

**SHAWNEE COMMUNITY COLLEGE
DISTRICT NO. 531
ULLIN, ILLINOIS**

**FINANCIAL REPORT
JUNE 30, 2014**

**ODUM ACCOUNTING
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**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Shawnee Community College District No. 531
Ullin, Illinois

Report on the Financial Statements

I have audited the accompanying financial statements of the business-type activities of Shawnee Community College District No. 531, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District'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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Shawnee Community College District No. 531, as of June 30, 2014, 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 and budgetary comparison information on pages 6a through 6d 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shawnee Community College District No. 531's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combined, combining, and uniform financial statements, the certification of chargeback reimbursement, the Illinois Community College Board – State Grants, the schedules of enrollment data and reconciliation of semester credit hours, 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combined, combining, and uniform financial statements, the certification of chargeback reimbursement, the Illinois Community College Board – State Grants, the schedules of enrollment data and reconciliation of semester credit hours, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The other data reported as supplementary information on pages 33 through 34 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly I do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated October 13, 2014 on my consideration of Shawnee Community College District No. 531's internal control over financial reporting and on my 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 my 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 Shawnee Community College District No. 531's internal control over financial reporting and compliance.

Odum Accounting

Robert A. Odum

Robert A. Odum
Certified Public Accountant

Anna, Illinois
October 13, 2014

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Shawnee Community College District No. 531
Ullin, Illinois

I 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 Shawnee Community College District No. 531 as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Shawnee Community College District No. 531's basic financial statements, and have issued my report thereon dated October 13, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Shawnee Community College District No. 531's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shawnee Community College District No. 531's internal control. Accordingly, I do not express an opinion on the effectiveness of Shawnee Community College District No. 531'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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Shawnee Community College District No. 531's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my 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.

Odum Accounting

Robert A. Odum

Robert A. Odum
Certified Public Accountant

Anna, Illinois
October 13, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

This section of Shawnee Community College's Financial Statements represents management's discussion and analysis of the College's financial activity during the fiscal year ended June 30, 2014. Since this discussion and analysis is designed to focus on current activities and currently known facts, please read it in conjunction with the basic financial statements and footnotes (pages 7-21). Responsibility for the completeness and fairness of this information rests with the College.

Using this Annual Report

The financial statement focuses on the College as a whole. The College basic financial statements are designed to resemble corporate financial statements whereby all College activities are consolidated into one total. The Statement of Net Assets is to be considered bottom line results for the College. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets. The Statement of Revenues, Expenses and Changes in Net Assets focuses on the gross and net costs of College activities. These activities are supported by property taxes, state and federal revenues, tuition and other revenues. This approach is intended to summarize and simplify the user's evaluation of the cost of various College services to students and the public.

Financial Highlights

As of June 30, 2014, the College's net assets were \$32.4 million, an increase of \$2.3 million over the prior year's net assets of \$30.1 million. The increase is a result of steady revenues and lower expenses as a result of tighter budgetary controls over expenditures.

The District did not have any significant capital investments in facilities during this fiscal year.

The largest concern in the district is the current delay in state payments. The College is heavily funded (approx. 28%) by the state of Illinois and the delayed state payments significantly affect cash flow at the institution. The Board of Trustees and College administration implemented expenditure reductions and generated new revenue where possible but will still be affected by these delayed state payments.

There are currently no other known facts, decisions or conditions which will have a significant effect on the financial position (net assets) or results of operation (revenues, expenses and changes in net assets).

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2014**

Financial Analysis of the College as a Whole

This schedule is prepared from the College's statement of net assets (page 6), which is presented on the accrual basis of accounting whereby assets are capitalized and depreciated.

Net Assets as of June 30, (in millions)

	<u>2013</u>	<u>2014</u>
Current Assets	\$ 20.0	\$ 21.4
Non-Current Assets		
Land	0.1	0.1
Capital Assets, Net of Depreciation	<u>21.6</u>	<u>21.1</u>
Total Assets	<u>41.7</u>	<u>42.6</u>
 Current Liabilities	 4.0	 4.0
Long Term Liabilities	<u>7.6</u>	<u>6.2</u>
Total Liabilities	<u>11.6</u>	<u>10.2</u>
 Net Assets		
Investment in Capital Assets	12.7	13.6
Restricted for:		
Expendable Capital Projects	3.1	3.3
Expendable Debt Service	0.9	0.8
Other	0.6	0.8
Unrestricted	<u>12.8</u>	<u>13.9</u>
Total Net Assets	<u>\$ 30.1</u>	<u>\$ 32.4</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2014**

Financial Analysis of the College as a Whole (Continued)

Operating expenses for the College over the same fiscal year ending June 30, 2014 were \$19,302,480 compared to \$20,354,642 for the previous year.

Operating Expenses as of June 30, (in millions)

	<u>2013</u>	<u>2014</u>
Instruction	\$ 8.0	\$ 7.9
Academic Support	0.3	0.3
Student Services	1.5	1.5
Public Services	0.6	0.6
Operation and Maintenance of Plant	1.3	1.3
Institutional Support	2.6	2.4
Scholarships	4.1	3.5
Auxiliary Enterprise	1.3	1.1
Depreciation	<u>0.6</u>	<u>0.7</u>
Total Operating Expenditures	<u>\$ 20.3</u>	<u>\$ 19.3</u>

The operating revenues for the year were \$3,911,785 compared to \$4,506,940 for 2013. Non-operating revenues (expenses) were \$17,665,689 compared to \$18,564,728 for 2013.

Operating Results For the Year Ended June 30, (in millions)

	<u>2013</u>	<u>2014</u>
Operating Revenues		
Tuition and Fees	\$ 3.0	\$ 2.6
Auxiliary Enterprise Revenues	1.0	.8
Other	<u>0.5</u>	<u>0.5</u>
Total Operating Revenues	<u>4.5</u>	<u>3.9</u>
Non-Operating Revenue (Expenses)		
Property and Replacement Taxes	5.2	4.9
Federal Grants and Contracts	4.9	4.3
State Grants and Contracts	8.7	8.8
Investment Income	0.1	0.1
Investment Expense	<u>(0.4)</u>	<u>(0.4)</u>
Total Non-Operating Revenues (Expenses)	<u>18.5</u>	<u>17.7</u>
Total Revenues	23.0	21.6
Operating Expenses	<u>20.3</u>	<u>19.3</u>
Increase (Decrease) in Net Assets	2.7	2.3
Net Assets, Beginning of Year	<u>27.4</u>	<u>30.1</u>
Net Assets, End of Year	<u>\$ 30.1</u>	<u>\$ 32.4</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONCLUDED)
JUNE 30, 2014**

Significant Transactions and Changes in Individual Funds

The operating funds balance, as represented by both the education and the operations and maintenance funds, experienced an increase of \$978,690 in 2014. Individually, the education fund balance increased by \$896,130 and the operations and maintenance fund balance increased by \$82,560, respectively.

The liability, protection and settlement fund balance increased in 2014 by \$150,518 bringing that fund balance to a surplus of \$734,282 versus a surplus of \$583,764 in the prior year. Local property taxes are the only source of revenues in this fund and are limited due to lack of property growth in the district. The fund balance increase was due to a decrease in expenses charged to this fund during the year.

The bond and interest fund was started in 2007. This fund ended fiscal year 2014 with a decrease in fund balance of \$35,642. This decrease is due to the current year's bond payments being more than the local property taxes levied. The remaining fund balance of \$820,080 will be used to make future bond payments.

The capital projects fund balance increased by \$262,366. This increase is due to the current year expenditures pertaining to capital projects being less than the local property taxes levied. The remaining fund balance of \$824,443 will be used for future capital expenditures.

BASIC FINANCIAL STATEMENTS

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF NET ASSETS
JUNE 30, 2014**

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 13,749,621
Cash and Cash Equivalents - Restricted	1,715,074
Receivables	
Tuition, Net of Allowance for Doubtful Accounts of \$143,360	1,440,665
Government Agencies	2,496,378
Property Taxes	1,442,971
Inventories	405,224
Prepaid Expenses	101,189
	<u>21,351,122</u>

Non-Current Assets

Capital Assets

Land	89,166
Other Capital Assets, Net	21,163,497
	<u>21,252,663</u>

Total Assets

42,603,785

LIABILITIES

Current Liabilities

Accounts Payable	305,955
Accrued Expenses	459,958
Due to Student Organizations	158,060
Deferred Revenue	1,656,972
Bonds Payable, Due in One Year	1,395,000
Total Current Liabilities	<u>3,975,945</u>

Non-Current Liabilities

Bonds Payable, Due in More Than One Year	<u>6,230,000</u>
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Total Liabilities

10,205,945

NET ASSETS

Invested in Capital Assets, Net of Related Debt	13,627,663
Restricted for:	
Expendable - Capital Projects	3,324,443
Expendable - Debt Service	820,080
Expendable - Other	792,832
Unrestricted	<u>13,832,822</u>

Total Net Assets

\$ 32,397,840

The accompanying notes are an integral part of these statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2014**

Revenues

Operating Revenues

Student Tuition and Fees, Net of Scholarships and Waivers of \$2,402,617	\$ 2,573,880
Auxiliary Enterprise Revenues	828,429
Sales and Service	15,796
Other Operating Revenues	493,680

Total Operating Revenues	<u>3,911,785</u>
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Expenses

Operating Expenses

Instruction	7,900,920
Academic Support	295,942
Student Services	1,555,613
Public Service	550,468
Operation and Maintenance of Plant	1,342,984
Institutional Support	2,398,110
Scholarships, Student Grants, and Waivers	3,470,220
Auxiliary Enterprise	1,128,080
Depreciation	660,143

Total Operating Expenses	<u>19,302,480</u>
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Operating Income (Loss)	(15,390,695)
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Non-Operating Revenues (Expenses)

Property Taxes	4,369,821
Personal Property Replacement Taxes	490,800
Federal Grants and Contracts	4,291,605
State Grants and Contracts	8,796,873
Investment Income	76,542
Interest Expense	(359,952)

Total Non-Operating Revenues (Expenses)	<u>17,665,689</u>
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Increase (Decrease) in Net Assets	2,274,994
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Net Assets, July 1, 2013	<u>30,122,846</u>
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Net Assets, June 30, 2014	<u><u>\$ 32,397,840</u></u>
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The accompanying notes are an integral part of these statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014**

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and Fees	\$ 2,780,558
Payments to Suppliers	(10,489,188)
Payments to and Benefits for Employees	(8,449,561)
Auxiliary Enterprise Charges	828,429
Other Receipts	509,476

Net Cash Provided (Used) by Operating Activities	<u>(14,820,286)</u>
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CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Local Property Taxes	4,369,821
Personal Property Replacement Taxes	490,800
Grants and Contracts	13,088,478

Net Cash Provided (Used) by Noncapital Financing Activities	<u>17,949,099</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal Paid on Bonds	(1,330,000)
Interest Paid on Bonds	(359,952)
Purchases of Capital Assets	(227,809)

Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,917,761)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest on Investments	76,542
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Net Cash Provided (Used) by Investing Activities	<u>76,542</u>
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Net Increase (Decrease) in Cash	1,287,594
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Cash and Cash Equivalents, July 1, 2013	<u>14,177,101</u>
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Cash and Cash Equivalents, June 30, 2014	<u><u>\$ 15,464,695</u></u>
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Reconciliation of Operating Income (Loss) to Net

Cash Provided (Used) by Operating Activities:

Operating Income (Loss)	\$ (15,390,695)
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Adjustments to Reconcile Net Income to Net Cash

Provided (Used) by Operating Activities:

Depreciation Expense	660,143
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Change in Assets and Liabilities:

(Increase) Decrease in Receivables (net)	87,568
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(Increase) Decrease in Inventory	(124,598)
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(Increase) Decrease in Prepaid Expenses	6,371
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Increase (Decrease) in Accounts Payable	81,479
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Increase (Decrease) in Accrued Expenses	5,779
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Increase (Decrease) in Deferred Revenue	<u>(146,333)</u>
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Net Cash Provided (Used) by Operating Activities	<u><u>\$ (14,820,286)</u></u>
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Reconciliation of Total Cash and Cash Equivalents

Cash and Cash Equivalents	\$ 13,749,621
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Cash and Cash Equivalents - Restricted	<u>1,715,074</u>
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Total Cash and Cash Equivalents	<u><u>\$ 15,464,695</u></u>
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The accompanying notes are an integral part of these statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Shawnee Community College District No. 531 is organized under the Illinois Public Community College Act with partial funding by the Illinois Community College Board. The College District encompasses parts of six counties in Southern Illinois. The accounting policies of Shawnee Community College District No. 531 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, Accounting Principles Board Opinions, and Accounting Review Boards of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

A. Reporting Entity

The accompanying financial statements include all entities for which the Board of Trustees of the District has financial accountability. Financial accountability is defined by GASB and below:

In defining the financial reporting entity, the District 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 by GASB Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units". 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 primary government is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government; and (2) the primary government may be financially accountable if the organization is fiscally dependent. Fiscal dependency is determined if a component unit possesses one or more of the following characteristics: (1) it is unable to determine its budget without having the primary government approve or modify the budget; (2) it is unable to levy taxes or set rates or charges without approval by the primary government; or (3) it is unable to issue debt without approval of the primary government.

Where no financial accountability exists, a legally separate, tax-exempt organization is reported as a component unit if all three of the following criteria are met: (1) the economic resources received or held by the organization are for the direct benefit of the primary government; (2) the primary government is entitled to or has the ability to access a majority of the organization's economic resources; and (3) the economic resources received or held by the organization are significant to the primary government.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Concluded)

Using these criteria, the Shawnee Community College Foundation ("Foundation") is not included in the accompanying basic financial statements. Though the Foundation is associated with the District, the funds and accounts of the Foundation have been excluded from the accompanying financial statements because the District does not exercise significant influence over the Foundation's daily operations, approve budgets, maintain accounting records, or provide funding to the Foundation. Furthermore, any funds donated to the District by the Foundation and the resources held by the Foundation are not significant to the District's financial statements.

In addition, the District is not aware of any entity whose elected officials are financially accountable for its operations, which would result in the District 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, include property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted; matching requirements, in which the College must provide local resources to be used for a specified purpose; and, expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

When applicable, certain prior year amounts have been reclassified to conform to current year presentation.

C. Classification of Revenues

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

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents

Cash includes deposits held at banks and small amounts of cash held for change funds. Cash equivalents include deposits held in the Illinois Funds Money Market Fund as well as all certificates of deposit.

E. Restricted Cash and Cash Equivalents

Cash and cash equivalents that are subject to certain limitations as to their use is reported as restricted. These amounts include property taxes received for specific purposes, grant funds, bond proceeds for capital projects and amounts held by the District as an agent for student organizations.

F. Receivable from Government Agencies

The receivable from government agencies is made up of amounts due from various federal and state granting agencies. These amounts are considered to be 100% collectible.

G. Inventories

Inventories are stated at the lower of cost (first in, first out method) or market. Inventories consist of food supplies, textbooks, college apparel, and school supplies.

H. Capital Assets

Capital assets include property, plant equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial 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 assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Land Improvements	10 Years
Buildings	50 Years
Equipment	7 Years
Vehicles	5 Years
Computer Technology Equipment	5 Years

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Revenue

Tuition and fees, which were either collected or recorded in the current fiscal year but are applicable to future periods and grant funds which have been received but not yet expended have been deferred.

J. Net Assets

The College's net assets are classified as follows:

Invested in Capital Assets, Net of Related Debt – This represents the College's total investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets-Expendable – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Sources of restricted revenue included federal, state, and private grants and contracts. Revenues accrued in excess of expenditures are included as deferred revenue or additions to net assets. Externally restricted funds may be utilized only in accordance with the purpose established by the source of such funds and are in contrast with unrestricted funds over which the Board of Trustees retains full control to use in achieving any of its institutional purposes. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted Net Assets – 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.

K. Budgets

Although the District adopts an expanded operational budget, the budget legally required by the Illinois Community College Board contains only a statement of cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

L. Estimates

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

M. Insurance Coverage

The District is exposed to the various risks of loss including, but not limited to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To limit exposure to these risks, the District has obtained coverage from commercial insurance companies for all major programs: property, liability, and workman's compensation. Expenditures and claims are recognized in the year in which they are notified of the loss.

During the current fiscal year, there were no significant reductions in insurance coverage. Also, during the past three fiscal years, there have been no settlements which have exceeded insurance coverage and the District is not aware of any liabilities owed at year end.

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

NOTE 2: CASH AND CASH EQUIVALENTS

The District investment policy allows for cash deposits to be invested in accordance to those securities allowed for by statute. Chapter 122, Section 103.47 of the Illinois Public Community College Act and Chapter 85, Sections 901-907 of the Investment of the Public Funds Act allow current operating funds, special funds, interest and sinking funds, and other funds belonging to or in the custody of a community college, including restricted and non-restricted funds, to be invested in U.S. Treasury and U.S. Agencies, repurchase agreements, certificates of deposit, and the Illinois Treasurers' Investment Pool.

The District's policy reduces the risk related to cash deposits through investing in securities that guarantee total safety of principal through investing only with institutions that are FDIC insured and requiring institutions to pledge assets for total deposits in excess of FDIC insured limits.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 2: CASH AND CASH EQUIVALENTS (CONCLUDED)

At June 30, 2014, the carrying amount of the District's deposits was \$15,463,575 and excludes \$1,120 cash on hand and petty cash funds held at the District. The bank balance was \$15,655,316.

Institution	Carrying Amount	Bank Balance
Grand Rivers Community Bank	\$ -0-	\$ 157,329
City National – Metropolis	7,806,392	7,840,986
MidCountry Bank	14,000	13,818
State Investment – The Illinois Funds	7,643,183	7,643,183
	<u>\$15,463,575</u>	<u>\$15,655,316</u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2014, none of the District's bank balance was exposed to custodial credit risk as follows:

Collateralized by securities pledged by the financial institution
but not directly held in the District's name

\$ 7,590,986

Included above is \$7,643,183 in deposits invested with the Illinois Funds Money Market Fund. This fund was created in 1975 by the Illinois General Assembly. Its primary purpose is to provide the Public Treasurer and other custodians of public funds with an alternative investment vehicle which enable them to earn a competitive rate of return on fully collateralized investments, while maintaining immediate access to invested funds. The monies invested by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements. The time deposits are collateralized 105% over FDIC or FSLIC \$250,000 insurance with U.S. Treasury obligations and marked to market on a daily basis to maintain sufficiency. The repurchase agreements are collateralized at 102% with U.S. Treasury obligations and the collateral is checked daily to determine sufficiency. The individual participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore no collateral is identified with each individual participant's account. Given the nature of the Illinois Funds Money Market Fund, the carrying value approximates fair value.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 3: CAPITAL ASSETS

The following is a schedule of changes in capital asset categories for the fiscal year ended June 30, 2014. The investment in capital assets is determined by reducing cost by accumulated depreciation.

	Primary Government/Business Type Activity		
	Balance 07/01/13	Additions	Balance 06/30/14
Cost:			
Capital Assets Not Being Depreciated:			
Land	\$ 89,166	\$	\$ 89,166
Construction in Progress	-0-		-0-
	<u>89,166</u>	<u>-0-</u>	<u>89,166</u>
Other Capital Assets:			
Land Improvements	116,529		116,529
Buildings	28,299,884		28,299,884
Equipment	812,855	117,493	930,348
Vehicles	416,393	45,870	462,263
Computer Technology Equipment	519,686	64,446	584,132
	<u>30,165,347</u>	<u>227,809</u>	<u>30,393,156</u>
Total Capital Assets:	<u>30,254,513</u>	<u>\$ 227,809</u>	<u>\$ 30,482,322</u>
Less Accumulated Depreciation:			
Other Capital Assets:			
Land Improvements	99,803	\$ 5,403	\$ 105,206
Buildings	6,924,594	565,998	7,490,592
Equipment	678,864	43,244	722,108
Vehicles	396,930	19,211	416,141
Computer Technology Equipment	469,325	26,287	495,612
	<u>8,569,516</u>	<u>\$ 660,143</u>	<u>\$ 9,229,659</u>
Capital Assets, Net	<u>\$21,684,997</u>		<u>\$21,252,663</u>

NOTE 4: CHANGES IN LONG TERM DEBT

The following is a summary of long-term debt transactions of the District for the year ended June 30, 2014:

	2009 Series B Bond Issue	2010 Bond Issue	2007 Bond Issue
Debt Payable at July 1, 2013	\$ 250,000	\$ 3,935,000	\$ 855,000
Debt Issued	-0-	-0-	-0-
Bonds Refunded	-0-	-0-	-0-
Debt Retired	-0-	-0-	855,000
Debt Payable at June 30, 2014	<u>\$ 250,000</u>	<u>\$ 3,935,000</u>	<u>\$ -0-</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 4: CHANGES IN LONG TERM DEBT (CONTINUED)

	2010 Series A Bond Issue	2011 Series B Bond Issue
Debt Payable at July 1, 2013	\$ 1,415,000	\$ 2,500,000
Debt Issued	-0-	-0-
Bonds Refunded	-0-	-0-
Debt Retired	475,000	-0-
Debt Payable at June 30, 2014	<u>\$ 940,000</u>	<u>\$ 2,500,000</u>

The following is a description of the bond issues and the debt service requirement to maturity:

Life Safety Bonds, Series 2009 B

Dated: December 1, 2009

Maturity Date: December 1, 2016

Total Issue: \$250,000

Principal paid annually December 1

Interest paid semi-annually on December 1 and June 1

Interest Rate 4.10% - 4.20%

Fiscal Year	Principal	Interest	Total
2015	\$ -0-	\$ 10,350	\$ 10,350
2016	100,000	8,250	108,250
2017	150,000	3,075	153,075
	<u>\$ 250,000</u>	<u>\$ 21,675</u>	<u>\$ 271,675</u>

Funding/Refunding Bonds, Series 2010

Dated: January 1, 2010

Maturity Date: December 1, 2018

Total Issue: \$3,935,000

Principal paid annually December 1

Interest paid semi-annually on December 1 and June 1

Interest Rate 3.70% - 3.95%

Fiscal Year	Principal	Interest	Total
2015	\$ 895,000	\$ 133,252	\$ 1,028,252
2016	830,000	101,133	931,133
2017	815,000	70,085	885,085
2018	1,005,000	35,002	1,040,002
2019	390,000	7,703	397,703
	<u>\$ 3,935,000</u>	<u>\$ 347,175</u>	<u>\$ 4,282,175</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 4: CHANGES IN LONG TERM DEBT (CONCLUDED)

Taxable GO Community College Bonds, Series 2010 A

Dated: December 1, 2010

Maturity Date: December 1, 2015

Total Issue: \$2,230,000

Principal paid annually December 1

Interest paid semi-annually on December 1 and June 1

Interest Rate 4.40% - 4.75%

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 500,000	\$ 32,775	\$ 532,775
2016	440,000	10,450	450,450
	<u>\$ 940,000</u>	<u>\$ 43,225</u>	<u>\$ 983,225</u>

Taxable GO Community College Bonds, Series 2011 B

Dated: May 1, 2011

Maturity Date: December 1, 2018

Total Issue: \$2,500,000

Principal paid annually December 1

Interest paid semi-annually on December 1 and June 1

Interest Rate 3.60% - 5.50%

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ -0-	\$ 125,845	\$ 125,845
2016	100,000	124,045	224,045
2017	560,000	112,165	672,165
2018	590,000	85,418	675,418
2019	1,250,000	34,375	1,284,375
	<u>\$ 2,500,000</u>	<u>\$ 481,848</u>	<u>\$ 2,981,848</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 5: PROPERTY TAXES

The College's property taxes are levied each calendar year on all taxable real estate located in the District. The District's boundaries overlap six counties with each serving as a local taxing authority for the District. Property taxes are recorded on an accrual basis of accounting. Pursuant to Board of Trustee's resolution, property tax levies passed in December 2012 and 2013 were allocated fifty percent for each of the two years after the levy year. Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1 of the levy year. Collection dates vary according to the schedules of the individual counties with disbursements to the District normally made within thirty days of collection. Act 89-1 placed limitations on the annual growth of most local governments' property tax collections. Currently, the limitation is 5 percent, or the rate of inflation, whichever is less.

The following are the statutory maximum tax rates permitted and the actual rates levied per \$100 of assessed valuation:

	Maximum Rate	Actual Rate	
		2012 Levy Payable 2013	2011 Levy Payable 2012
Education	.20000	.20000	.20000
Building	.10000	.09965	.10000
Tort Immunity	Unlimited	.11831	.10945
Social Security	Unlimited	.02096	.02136
Audit	.0050	.00500	.00500
Health and Safety	.05000	.04343	.04848
Bond and Interest	Unlimited	.29486	.29309
		<u>.78221</u>	<u>.77738</u>

NOTE 6: RETIREMENT COMMITMENTS

Shawnee Community College District No. 531 contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation whereby the State of Illinois makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 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 Section 5/15, Chapter 40, 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, or calling 1-800-275-7877.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014**

NOTE 6: RETIREMENT COMMITMENTS (CONCLUDED)

Funding Policy

Plan members are required to contribute 8.0% of their annual covered salary and substantially all employer contributions are made by the State of Illinois on behalf of the individual employers at an actuarially determined rate. The current rate is 35.80% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. The employer contributions to SURS for the years ending June 30, 2014, 2013, and 2012 were \$2,506,811, \$2,431,805, and \$1,773,731 respectively, equal to the required contributions for each year.

The employer pension contributions to SURS on behalf of District employees made by the State of Illinois were \$2,449,750, \$2,372,297, and \$1,704,004 for the years ending June 30, 2014, 2013, and 2012, respectively. The District has recognized revenue and expense for this amount in the financial statements.

NOTE 7: CONTINGENT LIABILITIES AND COMMITMENTS

Federal and State Grants

The District has received a number of Federal and State Grants for specific purposes which are subject to review and audit by grantor agencies. Such audits may result in requests for reimbursement to granting agencies for expenditures disallowed under the terms of the grants. Based on prior experience, District management believes that such disallowances, if any, will not be material.

Sick Leave

The District operates under a personnel policy which allows accumulation of sick leave from year to year. The policy allows unused sick leave to be applied toward service credit for retirement. The financial impact of the accumulated sick leave is not subject to reasonable estimation and therefore no liability has been recorded in the financial statements.

Vacation Leave

As of June 30, 2014, employees had earned but not taken annual vacation which at salary rates in effect at the end of the year totaled approximately \$149,790. The District has appropriately recorded this liability.

Contractual Employees

Certain District full-time faculty members are under contract to be paid over a calendar year versus the District's fiscal year. As a result of these contracts, the District is obligated to pay during July and August of 2014, a total of \$283,822 to these employees for services performed during the current fiscal year. The District has appropriately recorded this liability.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONCLUDED)
JUNE 30, 2014**

NOTE 8: EVALUATION OF SUBSEQUENT EVENTS

Shawnee Community College District No. 531 has evaluated subsequent events through October 13, 2014, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Combined Financial Statements

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS**

JUNE 30, 2014

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency	General Fixed Asset	General Long-Term Debt	
ASSETS									
Cash and Cash Equivalents	\$ 8,519,160	\$	\$	\$	\$ 200,283	\$ 5,030,178	\$	\$	\$ 13,749,621
Cash and Cash Equivalents - Restricted		470,313	337,258	749,443		158,060			1,715,074
Receivables									
Tuition, Net	1,440,665								1,440,665
Government Agencies	2,146,540	349,838							2,496,378
Property Taxes	609,249	249,555	509,167	75,000					1,442,971
Due from Other Funds	117,000								117,000
Inventories					405,224				405,224
Prepaid Expenses	20,301	80,888							101,189
Property, Plant, and Equipment, Net					15,524		21,237,139		21,252,663
Amount Available in Debt Service Fund								820,080	820,080
Amount to be Provided for Payment of Bonds								6,804,920	6,804,920
Total Assets	<u>\$12,852,915</u>	<u>\$ 1,150,594</u>	<u>\$ 846,425</u>	<u>\$ 824,443</u>	<u>\$ 621,031</u>	<u>\$ 5,188,238</u>	<u>\$21,237,139</u>	<u>\$ 7,625,000</u>	<u>\$ 50,345,785</u>
LIABILITIES AND FUND EQUITY									
Liabilities									
Accounts Payable	\$ 305,955	\$	\$	\$	\$	\$	\$	\$	\$ 305,955
Accrued Expenses	433,613		26,345						459,958
Due to Student Organizations						158,060			158,060
Due to Other Funds		117,000							117,000
Deferred Revenue	1,399,974	240,762			16,236				1,656,972
Bonds Payable								7,625,000	7,625,000
Total Liabilities	<u>2,139,542</u>	<u>357,762</u>	<u>26,345</u>	<u>-0-</u>	<u>16,236</u>	<u>158,060</u>	<u>-0-</u>	<u>7,625,000</u>	<u>10,322,945</u>
Fund Equity									
Investment in General Fixed Assets							21,237,139		21,237,139
Retained Earnings - Unreserved					604,795				604,795
Fund Balances									
Restricted	2,500,000	792,832	820,080	824,443					4,937,355
Unassigned	8,213,373					5,030,178			13,243,551
Total Fund Equity	<u>10,713,373</u>	<u>792,832</u>	<u>820,080</u>	<u>824,443</u>	<u>604,795</u>	<u>5,030,178</u>	<u>21,237,139</u>	<u>-0-</u>	<u>40,022,840</u>
Total Liabilities and Fund Equity	<u>\$12,852,915</u>	<u>\$ 1,150,594</u>	<u>\$ 846,425</u>	<u>\$ 824,443</u>	<u>\$ 621,031</u>	<u>\$ 5,188,238</u>	<u>\$21,237,139</u>	<u>\$ 7,625,000</u>	<u>\$ 50,345,785</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES**

FOR THE YEAR ENDED JUNE 30, 2014

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Revenues					
Local Government Sources	\$ 1,661,659	\$ 788,493	\$ 1,654,310	\$ 265,359	\$ 4,369,821
State Government Sources	6,687,996	149,927			6,837,923
Federal Government Sources		4,291,605			4,291,605
Student Tuition and Fees	4,976,497				4,976,497
Investment Income	76,506			36	76,542
Other Sources	509,476				509,476
Total Direct Revenues	<u>13,912,134</u>	<u>5,230,025</u>	<u>1,654,310</u>	<u>265,395</u>	<u>21,061,864</u>
On Behalf Payments - State of Illinois	<u>2,449,750</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,449,750</u>
Total Revenues	<u>16,361,884</u>	<u>5,230,025</u>	<u>1,654,310</u>	<u>265,395</u>	<u>23,511,614</u>
Expenditures					
Instruction	5,264,453	186,717			5,451,170
Academic Support	276,122	19,820			295,942
Student Services	1,114,415	441,198			1,555,613
Public Service	226,891	323,577			550,468
Operation and Maintenance of Plant	1,342,984				1,342,984
Institutional Support	1,979,732	629,758	359,952	3,029	2,972,471
Scholarships, Student Grants, and Waivers	2,402,617	3,470,220			5,872,837
Total Direct Expenditures	<u>12,607,214</u>	<u>5,071,290</u>	<u>359,952</u>	<u>3,029</u>	<u>18,041,485</u>
On Behalf Payments - State of Illinois	<u>2,449,750</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,449,750</u>
Total Expenditures	<u>15,056,964</u>	<u>5,071,290</u>	<u>359,952</u>	<u>3,029</u>	<u>20,491,235</u>
Excess Revenues Over (Under) Expenditures	<u>1,304,920</u>	<u>158,735</u>	<u>1,294,358</u>	<u>262,366</u>	<u>3,020,379</u>
Other Financing Sources (Uses)					
Principal Payment on Debt			(1,330,000)		(1,330,000)
Transfers From (To) Other Funds	<u>(326,230)</u>				<u>(326,230)</u>
Total Other Financing Sources (Uses)	<u>(326,230)</u>	<u>-0-</u>	<u>(1,330,000)</u>	<u>-0-</u>	<u>(1,656,230)</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>978,690</u>	<u>158,735</u>	<u>(35,642)</u>	<u>262,366</u>	<u>1,364,149</u>
Fund Balance, July 1, 2013	<u>9,734,683</u>	<u>634,097</u>	<u>855,722</u>	<u>562,077</u>	<u>11,786,579</u>
Fund Balance, June 30, 2014	<u>\$10,713,373</u>	<u>\$ 792,832</u>	<u>\$ 820,080</u>	<u>\$ 824,443</u>	<u>\$ 13,150,728</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
ALL GOVERNMENTAL FUND TYPES**

FOR THE YEAR ENDED JUNE 30, 2014

	General Fund			Special Revenue Funds			Debt Service Fund			Capital Projects Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues												
Local Government Sources	\$ 1,748,350	\$ 1,661,659	\$ (86,691)	\$ 791,500	\$ 788,493	\$ (3,007)	\$ 1,693,252	\$ 1,654,310	\$ (38,942)	\$ 260,000	\$ 265,359	\$ 5,359
State Government Sources	6,561,211	6,687,996	126,785	170,011	149,927	(20,084)						
Federal Government Sources	100		(100)	7,308,760	4,291,605	(3,017,155)						
Student Tuition and Fees	5,800,078	4,976,497	(823,581)									
Investment Income	10,100	76,506	66,406							1,000	36	(964)
Other Sources	378,767	509,476	130,709			-0-						
Total Direct Revenues	14,498,606	13,912,134	(586,472)	8,270,271	5,230,025	(3,040,246)	1,693,252	1,654,310	(38,942)	261,000	265,395	4,395
On Behalf Payments - State of Illinois	-0-	2,449,750	2,449,750	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	14,498,606	16,361,884	1,863,278	8,270,271	5,230,025	(3,040,246)	1,693,252	1,654,310	(38,942)	261,000	265,395	4,395
Expenditures												
Instruction	5,791,177	5,264,453	526,724	177,678	186,717	(9,039)						
Academic Support	278,619	276,122	2,497	19,820	19,820	-0-						
Student Services	1,148,548	1,114,415	34,133	491,744	441,198	50,546						
Public Service	228,250	226,891	1,359	345,202	323,577	21,625						
Operation and Maintenance of Plant	1,530,649	1,342,984	187,665									
Institutional Support	2,419,786	1,979,732	440,054	791,719	629,758	161,961	363,252	359,952	3,300	261,000	3,029	257,971
Scholarships, Student Grants, and Waivers	2,773,430	2,402,617	370,813	6,444,108	3,470,220	2,973,888						
Total Direct Expenditures	14,170,459	12,607,214	1,563,245	8,270,271	5,071,290	3,198,981	363,252	359,952	3,300	261,000	3,029	257,971
On Behalf Payments - State of Illinois	-0-	2,449,750	(2,449,750)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	14,170,459	15,056,964	(886,505)	8,270,271	5,071,290	3,198,981	363,252	359,952	3,300	261,000	3,029	257,971
Excess Revenues Over (Under) Expenditures	328,147	1,304,920	976,773	-0-	158,735	158,735	1,330,000	1,294,358	(35,642)	-0-	262,366	262,366
Other Financing Sources (Uses)												
Principal Payment on Debt							(1,330,000)	(1,330,000)	-0-			
Transfers From (To) Other Funds	(328,147)	(326,230)	1,917									
Total Other Financing Sources (Uses)	(328,147)	(326,230)	1,917	-0-	-0-	-0-	(1,330,000)	(1,330,000)	-0-	-0-	-0-	-0-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -0-</u>	<u>978,690</u>	<u>\$ 978,690</u>	<u>\$ -0-</u>	<u>158,735</u>	<u>\$ 158,735</u>	<u>\$ -0-</u>	<u>(35,642)</u>	<u>\$ (35,642)</u>	<u>\$ -0-</u>	<u>262,366</u>	<u>\$ 262,366</u>
Fund Balance, July 1, 2013		<u>9,734,683</u>			<u>634,097</u>			<u>855,722</u>			<u>562,077</u>	
Fund Balance, June 30, 2014		<u><u>\$10,713,373</u></u>			<u><u>\$ 792,832</u></u>			<u><u>\$ 820,080</u></u>			<u><u>\$ 824,443</u></u>	

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES**

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Enterprise Auxiliary Fund</u>
Operating Revenues	
Auxiliary Fund	<u>\$ 828,429</u>
 Operating Expenses	
Auxiliary Fund	
Salaries	170,607
Employee Benefits	9,309
Contractual Services	82,169
General Materials and Supplies	527,647
Conference and Meeting Expense	30,012
Fixed Charges	68,012
Other	242,255
Total Operating Expenses	<u>1,130,011</u>
 Operating Income (Loss)	(301,582)
 Operating Transfers In (Out)	<u>312,830</u>
 Net Income (Loss)	11,248
 Retained Earnings, July 1, 2013	<u>593,547</u>
 Retained Earnings, June 30, 2014	<u><u>\$ 604,795</u></u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES**

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Enterprise Auxiliary Fund</u>
Cash Flows from Operating Activities	
Auxiliary Enterprise Charges	\$ 829,195
Payments to Suppliers and Others	(1,072,762)
Payments to Employees for Service	(179,916)
Net Cash Provided (Used) by Operating Activities	<u>(423,483)</u>
Cash Flows from Noncapital Financing Activities	
Interfund Transfers In	312,830
Net Cash Provided (Used) by Noncapital Financing Activities	<u>312,830</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Fixed Assets	-0-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-0-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(110,653)
Cash and Cash Equivalents, July 1, 2013	<u>310,936</u>
Cash and Cash Equivalents, June 30, 2014	<u><u>\$ 200,283</u></u>
Reconciliation of Operating Loss to	
Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ (301,582)
Adjustments to Reconcile Operating Loss to Net	
Cash Provided (Used) by Operating Activities	
Depreciation Expense	1,931
(Increase) Decrease in Inventory	(124,598)
Increase (Decrease) in Deferred Revenue	766
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (423,483)</u></u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND BALANCE
FIDUCIARY FUNDS**

FOR THE YEAR ENDED JUNE 30, 2014

	Nonexpendable Trust Fund
	<u>Working</u>
	<u>Cash</u>
Non-Operating Revenues	
Investment Income	\$ -0-
Other Financing Sources (Uses)	
Transfers From (To) Other Funds	-0-
Total Other Financing Sources (Uses)	<u>-0-</u>
Excess Revenues and Other Sources	
Over (Under) Expenditures and Other Uses	-0-
Fund Balance, July 1, 2013	<u>5,030,178</u>
Fund Balance, June 30, 2014	<u><u>\$ 5,030,178</u></u>

SUPPLEMENTARY INFORMATION

Combining Financial Statements

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINING BALANCE SHEET
GENERAL FUND**

JUNE 30, 2014

	Education Fund	Operations and Maintenance Fund	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 8,081,746	\$ 437,414	\$ 8,519,160
Receivables			
Tuition, Net	1,440,665		1,440,665
Government Agencies	1,988,965	157,575	2,146,540
Property Taxes	412,180	197,069	609,249
Due from Other Funds	117,000		117,000
Prepaid Expenses	20,301		20,301
Total Assets	<u><u>\$12,060,857</u></u>	<u><u>\$ 792,058</u></u>	<u><u>\$ 12,852,915</u></u>
LIABILITIES AND FUND BALANCE			
Current Liabilities			
Accounts Payable	\$ 305,955	\$	\$ 305,955
Accrued Expenses	433,613		433,613
Deferred Revenue	1,399,974		1,399,974
Total Liabilities	<u><u>2,139,542</u></u>	<u><u>-0-</u></u>	<u><u>2,139,542</u></u>
Fund Balance			
Unassigned	7,421,315	792,058	8,213,373
Restricted	2,500,000		2,500,000
	<u><u>9,921,315</u></u>	<u><u>792,058</u></u>	<u><u>10,713,373</u></u>
Total Liabilities and Fund Balance	<u><u>\$12,060,857</u></u>	<u><u>\$ 792,058</u></u>	<u><u>\$ 12,852,915</u></u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2014

	Education Fund	Operations and Maintenance Fund	Total
Revenues			
Local Government Sources	\$ 1,113,809	\$ 547,850	\$ 1,661,659
State Government Sources	5,910,454	777,542	6,687,996
Student Tuition and Fees	4,976,497		4,976,497
Investment Income	76,506		76,506
Other Sources	409,324	100,152	509,476
	<u>12,486,590</u>	<u>1,425,544</u>	<u>13,912,134</u>
On Behalf Payments - State of Illinois	2,449,750	-0-	2,449,750
Total Revenues	<u>14,936,340</u>	<u>1,425,544</u>	<u>16,361,884</u>
Expenditures			
Instruction	5,264,453		5,264,453
Academic Support	276,122		276,122
Student Services	1,114,415		1,114,415
Public Service	226,891		226,891
Operations and Maintenance		1,342,984	1,342,984
Institutional Support	1,979,732		1,979,732
Scholarships, Student Grants, and Waivers	2,402,617		2,402,617
	<u>11,264,230</u>	<u>1,342,984</u>	<u>12,607,214</u>
On Behalf Payments - State of Illinois	2,449,750	-0-	2,449,750
Total Expenditures	<u>13,713,980</u>	<u>1,342,984</u>	<u>15,056,964</u>
Excess Revenues Over (Under) Expenditures	1,222,360	82,560	1,304,920
Other Financing Sources (Uses)			
Transfers From (To) Other Funds	(326,230)		(326,230)
Total Other Financing Sources (Uses)	<u>(326,230)</u>	<u>-0-</u>	<u>(326,230)</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	896,130	82,560	978,690
Fund Balance, July 1, 2013	<u>9,025,185</u>	<u>709,498</u>	<u>9,734,683</u>
Fund Balance, June 30, 2014	<u><u>\$ 9,921,315</u></u>	<u><u>\$ 792,058</u></u>	<u><u>\$ 10,713,373</u></u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS**

JUNE 30, 2014

	Audit Fund	Restricted Purposes Fund	Liability, Protection and Settlement Fund	Total
ASSETS				
Current Assets				
Cash and Cash Equivalents - Restricted	\$ 49,489	\$ 7,924	\$ 412,900	\$ 470,313
Receivables				
Government Agencies		349,838		349,838
Property Taxes	9,061		240,494	249,555
Prepaid Expenses			80,888	80,888
Total Assets	<u><u>\$ 58,550</u></u>	<u><u>\$ 357,762</u></u>	<u><u>\$ 734,282</u></u>	<u><u>\$ 1,150,594</u></u>
LIABILITIES AND FUND BALANCE				
Current Liabilities				
Due to Other Funds	\$	\$ 117,000	\$	\$ 117,000
Deferred Revenue		240,762		240,762
Total Liabilities	<u><u>-0-</u></u>	<u><u>357,762</u></u>	<u><u>-0-</u></u>	<u><u>357,762</u></u>
Fund Balance				
Restricted	<u><u>58,550</u></u>	<u><u>-0-</u></u>	<u><u>734,282</u></u>	<u><u>792,832</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 58,550</u></u>	<u><u>\$ 357,762</u></u>	<u><u>\$ 734,282</u></u>	<u><u>\$ 1,150,594</u></u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS**

FOR THE YEAR ENDED JUNE 30, 2014

	Audit Fund	Restricted Purposes Fund	Liability, Protection and Settlement Fund	Total
Revenues				
Local Government Sources	\$ 28,717	\$	\$ 759,776	\$ 788,493
State Government Sources		149,927		149,927
Federal Government Sources		4,291,605		4,291,605
Other Sources				-0-
Total Revenues	<u>28,717</u>	<u>4,441,532</u>	<u>759,776</u>	<u>5,230,025</u>
Expenditures				
Instruction		186,717		186,717
Academic Support		19,820		19,820
Student Services		441,198		441,198
Public Service		323,577		323,577
Institutional Support	20,500		609,258	629,758
Scholarships, Student Grants, and Waivers		3,470,220		3,470,220
Total Expenditures	<u>20,500</u>	<u>4,441,532</u>	<u>609,258</u>	<u>5,071,290</u>
Excess Revenues Over (Under) Expenditures	8,217	-0-	150,518	158,735
Other Financing Sources (Uses)				
Transfers From (To) Other Funds	-0-	-0-	-0-	-0-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	8,217	-0-	150,518	158,735
Fund Balance, July 1, 2013	<u>50,333</u>	<u>-0-</u>	<u>583,764</u>	<u>634,097</u>
Fund Balance, June 30, 2014	<u>\$ 58,550</u>	<u>\$ -0-</u>	<u>\$ 734,282</u>	<u>\$ 792,832</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**COMBINING BALANCE SHEET
FIDUCIARY FUNDS**

JUNE 30, 2014

	<u>Agency Fund</u> Student Activity Fund	<u>Nonexpendable Trust Fund</u> Working Cash	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$	\$ 5,030,178	\$ 5,030,178
Cash and Cash Equivalents - Restricted	158,060		158,060
Due from Other Funds			-0-
Total Assets	<u><u>\$ 158,060</u></u>	<u><u>\$ 5,030,178</u></u>	<u><u>\$ 5,188,238</u></u>
LIABILITIES AND FUND BALANCE			
Current Liabilities			
Due to Student Organizations	\$ 158,060	\$ -0-	\$ 158,060
Total Liabilities	<u>158,060</u>	<u>-0-</u>	<u>158,060</u>
Fund Balance			
Unassigned	<u>-0-</u>	<u>5,030,178</u>	<u>5,030,178</u>
Total Liabilities and Fund Balance	<u><u>\$ 158,060</u></u>	<u><u>\$ 5,030,178</u></u>	<u><u>\$ 5,188,238</u></u>

SUPPLEMENTARY INFORMATION

Other Data

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**SCHEDULE OF LEGAL DEBT MARGIN
UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

Assessed Valuation - 2012 Levy ***

Alexander County	\$ 42,667,990
Jackson County	42,405,852
Johnson County	98,776,698
Massac County	171,936,443
Pulaski County	33,582,631
Union County	186,240,505
	<u>\$ 575,610,119</u>

Statutory Debt Limitation, 2.875% of Assessed Valuation (50 ILCS 405/1)	\$ 16,548,791
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Less: Total Indebtedness	<u>(7,625,000)</u>
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Legal Debt Margin	<u>\$ 8,923,791</u>
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*** Most Current Assessed Valuation Available

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**STATEMENT OF ASSESSED VALUATIONS, TAX RATES,
EXTENSIONS AND COLLECTIONS
UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2014**

	2012 Levy Collected in 2013		2011 Levy Collected in 2012		2010 Levy Collected in 2011	
District Valuation		<u>\$575,610,119</u>		<u>\$568,003,622</u>		<u>\$563,869,093</u>
	<u>Rate</u>	<u>Extension</u>	<u>Rate</u>	<u>Extension</u>	<u>Rate</u>	<u>Extension</u>
Extensions						
Fund						
Education	0.20000	\$ 1,179,533	0.20000	\$ 1,215,867	0.20000	\$ 1,168,320
Building	0.09965	573,582	0.10000	591,390	0.10000	583,989
Liability Insurance	0.11831	681,007	0.10945	621,659	0.10516	592,966
Social Security	0.02096	120,639	0.02136	121,306	0.02051	115,647
Audit	0.00500	30,204	0.00500	30,180	0.00500	37,398
Health and Safety	0.04343	250,000	0.04848	275,356	0.04658	262,662
Bond and Interest	0.29486	1,697,223	0.29309	1,664,787	0.30278	1,707,291
	<u>0.78221</u>	<u>\$ 4,532,188</u>	<u>0.77738</u>	<u>\$ 4,520,545</u>	<u>0.78003</u>	<u>\$ 4,468,273</u>
Collections						
Fund						
Education		\$ 1,125,048		\$ 1,197,474		\$ 1,122,807
Building		553,242		596,125		562,381
Liability Insurance		638,685		663,013		602,911
Social Security		113,142		129,375		117,587
Audit		28,581		31,099		32,767
Health and Safety		276,513		292,856		267,003
Bond and Interest		1,653,118		1,775,777		1,734,690
		<u>\$ 4,388,329</u>		<u>\$ 4,685,719</u>		<u>\$ 4,440,146</u>
Percentage Collected		<u>96.83%</u>		<u>103.65%</u>		<u>99.37%</u>

SUPPLEMENTARY INFORMATION

Uniform Financial Statements

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1**

FOR THE YEAR ENDED JUNE 30, 2014

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Auxiliary Enterprises Fund	Bond and Interest Fund	Restricted Purposes Fund	Working Cash Fund	Trust and Agency Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
Fund Balance, July 1, 2013	\$ 9,025,185	\$ 709,498	\$ 562,077	\$ 593,547	\$ 855,722	\$ -0-	\$ 5,030,178	\$ -0-	\$ 50,333	\$ 583,764	\$ 17,410,304
Revenues											
Local Tax Revenue	1,113,809	547,850	265,359		1,654,310				28,717	759,776	4,369,821
All Other Local Revenue											-0-
ICCB Grants	5,566,894	630,302				85,527					6,282,723
All Other State Revenue	343,560	147,240				64,400					555,200
Federal Revenue						4,291,605					4,291,605
Student Tuition and Fees	4,976,497										4,976,497
All Other Revenue	485,830	100,152	36	828,429		-		96,208			1,510,655
Total Revenues	<u>12,486,590</u>	<u>1,425,544</u>	<u>265,395</u>	<u>828,429</u>	<u>1,654,310</u>	<u>4,441,532</u>	<u>-0-</u>	<u>96,208</u>	<u>28,717</u>	<u>759,776</u>	<u>21,986,501</u>
Expenditures											
Instruction	5,264,453					186,717					5,451,170
Academic Support	276,122					19,820					295,942
Student Services	1,114,415					441,198					1,555,613
Public Service	226,891					323,577					550,468
Auxiliary Services				1,130,011							1,130,011
Operations and Maintenance		1,342,984									1,342,984
Institutional Support	1,979,732		3,029		1,689,952			109,608	20,500	609,258	4,412,079
Scholarships, Student Grants, and Waivers	2,402,617					3,470,220					5,872,837
Total Expenditures	<u>11,264,230</u>	<u>1,342,984</u>	<u>3,029</u>	<u>1,130,011</u>	<u>1,689,952</u>	<u>4,441,532</u>	<u>-0-</u>	<u>109,608</u>	<u>20,500</u>	<u>609,258</u>	<u>20,611,104</u>
Net Transfers	<u>(326,230)</u>	<u>-0-</u>	<u>-0-</u>	<u>312,830</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>13,400</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance, June 30, 2014	<u>\$ 9,921,315</u>	<u>\$ 792,058</u>	<u>\$ 824,443</u>	<u>\$ 604,795</u>	<u>\$ 820,080</u>	<u>\$ -0-</u>	<u>\$ 5,030,178</u>	<u>\$ -0-</u>	<u>\$ 58,550</u>	<u>\$ 734,282</u>	<u>\$ 18,785,701</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**SUMMARY OF FIXED ASSETS AND DEBT
UNIFORM FINANCIAL STATEMENT #2**

FOR THE YEAR ENDED JUNE 30, 2014

	Fixed Asset/Debt Account Groups July 1, 2013	Additions	Deletions	Fixed Asset/Debt Account Groups June 30, 2014
Fixed Assets				
Land	\$ 89,166	\$	\$	\$ 89,166
Land Improvements	116,529			116,529
Construction in Progress	-0-			-0-
Buildings	28,299,884			28,299,884
Equipment	1,748,934	227,809		1,976,743
Total	30,254,513	227,809	-0-	30,482,322
Accumulated Depreciation	8,569,516	660,143		9,229,659
Net Fixed Assets	<u>\$ 21,684,997</u>	<u>\$ (432,334)</u>	<u>\$ -0-</u>	<u>\$ 21,252,663</u>
 Fixed Debt				
Bonds Payable	<u>\$ 8,955,000</u>	<u>\$</u>	<u>\$ (1,330,000)</u>	<u>\$ 7,625,000</u>
Total Fixed Liabilities	<u>\$ 8,955,000</u>	<u>\$ -0-</u>	<u>\$ (1,330,000)</u>	<u>\$ 7,625,000</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3**

FOR THE YEAR ENDED JUNE 30, 2014

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Revenues by Sources			
Local Government			
Local Taxes	\$ 1,113,809	\$ 547,850	\$ 1,661,659
Chargeback Revenue			-0-
Total Local Government	<u>1,113,809</u>	<u>547,850</u>	<u>1,661,659</u>
State Government			
ICCB Credit Hour Grants	1,549,571	630,302	2,179,873
ICCB Equalization Grants	3,891,094		3,891,094
ICCB Career and Technical Education	126,229		126,229
Corporate Personal Property Replacement Tax	343,560	147,240	490,800
Total State Government	<u>5,910,454</u>	<u>777,542</u>	<u>6,687,996</u>
Federal Government			
Total Federal Government	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Student Tuition and Fees			
Tuition	4,600,535		4,600,535
Fees	375,962		375,962
Total Student Tuition and Fees	<u>4,976,497</u>	<u>-0-</u>	<u>4,976,497</u>
Other Sources			
Sales and Service Fees	15,796		15,796
Facilities Revenue		94,185	94,185
Investment Revenue	76,506		76,506
Other	393,528	5,967	399,495
	<u>485,830</u>	<u>100,152</u>	<u>585,982</u>
Total Revenue	12,486,590	1,425,544	13,912,134
*Less Non-Operating Items:			
Tuition Chargeback Revenue	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Adjusted Revenue	<u><u>\$ 12,486,590</u></u>	<u><u>\$ 1,425,544</u></u>	<u><u>\$ 13,912,134</u></u>

* Inter-college revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3 - CONCLUDED**

FOR THE YEAR ENDED JUNE 30, 2014

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures			
By Program			
Instruction	\$ 5,264,453	\$	\$ 5,264,453
Academic Support	276,122		276,122
Student Services	1,114,415		1,114,415
Public Service	226,891		226,891
Operations and Maintenance		1,342,984	1,342,984
Institutional Support	1,979,732		1,979,732
Scholarships, Student Grants, and Waivers	2,402,617		2,402,617
Transfers	326,230		326,230
Total Expenditures	<u>11,590,460</u>	<u>1,342,984</u>	<u>12,933,444</u>
*Less Non-Operating Items:			
Tuition Chargeback	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Adjusted Expenditures	<u><u>\$ 11,590,460</u></u>	<u><u>\$ 1,342,984</u></u>	<u><u>\$ 12,933,444</u></u>
Operating Expenditures			
By Object			
Salaries	\$ 6,612,107	\$ 127,976	\$ 6,740,083
Employee Benefits	751,565	25,013	776,578
Contractual Services	441,652	524,136	965,788
General Materials and Supplies	498,306	88,834	587,140
Conference and Meeting Expense	96,797	372	97,169
Fixed Charges	116,068		116,068
Utilities	56,593	501,906	558,499
Capital Outlay	288,525	73,239	361,764
Other	2,402,617	1,508	2,404,125
Transfers	326,230		326,230
Total Expenditures	<u>11,590,460</u>	<u>1,342,984</u>	<u>12,933,444</u>
*Less Non-Operating Items:			
Tuition Chargeback	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Adjusted Expenditures	<u><u>\$ 11,590,460</u></u>	<u><u>\$ 1,342,984</u></u>	<u><u>\$ 12,933,444</u></u>

* Inter-college revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4**

FOR THE YEAR ENDED JUNE 30, 2014

	Restricted Purposes Fund
Revenues by Source	
State Government	
ICCB - Adult Education	\$ 76,211
ICCB - Program Improvement Grant	9,316
Department of Commerce and Economic Opportunity	20,947
Illinois Secretary of State	25,000
Illinois Board of Higher Education - Illinois Cooperative Work Study Program	18,453
Total State Government	<u>149,927</u>
Federal Government	
Department of Education	3,972,112
ICCB - Adult Education	26,898
ICCB - Carl Perkins	153,241
ICCB - Career and Technical Education Grants	10,000
Small Business Administration	3,522
National Science Foundation	49,292
Department of Health and Human Services	9,820
Department of Commerce and Economic Opportunity	66,720
Total Federal Government	<u>4,291,605</u>
Other Sources	
Total Other Sources	<u>-0-</u>
Transfers	<u>-0-</u>
Total Restricted Purposes Fund Revenues	<u><u>\$ 4,441,532</u></u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4 - CONCLUDED**

FOR THE YEAR ENDED JUNE 30, 2014

	Restricted Purposes Fund
Expenditures	
By Program	
Instruction	\$ 186,717
Academic Support	19,820
Student Services	441,198
Public Service	323,577
Operations and Maintenance	-0-
Institutional Support	-0-
Scholarships, Student Grants, and Waivers	3,470,220
	<hr/>
Total Restricted Purposes Fund Expenditures	\$ 4,441,532
	<hr/> <hr/>
Expenditures	
By Object	
Salaries	\$ 630,142
Employee Benefits	122,842
Contractual Services	52,931
General Materials and Supplies	58,336
Conference and Meeting Expense	31,090
Utilities	100
Capital Outlay	46,141
Other	3,499,950
	<hr/>
Total Restricted Purposes Fund Expenditures	\$ 4,441,532
	<hr/> <hr/>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**CURRENT FUNDS* EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5**

FOR THE YEAR ENDED JUNE 30, 2014

Instruction

Instructional Programs	\$ 5,451,170
------------------------	--------------

Academic Support

Library Center	117,928
Instructional Materials Center	33,641
Educational Media Services	124,553
Other	19,820
Total Academic Support	<u>295,942</u>

Student Services

Admissions and Records	48,458
Counseling and Career Guidance	873,859
Financial Aid Administration	192,098
Other	441,198
Total Student Services	<u>1,555,613</u>

Public Service

Community Services	<u>550,468</u>
--------------------	----------------

Auxiliary Services

1,130,011

Operations and Maintenance of Plant

Maintenance	471,646
Custodial Services	340,350
Grounds	30,371
Campus Security	6,594
Utilities	494,023
Total Operations and Maintenance of Plant	<u>1,342,984</u>

Institutional Support

Executive Management	257,991
Fiscal Operations	372,586
Community Relations	172,012
Institutional Research	68,660
Board of Trustees	25,889
General Institution	987,691
Administrative Data Processing	724,661
Total Institutional Support	<u>2,609,490</u>

Scholarships, Student Grants, and Waivers

5,872,837

Total Current Funds Expenditures

\$ 18,808,515

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

SUPPLEMENTARY INFORMATION

Certification of Chargeback Reimbursement

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**CERTIFICATION OF CHARGEBACK REIMBURSEMENT
FOR FISCAL YEAR 2014**

**All Fiscal Year 2014 Non-Capital Audited Operating
Expenditures from the Following Funds:**

Education Fund	\$ 10,975,705
Operations and Maintenance Fund	1,269,745
Bond and Interest Fund	359,952
Restricted Purposes Fund	4,395,391
Audit Fund	20,500
Liability, Protection, and Settlement Fund	609,258
Total Non-Capital Expenditures	<u>17,630,551</u>

**Depreciation on Capital Outlay Expenditures
From Sources Other than State and Federal Funds**

480,143

Total Costs Included

\$ 18,110,694

Total Certified Semester Credit Hours for Fiscal Year 2014

46,042

Per Capita Cost

\$ 393.35

**All Fiscal Year 2014 State and Federal Operating Grants
For Non-Capital Expenditures, Except ICCB Grants**

\$ 4,165,866

Less: Fiscal Year 2014 State and Federal Grants Per Semester Credit Hour

90.48

Less: Average ICCB Grant Rate for Fiscal Year 2015

36.80

Less: Student Tuition and Fee Rate Per Semester Credit Hour for Fiscal Year 2015

95.00

Chargeback Reimbursement Per Semester Credit Hour

\$ 171.07

Approved: _____
Chief Fiscal Officer

Date

Approved: _____
Chief Executive Officer

Date

SUPPLEMENTARY INFORMATION

**Illinois Community College Board
State Grants Financial Compliance Section**

Odum Accounting

Robert A. Odum, CPA

P.O. Box 602

Anna, Illinois 62906-0602

Phone: 618-697-0187

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE REQUIREMENTS FOR CAREER AND TECHNICAL EDUCATION-PROGRAM IMPROVEMENT GRANTS AND ADULT EDUCATION AND FAMILY LITERACY GRANTS

Board of Trustees
Shawnee Community College District No. 531
Ullin, Illinois 62992

Report on the Financial Statements

I have audited the accompanying balance sheets of the Career and Technical Education-Program Improvement and Adult Education and Family Literacy Grants of Shawnee Community College District No. 531 as of June 30, 2014, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the College's management. Management's responsibilities include 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit 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 grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Those standards and guidelines require that I 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 management, as well as evaluating the overall financial statement presentation. My audit also included a review of compliance with the provisions of laws, regulations, contracts, and grants between Shawnee Community College District No. 531 and the State of Illinois and the Illinois Community College Board (ICCB). I believe that my audit provides a reasonable basis for my opinion and Shawnee Community College District No. 531 is in compliance, in all material respects, with the provisions of laws, contracts, and ICCB policy guidelines for restricted grants.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Career and Technical Education-Program Improvement and Adult Education and Family Literacy Grants of Shawnee Community College District No. 531 as of June 30, 2014, and the

results of their operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

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

Odum Accounting

Robert A. Odum

Robert A. Odum
Certified Public Accountant

Anna, Illinois
October 13, 2014

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

STATE ADULT EDUCATION RESTRICTED FUNDS

BALANCE SHEET

JUNE 30, 2014

	State Basic	Public Aid	Performance	Total (Memorandum Only)
ASSETS				
Current Assets				
Accounts Receivable	\$ 2,468	\$ 1,376	\$ 2,427	\$ 6,271
Total Assets	<u>\$ 2,468</u>	<u>\$ 1,376</u>	<u>\$ 2,427</u>	<u>\$ 6,271</u>
LIABILITIES AND FUND BALANCE				
Current Liabilities				
Due to Other Funds	\$ 2,468	\$ 1,376	\$ 2,427	\$ 6,271
Fund Balance				
Reserved	-0-	-0-	-0-	-0-
Total Liabilities and Fund Balance	<u>\$ 2,468</u>	<u>\$ 1,376</u>	<u>\$ 2,427</u>	<u>\$ 6,271</u>

The accompanying notes are an integral part of these financial statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

STATE ADULT EDUCATION RESTRICTED FUNDS

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

FOR THE YEAR ENDED JUNE 30, 2014

	State Basic	Public Aid	Performance	Total (Memorandum Only)
Revenues				
State Sources	\$ 29,610	\$ 16,507	\$ 30,094	\$ 76,211
Expenditures				
Instructional & Student Services				
Instruction	22,452	11,093	17,986	51,531
Guidance Services		3,521	10,512	14,033
Assessment and Testing		500	494	994
Student Transportation Services	1,964	1,393	1,102	4,459
Literacy Services				-0-
Subtotal Instructional & Student Services	24,416	16,507	30,094	71,017
Program Support				
Improvement of Instructional Services	4,748			4,748
Data & Information Services	446			446
Subtotal Program Support	5,194	-0-	-0-	5,194
Total Expenditures	29,610	16,507	30,094	76,211
Excess Revenues Over (Under) Expenditures	-0-	-0-	-0-	-0-
Fund Balance, July 1, 2013	-0-	-0-	-0-	-0-
Fund Balance, June 30, 2014	\$ -0-	\$ -0-	\$ -0-	\$ -0-

The accompanying notes are an integral part of these financial statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**ICCB COMPLIANCE STATEMENT FOR THE ADULT
EDUCATION AND FAMILY LITERACY GRANT**

EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Audited Expenditure Amount</u>	<u>Actual Expenditure Percentage</u>
<u>State Basic</u>		
Instruction (45% Minimum Required)	\$ 22,452	75.83%
General Administration (9% Maximum Allowed)	\$ -0-	0.00%
<u>State Public Assistance</u>		
Instruction (45% Minimum Required)	\$ 11,093	67.20%
General Administration (9% Maximum Allowed)	\$ -0-	0.00%

The accompanying notes are an integral part of these financial statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT

BALANCE SHEET

JUNE 30, 2014

ASSETS

Current Assets

Cash and Cash Equivalents

\$ -0-

Total Assets

\$ -0-

LIABILITIES AND FUND BALANCE

Current Liabilities

Deferred Revenue

\$ -0-

Fund Balance

Reserved

-0-

Total Liabilities and Fund Balance

\$ -0-

The accompanying notes are an integral part of these financial statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

CAREER AND TECHNICAL EDUCATION - PROGRAM IMPROVEMENT

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Actual</u>
Revenues	
State Sources	<u>\$ 9,316</u>
Expenditures	
Instructional Equipment	<u> 9,316</u>
Total Expenditures	<u> 9,316</u>
Excess Revenues Over (Under) Expenditures	-0-
Fund Balance, July 1, 2013	<u>-0-</u>
Fund Balance, June 30, 2014	<u><u>\$ -0-</u></u>

The accompanying notes are an integral part of these financial statements.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The accompanying statements include only those transactions resulting from the Illinois Community College Board (ICCB) Career and Technical Education-Program Improvement and Adult Education and Family Literacy Grant Programs. These transactions have been accounted for in the Restricted Purposes Fund of Shawnee Community College District No. 531.

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, 2014. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

C. Fixed Assets

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

D. Deferred Revenue

Deferred revenue represents grant funds to be expended during July 2014 for purchases of supplies encumbered prior to June 30.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**BACKGROUND INFORMATION ON STATE GRANT ACTIVITY
JUNE 30, 2014**

Unrestricted Grants

Base Operating Grants

General operating funds provided to colleges based upon credit enrollment.

Small College Grants

Funds provided to colleges with full-time equivalent enrollments of less than 2,500 students. Intended to help small colleges pay for some of the “fixed costs” of operating a smaller institution.

Equalization Grants

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

Restricted Grants/Special Initiatives

Career and Technical Education-Program Improvement Grants

Grant funding recognizes that keeping career and technical programs current and reflective of the highest quality practices in the workplace is necessary to prepare students to be successful in their chosen careers and to provide employers with the well-trained workforce they require. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**BACKGROUND INFORMATION ON STATE GRANT ACTIVITY (CONCLUDED)
JUNE 30, 2014**

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.

Public Assistance

Grant awarded to Adult Education and Family Literacy providers to pay for any fees, books, and materials incurred in the program for the students who are identified as recipients of public assistance.

Performance

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

SUPPLEMENTARY INFORMATION

Schedules of Enrollment Data and Reconciliation of Semester Credit Hours

Odum Accounting

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P.O. Box 602

Anna, Illinois 62906-0602

Phone: 618-697-0187

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Fax: 618-833-8141

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

Board of Trustees
Shawnee Community College District No. 531
Ullin, Illinois 62992

I have examined the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of Shawnee Community College District No. 531 for the year ended June 30, 2014.

Management's Responsibility

The Schedule of Enrollment Data and Other Bases upon Which Claims are Filed is the responsibility of the College's management. Management's responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule.

Auditor's Responsibility

My responsibility is to express an opinion on the schedule based upon my examination. My examination was made 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 guidelines of the Illinois Community College Board's *Fiscal Management Manual*.

Opinion

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

Odum Accounting

Robert A. Odum

Robert A. Odum
Certified Public Accountant

Anna, Illinois
October 13, 2014

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2014**

Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)								
Categories	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	2,925		11,287		10,773		24,985	-0-
Business Occupational	274		1,401		1,676		3,351	-0-
Technical Occupational	210		981		958		2,149	-0-
Health Occupational	867		3,025		2,445		6,337	-0-
Remedial Developmental	200		1,489		1,528		3,217	-0-
Adult Basic/Secondary Education	646		1,696	811	2,477	373	4,819	1,184
Total	5,122	-0-	19,879	811	19,857	373	44,858	1,184

Note 1) Unrestricted credit hours are supported with 50% or more of unrestricted sources of funding and are reimbursable if they meet all eligibility requirements.

Note 2) Restricted credit hours are supported with more than 50% of restricted sources of funding.

	Attending In-District	Attending Out of District on Chargeback or Contractual Agreement	Total
Reimbursable Semester Credit Hours (All Terms)	<u>44,265</u>	<u>1,283</u>	<u>45,548</u>
	Dual Credit	Dual Enrollment	
Reimbursable Semester Credit Hours (All Terms)	<u>2,864</u>	<u>13</u>	

District 2012 Equalized Assessed Valuation *** \$575,610,119

Correctional Semester Credit Hours by Term				
Categories	Summer	Fall	Spring	Total
Baccalaureate	-0-	-0-	-0-	-0-
Total	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

Signatures

Chief Executive Officer

Chief Financial Officer

*** Most Current Assessed Valuation Available

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2014**

Categories	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	24,985	24,985	-0-	-0-	-0-	-0-
Business Occupational	3,351	3,351	-0-	-0-	-0-	-0-
Technical Occupational	2,149	2,149	-0-	-0-	-0-	-0-
Health Occupational	6,337	6,337	-0-	-0-	-0-	-0-
Remedial Developmental	3,217	3,217	-0-	-0-	-0-	-0-
Adult Basic/Secondary Education	4,819	4,819	-0-	1,184	1,184	-0-
Total	44,858	44,858	-0-	1,184	1,184	-0-

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

	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB	Difference
In-District Residents	44,265	44,265	-0-
Out of District on Chargeback or Contractual Agreement	1,283	1,283	-0-

	Total Reimbursable	Total Reimbursable as Certified to the ICCB	Difference
Dual Credit	2,864	2,864	-0-
Dual Enrollment	13	13	-0-

Reconciliation of Total Correctional Semester Credit Hours

Categories	Total Correctional Credit Hours	Total Correctional Credit Hours as Certified to the ICCB	Difference
Baccalaureate	-0-	-0-	-0-
Total	-0-	-0-	-0-

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**DOCUMENTATION OF RESIDENCY VERIFICATION STEPS
JUNE 30, 2014**

In-District Student

Description: A student who has lived in Johnson, Alexander, Massac, Pulaski, or Union counties for at least 30 days prior to the beginning of the semester.

Residency Code: In-district

Acceptable Documentation: Includes driver's license, voter registration card, property tax statement, in-district high school transcript, utility or phone bill, automobile licenser registration, or statement from the student verifying his/her address. This statement must be verified by sending correspondence to the address.

Tuition Charge: Current in-district tuition charge

Student Employed Full-Time in the District

Description: An Illinois resident who lives outside the district but works at least 35 hours per week at a business or industry located in the district.

Residency Code: In-district

Acceptable Documentation: A signed letter from employer verifying that the student works at least 35 hours in the district.

Tuition Charge: Current in-district tuition charge

Out-of-District Student

Description: A student who has lived outside the district boundaries but within the state of Illinois for at least 30 days prior to the beginning of the semester.

Residency Code: Out-of-district

Acceptable Documentation: Includes driver's license, voter registration card, property tax statement, in-district high school transcript, utility or phone bill, automobile license registration, or statement from the student verifying his/her address. This statement must be verified by sending correspondence to the address.

Tuition Charge: Current out-of-district tuition charge

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**DOCUMENTATION OF RESIDENCY VERIFICATION STEPS (CONTINUED)
JUNE 30, 2014**

Chargeback Student

Description: A student who lives in Illinois outside the district boundaries but attends SCC because his/her home Community College does not offer a specific degree/certificate program.

Residency Code: Out-of-district

Acceptable Documentation: A signed chargeback agreement from home community college. Documentation maintained by the Business Office.

Tuition Charge: Current in-district tuition charge

Reciprocal Agreement Student

Description: A student who lives in the John A. Logan College, Kaskaskia College, Southwestern Illinois College, Rend Lake College, or Southeastern Illinois Community College district but attends SCC for the purpose of enrolling in a program or specific course not offered by the home community college. Since this is an agreement made among these four colleges, a chargeback request is not required.

Residency Code: Out-of-district

Acceptable Documentation: A letter of reciprocity from the home community college. Documentation maintained by the Business Office.

Tuition Charge: Current in-district tuition charge

Out-of-State Student

Description: A student who lives outside the state of Illinois.

Residency Code: Out-of-state

Acceptable Documentation: None is required.

Tuition Charge: Current out-of-state tuition charge

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**DOCUMENTATION OF RESIDENCY VERIFICATION STEPS (CONCLUDED)
JUNE 30, 2014**

International Student

Description: A student who lives outside of the United States.

Residency Code: Out-of-country

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Dean of Student Services or Registrar.

Tuition Charge: Current foreign student tuition charge

International Athlete

Description: A student who lives outside of the United States but attends SCC for the purpose of playing collegiate sports.

Residency Code: Out-of-country

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Dean of Student Services or Registrar.

Tuition Charge: Current foreign student tuition charge

International Student with U.S. In-District Sponsor

Description: A student whose permanent residence is outside of the United States but who lives with and is financially sponsored by a resident within the college district.

Residency Code: Out-of-country

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Dean of Student Services or Registrar.

Tuition Charge: Current foreign student tuition charge

SUPPLEMENTARY INFORMATION

Federal Compliance Section

Odum Accounting

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Trustees
Shawnee Community College District No. 531
Ullin, Illinois 62992

Report on Compliance for Each Major Federal Program

I have audited Shawnee Community College District No. 531's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Shawnee Community College District No. 531's major federal programs for the year ended June 30, 2014. Shawnee Community College District No. 531'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

My responsibility is to express an opinion on compliance for each of Shawnee Community College District No. 531's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I 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 Shawnee Community College District No. 531's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Shawnee Community College District No. 531's compliance.

Opinion on Each Major Federal Program

In my opinion, Shawnee Community College District No. 531 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Shawnee Community College District No. 531 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Shawnee Community College District No. 531'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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Shawnee Community College District No. 531'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.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Odum Accounting

Robert A. Odum

Robert A. Odum
Certified Public Accountant

Anna, Illinois
October 13, 2014

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Fund Balance July 1, 2013	Revenues	Expenditures	Fund Balance June 30, 2014
U.S. Department of Education							
Direct Grants:							
(M) Pell Grant	84.063	P063P132989	\$ 3,105,801	\$ -0-	\$ 3,145,896	\$ 3,145,896	\$ -0-
(M) Pell Grant	84.063	P063P122989	3,835,693	-0-	185,907	185,907	-0-
(M) College Work Study	84.033	P033A131281	52,607	-0-	52,607	52,607	-0-
(M) Supplemental Educational Opportunity Grant	84.007	P007A131281	57,687	-0-	37,189	37,189	-0-
(M) Supplemental Educational Opportunity Grant	84.007	P007A121281	76,975	-0-	48,621	48,621	-0-
(M) Student Support Services	84.042A	P042A101012	1,133,233	-0-	248,690	248,690	-0-
(M) Talent Search Program	84.044A	P044A110927	677,971	-0-	232,388	232,388	-0-
Childcare Access Grant	84.335A	P335A100006	95,043	-0-	20,814	20,814	-0-
Passed through Illinois Community College Board:							
Carl Perkins Act	84.048	CTE53114	155,618	-0-	151,839	151,839	-0-
Carl Perkins Act	84.048	CTE53113	169,700	-0-	1,402	1,402	-0-
Career and Technical Education:							
Dual Credit Enhancement Grant	84.048	14CTEDUAL531	10,000	-0-	10,000	10,000	-0-
Adult Education and Family Literacy:							
Federal Basic	84.002A	53101	26,536	-0-	26,898	26,898	-0-
Total U.S. Department of Education			<u>9,396,864</u>	<u>-0-</u>	<u>4,162,251</u>	<u>4,162,251</u>	<u>-0-</u>
U.S. Department of Health and Human Services							
Passed through Southern Illinois University:							
S.I. Bridges to the Baccalaureate Program	93.859	1R25GM107760-01	9,820	-0-	9,820	9,820	-0-
Total U.S. Department of Health and Human Services			<u>9,820</u>	<u>-0-</u>	<u>9,820</u>	<u>9,820</u>	<u>-0-</u>

(M) - Major Program

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONCLUDED

FOR THE YEAR ENDED JUNE 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Project Number</u>	<u>Program or Award Amount</u>	<u>Fund Balance July 1, 2013</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance June 30, 2014</u>
National Science Foundation							
Passed through Southern Illinois University							
Noyce Master Fellowship Grant	47.076	DUE-1136414	\$ 250,000	\$ -0-	\$ 49,292	\$ 49,292	\$ -0-
Total National Science Foundation			<u>250,000</u>	<u>-0-</u>	<u>49,292</u>	<u>49,292</u>	<u>-0-</u>
U.S. Small Business Administration							
Direct Grant:							
Congressional Earmark Program	59.059	SBAHQ-10-I-0103	200,000	-0-	3,522	3,522	-0-
Passed through Illinois Department							
of Commerce and Economic Opportunity:							
Small Business Development Center	59.037	14-561174	85,000	-0-	42,000	42,000	-0-
Small Business Development Center	59.037	13-181174	42,500	-0-	24,720	24,720	-0-
Total U.S. Small Business Administration			<u>327,500</u>	<u>-0-</u>	<u>70,242</u>	<u>70,242</u>	<u>-0-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 9,984,184</u>	<u>\$ -0-</u>	<u>\$ 4,291,605</u>	<u>\$ 4,291,605</u>	<u>\$ -0-</u>

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1: BASIS OF PRESENTATION

A. General

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule presents the current year expenditures for all federal award programs.

B. Basis of Accounting

For financial reporting purposes, Shawnee Community College District No. 531 is considered a special-purpose government engaged only in business-type activities. Accordingly, the District's financial statements have been presented using the economic resources and measurement focus and the accrual basis of accounting. The District's Schedule of Expenditures of Federal Awards is prepared in conformity with the same basis of accounting.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**BACKGROUND INFORMATION ON FEDERAL GRANT ACTIVITY
JUNE 30, 2014**

Restricted Adult Education Grants/Federal

Federal Basic

Grant awarded to Adult Education and Family Literacy providers to assist adults in becoming literate and obtain the knowledge and skills necessary for employment and self-sufficiency; to assist adults who are parents in obtaining the educational skills necessary to become full partners in the educational development of their children; and to assist adults in completing a secondary school education.

EL/Civics

Grant awarded to Adult Education and Family Literacy providers for educational programs that emphasize contextualized instruction on the rights and responsibilities of citizenship, naturalization procedures, civic participation, and U.S. history and government to help students acquire the skills and knowledge to become active and informed parents, workers, and community members.

Restricted Vocational Education Grants to State (Perkins)/Federal

Grant awarded to community colleges as a result of the Carl D. Perkins Vocational and Technical Education Act of 1998 (Perkins III). This grant is intended to help accomplish the new vision of vocational and technical education for the 21st century. The central goals of this new vision are improving student achievement and preparing students for postsecondary education, further learning, and careers. The grant allows community colleges to focus on those programs and student populations they feel will allow for the greatest improvement in overall performance while assuring success for all students in career and technical education programs.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|-------------|
| 1. Type of auditor’s report issued: | Unqualified |
| 2. Internal control over financial reporting: | |
| a.) Material weaknesses identified? | No |
| b.) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| c.) Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|--|---|
| 1. Internal control over major program: | |
| a.) Material weaknesses identified? | No |
| b.) Significant deficiencies identified that are not considered to be material weaknesses | No |
| 2. Type of auditor’s report issued on compliance for major programs: | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133? | No |
| 4. Identification of major programs: | |
| <u>CFDA Number</u> | <u>Name of Federal Program</u> |
| 84.007, 84.033, 84.063
84.042, 84.044 | Federal Student Aid Cluster
Trio Cluster |
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$300,000 |
| 6. Auditee qualified as a low-risk auditee? | Yes |

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no significant deficiencies, material weaknesses, or instances of noncompliance related to the financial statements that were required to be reported in accordance with *Government Auditing Standards*.

SECTION III – FEDERAL AWARD FINDINGS

There were no significant deficiencies, material weaknesses, instances of noncompliance, or questioned costs related to the federal awards that were required to be reported in accordance with OMB Circular A-133.

SECTION IV – CORRECTIVE ACTION PLAN

There were no audit findings reported in this report for which Shawnee Community College District No. 531 needed to prepare a corrective action plan.

**SHAWNEE COMMUNITY COLLEGE DISTRICT NO. 531
ULLIN, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2014**

SECTION V – SUMMARY OF PRIOR AUDIT FINDINGS

There were no findings relative to federal awards reported in the prior year's audit of Shawnee Community College District No. 531 for the year ending June 30, 2013.