

ANNUAL COMPREHENSIVE FINANCIAL REPORT

[†] Fiscal years ended June 30, 2025 and 2024

Carl Sandburg College District 518[†]
Galesburg, IL[†] / sandburg.edu[†]

CARL SANDBURG COLLEGE, ILLINOIS
COMMUNITY COLLEGE DISTRICT #518
2400 Tom L. Wilson Blvd.
Galesburg, IL 61401

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED
JUNE 30, 2025 AND 2024

Prepared by: Business Office

Carl Sandburg College - Community College District 518

Years Ended June 30, 2025 and 2024

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Introductory Section

President's Letter

November 6, 2025

Dear Members of the Board,

I am pleased to submit to the Board and the residents of District 518 the Annual Comprehensive Financial Report for Fiscal Year 2025. This document represents a record of the College's financial activities for the year ending June 30, 2025.

This past year the college again received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association and we are proud to have this achievement.

Sandburg remains a critically important institution for the residents of the district who seek academic opportunity, preparation for the workforce, or continuing education for those still in the workplace. It also provides access to courses and programs for personal enrichment of our residents and communities.

The college maintains its strong financial position. State support is consistent, and the college has benefitted from a significant increase in competitive grant awards over the last two years. EAV has maintained its strong growth which has significantly enhanced the financial position. This past year saw the opening of the Science and Technology Center, the largest construction project since the original campus was built, and the opening of the newly renovated student development center.

I appreciate the opportunity to present this report and want to thank the staff and leadership team for their commitment to excellence. I am privileged to serve this institution and grateful for the community, students, faculty and staff, and board for their collaborative efforts to change lives and make dreams a reality.

Respectfully,



Dr. Seamus Reilly
President

EXCELLENCE/COLLABORATION/INTEGRITY/RESPECT

sandburg.edu

Galesburg Campus, 2400 Tom L. Wilson Blvd., Galesburg, Illinois 61401 Phone: 309.344.2518 Fax: 309.344.1395
Carthage Campus, 305 Sandburg Drive, Carthage, Illinois 62321 Phone: 217.357.3129 Fax: 217.357.3512

November 6, 2025

To members of the Board of Trustees and
citizens of Carl Sandburg College District No. 518:

TRANSMITTAL LETTER

The Annual Comprehensive Financial Report of Carl Sandburg College, Community College District No. 518 (the College), Fulton, Hancock, Henderson, Henry, Knox, Mercer, McDonough, Schuyler, Stark and Warren Counties, state of Illinois, for the fiscal year ended June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission have been included.

Wipfli LLP has issued an unmodified (clean) opinion on Carl Sandburg Community College District No. 518 basic financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of the report.

This letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and it focuses on current activities, accounting changes and currently known facts.

Vision, mission and values

Carl Sandburg College was established by authority of the Illinois Community College Act of 1965 and was approved by voters in a September 1966 referendum. The College's district now covers all or part of 10 counties in Illinois. The main campus is located in Galesburg, IL, with a branch campus in Carthage, IL. We serve a diverse group of students. In the fall of 2024, the College enrolled 1,603 students, with an average age of 22 years. Women represented 65 percent of the student body and 57 percent were part-time students. Many students balance the demands of college with work and family responsibilities.

Galesburg campus: 2400 Tom L. Wilson Boulevard, Galesburg, IL 61401 / p: 309.341.2518 / f: 309.344.1395
Carthage campus: 305 Sandburg Drive, Carthage, IL 62321 / p: 217.357.3129 / f: 217.357.5312
sandburg.edu

The following table illustrates enrollments and credit hours during the last five years.

Fiscal year	2021	2022	2023	2024	2025
Fall college enrollment	1,755	1,687	1,688	1,688	1,603
Annual full-time equivalents	1,002	908	943	932	869
Continuing education credit hours	424	289	260	201.5	232
Total annual credit hours	30,065	27,229	27,638	27,949	26,072

The College has the resources required to serve student enrollment. In 2021, The Higher Learning Commission North Central Association of College and Schools continued accreditation for 10 years and indicated that fiscal management was a strong asset of the College.

The strategic planning process for the College includes an environmental scan, SWOT (strengths, weaknesses, opportunities, threats) analysis with the entire College community, a review of the mission statement and current focal points and goals, and a determination of core values. Based upon feedback from the process, the following mission statement, core values and vision statement were crafted.

The College’s mission

To provide all students with opportunities for success.

Core values

The following four Core Values have been identified: Excellence, collaboration, integrity and respect. While it can be noted that these are not an exhaustive list of the values of Carl Sandburg College, these are simply the four most representative of Carl Sandburg College.

Vision statement

Where dreams come to life and lives come to change.

Major goals and objectives

Carl Sandburg College believes everyone should have access to quality education. Our strategies focus on communication internally/externally with students, staff and stakeholders of our district. The following five fundamental themes have been designed to shape departmental, programmatic and individual decision making. We believe these areas should drive all activities undertaken throughout the year.

Creativity
Collaboration
Communication

Quality
Inclusivity

Financial information

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental and Financial Accounting Standards Boards, the National Association of College and University Business Officers and the Illinois Community College Board (ICCB). The ICCB requires accounting by funds in order that limitations and restrictions on resources can be easily accounted for. The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay. The notes to the financial statements expand and explain the financial statements and the accounting principles applied.

INTERNAL CONTROL

Management of the College is responsible for establishing and maintaining an internal control structure designed to protect the assets of the College, to prevent loss from theft or misuse and to provide that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETING CONTROLS

The College maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established for each individual fund. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the College continues to meet its responsibility for sound financial management.

Economic condition

Carl Sandburg College District 518 has been affected by the dropping enrollment across the state; however, the College is well positioned to expand its dual-credit offerings and provide opportunities for high school students to earn college credit, reduce their overall debt load and transfer to complete their baccalaureate degree. A recent study shows that Illinois significantly outperforms the national average with nearly 54% of community college transfer students completing their degree within six years of beginning at a community college.

The shift from full-time to part-time enrollment is something the College will address through the blending of compressed courses, online delivery and the use of technology. Additionally, the College is investing in programs and establishing partnerships designed to serve the needs of its communities such as those in health-related fields. As a result, Carl Sandburg College District 518 is experiencing growth and expansion in some areas including dual-credit and career and technical education.

PROPERTY TAXES

The following table illustrates the College’s property tax levy rates over the last five fiscal years.

Levy Rates (Per \$100 of assessed valuation):

FISCAL YEAR	2025	2024	2023	2022	2021
Current:					
Education	0.2222	0.2203	0.2252	0.2281	0.2377
Operations & maintenance	0.0500	0.0492	0.0487	0.0479	0.0500
Liability, protection & settlement	0.1411	0.1282	0.1197	0.1222	0.1278
Audit	0.0050	0.0049	0.0049	0.0048	0.0050
Working cash	-	-	-	-	-
Social Security/Medicare	0.0080	0.0080	0.0081	0.0079	0.0081
Bond and interest	0.1666	0.1610	0.1721	0.1815	0.1641
Plant:					
Operations & maintenance (restricted) — life safety	0.0352	0.0492	0.0122	0.0120	0.0500
Total	0.6281	0.6208	0.5908	0.6044	0.6429

The College District’s 2024 tax levy base of \$2,630,968,919 increased by roughly 7% over the 2023 tax base. Property tax revenue has continued to see strong growth, particularly in the farmland segment, the College’s largest segment, which is also augmented by steady growth in both the residential and commercial property segments. During fiscal year 2024, local property taxes accounted for approximately 40% of total revenues.

DEBT

Debt of the College is comprised of General Obligation Bonds and Capital Leases. The bond payments are funded through the tax levy while the capital leases are currently funded by bond proceeds. During 2022, the college issued capital bonds for the purpose of building a new Science & Technology Center. This new building opened in August 2024 with the project enabling the college to create new labs, and expand its programs in high-demand fields like health care and technology.

CASH MANAGEMENT

For the purpose of overall investment of excess funds, the College is governed by the Illinois Public Community College Act (Chapter 110 of Illinois Compiled Statutes Act 805) and the Illinois Public Funds Investment Act (Chapter 30 of Illinois Compiled Statutes Act 235). The fiduciary responsibility for said investments is entrusted to the College Board of Trustees who has delegated this function to the treasurer of the College as permitted by the Illinois Public Community College Act.

In keeping with existing Board policy, all investments of excess funds are made in a prudent, conservative and secure manner and in accordance with the guidelines detailed in the College Investment Policy No. 2.6 approved by the Board of Trustees.

The College has been able to locally fund building renovations/improvements through the use of accumulated interest on our Working Cash fund and Technology Quasi-Endowment Fund. The College's improvements for fiscal year 2025 was by investing in new equipment that ensures that educational programs are supported with up-to-date resources for instruction. Relocating student services to Building B was intended to make advisors more accessible to students and enhance the student experience and foster a sense of community. The College continues to update communication and security equipment to address evolving threats and leverage new technology.

The College was successful in extending our labor agreement through June 30, 2026, as a result of our Interest-based bargaining (IBB) process with Sandburg Education Association (SEA). This incorporates the belief that each student is entitled to an education of the highest quality and that the attainment of this objective is dependent upon the quality and morale of the employees.

Prospects for the future

Carl Sandburg College District 518 maintains a favorable financial position. Budget goals for fiscal year 2025 were met, and the College received a revised S & P rating of A+ (positive outlook). State funding has been stable for several years, and the college has benefitted from additional state support for career and technical programs (CTE) to augment equipment and support student and staff recruitment. Carl Sandburg College District 518 will continue to adapt to changing fiscal outlook and looks forward to a promising future.

Awards and acknowledgements

The College is extremely proud of its ability to meet the needs of the community and the financial reporting required by various groups, agencies and organizations. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carl Sandburg College Community College District 518 for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the 22nd consecutive year the College has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the College must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The timely preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Seamus Reilly". The signature is written in black ink on a white background.

Dr. Seamus Reilly, President

Illinois Community College District No. 518
Principal Officials as of June 30, 2025

Board of Trustees

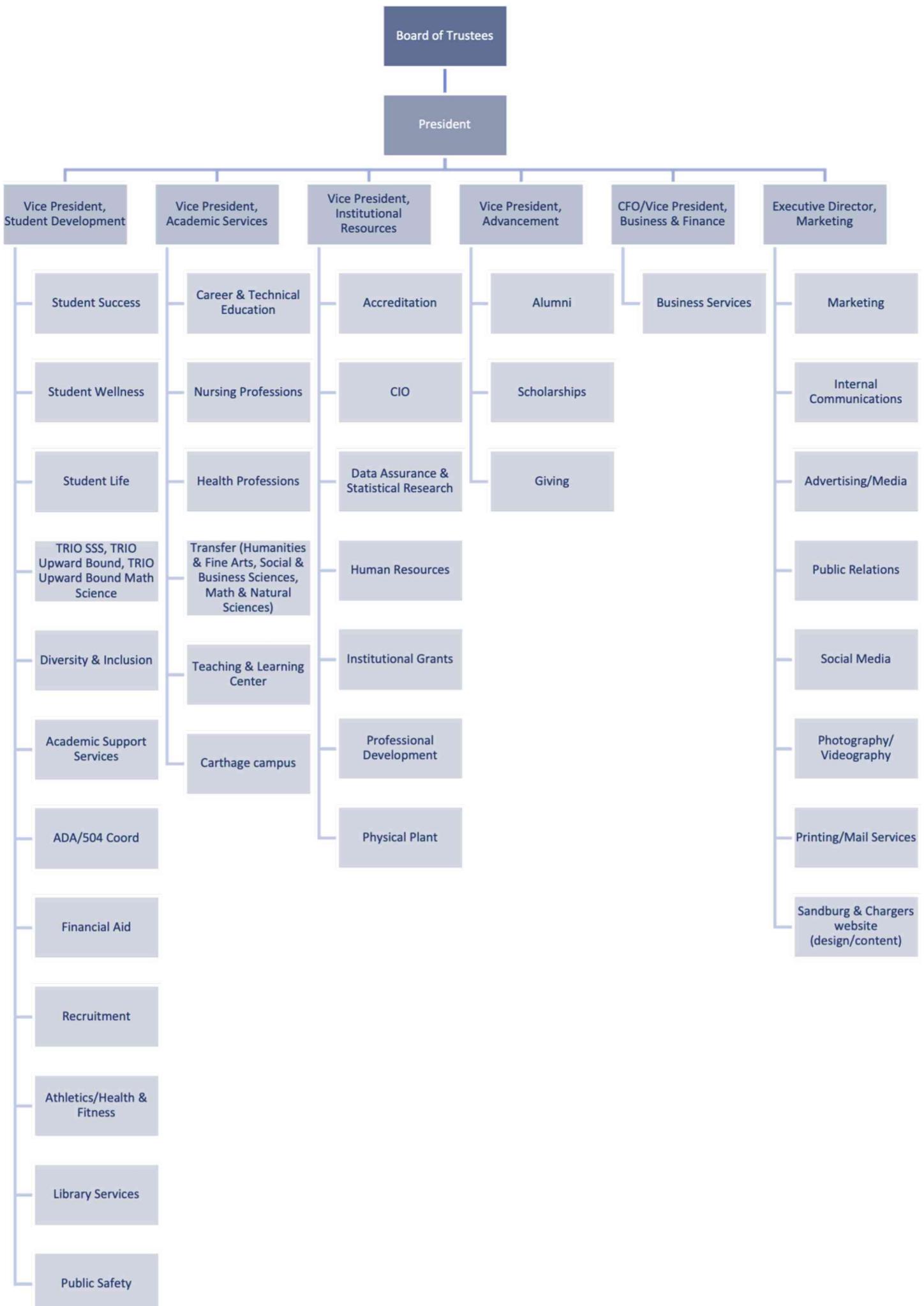
Name	Position	Term Expires
Mr. Gayla J. Pacheco	Chairperson	2029
Mr. Joshua Gibb	Vice Chairperson	2029
Dr. Gayle Keiser	Secretary	2029
Mr. Thomas Colclasure	Trustee	2027
Mr. Lee Johnson	Trustee	2025
Dr. Angel Peterson	Trustee	2031
Mr. Jeff Whitsitt	Trustee	2025

Officers of the College

Dr. Seamus Reilly	President
Ms. Carrie Hawkinson	Vice President of Academic Services
Ms. Autumn Scott	Vice President of Student Development
Ms. Michelle Johnson	Vice President of Institutional Resources

Administrative Staff

Ms. Ellen Burns	Dean of Career Technical Education
Mr. Don Damitz	Executive Director of Administrative Computing/Programming
Mr. Stephen Descalzo	Director of TRIO Student Support Services
Mrs. Emily Bean	Chief Information Officer
Ms. Taylor Finch-Mcvay	Director of Accreditation
Ms. Lisa Hanson	Dean of Enrollment Management
Ms. Kenzi Yates	Director of WDCE/Community Education
Ms. Daniella Irle	Dean of Student Engagement/Athletics Director
Mr. Eric Johnson	Chief Advancement Officer
Ms. Gabriella Hurtado	Director of Recruitment
Ms. Beth Kunkle	Director of Accounting Services/Comptroller
Ms. Ashley Lee	Director of TRIO Upward Bound Project
Ms. Laura Nagel	Executive Director of Marketing & Public Relations
Mrs. Megan Jones	Coordinator of Transfer and Dual Credit
Ms. Jodi Pospeschil	Director of Branch Campus
Ms. Emily Schaeffer	Dean of Nursing Professions
Ms. Angela Snow	Director of Advising/Registrar
Ms. Veronica Thor	Director of International Student Services
Ms. Valerie Hinderliter	Coordinator of Nursing & Health Professions
Ms. Randi Torrance	Director of TRIO Upward Bound Math-Science Project
Mr. Dustin Zimmerman	Director of Financial Aid



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Carl Sandburg College
Community College District 518
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Chuitphu P. Morill

Executive Director/CEO

Financial Section

Independent Auditor's Report

Board of Trustees
Carl Sandburg College - Community College District 518
Galesburg, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Carl Sandburg College - Community College District 518 (the "College"), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Carl Sandburg College - Community College District 518 as of June 30, 2025 and 2024, and 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.

We did not audit the financial statements of Carl Sandburg College Foundation, which represent 100% of the assets and revenues of discretely presented component unit as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Carl Sandburg College Foundation, is based solely on the report of the other auditors.

Basis for Unmodified 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 of America. The financial statements of Carl Sandburg College Foundation were not audited in accordance with Government Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Carl Sandburg College - Community College District 518 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 unmodified opinions.

"Wipfli" is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), 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 Carl Sandburg College - Community College District 518's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518'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 a management's discussion and analysis, schedule of share of net pension liability, schedule of pension contributions, schedule of share of net OPEB liability, and schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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 supplemental information, 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 audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of the other auditors, the information 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 introductory section, statistical section, and other financial information listed in the special reports section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 6, 2025 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 Carl Sandburg College - Community College District 518's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the College's internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP

Sterling, Illinois
November 6, 2025

Carl Sandburg College - Community College District 518

Management Discussion and Analysis

This section of Carl Sandburg College – Community College District 518's (the "College") Annual Comprehensive Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal years ended June 30, 2025 and 2024. Since this management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the transmittal letter,

Using This Annual Report

The financial statement format focuses on the College as a whole. A comparative analysis is presented under this model. The College 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. These statements combine and consolidate current financial resources (short-term spendable resources) with capital assets. The Statements of Revenues, Expenses, and Changes in Net Position focus on both the gross costs and the net costs of College activities which are supported mainly by property taxes and by state and other revenues. This approach is intended to summarize and simplify the user's analysis of the cost of various College services to students and the public.

The College's financial reports are prepared in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. These standards also require that financial statements be presented on a consolidated basis to focus on the College as a whole. The financial statements presented here encompass the College and its discretely presented component unit, the Carl Sandburg College Foundation. Information regarding this component unit is summarized in Note 13 to the financial statements. This MD&A focuses on the College exclusive of the Foundation.

Financial Highlights

For the year ended June 30, 2025, the College recorded total operating revenues of \$4,682,787 and total operating expenses of \$30,766,216. The difference produced an operating loss of \$26,093,429. Net non-operating revenue of \$31,186,984 offsets this loss and results in an overall increase in net position of \$5,093,555.

Non-operating revenue included local property and replacement taxes of \$15,543,957, state source revenue of \$7,494,274, federal grants and contracts revenue of \$5,262,802, and investment income of \$3,266,355.

Operating revenue accounted for 13% of the College's total revenue, while non-operating revenues accounted for the remaining 87%. Operating revenue consisted of tuition and fees of \$4,462,476 and auxiliary enterprises revenue of \$220,311.

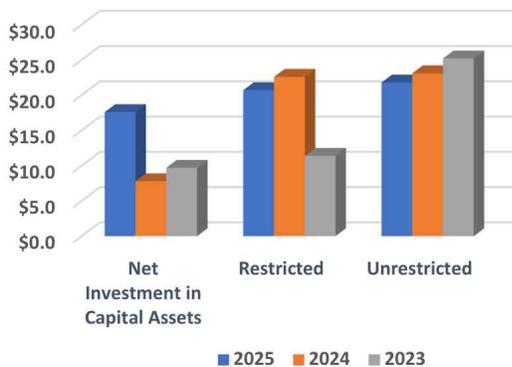
Operating expenses consisting of instruction, academic support, student services, public service, auxiliary services, operations and maintenance of plant, institutional support, scholarships/grants/waivers, and depreciation and amortization increased 19% from prior year.

Overall, the College's financial position remained stable during fiscal year 2025 and overall results compared to budget were favorable.

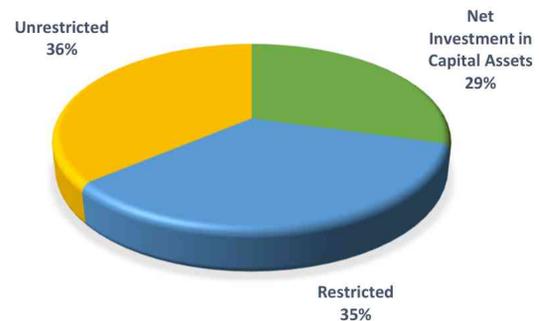
Carl Sandburg College - Community College District 518 Management Discussion and Analysis

	Net Position As of June 30, (in millions)		Increase (Decrease) 2025-2024	Restated 2023*	Increase (Decrease) 2024-2023
	2025	Restated 2024*			
Current assets	\$62.2	\$67.7	(\$5.5)	\$75.8	(\$8.1)
Non-current assets					
Capital assets, net of depreciation	46.9	36.2	10.7	18.6	17.6
Other	8.7	7.8	0.9	8.4	(0.6)
Total assets	117.8	111.7	6.1	102.8	8.9
Total deferred outflows of resources	0.3	0.3	0.0	0.3	0.0
Total assets and deferred outflows of resources	118.1	112.0	6.1	103.1	8.9
Current liabilities	6.8	8.4	(1.6)	4.8	3.5
Non-current liabilities	31.0	29.1	1.9	32.0	(2.9)
Total liabilities	37.8	37.5	0.3	36.8	0.6
Total deferred inflows of resources	21.6	21.0	0.6	20.0	1.0
Total liabilities and deferred inflows of resources	59.4	58.5	0.9	56.8	1.6
Net position					
Net investment in capital assets	17.7	7.8	9.9	9.7	(1.9)
Restricted	20.7	22.6	(1.9)	11.4	11.2
Unrestricted	20.3	23.1	(2.8)	25.2	(2.1)
Total	\$58.7	\$53.5	\$5.2	\$46.3	\$7.2

**Net Position as of June 30,
2025, 2024, and 2023**



**Composition of Net Position
as of June 30, 2025**



Carl Sandburg College - Community College District 518

Management Discussion and Analysis

Fiscal Year 2025 Compared to 2024

Current assets decreased \$5.5 million and non-current assets increased \$11.6 million due primarily to the completion of the new Science & Technology Building and renovation of student development center.

Current liabilities decreased from \$8.4 million to \$6.8 million. Decreases were primarily due to accounts payable associated with the construction and renovation projects.

Non-current liabilities increased \$1.9 million due to the issuance of working cash bonds in December 2024 for the multi-phase building program.

Deferred inflows of resources increased \$0.6 million largely driven by deferred property taxes and grant revenue.

Total net position as of June 30, 2025 increased by \$5.2 million. The restricted net position includes \$11.3 million of debt service payments, grants and scholarships, and working cash reserves.

Fiscal Year 2024 Compared to 2023

Current assets decreased \$8.1 million and non-current assets increased \$17.0 million due primarily to the completion of the new Science & Technology Building.

Current liabilities increased from \$4.8 million to \$8.4 million. Increases were primarily due to additional accounts payable associated with the construction of the Science & Technology Building as well as an increase in accrued interest.

Non-current liabilities decreased \$2.9 million due to reduction of outstanding general obligation bonds for the multi-phase building program.

Deferred inflows of resources increased \$1.0 million largely driven by deferred property taxes and grant revenue.

Total net position as of June 30, 2024 increased by \$7.2 million. The restricted net position is restricted for \$11.2 million of debt service payments, grants and scholarships, capital projects, and working cash reserves.

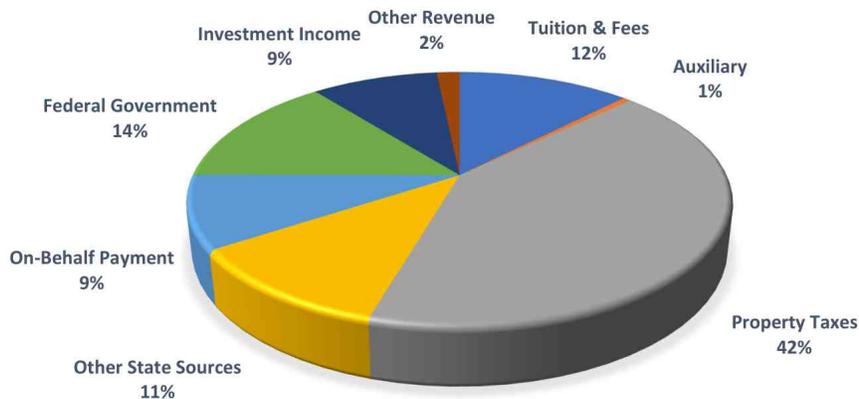
Carl Sandburg College - Community College District 518

Management Discussion and Analysis

Operating Results for the Year Ended					
June 30,					
(in millions)					
	2025	Restated 2024*	Increase (Decrease) 2025-2024	Restated 2023*	Increase (Decrease) 2024-2023
Operating revenue					
Tuition and fees	\$4.5	\$4.3	\$0.2	\$4.1	\$0.2
Auxiliary	0.2	0.2	0.0	0.2	0.0
Total operating revenue	4.7	4.5	0.2	4.3	0.2
Less operating expenses	30.8	26.8	4.0	24.7	2.1
Operating loss	(26.1)	(22.3)	(3.8)	(20.4)	(1.9)
Non-operating revenue					
Property taxes	15.2	13.7	1.5	13.4	0.3
Replacement taxes	0.3	0.6	(0.3)	0.9	(0.3)
Other state sources	4.1	3.9	0.2	3.5	0.4
On-behalf payments	3.4	3.3	0.1	3.3	0.0
Federal government	5.2	4.8	(0.4)	5.7	(0.9)
Facilities revenue	0.0	0.0	0.0	0.0	0.0
Investment income	3.3	3.4	(0.1)	2.1	1.3
Nongovernmental grants and gifts	0.1	0.1	0.0	0.1	0.0
Other revenue	0.2	0.3	(0.1)	0.2	0.1
Gain (loss) on disposal of assets	0.0	0.0	0.0	0.0	0.0
Interest expense	(0.6)	(0.6)	0.0	(0.5)	(0.1)
Total net non-operating revenues	31.2	29.5	1.7	28.7	0.8
Capital contributions	0.0	0.0	0.0	0.0	0.0
Increase (decrease) in net position	5.1	7.2	(2.1)	8.3	(1.1)
Net position, beginning of year, as restated	53.6	46.3	7.3	38.0	8.3
Net position, end of year	\$58.7	\$53.5	\$5.2	\$46.3	\$7.2

Carl Sandburg College - Community College District 518 Management Discussion and Analysis

Revenue by Source Fiscal Year Ended June 30, 2025



Fiscal Year 2025 Compared to 2024

Operating revenue increased \$0.2 million over the prior year. Property tax revenue continues to grow as the equalized assessed values in the district have continued to increase.

Operating expenses increased \$4.9M or 18.9% year over year driven largely by increased salary and benefits costs as well as increased depreciation expense associated with the completion of new construction and building renovation projects.

Net non-operating revenue increased \$1.8 million. This is the net result of decreases replacement taxes and investment income combined with increases in other non-operating revenues from Federal and other State grants revenues.

Fiscal Year 2024 Compared to 2023

Operating revenue increased \$0.2 million over the prior year. Property tax revenue continues to grow as the equalized assessed values in the district have continued to increase.

Operating expenses increased \$2.1M or 8.5% year over year driven largely by increased salary and benefits costs.

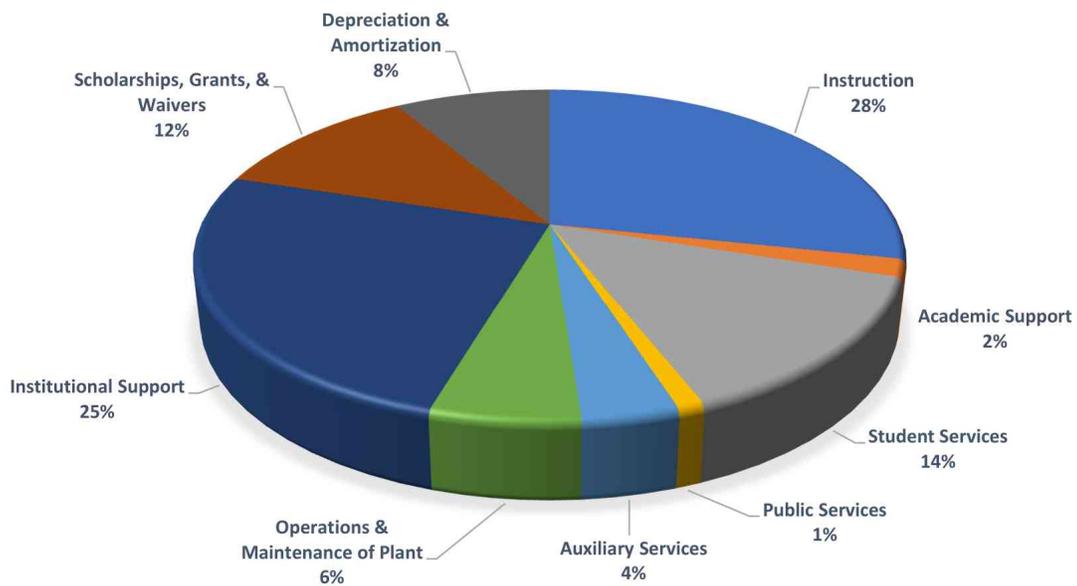
Net non-operating revenue increased \$0.8 million. This is the net result of decreases in federal grants and replacement taxes combined with increases in other non-operating revenues from investment and other State grants revenues.

Carl Sandburg College - Community College District 518 Management Discussion and Analysis

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

Operating expense	2025	Restated 2024*	Increase (Decrease) 2025-2024	Restated 2023*	Increase (Decrease) 2024-2023
Instruction	\$8.4	\$8.2	\$0.1	\$6.8	\$1.4
Academic support	0.5	0.5	0.0	0.4	0.1
Student services	4.1	4.0	0.1	4.2	(0.2)
Public services	0.3	0.1	0.2	0.1	0.0
Auxiliary services	1.1	1.0	0.1	1.0	0.0
Operations & maintenance of plant	1.7	1.5	0.2	1.3	0.2
Institutional support	8.9	6.6	2.3	6.0	0.6
Scholarships, grants, waivers	3.4	3.1	0.3	3.1	0.0
Depreciation and amortization	2.5	1.8	0.7	1.8	0.0
Total	\$30.8	\$26.8	\$4.0	\$24.7	\$2.1

Operating Expenses Fiscal Year Ended June 30, 2025



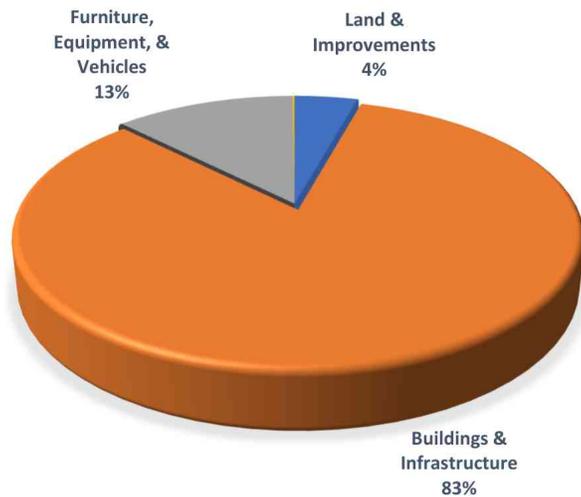
Carl Sandburg College - Community College District 518 Management Discussion and Analysis

Capital Assets, Net
June 30,
(in millions)

	2025	2024	Increase (Decrease) 2025-2024	Restated 2023*	Increase (Decrease) 2024-2023
Capital assets					
Land & improvements	\$3.4	\$3.5	(\$0.1)	\$3.2	\$0.3
Buildings & infrastructure	67.4	35.1	32.3	34.4	0.7
Furniture, equipment, & vehicles	10.0	7.1	2.9	6.5	0.6
Construction in progress	0.1	22.2	(22.1)	4.6	17.6
Lease assets - equipment & vehicles	0.4	0.4	0.0	0.4	0.0
Subscription assets	0.4	0.4	0.0	0.5	(0.1)
Total	81.7	68.7	13.0	49.6	19.1
Less accumulated depreciation and amortization	(34.8)	(32.5)	(2.3)	(31.0)	(1.5)
Net capital assets	\$46.9	\$36.2	\$10.7	\$18.6	\$17.6

During Fiscal Year 2025, total Capital Assets increased \$13M or 19% and Net Capital Assets increased \$10.7M or 29.5% due to completion of the new Science & Technology building and renovation of the student development center. The current bonding strategy continues to allow the College to invest in additional facilities, technology, and improvements to meet the changing needs of students, faculty, staff, and the communities supported. For more detailed information on capital asset activity, refer to Note 3 – Capital Assets, in the Notes to Financial Statements.

Capital Assets as of June 30, 2025

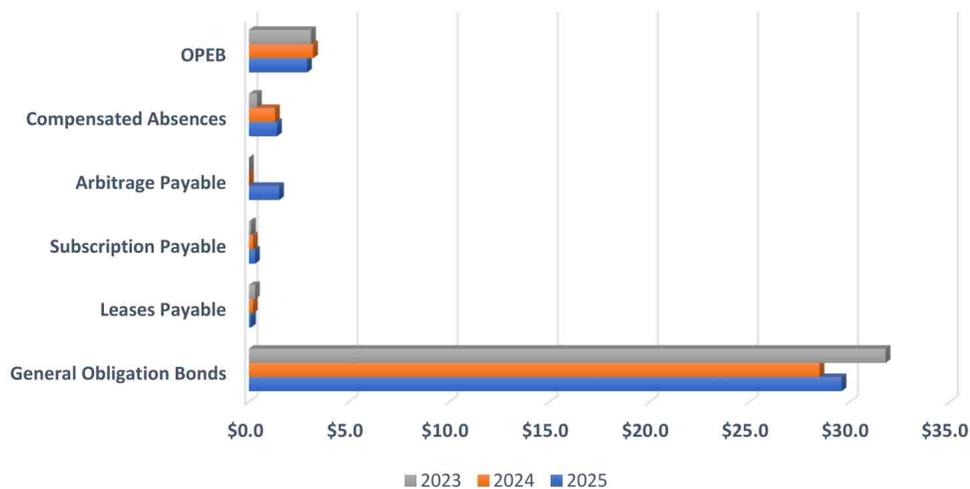


Carl Sandburg College - Community College District 518 Management Discussion and Analysis

Debt
June 30,
(in millions)

	2025	Restated 2024*	Increase (Decrease) 2025-2024	Restated 2023*	Increase (Decrease) 2024-2023
General obligation bonds, net	\$29.6	\$28.5	\$1.1	\$31.8	(\$3.3)
Leases	0.1	0.2	(0.1)	0.3	(0.1)
Subscriptions	0.3	0.2	0.1	0.1	0.1
Arbitrage payable	1.5	0.0	1.5	0.0	0.0
Compensated absences	1.4	1.3	0.1	0.4	0.9
OPEB	2.9	3.2	(0.3)	3.1	0.1
Total	\$35.8	\$33.4	\$2.4	\$35.7	(\$2.3)

Debt Composition Trend



Fiscal Year 2025 Compared to 2024

During fiscal year 2025, the College paid \$2.9 million in bond payments funded through the tax levy. For more detailed information on long-term debt activity, refer to Note 4 – Debt, in the Notes to Financial Statements.

Fiscal Year 2024 Compared to 2023

During fiscal year 2024, the College paid \$2.8 million in bond payments funded through the tax levy. For more detailed information on long-term debt activity, refer to Note 4 – Debt, in the Notes to Financial Statements.

Contacting the College’s Financial Management

This financial report is designed to provide our constituents with a general overview of the College’s financial position. Questions concerning this report or requests for additional information should be directed to Leslie Anderson, Vice President of Business & Finance, 2400 Tom L. Wilson Boulevard, Galesburg, IL 61401.

Basic Financial Statements

Carl Sandburg College - Community College District 518

Statements of Net Position

As of June 30	2025	Restated 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 25,777,249	\$ 28,040,282
Short-term investments	17,888,094	24,697,798
Property tax receivable	16,762,319	13,466,908
Government receivables	543,091	958,307
Student tuition receivables, net of allowance	644,994	220,131
Other receivables	450,633	53,649
Prepaid items	87,236	220,679
Total current assets	62,153,616	67,657,754
Noncurrent assets:		
Non-depreciable capital assets	485,331	22,610,382
Depreciable capital assets	81,285,045	46,142,969
Accumulated depreciation and amortization	(34,828,147)	(32,496,166)
Capital assets, net	46,942,229	36,257,185
Long-term investments	8,667,992	7,792,676
Total noncurrent assets	55,610,221	44,049,861
Total assets	117,763,837	111,707,615
Deferred outflow of resources		
Deferred pension	51,960	44,440
Deferred OPEB	220,495	234,402
Total deferred outflow of resources	272,455	278,842

Carl Sandburg College - Community College District 518

Statements of Net Position (Continued)

As of June 30	2025	Restated 2024
Liabilities		
Current liabilities:		
Accounts payable	\$ 1,127,427	\$ 3,437,779
Accrued liabilities	-	52,926
Unearned tuition and fees	856,643	574,067
Accrued compensated absences, current	943,016	847,333
Lease obligations, current	87,302	80,951
Subscription liability, current	116,163	87,263
Bonds payable, current	3,661,381	3,270,176
Total current liabilities	6,791,932	8,350,495
Noncurrent liabilities:		
Accrued compensated absences	464,471	417,342
Lease obligations	9,469	96,771
Subscription liability	177,470	142,665
Bonds payable, net	25,896,852	25,258,233
Net OPEB liability	2,913,064	3,156,826
Arbitrage payable	1,491,207	-
Total noncurrent liabilities	30,952,533	29,071,837
Total liabilities	37,744,465	37,422,332
Deferred inflow of resources		
Deferred property taxes	16,912,245	15,252,254
Deferred grant revenue	1,311,175	1,283,485
Deferred OPEB	3,410,781	4,464,315
Total deferred inflow of resources	21,634,201	21,000,054
Net position		
Net investment in capital assets	17,658,499	7,834,607
Restricted - expendable:		
Debt service	280,500	279,781
Grants and scholarships	1,784,861	2,000,121
Working cash	9,226,286	8,891,103
Capital projects	3,841,122	6,449,880
Audit and liability protection	5,577,799	4,973,655
Unrestricted	20,288,559	23,134,924
Total net position	\$ 58,657,626	\$ 53,564,071

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30	2025	Restated 2024
Operating revenues:		
Student tuition and fees, net of scholarship allowance	\$ 4,462,476	\$ 4,309,978
Auxiliary enterprises revenue	220,311	196,965
Total operating revenues	4,682,787	4,506,943
Operating expenses:		
Instruction	8,350,073	8,189,353
Academic support	489,690	464,928
Student services	4,073,333	4,049,758
Public services	291,585	127,413
Auxiliary services	1,076,433	1,028,223
Operations and maintenance	1,736,390	1,483,808
Institutional support	8,873,651	6,574,997
Scholarships, student grants, and waivers	3,376,381	3,050,657
Depreciation, amortization, and other expense	2,508,680	1,798,097
Total operating expenses	30,776,216	26,767,234
Operating (loss)	(26,093,429)	(22,260,291)
Non-operating revenues (expenses)		
Property taxes	15,173,979	13,734,981
Replacement taxes	369,978	551,732
Other state sources	4,077,237	3,911,728
On-behalf payments	3,417,037	3,282,976
Federal government	5,262,802	4,813,008
Facilities revenue	2,485	3,580
Investment income	3,266,355	3,421,714
Nongovernmental grants and gifts	68,978	96,663
Other revenue	223,568	318,385
Loss on disposal of assets	(30,454)	(45,001)
Interest, service charges, and issuance costs	(644,981)	(614,760)
Total non-operating revenues (expenses)	31,186,984	29,475,006
Change in net position	5,093,555	7,214,715
Net position, beginning of year, as restated	53,564,071	46,349,356
Net position, end of year	\$ 58,657,626	\$ 53,564,071

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Statements of Cash Flows

Years ended June 30	2025	Restated 2024
Cash flows from operating activities:		
Tuition and fees	\$ 6,425,407	\$ 6,432,634
Payments to suppliers	(11,420,882)	(5,297,468)
Payments to employees	(11,939,961)	(10,848,118)
Payments to students for scholarships	(5,481,599)	(5,283,623)
Auxiliary enterprise changes	227,005	189,082
Other	214,024	478,292
Net cash from operating activities	(21,976,006)	(14,329,201)
Cash flows from non-capital financing activities:		
Proceeds from property taxes	13,538,559	13,813,293
Proceeds from personal property replacement taxes	369,978	551,732
Proceeds from grants	9,851,923	9,305,377
Net cash from non-capital financing activities	23,760,460	23,670,402
Cash flows from capital and related financing activities:		
Purchases of capital assets	(12,992,141)	(19,518,110)
Principal paid on long-term debt	(3,149,283)	(3,087,197)
Proceeds from issuance of long-term debt	4,300,000	230,976
Interest paid on long-term debt	(1,015,157)	(1,012,576)
Net cash from capital and related financing activities	(12,856,581)	(23,386,907)
Cash flows from investing activities:		
Interest received	399,653	1,217,948
Proceeds from maturities of investment securities	43,306,001	27,399,644
Purchases of investment securities	(34,896,560)	(11,693,524)
Net cash from investing activities	8,809,094	16,924,068
Net change in cash and cash equivalents	(2,263,033)	2,878,362
Cash and cash equivalents, beginning of year	28,040,282	25,161,920
Cash and cash equivalents, end of year	\$ 25,777,249	\$ 28,040,282

Carl Sandburg College - Community College District 518

Statements of Cash Flows (Continued)

Years ended June 30	2025	Restated 2024
Reconciliation of operating income to net cash from by operating activities:		
Operating income (loss)	\$ (26,093,429)	\$ (22,260,291)
Adjustment to reconcile operating income (loss) to net cash used in operating activities:		
Depreciation and amortization	2,508,680	1,798,097
State on-behalf payments for fringe benefits	3,417,037	3,282,976
Other operating sources	226,053	321,965
Change in assets and liabilities:		
Receivables	(430,198)	(9,258)
Other assets	133,443	(21,976)
Deferred outflow of resources	6,387	(4,934)
Accounts payable	(2,310,352)	3,041,918
Accrued liabilities		(77,377)
Accrued compensated absences	89,886	872,274
Unearned tuition and fees	282,576	43,575
Arbitrage payable	1,491,207	-
OPEB liability	(243,762)	40,267
Deferred inflows of resources	(1,053,534)	(1,356,437)
Net cash from operating activities	\$ (21,976,006)	\$ (14,329,201)
Noncash investing, capital, and financial:		
Increase (decrease) in fair value of investments	\$ 219,415	\$ 184,895
IT Subscription acquisition	232,037	230,976
Disposal of assets	(30,454)	(45,001)
State on-behalf payments for pension and OPEB plans	3,417,037	3,282,976

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Component Unit - Carl Sandburg College Foundation

Statements of Financial Position

As of June 30	2025	2024
Assets		
Current assets:		
Cash	\$ 169,668	\$ 431,739
Investments	26,902,470	24,459,130
Pledges receivable	140,996	197,479
Beneficial interest in perpetual trust	333,286	333,320
Prepaid expenses	76,652	-
Total assets	\$ 27,623,072	\$ 25,421,668
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 29,758	\$ 28,556
Scholarships payable	219,750	192,480
Total liabilities	249,508	221,036
Net assets		
Without donor restrictions	5,103,151	5,222,535
With donor restrictions	22,270,413	19,978,097
Total net assets	27,373,564	25,200,632
Total liabilities and net assets	\$ 27,623,072	\$ 25,421,668

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Component Unit - Carl Sandburg College Foundation

Years ended June 30	Without Donor Restrictions	2025 With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions	\$ 45,336	\$ 220,461	\$ 265,797
Contributed nonfinancial assets	111,385	-	111,385
Administrative fees	65,252	-	65,252
Investment Return, net	750,180	2,602,233	3,352,413
Change in value of beneficial interest in trust	-	3,131	3,131
Net asset released from restrictions	533,509	(533,509)	-
Total support and revenue	1,505,662	2,292,316	3,797,978
Expenses:			
Program services			
Scholarships and grants	982,396	-	982,396
Administrative fees	65,252	-	65,252
Salaries and wages	59,152	-	59,152
In-kind services	34,776	-	34,776
Total program services	1,141,576	-	1,141,576
Supporting services:			
Management and general			
Salaries and wages	44,364	-	44,364
Professional services	110,964	-	110,964
In-kind goods and facilities	24,445	-	24,445
Conference and meeting expense	13,392	-	13,392
Dues	2,013	-	2,013
Office supplies	66,512	-	66,512
Printing	22,748	-	22,748
Travel	19,970	-	19,970
Other	30,907	-	30,907
Total management and general	335,315	-	335,315
Fundraising			
Salaries and wages	44,364	-	44,364
In-kind services	52,164	-	52,164
Supplies and mailings	34,195	-	34,195
Donor gift and entertainment	17,432	-	17,432
Total fund raising	148,155	-	148,155
Total expenses	1,625,046	-	1,625,046
Changes in net assets	(119,384)	2,292,316	2,172,932
Net assets, beginning of year	5,222,535	19,978,097	25,200,632
Net assets, end of year	\$ 5,103,151	\$ 22,270,413	\$ 27,373,564

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Component Unit - Carl Sandburg College Foundation

Years ended June 30	2024		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenues, gains, and other support:			
Contributions	\$ 133,781	\$ 374,938	\$ 508,719
Contributed nonfinancial assets	90,310	-	90,310
Interest and dividends	188,328	655,169	843,497
Net unrealized gain (loss) on investments	342,268	871,858	1,214,126
Net realized gain (loss) on investments	535,473	546,436	1,081,909
Change in value of beneficial interest in trust	-	15,402	15,402
Net asset released from restrictions	380,800	(380,800)	-
Total support and revenue	1,670,960	2,083,003	3,753,963
Expenses:			
Program services			
Scholarships and grants	603,355	-	603,355
Total program services	603,355	-	603,355
Supporting services:			
Management and general	-	-	-
Professional services	162,843	-	162,843
In-kind services	83,465	-	83,465
In-kind goods and facilities	6,845	-	6,845
Conference and meeting expense	22,158	-	22,158
Dues	1,321	-	1,321
Office supplies	119,314	-	119,314
Printing	25,879	-	25,879
Travel	5,370	-	5,370
Other	50,956	-	50,956
Total management and general	478,151	-	478,151
Fundraising			
Supplies and mailings	48,724	-	48,724
Donor gift and entertainment	13,105	-	13,105
Total fund raising	61,829	-	61,829
Total expenses	1,143,335	-	1,143,335
Changes in net assets	527,625	2,083,003	2,610,628
Net assets, beginning of year	4,694,910	17,895,094	22,590,004
Net assets, end of year	\$ 5,222,535	\$ 19,978,097	\$ 25,200,632

See Accompanying Notes to the Financial Statements.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Carl Sandburg College - Community College District 518 (the "College") established in 1966 under the Illinois Public Community College Act, provides baccalaureate, vocational, and continuing education courses to a ten-county area located in central Illinois. The Board of Trustees is the College's ruling body which establishes the policies and procedures by which the College is governed.

Revenues are substantially generated as a result of taxes assessed and allocated to the College and grants received from other state and federal governmental agencies. The College's revenues are, therefore, primarily dependent upon the availability of funds at the state and federal level and the economy within its territorial boundaries. Industry within the territorial area is primarily retail and agricultural.

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

Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its discretely presented component unit, the Carl Sandburg Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The 16-member board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the foundation, the majority of resources or income thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standard Board (FASB) Statements. Most significant to the Foundation's operations and reporting model are described by FASB issued guidance. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. However, significant note disclosures (see Note 13) to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

Financial statements for the Foundation can be obtained at 2400 Tom L. Wilson Boulevard, Galesburg, Illinois 61401.

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Nonexchange transactions, in which the College receives value without directly giving equal value in return, include property taxes, federal, state, and local grants, and state appropriations. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants and state appropriations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used for the fiscal year resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

Cash and Equivalents

For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

Investments

Investment securities are stated at fair value based on quoted market prices. Income is recognized on the accrual basis of accounting. The types of investments allowed are regulated by Illinois State laws and include municipal bonds, U.S. Government or Illinois obligations, insured deposits or other investments of state or national banks, Federal National Mortgage Association obligations, Illinois Funds, and agreements collateralized by securities or mortgages in an amount at least equal to the fair value of the funds deposited.

Receivables

Accounts receivable include uncollateralized student obligations, which generally require payment by the first day of class unless a payment plan through a third party has been established. Accounts receivable are stated at the invoice amount.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of specific student accounts and the aging of accounts receivable. If the actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due could be adversely affected. The allowance for doubtful accounts relating to student receivables was \$173,862 and \$224,642 as of June 30, 2025 and 2024, respectively.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes and Other Revenue

Property taxes attach as an enforceable lien on property as of January 1. The College's property tax is levied no later than the last Tuesday of December prior to the ensuing budget year and is extended against the assessed valuation of the College on January 1. Taxes are due and payable in two installments in June and September. Pursuant to the Board of Trustees resolution, the 2023 property tax levies passed on November 16, 2023 is recognized as property tax revenue. Deferred property taxes represent the revenue to be generated from the 2024 property tax levy which was passed on November 21, 2024. In addition, property taxes receivable represents the remaining 2024 property tax levy to be collected in fiscal year 2026.

Uncollected taxes are sold by the County Collector in order that those taxes can be distributed to respective taxing bodies. Final distribution on the current year is made by the County Collector's office at a date after the tax sale, usually no later than sometime during the first quarter of the following year.

Corporate personal property replacement tax is recorded on the accrual basis based on amounts held by the state.

Inventories

Inventories consist primarily of supplies and are reported at cost.

Capital Assets

Capital assets include property, equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$10,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Costs related to the development of computer software are expensed as incurred until (a) the College has completed the preliminary project stage and (b) management has implicitly or explicitly authorized or committed to funding the project. Activities related to the application development stage of internally generated software are capitalized at the amount of the associated outlays. Post-implementation activities are expensed as incurred. Costs associated with data conversion are also expensed if such activities are not necessary in order for internally developed software to become operational. Intangible assets are defined by the College (software) as assets with an initial unit cost of \$25,000.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Property, plant, and equipment of the college are depreciated using the straight-line method over the following useful lives.

	Years
Buildings and building improvements	10-40 years
Infrastructure	10 years
Furniture and equipment	3-5 years
Land improvements	10 years
Vehicles	3 years
Software	3-15 years

Unearned Tuition and Fee Revenue

Tuition and fee revenues received and related to the period after June 30 are reported as unearned.

Long-term Debt

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds and are recorded in other assets or liabilities.

Compensated Absences

Vacation leave is accrued as a liability as it is earned. Sick leave is accrued as a liability if it is more likely than not to be used.

Lease Accounting

The College is a lessee in multiple noncancelable leases. If the contract provides the College the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the College's incremental borrowing rate. This rate is used to calculate the present value of future lease payments. This rate is an alternative investment rate for other than short-term investments and is materially the same as the rate the College might incur from an external lender.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Lease Accounting (Continued)

For all underlying classes of assets, the College does not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the College is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The College recognizes short-term leases with lease costs included in short-term lease expense. The College recognizes short-term lease cost on a straight line basis over the lease term.

In addition, under the new standard, the College has adopted a policy which evaluates the material nature of long-term leases as a group. For group calculations which fall below the policy threshold for recording, the College will not recognize the lease liability and ROU and will instead expense these costs as incurred. Copier leases is one such group.

For leases or groups of leases whose net present value is less than \$25,000, the College has elected to recognize the payments as an expense in the period incurred.

Subscription Based Information Technology Arrangements

The College is a party to multiple noncancelable subscription based information technology arrangements (SBITAs). If the contract provides the College the right to use the present service capacity and the right to direct the use of the identified asset, it is considered to be or contain a SBITA. Subscription-based assets and liabilities are recognized at the agreement commencement date based on the present value of the future payments over the expected contract term. The SBITA asset is also adjusted for any prepayments made and capitalizable initial implementation costs as incurred.

The SBITA liability is initially and subsequently recognized based on the present value of its future payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable payments due to subsequent changes in an index or rate are recorded as an adjustment to expense in the period in which they are incurred.

The discount rate used is the implicit rate in the SBITA contract, if it is readily determinable, or the College's incremental borrowing rate.

For all underlying classes of assets, the College does not recognize SBITA assets and liabilities for short-term agreements that have a contract term of 12 months or less at contract commencement. Contracts containing termination clauses in which either party may terminate without cause and the notice period is less than 12 months are deemed short-term agreements with costs included in expense.

For SBITAs or groups of SBITAs whose net present value is less than \$15,000, the College has elected to recognize the payments as an expense in the period incurred.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Other Post-Employment (“OPEB”) Obligations

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and to OPEB expense, information about the plan net position of the College Insurance Plan (“CIP”) and additions to/deductions from CIP’s plan net position has been determined on the same basis as they are reported by CIP. For this purpose, OPEB payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report separate sections, deferred outflows of resources represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow (revenue) or outflow (expense) of resources until that time.

Classification of Revenues and Expenses

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, and (2) sales and services of auxiliary enterprises. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as (1) local property taxes, (2) state appropriations, and (3) most federal, state, and local grants and contracts and federal appropriations. Operating expenses generally result from providing services in connection with ongoing operations. Nonoperating expenses do not meet this definition.

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, and Federal Direct Loan programs. Federal programs are audited in accordance with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, the U.S. Office of Management and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the Uniform Guidance Compliance Supplement. The College elected to not use the 10% de minimis indirect cost rate during the year ended June 30, 2025.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

On-Behalf Payments for Fringe Benefits and Salaries

Contributions made by the State of Illinois (State) relating to the State Universities Retirement Systems (SURS) and College Insurance Plan (CIP) on behalf of the College's employees are recognized by the College as revenues and expenses. In fiscal years 2025 and 2024, the State made contributions of \$3,417,037 and \$3,282,976, respectively (Note 5, Note 6, and 7).

Pensions

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 fiduciary net position of the State Universities Retirement System (SURS) and additions/deductions to/from SURS fiduciary net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For financial reporting purposes, the State of Illinois (State) and its public universities and community colleges are under a special funding situation. This situation exists when a non-employer entity (the State) is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity (the College) and the non-employer (the State) is the only entity with a legal obligation to make contributions directly to a pension plan. The College recognizes its proportionate share of the State's pension expense relative to the College's employees as non-operating revenue and pension expense, with the expense further allocated to the related function by employees.

Net Position

The College's net position is classified as follows:

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

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

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

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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 fund equity during the reporting period. Material estimates that are particularly susceptible to significant change in the near term relate to depreciation on capital assets, allowance for doubtful accounts, and the fair value of investments. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncement

GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The adoption of this guidance is reflected in the disclosure of the net position restatement for the year ended June 30, 2024. See Note 12 for the details of the restatement.

GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The adoption of this guidance resulted in a restatement of the beginning net position for the year ended June 30, 2024. See Note 12 for the details of the restatement.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments

The College's cash and deposits throughout the year and at year-end consisted of demand deposit accounts, certificates of deposit, and money markets. The College classified these accounts between cash and deposits on the statements of net position according to liquidity and intended use.

Cash and deposits consist of the following:

As of June 30	2025	2024
Cash on hand	\$ 4,314	\$ 6,600
Deposits with financial institutions	25,772,935	28,033,682
Totals	\$ 25,777,249	\$ 28,040,282

The College is allowed to invest in securities as authorized by the Illinois Public Community College Act and the Illinois Investment of Public Funds Act.

Investments consist of the following:

As of June 30	2025	2024
Money market	\$ 7,573,996	\$ 14,166,698
Certificate of deposit	9,186,478	12,253,658
U.S. government agency securities	9,795,612	6,070,118
Totals	\$ 26,556,086	\$ 32,490,474

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Information about the sensitivity of the fair values of the College's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the College's investments by maturity.

As of June 30, 2025, the College had the following investments with stated maturities:

	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Money market	\$ 7,573,996	\$ 7,573,996	\$ -	\$ -	-
Certificate of deposit	9,186,478	7,068,824	2,117,654	-	-
U.S. government agency securities	9,795,612	3,245,267	6,550,345	-	-
Totals	\$ 26,556,086	\$ 17,888,087	\$ 8,667,999	\$ -	-

As of June 30, 2024, the College had the following investments with stated maturities:

	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Money market	\$ 14,166,698	\$ 14,166,698	\$ -	\$ -	-
Certificates of deposit	12,253,658	7,100,152	5,153,506	-	-
U.S. government agency securities	6,070,118	3,430,948	2,639,170	-	-
Totals	\$ 32,490,474	\$ 24,697,798	\$ 7,792,676	\$ -	-

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of year end for the external investment pool investment type.

As of June 30, 2025, the College had the following investments with stated rating:

	Total	Investment Ratings by Standard & Poor's		
		AAA	AA	Unrated
Money market	\$ 7,573,996	\$ 7,573,996	\$ -	-
Certificate of deposit	9,186,478	-	-	9,186,478
U.S. government agency securities	9,795,612	-	9,795,612	-
Totals	\$ 26,556,086	\$ 7,573,996	\$ 9,795,612	\$ 9,186,478

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

As of June 30, 2024, the College had the following investments with stated ratings:

	Investment Ratings by Standard & Poor's			
	Total	AAA	AA	Unrated
Money market	\$ 14,166,698	\$ 14,166,698	\$ -	-
Certificate of deposit	12,253,658	-	-	12,253,658
Municipal bonds	6,070,118	-	6,070,118	-
Totals	\$ 32,490,474	\$ 14,166,698	\$ 6,070,118	\$ 12,253,658

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned to it. At year end, the College's carrying amount of deposits was \$25,772,935 and the bank balance was \$25,803,771. Of the bank balance, \$714,256 was covered by federal depository insurance; \$25,089,515 was collateralized with securities held by the pledging institution's trust department or agent in the College's name.

Concentration Risk

Concentration risk is the risk associated with having more than 5 percent of investments in any issuer, other than the U.S. Government. The College does not have a concentration risk policy. The College has no investments that represent 5 percent or more of the total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The College does not have a foreign currency risk policy. The College does not have any investments with foreign currency risk exposure.

The Illinois Funds is a State of Illinois investment pool acting on behalf of local governments including School Districts, Community Colleges, and Educational Service Regions.

Fair Value Measurement

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy, as described under current accounting standards, are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets.

Level 2: Inputs to the valuation methodology include
 quoted prices for similar assets or liabilities in active markets;
 quoted prices for identical or similar assets or liabilities in inactive markets; or
 inputs other than quotes prices that are observable for the asset or liability

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2025:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Certificate of deposit	\$ 9,186,478	\$ -	\$ 9,186,478	-
U.S. government agency securities	9,795,612	-	9,795,612	-
Total investments	\$ 18,982,090	\$ -	\$ 18,982,090	-

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2024:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Certificate of deposit	\$ 12,253,658	\$ -	\$ 12,253,658	-
U.S. government agency securities	6,070,118	-	6,070,118	-
Total investments	\$ 18,323,776	\$ -	\$ 18,323,776	-

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 3: Capital Assets

Capital asset balances and activity for the year ended June 30, 2025, were as follows:

	Balance 7/1/2024	Increases	Decreases	Transfers/ Adjustments	Balance 06/30/25
Capital assets, not being depreciated:					
Land	\$ 346,125	\$ -	\$ -	\$ -	346,125
Work in progress	22,264,257	139,206	-	(22,264,257)	139,206
Total capital assets, not being depreciated	22,610,382	139,206	-	(22,264,257)	485,331
Capital assets, being depreciated/amortized:					
Buildings and additions	31,628,219	9,987,993	-	21,542,107	63,158,319
Infrastructure	3,511,179	84,755	-	616,036	4,211,970
Furniture and equipment	6,869,590	2,501,156	-	56,427	9,427,173
Land improvements	3,122,670	-	-	(27,716)	3,094,954
Vehicles	218,696	329,852	-	186	548,734
Leased assets - equipment	283,168	-	-	-	283,168
Leased assets - vehicles	97,714	-	-	-	97,714
SBITA assets	411,733	232,037	(180,757)	-	463,013
Total capital assets, being depreciated/amortized	46,142,969	13,135,793	(180,757)	22,187,040	81,285,045
Accumulated depreciation and amortization:					
Buildings and additions	21,042,007	1,168,150	-	(760)	22,209,397
Infrastructure	3,323,804	157,206	-	-	3,481,010
Furniture and equipment	5,887,504	609,646	-	(49,795)	6,447,355
Land improvements	1,627,338	274,645	-	48,174	1,950,157
Vehicles	213,197	56,112	-	4,453	273,762
Leased assets - equipment	165,182	56,634	-	-	221,816
Leased assets - vehicles	55,372	19,543	-	-	74,915
SBITA assets	181,762	168,730	(180,757)	-	169,735
Total accumulated depreciation and amortization	32,496,166	2,510,666	(180,757)	2,072	34,828,147
Total capital assets, being depreciated, net	13,646,803	10,625,127	-	22,184,968	46,456,898
Capital assets, net	\$ 36,257,185	\$ 10,764,333	\$ -	\$ (79,289)	\$ 46,942,229

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 3: Capital Assets (Continued)

Changes in the various capital asset categories during the year ended June 30, 2024 are as follows:

	Balance 7/1/2023	Increases	Decreases	Transfers/ Adjustments	Balance 6/30/2024
Capital assets, not being depreciated:					
Land	\$ 346,125	\$ -	\$ -	\$ -	346,125
Work in progress	4,551,646	18,697,574	(45,000)	(939,963)	22,264,257
Total capital assets, not being depreciated	4,897,771	18,697,574	(45,000)	(939,963)	22,610,382
Capital assets, being depreciated/amortized:					
Buildings and additions	30,925,799	16,583	-	685,837	31,628,219
Infrastructure	3,511,179	-	-	-	3,511,179
Furniture and equipment	6,308,993	560,597	-	-	6,869,590
Land improvements	2,856,164	12,380	-	254,126	3,122,670
Vehicles	218,696	-	-	-	218,696
Leased assets - equipment	283,168	-	-	-	283,168
Leased assets - vehicles	150,610	-	(52,896)	-	97,714
SBITA assets	447,307	230,976	(266,550)	-	411,733
Total capital assets, being depreciated/amortized	44,701,916	820,536	(319,446)	939,963	46,142,969
Accumulated depreciation and amortization:					
Buildings and additions	20,305,261	736,746	-	-	21,042,007
Infrastructure	3,214,720	109,084	-	-	3,323,804
Furniture and equipment	5,437,120	450,384	-	-	5,887,504
Land improvements	1,356,213	271,125	-	-	1,627,338
Vehicles	213,197	-	-	-	213,197
Leased assets - equipment	108,548	56,634	-	-	165,182
Leased assets - vehicles	62,277	45,991	(52,896)	-	55,372
SBITA assets	320,178	128,133	(266,549)	-	181,762
Total accumulated depreciation and amortization	31,017,514	1,798,097	(319,445)	-	32,496,166
Total capital assets, being depreciated, net	13,684,402	(977,561)	(1)	939,963	13,646,803
Capital assets, net	\$ 18,582,173	\$ 17,720,013	\$ (45,001)	\$ -	\$ 36,257,185

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt

The following is a summary of the College's long-term and short-term debt transactions for the year ended June 30, 2025:

	Restated Balance 7/1/2024	Increases	Decreases	Balance 06/30/25	Current Portion	Long-term Portion
Long-term debt:						
General obligation bonds and certificates	\$ 25,740,000	\$ 4,300,000	\$ 2,900,000	\$ 27,140,000	\$ 3,330,000	\$ 23,810,000
Bond premiums	2,788,409	-	370,176	2,418,233	331,381	2,086,852
Lease obligations	177,722	-	80,951	96,771	87,302	9,469
Subscription liability	229,928	232,037	168,332	293,633	116,163	177,470
Compensated absences	1,264,674	142,813	-	1,407,487	943,016	464,471
Net OPEB liability	3,156,826	-	243,762	2,913,064	-	2,913,064
Arbitrage rebate payable	-	1,491,207	-	1,491,207	-	1,491,207
Totals	\$ 33,357,559	\$ 6,166,057	\$ 3,763,221	\$ 35,760,395	\$ 4,807,862	\$ 30,952,533

The following is a summary of the College's long-term and short-term debt transactions for the year ended June 30, 2024:

	Balance 7/1/2023	Restated Increases	Decreases	Balance 6/30/2024	Current Portion	Long-term Portion
Long-term debt:						
General obligation bonds and certificates	\$ 28,595,000	-	\$ 2,855,000	\$ 25,740,000	\$ 2,900,000	\$ 22,840,000
Bond premiums	3,186,225	-	397,816	2,788,409	370,176	2,418,233
Lease obligations	279,236	-	101,514	177,722	80,951	96,771
Subscription liability	129,635	230,976	130,683	229,928	47,837	182,091
Compensated absences	392,401	1,135,392	263,118	1,264,675	847,333	417,342
Net OPEB liability	3,116,559	40,267	-	3,156,826	-	3,156,826
Totals	\$ 35,699,056	\$ 1,406,635	\$ 3,748,131	\$ 33,357,560	\$ 4,246,297	\$ 29,111,263

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

Details on the debt as of June 30, 2025, are as follows:

1. The general obligation bonds, Series 2020, bear interest at 0.85 percent, which is due on January 1 and July 1 of each year, while principal amounts mature serially on January 1 of each year, with final maturity on January 1, 2025. A portion of the bond proceeds (95.04%) were used for the purchase of capital assets. These bonds were fully paid off during fiscal year 2025.

2. The general obligation bonds, Series 2021, bear interest at 3.00 to 4.00 percent, which is due on December 30 and June 30 of each year, while principal amounts mature serially on December 30 of each year, with final maturity on December 30, 2040. A portion of the bond proceeds (98.12%) spent by June 30, 2025, were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 2,270,000	\$ 802,950	\$ 4,540,000
2027	2,400,000	709,550	3,109,550
2028	1,330,000	634,950	1,964,950
2029	1,285,000	582,650	1,867,650
2030	1,285,000	531,250	1,816,250
2031-2035	6,450,000	1,883,350	8,333,350
2036-2040	6,485,000	694,750	7,179,750
2041	1,335,000	20,025	1,355,025

Totals	\$ 22,840,000	\$ 5,859,475	\$ 30,166,525
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3. The general obligation bonds, Series 2024, bear interest at 3.87% percent, which is due on December 30 and June 30 of each year, while principal amounts mature serially on December 30 of each year, with final maturity on December 30, 2028. A portion of the bond proceeds spent (98.73%) by June 30, 2025, were used for the purchase of capital assets. The annual debt service requirements on these bonds are due as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 1,060,000	\$ 145,899	\$ 1,205,899
2027	1,290,000	100,426	1,390,426
2028	980,000	56,502	1,036,502
2029	970,000	18,770	988,770
Totals	\$ 4,300,000	\$ 321,597	\$ 4,621,597

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

4. Lease agreement with Wells Fargo Equipment Finance, Inc. dated July 2021 in the original principal amount of \$97,714, due in monthly installments of \$1,888, including imputed interest at 6.19%, collateralized by 2 buses (lease assets). The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 21,690	\$ 966	\$ 22,656
2027	3,747	29	3,776
2031 - 2035	-	-	-
Totals	\$ 25,437	\$ 995	\$ 26,432

5. Lease agreement with Marco Technologies LLC dated July 2021 in the original principal amount of \$283,168, due in monthly installments of \$5,747, including imputed interest at 8.04%, collateralized by 17 copiers (lease assets). The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 65,612	\$ 3,352	\$ 68,964
2027	5,722	38	5,760
Totals	\$ 71,334	\$ 3,390	\$ 74,724

6. EAB Global, Inc. software subscription agreement dated March 2024 in the original principal amount of \$230,976, due in annual installments of \$48,885, \$50,352, \$51,862, \$53,418, and \$55,021 from March 2024 through March 2028, including imputed interest rate 6.0%. The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 43,302	\$ 8,560	\$ 51,862
2027	47,456	5,962	53,418
2028	51,907	3,114	55,021
Totals	\$ 142,665	\$ 17,636	\$ 160,301

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

7. Learning Management software subscription agreement dated March 2024 in the original principal amount of \$89,616, due in annual installments of \$30,840, \$31,654, and \$32,528 from July 2024 through June 2027, including imputed interest at 6.0%. The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 28,125	\$ 3,529	\$ 31,654
2027	30,687	1,841	32,528
Totals	\$ 58,812	\$ 5,370	\$ 64,182

8. VMWare software subscription agreement dated March 2024 in the original principal amount of \$142,421, due in annual installments of \$50,265 from May 2025 through May 2028, including imputed interest at 6.0%. The annual debt service requirement is as follows:

During the year ending June 30:	Principal	Interest	Total
2026	\$ 44,736	\$ 5,529	\$ 50,265
2027	47,420	2,845	50,265
Totals	\$ 92,156	\$ 8,374	\$ 100,530

9. Technolutions, Inc. software subscription agreement dated May 2020 in the original principal amount of \$180,757, due in bi-annual installments of \$25,000, including imputed interest at 6.00%. This subscription was fully paid off during fiscal year 2025.

The annual requirements to amortize all debt outstanding as of June 30, 2025, including interest, are as follows:

During the year ending June 30:	General Obligation Bonds	Compensated Absences	Leases	Subscriptions	Total Principal	Interest	Total Principal and Interest
2026	\$ 3,330,000	\$ 943,016	\$ 87,302	\$ 116,163	\$ 4,476,481	\$ 970,785	\$ 5,447,266
2027	3,690,000	464,471	9,469	125,563	4,289,503	817,847	5,107,350
2028	2,310,000	-	-	51,907	2,361,907	697,411	3,059,318
2029	2,255,000	-	-	-	2,255,000	601,420	2,856,420
2030	1,285,000	-	-	-	1,285,000	531,250	1,816,250
2031 - 2035	6,450,000	-	-	-	6,450,000	1,883,350	8,333,350
2036 - 2040	6,485,000	-	-	-	6,485,000	694,750	7,179,750
2041 - 2043	1,335,000	-	-	-	1,335,000	20,025	1,355,025
Totals	\$27,140,000	\$ 1,407,487	\$ 96,771	\$ 293,633	\$ 28,937,891	\$ 6,216,838	\$ 35,154,729

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 4: Debt (Continued)

The general obligation bonded debt of the College is limited to 2.875% of assessed valuation. The legal debt limit at June 30, 2025, is \$75,640,356. General obligation debt, leases, and SBITAs at June 30, 2025 total \$29,948,637 resulting in a legal debt margin of \$45,691,719.

Arbitrage Rebate Payable

Under U.S. Treasury Department regulations, all government tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds, which exceed related interest expenditures on the bonds, must be remitted to the federal government on every fifth anniversary of each bond issue. As of June 30, 2025, the College has set aside \$1,491,207 in arbitrage interest due to the IRS. No payment is due for fiscal year 2025.

Note 5: Defined Benefit Pension Plans

General Information about the Pension Plan

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

Benefits provided - A traditional benefit plan was established in 1941. Public Act 90-0448 (effective January 1, 1998) established an alternative defined benefit program known as the portable benefit package. Tier 1 of the traditional and portable plan refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who began participation on or after January 1, 2011, and who do not have other eligible reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2024, can be found in the Financial Section of SURS ACFR.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

Contributions - The State is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2024 and fiscal year 2025, respectively, was 12.53% and 11.98% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State's General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).

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

Net Pension Liability

The net pension liability (NPL) was measured as of June 30, 2024 and June 30, 2023. SURS defined benefit plan reported a NPL of \$30,230,907,727 at June 30, 2024 and \$29,444,538,098 at June 30, 2023.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the NPL to be recognized for the College in fiscal year 2024 is \$0 and for fiscal year 2023 it was \$0. The proportionate share of the State's NPL associated with the College at June 30, 2024 is \$65,923,634 or 0.2181% and at June 30, 2023 is \$67,104,102 or 0.2279%. The College's proportionate share changed by (0.0098)% from 0.2279% since the last measurement date of June 30, 2023. This amount is not recognized in the College's financial statements. The NPL and total pension liability as of June 30, 2024 was determined based on the June 30, 2023 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2023.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

Defined Benefit Pension Expense

For the years ending June 30, 2024 and June 30, 2023, SURS defined benefit plan reported a collective net pension expense of \$1,996,285,670 and \$1,884,388,521, respectively.

Employer Proportionate Share of Defined Benefit Pension Expense

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2023 and 2022, respectively. As a result, the College recognized revenue and defined benefit pension expense of \$4,353,240 and \$4,294,521 from this special funding situation during the years ended June 30, 2025 and June 30, 2024, respectively.

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

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	Deferred Outflows of Resources	Deferred Inflow of Resources
Fiscal year ended June 30, 2024 (measurement date)		
Difference between expected and actual experience	\$ 305,114,071	\$ -
Changes in assumption	483,809,428	-
Net difference between projected and actual earnings on pension plan investments	-	27,577,324
Totals	\$ 788,923,499	\$ 27,577,324
Fiscal year ended June 30, 2023 (measurement date)		
Difference between expected and actual experience	\$ 62,591,844	\$ 12,277,871
Changes in assumption	70,957,694	420,880,693
Net difference between projected and actual earnings on pension plan investments	187,992,691	-
Totals	\$ 321,542,229	\$ 433,158,564

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses		Net Deferred Outflows (Inflows) of Resources
Year Ending June 30		
2025		\$ 126,531,380
2026		756,545,086
2027		(49,545,529)
2028		(72,184,762)
Total		\$ 761,346,175

College's Deferral of Fiscal Year 2025 Contributions

The College paid \$51,960 and \$44,440 in federal, trust or grant contributions to SURS defined benefit pension plan during the years ended June 30, 2025 and June 30, 2024, respectively. These contributions were made subsequent to the pension liability measurement date of June 30, 2024 and June 30, 2023, and are recognized as deferred outflows of resources as of June 30, 2025 and June 30, 2024.

Assumptions and Other Inputs

Actuarial assumptions. The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period June 30, 2020 through June 30, 2023. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%	
Salary increases	3.15% to 15.00%, 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.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

The long-term expected rate of return on defined benefit plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024, these best estimates are summarized in the following table:

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long- Term Expected Real Rate of Return (Arithmetic)
Traditional Growth		
Global Public Equity	36.0 %	7.13 %
Stabilized Growth		
Core Real Assets	8.0 %	5.06 %
Public Credit Fixed Income	6.5 %	4.10 %
Private Credit	2.5 %	7.36 %
Non-Traditional Growth		
Private Equity	11.0 %	10.92 %
Non-Core Real Assets	4.0 %	9.09 %
Inflation Sensitive		
U.S. TIPS	5.0 %	2.12 %
Principal Protection		
Core Fixed Income	10.0 %	1.34 %
Crisis Risk Offset		
Systematic Trend Following	10.0 %	2.90 %
Alternative Risk Premia	3.0 %	2.62 %
Long Duration	2.0 %	2.84 %
Long Volatility/Tail Risk	2.0 %	(1.22)%
Totals	100.0 %	5.63 %
Inflation		2.80 %
Expected Arithmetic Return		8.43 %

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 5: Defined Benefit Pension Plans (Continued)

Discount Rate. A single discount rate of 6.35% and 6.37% at June 30, 2024 and June 30, 2023, respectively, 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 6.50% at June 30, 2024 and June 30, 2023, respectively, and a municipal bond rate of 3.97% and 3.86% at June 30, 2024 and June 30, 2023, respectively (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2024 and June 30, 2023, respectively). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the SURS Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.35% and 6.37% at June 30, 2024 and June 30, 2023, as well as what the State's NPL would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

June 30, 2024			
	1% Decrease 5.35%	Current Single Discount Rate Assumption 6.35%	1% Increase 7.35%
\$	36,700,168,358	\$ 30,230,907,727	\$ 24,839,790,537
June 30, 2023			
	1% Decrease 5.37%	Current Single Discount Rate Assumption 6.37%	1% Increase 7.37%
\$	35,695,434,682	\$ 29,444,538,098	\$ 24,236,489,318

Additional information regarding the SURS basic financial statements, including the plan's net position can be found in the SURS Annual Comprehensive Financial Report by accessing the website at www.surs.org.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 6: Defined Contribution Pension Plan

General Information about the Pension Plan

Plan Description. The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.surs.org. The RSP and its benefit terms were established and may be amended by the State's General Assembly.

Benefits Provided. A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2024, 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 contributions is forfeited. Employees who later return to SURS-covered employment will have these forfeited employer contributions reinstated to their account, so long as the employee's own contributions remain in the account. Forfeited employer contributions are managed by SURS and are used both to reinstate previously forfeited contributions and to fund a portion of the State's contributions on behalf of the individual employers. The vesting and forfeiture provisions of the RSP were established and may be amended by the State's General Assembly.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 6: Defined Contribution Pension Plan (Continued)

Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

For the year ended June 30, 2024, the State's contributions to the RSP on behalf of individual employers totaled \$96,741,887. Of this amount, \$89,857,115 was funded via an appropriation from the State and \$6,884,772 was funded from previously forfeited contributions. For the year ended June 30, 2023, the State's contributions to the RSP on behalf of individual employers totaled \$90,330,044. Of this amount, \$81,991,471 was funded via an appropriation from the State and \$8,338,573 was funded from previously forfeited contributions

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal years 2024 and 2023. The College's share of pensionable contributions was 0.0840% and 0.0709% for fiscal years 2024 and 2023. As a result, the College recognized revenue and defined contribution pension expense of \$81,284 and \$63,999 from this special funding situation during the years ended June 30, 2025 and June 30, 2024, respectively, of which \$5,785 and \$5,908 constituted forfeitures during the years ended June 30, 2025 and June 30, 2024, respectively.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits

Plan Administration - The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program, "CIP") is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to CIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the State Universities Retirement System and the boards of trustees of the various community college districts.

Plan membership - All members receiving benefits from the State Universities Retirement System (SURS) who have been full-time employees of a community college district or an association of a community college who have paid the required active member CIP contributions prior to retirement are eligible to participate in CIP. Survivors of an annuitant or benefit recipient eligible for CIP coverage are also eligible for coverage under CIP.

Benefit Provisions - A summary of other post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Benefits Provided - CIP health coverage includes provisions for medical, prescription drugs, vision, dental and behavioral health benefits. Eligibility to participate in the CIP is defined in the State Employees Group Insurance Act of 1971 (ACT) (5 ILCS 375/3). The Act (5 ILCS 375/6.9) also establishes health benefits for community college benefit recipients and dependent beneficiaries.

Contributions - Beginning July 1, 2023, and through June 30, 2024, 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 0.75% of the salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.75% of the salary paid to its full-time employees who participate in the plan. Beginning July 1, 2024 and through June 30, 2026, the contribution rate shall be a percentage of salary to be determined by the Department, which in each fiscal year shall not exceed a 0.1 percentage point increase in the amount of salary actually required to be contributed for the previous fiscal year. Beginning July 1, 2026, the active member and employer contribution rates shall be a percentage of salary to be determined by the Department, which in each fiscal year shall not exceed 105% of the percentage of salary actually required to be contributed for the previous fiscal year. The State Pension Funds Continuing Appropriate Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1071 (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.

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

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2024 and June 30, 2023. CIP reported a net OPEB liability at June 30, 2024 of \$665,190,300 and at June 30, 2023 of \$706,333,410.

Employer Proportionate Share of Net OPEB Liability

The amount of the proportionate share of the net OPEB liability to be recognized for the College in fiscal year 2025 is \$2,913,064 or 0.4380%, and for fiscal year 2024 it was \$3,156,826 or 0.4469%. This amount is recognized in the financial statement. The change in the College's proportionate net OPEB liability was a decrease of 0.0089%. The proportionate share of the State's net OPEB liability associated with the College at June 30, 2024 and June 30, 2023 was \$2,913,064 or 0.4380% and \$3,156,826 or 0.4469%, respectively. The total proportionate share of the net OPEB liability associated with the College at June 30, 2024 and June 30, 2023 was \$5,826,128 and \$6,313,652, respectively. The net OPEB liability and total OPEB liability as of June 30, 2024 was determined based on the June 30, 2023 actuarial valuation. The basis of allocation used in the proportionate share of net OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2024.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

OPEB Expense

At June 30, 2024 and June 30, 2023, CIP reported a collective net OPEB expense (income) of \$(252,150,464) and \$(258,363,775), respectively.

Employer Proportionate Share of OPEB Expense

The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2024 and 2023, respectively. As a result, the College recognized on-behalf revenue of \$(1,017,487) and \$(1,075,544) for the fiscal year ended June 30, 2025 and June 30, 2024, respectively. Additionally, the College recognized OPEB expense (income) of \$(1,238,389) and \$(1,321,829) for the fiscal year ended June 30, 2025 and June 30, 2024, respectively.

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

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

Fiscal year ended June 30, 2024 (measurement date)	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 36,930	\$ 877,692
Changes in assumption	21,541	2,116,517
Net difference between projected and actual earnings on OPEB plan investments	0	1,444
Changes in proportion and differences between employer contributions and share of contributions	75,092	415,128
Total deferred amounts to be recognized in pension expense in future periods	133,563	3,410,781
OPEB contributions made subsequent to the measurement date	86,932	0
Totals	\$ 220,495	\$ 3,410,781

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

	Deferred Outflows of Resources	Deferred Inflow of Resources
Fiscal year ended June 30, 2023 (measurement date)		
Difference between expected and actual experience	\$ 47,505	\$ 950,384
Changes in assumption	0	3,086,079
Net difference between projected and actual earnings on OPEB plan investments	0	675
Changes in proportion and differences between employer contributions and share of contributions	117,270	427,177
Total deferred amounts to be recognized in pension expense in future periods	164,775	4,464,315
OPEB contributions made subsequent to the measurement date	69,627	0
Totals	\$ 234,402	\$ 4,464,315

The College reported \$86,932 and \$69,627 as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2026 and June 30, 2025, respectively. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2026	\$ (546,203)
2027	(546,203)
2028	(546,203)
2029	(546,203)
2030	(546,203)
2031	(546,203)
Total	\$ (3,277,218)

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Assumptions and Other Inputs

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on age and service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend rates for plan year 2025 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trends rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.

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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020.

Discount Rate. Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with the 20 years to maturity that include only federally tax-exempt municipal bonds reported in Fidelity's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.97% as of June 30, 2024 and 3.86% as of June 30, 2023.

The increase in the single discount rate from 3.86% to 3.97% caused the total OPEB liability to increase by approximately \$6.3 million from 2023 to 2024.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate

The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 3.97% and 3.86% at June 30, 2024 and June 30, 2023, respectively, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (4.97%) or lower (2.97%) than the current rate:

Sensitivity of Net OPEB Liability as of June 30, 2024 to the Single Discount Rate Assumption				
	1% Decrease (2.97%)	Current Single Discount Rate Assumption (3.97%)	1% Increase (4.97%)	
Net OPEB liability	\$ 3,182,564	\$ 2,913,064	\$ 2,682,337	
Sensitivity of Net OPEB Liability as of June 30, 2023 to the Single Discount Rate Assumption				
	1% Decrease (2.86%)	Current Single Discount Rate Assumption (3.86%)	1% Increase (4.86%)	
Net OPEB liability	\$ 3,444,129	\$ 3,156,826	\$ 2,909,432	

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

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

Sensitivity of Net OPEB Liability as of June 30, 2024 to the Healthcare Cost Trend Rate Assumption				
	1% Decrease (b)	Healthcare Cost Trend Rates Assumption (a)	1% Increase (c)	
Net OPEB liability	\$ 2,617,373	\$ 2,913,064	\$ 3,271,272	

- (a) Current healthcare trend rates - Pre-Medicare per capita costs: 9.02% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

- (b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.02% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 14.00% from 2026 to 2030, 6.00% in 2031 decreasing ratably to an ultimate rate of 3.25% in 2041.
- (c) One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 10.02% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 16.00% from 2026 to 2030, 8.00% in 2031 decreasing ratably to an ultimate rate of 5.25% in 2041.

Sensitivity of Net OPEB Liability as of June 30, 2023
to the Healthcare Cost Trend Rate Assumption

	1% Decrease (b)	Healthcare Cost Trend Rates Assumption (a)	1% Increase (c)
Net OPEB liability	\$ 2,835,590	\$ 3,156,826	\$ 3,544,194

- (a) Current healthcare trend rates - Pre-Medicare per capita costs: 9.14% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate rate of 4.25% in 2040.
- (b) One percentage 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.
- (c) One percentage 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.

Note 8: Risk Management

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and students; and natural disasters. The College purchases commercial insurance to cover the various risks of loss. The commercial insurance policies contain deductibles which vary with the type of coverage and risk involved. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 9: Commitments and Contingencies

The College is part of a consortium that created a corporation called the Alliance of Community Colleges for Electronic Sharing, or "ACCES," to enable them to purchase computer software collectively. ACCES has the authority to incur debt on behalf of the College and its other members.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the College expects such amounts, if any, to be immaterial.

Note 10: Impact of Pending Accounting Principles

GASB Statement No. 102, Certain Risk Disclosures, improves financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The College has not determined the effect of this Statement.

GASB Statement No. 103, Financial Reporting Model Improvements, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The College has not determined the effect of this Statement.

GASB Statement No. 104, Disclosures in Certain Capital Assets, mandates the disclosure of specific types of capital assets, including lease, intangible, subscription, and assets held for sale, in the capital asset note disclosures. This aims to enhance consistency and comparability in financial reporting among governments. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The College has not determined the effect of this Statement.

Note 11: Related Party Transactions

The College has the following related party transactions for fiscal year ended June 30, 2025:

Related Party	Location	Nature	Revenue (Expense)	Asset (Liability)
Carl Sandburg College Foundation	Galesburg, IL	Fall scholarships receivable		\$219,750
Carl Sandburg College Foundation	Galesburg, IL	Scholarships and grants	\$982,396	
Carl Sandburg College Foundation	Galesburg, IL	Reimbursement for salaries	147,880	
Carl Sandburg College Foundation	Galesburg, IL	Contributed nonfinancial assets	(111,385)	

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 11: Related Party Transactions (Continued)

The College has the following related party transactions for fiscal year ended June 30, 2024:

Related Party	Location	Nature	Revenue (Expense)	Asset (Liability)
Carl Sandburg College Foundation	Galesburg, IL	Fall scholarships receivable		\$192,480
Carl Sandburg College Foundation	Galesburg, IL	Scholarships and grants	\$671,108	
Carl Sandburg College Foundation	Galesburg, IL	Reimbursement for salaries	0	
Carl Sandburg College Foundation	Galesburg, IL	Contributed nonfinancial assets	(86,310)	

Note 12: Accounting Changes and Error Corrections

As of July 1, 2024, the College adopted GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the needs of the financial statement users by improving accounting and financial reporting for compensated absences by governments. As a result of the implementation the following balances changed from the financial statements as of June 30, 2025.

Years Ended June 30, 2025 and 2024	Statement of Net Position	
	June 30, 2025	June 30, 2024
Net position, beginning of year, as previously reported	\$ 53,564,071	\$ 46,349,356
Change in accounting principles (GASB 101)	-	(824,862)
Net position, beginning of year, as restated	\$ 53,564,071	\$ 45,524,494

Note 13: Component Unit

Nature of Operations

The Carl Sandburg College Foundation (the Foundation) was organized and operates exclusively for educational purposes to assist in developing and augmenting the facilities and carrying out the educational functions of Carl Sandburg College - Community College District 518 (the "College"). The Foundation relies on contributions, from individuals and organizations, and investment income to provide financial assistance to students, primarily attending Carl Sandburg College. The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) except for taxes on unrelated income.

Management's Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported support, revenues, and expenses. Actual results could vary from the estimates that were used.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States ("GAAP"). Net assets and revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets available for use in general operating purposes under the direction of the board of directors (Board) or designated by the Board for specific use. The Foundation maintains net assets without donor restrictions as follows:

Undesignated - used to fund current operations of the Foundation.

Board designated reserves - used to fund future scholarships, college programs or projects, or operations of the Foundation as determined by the board.

Net assets with donor restrictions: Net assets subject to donor stipulations for specific purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term to support operations or specific purposes. The Foundation maintains net assets with donor restrictions as follows:

Restricted due to time - all contributions of the Foundation with donor restrictions that will be met by the passage of time

Restricted for specified purpose - all contributions to the Foundation with the intention of the donor to be held in a donor restricted non-endowed fund for specified scholarship, program, or other purpose

Restricted in perpetuity - endowment - all contributions to the Foundation with the intention of the donor that the assets be held in perpetuity and managed in accordance with the Foundation's spending policy

Restricted subject to the Foundation's spending policy - investment earnings on assets restricted in perpetuity - endowment and managed in accordance with the Foundation's spending policy

Investments and Investment Return

The Foundation carries its investments at fair value for financial reporting purposes. Changes in unrealized appreciation or depreciation of investments are reflected in the Statement of Activities and Functional Expenses in the periods in which such changes occur.

Interest and dividend income and net unrealized and realized gains and losses on investments are recognized as net assets with or without donor restrictions based upon the existence or absence of donor imposed restrictions or the related fund classification in accordance with the Foundation's spending policy.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Pledge Receivables

Unconditional promises to give cash and other assets to the Foundation are reported at fair value at the date the promise is received. Management estimates an allowance for doubtful pledges based on an evaluation of historical losses, current economic conditions, and other factors unique to the Foundation's donors. Management has determined that no allowance for its pledges receivable is necessary at June 30, 2025.

Support, Revenues, and Expense Recognition

Contributions are recognized as revenues in the period the contribution is received or the promise is made. Contributions received with donor imposed restrictions are reported as restricted support and increase net assets with donor restrictions.

Support and revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in either net assets with or without donor restrictions in accordance with the classification of the fund.

All other revenue is recorded when earned.

Administrative Fees

Administrative fees are expensed from the funds to support the operations of the Foundation and are considered program expenses. Administrative fees from all funds are reflected as revenue on the Statements of Activities and Functional Expenses.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statements of Activities and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report expenses that are attributed to more than one program or supporting function. These expenses include salaries and wages which are allocated on the basis of estimates of time and effort. While this method of allocation is considered appropriate, other methods could produce different results.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Income Taxes

The Foundation is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal taxes on related income pursuant to Section 501(a) of the Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of June 30, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements.

As such, the Foundation is generally exempt from income taxes. However, the Foundation is required to file Federal Form 990 - Return of Organization Exempt from Income Tax which is an informational return only. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Subsequent Events

The Foundation has evaluated events or transactions occurring subsequent to the Statement of Financial Position date for the recognition and disclose in the accompanying financial statements through the date for recognition and disclosure in the accompanying financial statements through the date the financial statements are available to be issued, which is October 8, 2025.

Investments

The investments at June 30, 2025 consisted of the following:

Cash and cash equivalents	\$	381
Equity mutual funds		
Small/mid		414,850
Large cap		20,135,643
Fixed income mutual funds		
Short term		1,079,112
Intermediate		4,444,948
World		827,536
		\$ 26,902,470

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The investments at June 30, 2024 consisted of the following:

Cash and cash equivalents	\$ 21,080,894
Equity mutual funds	3,378,124
Fixed income mutual funds	112
	\$ 24,459,130

Risks and Uncertainties

The Foundation holds investments, which are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements.

Fair Value Measurement

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset has a special (contractual) term, the level 2 input must be observable for substantially the full term of the asset.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significantly to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

Mutual funds: Valued at the daily closing price as reported by the funds. Mutual funds held by the Foundation are registered with the Securities and Exchange Commission. These mutual funds are required to publish their daily net asset value ("NAV") and to transact at that price. Mutual funds held by the Foundation are deemed to be actively traded.

Beneficial interest in perpetual trust: Fair value is determined by calculating the Foundation's share of the underlying investments in the trust.

The following table sets forth by level, within the hierarchy, the Foundation's assets are measured at fair value on a recurring basis as of as of June 30, 2025:

	Fair Value	Level 1	Level 2	Level 3
Assets:				
Mutual funds	\$26,902,089	\$26,902,089	\$0	\$0
Beneficial interest in perpetual trust	333,286	0	0	333,286
The progression of beneficial interest in perpetual trust during the year ended June 30, 2025, is as follows:				
Beginning balance	\$333,320			
Change in spilt interest agreement	3,131			
Distribution	(3,165)			
	\$333,286			

The following table sets forth by level, within the hierarchy, the Foundation's assets are measured at fair value on a recurring basis as of as of June 30, 2024:

	Fair Value	Level 1	Level 2	Level 3
Assets:				
Mutual funds - equity	\$21,080,894	\$21,080,894		
Mutual funds - bonds	3,378,124	3,378,124		
Money market funds	112	112	\$0	\$0
Beneficial interest in perpetual trust	333,320	0	0	333,320

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The progression of beneficial interest in perpetual trust during the year ended June 30, 2024, is as follows:

Beginning balance	\$317,919
Change in spilt interest agreement	15,401
	\$333,320

Pledge Receivables

Unconditional pledges receivable consist of the following at June 30, 2025:

Amounts due in:	
Less than one year	\$ 51,000
One to five years	100,290
Total pledges receivable	151,290
Less present value effect	10,294
Total pledges receivable, net	\$140,996

Unconditional pledges receivable consist of the following at June 30, 2024:

Amounts due in:	
Less than one year	\$ 60,025
One to five years	151,291
Total pledges receivable	211,316
Less present value effect	13,837
Total pledges receivable, net	\$197,479

Beneficial Interest in Perpetual Trusts

The Foundation is the sole beneficiary of an irrevocable perpetual trust under which distributions of 4% of the average fair market value of assets of the preceding three years are made to the Foundation. The principal is to be held for perpetuity with the investment earnings to be used for student scholarships. The Foundation is not the trustee of the trust, but has recorded the entire fair value of annual amounts to be received in the future. The Foundation has recognized its interest in the perpetual trust as part of net assets with donor restrictions. The Organization's interest under the trust was \$333,286 as of June 30, 2025, and the recorded value was \$333,320 as of June 30, 2024.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Contributed Nonfinancial Assets

Contributed nonfinancial assets as of June 30, 2025 consist of the following:

Services	\$86,940
Goods	21,523
Facilities	2,922
	\$111,385

Contributed nonfinancial assets as of June 30, 2024 consist of the following:

Services	\$83,465
Goods	4,000
Facilities	2,845
	\$90,310

The Foundation recognizes contributed nonfinancial assets within revenue, including contributed administrative services, fundraising goods, and office space. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed services recognized comprise of professional services from the College relating to payroll of Foundation management, along with marketing and public relations services. Foundation management are considered College employees and the management services are valued using the salary that the College pays management. Contributed marketing services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar marketing services.

Contributed goods were utilized for the College's fundraising, cultivation and donor stewardship. Contributed goods are valued and are reported at the estimated fair value in the financial statements based on estimates of wholesale values that would be received for selling similar products in the United States.

Contributed facilities relates to office space used for general and administrative activities of the Foundation located within the College. In valuing the contributed facilities, the Foundation estimated the fair value on the basis of recent comparable rental prices in Foundation's local real estate market.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Net Assets without Donor Restrictions

Net assets without donor restrictions at June 30, 2025, were as follows:

Undesignated	\$	2,985,107
Board designated		
College programs		229,393
Emergency funds		114,898
Reserves for future needs		1,773,753
	\$	5,103,151

Net assets without donor restrictions at June 30, 2024, were as follows:

Undesignated	\$	4,907,711
Board designated		
College programs		81,632
Emergency funds		113,159
Reserves for future needs		120,033
	\$	5,222,535

Net Assets with Donor Restriction

Net assets with donor restrictions are restricted for the following purposes or periods at June 30, 2025:

Restricted due to time	\$474,282
Restricted for specified purposes	
Scholarships	12,315,108
College programs	23,915
Restricted in perpetuity - Endowment	5,778,214
Restricted in perpetuity - Subject to the Foundation's spending policy	3,678,894
	\$22,270,413

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

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

Restricted for specified purposes	
Scholarships	\$13,823,087
Endowment subject to spending policy and appropriation	5,821,690
Foundation's spending policy	333,320
	\$19,978,097

Net Assets Released from Restrictions

Net assets were released from donor restrictions for the year ended June 30, 2025 were as follows:

Purpose restrictions related to:	
Time restrictions expired	\$ 59,983
Scholarships	260,418
College programs	50,689
Funds appropriated for expenditure for various purposes based on fund agreements	162,419
	\$ 533,509

Net assets were released from donor restrictions for the year ended were as follows June 30, 2024:

Purpose restrictions related to:	
Time restrictions expired	\$ 1,000
Scholarships	204,048
College programs	-
Funds appropriated for expenditure for various purposes based on fund agreements	175,752
	\$ 380,800

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Endowment

Many of the Foundation's funds consist of donor-restricted endowment funds established for a variety of purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate endowment funds:

- (1) The duration and preservation of the fund
- (2) The purpose of the Foundation and the donor restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation

From time to time, due to unfavorable market fluctuations, the fair value of assets associated with the individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. The Foundation has a policy that permits the Board of Directors to reduce the spending rate of the endowment fund when such a rate would take a fund below its historic gift value; thereby, not allowing spending from underwater endowment funds, unless otherwise precluded by donor intent or relevant laws and regulations.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for granting purposes while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the Foundation must use for a donor specified purpose. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce long-term growth of capital without undue exposure to risk. The Foundation expects its endowment funds, over time, to provide a sufficient rate of return to support the spending policy. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment decisions shall be made with the intent of maximizing the long-term total return of the portfolio through market value changes (realized and unrealized) and through earned income (dividends and interest).

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

The Foundation has a policy of appropriating for distribution each year a percentage of its endowment funds' fair value as voted upon annually by the Board of Directors, which typically is between 2.5% to 5%. In establishing this policy, the Foundation considers the long-term expected return on its endowment.

Donor restricted endowment funds are classified as net assets with donor restrictions. Changes in donor-restricted endowment funds for the year ending June 30, 2025, were as follows:

Endowment net assets,	
beginning of year	\$8,508,609
Contributions and other revenue	90,744
Investment return, net	1,230,772
Interfund, net	(150,614)
Appropriation of endowment assets for expenditure	(222,403)
 Endowments net assets, end of year	 \$9,457,108

Donor restricted endowment funds are classified as net assets with donor restrictions. Changes in donor-restricted endowment funds for the year ending June 30, 2024, were restated as follows:

Endowment net assets,	
beginning of year as restated	\$7,997,246
Contributions and other revenue	138,775
Investment return, net	950,147
Interfund, net	(204,048)
Appropriation of endowment assets for expenditure	(373,511)
 Endowments net assets, end of year	 \$8,508,609

Liquidity and Availability of Financial Assets

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its awarded grants, general expenditures, and other obligations became due. The Foundation invests cash in excess of daily requirements in other short-term investments.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Financial assets available for general expenditures within one year of the Statement of Financial Position date (operating and board designated reserves) are comprised of the following as of June 30, 2025:

Financial assets at year end:	
Cash	\$ 169,668
Investments	26,902,470
Pledges receivable	140,996
Total financial assets	27,213,134
Less amounts not available to be used within one year:	
Net Assets with donor restrictions	22,270,413
Less net assets with time restrictions to be met in less than one year	(51,000)
	22,219,413
Financial assets available to meet cash needs for general expenditures within one year	\$ 4,993,721

The following table reflects the Foundation's financial assets as of June 30, 2024, reduced by amounts not available for general expenditures:

Total financial assets	\$ 25,421,668
Less those unavailable for general expenditure within one year due to:	
Purpose restrictions	(19,644,777)
Board designated endowment funds	(314,824)
Perpetual endowments	(333,320)
Financial assets available to meet cash needs for general expenditures within one year	\$ 5,128,747

The Foundation's endowment funds consist of donor-restricted 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 Foundation has a formal grant approval process. This process includes evaluating a number of factors relative to the spending rate to be applied to the Foundation's fund balances in accordance with its spending policy. Once the Foundation's Board approves the spending rate, the related dollar amount of the funds becomes available for grants and scholarships to be awarded

While not subject to the Foundation's spending policy, expenditures from donor-restricted non-endowed funds must be approved by the Board and, therefore, are not available for general expenditure until that time. Non-endowed funds are held in cash or liquid investments and are made available upon appropriation.

The Foundation also relies on the administrative fees it charges its endowed funds annually a 2% of fund balance to fund operational expenditures.

Carl Sandburg College - Community College District 518

Notes to Financial Statements

Note 13: Component Unit (Continued)

Related Party Transactions

The Foundation is a component unit of the College for financial reporting purposes. The financial balances and activities included in these financial statements are, therefore, also included in the College's financial statements. The College donated \$111,385 and \$86,310 of services, goods, and facilities to the Foundation during the year ended June 30, 2025 and June 30, 2024, respectively. The Foundation paid the College \$982,396 and \$671,108 for scholarships and grants for projects during the year ended June 30, 2025 and June 30, 2024, respectively. The Foundation also paid the College \$147,880 and \$0 to reimburse for salaries of College faculty used during the year ended June 30, 2025 and June 30, 2024, respectively. In addition, there is a payable to the College for scholarships awarded for Fall 2025 and Fall 2024 in the amount of \$219,750 and \$192,480 as of June 30, 2025 and June 30, 2024, respectively.

Concentrations

The Foundation maintains its cash in bank deposit accounts insured by the Federal Deposit Insurance Corporation at its current coverage levels. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to these accounts at June 30, 2025 and June 30, 2024.

Marketable securities and money market funds are maintained with one investment firm. Such balances exceed the Securities Investor Protection Corporation insured limits of up to \$500,000.

Required Supplementary Information

Carl Sandburg College - Community College District 518

Schedule of Share of Net Pension Liability

Measurement Date June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion percentage of the collective net pension liability	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Proportion amount of the collective net pension liability	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	0
Portion of non-employer contributing entities' total proportion of collective net pension liability associated with the College	\$ 65,923,634 \$	\$ 67,104,102 \$	\$ 68,063,001 \$	\$ 65,513,365 \$	\$ 70,315,548 \$	\$ 67,377,287 \$	\$ 65,574,518 \$	\$ 61,129,173 \$	\$ 63,441,840 \$	\$ 57,324,387
Employer covered payroll	\$ 9,281,906 \$	\$ 8,738,247 \$	\$ 8,716,514 \$	\$ 8,750,555 \$	\$ 8,562,352 \$	\$ 8,507,917 \$	\$ 8,551,157 \$	\$ 8,496,436 \$	\$ 8,852,780 \$	\$ 8,838,527
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	710.24 %	767.94 %	780.85 %	748.68 %	821.22 %	791.94 %	766.85 %	719.47 %	716.63 %	648.57 %
SURS plan net position as a percentage of total pension liability	44.60 %	44.06 %	43.65 %	45.45 %	39.05 %	40.71 %	41.27 %	42.04 %	39.57 %	42.37 %

Carl Sandburg College - Community College District 518

Schedule of Pension Contributions

Last Ten Fiscal Years

Fiscal Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Federal, trust, grant and other contribution	\$ 51,960	\$ 44,440	\$ 45,165	\$ 47,730	\$ 45,927	\$ 49,241	\$ 45,406	\$ 40,245	\$ 33,300	\$ 41,768
Contribution in relation to required contribution	51,960	44,440	45,165	47,730	45,927	49,241	45,406	40,245	33,300	41,768
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Employer covered payroll	\$ 10,252,003	\$ 10,414,529	\$ 9,987,751	\$ 8,731,979	\$ 8,842,996	\$ 8,670,105	\$ 9,635,998	\$ 9,556,351	\$ 9,500,036	\$ 9,903,377
Contribution as a percentage of covered payroll	0.51 %	0.43 %	0.45 %	0.55 %	0.52 %	0.57 %	0.47 %	0.42 %	0.35 %	0.42 %

Carl Sandburg College - Community College District 518

Schedule of Share of Net OPEB Liability

Last Ten Fiscal Years
(schedule to be built prospectively from 2016)

Measurement Date June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion percentage of the collective net OPEB liability	0.44 %	0.45 %	0.46 %	0.47 %	0.45 %	0.46 %	0.47 %	0.48 %	0.47 %	
Proportion amount of the collective net OPEB liability	\$ 2,913,064	\$ 3,156,826	\$ 3,116,559	\$ 8,071,050	\$ 8,277,698	\$ 8,660,087	\$ 8,844,364	\$ 8,671,841	\$ 8,603,553	
Portion of non-employer contributing entities' total proportion of collective net OPEB liability associated with the College	\$ 2,913,064	\$ 3,156,826	\$ 3,116,559	\$ 8,071,050	\$ 8,277,698	\$ 8,660,087	\$ 8,844,364	\$ 8,557,627	\$ 8,964,170	
Total collective net OPEB liability associated with the College	\$ 5,826,128	\$ 6,313,652	\$ 6,233,118	\$ 16,142,100	\$ 16,555,396	\$ 17,320,174	\$ 17,688,728	\$ 17,229,468	\$ 17,567,723	
College's covered payroll	\$ 10,414,529	\$ 9,987,751	\$ 8,731,979	\$ 8,842,996	\$ 8,670,105	\$ 9,635,998	\$ 9,556,351	\$ 9,500,036	\$ 9,903,377	
Proportion of collective net OPEB liability associated with the College as a percentage of covered payroll	55.94 %	63.21 %	71.38 %	182.54 %	190.95 %	179.74	185.10 %	181.36 %	177.39 %	
College insurance plan net position as a percentage of total OPEB liability	(18.45)%	(17.87)%	(22.03)%	(6.38)%	(5.07)%	(4.13)%	(3.54)%	(2.87)%	(2.87)%	

Carl Sandburg College - Community College District 518

Schedule of OPEB Contributions

Last Ten Fiscal Years

Fiscal Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 86,932	\$ 69,627	\$ 44,205	\$ 42,934	\$ 43,240	\$ 41,765	\$ 41,163	\$ 40,968	\$ 41,255	\$ 42,845
Contribution in relation to the required statutorily	86,932	69,627	44,205	42,934	43,240	41,765	41,163	40,968	41,255	42,845
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	
District's covered payroll	\$ 10,252,003	\$ 10,414,529	\$ 9,987,751	\$ 8,731,979	\$ 8,842,996	\$ 8,670,105	\$ 9,635,998	\$ 9,556,351	\$ 9,500,036	\$ 9,903,377
Contribution as a percentage of covered payroll	0.85 %	0.67 %	0.44 %	0.49 %	0.49 %	0.48 %	0.43 %	0.43 %	0.43 %	0.43 %

Carl Sandburg College - Community College District 518

Notes to Required Supplementary Information

Note 1: Changes of Benefit Terms

Public Act 103-0548, effective August 11, 2023, made changes to the calculation of service and eliminated the part-time adjustment for participants on or after September 1, 2024. This change was first reflected in the Total Pension Liability as of June 30, 2024.

Note 2: Changes of Assumptions

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2020, to June 30, 2023, was performed in Spring 2024, resulting in the adoption of new assumptions as of June 30, 2024. These assumptions are listed below.

Salary increase. The overall assumed rates of salary increase range from 3.15 percent to 15.00 percent based on years of service, with an the underlying wage inflation rate of 2.40 percent. Separate rates of increase are assumed for members in academic and non-academic positions.

Investment return. The investment return is assumed to be 6.50 percent. This reflects an assumed real rate of return to 4.10 percent and assumed price inflation of 2.40 percent.

Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 7.00 percent.

Normal retirement rates. Separate rates are assumed for members in academic positions, non-academic positions, and public safety positions. Rates are generally highest for public safety positions and lowest for academic positions.

Early retirement rates. Separate rates are assumed for members in academic positions and non-academic positions. Rates are generally higher for non-academic positions.

Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase, with separate rates for academic and non-academic positions.

Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2021 scale, with separate rates for academic, non-academic, and public safety members.

Disability rates. Separate rates are assumed for members in academic positions, non-academic positions and public safety positions, as well as for males and females. Public safety disability incidence is assumed to be 50 percent line-of-duty related and 50 percent ordinary.

Plan election. For new non-academic members, assumed plan election rates are 75 percent for Tier 2 and 25 percent for Retirement Savings Plan (RSP). For new academic members, assumed plan election rates are 55 percent for Tier 2 and 45 percent for RSP.

Cost of living adjustment. Annual annuity increases are assumed to be 3.00 percent for Tier 1 members and 1.20 percent for Tier 2 members.

Carl Sandburg College - Community College District 518

Notes to Required Supplementary Information (Continued)

Note 3: Changes of OPEB Benefit Terms

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2025.

Note 4: Changes of OPEB Assumptions

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of CIP. An experience review for the years June 30, 2017 to June 30, 2020, resulting in the adoption of new assumptions as of June 30, 2021. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2022:

Per capita claim costs for plan year end June 30, 2024, were updated based on projected claims and enrollment experience through June 30, 2024, and updated premium rates through plan year end 2025; The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2023, projected plan cost for plan year end June 30, 2024, premium changes through plan year end 2024, and expectation of future trend increases after June 30, 2024; The discount rate was changed from 3.86 percent at June 30, 2023, to 3.97 percent at June 30, 2024.

The pension-related assumption changes had minimal impact to the results of the OPEB actuarial valuation.

Statistical Section

Carl Sandburg College - Community College District 518

Statistical Section

This section of the College's Annual Comprehensive Financial Report presents additional historical perspective, context, and detailed information to assist the reader in using the information in the financial statements, note disclosures, and supplemental financial information to understand and assess the College's overall economic condition.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.	79 - 80
Revenue Capacity These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.	81 - 84
Debt Capacity These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the ability to issue additional debt in the future.	85 - 88
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.	89 - 90
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.	91 - 93

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Carl Sandburg College - Community College District 518

Net Position by Component For the Last Ten Fiscal Years ended June 30, (Accrual Basis of Accounting) (Amounts Expressed in Thousands)

TABLE A

	2025	As Restated 2024*****	As Restated 2023	As Restated 2022*****	As Restated 2021***	As Restated 2020**	2019	2018	As Restated 2017*	2016
Net investment in capital assets	\$ 17,658	\$7,835	\$9,667	\$9,792	\$9,265	\$9,312	\$9,596	\$8,138	\$8,008	\$8,096
Restricted - expendable:										
Debt Service	281	280	272	621	572	453	483	390	362	323
Grants and scholarships	1,785	2,000	2,581	2,348	504	538	420	425	425	0
Working cash	9,226	8,891	8,587	8,476	8,528	8,467	8,346	8,254	8,232	8,195
Capital projects	3,841	6,450								
Other	5,578	4,973								
Unrestricted	20,289	23,135	25,242	16,570	12,793	6,693	1,546	(786)	(3,085)	3,457
Total net position	\$58,658	\$53,564	\$46,349	\$37,807	\$31,662	\$25,463	\$20,391	\$16,421	\$13,942	\$20,071

*Implementation of GASB 75

**Implementation of GASB 84

***Implementation of GASB 87

****Implementation of GASB 96

*****Implementation of GASB 101

Carl Sandburg College - Community College District 518

Changes in Net Position

For the Last Ten Fiscal Years ended June 30,

(Accrual Basis of Accounting)

(Amounts Expressed in Thousands)

TABLE B

	As Restated 2025	As Restated 2024*****	As Restated 2023	As Restated 2022****	As Restated 2021***	2020	2019	2018	As Restated 2017**	2016
Operating expenses:										
Instruction	\$8,350	\$7,663	\$6,836	\$8,496	\$9,688	\$9,556	\$8,669	\$5,613	\$5,823	\$6,074
Academic support	490	449	401	454	539	614	560	404	391	408
Student services	4,073	3,740	4,153	4,521	4,761	4,447	4,250	2,989	2,825	2,727
Public services	292	122	146	84	173	179	184	126	135	182
Auxiliary services	1,076	993	1,005	931	832	984	758	616	631	618
Operation and maintenance	1,736	1,444	1,317	1,466	1,566	1,651	1,667	1,323	1,366	1,464
Institutional support	8,875	6,686	5,953	7,302	7,268	6,703	6,993	11,509	20,054	9,981
Scholarships, student grants, and waivers	3,376	3,047	3,149	5,582	4,010	4,876	3,669	4,068	2,815	2,654
Depreciation and amortization expense	2,509	1,798	1,771	1,553	1,563	1,558	1,303	1,305	1,385	1,378
Total operating expenses	30,777	25,942	24,731	30,389	30,400	30,568	28,053	27,953	35,425	25,486
Operating revenues:										
Charges for services:										
Student tuition and fees, net of scholarship allowance	4,463	4,310	4,110	4,913	4,807	5,970	5,140	5,303	4,524	4,498
Auxiliary enterprise	220	197	225	155	171	173	173	161	180	216
Total operating revenue	4,683	4,507	4,335	5,068	4,978	6,143	5,313	5,464	4,704	4,714
Operating loss	(26,094)	(21,435)	(20,396)	(25,321)	(25,422)	(24,425)	(22,740)	(22,489)	(30,721)	(20,772)
Nonoperating revenues (expenses):										
Property taxes	15,174	13,735	13,371	12,745	12,520	12,187	11,849	11,142	10,542	10,055
Replacement taxes	370	552	916	877	406	291	269	242	294	266
Other state sources	4,077	3,912	3,524	2,773	2,712	2,599	2,298	2,320	2,675	1,035
On-behalf payments	3,417	3,283	3,242	5,434	0	0	0	0	0	0
Federal grants	5,263	4,813	5,715	9,675	7,530	5,963	5,482	5,416	5,219	5,067
Facilities revenue	2	3	5	4	0	0	0	0	0	0
Investment income	3,266	3,422	2,084	(97)	384	851	636	308	153	483
Nongovernmental grants and gifts	69	97	68	48	23	75	24	32	52	150
Other revenue	224	318	326	286	8,125	7,963	6,594	6,020	6,517	5,102
Gain (loss) on disposal of assets	(30)	(45)	(32)	0	0	(207)	0	(1)	(288)	(2,776)
Interest expense	(645)	(615)	(488)	(643)	(81)	(312)	(445)	(511)	(572)	(709)
Net nonoperating revenues	31,187	29,475	28,731	31,102	31,619	29,410	26,707	24,968	24,592	18,673
Capital contribution	0	0	0	361	0	0	0	0	0	0
Change in net position	\$5,093	\$8,040	\$8,335	\$6,142	\$6,197	\$4,985	\$3,967	\$2,479	(\$6,129)	(\$2,099)

**Implementation of GASB 75

***Implementation of GASB 87

****Implementation of GASB 96

*****Implementation of GASB 101

Carl Sandburg College - Community College District 518
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Tax Levy Years

TABLE C

Tax Levy Year	Farm	Residential	Commercial	Industrial	Mineral	Railroad	Assessed Valuation	Estimated Actual Value	Total Direct Tax Rate
2024	\$ 1,094,577,425	\$ 1,031,369,896	\$ 302,106,373	\$ 22,021,862	\$ 31,756,229	\$ 149,137,134	\$ 2,630,968,919	7,892,906,757	0.6281
2023	1,014,711,004	948,474,872	285,687,722	20,160,484	28,657,070	159,453,460	2,457,144,612	7,371,433,836	0.6208
2022	921,816,272	889,853,432	285,721,994	29,447,694	22,138,504	146,584,808	2,295,562,704	6,886,688,112	0.5908
2021	861,226,834	829,051,994	268,504,118	28,686,857	21,503,733	132,919,789	2,141,893,325	6,425,679,975	0.6044
2020	798,044,586	788,968,732	263,206,332	27,267,353	2,560,065	112,347,384	1,992,394,452	5,977,183,356	0.6429
2019	779,779,282	804,163,481	266,067,573	30,396,977	-	97,100,458	1,977,507,771	5,932,523,313	0.6594
2018	743,947,589	804,742,320	262,723,804	30,488,827	-	86,497,622	1,928,400,162	5,785,200,486	0.6431
2017	701,661,616	755,977,286	258,982,913	21,649,672	-	81,435,544	1,819,707,031	5,459,121,093	0.6524
2016	663,550,654	742,549,109	260,982,719	21,700,159	-	74,484,612	1,763,267,253	5,289,801,759	0.6673
2015	629,272,277	716,008,658	237,521,756	16,406,871	-	67,169,171	1,666,378,733	4,999,136,199	0.6317

Source: Knox County Clerk's Office

Carl Sandburg College - Community College District 518
Property Tax Levies and Collections
Last Ten Fiscal Years

TABLE D

Year of Levy	Fiscal Year	Total Tax Levy	Current Year Taxes Collected	Percent of Levy Collected	Collected in Subsequent Years	Total Collections to Date	Total Percent of Levy Collected to Date
2024	2025	\$ 16,870,759	\$ 119,667	1%	\$ -	119,667	0.71%
2023	2024	15,063,713	1,787,538	11.87%	13,290,808	15,078,346	100.10%
2022	2023	13,369,775	1,682,304	12.58%	11,993,444	13,675,748	102.29%
2021	2022	12,948,710	3,458,408	26.71%	9,637,128	13,095,536	101.13%
2020	2021	13,025,772	2,601,388	19.97%	10,364,621	12,966,009	99.54%
2019	2020	12,774,131	1,637,512	12.82%	10,989,993	12,627,505	98.85%
2018	2019	12,327,157	1,104,430	8.96%	10,997,372	12,101,802	98.17%
2017	2018	11,962,549	3,500,278	29.26%	8,356,243	11,856,521	99.11%
2016	2017	11,398,135	4,092,846	35.91%	7,221,114	11,313,960	99.26%
2015	2016	10,542,391	3,049,198	28.92%	7,404,816	10,454,014	99.16%

Source: Knox County Treasurer's Office

Note - Property taxes of the counties in the district are levied based on a calendar year (January 1 - December 31) and are due in two installments in the calendar year following the year of the levy.

The first installment is usually due in June and is approximately one half the prior year's tax bill.

The second installment generally includes any adjustments to the assessed valuation and is usually due 30 days after assessments are billed (usually by mid-September).

Any tax levy receivable outstanding at the end of the second fiscal year, after the year of the levy is recorded as a receivable.

Property taxes collected in advance of the year to which they apply are recorded as deferred revenue.

Carl Sandburg College - Community College District 518

Property Tax Rates - Direct and Overlapping Governments (1)

Last Ten Tax Levy Years

TABLE E

Taxing Bodies	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City of Galesburg	1.4643	1.5203	1.5132	1.5957	1.5197	1.5080	1.5632	1.6006	1.7039	1.7828
Township of the City of Galesburg	0.1213	0.1272	0.1332	0.1444	0.1460	0.1438	0.1472	0.1512	0.1528	0.1574
Galesburg Unit School District 205	4.6080	4.9440	4.7066	4.7399	4.9021	4.8897	4.8344	4.8344	4.9576	4.7018
Knox County	1.2377	1.2637	1.2972	1.2899	1.2878	1.3150	1.3180	1.3631	1.3294	1.3245
Knox County Soil & Water Conservation	0.0005	0.0005	0.0005	0.0006	0.0005	0.0006	0.0006	0.0006	0.0007	-
Galesburg City Fire	0.9227	0.9235	0.9323	1.0428	1.0807	1.1467	1.1224	1.1176	1.0424	0.9500
Galesburg Sanitary District	0.2958	0.2985	0.3036	0.3134	0.3101	0.3057	0.3060	0.2986	0.3103	-
Total Overlapping Rate	8.6503	9.0777	8.8866	9.1267	9.2469	9.3095	9.2918	9.3660	9.4971	8.9165
Carl Sandburg College Dist. 518										
Educational	0.2222	0.2203	0.2252	0.2281	0.2377	0.2456	0.2387	0.2444	0.2757	0.2463
Building	0.0500	0.0492	0.0487	0.0478	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Bond and Interest	0.1666	0.1610	0.1721	0.1815	0.1641	0.1707	0.1713	0.1757	0.1661	0.1547
Audit	0.0050	0.0049	0.0049	0.0048	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Tort Immunity	0.1411	0.1282	0.1197	0.1223	0.1278	0.1297	0.1202	0.1191	0.1104	0.1162
Protection, Health, and Safety	0.0352	0.0492	0.0122	0.0120	0.0500	0.0500	0.0500	0.0500	0.0500	0.0494
Social Security and Medicare	0.0080	0.0080	0.0081	0.0079	0.0083	0.0084	0.0079	0.0081	0.0101	0.0101
Total	0.6281	0.6208	0.5908	0.6044	0.6429	0.6594	0.6431	0.6524	0.6673	0.6317
Total rate	9.2784	9.6985	9.4774	9.7311	9.8898	9.9689	9.9349	10.0184	#####	9.5482
Carl Sandburg College Percentage of Total	6.77%	6.40%	6.23%	6.21%	6.50%	6.61%	6.47%	6.51%	6.57%	6.62%

(1) Tax rates are assessed in dollars per hundred of equalized assessed value.

Note - Tax rates displayed are representative for property within the district.

Source: Knox County Clerk's Office

Carl Sandburg College - Community College District 518

Principal Taxpayers Current Year and Nine Years Ago

Table F

Taxpayer	Type of Business	2025			2016		
		Taxable Assessed Value (approx.)		Percent District's Total EAV	Taxable Assessed Value (approx.)		Percent District's Total EAV
Burlington Northern & Santa Fe Railway Co	Railway	\$156,724,553	1	5.96%	42,872,782	1	2.57%
Cardinal Point LLC	Wind Farm	19,426,422	2	0.74%			
Union Electric	Electric	15,497,584	3	0.59%	13,067,118	2	0.78%
Consolidated Grain & Barge	Grain Elevator	9,468,199	4	0.36%	4,803,161	8	0.29%
Americold & Affiliated Companies	Manufacturing	8,797,170	5	0.33%			
Smithfield Fresh Meats Corp	Manufacturing	8,473,870	6	0.32%			
OSF Healthcare System	Hospital	7,747,330	7	0.29%			
Wal-Mart Real Estate Bus	Retailer	4,432,220	8	0.17%	8,008,840	3	0.48%
Y&O Galesburg LLC ETAL	Retailer	2,858,460	9	0.11%			
Crop Production Services Inc	Commercial Business	2,753,188	10	0.10%			
Galesburg Hospital Corporation (Cottage Hosp	Hospital				7,165,080	4	0.43%
KC Acquisition Inc	Processing Plant				6,100,690	5	0.37%
NTN USA Corporation	Manufacturing				5,233,644	6	0.31%
Trigen LLC	Manufacturing				5,156,816	7	0.31%
Aspen Court LLC	Rental Property				4,301,393	9	0.26%
Menard Inc	Retailer				3,035,810	10	0.18%
		\$236,178,996		8.98%	\$99,745,334		5.99%

Sources: County Assessors' Offices - Valuations are obtained which provide details as to owner and valuation for each parcel in each County. Since a taxpayer may own numerous parcels in the District, a piece of property with a small assessed valuation may be overlooked. Thus, the valuations presented herewith have been noted as approximations.

Carl Sandburg College - Community College District 518

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

TABLE G

Fiscal Year	General Bonded Debt	Leases	SBITA	Total Primary Government	Estimated Actual Value Taxable Property	Ratio Total Debt to Est. Actual Taxable Prop. Value	Estimated Population	Bonded Debt Per Capita	Personal Income (amounts expressed in thousands)	Ratio of Total Outstanding Debt to Personal Income
2025	\$29,558,233	\$96,771	\$293,633	\$29,948,637	\$7,892,906,757	0.379%	96,575	306	\$3,123,910	0.96%
2024	28,528,409	177,722	229,928	28,936,059	7,371,433,836	0.393%	97,109	294	3,123,910	0.93%
2023	31,781,225	279,236	129,635	32,190,096	6,886,688,112	0.467%	104,753	303	5,363,354	0.60%
2022	35,169,807	377,832	283,404	35,831,043	6,425,679,975	0.558%	104,993	335	3,648,443	0.97%
2021	7,861,044	0	0	7,861,044	5,977,183,356	0.132%	100,791	78	2,566,441	0.31%
2020	10,996,528	34,574	0	11,031,102	5,932,523,313	0.186%	101,418	108	2,618,004	0.42%
2019	13,946,049	78,052	0	14,024,101	5,785,200,486	0.242%	102,634	136	2,613,342	0.54%
2018	16,581,320	118,687	0	16,700,007	5,459,121,093	0.306%	103,711	160	2,697,834	0.62%
2017	18,950,394	156,666	0	19,107,060	5,289,801,759	0.361%	103,711	183	2,697,834	0.71%
2016	20,934,468	192,162	0	21,126,630	4,999,136,199	0.423%	105,748	198	2,464,246	0.86%

Sources: Knox County Clerk's Office College records

Carl Sandburg College - Community College District 518

Ratio of Net General Bonded Debt to Assessed Value and

Net General Bonded Debt Per Capita

Last Ten Fiscal Years

TABLE H

Fiscal Year	General Bonded Debt	Less: Amounts Available for Debt Service	Net General Bonded Debt	Estimated Actual Taxable Value of Property	Estimated Population	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2025	\$29,558,233	\$280,500	\$29,277,733	\$7,892,906,757	96,575	0.371%	\$303
2024	28,528,409	279,781	28,248,628	7,371,433,836	97,109	0.383%	291
2023	31,781,225	272,213	31,509,012	6,886,688,112	104,753	0.458%	301
2022	35,169,807	620,968	34,548,839	6,425,679,975	104,993	0.538%	329
2021	7,861,044	571,528	7,289,516	5,977,183,356	100,791	0.122%	72
2020	10,996,528	453,488	10,543,040	5,932,523,313	101,418	0.178%	104
2019	13,946,049	483,245	13,462,804	5,785,200,486	102,634	0.233%	131
2018	16,581,320	390,384	16,190,936	5,459,121,093	103,711	0.297%	156
2017	18,950,394	361,990	18,588,404	5,289,801,759	103,711	0.351%	179
2016	20,934,468	322,557	20,611,911	4,999,136,199	105,748	0.412%	195

Note: Details regarding the District's outstanding debt can be found in Note 4 - Debt, in the Notes to Financial Statements.

Sources: Knox County Clerk's Office
College records

Carl Sandburg College - Community College District 518

Computation of Direct and Overlapping Bonded Debt

June 30, 2025

Overlapping Agencies	Outstanding Debt (1)	Percent (2)	Amount
Fulton County	\$324,000	4.33%	\$14,017
Knox County	-	97.54%	-
McDonough County	995,000	46.31%	460,794
Mercer County (Including PBC)	2,225,000	8.38%	186,389
Dallas Rural Water	-	99.60%	-
City of Abingdon	-	100.00%	-
Village of East Galesburg	-	100.00%	-
City of Galesburg	21,215,000	100.00%	21,215,000
City of Monmouth	33,537,610	100.00%	33,537,610
City of Warsaw	-	100.00%	-
Roseville Fire Protection District	543,000	100.00%	543,000
Carthage Public Library District	316,000	100.00%	316,000
Monmouth Park District	386,000	100.00%	386,000
Dallas School District 327	303,000	100.00%	303,000
VIT Comm. Unit School District 2	1,910,300	0.08%	1,574
Mendon Comm. Unit School District 4	4,880,000	0.07%	3,270
Schuyler Industry Comm. Unit School District 5	-	19.45%	-
West Prairie Comm. Unit School District 103	3,345,000	99.88%	3,341,052
Bushnell Comm. Unit School District 170	1,976,100	73.41%	1,450,562
Macomb Comm. Unit School District 185	6,645,000	0.02%	1,319
Sherrard Comm. Unit School District 200	11,435,000	0.04%	5,032
Knoxville Comm. Unit School District 202	3,100,000	100.00%	3,100,000
Galesburg Comm. Unit School District 205	52,780,000	100.00%	52,780,000
ROWVA Comm. Unit School District 208	7,180,000	99.80%	7,165,797
Williamsfield Comm. Unit School District 210	1,017,500	98.67%	1,004,010
Galva Comm. Unit School District 224	1,466,300	0.03%	393
AlWood Comm. Unit School District 225	1,315,000	0.20%	2,579
West Cent. Comm. Unit School District 235	457,000	100.00%	457,000
Monmouth-Roseville Comm. Unit School District 238	17,907,800	100.00%	17,907,800
Farmington Central Comm. Unit School District 265	9,325,000	23.25%	2,168,354
Abingdon-Avon Comm. Unit School District 276	714,600	99.84%	713,483
United Comm. Unit School District 304	5,410,000	99.98%	5,408,862
Warsaw Comm. Unit School District 316	617,000	99.90%	616,384
Elmwood Comm. Unit School District 322	6,820,000	0.14%	9,247
Nauvoo-Colusa Comm. Unit School District 325	745,000	100.00%	745,000
Hamilton Comm. Consolidated School District 328	5,695,000	100.00%	5,695,000
La Harpe Consolidated School District 347	2,295,000	100.00%	2,295,000
Total overlapping bonded debt			161,833,528
Community College Dist. #518	\$29,948,637	100.00%	29,948,637

Total Direct & Overlapping General
Obligation Bonded Debt

\$191,782,165

Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the County Clerks' Offices. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly available sources.

(1) Estimated as of August 5, 2025.

(2) Percentages based on 2024 EAVs.

Carl Sandburg College - Community College District 518

Legal Debt Margin

Last Ten Fiscal Years

TABLE J

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Percentage of Debt Limit
2025	\$75,640,356	\$29,948,637	\$45,691,719	39.593%
2024	70,642,908	28,936,059	41,706,849	40.961%
2023	65,997,428	32,190,096	33,807,332	48.775%
2022	61,579,433	32,026,236	29,553,197	52.008%
2021	57,281,340	7,861,044	49,420,296	13.724%
2020	56,853,348	11,031,102	45,822,246	19.403%
2019	55,441,505	14,024,101	41,417,404	25.295%
2018	52,316,577	16,700,007	35,616,570	31.921%
2017	50,693,934	19,107,060	31,586,874	37.691%
2016	47,908,389	21,126,630	26,781,759	44.098%
Assessed valuation - 2024 levy			\$2,630,968,919	
Debt limit (2.875% of total assessed value)			\$75,640,356	
Debt applicable to limit:				
	General obligation bonds		29,558,233	
	Leases payable		96,771	
	SBITAs payable		293,633	
	Total net debt applicable to limit		29,948,637	
Legal debt margin			\$45,691,719	

Carl Sandburg College - Community College District 518
Demographic and Economic Statistics
Last Ten Fiscal Years

TABLE K

Fiscal Year	Estimated Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate	District Student Enrollment	Average Class Size
2025	96,575	\$3,969,216	\$41,437	43.2	22,242	4.0%	1,603	15
2024	97,109	3,123,910	32,138	41.4	23,169	4.4%	1,688	16
2023	104,753	5,363,354	51,207	41.3	23,956	5.1%	1,688	16
2022	104,993	3,648,443	34,749	39.0	26,138	4.5%	1,687	14
2021	100,791	2,566,441	25,463	43.4	26,138	5.2%	1,755	14
2020	101,418	2,618,004	25,814	41.8	22,316	4.9%	1,925	14
2019	102,634	2,613,342	25,463	43.3	28,267	4.4%	1,860	17
2018	103,711	2,697,834	26,013	41.9	19,903	4.4%	1,947	15
2017	103,711	2,697,834	26,013	41.9	30,681	5.9%	1,927	17
2016	105,748	2,464,246	23,303	42.0	30,741	6.5%	2,082	17

Sources: U.S. Census Bureau, QuickFacts
 2021 American Community Survey 5-Year Estimates
 College records
 IL Dept. of Employment Security, Economic Information & Analysis Division
 ICCB Data and Characteristics
 Index of needs tables
 Esri.com
 Navteq
www.countyoffice.org
http://www.isbe.net/research/htmls/fall_housing.htm

Carl Sandburg College - Community College District 518

Principal Employers

Current Year and Nine Years Ago

TABLE L

Employer	2025			2016		
	Employees	Rank	Percentage of Total District Employment	Employees	Rank	Percentage of Total District Employment
Smithfield/Farmland Foods Inc	1,559	1	1.49%	1,600	1	1.91%
OSF St Marys/OSF Holy Family	1,057	2	1.01%	856	3	1.02%
Burlington Northern/Santa Fe Railroad	1,031	3	0.98%	1,100	2	1.31%
Dick Blick Art Materials	714	4	0.68%	530	6	0.63%
Galesburg Cust #205	582	5	0.55%	594	4	0.71%
HyVee	578	6	0.55%	574	5	0.68%
Knox College	480	7	0.46%			
Knox County	420	8	0.40%	420	9	0.50%
Carl Sandburg College	339	9	0.32%	332	10	0.40%
Monmouth-Roseville Cust #238	274	10	0.26%			
Bridgeway/Bridgeway Training				450	8	0.54%
Galesburg Cottage Hospital				500	7	0.60%
Total	7,034		6.70%	6,956		8.29%

Sources:

- <https://www.knoxpartnership.com/ideal-location/major-employers/>
- <https://cityofmonmouth.com/index.php/for-business/community-profile/232-major-employers>
- <https://www.census.gov/quickfacts/>
- https://www2.illinois.gov/ides/lmi/Pages/Worforce_Availability_Information.aspx
- <https://illinois.virtuallmi.com/>

also emails from

- Cindy Benson, Asst Admin for fac/staff cbenson@galesburg205.org
- Carol Winston M/R Payroll/HR cwinston@mr238.org
- Todd Bloyd, Field HR Mgr Smithfield [Bloyd, Todd \(tbloyd@smithfield.com\)](mailto:Bloyd, Todd (tbloyd@smithfield.com))
- HyVee Mgr Galesburg 1 Manager - Sam Lambert (SLambert@hy-vee.com)
- Lynne Dulin, Assoc Dir HR ldulin@monmouthcollege.edu
- HR Knox College hr@knox.edu (hr@knox.edu)
- April Wilson/Christy Perkins awilson@sandburg.edu
- Sara Cree scree@sandburg.edu
- Barb Mackey, Knox Co HR dept 309-345-3864
- Carrie McCance PR Comm Coord OSF Carrie.A.McCance@osfhealthcare.org
- Jessica Pease/HR City of Galesburg jpease@ci.galesburg.il.us hr@ci.galesburg.il.us

Carl Sandburg College - Community College District 518

Full-Time Equivalent Employees

Last Ten Fiscal Years

TABLE M

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction-Faculty	66	63	72	78	79	86	71	81	86	83
Full-time	44	41	40	39	40	39	39	39	47	50
Part-time	22	22	32	39	39	47	32	42	39	33
Administrative Staff	30	27	31	26	23	21	23	22	22	22
Full-time	30	27	31	26	23	21	22	21	21	22
Part-time	0	0	0	0	0	0	1	1	1	0
Other Non-Teaching Professional	69	59	68	64	59	62	63	66	56	58
Full-time	44	42	68	64	59	62	47	47	56	56
Part-time	25	17	0	0	0	0	16	19	0	2
Classified Staff	45	46	30	26	29	31	46	49	52	51
Full-time	41	41	30	26	29	30	45	48	43	43
Part-time	4	5	0	0	0	1	1	1	9	8
Total	210	195	201	194	190	200	203	218	216	214

Carl Sandburg College - Community College District 518

Operating Indicators

Last Ten Fiscal Years

TABLE N

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction: ¹										
Annual unduplicated										
Headcount Enrollment:										
Bacc/Transfer	1,501	1,491	1,510	1,511	1,734	2,107	2,118	2,183	1,950	1,837
Vocational	0	0	0	0	0	0	0	2	0	0
Occupational	479	476	462	462	548	572	582	557	581	662
ABE	0	0	0	0	0	0	0	0	0	15
ASE	0	0	0	0	0	0	0	0	0	23
ESL	0	0	0	0	0	0	0	0	0	15
General Studies	0	0	0	0	0	0	0	0	0	0
General Associates	396	362	342	324	291	357	363	310	469	407
Total	2,376	2,329	2,314	2,297	2,573	3,036	3,063	3,052	3,000	2,959
Annual FTE Students ²	869	932	921	908	1,002	1,177	1,176	1,201	1,229	1,258
Total Reimbursable Credit Hours ³	26,072	27,949	27,638	27,229	30,065	35,308	35,282	36,020	36,863	37,748
Degrees awarded: ⁴										
Associate (transfer)	226	255	218	219	239	248	203	204	231	206
Associate in applied science	125	84	90	93	134	115	159	154	106	135
Career & technical certificates	65	84	76	78	118	117	105	125	143	150
Average annual faculty salary ⁵	\$61,772	\$59,302	\$56,554	\$59,721	\$59,487	\$59,275	\$60,419	\$58,761	\$56,853	\$56,285
Students per faculty ⁶	15	16	16	15	12	14	14	15	17	17
Institutional support: ⁷										
Operation and maintenance of plant:										
Utility cost per gross square fees	1.89	1.47	1.58	1.23	1.16	1.07	1.34	1.30	1.32	1.40

¹Source: ICCB A1 Annual Student Enrollment and Completion

²Source: Total Reimbursable Credit Hours / 15 / 2

³Source: ICCB SU SR for each semester

⁴Source: ICCB A1 Annual Student Enrollment and Completion

⁵Source: ICCB C1 Faculty, Staff, Salary Data

⁶Source: IPEDS Fall Enrollment

⁷Source: ICCB Tax Revenue and Budget Information Survey

Carl Sandburg College - Community College District 518

Capital Asset Statistics

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction:										
Building - acres	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.4
Classroom - sq. ft.	39,508	47,163	41,139	44,975	44,975	44,975	44,975	44,975	44,975	43,938
Lab - sq. ft.	68,262	69,370	55,286	57,585	57,585	57,585	57,585	57,585	57,585	58,585
Academic support:										
Support - sq. ft.	8,886	4,204	3,754	4,268	4,268	4,268	4,268	4,268	4,268	4,284
Study - sq. ft.	17,339	15,733	15,115	17,184	17,184	17,184	17,184	17,184	17,184	17,654
Student services:										
PE & athletic fields - acres	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Athletic/PE - sq. ft.	14,523	12,965	12,894	11,694	11,694	11,694	11,694	11,694	11,694	11,694
General administration:										
Office - sq. ft.	40,881	38,973	29,974	31,133	31,133	31,133	31,133	31,133	31,133	32,840
Institutional support:										
Landscaped grounds - acres	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.7
Parking lots - acres	8.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2
Roadways - acres	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

FY24 - EXCEL spreadsheet totals are from totals in our system - Datatel

from changes made across campus to different areas.

We have updated with ICCB by jot form on 08/01/24.

changes include new Science and Technolgy Center and a few areas being moved around.

parking lot acreage changed due to removing lot B and adding to lot A

SPECIAL REPORTS SECTION

Supplemental Financial Information

Carl Sandburg College - Community College District 518

Supplemental Financial Information Section

Uniform Financial Statements

The Uniform Financial Statements are required by the Illinois Community College Board for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net position, the Uniform Financial Statements are completed using the modified accrual basis of accounting and a current financial resource measurement focus.

The Uniform Financial Statements include the following:

- No. 1 - All Funds Summary
- No. 2 - Summary of Capital Assets and Long-Term Debt
- No. 3 - Operating Funds Revenues and Expenditures
- No. 4 - Restricted Purposes Fund Revenues and Expenditures
- No. 5 - Current Funds Expenditures by Activity

Certification of Per Capita Cost

- No. 6 - Certification of Per Capita Cost

Carl Sandburg College - Community College District 518

Uniform Financial Statement #1 - All Funds Summary

Year Ended June 30, 2025	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Restricted Fund	Bond and Interest Fund	Auxiliary Enterprises Fund
Fund balance, beginning of year	\$ 15,642,914	\$ 4,588,503	\$ 413,597	\$ 279,781	446,082
Revenues:					
Local tax revenue	5,680,201	1,374,320	1,189,347	3,892,073	-
ICCB Grants	1,543,321	123,184	-	-	-
All other State revenue	-	-	-	-	-
Federal revenue	10,424	-	-	-	-
Student tuition and fees	6,005,844	471,535	-	-	92,925
On-Behalf CIP	-	-	-	-	-
On-Behalf SURS	-	-	-	-	-
All other revenue	1,306,250	13,710	1,986	362	279,019
Total revenues	14,546,040	1,982,749	1,191,333	3,892,435	371,944
Expenditures:					
Instruction	6,814,200	-	-	-	-
Academic support	455,772	-	-	-	-
Student services	2,812,893	-	-	-	-
Public service	143,026	-	-	-	-
Auxiliary services	-	-	-	-	940,015
Operations and maintenance	-	1,893,395	-	-	-
Institutional support	3,936,013	180,431	364,402	3,940,016	22,656
Scholarships, grants, waivers	169,373	-	-	-	-
Depreciation	-	-	-	-	36,032
Total expenditures	14,331,277	2,073,826	364,402	3,940,016	998,703
Issuance of debt	232,037	-	-	48,300	-
Gain (loss) on disposal of assets	-	-	-	-	(30,454)
Transfers in	11,445	-	-	-	800,071
Transfers out	(600,071)	-	-	-	-
Net transfers	(356,589)	-	-	48,300	769,617
Fund balance, end of year	\$ 15,501,088	\$ 4,497,426	\$ 1,240,528	\$ 280,500	588,940

Carl Sandburg College - Community College District 518

Uniform Financial Statement #1 - All Funds Summary

Year Ended June 30, 2025	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection Settlement Fund
Fund balance, beginning of year	\$ 2,000,121	\$ 8,891,103	\$ 75,029	\$ 4,898,626
Revenues:				
Local tax revenue	-	-	118,826	3,289,190
ICCB Grants	1,101,007	-	-	-
All other State revenue	1,309,725	-	-	-
Federal revenue	5,252,378	-	-	-
Student tuition and fees	-	-	-	-
On-Behalf CIP	(1,017,487)	-	-	-
On-Behalf SURS	4,434,524	-	-	-
All other revenue	129,573	535,183	-	381,378
Total revenues	11,209,720	535,183	118,826	3,670,568
Expenditures:				
Instruction	2,637,969	-	-	-
Academic support	62,945	-	-	-
Student services	1,539,146	-	-	-
Public service	160,737	-	-	-
Auxiliary services	168,953	-	-	-
Operations and maintenance	144,545	-	-	-
Institutional support	2,608,021	-	56,249	3,129,001
Scholarships, grants, waivers	5,318,177	-	-	-
Depreciation	-	-	-	-
Total expenditures	12,640,493	-	56,249	3,129,001
Issuance of debt	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(200,000)	-	-
Net transfers	-	(200,000)	-	-
Fund balance, end of year	\$ 569,348	\$ 9,226,286	\$ 137,606	\$ 5,440,193

Carl Sandburg College - Community College District 518

Uniform Financial Statement #1 - All Funds Summary

Year Ended June 30, 2025	Building Bonds	Capital Endowment	Sandburg Initiates Life-changing Opportunities	Total
Fund balance, beginning of year	\$ 10,039,744	\$ 6,722,797	\$ 1,172,287	\$ 55,170,584
Revenues:				
Local tax revenue	-	-	-	15,543,957
ICCB Grants	-	-	-	2,767,512
All other State revenue	-	-	-	1,309,725
Federal revenue	-	-	-	5,262,802
Student tuition and fees	-	-	-	6,570,304
On-Behalf CIP	-	-	-	(1,017,487)
On-Behalf SURS	-	-	-	4,434,524
All other revenue	363,382	710,562	60,292	3,781,697
Total revenues	363,382	710,562	60,292	38,653,034
Expenditures:				
Instruction	-	-	-	9,452,169
Academic support	-	-	-	518,717
Student services	-	-	-	4,352,039
Public service	-	-	-	303,763
Auxiliary services	-	-	-	1,108,968
Operations and maintenance	-	-	-	2,037,940
Institutional support	11,559,249	205,343	-	26,001,381
Scholarships, grants, waivers	-	-	-	5,487,550
Depreciation	-	-	-	36,032
Total expenditures	11,559,249	205,343	-	49,298,559
Issuance of debt	4,251,700	-	-	4,532,037
Gain (loss) on disposal of assets	-	-	-	(30,454)
Transfers in	-	-	-	811,516
Transfers out	-	-	(11,445)	(811,516)
Net transfers	4,251,700	-	(11,445)	4,501,583
Fund balance, end of year	\$ 3,095,577	\$ 7,228,016	\$ 1,221,134	\$ 49,026,642

Carl Sandburg College - Community College District 518

Uniform Financial Statement #2

Summary of Capital Assets and Long-Term Debt

As of June 30, 2025	Balance July 1, 2024	Additions	Deletions	Reclassification	Balance June 30, 2025
Capital assets:					
Land	\$ 346,125	\$ -	\$ -	\$ -	346,125
Work in progress	22,264,257	139,206	-	(22,264,257)	139,206
Furniture and equipment	6,869,590	2,501,156	-	56,427	9,427,173
Land improvements	3,122,670	-	-	(27,716)	3,094,954
Buildings and additions	31,628,219	9,987,993	-	21,542,107	63,158,319
Vehicles	218,696	329,852	-	186	548,734
Infrastructure	3,511,179	84,755	-	616,036	4,211,970
Lease assets	380,882	-	-	-	380,882
SBITA assets	411,733	232,037	180,757	-	463,013
Total capital assets	68,753,351	13,274,999	180,757	(77,217)	81,770,376
Accumulated depreciation and amortization	32,496,166	2,510,666	180,757	2,072	34,828,147
Total net capital assets	\$ 36,257,185	\$ 10,764,333	\$ -	\$ (79,289)	\$ 46,942,229
Long-term debt:					
Bonds payable	\$ 25,740,000	\$ 4,300,000	\$ 2,900,000	\$ -	27,140,000
Net OPEB liability	3,156,826	-	243,762	-	2,913,064
Lease obligations	177,722	-	80,951	-	96,771
Subscription liability	229,928	232,037	168,332	-	293,633
Accrued compensated absences	1,264,674	142,813	-	-	1,407,487
Arbitrage payable	-	1,491,207	-	-	1,491,207
Total long-term debt	\$ 30,569,150	\$ 6,166,057	\$ 3,393,045	\$ -	\$ 33,342,162

Carl Sandburg College - Community College District 518

Uniform Financial Statement #3 Operating Funds Revenues and Expenditures

Year Ended June 30, 2025	Education	Operations and Maintenance	Total
Revenues:			
Local government:			
Property taxes	\$ 5,495,212	\$ 1,189,331	\$ 6,684,543
Replacement taxes	184,989	184,989	369,978
Total local government	5,680,201	1,374,320	7,054,521
State government:			
Base operating grants	1,378,084	119,184	1,497,268
Equalization grants	46,000	4,000	50,000
Career and technical education formula grant	119,237	-	119,237
Total state government	1,543,321	123,184	1,666,505
Total federal government	10,424	-	10,424
Student tuition and fees:			
Tuition	5,708,355	471,160	6,179,515
Student fees	297,489	375	297,864
Total tuition and fees	6,005,844	471,535	6,477,379
Other sources:			
Investment income	1,229,965	1,061	1,231,026
Facilities revenue	-	2,485	2,485
Nongovernmental grants and gifts	31,501	10,000	41,501
Other revenue	44,784	164	44,948
Total other sources	1,306,250	13,710	1,319,960
Total revenue	14,546,040	1,982,749	16,528,789
Less nonoperating items:			
Tuition chargeback	0	0	0
Adjusted revenue	\$ 14,546,040	\$ 1,982,749	\$ 16,528,789

Carl Sandburg College - Community College District 518

Uniform Financial Statement #3

Operating Funds Revenues and Expenditures (Continued)

Year Ended June 30, 2025	Education	Operations and Maintenance	Total
Operating expenditures:			
By program:			
Instruction	\$ 6,814,200	\$ -	\$ 6,814,200
Academic support	455,772	-	455,772
Student services	2,812,893	-	2,812,893
Public services	143,026	-	143,026
Operations and maintenance	-	1,893,395	1,893,395
Institutional support	3,936,013	180,431	4,116,444
Scholarships, student grants, and waivers	169,373	-	169,373
Total expenditures	14,331,277	2,073,826	16,405,103
Less nonoperating items:*			
Net transfers	(356,589)	0	(356,589)
Adjusted expenditures	\$ 13,974,688	\$ 2,073,826	\$ 16,048,514
By object:			
Salaries	8,934,107	648,546	9,582,653
Employee benefits	1,538,049	206,290	1,744,339
Contractual services	817,531	92,978	910,509
General materials and supplies	721,748	127,907	849,655
Travel, conference and meeting expense	186,337	1,768	188,105
Fixed Charges	13,062	1,464	14,526
Utilities	-	772,505	772,505
Capital outlay	310,381	211,353	521,734
Principal Retirement	228,892	-	228,892
Interest, service charges, and issuance costs	21,494	-	21,494
Other	1,559,676	11,015	1,570,691
Total expenditures	14,331,277	2,073,826	16,405,103
Less nonoperating items:			
Net transfers	(356,589)	0	(356,589)
Adjusted expenditures	\$ 13,974,688	\$ 2,073,826	\$ 16,048,514

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

Carl Sandburg College - Community College District 518

Uniform Financial Statement #4

Year Ended June 30, 2025

Revenue by source:

State government:

ICCB - Other	\$ 1,101,007
Illinois Student Assistance Commission	1,181,529
On-behalf CIP	(1,017,487)
On-behalf SURS	4,434,524
Other	128,196
Total state government	5,827,769

Federal government:

Department of Education	5,063,700
Other	188,678
Total federal government	5,252,378

Other sources:

Nongovernmental grants and gifts	7,991
Other revenue	121,582
Total other sources	129,573

Total revenues \$ 11,209,720

Expenditures by program:

Instruction	2,637,969
Academic support	62,945
Student services	1,539,146
Public services	160,737
Auxiliary services	168,953
Operations and maintenance	144,545
Institutional support	2,608,021
Scholarships, student grants, and waivers	5,318,177
Total expenditures by program	\$ 12,640,493

Expenditures by object:

Salaries	617,673
Employee benefits	3,610,208
Contractual services	329,293
General materials and supplies	368,785
Travel, conference and meeting expense	43,141
Capital outlay	371,793
Other	7,299,600

Total expenditures by object \$ 12,640,493

Carl Sandburg College - Community College District 518

Uniform Financial Statement #5 Current Funds* - Expenditures by Activity

Year Ended June 30, 2025

Instruction:

Program	\$ 7,921,390
Support	1,530,779
Total instruction	9,452,169

Academic support:

LRC	314,971
Instructional Materials Center	62,945
Other Academic Support	140,801
Total academic support	518,717

Student services:

Admissions & Records	261,875
Counseling & Career Guidance	957,256
Financial Aid Administration	214,573
Other Student Services	2,918,335
Total student services	4,352,039

Public service/continuing education:

Community Education	149,427
Customized Training	94,980
Community Services	12,329
Other Public Services	47,027
Total public service/continuing education	303,763

Auxiliary	1,167,656
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Carl Sandburg College - Community College District 518

Uniform Financial Statement #5

Current Funds* - Expenditures by Activity (Continued)

Year Ended June 30, 2025	
Operations and maintenance of plant:	
Maintenance	435,052
Custodial	314,518
Grounds	272,528
Plant Utilities	665,007
Other Operations and Maintenance	350,835
Total operations and maintenance of plant	2,037,940
Institutional support:	
Executive Management	265,245
Fiscal Operations	256,603
Community Relations	557,681
Administrative Support Services	2,744,522
Board of Trustees	29,688
General Institution	2,396,595
Institutional Research	255,887
Administrative Data Processing	686,088
Other Institutional Support	2,441,712
Total institutional support	9,634,021
Scholarships, Grants, Waivers	5,487,550
Total current funds expenditures	\$ 32,953,855

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

Carl Sandburg College - Community College District 518

Fiscal Year 2026 Certification of Per Capita Cost

For Fiscal Year Ended June 30, 2025

All fiscal year 2025 noncapital audited operating expenditures from the following funds:

1.	Education Fund	13,754,507	
2.	Operations and Maintenance Fund	1,862,472	
3.	Operations and Maintenance Fund - Restricted	-	
4.	Bond and Interest Fund	112,339	
5.	Public Building Commission Rental Fund	-	
6.	Restricted Purposes Fund	12,268,700	
7.	Audit Fund	56,249	
8.	Liability, Protection, and Settlement Fund	3,087,580	
9.	Auxiliary Enterprises Fund (subsidy only)	-	
10.	Total noncapital expenditures (sum of lines 1-9)	\$ 31,141,847	
11.	Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	\$ 1,665,221	
12.	Total costs included (line 10 plus line 11)	\$ 32,807,068	
13.	Total certified semester credit hours for FY 2025	26,072	
14.	Per capita cost (line 12 divided by line 13)	\$ 1,258.33	

Approved: 11/6/25
 Chief Financial Officer Date

11/6/25
 President Date

Other Financial Information

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

As of June 30, 2025	Education	Operations and Maintenance	Operations and Maintenance Restricted	Capital Endowment
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ 19,553,991	\$ -	\$ -	-
Investments	-	-	44,356	10,916,589
Property tax receivable	6,159,249	1,305,958	919,917	-
Government receivables	56,574	31,900	-	-
Student tuition receivables, net of allowance	644,994	-	-	-
Other receivables	3,015	-	-	250,168
Advances to other funds	-	4,512,503	1,202,882	-
Prepaid items	87,236	-	-	-
Capital assets	-	-	-	-
Total assets	26,505,059	5,850,361	2,167,155	11,166,757
Deferred outflow of resources:				
Deferred pension	-	-	-	-
Deferred OPEB	-	-	-	-
Total deferred outflow of resources	-	-	-	-
Total assets and deferred outflow of resources	\$ 26,505,059	\$ 5,850,361	\$ 2,167,155	\$ 11,166,757
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 1,125,913	\$ -	\$ -	-
Advances from other funds	1,797,147	-	-	3,938,741
Unearned tuition and fees	-	101	-	-
Accrued compensated absences	357,877	37,350	-	-
Net OPEB liability	-	-	-	-
Lease obligations	-	-	-	-
Arbitrage liability payable	1,491,207	-	-	-
Subscription liability	-	-	-	-
Bonds payable, net	-	-	-	-
Total liabilities	4,772,144	37,451	-	3,938,741
Deferred inflows of resources				
Deferred property taxes	6,231,827	1,315,484	926,627	-
Deferred grant revenue	-	-	-	-
Deferred OPEB	-	-	-	-
Total deferred inflows of resources	6,231,827	1,315,484	926,627	-
Fund balance/net position (deficit):				
Net investment in capital assets	-	-	-	-
Restricted	-	-	1,240,528	-
Unrestricted	15,501,088	4,497,426	-	7,228,016
Total fund balance/net position	15,501,088	4,497,426	1,240,528	7,228,016
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 26,505,059	\$ 5,850,361	\$ 2,167,155	\$ 11,166,757

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

As of June 30, 2025	Bond and Interest	Auxiliary	Restricted Purpose	Audit
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ -	\$ 450	\$ -	-
Investments	8,119	-	-	-
Property tax receivable	4,352,234	-	-	130,596
Government receivables	-	-	454,617	-
Student tuition receivables, net of allowance	-	-	-	-
Other receivables	-	3,129	-	-
Advances to other funds	304,131	957,021	1,463,475	138,558
Prepaid items	-	-	-	-
Capital assets	-	204,934	-	-
Total assets	4,664,484	1,165,534	1,918,092	269,154
Deferred outflow of resources:				
Deferred pension	-	-	-	-
Deferred OPEB	-	-	-	-
Total deferred outflow of resources	-	-	-	-
Total assets and deferred outflow of resources	\$ 4,664,484	\$ 1,165,534	\$ 1,918,092	\$ 269,154
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ 1,514	\$ -	-
Advances from other funds	-	-	-	-
Unearned tuition and fees	-	555,411	-	-
Accrued compensated absences	-	19,669	37,569	-
Net OPEB liability	-	-	-	-
Lease obligations	-	-	-	-
Arbitrage liability payable	-	-	-	-
Subscription liability	-	-	-	-
Bonds payable, net	-	-	-	-
Total liabilities	-	576,594	37,569	-
Deferred inflows of resources				
Deferred property taxes	4,383,984	-	-	131,548
Deferred grant revenue	-	-	1,311,175	-
Deferred OPEB	-	-	-	-
Total deferred inflows of resources	4,383,984	-	1,311,175	131,548
Fund balance/net position (deficit):				
Net investment in capital assets	-	204,934	-	-
Restricted	280,500	-	569,348	137,606
Unrestricted	-	384,006	-	-
Total fund balance/net position	280,500	588,940	569,348	137,606
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 4,664,484	\$ 1,165,534	\$ 1,918,092	\$ 269,154

Carl Sandburg College - Community College District 518

As of June 30, 2025	Liability Protection	Sandburg Initiates Life- Changing Opportunities	Nonexpendable Trust/Working Cash
Assets and Deferred Outflows of Resources			
Cash and cash equivalents	\$ -	\$ 1,324,500	\$ 4,898,308
Investments	4,789,349	-	4,501,528
Property tax receivable	3,894,365	-	-
Government receivables	-	-	-
Student tuition receivables, net of allowance	-	-	-
Other receivables	99,345	-	94,976
Advances to other funds	730,773	-	-
Prepaid items	-	-	-
Capital assets	-	-	-
Total assets	9,513,832	1,324,500	9,494,812
Deferred outflow of resources:			
Deferred pension	-	-	-
Deferred OPEB	-	-	-
Total deferred outflow of resources	-	-	-
Total assets and deferred outflow of resources	\$ 9,513,832	\$ 1,324,500	\$ 9,494,812
Liabilities:			
Accounts payable	\$ -	\$ -	-
Advances from other funds	-	103,366	268,526
Unearned tuition and fees	-	-	-
Accrued compensated absences	150,864	-	-
Net OPEB liability	-	-	-
Lease obligations	-	-	-
Arbitrage liability payable	-	-	-
Subscription liability	-	-	-
Bonds payable, net	-	-	-
Total liabilities	150,864	103,366	268,526
Deferred inflows of resources			
Deferred property taxes	3,922,775	-	-
Deferred grant revenue	-	-	-
Deferred OPEB	-	-	-
Total deferred inflows of resources	3,922,775	-	-
Fund balance/net position (deficit):			
Net investment in capital assets	-	-	-
Restricted	5,440,193	-	9,226,286
Unrestricted	-	1,221,134	-
Total fund balance/net position	5,440,193	1,221,134	9,226,286
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 9,513,832	\$ 1,324,500	\$ 9,494,812

Carl Sandburg College - Community College District 518

Balance Sheet - All Fund Types

As of June 30, 2025	Buildings	Bonds	Totals
Assets and Deferred Outflows of Resources			
Cash and cash equivalents	\$	-	\$ 25,777,249
Investments		6,296,145	26,556,086
Property tax receivable		-	16,762,319
Government receivables		-	543,091
Student tuition receivables, net of allowance		-	644,994
Other receivables		-	450,633
Advances to other funds		-	9,309,343
Prepaid items		-	87,236
Capital assets		-	204,934
Total assets		6,296,145	80,335,885
Deferred outflow of resources:			
Deferred pension		-	-
Deferred OPEB		-	-
Total deferred outflow of resources		-	-
Total assets and deferred outflow of resources	\$	6,296,145	\$ 80,335,885
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts payable	\$	-	\$ 1,127,427
Advances from other funds		3,200,568	9,308,348
Unearned tuition and fees		-	555,512
Accrued compensated absences		-	603,329
Net OPEB liability		-	-
Lease obligations		-	-
Arbitrage liability payable		-	1,491,207
Subscription liability		-	-
Bonds payable, net		-	-
Total liabilities		3,200,568	13,085,823
Deferred inflows of resources			
Deferred property taxes		-	16,912,245
Deferred grant revenue		-	1,311,175
Deferred OPEB		-	-
Total deferred inflows of resources		-	18,223,420
Fund balance/net position (deficit):			
Net investment in capital assets		-	204,934
Restricted		2,600,594	19,495,055
Unrestricted		494,983	29,326,653
Total fund balance/net position		3,095,577	49,026,642
Total liabilities, deferred inflows or resources and fund balance/net position	\$	6,296,145	\$ 80,335,885

Carl Sandburg College - Community College District 518

GASB				
As of June 30, 2025	General Fixed Assets	Long Term Debt	Other Adjustments	Adjusted Total
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ -	\$ -	\$ -	25,777,249
Investments	-	-	-	26,556,086
Property tax receivable	-	-	-	16,762,319
Government receivables	-	-	-	543,091
Student tuition receivables, net of allowance	-	-	-	644,994
Other receivables	-	-	-	450,633
Advances to other funds	-	-	(9,309,343)	-
Prepaid items	-	-	-	87,236
Capital assets	46,737,295	-	-	46,942,229
Total assets	46,737,295 \$	- \$	(9,309,343)	117,763,837
Deferred outflow of resources:				
Deferred pension	-	-	51,960	51,960
Deferred OPEB	-	220,495	-	220,495
Total deferred outflow of resources	-	220,495	51,960	272,455
Total assets and deferred outflow of resources	\$ 46,737,295 \$	220,495 \$	(9,257,383) \$	118,036,292
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	1,127,427
Advances from other funds	995	-	(9,309,343)	-
Unearned tuition and fees	-	-	301,131	856,643
Accrued compensated absences	-	-	804,158	1,407,487
Net OPEB liability	-	2,913,064	-	2,913,064
Lease obligations	-	96,771	-	96,771
Arbitrage liability payable	-	-	-	1,491,207
Subscription liability	-	293,633	-	293,633
Bonds payable, net	-	29,558,233	-	29,558,233
Total liabilities	995	32,861,701	(8,204,054)	37,744,465
Deferred inflows of resources				
Deferred property taxes	-	-	-	16,912,245
Deferred grant revenue	-	-	-	1,311,175
Deferred OPEB	-	3,410,781	-	3,410,781
Total deferred inflows of resources	-	3,410,781	-	21,634,201
Fund balance/net position (deficit):				
Net investment in capital assets	46,737,295	(29,283,730)	-	17,658,499
Restricted	-	-	-	19,495,055
Unrestricted	(995)	(6,768,257)	(1,053,329)	21,504,072
Total fund balance/net position	46,736,300	(36,051,987)	(1,053,329)	58,657,626
Total liabilities, deferred inflows or resources and fund balance/net position	\$ 46,737,295 \$	220,495 \$	(9,257,383) \$	118,036,292

Carl Sandburg College - Community College District 518
Combining Schedule of Revenues, Expenditures/Expenses, and Changes in
Fund Balance/Net Position (Deficit) – All Fund Types

Year Ended June 30, 2025	Education	Operations and Maintenance	Operations and Maintenance Restricted	Capital Endowment
Revenues:				
Local government	\$ 5,680,201	\$ 1,374,320	\$ 1,189,347	-
State sources	1,543,321	123,184	-	-
On-behalf payments	-	-	-	-
Federal government	10,424	-	-	-
Student tuition and fees	6,005,844	471,535	-	-
Sales and service fees	-	-	-	-
Facilities revenue	-	2,485	-	-
Investment income	1,229,965	1,061	1,986	710,562
Nongovernmental grants and gifts	31,501	10,000	-	-
Other revenue	44,784	164	-	-
Total revenues	14,546,040	1,982,749	1,191,333	710,562
Expenditures/expenses:				
Current:				
Instruction	6,814,200	-	-	-
Academic support	455,772	-	-	-
Student services	2,812,893	-	-	-
Public services	143,026	-	-	-
Auxiliary services	-	-	-	-
Operations and maintenance	-	1,893,395	-	-
Institutional support	3,685,627	180,431	364,402	205,343
Scholarships, student grants, and waivers	169,373	-	-	-
Depreciation and amortization expense	-	-	-	-
Debt service:				
Principal	228,892	-	-	-
Interest, service charges, and issuance costs	21,494	-	-	-
Total expenditures/expenses	14,331,277	2,073,826	364,402	205,343
Excess (deficiency) of revenues over expenditures	214,763	(91,077)	826,931	505,219
Other financing sources (uses)				
Issuance of debt	232,037	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Transfers in	11,445	-	-	-
Transfers out	(600,071)	-	-	-
Total other financing sources (uses)	(356,589)	-	-	-
Net change in fund balance/net position	(141,826)	(91,077)	826,931	505,219
Fund balance/net position (deficit), beginning of year	15,642,914	4,588,503	413,597	6,722,797
Fund balance/net position (deficit), end of year	\$ 15,501,088	\$ 4,497,426	\$ 1,240,528	\$ 7,228,016

Carl Sandburg College - Community College District 518
Combining Schedule of Revenues, Expenditures/Expenses, and Changes in
Fund Balance/Net Position (Deficit) - All Fund Types

Year Ended June 30, 2025	Bond and Interest	Auxiliary	Restricted Purpose	Audit
Revenues:				
Local government	\$ 3,892,073	\$ -	\$ -	118,826
State sources	-	-	2,410,732	-
On-behalf payments	-	-	3,417,037	-
Federal government	-	-	5,252,378	-
Student tuition and fees	-	92,925	-	-
Sales and service fees	-	220,311	-	-
Facilities revenue	-	-	-	-
Investment income	362	-	-	-
Nongovernmental grants and gifts	-	1,670	7,991	-
Other revenue	-	57,038	121,582	-
Total revenues	3,892,435	371,944	11,209,720	118,826
Expenditures/expenses:				
Current:				
Instruction	-	-	2,637,969	-
Academic support	-	-	62,945	-
Student services	-	-	1,539,146	-
Public services	-	-	160,737	-
Auxiliary services	-	940,015	168,953	-
Operations and maintenance	-	-	144,545	-
Institutional support	48,618	-	2,608,021	56,249
Scholarships, student grants, and waivers	-	-	5,318,177	-
Depreciation and amortization expense	-	36,032	-	-
Debt service:				
Principal	2,900,000	20,391	-	-
Interest, service charges, and issuance costs	991,398	2,265	-	-
Total expenditures/expenses	3,940,016	998,703	12,640,493	56,249
Excess (deficiency) of revenues over expenditures	(47,581)	(626,759)	(1,430,773)	62,577
Other financing sources (uses)				
Issuance of debt	48,300	-	-	-
Gain (loss) on disposal of assets	-	(30,454)	-	-
Transfers in	-	800,071	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	48,300	769,617	-	-
Net change in fund balance/net position	719	142,858	(1,430,773)	62,577
Fund balance/net position (deficit), beginning of year	279,781	446,082	2,000,121	75,029
Fund balance/net position (deficit), end of year	\$ 280,500	\$ 588,940	\$ 569,348	\$ 137,606

Carl Sandburg College - Community College District 518
Combining Schedule of Revenues, Expenditures/Expenses, and Changes in
Fund Balance/Net Position (Deficit) – All Fund Types

Year Ended June 30, 2025	Liability Protection	Sandburg Initiates Life- Changing Opportunities	Nonexpendable Trust/Working Cash	Buildings Bonds
Revenues:				
Local government	\$ 3,289,190	\$ -	\$ -	-
State sources	-	-	-	-
On-behalf payments	-	-	-	-
Federal government	-	-	-	-
Student tuition and fees	-	-	-	-
Sales and service fees	-	-	-	-
Facilities revenue	-	-	-	-
Investment income	363,562	60,292	535,183	363,382
Nongovernmental grants and gifts	17,816	-	-	-
Other revenue	-	-	-	-
Total revenues	3,670,568	60,292	535,183	363,382
Expenditures/expenses:				
Current:				
Instruction	-	-	-	-
Academic support	-	-	-	-
Student services	-	-	-	-
Public services	-	-	-	-
Auxiliary services	-	-	-	-
Operations and maintenance	-	-	-	-
Institutional support	3,129,001	-	-	11,559,249
Scholarships, student grants, and waivers	-	-	-	-
Depreciation and amortization expense	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest, service charges, and issuance costs	-	-	-	-
Total expenditures/expenses	3,129,001	-	-	11,559,249
Excess (deficiency) of revenues over expenditures	541,567	60,292	535,183	(11,195,867)
Other financing sources (uses)				
Issuance of debt	-	-	-	4,251,700
Gain (loss) on disposal of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(11,445)	(200,000)	-
Total other financing sources (uses)	-	(11,445)	(200,000)	4,251,700
Net change in fund balance/net position	541,567	48,847	335,183	(6,944,167)
Fund balance/net position (deficit), beginning of year	4,898,626	1,172,287	8,891,103	10,039,744
Fund balance/net position (deficit), end of year	\$ 5,440,193	\$ 1,221,134	\$ 9,226,286	\$ 3,095,577

Carl Sandburg College - Community College District 518

Combining Schedule of Revenues, Expenditures/Expenses, and Changes in

Fund Balance/Net Position (Deficit) - All Fund Types

GASB

Year Ended June 30, 2025	Totals	General Fixed Assets	Long Term Debt	Other Adjustments
Revenues:				
Local government	\$ 15,543,957	-	-	-
State sources	4,077,237	-	-	-
On-behalf payments	3,417,037	-	-	-
Federal government	5,262,802	-	-	-
Student tuition and fees	6,570,304	-	-	(2,107,828)
Sales and service fees	220,311	-	-	-
Facilities revenue	2,485	-	-	-
Investment income	3,266,355	-	-	-
Nongovernmental grants and gifts	68,978	-	-	-
Other revenue	223,568	-	-	-
Total revenues	38,653,034	-	-	(2,107,828)
Expenditures/expenses:				
Current:				
Instruction	9,452,169	(466,138)	(548,761)	(87,197)
Academic support	518,717	-	(23,641)	(5,386)
Student services	4,352,039	-	(175,413)	(103,293)
Public services	303,763	-	(12,751)	573
Auxiliary services	1,108,968	-	(28,357)	(4,178)
Operations and maintenance	2,037,940	(211,354)	(54,289)	(35,907)
Institutional support	21,836,941	(12,307,766)	(434,464)	(221,060)
Scholarships, student grants, and waivers	5,487,550	-	(5,713)	(2,105,456)
Depreciation and amortization expense	36,032	2,472,648	-	-
Debt service:				
Principal	3,149,283	-	(3,149,283)	-
Interest, service charges, and issuance costs	1,015,157	-	(370,176)	-
Total expenditures/expenses	49,298,559	(10,512,610)	(4,802,848)	(2,561,904)
Excess (deficiency) of revenues over expenditures	(10,645,525)	10,512,610	4,802,848	454,076
Other financing sources (uses)				
Issuance of debt	4,532,037	-	(4,532,037)	-
Gain (loss) on disposal of assets	(30,454)	-	-	-
Transfers in	811,516	-	-	(811,516)
Transfers out	(811,516)	-	-	811,516
Total other financing sources (uses)	4,501,583	-	(4,532,037)	-
Net change in fund balance/net position	(6,143,942)	10,512,610	270,811	454,076
Fund balance/net position (deficit), beginning of year	55,170,584	36,223,690	(36,322,798)	(1,507,405)
Fund balance/net position (deficit), end of year	\$ 49,026,642	\$ 46,736,300	\$(36,051,987)	\$ (1,053,329)

Carl Sandburg College - Community College District 518

Combining Schedule of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Net Position (Deficit) - All Fund Types

Year Ended June 30, 2025	Adjusted Total
Revenues:	
Local government	\$ 15,543,957
State sources	4,077,237
On-behalf payments	3,417,037
Federal government	5,262,802
Student tuition and fees	4,462,476
Sales and service fees	220,311
Facilities revenue	2,485
Investment income	3,266,355
Nongovernmental grants and gifts	68,978
Other revenue	223,568
Total revenues	36,545,206
Expenditures/expenses:	
Current:	
Instruction	8,350,073
Academic support	489,690
Student services	4,073,333
Public services	291,585
Auxiliary services	1,076,433
Operations and maintenance	1,736,390
Institutional support	8,873,651
Scholarships, student grants, and waivers	3,376,381
Depreciation and amortization expense	2,508,680
Debt service:	
Principal	-
Interest, service charges, and issuance costs	644,981
Total expenditures/expenses	31,421,197
Excess (deficiency) of revenues over expenditures	5,124,009
Other financing sources (uses)	
Issuance of debt	-
Gain (loss) on disposal of assets	(30,454)
Transfers in	-
Transfers out	-
Total other financing sources (uses)	(30,454)
Net change in fund balance/net position	5,093,555
Fund balance/net position (deficit), beginning of year	53,564,071
Fund balance/net position (deficit), end of year	\$ 58,657,626

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule

Year Ended June 30, 2025	Original and Final Budget	Education Actual	Variance with Final Budget
Revenues:			
Local government:			
Property taxes	\$ 5,489,436	\$ 5,495,212	5,776
Replacement taxes	250,000	184,989	(65,011)
Total local government	5,739,436	5,680,201	(59,235)
State government:			
Base operating grants	1,421,170	1,378,084	(43,086)
Equalization grants	46,000	46,000	-
Career and technical education formula grant	128,186	119,237	(8,949)
Total state government	1,595,356	1,543,321	(52,035)
Federal government	-	10,424	10,424
Student tuition and fees	6,253,124	6,005,844	(247,280)
Investment income	500,000	1,229,965	729,965
Miscellaneous, other	71,421	76,285	4,864
Total revenues	14,159,337	14,546,040	386,703
Expenditures:			
Instruction:			
Salaries	4,791,428	5,286,450	(495,022)
Employee benefits	576,893	776,529	(199,636)
Contractual services	301,280	239,001	62,279
General materials and supplies	379,875	291,923	87,952
Travel, conference and meeting expense	107,632	63,732	43,900
Capital outlay	159,300	78,344	80,956
Other	199,427	78,221	121,206
Total instruction	6,515,835	6,814,200	(298,365)

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule (Continued)

Year Ended June 30, 2025	Original and Final Budget	Education Actual	Variance with Final Budget
Academic support:			
Salaries	229,067	235,621	(6,554)
Employee benefits	47,829	38,679	9,150
Contractual services	122,831	118,290	4,541
General materials and supplies	63,150	61,073	2,077
Travel, conference and meeting expense	2,200	1,193	1,007
Other	4,000	916	3,084
Total academic support	469,077	455,772	13,305
Student services:			
Salaries	1,510,066	1,411,535	98,531
Employee benefits	229,973	289,341	(59,368)
Contractual services	96,050	52,391	43,659
General materials and supplies	72,983	59,961	13,022
Travel, conference and meeting expense	55,608	49,461	6,147
Other	733,492	950,204	(216,712)
Total student services	2,698,172	2,812,893	(114,721)
Public services:			
Salaries	171,910	114,005	57,905
Employee benefits	26,208	12,894	13,314
Contractual services	22,900	7,580	15,320
General materials and supplies	12,675	6,329	6,346
Travel, conference and meeting expense	1,400	1,146	254
Fixed Charges	700	-	700
Other	1,400	1,072	328
Total public services	237,193	143,026	94,167
Institutional support:			
Salaries	2,093,100	1,886,496	206,604
Employee benefits	669,487	420,606	248,881
Contractual services	281,808	400,269	(118,461)
General materials and supplies	722,660	302,462	420,198
Travel, conference and meeting expense	129,830	70,805	59,025
Fixed charges	106,425	13,062	93,363
Capital outlay	-	232,037	(232,037)
Principal	-	228,892	(228,892)
Interest, service charges, and issuance costs	-	21,494	(21,494)
Other	135,750	359,890	(224,140)
Total institutional support	4,139,060	3,936,013	203,047

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule (Continued)

	Education		
Year Ended June 30, 2025	Original and Final Budget	Actual	Variance with Final Budget
Scholarships, student grants, and waivers:			
Other	-	169,373	(169,373)
Total scholarships, student grants, and waivers	-	169,373	(169,373)
Total expenditures	14,059,337	14,331,277	(271,940)
Excess (deficiency) of revenues over expenditures	100,000	214,763	114,763
Other financing sources (uses):			
Issuance of debt	-	232,037	232,037
Transfers in	285,125	11,445	(273,680)
Transfers out	(385,125)	(600,071)	(214,946)
Total other financing sources (uses)	(100,000)	(356,589)	(256,589)
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	\$ -	(141,826)	\$ (141,826)
Fund balance at beginning of year		15,642,914	
Fund balance at end of year		\$ 15,501,088	

Carl Sandburg College - Community College District 518

Operations and Maintenance			
Year Ended June 30, 2025	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Local government:			
Property taxes	\$ 1,176,476	\$ 1,189,331	\$ 12,855
Replacement taxes	250,000	184,989	(65,011)
Total local government	1,426,476	1,374,320	(52,156)
State government:			
Base operating grants	123,580	119,184	(4,396)
Equalization grants	4,000	4,000	-
Total state government	127,580	123,184	(4,396)
Student tuition and fees	383,159	471,535	88,376
Investment income	-	1,061	1,061
Miscellaneous, other	4,558	12,649	8,091
Total revenues	1,941,773	1,982,749	40,976
Expenditures:			
Instruction:			
Operation and maintenance of plant:			
Salaries	800,393	592,874	207,519
Employee benefits	180,000	206,290	(26,290)
Contractual services	162,500	85,920	76,580
General materials and supplies	131,000	118,331	12,669
Travel, conference and meeting expense	3,850	1,141	2,709
Fixed charges	3,000	1,464	1,536
Utilities	531,615	665,007	(133,392)
Capital outlay	131,000	211,353	(80,353)
Other	62,000	11,015	50,985
Total operation and maintenance of plant	2,005,358	1,893,395	111,963
Institutional support:			
Salaries	(66,150)	55,672	(121,822)
Contractual services	13,500	7,058	6,442
General materials and supplies	20,500	9,576	10,924
Travel, conference and meeting expense	2,000	627	1,373
Principal	45,000	-	45,000
Utilities	132,500	107,498	25,002
Total institutional support	147,350	180,431	(33,081)

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule (Continued)

	Operations and Maintenance		
Year Ended June 30, 2025	Original and Final Budget	Actual	Variance with Final Budget
Total expenditures	2,152,708	2,073,826	78,882
Excess (deficiency) of revenues over expenditures	(210,935)	(91,077)	119,858
Other financing sources (uses)			
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	\$ (210,935)	(91,077) \$	119,858
Fund balance at beginning of year		4,588,503	
Fund balance at end of year		\$ 4,497,426	

Carl Sandburg College - Community College District 518

Year Ended June 30, 2025	Original and Final Budget	Auxiliary Actual	Variance with Final Budget
Revenues:			
Operating revenues:			
Sales and service fees	152,981	220,311	67,330
Other revenue	136,580	151,633	15,053
Student tuition and fees	99,430	92,925	(6,505)
Miscellaneous, other	(99,430)	(92,925)	6,505
Total operating revenues	289,561	371,944	82,383
Operating expenses:			
Salaries	311,674	285,980	25,694
Employee benefits	36,505	32,986	3,519
Contractual services	83,980	72,107	11,873
General materials and supplies	244,277	327,168	(82,891)
Travel, conference and meeting expense	92,824	108,341	(15,517)
Capital outlay	28,000	1,649	26,351
Depreciation and amortization expense	-	36,032	(36,032)
Principal	-	20,391	(20,391)
Interest, service charges, and issuance costs	-	2,265	(2,265)
Other	92,887	111,784	(18,897)
Total operating expenses	890,147	998,703	(108,556)
Excess (deficiency) of revenues over expenses	(600,586)	(626,759)	(26,173)
Other financing sources (uses):			
Transfers in	585,125	800,071	214,946
Gain (loss) on disposal of assets	-	(30,454)	(30,454)
Total other financing sources (uses)	585,125	769,617	184,492
Excess (deficiency) of revenues and other financing sources (uses) over expenses	\$ (15,461)	142,858 \$	158,319
Net position at beginning of year		446,082	
Net position at end of year		\$ 588,940	

Carl Sandburg College - Community College District 518
Schedule of Operating Revenues and Expenses, by Program
Auxiliary Enterprise Fund

Year Ended June 30, 2025	Auto Mechanics	Bookstore	Child Care Center	Dental Hygiene	Food Service	Athletics	Student Activities	Total
Operating revenues:								
Sales and service fees	\$ 269	\$ -	- \$	- \$ 20,254	- \$	199,303	\$ 485	220,311
Other revenue	-	26,641	-	5,575	8,511	14,978	95,928	151,633
Total revenues	269	26,641	-	25,829	8,511	214,281	96,413	371,944
Operating expenses:								
Current:								
Salaries	-	-	-	-	-	179,477	106,503	285,980
Employee benefits	-	-	-	-	-	32,986	-	32,986
Contractual services	-	-	-	-	-	65,820	6,287	72,107
General materials and supplies	2,276	-	-	26,345	-	288,508	10,039	327,168
Travel, conference and meeting expense	-	-	-	-	-	108,341	-	108,341
Capital outlay	-	-	-	-	-	24,305	(22,656)	1,649
Principal	-	-	-	-	-	-	20,391	20,391
Interest, service charges, and issuance costs	-	-	-	-	-	-	2,265	2,265
Other	-	-	-	-	-	103,688	8,096	111,784
Depreciation and amortization expense	-	-	-	-	-	-	38,864	38,864
Total expenditures	2,276	-	-	26,345	-	803,125	169,789	1,001,535
Excess (deficiency) of revenues over expenditures	\$ (2,007)	\$ 26,641	- \$	(516)	\$ 8,511	(588,844)	(73,376)	(629,591)

Carl Sandburg College - Community College District 518

Combining Balance Sheet - Liability Protection Funds

As of June 30, 2025	Employee Insurance	Liability, Protections, and Settlement	Insurance Reserve	Total
Assets				
Investments	\$ -	\$ -	\$ 4,789,349	\$ 4,789,349
Property tax receivable	-	3,894,365	-	3,894,365
Other receivables	-	-	99,345	99,345
Advances to other funds	-	847,859	-	847,859
Total assets	\$ -	\$ 4,742,224	\$ 4,888,694	\$ 9,630,918
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Advances from other funds	3,071	-	114,015	117,086
Accrued compensated absences	-	150,864	-	150,864
Total liabilities	3,071	150,864	114,015	267,950
Deferred inflow of resources				
Deferred inflows of resources	-	3,922,775	-	3,922,775
Total deferred inflow of resources	-	3,922,775	-	3,922,775
Fund balances				
Restricted	(3,071)	668,585	4,774,679	5,440,193
Total liabilities, deferred inflows or resources and fund balances	\$ -	\$ 4,742,224	\$ 4,888,694	\$ 9,630,918

Carl Sandburg College - Community College District 518
Combining Schedule of Revenues, Expenditures and
Changes In Fund Balance - Liability Protection Funds

Year Ended June 30, 2025	Employee Insurance	Liability, Protections, and Settlement	Insurance Reserve	Total
Revenues				
Local government	\$ -	\$ 3,289,190	\$ -	3,289,190
Investment income	-	-	363,562	363,562
Nongovernmental grants and gifts	17,816	-	-	17,816
Total revenues	17,816	3,289,190	363,562	3,670,568
Expenditures				
Current:				
Institutional support	17,959	3,111,042	-	3,129,001
Total expenditures	17,959	3,111,042	-	3,129,001
Net change in fund balance	(143)	178,148	363,562	541,567
Fund balance, beginning of year	(2,928)	490,437	4,411,117	4,898,626
Fund balance (deficit), end of year	\$ (3,071)	\$ 668,585	\$ 4,774,679	\$ 5,440,193

Carl Sandburg College - Community College District 518

Budgetary Comparison Schedule

	Buildings Bonds		
Year Ended June 30, 2025	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Investment income	200,000	363,382	163,382
Total revenues	200,000	363,382	163,382
Expenditures			
Contractual services	765,000	501,806	263,194
Capital outlay	12,139,961	11,057,443	1,082,518
Total expenditures	12,904,961	11,559,249	1,345,712
Excess (deficiency) of revenues over expenditures	(12,704,961)	(11,195,867)	1,509,094
Other financing sources (uses)			
Issuance of debt	1,500,000	4,251,700	2,751,700
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	\$ (11,204,961)	(6,944,167)	\$ 4,260,794
Fund balance at beginning of year		10,039,744	
Fund balance at end of year		\$ 3,095,577	

Carl Sandburg College - Community College District 518

Levy Years	2024	2023	2022
Assessed Valuations:			
Knox County	\$ 1,111,793,711	\$ 1,031,413,099	\$ 966,204,639
Fulton County	28,293,952	26,381,707	23,643,446
Hancock County	452,493,440	424,195,742	390,716,970
Henderson County	239,687,597	223,867,237	210,576,460
Henry County	3,712,276	3,713,665	3,694,458
McDonough County	264,755,927	251,298,636	235,632,307
Mercer County	37,961,965	35,042,735	32,679,019
Schuyler County	6,939,114	6,401,487	5,869,384
Stark County	278,011	261,239	241,193
Warren County	485,052,926	454,569,065	426,304,828
Total assessed valuations	\$ 2,630,968,919	\$ 2,457,144,612	\$ 2,295,562,704
Tax Rate (per \$100 assessed valuation):			
Educational Accounts	0.2222	0.2204	0.2252
Operations and Maintenance Accounts	0.0852	0.0984	0.0608
Bond and Interest Fund	0.1666	0.1610	0.1721
Audit Fund	0.0050	0.0049	0.0049
Liability, Protection, Settlement, Social Security, and Medicare Accounts	0.1491	0.1361	0.1278
Total tax rate	0.6281	0.6208	0.5908
Tax Extensions:			
Educational Accounts	\$ 6,040,847	\$ 5,393,655	\$ 5,104,379
Operations and Maintenance Accounts	2,226,864	2,352,949	1,372,292
Bond and Interest Fund	4,354,170	3,849,541	3,883,385
Audit Fund	130,654	117,863	109,865
Liability, Protection, Settlement, Social Security, and Medicare Accounts	3,896,098	3,254,490	2,882,873
Total tax extensions	\$ 16,648,633	\$ 14,968,498	\$ 13,352,794
Tax Collections to June 30:			
Education Fund	\$ 42,318	\$ 5,351,086	\$ 5,212,631
Operations and Maintenance Fund	9,527	1,195,202	1,126,317
Bond and Interest Fund	31,749	3,910,820	3,984,468
Audit Fund	953	119,739	112,724
Protection, Health, Safety	6,711	1,195,202	281,695
Liability, Protection, and Settlement Fund	28,409	3,306,297	2,957,913
Total tax collections	\$ 119,667	\$ 15,078,346	\$ 13,675,748
Percent of extensions collected	0.72 %	100.73 %	102.42 %

Schedule of Credit Hour Data

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

Board of Trustees
Carl Sandburg College - Community College District 518
Galesburg, Illinois

We have examined management of Carl Sandburg College - Community College District 518's (the "College") assertion that the College complied with the guidelines of the Illinois Community College Board's Fiscal Management Manual included in the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Are Filed during the period July 1, 2024 through June 30, 2025. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirement based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

Our examination does not provide a legal determination on the College's compliance with the specified requirements.

In our opinion, management's assertion that the Carl Sandburg College - Community College District 518 complied with the guidelines of the Illinois Community College Board's Fiscal Management Manual included in the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Are Filed is fairly stated, in all material respects.

Wipfli LLP

Wipfli LLP

Sterling, Illinois
November 6, 2025

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Carl Sandburg College - Community College District 518
 SCHEDULE OF CREDIT HOUR DATA AND OTHER BASES
 UPON WHICH CLAIMS ARE FILED
 YEAR ENDED JUNE 30, 2025

Total Reimbursable Semester Credit Hours by Term				
Credit Hour Categories	Summer Term		Fall Term	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Baccalaureate	1,976.0	0.0	8,415.5	0.0
Business Occupational	45.0	0.0	294.5	0.0
Technical Occupational	28.0	0.0	618.0	0.0
Health Occupational	631.0	0.0	2,397.5	0.0
Remedial/Developmental	28.0	0.0	364.0	0.0
Adult Education	27.00	0.0		0.0
Total	2,735.0	0.0	12,089.5	0.0
Spring Term				
Credit Hour Categories	Spring Term		Total All Terms	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Baccalaureate	8,126.0	0.0	18,517.5	0.0
Business Occupational	287.0	0.0	626.5	0.0
Technical Occupational	651.0	6.0	1,297.0	6.0
Health Occupational	1,985.5	0.0	5,014.0	0.0
Remedial/Developmental	186.0	0.0	578.0	0.0
Adult Education	6.00	0.0	33.0	0.0
Total	11,241.5	6.0	26,066.0	6.0
In-District (All terms)				
	Unrestricted Hours		Restricted Hours	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Reimbursable Credit Hours:	21,479.0	6.00		
Credit Hours on Chargeback or Contractual Agreement:			0.0	
Dual Credit (All Terms)				
	Dual Credit (All Terms)		Dual Enrollment (All Terms)	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Reimbursable Credit Hours:	5,471.5	0.0	18.0	0.0
Correctional Semester Credit Hours				
Credit Hour Categories	Summer	Fall	Spring	Total
	Correctional Hours	Correctional Hours	Correctional Hours	Correctional Hours
Baccalaureate	0.0	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0	0.0
Technical Occupational	0.0	0.0	0.0	0.0
Health Occupational	0.0	0.0	0.0	0.0
Remedial/Developmental	0.0	0.0	0.0	0.0
Adult Education	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0

Chief Executive Officer

Chief Financial Officer

Carl Sandburg College - Community College District 518
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
YEAR ENDED JUNE 30, 2025

Total Reimbursable Semester Credit Hours			
Credit Hour Categories	Total	Total	Difference
	Reported in Audit Unrestricted Hours	Certified to ICCB Unrestricted Hours	
Baccalaureate	18,517.5	18,517.5	-
Business Occupational	626.5	626.5	-
Technical Occupational	1,297.0	1,297.0	-
Health Occupational	5,014.0	5,014.0	-
Remedial/Developmental	578.0	578.0	-
Adult Education	33.0	33.0	-
Total:	26,066.0	26,066.0	-
Credit Hour Categories	Total	Total	Difference
	Reported in Audit Restricted Hours	Certified to ICCB Restricted Hours	
Baccalaureate	0.0	0.0	-
Business Occupational	0.0	0.0	-
Technical Occupational	6.0	6.0	-
Health Occupational	0.0	0.0	-
Remedial/Developmental	0.0	0.0	-
Adult Education	0.0	0.0	-
Credit Hour Categories	Total	Total	Difference
	Reported in Audit Unrestricted Hours	Certified to ICCB Unrestricted Hours	
In-District Credit Hours:	21,479.0	21,479.0	-
Dual Credit Hours:	5,471.5	5,471.5	-
Dual Enrollment Hours:	18.0	18.0	-
Credit Hour Categories	Total	Total	Difference
	Reported in Audit Restricted Hours	Certified to ICCB Restricted Hours	
In-District Credit Hours:	6.00	6.00	-
Dual Credit Hours:	0.0	0.0	-
Dual Enrollment Hours:	0.0	0.0	-
Total Correctional Semester Credit Hours			
Credit Hour Categories	Total	Total	Difference
	Reported in Audit Unrestricted Hours	Certified to ICCB Unrestricted Hours	
Baccalaureate	0.0	0.0	-
Business Occupational	0.0	0.0	-
Technical Occupational	0.0	0.0	-
Health Occupational	0.0	0.0	-
Remedial/Developmental	0.0	0.0	-
Adult Education	0.0	0.0	-
Total:	-	-	-
Credit Hour Categories	Total	Total	Difference
	Reported in Audit Restricted Hours	Certified to ICCB Restricted Hours	
Baccalaureate	0.0	0.0	-
Business Occupational	0.0	0.0	-
Technical Occupational	0.0	0.0	-
Health Occupational	0.0	0.0	-
Remedial/Developmental	0.0	0.0	-
Adult Education	0.0	0.0	-
Total:	-	-	-

Carl Sandburg College - Community College District 518

Notes to Schedule of Credit Hour Data and Other Bases Upon Which Claims are Filed

Note 1: Residency Verification Process

Procedures for Verifying and Classifying Residency

Every credit student must submit an application to the College which contains biographic and demographic information. The student signs the application verifying the accuracy of the information and the ability to provide documentation to verify it. The Records Department will use the data contained in the application and on the subsequent enrollment forms to determine residency.

In order to be classified as in-district for tuition, the student must indicate one or more of the following:

- Current residence for at least 30 days at an in-district address
- Permanent residence at an in-district address
- Graduation from or current enrolment in an in-district high school
- Current enrollment at another institution of higher education located in-district
- Although the student resides out-of-district, the student or his parent or guardian maintains full-time employment in-district
- Although the student resides out-of-district, the student owns land and pays taxes in-district

In the case of an address change, a student will submit the change in writing to the Records Department or via the self-service address changes in our online system.

The student's signature on the forms mentioned above indicates that he/she is able to produce appropriate documentation to certify residency in-district. Proper documentation includes one or more of the following:

- Driver's license
- State-issued ID
- Voter registration card
- Utility bill
- Bank statement
- ID card from another institution of higher education in-district
- Progress summary from another institution of higher education in-district
- Home/apartment lease
- Cell phone bill

Compliance Section

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Trustees

Carl Sandburg College - Community College District 518

Galesburg, 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 and the discretely presented component unit Carl Sandburg College - Community College District 518, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Carl Sandburg College - Community College District 518's basic financial statements, and have issued our report thereon dated November 6, 2025. The financial statements of Carl Sandburg College Foundation were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Carl Sandburg College Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Carl Sandburg College - Community College District 518's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Carl Sandburg College - Community College District 518's internal control. Accordingly, we do not express an opinion on the effectiveness of the Carl Sandburg College - Community College District 518'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 reasonable possibility that a material misstatement of the Carl Sandburg College - Community College District 518's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 have not been identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

Sterling, Illinois
November 6, 2025

Carl Sandburg College - Community College District 518

Federal Compliance Report

Year Ended June 30, 2025

Carl Sandburg College - Community College District 518

Years Ended June 30, 2025 and 2024

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Trustees

Carl Sandburg College - Community College District 518

Galesburg, 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 and the discretely presented component unit Carl Sandburg College - Community College District 518, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Carl Sandburg College - Community College District 518's basic financial statements, and have issued our report thereon dated November 6, 2025. The financial statements of Carl Sandburg College Foundation, a discretely presented component unit, were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Carl Sandburg College Foundation. Our report includes a reference to other auditors who audited the financial statements of Carl Sandburg College Foundation, as described in our report on the College's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Carl Sandburg College - Community College District 518's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carl Sandburg College - Community College District 518's internal control. Accordingly, we do not express an opinion on the effectiveness of Carl Sandburg College - Community College District 518'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 reasonable possibility that a material misstatement of Carl Sandburg College - Community College District 518's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Carl Sandburg College - Community College District 518's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

Sterling, Illinois

November 6, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees

Carl Sandburg College - Community College District 518

Galesburg, Illinois

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Carl Sandburg College - Community College District 518's 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 its major federal programs for the year ended June 30, 2025. Carl Sandburg College - Community College District 518's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on Student Financial Assistance Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Carl Sandburg College - Community College District 518 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Student Financial Assistance Cluster for the year ended June 30, 2025.

Unmodified Opinion on TRIO Cluster

In our opinion, Carl Sandburg College - Community College District 518 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal program identified in the summary of auditor's results section of the accompanying schedule of findings and questions for the year ended June 30, 2025.

Basis for Qualified and Unmodified Opinions

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.

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We are required to be independent of Carl Sandburg College - Community College District 518 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 Carl Sandburg College - Community College District 518's compliance with the compliance requirements referred to above.

Matter(s) Giving Rise to Qualified Opinion on Student Financial Assistance Cluster

As described in the accompanying schedule of findings and questioned costs, Carl Sandburg College - Community College District 518 did not comply with requirements regarding Student Financial Assistance Cluster as described in finding number 2025-001 for Special Tests and Provisions.

Compliance with such requirements is necessary, in our opinion, for Carl Sandburg College - Community College District 518 to comply with the requirements applicable to that program.

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 Carl Sandburg College - Community College District 518's federal programs.

Auditor's Responsibility 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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518'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 Carl Sandburg College - Community College District 518's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2025-002. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 to be significant deficiencies.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the discretely presented component unit Carl Sandburg College - Community College District 518 for the year ended June 30, 2025, and issued our report thereon dated November 6, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP

Sterling, Illinois
January 22, 2026

Carl Sandburg College - Community College District 518

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Award Notification Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Education:				
Direct award				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity				
Grants	84.007	na	\$86,680	\$0 (m)
Federal Work Study Program	84.033	na	60,048	0 (m)
Federal Pell Grant Program	84.063	na	3,618,664	0 (m)
Federal Direct Loan Program	84.268	na	366,469	0 (m)
Total student financial assistance cluster			4,131,861	0
Direct award				
TRIO Cluster:				
TRIO - Student Support Services	84.042A	na	318,245	0 (m)
TRIO - Upward Bound:				
Crossing the Bridge to Success	84.047A	na	340,782	0 (m)
Math & Science	84.047M	na	283,236	0 (m)
Total TRIO cluster			942,263	0
Pass-through Illinois Community College Board				
Career and Technical Education Programs				
Perkins Postsecondary Grants	84.048	CTE518-25	188,678	0
Total U.S. Department of Education			\$5,262,802	\$0
Total federal awards expended			\$5,262,802	\$0

See Notes to the Schedule of Expenditures of Federal Awards

Carl Sandburg College - Community College District 518

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1: General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Carl Sandburg College - Community College District 518 under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with requirements of the 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 Carl Sandburg College - Community College District 518, it is not intended to and does not present the financial position, changes in net position or cash flows of Carl Sandburg College - Community College District 518.

Note 2: Basis of Accounting

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3: Indirect Cost Rate

Carl Sandburg College - Community College District 518 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The College has a federally negotiated rate with the US Department of Health and Human Services of 62% of direct salaries and wages including all fringe benefits.

Note 4: Loan Program

For the year ended June 30, 2025, the College acted a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$366,469.

Note 5: Non-Cash Assistance

The College did not expend any federal awards in the form of non-cash assistance during the year ended June 30, 2025.

Note 6: Other Federal Award Information

The College did not receive or administer any insurance or loan guarantees during fiscal year ended June 30, 2025.

Carl Sandburg College - Community College District 518

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	Yes	X	No
Significant deficiency(ies) identified?	Yes	X	None Reported

Noncompliance material to financial statements noted?	Yes	X	No
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Federal Awards

Internal control over major programs:

Material weakness(es) identified?	Yes	X	No
Significant deficiency(ies) identified?	X	Yes	None Reported

Type of auditor's report issued on compliance for major programs:	Qualified	Student Financial Assistance Cluster	
	Unmodified	TRIO Cluster	

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	X	Yes	No
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Identification of major programs

ALN Number(s)	Federal Program or Cluster
84.007, 84.033, 84.063, 84.268	Student Financial Aid Cluster
84.042, 84.047	TRIO Cluster

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

Auditee qualified as low-risk auditee?	X	Yes	No
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Carl Sandburg College - Community College District 518

Schedule of Findings and Questioned Costs (Continued)

Section II - Audit Findings in Relation to Financial Statements

No findings related to financial statements.

Section III - Audit Findings and Questioned Costs in Relation to Federal Awards

2025-001 Special Tests and Provisions - Inaccruate NSLDS Reporting
Federal Program Information:

Funding agency: US Department of Education

Title: Student Financial Assistance Cluster

Assistance listing number: 84.007, 84.003, 84.063, 84.268

Award year and number: 2025

Criteria or Specific Requirement: Federal regulations (34 CFR 685.309 and NSLDS Enrollment Reporting guidance) require institutions to report enrollment status changes to NSLDS accurately and timely,

Condition: The examination disclosed 8 students, out of 25 student files who had an enrollment status change tested, in which their enrollment status was inaccurately reported.

Student A – The student effective date of withdraw according to the academic file was 10/10/24, the effective date of withdraw reported to NSLDS was 12/12/24.

Student B - The student effective date of withdraw according to the academic file was 10/28/24, the effective date of withdraw reported to NSLDS was 12/12/24.

Student C – According to the student’s academic record the students status changed from full time to half time when they started attending the summer term.

Student D – The student withdrew on 3/30/25 according to their academic record but the status was not updated to reflect they withdrew, they are still being reported as FT.

Student E – The student withdrew on 5/4/25 according to their academic record but the status was not updated to reflect they withdrew, they are still being reported as HT.

Student F – The student withdrew on 4/21/25 according to their academic records but the status was not updated to reflect they withdrew, they are still being reported as HT.

Student G – The student withdrew on 5/5/25 according to their academic records but the status was not updated to reflect they withdrew, they are still being reported as HT.

Student H - The student effective date of withdraw according to the academic file was 10/3/24, the effective date of withdraw reported to NSLDS was 10/17/24.

Carl Sandburg College - Community College District 518

Schedule of Findings and Questioned Costs (Continued)

Context: The College processes enrollment data for a substantial number of Title IV-eligible students. Of the 25 students selected for testing, 8 (32%) had inaccurate or incomplete NSLDS reporting. Errors were not concentrated in a single academic program or term, indicating that the issue may be broader within the enrollment reporting process.

These inconsistencies increase risk because NSLDS relies on accurate enrollment data to determine in-school status, grace periods, and repayment dates.

Questioned Costs: \$0

Effect: Inaccurate NSLDS reporting may result in:

- Incorrect determination of borrower in-school status,
- Incorrect grace period timing,
- Potential improper loan servicing actions,
- Increased institutional risk of federal noncompliance.

Cause: The institution did not accurately reflect the updated information in NSLDS.

Repeat: No

Auditor's Recommendation: We recommend the College:

1. Strengthen its enrollment reporting controls, including reconciliation between internal student information systems and NSLDS.
2. Implement a quality review step before NSLDS submissions.
3. Provide refresher training to staff responsible for NSLDS reporting.
4. Document procedures to ensure continuity during staff transitions.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

2025-002

Eligibility - Comment Code Not Resolved	
Federal Program Information:	
Funding agency:	US Department of Education
Title:	Student Financial Assistance Cluster
Assistance listing number:	84.007, 84.033, 84.063, 84.268
Award year and number:	2025

Criteria or Specific Requirement: Per 34 CFR 668.16 and Federal Student Aid Handbook guidance, institutions must resolve all required ISIR comment codes before determining eligibility and disbursing Title IV funds. Failure to do so may result in awarding aid to an ineligible student or awarding incorrect amounts.

Carl Sandburg College - Community College District 518

Schedule of Findings and Questioned Costs (Continued)

Condition: During our testing of 40 student files for compliance with eligibility requirements, we noted one instance in which the College did not resolve a required ISIR comment code (C-Code) prior to disbursing Title IV aid. The applicable ISIR flagged an issue requiring institutional review and documentation; however, the College proceeded with awarding without documenting that the comment code had been cleared.

The student has a 040 C-Code, the student has a Max Pell Indicator of 2 and the foreign income is greater than 0.

Context: The College processed Title IV aid for 40 students tested as part of our sample for eligibility. One student's ISIR included a comment code requiring institutional resolution. The comment code was not addressed or cleared, and there was no documentation supporting follow up or verification prior to awarding federal aid. While the error rate (1 out of 40; 2.5%) was isolated, compliance requirements mandate that all required comment codes be resolved regardless of frequency.

Questioned Costs: \$0

Effect: Failure to resolve required ISIR comment codes may lead to improper eligibility determinations and increased risk of noncompliance with federal eligibility requirements

Cause: The exception appears to be the result of oversight within the ISIR review process. Staff did not identify or clear the comment code before finalizing the student's eligibility determination.

Repeat: No

Auditor's Recommendation: We recommend the College strengthen its ISIR review controls to ensure all required comment codes are identified, resolved, and documented before disbursing Title IV aid. This includes:

- Enhancing the verification checklist and workflow

- Providing refresher training on identifying and resolving ISIR codes

- Implementing a secondary review step for comment codes requiring action

- The institution performed the calculation to include the Foreign Income on the ISIR and it did not change the outcome for Pell eligibility.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

Corrective Action Plan for Current Year Findings

Finding 2025-001: Special Tests and Provisions – Inaccurate NSLDS Reporting

Corrective Action Plan:

Sandburg reviewed the audit finding regarding NSLDS reporting. We acknowledge the finding and implemented the following corrective action plan:

1. Added an additional NSLDS report following final grades to ensure we are picking up unofficial withdrawals.
2. Updated our reporting schedule with Clearinghouse/NSLDS.
3. Updated written procedures to include a quality control check before the NSLDS/Clearinghouse file is sent.
4. Added an end-of-term quality control spot check to review that unofficial withdrawal submissions went through.
5. Updated written procedures for NSLDS reporting. Procedures are reviewed as regulations change, as our reporting software evolves, and during staff transitions to ensure compliance.
6. Training completed by the Dean of Enrollment Management, Director of Advising, Registrar, Associate Director of Advising & Transfer Coordination, Director of Financial Aid, Coordinator of Financial Aid, Veterans & Military Services. Procedures are reviewed as regulations change and during staff transitions to ensure compliance.

Person(s) Responsible: Angela Snow; Director of Advising, Registrar

Timing for Implementation: These procedures were implemented by December 2025.

Finding 2025-002: Eligibility - Comment Code not Resolved

Corrective Action Plan:

Sandburg's procedures require reviewing and clearing all C codes/comment codes that require resolution.

1. We reviewed the recommendation presented, and we have added language to clearly outline procedures to show the decision-making process and documentation steps, depending on the particular code. Our procedures for identifying and resolving comment codes are compliant with the recommendations.
2. We have enhanced the workflow to go over the ISIR Code resolution process each year before file review begins.
3. We have added procedures to have the reviewer sign off showing the decision, the reviewer's initials and the date when resolution involves a decision as outlined in the FAFSA specifications guide.
4. Training has been completed by the Director of Financial Aid, Associate Director of Financial Aid.

Person(s) Responsible: Dustin Zimmerman, Director of Financial Aid

Timing for Implementation: Fall 2025

Carl Sandburg College - Community College District 518

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2025

Prior Year Findings:

June 30, 2024

I. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

II. Findings and Questioned Costs for Federal Awards

None