

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531

Ullin, Illinois

**Annual Comprehensive Financial Report**

For the Year Ended

June 30, 2025

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Shawnee Community College  
Community College District #531  
Ullin, Illinois

### Report on Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities of Shawnee Community College, Community College District #531 (the College) and its discretely presented component unit, Saints Foundation at Shawnee Community College (the Foundation) (collectively "the District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component unit, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### *Basis for Opinions*

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

## ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibility for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9, the Schedule of Proportionate Share of Net Pension Liability – SURS on page 44, Schedule of Contributions – SURS on page 45, the Schedule of Proportionate Share of OPEB Liability – CIP on page 48, and the Schedule of Contributions – CIP on page 49 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining financial statements and other data in Schedules 1 through 16 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The uniform financial statements in Schedules 17 through 21 and the certification of per capita cost (Schedule 22) are presented for purposes of additional analysis as required by the Illinois Community College Board and are also not a required part of the basic financial statements. The accompanying Schedule 32 is presented for purposes of additional analysis as required by the Illinois Grant Accountability and Transparency Act and is not a required part of the basic financial statements. The accompanying Schedules 33 and 35, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. As described in Note 22, Schedules 1 through 3, Schedules 6 through 9, Schedules 11 through 13, Schedule 17, and Schedules 19 through 21 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

Schedules 1 through 22, 32, 33, and 35, including the schedule of expenditures of federal awards, are the responsibility of management. Schedules 1 through 22, except Schedule 16, and Schedules 32, 33, and 35, were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Information on Schedules 1 through 22, except Schedule 16, and Schedules 32, 33, and 35, has been subjected to the auditing procedures applied in the audit of the basic financial statements, and certain additional



procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information on Schedules 1 through 22, except Schedule 16, and Schedules 32, 33, and 35, including the schedule of expenditures of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole, except for differences between GAAP for a special-purpose government engaged only in business-type activities and the modified accrual basis of accounting used for the schedules noted above.

### ***Other Information***

Management is responsible for the other information included in the annual report. Schedule 16 has not been subjected to the auditing procedures applied in the audit of the basic financial statements. 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 a report dated December 4, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District'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 District's internal control over financial reporting and compliance.

MH CPA PLLC

Champaign, Illinois  
December 4, 2025

**SHAWNEE COMMUNITYCOLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

This section of Shawnee Community College's (the College) Financial Statements represents management's discussion and analysis of the College's primary government financial activity during the fiscal year ended June 30, 2025. Since this discussion and analysis is designed to focus on current activities and currently known facts, please read it in conjunction with the basic financial statements and footnotes (pages 10-43). Responsibility for the completeness and fairness of this information rests with the College.

**Using this Annual Report**

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

**Financial Highlights**

As of June 30, 2025, the College's Net Position was \$40.8 million, an increase of \$1.9 million over the prior year's Net Position of \$38.9 million. This increase in net position is primarily due to an increase of \$1.6 million in restricted assets.

The district's most significant concerns continue to be the potential reduction in state funding revenue and the ongoing decline in population. Administration is activity collaborating with the state and peer institutions to better prepare for future funding projections. Additionally, the College is closely monitoring population trends and exploring strategies to strengthen enrollment, including increasing in-district participation and recruiting more out-of-district students to Shawnee Community College. To support this effort, the College is evaluating instructional approaches, including the expansion of competency-based education to complement traditional classroom instruction. The College has completed a comprehensive facility master plan and is actively advancing its implementation. This plan positions the institution to strategically evolve its infrastructure, learning environments, and operational capacity to meet the emerging needs and expectations of future higher education. The facility master plan is aligned with the College's strategic plan, ensuring that facilities, programs, and long-term objectives work cohesively to support the College's direction and mission.

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

## **Financial Analysis of the College as a Whole**

The following tables are prepared from the College's Statement of Net Position (page 10), which is presented on the accrual basis of accounting whereby capital assets are capitalized and depreciated, and Statement of Revenues, Expenses, and Changes in Net Position.

### **Statements of Net Position As of June 30 (in millions)**

	<u>2025</u>	<u>2024</u>
Current Assets	\$ 29.3	\$ 31.0
Non-Current Assets		
Land	0.1	0.1
Construction in Progress	1.8	1.0
Capital Assets, Net of Depreciation and Amortization	<u>23.3</u>	<u>22.9</u>
Total Assets	<u>54.5</u>	<u>55.0</u>
Deferred Outflows	<u>0.3</u>	<u>0.3</u>
Current Liabilities	4.3	4.4
Long-Term Liabilities	<u>7.0</u>	<u>8.5</u>
Total Liabilities	<u>11.3</u>	<u>12.9</u>
Deferred Inflows	<u>2.7</u>	<u>3.5</u>
Net Position		
Net Investment in Capital Assets	22.0	21.9
Restricted for:		
Expendable Trust	5.9	5.9
Capital Projects	4.0	2.3
Debt Service	0.5	0.4
Other	0.6	0.8
Unrestricted	<u>7.8</u>	<u>7.6</u>
Total Net Position	<u>\$ 40.8</u>	<u>\$ 38.9</u>

Operating expenses, excluding on-behalf payments, for the College over the fiscal year ending June 30, 2025 were \$18.1 million compared to \$17.6 million for the previous year.

**Operating Expenses**  
**As of June 30**  
**(in millions)**

	<u>2025</u>	<u>2024</u>
Instruction	\$ 4.9	\$ 4.6
Academic Support	0.6	0.6
Student Services	2.1	2.1
Public Services	1.4	1.2
Auxiliary Expenses	1.5	1.5
Operation and Maintenance of Plant	1.6	1.7
Institutional Support	3.9	3.8
Scholarships, Grants, and Waivers	1.5	1.6
Other Postemployment Benefits	(1.0)	(1.0)
Depreciation and Amortization	<u>1.6</u>	<u>1.5</u>
Total Operating Expenses	<u>\$ 18.1</u>	<u>\$ 17.6</u>

The operating revenue for fiscal year 2025 was \$3.2 million compared to \$3.4 for 2024. Non-operating revenues (expenses) for fiscal year 2025, excluding on-behalf revenue, were \$16.3 million same as 2024.

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

	<u>2025</u>	<u>2024</u>
Operating Revenues		
Tuition and Fees, Net of Allowance	\$ 2.4	\$ 2.5
Auxiliary Enterprise Revenues	0.5	0.5
Other	<u>0.3</u>	<u>0.4</u>
Total Operating Revenues	<u>3.2</u>	<u>3.4</u>
Non-Operating Revenue (Expenses)		
State Grants and Contracts	6.7	7.0
Local Property Taxes	5.1	4.7
Federal Grants and Contracts	3.7	3.7
Investment Income	1.1	1.2
Interest Expense	<u>(0.3)</u>	<u>(0.3)</u>
Total Non-Operating Revenues	<u>16.3</u>	<u>16.3</u>
Total Revenues	19.5	19.7
Operating Expenses	18.1	17.6
Capital Contributions	<u>0.5</u>	<u>0.0</u>
Increase in Net Position	1.9	2.1
Net Position, Beginning of Year	<u>38.9</u>	<u>36.8</u>
Net Position, End of Year	<u>\$ 40.8</u>	<u>\$ 38.9</u>

## **Significant Transactions and Changes in Individual Funds**

The operating fund balance, as represented by both the education and the operation and maintenance funds, experienced a decrease of \$1.8 million in fiscal year 2025. This is due to a planned transfer of fund balance in the amount of \$1.5 million to restricted operation and maintenance fund for future capital improvements. The additional decrease is a reduction in corporate personal property replacement tax revenue, combined with an increase in operating expenses.

The liability, protection and settlement fund balance decreased in fiscal year 2025 by \$192,794 bringing that fund balance to \$579,123. The decrease was due to planned actions as noted in the College's Risk Management Plan. Local property taxes are the only source of revenues for this fund.

The bond and interest fund was started in 2007. This fund ended fiscal year 2025 with an increase in fund balance of \$63,202. The remaining fund balance of \$508,255 will be used to make future bond payments.

The restricted operations and maintenance fund balance increased by \$564,373. The increase is from the transfer of funds in the amount of \$1.5 million from the operating funds. The difference of the transfer in and the increase in fund balance is attributed to the allocation of funds towards planned capital projects, which are financed through general obligation bonds. The remaining fund balance of \$9.2 million will be used for future capital expenditures.

## **Capital Asset Administration**

At the end of fiscal year 2025, the College had \$25.2 million invested in a broad range of capital assets (see table below). This amount represents a net increase of \$1.2 million (including additions and depreciation and amortization) from the prior year. More detailed information about capital assets can be found in Note 4 to the Basic Financial Statements.

### **Capital Assets As of June 30 (Net of Depreciation and Amortization, in millions)**

	<u>2025</u>	<u>2024</u>
Land	\$ 0.1	\$ 0.1
Construction in Progress	1.8	1.0
Land Improvements	0.6	0.6
Buildings	20.2	20.0
Equipment	1.0	0.9
Vehicles	0.5	0.5
Software	0.0	0.1
Computer Technology Equipment	0.1	0.1
Technology Hardware / Software	<u>0.9</u>	<u>0.7</u>
Total Capital Assets, Net of Depreciation and Amortization	<u>\$ 25.2</u>	<u>\$ 24.0</u>

### **Long-Term Debt Activity**

The College's long-term debt decreased during fiscal year 2025 from \$10.2 million to \$8.9 million, which was mainly due to the retirement of \$1.1 million of bond debt. More detailed information about long-term debt can be found in Note 10 to the Basic Financial Statements.

### **Economic Factors That Will Affect the Future**

The College's fiscal outlook is shaped by a combination of factors, including trends in the local and regional economy, fluctuations in student enrollment, the introduction of new and innovative academic programs, and the continued evolution of technology. Remaining firmly committed to sound financial stewardship, the College actively pursues diversified and sustainable revenue sources to support its mission and daily operations.

In fiscal year 2025, the College secured several strategic grants designed to expand institutional capacity and advance workforce focused initiatives. These awards support efforts to strengthen responsiveness to employer needs, address regional workforce shortages, promote training in emerging fields such as electric vehicle technology and enhance pathways to careers in skilled trades. The College's approved operating budget for fiscal year 2026 is \$14.4 million. The total College budget is \$32.8 million. The College's Administration and Board of Trustees also remain focused in tracking other key influence on financial stability, such as ongoing decline of population and limitations in state funding. The College will continue to address facility and campus needs through strategic capital improvements, including its recurring program of protection, health, and safety projects essential to maintaining a secure and compliant learning environment.

Aside from the factors noted above, the College is not aware of any additional known circumstances, decision, or conditions that are expected to materially affect its financial position or operational results in the upcoming fiscal year.

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Statement of Net Position  
June 30, 2025

## ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Primary Government	Component Unit
<b>Current Assets</b>		
Unrestricted:		
Cash and Cash Equivalents	\$ 11,221,361	\$ 266,975
Investments	232,100	462,713
Receivables:		
Property Taxes	1,023,200	-
Replacement Taxes	115,814	-
Student Tuition and Fees, Net of Allowance of \$169,403	705,712	-
Prepaid Expenses	229,886	15,819
Inventories	366,677	-
Restricted:		
Cash and Cash Equivalents	8,079,045	-
Investments	5,729,964	702,146
Receivables:		
Property Taxes	1,161,018	-
Governmental Grants and Contracts	405,786	-
Total Current Assets	29,270,563	1,447,653
<b>Capital Assets, Net</b>	25,218,625	-
<b>Total Assets</b>	54,489,188	1,447,653
<b>Deferred Outflows of Resources</b>		
Pension Related Deferred Outflows	69,540	-
Other Postemployment Benefits Related Deferred Outflows	203,082	-
Total Deferred Outflows of Resources	272,622	-
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 54,761,810</u>	<u>\$ 1,447,653</u>

## LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

<b>Current Liabilities</b>		
Accounts Payable	\$ 832,191	\$ 44,323
Accrued Liabilities	512,288	-
Due to Student Groups	240,267	-
Unearned Revenue	1,003,041	-
Lease Liabilities	103,028	-
Subscription Liabilities	404,491	-
Bond Premium	43,941	-
Bonds Payable	1,175,000	-
Total Current Liabilities	4,314,247	44,323
<b>Long-Term Liabilities</b>		
Lease Liabilities, Net of Current Portion	263,118	-
Subscription Liabilities, Net of Current Portion	543,276	-
Bond Premium, Net of Current Portion	106,189	-
Bonds Payable, Net of Current Portion	3,895,000	-
Net Other Postemployment Benefit Liabilities	2,141,756	-
Total Long-Term Liabilities	6,949,339	-
Total Liabilities	11,263,586	44,323
<b>Deferred Inflows of Resources</b>		
Other Postemployment Benefits Related Deferred Inflows	2,687,867	-
<b>Net Position</b>		
Net Investment in Capital Assets	22,048,012	-
Restricted for:		
Expendable Trust	5,873,870	-
Capital Projects	3,980,803	-
Debt Service	508,255	-
Other - Restricted by Enabling Legislation	610,625	-
Net Assets With Donor Restrictions	-	702,146
Unrestricted	7,788,792	701,184
Total Net Position	40,810,357	1,403,330
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<u>\$ 54,761,810</u>	<u>\$ 1,447,653</u>

See Accompanying Notes

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended June 30, 2025

**Operating Revenues**

Student Tuition and Fees, Net of Scholarship	
Allowance of \$2,881,566	\$ 2,367,058
Auxiliary Enterprises Revenue	474,461
Other Operating Revenues	309,978
Total Operating Revenues	<u>3,151,497</u>

**Operating Expenses**

Instruction	4,915,110
Academic Support	553,899
Student Services	2,080,147
Public Services	1,416,640
Auxiliary Expenses	1,529,200
Operation and Maintenance of Plant	1,593,245
Institutional Support	3,862,700
Scholarships, Grants, and Waivers	1,531,679
On-Behalf Payments	2,434,382
Other Postemployment Benefits	(967,158)
Depreciation and Amortization	1,552,491
Total Operating Expenses	<u>20,502,335</u>

**Operating Loss** (17,350,838)

**Non-Operating Revenues (Expenses)**

State Grants and Contracts	6,712,737
Local Property Tax Revenues	5,076,028
Federal Grants and Contracts	3,687,929
On-Behalf Payments	2,434,382
Investment Income Earned	1,139,895
Amortization of Bond Premium	43,941
Interest Expense	(333,787)
Total Non-Operating Revenues	<u>18,761,125</u>

**Capital Contributions** 463,233

**Increase in Net Position** 1,873,520

**Net Position, Beginning of Year** 38,936,837

**Net Position, End of Year** \$ 40,810,357

See Accompanying Notes



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Statement of Activities - Component Unit  
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue:</b>			
Contributions	\$ 31,516	\$ 101,794	\$ 133,310
Investment Return, Net	66,787	-	66,787
Total Support and Revenue	98,303	101,794	200,097
Net Assets Released from Restrictions	13,449	(13,449)	-
Total Support and Revenue and Net Assets Released from Restrictions	111,752	88,345	200,097
<b>Expenses:</b>			
<i>Program Services</i>			
Scholarships, Awards, and Grants	67,583	-	67,583
Supplies	8,323	-	8,323
Total Program Services	75,906	-	75,906
<i>Supporting Services</i>			
Fundraising Expenses			
Postage and Supplies	3,648	-	3,648
Contractual Services	266	-	266
Total Fundraising Expenses	3,914	-	3,914
Management and General Expenses			
Salaries	44,692	-	44,692
Supplies and Software	20,764	-	20,764
Professional Fees	4,892	-	4,892
Advertising	100	-	100
Miscellaneous	596	-	596
Total Management and General Expenses	71,044	-	71,044
Total Supporting Services	74,958	-	74,958
Total Expenses	150,864	-	150,864
<b>Change in Net Assets</b>	(39,112)	88,345	49,233
<b>Net Assets, Beginning of Year</b>	740,296	613,801	1,354,097
<b>Net Assets, End of Year</b>	\$ 701,184	\$ 702,146	\$ 1,403,330

See Accompanying Notes

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531

Statement of Cash Flows  
For the Year Ended June 30, 2025

**Cash Flows from Operating Activities**

Student Tuition and Fees	\$ 2,531,212
Payments to Suppliers	(5,766,320)
Payments to Employees and Benefits Paid	(9,845,669)
Payments for Financial Aid and Scholarships	(1,531,679)
Auxiliary Enterprise Charges	474,461
Other Receipts	309,978
Net Cash Used in Operating Activities	<u>(13,828,017)</u>

**Cash Flows from Non-Capital Financing Activities**

State Grants and Contracts	6,766,551
Local Property Taxes	3,515,444
Federal Grants and Contracts	3,825,216
Net Cash Provided by Non-Capital Financing Activities	<u>14,107,211</u>

**Cash Flows from Capital and Related Financing Activities**

Principal Paid on Bonds	(1,115,000)
Interest Paid on Bonds	(327,873)
Purchases of Property and Equipment	(1,818,040)
Payments of Subscription Liabilities	(352,085)
Payments of Lease Liabilities	(144,086)
Net Cash Used in Capital and Related Financing Activities	<u>(3,757,084)</u>

**Cash Flows from Investing Activities**

Interest on Investments	1,139,895
Sale of Investments	(484,284)
Net Cash Provided by Investing Activities	<u>655,611</u>

**Net Decrease in Cash and Cash Equivalents** (2,822,279)

**Cash and Cash Equivalents, Beginning of Year** 22,122,685

**Cash and Cash Equivalents, End of Year** \$ 19,300,406

**On the Statement of Net Position as:**

Unrestricted - Cash and Cash Equivalents	\$ 11,221,361
Restricted - Cash and Cash Equivalents	<u>8,079,045</u>

**Cash and Cash Equivalents, End of Year** \$ 19,300,406

See Accompanying Notes

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Statement of Cash Flows  
For the Year Ended June 30, 2025

**Reconciliation of Operating Loss to Net Cash**

**Used in Operating Activities**

Operating Loss	\$ (17,350,838)
Adjustments to Reconcile Operating Loss to Net Cash	
Used in Operating Activities:	
Depreciation and Amortization Expense	1,552,491
On-Behalf Payments	2,434,382
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:	
Student Tuition and Fees Receivables	16,826
Prepaid Expenses	(5,541)
Inventories	(99,013)
Pension Related Deferred Outflows	13,398
Other Postemployment Benefits Related Deferred Outflows	35,662
Accounts Payable	347,998
Accrued Liabilities	50,337
Due to Student Groups	31,773
Unearned Revenue	147,328
Net Other Postemployment Benefits Liabilities	(241,726)
Other Postemployment Benefits Related Deferred Inflows	(761,094)
Net Cash Used in Operating Activities	<u>\$ (13,828,017)</u>

**Supplemental Disclosure of Non-Cash Capital and Related Financing Activity**

Net Capital Assets Acquired through Lease Liabilities, Including Modifications	<u>\$ 70,439</u>
Capital Assets Acquired through Subscription Liabilities	<u>\$ 575,631</u>
Contributed Capital Assets	<u>\$ 463,233</u>

See Accompanying Notes

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Notes to Basic Financial Statements  
June 30, 2025

Shawnee Community College, Community College District #531 (the College) is a governmental unit that provides post-secondary school education and vocational training for six counties in Southern Illinois. The summary of accounting policies is presented to assist you in understanding the College's financial statements.

**1. Reporting Entity**

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

The College is a community college governed by an elected eight-member Board of Trustees. The College's district includes the counties of Alexander, Jackson, Johnson, Massac, Pulaski, and Union. The College's mission is to provide affordable vocational, technical, and academic education.

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

**2. Basis of Accounting and Significant Accounting Policies**

- a. The financial statements of the College are prepared in accordance with GAAP. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. GAAP includes all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.
- b. For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return, include property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted; matching requirements, in which the College must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

- c. Cash includes deposits held at banks and small amounts of cash held for change funds. Cash equivalents include deposits held in the Illinois Funds Money Market Fund.
- d. Cash and cash equivalents that are subject to certain limitations as to their uses are reported as restricted. These amounts include property taxes received for specific purposes, grant funds, bond proceeds for capital projects and amounts held by the College as an agent for student organizations.
- e. The investments consist of negotiable and non-negotiable certificates of deposit with initial maturity terms in excess of three months, which are carried at cost. The difference between the cost and fair value of the negotiable certificates of deposit is insignificant.
- f. Student tuition and fees receivables include uncollateralized student obligations, which generally require payment by the first day of classes. These receivables are stated at the invoice amount.

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

The carrying amount of student tuition and fees receivables is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of accounts based on the aging of the accounts receivable by semesters. If the actual defaults are higher than the historical experience, management's estimates of recoverability of amounts due could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts. The total allowance as of June 30, 2025, was \$169,403.

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

- g. Inventories are stated at the lower of average cost or market. Cost is determined on a first-in, first-out (FIFO) basis. Inventories consist of food supplies, textbooks, college apparel, and school supplies.

- h. Capital assets include property, plant equipment, infrastructure assets, such as roads and sidewalks, leased assets, and subscription assets. Capital assets are defined by the College as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Leased assets and subscription assets are capitalized based on the present value of lease or subscription payments. Leased assets and subscription assets are amortized using the straight-line method over the lease or subscription term.

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

Land Improvements	10-80 Years
Buildings	50 Years
Equipment	7-8 Years
Vehicles	5-7 Years
Software	3-7 Years
Computer Technology Equipment	5 Years

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

The financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Other postemployment benefit related deferred inflows qualify for reporting in this category at June 30, 2025. The other postemployment benefit related deferred inflows consist of the College's allocated portion of changes in assumptions, the net difference between projected and actual experience of the total OPEB liability, and the net difference between projected and actual investment earnings on OPEB plan investments. Additionally, this category includes a deferred inflow for the College's changing proportion of the allocated CIP liability.

- j. As of July 1, 2024, the College adopted GASB Statement No. 101, *Compensated Absences* (GASB 101). This Statement provides updated recognition and measurement requirements for compensated absences, including vacation, sick leave, and other forms of paid time off. Under GASB 101, liabilities are recognized for leave that has vested and is expected to be paid upon termination or retirement, as well as for non-vested leave when it is more likely than not to be used for leave or to vest and be paid in the future. The adoption of GASB 101 did not result in a restatement of net position as of June 30, 2024, or impact any amounts in the financial statements for the year ended June 30, 2025, as the impact of implementation was not material to the financial statements of either year. The College has implemented a last-in, first-out (LIFO) flow assumption for the pattern of usage of compensated absences. Management of the College has determined to present only a liability for vested leave earned as of each fiscal year end, as has been historically presented under the previously applicable GASB standard. No liability has been recorded for non-vested leave as management has determined that it does not reach the more likely than not threshold. However, the liability activity for fiscal year 2025 presented in Note 10 below is shown as a net amount as allowed by GASB 101.

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

Two other types of compensated absences that the College provides are personal leave and sick leave.

- Personal leave expense is recorded as incurred. Personal leave does not carry over or accumulate as personal leave. Any unused personal leave hours transfer to the employee's sick leave hour balance at the end of each fiscal year and are not reimbursable at the time of separation from employment.
  - Sick leave may carry over and accumulate with no maximum. Sick leave is not reimbursable at the time of separation from employment.
- k. Unearned revenue includes amounts received which represent payments for services to be provided in future periods for which asset recognition criteria has been met, but for which revenue recognition criteria have not been met. These amounts consist of unexpended grant funds and tuition and fee charges for a portion of the in-progress Summer semester and all of the upcoming Fall semester. The tuition and fee charges are prorated according to the timing of the semester.

Unearned revenue also includes unearned grant revenue and a refund payable for property taxes collected that are subject to successful tax protests.

- l. The College's net position is classified as follows:

- Net Investment in Capital Assets – This represents the College's total investment in capital assets net of accumulated depreciation and related debt that has been used as of the statement of net position date to finance capital additions.

- Restricted Net Position – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or enabling legislation. Sources of restricted revenue included federal, state, and private grants and contracts. Externally restricted funds may be utilized only in accordance with the purpose established by the source of such funds and are in contrast with unrestricted funds over which the Board of Trustees retains full control to use in achieving any of its institutional purposes.
- Unrestricted Net Position – This includes resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources may be used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any lawful purpose.

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

- m. Operating revenues include all activities that have the characteristics of exchange transactions, such as student tuition and fees, and sales and services of auxiliary enterprises, net of scholarship discounts and allowances. All other revenues are considered non-operating.
- n. The College's property taxes are levied each calendar year on all taxable real estate located in the College's district. The district's boundaries overlap six counties with each serving as a local taxing authority for the College. Property taxes are recorded on an accrual basis of accounting. Pursuant to Board of Trustee's resolutions, property tax levies passed in December 2023 and 2024, were allocated 70 percent and 30 percent, respectively, for Fiscal Year 2025. Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1 of the levy year. Taxpayers may file a complaint with the Board of Review if they believe assessments are too high and may make further appeal to the state Property Tax Appeals Board. However, tax levies are determined by local governments, not by assessors. Due dates and collection dates vary according to the schedules of the individual counties with disbursements to the College normally made within 30 days of collection. Property tax receivables have not been reduced for an allowance as the College's historical collection experience indicates this amount is insignificant.



- o. Act 89-1 placed limitations on the annual growth of most local governments' property tax collections. Currently, the limitation is the lesser of 5 percent or the rate of inflation. The following are the statutory maximum tax rates permitted and the actual rates levied per \$100 of assessed valuation:

	Maximum Rate	Actual Rate	
		2024 Levy Payable 2025	2023 Levy Payable 2024
Education	.20000	.18783	.19410
Building	.10000	.09416	.09755
Tort Immunity	Unlimited	.09934	.10256
Social Security	Unlimited	.01546	.01627
Audit	.00500	.00500	.00500
Health and Safety	.05000	.02959	.03245
Bond and Interest	Unlimited	.16556	.18125
		<u>.59694</u>	<u>.62918</u>

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

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

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

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

in any fund not exceeding, in the aggregate, 10 percent of the total of such fund as set forth in the budget. Budgetary transfers that exceed this limit must follow the procedures for the adoption of the original budget.

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

The most sensitive estimates affecting the financial statements were:

1. The valuation of the student tuition receivable
2. The valuation of the liability for post-employment health insurance benefits
3. The amount of expenses eligible for reimbursement under the College's state and federal grants

### 3. Deposits and Investments

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

#### *Investments*

At June 30, 2025, the College held the following investments:

#### Certificates of Deposit

Non-Negotiable	\$ 5,231,947
Negotiable	730,117
Total Investments	<u>\$ 5,962,064</u>

The College's investments consisted of 3 negotiable and 22 non-negotiable certificates of deposit with different banks, none of which that has a carrying value that exceeds 5 percent of the College's total investments at June 30, 2025.

#### *Custodial Credit Risk – Bank Deposits*

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's investment policy requires that funds on deposit in excess of federal deposit insurance limits must be secured by collateral pledged by the financial institution. At June 30, 2025, \$3,922,535 of the College's \$4,337,681 bank balance, was exposed to custodial credit risk. The exposed balance was fully collateralized by securities pledged by the depository bank, but such securities are not held in the name of the College.

### *Custodial Credit Risk – Investments*

Of the investment amount held in investment accounts at June 30, 2025, \$230,114 is subject to custodial credit risk as their value exceeds coverage provided by the Securities Investor Protection Corporation.

### *Credit Risk and Interest Rate Risk – External Investment Pools*

At June 30, 2025, the College held \$15,191,685 in the Illinois Funds Money Market Fund. The fair value of the College's position in this fund is equal to the value of the College's fund shares, which maintain a \$1 net asset value. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has an AAAM rating from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United States government or agencies related to the United States. Assets of the fund that are not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The College has no restrictions on withdrawing funds from this external investment pool.

At June 30, 2025, the College held a total of \$63,308 in the Illinois School District Liquid Asset Fund Plus. The reported value of the College's position in this fund is equal to the value of the College's fund shares, which maintain a \$1 net asset value. The Illinois School District Liquid Asset Fund Plus is regulated by private rating agencies. The portfolio has an AAAM rating from Standard and Poor's. The assets of the fund are mainly invested in money market instruments having maximum remaining maturities of one year or less, except investments in U.S. Government securities, which may have up to two years remaining to maturity and are valued at amortized cost. Assets of the fund are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The College has no restrictions on withdrawing funds from this external investment pool.

### *Interest Rate Risk – Investments*

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

At June 30, 2025, the College held the following investments subject to interest rate risk:

	<u>Carrying Value</u>	<u>Weighted Average Maturity (Years)</u>
Negotiable Certificates of Deposit	\$ 730,117	0.85

## Restricted Cash

The College periodically enters into trust agreements with the State of Illinois Capital Development Board (CDB) to fund various construction projects. These funds have been deposited and can only be released with the approval of CDB. As of June 30, 2025, the College held \$1,032,644 in restricted assets related to CDB projects.

## 4. Capital Assets, Net

The following is a summary of changes in capital assets for the year ended June 30, 2025:

	June 30, 2024	Additions	Disposals	June 30, 2025
Capital Assets, Not Being Depreciated:				
Land	\$ 89,166	\$ -	\$ -	\$ 89,166
Construction in Progress	1,046,789	1,896,554	1,171,730	1,771,613
Capital Assets Being Depreciated:				
Land Improvements	826,113	27,743	-	853,856
Buildings	33,184,449	1,171,730	-	34,356,179
Equipment	2,154,255	240,984	41,406	2,353,833
Vehicles	993,250	96,050	-	1,089,300
Software	1,199,826	-	-	1,199,826
Computer Technology Equipment	714,170	19,942	-	734,112
Total Capital Assets, being Depreciated	40,208,018	3,453,003	1,213,136	42,447,885
Less: Accumulated Depreciation				
Land Improvements	(194,115)	(23,016)	-	(217,131)
Buildings	(13,492,560)	(668,590)	-	(14,161,150)
Equipment	(1,275,798)	(241,673)	(41,406)	(1,476,065)
Vehicles	(747,007)	(86,011)	-	(833,018)
Software	(1,170,389)	(25,718)	-	(1,196,107)
Computer Technology Equipment	(623,576)	(23,829)	-	(647,405)
Total Accumulated Depreciation	(17,503,445)	(1,068,837)	(41,406)	(18,530,876)
Total Capital Assets, being Depreciated, Net	22,704,573	2,384,166	1,171,730	23,917,009
Lease Assets:				
Equipment	100,239	92,593	23,981	168,851
Vehicles	292,495	64,770	-	357,265
Building	464,942	-	464,942	-
Total Lease Assets, being Amortized	857,676	157,363	488,923	526,116
Less: Accumulated Amortization				
Equipment	(47,455)	(31,061)	(23,981)	(54,535)
Vehicles	(52,012)	(64,976)	-	(116,988)
Building	(203,120)	(41,653)	(244,773)	-
Total Accumulated Amortization	(302,587)	(137,690)	(268,754)	(171,523)
Total Lease Assets, being Amortized, Net	555,089	19,673	220,169	354,593
Subscription Assets:				
Technology Hardware / Software	1,150,535	575,631	-	1,726,166
Less: Accumulated Amortization				
Technology Hardware / Software	(433,179)	(345,964)	-	(779,143)
Total Accumulated Amortization	(433,179)	(345,964)	-	(779,143)
Total Subscription Assets, being Amortized, Net	717,356	229,667	-	947,023
Total Capital Assets, Net	\$ 23,977,018	\$ 2,633,506	\$ 1,391,899	\$ 25,218,625

The College recorded depreciation and amortization expense of \$1,552,491 for the year ended June 30, 2025. The College recognized \$463,233 of capital asset contributions from the CDB related to construction in progress during the year ended June 30, 2025.

## 5. Leases

The College is obligated under seven non-cancellable leases for office equipment, which require monthly lease payments ranging from \$115 to \$1,740 with terms maturing from May 2027 to October 2029.

The College is obligated under four non-cancellable leases for nine vehicles, which require monthly lease payments ranging from \$1,224 to \$2,278 with terms maturing from May 2028 to December 2029.

The total costs of the College's lease assets are recorded as \$526,116, less accumulated amortization of \$171,523.

Future minimum lease payments under these leases are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 103,028	\$ 15,301	\$ 118,329
2027	107,018	10,166	117,184
2028	99,957	4,996	104,953
2029	43,678	1,481	45,159
2030	12,465	101	12,566
	<u>\$ 366,146</u>	<u>\$ 32,045</u>	<u>\$ 398,191</u>

On June 1, 2025, the College entered into a new lease for a previously leased office building, classroom, and activity space, that is not subject to capitalization under GASB 87 due to the short term likelihood of the purchase option being exercised at inception. At June 30, 2025, future minimum payments under this lease total to \$43,332. The lease requires monthly payments of \$10,833. The lease includes an option to purchase the building for \$3,700,000, which the College intended to execute. The purchase agreement was executed in October 2025 with the closing expected in January 2026.

## 6. Subscription-Based Information Technology Arrangements

The College has entered into a long-term subscription-based information technology arrangement (SBITA) for enterprise resource planning software. The College is obligated under this noncancellable arrangement on a subscription basis, which requires annual payments of \$226,982 with terms running through August 2026.

The College has entered into a long-term SBITA for customer relationship management software. The College is obligated under this noncancellable arrangement on a subscription basis, which requires annual payments ranging from \$60,256 to \$69,752 with terms running through February 2029.

The College has entered into a long-term subscription-based information technology arrangement (SBITA) for report writing software. The College is obligated under this noncancellable arrangement on a subscription basis, which requires annual payments ranging from \$101,760 to \$121,198 with terms running through August 2029.

The College has entered into a long-term subscription-based information technology arrangement (SBITA) for human resources software. The College is obligated under this noncancellable arrangement on a subscription basis, which requires annual payments ranging from \$29,311 to \$51,295 per year with terms running through July 2027.

The total costs of the College's SBITA assets are \$1,726,166 less accumulated amortization of \$779,143.

Future minimum payments under these arrangements are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 404,491	\$ 37,412	\$ 441,903
2027	196,156	25,943	222,099
2028	164,402	16,367	180,769
2029	182,718	8,232	190,950
	<u>\$ 947,767</u>	<u>\$ 87,954</u>	<u>\$ 1,035,721</u>

## 7. Accrued Liabilities

Accrued liabilities consist of the following at June 30, 2025:

Accrued Wages	\$ 266,269
Accrued Compensated Absences	181,814
Accrued Interest	64,205
Total Accrued Liabilities	<u>\$ 512,288</u>

## 8. Unearned Revenue

Unearned revenue consists of the following at June 30, 2025:

Unearned Grant Revenue	\$ 707,349
Unearned Student Fees	180,391
Unearned Student Tuition	36,953
Other Unearned Revenue	78,348
Total Unearned Revenue	<u>\$ 1,003,041</u>

## 9. Unrestricted Net Position

Unrestricted net position at June 30, 2025 consisted of (4,626,541) related to other postemployment benefit activity and \$12,415,333 related to other general purposes.

## 10. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

	June 30, 2024	Additions	Retired	June 30, 2025	Due Within One Year
2022A Series Bond	\$ 6,185,000	\$ -	\$ 1,115,000	\$ 5,070,000	\$ 1,175,000
Bond Premium	194,071	-	43,941	150,130	43,941
Other Postemployment Benefit	2,383,482	-	241,726	2,141,756	-
Accrued Compensated Absences -					
Net Activity	172,924	8,890	-	181,814	181,814
Lease Liabilities	573,038	157,363	364,255	366,146	103,028
Subscription Liabilities	724,221	575,631	352,085	947,767	404,491
Total Long-Term Debt	<u>\$ 10,232,736</u>	<u>\$ 741,884</u>	<u>\$ 2,117,007</u>	<u>\$ 8,857,613</u>	<u>\$ 1,908,274</u>

### *2022 Bond Series*

The College issued 2022A general obligation community college bonds in December 2022. Principal payments were made annually beginning December 1, 2023 and run through December 1, 2028. Interest rates on the bonds are 5.00 percent. Interest was payable semiannually on June 1 and December 1 beginning December 1, 2024.

Total interest expense incurred for all long-term debt for the year ended June 30, 2025 was \$333,787.

Maturities of the bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 1,175,000	\$ 224,125	\$ 1,399,125
2027	1,235,000	163,875	1,398,875
2028	1,295,000	100,625	1,395,625
2029	1,365,000	34,125	1,399,125
	<u>\$ 5,070,000</u>	<u>\$ 522,750</u>	<u>\$ 5,592,750</u>

### *2025 Debt Certificates Series*

In July 2025, the College's Board of Trustees approved a resolution authorizing the issuance of \$5,500,000 of general obligation debt certificates, for the acquisition of the Union County Extension Center and the purchase of land in Johnson County. The College issued the debt certificates and received the net proceeds of \$5,340,000 in September 2025.

## *2025 Bond Series*

In November 2025, the College's Board of Trustees approved a resolution authorizing the issuance of up to \$3,005,000 of taxable general obligation community college bonds and up to \$2,795,000 of general obligation community college bonds, to repay the Series 2025 Debt Certificates. The bonds are expected to be sold in November 2025, with a closing date in mid-December. As of the date of the Independent Auditor's Report, these bonds have not been issued.

## **11. Defined Benefit Pension Plan**

### *Plan Description*

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

### *Benefits Provided*

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

### *Contributions*

The State of Illinois is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members with SURS to reach 90 percent of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are



sufficient to cover the accruing normal costs on behalf of applicable employees. The College's normal cost for Fiscal Year 2025 was 11.98 percent of employee payroll. The normal cost is equal to the value of the current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0 percent of their annual covered salary, except for police officers and fire fighters who contribute 9.5 percent of their earnings. The contribution requirements of plan members and the College are established and may be amended by the Illinois General Assembly.

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

#### *Net Pension Liability*

The net pension liability (NPL) was measured as of June 30, 2024. At June 30, 2024, SURS defined benefit pension plan reported a NPL of \$30,230,907,727.

#### *Employer Proportionate Share of Net Pension Liability*

The amount of the proportionate share of the NPL to be recognized for the College is \$0. The proportionate share of the State of Illinois' NPL associated with the College is \$48,029,959 or 0.1589 percent. The College's proportionate share changed by (0.0024) percent from 0.1613 percent since the last measurement date on 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.

#### *Defined Benefit Pension Expense*

For the year ending June 30, 2024, SURS defined benefit plan reported a collective net pension expense of \$1,996,285,670.

#### *Employer Proportionate Share of Defined Benefit Pension Expense*

The College's proportionate share of collective pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2023. As a result, the College recognized revenue and defined benefit pension expense of \$3,171,639 from this special funding situation during the fiscal year ended June 30, 2025.

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 305,114,071	\$ -
Changes in assumption	483,809,428	-
Net difference between projected and actual earnings on pension plan investments	-	27,577,324
Total	\$ 788,923,499	\$ 27,577,324

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

Fiscal Year Ending June 30	Net Deferred Outflows of Resources
2025	\$ 126,531,380
2026	756,545,086
2027	(49,545,529)
2028	(72,184,762)
	<u>\$ 761,346,175</u>

*Employer Deferral of Fiscal Year 2025 Contributions*

The College paid \$69,540 in federal, trust or grant contributions to SURS defined benefit pension plan during the fiscal year ended June 30, 2025. These contributions were made subsequent to the pension liability measurement date of June 30, 2024, and are recognized as Deferred Outflows of Resources as of June 30, 2025.

*Assumptions and Other Inputs*

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 percent
- Salary increases 3.15 to 15.00 percent, including inflation
- Investment rate of return 6.50 percent

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

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

For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024, these best estimates are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
<b>Traditional Growth</b>		
Global Public Equity	36.0%	7.13%
<b>Stabilized Growth</b>		
Core Real Assets	8.0%	5.06%
Public Credit Fixed Income	6.5%	4.10%
Private Credit	2.5%	7.36%
<b>Non-Traditional Growth</b>		
Private Equity	11.0%	10.92%
Non-Core Real Assets	4.0%	9.09%
<b>Inflation Sensitive</b>		
U.S. TIPS	5.0%	2.12%
<b>Principal Protection</b>		
Core Fixed Income	10.0%	1.34%
<b>Crisis Risk Offset</b>		
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%
Total	100.0%	5.63%
Inflation		2.80%
Expected Arithmetic Return		8.43%

### *Discount Rate*

A single discount rate of 6.35 percent was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50 percent and a municipal bond rate of 3.97 percent (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2024). 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 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 percent, 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:

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

Additional information regarding the SURS basic financial statements including the Plan's net position can be found in the SURS ACFR by accessing the website at [www.SURS.org](http://www.SURS.org).

## **12. Defined Contribution Pension Plan**

### *Plan Description*

The College contributes to the Retirement Savings Plan (RSP) administered by SURS, a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities and community colleges, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://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 the SURS Annual Comprehensive Financial Report (ACFR) Notes to the Financial Statements.

### *Contributions*

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

### *Forfeitures*

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

### *Defined Contribution Pension Expense*

For the year ended June 30, 2024, the State’s contributions to the RSP on behalf of the 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.

### *Employer Proportionate Share of Defined Contribution Pension Expense*

The College’s proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2024. The College’s share of pensionable

contributions was 0.0771 percent. As a result, the College recognized on-behalf revenue and defined contribution pension expense of \$74,607 from this special funding situation during the fiscal year ended June 30, 2025, of which \$5,310 constituted forfeitures.

### **13. Post-Employment Benefits Other Than Pension (OPEB)**

#### *Plan Description*

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

#### *Plan Membership*

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

#### *Benefits Provided*

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

#### *Contributions*

Beginning July 1, 2023, and through June 30, 2024, the Act (5 ILCS 375/6.10) requires every active contributor (employee) of SURS to contribute 0.75 percent of covered payroll and every community college district to contribute 0.75 percent of covered payroll. 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 percent of the percentage of salary actually required to be contributed for the previous fiscal year. The State Pension Funds Continuing Appropriation

Act (40 ILCS 15/1.4) requires a special funding situation whereby the State of Illinois makes an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers, and retirees. The result is pay as you go financing of the plan. The employer contributions made by the State of Illinois on behalf of the College to CIP and the College's contributions for the year ended June 30, 2025 were both \$61,859.

#### *Net OPEB Liability*

At June 30, 2024, CIP reported a net OPEB liability of \$665,190,300.

#### *Employer Proportionate Share of Net OPEB Liability*

The proportionate share of the net OPEB liability reported by the College is \$2,141,913. The State of Illinois is considered a non-employer contributing entity and the state's contribution meets the definition of special funding situation. The OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the OPEB liability was determined based on the June 30, 2023 actuarial valuation rolled forward. The College's proportion of the net OPEB liability was based on the College's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. At June 30, 2024, the College's proportion was 0.3220 percent. The portion of the State of Illinois' liability that is associated with the College is \$2,141,757. The total share that is associated with the College is \$4,283,514.

#### *OPEB Expense*

At June 30, 2024, CIP reported a collective net OPEB expense of (\$252,150,464).

#### *Employer Proportionate Share of OPEB Expense*

For the year ended June 30, 2025, the College recognized proportionate share of collective OPEB expense of (\$795,983). The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported contributions made to CIP during Fiscal Year 2024.

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

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

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

Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 27,152	\$ 645,301
Changes in assumption	15,838	1,556,116
Net difference between projected and actual earnings on OPEB investments	-	1,062
Changes in proportion and differences between employer contributions and share of contributions	<u>98,233</u>	<u>485,387</u>
Total deferred amounts to be recognized in OPEB expense in future periods	141,223	2,687,866
OPEB contributions made subsequent to the measurement date	<u>61,859</u>	=
Total deferred amounts related to OPEB	\$ 203,082	\$ 2,687,866

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Fiscal Year Ending June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 40,616	\$ 537,573
2026	40,616	537,573
2027	40,616	537,573
2028	40,616	537,573
2029	40,618	537,575
Total	<u>\$ 203,082</u>	<u>\$ 2,687,867</u>

*Employer Deferral of Fiscal Year 2025 OPEB Expense*

The College paid \$61,859 in OPEB contributions for the fiscal year ended June 30, 2025. These contributions were made subsequent to the OPEB liability measurement date of June 30, 2024, and are recognized as Deferred Outflows of Resources as of June 30, 2025. This amount will be recognized in OPEB expense in the College's Fiscal Year 2025.



### *Assumptions and Other Inputs*

The total CIP plan's net 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 percent
- Salary increases depend on age and service and range from 12.75 percent at less than 1 year of service to 3.50 percent at 34 or more years of service for employees under 50 and range from 12.00 percent at less than 1 year of service to 3.00 percent at 34 or more years of service for employees over 50. Salary increase includes a 3.00 percent wage inflation assumption.
- Investment rate of return of 0 percent, net of OPEB plan investment expense, including inflation
- Healthcare cost trend rates for Fiscal Year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00 percent for Fiscal Year 2026 and decrease gradually to an ultimate rate of 4.25 percent in 2041. For MAPD costs, trends rates are based on actual premium increases for 2025, 15.00 percent in 2026 to 2030 and 7.00 percent in 2031, declining gradually to an ultimate rate of 4.25 percent 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 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 of June 30, 2017 to June 30, 2020.

### *Discount Rate*

Projected benefit payments were discounted to their actuarial present values 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 bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rate is 3.97 percent as of June 30, 2024. The increase in the single discount rate from 3.86 percent at June 30, 2023 to 3.97 percent caused the total OPEB liability to decrease by approximately \$6.3 million from 2023 to 2024.

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

The following presents the College's proportional share of the OPEB liability, calculated using a Single Discount Rate of 3.97 percent, as well as what the total CIP's plan OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.97 percent) or 1 percentage-point higher (4.97 percent) than the current discount rate:

1% Decrease (2.97%)	Current Single Discount Rate Assumption (3.97%)	1% Increase (4.97%)
\$ 2,340,071	\$ 2,141,757	\$ 1,972,264

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

The following presents the College's share of the net OPEB liability, calculated using the healthcare cost trend rates as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point that is higher or lower than the current healthcare cost trend rate.

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ 1,924,498	\$ 2,141,757	\$ 2,405,295

- The key trend rates are 9.02 percent in 2025 decreasing to an ultimate trend rate of 4.25 percent in 2041.
- 1 percentage point decrease in current healthcare trend rates – 8.02 percent in 2025, decreasing to an ultimate rate of 3.25 percent in 2041.
- 1 percentage point increase in current healthcare trend rates – 10.02 percent in 2025, decreasing to an ultimate rate of 5.25 percent in 2041.

No amount was owed to the plan at June 30, 2025. The College provides no other financially significant postemployment benefit to employees.

**14. On-Behalf Payments for Fringe Benefits**

For the year ending June 30, 2025, expense for fringe benefits payments made by the State of Illinois on behalf of the College were \$3,246,246 for pensions to SURS pensions and (\$811,864) for the health insurance program to CIP.

**15. Other Risk Management Issues**

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

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

## 16. Inter-Sub-Fund Balances and Transfers

The College maintains various sub-funds to track the activity of the primary government. The following is a summary of the balances and transactions among these sub-funds as of and for the year ended June 30, 2025.

	Due to	Due from
Education Fund	\$ -	\$ 260,000
Bond and Interest Fund	100,000	-
Auxiliary Enterprise Fund	160,000	-
	<u>\$ 260,000</u>	<u>\$ 260,000</u>
	Transfer in	Transfer out
Auxiliary Enterprise Fund	\$ 994,995	\$ -
Education Fund	285,742	1,494,995
Working Cash Fund	-	285,742
Operations & Maintenance Fund	-	1,000,000
Operations & Maintenance Restricted Fund	1,500,000	-
	<u>\$ 2,780,737</u>	<u>\$ 2,780,737</u>

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

## 17. Contingencies

### *Federal and State Grants*

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

### *Protested Property Taxes*

During Fiscal Years 2018 through 2021, the College received an estimated \$831,449 in property taxes on county assessments that have been successfully protested by a taxpayer. During the current fiscal year, the College entered a negotiated settlement agreement to

resolve the matter. The College paid \$630,649 from a previously established allowance of \$831,448, with the remaining allowance of \$200,799 recognized as revenue in fiscal year 2025.

## **18. Related Party Transactions**

The College enters into various transactions with the Foundation as part of fulfilling the purpose of promoting the general welfare of the College and its students. During the year ended at June 30, 2025, the College received \$142,491 from the Foundation in the form of scholarships, payroll reimbursements, and other awards and grants.

During the year ended June 30, 2025, the College provided \$2,640 in support to the Foundation in the form of payroll deductions and expense reimbursements.

As of June 30, 2025, the Foundation owed the College \$44,323 for scholarships and payroll reimbursements.

## **19. Other Commitments**

Through the date of the Independent Auditor's Report, the College has entered into thirteen engineering and construction contracts for various capital projects including replacement of exterior windows, replacement atrium windows, roof replacements, heating and cooling system replacement, renovation of concession stands, renovation to baseball field dugout, and replacement of the main campus parking lot. As of June 30, 2025 and through the date of this report, the remaining commitment on these contracts is approximately \$2,800,000 and is expected to be incurred during Fiscal Year 2026.

The College has also entered into service contracts for financial aid administrative support and the Interim Vice President of Academic Affairs. As of June 30, 2025, the remaining commitment on these contracts is approximately \$80,000 and \$60,000, respectively, and is expected to be incurred during Fiscal Year 2026.

## **20. New Government Accounting Standards**

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

In September 2024, GASB issued GASB Statement 104 (GASB 104), *Disclosure of Certain Capital Assets*. The provisions of GASB 104 require certain types of capital assets, specifically lease assets and subscription assets, to be disclosed separately in the capital assets note disclosures. This Statement also requires additional disclosures for capital assets held for sale. GASB 104 will be effective for the College's Fiscal Year 2026.

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

## 21. Discretely Presented Component Unit

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

### A. Nature of Organization

The Saints Foundation at Shawnee Community College (the Foundation) is a nonprofit corporation organized under the laws of the State of Illinois for the purpose of furthering the excellence of education at Shawnee Community College, Community College District #531 (the College). The Foundation is considered a component unit of the College under the accounting standards followed by the College; however, the Foundation is a separate legal entity.

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

### B. Summary of Significant Accounting Policies

- a. The Foundation's financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States.
- b. Investments consist of managed investment accounts comprised of various mutual funds, common stock equities, negotiable certificates of deposits, fixed income investments that include corporate and government-backed bond funds, exchange traded and close end funds, and cash equivalents. These investments are stated at fair value based on quoted market prices. Investment securities are exposed to various risks such as interest rate, market, and credit risks.
- c. Net assets of the Foundation and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations. Contributions with donor-imposed stipulations will be treated as net assets without donor restrictions if the restriction is met during the same report period.

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

- d. Contributions of facilities and services are recognized if the benefit received (a) creates or enhances non-financial assets or (b) requires specialized skills provided by individuals possessing those skills and (c) would typically need to be purchased if not provided by donation. Such contributions are recorded at fair value on the date of the contribution and presented as in-kind contributions.
- e. The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated among the programs and supporting services benefited.

Salaries expense was allocated on Exhibit C based on the time and effort of employees devoted to each function. All other expenses are identified with a specific program or supporting service.

- f. The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.
- g. The Foundation has evaluated subsequent events through December 4, 2025, the date which the financial statements were available to be issued.

## C. Investments

### *Fair Value Measurements*

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820-10, *Fair Value Measurements*, establishes a framework for measuring fair value under generally accepted accounting principles. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

- Level 1    Inputs to the valuation methodology are based on unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation can access.
- Level 2    Inputs to the valuation methodology include:
  - Quoted prices for similar assets or liabilities in active markets
  - Quoted prices for identical or similar assets or liabilities in inactive markets
  - Inputs other than quoted prices that are observable for the asset or liability
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means

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

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

*Mutual Funds, Exchange Traded and Close End Funds, and Common Stock Equities* – Valued at unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access.

*Negotiable Certificates of Deposit* – Valued at benchmark yields, reported trades, broker/dealer quotes, and other items for similar assets.

*Corporate Bonds* – Valued at quoted market prices for similar assets or liabilities in active markets that the Foundation has the ability to access.

The following table sets forth, by level within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2025:

	Cost	Market	Fair Value Level
Negotiable Certificates of Deposit		\$ 90,027	2
Mutual Funds - Debt		97,496	1
Exchange Traded & Closed End Funds		4,024	1
Common Stock Equities		849,089	1
Corporate Bonds		88,137	2
Cash and Cash Equivalents		36,086	N/A
Total	<u>\$ 947,473</u>	<u>\$ 1,164,859</u>	

#### **D. Custodial Credit Risk - Investments**

Of the investment amounts held in investment accounts at June 30, 2025, \$531,278 is subject to custodial credit risk as their value exceeds coverage provided by the Securities Investor Protection Corporation.

#### **E. Liquidity and Availability of Financial Assets**

The following reflects the Foundation's financial assets as of June 30, 2025:

Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 266,975
Investments	<u>1,164,859</u>
Total Financial Assets	1,431,834
Less those unavailable for general expenditures within one year:	
	<u>702,146</u>
Financial Assets available to meet cash needs for general expenditures within one year:	<u>\$ 729,688</u>

The Foundation does not maintain a line of credit.

## **F. Net Assets With Donor Restrictions**

Net assets with donor restrictions totaling \$702,146 at June 30, 2025 are restricted for the purpose of scholarships as designated by the donors.

## **G. Related Party Transactions**

The Foundation enters into various transactions with the College as part of fulfilling the purpose of promoting the general welfare of the College and its students. During the year ended at June 30, 2025, the Foundation paid the College \$142,491 in the form of scholarships, payroll reimbursements, and other awards and grants.

During the year ended at June 30, 2025, the Foundation received \$2,640 in support from the College in the form of payroll deductions and expense reimbursements.

As of June 30, 2025, the Foundation owed the College \$44,323 for scholarships and payroll reimbursements.

## **H. Concentration of Support and Revenue**

For the year ended June 30, 2025, the Foundation recognized contribution revenue of \$71,000, approximately 35.5% of total support and revenue, from two contributors.

## **22. Supplemental Information**

Schedules 1 through 3, Schedules 6 through 9, Schedules 11 through 13, Schedule 17, and Schedules 19 through 21 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

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

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



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Required Supplementary Information  
Schedule of Proportionate Share of Net Pension Liability - SURS  
For the Year Ended June 30, 2025  
(Unaudited)

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
a) Shawnee's Proportionate Percentage of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
b) Shawnee's Proportionate Amount of the Collective Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability Associated with Shawnee	42,413,468	46,570,743	44,540,973	47,675,561	51,121,727	52,759,237	49,033,320	45,379,792	47,505,523	48,029,959
Total b) + c)	<u>\$ 42,413,468</u>	<u>\$ 46,570,743</u>	<u>\$ 44,540,973</u>	<u>\$ 47,675,561</u>	<u>\$ 51,121,727</u>	<u>\$ 52,759,237</u>	<u>\$ 49,033,320</u>	<u>\$ 45,379,792</u>	<u>\$ 47,505,523</u>	<u>\$ 48,029,959</u>
Shawnee Defined Benefit Covered Payroll	<u>\$ 6,554,621</u>	<u>\$ 6,498,556</u>	<u>\$ 6,190,483</u>	<u>\$ 6,217,104</u>	<u>\$ 6,456,232</u>	<u>\$ 6,408,469</u>	<u>\$ 5,834,259</u>	<u>\$ 6,170,763</u>	<u>\$ 6,366,430</u>	<u>\$ 6,487,288</u>
Proportion of Collective Net Pension Liability Associated with Shawnee as a Percentage of Defined Benefit Covered Payroll	647.08%	716.63%	719.51%	766.85%	791.82%	823.27%	840.44%	735.40%	746.19%	740.37%
SURS Plan Net Position as a Percentage of Total Pension Liability	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%	43.65%	44.06%	44.60%

*See Accompanying Notes on Page 46*

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Required Supplementary Information  
Schedule of Contributions - SURS  
For the Year Ended June 30, 2025  
(Unaudited)

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Shawnee's Federal, Trust, and Other Contribution	\$ 60,689	\$ 55,477	\$ 55,146	\$ 54,766	\$ 61,573
Shawnee's Contribution in relation to required contribution	60,689	55,477	55,146	54,766	61,573
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Shawnee's Covered Payroll	<u>\$ 478,243</u>	<u>\$ 442,753</u>	<u>\$ 442,584</u>	<u>\$ 445,614</u>	<u>\$ 472,911</u>
Contributions as a Percentage of Covered Payroll	12.69%	12.53%	12.46%	12.29%	13.02%
	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
Shawnee's Federal, Trust, and Other Contribution	\$ 71,484	\$ 90,151	\$ 89,450	\$ 82,938	\$ 69,540
Shawnee's Contribution in relation to required contribution	71,484	90,151	89,450	82,938	69,540
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Shawnee's Covered Payroll	<u>\$ 562,866</u>	<u>\$ 731,745</u>	<u>\$ 697,194</u>	<u>\$ 661,915</u>	<u>\$ 580,467</u>
Contributions as a Percentage of Covered Payroll	12.70%	12.32%	12.83%	12.53%	11.98%

*See Accompanying Notes on Page 46*

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Notes to Required Supplementary Information – Pension Liability  
For the Year Ended June 30, 2025  
(Unaudited)

*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.

*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 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.

SHAWNEE COMMUNITY COLLEGE  
Required Supplementary Information  
Schedule of Proportionate Share of OPEB Liability - CIP  
For the Year Ended June 30, 2025  
(Unaudited)

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
a) Shawnee's Proportionate Percentage of the Collective Net OPEB Liability	0.358787%	0.352815%	0.349766%	0.354974%	0.357224%	0.335073%	0.343393%	0.337444%	0.321977%
b) Shawnee's Proportionate Amount of the Collective Net OPEB Liability	\$ 6,529,754	\$ 6,434,065	\$ 6,593,971	\$ 6,703,834	\$ 6,511,352	\$ 5,815,293	\$ 2,350,732	\$ 2,383,479	\$ 2,141,757
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability Associated with Shawnee	6,803,453	6,349,324	6,593,970	6,703,834	6,511,339	5,815,293	2,350,732	2,383,483	2,141,757
Total b) + c)	<u>\$ 13,333,207</u>	<u>\$ 12,783,389</u>	<u>\$ 13,187,941</u>	<u>\$ 13,407,668</u>	<u>\$ 13,022,691</u>	<u>\$ 11,630,586</u>	<u>\$ 4,701,464</u>	<u>\$ 4,766,962</u>	<u>\$ 4,283,514</u>
Shawnee's Covered Payroll	<u>\$ 6,121,800</u>	<u>\$ 6,108,800</u>	<u>\$ 6,372,800</u>	<u>\$ 6,570,600</u>	<u>\$ 6,231,000</u>	<u>\$ 6,476,800</u>	<u>\$ 6,675,200</u>	<u>\$ 6,825,600</u>	<u>\$ 7,277,529</u>
Shawnee's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered Payroll	106.66%	105.32%	103.47%	102.03%	104.50%	89.79%	35.22%	34.92%	29.43%
CIP Plan Net Position as a Percentage of Total OPEB Liability	-2.15%	-2.87%	-3.54%	-4.13%	-5.07%	-6.38%	-22.03%	-17.87%	-18.45%

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

*See Accompanying Notes on Page 50*

SHAWNEE COMMUNITY COLLEGE  
Required Supplementary Information  
Schedule of Contributions - CIP  
For the Year Ended June 30, 2025  
(Unaudited)

Year Ended June 30	Statutorily Required Contributions*	Covered Payroll	Actual Contribution as a % of Covered Payroll
2025	\$ 61,859	\$ 7,277,529	0.85%
2024	51,192	6,825,600	0.75%
2023	33,376	6,675,200	0.50%
2022	32,384	6,476,800	0.50%
2021	31,155	6,231,000	0.50%
2020	32,853	6,570,600	0.50%
2019	31,864	6,372,800	0.50%
2018	30,544	6,108,800	0.50%
2017	30,609	6,121,800	0.50%
2016	32,518	6,503,600	0.50%

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

*See Accompanying Notes on the Following Page*

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Notes to Required Supplementary Information – OPEB Liability  
For the Year Ended June 30, 2025  
(Unaudited)

*Changes of Benefit Terms*

There were no benefit changes in the Total OPEB Liability as of June 30, 2024.

*Assumptions Used*

- Actuarial Cost Method – Entry Age Normal, used to measure the Total OPEB Liability
- Contribution Policy – Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.75 percent of pay for active members, 0.75 percent of pay for community colleges and 0.75 percent of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
- Asset Valuation Method – Market value
- Investment Rate of Return – 0 percent, net of OPEB plan investment expense, including inflation, for all plan years.
- Inflation – 2.25 percent
- Salary Increases – Depends on age and service and ranges from 12.75 percent at less than 1 year of service to 3.50 percent at 34 or more years of service for employees under age 50 and ranges from 12.00 percent at less than 1 year of service to 3.00 percent at 34 or more years of service for employees over age 50. Salary increase includes a 3.00 percent wage inflation assumption.
- Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021, actuarial valuation of SURS.
- Mortality – Retirement and Beneficiary Annuitants: Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.
- Healthcare Cost Trend Rates – Trend used plan year end 2025 are based on actual prelim increases. For non-medicare costs, trend rates start at 8.00 percent for plan year 2026 and decrease gradually to an ultimate rate of 4.25 percent in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00 percent in 2026 to 2030 and 7.00 percent in 2031, declining gradually to an ultimate rate of 4.25 percent in 2041.
- Aging Factors – Based on the 2013 SOA Study “Health Care Costs – From Birth to Death”
- Expenses – Health administrative expenses are included in the development of the per-capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combined Balance Sheet -  
Modified Accrual Basis (Governmental Fund Types and Account Groups)  
and GAAP Basis (Proprietary and Fiduciary Fund Types)  
All Fund Types and Account Groups  
June 30, 2025

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency Funds	General Fixed Assets	General Long-Term Debt	
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 9,462,212	\$ 329,583	\$ 9,888	\$ 9,091,633	\$ 23,839	\$ 383,251	\$ -	\$ -	\$ 19,300,406
Investments	232,100	-	-	-	-	5,729,964	-	-	5,962,064
Receivables:									
Property Taxes	1,023,200	440,294	611,424	109,300	-	-	-	-	2,184,218
Replacement Taxes	115,814	-	-	-	-	-	-	-	115,814
Agency Tuition	81,460	-	-	-	-	-	-	-	81,460
Student Tuition and Fees, Net of Allowance	624,252	-	-	-	-	-	-	-	624,252
Governmental Grants and Contracts	-	405,786	-	-	-	-	-	-	405,786
Prepaid Expenses	87,575	142,311	-	-	-	-	-	-	229,886
Due From Other Funds	260,000	-	-	-	-	-	-	-	260,000
Inventories	-	-	-	-	366,677	-	-	-	366,677
Property and Equipment, Net	-	-	-	-	1,221	-	25,217,404	-	25,218,625
<b>OTHER DEBITS</b>									
Amount Available to Retire Debt	-	-	-	-	-	-	-	508,255	508,255
Amount to be Provided to Retire Debt	-	-	-	-	-	-	-	4,711,875	4,711,875
Total Assets and Other Debits	<u>\$ 11,886,613</u>	<u>\$ 1,317,974</u>	<u>\$ 621,312</u>	<u>\$ 9,200,933</u>	<u>\$ 391,737</u>	<u>\$ 6,113,215</u>	<u>\$ 25,217,404</u>	<u>\$ 5,220,130</u>	<u>\$ 59,969,318</u>



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combined Balance Sheet -  
Modified Accrual Basis (Governmental Fund Types and Account Groups)  
and GAAP Basis (Proprietary and Fiduciary Fund Types)  
All Fund Types and Account Groups  
June 30, 2025

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency Funds	General Fixed Assets	General Long-Term Debt	
<b>LIABILITIES</b>									
Accounts Payable	\$ 830,329	\$ -	\$ -	\$ -	\$ 1,862	\$ -	\$ -	\$ -	\$ 832,191
Accrued Liabilities	448,083	-	13,057	-	-	-	-	-	461,140
Unearned Revenue	544,850	707,349	-	-	48,725	-	-	-	1,300,924
Due to Student Groups	-	-	-	-	922	239,345	-	-	240,267
Due To Other Funds	-	-	100,000	-	160,000	-	-	-	260,000
Bond Premium								150,130	150,130
Bonds Payable	-	-	-	-	-	-	-	5,070,000	5,070,000
<b>Total Liabilities</b>	<b>1,823,262</b>	<b>707,349</b>	<b>113,057</b>	<b>-</b>	<b>211,509</b>	<b>239,345</b>	<b>-</b>	<b>5,220,130</b>	<b>8,314,652</b>
<b>COLLEGE EQUITY</b>									
Investment in General Fixed Assets	-	-	-	-	-	-	25,217,404	-	25,217,404
Fund Balance:									
Reserved	6,685	610,625	508,255	9,200,933	-	5,873,870	-	-	16,200,368
Unreserved, Designated	744,084	-	-	-	-	-	-	-	744,084
Unreserved, Undesignated	9,312,582	-	-	-	-	-	-	-	9,312,582
Retained Earnings	-	-	-	-	180,228	-	-	-	180,228
<b>Total College Equity</b>	<b>10,063,351</b>	<b>610,625</b>	<b>508,255</b>	<b>9,200,933</b>	<b>180,228</b>	<b>5,873,870</b>	<b>25,217,404</b>	<b>-</b>	<b>51,654,666</b>
<b>Total Liabilities and College Equity</b>	<b>\$ 11,886,613</b>	<b>\$ 1,317,974</b>	<b>\$ 621,312</b>	<b>\$ 9,200,933</b>	<b>\$ 391,737</b>	<b>\$ 6,113,215</b>	<b>\$ 25,217,404</b>	<b>\$ 5,220,130</b>	<b>\$ 59,969,318</b>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Modified Accrual Basis  
All Governmental Fund Types  
For the Year Ended June 30, 2025

	General	Special Revenue	Debt Service - Bond and Interest	Capital Projects Fund-Operation and Maintenance Restricted	Total (Memorandum Only)
<b>Revenues</b>					
Local Sources	\$ 3,022,367	\$ 1,006,575	\$ 1,459,578	\$ 259,122	\$ 5,747,642
State Sources	4,606,639	1,434,484	-	-	6,041,123
Federal Sources	-	3,687,929	-	-	3,687,929
Tuition and Fees	5,259,757	-	-	-	5,259,757
Facilities	52,602	-	-	-	52,602
Investment Income	578,963	-	-	275,190	854,153
Other Revenue	257,687	(112,000)	-	2,362	148,049
On-Behalf Payments	-	2,434,382	-	-	2,434,382
Total Revenues	<u>13,778,015</u>	<u>8,451,370</u>	<u>1,459,578</u>	<u>536,674</u>	<u>24,225,637</u>
<b>Expenditures</b>					
Instruction	3,947,032	968,078	-	-	4,915,110
Academic Support	732,042	128,530	-	-	860,572
Student Services	1,189,554	877,195	-	-	2,066,749
Public Service	768,416	648,224	-	-	1,416,640
Operation and Maintenance of Plant	1,486,950	-	-	1,472,301	2,959,251
Institutional Support	3,229,529	1,206,200	-	-	4,435,729
Scholarships, Grants, and Waivers	2,028,005	2,385,240	-	-	4,413,245
Principal	-	-	1,115,000	-	1,115,000
Interest	-	-	281,376	-	281,376
On-Behalf Payments	-	2,434,382	-	-	2,434,382
Total Expenditures	<u>13,381,528</u>	<u>8,647,849</u>	<u>1,396,376</u>	<u>1,472,301</u>	<u>24,898,054</u>
Revenue Over (Under) Expenditures	<u>396,487</u>	<u>(196,479)</u>	<u>63,202</u>	<u>(935,627)</u>	<u>(672,417)</u>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers, Net	(2,209,253)	-	-	1,500,000	(709,253)
Total Other Financing Sources (Uses)	<u>(2,209,253)</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>(709,253)</u>
Revenue Over (Under) Expenditures and Other Financing Sources (Uses)	(1,812,766)	(196,479)	63,202	564,373	(1,381,670)
<b>Fund Balance, July 1, 2024</b>	<u>11,876,117</u>	<u>807,104</u>	<u>445,053</u>	<u>8,636,560</u>	<u>21,764,834</u>
<b>Fund Balance, June 30, 2025</b>	<u>\$ 10,063,351</u>	<u>\$ 610,625</u>	<u>\$ 508,255</u>	<u>\$ 9,200,933</u>	<u>\$ 20,383,164</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Budget and Actual - Modified Accrual Basis  
All Budgeted Governmental Fund Types  
For the Year Ended June 30, 2025

	General		Special Revenue		Debt Service - Bond and Interest Fund		Capital Projects Fund - Operation and Maintenance Restricted Fund		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>Revenues</b>										
Local Sources	\$ 3,075,136	\$ 3,022,367	\$ 957,037	\$ 1,006,575	\$ 1,396,375	\$ 1,459,578	\$ 250,000	\$ 259,122	\$ 5,678,548	\$ 5,747,642
State Sources	4,591,079	4,606,639	1,576,799	1,434,484	-	-	-	-	6,167,878	6,041,123
Federal Sources	-	-	5,026,087	3,687,929	-	-	-	-	5,026,087	3,687,929
Tuition and Fees	5,738,880	5,259,757	-	-	-	-	-	-	5,738,880	5,259,757
Facilities	50,000	52,602	-	-	-	-	-	-	50,000	52,602
Investment Income	500,000	578,963	-	-	-	-	-	275,190	500,000	854,153
Other Revenue	275,507	257,687	-	(112,000)	-	-	-	2,362	275,507	148,049
Total Revenues	14,230,602	13,778,015	7,559,923	6,016,988	1,396,375	1,459,578	250,000	536,674	23,436,900	21,791,255
<b>Expenditures</b>										
Instruction	4,176,315	3,947,032	1,172,582	968,078	-	-	-	-	5,348,897	4,915,110
Academic Support	846,109	732,042	221,540	128,530	-	-	-	-	1,067,649	860,572
Student Services	1,281,846	1,189,554	892,438	877,195	-	-	-	-	2,174,284	2,066,749
Public Service	770,231	768,416	766,176	648,224	-	-	-	-	1,536,407	1,416,640
Operation and Maintenance of Plant	1,714,554	1,486,950	115,000	-	-	-	9,303,315	1,472,301	11,132,869	2,959,251
Institutional Support	3,317,317	3,229,529	1,612,311	1,206,200	-	-	-	-	4,929,628	4,435,729
Scholarships, Grants, and Waivers	1,761,607	2,028,005	3,443,150	2,385,240	-	-	-	-	5,204,757	4,413,245
Principal	-	-	-	-	1,115,000	1,115,000	-	-	1,115,000	1,115,000
Interest	-	-	-	-	281,375	281,376	-	-	281,375	281,376
Total Expenditures	13,867,979	13,381,528	8,223,197	6,213,467	1,396,375	1,396,376	9,303,315	1,472,301	32,790,866	22,463,672
Revenue Over (Under) Expenditures	362,623	396,487	(663,274)	(196,479)	-	63,202	(9,053,315)	(935,627)	(9,353,966)	(672,417)
<b>Other Financing Sources (Uses)</b>										
Operating Transfers, Net	(2,348,749)	(2,209,253)	-	-	-	-	1,500,000	1,500,000	(848,749)	(709,253)
Total Other Financing Sources (Uses)	(2,348,749)	(2,209,253)	-	-	-	-	1,500,000	1,500,000	(848,749)	(709,253)
Revenue Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ (1,986,126)</u>	<u>(1,812,766)</u>	<u>\$ (663,274)</u>	<u>(196,479)</u>	<u>\$ -</u>	<u>63,202</u>	<u>\$ (7,553,315)</u>	<u>564,373</u>	<u>\$ (10,202,715)</u>	<u>(1,381,670)</u>
<b>Fund Balance, July 1, 2024</b>		11,876,117		807,104		445,053		8,636,560		21,764,834
<b>Fund Balance, June 30, 2025</b>		<u>\$ 10,063,351</u>		<u>\$ 610,625</u>		<u>\$ 508,255</u>		<u>\$ 9,200,933</u>		<u>\$ 20,383,164</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combined Statement of Revenues, Expenses,  
and Changes in College Equity - Budget and Actual  
Proprietary Fund Types and Similar Trust Funds  
For the Year Ended June 30, 2025

	Fiduciary Fund Type		Proprietary Fund Type	
	Working Cash Fund		Enterprise Funds	
	Budget	Actual	Budget	Actual
<b>Operating Revenues</b>				
Student and Community Services	\$ -	\$ -	\$ 502,500	\$ 468,788
Student Tuition and Fees	-	-	-	-
State Sources	-	-	-	-
Local Sources	-	-	-	-
Investment Income	150,000	285,742	-	-
Total Operating Revenues	150,000	285,742	502,500	468,788
<b>Operating Expenses</b>				
Salaries	-	-	281,289	290,161
Employee Benefits	-	-	26,783	26,741
Contractual Services	-	-	91,603	92,170
General Materials and Supplies	-	-	655,441	542,606
Conference and Meeting	-	-	80,876	34,503
Fixed Charges	-	-	25,000	20,124
Depreciation	-	-	4,000	2,098
Capital Outlay	-	-	100,500	106,858
Other	-	-	420,600	416,037
Total Operating Expenses	-	-	1,686,092	1,531,298
Operating Income (Loss)	150,000	285,742	(1,183,592)	(1,062,510)
<b>Other Financing Sources (Uses)</b>				
Operating Transfers, Net	(150,000)	(285,742)	998,749	994,995
<b>Net Loss</b>	<u>\$ -</u>	<u>-</u>	<u>\$ (184,843)</u>	<u>(67,515)</u>
<b>College Equity, July 1, 2024</b>		<u>5,873,870</u>		<u>247,743</u>
<b>College Equity, June 30, 2025</b>		<u>\$ 5,873,870</u>		<u>\$ 180,228</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combined Statement of Cash Flows  
Proprietary Fund Types and Similar Trust Funds  
For the Year Ended June 30, 2025

	Fiduciary Fund Type Working Cash Fund	Proprietary Fund Type Enterprise Funds
<b>Cash Flows from Operating Activities</b>		
Auxiliary Enterprise Charges	\$ -	\$ 468,788
Student Tuition and Fees	-	1,200
Payments to Suppliers	-	(1,151,668)
Payments to Employees and Benefits Paid	-	(316,902)
Interest on Investments	285,742	-
Net Cash Provided by (Used in) Operating Activities	<u>285,742</u>	<u>(998,582)</u>
<b>Cash Flows from Non-Capital Financing Activities</b>		
Operating Transfers In (Out)	<u>(285,742)</u>	<u>994,995</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Investments	<u>(252,184)</u>	<u>-</u>
Net Decrease in Cash and Cash Equivalents	(252,184)	(3,587)
<b>Cash and Cash Equivalents, July 1, 2024</b>	<u>396,090</u>	<u>27,426</u>
<b>Cash and Cash Equivalents, June 30, 2025</b>	<u><u>\$ 143,906</u></u>	<u><u>\$ 23,839</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>		
Operating Income (Loss)	\$ 285,742	\$ (1,062,510)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	-	2,098
Changes in Assets and Liabilities:		
Receivables	-	1,200
Inventories	-	(99,013)
Payables	-	159,643
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 285,742</u></u>	<u><u>\$ (998,582)</u></u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combining Balance Sheet - Modified Accrual Basis  
General Funds  
June 30, 2025

	Education Fund	Operation and Maintenance Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 8,164,114	\$ 1,298,098	\$ 9,462,212
Investments	232,100	-	232,100
Receivables:			
Property Taxes	681,363	341,837	1,023,200
Replacement Taxes	81,070	34,744	115,814
Agency Tuition	81,460	-	81,460
Student Tuition and Fees, Net of Allowance	624,252	-	624,252
Governmental Grants and Contracts	-	-	-
Prepaid Expenses	80,890	6,685	87,575
Due From Other Funds	260,000	-	260,000
	<u>\$ 10,205,249</u>	<u>\$ 1,681,364</u>	<u>\$ 11,886,613</u>
LIABILITIES			
Accounts Payable	\$ 830,329	\$ -	\$ 830,329
Accrued Liabilities	448,083	-	448,083
Unearned Revenue	544,850	-	544,850
Total Liabilities	<u>1,823,262</u>	<u>-</u>	<u>1,823,262</u>
FUND BALANCE			
Unreserved, Designated	744,084	-	744,084
Unreserved, Undesignated	7,637,903	1,681,364	9,319,267
Total Fund Balance	<u>8,381,987</u>	<u>1,681,364</u>	<u>10,063,351</u>
Total Liabilities and Fund Balance	<u>\$ 10,205,249</u>	<u>\$ 1,681,364</u>	<u>\$ 11,886,613</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Modified Accrual Basis  
General Funds  
For the Year Ended June 30, 2025

	Education Fund	Operation and Maintenance Fund	Total
<b>Revenues</b>			
Local Sources	\$ 2,034,962	\$ 987,405	\$ 3,022,367
State Sources	4,199,541	407,098	4,606,639
Federal Sources	-	-	-
Tuition and Fees	5,259,757	-	5,259,757
Facilities	-	52,602	52,602
Investment Income	578,963	-	578,963
Other Revenue	235,906	21,781	257,687
Total Revenues	<u>12,309,129</u>	<u>1,468,886</u>	<u>13,778,015</u>
<b>Expenditures</b>			
Instruction	3,947,032	-	3,947,032
Academic Support	732,042	-	732,042
Student Services	1,189,554	-	1,189,554
Public Service	768,416	-	768,416
Operation and Maintenance of Plant	-	1,486,950	1,486,950
Institutional Support	3,229,529	-	3,229,529
Scholarships, Grants, and Waivers	2,028,005	-	2,028,005
Interest	-	-	-
Total Expenditures	<u>11,894,578</u>	<u>1,486,950</u>	<u>13,381,528</u>
Revenue Over (Under) Expenditures	<u>414,551</u>	<u>(18,064)</u>	<u>396,487</u>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers, Net	<u>(1,209,253)</u>	<u>(1,000,000)</u>	<u>(2,209,253)</u>
Total Other Financing Sources (Uses)	<u>(1,209,253)</u>	<u>(1,000,000)</u>	<u>(2,209,253)</u>
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(794,702)</u>	<u>(1,018,064)</u>	<u>(1,812,766)</u>
<b>Fund Balance, July 1, 2024</b>	<u>9,176,689</u>	<u>2,699,428</u>	<u>11,876,117</u>
<b>Fund Balance, June 30, 2025</b>	<u>\$ 8,381,987</u>	<u>\$ 1,681,364</u>	<u>\$ 10,063,351</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combining Balance Sheet - Modified Accrual Basis  
Special Revenue Funds  
June 30, 2025

	Restricted Purposes Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 301,563	\$ 7,855	\$ 20,165	\$ 329,583
Receivables:				
Property Taxes	-	23,647	416,647	440,294
Governmental Grants and Contracts	405,786	-	-	405,786
Prepaid Expenses	-	-	142,311	142,311
Total Assets	<u>\$ 707,349</u>	<u>\$ 31,502</u>	<u>\$ 579,123</u>	<u>\$ 1,317,974</u>
<b>LIABILITIES</b>				
Unearned Revenue	<u>\$ 707,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 707,349</u>
<b>FUND BALANCE</b>				
Reserved	-	31,502	579,123	610,625
Total Fund Balance	<u>-</u>	<u>31,502</u>	<u>579,123</u>	<u>610,625</u>
Total Liabilities and Fund Balance	<u>\$ 707,349</u>	<u>\$ 31,502</u>	<u>\$ 579,123</u>	<u>\$ 1,317,974</u>



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Modified Accrual Basis  
Special Revenue Funds  
For the Year Ended June 30, 2025

	Restricted Purposes Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
<b>Revenues</b>				
Local Sources	\$ -	\$ 46,315	\$ 960,260	\$ 1,006,575
State Sources	1,434,484	-	-	1,434,484
Federal Sources	3,687,929	-	-	3,687,929
Other Revenue	(112,000)	-	-	(112,000)
On-Behalf Payments	2,434,382	-	-	2,434,382
Total Revenues	7,444,795	46,315	960,260	8,451,370
<b>Expenditures</b>				
Instruction	968,078	-	-	968,078
Academic Support	128,530	-	-	128,530
Student Services	877,195	-	-	877,195
Public Service	648,224	-	-	648,224
Auxiliary Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Institutional Support	3,146	50,000	1,153,054	1,206,200
Scholarships, Grants, and Waivers	2,385,240	-	-	2,385,240
On-Behalf Payments	2,434,382	-	-	2,434,382
Total Expenditures	7,444,795	50,000	1,153,054	8,647,849
Revenue Over (Under) Expenditures	-	(3,685)	(192,794)	(196,479)
<b>Other Financing Sources (Uses)</b>				
Operating Transfers (Net)	-	-	-	-
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	-	(3,685)	(192,794)	(196,479)
<b>Fund Balance, July 1, 2024</b>	-	35,187	771,917	807,104
<b>Fund Balance, June 30, 2025</b>	\$ -	\$ 31,502	\$ 579,123	\$ 610,625

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Combining Balance Sheet  
Fiduciary Funds  
June 30, 2025

	Non-Expendable Trust		
	Working Cash Fund	Trust and Agency Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 143,906	\$ 239,345	\$ 383,251
Investments	5,729,964	-	5,729,964
Total Assets	<u>\$ 5,873,870</u>	<u>\$ 239,345</u>	<u>\$ 6,113,215</u>
LIABILITIES			
Due to Student Groups	\$ -	\$ 239,345	\$ 239,345
FUND BALANCE			
Reserved	<u>5,873,870</u>	<u>-</u>	<u>5,873,870</u>
Total Liabilities and Fund Balance	<u>\$ 5,873,870</u>	<u>\$ 239,345</u>	<u>\$ 6,113,215</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Balance Sheet - Modified Accrual Basis (Governmental Fund Types and Account Groups)  
and GAAP Basis (Proprietary and Fiduciary Fund Types)  
All Funds and Account Groups  
June 30, 2025

	Education Fund	Operations and Maintenance Funds		Auxiliary Enterprise Funds	Restricted Purposes Fund	Working Cash Fund	Trust and Agency Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	Account Groups		Total (Memorandum Only)
		Operational	Restricted								General Fixed Assets	General Long-Term Debt	
<b>ASSETS</b>													
Cash and Cash Equivalents	\$ 8,164,114	\$ 1,298,098	\$ 9,091,633	\$ 23,839	\$ 301,563	\$ 143,906	\$ 239,345	\$ 9,888	\$ 7,855	\$ 20,165	\$ -	\$ -	\$ 19,300,406
Investments	232,100	-	-	-	-	5,729,964	-	-	-	-	-	-	5,962,064
Receivables:													
Property Taxes	681,363	341,837	109,300	-	-	-	-	611,424	23,647	416,647	-	-	2,184,218
Replacement Taxes	81,070	34,744	-	-	-	-	-	-	-	-	-	-	115,814
Agency Tuition	81,460	-	-	-	-	-	-	-	-	-	-	-	81,460
Student Tuition and Fees, Net of Allowance	624,252	-	-	-	-	-	-	-	-	-	-	-	624,252
Governmental Grants and Contracts	-	-	-	-	405,786	-	-	-	-	-	-	-	405,786
Prepaid Expenses	80,890	6,685	-	-	-	-	-	-	-	142,311	-	-	229,886
Inventories	-	-	-	366,677	-	-	-	-	-	-	-	-	366,677
Property and Equipment at Cost, Net	-	-	-	1,221	-	-	-	-	-	-	25,217,404	-	25,218,625
Due from Other Funds	260,000	-	-	-	-	-	-	-	-	-	-	-	260,000
Amount Available to Retire Debt	-	-	-	-	-	-	-	-	-	-	-	508,255	508,255
Amount to be Provided to Retire Debt	-	-	-	-	-	-	-	-	-	-	-	4,711,875	4,711,875
<b>Total Assets</b>	<b>\$ 10,205,249</b>	<b>\$ 1,681,364</b>	<b>\$ 9,200,933</b>	<b>\$ 391,737</b>	<b>\$ 707,349</b>	<b>\$ 5,873,870</b>	<b>\$ 239,345</b>	<b>\$ 621,312</b>	<b>\$ 31,502</b>	<b>\$ 579,123</b>	<b>\$ 25,217,404</b>	<b>\$ 5,220,130</b>	<b>\$ 59,969,318</b>
<b>LIABILITIES</b>													
Accounts Payable	\$ 830,329	\$ -	\$ -	\$ 1,862	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 832,191
Accrued Liabilities	448,083	-	-	-	-	-	-	13,057	-	-	-	-	461,140
Unearned Revenue	544,850	-	-	48,725	707,349	-	-	-	-	-	-	-	1,300,924
Due to Student Groups	-	-	-	922	-	-	239,345	-	-	-	-	-	240,267
Due to Other Funds	-	-	-	160,000	-	-	-	100,000	-	-	-	-	260,000
Lease Liabilities	-	-	-	-	-	-	-	-	-	-	366,146	-	366,146
Subscription Liabilities	-	-	-	-	-	-	-	-	-	-	947,767	-	947,767
Bond Premium	-	-	-	-	-	-	-	-	-	-	-	150,130	150,130
Bonds Payable	-	-	-	-	-	-	-	-	-	-	-	5,070,000	5,070,000
<b>Total Liabilities</b>	<b>1,823,262</b>	<b>-</b>	<b>-</b>	<b>211,509</b>	<b>707,349</b>	<b>-</b>	<b>239,345</b>	<b>113,057</b>	<b>-</b>	<b>-</b>	<b>1,313,913</b>	<b>5,220,130</b>	<b>9,628,565</b>
<b>COLLEGE EQUITY</b>													
Investment in General Fixed Assets	-	-	-	-	-	-	-	-	-	-	23,903,491	-	23,903,491
Fund Balance:													
Reserved	-	6,685	9,200,933	-	-	5,873,870	-	508,255	31,502	579,123	-	-	16,200,368
Unreserved, Designated	744,084	-	-	-	-	-	-	-	-	-	-	-	744,084
Unreserved, Undesignated	7,637,903	1,674,679	-	-	-	-	-	-	-	-	-	-	9,312,582
Retained Earnings	-	-	-	180,228	-	-	-	-	-	-	-	-	180,228
<b>Total College Equity</b>	<b>8,381,987</b>	<b>1,681,364</b>	<b>9,200,933</b>	<b>180,228</b>	<b>-</b>	<b>5,873,870</b>	<b>-</b>	<b>508,255</b>	<b>31,502</b>	<b>579,123</b>	<b>23,903,491</b>	<b>-</b>	<b>50,340,753</b>
<b>Total Liabilities and College Equity</b>	<b>\$ 10,205,249</b>	<b>\$ 1,681,364</b>	<b>\$ 9,200,933</b>	<b>\$ 391,737</b>	<b>\$ 707,349</b>	<b>\$ 5,873,870</b>	<b>\$ 239,345</b>	<b>\$ 621,312</b>	<b>\$ 31,502</b>	<b>\$ 579,123</b>	<b>\$ 25,217,404</b>	<b>\$ 5,220,130</b>	<b>\$ 59,969,318</b>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Statement of Revenues, Expenditures, and Changes in College Equity -  
Modified Accrual Basis (Governmental Fund Types)  
and GAAP Basis (Proprietary and Fiduciary Fund Types)  
All Funds  
For the Year Ended June 30, 2025

	Education Fund	Operations and Maintenance Funds		Auxiliary Enterprise Funds	Restricted Purposes Fund	Working Cash Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total (Memorandum Only)
		Operational	Restricted							
<b>Revenues</b>										
Local Sources	\$ 2,034,962	\$ 987,405	\$ 259,122	\$ -	\$ -	\$ -	\$ 1,459,578	\$ 46,315	\$ 960,260	\$ 5,747,642
State Sources	4,199,541	407,098	-	-	1,434,484	-	-	-	-	6,041,123
Federal Sources	-	-	-	-	3,687,929	-	-	-	-	3,687,929
Tuition and Fees	5,259,757	-	-	-	-	-	-	-	-	5,259,757
Facilities	-	52,602	-	-	-	-	-	-	-	52,602
Investment Income	578,963	-	275,190	-	-	285,742	-	-	-	1,139,895
Other Revenue	235,906	21,781	2,362	468,788	3,000	-	-	-	-	731,837
On-Behalf Payments	-	-	-	-	2,434,382	-	-	-	-	2,434,382
Total Revenues	<u>12,309,129</u>	<u>1,468,886</u>	<u>536,674</u>	<u>468,788</u>	<u>7,559,795</u>	<u>285,742</u>	<u>1,459,578</u>	<u>46,315</u>	<u>960,260</u>	<u>25,095,167</u>
<b>Expenditures</b>										
Instruction	3,947,032	-	-	-	968,078	-	-	-	-	4,915,110
Academic Support	732,042	-	-	-	128,530	-	-	-	-	860,572
Student Services	1,189,554	-	-	-	877,195	-	-	-	-	2,066,749
Public Service	768,416	-	-	-	648,224	-	-	-	-	1,416,640
Auxiliary Services	-	-	-	1,529,200	-	-	-	-	-	1,529,200
Operation and Maintenance of Plant	-	1,486,950	1,472,301	-	115,000	-	-	-	-	3,074,251
Institutional Support	3,229,529	-	-	-	3,146	-	-	50,000	1,153,054	4,435,729
Scholarships, Grants, and Waivers	2,028,005	-	-	-	2,385,240	-	-	-	-	4,413,245
Principal	-	-	-	-	-	-	1,115,000	-	-	1,115,000
Interest	-	-	-	-	-	-	281,376	-	-	281,376
Depreciation	-	-	-	2,098	-	-	-	-	-	2,098
On-Behalf Payments	-	-	-	-	2,434,382	-	-	-	-	2,434,382
Total Expenditures	<u>11,894,578</u>	<u>1,486,950</u>	<u>1,472,301</u>	<u>1,531,298</u>	<u>7,559,795</u>	<u>-</u>	<u>1,396,376</u>	<u>50,000</u>	<u>1,153,054</u>	<u>26,544,352</u>
Revenue Over (Under) Expenditures	<u>414,551</u>	<u>(18,064)</u>	<u>(935,627)</u>	<u>(1,062,510)</u>	<u>-</u>	<u>285,742</u>	<u>63,202</u>	<u>(3,685)</u>	<u>(192,794)</u>	<u>(1,449,185)</u>
<b>Other Financing Sources (Uses)</b>										
Operating Transfers, Net	<u>(1,209,253)</u>	<u>(1,000,000)</u>	<u>1,500,000</u>	<u>994,995</u>	<u>-</u>	<u>(285,742)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,209,253)</u>	<u>(1,000,000)</u>	<u>1,500,000</u>	<u>994,995</u>	<u>-</u>	<u>(285,742)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(794,702)</u>	<u>(1,018,064)</u>	<u>564,373</u>	<u>(67,515)</u>	<u>-</u>	<u>-</u>	<u>63,202</u>	<u>(3,685)</u>	<u>(192,794)</u>	<u>(1,449,185)</u>
<b>College Equity, Beginning of Year</b>	<u>9,176,689</u>	<u>2,699,428</u>	<u>8,636,560</u>	<u>247,743</u>	<u>-</u>	<u>5,873,870</u>	<u>445,053</u>	<u>35,187</u>	<u>771,917</u>	<u>27,886,447</u>
<b>College Equity, End of Year</b>	<u>\$ 8,381,987</u>	<u>\$ 1,681,364</u>	<u>\$ 9,200,933</u>	<u>\$ 180,228</u>	<u>\$ -</u>	<u>\$ 5,873,870</u>	<u>\$ 508,255</u>	<u>\$ 31,502</u>	<u>\$ 579,123</u>	<u>\$ 26,437,262</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Reconciliations to the Basic Financial Statements

Reconciliation of the Balance Sheet -  
Modified Accrual Basis (Governmental Fund Types and Account Groups)  
and GAAP Basis (Proprietary and Fiduciary Fund Types) to the Statement of Net Position  
June 30, 2025

College Equity	\$ 50,340,753
Reconciling Items:	
Reclassification of Long Term Debt	(5,220,130)
Accrual of Interest on Long-Term Debt	(51,148)
Recognition of Other Postemployment Benefit Liability	(2,141,756)
Recognition of Summer Tuition Revenues and Scholarship Expenses	297,883
Deferred Outflows of Resources - Other Postemployment Benefits	203,082
Deferred Inflows of Resources - Other Postemployment Benefits	(2,687,867)
Deferred Outflows of Resources - Retirement Plan Contributions	69,540
Net Position	<u>\$ 40,810,357</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in College Equity -  
Modified Accrual Basis (Governmental Fund Types) and GAAP Basis (Proprietary Fund Types)  
to the Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended June 30, 2025

Change in College Equity	\$ (1,449,185)
Reconciling Items:	
General Obligation Debt Retired	1,115,000
Record Depreciation and Amortization on the Capital Assets	(1,550,393)
Record Contributed Capital for Capital Assets	463,233
Remove Capital Expenditures Related to Capital Assets	2,360,708
Remove Bond Premium Amortization	43,941
Change in Recognition of Summer Tuition Revenues and Scholarship Expenses	(11,133)
Change in Deferred Outflows - Other Postemployment Benefits	(35,662)
Change in Deferred Inflows - Other Postemployment Benefits	761,094
Change in Net Other Postemployment Benefits Liability	241,726
Accrual of Interest on Long-Term Debt and Subscription Liabilities	(52,411)
Change in Deferred Outflows - Retirement Plan Contributions	(13,398)
Change in Net Position	<u>\$ 1,873,520</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections  
June 30, 2025

	<u>2023 Levy</u>	<u>2022 Levy</u>	<u>2021 Levy</u>	<u>2020 Levy</u>
<b>District Valuations</b>	<u>\$ 792,198,302</u>	<u>\$ 719,421,866</u>	<u>\$ 683,320,904</u>	<u>\$ 660,122,102</u>
<b>Tax Rates</b> <b>(Per \$100 Assessed Valuations)</b>				
Education	0.19410	0.20000	0.20000	0.20000
Building	0.09755	0.10000	0.10000	0.10000
Liability Insurance	0.10256	0.10500	0.10411	0.10859
Social Security	0.01627	0.01714	0.01749	0.01881
Audit	0.00500	0.00500	0.00500	0.00500
Health and Safety	0.03245	0.03508	0.03670	0.03849
Bond and Interest	<u>0.18125</u>	<u>0.19611</u>	<u>0.23586</u>	<u>0.26485</u>
<b>TOTAL</b>	<u>0.62918</u>	<u>0.65833</u>	<u>0.69916</u>	<u>0.73574</u>
<b>Tax Extensions</b>				
Education	\$ 1,537,657	\$ 1,438,844	\$ 1,366,642	\$ 1,320,244
Building	772,789	719,422	683,321	660,122
Liability Insurance	812,479	755,393	711,392	716,827
Social Security	128,891	123,309	119,520	124,169
Audit	39,610	35,971	34,166	33,006
Health and Safety	257,068	252,373	250,806	254,081
Bond and Interest	<u>1,435,859</u>	<u>1,410,858</u>	<u>1,611,674</u>	<u>1,748,360</u>
	<u>\$ 4,984,353</u>	<u>\$ 4,736,170</u>	<u>\$ 4,777,521</u>	<u>\$ 4,856,809</u>
<b>Collections</b>				
Education	\$ 1,278,422	\$ 1,419,083	\$ 1,317,684	\$ 1,258,605
Building	642,591	710,058	652,832	632,164
Liability Insurance	654,065	739,074	676,140	672,162
Social Security	128,891	123,309	119,520	124,169
Audit	33,802	35,878	32,811	31,730
Health and Safety	213,817	249,413	240,173	240,575
Bond and Interest	<u>1,194,505</u>	<u>1,394,326</u>	<u>1,543,302</u>	<u>1,655,504</u>
	<u>\$ 4,146,093</u>	<u>\$ 4,671,141</u>	<u>\$ 4,582,462</u>	<u>\$ 4,614,909</u>
Percent of Extension Collected *	<u>83.18%</u>	<u>98.63%</u>	<u>95.92%</u>	<u>95.02%</u>

\* 2023 Levy Collection Percentage lower due to Union County Levy Miscalculation to be collected in Levy Year 2024

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Legal Debt Margin  
June 30, 2025

<b>Assessed Valuations - 2024 Levy***</b>	<u>\$ 861,821,142</u>
Debt Limit, 2.875 Percent of Assessed Valuation (50 ILCS 405/1)	\$ 24,777,358
Indebtedness:	
General Obligation Community College Bonds	<u>5,070,000</u>
<b>Legal Debt Margin</b>	<u>\$ 19,707,358</u>

\*\*\* - Most Current Assessed Valuation Available

SHAWNEE COMMUNITY COLLEGE  
 COMMUNITY COLLEGE DISTRICT #531  
 Student Enrollment and Full-Time Equivalency  
 At Tenth Day  
 For the Year Ended June 30, 2025  
 (Unaudited)

<b>School Quarter</b>	<b>Student Enrollment</b>	<b>Full-Time Equivalency</b>
		<b>Semester</b>
Summer 2024	512	163
Fall 2024	1,156	710
Spring 2025	1,247	772
<b>Semester Average (Exclusive of Summer School)</b>	<b>1,202</b>	<b>741</b>



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
All Funds Summary - Modified Accrual Basis  
Uniform Financial Statement No. 1  
For the Year Ended June 30, 2025

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Fund Balance, July 1, 2024	\$ 9,176,689	\$ 2,699,428	\$ 8,636,560	\$ 445,053	\$ 247,743	\$ -	\$ 5,873,870	\$ 35,187	\$ 771,917	\$ 27,886,447
Revenues:										
Local Tax Revenue	1,564,832	785,921	259,122	1,459,578	-	-	-	46,315	960,260	5,076,028
All Other Local Revenue	470,130	201,484	-	-	-	-	-	-	-	671,614
Chargeback Revenue	-	-	-	-	-	-	-	-	-	-
ICCB Grants	4,199,541	407,098	-	-	-	991,067	-	-	-	5,597,706
All Other State Revenue (Including SURS On-Behalf)	-	-	-	-	-	2,877,799	-	-	-	2,877,799
Federal Revenue	-	-	-	-	-	3,687,929	-	-	-	3,687,929
Student Tuition and Fees	5,259,757	-	-	-	-	-	-	-	-	5,259,757
All Other Revenue	814,869	74,383	277,552	-	468,788	3,000	285,742	-	-	1,924,334
Total Revenues	12,309,129	1,468,886	536,674	1,459,578	468,788	7,559,795	285,742	46,315	960,260	25,095,167
Expenditures:										
Instruction	3,838,437	-	-	-	-	2,019,688	-	-	-	5,858,125
Academic Support	840,637	-	-	-	-	299,083	-	-	-	1,139,720
Student Services	1,189,554	-	-	-	-	1,218,408	-	-	-	2,407,962
Public Service/Continuing Education	768,416	-	-	-	-	867,298	-	-	-	1,635,714
Organized Research	-	-	-	-	-	-	-	-	-	-
Auxiliary Services	-	-	-	-	1,531,298	85,257	-	-	-	1,616,555
Operations and Maintenance	-	1,486,950	1,472,301	-	-	174,145	-	-	-	3,133,396
Institutional Support	3,229,529	-	-	1,396,376	-	503,031	-	50,000	1,153,054	6,331,990
Scholarships, Grants, and Waivers	2,028,005	-	-	-	-	2,392,885	-	-	-	4,420,890
Total Expenditures	11,894,578	1,486,950	1,472,301	1,396,376	1,531,298	7,559,795	-	50,000	1,153,054	26,544,352
Net Transfers	(1,209,253)	(1,000,000)	1,500,000	-	994,995	-	(285,742)	-	-	-
Fund Balance, June 30, 2025	\$ 8,381,987	\$ 1,681,364	\$ 9,200,933	\$ 508,255	\$ 180,228	\$ -	\$ 5,873,870	\$ 31,502	\$ 579,123	\$ 26,437,262

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Summary of Fixed Assets and Debt  
Uniform Financial Statement No. 2  
For the Year Ended June 30, 2025

	Capital Assets / Long Term Debt			
	July 1, 2024	Additions	Deletions	June 30, 2025
Fixed Assets:				
Land	\$ 89,166	\$ -	\$ -	\$ 89,166
Land Improvements	826,113	27,743	-	853,856
Buildings, Additions, and Improvements	33,184,449	1,171,730	-	34,356,179
Equipment	7,069,712	1,089,969	(530,328)	7,629,353
Other Fixed Assets	1,046,789	1,896,554	(1,171,730)	1,771,613
Accumulated Depreciation and Amortization	(18,239,211)	(1,552,491)	310,160	(19,481,542)
Net Fixed Assets	<u>\$ 23,977,018</u>	<u>\$ 2,633,505</u>	<u>\$ (1,391,898)</u>	<u>\$ 25,218,625</u>
Fixed Debt:				
Bonds	\$ 6,185,000	\$ -	\$ (1,115,000)	\$ 5,070,000
Bond Premium	194,071	-	(43,941)	150,130
Net Other Postemployment Benefit Liability	2,383,482	-	(241,726)	2,141,756
Lease Liabilities	573,038	157,362	(364,254)	366,146
Subscription Liabilities	724,221	575,631	(352,085)	947,767
Total Fixed Liabilities	<u>\$ 10,059,812</u>	<u>\$ 732,993</u>	<u>\$ (2,117,006)</u>	<u>\$ 8,675,799</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Operating Funds Revenues and Expenditures - Modified Accrual Basis  
Uniform Financial Statement No. 3  
For the Year Ended June 30, 2025

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Revenues by Source:			
<i>Local Government Revenue</i>			
Local Taxes	\$ 1,564,832	\$ 785,921	\$ 2,350,753
Corporate Personal Property Replacement Tax	470,130	201,484	671,614
Chargeback Revenue	-	-	-
Total Local Government	<u>2,034,962</u>	<u>987,405</u>	<u>3,022,367</u>
<i>State Government</i>			
ICCB Base Operating Grant	965,456	407,098	1,372,554
ICCB Equalization Grant	3,115,120	-	3,115,120
ICCB Career & Technical Education	118,965	-	118,965
Total State Government	<u>4,199,541</u>	<u>407,098</u>	<u>4,606,639</u>
<i>Federal Government</i>			
Department of Education	-	-	-
Total Federal Government	<u>-</u>	<u>-</u>	<u>-</u>
<i>Student Tuition and Fees</i>			
Tuition	4,489,564	-	4,489,564
Fees	770,193	-	770,193
Total Student Tuition and Fees	<u>5,259,757</u>	<u>-</u>	<u>5,259,757</u>
<i>Other Sources</i>			
Sales and Service Fees	3,845	-	3,845
Facilities Revenue	-	52,602	52,602
Investment Revenue	578,963	-	578,963
Other	232,061	21,781	253,842
Total Other Sources	<u>814,869</u>	<u>74,383</u>	<u>889,252</u>
Total Operating Revenues	<u>12,309,129</u>	<u>1,468,886</u>	<u>13,778,015</u>
<i>Less: Non-Operating Items</i>			
Tuition Chargeback Revenue	-	-	-
Adjusted Operating Revenue	<u>\$ 12,309,129</u>	<u>\$ 1,468,886</u>	<u>\$ 13,778,015</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Operating Funds Revenues and Expenditures - Modified Accrual Basis  
Uniform Financial Statement No. 3  
For the Year Ended June 30, 2025

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures by Program:			
Instruction	\$ 3,838,437	\$ -	\$ 3,838,437
Academic Support	840,637	-	840,637
Student Services	1,189,554	-	1,189,554
Public Service/Continuing Education	768,416	-	768,416
Operations and Maintenance	-	1,486,950	1,486,950
Institutional Support	3,229,529	-	3,229,529
Scholarships, Grants, and Waivers	2,028,005	-	2,028,005
Transfers	1,209,253	1,000,000	2,209,253
Total Operating Expenditures by Program	13,103,831	2,486,950	15,590,781
Less: Non-Operating Items			
Transfers	(1,209,253)	-	(1,209,253)
Tuition Chargeback	-	-	-
Adjusted Operating Expenditures by Program	<u>\$ 11,894,578</u>	<u>\$ 2,486,950</u>	<u>\$ 14,381,528</u>
Operating Expenditures by Object:			
Salaries	\$ 6,898,548	\$ 191,293	\$ 7,089,841
Employee Benefits	832,310	23,289	855,599
Contractual Services	626,317	512,109	1,138,426
General Materials and Supplies	863,490	57,338	920,828
Library Materials *	39,344	-	39,344
Conference and Meeting Expenses	145,917	477	146,394
Fixed Charges	150,079	67,956	218,035
Utilities	57,835	600,677	658,512
Capital Outlay	168,210	33,811	202,021
Other	2,151,872	-	2,151,872
Transfers	1,209,253	1,000,000	2,209,253
Total Operating Expenditures by Object	13,103,831	2,486,950	15,590,781
Less: Non-Operating Items			
Transfers	(1,209,253)	(1,000,000)	(2,209,253)
Adjusted Operating Expenditures by Object	<u>\$ 11,894,578</u>	<u>\$ 1,486,950</u>	<u>\$ 13,381,528</u>

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

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Restricted Purposes Fund Revenues and Expenditures - Modified Accrual Basis  
Uniform Financial Statement No. 4  
For the Year Ended June 30, 2025

	<u>Restricted Purposes Fund</u>
Revenue by Source:	
<i>State Government</i>	
ICCB - Adult Education	\$ 173,218
ICCB - Other	817,849
Illinois State Board of Education	-
SURS - On Behalf	2,434,382
Other State Government	443,417
Total State Government	<u>3,868,866</u>
<i>Federal Government</i>	
Department of Education	3,155,597
ICCB - Adult Education	73,520
ICCB - Carl Perkins	269,047
ICCB - Other Grants	-
Department of Agriculture	-
Department of Health and Human Services	-
Department of Labor	128,532
Department of Treasury	-
Department of Commerce and Economic Opportunity	61,233
Total Federal Government	<u>3,687,929</u>
<i>Other</i>	
Other	3,000
Total Other	<u>3,000</u>
Total Restricted Purposes Fund Revenues	<u><u>\$ 7,559,795</u></u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Restricted Purposes Fund Revenues and Expenditures - Modified Accrual Basis  
Uniform Financial Statement No. 4  
For the Year Ended June 30, 2025

	Restricted Purposes Fund
Expenditures by Program:	
Instruction	\$ 2,019,688
Academic Support	299,083
Student Services	1,218,408
Public Service/Continuing Education	867,298
Auxiliary Services	85,257
Operations and Maintenance	174,145
Institutional Support	503,031
Scholarships, Grants, and Waivers	2,392,885
Total Restricted Purposes Fund Expenditures by Program	<u>\$ 7,559,795</u>
Expenditures by Object:	
Salaries	\$ 905,073
Employee Benefits (Including SURS On-Behalf)	2,638,316
Contractual Services	508,489
General Materials and Supplies	494,183
Travel and Conference/Meeting Expenses	127,455
Utilities	-
Capital Outlay	226,313
Other	2,659,966
<i>Scholarships, Grants, and Waivers *</i>	2,392,885
Total Restricted Purposes Fund Expenditures by Object	<u>\$ 7,559,795</u>

Per ICCB reporting requirements, this line is presented as a memo only figure

\* and is not added into the total expenditures amount.

SHAWNEE COMMUNITY COLLEGE  
 COMMUNITY COLLEGE DISTRICT #531  
 Current Funds\* Expenditures by Activity - Modified Accrual Basis  
 Uniform Financial Statement No. 5  
 For the Year Ended June 30, 2025

## Instruction:

Instructional Programs	\$ 5,858,125
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## Academic Support:

Library Center	114,312
Academic Computing Support	102,340
Academic Administration and Planning	623,985
Other	299,083
Total Academic Support	1,139,720

## Student Services Support:

Admissions and Records	130,569
Counseling and Career Services	575,745
Financial Aid Administration	197,932
Other	1,503,716
Total Student Services Support	2,407,962

## Public Service/Continuing Education:

Community Services	1,416,640
Other	219,074
Total Public Service/Continuing Education	1,635,714

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Current Funds\* Expenditures by Activity - Modified Accrual Basis  
Uniform Financial Statement No. 5  
For the Year Ended June 30, 2025

Auxiliary Services	1,616,555
Operations and Maintenance of Plant:	
Maintenance	452,925
Custodial Services	458,134
Grounds	90,091
Campus Security	123
Transportation	-
Utilities	600,677
Administration	-
Other	59,145
Total Operations and Maintenance of Plant	1,661,095
Institutional Support:	
Executive Management	807,649
Fiscal Operations	652,775
Community Relations	173,278
Board of Trustees	19,495
General Institutional	1,841,241
Institutional Research	255,737
Administrative Data Processing	685,554
Other	1,896,261
Total Institutional Support	6,331,990
Scholarships, Grants, and Waivers	4,420,890
Total Current Funds Expenditures	\$ 25,072,051

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



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Fiscal Year 2025 Certification of Per Capita Cost  
For the Year Ended June 30, 2025

All Fiscal Year 2024 Non-Capital Audited Operating Expenditures  
from the Following Funds:

Education Fund	\$ 11,726,368
Operations and Maintenance Fund	1,453,139
Bond and Interest Fund	-
Restricted Purposes Fund	4,899,100
Audit Fund	50,000
Liability, Protection and Settlement Fund	1,116,960
Auxiliary Enterprise Fund (Subsidy Fund)	994,995
Total Non-Capital Expenditures	<u>20,240,562</u>

Depreciation on Capital Outlay Expenditures from Sources

Other than State and Federal Funds

692,198

Total Costs Included

\$ 20,932,760

Total Certified Semester Credit Hours for Fiscal Year 2024

27,498

Per Capita Cost

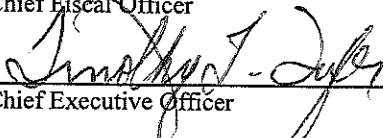
\$ 761.26

Approved:

  
\_\_\_\_\_  
Chief Fiscal Officer

Date: 12/4/25

Approved:

  
\_\_\_\_\_  
Chief Executive Officer

Date: 12/4/25

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

Board of Trustees  
Shawnee Community College  
Community College District #531  
Ullin, Illinois

**Report on the Financial Statements**

***Opinion***

We have audited the accompanying balance sheet of the Adult Education and Family Literacy Grants Program of Shawnee Community College (the College) as of June 30, 2025, and the related combining statement of revenues, expenditures, and changes in fund balance for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Adult Education and Family Literacy grants of the College at June 30, 2025, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the grant policy guidelines of the Illinois Community College Board's (ICCB) *Fiscal Management Manual*. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit also includes a review of compliance with the provisions of laws, regulations, contracts, and grants between the College and the State of Illinois and the ICCB. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## ***Responsibilities of Management for the Financial Statements and Compliance***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the basic grant program financial statements taken as a whole. The supplementary ICCB compliance schedule for the Adult Education and Family Literacy Grants (Schedule 25) is presented for purposes of additional analysis as required by the ICCB and is not a required part of the basic grant program financial statements. This schedule is the responsibility of the College's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic grant program financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic grant program financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic grant program financial statements taken as a whole.

### **Report on Compliance**

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

MH CPA PLLC

Champaign, Illinois  
December 4, 2025

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
State Adult Education Restricted Funds  
(State Basic and Performance)  
Balance Sheet  
June 30, 2025

ASSETS

	State Basic	Performance	Total
Cash	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LIABILITIES AND FUND BALANCE

Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*See Accompanying Notes on Page 83*

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
State Adult Education Restricted Funds  
(State Basic and Performance)  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
For the Year Ended June 30, 2025

	State Basic	Performance	Total
<b>Revenues</b>			
ICCB Grant	\$ 98,547	\$ 73,495	\$ 172,042
<b>Expenditures</b>			
Personnel Services	82,531	25,175	107,706
Fringe Benefits	7,162	6,288	13,450
Travel	-	8,949	8,949
Equipment	-	-	-
Supplies	8,854	31,743	40,597
Contractual Services	-	-	-
Consultant	-	-	-
Occupancy	-	-	-
Telecommunications	-	-	-
Training and Education	-	1,340	1,340
Miscellaneous	-	-	-
General Administrative	-	-	-
Total Expenditures	98,547	73,495	172,042
Excess of Revenue Over Expenditures	-	-	-
<b>Fund Balance, July 01, 2024</b>	-	-	-
<b>Fund Balance, June 30, 2025</b>	\$ -	\$ -	\$ -

*See Accompanying Notes on Page 83*

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
ICCB Compliance Statement for the  
Adult Education and Family Literacy Grants  
Expenditure Amounts and Percentages for  
ICCB Grant Funds Only  
For the Year Ended June 30, 2025

	<u>Audited Expenditure (Dollars)</u>	<u>Actual Expenditure (Percentage)</u>
<b>State Basic</b>		
Instruction Generation (45 Percent Minimum Required)		<i>Requirement not applicable for 2025</i>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Notes to the ICCB Grant Financial Statements  
June 30, 2025

The Adult Education and Family Literacy Grant Program was established as a special revenue sub-fund of Shawnee Community College, Community College District #531 (the College) to account for revenues and expenditures of the respective program. This program is administered by the Illinois Community College Board (ICCB). The following is a summary of the significant accounting policies followed by the College in respect to this fund.

**Basis of Accounting**

The statements have been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2025. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

**Budgets and Budgetary Accounting**

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

**Capital Outlay**

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

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



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

Board of Trustees  
Shawnee Community College  
Community College District #531  
Ullin, Illinois

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

***Opinion***

We have audited the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Shawnee Community College (the College) for the year ended June 30, 2025.

In our opinion, the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of the College for the year ended June 30, 2025 is fairly presented in accordance with the financial reporting provisions of the Illinois Community College Board (ICCB) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

***Basis for Opinion***

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

## ***Responsibilities of Management for the Financial Statement and Compliance***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statement***

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statement noted above. The information on Schedules 27 through 31 is presented for purposes of additional analysis as required by the Illinois Community College Board and is not a required part of the financial statement. These schedules are the responsibility of the College's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. These schedules have been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated December 4, 2025, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

MH CPA PLLC

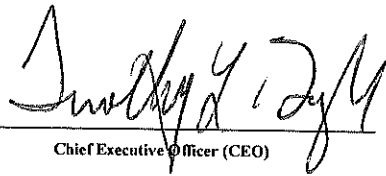
Champaign, Illinois  
December 4, 2025

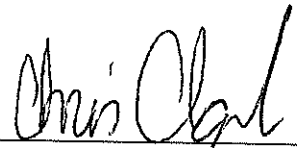
SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Enrollment Data and Other Bases  
Upon Which Claims are Filed  
For the Year Ended June 30, 2025

Categories	Total Reimbursable Semester Credit Hours by Term							
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	1,412.0	-	6,592.0	88.0	6,881.0	83.0	14,885.0	171.0
Business Occupational	127.0	-	865.5	-	987.5	33.5	1,980.0	33.5
Technical Occupational	282.5	24.0	1,214.0	112.0	1,330.0	104.5	2,826.5	240.5
Health Occupational	437.0	83.0	1,223.0	245.0	1,546.0	180.0	3,206.0	508.0
Remedial Developmental	-	-	88.0	-	37.0	-	125.0	-
Adult Basic/Secondary Education	332.0	50.0	500.0	987.0	396.0	1,257.0	1,228.0	2,294.0
TOTAL CREDIT HOURS CERTIFIED	2,590.5	157.0	10,482.5	1,432.0	11,177.5	1,658.0	24,250.5	3,247.0
		Attending In-District			Attending Out-of- District on Chargeback			Total
Reimbursable Semester Credit Hours (All Terms)		25,527.5			-			25,527.5
		Dual Credit			Dual Enrollment			
Reimbursable Semester Credit Hours (All Terms)		4,579.5			3,891.0			
District 2023 Equalized Assessed Valuation	# \$	792,198,302						

Categories	Total Reimbursable Correctional Semester Credit Hours by Term			
	Summer	Fall	Spring	Total
Baccalaureate	-	-	-	-
Business Occupational	-	-	-	-
Technical Occupational	-	-	-	-
Health Occupational	-	-	-	-
Remedial Developmental	-	-	-	-
Adult Basic/Secondary Education	-	-	-	-
<b>TOTAL CREDIT HOURS CERTIFIED</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Signatures:

  
 Chief Executive Officer (CEO)

  
 Chief Financial Officer (CFO)

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
For the Year Ended June 30, 2025

**Reconciliation of Total Semester Credit Hours**

Categories	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	14,885.0	14,885.0	-	171.0	171.0	-
Business Occupational	1,980.0	1,980.0	-	33.5	33.5	-
Technical Occupational	2,826.5	2,826.5	-	240.5	240.5	-
Health Occupational	3,206.0	3,206.0	-	508.0	508.0	-
Remedial Developmental	125.0	125.0	-	-	-	-
Adult Basic / Secondary						
Education	1,228.0	1,228.0	-	2,294.0	2,294.0	-
Total Credit Hours Certified	24,250.5	24,250.5	-	3,247.0	3,247.0	-

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

	Total Attending	Total Attending as Certified to the ICCB	Difference
In-District Residents	25,527.5	25,527.5	-
Out-of-District on Chargeback or Contractual Agreement	-	-	-
Total	25,527.5	25,527.5	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	4,579.5	4,579.5	-
Dual Enrollment	3,891.0	3,891.0	-
Total	8,470.5	8,470.5	-

**Reconciliation of Total Correctional Semester Credit Hours**

Categories	Total Correctional Credit Hours	Total Correctional Credit Hours Certified to the ICCB	Difference
Baccalaureate	-	-	-
Business Occupational	-	-	-
Technical Occupational	-	-	-
Health Occupational	-	-	-
Remedial Developmental	-	-	-
Adult Basic/Secondary			
Education	-	-	-
Total Credit Hours Certified	-	-	-

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Documentation of Residency Verification Steps  
For the Year Ended June 30, 2025

The following procedures detail the process for verifying the residency status of the students of Shawnee Community College, Community College District #531:

**In-District Student**

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

*Residency Code:* In-district

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

*Tuition Charge:* Current in-district tuition charge

**Student Employed Full-Time in the District**

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

*Residency Code:* In-district

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

*Tuition Charge:* Current in-district tuition charge

**Out-of-District Student**

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

*Residency Code:* Out-of-district

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

*Tuition Charge:* Current out-of-district tuition charge

### **Chargeback Student**

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

*Residency Code:* Out-of-district

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

*Tuition Charge:* Current in-district tuition charge

### **Reciprocal Agreement Student**

*Description:* A student who lives in the district of a college participating in the Comprehensive Agreement Regarding the Expansion of Educational Resources (CAREER) and attends Shawnee Community College for the purpose of enrolling in a program or specific course not offered by the home community college. Since this is an agreement made among these colleges, a chargeback request is not required.

*Residency Code:* Out-of-district

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

*Tuition Charge:* Current in-district tuition charge

### **Out-of-State Student**

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

*Residency Code:* Out-of-state

*Acceptable Documentation:* None is required.

*Tuition Charge:* Current out-of-state tuition charge

### **International Student**

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

*Residency Code:* Out-of-country

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

*Tuition Charge:* Current foreign student tuition charge

### **International Athlete**

*Description:* A student who lives outside of the United States but attends Shawnee Community College for the purpose of playing collegiate sports.

*Residency Code:* Out-of-country

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

*Tuition Charge:* Current foreign student tuition charge

### **International Student with U.S. In-District Sponsor**

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

*Residency Code:* Out-of-country

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

*Tuition Charge:* Current foreign student tuition charge

### **Returned Mail**

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



SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Background Information on State Grant Activity  
For the Year Ended June 30, 2025

**Unrestricted Grants**

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

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

**Statewide Initiatives**

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

**Restricted Adult Education Grants/State**

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

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

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Findings and Questioned Costs – ICCB Grant Compliance  
For the Year Ended June 30, 2025

**Findings – ICCB Grant Compliance**

No findings noted in the current fiscal year.

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Prior Audit Findings – ICCB Grant Compliance  
For the Year Ended June 30, 2025

**Findings – ICCB Grant Compliance**

No findings noted in the prior fiscal year.

SHAWNEE COMMUNITY COLLEGE  
 Illinois Grant Accountability and Transparency - Consolidated Year-End Financial Report  
 For the Year Ended June 30, 2025

CSFA Number	Program Name	State Funding	Federal Funding	Other Funding	Total
684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	\$ 173,218	\$ 73,520	\$ -	\$ 246,738
601-00-3647	Mental Health Early Action on Campus FY2026	50,000	-	-	50,000
684-00-0465	Postsecondary Perkins Basic Grants - Federal CTE	-	269,047	-	269,047
420-35-0083	Small Business Development Centers	-	61,233	-	61,233
	Other Grant Programs and Activities	-	3,284,129	-	3,284,129
	All Other Costs Not Allocated	-	-	16,924,975	16,924,975
Total		<u>\$ 223,218</u>	<u>\$ 3,687,929</u>	<u>\$ 16,924,975</u>	<u>\$ 20,836,122</u>

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025

Federal Grantor/State Pass-Through Grantor/Program Title/Grant Name	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Provided to Subrecipients
<b>Department of Education</b>				
<i>Direct</i>				
<i>Student Financial Aid Cluster</i>				
Pell Grant Program	84.063		* \$ 2,343,768	\$ -
Federal Work Study	84.033		* 28,265	-
Federal Supplemental Educational Opportunity Grant (FSEOG)	84.007		* 13,207	-
Total Student Financial Aid Cluster			<u>2,385,240</u>	<u>-</u>
<i>Trio Cluster</i>				
Trio Student Support Services	84.042A		362,821	-
Trio Talent Search Program	84.044A		258,572	-
Total Trio Cluster			<u>621,393</u>	<u>-</u>
<i>Direct</i>				
Fund for the Improvement of Postsecondary Education - Truck Driver Training	84.116Z		29,427	-
Fund for the Improvement of Postsecondary Education - Welding	84.116Z		119,537	-
			<u>148,964</u>	<u>-</u>
<i>Passed through the Illinois Community College Board (ICCB)</i>				
Carl Perkins	84.048	CTE-531-25	268,125	-
Carl Perkins	84.048	CTE-531-24	922	-
Adult Education - Federal Basic	84.002	AE-53101-25	73,520	-
Total Passed through ICCB			<u>342,567</u>	<u>-</u>
Total Department of Education			<u>3,498,164</u>	<u>-</u>
<b>Department of Labor</b>				
<i>Passed through Parkland Community College</i>				
Strengthening Community Colleges	17.261	CC-38940-22-60-A-17	128,532	-
<b>U.S. Small Business Administration</b>				
<i>Passed through the Illinois Department of Commerce and Economic Opportunity (ILDCEO)</i>				
Small Business Development Centers	59.037	24-561174	39,994	-
Small Business Development Centers	59.037	23-181174	21,239	-
Total Passed through ILDCEO			<u>61,233</u>	<u>-</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 3,687,929</u>	<u>\$ -</u>

\* - Denotes a major program.

*See Accompanying Notes on the Following Page*

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025

**1. Summary of Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards (Schedule 33) includes the federal grant activity of Shawnee Community College (the College) for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the College, which are presented in conformity with accounting principles generally accepted in the United States of America.

The College did not use the 10 percent de minimis indirect cost rate. The indirect allocations allowable under the TRIO Cluster was \$49,246 for the year ended June 30, 2025.

**2. Basis of Accounting**

The schedule has been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services received as of June 30, 2025.

**3. Property and Equipment**

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

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

Board of Trustees  
Shawnee Community College  
Community College District #531  
Ullin, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Shawnee Community College (the College) and its discretely presented component unit of as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated December 4, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

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

## **Purpose of This Report**

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

MH CPA PLLC

Champaign, Illinois

December 4, 2025



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

Board of Trustees  
Shawnee Community College  
Community College District #531  
Ullin, Illinois

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Shawnee Community College's (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2025. The College's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

## **Report on Internal Control Over Compliance**

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

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

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

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

MH CPA PLLC

Champaign, Illinois  
December 4, 2025

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025

**1. Summary of Auditor's Results**

- (i) Type of audit report issued on the financial statements: Unmodified
- (ii) The auditor's report did not disclose a material weakness or report a significant deficiency in internal control over financial reporting, that is required to be reported in accordance with *Government Auditing Standards*.
- (iii) The auditor's report did not disclose instances of noncompliance material to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.
- (iv) The audit did not disclose a material weakness or report a significant deficiency in internal control over a major federal award.
- (v) Type of report issued on compliance for the major programs: Unmodified
- (vi) The audit did not disclose a finding that is required to be reported in accordance with 2 CFR Section 200.516a.
- (vii) Major Programs:
  - U.S. Department of Education:
    - Student Financial Aid Cluster
      - Pell Grant Program Assistance Listing #84.063
      - Federal Work Study Assistance Listing #84.033
      - Federal Supplemental Educational Opportunity Grant Assistance Listing #84.007
- (viii) The dollar threshold used to distinguish Type A and Type B programs was \$750,000.
- (ix) The College qualifies as a low-risk auditee.

**2. Findings – Financial Statement Audit**

None noted.

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

None noted.

SHAWNEE COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #531  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2025

**2024-001: Student Financial Aid Cluster – Pell Grant Program**

*Condition*

The internal controls established around disbursement amounts for students nearing their LEU were not effective.

*Current Status*

No similar finding was noted in the 2025 audit.