



C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LEWIS AND CLARK COMMUNITY
COLLEGE DISTRICT 536

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
JUNE 30, 2020

233 East Center Drive, P.O. Box 416
Alton, Illinois 62002
(618) 465-7717 Fax (618) 465-7710

80 Edwardsville Professional Park
Edwardsville, Illinois 62025
(618) 656-2146 Fax (618) 656-2147



www.cjsco.com

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

TABLE OF CONTENTS
JUNE 30, 2020

	<u>Page</u>
<u>Part I – Financial Statements:</u>	
Independent Auditor’s Report	1 – 3
Management’s Discussion and Analysis	4 - 10
Basic Financial Statements:	
Statement of Net Position	11
Statement of Revenues, Expenses, and Changes in Net Position	12
Statement of Cash Flows	13 - 14
Notes to Financial Statements	15 – 32
<u>Part II – Required Supplementary Information:</u>	
Schedule of the Proportionate Share of Net Pension Liability	33
Schedule of Contributions	34
<u>Part III – Supplementary Financial Statements and Schedules:</u>	
Combining Balance Sheet – All Fund Types	35
Combining Statement of Changes in Fund Balances – All Fund Types	36
Combined Statement of Current Funds Revenue, Expenditures and Other Changes	37
Combining Balance Sheet – Current Unrestricted and Restricted Funds	38
Combining Statement of Revenue, Expenditures and Changes in Fund Balances – Current Unrestricted and Restricted Funds	39
Reconciliation of the Balance Sheet to the Statement of Net Position	40
Schedule of Tax Rates, Extensions and Collections	41
Schedule of Legal Debt Margin	42
Uniform Financial Statement #1 – All Funds Summary	43
Uniform Financial Statement #2 – Summary of Fixed Assets and Debt	44

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

TABLE OF CONTENTS
JUNE 30, 2020

	<u>Page</u>
<u>Part III – Supplementary Financial Statements and Schedules:</u>	
<u>(Continued)</u>	
Uniform Financial Statement #3 – Operating Funds Revenues and Expenditures	45 – 46
Uniform Financial Statement #4 – Restricted Purposes Fund Revenues and Expenditures	47 – 49
Uniform Financial Statement #5 – Current Funds -- Expenditures by Activity	50
<u>Part IV – Illinois Community College Board State Grants Financial Compliance Section:</u>	
Auditor’s Report on Compliance with State Requirements for Adult Education & Family Literacy Grants	51
Adult Education & Family Literacy Grant Programs: Balance Sheet	52
Statement of Revenue, Expenditures and Changes in Fund Balance	53
ICCB Compliance Statement for Adult Education & Family Literacy Grant Programs Expenditure Amounts and Percentages For ICCB Grant Funds Only	54
Notes to Grant Financial Statements	55 – 56
<u>Part V – Enrollment Data and Other Bases Upon Which Claims Are Filed:</u>	
Independent Auditor’s Report on the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed	57
Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed	58
Reconciliation of Total Semester Credit Hours	59
Documentation of Residency Verification Steps	60

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

TABLE OF CONTENTS
JUNE 30, 2020

	<u>Page</u>
<u>Part VI – Federal Awards:</u>	
Schedule of Expenditures of Federal Awards	61 – 64
Notes to Schedule of Expenditures of Federal Awards	65
Schedule of Findings and Questioned Costs	66 - 67
Prior Year Findings and Questioned Costs	68
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	69 – 70
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	71 – 72
<u>Part VII – Certificate of Chargeback Reimbursement:</u>	
Certification of Chargeback Reimbursement for Fiscal Year 2021	73

Part I – Financial Statements

INDEPENDENT AUDITOR'S REPORT

Chairman and Board of Trustees
Lewis and Clark Community College
District 536
Godfrey, Illinois 62035

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Lewis and Clark Community College District 536 ("College") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Lewis and Clark Community College District 536 as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 to 10) and pension funding information (pages 33 to 34) be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lewis and Clark Community College District 536's basic financial statements. The accompanying financial information listed in the table of contents under Parts III, IV, V and VI are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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* and is also not a required part of the financial statements.

The accompanying financial information listed in the table of contents under Parts III, IV, V and VI, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial information listed in the table of contents under Parts II, III, IV and V and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2021 on our consideration of Lewis and Clark Community College District 536's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Lewis and Clark Community College District 536's internal control over financial reporting and compliance.

 C. J. Schmitt & Company LLC

Certified Public Accountants

Alton, Illinois

February 10, 2021

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536 **MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of Lewis and Clark Community College's (College) annual audit presents management's discussion and analysis of the College's financial activity during the fiscal years ended June 30, 2020 and 2019. The management discussion and analysis is designed to focus on current activities, resulting changes and currently known facts and should be read in conjunction with the basic financial statements and footnotes. Responsibility for the completeness and fairness of this information rests with the College.

Using This Annual Report

In compliance with various pronouncements issued by the Government Accounting Standards Board (GASB), the financial format focuses on the College as a whole and provides a comprehensive one-line look at the entity. The format is designed to emulate corporate presentation models whereby all College activities are consolidated into one total. By combining and consolidating current financial resources with capital assets, the focus of the Statement of Net Assets is designed to present total financial position at the end of the annual reporting period. The Statement of Revenues, Expenses and Changes in Net Position focuses on both the gross costs and the net costs of College activities that are supported mainly by property taxes, state revenue and other revenues. This statement is designed to present the annual combined changes in net position of the College.

Highlights

In January, 2019, the L&C Board of Trustees approved a site lighting renovation project of northeast and central areas on the Godfrey campus. This wayfinding and parking lot lighting in three highly populated areas had outdated fixtures providing limited emittance of light. The northeast locations include the roadway leading to Wade Hall and the faculty/staff parking lot between Trimpe and Evergreens. The central location concerns pedestrian traffic east of Hatheway Cultural Center and leading to and from the Main Complex. This project addressed safety issues through improved light distribution as well as realized some energy savings. The project was completed with final payments in the late spring of 2020.

The George C. Terry River Bend Arena closed for renovation in April of 2019. The project has spanned the late spring of 2019 through the early spring of 2020 before the building was once again considered fully occupied. The project included addressing various water infiltration issues, a new gymnasium floor with a hardwood sports flooring system, HVAC improvements to provide improved cooling and humidity control, audio updates, restroom and locker room modifications, and various ADA upgrades. The renovation project was considered completed in June of 2020.

The pandemic of 2020 slowed the progress on the two active projects in planning stages with the Capital Development Board (CDB) that are funded in large part by state capital funds. Late fiscal year 2020 saw CDB projects resuming in a safe manner on a case by case basis. The first project is a Caldwell Hall structure and foundation repair project. Caldwell Hall is one of the five

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
MANAGEMENT'S DISCUSSION AND ANALYSIS

connected buildings that comprise the area known as the Main Complex. The scope of work provides for addressing building envelope issues due to water infiltration through the masonry foundation. It will entail unearthing existing limestone foundation and repairing as necessary with tuckpointing and waterproofing. New drain and storm water piping will be installed to mitigate moisture issues. The project itself was approved by L&C Board of Trustees at its November 13, 2018 meeting, approved by CDB at its December 11, 2018 regular meeting and a contract with the architect was fully executed in May of 2019. The overall estimated budget is \$415,227 with approximately 75% of the project being funded from statewide emergency/deferred maintenance capital appropriation and 25% coming from local protection, health, safety funds. To date, only state funding has been applied to the project. Once initiated, the timeline for the actual work is estimated at three months.

The second project in an active planning stage with CDB is HVAC upgrades to Haskell Hall. The fan coil unit system in Haskell Hall was installed during the last renovation of the building nearly 20 years ago and includes 60 fan coil units with 6 ceiling units delivering cool or warm air to each room and corridors. The current state of the equipment is inefficient cooling/heating air delivery with replacement parts being obsolete and restricting the ability for repair. Replacement of the fan coil units is necessary to maintain appropriate temperature levels in spaces that serve students, faculty/staff, and community members. CDB notified the College in the summer of 2019 of a release of funds for the replacement of the fan coil units in Haskell Hall which will ensure proper temperature management in the building. The project was approved was approved by L&C Board of Trustees at its July 9, 2019 meeting, approved by CDB at its November 12, 2019 regular meeting and a contract with the engineering firm was fully executed in January of 2020. The overall estimated budget is \$200,000 with 75% of the project being funded by statewide deferred maintenance capital appropriation and 25% coming from local protection, health, safety funds. As with the structure and foundation repair project, only state funding has been applied to the project to date.

Looking forward, the fiscal year 2021 budget was given approval by the trustees. The budget, in excess of \$31.3 million, enables the College to grow while maintaining quality programs. The budget includes salary increases, maintenance of health and dental insurance coverage, and the replacement of faculty positions in the areas of Biology, Computer Graphics and Web Design and Chemistry. Funds were also allocated in the budget for the next level of implementation on a compensation plan update, necessary minimum wage increases, costs related to an enrollment strategies consultant and various instructional supplies and equipment.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the College as a Whole

Net Position As of June 30

	<u>2020</u>	<u>2019</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Current assets	\$91,223,245	\$92,201,824	(\$978,579)	-1.1%
Non-Current assets	140,408,975	143,396,880	(2,987,905)	-2.1%
Total assets	231,632,220	235,598,704	(3,966,484)	-1.7%
Deferred Outflows of Resources	1,673,031	2,464,517	(791,489)	-32.1%
Current liabilities	35,492,341	36,972,623	(1,480,282)	-4.0%
Non-Current liabilities	124,581,803	135,405,101	(10,823,298)	-8.0%
Total liabilities	160,074,144	172,377,724	(12,303,580)	-7.1%
Deferred Inflows of Resources	3,837,868	2,919,691	918,177	31.4%
Net position				
Net Investment in Capital Assets	74,095,343	71,307,061	2,788,282	3.9%
Restricted	19,423,395	19,822,942	(399,547)	-2.0%
Unrestricted	(24,125,499)	(28,364,197)	4,238,698	-14.9%
Total Net Position	\$69,393,239	\$62,765,806	\$6,627,433	10.6%

Total net position at June 30, 2020 increased to \$69.3 million from \$62.7 million in fiscal year 2019. This increase is largely due to the retirement of debt in fiscal year 2020.

Current Assets decreased by 1.7% in a large part due to the reduction of short-term investments related to the continuation and completion of capital projects.

In FY 2020, Deferred Outflows of Resources had a 32.1% decrease largely due to the Deferred amount on Refunding. Deferred Inflows of Resources had a 31.4% increase. This increase relates to the Other Postemployment Benefits (OPEB) which were reported for FY20. These contributions are reported to the college for the year ending June 30, 2019. Please see Note 11 for additional information.

Current liabilities decreased by 4.0% in the current year. This is primarily a result of other deferred tuition and fees revenue decreasing and the decrease in other deferred revenue within the restricted fund from State Grants.

Total liabilities decreased by 7.1%. This decrease was largely due to the decrease in long-term debt.

**LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Analysis of Net Position

	2020 Percent	2020	2019 Percent	2019	Increase (Decrease)	Percent Change
Net Investment in Capital Assets	106.8%	\$74,095,343	113.6%	\$71,307,061	\$2,788,282	3.9%
Restricted	28.0%	19,423,395	31.5%	19,822,942	(399,547)	-2.0%
Unrestricted	-34.8%	(24,125,499)	-45.2%	(28,364,197)	4,238,698	-14.9%
Total net position	100.0%	\$69,393,239	100.0%	\$62,765,806	\$6,627,433	10.6%

Total net position increased by approximately \$6.6 million to \$69.3 million at June 30, 2020, as previously noted.

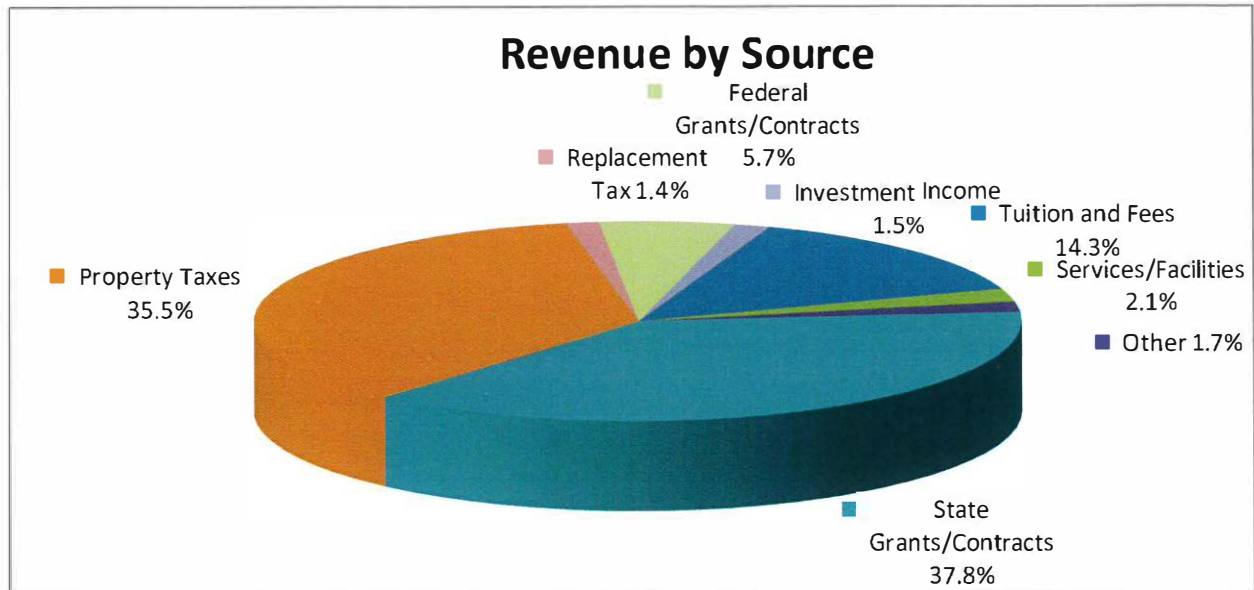
Revenue by Source

	2020 Percent	2020	2019 Percent	2019	Increase (Decrease)	Percent Change
Tuition and Fees	14.3%	\$11,706,170	16.8%	\$12,393,878	(\$687,708)	-5.5%
Sales and Services/Facilities	2.1%	1,694,149	2.1%	1,548,406	145,743	9.4%
Other	1.7%	1,422,765	2.0%	1,498,876	(76,111)	-5.1%
State Grants/Contracts	37.8%	30,943,073	32.8%	24,226,987	6,716,086	27.7%
Property Taxes	35.5%	29,033,437	37.9%	27,998,628	1,034,809	3.7%
Personal Property Replacement Tax	1.4%	1,156,250	1.3%	986,838	169,412	17.2%
Federal Grants/Contracts	5.7%	4,684,043	5.1%	3,728,707	955,336	25.6%
Investment Income	1.5%	1,150,640	2.0%	1,437,324	(286,684)	-19.9%
Total	100.0%	\$81,790,527	100.0%	\$73,819,644	\$7,970,883	10.8%

The College reported a total increase in revenues of a little more than \$7.9 million for the year ended June 30, 2020. The following categories were areas where revenues increased: Sales and Services/Facilities, 9.4%; State Grants/Contracts, 27.7%; Property Taxes, 3.7%; Personal Property Replacement Tax 17.2% and Federal Grants/Contracts, 25.6%. The following areas of revenue decreased: Tuition and Fees, 5.5%; Other, 5.1%; and Investment Income, 19.9%.

**LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
MANAGEMENT’S DISCUSSION AND ANALYSIS**

The following is a graphic illustration of revenues by source.



Operating Expenses

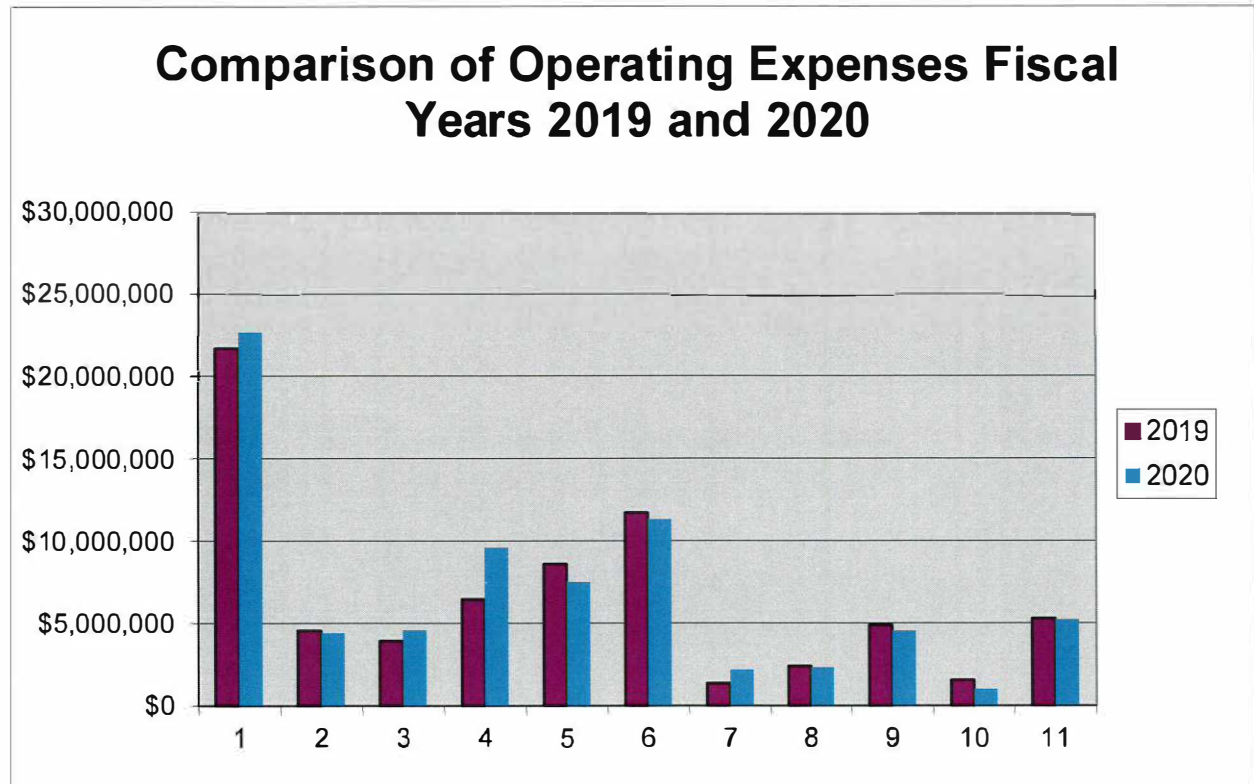
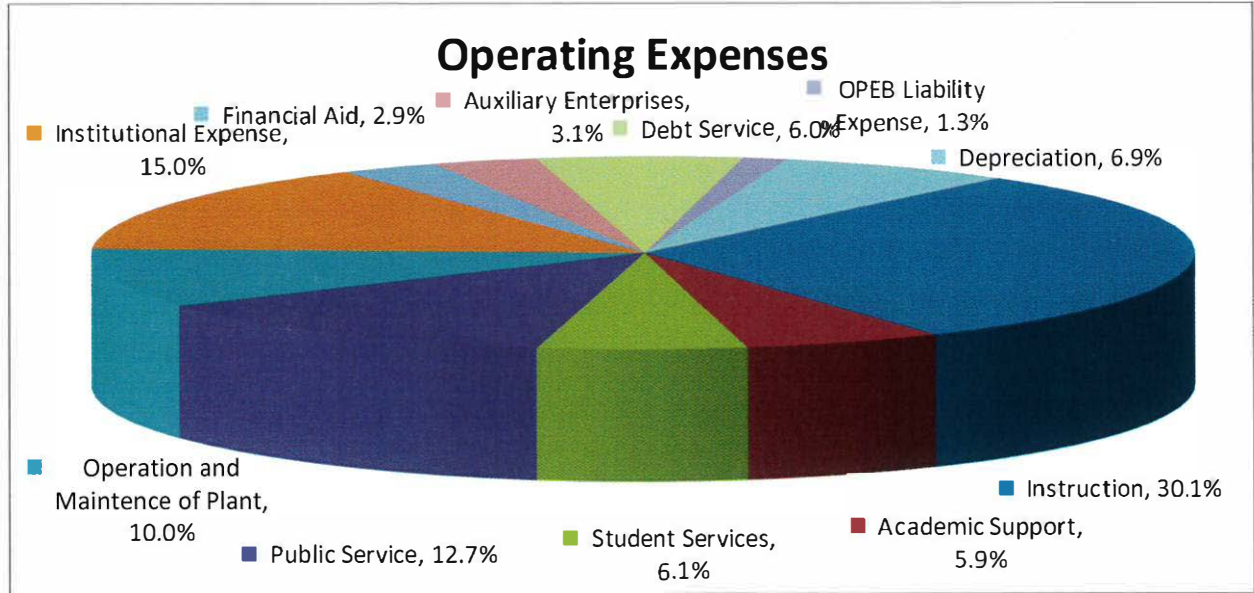
	2020 Percent	2020	2019 Percent	2019	Increase (Decrease)	Percent Change
Instruction	30.1%	\$22,683,091	30.0%	\$21,674,213	\$1,008,878	4.7%
Academic Support	5.9%	4,428,285	6.3%	4,533,679	(105,394)	-2.3%
Student Services	6.1%	4,604,380	5.4%	3,914,061	690,319	17.6%
Public Service	12.7%	9,610,648	8.9%	6,452,671	3,157,977	48.9%
Operation and Maintenance Of Plant	10.0%	7,516,235	11.9%	8,583,444	(1,067,209)	-12.4%
Institutional Expense	15.0%	11,322,071	16.2%	11,696,748	(374,677)	-3.2%
Financial Aid	2.9%	2,186,130	1.9%	1,351,094	835,036	61.8%
Auxiliary Enterprises	3.1%	2,330,432	3.3%	2,378,481	(48,049)	-2.0%
Debt Service	6.0%	4,536,564	6.7%	4,870,903	(334,339)	-6.9%
OPEB Liability Expense	1.3%	1,003,557	2.1%	1,534,583	(531,026)	-34.6%
Depreciation	6.9%	5,224,940	7.3%	5,266,569	(41,629)	-0.8%
Total	100.0%	\$75,446,333	100.0%	\$72,256,446	\$3,189,751	4.4%

As in the prior year, the largest portion of the College’s expenses was dedicated to instruction. Instruction costs were at \$22.6 million or 30.1% of the total expenses.

Institutional expenses of \$11.3 million is the next largest category making up 15.0% of total expenses. The third largest area was related to public services of the College making up 12.7% with total expenses of approximately \$9.6 million.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
MANAGEMENT’S DISCUSSION AND ANALYSIS

The following charts contain graphic illustrations of operating expenses and a comparison by functional expense areas for the fiscal years 2019 and 2020.



- | | |
|--|-----------------------------|
| 1 – Instruction | 6 – Institutional Expense |
| 2 – Academic Support | 7 – Financial Aid |
| 3 – Student Services | 8 – Auxiliary Enterprises |
| 4 – Public Service | 9 – Debt Service |
| 5 – Operation and Maintenance of Plant | 10 – OPEB Liability Expense |
| 11 – Depreciation | |

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-Term Debt

At the end of 2020 the College had total long-term debt obligations of \$111,235,061 compared to \$121,169,153 at the end of 2019.

The College retired debt of \$43,075,000 and issued \$31,560,000 of General Obligation Refunding Bonds in the current year. Additional information related to long-term debt can be found in Note 7 of the financial statements.

Fixed Assets

The College reported capital asset additions of \$2,255,819 in fiscal year 2020. Some of these additions were discussed in the financial highlights portion of the management's discussion and analysis.

The site improvement project completed during the 2020 fiscal year was the addition of Campus Lighting improvement project which began in fiscal year 2019. The building improvement project completed during fiscal year 2020 was the renovation to the George C. Terry Arena. In FY 2020, a capital improvement project of installation of solar panels was started at the Scott Bibb Center through IGEN (Illinois Green Energy Network) funding. Total depreciation related to the capital assets of the College was \$5,224,940 for the fiscal year ended 2020. Additional information related to fixed assets can be located in Note 4 of the financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Lewis and Clark Community College District 536 for all those with an interest in the College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the College's administrative office, 5800 Godfrey Road, Godfrey, IL 62035.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>COLLEGE</u>	<u>FOUNDATION</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 1,503,477	\$ 1,487,953
Short-term Investments	54,067,661	10,819,430
Taxes Receivable	28,244,904	-
Other Accounts Receivable	6,547,610	39,552
Inventory	34,174	-
Prepaid Expenses	825,419	2,770
Total Current Assets	<u>91,223,245</u>	<u>12,349,705</u>
Non-current Assets:		
Long-term Investments	-	44,780
Fixed Assets	221,597,254	3,341,923
Less Accumulated Depreciation	<u>(81,188,279)</u>	<u>-</u>
Total Non-current Assets	<u>140,408,975</u>	<u>3,386,703</u>
Total Assets	<u>\$ 231,632,220</u>	<u>\$ 15,736,408</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amount on Refunding	\$ 745,476	\$ -
Deferred OPEB Expense	614,062	-
Deferred Pension Expense	313,493	-
	<u>\$ 1,673,031</u>	<u>\$ -</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 3,733,499	\$ 20,685
Accrued Interest	732,175	-
Accrued Salaries	2,094,030	-
Deferred Tuition and Fees Revenue	3,690,866	-
Deferred Property Tax Revenue	14,465,225	-
Other Deferred Revenue	1,306,546	-
Current Portion of Long-term Debt	9,470,000	-
Total Current Liabilities	<u>35,492,341</u>	<u>20,685</u>
Accrued OPEB Liability	22,816,742	-
Long-term Debt - net of unamortized premium	101,765,061	-
Total Liabilities	<u>160,074,144</u>	<u>20,685</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred OPEB Expense	<u>3,837,868</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	74,095,343	-
Restricted:		
Capital Projects	8,946,809	-
Debt Service	6,557,967	-
Other	3,918,619	13,684,609
Unrestricted	<u>(24,125,499)</u>	<u>2,031,114</u>
Total Net Position	<u>\$ 69,393,239</u>	<u>\$ 15,715,723</u>

See notes to financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

	<u>COLLEGE</u>	<u>FOUNDATION</u>
REVENUES		
Operating Revenues:		
Student Tuition and Fees	\$ 11,706,170	\$ -
Sales and Service Fees/Facilities Revenue	1,694,149	-
Other Operating Revenues	<u>1,422,765</u>	<u>883,069</u>
Total Operating Revenues	<u>14,823,084</u>	<u>883,069</u>
EXPENSES		
Operating Expenses:		
Instruction	22,683,091	-
Academic Support	4,428,285	-
Student Services	4,604,380	206,423
Public Services	9,610,648	-
Operation and Maintenance of Plant	7,516,235	-
Institutional Support	11,322,071	531,017
Financial Aid	2,186,130	-
Auxiliary Enterprises	2,330,432	-
Debt Service	4,536,564	-
OPEB Liability Expense	1,003,557	-
Depreciation	<u>5,224,940</u>	<u>-</u>
Total Operating Expenses	<u>75,446,333</u>	<u>737,440</u>
Operating Income (Loss)	<u>(60,623,249)</u>	<u>145,629</u>
NON-OPERATING REVENUES (EXPENSES)		
State Grants and Contracts	30,943,073	-
Property Taxes	29,033,437	-
Personal Property Replacement Tax	1,156,250	-
Federal Grants and Contracts, Net of Scholarship Allowances	4,684,043	-
Investment Income	<u>1,150,640</u>	<u>222,617</u>
Non Operating Revenues, Net	<u>66,967,443</u>	<u>222,617</u>
Net Income Before Capital Contributions	6,344,194	368,246
CAPITAL CONTRIBUTIONS		
Capital Grants/Contributions	<u>283,239</u>	<u>-</u>
Total Capital Contributions	<u>283,239</u>	<u>-</u>
Increase in Net Position	6,627,433	368,246
NET POSITION - BEGINNING OF YEAR	<u>62,765,806</u>	<u>15,347,477</u>
NET POSITION - END OF YEAR	<u>\$ 69,393,239</u>	<u>\$ 15,715,723</u>

See notes to financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>COLLEGE</u>	<u>FOUNDATION</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and Fees	\$ 11,591,989	\$ -
Payments to Suppliers	(24,413,086)	(730,649)
Payments to Employees	(25,469,746)	-
Sales and Service Fees/Facilities Revenue	1,695,311	-
Other	1,421,750	707,694
Net Cash Provided (Used) By Operating Activities	<u>(35,173,782)</u>	<u>(22,955)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local Property Taxes	28,617,687	-
Personal Property Replacement Tax	1,068,821	-
Federal & State Grants & Contracts	15,576,856	-
Net Cash Provided By Noncapital Financing Activities	<u>45,263,364</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payment on Debt Principal	(9,315,000)	-
Purchase of Capital Assets	(3,008,665)	-
Net Cash Provided (Used) By Capital and Related Financing Activities	<u>(12,323,665)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	1,512,894	260,090
Net Sales (Purchases) of Investments	1,538,650	435,872
Net Cash Provided By Investing Activities	<u>3,051,544</u>	<u>695,962</u>
Net Increase (Decrease) in Cash and Cash Equivalents	817,461	673,007
CASH AND CASH EQUIVALENTS, BEGINNING	<u>686,016</u>	<u>814,946</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 1,503,477</u>	<u>\$ 1,487,953</u>

The District made interest payments of \$4,505,926 in the current year.

The District refunded bonds of \$33,760,000 through the issuance of Series 2020 Bonds.

See notes to financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>COLLEGE</u>	<u>FOUNDATION</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	\$ (60,623,249)	\$ 145,629
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Depreciation	5,224,940	-
Accreted Interest Expense	88,689	-
Amortization of Premium	(772,854)	-
Amortization of Refunding Loss	203,220	-
Bond Issuance Costs Paid Through Refunding	491,734	-
Accrued OPEB Liability	1,003,557	-
On-Behalf Benefit Payments	17,177,506	-
Loss on Disposal	18,784	-
Non-Cash Gift	-	(225,973)
Unconditional Promises to Give	-	(1,423)
Changes in Net Position:		
Tuition and Fees Receivable	2,003,203	6,021
Auxiliary Receivables	(1,015)	-
Inventories	4,362	-
Prepaid Expenses	14,347	11,308
Deferred Pension Expense	(17,981)	-
Long-term Receivable	-	46,000
Accounts Payable	2,027,122	(4,517)
Accrued Salaries	82,843	-
Accrued Interest	17,232	-
Deferred Tuition and Fees	(2,117,384)	-
Other Deferred Revenue	1,162	-
Net Cash Provided (Used) By Operating Activities	<u>\$ (35,173,782)</u>	<u>\$ (22,955)</u>

See notes to financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Reporting Entity

The accompanying financial statements include all entities for which the College has financial accountability. In defining the financial reporting entity, the College has considered whether there are any potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement Nos. 14 and 39. The primary criterion for including a potential component unit within the reporting entity is the financial accountability that the elected officials of the primary government have for the component unit. The criteria used in assessing financial accountability consist of (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents (2) the primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Lewis and Clark Community College Foundation (Foundation) is a legally separate, tax-exempt component unit of the College. The Foundation was organized and operated exclusively for educational and charitable purposes designed to promote the welfare of the College. Because the resources of the Foundation are to be used substantially for the benefit of the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. Complete financial statements for the Foundation can be obtained from the administrative offices of the College located at 5800 Godfrey Road, IL 62035 or by calling (618) 468-7000.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The College is not aware of any entity whose elected officials are financially accountable for the operations of the College that would result in the College being considered a component unit of such entity.

(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation

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, includes property taxes; federal, state, and local grants; state appropriations and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when 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) Property Tax Revenue

The College's property taxes are levied each calendar year on all taxable property located in the District. Property taxes are recorded on the accrual basis of accounting. Property taxes have been recognized in the current year at fifty percent of the expected tax levy in the year that the taxes are levied and fifty percent in the following year in accordance with GASB.

Personal property replacement taxes are recorded on the accrual basis of accounting based on amounts collected and paid by the state.

(d) Inventories

Inventories are stated at the lower of cost or market. Cost is determined by the retail and first-in, first-out methods of inventory accounting.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(e) Tuition

Summer and Fall tuition is recorded as receivable at the time of registration. The amounts that are prepayments related to the subsequent fiscal year are reported as deferred revenue in the respective funds to which they apply.

(f) Cash and Cash Equivalents

For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

(g) Investments

Short-term investments, with original maturities of less than one year, consisting of certificates of deposit and term deposits are reported at fair value.

(h) Estimates

The College uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from these estimates.

(i) Net Position

The College's net position is classified as follows:

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

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

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

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(j) Classification of Revenue

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, and (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as (1) local property taxes, (2) state appropriations (3) most federal, state and local grants and contracts and federal appropriations, and (4) gifts and contributions.

(k) On-Behalf Payments for Fringe Benefits and Salaries

The College recognizes contributions, made on behalf of the College's employees by the State of Illinois, to the State Universities Retirement Systems as revenues and expenses. In fiscal year 2019, the state made pension contributions of \$17,067,085 and health insurance contributions of \$110,421.

NOTE 2: PROPERTY TAXES

The College's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The Board passed the levy on December 10, 2019. Property taxes attach as an enforceable lien on property as of January 1 and are payable in installments beginning approximately one to two months after billing by the various counties. The College receives significant distributions of tax receipts beginning in June or July of each year.

The following are the permissible tax rate limits and the actual rates levied per \$100 of assessed valuation:

	<u>Limit</u>	<u>Tax Levy Years</u>	
		<u>2019</u>	<u>2018</u>
Education	\$ 0.1500	\$ 0.1462	\$ 0.1470
Operations and Maintenance	0.1000	0.0975	0.0980
Additional Education & Operations	0.0355	0.0355	0.0404
Liability/Judgments	No Limit	0.0699	0.0694
Protection Health Safety	0.0500	0.0500	0.0490
Audit	0.0050	0.0014	0.0013
Bond and Interest	No Limit	0.2626	0.2653
Social Security	No Limit	0.0065	0.0072
		<u>\$ 0.6696</u>	<u>\$ 0.6776</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: CASH AND INVESTMENTS

At June 30, 2020, the carrying amount of the College's deposits was \$12,440,926 and the bank balance was \$13,312,069. The deposits were comprised of checking, interest checking, savings, and certificates of deposit.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's investment policy requires collateralization of all deposits in excess of FDIC coverage. As of June 30, 2020, all deposits of the College were covered by FDIC insurance or collateralized by the financial institutions.

As of June 30, 2020, the College had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Days)</u>	
The Illinois Funds (external investment pool)	--	\$ 434,903
IIIT Money Market Fund	--	<u>42,691,759</u>
		43,126,662
Deposits as reported above		12,440,926
Cash on Hand		<u>3,550</u>
Total deposits and investments		<u>\$ 55,571,138</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 1,503,477
Short-term Investments		<u>54,067,661</u>
		<u>\$ 55,571,138</u>

Interest Rate Risk. The College's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Illinois Funds are pooled investments that are operated by the State of Illinois as a not-for-profit common law trust and are not registered with the SEC. The funds are monitored regularly through the State by internal and external audits. The goals of the funds are to provide liquidity and to maintain balances that are equal to the par value of the invested shares with no loss to market fluctuations. The fair value of the College's position in the pool is the same as the value of the pool shares.

Foreign Currency Risk. As of June 30, 2020, the College did not have foreign currency risk.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Credit Risk. As of June 30, 2020, the College's investments credit ratings were as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>	<u>Fitch Rating</u>
The Illinois Funds (external investment pool)	AAAm	--	--
IIIT Money Market Fund	AAAm	--	--

Concentration of Credit Risk. As of June 30, 2020, the College did not have a concentration of investments in excess of 5%.

State law limits investments in commercial paper to the top three ratings issued by at least two standard rating services. The College's investment policy does not further limit its investment choices. State law also limits investments in commercial paper to no more than one-third of the College's total cash and investments. The College's investment policy places no limit on the amount the College may invest in any one issuer. As of June 30, 2020, the College did not hold any commercial paper as an investment.

NOTE 4: FIXED ASSETS

The following is a summary of the composition of the fixed assets and changes therein for the year ended June 30, 2020:

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
Land	\$ 1,466,634	\$ -	\$ -	\$ 1,466,634
Land Improvements	20,757,935	397,805	-	21,155,740
Buildings and Improvements	180,329,710	3,001,101	-	183,330,811
Equipment	12,447,739	583,618	122,215	12,909,142
Sculptures and Art	2,460,505	-	-	2,460,505
Construction in Progress	2,001,127	1,672,200	3,398,905	274,422
Total	<u>\$ 219,463,650</u>	<u>\$ 5,654,724</u>	<u>\$ 3,521,120</u>	<u>\$ 221,597,254</u>

Total accumulated depreciation as of June 30, 2020 is \$81,188,279. Current year depreciation expense of \$5,224,940 was calculated on the straight-line method of depreciation over the estimated useful lives of 4 to 50 years.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Capital assets include property, plant and equipment as well as infrastructure such as sidewalks and roads. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at estimated fair market 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 the life of an asset are expensed.

The College had the following construction/renovation projects in progress as of June 30, 2020:

The College is in the process of constructing a new building for the Montessori Day Care, which is being funded by State capital grant funds and local funds. The costs related to this project are \$172,907 as of June 30, 2020. The total estimated costs of the project are \$2,200,000.

The College is in the initial stages of performing foundation and structural repairs for Caldwell which is being funded by State capital grant funds and local funds. The costs related to this project are \$24,212 as of June 30, 2020. The total estimated costs of the project are \$415,228.

The College is in the near-final stages of a solar panel installation project. The costs related to this project are \$77,303 as of June 30, 2020. This project is being funded through State funds.

The College completed two projects in the current year and the related costs of \$3,398,905 were transferred from construction in progress to buildings and land improvements.

NOTE 5: PROPERTY TAXES RECEIVABLE

The following is a summary of taxes receivable and related accounts as of June 30, 2020:

	Education Fund	Operations and Maintenance (Unrestricted) Fund	Operations and Maintenance (Restricted) Fund	Bond and Interest Fund	Audit Fund	Liability Protection and Settlement Fund	Total All Funds
Tax Rates	<u>\$ 0.1675</u>	<u>\$ 0.1117</u>	<u>\$ 0.0500</u>	<u>\$ 0.2626</u>	<u>\$ 0.0014</u>	<u>\$ 0.0764</u>	<u>\$ 0.6696</u>
Extensions on 2019 Levy	\$ 7,310,035	\$ 4,874,811	\$ 2,182,100	\$ 11,460,389	\$ 61,099	\$ 3,334,249	\$ 29,222,683
Less Allowance for Uncollectibles (1% of Gross Extension)	<u>73,100</u>	<u>48,748</u>	<u>21,821</u>	<u>114,604</u>	<u>611</u>	<u>33,342</u>	<u>292,226</u>
	7,236,935	4,826,063	2,160,279	11,345,785	60,488	3,300,907	28,930,457
Plus Corporate Personal Property Replacement Taxes Receivable	158,162	105,441	-	-	-	-	263,603
Less Collections of 2019 Levy Prior to June 30, 2020	<u>(237,431)</u>	<u>(158,334)</u>	<u>(70,875)</u>	<u>(372,235)</u>	<u>(1,984)</u>	<u>(108,297)</u>	<u>(949,156)</u>
Taxes Receivable	<u>\$ 7,157,666</u>	<u>\$ 4,773,170</u>	<u>\$ 2,089,404</u>	<u>\$ 10,973,550</u>	<u>\$ 58,504</u>	<u>\$ 3,192,610</u>	<u>\$ 28,244,904</u>
Extension on 2019 Levy Net of Allowance for Uncollectibles	\$ 7,236,935	\$ 4,826,063	\$ 2,160,279	\$ 11,345,785	\$ 60,488	\$ 3,300,907	\$ 28,930,457
Less Property Tax Revenue Recognized on 2019 Levy	<u>3,618,468</u>	<u>2,413,032</u>	<u>1,080,140</u>	<u>5,672,893</u>	<u>30,244</u>	<u>1,650,455</u>	<u>14,465,232</u>
Deferred Property Taxes	<u>\$ 3,618,467</u>	<u>\$ 2,413,031</u>	<u>\$ 1,080,139</u>	<u>\$ 5,672,892</u>	<u>\$ 30,244</u>	<u>\$ 1,650,452</u>	<u>\$ 14,465,225</u>

NOTE 6: OTHER ACCOUNTS RECEIVABLE

The following is a summary of other accounts receivable as of June 30, 2020:

Federal, State and Local Agencies, etc.	\$ 3,108,551
Tuition	3,162,320
Interest	212,943
Receivable from Auxiliary Enterprises	<u>63,796</u>
	<u>\$ 6,547,610</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 7: LONG-TERM DEBT

The following is a summary of long-term debt transactions of the College for the year ended June 30, 2020:

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Accretion</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2020</u>
Bonds	\$ 114,290,511	\$ 31,560,000	\$ 88,689	\$ 42,840,000	\$ 103,099,200
Debt Certificates	485,000	-	-	235,000	250,000
Premium on Bonds	<u>6,393,624</u>	<u>3,178,328</u>	<u>-</u>	<u>1,686,091</u>	<u>7,885,861</u>
	<u>\$ 121,169,135</u>	<u>\$ 34,738,328</u>	<u>\$ 88,689</u>	<u>\$ 44,761,091</u>	<u>\$ 111,235,061</u>

On December 1, 2003, the College issued \$3,020,000 of Debt Certificates for the N.O. Nelson Project. The remaining balances are due in one final payment of \$250,000 with an interest rate of 5.20%. The certificates provide for retirement of principal on December 1 of each year, with interest payable on June 1 and December 1.

\$ 250,000

On January 2, 2013, the College issued \$4,230,000 of General Obligation Refunding Bonds, Series 2014. The remaining maturities are due in annual payments ranging from \$360,000 to \$425,000 at interest rates of 2.5% to 3.0%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund a portion of the Series 2005A General Obligation Funding Bonds.

\$ 3,135,000

On February 20, 2014, the College issued \$11,055,000 of General Obligation Alternate Revenue Bonds, Series 2014. The remaining maturities are due in annual payments ranging from \$540,000 to \$1,380,000 at an interest rate 5.0%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1.

\$ 3,230,000

On May 5, 2015, the College issued \$17,025,000 of General Obligation Refunding Bonds, Series 2015A. The remaining maturities are due in annual payments ranging from \$370,000 to \$3,320,000 at interest rates at 5.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund a portion of the Series 2004A General Obligation Funding Bonds, Series 2005A General Obligation Funding Bonds, and Series 2007 General Obligation Bonds.

\$ 15,980,000

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

On May 5, 2015, the College issued \$3,990,000 of General Obligation Refunding Bonds, Series 2015B (Alternate Revenue Source). The remaining maturities are due in annual payments ranging from \$75,000 to \$570,000 at interest rates of 3.00% to 5.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund a portion of the Series 2004B General Obligation Bonds and the Series 2005B General Obligation Bonds.

\$ 855,000

On August 4, 2015, the College issued \$17,405,000 of Taxable General Obligation Bonds, Series 2015E. The maturities are due in annual payments ranging from \$2,325,000 to \$2,855,000 at interest rates of 4.95% to 5.25%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund the Series 2015C Bonds.

\$ 12,905,000

On August 4, 2015, the College issued \$4,530,000 of General Obligation Bonds, Series 2015F. The maturities are due in annual payments ranging from \$105,000 to \$920,000 at the interest rates of 2.00% to 5.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund the Series 2015D Bonds.

\$ 4,075,000

On June 1, 2016, the College issued \$8,000,000 of Taxable General Obligation Bonds, Series 2016. The maturities are due in annual payments ranging from \$760,000 to \$930,000 at the interest rates of 3.00% to 4.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued for working cash purposes.

\$ 5,860,000

On July 26, 2017, the College issued \$14,200,000 of General Obligation Refunding Bonds, Series 2017A and \$14,994,479 of Taxable General Obligation Bonds, Series 2017B. The Series 2017A Bonds were issued to defease the remaining outstanding portion of the General Obligation Bonds Series 2007A Bonds. The Series 2017B Bonds were issued to redeem the Taxable General Obligation Series 2017 Bonds. The maturities are due in annual payments ranging from \$200,000 to \$8,200,000 at the interest rates of 2.20% to 5.00%. A portion of the 2017B Bonds are recorded as a deep discount instrument. This debt is reflected at its face amount less the discount, which is presented as a direct deduction. The discount is accreted over

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

the life of the bonds using the interest method. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1.

\$ 26,139,200

On February 18, 2020, the College issued \$31,560,000 of General Obligation Refunding Bonds, Series 2020. The remaining maturities are due in annual payments ranging from \$1,445,000 to \$4,805,000 at an interest rate of 4.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund a portion of the Series 2010B General Obligation Bonds, the Series 2010C General Obligation Bonds and the Series 2012 General Obligation Bonds.

\$ 30,920,000

The General Obligation Refunding Bonds, Series 2020 were issued at an interest rate of 4.00% to advance refund \$16,045,000 of 2010B General Obligation Bonds with interest rates of 5.95% to 6.05%, \$5,980,000 of 2010C General Obligation Bonds with interest rates of 4.80% to 6.05%, and \$11,735,000 of 2012 General Obligation Bonds with interest rates of 3.00% to 5.00%. The net proceeds of \$34,246,594 were used to purchase U.S. government securities and cash funds. Those securities were deposited in a trust with an escrow agent to provide for all future debt service payments on the Series 2010B, 2010C, and 2012 General Obligation Bonds. These bonds were all retired in the current fiscal year. As a result of the transaction, the 2010B, 2010C, and 2012 General Obligation Bonds are considered to be defeased and the liability for those bonds has been removed from the balance sheet of the College. The transaction results in an overall debt service payment savings of \$4,196,335, with a net present value savings of \$3,553,237.

The annual requirements to amortize all long-term debt outstanding as of June 30, 2020, including interest of \$31,018,527, are as follows:

Fiscal Year	<u>Bonds</u>		<u>Debt Certificates</u>		
	<u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$	9,220,000	\$ 4,260,215	\$250,000	\$ 6,500
2022		9,325,000	3,907,750	-	-
2023		7,710,000	3,542,725	-	-
2024		7,615,000	3,258,331	-	-
2025		7,459,200	3,555,170	-	-
2026-2030		38,105,000	10,392,767	-	-
2031-2034		23,665,000	2,095,069	-	-
		<u>\$ 103,099,200</u>	<u>\$31,012,027</u>	<u>\$ 250,000</u>	<u>\$ 6,500</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 8: PENSION PLAN

General Information about the Pension Plan

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

Benefits Provided. A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed 6 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, 2019 can be found in SURS comprehensive annual financial report (CAFR) Notes to the Financial Statements.

Contributions. The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2019 and 2020 respectively, was 12.29% and 13.02% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

for police and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).

Employer Deferral of Fiscal Year 2020 Pension Expense

Employer paid \$313,493 in federal, trust or grant contributions for the fiscal year ended June 30, 2020. These contributions were made subsequent to the pension liability measurement date of June 30, 2019 and are recognized as Deferred Outflows of Resources as of June 30, 2020.

Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Net Pension Liability

At June 30, 2019, SURS reported a net pension liability (NPL) of \$28,720,071,173. The net pension liability was measured as of June 30, 2019.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the net pension liability to be recognized for the District is \$0. The proportionate share of the State's net pension liability associated with the District is \$158,391,193 or 0.5515%. This amount should not be recognized in the financial statement. The net pension liability was measured as of June 30, 2019, and the total pension used to calculate the net pension liability was determined based on the June 30, 2018 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable earnings made to SURS during fiscal year 2019.

Pension Expense

At June 30, 2019 SURS reported a collective net pension expense of \$3,094,666,252.

Employer Proportionate Share of Pension Expense

The employer proportionate share of collective pension expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2019. As a result, the District recognized revenue and pension expense of \$17,067,085 from this special funding situation for the fiscal year ended June 30, 2020.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to 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	\$ 160,132,483	\$ 80,170,745
Changes in assumption	773,321,300	-
Net difference between projected and actual earnings on pension plan investments	-	55,456,660
Total	\$ 933,453,783	\$ 135,627,405

Year Ending June 30,	Net Deferred Outflows of Resources
2020	\$ 786,021,133
2021	(11,534,848)
2022	(6,661,326)
2023	30,001,419
Total	<u>\$ 797,826,378</u>

Assumptions and Other Inputs

Actuarial assumptions. The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period June 30, 2014 - 2017. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.25 to 12.25 percent, including inflation
Investment rate of return	6.75 percent beginning with the actuarial valuation as of June 30, 2018

Mortality rates were based on the RP-2014 White Collar, gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment 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, 2019, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	23%	5.25%
Private Equity	6%	8.65%
Non-U.S. Equity	19%	6.75%
Global Equity	8%	6.25%
Fixed Income	19%	1.85%
Emerging Market Debt	3%	4.00%
Treasury-Inflation Protected Securities	4%	1.20%
Real Estate REITS	4%	5.70%
Direct Real Estate	6%	4.85%
Commodities	2%	2.00%
Hedged Strategies	5%	2.85%
Opportunity Fund	1%	7.00%
Total	100%	4.80%
Inflation		2.75%
Expected Arithmetic Return		7.55%

Discount Rate. A single discount rate of 6.59% 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 6.75% and a municipal bond rate of 3.13% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). 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 the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.59%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1 percentage-point lower or 1 percentage-point higher:

1% Decrease	Current Single Discount Rate Assumption	1% Increase
5.59%	6.59%	7.59%
\$ 34,786,851,779	\$ 28,720,071,173	\$ 23,712,555,197

Additional information regarding the SURS basic financial statements including the Plan Net Position can be found in the SURS comprehensive annual financial report by accessing the website at www.SURS.org.

NOTE 9: RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the College carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 10: INTERFUND TRANSFERS

The following net interfund transfers were appropriately authorized and made during the year ended June 30, 2020:

<u>In</u>	<u>Out</u>	<u>Amount</u>
Education	Restricted Purposes	\$ 523,659
Operations and Maintenance (Restricted)	Operations and Maintenance (Unrestricted)	888,750
Bond & Interest	Operations and Maintenance (Restricted)	2,331,500
Restricted Purposes	Auxiliary Operations and Maintenance (Unrestricted)	184,326
		111,310
Auxiliary	Education Operations and Maintenance (Unrestricted)	243,125
		562,084

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 11: POSTEMPLOYMENT HEALTHCARE PLAN

The District participates in the Community College Health Insurance Security Fund, also known as the College Insurance Program (CIP), a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of employees of community colleges.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the CIP Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) and requires all active contributors of the SURS, who is a full time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full time employees who participate in the plan. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees.

The District makes contributions to CIP Fund. The District CIP Fund contribution was \$110,421 during the year ended June 30, 2020. The employees also made the same contribution to the CIP Fund for the year ended June 30, 2020.

The ending total proportionate OPEB liability of the District is \$22,816,742 as of June 30, 2019. This amount decreased from \$22,910,966 at the end of the prior year. The associated deferred inflows and deferred outflows related to the OPEB liability was \$3,837,868 and \$614,062, respectively, as of the year ended June 30, 2019.

The publicly available financial report of the CIP Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov> which includes the financial statements of the Department of Central Management Services. Questions regarding the financial statements can be addressed to the Department of Central Management Services at 401 South Spring, Springfield, Illinois, 62706. A copy of the actuarial valuation report will be made available by the Commission on Government Forecasting and Accountability on its website at <http://cgfa.ilga.gov>.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 12: SUBSEQUENT EVENTS

The College has evaluated events occurring after the financial statement date through February 10, 2021 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

Part II – Required Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

**SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2020**

	Fiscal Year					
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Proportionate % of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%
Proportionate amount of the Collective Net Pension Liability of the College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability Associated With the College	<u>119,528,461</u>	<u>132,382,465</u>	<u>145,139,292</u>	<u>141,445,619</u>	<u>150,175,269</u>	<u>158,391,193</u>
Total	<u>119,528,461</u>	<u>132,382,465</u>	<u>145,139,292</u>	<u>141,445,619</u>	<u>150,175,269</u>	<u>158,391,193</u>
Employer Defined Benefit Covered Payroll	<u>\$ 19,893,278</u>	<u>\$ 20,230,643</u>	<u>\$ 20,252,966</u>	<u>\$ 19,663,007</u>	<u>\$ 19,582,481</u>	<u>\$ 20,001,937</u>
Proportionate amount of the Collective Net Pension Liability of the College as a % of the Defined Benefit Covered Payroll	<u>6.01%</u>	<u>6.54%</u>	<u>7.17%</u>	<u>7.19%</u>	<u>7.67%</u>	<u>7.92%</u>
SURS Plan Net Position as a % of Total Pension Liability	<u>44.39%</u>	<u>42.37%</u>	<u>39.57%</u>	<u>42.04%</u>	<u>41.27%</u>	<u>40.71%</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2020

	Fiscal Year						
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Federal, Trust, Grant and Other Contributions	\$ 190,417	\$ 211,043	\$ 250,765	\$ 291,172	\$ 237,228	\$ 295,512	\$ 313,493
Contributions in relation to the required contribution	<u>190,417</u>	<u>211,043</u>	<u>250,765</u>	<u>291,172</u>	<u>237,228</u>	<u>295,512</u>	<u>313,493</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee Payroll	\$ <u>19,893,278</u>	\$ <u>20,230,643</u>	\$ <u>20,252,966</u>	\$ <u>19,663,007</u>	\$ <u>19,582,481</u>	\$ <u>20,001,937</u>	\$ <u>20,093,933</u>
Contributions as a percentage of covered-employee payroll	<u>0.96%</u>	<u>1.04%</u>	<u>1.24%</u>	<u>1.48%</u>	<u>1.21%</u>	<u>1.48%</u>	<u>1.56%</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

These pension schedules are presented to illustrate the requirements of the Governmental Accounting Standard Board's Statement No. 68 to show information for ten years. However, until a full 10-year trend is compiled, the College will only present available information measured in accordance with the requirements of Statement No. 68.

Changes of benefit terms. There were no benefit changes recognized in the Total Pension Liability as of June 30, 2019

Changes of assumptions. In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least every three years to determine the reasonableness of actuarial assumption 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, 2014, to June 30, 2017, was performed in February 2018, resulting in the adoption of new assumptions as of June 30, 2018.

Salary Increase. Decrease in the overall assumed salary increase rates, ranging from 3.25 percent to 12.25 percent based on years of service, with underlying wage inflation of 2.25 percent.

Investment return. Decrease the investment return assumption to 6.75 percent. This reflects maintaining an assumed real rate of return of 4.50 percent and decreasing the underlying assumed price inflation to 2.25 percent.

Effective rate of interest. Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.75 percent (effective July 2, 2019).

Normal retirement rates. A slight increase in the retirement rate at age 50. No change to the rates for ages 60-61, 67-74 and 80+, but a slight decrease in rates at all other ages. A rate of 50 percent if the member has 40 or more years of service and is younger than age 80.

Early retirement rates. Decrease in rates for all Tier 1 early retirement eligibility ages (55-59).

Turnover rates. Change rates to produce lower expected turnover for members with less than 10 years of service and higher turnover for members with more than ten years of service.

Mortality rates. Maintain the RP-2014 mortality tables with projected generational mortality improvement. Update the projection scale from the MP-2014 to the MP-2017 scale.

Disability rates. Decrease current rates to reflect that certain members who receive disability benefits do not receive the benefits on a long-term basis.

Part III – Supplementary Financial Statements and Schedules

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF MANAGEMENT INFORMATION
COMBINING BALANCE SHEET - ALL FUND TYPES
JUNE 30, 2020

	Current Funds		Debt Service	Plant Funds		Total
	Unrestricted	Restricted		Operations and Maintenance (Restricted)	Investment in Plant	
<u>ASSETS</u>						
Cash	\$ (1,859,606)	\$ (705,776)	\$ 1,988,719	\$ 2,080,140	\$ -	\$ 1,503,477
Investments	15,732,723	29,694,006	-	8,640,932	-	54,067,661
Receivables:						
Taxes	11,930,836	3,251,114	10,973,550	2,089,404	-	28,244,904
Tuition	3,162,320	-	-	-	-	3,162,320
Interest	169,812	13,440	-	29,691	-	212,943
Other	576,551	2,588,061	-	7,735	-	3,172,347
Inventories	34,174	-	-	-	-	34,174
Prepaid/Deferred Expenses	71,390	754,029	-	-	-	825,419
Fixed Assets	-	-	-	-	221,597,254	221,597,254
Less Allowance for Accumulated Depreciation	-	-	-	-	(81,188,279)	(81,188,279)
Total Assets	\$ 29,818,200	\$ 35,594,874	\$ 12,962,269	\$ 12,847,902	\$ 140,408,975	\$ 231,632,220
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts Payable	\$ 691,860	\$ 2,993,582	\$ 318	\$ 47,739	\$ -	\$ 3,733,499
Accrued Interest	-	-	731,092	1,083	-	732,175
Accrued Salaries	2,094,030	-	-	-	-	2,094,030
Deferred Revenues:						
Deferred Taxes	6,031,498	1,680,696	5,672,892	1,080,139	-	14,465,225
Deferred Tuition and Fees	3,583,630	107,236	-	-	-	3,690,866
Other	145,212	1,161,334	-	-	-	1,306,546
Total Liabilities	12,546,230	5,942,848	6,404,302	1,128,961	-	26,022,341
Fund Balances:						
Net Investment in Plant Reserved	-	-	-	-	140,408,975	140,408,975
Unreserved	17,271,970	29,652,026	6,557,967	11,718,941	-	47,928,934
Total Fund Balances	17,271,970	29,652,026	6,557,967	11,718,941	140,408,975	205,609,879
Total Liabilities and Fund Balances	\$ 29,818,200	\$ 35,594,874	\$ 12,962,269	\$ 12,847,902	\$ 140,408,975	\$ 231,632,220

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF MANAGEMENT INFORMATION
 COMBINING STATEMENT OF CHANGES IN FUND BALANCES
 ALL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 2020

	Current Funds		Debt Service	Plant Funds		Total
	Unrestricted	Restricted		Operations and Maintenance (Restricted)	Investment in Plant	
Revenue:						
Property Taxes	\$ 12,167,518	\$ 3,355,526	\$ 11,376,767	\$ 2,133,626	\$ -	\$ 29,033,437
Personal Property						
Replacement Tax	1,156,250	-	-	-	-	1,156,250
Federal Grants and Contracts	260,553	11,589,923	-	-	-	11,850,476
State Grants and Contracts	6,987,500	7,037,094	-	-	-	14,024,594
All Other State Revenue	-	17,177,506	-	24,212	-	17,201,718
Chargeback Revenue	-	-	-	-	-	-
Tuition and Fees	11,052,625	653,545	-	-	-	11,706,170
Sales and Service Fees	791,968	797,588	-	-	-	1,589,556
Facilities Revenue	148,302	-	-	-	-	148,302
Expended for Plant Facilities:						
From Current Funds	-	-	-	-	660,921	660,921
From Plant Funds	-	-	-	-	1,594,898	1,594,898
Investment Revenue	337,699	628,464	-	184,477	-	1,150,640
Other Sources	159,099	995,908	-	267,758	-	1,422,765
Total Revenue	<u>33,061,514</u>	<u>42,235,554</u>	<u>11,376,767</u>	<u>2,610,073</u>	<u>2,255,819</u>	<u>91,539,727</u>
Expenditures:						
Educational and General						
Expenditures	29,602,347	40,572,094	-	-	-	70,174,441
Auxiliary Enterprises	1,471,835	902,306	-	-	-	2,374,141
Debt Service	-	-	14,079,466	253,043	-	14,332,509
Expended for Plant Facilities:						
Site Improvements and Remodeling	-	-	-	1,594,898	-	1,594,898
Expenditures Not Capitalized	-	-	-	2,950	18,784	21,734
Depreciation	-	-	-	-	5,224,940	5,224,940
Total Expenditures	<u>31,074,182</u>	<u>41,474,400</u>	<u>14,079,466</u>	<u>1,850,891</u>	<u>5,243,724</u>	<u>93,722,663</u>
Excess Revenue Over (Under)						
Expenditures	1,987,332	761,154	(2,702,699)	759,182	(2,987,905)	(2,182,936)
Other Financing Sources (Uses):						
Proceeds From Bonds	-	-	31,560,000	-	-	31,560,000
Premium (Discount) on Bonds Sold	-	-	3,178,328	-	-	3,178,328
Payment to Refunded Bond Escrow Agent	-	-	(34,246,594)	-	-	(34,246,594)
Transfers From (To) Other Funds	(660,727)	(228,023)	2,331,500	(1,442,750)	-	-
	<u>(660,727)</u>	<u>(228,023)</u>	<u>2,823,234</u>	<u>(1,442,750)</u>	<u>-</u>	<u>491,734</u>
Excess Revenue Over (Under)						
Expenditures and Other Financing Source (Uses)	1,326,605	533,131	120,535	(683,568)	(2,987,905)	(1,691,202)
Fund Balance, Beginning of Year	<u>15,945,365</u>	<u>29,118,895</u>	<u>6,437,432</u>	<u>12,402,509</u>	<u>143,396,880</u>	<u>207,301,081</u>
Fund Balance, End of Year	<u>\$ 17,271,970</u>	<u>\$ 29,652,026</u>	<u>\$ 6,557,967</u>	<u>\$ 11,718,941</u>	<u>\$ 140,408,975</u>	<u>\$ 205,609,879</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF MANAGEMENT INFORMATION
COMBINED STATEMENT OF CURRENT FUNDS REVENUE,
EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
Revenue:			
Property Taxes	\$ 12,167,518	\$ 3,355,526	\$ 15,523,044
Personal Property Replacement Tax	1,156,250	-	1,156,250
Federal Grants and Contracts	260,553	11,589,923	11,850,476
State Grants and Contracts	6,987,500	7,037,094	14,024,594
All Other State Revenue	-	17,177,506	17,177,506
Chargeback Revenue	-	-	-
Tuition and Fees	11,052,625	653,545	11,706,170
Sales and Service Fees	791,968	797,588	1,589,556
Facilities Revenue	148,302	-	148,302
Investment Revenue	337,699	628,464	966,163
Other Sources	159,099	995,908	1,155,007
On-Behalf Revenue	-	-	-
Total Revenue	<u>33,061,514</u>	<u>42,235,554</u>	<u>75,297,068</u>
Expenditures:			
Instruction	13,214,482	9,591,590	22,806,072
Academic Support	2,449,280	2,009,297	4,458,577
Student Services	2,737,922	1,880,382	4,618,304
Public Services	24,617	9,774,861	9,799,478
Auxiliary Enterprises	1,471,835	902,306	2,374,141
Operation and Maintenance of Plant	5,195,176	2,299,325	7,494,501
Institutional Support	4,792,670	6,852,276	11,644,946
Scholarships and Student Grants	1,188,200	8,164,363	9,352,563
Total Expenditures	<u>31,074,182</u>	<u>41,474,400</u>	<u>72,548,582</u>
Excess of Revenue Over Expenditures	1,987,332	761,154	2,748,486
Other Financing Sources (Uses):			
Transfers From (To) Other Funds	<u>(660,727)</u>	<u>(228,023)</u>	<u>(888,750)</u>
Excess of Revenue Over Expenditures and Other Financing Source (Uses)	<u>\$ 1,326,605</u>	<u>\$ 533,131</u>	<u>\$ 1,859,736</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF MANAGEMENT INFORMATION
 COMBINING BALANCE SHEET - CURRENT UNRESTRICTED AND RESTRICTED FUNDS
 JUNE 30, 2020

	Current Unrestricted Funds			Current Restricted Funds					
	Education Fund	Operation and Maintenance Fund	Auxiliary Enterprises Fund	Total Current Unrestricted Funds	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection and Settlement Fund	Total Current Restricted Funds
ASSETS									
Cash	\$ (1,396,768)	\$ (1,490,505)	\$ 1,027,667	\$ (1,859,606)	\$ 4,222,722	\$ (3,870,015)	\$ (19,481)	\$ (1,039,002)	\$ (705,776)
Investments	9,485,188	6,246,890	645	15,732,723	10,707,131	18,986,875	-	-	29,694,006
Receivables:									
Taxes	7,157,666	4,773,170	-	11,930,836	-	-	58,504	3,192,610	3,251,114
Tuition	3,162,320	-	-	3,162,320	-	-	-	-	-
Interest	94,181	75,631	-	169,812	-	13,440	-	-	13,440
Other	452,613	60,142	63,796	576,551	2,578,607	-	-	9,454	2,588,061
Inventories	15,054	-	19,120	34,174	-	-	-	-	-
Prepaid/Deferred Expenses	57,811	13,579	-	71,390	263,802	-	-	490,227	754,029
Total Assets	\$ 19,028,065	\$ 9,678,907	\$ 1,111,228	\$ 29,818,200	\$ 17,772,262	\$ 15,130,300	\$ 39,023	\$ 2,653,289	\$ 35,594,874
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 259,481	\$ 410,548	\$ 21,831	\$ 691,860	\$ 2,883,116	\$ -	\$ -	\$ 110,466	\$ 2,993,582
Accrued Salaries	2,078,673	-	15,357	2,094,030	-	-	-	-	-
Deferred Revenues:									
Deferred Taxes	3,618,467	2,413,031	-	6,031,498	-	-	30,244	1,650,452	1,680,696
Deferred Tuition and Fees	3,177,940	42,702	362,988	3,583,630	107,236	-	-	-	107,236
Other	-	94,442	50,770	145,212	1,161,134	-	-	200	1,161,334
Total Liabilities	9,134,561	2,960,723	450,946	12,546,230	4,151,486	-	30,244	1,761,118	5,942,848
Fund Balances:									
Reserved	-	-	-	-	13,620,776	15,130,300	8,779	892,171	29,652,026
Unreserved	9,893,504	6,718,184	660,282	17,271,970	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 19,028,065	\$ 9,678,907	\$ 1,111,228	\$ 29,818,200	\$ 17,772,262	\$ 15,130,300	\$ 39,023	\$ 2,653,289	\$ 35,594,874

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

**SCHEDULE OF MANAGEMENT INFORMATION
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - CURRENT UNRESTRICTED AND RESTRICTED FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Current Unrestricted Funds			Current Restricted Funds					
	Education Fund	Operation and Maintenance Fund	Auxiliary Enterprises Fund	Total Current Unrestricted Funds	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection and Settlement Fund	Total Current Restricted Funds
Revenue:									
Property Taxes	\$ 7,299,219	\$ 4,868,299	\$ -	\$ 12,167,518	\$ -	\$ -	\$ 58,194	\$ 3,297,332	\$ 3,355,526
Personal Property Replacement Tax	693,750	462,500	-	1,156,250	-	-	-	-	-
Federal Grants and Contracts	-	260,553	-	260,553	11,589,923	-	-	-	11,589,923
State Grants and Contracts	6,329,375	658,125	-	6,987,500	7,037,094	-	-	-	7,037,094
All Other State Revenue	-	-	-	-	17,177,506	-	-	-	17,177,506
Chargeback Revenue	-	-	-	-	-	-	-	-	-
Tuition and Fees	9,097,384	794,666	1,160,575	11,052,625	653,545	-	-	-	653,545
Sales and Service Fees	164,453	-	627,515	791,968	797,588	-	-	-	797,588
Facilities Revenue	-	111,886	36,416	148,302	-	-	-	-	-
Investment Revenue	196,562	141,062	75	337,699	176,115	452,349	-	-	628,464
Other Sources	67,997	65,912	25,190	159,099	993,308	-	-	2,600	995,908
Total Revenue	23,848,740	7,363,003	1,849,771	33,061,514	38,425,079	452,349	58,194	3,299,932	42,235,554
Expenditures:									
Instruction	13,214,482	-	-	13,214,482	9,591,590	-	-	-	9,591,590
Academic Support	2,449,280	-	-	2,449,280	2,009,297	-	-	-	2,009,297
Student Services	2,737,922	-	-	2,737,922	1,880,382	-	-	-	1,880,382
Public Services	24,617	-	-	24,617	9,774,861	-	-	-	9,774,861
Auxiliary Enterprises	-	-	1,471,835	1,471,835	902,306	-	-	-	902,306
Operation and Maintenance of Plant	-	5,195,176	-	5,195,176	970,181	-	-	1,329,144	2,299,325
Institutional Support	4,645,915	146,755	-	4,792,670	5,280,098	-	55,850	1,516,328	6,852,276
Scholarships and Student Grants	379,339	-	808,861	1,188,200	8,164,363	-	-	-	8,164,363
Total Expenditures	23,451,555	5,341,931	2,280,696	31,074,182	38,573,078	-	55,850	2,845,472	41,474,400
Excess Revenue Over (Under) Expenditures	397,185	2,021,072	(430,925)	1,987,332	(147,999)	452,349	2,344	454,460	761,154
Other Financing Sources (Uses):									
Transfers From (To) Other Funds	280,534	(1,562,144)	620,883	(660,727)	(228,023)	-	-	-	(228,023)
Excess Revenue Over (Under) Expenditures and Other Financing Source (Uses)	677,719	458,928	189,958	1,326,605	(376,022)	452,349	2,344	454,460	533,131
Fund Balance, Beginning of Year	9,215,785	6,259,256	470,324	15,945,365	13,996,798	14,677,951	6,435	437,711	29,118,895
Fund Balance, End of Year	\$ 9,893,504	\$ 6,718,184	\$ 660,282	\$ 17,271,970	\$ 13,620,776	\$ 15,130,300	\$ 8,779	\$ 892,171	\$ 29,652,026

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF MANAGEMENT INFORMATION
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

Fund Balances - All Fund Types	\$ 205,609,879
Unamortized Loss on Bond Refunding	745,476
Deferred Outflow - Pension Expense	313,493
Deferred Outflow - OPEB Expense	614,062
Deferred Inflow - OPEB Expense	(3,837,868)
Accrued OPEB Liability	(22,816,742)
Outstanding Debt	<u>(111,235,061)</u>
Net Position on Statement of Net Position	<u>\$ 69,393,239</u>
Net Change in Fund Balances	\$ (1,691,202)
Removed Internal Charges from Auxiliary Revenues	(43,709)
Removed Internal Charges from Auxiliary Expenditures	<u>(43,709)</u>
Net Effect	<u>-</u>
Deleted Capital Amounts Expended from Current Funds	(660,921)
Deleted Current Fund Expenditures for Capital Assets	<u>(660,921)</u>
Net Effect	<u>-</u>
Reduction in Federal Grants And Contracts	(7,166,433)
Reduction in Financial Aid	<u>(7,166,433)</u>
Net Effect	<u>-</u>
Activity Related to Debt Proceeds, Retirements and Pensions:	
Reduction of Debt Principal Payments	9,315,000
Principal Proceeds of Debt	(31,560,000)
Eliminate Payment to Bond Escrow Agent	34,246,594
Capitalize Premium	(3,178,328)
Amortization of Premium	772,854
Amortization of Refunding Loss	(203,220)
Change in Deferred Pension Expense	17,981
Change in Accrued OPEB Liability	(1,003,557)
Accretion of Debt Discount	<u>(88,689)</u>
Net Effect	<u>8,318,635</u>
Net Change in Net Position	<u>\$ 6,627,433</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF TAX RATES, EXTENSIONS AND COLLECTIONS
JUNE 30, 2020

Tax Rates									
Levy Year	Assessed Valuation	Education	Operations and Maintenance	Bond and Interest	Liability/ Judgements	Social Security/ Medicare	Protection Health Safety	Audit	Total
2010	\$ 3,589,355,702	\$ 0.1509	\$ 0.1006	\$ 0.2412	\$ 0.0778	\$ 0.0085	\$ -	\$ 0.0011	\$ 0.5801
2011	3,871,378,534	0.1481	0.0987	0.2292	0.0730	0.0086	-	0.0012	0.5588
2012	3,871,752,402	0.1550	0.1033	0.2429	0.0206	0.0042	0.0500	0.0011	0.5771
2013	3,847,965,350	0.1586	0.1057	0.2489	0.0605	0.0118	0.0500	0.0012	0.6367
2014	3,782,790,454	0.1609	0.1072	0.2586	0.0671	0.0035	0.0500	0.0013	0.6486
2015	3,844,537,844	0.1778	0.1185	0.2540	0.0951	0.0077	0.0500	0.0012	0.7043
2016	3,978,101,415	0.1798	0.1199	0.2737	0.0648	0.0074	0.0500	0.0014	0.6970
2017	4,074,354,426	0.1777	0.1185	0.2703	0.0526	0.0054	0.0500	0.0013	0.6758
2018	4,235,070,046	0.1712	0.1142	0.2653	0.0694	0.0072	0.0490	0.0013	0.6776
2019	4,364,199,875	0.1675	0.1117	0.2626	0.0699	0.0065	0.0500	0.0014	0.6696

Taxes Extended									
2010		\$ 5,416,338	\$ 3,610,892	\$ 8,657,526	\$ 2,792,518	\$ 305,095	\$ -	\$ 39,483	\$ 20,821,852
2011		5,733,512	3,821,051	8,873,200	2,826,106	332,939	-	46,457	21,633,265
2012		6,001,216	3,999,520	9,404,487	797,581	162,614	1,935,876	42,589	22,343,883
2013		6,102,873	4,067,299	9,577,586	2,328,018	454,060	1,923,983	46,176	24,499,995
2014		6,086,510	4,055,151	9,782,296	2,538,252	132,398	1,891,395	49,176	24,535,178
2015		6,835,588	4,555,777	9,765,126	3,656,156	296,029	1,922,269	46,134	27,077,079
2016		7,152,627	4,769,743	10,888,064	2,577,809	294,380	1,989,051	55,693	27,727,367
2017		7,240,128	4,828,110	11,012,980	2,143,111	220,015	2,037,177	52,967	27,534,488
2018		7,250,440	4,836,450	11,235,641	2,939,140	304,925	2,075,184	55,056	28,696,836
2019		7,310,035	4,874,811	11,460,389	3,050,576	283,673	2,182,100	61,099	29,222,683

	Taxes Collected		
	Total Extensions	Total Collections	Percent Collected
2010	\$ 20,821,852	\$ 20,819,165	99.99
2011	21,633,265	21,541,985	99.58
2012	22,343,883	22,281,993	99.72
2013	24,499,995	24,324,791	99.28
2014	24,535,178	24,400,884	99.45
2015	27,077,079	26,865,668	99.22
2016	27,727,367	27,611,323	99.58
2017	27,534,488	27,438,499	99.65
2018	28,696,836	28,773,141	100.27
2019	29,222,683	949,156	3.25

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

**SCHEDULE OF LEGAL DEBT MARGIN
FOR THE YEAR ENDED JUNE 30, 2020**

Estimated Total Equalized Assessed Valuation - 2019 Levy	<u>\$ 4,620,623,539</u>
Debt Limit, 2.875% of Assessed Valuation	\$ 132,842,927
Outstanding Indebtedness:	
Bonds	98,794,479
Debt Certificates	<u>250,000</u>
	<u>99,044,479</u>
Legal Debt Margin	<u>\$ 33,798,448</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

UNIFORM FINANCIAL STATEMENT #1
ALL FUNDS SUMMARY
FOR THE YEAR ENDED JUNE 30, 2020

	EDUCATION FUND	OPERATIONS AND MAINTENANCE FUND	OPERATIONS AND MAINTENANCE (RESTRICTED) FUND	BOND AND INTEREST FUND	AUXILIARY ENTERPRISE FUND	RESTRICTED PURPOSES FUND	AUDIT FUND	LIABILITY, PROTECTION AND SETTLEMENT FUND	WORKING CASH FUND	TOTAL
Fund Balance, June 30, 2019	\$ 9,215,785	\$ 6,259,256	\$ 12,402,509	\$ 6,437,432	\$ 470,324	\$ 13,996,798	\$ 6,435	\$ 437,711	\$ 14,677,951	\$ 63,904,201
Revenues:										
Local Tax Revenue	7,992,969	5,330,799	2,133,626	11,376,767	-	-	58,194	3,297,332	-	30,189,687
All Other Local Revenue	-	-	-	-	-	-	-	-	-	-
ICCB State Grants	6,329,375	658,125	-	-	-	917,015	-	-	-	7,904,515
All Other State Revenue	-	-	24,212	-	-	23,297,585	-	-	-	23,321,797
Federal Revenue	-	260,553	-	-	-	11,589,923	-	-	-	11,850,476
Student Tuition and Fees	9,097,384	794,666	-	-	1,160,575	653,545	-	-	-	11,706,170
Sales and Service Fees	164,453	-	-	-	627,515	797,588	-	-	-	1,589,556
All Other Revenue	264,559	318,860	452,235	34,738,328	61,681	1,169,423	-	2,600	452,349	37,460,035
Total Revenue	<u>23,848,740</u>	<u>7,363,003</u>	<u>2,610,073</u>	<u>46,115,095</u>	<u>1,849,771</u>	<u>38,425,079</u>	<u>58,194</u>	<u>3,299,932</u>	<u>452,349</u>	<u>124,022,236</u>
Expenditures:										
Instruction	13,214,482	-	-	-	-	9,591,590	-	-	-	22,806,072
Academic Support	2,449,280	-	-	-	-	2,009,297	-	-	-	4,458,577
Student Services	2,737,922	-	-	-	-	1,880,382	-	-	-	4,618,304
Public Services	24,617	-	-	-	-	9,774,861	-	-	-	9,799,478
Independent Operations	-	-	-	-	1,471,835	902,306	-	-	-	2,374,141
Operations and Maintenance of Plant	-	5,195,176	-	-	-	970,181	-	1,329,144	-	7,494,501
Institutional Support	4,645,915	146,755	1,850,891	48,326,060	-	5,280,098	55,850	1,516,328	-	61,821,897
Scholarships and Student Grants	379,339	-	-	-	808,861	8,164,363	-	-	-	9,352,563
Total Expenditures	<u>23,451,555</u>	<u>5,341,931</u>	<u>1,850,891</u>	<u>48,326,060</u>	<u>2,280,696</u>	<u>38,573,078</u>	<u>55,850</u>	<u>2,845,472</u>	<u>-</u>	<u>122,725,533</u>
Net Transfers	<u>280,534</u>	<u>(1,562,144)</u>	<u>(1,442,750)</u>	<u>2,331,500</u>	<u>620,883</u>	<u>(228,023)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2020	\$ 9,893,504	\$ 6,718,184	\$ 11,718,941	\$ 6,557,967	\$ 660,282	\$ 13,620,776	\$ 8,779	\$ 892,171	\$ 15,130,300	\$ 65,200,904

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

UNIFORM FINANCIAL STATEMENT #2
SUMMARY OF FIXED ASSETS AND DEBT
FOR THE YEAR ENDED JUNE 30, 2020

	<u>FIXED ASSET/DEBT ACCOUNT GROUPS JUNE 30, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>FIXED ASSET/DEBT ACCOUNT GROUPS JUNE 30, 2020</u>
<u>FIXED ASSETS:</u>				
Site and Improvements	\$ 22,224,569	\$ 397,805	\$ -	\$ 22,622,374
Buildings, Additions and Improvements	180,329,710	3,001,101	-	183,330,811
Equipment	12,447,739	583,618	122,215	12,909,142
Sculptures & Art	2,460,505	-	-	2,460,505
Construction in Progress	<u>2,001,127</u>	<u>1,672,200</u>	<u>3,398,905</u>	<u>274,422</u>
Net Fixed Assets	<u>\$ 219,463,650</u>	<u>\$ 5,654,724</u>	<u>\$ 3,521,120</u>	<u>\$ 221,597,254</u>
<u>FIXED DEBT:</u>				
Bonds Payable	\$ 114,290,511	\$ 31,648,689	\$ 42,840,000	\$ 103,099,200
Other Fixed Liabilities	485,000	-	235,000	250,000
Accrued OPEB Liability	<u>22,910,966</u>	<u>-</u>	<u>94,224</u>	<u>22,816,742</u>
Total Fixed Liabilities	<u>\$ 137,686,477</u>	<u>\$ 31,648,689</u>	<u>\$ 43,169,224</u>	<u>\$ 126,165,942</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

UNIFORM FINANCIAL STATEMENT #3
 OPERATING FUNDS REVENUES AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 2020

<u>OPERATING REVENUES BY SOURCE</u>	<u>EDUCATION FUND</u>	<u>OPERATIONS AND MAINTENANCE (UNRESTRICTED) FUND</u>	<u>TOTAL OPERATING FUNDS</u>
Local Government:			
Current Taxes	\$ 7,299,219	\$ 4,868,299	\$ 12,167,518
Corporate Personal Property Replacement Tax	693,750	462,500	1,156,250
Chargeback Revenue	-	-	-
Total Local Government	<u>7,992,969</u>	<u>5,330,799</u>	<u>13,323,768</u>
State Government:			
ICCB Apportionment	5,976,425	658,125	6,634,550
Vocational Education Allocation	<u>352,950</u>	-	<u>352,950</u>
Total State Government	<u>6,329,375</u>	<u>658,125</u>	<u>6,987,500</u>
Federal Government:			
Build America Bonds Interest Rebate	-	260,553	260,553
Total Federal Government	<u>-</u>	<u>260,553</u>	<u>260,553</u>
Tuition and Fees:			
Tuition	7,978,228	658,125	8,636,353
Fees	1,119,156	136,541	1,255,697
Other Sales and Service Fees	<u>164,453</u>	-	<u>164,453</u>
Total Tuition and Fees	<u>9,261,837</u>	<u>794,666</u>	<u>10,056,503</u>
Other Sources:			
Facilities Revenue	-	111,886	111,886
Interest on Investments	196,562	141,062	337,624
Other Revenue	67,997	65,912	133,909
Transfers	<u>659,411</u>	-	<u>659,411</u>
Total Other Sources	<u>923,970</u>	<u>318,860</u>	<u>1,242,830</u>
 Total Revenue	 24,508,151	 7,363,003	 31,871,154
Less Tuition Chargeback	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Revenue	<u>\$ 24,508,151</u>	<u>\$ 7,363,003</u>	<u>\$ 31,871,154</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

UNIFORM FINANCIAL STATEMENT #3
OPERATING FUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2020

<u>OPERATING EXPENDITURES</u>	<u>EDUCATION FUND</u>	<u>OPERATIONS AND MAINTENANCE (UNRESTRICTED) FUND</u>	<u>TOTAL OPERATING FUNDS</u>
<u>By Program:</u>			
Instruction	\$ 13,214,482	\$ -	\$ 13,214,482
Academic Support	2,449,280	-	2,449,280
Student Services	2,737,922	-	2,737,922
Public Services	24,617	-	24,617
Operation and Maintenance of Plant	-	5,195,176	5,195,176
Institutional Support	4,645,915	146,755	4,792,670
Scholarships and Student Grants	379,339	-	379,339
Transfers	<u>378,877</u>	<u>1,562,144</u>	<u>1,941,021</u>
Total Expenditures	23,830,432	6,904,075	30,734,507
Less Tuition Chargeback	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Expenditures	<u>\$ 23,830,432</u>	<u>\$ 6,904,075</u>	<u>\$ 30,734,507</u>
<u>By Object:</u>			
Salaries	\$ 18,444,898	\$ 1,253,541	\$ 19,698,439
Employee Benefits	2,430,198	247,230	2,677,428
Contractual Services	852,191	2,081,446	2,933,637
General Materials and Supplies	1,052,089	285,973	1,338,062
Conference and Meeting Expense	80,176	5,222	85,398
Fixed Charges	15,806	84,688	100,494
Utilities	-	1,383,469	1,383,469
Capital Outlay	-	-	-
Other	196,858	362	197,220
Scholarships and Student Grants	379,339	-	379,339
Transfers	<u>378,877</u>	<u>1,562,144</u>	<u>1,941,021</u>
Total Expenditures	23,830,432	6,904,075	30,734,507
Less Tuition Chargeback	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Expenditures	<u>\$ 23,830,432</u>	<u>\$ 6,904,075</u>	<u>\$ 30,734,507</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

UNIFORM FINANCIAL STATEMENT #4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2020

<u>Revenue By Source</u>	<u>RESTRICTED PURPOSES FUND</u>
Federal Government:	
Federal Work Study	\$ 113,746
FSEOG	153,649
PELL	4,495,869
Federal Direct Student Loans	2,523,800
CARES/HEERF Student	1,031,190
CARES/HEERF Institution	356,293
Talent Search	317,971
Upward Bound	334,011
MCETD Youth Employment Enhancement Program	59,040
CTE Dual Credit Enhancement	36,192
Perkins Postsecondary Grant	413,416
Federal Adult Education - Basic	186,485
Adult Education & Family Literacy - EL/Civics	39,220
Youthbuild - DOL	421,497
Veterans Support	1,650
IVEDC Grant - CNA	1,538
Community Services Block Grant - Skills Training - CNA	1,457
Dental Sealant	32
Americorps - Youthbuild	84,853
Southern IL Transition Project	78,653
Expanding the Solar Workforce	101,948
Community Services Block Grant - Vocational	3,532
Wood River and Piasa Creek Watershed	14,551
NSF - Noyce Scholars	13,752
NSF - ROL: FEL EAGER	88,946
NRCS: Technical Assistance CRP/WRE	288,604
CESU - Japanese Hops Control and Management	4,895
U of I NSF Big D	21,050
Floodplain Forest Canopy Gap Dynamics	18,089
UMRS Forest Canopy	10,047
IDNR - Living with Wildlife	325,000
IDNR - Herpetology	7,955
IDNR - Bird Voice	6,377
EPA Wetland Development	1,220
IDNR - Southern Illinois Habitat	33,395
Total Federal Government	<u>11,589,923</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
UNIFORM FINANCIAL STATEMENT #4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES

(Continued)

	<u>RESTRICTED PURPOSES FUND</u>
<u>Revenue By Source</u>	
State Government:	
ICCB - Adult Education	328,908
ICCB - Early School	56,470
ICCB Inn Bridge & Training	100,000
Secretary of State - Family Literacy	113,300
Optional Education	50,626
Illinois Youthbuild	91,521
LC Reading Service	17,438
East St. Louis Higher Ed	431,637
NGRREC State Appropriation	1,778,841
NGRREC IEPA State Appropriation	332,971
NGRREC IDNR	88,564
IGEN State Appropriation	1,346,605
IGEN Illinois	2,000,000
IDNR Heritage	13,071
Highway Construction	278,414
IL Coop Work Study	8,728
On-Behalf Contributions	<u>17,177,506</u>
Total State Government	<u>24,214,600</u>
 <u>Revenue By Source</u>	
Other:	
Center for Workforce Training	249,485
Scholarships	37,500
Interest	176,116
Student Organizations	75,878
Music Preparatory Program	82,901
Community Education	72,444
College for Life	130,230
McKnight - Mississippi River Basin	55,001
Gifts	44,813
Walton Foundation	124,821
IGEN Consortium	125,000
Other	491,608
Supported College Transition	69,650
Health Reimbursement	<u>885,109</u>
Total Other Sources	<u>2,620,556</u>
Transfers In	<u>1,464,502</u>
Total Restricted Purposes Fund Revenues	<u>\$ 39,889,581</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536
 UNIFORM FINANCIAL STATEMENT #4
 RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES

(Continued)

	<u>RESTRICTED PURPOSES FUND</u>
<u>Expenditures By Program:</u>	
Instruction	\$ 9,591,590
Academic Support	2,009,297
Student Services	1,880,382
Public Services	9,774,861
Independent Operations	902,306
Operations and Maintenance of Plant	970,181
Institutional Support	5,280,098
Scholarships and Student Grants	8,164,363
Transfers	<u>1,692,525</u>
Total Restricted Purposes Fund Expenditures	<u>\$ 40,265,603</u>

<u>Expenditures By Object:</u>	
Salaries	\$ 4,730,494
Employee Benefits	18,569,086
Contractual Services	5,253,444
General Materials and Supplies	619,441
Conference and Meeting Expense	247,544
Fixed Charges	33,996
Utilities	86,922
Capital Outlay	660,921
Scholarships and Student Grants	8,164,363
Other	206,867
Transfers	<u>1,692,525</u>
Total Restricted Purposes Fund Expenditures	<u>\$ 40,265,603</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

UNIFORM FINANCIAL STATEMENT #5
CURRENT FUNDS - EXPENDITURES BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2019

Instruction	<u>\$ 22,806,072</u>
Academic Support:	
Library Center	300,101
Educational Media Services	166,030
Academic Computing	1,783,130
Academic Administration and Planning	707,620
Other	<u>1,501,696</u>
Total Academic Support	<u>4,458,577</u>
Student Services:	
Admissions and Records	929,420
Counseling and Career Services	932,147
Health Services	414,833
Financial Aid Administration	383,793
Minority Affairs	215,283
Other	<u>1,742,828</u>
Total Student Services	<u>4,618,304</u>
Public Services:	
Community Education	496,345
Customized Training (Instructional)	982,981
Other	<u>8,320,152</u>
Total Public Service	<u>9,799,478</u>
Auxiliary Services	<u>2,374,141</u>
Operations and Maintenance of Plant:	
Building and Grounds Maintenance	1,995,733
Custodial Services	993,754
Campus Security	1,577,414
Transportation	43,195
Utilities	1,535,207
Administration	103,507
Other	<u>1,245,691</u>
Total Operations and Maintenance of Plant	<u>7,494,501</u>
Institutional Support:	
Executive Management	1,184,398
Fiscal Operations	813,046
Community Relations	317,816
Administrative Support Services	596,663
Board of Trustees	55,196
General Institution	3,331,253
Administrative Data Processing	1,302,621
Other	<u>4,043,953</u>
Total Institutional Support	<u>11,644,946</u>
Scholarships and Student Grants	<u>9,352,563</u>
 Total Current Funds Expenditures	 <u><u>\$ 72,548,582</u></u>

Part IV -- Illinois Community College Board State Grants
Financial Compliance Section

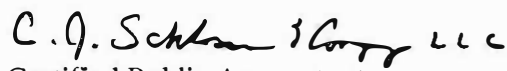
**AUDITOR'S REPORT ON COMPLIANCE WITH STATE REQUIREMENTS FOR
ADULT EDUCATION & FAMILY LITERACY GRANTS**

Chairman and Board of Trustees
Lewis and Clark Community College
District 536
Godfrey, Illinois 62035

We have audited the balance sheets of the Adult Education & Family Literacy grants of Lewis and Clark Community College District 536 as of June 30, 2020, and the related statements of revenues, expenditures and changes in fund balance - actual for the year then ended. These financial statements are the responsibility of Lewis and Clark Community College District 536's administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the grant policy guidelines of the Illinois Community College Board's *Adult Education and Family Literacy Audit Requirements*. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. Our audit also included a review of compliance with the provisions of laws, regulations, contracts and grants between Lewis and Clark Community College District 536 and the State of Illinois and Illinois Community College Board. We believe that our audit provides a reasonable basis for our opinion and Lewis and Clark Community College District 536 is in compliance with the provisions of laws, contracts and ICCB policy guidelines for restricted grants.

In our opinion, such financial statements referred to above present fairly, in all material respects, the financial position of the Adult Education & Family Literacy grants of Lewis and Clark Community College District 536 at June 30, 2020, and the results of their operations for the year then ended in conformity with generally accepted accounting principles.


Certified Public Accountants
Alton, Illinois
February 10, 2021

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

ADULT EDUCATION & FAMILY LITERACY GRANT PROGRAMS
BALANCE SHEET
JUNE 30, 2020

	<u>State Basic</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
<u>Assets</u>			
Cash	\$ (31,002)	\$ (6,179)	\$ (37,181)
Due From the Illinois Community College Board	<u>31,002</u>	<u>6,179</u>	<u>37,181</u>
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>Liabilities and Fund Balance</u>			
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to grant financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

ADULT EDUCATION & FAMILY LITERACY GRANT PROGRAMS
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>State Basic</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
Revenue:			
ICCB Grant	\$ 212,646	\$ 116,262	\$ 328,908
Expenditures:			
Instruction	131,706	-	131,706
Social Work Services	46,330	18,863	65,193
Guidance Services	-	-	-
Student Transportation Services	50	400	450
Literacy Services	3,666	-	3,666
Child Care Services	-	1,985	1,985
Subtotal Instructional and Student Services	<u>181,752</u>	<u>21,248</u>	<u>203,000</u>
Improvement of Instructional Services	756	3,970	4,726
Indirect Costs	15,752	8,612	24,364
General Administration	-	24,001	24,001
Data and Information Services	14,386	58,431	72,817
Operation & Maintenance	-	-	-
Subtotal Program Support	<u>30,894</u>	<u>95,014</u>	<u>125,908</u>
Total Expenditures	<u>212,646</u>	<u>116,262</u>	<u>328,908</u>
Excess Revenue Over Expenditures	-	-	-
Fund Balance, July 1, 2019	-	-	-
Fund Balance, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to grant financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

ICCB COMPLIANCE STATEMENT FOR
ADULT EDUCATION & FAMILY LITERACY GRANT PROGRAMS
EXPENDITURE AMOUNTS AND PERCENTAGES
FOR ICCB GRANT FUNDS ONLY
FOR THE YEAR ENDED JUNE 30, 2020

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$131,706	61.94%
General Administration (15% Maximum Allowed)	\$0	0.00%

See notes to grant financial statements

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

**ILLINOIS COMMUNITY COLLEGE BOARD GRANT PROGRAMS
NOTES TO GRANT FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. General

The accompanying statements include only those transactions resulting from the Adult Education & Family Literacy grant programs. These transactions have been accounted for in the Restricted Purposes Fund.

b. Basis of Accounting

The statements have been prepared on the modified accrual basis. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2020. Funds obligated for goods prior to June 30 for which goods are received prior to August 31 are recorded as encumbrances. Unexpended funds, if any, are reflected as a reduction of fund balance and a liability due to the ICCB by October 15.

c. Fixed Assets

Fixed asset purchases are recorded as capital outlay and not capitalized.

NOTE 2: BACKGROUND INFORMATION RELATED TO STATE GRANT ACTIVITY

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.

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 child care facilities or provision.

Performance

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

Part V – Enrollment Data and Other Bases
Upon Which Claims Are Filed

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

Chairman and Board of Trustees
Lewis and Clark Community College
District 536
Godfrey, Illinois 62035

We have audited the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Lewis and Clark Community College District 536 for the year ended June 30, 2020. The Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed is the responsibility of the College's Management. Our responsibility is to express an opinion on the schedule based upon our examination.

Our examination was made in accordance with the guidelines of the Illinois Community College Board'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.

In our opinion, the accompanying Schedule of Enrollment Data and Bases Upon Which Claims Are Filed is fairly presented in accordance with the provisions of the aforementioned guidelines.



Certified Public Accountants
Alton, Illinois
February 10, 2021

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF ENROLLMENT DATA AND OTHER
BASES UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2020

Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)

Categories	Summer 2019		Fall 2019		Spring 2020		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	4,282.0	-	27,328.5	218.0	28,276.5	90.0	59,887.0	308.0
Business Occupational	357.0	-	3,654.0	20.0	2,940.5	-	6,951.5	20.0
Technical Occupational	249.0	57.0	4,709.0	42.0	4,954.0	63.0	9,912.0	162.0
Health Occupational	603.0	-	3,461.0	66.0	2,967.0	98.0	7,031.0	164.0
Remedial Development	252.0	-	2,013.0	45.0	1,017.0	-	3,282.0	45.0
ABE/ASE	60.0	678.0	24.0	1,352.5	18.0	1,122.5	102.0	3,153.0
	<u>5,803.0</u>	<u>735.0</u>	<u>41,189.5</u>	<u>1,743.5</u>	<u>40,173.0</u>	<u>1,373.5</u>	<u>87,165.5</u>	<u>3,852.0</u>

	Attending In-District	Attending Out-of-District on Chargeback or Cooperative/ Contractual Agreement	Total
Semester Credit Hours	<u>86,956.5</u>	<u>4,124.0</u>	<u>91,080.5</u>

	Dual Credit	Dual Enrollment
Reimbursable Semester Credit Hours (All Terms)	<u>26,148.0</u>	<u>-</u>

District 2019 Equalized Assessed Valuation \$ 4,620,623,539

Signatures _____
 Chief Executive Officer Chief Financial Officer

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

**RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Categories</u>	<u>Total Unrestricted Credit Hours</u>	<u>Total Unrestricted Certified Credit Hours to the ICCB</u>	<u>Difference</u>	<u>Total Restricted Credit Hours</u>	<u>Total Restricted Credit Hours Certified to the ICCB</u>	<u>Difference</u>
Baccalaureate	59,887.0	59,887.0	-	308.0	308.0	-
Business Occupational	6,951.5	6,951.5	-	20.0	20.0	-
Technical Occupational	9,912.0	9,912.0	-	162.0	162.0	-
Health Occupational	7,031.0	7,031.0	-	164.0	164.0	-
Remedial Development	3,282.0	3,282.0	-	45.0	45.0	-
ABE/ASE	102.0	102.0	-	3,153.0	3,153.0	-
Total	<u>87,165.5</u>	<u>87,165.5</u>	<u>-</u>	<u>3,852.0</u>	<u>3,852.0</u>	<u>-</u>

**RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND
COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS**

	<u>Total Attending (Unrestricted and Restricted)</u>	<u>Total Attending as Certified to the ICCB (Unrestricted and Restricted)</u>	<u>Difference</u>
In-District Residents	86,956.5	86,956.5	-
Out-of-District on Chargeback or Contractual Agreement	4,124.0	4,124.0	-
Total	<u>91,080.5</u>	<u>91,080.5</u>	<u>-</u>

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

DOCUMENTATION OF RESIDENCY VERIFICATION STEPS

JUNE 30, 2020

The College adheres to the rules and policies of the Illinois Community College Board in documenting student residency.

The College procedure is as follows:

Upon initial contact with students, the College receives admission forms and other documents indicating residency. To be coded "in-district", each student must have lived at the in-district address supplied on forms for at least 30 days prior to the official beginning date of the semester and show proof of his/her residency at this address by providing one of the following documents:

- a. An Illinois driver's license
- b. An Illinois auto license registration
- c. An Illinois voter's registration card
- d. An Illinois property tax statement
- e. A document showing the student's past or existing status as an in-district student, e.g. a high school transcript
- f. Other non-self serving documentation

After the College staff member has witnessed the above documentation verifying residency, a code is entered on the student's computer record indication verification of residency. The student is automatically coded as the appropriate residence status within the Ellucian Colleague system.

Students who live out-of-district and work at least 35 hours per week in-district are eligible to receive the in-district tuition rate. The College requires documentation from the student's employer to be eligible. While the College serves very few students who meet the following criteria, these students also qualify for in-district status if the appropriate documentation is provided: Federal job corps workers stationed in Illinois; members of the armed forces stationed in Illinois; and inmates of state correctional/rehabilitation institutions located in Illinois.

The College periodically updates staff training to properly administer the residency policies and procedures.

Part VI – Federal Awards

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Expenditures
<u>Department of Education:</u>				
Direct Programs:				
<u>Student Financial Assistance Cluster:</u>				
S.E.O.G.	84.007		153,649	\$ 168,000
Federal Direct Student Loans	84.268		N/A	2,191,993
Federal Work Study	84.033		126,180	137,707
PELL	84.063		N/A	4,625,379
PELL Admin	84.063		N/A	6,885
Total Student Financial Assistance Cluster				<u>7,129,964</u>
<u>TRIO Cluster:</u>				
Talent Search 2020	84.044A		340,354	272,618
Talent Search 2019	84.044A		325,698	45,353
Upward Bound 2020	84.047A		357,868	258,789
Upward Bound 2019	84.047A		342,457	75,222
Total TRIO Cluster				<u>651,982</u>
Higher Education Emergency Relief Grant - Student	84.425E		1,031,190	1,031,190
Higher Education Emergency Relief Grant - Institution	84.425F		1,031,190	356,293
				<u>1,387,483</u>
Passed Through Illinois Community College Board:				
Career & Technical Ed Program- Perkins Postsecondary Grant	84.048	CTE51720	319,574	306,450
Career & Technical Ed Program- Leadership Grant (Dual Credit CNA to RN)	84.048	LEAD53619	46,838	36,192
Career & Technical Ed Program- Perkins Postsecondary Grant (East St. Louis)	84.048	ESTL53619	200,000	106,966
Total CFDA 84.048				<u>449,608</u>

See accompanying notes to schedule of expenditures of federal awards

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Expenditures
<u>Passed Through Illinois Community</u>				
College Board:				
Adult Education & Family Literacy (Federal Basic)	84.002	5360120	186,485	186,485
Adult Education & Family Literacy (EL/Civics)	84.002	5360120	39,220	39,220
Total CFDA 84.002A				<u>225,705</u>
Total Department of Education				<u>9,844,742</u>
<u>Corporation for National and Community Service</u>				
Direct Program:				
YouthBuild USA Americorps	94.006		85,725	44,597
YouthBuild USA Americorps	94.006		99,400	40,256
Total Corporation for National and Community Service				<u>84,853</u>
<u>Department of Health and Human Services:</u>				
Passed Through Illinois Council on Developmental Disabilities:				
Southern Illinois Transition Project	93.630	1125	272,859	78,653
Passed Through Madison County Community Development:				
Community Services Block Grant - Skills Training - Certified Nursing Assistant	93.569	2019-CSBG-003	5,100	1,457
Community Services Block Grant - Skills Training - Vocational Training	93.569	2020-CSBG-003	5,000	3,532
Passed Through Illinois Valley Economic Dev Corp:				
IVEDC Grant - CNA	93.569		1,538	1,538
Total CFDA 93.569				<u>6,527</u>
Passed Through Illinois Department of Public Health:				
Dental Sealant Grant	93.994	93489017G	1,000	32
Total Department of Health and Human Services				<u>85,212</u>

See accompanying notes to schedule of expenditures of federal awards

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Expenditures
<u>Department of Labor:</u>				
Passed Through ETA:				
YouthBuild	17.274	YB-31072-17-60-A-17	1,100,000	<u>421,497</u>
Passed Through DCEO:				
MCEID Youth Employment Enhancement Program Agreement WIOA	17.259	2019-YEEP-003	59,040	<u>59,040</u>
Total Department of Labor				<u>480,537</u>
<u>National Science Foundation:</u>				
Direct Programs;				
Noyce Scholars	47.076		108,550	<u>13,752</u>
RoL: FEL: EAGER Metabolic Assymetry	47.074		297,582	<u>88,946</u>
Passed through University of Illinois:				
UofI NSF Big Data Regional Innovation Hubs	47.070	1762039/092425-17800	111,416	<u>21,050</u>
Total National Science Foundation				<u>123,748</u>
<u>United States Department of Agriculture:</u>				
Passed Through Natural Resources Conservation Service:				
NRCS/Skilled Technical Assistant-CRP	10.069	68-5A12-18-001	801,840	<u>288,604</u>
Passed Through Illinois Department of Natural Resources:				
IDNR-Southern Illinois Strike Team	10.903	R16894005	400,964	<u>33,395</u>
Total United States Department of Agriculture				<u>321,999</u>
<u>Department of Energy:</u>				
Direct Program:				
Expanding the Solar Workforce	81.087	DE-EE0008576	598,283	<u>101,948</u>
Total Department of Energy				<u>101,948</u>

See accompanying notes to schedule of expenditures of federal awards

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Expenditures
<u>Department of Defense:</u>				
Passed Through US Army Corps of Engineers, ERDC Contracting Office:				
CESU: Forest Resources Inventory and Analysis	12.630	W912HZ-17-2-0021	114,771	<u>4,895</u>
Total Department of Defense				<u>4,895</u>
<u>Environmental Protection Agency</u>				
Passed Through Heartland Conservancy:				
Wood River and Piasa Creek Watershed	66.454	604182	24,999	<u>14,551</u>
Direct Program:				
EPA Region 5 Wetland Development	66.461		134,324	<u>1,220</u>
Total Environmental Protection Agency				<u>15,771</u>
<u>Department of the Interior</u>				
Passed Through US Geological Survey Office:				
Floodplain Forest Canopy Gap	15.808	G19AC00361	39,556	<u>10,047</u>
Floodplain Forest Canopy Gap	15.808	G19AC00028	34,452	<u>18,089</u>
				<u>28,136</u>
Passed Through Illinois Department of Natural Resources:				
IDNR Living with Wildlife (Wildlife Restoration)	15.611	W-147-T-12	325,000	<u>325,000</u>
				<u>325,000</u>
IDNR Assessment of Herpetological Species	15.634	T-112-R-1	81,360	7,955
IDNR Bird Voiced Tree Frog	15.634	RC20T129R1	179,092	<u>6,377</u>
				<u>14,332</u>
Total Department of the Interior				<u>367,468</u>
Total Federal Award Programs				<u>\$ 11,431,173</u>
The College did not pass-through any funds to sub-recipients				

See accompanying notes to schedule of expenditures of federal awards

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Lewis and Clark Community College District 536 (College). The College's reporting entity is defined in Note 1 to the College's financial statements.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.

Relationship to General Purpose Financial Statements

Federal awards received are reflected in the College's financial statements within the Restricted Purposes Fund as receipts from federal sources.

Relationship to Program Financial Reports

Amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree with amounts reported in financial claim reports for programs that have filed final reports as of June 30, 2020, with various funding agencies.

Noncash Assistance, Federal Insurance and Loans/Loan Guarantees

The College did not receive any noncash assistance for the year ended June 30, 2020. The College also did not receive any federal guaranteed loans or federal insurance for any of its programs for the year ended June 30, 2020.

Subrecipient Monitoring

The College did not have any federal funds that were passed through to subrecipients during the year ended June 30, 2020.

Indirect Cost Rate

The College has developed and used an indirect cost rate of 37% for On-campus programs and 16% for Off-campus programs.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2020**

Part 1 – Summary of Auditor’s Results

- a) An unmodified opinion was issued in the report on the financial statements.
- b) No significant deficiencies or material weaknesses in internal control were reported in the audit of the financial statements of Lewis and Clark Community College District 536.
- c) The audit did not disclose any noncompliance that is material to the financial statements of Lewis and Clark Community College District 536.
- d) No significant deficiencies or material weaknesses in internal control over major programs were disclosed by the audit of the financial statements of Lewis and Clark Community College District 536.
- e) An unmodified opinion was issued in the report on compliance for major programs.
- f) The audit disclosed no findings that are required to be reported in accordance with 2 CFR Section 200 516(a).
- g) Lewis and Clark Community College District 536’s major programs are the Student Financial Assistance Cluster and the Higher Education Emergency Relief Grant CFDA# 84.425.

Federal Pell Grant

Sample Description	OPEID	Sample		Population from which the Sample was drawn	
		Students Receiving Pell (#)	Pell Disbursed (\$)	Students Receiving Pell (#)	Pell Disbursed (\$)
Eligibility	010020	1,770	4,623,846	34	110,257
Return to Title IV	010020	134	56,074	3	5,138

Federal Direct Student Loan

Sample Description	OPEID	Sample		Population from which the Sample was drawn	
		Receiving Direct Loans (#)	Direct Loans Disbursed (\$)	Students Receiving Direct Loans (#)	Direct Loans Disbursed (\$)
Eligibility	G10020	600	2,191,993	32	93,644
Return to Title IV	G10020	16	15,014	2	1,857

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2020

h) The dollar threshold to distinguish between Type A and Type B programs is \$750,000.

i) Lewis and Clark Community College District 536 qualifies as a low-risk auditee.

Part 2 – Lewis and Clark Community College District 536 has no findings to the financial statements that are required to be reported in accordance with GAGAS.

Part 3 - Lewis and Clark Community College District 536 has no findings or questioned costs for federal awards.

LEWIS AND CLARK COMMUNITY COLLEGE DISTRICT 536

PRIOR YEAR FINDINGS AND QUESTIONED COSTS
JUNE 30, 2020

None

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

Chairman and Board of Trustees
Lewis and Clark Community College
District 536
Godfrey, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Lewis and Clark Community College District 536 ("College") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated February 10, 2021.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness 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 these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from 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 determination of financial statement amounts. 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants

Alton, Illinois

February 10, 2021

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

Chairman and Board of Trustees
Lewis and Clark Community College
District 536
Godfrey, Illinois

Report on Compliance for Each Major Federal Program

We have audited Lewis and Clark Community College District 536's ("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, 2020. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of College's major federal programs based on our audit of the types of compliance requirements referred to above. 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, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

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 identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance what we consider to be material weaknesses. However material weaknesses may exist that have not been identified.

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.

 C.J. Schmitt

Certified Public Accountants

Alton, Illinois

February 10, 2021

Part VII – Certificate of Chargeback Reimbursement

**CERTIFICATION OF CHARGEBACK REIMBURSEMENT
FOR FISCAL YEAR 2021**

College or District Name: Lewis & Clark Community College
District #: 0536

ALL FISCAL YEAR 2020 NONCAPITAL AUDITED OPERATING EXPENDITURES FROM THE FOLLOWING FUNDS:

1. Education Fund	23,451,555
2. Operations and Maintenance Fund	5,615,432
3. Public Building Commission Operation and Maintenance Fund	-
4. Bond and Interest Fund	4,723,558
5. Public Building Commission Rental Fund	-
6. Restricted Purposes Fund	20,734,652
7. Audit Fund	55,850
8. Liability, Protection, and Settlement Fund	2,845,472
9. Auxiliary Enterprises Fund (subsidy only)	-
10. TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)	57,426,519
11. Depreciation on Capital Outlay Expenditures (equipment, buildings, and fixed equipment paid) from Sources other than State and Federal Funds	3,596,981
12. TOTAL COSTS INCLUDED (line 10 plus line 11)	61,023,500
13. Total certified semester credit hours for FY 2020	91,018
14. PER CAPITA COST (line 12 divided by line 13)	670.46
15. All FY 2020 state and federal operating grants for noncapital expenditures. DO NOT INCLUDE ICCB GRANTS	15,788,697
16. FY 2020 state and federal grants per semester credit hour (line 15 divided by line 13)	173.47
17. District's average ICCB grant rate (excluding equalization grants) for FY 2021	36.52
18. District's student tuition and fee rate per semester credit hour for FY 2021	131.00
19. Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17, and 18)	329.47

Approved: Nancy L. Kaiser 10/08/2020
Associate Vice President, Accounting and Chief Budget Officer Date

Approved: [Signature] 10/08/2020
Chief Executive Officer Date