonds for an original issuance amount of $1,450,000. The bonds, which are payable in annual principal installments ranging from $130,000 to $160,000 and semi-annual interest payments at a stated rate ranging from 2.0 percent to 2.25 percent, mature June 1, 2027.

In 2020, the College issued Series 2020 general obligation funding bonds for an original issuance amount of $11,065,000. The bonds, which were payable in annual principal installments ranging from $475,000 to $6,225,000 and semi-annual interest payments at a stated rate ranging from 1.02 percent to 1.41 percent, matured during the year ended June 30, 2024.

In 2022, the College issued Series 2022A general obligation funding bonds for an original issuance amount of $15,735,000. The bonds, which are payable in annual principal installments ranging from $1,370,000 to $6,340,000 and semi-annual interest payments at a stated rate ranging from 2.14 percent to 2.71 percent, mature June 1, 2027.

Total interest expense incurred for all long-term debt for the year ended June 30, 2024 was $826,135.

Maturities of the bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	$ 6,185,000	$ 575,750	$ 6,760,750
2026	6,495,000	263,400	6,758,400
2027	2,155,000	51,675	2,206,675
	$ 14,835,000	$ 890,825	$ 15,725,825

11. Unrestricted Net Position

Unrestricted net position at June 30, 2024 consisted of ($20,632,349) related to other postemployment benefit activity and $78,361,235 related to other general purposes.

12. Defined Benefit Pension Plan

Plan Description

The College contributes to the State Universities Retirement System (SURS), a cost-sharing multiple-employer-defined benefit pension plan with a special funding situation whereby the State of Illinois makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, 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 of Illinois' 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. Tier 1 of the traditional and portable plan 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 began participation on or after January 1, 2011, and who do not have other eligible reciprocal system service. 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, 2023, can be found in the Financial Section of SURS ACFR.

Contributions

The State of Illinois is primarily responsible for funding SURS 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 with SURS to reach 90 percent 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 College’s normal cost for Fiscal Year 2024 was 12.53 percent of employee payroll. The normal cost is equal to the value of the 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 percent of their annual covered salary, except for police officers and fire fighters who contribute 9.5 percent of their earnings. The contribution requirements of plan members and the College are established and may be amended by the Illinois General Assembly.

The College makes 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), Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6 percent 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).

Net Pension Liability

The net pension liability (NPL) was measured as of June 30, 2023. At June 30, 2023, SURS defined benefit pension plan reported a NPL of $29,444,538,098.

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 of Illinois’ NPL associated with the College is $162,755,001 or 0.5528 percent. The College’s proportionate share changed by (0.0395 percent) from 0.5923 percent since the last measurement date on June 30, 2022. This amount is not recognized in the College’s financial statements. The NPL and total pension liability as of June 30, 2023, was determined based on the June 30, 2022, 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 2022.

Defined Benefit Pension Expense

For the year ending June 30, 2023, SURS defined benefit plan reported a collective net pension expense of $1,884,388,521.

Employer Proportionate Share of Defined Benefit Pension Expense

The College's proportionate share of collective 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 pension expense is the actual reported pensionable contributions made to SURS during Fiscal Year 2022. As a result, the College recognized revenue and defined benefit pension expense of $10,417,258 from this special funding situation during the fiscal year ended June 30, 2024.

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

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 62,591,844	$ 12,277,871
Changes in assumption	70,957,694	420,880,693
Net difference between projected and actual earnings on pension plan investments	187,992,691	-
Total	$ 321,542,229	$ 433,158,564

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses:

Fiscal Year Ending June 30	Net Deferred Inflows of Resources
2024	$ (428,264,966)
2025	(171,164,633)
2026	465,174,033
2027	22,639,231
Total	$ (111,616,335)

Employer Deferral of Fiscal Year 2024 Contributions

The College paid $109,722 in federal, trust or grant contributions to SURS defined benefit pension plan during the fiscal year ended June 30, 2024. These contributions were made subsequent to the pension liability measurement date of June 30, 2023, and are recognized as Deferred Outflows of Resources as of June 30, 2024.

Assumptions and Other Inputs

The actuarial assumptions used in the June 30, 2023 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, 2023, 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 sperate mortality assumption for disabled participants.

The long-term expected rate of return on defined benefit 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 consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Traditional Growth		
Global Public Equity	36.0%	7.97%
Stabilized Growth		
Core Real Assets	8.0%	4.68%
Public Credit Fixed income	6.5%	4.52%
Private Credit	2.5%	7.36%
Non-Traditional Growth		
Private Equity	11.0%	11.32%
Non-Core Real Assets	4.0%	8.67%
Inflation Sensitive		
U.S. TIPS	5.0%	2.09%
Principal Protection		
Core Fixed Income	10.0%	1.13%
Crisis Risk Offset		
Systemic Trend Following	10.0%	3.18%
Alternative Risk Premia	3.0%	3.27%
Long Duration	2.0%	3.02%
Long Volatility/Tail Risk	2.0%	-1.14%
Total	100.0%	5.98%
Inflation		2.60%
Expected Arithmetic Return		8.58%

Discount Rate

A single discount rate of 6.37 percent 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 percent and a municipal bond rate of 3.86 percent (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2023). 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 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

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 6.37 percent, as well as what the State's NPL would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

1% Decrease 5.37%	Current Single Discount Rate Assumption 6.37%	1% Increase 7.37%
$35,695,434,682	$29,444,538,098	$24,236,489,318

Additional information regarding the SURS basic financial statements including the Plan's net position can be found in the SURS ACFR by accessing the website at www.SURS.org.

13. Defined Contribution Pension Plan

Plan Description

The College contributes to the Retirement Savings Plan (RSP) administered by SURS, a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois 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 and community colleges, 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, 2023, can be found in the System's Annual Comprehensive Financial Report (ACFR) Notes to the Financial Statements.

Contributions

All employees who have elected to participate in the RSP are required to contribute 8.00 percent of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.60 percent 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 7.60 percent contribution for employee earnings paid from “trust, federal, and other funds” as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State’s General Assembly.

Forfeitures

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

Defined Contribution Pension Expense

For the year ended June 30, 2023, the State’s contributions to the RSP on behalf of the individual employers totaled $90,330,044. Of this amount, $81,991,471 was funded via an appropriation from the State and $8,338,573 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense

The College’s 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 2023. The College’s share of pensionable contributions was 0.2583 percent. As a result, the College recognized on-behalf revenue and defined contribution pension expense of $233,359 from this special funding situation during the fiscal year ended June 30, 2024, of which $21,542 constituted forfeitures.

14. Planned Retirement

To enhance long-range planning, College employees are encouraged to submit resignations up to four years in advance of their planned retirement date. Upon acceptance of the resignation by the Board of Trustees, qualified employees will receive a guaranteed 6 percent raise on their contractual-based salary for each of their last four years of service. A formula using years of service determines the paid incentive. This incentive will be paid on the first payroll following 60 calendar days after the retirement date. The College records a liability for all qualified employees who have had their resignations accepted by the Board of Trustees. At June 30, 2018, the College discontinued this planned retirement program for new employees, however, current employees were grandfathered in at the date the planned retirement ended and may still participate.

15. Post-Employment Benefits Other Than Pension (OPEB)

Plan Description

The College participates in the State of Illinois Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program, "CIP"). 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 SURS and the boards of trustees of the various community college districts.

Plan Membership

All members receiving benefits from the 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.

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 (the 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 (5 ILCS 375/6.10) requires every active contributor (employee) of SURS to contribute 0.50 percent of covered payroll and every community college district to contribute 0.50 percent of covered payroll. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires a special funding situation whereby the State of Illinois makes an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers, and retirees. 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, 2024 were both $199,501.

Net OPEB Liability

At June 30, 2023, CIP reported a net OPEB liability of $706,333,410.

Employer Proportionate Share of Net OPEB Liability

The proportionate share of the net OPEB liability reported by the College is $8,786,966. The State of Illinois is considered a non-employer contributing entity and the state's contribution meets the definition of special funding situation. The OPEB liability was measured as of June 30, 2023. The total OPEB liability used to calculate the OPEB liability was determined based on the June 30, 2022 actuarial valuation rolled forward. The College's proportion of the net OPEB liability was based on the College's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. At June 30, 2023, the College's proportion was 1.244025 percent. The portion of the State of Illinois' liability that is associated with the College is $8,786,966. The total share that is associated with the College is $17,573,928.

OPEB Expense

At June 30, 2023, CIP reported a collective net OPEB expense of ($258,363,775).

Employer Proportionate Share of OPEB Expense

For the year ended June 30, 2024, the College recognized proportionate share of collective OPEB expense of ($3,187,564). The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported contributions made to CIP during Fiscal Year 2023.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Deferred Outflows of Resources are the consumption of net position by the system that is applicable to future reporting periods, and thus will not be recognized as an outflow (expense) until the future periods.

Deferred Inflows of Resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 132,228	$ 2,645,375
Changes in assumption	-	8,590,043
Net difference between projected and actual earnings on OPEB investments	-	1,878
Changes in proportion and differences between employer contributions and share of contributions	649,428	1,589,244
Total deferred amounts to be recognized in OPEB expense in future periods	781,656	12,826,540
OPEB contributions made subsequent to the measurement date	199,501	-
Total deferred amounts related to OPEB	$ 981,157	$ 12,826,540

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:

Fiscal Year Ending June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	$ 196,231	$ 2,565,308
2026	196,231	2,565,308
2027	196,231	2,565,308
2028	196,232	2,565,308
2029	196,232	2,565,308
Total	$ 981,157	$ 12,826,540

Employer Deferral of Fiscal Year 2024 OPEB Expense

The College paid $199,501 in OPEB contributions for the fiscal year ended June 30, 2024. These contributions were made subsequent to the OPEB liability measurement date of June 30, 2023, and are recognized as Deferred Outflows of Resources as of June 30, 2024. This amount will be recognized in OPEB expense in Fiscal Year 2024.

Assumptions and Other Inputs

The total CIP plan's net OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

- Inflation 2.25 percent
- Salary increases depend on age and service and ranges from 12.75 percent at less than 1 year of service to 3.50 percent at 34 or more years of service for employees under 50 and ranges from 12.00 percent at less than 1 year of service to 3.00 percent at 34 or more year of service for employees over 50. Salary increases include a 3.00 percent wage inflation assumption.
- Investment rate of return of 0 percent, net of OPEB plan investment expense, including inflation
- Healthcare cost trend rates - actual trend used for Fiscal Year 2023 based on premium increases. For fiscal years on or after 2024, trend starts at 8.00 percent for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend rate of 4.25 percent in 2040. For MAPD costs, trend rates are 0 percent in 2024 to 2028, 19.42 percent in 2029 to 2033 and 6.08 percent in 2034, declining gradually to an ultimate rate of 4.25 percent in 2040.

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 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, 2022 valuation were based on the results of an actuarial experience study for the period of June 30, 2017 to June 30, 2020.

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 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rate is 3.86 percent as of June 30, 2023. The increase in the discount rate from 3.69 percent at June 30, 2022 to 3.86 percent caused the total OPEB liability to decrease by approximately $10.2 million from 2022 to 2023.

Sensitivity of total CIP's OPEB liability to changes in the Single Discount Rate

The following presents the College's proportional share of the OPEB liability, calculated using a Single Discount Rate of 3.86 percent, as well as what the total CIP's plan OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.86 percent) or 1 percentage-point higher (4.86 percent) than the current discount rate:

1% Decrease (2.86%)	Current Single Discount Rate Assumption (3.86%)	1% Increase (4.86%)
$ 9,586,665	$ 8,786,964	$ 8,098,348

Sensitivity of the total CIP's plan OPEB liability to changes in the healthcare cost trend rates

The following presents the College's share of the net OPEB liability, calculated using the healthcare cost trend rates as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point that is higher or lower than the current healthcare cost trend rate. The key trend rates are 9.14 percent in 2024 decreasing to an ultimate trend rate of 4.25 percent in 2040.

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
$ 7,892,810	$ 8,786,964	$ 9,865,196

- 1 percentage point decrease in healthcare trend rates are 8.14 percent in 2024 decreasing to an ultimate trend rate of 3.25 percent in 2040.
- 1 percentage point increase in healthcare trend rates are 10.14 percent in 2024 decreasing to an ultimate trend rate of 5.25 percent in 2040.

No amount was owed to the plan at June 30, 2024. The College provides no other financially significant postemployment benefit to employees.

16. On-Behalf Payments for Fringe Benefits

For the year ending June 30, 2024, expense for fringe benefits payments made by the State of Illinois on behalf of the College were $10,650,617 for pensions to SURS pensions and ($3,187,564) for the health insurance program to CIP.

17. Other Risk Management Issues

The College is exposed to various risks of loss due to torts involving outside contractors, theft, or damage to assets, errors and omissions, and natural disasters. The College purchases commercial insurance for these risks. There has been no significant reduction in coverage over the past two years and settlements have not exceeded insurance coverage in any of the past three years.

The College is insured under a retrospectively rated policy for workers' compensation coverage whereas the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the current fiscal year, there were no significant adjustments in premiums based on actual experience.

18. Inter-Sub-Fund Balances and Transfers

The College maintains various sub-funds to track the activity of the primary government. The following is a summary of the balances and transactions among these sub-funds as of and for the year ended June 30, 2024.

	Due to	Due from
Education Fund	$ -	$ 37,497,914
Operations and Maintenance Fund	-	7,330,351
Operations and Maintenance Fund - Restricted	1,699,676	-
Bond and Interest Fund	-	2,499,999
Auxiliary Fund	-	1,500,000
Restricted Purposes Fund	2,397,914	-
Working Cash Fund	41,400,323	-
General Fixed Assets Fund	2,330,350	-
Liability, Protection, and Settlement Fund	1,000,001	-
	$ 48,828,264	$ 48,828,264

	Transfer in	Transfer out
Bond and Interest Fund	$ 100,245	$ -
Auxiliary Fund	1,939,016	-
Education Fund	-	2,138,109
Liability, Protection, and Settlement Fund	1,989	-
Operations & Maintenance - Operational Fund	5,762	-
Operations and Maintenance Fund - Restricted	91,097	-
	$ 2,138,109	$ 2,138,109

The inter-sub-fund balances and transactions are eliminated for the preparation of the basic financial statements of the primary government of the College.

19. Related Party Activity

At June 30, 2024, the College has $40,428 receivable from the Foundation related to scholarships reimbursements. The Foundation has a $40,428 liability at June 30, 2024 due to the College.

The Foundation entered into an irrevocable donation agreement with Lake Land College during fiscal year 2020 to advance the initial design and construction costs of the Foundation and Alumni Center in the amount of $1,500,000. Payments of $250,000 were paid annually. The final payment of $250,000 was made during the year ended June 30, 2024.

During the year ended June 30, 2024, the College recognized $123,683 of donated equipment from the Foundation. The equipment is further discussed in Note 6 to the financial statements.

20. Related Party Disclosures Required by the U.S. Department of Education (Unaudited)

The following list of related party transactions is provided solely to comply with the Financial Responsibility, Administrative Capacity, Certification Procedures, Ability to Benefit regulation promulgated by the U.S. Department of Education.

The College enters into various transactions with the Lake Land College Foundation as part of fulfilling to the purpose to promote the general welfare of the College and its students. During the year ended June 30, 2024, the College received $562,673 for the students in the form of scholarships, equipment, facility usage, and other support.

In the year June 30, 2024, the College provided $254,438 in support to the Foundation.

On November 11, 2019, the College entered into an irrevocable agreement with the Foundation to advance the initial design and construction costs of the Foundation and Alumni Center in the amount of $1,500,000. This agreement requires the Foundation to reimburse the College $250,000 annually on April 1 until the college is reimbursed in full. The College received the final payment during the year ended June 30, 2024.

21. Self-Insurance

The College sponsors a health and prescription insurance plan for its employees. The College pays a minimum premium to provide for administration of the health plan and claims up to the aggregate maximum liability. Aggregate maximum liability under the policy is a factor of the group census. The College is contingently liable for any deficit the health and dental plan may incur.

Claim liabilities are based on the requirements of GASB Statements which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. At June 30, 2024, the submitted and accrued claims were $391,807, and are included in the accounts payable on the Statement of Net Position.

The stop-loss limit for the health insurance plan at June 30, 2024 was $150,000. This liability is based on estimates and the ultimate liability may be greater or less than the amount estimated. The methods used to calculate such estimates are continually reviewed, and any adjusted will be reflected in a future period.

The change in claim liability was as follows:

Accrued Claims, Beginning of Year	$	500,000
Incurred Claims		5,344,393
Claim Payments		(5,452,586)
Accrued Claims, End of Year	$	391,807

22. Contingencies

Federal and State Grants

The College participates in a number of federal and state funded grant programs. Under the terms of these programs, periodic audits may be required by grantor agencies, and certain costs may be questioned as not being appropriate expenditures under the terms of these programs. Such audits could lead to reimbursements to grantor agencies. Based on prior experience, the College's management believes examinations would not result in any material disallowed costs for grant revenue recorded in these financial statements or from prior years.

23. Other Commitments

The College entered into three construction contracts for buildings and improvements. The total remaining commitment on the contracts at June 30, 2024 was approximately $1,598,000.

The College has entered into several contracts for the renovation of a building and a parking lot replacement through the Capital Development Board (CDB). The remaining commitment on the contracts related to these projects at June 30, 2024 was approximately $4,742,000.

Subsequent to year end, the College entered into seven construction contracts for buildings and improvements. The commitment on the contracts at June 30, 2024 is approximately $3,902,000.

The College also has an ongoing commitment to fund a portion of entity's annual operating budget for which the College is jointly governing with other community colleges. The purpose of the entity is to purchase certain software on behalf of a group of community colleges, including Lake Land College. The amount of the commitment is established with an annual bill received by the College. No outstanding commitment existed at June 30, 2024.

24. New Government Accounting Standards

In June 2022, GASB issued GASB Statement 101 (GASB 101), *Compensated Absences.* The provisions of GASB 101 require that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. GASB 101 will be effective for the College's Fiscal Year 2025.

In December 2023, GASB issued GASB Statement 102 (GASB 102), *Certain Risk Disclosures*. The provisions of GASB 102 require that risks related to government vulnerabilities due to certain concentrations or constraints are provided to users of the financial statements. GASB 102 will be effective for the College's Fiscal Year 2025.

In May 2024, GASB issued GASB Statement 103 (GASB 103), *Financial Reporting Model Improvements.* The provisions of GASB 103 improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. GASB 103 will be effective for the College's Fiscal Year 2026.

The College's management is currently reviewing what impact, if any, these new standards will have on its future financial statements and disclosures.

25. Discretely Presented Component Unit

The following notes are provided for the College's component unit, the Foundation:

A. Nature of Organization

Lake Land College Foundation, Inc. (the Foundation) is a nonprofit corporation organized under the laws of the State of Illinois for educational, scientific, and charitable purposes designed to promote the general welfare of Lake Land College (the College) by encouraging gifts of money, property, works of art, and other materials having educational, artistic, or historical value. The Foundation is considered a component unit of the College under the accounting standards followed by the College; however, the Foundation is a separate legal entity.

The Foundation's major sources of support and revenue are contributions from donors and investment income.

B. Summary of Significant Accounting Policies

a. The Foundation's financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States.

b. For purposes of the statement of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents, except for money market funds which management considers to be investments.

c. Investments consist of managed investment accounts comprised of various mutual funds, money market funds, exchange traded funds, and bonds. These investments are stated at fair value. Unrealized appreciation or decline in fair value is included in the statement of activities.

d. Property and equipment expenditures in excess of $500 are capitalized and recorded at cost, or, if donated, at fair value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful life of assets.

e. Works of art are stated at cost for all purchased items, or, if donated, at fair value at the time of donation. The Foundation does not recognize depreciation on works of art.

f. The Foundation acts as an intermediary for various clubs and athletic departments associated with the College. The liability "Agency Funds" on the statement of financial position represents the amount held for these organizations and is not part of the Foundation's activities.

g. Net assets of the Foundation and changes therein are classified and reported as follows:

   Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

   Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Board of Directors and/or the passage of time, or that must be maintained permanently by the Foundation. This includes contributions of nonfinancial assets designated for a specific program. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

h. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or by law. Amounts received which are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions and increase that net asset class.

   Contributions of cash and other financial assets received with donor-imposed restrictions which require the corpus to be invested in perpetuity are classified as net assets with donor restrictions, restricted in perpetuity. Contributions of cash and other financial assets received with donor-imposed restrictions that limit their use are classified as net assets with donor restrictions, restricted by purpose or time. When a donor-imposed restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions, restricted by purpose or time, are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

i. Contributions of land, facilities, and equipment are capitalized if the fair value of the property exceeds the Foundation's capitalization threshold of $500. Contributed services are recognized if the benefit received (a) creates or enhances non-financial assets or (b) requires specialize skills provided by individuals possessing those skills and (c) would typically need to be purchased if not provided by donation. Such contributions are recorded at fair value on the date of the contribution and are presented as "Contributions of Nonfinancial Assets" and "Support Provided by Lake Land College" on the statement of activities.

j. The Foundation holds special events throughout the year. A portion of the revenue raised at these events is considered reciprocal and is not tax deductible by the donor. This revenue is segregated from regular contributions and presented net of related expenses as special event revenue.

k. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

   In these financial statements, the valuation of contributions of nonfinancial assets of materials, equipment, facilities, and services involves extensive reliance on management's estimates. Management's estimate of contributions of nonfinancial assets of equipment is based upon the fair value of the equipment at the time of donation. Management's estimate of contributions of nonfinancial assets of services and facilities is based upon estimated time spent and fair value of rent. Due to uncertainties inherent in the estimation process, it is at least reasonably possible that these estimates will be revised in the near term.

l. The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel expenses are allocated based on management's estimate of time and effort. All other expenses are directly charged to the applicable program or support function.

m. The Foundation, as a nonprofit organization, is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for federal income taxes has been made.

n. The Foundation has evaluated subsequent events through September 26, 2024, the date which the financial statements were available to be issued.

C. Liquidity and Availability of Financial Assets

The following reflects the Foundation's financial assets and liquidity at June 30, 2024:

Financial Assets:	
Cash and Cash Equivalents	$ 210,887
Investments	14,756,687
Total Financial Assets	14,967,574
Less Donor Imposed Restrictions in Financial Assets:	
Restricted by Purpose or Time	(4,557,886)
Restricted in Perpetuity	(8,165,604)
Financial Assets Available for General Expenditures within One Year	$ 2,244,084

The Foundation’s goal is generally to maintain financial assets sufficient to meet 60 days of normal operating expenses. The Foundation does not maintain a line of credit.

D. Collateralization of Deposits

At June 30, 2024, the Foundation had deposits on hand and at financial institutions, which totaled $229,396 reconciled to a book balance of $210,887. Of the deposits, $229,396 was covered by federal deposit insurance.

E. Property and Equipment, Net

Property and Equipment consists of the following at June 30, 2024:

Land - Subject to Operating Leases	$ 2,651,184
Buildings - Subject to Operating Leases	701,691
Equipment	11,783
Total Property and Equipment	3,364,658
Less: Accumulated Depreciation	(323,997)
Property and Equipment, Net	$ 3,040,661

Depreciation expense for the year ended June 30, 2024 was $19,271.

F. Investments

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820-10 establishes a framework for measuring fair value under generally accepted accounting principles. The 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 820-10 are described below:

Level 1 Inputs to the valuation methodology are based on unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation can 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 following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2024.

Money Markets – Valued at the cash balance available to the Foundation.

Mutual Funds and Exchange Traded Funds – Valued at unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access.

Bonds – Valued utilizing a computerized pricing service or a yield-based matrix for less actively traded issues.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Foundation believes its 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.

The following table sets forth, by level within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2024:

		Fair Value Level
Money Markets	$ 207,132	1
Mutual Funds	2,618,053	1
Exchange Traded Funds	8,728,074	1
Bonds	3,203,428	2
Total	$ 14,756,687	

Custodial Credit Risk - Investments

Of the investments in exchange traded funds and bonds at June 30, 2024, $11,431,502 is subject to custodial credit risk as their value exceeds coverage provided by the Securities Investor Protection Corporation.

G. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at June 30, 2024:

Purpose Restricted For:	
Scholarships	$ 6,587,886
Educational Programs	286,341
Capital Projects	291,328
Support Acquisition of Art for the College	4,841
Total Net Assets with Temporary Restrictions	7,170,396
Permanent Endowment:	
Scholarships	7,637,875
Educational Programs	507,729
Support Acquisition of Art for the College	20,000
Total Net Assets with Perpetual Restrictions	8,165,604
Total Net Assets With Donor Restrictions	$ 15,336,000

H. Endowments

As of June 30, 2024, investments contain endowment funds, which are classified and reported based on the existence of donor-imposed restrictions.

The Foundation has a spending policy of appropriating for distribution each year up to 4.5 percent to 5 percent of endowment fund balances. In establishing this policy, the Foundation considered the long-term expected investment return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its general endowment funds to grow at an average of the rate of inflation plus a minimum of 0.5 percent annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

To achieve that objective, the Foundation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of up to 4.5 percent to 5 percent, while growing the fund. Accordingly, the Foundation expects its endowment assets, over time, to produce an average rate of return of the rate of inflation plus a minimum of 0.5 percent annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Changes in endowment net assets for the year ended June 30, 2024, all of which are in net assets with donor restrictions, are as follows:

Balance, July 1	$ 8,005,523
Contributions	159,079
Investment Income	353,543
Appropriation for Expenditure	(352,541)
Balance, June 30	$ 8,165,604

I. Contributed Nonfinancial Assets and Support Provided by Lake Land College

Contributed nonfinancial assets recognized within the statement of activities for the year ended June 30, 2024 include:

Equipment	$ 123,683
Lease	103,940
Miscellaneous	726
Total	$ 228,349

Contributed equipment received by the Foundation are recognized at their fair value at the time of donation. This equipment was subsequently donated to the College to fulfill restrictions on the contributed equipment, if any.

The Foundation has a lease agreement for a facility for the College to use for classrooms, lab work, study hall, library, and other educational activities. The lessor has agreed to allow the Foundation to lease the facility without making the scheduled payments specified in the lease, which are considered to be equivalent to the fair rental value.

The College provides services and facilities to the Foundation at no charge. Support provided by Lake Land College for the year ended June 30, 2024 are as follows:

Personnel Services	$	152,861
Occupancy		101,577
Total	$	254,438

Personnel services is valued based on the estimated time spent by College personnel, and occupancy is based on the estimated fair market value of rent.

J. Related Party Transactions

The Foundation enters into various transactions with the College as part of fulfilling its purpose to promote the general welfare of the College. During the year ended June 30, 2024, the Foundation provided $562,673 to the College and its students in the form of scholarships, equipment, facility usage, and other support.

As discussed in Note 25.I, the Foundation received $254,438 in support from the College during the year ended June 30, 2024.

On November 11, 2019, the Foundation entered into an irrevocable agreement with the College to advance the initial design and construction costs of the Foundation and Alumni Center in the amount of $1,500,000. This agreement requires the Foundation reimburse the College $250,000 annually on April 1 until the College is reimbursed in full. The final payment of $250,000 was made during the year ended June 30, 2024.

26. Supplemental Information

Schedules 1 through 3, Schedules 6 through 9, Schedule 16, and Schedules 18 through 20 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

In the schedules noted, the modified accrual basis of accounting differs from GAAP for a special-purpose government engaged only in business-type activities because:

- Capital assets are not depreciated, and depreciation expense is not presented in the schedules, except for funds considered to be proprietary operations.
- Payments of principal on long-term debt are reported as expenditures in the schedules.
- In the schedules, the full amount of summer school revenue and scholarship expense is recognized in the fiscal year in which the related term is completed.
- Expenditures in the schedules include the cost of capital asset acquisitions, except for funds considered to be proprietary operations.
- Debt service expenditures in the schedules are recorded only when payment is due, except for funds considered to be proprietary operations.
- Pension expenditures in the schedules include payments made by the College in the current fiscal year for federal, trust, or grant-funded salaries in the current fiscal year.

- OPEB expenditures in the schedules include payments made by the College in the current fiscal year for salaries in the current fiscal year.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability - SURS
For the Year Ended June 30, 2024
(Unaudited)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
a) Lake Land's Proportionate Percentage of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
b) Lake Land's Proportionate Amount of the Collective Net Pension Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability Associated with Lake Land	133,234,506	139,107,184	154,077,204	147,815,896	161,695,488	185,933,741	185,530,313	172,859,463	172,217,100	162,775,001
Total b) + c)	$ 133,234,506	$ 139,107,184	$ 154,077,204	$ 147,815,896	$ 161,695,488	$ 185,933,741	$ 185,530,313	$ 172,859,463	$ 172,217,100	$ 162,775,001
Lake Land's Defined Benefit Covered Payroll	$ 22,225,415	$ 21,416,911	$ 21,444,618	$ 20,492,289	$ 21,023,554	$ 23,416,665	$ 22,531,296	$ 22,075,372	$ 21,073,400	$ 22,733,573
Proportion of Collective Net Pension Liability Associated with Lake Land College as a Percentage of Defined Benefit Covered Payroll	599.47%	649.52%	718.49%	721.32%	769.12%	794.02%	823.43%	783.04%	817.23%	716.01%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%	43.65%	44.06%

NOTE: The system implemented GASB No. 68 in fiscal year 2015. The information is presented for as many years as available. The schedules are intended to show information for 10 years.

See Accompanying Notes on Page 56

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Required Supplementary Information
Schedule of Contributions - SURS
For the Year Ended June 30, 2024
(Unaudited)

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Lake Land's Federal, Trust, and Other Contribution	$ 86,474	$ 69,447	$ 60,841	$ 62,379	$ 69,680
Lake Land's Contribution in relation to required contribution	86,474	69,447	60,841	62,379	69,680
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Lake Land's Covered Payroll	$ 738,463	$ 547,258	$ 485,563	$ 500,634	$ 566,965
Contributions as a Percentage of Covered Payroll	11.71%	12.69%	12.53%	12.46%	12.29%

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Lake Land's Federal, Trust, and Other Contribution	$ 75,281	$ 66,551	$ 58,571	$ 80,471	$ 109,722
Lake Land's Contribution in relation to required contribution	75,281	66,551	58,571	80,471	109,722
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Lake Land's Covered Payroll	$ 578,195	$ 524,024	$ 475,414	$ 627,210	$ 875,674
Contributions as a Percentage of Covered Payroll	13.02%	12.70%	12.32%	12.83%	12.53%

See Accompanying Notes on Page 56

Changes of Benefit Terms

Public Act 103-0080, effective June 9, 2023, created a disability benefit for police officers injured in the line of duty on or after January 1, 2022. This benefit was first reflected in the Total Pension Liability as of June 30, 2023.

Changes of 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. Only the disability rates assumption changed for the June 30, 2023, actuarial valuation.

- Salary increase – The overall assumed rates of salary increase range from 3.00 percent to 12.75 percent based on years of service, with an underlying wage inflation rate of 2.25 percent.
- Investment return – The investment return is assumed to be 6.50 percent. This reflects an assumed real rate of return to 4.25 percent and assumed price inflation of 2.25 percent.
- Effective rate of interest – The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 6.50 percent.
- Normal retirement rates – Separate rates are assumed 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 – Separate rates are assumed for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.
- Turnover rates – Assumed rates maintain the pattern of decreasing termination rates as years of service increase.
- Mortality rates – Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2020 scale.
- Disability rates – Separate rates are assumed for members in academic positions and nonacademic positions, as well as for males and females. New for the June 30, 2023, valuation, 50 percent of police officer disability incidence is assumed to be line-of-duty related.
- Plan election – For non-academic members, assumed plan election rates are 75 percent for Tier 2 and 25 percent for Retirement Savings Plan (RSP). For academic members, assumed plan election rates are 55 percent for Tier 2 and 45 percent for Retirement Savings Plan (RSP).

LAKE LAND COLLEGE
Required Supplementary Information
Schedule of Proportionate Share of OPEB Liability - CIP
For the Year Ended June 30, 2024
(Unaudited)

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
a) Lake Land's Proportionate Percentage of the Collective Net OPEB Liability	1.218243%	1.195476%	1.216456%	1.347859%	1.301146%	1.282778%	1.226396%	1.244025%
b) Lake Land's Proportionate Amount of the Collective Net OPEB Liability	$ 22,171,518	$ 21,801,147	$ 22,933,246	$ 25,454,857	$ 23,716,814	$ 22,263,031	$ 8,395,420	$ 8,786,964
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability Associated with Lake Land	23,100,835	21,514,012	22,933,246	23,716,767	23,716,767	22,263,031	8,395,420	8,786,964
Total b) + c)	$ 45,272,353	$ 43,315,159	$ 45,866,492	$ 49,171,624	$ 47,433,581	$ 44,526,062	$ 16,790,840	$ 17,573,928
Lake Land's Covered Payroll	$ 22,082,400	$ 20,743,200	$ 21,246,000	$ 24,198,200	$ 23,932,600	$ 23,854,200	$ 23,131,000	$ 24,608,600
Lake Land's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered Payroll	100.40%	105.10%	107.94%	105.19%	99.10%	93.33%	36.30%	35.71%
CIP Plan Net Position as a Percentage of Total OPEB Liability	-2.15%	-2.87%	-3.54%	-1.13%	-5.07%	-6.38%	-22.03%	-17.87%

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

See Accompanying Notes on Page 59

LAKE LAND COLLEGE
Required Supplementary Information
Schedule of Contributions - CIP
For the Year Ended June 30, 2024
(Unaudited)

Year Ended June 30	Statutorily Required Contributions*	Covered Payroll	Actual Contribution as a % of Covered Payroll
2024	$ 199,501	$ 39,900,200	0.50%
2023	123,043	24,608,600	0.50%
2022	115,655	23,131,000	0.50%
2021	119,271	23,854,200	0.50%
2020	119,663	23,932,600	0.50%
2019	120,991	24,198,200	0.50%
2018	106,230	21,246,000	0.50%
2017	103,716	20,743,200	0.50%
2016	110,412	22,082,400	0.50%

* Statutorily required contributions equal actual contributions recognized by the plan.

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

See Accompanying Notes on the Following Page

Changes of Benefit Terms

There were no benefit changes in the Total OPEB Liability as of June 30, 2023.

Assumptions Used

- Actuarial Cost Method – Entry Age Normal, used to measure the Total OPEB Liability
- Contribution Policy – Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2023, contribution rates are 0.50 percent of pay for active members, 0.50 percent of pay for community colleges and 0.50 percent of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
- Asset Valuation Method – Market value
- Investment Rate of Return – 0 percent, net of OPEB plan investment expense, including inflation, for all plan years.
- Inflation – 2.25 percent
- Salary Increases – Depends on age and service and ranges from 12.75 percent at less than 1 year of service to 3.50 percent at 34 or more years of service for employees under age 50 and ranges from 12.00 percent at less than 1 year of service to 3.00 percent at 34 or more years of service for employees over age 50. Salary increase includes a 3.25 percent wage inflation assumption
- Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021, actuarial valuation.
- Mortality – Retirement and Beneficiary Annuitants: Pub-2010 Healthy Mortality table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.
- Healthcare Cost Trend Rates – Trend used plan year end 2023 are based on actual prelim increases. For non-Medicare costs, trend rates start at 8.00 percent for plan year 2024 and decrease gradually to an ultimate rate of 4.25 percent in 2039. For MAPD costs, trend rates are 0 percent in 2024 to 2028, 19.42 percent in 2029 to 2033 and 5.86 percent in 2034, declining gradually to an ultimate rate of 4.25 percent in 2039.
- Aging Factors – Based on the 2013 SOA Study “Health Care Costs – From Birth to Death”
- Expenses – Health administrative expenses are included in the development of the per-capita claims cost. Operating expenses are included as a component of the Annual OPEB Expense.

Schedule 1

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Balance Sheet - Modified Accrual Basis (Governmental Fund Types) and GAAP Basis (Proprietary and Fiduciary Fund Types)
All Funds
June 30, 2024

	Governmental Fund Types								Proprietary Fund Type	Fiduciary Fund Type	
		Operations and Maintenance Funds									
	Education Fund	Operational	Restricted	Restricted Purposes Fund	Working Cash Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	Enterprise Funds	Custodial Fund	Total (Memorandum Only)
ASSETS											
Cash and Cash Equivalents	$ 4,528,003	$ 254,914	$ 98,682	$ (29,245)	$ 13,671	$ 464,206	$ 171,315	$ 251,721	$ 500,862	$ 288,858	$ 6,542,987
Investments	-	-	8,093,166	-	69,113,624	-	-	-	-	-	77,206,790
Receivables:											
Property Taxes	10,409,457	1,018,808	1,987,965	-	-	6,782,431	150,863	1,517,346	-	-	21,866,870
Governmental Claims	149,968	-	-	2,493,023	-	-	-	-	-	-	2,642,991
Student Tuition and Fees, Net of Allowance for Doubtful Accounts of $5,732,963	1,286,755	-	-	-	-	-	-	-	-	-	1,286,755
Other	207,195	-	-	1,051,424	-	-	-	-	50,702	-	1,309,321
Due from Other Funds	37,497,914	7,330,351	-	-	-	2,499,999	-	-	1,500,000	-	48,828,264
Inventories	-	-	-	-	-	-	-	-	350,455	-	350,455
Prepaid Expenses	289,469	-	-	-	-	-	-	372,415	-	-	661,884
Capital Assets, Net of Depreciation	-	-	-	-	-	-	-	-	585,643	-	585,643
Total Assets	54,368,761	8,604,073	10,179,813	3,515,202	69,127,295	9,746,636	322,178	2,141,482	2,987,662	288,858	161,281,960
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	$ 54,368,761	$ 8,604,073	$ 10,179,813	$ 3,515,202	$ 69,127,295	$ 9,746,636	$ 322,178	$ 2,141,482	$ 2,987,662	$ 288,858	$ 161,281,960
LIABILITIES											
Accounts Payable	$ 1,927,016	$ 140,953	$ 39,530	$ 508,636	$ -	$ -	$ -	$ -	$ 37,877	$ (84)	$ 2,653,928
Accrued Salaries	1,238,107	-	-	126,279	-	-	-	-	21,172	-	1,385,558
Accrued Interest	-	-	-	-	-	35,026	-	-	-	-	35,026
Accrued Compensated Absences	501,724	-	-	-	-	-	-	-	-	-	501,724
Planned Retirement Payable	2,349,448	-	-	-	-	-	-	-	-	-	2,349,448
Unearned Revenue	1,447,252	-	-	523,140	-	-	-	-	-	-	1,970,392
Due to Other Funds	-	-	1,699,676	2,397,914	41,400,323	-	-	1,000,001	-	-	46,497,914
Total Liabilities	7,463,547	140,953	1,739,206	3,555,969	41,400,323	35,026	-	1,000,001	59,049	(84)	55,393,990
DEFERRED INFLOWS OF RESOURCES											
Deferred Property Taxes	10,409,457	1,018,808	1,987,965	-	-	6,782,431	150,863	1,517,346	-	-	21,866,870
Total Deferred Inflows of Resources	10,409,457	1,018,808	1,987,965	-	-	6,782,431	150,863	1,517,346	-	-	21,866,870
FUND EQUITIES											
Net Investment in Capital Assets	-	-	-	-	-	-	-	-	585,643	-	585,643
Retained Earnings - Unreserved	-	-	-	-	4,686,259	-	-	-	2,342,970	-	7,029,229
Reserved	-	-	1,080,693	(40,767)	-	-	171,315	(375,865)	-	-	835,376
Unreserved, Designated	2,395,068	-	5,371,949	-	18,920,000	2,435,600	-	-	-	288,942	29,411,559
Unreserved, Undesignated	34,100,689	7,444,312	-	-	4,120,713	493,579	-	-	-	-	46,159,293
Total Fund Balances	36,495,757	7,444,312	6,452,642	(40,767)	27,726,972	2,929,179	171,315	(375,865)	2,928,613	288,942	84,021,100
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 54,368,761	$ 8,604,073	$ 10,179,813	$ 3,515,202	$ 69,127,295	$ 9,746,636	$ 322,178	$ 2,141,482	$ 2,987,662	$ 288,858	$ 161,281,960

Schedule 2

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Modified Accrual Basis (Governmental Fund Types)
and GAAP Basis (Fiduciary Fund Type)
All Funds
For the Year Ended June 30, 2024

	Governmental Fund Types								Fiduciary Fund Type	
		Operations and Maintenance Funds								
	Education Fund	Operational	Restricted	Restricted Purposes Fund	Working Cash Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	Custodial Fund	Total (Memorandum Only)
Revenues										
Local Government	$ 10,798,631	$ 949,453	$ 1,898,424	$ 276,562	$ -	$ 6,829,874	$ 189,875	$ 1,144,179	$ -	$ 22,086,998
State Government	9,459,514	3,527,165	-	12,606,221	-	-	-	-	-	25,592,900
Federal Government	67,549	-	-	11,182,619	-	-	-	-	-	11,250,168
Tuition and Fees, Net of Increase in Allowance of $77,497	11,846,035	-	-	-	-	-	-	-	-	11,846,035
Sales and Service Fees	1,007,408	-	-	-	-	-	-	-	-	1,007,408
Facilities	-	416,750	-	-	-	-	-	-	-	416,750
Investment Income (Loss)	423,719	-	532,994	-	3,481,252	(8,597)	-	-	-	4,429,368
Nongovernmental Gifts, Grants, and Bequests	123,683	103,940	-	34,214	-	-	-	-	706,079	967,916
Other Revenue	250,655	-	-	411,609	-	-	-	-	-	662,264
On-Behalf Payments	-	-	-	7,463,053	-	-	-	-	-	7,463,053
Total Revenues	33,977,194	4,997,308	2,431,418	31,974,278	3,481,252	6,821,277	189,875	1,144,179	706,079	85,722,860
Expenditures										
Instruction	13,455,869	-	-	8,284,286	-	-	-	-	-	21,740,155
Academic Support	1,072,374	-	-	26,000	-	-	-	-	-	1,098,374
Student Services	2,940,974	-	-	615,204	-	-	-	87,760	-	3,643,938
Public Service/Continuing Education	847,437	-	-	3,495,946	-	-	-	-	-	4,343,383
Operation and Maintenance of Plant	-	3,922,494	32,754	7,105	-	(1,072)	-	906,623	-	4,867,904
Institutional Support	11,643,051	-	-	3,194,874	267,654	822,440	124,859	1,080,577	-	17,133,455
Scholarships, Student Grants, and Waivers	557,599	-	-	8,730,828	-	-	-	-	659,123	9,947,550
Capital Outlay	1,368,189	10,800	4,008,121	518,568	-	-	-	-	-	5,905,678
Principal Payments on Debt	-	-	-	-	-	5,885,003	-	-	-	5,885,003
On-Behalf Payments	-	-	-	7,463,053	-	-	-	-	-	7,463,053
Total Expenditures	31,885,493	3,933,294	4,040,875	32,335,864	267,654	6,706,371	124,859	2,074,960	659,123	82,028,493
Revenue Over (Under) Expenditures	2,091,701	1,064,014	(1,609,457)	(361,586)	3,213,598	114,906	65,016	(930,781)	46,956	3,694,367
Other Financing Sources (Uses)										
Operating Transfers, Net	(2,138,109)	5,762	-	91,097	-	100,245	-	1,989	-	(1,939,016)
Total Other Financing Sources (Uses)	(2,138,109)	5,762	-	91,097	-	100,245	-	1,989	-	(1,939,016)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(46,408)	1,069,776	(1,609,457)	(270,489)	3,213,598	215,151	65,016	(928,792)	46,956	1,755,351
Fund Balances, Beginning of Year	36,542,165	6,374,536	8,062,099	229,722	24,513,374	2,714,028	106,299	552,927	241,986	79,337,136
Fund Balances, End of Year	$ 36,495,757	$ 7,444,312	$ 6,452,642	$ (40,767)	$ 27,726,972	$ 2,929,179	$ 171,315	$ (375,865)	$ 288,942	$ 81,092,487

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual - Modified Accrual Basis
All Budgeted Governmental Fund Types
For the Year Ended June 30, 2024

	General		Special Revenue		Bond and Interest Fund		Capital Projects Fund	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues								
Local Government	$ 12,522,321	$ 11,748,084	$ 1,430,264	$ 1,610,616	$ 6,596,625	$ 6,829,874	$ 2,075,000	$ 1,898,424
State Government	12,078,246	12,986,679	16,486,012	12,606,221	-	-	-	-
Federal Government	14,296	67,549	17,663,317	11,182,619	-	-	-	-
Tuition and Fees, Net of Increase in Allowance of $77,497	13,060,882	11,846,035	-	-	-	-	-	-
Sales and Service Fees	928,185	1,007,408	-	-	-	-	-	-
Facilities	415,734	416,750	-	-	-	-	-	-
Investment Income (Loss)	146,000	423,719	-	-	-	(8,597)	-	532,994
Nongovernmental Gifts, Grants, and Bequests	-	227,623	20,000	34,214	-	-	-	-
Other Revenue	4,380	250,655	182,970	411,609	-	-	-	-
On-Behalf Payments	-	-	-	7,463,053	-	-	-	-
Total Revenues	39,170,044	38,974,502	35,782,563	33,308,332	6,596,625	6,821,277	2,075,000	2,431,418
Expenditures								
Instruction	15,239,013	13,455,869	10,694,068	8,284,286	-	-	-	-
Academic Support	1,090,830	1,072,374	-	26,000	-	-	-	-
Student Services	3,135,056	2,940,974	366,094	702,964	-	-	-	-
Public Service/Continuing Education	1,293,278	847,437	3,342,498	3,495,946	-	-	-	-
Operation and Maintenance of Plant	4,361,560	3,922,494	845,628	913,728	-	(1,072)	-	32,754
Institutional Support	10,899,382	11,643,051	5,984,146	4,400,310	875,925	822,440	-	-
Scholarships, Student Grants, and Waivers	1,228,566	557,599	15,102,891	8,730,828	-	-	-	-
Capital Outlay	665,455	1,378,989	285,970	518,568	-	-	6,863,190	4,008,121
Principal Payments on Debt	-	-	-	-	5,885,000	5,885,003	-	-
On-Behalf Payments	-	-	-	7,463,053	-	-	-	-
Total Expenditures	37,913,140	35,818,787	36,621,295	34,535,683	6,760,925	6,706,371	6,863,190	4,040,875
Revenue Over (Under) Expenditures	1,256,904	3,155,715	(838,732)	(1,227,351)	(164,300)	114,906	(4,788,190)	(1,609,457)
Other Financing Sources (Uses)								
Operating Transfers, Net	(1,427,890)	(2,132,347)	-	93,086	164,300	100,245	-	-
Total Other Financing Sources (Uses)	(1,427,890)	(2,132,347)	-	93,086	164,300	100,245	-	-
Revenue Over (Under) Expenditures and Other Financing Sources (Uses)	$ (170,986)	1,023,368	$ (838,732)	(1,134,265)	$ -	215,151	$ (4,788,190)	(1,609,457)
Fund Balance, July 1, 2023		42,916,701		888,948		2,714,028		8,062,099
Fund Balance, June 30, 2024		$ 43,940,069		$ (245,317)		$ 2,929,179		$ 6,452,642

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Combined Statement of Revenues, Expenses,
and Changes in College Equity - Budget and Actual
Proprietary Fund Type
For the Year Ended June 30, 2024

	Proprietary Fund Type	
	Enterprise Funds	
	Budget	Actual
Operating Revenues		
Tuition and Fees, Net	$ 297,650	$ 199,613
Sales and Service Fees	1,832,884	1,881,583
Other Revenue	15,500	686
Total Operating Revenues	2,146,034	2,081,882
Operating Expenses		
Salaries	999,847	1,062,805
Employee Benefits	230,293	205,851
Contractual Services	216,135	173,766
General Material and Supplies	996,590	934,571
Conference and Meeting	204,310	225,651
Fixed Charges	286,700	318,261
Capital Outlay	30,000	102,713
Other	263,500	866,639
Depreciation Expense	90,000	80,254
Total Operating Expenses	3,317,375	3,970,511
Operating Loss	(1,171,341)	(1,888,629)
Other Financing Sources		
Operating Transfers, Net	937,484	1,939,016
Net Income (Loss)	$ (233,857)	$ 50,387
College Equity, July 1, 2023		2,878,226
College Equity, June 30, 2024		$ 2,928,613

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Statement of Cash Flows
Proprietary Fund Type
For the Year Ended June 30, 2024

	Proprietary Fund Type Enterprise Funds
Cash Flows from Operating Activities	
Cash Received from Customers	$ 2,065,070
Payments to Suppliers	(2,628,749)
Payments to Employees and Benefits Paid	(1,262,887)
Net Cash Used in Operating Activities	(1,826,566)
Cash Flows from Non-Capital Financing Activities	
Operating Transfers In	1,939,016
Change in Due to/from Other Funds	(500,001)
Net Cash Provided by Non-Capital Financing Activities	1,439,015
Cash Flows from Capital and Related Financing Activities	
Purchases of Capital Assets	(37,015)
Net Cash Used in Capital and Related Financing Activities	(37,015)
Net Decrease in Cash and Cash Equivalents	(424,566)
Cash and Cash Equivalents, July 1, 2023	925,428
Cash and Cash Equivalents, June 30, 2024	$ 500,862
Reconciliation of Operating Loss to Net Cash Used in Operating Activities	
Operating Loss	$ (1,888,629)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation Expense	80,254
Changes in Assets and Liabilities:	
Receivables	(16,812)
Inventories	(269)
Payables	(1,110)
Net Cash Used in Operating Activities	$ (1,826,566)

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Combining Balance Sheet - Modified Accrual Basis
General Funds
June 30, 2024

	Education Fund	Operation and Maintenance Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 4,528,003	$ 254,914	$ 4,782,917
Receivables:			
Property Taxes	10,409,457	1,018,808	11,428,265
Governmental Claims	149,968	-	149,968
Student Tuition and Fees, Net of Allowance	1,286,755	-	1,286,755
Other	207,195	-	207,195
Prepaid Expenses	289,469	-	289,469
Due From Other Funds	37,497,914	7,330,351	44,828,265
Total Assets	$ 54,368,761	$ 8,604,073	$ 62,972,834
LIABILITIES			
Accounts Payable	$ 1,927,016	$ 140,953	$ 2,067,969
Accrued Liabilities	1,238,107	-	1,238,107
Accrued Compensated Absences	501,724	-	501,724
Unearned Revenue	1,447,252	-	1,447,252
Planned Retirement Payable	2,349,448	-	2,349,448
Total Liabilities	7,463,547	140,953	7,604,500
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	10,409,457	1,018,808	11,428,265
Total Deferred Inflows of Resources	10,409,457	1,018,808	11,428,265
FUND BALANCE			
Unreserved, Designated for Future Health Claims	2,395,068	-	2,395,068
Unreserved, Undesignated	34,100,689	7,444,312	41,545,001
Total Fund Balance	36,495,757	7,444,312	43,940,069
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 54,368,761	$ 8,604,073	$ 62,972,834

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Modified Accrual Basis
General Funds
For the Year Ended June 30, 2024

	Education Fund	Operation and Maintenance Fund	Total
Revenues			
Local Government	$ 10,798,631	$ 949,453	$ 11,748,084
State Government	9,459,514	3,527,165	12,986,679
Federal Government	67,549	-	67,549
Tuition and Fees	11,846,035	-	11,846,035
Sales and Service Fees	1,007,408	-	1,007,408
Facilities	-	416,750	416,750
Investment Income	423,719	-	423,719
Nongovernmental Gifts, Grants, and Bequests	123,683	103,940	227,623
Other Revenue	250,655	-	250,655
Total Revenues	33,977,194	4,997,308	38,974,502
Expenditures			
Instruction	13,455,869	-	13,455,869
Academic Support	1,072,374	-	1,072,374
Student Services	2,940,974	-	2,940,974
Public Service/Continuing Education	847,437	-	847,437
Operation and Maintenance of Plant	-	3,922,494	3,922,494
Institutional Support	11,643,051	-	11,643,051
Scholarships, Student Grants, and Waivers	557,599	-	557,599
Capital Outlay	1,368,189	10,800	1,378,989
Total Expenditures	31,885,493	3,933,294	35,818,787
Revenue Over Expenditures	2,091,701	1,064,014	3,155,715
Other Financing Sources (Uses)			
Operating Transfers, Net	(2,138,109)	5,762	(2,132,347)
Total Other Financing Sources (Uses)	(2,138,109)	5,762	(2,132,347)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(46,408)	1,069,776	1,023,368
Fund Balance, July 1, 2023	36,542,165	6,374,536	42,916,701
Fund Balance, June 30, 2024	$ 36,495,757	$ 7,444,312	$ 43,940,069

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Combining Balance Sheet - Modified Accrual Basis
Special Revenue Funds
June 30, 2024

	Restricted Purposes Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
ASSETS				
Cash and Cash Equivalents	$ (29,245)	$ 171,315	$ 251,721	$ 393,791
Receivables:				
Property Taxes	-	150,863	1,517,346	1,668,209
Governmental Claims	2,493,023	-	-	2,493,023
Other	1,051,424	-	-	1,051,424
Prepaid Expenses	-	-	372,415	372,415
Total Assets	$ 3,515,202	$ 322,178	$ 2,141,482	$ 5,978,862
LIABILITIES				
Accounts Payable	$ 508,636	$ -	$ -	$ 508,636
Accrued Salaries	126,279	-	-	126,279
Unearned Revenue	523,140	-	-	523,140
Due to Other Funds	2,397,914	-	1,000,001	3,397,915
Total Liabilities	3,555,969	-	1,000,001	4,555,970
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	-	150,863	1,517,346	1,668,209
Total Deferred Inflows of Resources	-	150,863	1,517,346	1,668,209
FUND BALANCE				
Reserved	(40,767)	171,315	(375,865)	(245,317)
Total Fund Balance	(40,767)	171,315	(375,865)	(245,317)
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,515,202	$ 322,178	$ 2,141,482	$ 5,978,862

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - Modified Accrual Basis
Special Revenue Funds
For the Year Ended June 30, 2024

	Restricted Purposes Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Revenues				
Local Government	$ 276,562	$ 189,875	$ 1,144,179	$ 1,610,616
State Government	12,606,221	-	-	12,606,221
Federal Government	11,182,619	-	-	11,182,619
Nongovernmental Gifts, Grants, and Bequests	34,214	-	-	34,214
Other Revenue	411,609	-	-	411,609
On-Behalf Payments	7,463,053	-	-	7,463,053
Total Revenues	31,974,278	189,875	1,144,179	33,308,332
Expenditures				
Instruction	8,284,286	-	-	8,284,286
Academic Support	26,000	-	-	26,000
Student Services	615,204	-	87,760	702,964
Public Service/Continuing Education	3,495,946	-	-	3,495,946
Operation and Maintenance of Plant	7,105	-	906,623	913,728
Institutional Support	3,194,874	124,859	1,080,577	4,400,310
Scholarships, Student Grants, and Waivers	8,730,828	-	-	8,730,828
Capital Outlay	518,568	-	-	518,568
On-Behalf Payments	7,463,053	-	-	7,463,053
Total Expenditures	32,335,864	124,859	2,074,960	34,535,683
Revenue Over (Under) Expenditures	(361,586)	65,016	(930,781)	(1,227,351)
Other Financing Sources				
Operating Transfers, Net	91,097	-	1,989	93,086
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(270,489)	65,016	(928,792)	(1,134,265)
Fund Balance, July 1, 2023	229,722	106,299	552,927	888,948
Fund Balance, June 30, 2024	$ (40,767)	$ 171,315	$ (375,865)	$ (245,317)

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Assessed Valuations, Tax Rates, and Extensions
June 30, 2024

	2023 Levy	2022 Levy	***Unaudited*** **2021 Levy***
District Valuations			
Christian	$ 98,684,392	$ 88,532,572	$ 84,086,809
Clark	346,513,415	311,678,906	285,399,325
Clay	32,407,829	28,352,813	25,546,913
Coles	888,465,107	839,407,685	772,308,867
Crawford	48,948	43,028	38,660
Cumberland	230,749,158	208,341,719	198,394,733
Douglas	115,123,925	103,461,898	96,961,529
Edgar	328,851,195	298,815,518	283,784,983
Effingham	1,033,585,762	958,894,505	859,249,748
Fayette	193,184,297	168,716,446	152,864,496
Jasper	28,721,699	25,609,250	23,446,512
Macon	5,409,555	5,129,062	4,813,412
Montgomery	4,403,518	4,040,034	3,843,430
Moultrie	356,949,408	329,134,673	293,344,691
Shelby	473,775,667	428,204,113	398,762,165
TOTAL	$ 4,136,873,875	$ 3,798,362,222	$ 3,482,846,273
Tax Rates (Per $100 Assessed Valuations)			
Education	0.15983	0.15500	0.15610
Foundation	0.09954	0.10330	0.11170
Operations, Buildings & Maintenance	0.02416	0.02500	0.02520
Bond and Interest	0.15940	0.17392	0.18950
Life Safety	0.04820	0.05000	0.04940
Audit	0.00356	0.00500	0.00500
Liabilities Protections & Settlement	0.03389	0.03413	0.06680
TOTAL	0.52858	0.54635	0.60370
Taxes Extended			
Education	$ 6,612,148	$ 5,887,461	$ 5,436,723
Foundation	4,117,844	3,923,708	3,890,339
Operations, Buildings & Maintenance	999,469	949,591	877,677
Bond and Interest	6,594,177	6,606,112	6,599,994
Life Safety	1,993,973	1,899,181	1,720,526
Audit	147,273	189,918	174,142
Liabilities Protections & Settlement	1,401,986	1,296,381	2,326,541
	$ 21,866,870	$ 20,752,352	$ 21,025,942
Taxes Collected	$ -	$ 20,941,122	$ 21,102,581
Percentage of Extensions Collected	0%	101%	100%

* Amounts in this row were unaudited by the prior auditor.

LAKE LAND COLLEGE

COMMUNITY COLLEGE DISTRICT #517

Schedule of Taxes Receivable and Tax Collections

For the Year Ended June 30, 2024

Levy Year		Assessed Valuation	Combined Rate	Taxes Extended	Total Collected to June 30, 2023	Collected During Year Ended June 30, 2024	Total Collected to June 30, 2024	Percent Collected June 30, 2024	Allowance for Uncollectible Taxes	Taxes Written-off
2023		$ 4,136,873,875	0.5173	$ 21,866,870	$ -	$ -	$ -	0.00%	$ -	$ -
2022		3,798,362,222	0.5464	20,752,352	1,011,408	19,929,714	20,941,122	100.91%	-	-
2021	*	3,482,846,273	0.6037	21,025,942	21,102,581	-	21,102,581	100.36%	-	-
				$ 63,645,164	$ 22,113,989	$ 19,929,714	$ 42,043,703			$ -

2023 TAXES EXTENDED

	Collected June 30, 2024	Uncollected June 30, 2024	Estimate For Uncollectible Taxes	Balance After Allowance
Education	$ -	$ 6,612,148	$ -	$ 6,612,148
Foundation	-	4,117,844	-	4,117,844
Operations, Buildings & Maintenance	-	999,469	-	999,469
Bond and Interest	-	6,594,177	-	6,594,177
Life Safety	-	1,993,973	-	1,993,973
Audit	-	147,273	-	147,273
Liabilities Protections & Settlement	-	1,401,986	-	1,401,986
	$ -	$ 21,866,870	$ -	$ 21,866,870

* Amounts in this row were unaudited by the prior auditor.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Assessed Valuations
June 30, 2024

Tax Levy Year		**Equalized Assessed Valuation**	
2023		$	4,136,873,875
2022			3,798,362,222
2021	*		3,482,846,273
		$	11,418,082,370

* Amounts in this row were unaudited by the prior auditor.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Legal Debt Margin
June 30, 2024

Assessed Valuations - 2023 Levy* **		
Christian	$	98,684,392
Clark		346,513,415
Clay		32,407,829
Coles		888,465,107
Crawford		48,948
Cumberland		230,749,158
Douglas		115,123,925
Edgar		328,851,195
Effingham		1,033,585,762
Fayette		193,184,297
Jasper		28,721,699
Macon		5,409,555
Montgomery		4,403,518
Moultrie		356,949,408
Shelby		473,775,667
	$	4,136,873,875
Debt Limit, 2.875 Percent of Assessed Valuation (50 ILCS 405/1)	$	118,935,124
Indebtedness:		
General Obligation Community College Bonds		14,835,000
Legal Debt Margin	$	104,100,124

*** - Most Current Assessed Valuation Available

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Debt Maturities
Governmental Fund Types
June 30, 2024

GENERAL OBLIGATION COMMUNITY COLLEGE BONDS

Year Ended June 30,	Bond Type	Interest Rate	Principal	Interest	Total
2025	Series 2016B	2.000%	$ 155,000	$ 8,250	$ 163,250
2025	Series 2022	5.000%	6,030,000	567,500	6,597,500
2026	Series 2016B	2.000%	155,000	5,150	160,150
2026	Series 2022	5.000%	6,340,000	258,250	6,598,250
2027	Series 2016B	2.250%	160,000	1,800	161,800
2027	Series 2022	5.000%	1,995,000	49,875	2,044,875
			$ 14,835,000	$ 890,825	$ 15,725,825

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Expenses for Tort Immunity Purposes
For the Year Ended June 30, 2024

Administrative Salaries	$	525,670
Administrative Benefits		268,532
Campus Security Salaries and Benefits		487,137
Travel, Conference, & Meeting		20,794
Material and Supplies		47,267
Utilities		2,166
General Liability Insurance		254,234
Workers Compensation Insurance		127,130
Social Security/Medicare		342,030
Total Tort Immunity Purposes Expenses	$	2,074,960

Since the College levies property taxes for tort immunity liability insurance purposes, as required by Public Act 94-068 passed by the Illinois General Assemble, the College is including the above list of tort immunity purposes expenses in its annual financial report.

The College's tax extension for tort immunity/liability insurance and Social Security/ Medicare purposes for tax year 2023 as levied by the counties within the College's district was $1,401,987. Any shortfall to cover expenses in excess of taxes collected is derived from previous years' excess or other general fund revenues of the College. Any excess of revenues over expense is carried forward to subsequent fiscal years subject to a statutory formula.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
All Funds Summary - Modified Accrual Basis
Uniform Financial Statement No. 1
For the Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Fund Balance, July 1, 2023	$ 36,542,165	$ 6,374,536	$ 8,062,099	$ 2,714,028	$ 2,878,226	$ 229,722	$ 24,513,374	$ 106,299	$ 552,927	$ 81,973,376
Revenues:										
Local Tax Revenue	9,913,168	949,453	1,898,424	6,829,874	-	-	-	189,875	1,144,179	20,924,973
All Other Local Revenue	885,463	-	-	-	-	276,562	-	-	-	1,162,025
Chargeback Revenue	-	-	-	-	-	-	-	-	-	-
ICCB Grants	8,999,211	3,527,165	-	-	-	2,792,606	-	-	-	15,318,982
All Other State Revenue (Including SURS On-Behalf)	460,303	-	-	-	-	17,276,668	-	-	-	17,736,971
Federal Revenue	67,549	-	-	-	-	11,182,619	-	-	-	11,250,168
Student Tuition and Fees	11,846,035	-	-	-	199,613	-	-	-	-	12,045,648
Bond Proceeds	-	-	-	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	532,994	(8,597)	-	-	3,481,252	-	-	4,005,649
All Other Revenue	1,805,465	520,690	-	-	1,882,269	445,823	-	-	-	4,654,247
Total Revenues	33,977,194	4,997,308	2,431,418	6,821,277	2,081,882	31,974,278	3,481,252	189,875	1,144,179	87,098,663
Expenditures:										
Instruction	14,824,058	-	-	-	-	12,850,614	-	-	-	27,674,672
Academic Support	1,072,374	-	-	-	-	202,971	-	-	-	1,275,345
Student Services	2,940,974	-	-	-	-	1,248,575	-	-	87,760	4,277,309
Public Service/Continuing Education	847,437	-	-	-	-	3,728,429	-	-	-	4,575,866
Organized Research	-	-	-	-	-	-	-	-	-	-
Auxiliary Services	-	-	-	-	2,810,424	192,841	-	-	-	3,003,265
Operations and Maintenance	-	3,933,294	4,040,875	(1,072)	-	475,601	-	-	906,623	9,355,321
Institutional Support	11,643,051	-	-	6,707,443	1,160,087	4,897,083	267,654	124,859	1,080,577	25,880,754
Scholarships, Student Grants, and Waivers	557,599	-	-	-	-	8,739,750	-	-	-	9,297,349
Total Expenditures	31,885,493	3,933,294	4,040,875	6,706,371	3,970,511	32,335,864	267,654	124,859	2,074,960	85,339,881
Net Transfers	(2,138,109)	5,762	-	100,245	1,939,016	-	-	-	1,989	(91,097)
Fund Balance, June 30, 2024	$ 36,495,757	$ 7,444,312	$ 6,452,642	$ 2,929,179	$ 2,928,613	$ (131,864)	$ 27,726,972	$ 171,315	$ (375,865)	$ 83,641,061

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Summary of Fixed Assets and Debt
Uniform Financial Statement No. 2
For the Year Ended June 30, 2024

	Capital Assets / Long Term Debt			
	July 1, 2023	Additions	Deletions	June 30, 2024
Fixed Assets:				
Land	$ 5,013,637	$ -	$ -	$ 5,013,637
Buildings, Additions, and Improvements	135,740,688	605,063	(782,947)	135,562,804
Equipment	12,806,692	1,567,825	(766,117)	13,608,400
Other Fixed Assets	1,274,330	6,887,745	(332,200)	7,829,875
Impairment Reserve	(66,000)	-	66,000	-
Accumulated Depreciation and Amortization	(63,361,393)	(5,905,532)	1,546,851	(67,720,074)
Net Fixed Assets	$ 91,407,954	$ 3,155,101	$ (268,413)	$ 94,294,642
Fixed Debt:				
Bonds	$ 20,720,000	$ -	$ (5,885,000)	$ 14,835,000
Net Other Postemployment Benefit Liability	8,395,420	514,589	(123,043)	8,786,966
Lease Liabilities	205,821	-	(40,001)	165,820
Subscription Liabilities	137,749	300,043	(283,614)	154,178
Planned Retirement Payable	2,230,365	580,129	(461,046)	2,349,448
Total Fixed Debt	$ 31,689,355	$ 1,394,761	$ (6,792,704)	$ 26,291,412

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Operating Funds Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 3
For the Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Revenues by Source:			
Local Government Revenue			
Local Taxes	$ 9,913,168	$ 949,453	$ 10,862,621
Corporate Personal Property Replacement Tax	885,463	-	885,463
Chargeback Revenue	-	-	-
Total Local Government	10,798,631	949,453	11,748,084
State Government			
ICCB Base Operating Grant	4,911,960	-	4,911,960
ICCB Equalization Grant	3,527,165	3,527,165	7,054,330
ICCB Career & Technical Education	560,086	-	560,086
Illinois Department of Corrections	420,777	-	420,777
Other	39,526	-	39,526
Total State Government	9,459,514	3,527,165	12,986,679
Federal Government			
Department of Education	67,549	-	67,549
Total Federal Government	67,549	-	67,549
Student Tuition and Fees			
Tuition	8,886,408	-	8,886,408
Fees	2,959,627	-	2,959,627
Total Student Tuition and Fees	11,846,035	-	11,846,035
Other Sources			
Sales and Service Fees	1,007,408	-	1,007,408
Facilities Revenue	-	416,750	416,750
Investment Revenue	423,719	-	423,719
Contributions	123,683	103,940	227,623
Other	250,655	-	250,655
Total Other Sources	1,805,465	520,690	2,326,155
Total Operating Revenues	33,977,194	4,997,308	38,974,502
Less: Non-Operating Items			
Tuition Chargeback Revenue	-	-	-
Adjusted Operating Revenue	$ 33,977,194	$ 4,997,308	$ 38,974,502

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Operating Funds Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 3
For the Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures by Program:			
Instruction	$ 14,824,058	$ -	$ 14,824,058
Academic Support	1,072,374	-	1,072,374
Student Services	2,940,974	-	2,940,974
Public Service/Continuing Education	847,437	-	847,437
Operations and Maintenance	-	3,933,294	3,933,294
Institutional Support	11,643,051	-	11,643,051
Scholarships, Grants, and Waivers	557,599	-	557,599
Transfers	2,138,109	-	2,138,109
Total Operating Expenditures by Program	34,023,602	3,933,294	37,956,896
Less: Non-Operating Items			
Transfers	(2,138,109)	-	(2,138,109)
Tuition Chargeback	-	-	-
Adjusted Operating Expenditures by Program	$ 31,885,493	$ 3,933,294	$ 35,818,787
Operating Expenditures by Object:			
Salaries	$ 18,395,363	$ 1,180,744	$ 19,576,107
Employee Benefits	4,144,982	384,725	4,529,707
Contractual Services	2,126,667	505,126	2,631,793
General Materials and Supplies	2,560,999	314,850	2,875,849
Library Materials *	*195,713*	-	*195,713*
Conference and Meeting Expenses	402,737	501	403,238
Fixed Charges	175,850	122,282	298,132
Utilities	-	1,413,446	1,413,446
Capital Outlay	1,368,189	10,800	1,378,989
Other	2,710,706	820	2,711,526
Transfers	2,138,109	-	2,138,109
Total Operating Expenditures by Object	34,023,602	3,933,294	37,956,896
Less: Non-Operating Items			
Transfers	(2,138,109)	-	(2,138,109)
Adjusted Operating Expenditures by Object	$ 31,885,493	$ 3,933,294	$ 35,818,787

* Per ICCB reporting requirements, this line is presented as a memo only figures and is not added into the total expenditures amount.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Restricted Purposes Fund Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 4
For the Year Ended June 30, 2024

	Restricted Purposes Fund
Revenue by Source:	
Local Government	
Other Local Government	$ 276,562
State Government	
ICCB - Adult Education	396,325
ICCB - Other	1,248,608
ICCB - Credit Hour Grant	1,147,673
Illinois Department of Corrections	7,149,504
Illinois Student Assistance Commission	1,831,744
SURS - On Behalf	7,463,053
Other State Government	832,367
Total State Government	20,069,274
Federal Government	
Department of Education	7,222,135
ICCB - Adult Education	239,930
ICCB - Carl Perkins	462,569
ICCB - Other Grants	-
Department of Labor	2,742,396
Department of Health and Human Services	423,646
Department of Treasury	14,355
Department of Veteran Affairs	73,833
National Science Foundation	3,755
Total Federal Government	11,182,619
Other	
Contribution Revenue	34,214
Other	411,609
Total Other	445,823
Total Restricted Purposes Fund Revenues	$ 31,974,278

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Restricted Purposes Fund Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 4
For the Year Ended June 30, 2024

	Restricted Purposes Fund
Expenditures by Program:	
Instruction	$ 12,850,614
Academic Support	202,971
Student Services	1,248,575
Public Service/Continuing Education	3,728,429
Auxiliary Services	192,841
Operations and Maintenance	475,601
Institutional Support	4,897,083
Scholarships, Grants, and Waivers	8,739,750
Total Restricted Purposes Fund Expenditures by Program	$ 32,335,864
Expenditures by Object:	
Salaries	$ 7,556,479
Employee Benefits (Including SURS On-Behalf)	9,922,648
Contractual Services	2,581,668
General Materials and Supplies	1,392,104
Travel and Conference/Meeting Expenses	243,550
Utilities	615,969
Capital Outlay	518,568
Other	9,504,878
Scholarships, Grants, and Waivers *	*8,739,750*
Total Restricted Purposes Fund Expenditures by Object	$ 32,335,864

* Per ICCB reporting requirements, this line is presented as a memo only figure and is not added into the total expenditures amount.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Current Funds* Expenditures by Activity - Modified Accrual Basis
Uniform Financial Statement No. 5
For the Year Ended June 30, 2024

Instruction:	
Instructional Programs	$ 27,674,672
Academic Support:	
Library Center	599,303
Academic Computing Support	34
Academic Administration and Planning	364,261
Other	311,747
Total Academic Support	1,275,345
Student Services Support:	
Admissions and Records	1,115,066
Counseling and Career Services	1,888,783
Financial Aid Administration	544,645
Other	728,815
Total Student Services Support	4,277,309
Public Service/Continuing Education:	
Community Education	3,018,040
Customized Training	844,354
Community Services	363,563
Other	349,909
Total Public Service/Continuing Education	4,575,866

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Current Funds* Expenditures by Activity - Modified Accrual Basis
Uniform Financial Statement No. 5
For the Year Ended June 30, 2024

Auxiliary Services	3,003,265
Operations and Maintenance of Plant:	
Maintenance	364,656
Custodial Services	917,306
Grounds	343,206
Campus Security	690,532
Transportation	35,465
Utilities	1,464,470
Administration	818,522
Other	680,289
Total Operations and Maintenance of Plant	5,314,446
Institutional Support:	
Executive Management	1,949,023
Fiscal Operations	3,512,909
Community Relations	887,247
Board of Trustees	217,115
General Institutional	7,084,342
Institutional Research	193,477
Administrative Data Processing	205,096
Other	11,563,891
Total Institutional Support	25,613,100
Scholarships, Student Grants, and Waivers	9,297,349
Total Current Funds Expenditures	$ 81,031,352

* Current funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection, and Settlement; and Bond and Interest Funds

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Fiscal Year 2025 Certification of Per Capita Cost
For the Year Ended June 30, 2024

All Fiscal Year 2024 Non-Capital Audited Operating Expenditures from the Following Funds:		
Education Fund	$ 30,517,304	
Operations and Maintenance Fund	3,922,494	
Bond and Interest Fund	-	
Restricted Purposes Fund	24,354,243	
Audit Fund	124,859	
Liability, Protection and Settlement Fund	2,074,960	
Auxiliary Enterprise Fund (Subsidy Fund)	1,888,629	
Total Non-Capital Expenditures	62,882,489	
Depreciation on Capital Outlay Expenditures from Sources Other than State and Federal Funds	3,366,153	
Total Costs Included	$ 66,248,642	
Total Certified Semester Credit Hours for Fiscal Year 2024	107,797.0	
Per Capita Cost		$ 614.57

Approved: ______________________ Date: 10/01/2024
Chief Fiscal Officer

Approved: ______________________ Date: 10/1/2024
Chief Executive Officer

CERTIFIED PUBLIC ACCOUNTANTS

AICPA GAQC Member

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

Board of Trustees
Lake Land College
Community College District #517
Mattoon, Illinois

Report on the Financial Statements

Opinion

We have audited the accompanying balance sheet of the Adult Education and Family Literacy Grants Program of Lake Land College (the College) as of June 30, 2024, and the related combining statement of revenues, expenditures, and changes in fund balance for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Adult Education and Family Literacy grants of the College at June 30, 2024, and the results of its operations for the year then ended in conformity 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 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. Our audit also includes a review of compliance with the provisions of laws, regulations, contracts, and grants between the College and the State of Illinois and the ICCB. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements and Compliance

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 the financial reporting provisions of the ICCB. Management is also responsible 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 error or fraud. Management is also responsible for compliance with the requirements of the ICCB.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 judgment 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 judgment, 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.

The accompanying balance sheets and statements of revenue and expenditures were prepared for the purpose of complying with the terms of the ICCB Grants and are not intended to be a complete presentation of the College's revenue and expenditures in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic grant program financial statements taken as a whole. The supplementary ICCB compliance schedule for the Adult Education and Family Literacy Grants (Schedule 24) is presented for purposes of additional analysis as required by the ICCB and is not a required part of the basic grant program financial statements. This schedule is the responsibility of the College's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic grant program financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic grant program financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic grant program financial statements taken as a whole.

Report on Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the College failed to comply with terms, covenants, provisions, or conditions of the Adult Education and Family Literacy grants as presented in the policy guidelines of the ICCB's *Fiscal Management Manual*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures; other matters may have come to our attention regarding the College's noncompliance.

MH CPA PLLC

Champaign, Illinois
September 26, 2024

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
State Adult Education Restricted Funds
(State Basic and Performance)
Balance Sheet
June 30, 2024

ASSETS

	State Basic	Performance	Total
Cash	$ -	$ -	$ -
Accounts Receivable	-	-	-
Total Assets	$ -	$ -	$ -

LIABILITIES AND FUND BALANCE

	State Basic	Performance	Total
Accounts Payable	$ -	$ -	$ -
Due to Other Funds	-	-	-
Total Liabilities	-	-	-
Fund Balance	-	-	-
Total Liabilities and Fund Balance	$ -	$ -	$ -

See Accompanying Notes on Page 90

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
State Adult Education Restricted Funds
(State Basic and Performance)
Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended June 30, 2024

	State Basic	Performance	Total
Revenues			
ICCB Grant	$ 270,263	$ 122,065	$ 392,328
Expenditures			
Instructional Student Services:			
Instruction	-	-	-
Social Work Services	-	-	-
Guidance Services	-	-	-
Assistive and Adaptive Equipment	-	-	-
Assessment and Testing	-	-	-
Student Transportation Services	-	-	-
Literacy Services	-	-	-
Total Instructional Student Services	-	-	-
Program Support:			
Improvement of Instructional Services	270,263	-	270,263
General Administration	-	122,065	122,065
Operation and Maintenance of Plant	-	-	-
Data and Information Services	-	-	-
Approved Indirect Costs	-	-	-
Total Program Support	270,263	122,065	392,328
Total Expenditures	270,263	122,065	392,328
Excess of Revenue Over Expenditures	-	-	-
Fund Balance, July 01, 2023	-	-	-
Fund Balance, June 30, 2024	$ -	$ -	$ -

See Accompanying Notes on Page 90

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
ICCB Compliance Statement for the
Adult Education and Family Literacy Grants
Expenditure Amounts and Percentages for
ICCB Grant Funds Only
For the Year Ended June 30, 2024

	Audited Expenditure (Dollars)	Actual Expenditure (Percentage)
State Basic		
General Administration (5 Percent Maximum Allowed)	-	0.00%

The Adult Education and Family Literacy Grant Program was established as a special revenue sub-fund of Lake Land College, Community College District #517 (the College) to account for revenues and expenditures of the respective program. This program is administered by the Illinois Community College Board (ICCB). The following is a summary of the significant accounting policies followed by the College in respect to this fund.

Basis of Accounting

The statements have been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2024. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

Budgets and Budgetary Accounting

Each year the College prepares a budget for the grant. The budget is prepared on the same basis of accounting as the records are maintained.

Capital Outlay

Capital outlay is charged to expenditure in the period which it is purchased instead of being recognized as an asset and depreciated over its useful life. As a result, the expenditures reflected in the statements include the cost of capital outlay purchased during the year rather than a provision for depreciation.

Certain capital outlay expenditures are accumulated in the General Fixed Assets Account Group of the College, for reporting specific to ICCB and in capital assets for external financial reporting on the statement of net position.

M|H CERTIFIED PUBLIC ACCOUNTANTS

AICPA GAQC Member

INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED

Board of Trustees
Lake Land College
Community College District #517
Mattoon, Illinois

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

Opinion

We have audited the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Lake Land College (the College) for the year ended June 30, 2024.

In our opinion, the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of the College for the year ended June 30, 2024 is fairly presented in accordance with the financial reporting provisions of the Illinois Community College Board (ICCB) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the guidelines of the ICCB's *Fiscal Management* Manual, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement 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 opinion.

Responsibilities of Management for the Financial Statement and Compliance

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the ICCB. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement, which is free from material misstatement, whether due to error or fraud.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 statement.
- Conclude whether, in our judgment, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement noted above. The information on Schedules 26 through 30 is presented for purposes of additional analysis as required by the Illinois Community College Board and is not a required part of the financial statement. These schedules are the responsibility of the College's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. These schedules have been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated September 26, 2024, on our consideration of the College's internal control over financial reporting and 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.

MH CPA PLLC

Champaign, Illinois
September 26, 2024

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed
For the Year Ended June 30, 2024

Total Reimbursable Semester Credit Hours by Term

Categories	Summer Unrestricted	Summer Restricted	Fall Unrestricted	Fall Restricted	Spring Unrestricted	Spring Restricted	Total Unrestricted	Total Restricted
Baccalaureate	4,685.0	-	21,953.0	39.0	22,127.0	-	48,765.0	39.0
Business Occupational	1,204.0	108.5	3,826.0	248.0	3,488.0	217.0	8,518.0	573.5
Technical Occupational	5,935.0	27.5	13,532.5	106.0	15,605.5	-	35,073.0	133.5
Health Occupational	1,409.5	-	4,522.0	48.0	6,104.0	-	12,035.5	48.0
Remedial Developmental	256.5	27.5	577.0	62.5	361.5	30.0	1,195.0	120.0
Adult Basic/Secondary Education	45.0	-	44.0	765.0	29.0	413.5	118.0	1,178.5
TOTAL CREDIT HOURS CERTIFIED	13,535.0	163.5	44,454.5	1,268.5	47,715.0	660.5	105,704.5	2,092.5

	Attending In-District	Attending Out-of-District on Chargeback	Total
Reimbursable Semester Credit Hours (All Terms)	70,680.5	-	70,680.5

	Dual Credit	Dual Enrollment
Reimbursable Semester Credit Hours (All Terms)	12,237.0	284.0

District 2023 Equalized Assessed Valuation $ 4,136,873,875

Total Reimbursable Correctional Semester Credit Hours by Term

Categories	Summer	Fall	Spring	Total
Baccalaureate	957.0	1,941.0	2,256.0	5,154.0
Business Occupational	147.0	152.5	43.0	342.5
Technical Occupational	4,788.5	8,646.5	9,078.5	22,513.5
Health Occupational	-	-	-	-
Remedial Developmental	168.5	140.5	159.0	468.0
Adult Basic/Secondary Education	-	-	-	-
TOTAL CREDIT HOURS CERTIFIED	6,061.0	10,880.5	11,536.5	28,478.0

Signatures:

Chief Executive Officer (CEO)

Chief Financial Officer (CFO)

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
For the Year Ended June 30, 2024

Reconciliation of Total Semester Credit Hours

Categories	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	48,765.0	48,765.0	-	39.0	39.0	-
Business Occupational	8,518.0	8,518.0	-	573.5	573.5	-
Technical Occupational	35,073.0	35,073.0	-	133.5	133.5	-
Health Occupational	12,035.5	12,035.5	-	48.0	48.0	-
Remedial Developmental	1,195.0	1,195.0	-	120.0	120.0	-
Adult Basic / Secondary Education	118.0	118.0	-	1,178.5	1,178.5	-
Total Credit Hours Certified	105,704.5	105,704.5	-	2,092.5	2,092.5	-

Reconciliation of In-District/Chargeback and Cooperative/Contractual Agreement Credit Hours

	Total Attending	Total Attending as Certified to the ICCB	Difference
In-District Residents	70,680.5	70,680.5	-
Out-of-District on Chargeback or Contractual Agreement	-	-	-
Total	70,680.5	70,680.5	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	12,237.0	12,237.0	-
Dual Enrollment	284.0	284.0	-
Total	12,521.0	12,521.0	-

Reconciliation of Total Correctional Semester Credit Hours

Categories	Total Correctional Credit Hours	Total Correctional Credit Hours Certified to the ICCB	Difference
Baccalaureate	5,154.0	5,154.0	-
Business Occupational	342.5	342.5	-
Technical Occupational	22,513.5	22,513.5	-
Health Occupational	-	-	-
Remedial Developmental	468.0	468.0	-
Adult Basic/Secondary Education	-	-	-
Total Credit Hours Certified	28,478.0	28,478.0	-

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Documentation of Residency Verification Steps
For the Year Ended June 30, 2024

The College's policy states that to be classified as a resident of the district, the student must have occupied a dwelling in the district for thirty (30) days immediately prior to the date established to begin classes at the College. The following categories of people are not classified as residents of the district:

- Federal job corps workers stationed in the district.
- Members of armed forces stationed in the district.
- Inmates of state or federal correctional/rehabilitation institutions located in the district.
- Full-time students attending a post-secondary education institution who have not demonstrated through documentation a verifiable interest in establishing permanent residency.
- Students who occupy a residence outside the district but who are employed by a firm located in the district.
- Students attending the College under the provisions of a chargeback or cooperative agreement with other community college districts.
- Students on an F-1 visa.

The following special groups of people are considered as in-district residents for tuition charges only:

- Students enrolled in courses taught at business and industry locations in the district.
- Full-time students enrolled at Eastern Illinois University, except students on an F-1 vias, who will be classified as out-of-state.
- Internal students on an F-1 visa who are sponsored by a resident of the Lake Land College district or who have attended a minimum of one semester at an in-district high school.

Lake Land College follows the following guidelines for verifying student residency:

- Students certify their address on their application by listing their address along with marking the residency status on the student demographic information. If there is a discrepancy between the address listed and the residency status, the College uses the residency status. If a student rebuts the decision made by the College on the residency, the student must present a property tax statement from the address listed in order to verify the correct residency status.
- Out-of-district students may meet the residency requirements by presenting a voter's registration card verifying in-district residency.
- The College accepts employer signed affidavits verifying a student works at least 35 hours per week at the employer's business locations in the College district.

- Residency status of students who are dual enrolled at Lake Land College and Eastern Illinois University is verified by the information provided on the application. Students who are attending Eastern Illinois University and indicate they graduated from an in-district high school are coded in-district by the College. Students who are attending Eastern Illinois University and indicate they graduated from a high school out-of-district but in-state are coded as out-of-district but receiving in-district tuition rates. Students who are attending Eastern Illinois University and indicate they graduated from an out-of-state high school are coded as out-of-state but received the in-district tuition rate.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Background Information on State Grant Activity
For the Year Ended June 30, 2024

Unrestricted Grants

Base Operating Grants – General operating funds provided to colleges based upon credit enrollment.

Equalization Grants – Grants provided to institutions with less than the statewide average local tax dollars available per full-time equivalent student.

Statewide Initiatives

Other Grants – These other grants are additional contractual grants provided for special or specific system-related initiatives. These grants are supported by signed contracts between the College and the State of Illinois. A description of the grants supported by grant agreements may be found in the appendix of the grant agreement governing these grants.

Restricted Adult Education Grants/State

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.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Findings and Questioned Costs – ICCB Grant Compliance
For the Year Ended June 30, 2024

Findings – ICCB Grant Compliance

No findings noted in the current fiscal year.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Prior Audit Findings – ICCB Grant Compliance
For the Year Ended June 30, 2024

Findings – ICCB Grant Compliance

No findings noted in the prior fiscal year.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/State Pass-Through Grantor/Program Title/Grant Name	Federal Assistance Listing Number	Pass-Through Entity Identifying Number		Federal Expenditures	Provided to Subrecipients
Department of Education					
Direct					
Student Financial Aid Cluster					
Pell Grant Program	84.063		*	$ 5,480,918	$ -
Federal Work Study	84.033		*	32,884	-
Direct Loan	84.268		*	975,184	-
Federal Supplemental Educational Opportunity Grant (FSEOG)	84.007		*	81,400	-
Total Student Financial Aid Cluster				6,570,386	-
Trio Cluster					
Trio Student Support Services	84.042A		*	288,187	-
Trio Talent Search Program	84.044A		*	363,562	-
Total Trio Cluster				651,749	-
Passed through the Illinois Community College Board (ICCB)					
Perkins Post Secondary	84.048	CTE-517-24		437,594	-
Perkins Leadership	84.048	CTEPL-51701-24		24,975	-
Adult Education - Basic Grants to States	84.002	AE-51701-24		239,930	-
Total Passed through ICCB				702,499	-
Total Department of Education				7,924,634	-
Department of Health and Human Services					
Passed through Illinois Community College Board (ICCB)					
COVID-19 Child Care & Development	93.575	ECE-51701-22		423,646	-
Department of Labor					
Passed through Illinois Department of Commerce and Economic Opportunity					
Workforce Innovation and Opportunity Act (WIOA) Cluster					
WIOA Formula Funds					
WIOA Adult Program	17.258	22-681023	*	328,623	214,992
WIOA Youth Activities	17.259	22-681023	*	136,595	89,364
WIOA Dislocated Workers	17.278	22-681023	*	181,412	91,862
WIOA Adult Program	17.258	23-681023	*	996,891	930,072
WIOA Youth Activities	17.259	23-681023	*	583,376	538,869
WIOA Dislocated Workers	17.278	23-681023	*	121,866	45,467
Total WIOA Formula Funds				2,348,763	1,910,626
WIOA Dislocated Worker Training					
WIOA Rapid Response	17.278	23-651023	*	299,029	287,093
Total WIOA Cluster				2,647,792	2,197,719
Apprenticeship USA	17.285	21-111003		8,425	-
Apprenticeship USA	17.285	23-112023		63,909	-
Total Apprenticeship USA				72,334	-
Trade Adjustment Assistance	17.245	21-661023		13,124	13,124
Trade Adjustment Assistance	17.245	22-661023		9,146	9,146
Total Trade Adjustment Assistance				22,270	22,270
Total Department of Labor				2,742,396	2,219,989
Department of Treasury					
Passed through Illinois Community College Board (ICCB)					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	CB-51701-22		14,355	-
Department of Veterans Affairs					
Direct					
Post 9/11 Veterans Educational Assistance	64.028			73,833	-
National Science Foundation					
Direct					
STEM Education	47.076			3,755	-
Total Expenditures of Federal Awards				$ 11,182,619	$ 2,219,989

* - Denotes a major program.

See Accompanying Notes on the Following Page

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

1. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards (Schedule 31) includes the federal grant activity of Lake Land College (the College) for the year ended June 30, 2024. 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 of the College, which are presented in conformity with accounting principles generally accepted in the United States of America.

The College did not use the 10 percent de minimis indirect cost rate.

2. Basis of Accounting

The schedule has been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services received as of June 30, 2024.

3. Property and Equipment

Property and equipment purchases that are presented as expenditures in the schedule may be capitalized by the College, if applicable.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

1. Summary of Auditor's Results

(i) Type of audit report issued on the financial statements: Unmodified

(ii) The audit did not disclose a material weakness or report a significant deficiency in internal control that is required to be reported in accordance with *Government Auditing Standards*.

(iii) The audit did not disclose instances of noncompliance material to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

(iv) The audit did disclose a material weakness or a significant deficiency in internal control over a major federal award.

(v) Type of report issued on compliance for the major programs: Unmodified

(vi) The audit did disclose a finding that is required to be reported in accordance with 2 CFR Section 200.516a.

(vii) Major Programs:

U.S. Department of Education:

- Student Financial Aid Cluster
  - Assistance Listing #84.063
  - Assistance Listing #84.033
  - Assistance Listing #84.268
  - Assistance Listing #84.007
- TRIO Cluster
  - Assistance Listing #84.042A
  - Assistance Listing #84.044A

U.S. Department of Labor:

- WIOA Cluster
  - Assistance Listing #17.258
  - Assistance Listing #17.259
  - Assistance Listing #17.278

(viii) The dollar threshold used to distinguish Type A and Type B programs was $750,000.

(ix) The College does not qualify as a low-risk auditee.

2. Findings – Financial Statement Audit

None Noted.

3. Findings and Questioned Costs – Major Federal Award Program Audit

Department of Labor
WIOA Cluster
Assistance Listing #17.258, 17.259, 17.278
2024-001: Federal Funding and Transparency Act (FFATA) Special Reporting
Material Noncompliance – Reporting
Material Weakness in Internal Control over Compliance

Criteria

Based on the requirements of *Title 2 CFR Part 170, Subpart A*, reporting of first tier subawards and total compensation of subrecipient executives is required for each action that equals or exceeds $30,000. In addition, reporting of total compensation of recipient executives is required. However, none of the requirements regarding total compensation of executives apply unless in the entity's preceding fiscal year, it received a) 80 percent or more of its annual gross revenue in Federal procurement contracts and Federal financial assistance awards subject to the Transparency Act; and b) $25,000,000 or more in annual gross revenue from Federal procurement contractors and Federal financial assistance awards subject to the Transparency Act. Therefore, the College is exempt from the total compensation of executives reporting. However, the College is required to report on subcontracts for each action that equals or exceeds $30,000.

Condition

The College did not submit the required FFATA special reports in Fiscal Year 2024.

Cause of Condition

Management was unaware of this requirement and did not have a procedure in place to submit the required FFATA special reports.

Effect of Condition

Future funding could be limited or suspended due to noncompliance with the FFATA special reporting requirements of *Title 2 CFR Part 170, Subpart A*.

Questioned Costs

No questioned costs over $25,000.

Context

FFATA special reports were required to be submitted during Fiscal Year 2024. Management did not submit the required FFATA special reports.

Repeat Finding

This finding does not repeat a previous finding.

Auditor's Recommendation

Management should implement a procedure to timely complete and file the FFATA reporting required by *Title 2 CFR Part 170, Subpart A*.

View of Responsible Official

Management was unaware of this requirement and has taken appropriate action to ensure that the issue has been resolved. Management has filed FFATA reports for all active Fiscal Year 2025 subrecipients.

LAKE LAND COLLEGE
COMMUNITY COLLEGE DISTRICT #517
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2024

2023-001: Material Adjusting Journal Entries Identified as a Result of Procedures Applied by the College's External Auditors

Condition

The College's financial statements as of and for the year ended June 30, 2023 were misstated prior to the application of auditing procedures by the College's external auditors.

Current Status

No similar finding was noted in the 2024 audit.

2023-002: Improper Procurement

Condition

The internal controls established for the Higher Education Emergency Relief Fund (HEERF) were not effective in selecting the proper procurement method.

Current Status

No similar finding was noted in the 2024 audit.

CERTIFIED PUBLIC ACCOUNTANTS

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*

Board of Trustees
Lake Land College
Community College District #517
Mattoon, 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 Lake Land College (the College) and its discretely presented component unit as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated September 26, 2024.

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 opinion 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 of 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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 attention by 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 the limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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.

MH CPA PLLC
Champaign, Illinois
September 26, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Trustees
Lake Land College
Community College District #517
Mattoon, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lake Land College's (the College) compliance with the types of compliance requirements described 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, 2024. 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, the College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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, Cost Principles, and Audit 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 the 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 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 judgment 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 weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the College’s response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The College’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the College’s response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The College’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

MH CPA PLLC

Champaign, Illinois
September 26, 2024