

Parkland College
Comprehensive
Annual Financial Report
June 30, 2024 and 2023



Forvis Mazars, LLP

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Parkland College District #505

Champaign, Illinois

Annual Comprehensive Financial Report

June 30, 2024 and 2023



Parkland College District #505
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Independent Auditor's Report

Board of Trustees
Parkland College District #505
Champaign, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the fiduciary activities of Parkland College District #505 (College), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component unit, and the fiduciary activities of the College, as of June 30, 2024 and 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The accompanying supplementary information as listed in the table of contents, including the combining financial statements and other schedules, state required report section, Illinois grant accountability and transparency reports including the federal compliance section, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information listed above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the student enrollment and full-time equivalency at tenth day schedule but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2024, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Forvic Mazars, LLP

Decatur, Illinois
October 9, 2024

Management's Discussion and Analysis

**Parkland College District #505
Management’s Discussion and Analysis
June 30, 2024 and 2023**

This section of Parkland College District’s (the “College” or “Parkland”) Annual Comprehensive Financial Report presents management’s discussion and analysis (MD&A) of the College’s financial activities, and its component unit, the Parkland College Foundation (the “Foundation”), for the fiscal years ended June 30, 2024, 2023 and 2022. Since this management’s discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the College’s basic financial statements and footnotes. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis. Responsibility for the completeness and fairness of this information rests with the College.

The MD&A contains comparisons between fiscal years 2024, 2023 and 2022 only.

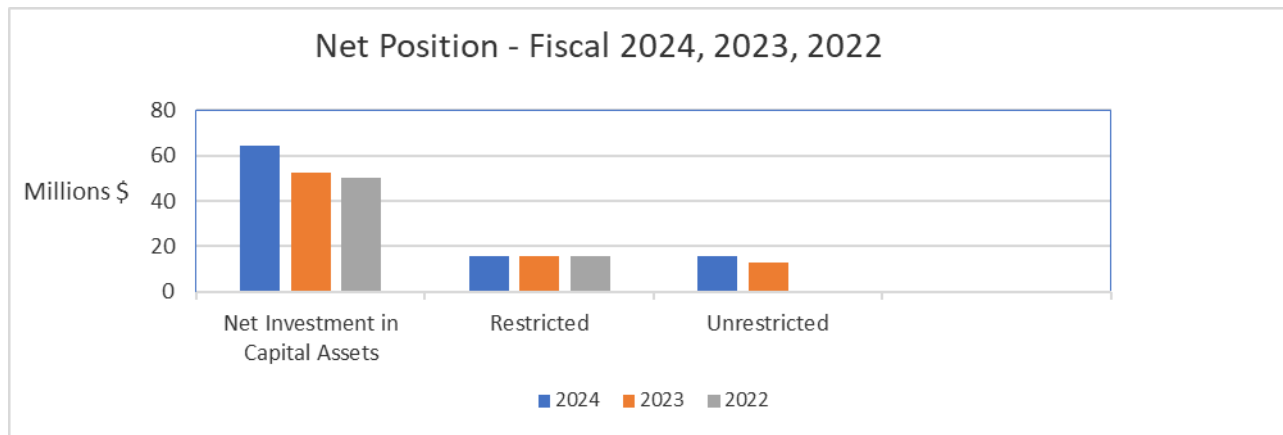
Using This Annual Report

The College’s basic financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The focus of the Statements of Net Position is designed to be similar to bottom line results for the College. The Statements of Revenues, Expenses, and Changes in Net Position focus on the costs of the College’s activities which are mainly supported by property taxes, State revenues, and tuition. This approach is intended to summarize and simplify the user’s analysis of the cost of various College services to students and the public. In addition, Generally Accepted Accounting Principles (GAAP) requires the financial statement presentation to include the Foundation, which is defined as a component unit.

The Management Discussion and Analysis contains financial activity of Parkland. The College’s component unit, the Foundation, has separately issued financial statements. These statements should be used for detailed information on the Foundation’s financial activity for the year ending June 30, 2024. Copies of the Foundation’s annual audit can be obtained from the Foundation office at Parkland College.

Primary Institution Financial Highlights

Comparative Net Position Chart



The Statement of Net Position

Net position is divided into three major categories. The first category, net investment in capital assets, provides the College’s equity in property, plant, equipment, and lease and subscription assets owned by the College. The next category is restricted net position, which is available for expenditure by the College but must be spent for purposes as determined by enabling legislation or external entities that have placed time or purpose restrictions on the use of the assets. The final category is the unrestricted net position. These resources are available for use by the College for any legal purpose.

**Parkland College District #505
Management's Discussion and Analysis
June 30, 2024 and 2023**

Financial Analysis of the College as a Whole

**Statement of Net Position
As of June 30
(in millions)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Current Assets	\$ 68.7	\$ 68.7	\$ 73.9
Non-Current Assets:			
Capital Assets, Net of Depreciation	98.0	88.4	89.7
Other non-current assets	12.9	10.7	1.6
Total Assets	<u>179.6</u>	<u>167.8</u>	<u>165.2</u>
Deferred Outflows of Resources	0.6	0.4	0.6
Total Assets and Deferred Outflows of Resources	<u>180.2</u>	<u>168.2</u>	<u>165.8</u>
Current Liabilities	19.2	14.8	15.1
Non-Current Liabilities	47.6	49.9	74.6
Total Liabilities	<u>66.8</u>	<u>64.7</u>	<u>89.7</u>
Deferred Inflows of Resources	17.6	22.9	10.1
Net Position:			
Net Investment in Capital Assets	64.1	52.5	50.4
Restricted	15.9	15.5	14.9
Unrestricted	15.8	12.6	0.7
Total Net Position	<u>\$ 95.8</u>	<u>\$ 80.6</u>	<u>\$ 66.0</u>

This schedule is prepared from the College's statement of net position which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

Fiscal Year 2024 Compared to 2023

Net position increased \$15.2 million during fiscal year 2024. This increase was due to increases in net investment capital assets of \$11.6 million, restricted net position of \$0.4 million, and unrestricted net position of \$3.2 million.

Total liabilities increased by \$2.1 million to \$66.8 million. This increase was due to a increase in current liabilities of \$4.4 million and a decrease in non-current liabilities of \$2.3 million.

The change in Net Position is explained after the Analysis of Net Position chart.

Fiscal Year 2023 Compared to 2022

Net position increased \$14.6 million during fiscal year 2023. This increase was due to increases in net investment capital assets of \$2.1 million, restricted net position of \$0.6 million, and unrestricted net position of \$11.9 million.

Total liabilities decreased by \$25.1 million to \$64.7 million. This decrease was due to a decrease in both current liabilities of \$0.3 million and non-current liabilities of \$24.7 million.

The change in Net Position is explained after the Analysis of Net Position chart.

**Parkland College District #505
Management's Discussion and Analysis
June 30, 2024 and 2023**

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

The Statement of Revenues, Expenses, and Changes in Net Position presents the operating results of the College, and the non-operating revenues and expenses. Annual State appropriations and local property taxes, while budgeted for operations, are considered non-operating revenues according to GAAP. The Supplemental Information following the Financial Statements illustrates actual performance relative to the College's initial budget.

**Operating Results
For Year Ended June 30
(in millions)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating Revenue:			
Tuition and Fees	\$ 23.5	\$ 22.9	\$ 15.3
Auxiliary Enterprises	3.6	3.1	3.5
Other	3.3	1.4	1.3
Total	<u>30.4</u>	<u>27.4</u>	<u>20.1</u>
Less: Operating Expenses	<u>101.3</u>	<u>96.5</u>	<u>99.7</u>
Operating Loss	<u>(70.9)</u>	<u>(69.1)</u>	<u>(79.6)</u>
Non-Operating Revenue (Expenses):			
State Grants and Contracts	11.6	10.5	8.6
Local Property Taxes	42.6	42.8	40.5
Federal Grants and Contracts	14.5	13.7	25.1
On-Behalf Payments	15.6	16.2	20.9
Interest Expense	(1.5)	(1.6)	(1.7)
Interest Income	0.4	0.4	0.4
Investment Income	2.9	1.7	0.2
Total	<u>86.1</u>	<u>83.7</u>	<u>94.0</u>
Increase (Decrease) in Net Position	<u>15.2</u>	<u>14.6</u>	<u>14.4</u>
Net Position, Beginning of Year	<u>80.6</u>	<u>66.0</u>	<u>51.6</u>
Net Position, End of Year	<u>\$ 95.8</u>	<u>\$ 80.6</u>	<u>\$ 66.0</u>

Fiscal Year 2024 Compared to 2023

Operating revenues increased \$3.0 million from the prior year. Operating revenue increased by \$0.6 million in the tuition & fees category, along with a \$0.5 million increase in auxiliary revenue and a \$1.9 million increase in other revenue. The increase in tuition and fees revenue is due to the increase in tuition of \$6.25 per credit hour.

In total, operating expenses increased by \$4.8 million. This is due to increases in instruction of \$4.8 million, academic support of \$0.3 million, student services of \$0.8 million, public service of \$0.4 million, auxiliary enterprises of \$0.2 million, depreciation and amortization of \$0.2 million, and operations and maintenance of plant of \$0.4 million offset by a decrease in scholarships and grants of \$0.6 million, and on-behalf payments of \$0.6 million.

The non-operating revenues, net of non-operating expenses, increased by \$2.4 million. This is due to a increase in federal grants and contracts of \$1.4 million, state grants and contracts of \$0.5 million, and investment income of \$1.2 million offset by decreases in local property taxes of \$0.2 million, and on-behalf payments of \$0.6 million.

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

**Parkland College District #505
Management's Discussion and Analysis
June 30, 2024 and 2023**

Fiscal Year 2023 Compared to 2022

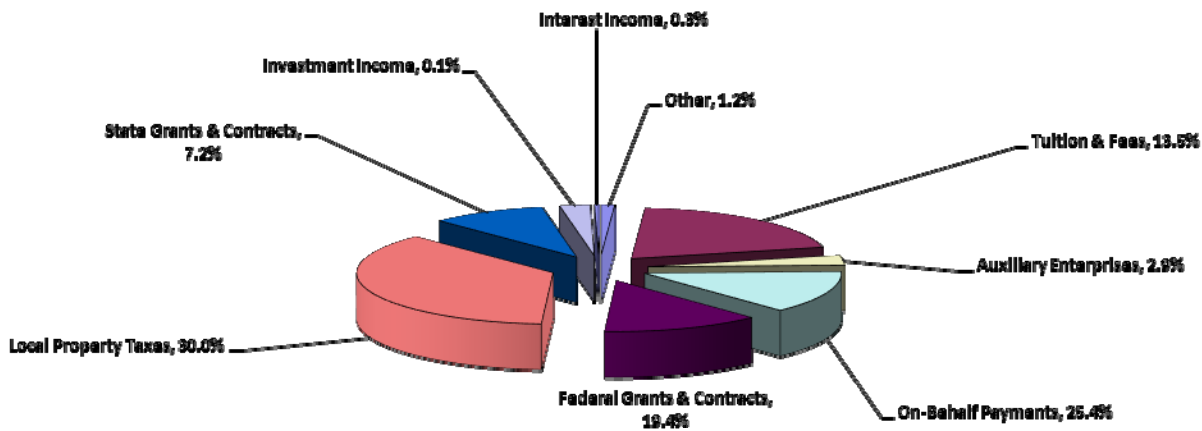
Operating revenues increased \$7.3 million from the prior year. Operating revenue increased by \$7.6 million in the tuition & fees category, along with a \$0.1 million increase in other revenues offset by a \$0.4 decrease in auxiliary revenue. The decrease in tuition and fees revenue is reflected by the \$5.7 million decrease in scholarship allowance from the prior year. This resulted in the increase in operating revenue as mentioned above.

In total, operating expenses decreased by \$3.2 million. This is due to decreases in student services of \$0.7 million, public service of \$0.4 million, on-behalf payments of \$4.8 million, scholarships and grants of \$0.4 million offset by an increase in institutional support of \$2.3 million, operations of maintenance of plant of \$0.7 million and depreciation and amortization of \$0.1 million.

The non-operating revenues, net of non-operating expenses, decreased by \$10.3 million. This is due to a decrease in federal grants and contracts of \$11.4 million and on behalf payments of \$4.7 million offset by increases in state grants and contracts of \$1.9 million, local property taxes of \$2.3 million, and investment income of \$1.5 million along with a decrease in interest expense of \$0.1 million.

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

Revenue by Source Fiscal Year 2024

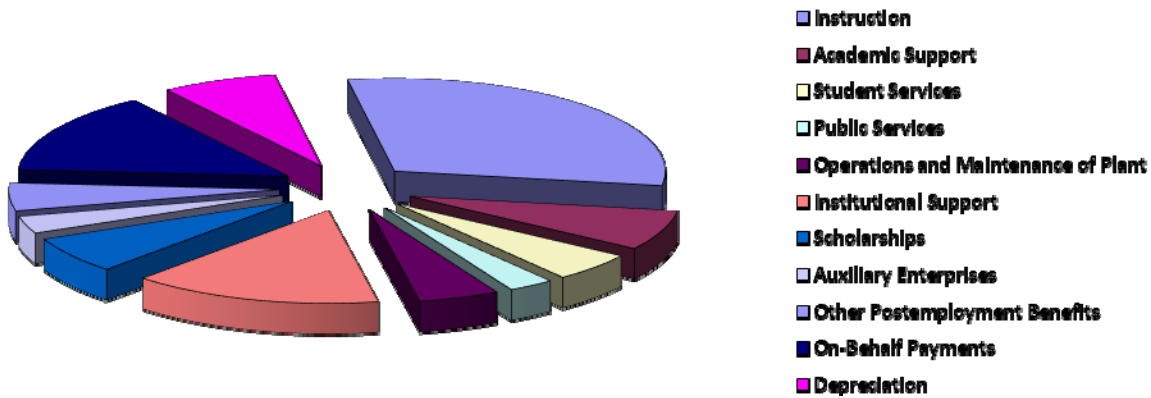


**Parkland College District #505
Management's Discussion and Analysis
June 30, 2024 and 2023**

**Operating Expenses
For Year Ended June 30
(in millions)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating Expenses:			
Instruction	\$ 33.3	\$ 28.5	\$ 25.6
Academic Support	7.7	7.4	5.7
Student Services	5.5	4.7	5.5
Public Service	2.9	2.6	2.9
Operations and Maintenance of Plant	7.3	6.9	6.2
Institutional Support	16.4	17.7	15.7
Scholarships	7.0	7.6	8.0
Auxiliary Enterprises	3.3	3.1	3.0
On-Behalf Payments	15.6	16.2	20.9
Other Postemployment Benefits	(5.3)	(5.6)	(0.7)
Depreciation	7.6	7.4	6.9
Total	<u>\$ 101.3</u>	<u>\$ 96.5</u>	<u>\$ 99.7</u>

Operating Expenses Fiscal Year 2024



**Parkland College District #505
Management’s Discussion and Analysis
June 30, 2024 and 2023**

**Analysis of Net Position
June 30
(in millions)**

	2024	2023	2022
Net Position:			
Net Investment in Capital Assets	\$ 64.1	\$ 52.5	\$ 50.4
Restricted	15.9	15.5	14.9
Unrestricted	15.8	12.6	0.7
Total	\$ 95.8	\$ 80.6	\$ 66.0

Fiscal Year 2024 Compared to 2023

Total net position increased by \$15.2 million from fiscal year 2023 to fiscal year 2024. The net investment in capital assets increased \$11.6 million, or 22.1% over the previous year. This increase was due mainly to the sum of capital asset additions funded with non-debt resources (see Note 6) and payments of principal on outstanding bonds related to capital assets falling short of depreciation. The restricted net position increased by \$0.4 million compared to the previous year, and the unrestricted net position increased by \$3.2 million during fiscal year 2023.

Fiscal Year 2023 Compared to 2022

Total net position increased by \$14.6 million from fiscal year 2022 to fiscal year 2023. The net investment in capital assets increased \$2.1 million, or 4.2% over the previous year. This increase was due mainly to the sum of capital asset additions funded with non-debt resources (see Note 6) and payments of principal on outstanding bonds related to capital assets falling short of depreciation. The restricted net position increased by \$0.6 million compared to the previous year, and the unrestricted net position increased by \$11.9 million during fiscal year 2023.

The Statement of Cash Flows

Another way to assess the financial health of an institution is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about the cash receipts and cash disbursements of an entity during a period. The statement also helps users assess the College’s ability to generate net cash flows, its ability to meet obligations as they come due, and its need for external financing. The College’s Statement of Cash Flows is the final basic financial statement in the audited financial report.

Capital Asset Administration

At the end of fiscal year 2024, the College had \$98.0 million invested in a broad range of capital assets (see table below). This amount represents a net increase (including additions and depreciation) of \$9.6 million. More detailed information about capital assets can be found in Note 6 to the Basic Financial Statements.

**Parkland College District #505
Management’s Discussion and Analysis
June 30, 2024 and 2023**

(Net of Depreciation in millions)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Land	\$ 1.8	\$ 1.8	\$ 1.8
Construction in Progress	13.0	2.5	2.2
Buildings	64.3	66.1	68.4
Land Improvements	13.6	13.3	13.5
Equipment	5.3	4.7	3.8
Leased assets	0.3	0.5	0.4
Subscription assets	3.5	0.7	0.9
Total	<u>\$ 101.8</u>	<u>\$ 89.6</u>	<u>\$ 91.0</u>

This year's major additions included (in millions) excluding deletions:

Exterior Door Project	\$ 0.9
Sea/Restripe Parkling Lots	0.8
Exterior Parking Lot Lights	0.9
Backfill Remodel Projects	0.3
Total	<u>\$ 2.9</u>

The College’s fiscal year 2024 operating capital budget is \$7.9 million. This capital budget will be used to finish the facility master plan and continue facility improvements.

Long-Term Debt Activity

The College’s long-term debt decreased in fiscal year 2024 from \$58.2 million to \$56.4 million. The general obligation bonds payable decreased by \$4.9 million, the net other post-employment benefit liability increased by \$0.2 million, the unamortized bond premium decreased by \$0.4 million, and the retirement obligation increased by \$0.8 million, property tax payable decreased by \$0.1 million and subscription liability increased by \$2.9 million.

In March 2022, S&P reaffirmed Parkland’s rating of AA Stable. Moody’s most recent rating of Aa3 is from December 2017. More detailed information about long-term debt can be found in Note 11 to the Basic Financial Statements.

The College will spend the minimal remaining amount of the debt funds still available for qualified capital master plan projects.

Economic Factors That Will Affect the Future

The College’s Administration and its Board will monitor major factors related to its ongoing revenues including student enrollment, State funding, Corporate Personal Property Replacement Tax, and EAV in the upcoming years. Administration and the Board will also closely monitor trends in major expenses, specifically salaries and benefit expenses.

For fiscal year 2025, the Parkland College Board of Trustees did not increase tuition and fees. Based on initial feedback from the district 505 counties, the College also expects an increase in local property tax revenue with initial projections of close to 10% EAV growth. With the passage of a FY25 State budget, the College budgeted \$5.2 million in State funding.

**Parkland College District #505
Management's Discussion and Analysis
June 30, 2024 and 2023**

Parkland College continues to monitor expenses diligently. This includes thoroughly reviewing positions to decide whether each is considered mission-critical before filling vacancies. The College reached an agreement with three of the four unions through FY27. Also, the College has entered the ninth year with its health insurance administrator. While the first several years yielded significant savings, healthcare costs have risen over the last year at an accelerated rate. The College also works with healthcare experts to determine the required actions of the College in the short and long term to assist in monitoring healthcare expenses.

In August of 2018, the College refinanced all its outstanding bond debt. The Refunding Bond sale was very successful, which is attributed to several factors including the College's credit rating and financial position, strong market conditions at the time of the sale, and the marketing efforts of the underwriting team. The Refunding Bonds did not extend the payment schedule and saved nearly \$6.6 million. Also, the College continually works with its outside financial advisors to monitor if another refinancing opportunity becomes available to save money.

The College has continued to place more emphasis on cybersecurity that includes annual training, more stringent cybersecurity and responsible use policies, and more stringent email firewalls. Additionally, this includes an emphasis on multifactor authentication and a review of Parkland's website design. Also, the College has committed funds to moving its ERP system to a cloud-based technology and more cybersecure system. This requires dedicated time from all college staff with a projected completion date of late FY26.

In addition, the College's IT strategic plan is committed to comprehensive technology solutions to enhance the educational experience, streamline operations, and safeguard the College's digital resources. Parkland is committed to delivering reliable, secure, and innovative IT resources and infrastructure to provide a technology-rich environment that enhances collaboration, learning outcomes, and academic excellence in the most economical way possible.

Parkland continues its capital improvements to its grounds and facilities. The College plans to complete the improvements of the fountain courtyard, campus doorlock Phase II, AGCO Facility, M wing boiler, and electrical panel relocation before the end of FY25. Also, the College plans to use PHS dollars to fund Phase I of the electrical distribution panel safety improvements, P wing boiler replacement, chiller plant water tower refurbishment, and exterior camera additions Phase III. Lastly, the College hired a consultant to complete an efficiency and space usage analysis of its facilities that was completed in FY24 and is awaiting the results.

The College's approved operating budget for fiscal year 2025 is \$65.7 million. The total College budget is \$116.2 million.

The Parkland Foundation will continue to raise money for the College's needs as described in its mission statement. This will include raising funds for scholarships and future capital projects. This includes the annual Creating Impact Celebration scheduled for the Fall of 2024.

The College received its 10-year accreditation from the Higher Learning Commission in October 2023. Also, the College will have an assurance review during FY27 and then a comprehensive evaluation again in FY33. Additional information about the accreditation can be found on the Higher Learning Commission website.

President Dr. Ramage retired on December 31, 2022. Through his leadership, the College has built an outstanding team of faculty and staff, built new facilities that inspire engagement in learning, maintained a strong financial standing, and yielded positive student outcomes. The Board of Trustees named Dr. Pam Lau as acting President on January 1, 2023. The transition went smoothly given Dr. Lau's tenure at the College as she brings a great deal of experience and enthusiasm to the position.

The November national election process could impact funding and regulations for the College. Ongoing challenges include employee and student retention, health insurance costs, and State of Illinois funding. In particular, the Corporate Property Replacements Tax payments will continue to be monitored as they have been reduced for FY25. Lastly, global unrest could impact the college in various ways unknown.

Basic Financial Statements

Parkland College District #505
Statements of Net Position
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Unrestricted		
Cash and cash equivalents	\$ 41,397,298	\$ 36,596,327
Investments	9,946,169	8,881,315
Due from Parkland Foundation	2,076,586	29,066
Property taxes receivable, net	3,327,828	4,368,470
Accounts receivable, net	3,199,946	2,905,518
Inventories	358,197	432,449
Lease receivable	82,338	132,140
Prepaid assets and other	19,559	28,278
Restricted		
Cash and cash equivalents	6,679,766	12,723,336
Property taxes receivable, net	701,687	952,179
Accounts receivable, net	929,589	1,678,858
Total current assets	<u>68,718,963</u>	<u>68,727,936</u>
Noncurrent Assets		
Capital assets, net	98,000,745	88,390,132
Investments	8,754,065	9,191,539
Lease receivable	292,809	270,549
Subscription assets, net	3,537,387	733,282
Leased assets, net	325,511	466,983
Total noncurrent assets	<u>110,910,517</u>	<u>99,052,485</u>
Total assets	<u>179,629,480</u>	<u>167,780,421</u>
Deferred Outflows of Resources		
Deferred retirement plan contributions subsequent to measurement date	88,017	89,523
Other postemployment benefits	465,389	325,003
Total deferred outflows of resources	<u>553,406</u>	<u>414,526</u>
Total assets and deferred outflows of resources	<u>\$ 180,182,886</u>	<u>\$ 168,194,947</u>

Parkland College District #505
Statements of Net Position
June 30, 2024 and 2023

Continued

	<u>2024</u>	<u>2023</u>
LIABILITIES, DEFERRED INFLOWS OR RESOURCES, AND NET POSITION		
Current Liabilities		
Accounts payable	\$ 3,205,868	\$ 898,344
Accrued liabilities	3,165,854	2,722,648
Current portion of property tax refund payable	-	156,860
Due to student groups	737,079	662,928
Unearned revenue	3,209,557	2,128,154
Current portion of lease payable	140,619	169,991
Current portion of subscriptions liabilities	879,485	531,597
Current portion of retirement obligation	1,961,194	2,307,409
Current portion of unamortized bond premium	381,866	381,866
Current portion of bonds payable	5,465,000	4,860,000
	<u>19,146,522</u>	<u>14,819,797</u>
Long-Term Liabilities		
Retirement obligations, net of current portion	4,905,349	3,798,794
Accrued compensated absences	1,815,356	1,843,579
Leases payable, net of current portion	199,454	313,109
Subscriptions liabilities, net of current portion	2,511,068	50,274
Unamortized bond premium, net of current portion	1,686,572	2,068,438
Bonds payable, net of current portion	24,645,000	30,110,000
Net other postemployment benefit liability	11,838,504	11,657,741
	<u>47,601,303</u>	<u>49,841,935</u>
Total long-term liabilities	<u>47,601,303</u>	<u>49,841,935</u>
Total liabilities	<u>66,747,825</u>	<u>64,661,732</u>
Deferred Inflows of Resources		
Deferred amounts from leases	335,839	382,991
Other postemployment benefits	17,251,288	22,530,640
	<u>17,587,127</u>	<u>22,913,631</u>
Net Position		
Net investment in capital assets	64,120,216	52,459,380
Restricted for:		
Expendable trust	7,980,512	7,735,163
Debt service	4,587,417	4,398,831
Purposes allowed by property tax levies	3,101,229	2,885,560
Aviation program operation	266,698	434,397
Unrestricted		
General purposes	44,416,265	46,569,631
Related to OPEB	(28,624,403)	(33,863,378)
	<u>95,847,934</u>	<u>80,619,584</u>
Total net position	<u>95,847,934</u>	<u>80,619,584</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 180,182,886</u>	<u>\$ 168,194,947</u>

**Parkland College District #505
Statements of Revenue, Expenses
and Changes in Net Position
Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Operating Revenues		
Tuition and fees, net of scholarship allowances of \$4,074,352 and \$2,747,791, respectively	\$ 23,515,726	\$ 22,939,116
Auxiliary enterprises revenue	3,573,793	3,109,385
Other operating revenues	3,289,652	1,380,413
	<u>30,379,171</u>	<u>27,428,914</u>
Operating Expenses		
Instruction	33,266,951	28,521,313
Academic support	7,678,333	7,398,741
Student services	5,524,878	4,709,980
Public service	2,984,600	2,567,252
Auxiliary enterprises	3,318,839	3,094,471
Operations and maintenance of plant	7,298,411	6,949,865
Scholarships and grants	6,981,433	7,575,322
Institutional support	16,395,710	17,689,137
On-behalf payments	15,600,088	16,180,435
Other postemployment benefits	(5,326,709)	(5,588,062)
Depreciation and amortization	7,607,651	7,403,946
	<u>101,330,185</u>	<u>96,502,400</u>
Operating Loss	<u>(70,951,014)</u>	<u>(69,073,486)</u>
Nonoperating Revenues (Expenses)		
State grants and contracts	10,444,030	10,503,666
Local property tax revenues	42,608,007	42,829,092
Federal grants and contracts	15,668,787	13,713,147
On-behalf payments	15,600,088	16,180,435
Investment income earned	2,887,565	1,671,455
Interest income	406,036	393,884
Interest expense	(1,435,149)	(1,598,153)
	<u>86,179,364</u>	<u>83,693,526</u>
Change in Net Position	<u>15,228,350</u>	<u>14,620,040</u>
Net Position, Beginning of Year	<u>80,619,584</u>	<u>65,999,544</u>
Net Position, End of Year	<u>\$ 95,847,934</u>	<u>\$ 80,619,584</u>

Parkland College District #505
Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Activities		
Tuition and fees	\$ 25,051,889	\$ 21,590,689
Payments to suppliers	(17,556,913)	(19,710,128)
Payments to employees and benefits paid	(53,347,321)	(52,199,007)
Payments for financial aid and scholarships	(6,981,433)	(7,575,322)
Auxiliary enterprise charges	3,573,793	3,109,385
Net receipts from (disbursements to) Parkland Foundation	(2,047,520)	26,259
Other receipts	1,184,692	965,647
	<u>(50,122,813)</u>	<u>(53,792,477)</u>
Noncapital Financing Activities		
Local property taxes	43,742,281	42,037,116
State grants and contracts	10,999,508	10,503,666
Federal grants and contracts	15,113,309	13,713,147
	<u>69,855,098</u>	<u>66,253,929</u>
Capital and Related Financing Activities		
Purchase of capital assets	(15,954,616)	(5,377,402)
Principal paid on bonds	(4,860,000)	(4,330,000)
Interest paid on bonds	(1,396,610)	(1,580,410)
Principal and interest payments received on lease receivable	186,541	93,510
Principal and interest paid on lease liabilities	(207,026)	(131,719)
Principal and interest paid on subscription liabilities	(1,108,339)	(692,652)
	<u>(23,340,050)</u>	<u>(12,018,673)</u>
Investing Activities		
Purchase of investments	(9,482,272)	(19,238,903)
Proceeds from maturities of investments	8,959,873	7,059,813
Interest on cash and cash equivalents	2,887,565	1,671,455
	<u>2,365,166</u>	<u>(10,507,635)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,242,599)	(10,064,856)
Cash and Cash Equivalents, Beginning of Year	<u>49,319,663</u>	<u>59,384,519</u>
Cash and Cash Equivalents, End of Year	<u>\$ 48,077,064</u>	<u>\$ 49,319,663</u>
On the Statement of Net Position as Follows:		
Unrestricted - Cash and Cash Equivalents	\$ 41,397,298	\$ 36,596,327
Restricted - Cash and Cash Equivalents	<u>6,679,766</u>	<u>12,723,336</u>
Cash and Cash Equivalents, End of Year	<u>\$ 48,077,064</u>	<u>\$ 49,319,663</u>

**Parkland College District #505
Statements of Cash Flows
Years Ended June 30, 2024 and 2023**

Continued

	<u>2024</u>	<u>2023</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	\$ (70,951,014)	\$ (69,073,486)
Adjustment to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expense	7,607,651	7,403,946
Lease (revenue) expense	(181,981)	(88,908)
On-behalf payments	15,600,088	16,180,435
Net investment return	(104,981)	(414,766)
Other postemployment benefit (revenue) expense	(5,238,975)	(5,588,062)
Changes in assets, deferred outflows, and liabilities:		
Accounts receivable, net	454,841	(784,430)
Inventories	74,252	(41,121)
Prepaid assets	8,719	276
Deferred retirement plan contributions subsequent to measurement date	1,506	(21,645)
Accounts payable	2,307,524	(111,367)
Accrued liabilities	459,406	79,749
Due to student groups	74,151	(84,472)
Due from Parkland Foundation	(2,047,520)	26,259
Unearned revenue	1,081,403	(563,916)
Retirement obligations	760,340	(688,617)
Accrued compensated absences	(28,223)	(22,352)
	<u> </u>	<u> </u>
Net cash used in operating activities	<u>\$ (50,122,813)</u>	<u>\$ (53,792,477)</u>
Noncash Investing, Capital and Financing Activities		
Lease obligations incurred for lease assets	\$ 49,103	\$ 181,762
Subscription obligations incurred for subscription assets	\$ 3,877,178	\$ 311,671

**Parkland College District #505
 Statements of Fiduciary Net Position
 June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 61,064	\$ 40,928
Total current assets	<u>\$ 61,064</u>	<u>\$ 40,928</u>
LIABILITIES AND NET POSITION		
Liabilities	\$ -	\$ -
Net Position		
Restricted for governments	<u>61,064</u>	<u>40,928</u>
Total liabilities and net position	<u>\$ 61,064</u>	<u>\$ 40,928</u>

Parkland College District #505
Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Additions		
Royalty revenue	\$ 86,342	\$ 17,599
Deductions		
Contractual services	66,206	21,996
General materials and supplies	-	-
Total deductions	<u>66,206</u>	<u>21,996</u>
Change in Net Position	20,136	(4,397)
Net Position, Beginning of Year	<u>40,928</u>	<u>45,325</u>
Net Position, End of Year	<u>\$ 61,064</u>	<u>\$ 40,928</u>

**Parkland College District #505
Parkland College Foundation
Statements of Financial Position
June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,509,281	\$ 1,546,508
Promises to give, current portion	10,500	22,000
Total current assets	<u>2,519,781</u>	<u>1,568,508</u>
Other Assets		
Promises to give, net of current portion, and discount of \$162,644 and \$173,583, respectively	251,356	250,417
Investments	17,059,122	14,803,140
Cash surrender value of life insurance	56,903	56,903
Other assets	17,500	17,500
Total other assets	<u>17,384,881</u>	<u>15,127,960</u>
Total assets	<u>\$ 19,904,662</u>	<u>\$ 16,696,468</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 2,090,136	\$ 36,014
Accrued vacation payable	26,741	21,984
Total current liabilities	<u>2,116,877</u>	<u>57,998</u>
Net Assets		
Without donor restrictions	684,983	323,231
With donor restrictions	17,102,802	16,315,239
Total net assets	<u>17,787,785</u>	<u>16,638,470</u>
Total liabilities and net assets	<u>\$ 19,904,662</u>	<u>\$ 16,696,468</u>

Parkland College District #505
Parkland College Foundation
Statements of Activities
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Change in Net Assets Without Donor Restrictions		
Support and Revenue		
Contributions	\$ 182,332	\$ 53,468
Contributed nonfinancial assets	618,410	589,342
Special events	76,055	72,203
Interest and dividends, net of fees	20,787	16,887
Net realized and unrealized gain (loss) on investments	76,650	47,996
Net assets released from restrictions	<u>2,797,043</u>	<u>885,829</u>
Total support and revenue	<u>3,771,277</u>	<u>1,665,725</u>
Expenses		
Program Services		
Scholarships and fellowships	654,006	588,040
Institutional support	<u>2,605,779</u>	<u>811,464</u>
Total program services	<u>3,259,785</u>	<u>1,399,504</u>
Supporting Services		
Management and general	176,188	158,671
Fundraising	<u>283,297</u>	<u>258,614</u>
Total supporting services	<u>459,485</u>	<u>417,285</u>
Total expenses	<u>3,719,270</u>	<u>1,816,789</u>
Reclassification of net assets	<u>309,745</u>	<u>265,728</u>
Change in unrestricted net assets	<u>361,752</u>	<u>114,664</u>
Change in Net Assets with Donor Restrictions		
Support and Revenue		
Contributions	1,964,880	2,063,958
Special events	63,250	134,397
Interest and dividends, net of fees	439,661	293,946
Net realized and unrealized gain (loss) on investments	1,426,560	887,783
Net assets released from restrictions	<u>(2,797,043)</u>	<u>(885,829)</u>
Total support and revenue	1,097,308	2,494,255
Reclassification of net assets	<u>(309,745)</u>	<u>(265,728)</u>
Change in temporarily restricted assets	<u>787,563</u>	<u>2,228,527</u>
Change in Net Assets	1,149,315	2,343,191
Net Assets, Beginning of Year	<u>16,638,470</u>	<u>14,295,279</u>
Net Assets, End of Year	<u>\$ 17,787,785</u>	<u>\$ 16,638,470</u>

Note 1. Organization and Summary of Significant Accounting Policies

Parkland College District #505 (the College) is a governmental unit that provides post-secondary school education and vocational training for the people of East Central Illinois. The summary of accounting policies is presented to assist you in understanding the College's financial statements.

The College is a community college governed by an elected eight-member Board of Trustees. The College's district includes the counties of Champaign, Coles, DeWitt, Douglas, Edgar, Ford, Iroquois, Livingston, McLean, Moultrie, Piatt, and Vermilion. The College's mission is to provide affordable vocational, technical, and academic education.

Reporting Entity

The financial reporting entity consists of the College (the primary government of the reporting entity) and Parkland College Foundation (the Foundation), as a discretely presented component unit of the College. The Foundation is a discretely presented component unit because the resources received and held by the Foundation are entirely for the direct benefit of the College, the College has the ability to access those resources through common board members, and those resources are significant to the College.

Basis of Accounting and Presentation

The College's financial statements have been prepared in accordance with generally accepted accounting principles as applicable to public colleges and universities outlined in GASB Statement No. 35 as well as those prescribed by the Illinois Community College Board (ICCB).

The College reports as a business-type activity, as defined by GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The fiduciary type activities include custodial funds that are held on behalf of another organization. These funds generate revenues for the benefit of the activities that the funds support.

Certain assets are classified as restricted on the statement of net position because their use is limited by tax levies, grant agreements, or other contractual agreements.

Accrual Basis

The financial statements of the College have been prepared on the accrual basis of accounting, whereby revenue is recognized when earned and expenditures are recognized when the related liabilities are incurred and certain measurement and matching criteria are met.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Investments

The college is authorized to invest in instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes. Such instruments include: direct obligations of federally insured banks and savings and loan associations; insured obligations of Illinois credit unions; securities issued or guaranteed by the U.S. Government; money market mutual funds investing only in U.S. Government based securities; commercial paper of U.S. corporations with assets over \$500 million; short-term obligations as defined in the Public Fund Investment Act; and the investment pools managed by the State Treasurer of Illinois. At June 30, 2024 and 2023, the College's investments consist of U.S. Treasury securities which are recorded at fair value, as well as negotiable and non-negotiable certificates of deposit with initial maturity terms in excess of three months, which are held at cost. The difference between the cost and fair value of the negotiable certificates of deposit is insignificant.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and charges for auxiliary enterprise services provided to students, faculty and staff. Accounts receivable is recorded net of estimated uncollectible amounts.

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

The carrying amount of accounts receivable for student tuition is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of accounts based on the aging of the accounts receivable by semesters. If the actual defaults are higher than the historical experience, management's estimates of recoverability of amounts due could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excess collection cost are written off to the allowance for doubtful accounts. The total allowance as of June 30, 2024 and 2023 was \$5,450,517 and \$4,761,746, respectively.

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

Inventories

Supply inventories are stated at the lower of cost or market. Costs are determined using the first-in, first-out (FIFO) method.

Capital Assets

Capital assets are reported at cost at the date of acquisition or their estimated acquisition value at the date of donation. For movable property, the College's capitalization policy includes all items with a unit cost of \$2,500 or more and useful life of one year or more. Renovations to buildings and land improvements that exceed \$25,000 and significantly increase the value or extend the useful life of the structure are capitalized.

Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 10 years for land improvements and a range of three to ten years for equipment.

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Unearned Tuition and Fee Revenue

Tuition and fee revenues collected during the fiscal year which relate to the period after June 30, 2024 and 2023, have been recognized as unearned revenues. Unearned revenues arise when resources are received by the College before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the College has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet or statement of net position and revenue is recognized.

Bond Premium

Bond premiums are capitalized and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable.

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The College has two items that qualify for reporting in this category. The deferred outflows of resources from retirement plan contributions made subsequent to the measurement date related to the College's defined benefit pension plan and will be recognized as expense in the following fiscal year. The deferred outflows of resources related to OPEB represents other postemployment benefits that will be recognized as expense (or as a reduction of net OPEB liability) in future periods.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The College has two items that qualify for reporting in this category: deferred revenue, which is derived from leases and deferred inflows of resources related to other postemployment benefits. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or as amortized as a reduction of OPEB expense.

Compensated Absences

Accrued compensated absences consist of accumulated unused vacation days up to a maximum of 56 days that employees are allowed to accumulate. Those days are guaranteed to be paid to employees upon termination of employment. The rate of accrued compensated absence is calculated based on the employee's equivalent hourly rate.

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Net Investment in Capital Assets

Net investment in capital assets represents the college's total investment in capital assets and lease/subsorption assets net of accumulated depreciation and amortization and related debt that has been used as of the statement of net position date to finance capital additions.

Restricted Net Position

Restricted net position includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or enabling legislation.

Unrestricted Net Position

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

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

Operating Revenues and Expenses

Revenue and expense transactions are normally classified as operating revenue and expenses when such transactions are generated by the College's principal ongoing operations. However, most revenue that is considered to be nonexchange, such as tax revenue, federal Pell Grant revenue and state appropriations, is nonoperating revenue.

Personal Property Replacement Taxes

Personal property replacement taxes are recognized as revenue when these amounts are deposited by the State of Illinois in its Replacement Tax Fund for distribution.

Revenue Recognition of Tuition and Fees

The academic programs are offered in traditional fall and spring semesters. Revenue from tuition and student fees is recognized during the academic term. Revenue from the summer semester, which commences in May and ends in August, is split and recognized proportionally to the number of days of the semester within the fiscal year. Tuition revenue is reported at established rates net of institutional financial aid and discounts provided directly by the College to students.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the statement of revenues, expenses and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, are recorded as nonoperating revenues and other governmental grants are recorded as operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship allowance. The scholarship allowances on tuition for the year ended June 30, 2024 and 2023, were \$4,074,352 and \$2,747,791, respectively.

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Grant Revenue

Revenue from grant and contract agreements is recognized as it is earned through expenditure in accordance with the agreement.

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work Study and Federal Direct Lending programs. Federal programs are audited in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the compliance supplement.

During the years ended June 30, 2024 and 2023, the College distributed \$2,020,624 and \$1,987,620, respectively, for direct lending through the U.S. Department of Education, which is not included as revenue and expenditures on the accompanying financial statements.

Income Taxes

The College as a governmental body is not subject to state or federal income taxes.

Retirement System - Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the plan net position of the State Universities Retirement System (SURS or the System) and additions to/deductions from SURS' plan net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 12 for additional disclosures.

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

Cost-Sharing Defined Benefit Other Postemployment Benefit Plan

The College participates in a cost-sharing multiple-employer defined benefit other postemployment benefit plan, Community College Health Insurance Security Fund (the OPEB Plan). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 14 for additional disclosures.

Revisions

Certain immaterial revisions have been made to the 2023 financial statements for the Required Supplementary Information Schedule of Proportionate Share of the Net OPEB Liability - CIP

Note 2. Property Taxes

The College levies property taxes each year, on all taxable real property located within the College's district, on or before the last Tuesday in December. The 2023 tax levy was passed by the Board of Trustees in November 2023. Property taxes attach as an enforceable lien on property as of January 1 and are typically payable in two installments on June 1 and September 1. The College receives significant distributions of tax receipts approximately one month after these due dates. Revenue from property taxes is recognized in the period for which they are intended to finance. The Board of Trustees resolved that the 2023 tax levy be allocated and recognized 55% in fiscal year 2024 and 45% in fiscal year 2023. Property tax revenue for the years ended June 30, 2024 and 2023 were from the 2023 and 2022 levies and the 2022 and 2021 levies, respectively. Property tax receivables have not been reduced for an allowance as the College's historical collection experience indicates this amount is insignificant. However, at June 30, 2024 and 2023 the College has recorded an allowance of \$490,131, for a potential property tax refund identified by the Champaign County Treasurer.

The college's tax levy rate for education and operations, building, and maintenance purposes is limited by Illinois statute to \$0.75 and \$0.10, respectively, per \$100 of equalized assessed valuation. However, a local referendum allows only a maximum total of \$0.36 per \$100 of equalized assessed value for these two purposes. The College is also limited by Illinois statute to levy no more than \$.005 and \$.05 per \$100 of equalized assessed value for audit purposes and protection, health and safety operations, and maintenance purposes, respectively.

Note 3. Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The College's deposit policy for custodial credit risk requires the funds on deposit in excess of federal deposit insurance limits must be secured by collateral pledged by the financial institution. At June 30, 2024, \$23,647,865 of the College's \$31,697,635 bank balance, including certificates of deposit, was exposed to custodial credit risk. The assets exposed to custodial credit risk were fully collateralized by securities pledged by the depository banks, but such securities are not held in the name of the College.

Investments

The investments which the College may purchase are limited by Illinois law to the following (1) securities which are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds and (8) money market mutual funds and certain other instruments.

Credit Risk and Interest Rate Risk – External Investment Pools

At June 30, 2024 and 2023, the College held \$23,037,035 and \$25,233,670, respectively, in the Illinois Fund Money Market Fund. The value of the College's position in this fund is equal to the value of the college's fund shares, which maintain a \$1 net asset value. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has an AAA rating from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United State government or agencies related to the United States and valued at amortized cost. Assets of the fund that are not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The College has no restrictions on withdrawing funds from this external investment pool.

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Custodial Credit Risk – Investments

At June 30, 2024, the College has custodial credit risk related to its investments that were held through a Securities Investor Protection Corporation (SIPC) member brokerage firm and the value of investments subject to custodial credit risk (Negotiable certificates of deposit and U.S. Treasuries) in excess of the SIPC protection limit was \$892,845.

Interest Rate Risk – Investments

Interest rate risk is the risk that a change in the market rate of interest for a category of debt securities will negatively impact the market value of a debt security. Interest rate risk is not directly addressed by the College’s investment policy except for the general goal to “provide sufficient liquidity to pay obligations as they come due.”

At June 30, 2024 and 2023, the College held the following investments:

	<u>2024</u>	<u>2023</u>
U.S Treasury Securities	\$ 11,852,478	\$ 12,146,102
Certificates of Deposit - Non-negotiable	2,959,171	1,981,664
Certificates of Deposit - Negotiable	<u>3,888,585</u>	<u>3,945,088</u>
Total Investments	<u>\$ 18,700,234</u>	<u>\$ 18,072,854</u>

At June 30, 2024 and 2023, the investments had the following maturities:

		<u>June 30, 2024</u>			
		<u>Maturities in Years</u>			
<u>Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More than 10</u>
U.S. Treasury Securities	\$ 11,852,478	\$ 6,708,899	\$ 5,143,579	\$ -	\$ -
Certificates of Deposit - Non-negotiable	2,959,171	492,635	2,466,536	-	-
Certificates of Deposit - Negotiable	<u>3,888,585</u>	<u>2,744,635</u>	<u>1,143,950</u>	<u>-</u>	<u>-</u>
	<u>\$ 18,700,234</u>	<u>\$ 9,946,169</u>	<u>\$ 8,754,065</u>	<u>\$ -</u>	<u>\$ -</u>

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Type	Fair Value	June 30, 2023			
		Maturities in Years			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury Securities	\$ 12,146,102	\$ 6,265,709	\$ 5,880,393	\$ -	\$ -
Certificates of Deposit - Non-negotiable	1,981,664	499,118	1,482,546	-	-
Certificates of Deposit - Negotiable	3,945,088	2,116,490	1,828,598	-	-
	<u>\$ 18,072,854</u>	<u>\$ 8,881,317</u>	<u>\$ 9,191,537</u>	<u>\$ -</u>	<u>\$ -</u>

Note 4. Accounts Receivable, Net

Accounts receivable, net consists of the following at June 30:

	2024	2023
Tuition Receivables from Students, Net	\$ 1,014,648	\$ 1,010,723
State Replacement Tax	757,813	1,170,906
Tuition Receivables from Agencies	686,909	501,432
Grants from Federal and State Sources	929,589	1,678,858
Interest Receivable	279,287	141,918
Other Receivables	461,289	80,539
Total Accounts Receivable, Net	<u>\$ 4,129,535</u>	<u>\$ 4,584,376</u>
Unrestricted	\$ 3,199,946	\$ 2,905,518
Restricted	929,589	1,678,858
Total Accounts Receivable, Net	<u>\$ 4,129,535</u>	<u>\$ 4,584,376</u>

Note 5. Leases Receivable

The College leases a portion of its property to various third parties, the terms of which expire in various years through 2039.

Revenue recognized under lease contracts during the years ended June 30, 2024 and 2023, was \$186,541 and \$92,884, respectively, which includes both lease revenue and interest. The College did not recognize any lease revenue in 2024 or 2023 for variable payments not previously included in the measurement of the lease receivable.

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Below is a schedule of future payments that are included in the measurement of the lease receivable:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 82,338	\$ 11,040	\$ 93,378
2026	70,277	8,451	78,728
2027	17,703	6,863	24,566
2028	18,240	6,325	24,565
2029	59,810	4,079	63,889
2030-2034	112,571	10,369	122,940
2035-2039	14,208	135	14,343
	<u>\$ 375,147</u>	<u>\$ 47,262</u>	<u>\$ 422,409</u>

Note 6. Capital, Leased and Subscription Assets

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land and improvements	\$ 1,841,745	\$ -	\$ -	\$ 1,841,745
Construction in progress	2,500,900	13,513,388	(3,070,327)	12,943,961
Total capital assets not being depreciated	<u>4,342,645</u>	<u>13,513,388</u>	<u>(3,070,327)</u>	<u>14,785,706</u>
Capital assets being depreciated				
Building and building improvements	116,623,250	-	-	116,623,250
Land improvements	58,366,202	3,070,327	-	61,436,529
Equipment	33,372,701	2,441,228	-	35,813,929
Total capital assets being depreciated	<u>208,362,153</u>	<u>5,511,555</u>	<u>-</u>	<u>213,873,708</u>
Total	<u>212,704,798</u>	<u>19,024,943</u>	<u>(3,070,327)</u>	<u>228,659,414</u>
Less accumulated depreciation for				
Buildings and building improvements	(50,536,853)	(1,840,508)		(52,377,361)
Land improvements	(45,070,889)	(2,730,575)		(47,801,464)
Equipment	(28,706,924)	(1,772,920)		(30,479,844)
Total accumulated depreciation	<u>(124,314,666)</u>	<u>(6,344,003)</u>	<u>-</u>	<u>(130,658,669)</u>
Capital assets, net	<u>\$ 88,390,132</u>	<u>\$ 12,680,940</u>	<u>\$ (3,070,327)</u>	<u>\$ 98,000,745</u>

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

The following is a summary of changes in capital assets for the year ended June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land and improvements	\$ 1,841,745	\$ -	\$ -	\$ 1,841,745
Construction in progress	2,187,476	2,959,977	(2,646,553)	2,500,900
Total capital assets not being depreciated	<u>4,029,221</u>	<u>2,959,977</u>	<u>(2,646,553)</u>	<u>4,342,645</u>
Capital assets being depreciated				
Building and building improvements	116,623,250	-	-	116,623,250
Land improvements	55,719,649	2,646,553	-	58,366,202
Equipment	30,954,949	2,417,752	-	33,372,701
Total capital assets being depreciated	<u>203,297,848</u>	<u>5,064,305</u>	<u>-</u>	<u>208,362,153</u>
Total	<u>207,327,069</u>	<u>8,024,282</u>	<u>(2,646,553)</u>	<u>212,704,798</u>
Less accumulated depreciation for				
Buildings and building improvements	(48,206,388)	(2,330,465)	-	(50,536,853)
Land improvements	(42,237,315)	(2,833,574)	-	(45,070,889)
Equipment	(27,150,701)	(1,556,223)	-	(28,706,924)
Total accumulated depreciation	<u>(117,594,404)</u>	<u>(6,720,262)</u>	<u>-</u>	<u>(124,314,666)</u>
Capital assets, net	<u>\$ 89,732,665</u>	<u>\$ 1,304,020</u>	<u>\$ (2,646,553)</u>	<u>\$ 88,390,132</u>

Leased assets activity for the years ended June 30, 2024 and 2023, was:

<u>2024</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Ending Balance</u>
Leased assets being amortized				
Leased - equipment	\$ 409,428	\$ 49,103	\$ (52,685)	\$ 405,846
Leased - real estate	345,435	-	(61,592)	283,843
Total leases assets being amortized	<u>754,863</u>	<u>49,103</u>	<u>(114,277)</u>	<u>689,689</u>
Leased assets being amortized				
Leased - equipment	174,150	92,262	(35,612)	230,800
Leased - real estate	113,730	71,405	(51,757)	133,378
Total accumulated amortization	<u>287,880</u>	<u>163,667</u>	<u>(87,369)</u>	<u>364,178</u>
Total, net of accumulated amortization	<u>\$ 466,983</u>	<u>\$ (114,564)</u>	<u>\$ (26,908)</u>	<u>\$ 325,511</u>

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

2023	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
Leased assets being amortized				
Leased - equipment	\$ 374,088	\$ 35,340	\$ -	\$ 409,428
Leased - real estate	199,013	146,422	-	345,435
Total leases assets being amortized	573,101	181,762	-	754,863
Leased assets being amortized				
Leased - equipment	101,555	72,595	-	174,150
Leased - real estate	69,087	44,643	-	113,730
Total accumulated amortization	170,642	117,238	-	287,880
Total, net of accumulated amortization	\$ 402,459	\$ 64,524	\$ -	\$ 466,983

Subscription asset activity for the years ended June 30, 2024 and 2023, was:

2024	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
Subscription IT asset	\$ 1,835,535	\$ 3,877,178	\$ (1,549,734)	\$ 4,162,979
Less accumulated amortization				
Subscription IT asset	1,102,253	1,019,140	(1,495,801)	625,592
Subscription Assets, Net	\$ 733,282	\$ 2,858,038	\$ (53,933)	\$ 3,537,387
2023	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
Subscription IT asset	\$ 1,523,864	\$ 311,671	\$ -	\$ 1,835,535
Less accumulated amortization				
Subscription IT asset	575,801	526,452	-	1,102,253
Subscription Assets, Net	\$ 948,063	\$ (214,781)	\$ -	\$ 733,282

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Notes to Basic Financial Statements
June 30, 2024 and 2023

Note 7. Lease Liabilities

The College leases various equipment and real estate, the terms of which expire in various years through December 2028. During the years ended June 30, 2024 and 2023, the College did not recognize any variable payments not previously included in the measurement of the lease liability.

At June 30, 2024, the principal and interest requirements to maturity for the lease liabilities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 140,619	\$ 9,510	\$ 150,129
2026	114,003	4,320	118,323
2027	42,633	1,777	44,410
2028	40,378	431	40,809
2029	2,440	14	2,454
	<u>\$ 340,073</u>	<u>\$ 16,052</u>	<u>\$ 356,125</u>

Note 8. Subscription Liabilities

The College has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through March 2029. During the years ended June 30, 2024 and 2023, the College did not recognize any variable payments not previously included in the measurement of the subscription liability.

The following is a schedule by year of payments under the SBITAs as of June 30, 2024.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 879,485	\$ 89,826	\$ 969,311
2026	829,250	66,509	895,759
2027	513,392	47,319	560,711
2028	1,168,426	29,695	1,198,121
	<u>\$ 3,390,553</u>	<u>\$ 233,349</u>	<u>\$ 3,623,902</u>

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Note 9. Unearned Revenue

Unearned revenue consists of the following at June 30:

	<u>2024</u>	<u>2023</u>
Unearned Student Tuition and Fees	\$ 1,657,017	\$ 1,519,848
Unearned Revenue - Grants	<u>1,552,540</u>	<u>608,306</u>
Total Unearned Revenue	<u>\$ 3,209,557</u>	<u>\$ 2,128,154</u>

Note 10. Long-Term Obligations

The following is a summary of changes in long-term liabilities for the years ended June 30, 2024 and 2023:

	<u>June 30, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2024</u>	<u>Due within One Year</u>
Compensated Absences	\$ 1,843,579	\$ 1,620,000	\$ 1,648,223	\$ 1,815,356	\$ -
Bonds payable	34,970,000	-	4,860,000	30,110,000	5,465,000
Unamortized bond premium	2,450,304	-	381,866	2,068,438	381,866
Retirement obligations	6,106,203	3,147,700	2,387,360	6,866,543	1,961,194
Property tax payable	156,860	-	156,860	-	-
Other postemployment benefit	11,657,741	302,045	121,282	11,838,504	-
Lease liability	483,100	49,103	192,130	340,073	140,619
Subscription liability	537,088	3,877,178	1,023,713	3,390,553	879,485
Total Long-Term Liabilities	<u>\$ 58,204,875</u>	<u>\$ 8,996,026</u>	<u>\$ 10,771,434</u>	<u>\$ 56,429,467</u>	<u>\$ 8,828,164</u>

	<u>June 30, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2024</u>	<u>Due within One Year</u>
Compensated Absences	\$ 1,865,931	\$ 1,520,000	\$ 1,542,352	\$ 1,843,579	\$ -
Bonds payable	39,300,000	-	4,330,000	34,970,000	4,860,000
Unamortized bond premium	2,832,170	-	381,866	2,450,304	381,866
Retirement obligations	6,794,820	1,528,016	2,216,633	6,106,203	2,307,409
Property tax payable	314,860	-	158,000	156,860	156,860
Other postemployment benefit	30,175,704	474,467	18,992,430	11,657,741	-
Lease liability	416,971	181,762	115,633	483,100	169,991
Subscription liability	1,173,326	-	636,238	537,088	531,597
Total Long-Term Liabilities	<u>\$ 82,873,782</u>	<u>\$ 3,704,245</u>	<u>\$ 28,373,152</u>	<u>\$ 58,204,875</u>	<u>\$ 8,407,723</u>

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Total principal and interest maturities on the bonds and notes from direct borrowings and direct placements payable as of June 30, 2024, is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 5,465,000	\$ 1,162,785	\$ 6,627,785
2026	6,150,000	872,410	7,022,410
2027	6,890,000	553,910	7,443,910
2028	6,095,000	286,030	6,381,030
2029	5,510,000	128,900	5,638,900
	\$ 30,110,000	\$ 3,004,035	\$ 33,114,035

The College issued general obligation community college bonds in March 2009 to refund three outstanding debt certificates. The debt certificate was refunded with the proceeds from the general obligation community college bonds described below.

The College issued 2010A general obligation community college bonds in February 2010 to refund the College's outstanding debt certificate. The general obligation bond was refunded with the proceeds from the general obligation community college bonds described below.

The College issued 2010B general obligation community college bonds (alternative revenue source) in February 2010 to fund building construction projects. The general obligation bond was refunded with the proceeds from the general obligation community college bonds described below.

On December 1, 2018, the College issued General Obligation Refunding Bonds 2018A and 2018B and General Obligation Refunding Bond (Alternative Revenue Source) 2018C to refund all outstanding bonds held by the College at that time. No defeasance of debt occurred during the transaction and all existing deferred refunding expense were carried at existing amortization periods. The refunding resulted in a bond premium of \$4,200,523, of which \$381,866 was amortized against interest expense in fiscal year 2024 and 2023. The remaining \$2,068,438 will be amortized over an additional five years. Interest rates on the bonds range from 2.80% to 5.00%

The College has pledged future revenues to repay the principal and interest of the 2018C general obligation community college bonds (alternative revenue source). Principal and interest on these bonds are payable through December 2029 from the College's student fees and other lawfully available funds of the College, which consists of the operating revenue of the College's Education and Operations and Maintenance-Operational sub funds. Annual principal and interest payments on the bonds are expected to require approximately a maximum of 4.72% of such revenues. The principal and interest payments for alternative revenue source bonds for fiscal year 2024 and 2023 were \$684,000 and \$681,900, respectively. At June 30, 2024, pledged future revenues totaled \$4,096,750, which is the amount of remaining principal and interest on the bonds.

The interest incurred for all long-term debt for the year ended June 30, 2024 and 2023 was \$1,396,610 and \$1,580,410, respectively.

In August 2018, S&P reaffirmed Parkland's rating of AA Stable. Moody's most recent rating of Aa3 is from December 2017.

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Notes to Basic Financial Statements
June 30, 2024 and 2023

The College entered into an agreement on April 17, 2020, to refund property taxes previously received under protest with an unrelated third party. The amount of the agreement was for \$788,860 and is to be paid in 4 equal installments of \$158,000 each fiscal year with a final payment of \$156,860 to be paid by July 1, 2024. The agreement satisfied all potential property tax obligations with the third party, and the final payment was made in fiscal year 2024.

Note 11. Early Retirement Plan

The College offers an early retirement incentive program to its employees. For an employee to be eligible, the employee must have been employed at the College on a full-time basis for at least 15 years and be at least 55 years old at retirement, or employed on a full-time basis for at least 25 years with no age requirement. For the health, safety and security officers and the professional academic staff, upon reaching eligibility, the bargaining unit member has five years following the date in which he/she achieved eligibility to retire under the plan and must declare by November 15 at least one and a half contract years preceding the retirement date. For professional support staff, the employee must declare six months prior to the desired retirement date. When an employee declares retirement as specified above, he/she will receive a one-time stipend of 10% of their final base salary, which is paid on the retirement date. An amount equal to the final base salary will be paid in equal monthly payments over the four-year period beginning the month following the retirement date. The employee will also receive an annual stipend for four years following retirement equal to the College Insurance Plan indemnity plan annual premium rate divided by 69%, readjusted annually according to the new yearly rate. The rate was \$9,021 and \$7,755 for the years ended June 30, 2024 and 2023, respectively. The initial stipend will be based on the July 1 rate closest to the retiree's retirement date. At June 30, 2024 and 2023, this early retirement plan had 89 and 94 active participants, respectively.

Effective August 15, 2013, the College started a new retirement plan for academic employees, which includes all full-time faculty, professors who have previously been employed as full-time faculty for at least 15 years, full-time counselors, and full-time librarians. As of June 30, 2024 and 2023, this early retirement plan had 45 and 47 active participants, respectively.

Early retirement plan expense was \$3,147,700 and \$1,528,016 for fiscal year 2024 and 2023, respectively. At June 30, 2024 and 2023, the College had accrued a liability of \$6,866,543 and \$6,106,203, respectively, for future required payments for the College's declared retirees under the plans described above. The liability was calculated based on the present value of future payments discounted at the Wall Street Journal Prime Rate, which was 8.50% and 8.25% at June 30, 2024 and 2023, respectively.

Note 12. Defined Benefit Pension Plan

Plan Description

The College contributes to the State Universities Retirement System (SURS) of Illinois, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 1, 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 Annual Comprehensive Financial Report (ACFR) as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.surs.org.

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Benefits Provided

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier I refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2023, can be found in the Financial Section of SURS ACFR.

Contributions

The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total actuarial accrued liability by the end of fiscal year 2045. Employer contributions from trust, federal and other funds are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer's normal cost for fiscal year 2023 and 2024 was 12.83% and 12.53%, respectively, of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

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

Net Pension Liability

At June 30, 2024 and 2023, SURS reported a net pension liability (NPL) of \$29,444,538,098 and \$29,078,053,857, respectively. The net pension liability was measured as of June 30, 2023 and June 30, 2022, respectively.

Employer Proportionate Share of Net Pension Liability

The fiscal year 2024 and 2023 amounts of the proportionate share of the net pension liability to be recognized by the College is \$0. The fiscal year 2024 and 2023 proportionate shares of the State's net pension liability associated with the College are \$231,714,676 or 0.7870% and \$236,571,486 or 0.8136%, respectively. This amount is not recognized in the financial statements, due to the special funding situation. The net pension liabilities and total pension liabilities were measured as of June 30, 2023 and 2022, and were determined based on the June 30, 2022 and 2021 actuarial valuations rolled forward. The basis of allocations used in the proportionate share of net pension liabilities are the actual reported pensionable earnings made to SURS during fiscal years 2023 and 2022.

Pension Expense

For the years ended June 30, 2024 and 2023, SURS defined benefit plan reported a collective net pension expense of \$1,884,388,521 and \$1,903,314,699, respectively.

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Employer Proportionate Share of Pension Expense

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable earnings made to SURS during fiscal year 2022. As a result, the College recognized on-behalf revenue and pension expense of \$14,829,252 from this special funding situation for the fiscal year ended June 30, 2024, and \$15,484,874 for the fiscal year ended June 30, 2023.

Deferred Outflows of Resources and Deferred Inflows of Resources

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	<u>As of June 30, 2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 62,591,844	\$ -
Change in assumptions	70,957,694	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>245,165,873</u>
	<u>\$ 133,549,538</u>	<u>\$ 245,165,873</u>
	 <u>As of June 30, 2022</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 31,973,496	\$ -
Change in assumptions	279,362,441	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>979,999,932</u>
	<u>\$ 311,335,937</u>	<u>\$ 979,999,932</u>

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SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Expenses as of June 30, 2023

Year Ending June 30,	Amount
2024	\$ (428,264,966)
2025	(171,164,633)
2026	465,174,033
2027	22,639,231
2028	-
Thereafter	-
	\$ (111,616,335)

Employer Deferral of Fiscal Year 2024 Pension Expense

The College paid \$88,017 in federal, trust or grant contributions for the fiscal year ended June 30, 2024. These contributions were made subsequent to the pension liability measurement date of June 30, 2023 and are recognized as Deferred Outflows of Resources as of June 30, 2024.

Employer Deferral of Fiscal Year 2023 Pension Expense

The College paid \$89,523 in federal, trust or grant contributions for the fiscal year ended June 30, 2023. These contributions were made subsequent to the pension liability measurement date of June 30, 2022 and are recognized as Deferred Outflows of Resources as of June 30, 2023.

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period June 30, 2017-2020. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% to 12.75%, including inflation
Investment rate of return	6.50%

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

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The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plans target asset allocation as of June 30, 2023, these best estimates are summarized in the following table:

Asset Class	Strategic Policy Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	36.0%	7.97%
Public Credit Fixed Income	6.5%	4.52%
Credit Real Assets	8.0%	4.68%
Private Credit	2.5%	7.36%
Private Equity	11.0%	11.32%
Non-Core Real Assets	4.0%	8.67%
U.S. TIPS	5.0%	2.09%
Core Fixed Income	10.0%	1.13%
Systematic Trend Following	10.0%	3.18%
Alternative Risk Premia	3.0%	3.27%
Long Duration	2.0%	3.02%
Long Volatility	2.0%	-1.14%
	100%	
Total	100%	
Weighted Average		5.98%
Inflation		2.60%
Expected Arithmetic Return		8.58%

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2017-2020. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% to 12.75%, including inflation
Investment rate of return	6.50%

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target

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asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plans target asset allocation as of June 30, 2022, these best estimates are summarized in the following table:

Asset Class	Strategic Policy Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	38.0%	7.62%
Public Credit Fixed Income	9.0%	4.20%
Credit Real Assets	4.5%	4.98%
Options Strategies	2.5%	4.91%
Private Credit	1.0%	7.45%
Private Equity	10.5%	11.91%
Non-Core Real Assets	2.5%	9.43%
U.S. TIPS	5.0%	0.01
Core Fixed Income	8.0%	0.02
Systematic Trend Following	10.0%	4.33%
Alternative Risk Premia	5.0%	3.59%
Long Duration	4.0%	2.16%
Total	100%	
Weighted Average Inflation		6.08%
		2.25%
Expected Arithmetic Return		8.33%

Discount Rate

A single discount rate of 6.37% (6.39% in the prior year) was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.86% (3.69% in the prior year) (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2023). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

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Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.37% (6.39% in the prior year), as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

June 30, 2024

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

June 30, 2023

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

Additional information regarding the SURS basic financial statements including the plan net position can be found in the SURS annual comprehensive financial report by accessing the website at www.surs.org.

Note 13. Defined Contribution Pension Plan

Plan Description

The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS) of Illinois, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 1, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the State's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.surs.org. The RSP and its benefit terms were established and may be amended by the State's General Assembly.

Benefits Provided

A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their

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date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2023, can be found in SURS Annual Comprehensive Financial Report- Notes to the Financial Statements.

Contributions

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

Forfeitures

Employees are not vested in employer contributions to the RSP until they have attained five years of service credit. Should an employee leave SURS-covered employment with less than five years of service credit, the portion of the employee’s RSP account designated as employer contribution is forfeited.

Employees who later return to SURS-covered employment will have these forfeited employer contributions reinstated to their account, so long as the employee’s own contributions remain in the account. Forfeited employer contributions are managed by SURS and are used both to reinstate previously forfeited contributions and to fund a position of the State’s contributions on behalf of the individual employers. The vesting and forfeiture provisions of the RSP were established and maybe amended by the State’s General Assembly.

Pension Expense

For the year ended June 30, 2024 and 2023, the State’s contributions to the RSP on behalf of individual employers totaled \$90,330,044 and \$89,770,940, respectively. Of this amount, \$81,991,471 and \$80,902,699, respectively, was funded via an appropriation from the State and \$8,338,573 and \$8,868,241, respectively, was funded from previously forfeited contributions.

Employer Proportionate Share of Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable earnings made to RSP during fiscal year 2024. The College’s share of pensionable contributions for fiscal year 2024 and 2023 was 0.5727% and 0.5902%, respectively. As a result, the College recognized on-behalf revenue and defined contribution pension expense of \$517,330 and \$529,787 from this special funding situation for the fiscal years ended June 30, 2024 and 2023, of which \$47,756 and \$52,336 constitutes forfeitures, respectively.

Note 14. Other Postemployment Benefit Plan

Plan Description

The College contributes and is part of the Community College Health Insurance Security Fund (CCHISF) [also known as the College Insurance Program, “CIP”] which was established under the *State Employees Group Insurance Act of 1971*, as amended, 5 ILCS 375/6.9 (f), which became effective July 1, 1999. The purpose of the CCHISF is to receive and record all revenues from the administration of health benefit programs under Article 15 of the Illinois Pension Code.

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The OPEB Plan is a cost-sharing, multiple-employer, defined benefit OPEB Plan due to the following criteria:

1. Plan assets are pooled and may be used to pay employee benefits of any employer participating in the plan.
2. OPEB is provided to the employees of more than one employer.
3. Benefits plan members will receive at or after separation from employment are defined by specific benefit terms as noted in 5 ILCS 375/6 and 5 ILCS 375/6.1.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, paragraph 18, states, “special funding situations are circumstances in which a non-employer entity is legally responsible for providing financial support for OPEB of the employees of another entity by making contributions directly to an OPEB plan that is administered through a trust that meets the criteria,” of trust fund reporting (GASB 75, paragraph 4), and either of the following criteria are met: (1) the amount of contributions or benefit payments for which the non-employer entity legally is responsible is not dependent upon one or more events or circumstances unrelated to the OPEB or (2) the non-employer entity is the only entity with a legal obligation to provide financial support directly to an OPEB plan that is used to provide OPEB to employees of another entity.

The CCHISF has a special funding situation as described in 40 ILCS 15/1.4. The State is required by statute to contribute a defined percentage of participant payroll directly to the OPEB plan, which is administered through a trust.

CCHISF has no component units and is not a component unit of any other entity. However, because CCHISF is not legally separate from the State of Illinois, the financial statements of the CCHISF are included in the financial statements of the State of Illinois as a pension (and other employee benefit) trust fund. This fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs.

The *State Employees Group Insurance Act of 1971* (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the Board of Trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

Benefits Provided

The CCHISF provides health, prescription, vision and dental coverage to eligible retirees and their dependents. A summary of postemployment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department may be obtained by writing to the Department of Central Management Services, 401 South Spring Street, Springfield, Illinois, 62706-4100.

Contributions

Employers participating in a cost-sharing OPEB plan, and any nonemployer contributing entities that meet the definition of a special funding situation, are required to recognize their proportionate share of the collective OPEB amounts for OPEB benefits provided to members through the CCHISF plan.

The *State Employees Group Insurance Act of 1971* (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that

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is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The *State Pension Funds Continuing Appropriation Act* (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees.

For each of the years ended June 30, 2024 and 2023, the College contributed \$253,506 and \$165,774, respectively, to CCHISF.

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

At June 30, 2024, the College reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the College. The amounts recognized by the College as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the College were as follows:

	<u>2024</u>	<u>2023</u>
College's proportionate shares of the net OPEB liability	\$ 11,838,504	\$ 11,657,741
State proportionate share of the net OPEB liability associated with the College	<u>11,838,504</u>	<u>11,657,741</u>
	<u>\$ 23,677,008</u>	<u>\$ 23,315,482</u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB liability was based on actual contributions made to the plan by the College compared to the total actual contributions made to the plan by all employers. At June 30, 2023, the College's proportion was 1.676050%, which was a decrease of 0.03% from its proportion as of June 30, 2022.

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB liability was based on actual contributions made to the plan by the College compared to the total actual contributions made to the plan by all employers. At June 30, 2022, the College's proportion was 1.702953%, which was a decrease of 0.04% from its proportion as of June 30, 2021.

For the years ended June 30, 2024 and 2023, the College recognized OPEB expense (reduction) of \$(5,238,977) and \$(4,878,357), respectively. The College recognized on-behalf revenue for the State share amounting to \$253,506 in 2024 and \$165,774 in 2023. These amounts are included in the OPEB expense recognized by the College.

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At June 30, 2024 and 2023, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 178,148	\$ 3,564,062
Changes of assumptions	-	11,573,194
Net difference between projected and actual earnings on OPEB investments	-	2,531
Changes in proportion and differences between the College's contributions and proportionate share of contributions	33,735	2,111,501
College contributions subsequent to the measurement date	253,506	-
	<u>\$ 465,389</u>	<u>\$ 17,251,288</u>
 2023		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 92,094	\$ 4,855,811
Changes of assumptions	-	15,714,271
Net difference between projected and actual earnings on OPEB investments	-	603
Changes in proportion and differences between the College's contributions and proportionate share of contributions	67,135	1,959,955
College contributions subsequent to the measurement date	165,774	-
	<u>\$ 325,003</u>	<u>\$ 22,530,640</u>

The College's contributions of \$253,506 in 2024 and \$165,774 in 2023, are reported as deferred outflows of resources related to OPEB resulting from College's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB at June 30, 2024, will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ (3,407,881)
2025	(3,407,881)
2026	(3,407,881)
2027	(3,407,881)
2028	(3,407,881)
	<u>\$ (17,039,405)</u>

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 and 2023 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50, and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Health care cost trend rates	Trend rates for plan year 2024 are based on actual premium increases. For nonmedicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.86% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.
Investment rate or return	0%, net of OPEB plan investment expense, including inflation, for all plan years.

Mortality rates were based on the following:

- Retirement and beneficiary annuitant – RP-2014 White Collar Annuitant Mortality Table
- Disabled annuitant – RP-2014 Disabled Annuitant Table
- Pre-retirement – RP-2014 White Collar Table

Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

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OPEB Plan Investment and Returns

During plan year ended June 30, 2023, the trust earned \$168,000 in interest, and due to a significant benefit payable, the market value of assets at June 30, 2023, is negative \$107.1 million. Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the investment return assumption was set to zero.

Discount Rate

The State, community colleges and active members each contribute 0.50% of pay. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, this single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.86% at June 30, 2023, and 3.69% at June 30, 2022, was used to measure the total OPEB liability.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rates

The College's proportionate share of the net OPEB liability has been calculated using a discount rate of 3.86% (3.69% in the prior year). The following presents the College's proportionate share of the net OPEB liability calculated using a discount rate 1% higher and 1% lower than the current discount rate.

June 30, 2024

1% Decrease 2.86%	Current Single Discount Rate Assumption 3.86%	1% Increase 4.86%
\$ 12,915,922	\$ 11,838,504	\$ 10,910,742

June 30, 2023

1% Decrease 2.69%	Current Single Discount Rate Assumption 3.69%	1% Increase 4.69%
\$ 12,761,471	\$ 11,657,741	\$ 10,713,888

The following table shows the College's share in the plan's net OPEB liability as of June 30, 2023, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key current assumed trend rates are 9.14% for fiscal year 2024 decreasing to an ultimate trend rate of 4.25% in 2040.

June 30, 2024

1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
\$ 10,633,824	\$ 11,838,504	\$ 13,291,181

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June 30, 2023

1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
\$ 10,417,975	\$ 11,657,741	\$ 13,172,623

- a) One percent point decrease in current healthcare trend rates – Pre-Medicare per capita costs: 8.14% in 2024, 7.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 5.08% in 2034 decreasing ratably to an ultimate rate of 3.25% in 2040.
- b) One percent point increase in current healthcare trend rates – Pre-Medicare per capita costs: 10.14% in 2024, 9.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 20.42% from 2029 to 2033, 7.08% in 2034 decreasing ratably to an ultimate rate of 5.25% in 2040.

Payable to the OPEB Plan

At June 30, 2024 and 2023, the College has no outstanding contributions payable the OPEB Plan.

Note 15. On-Behalf Payments for Fringe Benefits

For the years ending June 30, 2024 and 2023, payments for fringe benefits made by the State of Illinois on behalf of the College to SURS were \$15,346,582 and \$16,014,661 for pensions and to CIP were \$253,506 and \$165,774 for other postemployment benefits, respectively.

Note 16. Related-Party Transactions

The Foundation is a nonprofit corporation organized for the purpose of furthering the excellence of education at the College. The Foundation is considered a related party due to common Board members. The College and Foundation have the following related-party transactions:

- The College advances operating funds to the Foundation under a non-interest-bearing, working-cash loan agreement. Any receivable balance for this working-cash loan is netted against the cash balance held for the Foundation. At June 30, 2024 and 2023, the net amount owed to the College was \$2,090,136 and \$36,014, respectively.
- During the years ended June 30, 2024 and 2023, the College incurred costs for the foundation in the form of donated in-kind services in the amount of \$185,571 and \$148,377, respectively.
- The Foundation donates scholarships as well as certain in-kind items to the College to support the students and programs of the College. The total value of these items, as calculated by the Foundation, for the years ended June 30, 2024 and 2023, was \$431,788 and \$811,464, respectively. Included in these in-kind items is the annual lease value of agricultural equipment used by the College through the Foundation. The annual value of this lease was \$390,000 for each fiscal year. The College has not recorded revenue or equivalent expense for this lease in fiscal years 2024 or 2023.

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Note 17. Self-Insurance

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

Claim liabilities are based on the requirements of GASB Statements which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. At June 30, 2024 and 2023, the submitted and estimated accrued claims were \$1,407,220 and \$1,000,000, respectively, and are included in the accrued liabilities on the Statement of Net Position.

The stop-loss limit for the health insurance plan at June 30, 2024 and 2023 was \$200,000. This liability is based on estimates and the ultimate liability may be greater or less than the amount estimated. The methods used to calculate such estimates are continually reviewed, and any adjustments will be reflected in a future period.

The change in the claim liability over the past two fiscal years was as follows:

	<u>2024</u>	<u>2023</u>
Accrued Claims, Beginning of Year	\$ 1,000,000	\$ 850,000
Incurred Claims	8,703,628	6,447,003
Claim Payments	<u>(8,296,408)</u>	<u>(6,297,003)</u>
Accrued Claims, End of Year	<u>\$ 1,407,220</u>	<u>\$ 1,000,000</u>

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Note 18. Inter-Sub Fund Balances and Transfers

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

	<u>Due To</u>	<u>Due From</u>
Education Fund	\$ 402,954	\$ -
Restricted Purpose Fund	-	402,954
	<u>\$ 402,954</u>	<u>\$ 402,954</u>
Total Inter-Sub Fund Balances		
	<u>Transfer In</u>	<u>Transfer Out</u>
Education Fund	\$ 92,784	\$ 1,510,000
Bond and Interest Fund	532,381	-
Operations and Maintenance Fund - Restricted	-	532,381
Working Cash Fund	-	92,784
Auxiliary Athletics Fund	1,075,000	-
Auxiliary Reprographics	50,000	-
Auxiliary Business Development Center Fund	160,000	-
Auxiliary Bookstore	45,000	-
Auxiliary Prospectus	25,000	-
Auxiliary Child Care Services Fund	155,000	-
	<u>\$ 2,135,165</u>	<u>\$ 2,135,165</u>
Total Inter-Sub Fund Balances		

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Following is a summary of the balances and transactions among the sub-funds as of June 30, 2023.

	<u>Due To</u>	<u>Due From</u>
Education Fund	\$ -	\$ 1,402,489
Restricted Purpose Fund	<u>1,402,489</u>	<u>-</u>
Total Inter-Sub Fund Balances	<u>\$ 1,402,489</u>	<u>\$ 1,402,489</u>
	<u>Transfer In</u>	<u>Transfer Out</u>
Education Fund	\$ 21,051	\$ 1,271,502
Bond and Interest Fund	518,242	-
Operations and Maintenance Fund - Restricted	-	518,242
Working Cash Fund	-	21,051
Auxiliary Athletics Fund	819,000	-
Auxiliary Reprographics	50,000	-
Auxiliary Business Development Center Fund	190,502	-
Auxiliary Prospectus	2,000	-
Auxiliary Child Care Services Fund	<u>210,000</u>	<u>-</u>
Total Inter-Sub Fund Balances	<u>\$ 1,810,795</u>	<u>\$ 1,810,795</u>

Note 19. Risk Management

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

Note 20. Commitments and Contingencies

General Liability

The College is subject to claims and lawsuits that arose primarily in the ordinary course of its activities. It is of the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the College. Events could occur that would change this estimate materially in the near term.

Other Commitments

The College has ten uncompleted major construction contracts in progress through the date of the Independent Auditor's Report. The remaining commitment was approximately \$5,936,000 at June 30, 2024.

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The College has a contract for the purchase of electricity through December 2024. The contract contains a set rate of \$0.04531 per kilowatt hours. Total electricity charges for the fiscal year ending June 30, 2024, were \$995,593.

Note 21. Discretely Presented Component Unit

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

Nature of Operations

Parkland College Foundation (the Foundation) is a nonprofit corporation organized under the laws of the State of Illinois for the purpose of furthering the excellence of education at Parkland Community College, Community College District #505 (the College). The Foundation is considered a component unit of the College under the accounting standards followed by the College; however, the Foundation is a separate legal entity.

The Foundation operates to secure gifts that support the mission of the College, its students, faculty, and programs through scholarships and other forms of institutional support. The Foundation's major sources of revenue and support are contributions from donors and investment income.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

Uninvested cash and cash equivalents included in investment accounts, including endowment accounts and assets limited as to use, are not considered to be cash and cash equivalents.

At June 30, 2024, the Foundation's cash accounts exceeded federally insured limits by approximately \$2,259,000.

Investments

The Foundation measures securities, other than investments that qualify for the equity method of accounting, at fair value. Investments consist of managed investment accounts comprised of various mutual funds, fixed income investments that include corporate and government-backed bond funds, bond index funds, and cash equivalents. These investments are stated at fair value based on quoted markets prices.

Net Investment Return

Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less external and direct internal investment expenses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the statements of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

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The Foundation maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.

Property and Equipment

Property and equipment expenditures in excess of \$2,500 are capitalized and recorded at cost or, if donated, at fair value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful life of assets. As of June 30, 2024, the net book value of property and equipment was \$0.

CSV Life Insurance

The Foundation-owned life insurance is recorded at the amount that can be realized under the insurance contract at the balance sheet date, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement.

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net assets with donor restrictions are subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Contributions

Contributions are provided to the Foundation either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on the Foundation overcoming a donor imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> the donor imposed barrier is met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value

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Nature of the Gift	Value Recognized
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions and investment income having donor stipulations which are satisfied in the period the gift is received and the investment income is earned are recorded as revenue with donor restrictions and then released from restriction.

Special Events

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

Income Taxes

The Foundation is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Foundation is subject to federal income tax on any unrelated business taxable income.

Promises to Give

Promises to give at June 30, 2024, all with donor restrictions, consist of amounts due in:

Less than one year	\$ 10,500
One to five years	43,000
More than five years	<u>371,000</u>
Gross promises to give	424,500
Less: discount on long-term promises to give	<u>(162,644)</u>
Total promises to give, net	<u>\$ 261,856</u>

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Promises to give at June 30, 2023, all with donor restrictions, consist of amounts due in:

Less than one year	\$ 22,000
One to five years	43,000
More than five years	<u>381,000</u>
Gross promises to give	446,000
Less: discount on long-term promises to give	<u>(173,583)</u>
Total promises to give, net	<u>\$ 272,417</u>

Discount rates ranged from 5.06% to 5.16% and from 4.75% to 5.06% for 2024 and 2023, respectively.

Net Assets With Donor Restrictions

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

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purpose		
Unallocated cumulative investment income	\$ 4,870,412	\$ 3,214,940
Institutional programs and support	2,497,932	3,604,924
Scholarship	3,413,175	3,241,506
Other	<u>37,307</u>	<u>70,444</u>
Total	<u>10,818,826</u>	<u>10,131,814</u>
Endowments – restricted by donors		
Scholarship	4,960,577	4,854,812
Institutional programs and support	1,056,528	1,046,028
Other	<u>266,871</u>	<u>276,207</u>
Total	<u>6,283,976</u>	<u>6,177,047</u>
	<u>\$ 17,102,802</u>	<u>\$ 16,308,861</u>

Net Assets Without Donor Restrictions

Net assets without donor restrictions at June 30 have been designated for the following purposes:

	<u>2024</u>	<u>2023</u>
Undesignated	\$ (182,054)	\$ (439,991)
Designated by the Board for endowment	<u>867,037</u>	<u>769,600</u>
Total	<u>\$ 684,983</u>	<u>\$ 329,609</u>

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Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	<u>2024</u>	<u>2023</u>
Satisfaction of purpose restriction		
Institutional programs and support	\$ 2,215,184	\$ 331,389
Scholarship	580,919	553,622
Other	<u>940</u>	<u>818</u>
 Total	 \$ <u>2,797,043</u>	 \$ <u>885,829</u>

Liquidity and Availability of Financial Assets

	<u>2024</u>	<u>2023</u>
Financial Assets:		
Cash and cash equivalents	\$ 2,509,281	\$ 1,546,508
Promises to give, current portion	10,500	22,000
Investments	17,059,122	14,803,140
Cash surrender value of life insurance	<u>56,903</u>	<u>56,903</u>
 Total Financial Assets	 19,635,806	 16,428,551
Unavailable for General Expenditures within One Year:		
Perpetually restricted endowment	(6,291,312)	(6,177,047)
Restricted by donor with time or purpose restriction	<u>(10,811,490)</u>	<u>(10,138,192)</u>
 Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	 \$ <u>2,533,004</u>	 \$ <u>113,312</u>

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowment of \$867,037 is subject to an annual spending rate of 2%. Although the Foundation does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

Disclosure About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy comprises three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities

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- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets
- Level 3** Unobservable inputs supported by little or no market activity and that are significant to the fair value of the assets

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2024.

	<u>Cost</u>	<u>Market</u>	<u>Fair Value Level</u>
Cash and cash equivalents	\$ 2,180,885	\$ 2,180,885	1
Fixed income funds	5,336,135	4,747,683	1
Stock mutual funds	7,943,772	9,738,941	1
Exchange-traded products	347,029	391,613	1
Total	<u>\$ 15,807,821</u>	<u>\$ 17,059,122</u>	

The following table sets forth, by level within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2023.

	<u>Cost</u>	<u>Market</u>	<u>Fair Value Level</u>
Cash and cash equivalents	\$ 1,779,191	\$ 1,779,191	1
Fixed income funds	5,191,405	4,595,225	1
Stock mutual funds	7,732,439	8,084,284	1
Exchange-traded products	333,460	344,440	1
Total	<u>\$ 15,036,495</u>	<u>\$ 14,803,140</u>	

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Foundation does not have any Level 2 or 3 securities.

Contributed Nonfinancial Assets

For the year ended June 30, 2024, contributed nonfinancial assets recognized within the statement of activities included farm equipment of \$390,000, vehicles of \$9,010, services of \$184,427 and other of \$34,973. For the year ended June 30 2023, contributed nonfinancial assets recognized within the statement of activities included farm equipment of \$370,000, vehicles of \$62,504, services of \$147,907 and other of \$8,931. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets. Contributions of services also include services received from personnel of an affiliate.

Endowments

The Foundation maintains endowment funds, which represent gifts that have been accepted with the donor stipulation that the principal be maintained intact in perpetuity. Income from these assets is purpose restricted to provide scholarships, department funds, and management fees. Accordingly, earnings are recognized as purpose restricted net assets. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, if any, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's management believes it is subject to the Uniform Prudent Management of Institutional Funds Act adopted by the State of Illinois, although the Foundation has not sought the opinion of legal counsel on the appropriateness of this assertion. As a result, the College classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the governing body appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before being reclassified as net assets without donor restrictions.

Additionally, in accordance with UPMIFA, the College considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Organization and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Organization
7. Investment policies of the Organization

The College's endowment consists of individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The objective of the Foundation is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return to meet cash flow needs while minimizing risk. To achieve that objective, the Foundation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes targets of 60% equity and 40% fixed income securities that is intended to result in a consistent inflation-

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protected rate of return. Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to expose the fund to acceptable levels of risk.

The composition of endowment net assets as of June 30, 2024, is summarized as follows:

	<u>Without Donor Restrictions</u>	<u>Purpose Restricted</u>	<u>Total</u>
Board Designated Endowment Funds	\$ 867,037	\$ —	\$ 867,037
Donor-Restricted Endowment Funds:			
Original Donor-restricted Gift Amount and Amount Required to be Retained by Donor	—	6,021,016	6,021,016
Portion Subject to Appropriation under UPMIFA	<u>—</u>	<u>10,171,069</u>	<u>10,171,069</u>
	<u>\$ 867,037</u>	<u>\$ 16,192,085</u>	<u>\$ 17,059,122</u>

The composition of endowment net assets as of June 30, 2023, is summarized as follows:

	<u>Without Donor Restrictions</u>	<u>Purpose Restricted</u>	<u>Total</u>
Board Designated Endowment Funds	\$ 769,600	\$ —	\$ 769,600
Donor-Restricted Endowment Funds:			
Original Donor-restricted Gift Amount and Amount Required to be Retained by Donor	—	5,926,087	5,926,087
Portion Subject to Appropriation under UPMIFA	<u>—</u>	<u>8,107,453</u>	<u>8,107,453</u>
	<u>\$ 769,600</u>	<u>\$ 14,033,540</u>	<u>\$ 14,803,140</u>

During the year ended June 30, 2024, the Foundation did not liquidate investments for the purpose of appropriation for spending and instead funded this appropriation with current year cash receipts. In addition, the current donor agreement allows the Foundation to charge certain fees including investment manager fees as well as an amount equal to a percent per annum of the fair market value of the endowment, from investment income.

This amount will be determined by the Board of Directors annually and will not exceed 10%. This policy may be changed from time to time provided that any changes are applied uniformly to all funds administered by the Foundation. For the year ended June 30, 2024 and 2023, the Board elected to charge a 2% management fee, which totaled \$299,107 and \$269,237, respectively. The fee is classified as Reclassification of Net Assets on the Statement of Activities.

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The change in endowment net assets for the year ended June 30, 2024, by type of fund, is as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Purpose Restricted	Perpetually Restricted	
Beginning of Year, July 1, 2023	\$ 769,600	\$ 8,107,453	\$ 5,926,087	\$ 14,803,140
Contributions	—	87,466	94,929	182,395
Interest and dividend	21,583	386,106	—	407,689
Net realized and unrealized gain	76,650	1,604,458	—	1,681,108
Fee	(796)	(14,414)	—	(15,210)
End of Year, June 30, 2024	\$ <u>867,037</u>	\$ <u>10,171,069</u>	\$ <u>6,021,016</u>	\$ <u>1,7,059,122</u>

The change in endowment net assets for the year ended June 30, 2023, by type of fund, is as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Purpose Restricted	Perpetually Restricted	
Beginning of Year, July 1, 2022	\$ 704,717	\$ 6,837,756	\$ 5,663,437	\$ 13,205,910
Contributions	—	88,751	262,650	351,401
Interest and dividend	17,610	305,902	—	323,512
Net realized and unrealized gain	47,996	887,783	—	935,779
Fee	(723)	(12,739)	—	(13,462)
End of Year, June 30, 2023	\$ <u>769,600</u>	\$ <u>8,107,453</u>	\$ <u>5,926,087</u>	\$ <u>14,803,140</u>

Related-Party Transactions

The Foundation has an informal verbal guarantee with the College that the College will provide support to the Foundation by way of a related party loan to replenish restricted funds for operating expenditures, as necessary. The balances in these loan accounts were \$90,136 at June 30, 2024.

In addition, the College provided donated services to the Foundation consisting of salaries, benefits, utilities, and materials. For the year ended June 30, 2024, the amount contributed and included as in-kind revenues totaled \$185,571: \$142,065 in salaries, \$25,756 in benefits, \$16,606 in facility space and utilities, and \$1,144 in materials.

During the year the Foundation donated certain in-kind items to the College totaling \$431,788, including the annual lease value of agricultural equipment of \$390,000. In addition, the Foundation paid for certain items on behalf of the College, totaling \$2,173,991. These items are classified as Institutional Support in the statement of activities.

Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Promises to Give

Long term promises to give are discounted to present value based on expected payment schedules and interest rates. Management does not deem a valuation allowance is necessary as of June 30, 2024.

Parkland College District #505
Notes to Basic Financial Statements
June 30, 2024 and 2023

Investments

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statement of financial position.

Required Supplementary Information

**Parkland College District #505
Required Supplementary Information
Schedule of Proportionate Share of
Net Pension Liability - SURS
For the Year Ended June 30, 2024**

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
a) Parkland's Proportionate Percentage of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
b) Parkland's Proportionate Amount of the Collective Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability Associated with Parkland	202,577,602	219,570,648	243,648,397	236,643,031	252,207,568	262,386,570	265,978,904	247,195,260	236,571,486	231,714,676
Total b) + c)	<u>\$ 202,577,602</u>	<u>\$ 219,570,648</u>	<u>\$ 243,648,397</u>	<u>\$ 236,643,031</u>	<u>\$ 252,207,568</u>	<u>\$ 262,386,570</u>	<u>\$ 265,978,904</u>	<u>\$ 247,195,260</u>	<u>\$ 236,571,486</u>	<u>\$ 231,714,676</u>
Parkland Defined Benefit Covered Payroll	\$ 33,831,347	\$ 33,645,622	\$ 33,863,462	\$ 32,745,297	\$ 32,726,421	\$ 32,978,576	\$ 32,152,358	\$ 30,257,533	\$ 29,939,051	\$ 30,750,358
Proportion of Collective Net Pension Liability Associated with Parkland as a Percentage of Defined Benefit Covered Payroll	599%	653%	720%	723%	771%	796%	827%	817%	790%	754%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%	43.65%	44.06%

**Parkland College District #505
 Required Supplementary Information
 Schedule Contributions – SURS
 For the Year Ended June 30, 2024**

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Parkland's Federal, Trust, Grant, and Other Contribution	\$ 49,760	\$ 53,803	\$ 72,189	\$ 84,337	\$ 62,972	\$ 79,454	\$ 79,626	\$ 67,878	\$ 89,523	\$ 88,017
Parkland's Contribution in Relation to Required Contribution	49,760	53,803	72,189	84,337	62,972	79,454	79,626	67,878	89,523	88,017
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parkland's Covered Payroll	\$ 424,937	\$ 423,983	\$ 576,129	\$ 676,862	\$ 512,384	\$ 610,246	\$ 626,976	\$ 550,958	\$ 697,763	\$ 714,424
Contributions as a Percentage of Covered Payroll	11.71%	12.69%	12.53%	12.46%	12.29%	13.02%	12.70%	12.32%	12.83%	12.32%

**Parkland College District #505
Required Supplementary Information
Notes to Required Supplementary
Information – Pension Liability
June 30, 2024**

Changes of Benefit Terms

There were no benefit changes recognized in the Total Pension Liability for any of the years presented.

Changes of Assumptions

June 30, 2024

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below and remained the same for the June 30, 2023 actuarial valuation.

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

June 30, 2023

No changes.

June 30, 2022

No changes.

June 30, 2021

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

**Parkland College District #505
Required Supplementary Information
Notes to Required Supplementary
Information – Pension Liability
June 30, 2024**

- *Investment return.* Decrease the investment return assumption to 6.75%. This reflects maintaining an assumed real rate of return of 4.50% and decreasing the underlying assumed price inflation to 2.25%.
- *Effective rate of interest.* Decrease the long-term assumption for the ERI for crediting the money purchase accounts to 6.75% (effective July 2, 2019).
- *Normal retirement rates.* A slight increase in the retirement rate at age 50. No change to the rates for ages 60-61, 67-74, and 80+, but a slight decrease in rates at all other ages. A rate of 50% if the member has 40 or more years of service and is younger than age 80.
- *Early retirement rates.* Decrease in rates for all Tier 1 early retirement eligibility ages (55-59).
- *Turnover rates.* Change rates to produce slightly lower expected turnover for most members with less than 10 years of service and higher turnover for members with more than 10 years of service.
- *Mortality rates.* Maintain the RP-2014 mortality tables with projected generational mortality improvement. Update the projection scale from the MP-2014 to the MP-2017 scale.
- *Disability rates.* Decrease current rates to reflect that certain members who receive disability benefits do not receive the benefits on a long-term basis.

June 30, 2020

No changes.

June 30, 2019

No changes.

June 30, 2018

- *Salary increase.* Change assumption to service-based rates, ranging from 3.75% to 15% based on years of service, with underlying wage inflation of 3.75%.
- *Normal retirement rates.* Changes to retirement rates at ages younger than 60, age 66, and ages 70-79 to reflect observed experiences.
- *Early retirement rates.* Change to a slight increase to the rates at ages 55 and 56.
- *Disability rates.* Decrease rates and have separate rates for males and females to reflect observed experience.
- *Dependent Assumption.* Maintain the current assumption on marital status that varies by age and sex and the assumption that males are three years older than their spouses.
- *Mortality rates.* Change from the RP 2000 Mortality table projected to 2017, sex distinct, to the RP-2014 mortality tables with projected generational mortality improvement. Change to a separate mortality assumption for disabled participants.

June 30, 2017

No changes.

June 30, 2016

No changes.

**Parkland College District #505
Required Supplementary Information
Schedule of Proportionate Share
of the Net OPEB Liability - CIP
For the Year Ended June 30, 2024**

	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2023</u>
a) Parkland's Proportionate Percentage of the Collective Net OPEB Liability	1.84339%	1.85735%	1.82364%	1.83198%	1.78858%	1.73870%	1.70295%	1.67605%
b) Parkland's Proportionate Amount of the Collective Net OPEB Liability	\$ 33,547,933	\$ 33,871,311	\$ 34,380,273	\$ 34,597,679	\$ 32,601,493	\$ 30,175,704	\$ 11,657,741	\$ 11,838,504
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability Associated with Parkland	34,954,080	33,425,197	34,380,281	34,597,679	32,601,428	30,175,704	11,657,741	11,838,504
Total b) + c)	<u>\$ 68,502,013</u>	<u>\$ 67,296,508</u>	<u>\$ 68,760,554</u>	<u>\$ 69,195,358</u>	<u>\$ 65,202,921</u>	<u>\$ 60,351,408</u>	<u>\$ 23,315,482</u>	<u>\$ 23,677,008</u>
Parkland's Covered- Employee Payroll	\$ 32,227,736	\$ 31,850,706	\$ 32,889,600	\$ 32,898,000	\$ 32,322,400	\$ 32,119,200	\$ 33,154,800	\$ 33,800,800
Parkland's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered- Employee Payroll	105%	108%	105%	99%	93%	36%	36%	35%
CIP Plan Net Position as a Percentage of Total OPEB Liability	-2.15%	-2.87%	-3.54%	-4.13%	-5.07%	-6.38%	-22.03%	-17.87%

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

**Parkland College District #505
 Required Supplementary Information
 Schedule of Contributions - CIP
 For the Year Ended June 30, 2024**

<u>Year Ended June 30,</u>	<u>Statutorily Required Contributions*</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2024	\$ 253,506	\$ 33,800,800	0.75%
2023	165,774	33,154,800	0.50%
2022	160,596	32,119,200	0.50%
2021	161,662	32,332,400	0.50%
2020	164,490	32,898,000	0.50%
2019	164,448	32,889,600	0.50%
2018	159,254	31,850,706	0.50%
2017	161,139	32,227,736	0.50%
2016	167,066	33,413,130	0.50%
2015	163,306	32,661,156	0.50%

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

**Parkland College District #505
Required Supplementary Information
Notes to Required Supplementary
Information – OPEB Liability
June 30, 2024**

Changes of Benefit Terms

There were no benefit changes in the Total OPEB Liability for any of the years presented.

Assumptions Used

June 30, 2024

- *Actuarial Cost Method.* Entry Age Normal, used to measure the Total OPEB Liability
- *Contribution Policy.* Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2023, contribution rates are 0.50% of pay for active members, 0.50% of pay for community colleges and 0.50% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
- *Asset Valuation Method.* Market value
- *Investment Rate of Return.* 0%, net of OPEB plan investment expense, including inflation, for all plan years
- *Inflation.* 2.25%
- *Salary Increases.* Depends on service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than one year of service to 3.00% at 24 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
- *Retirement Age.* Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2022, actuarial valuation of SURS.
- *Mortality.* Retirement and Beneficiary Annuitants: Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.
- *Healthcare Cost Trend Rates.* Trend used for fiscal year 2024 based on premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.
- *Aging Factors.* Based on the 2013 Study "Health Care Costs -From Birth to Death"
- *Expenses.* Health administrative expenses are included in the development of the per-capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

June 30, 2023

- *Healthcare Cost Trend Rates.* Trend used for fiscal year 2023 based on premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.86% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.

**Parkland College District #505
Required Supplementary Information
Notes to Required Supplementary
Information – OPEB Liability
June 30, 2024**

June 30, 2022

- *Salary Increases.* Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
- *Retirement Age.* Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation of SURS.
- *Mortality. Retirement and Beneficiary Annuity.* RP-2014 White Collar Annuity Mortality Table. Disabled Annuity: RP-2014 Disabled Annuity Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.
- *Healthcare Cost Trend Rates.* Trend used for fiscal year 2022 based on premium increases. For fiscal years on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.

June 30, 2021

No changes.

June 30, 2020

- *Healthcare Cost Trend Rates.* Actual trend used for fiscal year 2019 based on premium increases. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.40% is added to non-Medicare cost on and after 2022 to account for the Excise tax.

June 30, 2019

- *Salary Increases.* Depends on service and ranges from 10.00% at less than 1 year of service to 3.75% at 34 or more years of service. Salary increase includes a 3.75% wage inflation assumption.
- *Retirement Age.* Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2014, actuarial valuation.
- *Mortality. Retirement and Beneficiary Annuity.* RP-2014 White Collar Annuity Mortality Table. Disabled Annuity: RP-2014 Disabled Annuity Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2014.

June 30, 2018

- *Healthcare Cost Trend Rates.* Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.52% is added to non-Medicare cost on and after 2020 to account for the Excise tax.

Supplementary Information

**Parkland College District #505
 Combined Balance Sheet –
 Modified Accrual Basis (Governmental Fund Types and Account Groups)
 and GAAP Basis (Proprietary and Fiduciary Fund Types)
 All Fund Types and Account Groups
 June 30, 2024**

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service - Bond and Interest Fund	Capital Projects Fund - Operation and Maintenance Restricted	Enterprise	Trust and Agency Funds	Custodial Funds	General Fixed Assets	General Long-Term Debt	
ASSETS										
Cash and Cash Equivalents	\$ 41,492,405	\$ 2,855,249	\$ 3,978,872	\$ -	\$ 3,824,817	\$ -	\$ 61,064	\$ -	\$ -	\$ 52,212,407
Investments	10,900,463	-	-	-	-	7,799,771	-	-	-	18,700,234
Receivables:										
Property Taxes, Net	14,625,139	2,036,635	3,327,025	1,535,620	-	-	-	-	-	21,524,419
Replacement Taxes	757,813	-	-	-	-	-	-	-	-	757,813
Agency Tuition, Net	564,403	-	-	-	122,506	-	-	-	-	686,909
Student Tuition and Fees, Net of Allowance for Uncollectible Accounts of \$4,761,746	886,235	-	-	-	128,413	-	-	-	-	1,014,648
Governmental Grants	-	929,589	-	-	-	-	-	-	-	929,589
Interest	93,421	-	-	-	-	185,866	-	-	-	279,287
Other	437,280	-	-	-	23,704	305	-	-	-	461,289
Due from Parkland Foundation	2,080,507	11,228	-	260,000	-	4,805,965	-	-	-	7,157,700
Due from Other Funds	-	402,954	-	-	-	-	-	-	-	402,954
Prepaid Assets	-	16,620	-	-	-	-	-	-	-	16,620
Inventory	-	-	-	-	358,197	-	-	-	-	358,197
Property and Equipment, Net	-	-	-	-	338,248	-	-	97,662,497	-	98,000,745
OTHER DEBITS										
Amount Available to Retire Debt	-	-	-	-	-	-	-	-	4,587,417	4,587,417
Amount to be Provided to Retire Debt	-	-	-	-	-	-	-	-	30,427,932	30,427,932
Total Assets and Other Debits	\$ 71,837,666	\$ 6,252,275	\$ 7,305,897	\$ 1,795,620	\$ 4,795,885	\$ 12,791,907	\$ 61,064	\$ 97,662,497	\$ 35,015,349	\$ 237,518,160

**Parkland College District #505
Combined Balance Sheet –
Modified Accrual Basis (Governmental Fund Types and Account Groups)
And GAAP Basis (Proprietary and Fiduciary Fund Types)
All Fund Types and Account Groups
June 30, 2024**

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Fiduciary Fund Type	Account Groups		
	General	Special Revenue	Debt Service - Bond and Interest Fund	Capital Projects Fund - Operation and Maintenance Restricted	Enterprise	Trust and Agency Funds	Custodial Funds	General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
LIABILITIES										
Accounts Payable	\$ 310,827	\$ 91,704	\$ -	\$ 2,507,094	\$ 296,206	\$ 37	\$ -	\$ -	\$ -	\$ 3,205,868
Vacation Payable	1,518,111	133,325	-	-	163,920	-	-	-	-	1,815,356
Retirement Payable	1,961,194	-	-	-	-	-	-	4,905,349	-	6,866,543
Accrued Liabilities	2,974,730	17,663	13,458	15,341	1,508	-	-	-	-	3,022,700
Unearned Revenue	15,426,349	3,208,217	2,705,022	1,300,281	517,627	-	-	-	-	23,157,496
Due to Other Funds	402,954	-	-	-	-	4,074,279	-	-	-	4,477,233
Due to Parkland Foundation	5,031,921	32,132	-	-	17,061	-	-	-	-	5,081,114
Due to Student Groups	-	-	-	-	-	737,079	-	-	-	737,079
G. O. Bonds	-	-	-	-	-	-	-	-	30,110,000	30,110,000
Total Liabilities	27,626,086	3,483,041	2,718,480	3,822,716	996,322	4,811,395	-	-	35,015,349	78,473,389
COLLEGE EQUITY										
Investment in General Fixed Assets	-	-	-	-	-	-	-	97,662,497	-	97,662,497
Fund Balance:										
Reserved For:										
Trust and Agency Assets	-	-	-	-	-	7,980,512	-	-	-	7,980,512
Other Governments	-	-	-	-	-	-	61,064	-	-	61,064
Unreserved, Undesignated	44,211,580	2,769,234	4,587,417	(2,027,096)	-	-	-	-	-	49,541,135
Retained Earnings	-	-	-	-	3,799,563	-	-	-	-	3,799,563
Total College Equity	44,211,580	2,769,234	4,587,417	(2,027,096)	3,799,563	7,980,512	61,064	97,662,497	-	159,044,771
Total Liabilities and College Equity	\$ 71,837,666	\$ 6,252,275	\$ 7,305,897	\$ 1,795,620	\$ 4,795,885	\$ 12,791,907	\$ 61,064	\$ 97,662,497	\$ 35,015,349	\$ 237,518,160

**Parkland College District #505
 Combined Statement of Revenue, Expenditures, and
 Changes in Fund Balances – Modified Accrual Basis
 All Governmental Fund Types
 For the Year Ended June 30, 2024**

	General	Special Revenue	Debt Service - Bond and Interest	Capital Projects Fund- Operation and Maintenance Restricted	Total (Memorandum Only)
Revenue					
Local Sources	\$ 30,307,801	\$ 3,697,492	\$ 5,912,815	\$ 2,689,899	\$ 42,608,007
State Sources	5,339,732	4,474,691	-	629,607	10,444,030
Federal Sources	103,548	15,565,239	-	-	15,668,787
Tuition and Fees	24,073,486	-	-	-	24,073,486
Facilities	230,773	-	-	532,381	763,154
Interest	2,429,359	24,584	-	82,239	2,536,182
Other Revenue	867,192	136,802	-	2,000,001	3,003,995
On- Behalf Payments	-	15,600,088	-	-	15,600,088
Total Revenue	<u>63,351,891</u>	<u>39,498,896</u>	<u>5,912,815</u>	<u>5,934,127</u>	<u>114,697,729</u>
Expenditures					
Instruction	24,420,505	5,483,518	-	-	29,904,023
Academic Support	6,391,910	1,580,750	-	6,550	7,979,210
Student Services	5,093,672	702,191	-	-	5,795,863
Public Service	445,163	626,846	-	-	1,072,009
Auxiliary Services	-	66,618	-	-	66,618
Operation and Maintenance of Plant	6,252,976	1,822,353	-	13,025,223	21,100,552
Scholarships and Grants	-	11,468,284	-	-	11,468,284
Institutional Support	16,297,620	1,923,778	-	-	18,221,398
Principal	-	-	4,860,000	-	4,860,000
Interest	-	-	1,396,610	-	1,396,610
On- Behalf Payments	-	15,600,088	-	-	15,600,088
Total Expenditures	<u>58,901,846</u>	<u>39,274,426</u>	<u>6,256,610</u>	<u>13,031,773</u>	<u>117,464,655</u>
Revenue Over (Under) Expenditures	<u>4,450,045</u>	<u>224,470</u>	<u>(343,795)</u>	<u>(7,097,646)</u>	<u>(2,766,926)</u>
Other Financing Sources (Uses)					
Operating Transfers, Net	(1,417,216)	-	532,381	(532,381)	(1,417,216)
Total Other Financing Sources (Uses)	<u>(1,417,216)</u>	<u>-</u>	<u>532,381</u>	<u>(532,381)</u>	<u>(1,417,216)</u>
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	3,032,829	224,470	188,586	(7,630,027)	(4,184,142)
Fund Balance, July 1, 2023	<u>41,178,751</u>	<u>2,544,764</u>	<u>4,398,831</u>	<u>5,602,931</u>	<u>53,725,277</u>
Fund Balance, June 30, 2024	<u>\$ 44,211,580</u>	<u>\$ 2,769,234</u>	<u>\$ 4,587,417</u>	<u>\$ (2,027,096)</u>	<u>\$ 49,541,135</u>

**Parkland College District #505
Combining Statement of Revenue, Expenditures, and
Changes in Fund Balances – Modified Accrual Basis
All Governmental Fund Types
For the Year Ended June 30, 2024**

	General		Special Revenue		Debt Service - Bond and Interest Fund		Capital Projects Fund - Operation and Maintenance Restricted		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenue										
Local Sources	\$ 30,445,787	\$ 30,307,801	\$ 3,743,536	\$ 3,697,492	\$ 5,822,698	\$ 5,912,815	\$ 2,689,255	\$ 2,689,899	\$ 42,701,276	\$ 42,608,007
State Sources	5,365,423	5,339,732	8,805,370	4,474,691	-	-	-	629,607	14,170,793	10,444,030
Federal Sources	125,000	103,548	18,829,807	15,565,239	-	-	-	-	18,954,807	15,668,787
Tuition and Fees	25,134,779	24,073,486	-	-	-	-	569,373	-	25,704,152	24,073,486
Facilities	265,253	230,773	-	-	-	-	-	532,381	265,253	763,154
Interest	1,075,000	2,429,359	49,541	24,584	-	-	20,000	82,239	1,144,541	2,536,182
Other Revenue	910,100	867,192	156,508	136,802	-	-	5,000,000	2,000,001	6,066,608	3,003,995
Total Revenue	<u>63,321,342</u>	<u>63,351,891</u>	<u>31,584,762</u>	<u>23,898,808</u>	<u>5,822,698</u>	<u>5,912,815</u>	<u>8,278,628</u>	<u>5,934,127</u>	<u>109,007,430</u>	<u>99,097,641</u>
Expenditures										
Instruction	24,999,112	24,420,505	9,957,711	5,483,518	-	-	-	-	34,956,823	29,904,023
Academic Support	7,383,043	6,391,910	2,010,917	1,580,750	-	-	-	6,550	9,393,960	7,979,210
Student Services	5,509,872	5,093,672	810,195	702,191	-	-	-	-	6,320,067	5,795,863
Public Service	520,719	445,163	781,953	626,846	-	-	-	-	1,302,672	1,072,009
Auxiliary Services	-	-	179,479	66,618	-	-	-	-	179,479	66,618
Operation and Maintenance of Plant	6,604,365	6,252,976	2,342,787	1,822,353	-	-	18,722,591	13,025,223	27,669,743	21,100,552
Scholarships and Grants	-	-	13,565,714	11,468,284	-	-	-	-	13,565,714	11,468,284
Institutional Support	16,688,401	16,297,620	1,996,524	1,923,778	-	-	-	-	18,684,925	18,221,398
Principal	-	-	-	-	4,860,000	4,860,000	-	-	4,860,000	4,860,000
Interest	-	-	-	-	1,396,610	1,396,610	-	-	1,396,610	1,396,610
Total Expenditures	<u>61,705,512</u>	<u>58,901,846</u>	<u>31,645,280</u>	<u>23,674,338</u>	<u>6,256,610</u>	<u>6,256,610</u>	<u>18,722,591</u>	<u>13,031,773</u>	<u>118,329,993</u>	<u>101,864,567</u>
Revenue Over (Under) Expenditures	<u>1,615,830</u>	<u>4,450,045</u>	<u>(60,518)</u>	<u>224,470</u>	<u>(433,912)</u>	<u>(343,795)</u>	<u>(10,443,963)</u>	<u>(7,097,646)</u>	<u>(9,322,563)</u>	<u>(2,766,926)</u>
Other Financing Sources (Uses)										
Operating Transfers, Net	<u>(865,000)</u>	<u>(1,417,216)</u>	<u>-</u>	<u>-</u>	<u>569,373</u>	<u>532,381</u>	<u>(569,373)</u>	<u>(532,381)</u>	<u>(865,000)</u>	<u>(1,417,216)</u>
Total Other Financing Sources (Uses)	<u>(865,000)</u>	<u>(1,417,216)</u>	<u>-</u>	<u>-</u>	<u>569,373</u>	<u>532,381</u>	<u>(569,373)</u>	<u>(532,381)</u>	<u>(865,000)</u>	<u>(1,417,216)</u>
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 750,830</u>	<u>3,032,829</u>	<u>\$ (60,518)</u>	<u>224,470</u>	<u>\$ 135,461</u>	<u>188,586</u>	<u>\$ (11,013,336)</u>	<u>(7,630,027)</u>	<u>\$ (10,187,563)</u>	<u>(4,184,142)</u>
Fund Balance, July 1, 2023		<u>41,178,751</u>		<u>2,544,764</u>		<u>4,398,831</u>		<u>5,602,931</u>		<u>53,725,277</u>
Fund Balance, June 30, 2024		<u>\$ 44,211,580</u>		<u>\$ 2,769,234</u>		<u>\$ 4,587,417</u>		<u>\$ (2,027,096)</u>		<u>\$ 49,541,135</u>

**Parkland College District #505
 Combined Statement of Revenue, Expenditures, and
 Changes in College Equity – Budget and Actual
 Proprietary Fund Types and Similar Trust Funds
 For the Year Ended June 30, 2024**

	Fiduciary Fund Type		Proprietary Fund Type	
	Working Cash Fund		Enterprise Funds	
	Budget	Actual	Budget	Actual
Operating Revenue				
Student and Community Services	\$ -	\$ -	\$ 3,623,000	\$ 3,344,018
Student Tuition and Fees	-	-	4,297,625	3,516,591
Other Revenue	-	-	81,411	109,110
Investment Revenue	10,000	338,133	22	13,251
Total Operating Revenue	10,000	338,133	8,002,058	6,982,970
Operating Expenses				
Salaries	-	-	3,176,142	2,982,687
Employee Benefits	-	-	589,871	487,729
Capital Outlay	-	-	116,600	21,460
Contractual Services	-	-	2,350,839	1,764,517
General Materials and Supplies	-	-	2,377,231	2,285,856
Conference and Meeting	-	-	447,732	347,534
Fixed Charges	-	-	616,715	471,180
Utilities	-	-	1,900	1,743
Depreciation	-	-	-	49,585
Other	-	-	220,063	69,316
Total Operating Expenses	-	-	9,897,093	8,481,607
Operating Income (Loss)	10,000	338,133	(1,895,035)	(1,498,637)
Other Financing Sources (Uses)				
Operating Transfers, Net	(10,000)	(92,784)	875,000	1,510,000
Net Income (Loss)	\$ -	245,349	\$ (1,020,035)	11,363
College Equity, July 1, 2023		7,735,805		3,788,200
College Equity, June 30, 2024		\$ 7,981,154		\$ 3,799,563

* Budget Column Represents the College's Original Legally Approved Budget.

**Parkland College District #505
 Combined Statement of Cash Flows
 Proprietary Fund Types and Similar Trust Funds
 For the Year Ended June 30, 2024**

	<u>Fiduciary Fund Type</u> <u>Working Cash Fund</u>	<u>Proprietary Fund Type</u> <u>Enterprise Funds</u>
Cash Flows from Operating Activities		
Auxiliary Enterprise Charges	\$ -	\$ 3,344,018
Student Tuition and Fees	-	3,615,389
Payments to Suppliers	-	(4,645,008)
Payments to Employees and Benefits Paid	-	(3,453,109)
Net Disbursements to Parkland Foundation	-	-
Receipts of Miscellaneous Revenue	-	110,688
Interest on Investments	338,133	13,251
	<u>338,133</u>	<u>13,251</u>
Net Cash Provided by (Used in) Operating Activities	<u>338,133</u>	<u>(1,014,771)</u>
Capital and Related Financing Activities		
Purchase of Equipment	-	(306,121)
	<u>-</u>	<u>(306,121)</u>
Non- Capital Financing Activities		
Operating Transfers In (Out)	(92,784)	1,510,000
	<u>(92,784)</u>	<u>1,510,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	245,349	189,108
Cash and Cash Equivalents, July 1, 2023	<u>7,735,805</u>	<u>3,635,709</u>
Cash and Cash Equivalents, June 30, 2024	<u>\$ 7,981,154</u>	<u>\$ 3,824,817</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ 338,133	\$ (1,498,637)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	-	45,015
Changes in Assets and Liabilities:		
Receivables	-	(80,820)
Inventories	-	74,252
Accounts Payable	-	(247,269)
Accrued Liabilities	-	-
Vacation Payable	-	17,307
Unearned Revenue	-	169,528
Due to Parkland Foundation	-	-
	<u>-</u>	<u>-</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 338,133</u>	<u>\$ (1,520,624)</u>

Parkland College District #505
Combining Balance Sheet – Modified Accrual Basis
General Funds
June 30, 2024

	Education Fund	Operation and Maintenance Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 27,153,779	\$ 14,338,626	\$ 41,492,405
Investments	10,900,463	-	10,900,463
Receivables:			
Property Taxes, Net	10,562,606	4,062,533	14,625,139
Replacement Taxes	757,813	-	757,813
Agency Tuition, Net	564,403	-	564,403
Student Tuition and Fees, Net	886,235	-	886,235
Governmental Grants	-	-	-
Interest	93,421	-	93,421
Other	402,835	34,445	437,280
Due From Parkland Foundation	2,076,507	4,000	2,080,507
Due From Other Funds	-	-	-
Prepaid Assets	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 53,398,062</u>	<u>\$ 18,439,604</u>	<u>\$ 71,837,666</u>
LIABILITIES			
Accounts Payable	\$ 60,179	\$ 250,648	\$ 310,827
Vacation Payable	1,314,232	203,879	1,518,111
Retirement Payable	1,961,194	-	1,961,194
Due to Parkland Foundation	5,031,921	-	5,031,921
Accrued Liabilities	2,944,064	30,666	2,974,730
Due to Other Funds	402,954	-	402,954
Unearned Revenue	12,115,429	3,310,920	15,426,349
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>23,829,973</u>	<u>3,796,113</u>	<u>27,626,086</u>
FUND BALANCE			
Unreserved	<u>29,568,089</u>	<u>14,643,491</u>	<u>44,211,580</u>
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>29,568,089</u>	<u>14,643,491</u>	<u>44,211,580</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balance	<u>\$ 53,398,062</u>	<u>\$ 18,439,604</u>	<u>\$ 71,837,666</u>

Parkland College District #505
Combining Statement of Revenue, Expenditures, and
Changes in Fund Balances – Modified Accrual Basis
General Funds
For the Year Ended June 30, 2024

	Education Fund	Operation and Maintenance Fund	Total
Revenue			
Local Sources	\$ 23,131,855	\$ 7,175,946	\$ 30,307,801
State Sources	5,339,732	-	5,339,732
Federal Sources	103,548	-	103,548
Tuition and Fees	24,073,486	-	24,073,486
Facilities	230,773	-	230,773
Interest	2,279,427	149,932	2,429,359
Other Revenue	49,774	817,418	867,192
	<u>55,208,595</u>	<u>8,143,296</u>	<u>63,351,891</u>
Expenditures			
Instruction	24,420,505	-	24,420,505
Academic Support	6,391,910	-	6,391,910
Student Services	5,093,672	-	5,093,672
Public Service	445,163	-	445,163
Operation and Maintenance of Plant	-	6,252,976	6,252,976
Institutional Support	16,297,620	-	16,297,620
	<u>52,648,870</u>	<u>6,252,976</u>	<u>58,901,846</u>
Total Expenditures	<u>52,648,870</u>	<u>6,252,976</u>	<u>58,901,846</u>
Revenue Over Expenditures	<u>2,559,725</u>	<u>1,890,320</u>	<u>4,450,045</u>
Other Financing Uses			
Operating Transfers, Net	<u>(1,417,216)</u>	<u>-</u>	<u>(1,417,216)</u>
Total Other Financing Uses	<u>(1,417,216)</u>	<u>-</u>	<u>(1,417,216)</u>
Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	1,142,509	1,890,320	3,032,829
Fund Balance, July 1, 2023	<u>28,425,580</u>	<u>12,753,171</u>	<u>41,178,751</u>
Fund Balance, June 30, 2024	<u><u>\$ 29,568,089</u></u>	<u><u>\$ 14,643,491</u></u>	<u><u>\$ 44,211,580</u></u>

Parkland College District #505
Combining Balance Sheet – Modified Accrual Basis
Special Revenue Funds
June 30, 2024

	Restricted Purposes Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 223,223	\$ 2,632,026	\$ 2,855,249
Receivables:				
Property Taxes, Net	-	54,261	1,982,374	2,036,635
Due from Parkland Foundation	11,228	-	-	11,228
Governmental Grants	929,589	-	-	929,589
Prepaid Assets	-	-	16,620	16,620
Due from Other Funds	402,954	-	-	402,954
	<u>\$ 1,343,771</u>	<u>\$ 277,484</u>	<u>\$ 4,631,020</u>	<u>\$ 6,252,275</u>
LIABILITIES				
Accounts Payable	\$ 69,091	\$ 12,000	\$ 10,613	\$ 91,704
Vacation Payable	53,918	-	79,407	133,325
Accrued Liabilities	-	581	17,082	17,663
Unearned Revenue	1,552,757	43,042	1,612,418	3,208,217
Due to Other Funds	-	-	-	-
Due to Parkland Foundation	-	-	32,132	32,132
	<u>1,675,766</u>	<u>55,623</u>	<u>1,751,652</u>	<u>3,483,041</u>
FUND BALANCE				
Unreserved, Undesignated	<u>(331,995)</u>	<u>221,861</u>	<u>2,879,368</u>	<u>2,769,234</u>
	<u>(331,995)</u>	<u>221,861</u>	<u>2,879,368</u>	<u>2,769,234</u>
	<u>\$ 1,343,771</u>	<u>\$ 277,484</u>	<u>\$ 4,631,020</u>	<u>\$ 6,252,275</u>

Parkland College District #505
Combining Statement of Revenue, Expenditures, and
Changes in Fund Balances – Modified Accrual Basis
Special Revenue Funds
For the Year Ended June 30, 2024

	Restricted Purposes Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Revenue				
Local Sources	\$ -	\$ 96,418	\$ 3,601,074	\$ 3,697,492
State Sources	4,474,691	-	-	4,474,691
Federal Sources	15,565,239	-	-	15,565,239
Facilities	-	-	-	-
Interest	24,584	-	-	24,584
Other	136,802	-	-	136,802
On- Behalf Payments	15,600,088	-	-	15,600,088
	<u>35,801,404</u>	<u>96,418</u>	<u>3,601,074</u>	<u>39,498,896</u>
Total Revenue				
	<u>35,801,404</u>	<u>96,418</u>	<u>3,601,074</u>	<u>39,498,896</u>
Expenditures				
Instruction	5,483,518	-	-	5,483,518
Academic Support	1,580,750	-	-	1,580,750
Student Services	702,191	-	-	702,191
Public Service	626,846	-	-	626,846
Auxiliary Services	66,618	-	-	66,618
Operations and Maintenance of Plant	156,272	-	1,666,081	1,822,353
Institutional Support	108,036	68,865	1,746,877	1,923,778
Scholarships and Grants	11,468,284	-	-	11,468,284
On- Behalf Payments	15,600,088	-	-	15,600,088
	<u>35,792,603</u>	<u>68,865</u>	<u>3,412,958</u>	<u>39,274,426</u>
Total Expenditures				
	<u>35,792,603</u>	<u>68,865</u>	<u>3,412,958</u>	<u>39,274,426</u>
Revenue Over Expenditures	8,801	27,553	188,116	224,470
Other Financing Sources				
Operating Transfers (Net)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue Over Expenditures and Other Financing Sources	8,801	27,553	188,116	224,470
	<u>8,801</u>	<u>27,553</u>	<u>188,116</u>	<u>224,470</u>
Fund Balance, July 1, 2023	<u>(340,796)</u>	<u>194,308</u>	<u>2,691,252</u>	<u>2,544,764</u>
Fund Balance, June 30, 2024	<u>\$ (331,995)</u>	<u>\$ 221,861</u>	<u>\$ 2,879,368</u>	<u>\$ 2,769,234</u>

**Parkland College District #505
Combining Balance Sheet
Enterprise Funds
June 30, 2024**

	Child Care Services	Reprographics	Student Government	Athletics	Business Development Center	Bookstore	Prospectus	Aviation	Total
ASSETS									
Cash and Cash Equivalents	\$ 130,102	\$ 130,310	\$ 602,042	\$ (33,745)	\$ (166,977)	\$ 2,650,434	\$ 21,052	\$ 491,599	\$ 3,824,817
Receivables:									
Student Tuition and Fees, Net	-	-	-	-	128,413	-	-	-	128,413
Other	-	-	-	-	122,506	23,704	-	-	146,210
Due from Other Funds	-	-	-	-	-	-	-	-	-
Due from Parkland Foundation	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	358,197	-	-	358,197
Property and Equipment, Net of Accumulated Depreciation	20,729	-	-	57,147	-	-	-	264,905	342,781
Total Assets	\$ 150,831	\$ 130,310	\$ 602,042	\$ 23,402	\$ 83,942	\$ 3,032,335	\$ 21,052	\$ 756,504	\$ 4,800,418
LIABILITIES									
Accounts Payable	\$ -	\$ -	\$ 296,173	\$ -	\$ 33	\$ -	\$ -	\$ -	\$ 296,206
Vacation Payable	13,209	677	28,711	-	76,361	21,679	-	23,283	163,920
Accrued Liabilities	-	-	1,508	-	-	-	-	-	1,508
Due to Other Funds	-	-	-	-	-	-	-	-	-
Due to Parkland Foundation	-	-	-	-	-	-	17,061	-	17,061
Unearned Revenue	-	-	51,104	-	-	-	-	466,523	517,627
Total Liabilities	13,209	677	377,496	-	76,394	21,679	17,061	489,806	996,322
RETAINED EARNINGS (ACCUMULATED DEFICIT)	137,622	129,633	224,546	23,402	7,548	3,010,656	3,991	266,698	3,804,096
Total Liabilities and Retained Earnings (Accumulated Deficit)	\$ 150,831	\$ 130,310	\$ 602,042	\$ 23,402	\$ 83,942	\$ 3,032,335	\$ 21,052	\$ 756,504	\$ 4,800,418

**Parkland College District #505
Combining Statement of Revenue, Expenditures, and
Changes in Retained Earnings (Deficit)
Enterprise Funds
For the Year Ended June 30, 2024**

	Child Care Services	Reprographics	Student Government	Athletics	Business Development Center	Bookstore	Prospectus	Aviation	Total
Operating Revenue									
Student and Community Services	\$ 403,423	\$ 178,909	\$ 47,030	\$ -	\$ 1,078,387	\$ 1,636,269	\$ -	\$ -	\$ 3,344,018
Student Tuition and Fees	-	-	259,483	60,000	1,122,165	-	-	2,074,943	3,516,591
Other Revenue	-	-	-	-	97,707	-	-	26,232	123,939
Total Operating Revenue	403,423	178,909	306,513	60,000	2,298,259	1,636,269	-	2,101,175	6,984,548
Operating Expenses									
Salaries	418,406	62,263	52,169	489,612	832,523	171,102	-	956,612	2,982,687
Employee Benefits	64,352	25,252	23,293	61,998	165,497	22,926	-	124,411	487,729
Contractual Services	978	-	42,980	104,878	1,186,877	25,000	-	403,804	1,764,517
General Materials and Supplies	58,186	64,851	1,975	134,050	172,094	1,252,448	799	601,453	2,285,856
Conference and Meeting	-	664	16,646	299,394	18,619	-	7	12,204	347,534
Fixed Charges	-	62,647	-	9,597	21,900	206,646	-	170,390	471,180
Utilities	-	-	-	-	1,700	-	-	-	1,700
Depreciation Expense	11,874	-	7,488	25,653	-	-	-	-	45,015
Other	3,180	-	32,515	1,756	54,457	526	-	-	92,434
Total Operating Expenses	556,976	215,677	177,066	1,126,938	2,453,667	1,678,648	806	2,268,874	8,478,652
Operating Income (Loss)	(153,553)	(36,768)	129,447	(1,066,938)	(155,408)	(42,379)	(806)	(167,699)	(1,494,104)
Other Financing Sources									
Operating Transfers, Net	155,000	50,000	-	1,075,000	160,000	45,000	25,000	-	1,510,000
Net Income	1,447	13,232	129,447	8,062	4,592	2,621	24,194	(167,699)	15,896
Retained Earnings (Deficit) , July 1, 2023	136,175	116,401	95,099	15,340	2,956	3,008,035	(20,203)	434,397	3,788,200
Retained Earnings (Deficit), June 30, 2024	\$ 137,622	\$ 129,633	\$ 224,546	\$ 23,402	\$ 7,548	\$ 3,010,656	\$ 3,991	\$ 266,698	\$ 3,804,096

**Parkland College District #505
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2024**

	Child Care Services	Reprographics	Student Government	Athletics	Business Development Center	Bookstore	Prospectus	Aviation	Total
Cash Flows from Operating Activities									
Auxiliary Enterprise Charges	\$ 403,423	\$ 178,909	\$ 47,030	\$ -	\$ 1,078,387	\$ 1,636,269	\$ -	\$ -	\$ 3,344,018
Student Tuition and Fees	-	-	264,528	60,000	1,047,127	(5,782)	-	2,249,516	3,615,389
Payments to Suppliers	(62,344)	(128,162)	149,846	(549,676)	(1,455,647)	(1,410,368)	(806)	(1,187,851)	(4,645,008)
Payments to Employees and Benefits Paid	(482,685)	(87,692)	(69,007)	(551,610)	(992,867)	(191,989)	-	(1,077,259)	(3,453,109)
Net Distributions to Parkland Foundation	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	97,707	-	-	26,232	123,939
Net Cash Provided by (Used in) Operating Activities	(141,606)	(36,945)	392,397	(1,041,286)	(225,293)	28,130	(806)	10,638	(1,014,771)
Capital and Related Financing Activities									
Purchase of Equipment	(15,674)	-	-	(25,542)	-	-	-	(264,905)	(306,121)
Non-Capital Financing Activities									
Operating Transfers In	155,000	50,000	-	1,075,000	160,000	45,000	25,000	-	1,510,000
Net Increase (Decrease) in Cash and Cash Equivalents	(2,280)	13,055	392,397	8,172	(65,293)	73,130	24,194	(254,267)	189,108
Cash and Cash Equivalents, July 1, 2023	132,382	117,255	209,645	(41,917)	(101,684)	2,577,304	(3,142)	745,866	3,635,709
Cash and Cash Equivalents, June 30, 2024	\$ 130,102	\$ 130,310	\$ 602,042	\$ (33,745)	\$ (166,977)	\$ 2,650,434	\$ 21,052	\$ 491,599	\$ 3,824,817
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities									
Operating Income (Loss)	\$ (153,553)	\$ (36,768)	\$ 129,447	\$ (1,066,938)	\$ (155,408)	\$ (42,379)	\$ (806)	\$ (167,699)	\$ (1,494,104)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:									
Depreciation Expense	11,874	-	7,488	25,653	-	-	-	-	45,015
Changes in Assets and Liabilities:									
Receivables	-	-	-	-	(75,038)	(5,782)	-	-	(80,820)
Inventories	-	-	-	-	-	74,252	-	-	74,252
Accounts Payable	-	-	(247,269)	-	-	-	-	-	(247,269)
Accrued liabilities	-	-	-	-	-	-	-	-	-
Vacation Payable	73	(177)	6,455	-	5,153	2,039	-	3,764	17,307
Unearned Revenue	-	-	(5,045)	-	-	-	-	174,573	169,528
Due to Parkland Foundation	-	-	-	-	-	-	-	-	-
Net Cash Provided By (Used in) Operating Activities	\$ (141,606)	\$ (36,945)	\$ (108,924)	\$ (1,041,285)	\$ (225,293)	\$ 28,130	\$ (806)	\$ 10,638	\$ (1,516,091)

Parkland College District #505
Combining Balance Sheet
Fiduciary Funds
June 30, 2024

	Non- Expendable Trust			Total
	Working Cash Fund	Trust and Agency Fund	Custodial Funds	
ASSETS				
Cash and Cash Equivalents	\$ -	\$ -	\$ 61,064	\$ 61,064
Investments	7,799,771	-	-	7,799,771
Receivables:				
Due from Parkland Foundation	-	4,805,965	-	4,805,965
Other	185,866	-	-	185,866
Total Assets	<u>\$ 7,985,637</u>	<u>\$ 4,805,965</u>	<u>\$ 61,064</u>	<u>\$ 12,852,666</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 37	\$ -	\$ 37
Due to other funds	4,483	4,069,796	-	4,074,279
Due to Student Groups	-	737,079	-	737,079
Total Liabilities	<u>4,483</u>	<u>4,806,912</u>	<u>-</u>	<u>4,811,395</u>
FUND BALANCE				
Reserved for Trust and Agency Assets	7,981,154	(642)	-	7,980,512
Reserved for Other Governments	-	-	61,064	61,064
Total Fund Balance	<u>7,981,154</u>	<u>(642)</u>	<u>61,064</u>	<u>8,041,576</u>
Total Liabilities and Fund Balance	<u>\$ 7,985,637</u>	<u>\$ 4,806,270</u>	<u>\$ 61,064</u>	<u>\$ 12,852,971</u>

**Parkland College District #505
Balance Sheet – Modified Accrual Basis
(Governmental Fund Types and Account Groups)
and GAAP Basis (Proprietary and Fiduciary Fund Types)
June 30, 2024**

												Account Groups		Totals (Memorandum Only)		
	Operations and Maintenance Funds				Auxiliary Enterprise Funds	Restricted Purposes Fund	Working Cash Fund	Trust and Agency Fund	Custodial Funds	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	General Fixed Assets	General Long-Term Debt	June 30, 2024	June 30, 2023
	Education Fund	Operational	Restricted													
ASSETS																
Cash and Cash Equivalents	\$ 27,153,779	\$ 14,338,626	\$ -	\$ 3,824,817	\$ -	\$ -	\$ -	\$ 61,064	\$ 3,978,872	\$ 223,223	\$ 2,632,026	\$ -	\$ -	\$ 52,212,407	\$ 52,930,055	
Investments	10,900,463	-	-	-	-	7,799,771	-	-	-	-	-	-	-	18,700,234	18,072,854	
Receivables:																
Property Taxes, Net	10,562,606	4,062,533	1,535,620	-	-	-	-	-	3,327,025	54,261	1,982,374	-	-	21,524,419	21,626,296	
Replacement Taxes	757,813	-	-	-	-	-	-	-	-	-	-	-	-	757,813	1,170,906	
Agency Tuition, Net	564,403	-	-	122,506	-	-	-	-	-	-	-	-	-	686,909	501,432	
Student Tuition and Fees, Net	886,235	-	-	128,413	-	-	-	-	-	-	-	-	-	1,014,648	1,010,722	
Governmental Grants	-	-	-	-	929,589	-	-	-	-	-	-	-	-	929,589	1,678,858	
Interest	93,421	-	-	-	-	185,866	-	-	-	-	-	-	-	279,287	141,918	
Other	402,835	34,445	-	23,704	-	-	305	-	-	-	-	-	-	461,289	80,540	
Due from Parkland Foundation	2,076,507	4,000	260,000	-	11,228	-	4,805,965	-	-	-	-	-	-	7,157,700	4,538,394	
Due from Other Funds	-	-	-	-	402,954	-	-	-	-	-	-	-	-	402,954	1,402,489	
Prepaid Assets	-	-	-	-	-	-	-	-	-	-	16,620	-	-	16,620	26,113	
Inventory	-	-	-	358,197	-	-	-	-	-	-	-	-	-	358,197	432,449	
Property and Equipment at Cost, Net	-	-	-	338,248	-	-	-	-	-	-	-	97,662,497	-	98,000,745	88,390,132	
Amounts Available to Retire Debt	-	-	-	-	-	-	-	-	-	-	-	-	4,587,417	4,587,417	4,398,831	
Amounts to be Provided to Retire Debt	-	-	-	-	-	-	-	-	-	-	-	-	32,496,370	32,496,370	36,820,267	
Total Assets	\$ 53,398,062	\$ 18,439,604	\$ 1,795,620	\$ 4,795,885	\$ 1,343,771	\$ 7,985,637	\$ 4,806,270	\$ 61,064	\$ 7,305,897	\$ 277,484	\$ 4,631,020	\$ 97,662,497	\$ 37,083,787	\$ 239,586,598	\$ 233,222,256	
LIABILITIES																
Accounts Payable	\$ 60,179	\$ 250,648	\$ 2,507,094	\$ 296,206	\$ 69,091	\$ -	\$ 37	\$ -	\$ -	\$ 12,000	\$ 10,613	\$ -	\$ -	\$ 3,205,868	\$ 898,344	
Vacation Payable	1,314,232	203,879	-	163,920	53,918	-	-	-	-	-	79,407	-	-	1,815,356	1,843,579	
Retirement Payable	1,961,194	-	-	-	-	-	-	-	-	-	-	-	4,905,349	6,866,543	6,106,203	
Accrued Liabilities	2,944,064	30,666	15,341	1,508	-	-	-	-	13,458	581	17,082	-	-	3,022,700	2,737,253	
Due to Other Funds	402,954	-	-	-	-	4,483	4,069,796	-	-	-	-	-	-	4,477,233	4,971,953	
Due to Parkland Foundation	5,031,921	-	-	17,061	-	-	-	-	-	-	32,132	-	-	5,081,114	4,509,328	
Unearned Revenue	12,115,429	3,310,920	1,300,281	517,627	1,552,757	-	-	-	2,705,022	43,042	1,612,418	-	-	23,157,496	20,474,337	
Due to Student Groups	-	-	-	-	-	-	737,079	-	-	-	-	-	-	737,079	662,928	
Unamortized Bond Premium	-	-	-	-	-	-	-	-	-	-	-	-	2,068,438	2,068,438	2,450,304	
Bonds	-	-	-	-	-	-	-	-	-	-	-	-	30,110,000	30,110,000	34,970,000	
Total Liabilities	23,829,973	3,796,113	3,822,716	996,322	1,675,766	4,483	4,806,912	-	2,718,480	55,623	1,751,652	-	37,083,787	80,541,827	79,624,229	
COLLEGE EQUITY																
Investment in General Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	97,662,497	-	97,662,497	88,308,459	
Fund Balance:																
Reserved For:																
Trust and Agency Assets	-	-	-	-	-	7,981,154	(642)	-	-	-	-	-	-	7,980,512	7,735,163	
Other Governments	-	-	-	-	-	-	-	61,064	-	-	-	-	-	61,064	40,928	
Unreserved, Undesignated	29,568,089	14,643,491	(2,027,096)	-	(331,995)	-	-	-	4,587,417	221,861	2,879,368	-	-	49,541,135	53,725,277	
Retained Earnings	-	-	-	3,799,563	-	-	-	-	-	-	-	-	-	3,799,563	3,788,200	
Total College Equity (Deficit)	29,568,089	14,643,491	(2,027,096)	3,799,563	(331,995)	7,981,154	(642)	61,064	4,587,417	221,861	2,879,368	97,662,497	-	159,044,771	153,598,027	
Total Liabilities and College Equity	\$ 53,398,062	\$ 18,439,604	\$ 1,795,620	\$ 4,795,885	\$ 1,343,771	\$ 7,985,637	\$ 4,806,270	\$ 61,064	\$ 7,305,897	\$ 277,484	\$ 4,631,020	\$ 97,662,497	\$ 37,083,787	\$ 239,586,598	\$ 233,222,256	

Parkland College District #505
Statement of Revenue, Expenditures, and Changes in College Equity –
Modified Accrual Basis (Governmental Fund Types)
and GAAP Basis (Proprietary Fund Type)
All Funds
For the Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Funds		Auxiliary Enterprise Funds	Restricted Purposes Fund	Working Cash Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	Totals (Memorandum Only)	
		Operational	Restricted							2024	2023
Revenue											
Local Sources	\$ 23,131,855	\$ 7,175,946	\$ 2,689,899	\$ -	\$ -	\$ -	\$ 5,912,815	\$ 96,418	\$ 3,601,074	\$ 42,608,007	\$ 42,829,092
State Sources	5,339,732	-	629,607	-	4,474,691	-	-	-	-	10,444,030	10,503,666
Federal Sources	103,548	-	-	-	15,565,239	-	-	-	-	15,668,787	13,713,147
Tuition and Fees	24,073,486	-	-	3,516,592	-	-	-	-	-	27,590,078	25,686,907
Facilities	230,773	-	532,381	-	-	-	-	-	-	763,154	756,518
Other Revenue	2,329,201	967,350	2,082,240	3,466,378	161,386	338,133	-	-	-	9,344,688	5,766,762
On-Behalf Payments	-	-	-	-	15,600,088	-	-	-	-	15,600,088	16,180,435
Total Revenue	55,208,595	8,143,296	5,934,127	6,982,970	35,801,404	338,133	5,912,815	96,418	3,601,074	122,018,832	115,436,527
Expenditures											
Instruction	24,420,505	-	-	2,268,873	5,483,518	-	-	-	-	32,172,896	29,227,475
Academic Support	6,391,910	-	6,550	215,679	1,580,750	-	-	-	-	8,194,889	7,759,037
Student Services	5,093,672	-	-	-	702,191	-	-	-	-	5,795,863	5,533,641
Public Service	445,163	-	-	2,445,752	626,846	-	-	-	-	3,517,761	3,538,497
Auxiliary Services	-	-	-	3,501,718	66,618	-	-	-	-	3,568,336	3,306,267
Operation and Maintenance of Plant	-	6,252,976	13,025,223	-	156,272	-	-	-	1,666,081	21,100,552	10,089,158
Institutional Support	16,297,620	-	-	-	108,036	-	-	68,865	1,746,877	18,221,398	18,728,614
Scholarships and Grants	-	-	-	-	11,468,284	-	-	-	-	11,468,284	10,727,417
Principal	-	-	-	-	-	-	4,860,000	-	-	4,860,000	4,330,000
Interest	-	-	-	-	-	-	1,396,610	-	-	1,396,610	1,580,410
Depreciation	-	-	-	49,585	-	-	-	-	-	49,585	26,803
On-Behalf Payments	-	-	-	-	15,600,088	-	-	-	-	15,600,088	16,180,435
Total Expenditures	52,648,870	6,252,976	13,031,773	8,481,607	35,792,603	-	6,256,610	68,865	3,412,958	125,946,262	111,027,754
Revenue Over (Under) Expenditures	2,559,725	1,890,320	(7,097,646)	(1,498,637)	8,801	338,133	(343,795)	27,553	188,116	(3,927,430)	4,408,773
Other Financing Sources (Uses)											
Operating Transfers, Net	(1,417,216)	-	(532,381)	1,510,000	-	(92,784)	532,381	-	-	-	-
Total Other Financing Sources (Uses)	(1,417,216)	-	(532,381)	1,510,000	-	(92,784)	532,381	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,142,509	1,890,320	(7,630,027)	11,363	8,801	245,349	188,586	27,553	188,116	(3,927,430)	4,408,773
College Equity, Beginning of Year	28,425,580	12,753,171	5,602,931	3,788,200	(340,796)	7,735,805	4,398,831	194,308	2,691,252	65,249,282	60,840,508
College Equity, End of Year	\$ 29,568,089	\$ 14,643,491	\$ (2,027,096)	\$ 3,799,563	\$ (331,995)	\$ 7,981,154	\$ 4,587,417	\$ 221,861	\$ 2,879,368	\$ 61,321,852	\$ 65,249,281

**Parkland College District #505
Reconciliation of the Balance Sheet –
Modified Accrual Basis (Governmental Fund
Types and Account Groups) and GAAP Basis of
(Proprietary and Fiduciary Fund Types) to the
Statement of Net Position – Proprietary Fund
June 30, 2024**

Schedule 16

	2024	2023
College Equity	\$ 159,044,771	\$ 153,598,027
Reconciling Items:		
Recognition of Summer School Revenues	2,453,035	2,040,536
Deferred Revenue for Property Taxes Not Received	17,494,904	16,305,647
Property Taxes Receivable Not Earned and Not Received	(17,494,904)	(16,305,647)
Recognition of Right of Use Assets, net	132,272	135,294
Recognition of Lease Receivable, net	39,308	19,698
Reclassification of Long Term Debt	(35,015,349)	(38,768,794)
Recognition of Bond Premium	(2,068,438)	(2,450,304)
Deferred Retirement Plan Contributions	88,017	89,523
Recognition of Other Postemployment Benefit Liability	(11,838,504)	(11,657,741)
Deferred Other Postemployment Benefit Contributions	465,389	325,003
Deferred Postemployment Benefits	(17,251,288)	(22,530,640)
Fiduciary Activity Fund Balance	(61,064)	(40,928)
Recognition of Accrued interest for leases, net	(661)	(2,523)
Recognition of Accrued interest for subscriptions	(31,270)	(13,083)
Recognition of Interest Payable on Long Term Debt	(108,284)	(124,484)
Net Position	<u>\$ 95,847,934</u>	<u>\$ 80,619,584</u>

**Parkland College District #505
Reconciliation of the Balance Sheet –
Modified Accrual Basis (Governmental Fund
Types and Account Groups) and GAAP Basis of
(Proprietary and Fiduciary Fund Types) to the
Statement of Net Position – Proprietary Fund
June 30, 2024**

	2024	2023
Change in College Equity	\$ (3,927,430)	\$ 4,408,774
Reconciling Items:		
Remove Rent Revenue Paid by the Bookstore to O& M Fund	(177,923)	(185,659)
Remove Rent Expense from the Bookstore	177,923	185,659
Remove Revenue Paid by the Education Fund to Reprographics	(178,909)	(172,391)
Remove Expenditures from the Education Fund	178,909	172,391
Remove Student Aid and Scholarship Payments from Revenue	(4,486,851)	(3,152,095)
Remove Student Aid and Scholarship Payments from Expense	4,486,851	3,152,095
Remove Grant Revenue Paid by the Restricted Fund to the Education and Auxiliary Funds	-	-
Remove Expenditures from the Restricted Fund	-	-
Change in Recognition of Summer School Revenues	412,499	404,304
General Obligation Debt Retired	4,860,000	4,330,000
Change in Retirement Obligations	(1,106,555)	706,161
Change in Other Postemployment Benefit Expense	5,238,977	5,582,884
Change in Deferred Other Postemployment Benefit Contributions	87,732	5,178
Remove Capital Expenditures Related to Capitalized Assets	15,606,521	5,335,595
Remove lease and subscription revenue and expense	1,217,425	826,501
Record Depreciation on the Capital Assets	(6,344,003)	(6,693,130)
Record Amortization Right to Use Assets	(1,182,807)	(684,013)
Record interest related to leases and subscriptions	(30,569)	(20,159)
Change in Deferred Refunding Expense	-	-
Change in Deferred Retirement Plan Contributions	(1,506)	21,645
Change in Investment Income on Bond Premium	381,866	381,866
Change in Accrued Interest on Long Term Debt	16,200	14,434
Change in Net Position	\$ 15,228,350	\$ 14,620,040

**Parkland College District #505
Schedule of Assessed Valuations,
Tax Rates, Extensions and Collections
June 30, 2024**

	2023 LEVY	2022 LEVY	2021 LEVY	2020 LEVY	2019 LEVY	2018 LEVY	2017 LEVY	2016 LEVY	2015 LEVY	2014 LEVY
Assessed Valuations										
County:										
Champaign	\$ 5,350,910,822	\$ 4,928,413,270	\$ 4,574,222,037	\$ 4,407,463,573	\$ 4,289,103,023	\$ 4,131,006,412	\$ 3,970,870,297	\$ 3,807,025,662	\$ 3,603,466,479	\$ 3,542,030,898
Coles	14,152,878	13,374,842	12,276,852	11,433,945	10,858,865	10,536,067	10,096,352	9,748,842	9,507,569	9,227,401
DeWitt	115,045,148	108,623,792	102,632,992	100,584,343	98,855,905	96,035,712	92,463,660	89,904,005	88,198,381	86,559,619
Douglas	461,513,067	428,136,328	386,771,006	336,540,217	329,403,398	319,507,185	310,106,381	299,993,082	283,012,820	266,599,451
Edgar	6,547,720	6,180,140	5,512,080	5,512,080	5,308,490	5,242,730	5,042,910	4,877,010	4,392,900	4,288,109
Ford	360,677,636	326,793,918	290,208,295	274,054,609	266,450,695	255,703,676	248,312,269	238,843,129	234,112,035	230,561,166
Iroquois	149,901,135	137,513,625	127,901,822	119,129,717	110,167,841	106,923,815	99,038,017	95,451,955	92,391,706	89,349,950
Livingston	113,120,450	100,005,821	91,030,394	85,644,553	81,881,548	77,160,998	70,368,714	67,236,270	67,152,175	64,861,050
McLean	287,873,190	230,517,995	219,306,572	211,528,769	207,512,370	204,132,833	201,099,761	196,569,947	191,864,392	189,414,822
Moultrie	7,085,321	6,582,313	6,117,023	5,785,958	5,435,178	5,100,766	4,896,109	4,710,270	4,475,862	4,345,549
Piatt	546,275,575	505,897,200	472,987,930	457,221,704	435,908,684	420,813,458	407,636,547	388,170,194	379,243,657	373,852,737
Vermilion	25,229,119	23,458,669	22,515,645	21,763,640	20,629,043	19,567,357	18,757,472	18,244,975	17,621,449	17,101,096
TOTAL	\$ 7,438,332,061	\$ 6,815,497,913	\$ 6,311,482,648	\$ 6,036,663,108	\$ 5,861,515,040	\$ 5,651,731,009	\$ 5,438,688,489	\$ 5,220,775,341	\$ 4,975,439,425	\$ 4,878,191,848
Tax Rates										
(Per \$ 100 Assessed Valuations)										
Education Fund	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600
Operations and Maintenance:										
Operational Fund	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Bond	0.0817	0.0833	0.0841	0.0824	0.0791	0.0771	0.0847	0.0841	0.0824	0.0794
Tort and Immunity	0.0276	0.0292	0.0322	0.0328	0.0336	0.0346	0.0341	0.0355	0.0372	0.0369
Audit	0.0013	0.0014	0.0014	0.0015	0.0015	0.0015	0.0014	0.0014	0.0015	0.0010
Worker's Compensation	0.0028	0.0030	0.0023	0.0025	0.0015	0.0018	0.0021	0.0016	0.0015	0.0014
Unemployment Insurance	0.0005	0.0006	0.0012	0.0017	0.0009	0.0002	0.0003	0.0005	0.0008	0.0010
Protection, Health, and Safety	0.0367	0.0385	0.0366	0.0383	0.0375	0.0373	0.0368	0.0384	0.0400	0.0267
Medicare Insurance	0.0082	0.0089	0.0096	0.0109	0.0111	0.0116	0.0120	0.0125	0.0126	0.0113
Property Insurance	0.0096	0.0104	0.0104	0.0104	0.0103	0.0098	0.0097	0.0096	0.0100	0.0082
TOTAL	0.5284	0.5353	0.5378	0.5405	0.5355	0.5339	0.5411	0.5436	0.5460	0.5259

**Parkland College District #505
Schedule of Assessed Valuations,
Tax Rates, Extensions and Collections
June 30, 2024**

	<u>2023 LEVY</u>	<u>2022 LEVY</u>	<u>2021 LEVY</u>	<u>2020 LEVY</u>	<u>2019 LEVY</u>	<u>2018 LEVY</u>	<u>2017 LEVY</u>	<u>2016 LEVY</u>	<u>2015 LEVY</u>	<u>2014 LEVY</u>
Tax Extensions										
Education Fund	\$ 19,339,662	\$ 17,720,294	\$ 16,409,854	\$ 15,695,324	\$ 15,239,939	\$ 14,694,501	\$ 14,140,590	\$ 13,574,016	\$ 12,936,143	\$ 12,683,299
Operations and Maintenance										
Operational Fund	7,438,332	6,815,498	6,311,483	6,036,663	5,861,515	5,651,731	5,438,688	5,220,775	4,975,439	4,878,192
Bond	6,196,131	5,677,310	5,307,957	4,974,210	4,636,458	4,357,485	4,606,569	4,390,672	4,099,762	3,873,284
Tort and Immunity	2,171,993	1,990,125	2,032,297	1,980,025	1,969,469	1,955,386	1,854,593	1,853,375	1,850,863	1,800,053
Audit	104,137	95,417	88,361	90,550	87,923	84,776	76,142	73,091	74,632	48,782
Worker's Compensation	223,150	204,465	145,164	150,917	87,923	101,731	114,212	83,532	74,632	68,295
Unemployment Insurance	44,630	40,893	75,738	102,623	52,754	11,303	16,316	26,104	39,804	48,782
Protection, Health, and Safety	2,863,758	2,623,967	2,310,003	2,312,042	2,198,068	2,108,096	2,001,437	2,004,778	1,990,176	1,302,477
Medicare Insurance	662,012	606,579	605,902	657,996	650,628	655,601	652,643	652,597	626,905	551,236
Property Insurance	773,587	708,812	656,395	627,813	603,736	553,870	527,553	501,194	497,544	400,012
	<u>39,817,392</u>	<u>36,483,360</u>	<u>33,943,154</u>	<u>32,628,163</u>	<u>31,388,413</u>	<u>30,174,480</u>	<u>29,428,743</u>	<u>28,380,134</u>	<u>27,165,900</u>	<u>25,654,412</u>
Tax Collections Prior to Year End	<u>(17,802,842)</u>	<u>(14,366,933)</u>	<u>(13,555,093)</u>	<u>(14,945,618)</u>	<u>(7,198,829)</u>	<u>(5,926,845)</u>	<u>(12,304,470)</u>	<u>(12,528,359)</u>	<u>(11,824,016)</u>	<u>(11,999,151)</u>
	22,014,550	22,116,427	20,388,061	17,682,545	24,189,584	24,247,635	17,124,273	15,851,775	15,341,884	13,655,261
Taxes Not Collectible Due to Taxpayer Exemption	-	-	-	-	-	-	-	-	-	-
Allowance for Uncollectible Taxes and Potential Refunds	<u>(490,131)</u>	<u>(490,131)</u>	<u>(490,131)</u>	<u>(490,131)</u>	<u>(490,132)</u>	<u>(1,978,547)</u>	<u>(1,978,547)</u>	<u>(1,978,547)</u>	<u>(1,978,547)</u>	<u>(1,503,174)</u>
Property Taxes Receivable	<u>\$ 21,524,419</u>	<u>\$ 21,626,296</u>	<u>\$ 19,897,930</u>	<u>\$ 17,192,414</u>	<u>\$ 23,699,452</u>	<u>\$ 22,269,088</u>	<u>\$ 15,145,726</u>	<u>\$ 13,873,228</u>	<u>\$ 13,363,337</u>	<u>\$ 12,152,087</u>
Property Taxes Receivable by Fund										
Education Fund	\$ 10,562,606	\$ 10,472,461	\$ 9,586,945	\$ 8,317,280	\$ 11,475,022	\$ 10,775,296	\$ 7,202,011	\$ 6,555,543	\$ 6,279,411	\$ 5,959,804
Operations and Maintenance										
Operational Fund	4,062,533	4,027,861	3,687,279	3,198,946	4,413,463	4,144,337	2,769,997	2,521,356	2,415,150	2,292,225
Restricted Fund	1,535,620	1,597,264	1,394,111	1,241,802	1,700,549	1,558,640	1,025,649	980,806	984,981	578,447
Bond Fund	3,327,025	3,364,804	3,111,426	2,555,421	3,496,288	3,299,631	2,475,993	2,247,897	2,110,813	1,928,913
Audit Fund	54,261	57,942	53,173	46,337	67,856	62,678	38,897	35,416	36,739	21,461
Liability, Protection, and Settlement Fund	1,982,374	2,105,964	2,064,996	1,832,628	2,546,274	2,428,506	1,633,179	1,532,210	1,536,243	1,371,237
	<u>\$ 21,524,419</u>	<u>\$ 21,626,296</u>	<u>\$ 19,897,930</u>	<u>\$ 17,192,414</u>	<u>\$ 23,699,452</u>	<u>\$ 22,269,088</u>	<u>\$ 15,145,726</u>	<u>\$ 13,873,228</u>	<u>\$ 13,363,337</u>	<u>\$ 12,152,087</u>
TOTAL	<u>\$ 21,524,419</u>	<u>\$ 21,626,296</u>	<u>\$ 19,897,930</u>	<u>\$ 17,192,414</u>	<u>\$ 23,699,452</u>	<u>\$ 22,269,088</u>	<u>\$ 15,145,726</u>	<u>\$ 13,873,228</u>	<u>\$ 13,363,337</u>	<u>\$ 12,152,087</u>

Parkland College District #505
Schedule of Legal Debt Margin
June 30, 2024

ASSESSED VALUATIONS - 2023 LEVY	\$ 7,438,332,061
Debt Limit, 2.875 Percent of Assessed Valuation	\$ 213,852,047
Indebtedness	
G.O. Bonds	26,570,000
Lease liability	340,073
Subscription liability	<u>3,390,553</u>
Legal Debt Margin	<u>\$ 183,551,421</u>

Note: By Illinois statute, the legal debt margin excludes alternative revenue source debt while the related property tax is abated.

**Parkland College District #505
 Student Enrollment and Full-Time Equivalency
 At Tenth Day
 June 30, 2024
 (Unaudited)**

School Quarter	Student Enrollment	Full- Time Equivalency
		Semester
Summer 2023	3,310	1,802
Fall 2023	6,018	3,484
Spring 2024	5,462	3,102
Semester Average (Exclusive of Summer School)	5,740	3,293

State Required Report Section

**Parkland College District #505
All Funds Summary – Modified Accrual Basis
Uniform Financial Statement No. 1
For the Year Ended June 30, 2024**

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Fund Balance, July 1, 2023	\$ 28,425,580	\$ 12,753,171	\$ 5,602,931	\$ 4,398,831	\$ 3,788,200	\$ (340,796)	\$ 7,735,805	\$ 194,308	\$ 2,691,252	\$ 65,249,282
Revenues:										
Local Tax Revenue	18,657,454	7,175,946	2,672,174	5,874,464	-	-	-	95,773	3,577,088	38,052,899
All Other Local Revenue	4,474,401	-	17,725	38,351	-	-	-	645	23,986	4,555,108
ICCB Grants	4,838,123	-	-	-	-	3,267,616	-	-	-	8,105,739
All Other State Revenue	501,609	-	629,607	-	-	1,207,075	-	-	-	2,338,291
Federal Revenue	103,548	-	-	-	-	15,565,239	-	-	-	15,668,787
Student Tuition and Fees	24,073,486	-	-	-	3,516,592	-	-	-	-	27,590,078
On- Behalf SURS	-	-	-	-	-	15,346,582	-	-	-	15,346,582
On- Behalf CIP	-	-	-	-	-	253,506	-	-	-	253,506
All Other Revenue	2,559,974	967,350	2,614,621	-	3,466,378	161,386	338,133	-	-	10,107,842
Total Revenue	55,208,595	8,143,296	5,934,127	5,912,815	6,982,970	35,801,404	338,133	96,418	3,601,074	122,018,832
Expenditures:										
Instruction	24,420,505	-	-	-	2,268,873	13,299,233	-	-	-	39,988,611
Academic Support	6,391,910	-	6,550	-	215,679	2,837,248	-	-	-	9,451,387
Student Services	5,093,672	-	-	-	-	2,191,450	-	-	-	7,285,122
Public Service/ Continuing Education	445,163	-	-	-	2,445,752	1,164,113	-	-	-	4,055,028
Organized Research	-	-	-	-	-	-	-	-	-	-
Auxiliary Services	-	-	-	-	3,551,303	478,051	-	-	-	4,029,354
Operations and Maintenance	-	6,252,976	13,025,223	-	-	1,238,268	-	-	1,666,081	22,182,548
Institutional Support	16,297,620	-	-	6,256,610	-	3,070,158	-	68,865	1,746,877	27,440,130
Scholarships, Student Grants, & Waivers	-	-	-	-	-	11,514,082	-	-	-	11,514,082
Total Expenditures	52,648,870	6,252,976	13,031,773	6,256,610	8,481,607	35,792,603	-	68,865	3,412,958	125,946,262
Net Transfers	(1,417,216)	-	(532,381)	532,381	1,510,000	-	(92,784)	-	-	-
Fund Balance, June 30, 2024	\$ 29,568,089	\$ 14,643,491	\$ (2,027,096)	\$ 4,587,417	\$ 3,799,563	\$ (331,995)	\$ 7,981,154	\$ 221,861	\$ 2,879,368	\$ 61,321,852

**Parkland College District #505
Summary of Fixed Assets and Debt
Uniform Financial Statement No. 2
For the Year Ended June 30, 2024**

	Capital Assets / Long Term Debt			
	July 1, 2023	Additions	Deletions	June 30, 2024
Fixed Assets				
Land & Land Improvements	\$ 60,148,244	\$ 3,070,327	\$ -	\$ 63,218,571
Construction in Progress	2,500,893	13,513,388	(3,070,327)	12,943,954
Buildings, Additions, & Improvements	116,623,250	-	-	116,623,250
Equipment & Fixtures	30,766,192	2,125,341	-	32,891,533
Accumulated Depreciation	(121,730,448)	(6,294,457)	-	(128,024,905)
Net Fixed Assets	<u>\$ 88,308,131</u>	<u>\$ 12,414,599</u>	<u>\$ (3,070,327)</u>	<u>\$ 97,652,403</u>
Fixed Debt				
Bonds	\$ 34,970,000		\$ (4,860,000)	\$ 30,110,000
Net Other Postemployment Benefit Liability	11,657,741	302,045	(121,282)	11,838,504
Early Retirement Benefits	3,798,794	3,147,700	(2,387,360)	4,559,134
Total Fixed Debt	<u>\$ 50,426,535</u>	<u>\$ 3,449,745</u>	<u>\$ (7,368,642)</u>	<u>\$ 46,507,638</u>
	Outstanding			
	July 1, 2023	Issued	Redeemed	June 30, 2024
Education Fund				
Tax Anticipation Warrants	\$ -	\$ -	\$ -	\$ -
Tax Anticipation Notes	-	-	-	-
Operations and Maintenance Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Bond and Interest Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Audit Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Liability, Protection, and Settlement Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
PBC Rental Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
PBC Operations and Maintenance Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Total Anticipation Warrants and Notes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Parkland College District #505
Operating Funds Revenues and Expenditures
Modified Accrual Basis
Uniform Financial Statement No. 3
For the Year Ended June 30, 2024

	<u>Education Fund</u>	<u>Operations and Maintenance Fund</u>	<u>Total Operating Funds</u>
Operating Revenues by Source:			
Local Government			
Local Taxes	\$ 18,657,433	\$ 7,175,946	\$ 25,833,379
Chargeback Revenue	-	-	-
CPPRT	4,474,401	-	4,474,401
Total Local Government	<u>23,131,834</u>	<u>7,175,946</u>	<u>30,307,780</u>
State Government			
ICCB Base Operating Grant	4,838,123	-	4,838,123
ICCB Equalization Grant	50,000	-	50,000
Other State	451,609	-	451,609
Total State Government	<u>5,339,732</u>	<u>-</u>	<u>5,339,732</u>
Federal Government			
Department of Education	103,548	-	103,548
Total Federal Government	<u>103,548</u>	<u>-</u>	<u>103,548</u>
Student Tuition and Fees			
Tuition	21,084,457	-	21,084,457
Fees	2,989,029	-	2,989,029
Total Student Tuition and Fees	<u>24,073,486</u>	<u>-</u>	<u>24,073,486</u>
Other Sources			
Sales and Service Fees	230,773	-	230,773
Facilities Revenue	-	801,925	801,925
Investment Revenue	2,279,427	149,932	2,429,359
Other	49,795	15,493	65,288
Total Other Sources	<u>2,559,995</u>	<u>967,350</u>	<u>3,527,345</u>
Total Operating Revenues	<u>55,208,595</u>	<u>8,143,296</u>	<u>63,351,891</u>
Less: Non- Operating Items			
Tuition Chargeback Revenue	-	-	-
Adjusted Operating Revenue	<u>\$ 55,208,595</u>	<u>\$ 8,143,296</u>	<u>\$ 63,351,891</u>

**Parkland College District #505
Operating Funds Revenues and Expenditures
Modified Accrual Basis
Uniform Financial Statement No. 3
For the Year Ended June 30, 2024**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures by Program:			
Instruction	\$ 24,420,505	\$ -	\$ 24,420,505
Academic Support	6,391,910	-	6,391,910
Student Services	5,093,672	-	5,093,672
Public Service/ Continuing Education	445,163	-	445,163
Organized Research	-	-	-
Auxiliary Services	-	-	-
Operations and Maintenance	-	6,252,976	6,252,976
Institutional Support	16,297,620	-	16,297,620
Scholarships, Grants, Waivers	-	-	-
Transfers	1,417,216	-	1,417,216
	<u>54,066,086</u>	<u>6,252,976</u>	<u>60,319,062</u>
Total Operating Expenditures by Program			
Less: Non- Operating Items			
Transfers	(1,417,216)	-	(1,417,216)
Tuition Chargeback	-	-	-
Adjusted Operating Expenditures by Program	<u>\$ 52,648,870</u>	<u>\$ 6,252,976</u>	<u>\$ 58,901,846</u>
Operating Expenditures by Object:			
Salaries	35,043,561	1,780,712	\$ 36,824,273
Employee Benefits	7,938,304	939,137	8,877,441
Contractual Services	4,087,318	1,148,874	5,236,192
General Materials and Supplies	2,018,495	401,281	2,419,776
<i>Library Materials *</i>	88,558	-	88,558
Conference and Meeting Expenses	482,888	393	483,281
Fixed Charges	49,252	62,248	111,500
Utilities	-	1,635,933	1,635,933
Capital Outlay	961,982	284,398	1,246,380
Other	2,067,070	-	2,067,070
Transfers	1,417,216	-	1,417,216
	<u>54,066,086</u>	<u>6,252,976</u>	<u>60,319,062</u>
Total Operating Expenditures by Object			
Less: Non- Operating Items			
Transfers	(1,417,216)	-	(1,417,216)
Tuition Chargeback	-	-	-
Adjusted Operating Expenditures by Object	<u>\$ 52,648,870</u>	<u>\$ 6,252,976</u>	<u>\$ 58,901,846</u>

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

Parkland College District #505
Restricted Purpose Funds Revenues and Expenditures
Modified Accrual Basis
Uniform Financial Statement No. 4
For the Year Ended June 30, 2024

	<u>Restricted Purposes Fund</u>
Revenue by Source:	
State Government	
ICCB - SWFT: Workforce Equity Initiative	\$ 1,314,457
ICCB - Adult Education	239,699
ICCB - ESLTP	23,797
Illinois State Board of Education	963,830
On-Behalf SURS	15,346,582
On-Behalf CIP	253,506
Other	<u>2,488,386</u>
Total State Government	<u>20,630,257</u>
Federal Government	
Department of Education	11,818,820
Department of Labor	1,557,958
Department of Transportation	370,241
Department of Agriculture	19,248
Department of Health and Human Services	840,523
National Science Foundation	<u>402,971</u>
Total Federal Government	15,009,761
Other Sources	
Other	<u>161,386</u>
Total Other Sources	<u>161,386</u>
Total Restricted Purposes Fund Revenues	<u><u>\$ 35,801,404</u></u>

**Parkland College District #505
Restricted Purpose Funds Revenues and Expenditures
Modified Accrual Basis
Uniform Financial Statement No. 4
For the Year Ended June 30, 2024**

	Restricted Purposes Fund
Expenditures by Program:	
Instruction	\$ 13,299,233
Academic Support	2,837,248
Student Services	2,191,450
Public Service/ Continuing Education	1,164,113
Auxiliary Services	478,051
Operations and Maintenance	1,238,268
Institutional Support	3,070,158
Scholarships, Student Grants, and Waivers	11,514,082
Total Restricted Purposes Fund Expenditures by Program	\$ 35,792,603
Expenditures by Object:	
Salaries	2,218,973
Employee Benefits (Including SURS On- Behalf)	16,019,161
Contractual Services	1,871,561
General Materials and Supplies	399,742
Travel & Conference/ Meeting Expenses	231,998
Fixed Charges	75,573
Utilities	7,614
Capital Outlay	1,423,762
Other	13,406,065
<i>Scholarships, Grants, Waivers *</i>	11,514,082
Total Restricted Purposes Fund Expenditures by Object	\$ 35,654,449

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

Parkland College District #505
Current Funds* Expenditures by Activity
Modified Accrual Basis
Uniform Financial Statement No. 5
For the Year Ended June 30, 2024

Instruction		
Instructional Programs		\$ 39,988,611
Academic Support		
Library Center		909,035
Academic Computing Support		3,290,591
Other		5,245,211
Total Academic Support		<u>9,444,837</u>
Student Services Support		
Admissions and Records		727,741
Counseling and Career Services		1,574,840
Financial Aid Administration		637,592
Other		4,344,949
Total Student Services Support		<u>7,285,122</u>
Public Service/ Continuing Education		
Community Education		262
Customized Training (Instructional)		2,663,909
Community Services		451,196
Other		939,661
Total Public Service/ Continuing Education		<u>4,055,028</u>
Auxiliary Services		\$ 4,029,354
Operations and Maintenance of Plant:		
Maintenance		1,409,005
Custodial Services		1,981,421
Grounds		698,536
Campus Security		1,471,736
Transportation		49,509
Utilities		1,635,933
Administration		458,855
Other		1,452,330
Total Operations and Maintenance of Plant		<u>9,157,325</u>
Institutional Support		
Executive Management		511,471
Fiscal Operations		1,030,844
Community Relations		111,444
Board of Trustees		57,318
General Institutional		4,066,102
Institutional Research		301,946
Administrative Data Processing		3,792,511
Other		11,311,884
Total Institutional Support		<u>21,183,520</u>
Scholarships, Student Grants, and Waivers		<u>11,514,082</u>
Total Current Funds Expenditures		<u>\$ 106,657,879</u>

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

**Parkland College District #505
Fiscal Year 2023 Certification of
Chargeback Reimbursement
For the Year Ended June 30, 2024**

All Fiscal Year 2024 noncapital audited operating expenditures
from the following funds

Education Fund	\$ 51,686,888
Operations and Maintenance Fund	5,968,578
Restricted Purpose Fund	34,368,841
Audit Fund	68,865
Liability, Protection, and Settlement Fund	3,360,554
Auxiliary Enterprise Fund (subsidy only)	<u>1,510,000</u>

Total noncapital expenditures 96,963,726

Depreciation on capital outlay expenses paid from sources
other than state and federal funds 3,658,040

Total costs included \$ 100,621,766

Total certified semester credit hours \$ 101,289

Per capita cost per semester credit hour \$ 993.42

All fiscal year 2024 state and federal operation grants for
noncapital expenses, except ICCB grants \$ 19,017,134

Fiscal year 2024 state and federal grants per semester credit hour 187.75

District's average ICCB grant rate for fiscal year 2025 51.63

District's student tuition and fees per semester credit hour for
fiscal year 2024 178.50

Chargeback reimbursement per semester credit hour \$ 575.53

Approved: Christina Raulu 10/10/2024
Chief Fiscal Officer Date

Approved: Pamela Lau 10/10/2024
Chief Executive Officer Date

Credit Hour Data

Independent Accountant's Report on Schedule of Credit Hour Data and Other Bases Upon Which Claims Were Filed

Board of Trustees
Parkland College District #505
Champaign, Illinois

We have examined the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Were Filed (Schedule) of Parkland College District #505 for the year ended June 30, 2024. Parkland College District #505's management is responsible for the Schedule. Our responsibility is to express an opinion on the Schedule based upon our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*; and accordingly, including examining, on a test basis, evidence supporting the Schedule and performing such other procedures as we consider necessary in the circumstances. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Schedule. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

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

In our opinion, the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Were Filed is fairly presented, in all material respects, in accordance with the provisions of the aforementioned guidelines for the year ended June 30, 2024.

This report is intended solely for the information and use of the Board of Trustees, management and the Illinois Community College Board and is not intended to be and should not be used by anyone other than these specified parties.

Forvis Mazars, LLP

**Decatur, Illinois
October 9, 2024**

**Parkland College District #505
 Schedule of Enrollment Hour Data and
 Other Bases Upon Which Claims Were Filed
 Year Ended June 30, 2024**

Categories	Total Reimbursable Semester Credit Hours by Term							
	Summer Term		Fall Term		Spring Term		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	9,703.0	92	30,750.0	56	27,621.0	-	68,074.0	148.0
Business occupational	133.0	-	1,066.0	75	732.0	-	1,931.0	75.0
Technical occupational	628.5	469	4,743.0	641	4,429.0	504	9,800.5	1,614.0
Health occupational	1,001.5	-	4,845.5	88	4,796.0	-	10,643.0	88.0
Remedial/developmental	440.0	-	2,874.0	-	1,965.0	-	5,279.0	-
Adult education	81.0	-	343.0	1,423.0	266.0	1,523.0	690.0	2,946.0
Total	11,987.0	561.0	44,621.5	2,283.0	39,809.0	2,027.0	96,417.5	4,871.0

Reimbursable Semester Credit Hours (All Terms)	<u>Attending In-District</u> 76,027.00	<u>Attending Out-of-District on Chargeback</u> -	<u>Total</u> 76,027.00
Reimbursable Semester Credit Hours (All Terms)	<u>Dual Credit</u> 9,647.00	<u>Dual Enrollment</u> 550.00	
District 2023 Equalized Assessed Valuation	<u>\$ 7,438,332,061</u>		

Categories	Total Reimbursable Correctional Semester Credit Hours by Term			
	Summer Term	Fall Term	Spring Term	Total
Business occupational	-	-	-	-
Technical occupational	-	-	-	-
Health occupational	-	-	-	-
Remedial/developmental	-	-	-	-
Adult education	-	-	-	-
Total	-	-	-	-

Signatures:

Pamela Lan 10/11/2024

Christopher Russell 10/10/2024
VP/CFD

**Parkland College District #505
 Reconciliation of Total Semester Credit Hours
 Year Ended June 30, 2024**

Reconciliation of Total Semester Credit Hours

Categories	Total	Total Unrestricted	Difference	Total	Total Restricted	Difference
	Unrestricted	Credit Hours		Restricted	Credit Hours	
	Credit Hours	Certified to ICCB		Credit Hours	Certified to ICCB	
Baccalaureate	68,074.0	68,074.0	-	148.0	148.0	-
Business occupational	1,931.0	1,931.0	-	75.0	75.0	-
Technical occupational	9,800.5	9,800.5	-	1,614.0	1,614.0	-
Health occupational	10,643.0	10,643.0	-	88.0	88.0	-
Remedial/developmental	5,279.0	5,279.0	-	-	-	-
Adult education	690.0	690.0	-	2,946.0	2,946.0	-
Total Credit Hours Certified	96,417.5	96,417.5	-	4,871.0	4,871.0	-

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

	Total Attending as		
	Total Attending	Certified to ICCB	Difference
In-District Residents	76,027.0	76,027.0	-
Out-of-District on Chargeback or Contractual Agreement	-	-	-
Total	76,027.0	76,027.0	-

	Total		
	Total Reimbursable	Reimbursable Certified to ICCB	Difference
Dual credit	9,647	9,647	-
Dual enrollment	550	550	-
Total	10,197	10,197	-

Reconciliation of Total Correctional Semester Credit Hours

Credit Hour Categories	Total	Total Correctional	Difference
	Correctional	Credit Hours	
	Credit Hours	Certified to ICCB	
Baccalaureate	-	-	-
Business occupational	-	-	-
Technical occupational	-	-	-
Health occupational	-	-	-
Remedial/developmental	-	-	-
Adult education	-	-	-
Total	-	-	-

**Parkland College District #505
Documentation of Residency Verification Steps
Year Ended June 30, 2024**

The following procedures detail the process for verifying the residency status of the students of Parkland College District #505.

Applicants

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

However, there are some exceptions to the above procedures. If a student indicates an in-district address on the application but lists an out-of-district high school and the student is still in high school or a recent high school graduate, then the student will be tagged as an out-of-district student. The student will then have to provide residency proof, such as a copy of a driver's license, voter registration card, property tax statement, or other valid item providing verification of the student's address. If the emergency contact is listed at an address out-of-district and the student is less than 21 years of age, the same procedures listed above must be followed.

Students

If a student who is already in the College's computer system is changing an address from out-of-district to in-district, the College will change the address but not change the residency code. In order to change an out-of-district status to an in-district status, the student must complete the Request for Change of Residency paperwork and provide the required documentation. The request is then reviewed by the Director of Admissions and Enrollment Management, the Associate Director, or one of the Assistant Directors who makes the decision based upon suitable documentation provided by the student as listed in the previous section. This documentation will also include a letter from an employer stating that the student has been employed for at least 35 hours per week prior to registering for courses for the term in which the adjustment is to be made. For students under age 21, a notarized affidavit of non-support is also required.

Returned Mail

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

**Parkland College District #505
Background Information on State Grant Activity
For the Year Ended June 30, 2024**

Unrestricted Grants

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

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

Statewide Initiatives

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

Restricted Adult Education Grants/State

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

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

**Parkland College District #505
Schedule of Findings and Questioned Costs
ICCB Grant Compliance
For the Year Ended June 30, 2024**

Findings – ICCB Grant Compliance

No matters are reportable.

**Parkland College District #505
Summary Schedule of Prior Audit Findings
ICCB Grant Compliance
For the Year Ended June 30, 2024**

Findings – ICCB Grant Compliance

No matters are reportable.

Illinois Grant Accountability and Transparency Report

**Parkland College District #505
 Illinois Grant Accountability and Transparency Act
 Consolidated Year End Financial Report
 Year Ended June 30, 2024**

CSFA #	Program	State Amount	Federal Amount	Other Amount	Total
420-00-1771	DCEO - Construction	\$ 100,000	\$ -	\$ -	\$ 100,000
503-00-0884	Illinois Arts Council - Underserved Sector	5,961			5,961
503-00-2047	Promotion of the Arts	-	3,783	-	3,783
586-18-0409	Child and Adult Care Food Program	-	37,134	-	37,134
586-18-0875	Agricultural Education	963,830	-	-	963,830
586-44-2307	Title I Migrant Education	-	246,861	-	246,861
601-00-0748	Illinois Cooperative Work Study Program	14,422	-	-	14,422
684-00-0465	Postsecondary Perkins Basic Grants - Federal CTE	-	554,126	-	554,126
684-00-0822	Early School Leaver Transition Program - State CTE	24,764	-	-	24,764
684-00-3272	Adult Education - Technology Infrastructure	38,193	-	-	38,193
684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	239,699	156,283	-	395,982
684-01-1670	Innovative Bridge and Transition Grant - State	176,149	-	-	176,149
684-01-2213	Workforce Equity Initiative	1,336,221	-	-	1,336,221
684-01-2879	Integrated English Language and Civics Education (IELCE)	-	19,960	-	19,960
684-05-2866	Childhood Access Consortium for Equity	-	782,949	-	782,949
	Other Grant Programs and Activities	-	13,815,889	-	13,815,889
	All Other Costs Not Allocated	-	-	84,249,110	84,249,110
	Total	\$ 2,899,239	\$ 15,616,985	\$ 84,249,110	\$ 102,765,334

Federal Compliance Section

**Parkland College District #505
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Grantor/ Pass- Through Grantor/ Program Title/ Grant Name	Federal Assistance Listing Number	Pass-Through Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Department of Agriculture				
Passed through the Illinois State Board of Education (ISBE)				
Child & Adult Care Food Program	10.558	4226	\$ 37,134	\$ -
Passed through the University of Illinois				
Research & Development Cluster				
Agriculture and Food Research Initiative	10.310	None Provided	19,248	-
National Science Foundation				
Direct				
Research and Development Cluster				
Research Pheno Plasticity	47.074		33,167	-
Precision Ag Curriculum Enhancement	47.076		364,612	-
Passed through the University of Illinois				
Research & Development Cluster				
Computer and Information Science and Engineering	47.070	None Provided	5,192	-
Total National Science Foundation			402,971	-
Total Research & Development Cluster			422,219	-
Department of Labor				
Passed through the Champaign County Regional Planning Commission				
WIOA Cluster				
WIOA Youth Activities	17.259		16,381	-
Strengthening Community Colleges	17.261	None Provided	1,541,577	741,839
Total Department of Labor			1,557,958	741,839
Department of Transportation				
Passed through the Illinois Department of Transportation (IDOT)				
Highway Planning and Construction Cluster				
Highway Planning and Construction Program - ICCB/IDOT HCCTP	20.205	None Provided	370,241	-
Department of Education				
Direct				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grant (FSEOG)	84.007		167,791	-
Federal Work Study (FWS)	84.033		140,615	-
Pell Grant Program	84.063		7,315,208	-
Federal Direct Loans	84.268		2,020,624	-
Direct Plus: Department of Education	84.268		451,865	-
Unsubsidized Direct Loan Even: Department of Education	84.268		875,266	-
Total Student Financial Assistance Cluster			10,971,369	-
Other Direct Programs				
Trio Cluster				
Trio Student Support Services	84.042A		351,556	-
Child Care Access Means Parents in School (CCAMPIS)	84.335A		66,618	-
Total Other Direct Programs			418,174	-
Passed through the Illinois Community College Board (ICCB)				
Adult Education - EL/CIVICS				
Adult Education - Basic	84.002A	AE-50501-24	19,960	-
Total Adult Education	84.002A	AE-50501-24	156,283	-
Career and Technical Education - Basic Grants to States (Perkins V)	84.048	CTE50524	554,126	-
Total Career and Technical Education - Basic Grants to States (Perkins V)			554,126	-
Passed through the Illinois State Board of Education (ISBE)				
Title I - Migrant Education	84.011A	4340	246,861	-
Passed through University of Illinois - Center for Global Studies				
Open Textbooks Pilot Program	84.116T	None Provided	6,196	-
Total Department of Education			12,372,969	-

**Parkland College District #505
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Continued

Federal Grantor/ Pass- Through Grantor/ Program Title/ Grant Name	Federal Assistance Listing Number	Pass-Through Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Department of Health and Human Services				
Direct				
Surgical Tech Remodel	93.493		\$ 56,272	\$ -
Passed through the Illinois Community College Board (ICCB)				
CCDE Cluster				
Child Care and Development Block Grant	93.575	None Provided	782,949	-
Total Department of Health and Human Services			<u>839,221</u>	<u>-</u>
Department of the State				
Direct				
Academic Exchange Programs - Undergraduate Programs	19.009		12,006	-
Department of Commerce				
Passed through Illinois Manufacturing Excellence Center				
Manufacturing Extension Partnership	11.611	None Provided	1,454	-
National Endowment for the Humanities				
Passed through Illinois Arts Council				
Promotion of the Arts Partnership Agreements	45.025	None Provided	3,783	-
Total Expenditures of Federal Awards			<u>\$ 15,616,985</u>	<u>\$ 741,839</u>

**Parkland College District #505
Notes to the Schedule of Expenditures
of Federal Awards
For the Year Ended June 30, 2024**

Note 1. Basis of presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Parkland College District #505 (College) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows of the College.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

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

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

Independent Auditor's Report

Board of Trustees
Parkland College District #505
Champaign, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, fiduciary activities, and the discretely presented component unit of Parkland College District #505 (College), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 9, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Forvis Mazars, LLP

Decatur, Illinois
October 9, 2024

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Trustees
Parkland College District #505
Champaign, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Parkland College District #505's (College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2024. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

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

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

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

Forvis Mazars, LLP

**Decatur, Illinois
October 9, 2024**

**Parkland College District #505
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024**

Section I - Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP):

- Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal award programs:

- Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? Yes No

7. Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Numbers
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268
Child Care and Development Block Grant	93.575
Strengthening Community Colleges	17.261

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

9. The College qualified as a low-risk auditee? Yes No

**Parkland College District #505
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable

**Parkland College District #505
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable

**Parkland College District #505
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2024**

Reference Number	Summary of Finding	Status
2023-001	<p>Out of a population of 1,103 students who received federal student financial aid in the form of Federal Direct Student Loans and withdrew (partial or full) or graduated during the academic year, a sample of 40 students was selected for testing.</p> <p>Out of the 40 students tested, 11 students' change of enrollment status was not submitted to the NSLDS in a timely manner.</p>	Implemented