

ANNUAL COMPREHENSIVE  
**FINANCIAL**  
**REPORT**

**FISCAL YEAR ENDED  
JUNE 30, 2022**



**ILLINOIS COMMUNITY COLLEGE  
DISTRICT #503**

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**Moline, Illinois 61265**  
**[www.bhc.edu](http://www.bhc.edu)**

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**For the  
Fiscal Year Ended June 30, 2022**

**Prepared by:**  
**Finance Division**  
**Steven J. Frommelt, Vice President for Finance and Administration**  
**Dena M. Grunewald, Director of Accounting**

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Office of the President  
309.796.5301

December 16, 2022

To the Citizens of Black Hawk College:

The Annual Comprehensive Financial Report of Black Hawk College, Community College District No. 503, for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and operations results of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission, vision, and goals have been included. In addition, this letter of transmittal should be read in conjunction with the management's discussion and analysis which immediately follows the independent auditor's report and focuses on current activities, accounting changes, and currently known facts.

The Annual Comprehensive Financial Report is presented in five sections: introductory, financial, statistical, special reports, and management information. The introductory section includes this transmittal letter, a list of principal officials, and the College's organizational chart. The financial section includes the report of our independent public accountants, management's discussion and analysis, basic financial statements, notes to the financial statements, and required supplementary information. The statistical section includes selected unaudited financial and demographic information, generally presented on a multi-year basis. The special reports section includes Uniform Financial Statements, grants and enrollment audits required by the Illinois Community College Board (ICCB), and corresponding auditor's reports, as well as the Schedule of Expenditures of Federal Awards, related notes, and corresponding auditor's reports. The management information section contains financial information by fund as well as budget to actual information utilized by the Board of Trustees and College management.

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by Governmental and Financial Accounting Standards Boards (GASB and FASB) and the Illinois Community College Board (ICCB). The financial records of the District are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay.

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*Improving Life Through Learning*

The notes to the financial statements explain in further detail the financial statements as well as the accounting principles applied. The financial statements have been audited by our independent auditors, Wipfli LLP. Their report is included as part of this financial presentation.

## **College Profile**

Black Hawk College was established in 1946 and was granted official accreditation by the North Central Association of Colleges and Secondary Schools in March of 1951. Today, Community College District No. 503 is comprised of portions of nine Illinois counties which include: Rock Island, Henry, Mercer, Whiteside, Henderson, Knox, Bureau, Stark, and Marshall.

Black Hawk College operates two primary campuses as well as other instructional centers throughout the District and serves a population of approximately 380,000. The College's Quad-Cities Campus is located on 149 wooded acres in Moline, Illinois, while the College's East Campus is located on a 102-acre site in Galva, Illinois. In addition to these full-service campuses, BHC operates facilities including the Outreach Center, and the Industrial Training Lab Extension Center, all in Moline, the Adult Learning Center in Rock Island, and the East Campus Community Education Center and Welding and Skilled Trades Center in Kewanee.

Based on U.S. Bureau of Labor Statistics, local unemployment rates are at 3.7%, which is slightly higher than the national rate of 3.6% as of the end of June 2022. The state unemployment rate was 4.5% in June 2022. Unemployment rates have been decreasing since it peaked in April 2020.

The District's principal employers are presented in the statistical section of this report. The Quad-Cities area is considered a diverse business region and the long-term economic outlook for the region and the College is viewed as stable. Furthermore, while the district as a whole has not been immune to recent economic forces, property values have increased each year over a ten year period. State funding continues to be a concern as budgeted state expenditures still exceed the incoming revenue despite increased state tax revenues.

## **Mission, Vision, and Strategic Priorities**

OUR MISSION is to

- Inspire students
- Develop talent and
- Strengthen communities

OUR VISION is to prepare learners to live and work in diverse global communities through the relentless pursuit of student success, innovation and educational excellence.

OUR STRATEGIC PRIORITIES are:

**BE A LEADER IN STUDENT SUCCESS AND OUTCOMES** - We will prepare all students for rewarding careers and futures.

To do this, we will:

- Enhance and expand innovative teaching and learning practices and support services that promote quality educational experiences.
- Implement systematic assessment of learning in academic programs, co-curricular activities and student services that inform and improve curriculum and student success.

- Foster an equitable and inclusive learning and student support environment.
- Identify and close equity gaps in student retention, persistence and program completion rates.

**EMBRACE DIVERSITY, EQUITY AND INCLUSION AS PART OF WHO WE ARE** - We will model an inclusive, equity-minded college that educates and celebrates the unique contributions of all members of our community.

To do this, we will:

- Create an inclusive college community of learners in an atmosphere of mutual respect, inclusiveness and acceptance where all feel welcome and able to contribute.
- Provide targeted outreach and enrollment opportunities to historically underserved populations.
- Recruit and retain quality employees who reflect the diversity of our communities.
- Provide opportunities for civic engagement in a diverse, multicultural society.

**DEVELOP WORKPLACE CULTURE: WORK AS IF ANYTHING IS POSSIBLE** - We will develop a work environment where employees are innovative, engaged and make a difference.

To do this, we will:

- Implement programs to strengthen a culture of trust, accountability and collaboration resulting in innovation and resiliency within the college.
- Establish career pathways for employees through the use of job shadowing, mentoring and succession planning.
- Invest in strategic professional development opportunities for all employees to advance their skills, competencies and professional qualities in delivering and supporting best practices in higher education.

**STRENGTHEN INSTITUTIONAL EFFECTIVENESS THROUGH INTEGRATION OF ASSESSMENT, PLANNING AND RESOURCE ALLOCATION** - We will demonstrate continuous improvement and reflection based on systematic collection, analysis and communication of the use of information.

To do this, we will:

- Ensure institutional effectiveness through the development, collection and transparent communication of strategic key performance metrics.
- Implement processes that use data-informed decision making to drive continuous improvement, allocate resources and enable initiatives that align with the institution's strategic priorities.
- Provide stewardship of our resources to ensure financial and environmental sustainability.
- Adhere to accreditation expectations through continuous improvement, evidence-based documentation and annual monitoring processes.

**STRENGTHEN THE COMMUNITY THROUGH ENGAGEMENT AND WORKFORCE DEVELOPMENT** - We will be the leading provider of workforce and economic development solutions.

To do this, we will:

- Expand participation as a genuine economic development partner on regional economic agency bodies.
- Develop and align college transfer and career and technical programs to meet regional employer needs.
- Provide co-curricular learning opportunities, such as, but not limited to, internships, apprenticeships, job shadowing, clinicals, competitive academic teams, etc., providing students with experiences and pathways from college to work/career.

## **Local Economy**

Black Hawk College has three primary sources of revenue for the General Fund which includes the Education, Operations & Maintenance, and Auxiliary fund: Tuition and Fees, State Funding, and local Property Taxes.

Tuition and fee revenues accounted for approximately 29.0% of total general fund revenue earned in fiscal year 2022. As illustrated in the Statistical section of this document, total credit hours for all categories, which includes both restricted and unrestricted hours, decreased by 5.8% or 4,033.4 total credit hours in fiscal year 2022. Enrollment was budgeted to decrease by 4.9% in fiscal year 2023. Preliminary results for fiscal year 2023 Fall semester indicate enrollment decreased by 2.8% credit hours when compared to fiscal year 2021 Fall semester on tenth day.

State funding, which accounted for approximately 13.2% of total general fund revenue earned, continues to be a concern for the College as the level of College appropriations from state funding has been trending downward. As enrollment in community colleges across the country and the State of Illinois have declined, the College still anticipates State funding levels to remain steady. There is an ongoing awareness that the state continues to operate with an unbalanced operating budget and the unfunded liabilities continue to grow. State operating and equalization grants continue to be an important part of funding Black Hawk College operations.

Property taxes, which accounted for approximately 31.9% of total general fund revenue earned, are levied each year for all taxable real property in the District on the basis of the equalized assessed property values (EAV). Assessed values are established by each of the nine respective counties within the district. The subsequent property taxes are billed and collected by each county. Property tax revenue continues to hold relatively stable as equalized assessed values in the District have steadily been increasing over the past ten years despite the uncertain national economic climate and subsequent impact on property values. The College is indirectly entered into tax abatement agreements with developers in the form of tax incremental financing (TIF) incentive payments intended to stimulate economic development within a TIF district. The immediate impact of a TIF district on the College results in a loss of property tax revenue during the duration of a TIF agreement. Once the TIF agreement expires, the expectation is that the EAV will have increased due to the increased economic development therefore creating an opportunity for more tax revenue for the College in future years. The total tax revenue lost in the 2021 tax year due to TIF agreements in place equals 6% of total tax extensions as of June 30, 2022.

## **Financial Planning**

The College has taken several steps to offset the negative impact of reduced state funding and declining enrollment. These steps include:

- Supplementing lost enrollment revenue with Higher Education Emergency Relief Funds (HEERF) funding thru June 30, 2022

- Reorganization
- New and renovated facilities to attract and retain students
- Competitive tuition rates and fees
- Review and redesign of the organization and business processes, and utilization of technology to improve efficiency
- Development and implementation of new programs to increase enrollment
- Providing multiple modalities of learning which include traditional classroom, online and hybrid format coursework.

Enrollment trends and course demand are the most significant influence given the core mission of the institution. Consequently, it is imperative the College focus on strategically aligning financial resources to these demands in an effort to maximize return on investment for students, taxpayers, community members, and other stakeholders. To this end, the College implemented Budgeting for Outcomes through which the College fosters a culture of aligning spending with programmatic needs.

Finally, the College's capital budgeting process is designed to provide a systematic, repeatable method to identify, prioritize, approve, and fund both capital projects and non-capital fixed assets. In conjunction with this capital budgeting process, the College focuses on ensuring timely expenditure of existing bond proceeds in a manner consistent with statutory requirements and approved purposes. Furthermore, the Board remains committed to effective and efficient management of the property tax levy, which requires the College to proactively manage its debt strategies.

Black Hawk College recognizes the importance of financial transparency and accountability and is committed to maximizing return on investment for students, employees, taxpayers, and the community. The College remains dedicated to operating within a balanced budget.

### **Internal Controls**

Management of the College is responsible for establishing and maintaining effective internal controls to ensure compliance with requirements of laws, regulations, contracts, and grants. Internal controls are designed to limit the College's exposure to risks, safeguard the College's assets from theft or misuse, and provide adequate documentation for the preparation of the financial statements in conformity with generally accepted accounting principles as well as accounting standards mandated by the ICCB. Internal controls are designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes the cost of the control should not exceed the expected benefits and estimates; and judgments by management are required for valuation of the costs and benefits. Internal controls are continuously monitored, reviewed, and updated to ensure ongoing efficiency and effectiveness.

### **Budgetary Controls**

The College maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the budgeted amount) is established at the fund level. The College maintains an encumbrance accounting system as one technique to accomplish budgetary control. Encumbered amounts lapse at year-end unless extenuating circumstances exist. Statements of budgetary comparison are presented in the Management Information section of this document.

## **Fund Balance Policy**

The Board of Trustees adopted a fund balance policy designed to ensure the maintenance of adequate reserves and protect against unanticipated events that would adversely affect the financial condition of the College and jeopardize the continuation of necessary programs and services.

This policy requires the College to maintain an unrestricted General Fund ending fund balance of an amount between seventeen (17) and forty (40) percent of expenses in these funds, which traditionally includes the Education and Operations & Maintenance funds. The Auxiliary fund has recently been added to the General Fund calculation as any short-coming from Auxiliary is supported by General Fund operations. If the ending general fund balance falls below the target range, the College is required to replenish the ending general fund balance within two (2) years. If the ending general fund balance exceeds the target range, the College shall first, allow the President to expend the excess funds on capital expenses after considering recommendations from the President's Cabinet and second, review additional investment options that would allow the College to earn a greater rate of return.

As of June 30, 2022, the General Fund ending fund balance, including Auxiliary, is 49.3% of fiscal year 2022 expenses.

## **Risk Management**

The College is self-insured for its health insurance claims. The claims are administered by an external third party administrator. In addition, the College maintains a stop loss insurance arrangement that includes a \$145,000 maximum aggregate eligible claims expense per participant per year as well as a maximum aggregate benefit (in excess of the annual aggregate deductible per policy term) of \$1,000,000. The College also maintains reserves to cover potential losses and the reserves are reviewed monthly.

## **Other Information**

- Independent audit State statutes require an annual audit by independent certified public accountants. The accounting firm of Wipfli, LLP was selected by the College to perform the fiscal year 2022 audit. The auditor's report on the financial statements and schedules is unmodified and is included in the financial section of this report.
- Awards Government Finance Officers Association of the United States and Canada (GFOA) is still reviewing the application to award a Certificate of Achievement for Excellence in Financial Reporting to Black Hawk College for its annual comprehensive financial report for the fiscal year ended June 30, 2021. If awarded, this is the 13th consecutive year that the government will achieve this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

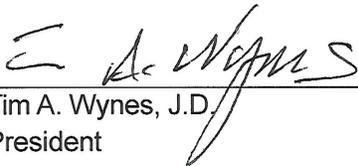
In addition, the College has received the GFOA Distinguished Budget Presentation Award for fiscal years 2009 through fiscal year 2017. The GFOA budget award process changed and was renamed to "Award for Best Practices in Community College Budgeting" in 2018.

The College received an award for the 2019 and 2020 budgets under this new program. The GFOA budget award process and title changed again for the fiscal year 2021 application. The new award was named back to "Distinguished Budget Presentation Award" and the College has received this award for the 2021, 2022 and 2023 budget.

- Acknowledgements We wish to thank the members of the Board of Trustees for their interest and support in conducting District financial operations to the degree of excellence necessary for continuance of operations in a responsible manner.

The timely preparation of the Annual Comprehensive Financial Report was made possible by the continued, dedicated service of Black Hawk College's Finance and Accounting staff as well as others connected with the annual audit process. Our sincere appreciation goes out to each individual making contribution in the preparation of this report.

Respectfully submitted,



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Tim A. Wynes, J.D.  
President



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Steven J. Frommelt  
Vice President for Finance and Administration  
and Board Treasurer



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Dena M. Grunewald  
Director of Accounting



# Illinois Community College District No. 503

## Board of Trustees



**Fritz W. Larsen**  
Moline  
Board Chair



**Kimberly D. Goodley**  
Annawan  
Vice Chair



**Steven P. Spivey**  
New Windsor  
Secretary



**Christian H. Jackson**  
Geneseo



**Jon A. Looney**  
Kewanee



**Douglas L. Strand**  
East Moline



**Jeffrey M. Swan**  
Colona



**Herbert A. Berko**  
Accra, Ghana  
Student Trustee

## Executive Administration



**Tim A. Wynes**  
President



**Dr. Amy M. Maxeiner**  
Vice President for Instruction



**Steven J. Frommelt**  
Vice President for Finance and  
Administration and Board Treasurer



**Kathy M. Malcolm**  
Executive Director of Planning  
and Institutional Effectiveness



**Stacey L. Cary**  
Director of Human Resources



**Barb A. Courville**  
Acting Dean of Adult and  
Continuing Education

# Black Hawk College District



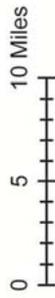
## Legend

Black Hawk College District

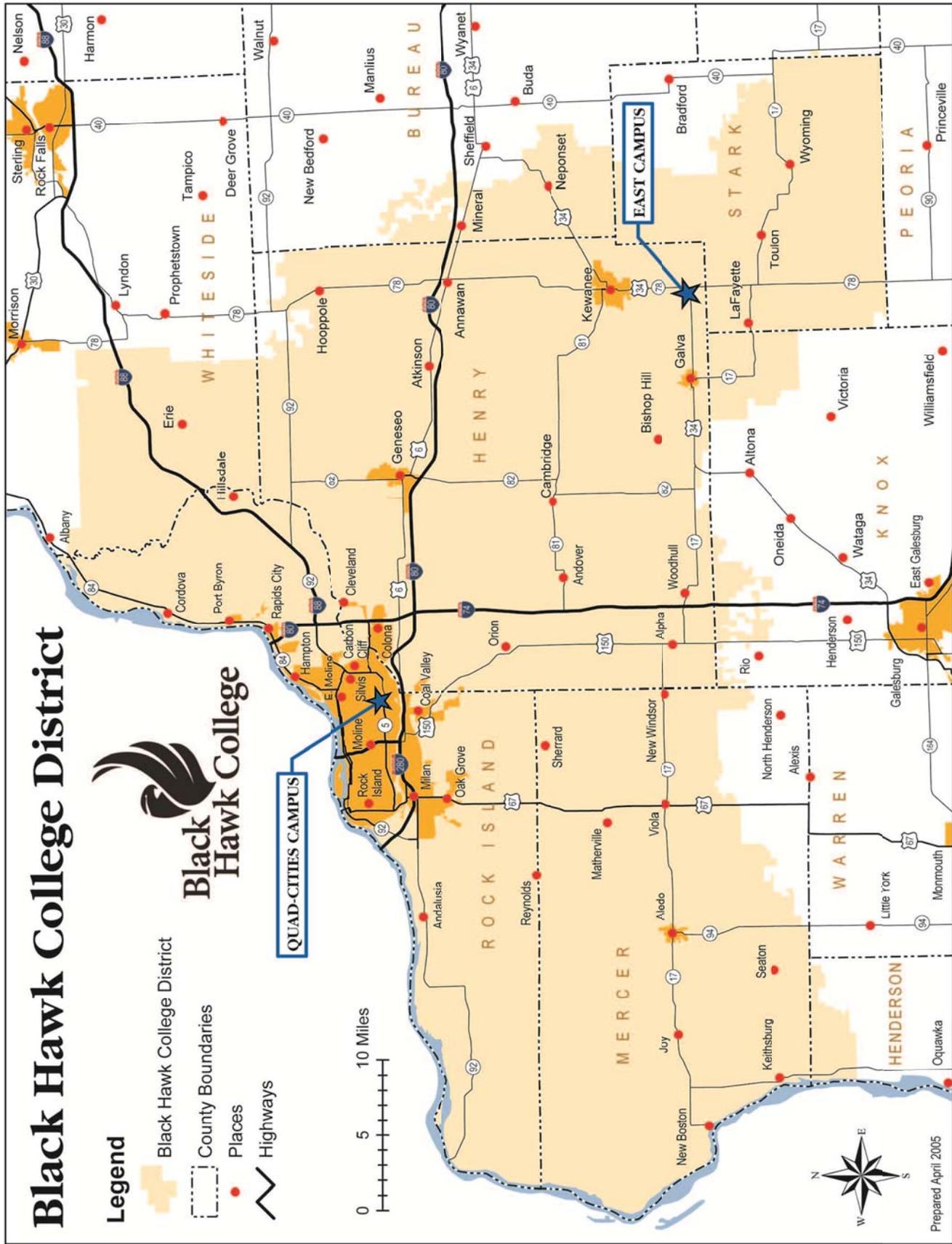
County Boundaries

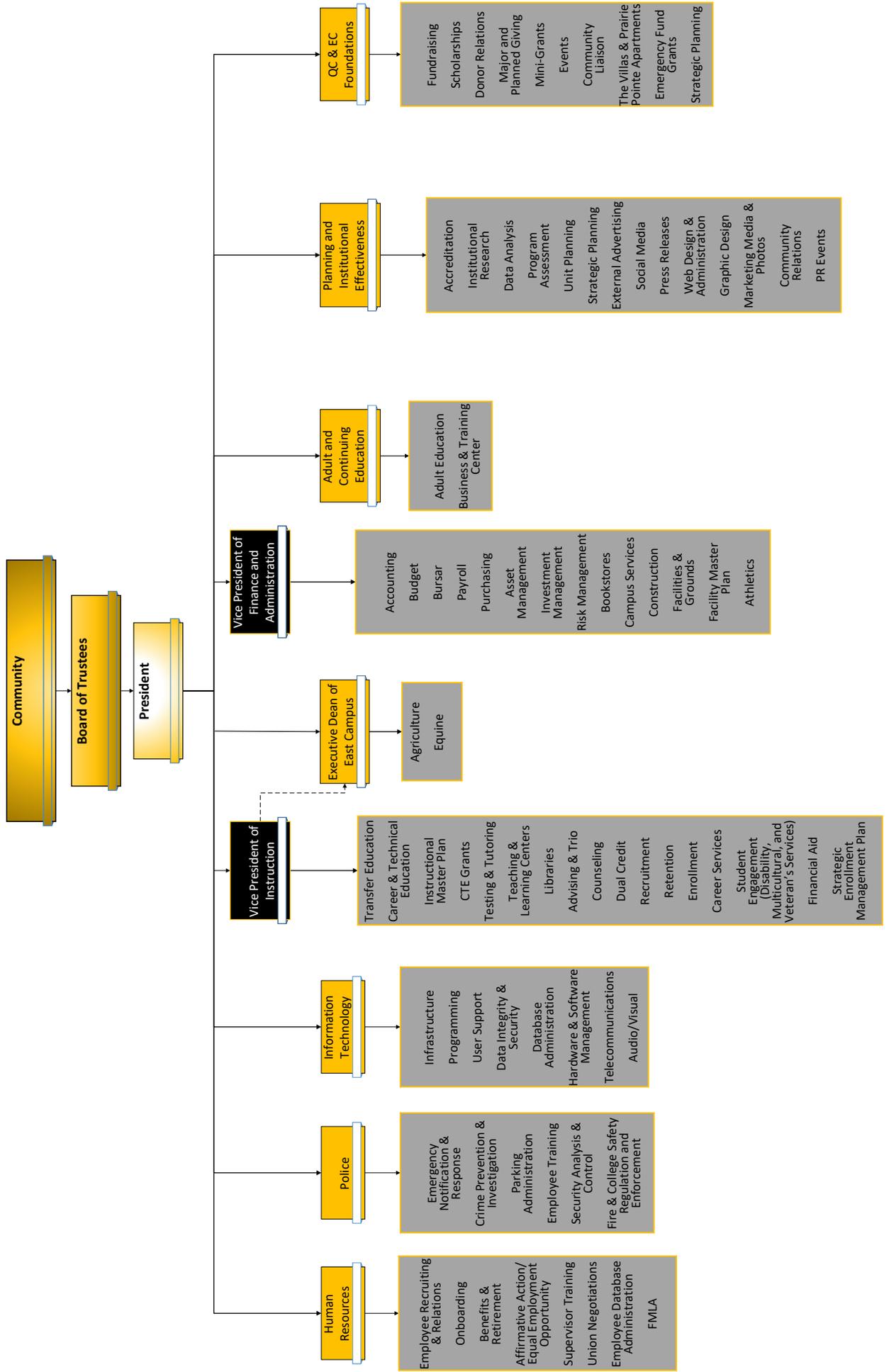
Places

Highways



Prepared April 2005





This page is reserved for the image of the Certificate of Achievement for Excellence in Financial Reporting. At the time this report was issued, the award application for fiscal year ended June 30, 2021 annual report was still under review by the Government Finance Officers Association of the United States and Canada (GFOA).

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# Financial Section

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## **Independent Auditor's Report**

To the Board of Trustees  
Black Hawk College  
Illinois Community College District #503  
Moline, Illinois

### **Report on the Audit of Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of Black Hawk College – Community College District 503 (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of Black Hawk College – Community College District 503, as of June 30, 2022, 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.

#### ***Basis of 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. The financial statements of Black Hawk College Foundation and Black Hawk East College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, in 2022, the College adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve 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.

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

- Exercise professional judgement 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States require that the management's discussion and analysis, schedule of share of net pension liability, schedule of pension contributions, schedule of share of net OPEB liability, and schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The ICCB supplemental information, the ICCB uniform financial statements, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental financial information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and management information as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated December 16, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

*Wipfli LLP*

Sterling, Illinois  
December 16, 2022

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# **Management's Discussion and Analysis**

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**Management's Discussion and Analysis**

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**Introduction**

This section of Black Hawk College's (College) Annual Comprehensive Financial Report presents Management's Discussion and Analysis of the College's financial activity during the fiscal years ended June 30, 2022 and June 30, 2021. Since this Management's Discussion and Analysis is designed to focus on current activities, resulting change, and currently known facts, please read it in conjunction with the College's basic financial statements. Responsibility for the completeness and fairness of this information rests with the College.

**Overview of the Basic Financial Statements**

The basic financial statements focus on the College as a whole versus traditional presentation by fund types. The College's financial statements are designed to emulate corporate presentation models whereby all of the College's activities are consolidated into one total.

The purpose of the **Statement of Net Position/Net Assets** is to present the bottom line results of the College. This statement combines and consolidates current financial resources with capital assets. It presents assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position/net assets at the end of the fiscal year. The Statement of Net Position/Net Assets requires the classification of assets and liabilities into current and non-current categories. The difference between total assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources is reflected in the net position section which reflects net position in three broad categories: net investment in capital assets; restricted; and unrestricted. Net position is one indicator of the current financial condition of the College, while the change in net position is one indicator of whether the overall financial condition of the College has improved or deteriorated during the year. Restrictions, commitments, or other limitations may affect the availability of fund resources for future use.

The **Statement of Revenues, Expenses, and Changes in Net Position/Net Assets** focuses on both the gross costs and the net costs of the College's activities, which are supported mainly by tuition, local property taxes, and state revenues. It presents the revenues, expenses, and transfer activities that occurred during the fiscal year. The Statement of Revenues, Expenses, and Changes in Net Position requires the classification of revenues and expenses as operating and non-operating. For example, property taxes and state funding are reported as non-operating revenues.

The **Statement of Cash Flows** presents the inflow and outflow of cash collected and disbursed by the College for the fiscal year. It separates the sources and uses of funds by the major categories of operating, capital and related financing, non-capital financing, and investing activities. This statement emphasizes the College's dependence on state and local sources by separating them from operating cash flows.

**Management's Discussion and Analysis**

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**Financial Highlights**

For the year ended June 30, 2022, the College recorded total operating revenues of \$7,642,904 and total operating expenses of \$52,359,460. The difference produced an operating loss of \$44,716,556. Net non-operating revenue of \$59,630,409 offsets this loss and results in an overall increase in net position of \$14,913,853.

Non-operating revenue included local property taxes of \$24,474,478, state grants and contracts of \$15,265,077, federal grants and contracts of \$14,401,804, and other net miscellaneous revenue of \$5,489,050. Within the state grants and contracts non-operating revenue line, the SURS and CIP contributions provided by the state, on behalf of the College, to the State University Retirement System (SURS) totaled \$6,275,584. The comparable contribution by the state to SURS and CIP for the fiscal year ended June 30, 2021, was \$13,577,116.

Operating revenue accounted for 11.2% of the College's total revenue, while non-operating revenues accounted for the other 88.8% of the College's total revenue. Operating revenue consisted of tuition and fees, net of financial aid awards, totaling \$6,351,437 and sales, services, and rentals of facilities revenues totaling \$1,291,467.

Operating expenses accounted for 98.4% of the College's total expenses, while non-operating expenses accounted for the remaining 1.6%. The SURS and CIP on-behalf contributions provided by the state as well as the OPEB expense was allocated among the existing functions of operating expenses and decreased by \$7,818,109 from fiscal year 2021. Total operating expenses, excluding OPEB expense, SURS on-behalf expense, and CIP on-behalf expense, increased by 13.2% in fiscal year 2022 from prior year.

Overall, the College's financial position remains strong at the end of fiscal year 2022 while operating in a climate of reduced state funding and reduced enrollment which impacts tuition and future state appropriations. Data related to enrollment, credit hour, and state funding trend information are available in the Statistical section of this document. Additionally, overall, actual fiscal year 2022 results compared to budget were favorable. Details by fund can be found in the Management Information section of this document.

**Long-Term Debt**

The College did not issue any additional long-term debt during fiscal year 2022. The unused legal debt capacity of the College is currently \$99,041,670, which represents 2.875% of the assessed valuation of the College's district less the \$27,613,207 in outstanding debt. See Note 9 regarding Long-Term Liabilities in the Notes to the Financial Statements for further information.

**Economic Factors**

Unemployment rates, both locally and nationally, have fluctuated dramatically due to the COVID-19 pandemic. While unemployment exists, hiring and retaining qualified talent continues to be a challenge. Additional information regarding unemployment rate trends can be found in the Statistical section of this document.

Property tax revenue accounts for 40.5% of total non-operating revenue and is a direct result of Equalized Assessed Valuations (EAV) in the district. While some districts have experienced sizable decreases in EAV over the past few years, the Black Hawk College district EAV continues to grow each year as overall property values continue to increase. Additional information regarding EAV and estimated actual property values within the district can be found in the Statistical section of this document.

## **Management's Discussion and Analysis**

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The State of Illinois has approved an annual budget. State revenues have grown, yet the fixed demands on cash outflow still stress the state's budget. And while the College remains optimistic the State of Illinois will continue to support higher education, an on-going financial pattern of spending more than what is generated is not sustainable. State support is critical to maintain college operations. The state political environment has changed since the budget impasse of 2016 and 2017 as the governor's office is aligned with state legislators which allows more measures to move forward including the support of higher education.

Declining enrollment continues to be the trend with a 5.8% decrease in fiscal year 2022 compared to a 15.1% decrease during fiscal year 2021. Fall credit hour enrollment for fiscal year 2023 declined by 2.8% from fiscal year 2022 fall credit hour enrollment. As a community college, Black Hawk is well positioned to serve displaced workers seeking to enhance existing skills or develop additional skills necessary to re-enter the workforce due to the relatively short-term nature of many programs offered. Furthermore, both the College Administration and Board of Trustees are committed to ensuring student needs are effectively met and to this end, the institution prides itself on being nimble and capable of efficiently implementing programmatic changes designed to maximize student success.

Lost revenue is directly correlated to the COVID-19 virus and related shut-downs which caused enrollment declines for the College. This lost revenue was off-set with Higher Education Emergency Relief Fund (HEERF) funding received during fiscal year 2022. HEERF support was a one-time event and will not be a recurring source of cash inflow.

Given the decreased enrollment trend in recent years, the College Administration and Board of Trustees have taken measures to identify opportunities for growth. The College is going through the planning process and taking the steps necessary to renovate and improve classrooms, hands-on labs, instructional and student space. These renovations will improve learning environments, make a more welcoming environment, thus providing a greater opportunity for generating credit hours. In addition to capital development, the Board of Trustees has designated operating funds to be used for faculty and staff development as well as new program development.

### **Other Significant Financial Factors**

The Board of Trustees adopts tuition and fee rates each February with the adopted rates becoming effective for the summer, fall, and spring semesters of the upcoming fiscal year. Tuition rates for fiscal year 2022 remained the same from fiscal year 2021 and the prior three year rates. Fiscal year 2023 tuition rates were increased from \$149 per credit hour to \$164 per credit hour. Tuition rates for 2024 have not yet been finalized but are anticipated to remain the same. The College is conscious about the recent increases to cost of living and the importance of keeping tuition as affordable as possible. Without a significant increase in enrollment, an adjustment to account for changes in auxiliary service revenue and new state mandates (i.e. change in minimum wage) will be required. Additional information regarding the tuition and fee rate trend is provided in the Statistical section of this document.

The Board of Trustees adopts the annual tax levy by November of each year for tax revenues to be received during the upcoming fiscal year. The fiscal year 2022 tax levy increased 2.3% over fiscal year 2021 primarily due to the increase in EAV throughout the district. While it will need to be revisited, the desire is to keep the tax levy steady for 2023. Additional information regarding tax levy trend is provided in the Statistical section.

### Comparative Net Position – Fiscal Years 2022 and 2021

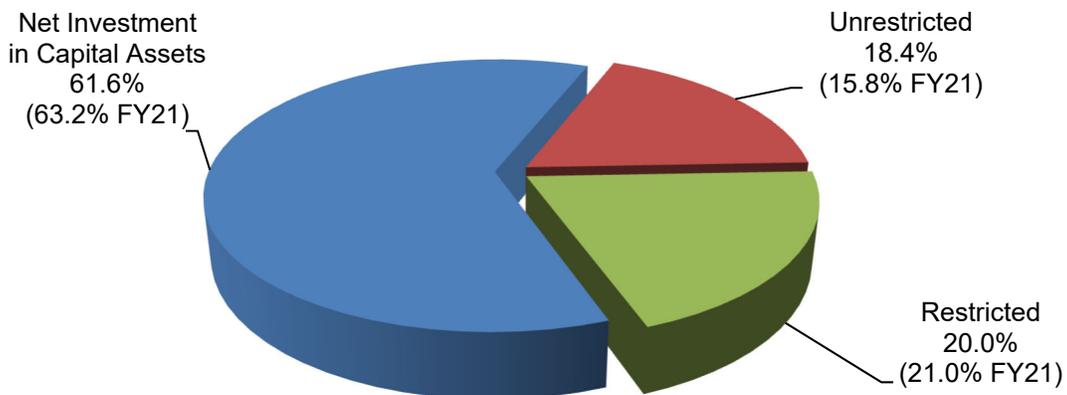
	2022	2021	Increase (Decrease)	Percent Change
Current Assets	\$ 89,387,599	\$ 84,097,439	\$ 5,290,160	6.3%
Capital Assets, net of depreciation	107,312,893	105,104,968	2,207,925	2.1%
<b>Total Assets</b>	<b>\$ 196,700,492</b>	<b>\$ 189,202,407</b>	<b>\$ 7,498,085</b>	<b>4.0%</b>
Deferred Outflows of Resources	\$ 290,534	\$ 336,354	\$ (45,820)	-13.6%
Current Liabilities	\$ 9,384,989	\$ 8,170,396	\$ 1,214,593	14.9%
Non-Current Liabilities	39,769,056	46,838,849	(7,069,793)	-15.1%
<b>Total Liabilities</b>	<b>\$ 49,154,045</b>	<b>\$ 55,009,245</b>	<b>\$ (5,855,200)</b>	<b>-10.6%</b>
Deferred Inflows of Resources	\$ 18,067,804	\$ 19,674,192	\$ (1,606,388)	-8.2%
<b>Net Position</b>				
Net Investment in Capital Assets	\$ 79,874,008	\$ 72,599,855	\$ 7,274,153	10.0%
Restricted	26,011,156	24,108,398	1,902,758	7.9%
Unrestricted	23,884,013	18,147,071	5,736,942	31.6%
<b>Total Net position</b>	<b>\$ 129,769,177</b>	<b>\$ 114,855,324</b>	<b>\$ 14,913,853</b>	<b>13.0%</b>

The College had a net position at the beginning of the fiscal year, as restated, totaling \$114,855,324. The increase in net position of \$14,913,853 brought the total net position at the end of fiscal year 2022 to \$129,769,177.

The most notable changes in the balance sheet for fiscal year 2022 include a decrease of 13.6% in Deferred Outflows of Resources, an increase of 14.9% in current liabilities as well as a decrease of 15.1% in non-current liabilities. The decrease in deferred outflows of resources relates to the decrease in OPEB expense. In fiscal year 2021, SURS' investment portfolio significantly outperformed the actuaries' assumed rate of return (23.8% investment return compared to assumed return of 6.5%). Investment performance that exceeds the assumed return means there are more assets available to fund the cost of future benefits. This has the effect of reducing OPEB expense. The increase of current liabilities relates to more fiscal year 2022 invoices being held in accounts payable rather than paid before June 30 due to receipt of invoice timing. Lastly, the decrease in non-current liabilities relates to paying down the principal on outstanding bonds as well as the reduction in OPEB liability in fiscal year 2022.

This schedule is prepared from the College's Statement of Net Position, which is presented on a full accrual basis of accounting whereby assets costing \$5,000 or greater are capitalized and depreciated.

### Net Position - Fiscal Year 2022



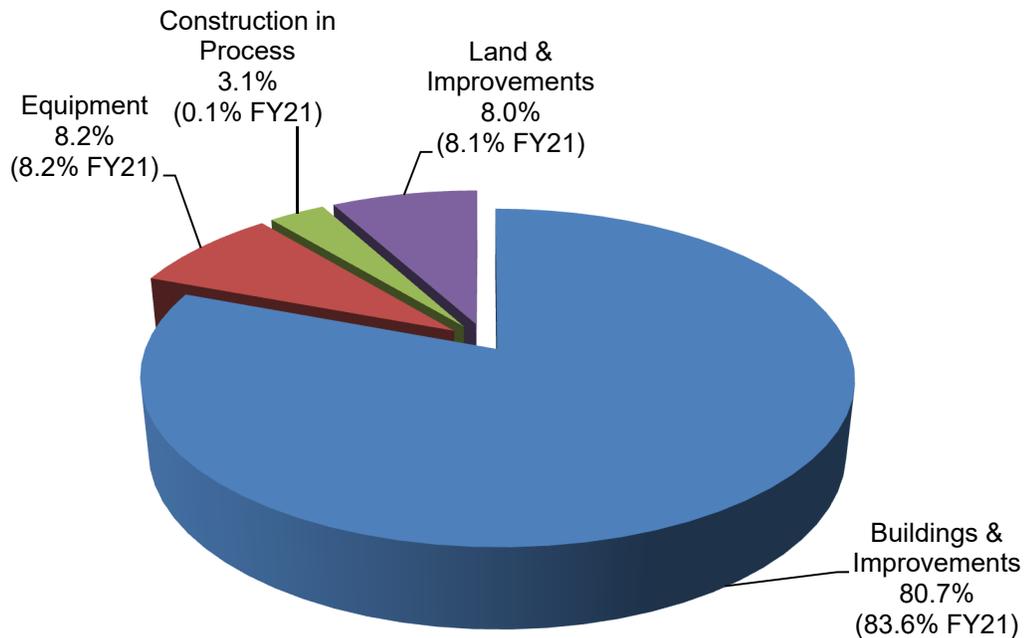
### Comparison of Net Capital Assets Fiscal Years 2022 and 2021

	2022	2021	Increase (Decrease)	Percent Change
<b>Capital Assets</b>				
Land and Improvements	\$ 11,943,396	\$ 11,835,214	\$ 108,182	0.9%
Building and Improvements	120,941,428	120,941,428	-	0.0%
Equipment	12,315,597	11,648,171	667,426	5.7%
Construction in Progress	4,619,115	140,253	4,478,862	3193.4%
<b>Total Capital Assets</b>	<b>\$ 149,819,536</b>	<b>\$ 144,565,066</b>	<b>\$ 5,254,470</b>	<b>3.6%</b>
Less Accumulated Depreciation	42,506,643	39,460,098	3,046,545	7.7%
<b>Net Capital Assets</b>	<b>\$ 107,312,893</b>	<b>\$ 105,104,968</b>	<b>\$ 2,207,925</b>	<b>2.1%</b>

As of June 30, 2022, the College has recorded \$149,819,536 invested in capital assets, \$42,506,643 in accumulated depreciation and \$107,312,893 in net capital assets.

Total Capital Assets increased \$5,254,470 or 3.6% and Net Capital Assets increased \$2,207,925 or 2.1%. This change is primarily a result of starting new construction projects still in progress district-wide during fiscal year 2022 as well as purchasing more IT and maintenance equipment. The College’s current bonding strategy continues to allow investment in facilities, technology, and improvements. The expectation exists that Net Capital Assets will increase in future years as a result. For further information, see Note 5 - Changes in Capital Assets and Note 9 - Long-Term Liabilities in the Notes to Financial Statements.

### Capital Assets - Fiscal Year 2022



## Revenues, Expenses & Changes in Net Position For the Fiscal years ending June 30, 2022 and 2021

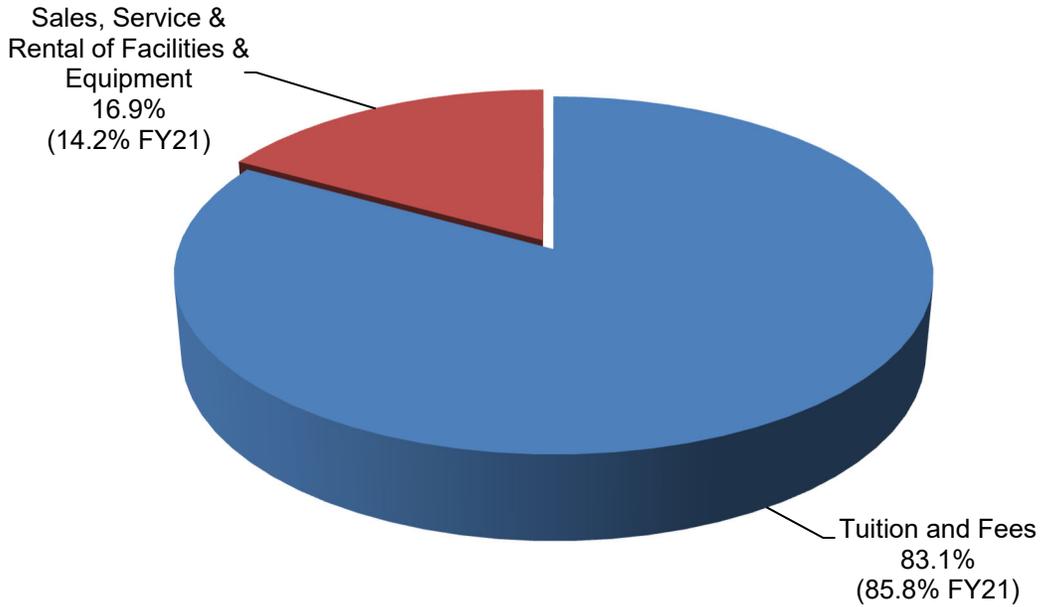
	2022	2021	Increase (Decrease)	Percent Change
Operating Revenue:				
Tuition and Fees	\$ 6,351,437	\$ 6,412,494	\$ (61,057)	-1.0%
Sales, Services and Rentals	1,291,467	1,090,044	201,423	18.5%
Other	-	-	-	0.0%
<b>Total Operating Revenue</b>	<b>\$ 7,642,904</b>	<b>\$ 7,502,538</b>	<b>\$ 140,366</b>	<b>1.9%</b>
Less: Operating Expenses	52,359,460	54,712,170	(2,352,710)	-4.3%
<b>Operating Income (Loss)</b>	<b>\$ (44,716,556)</b>	<b>\$ (47,209,632)</b>	<b>\$ 2,493,076</b>	<b>-5.3%</b>
Non-operating Revenue:				
State Grants & Contracts	\$ 15,265,077	\$ 21,049,016	\$ (5,783,939)	-27.5%
Federal Grants & Contracts	14,401,804	12,252,303	2,149,501	17.5%
Property Taxes	24,474,478	24,145,463	329,015	1.4%
Other Income	5,489,050	3,130,184	2,358,866	75.4%
<b>Total Non-operating Revenue:</b>	<b>\$ 59,630,409</b>	<b>\$ 60,576,966</b>	<b>\$ (946,557)</b>	<b>-1.6%</b>
<b>Change in Net Position</b>	<b>\$ 14,913,853</b>	<b>\$ 13,367,334</b>	<b>\$ 1,546,519</b>	<b>11.6%</b>
Net Position, Beginning of Year, As Restated	114,855,324	101,487,990	13,367,334	13.2%
<b>Net Position, End of Year</b>	<b>\$ 129,769,177</b>	<b>\$ 114,855,324</b>	<b>\$ 14,913,853</b>	<b>13.0%</b>

Total operating revenue increased by 1.9% and total operating expenses decreased 4.3% for fiscal year 2022 when compared to fiscal year 2021.

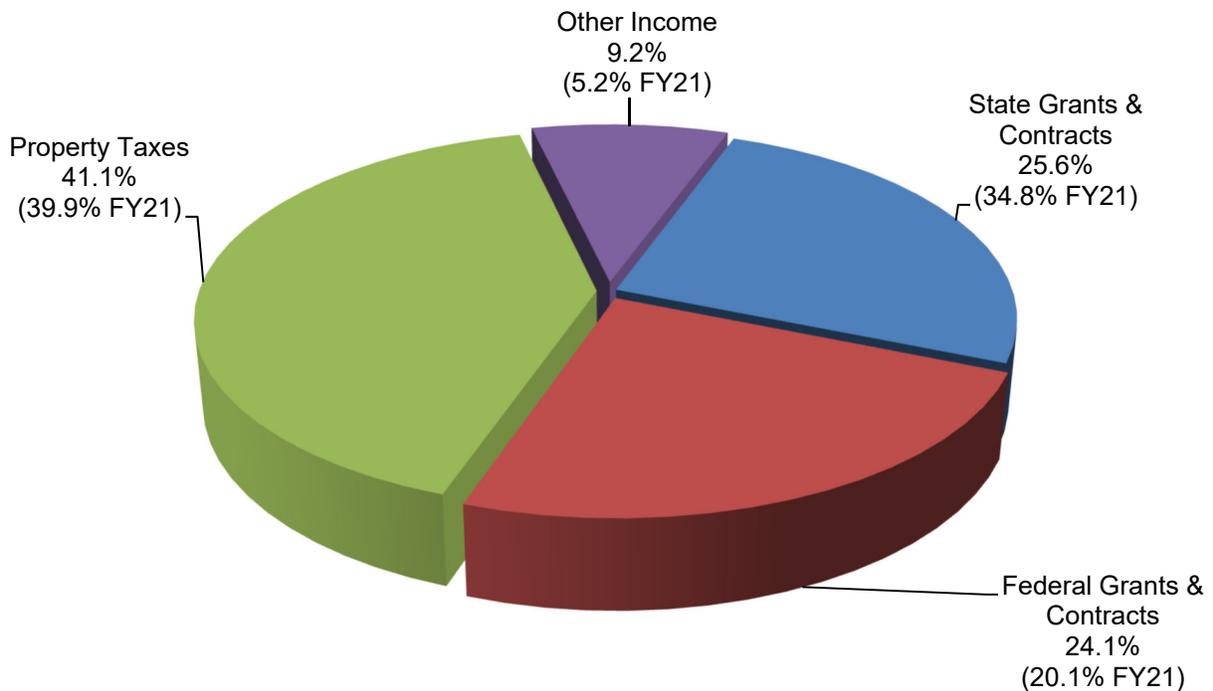
Tuition and fees decreased \$61,057 or 1.0% from fiscal year 2021 to fiscal year 2022. The decrease is attributable to a decline in enrollment. Sales, services, and rental revenue increased during fiscal year 2022 at 18.5%. The increase is a result of increased BTC and PaCE revenues, increased participation in College night event, increase in testing revenue and increased student participation in the Illinois Community College Online consortium.

Total non-operating revenue decreased by \$946,557. State grants and contracts decreased by \$5,783,939 from fiscal year 2021 primarily due to the decrease in SURS and OPEB CIP Contributions. Also, Federal grants and contracts increased by \$2,149,501 related to earning the final portion of COVID-19 HEERF grant funds received from Department of Education. Lastly, an increase of \$2,358,866 in other income due to an increase in personal property replacement taxes received from the State.

### Operating Revenues - Fiscal Year 2022



### Non-Operating Revenues - Fiscal Year 2022



### Comparison of Operating Expenses Fiscal Years 2022 and 2021

	2022	2021	Increase (Decrease)	Percent Change
Operating Expenses:				
Instruction	\$ 12,832,512	\$ 16,367,722	\$ (3,535,210)	-21.6%
Academic Support	5,529,340	6,294,005	(764,665)	-12.1%
Student Services	3,846,266	4,453,541	(607,275)	-13.6%
Public Service / Continuing Ed.	1,142,278	1,326,057	(183,779)	-13.9%
Institutional Support	11,396,199	10,309,024	1,087,175	10.5%
Auxiliary Services	1,991,567	2,035,307	(43,740)	-2.1%
Scholarships, student grants and waivers	6,834,470	4,719,833	2,114,637	44.8%
Depreciation	3,184,520	2,948,259	236,261	8.0%
Loss on Disposal of Equipment	10,353	17,703	(7,350)	-41.5%
Operations of Physical Facilities	5,591,955	6,240,719	(648,764)	-10.4%
<b>Total Operating Expenses</b>	<b>\$ 52,359,460</b>	<b>\$ 54,712,170</b>	<b>\$ (2,352,710)</b>	<b>-4.3%</b>

Operating expenses for fiscal year 2022 decreased by 4.3% from fiscal year 2021. The SURS and CIP on-behalf contribution provided by the state decreased to \$6,275,584 compared to \$13,577,116 in fiscal year 2020. This \$7,301,532 decrease of SURS and CIP on-behalf contribution expense, \$516,577 decrease in OPEB expense, plus a net \$5,465,399 increase in all other expenses creates a net operating expense decrease of \$2,352,710 for the fiscal year 2022 when compared to fiscal year 2021. See Notes 6 and 7 in the Notes to Financial Statements for additional information related to CIP OPEB and SURS Pension Plan contributions.

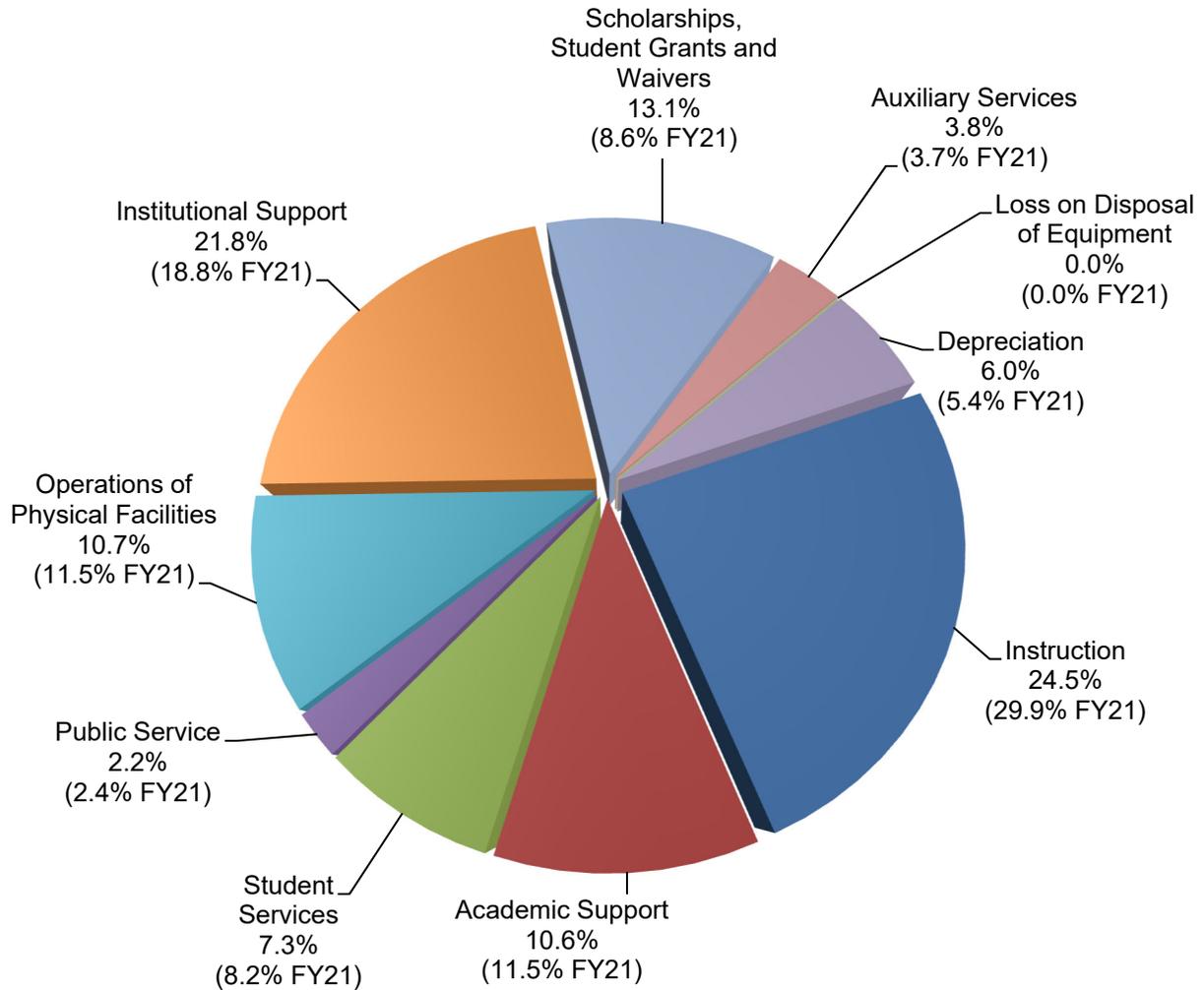
The change from year to year in the expense categories of Instruction, Academic Support, Student Services and Public Service / Continuing Education all were heavily impacted by the decrease in SURS and CIP on behalf contributions provided by the state plus OPEB expense. Outside of this impact, the largest change in expense from year to year was an increase of 44.8% in the Scholarships, student grants and waivers line. This change was a result of distributing the remaining Higher Education Emergency Relief Funds (HEERF) grant available to students during fiscal year 2022.

**Management's Discussion and Analysis**

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The following graphic illustration shows the operating expenses by program for fiscal year 2022 by percentage of the total with the comparable percentage for fiscal year 2021 in parenthesis. For both years, the largest percentage of College money was spent on Instruction.

**Operating Expenses - Fiscal Year 2022**



**Management's Discussion and Analysis**

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**Requests for Information**

This financial report is designed to provide the reader with a general overview of Black Hawk College's finances and to show Black Hawk College's accountability for the revenue it receives. If you have questions about this report or need additional information, please contact:

Finance Department  
6600 34<sup>th</sup> Avenue  
Moline, IL 61265

# Basic Financial Statements

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Net Position/Net Assets**  
**June 30, 2022**

	Primary	Component Units	
	Government	Black Hawk	Black Hawk
	Black Hawk	College	East College
	College	Foundation	Foundation
<b>Assets</b>			
Current Assets:			
Cash and cash equivalents	\$ 71,483,735	\$ 515,600	\$ 898,254
Investments	-	5,562,551	2,491,218
Receivables:			
Property taxes, net of allowance \$99,160, \$0 and \$0, respectively	14,253,772	-	-
Federal government claims	660,212	-	-
State of Illinois claims	919,691	-	-
Student tuition and fees, net of allowance \$277,907, \$0 and \$0, respectively	474,879	-	-
Other, net of allowance \$0, \$196 and \$48,000, respectively	227,412	967,884	49,427
Inventory	675,124	-	-
Prepaid expenses	692,774	-	-
<b>Total current assets</b>	<b>89,387,599</b>	<b>7,046,035</b>	<b>3,438,899</b>
Noncurrent Assets:			
Capital assets:			
Land	1,032,464	45,000	-
Construction and Equipment in process	4,619,115	-	-
Building, improvements and equipment, net of accumulated depreciation \$42,506,643, \$0 and \$1,396,337, respectively	101,661,314	-	1,239,999
<b>Total capital assets, net of depreciation</b>	<b>107,312,893</b>	<b>45,000</b>	<b>1,239,999</b>
<b>Total noncurrent assets</b>	<b>107,312,893</b>	<b>45,000</b>	<b>1,239,999</b>
<b>Total assets</b>	<b>196,700,492</b>	<b>7,091,035</b>	<b>4,678,898</b>
<b>Deferred Outflows of Resources</b>			
Deferred Outflows of SURS Pension expense	90,832	-	-
Deferred Outflows of OPEB expense	199,702	-	-
<b>Total deferred outflows of resources</b>	<b>290,534</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>			
Current Liabilities:			
Accounts payable	1,857,453	72,848	17,454
Accrued liabilities:			
Payroll	984,387	-	-
Early retirement	169,274	-	-
Accrued vacation	233,604	-	-
Other	91,893	-	-
Unearned revenues:			
Grants and restricted funds	7,722	400,000	-
Notes and bonds due in less than one year	5,905,968	-	-
Other liabilities	134,688	-	-
<b>Total current liabilities</b>	<b>9,384,989</b>	<b>472,848</b>	<b>17,454</b>
Noncurrent Liabilities:			
Early retirement	1,055,692	-	-
Accrued vacation	700,810	-	-
Notes and bonds payable in more than one year	21,707,239	-	-
Net OPEB Liability	16,305,315	-	-
<b>Total noncurrent liabilities</b>	<b>39,769,056</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>49,154,045</b>	<b>472,848</b>	<b>17,454</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes	12,394,925	-	-
Grants and restricted funds	25,738	-	-
OPEB	5,526,003	-	-
Unearned Revenues	-	-	-
Lease Revenue	121,138	-	-
<b>Total deferred inflows of resources</b>	<b>18,067,804</b>	<b>-</b>	<b>-</b>
<b>Net Position/Net Assets (Deficit)</b>			
Net Investment in capital assets	79,874,008	45,000	1,239,999
Restricted		5,905,061	3,132,953
Audit	278,440	-	-
Liability, Protection and Settlement	6,579,640	-	-
Working Cash	10,194,190	-	-
Bond & Interest	3,338,192	-	-
Operations & Maintenance, Restricted	4,277,437	-	-
Custodial	463,924	-	-
Grants & Scholarships	879,333	-	-
Unrestricted	23,884,013	668,126	288,492
<b>Total net position/net assets</b>	<b>\$ 129,769,177</b>	<b>\$ 6,618,187</b>	<b>\$ 4,661,444</b>

See Notes to Financial Statements.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Revenues, Expenses, and Changes in Net Position/Net Assets**  
**Year Ended June 30, 2022**

	Primary Government	Component Units	
	Black Hawk College	Black Hawk College Foundation	Black Hawk East College Foundation
Operating Revenues:			
Student tuition and fees, net of scholarship awards	\$ 6,351,437	\$ -	\$ -
Sales, service and rental of facilities and equipment	1,291,467	-	-
<b>Total operating revenues</b>	<b>7,642,904</b>	<b>-</b>	<b>-</b>
Operating expenses:			
Instruction	12,832,512	-	-
Academic support	5,529,340	-	-
Student services	3,846,266	-	-
Public service	1,142,278	-	-
Auxiliary services	1,991,567	-	-
Institutional support	11,396,199	179,870	331,764
Scholarships, student grants and waivers	6,834,470	238,113	154,113
Operation of physical facilities	5,591,955	-	-
Loss on disposal of buildings and equipment	10,353	-	-
Depreciation and amortization	3,184,520	-	76,445
<b>Total operating expenses</b>	<b>52,359,460</b>	<b>417,983</b>	<b>562,322</b>
<b>Operating (loss)</b>	<b>(44,716,556)</b>	<b>(417,983)</b>	<b>(562,322)</b>
Non-operating revenues (expenses):			
Property taxes	24,474,478	-	-
Personal property replacement taxes	4,418,980	-	-
State government sources	15,265,077	-	-
Federal government sources	14,401,804	-	-
Investment earnings	401,024	(775,069)	(377,371)
Other sources	1,522,157	138,925	647,364
Interest expense	(853,111)	-	-
<b>Total non-operating revenues (expenses)</b>	<b>59,630,409</b>	<b>(636,144)</b>	<b>269,993</b>
<b>Change in net position/net assets</b>	<b>14,913,853</b>	<b>(1,054,127)</b>	<b>(292,329)</b>
Net position/net assets:			
Beginning, as restated	114,855,324	7,672,314	4,953,773
Ending	<b>\$ 129,769,177</b>	<b>\$ 6,618,187</b>	<b>\$ 4,661,444</b>

See Notes to Financial Statements.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Cash Flows**  
**Year Ended June 30, 2022**

	Primary Government
	Black Hawk College
Cash Flows from Operating Activities:	
Tuition and fees	\$ 6,193,431
Payments to employees	(20,192,206)
Payments to suppliers	(27,933,622)
Sales, service, and rental of facilities and equipment	1,337,833
Net cash flows from operating activities	<u>(40,594,564)</u>
Cash Flows from Non-Capital Financing Activities:	
State and federal grants and contracts	34,290,600
Personal property replacement taxes	4,418,980
Property taxes	24,628,408
Net cash flows from non-capital financing activities	<u>63,337,988</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	(5,675,417)
Proceeds on debt	-
Debt issuance costs	-
Principal paid on debt	(5,673,815)
Interest paid on debt	(853,111)
Net cash flows from capital and related financing activities	<u>(12,202,343)</u>
Cash Flows from Investing Activities	
Interest received	<u>401,024</u>
Net cash flows from investing activities	<u>401,024</u>
Net increase (decrease) in cash	10,942,105
Cash and cash equivalents:	
Beginning	60,541,630
Ending	<u>\$ 71,483,735</u>
Reconciliation of Operating Loss to Net Cash (Used in) Operating Activities:	
Operating loss	<u>\$ (44,716,556)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	3,184,520
Loss on disposal of equipment	10,353
Changes in assets and liabilities:	
(Increase) decrease in receivables	(85,210)
(Increase) decrease in inventory	(148,260)
(Increase) decrease in prepaid expenses	(62,108)
(Increase) decrease in deferred outflows	(5,858)
Increase (decrease) in accounts payable	1,417,645
Increase (decrease) in accrued expenditures	103,698
Increase (decrease) in other liabilities	(266,358)
Increase (decrease) in deferred inflows	(26,430)
<b>Total adjustments</b>	<u>4,121,992</u>
Net cash provided by (used in) operating activities	<u>\$ (40,594,564)</u>
Noncash, Capital and Related Financing Activities:	
SURS contribution paid by state	\$ 9,697,490
OPEB CIP contribution paid by state	(3,421,906)
OPEB expense	(642,177)
Purchase of capital assets on account	(272,619)
	<u>\$ 5,360,788</u>

See Notes to Financial Statements.

**Black Hawk College  
Illinois Community College District #503**

**Statement of Fiduciary Net Position  
June 30, 2022**

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	<b>Voluntary Employees' Benefit Association (VEBA) Health Benefit Plan</b>
<b>Assets</b>	
Cash	\$ 1,340,730
<b>Liabilities</b>	
Claims payable	600,000
Due to others	-
<b>Total liabilities</b>	600,000
<b>Net Position, unrestricted</b>	\$ 740,730

See Notes to Financial Statements.

**Statement of Changes in Fiduciary Net Position  
Year Ended June 30, 2022**

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<b>Additions:</b>	
Employer paid premiums	\$ 5,866,426
Grant paid premiums	278,249
Employee paid premiums	907,138
Investment earnings	6,698
<b>Total additions</b>	\$ 7,058,511
<b>Deductions:</b>	
Health and dental claims	6,206,485
Administrative	708,889
<b>Total deductions</b>	\$ 6,915,374
<b>Change in net position</b>	143,137
<b>Net position:</b>	
Beginning	597,593
Ending	\$ 740,730

See Notes to Financial Statements.

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# Notes to Financial Statements

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**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 1. Operation and Significant Accounting Policies**

**Organization:**

Black Hawk College, Illinois Community College District #503 (College) is an Illinois Community College operating under the mandates and guidelines of the Illinois Board of Higher Education and the Illinois Community College Board (ICCB). The College offers a wide range of educational opportunities, including liberal studies, business training, agricultural studies, continuing education, and community service programs. The College was organized to provide an excellent, affordable alternative in higher education with campus locations in Moline and Galva, Illinois, and numerous outreach sites.

**Significant Accounting Policies:**

Financial Reporting Entity: The College is governed by a seven-member Board of Trustees. Board members are elected through general elections to a six-year term. In addition to the seven members, there is one student trustee member elected annually to the Board of Trustees.

The College follows Governmental Accounting Standards Board (GASB) standards for determining component units.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its discretely presented component units, the Black Hawk College Foundation, and the Black Hawk East College Foundation.

The two Foundations are legally separate, tax-exempt component units of the College. The Foundations act primarily as fundraising organizations to supplement the resources that are available to the College in support of its programs. The 8 to 13-member boards of the Foundations are self-perpetuating and consist of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundations, the majority of resources, or income, thereon the Foundations hold and invest are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundations can only be used by, or for the benefit of, the College, the Foundations are considered component units of the College.

During the fiscal year ended June 30, 2022, the Black Hawk College Foundation and the Black Hawk East Foundation distributed \$224,959 and \$106,161, respectively, to the College for both restricted and unrestricted purposes.

The Foundations are private, not-for-profit organizations which are organized and operated exclusively for the advancement, achievement, and support of the educational programs and services of the College. The Foundations report their financial results under Financial Accounting Standard Board (FASB) Statements. Most significant to the Foundations' operations and reporting model are *Accounting for Contributions Received and Contributions Made* and *Financial Reporting for Not-for-Profit-Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundations' financial information in the College's financial reporting entity for these differences.

Financial statements for both the Black Hawk College Foundation and Black Hawk East College Foundation can be obtained by calling the College at 309-796-5302.

**Notes to Financial Statements**

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**Note 1. Operation and Significant Accounting Policies (Continued)**

**Significant Accounting Policies (Continued):**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-College transactions have been eliminated. Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are 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.

The College has a fiduciary fund type. Fiduciary fund types are used to account for fiduciary activities (e.g. assets held on behalf of outside parties, including other governments). The College has the following fiduciary fund type:

*Pension (and other employee benefit) trust fund* – is the fund type for the College's health benefit plan and is accounted for in essentially the same manner as the business-type activities, using the same measurement focus and basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer made a formal commitment to provide the contributions. Claims payable are recognized when due and payable in accordance with the terms of the health plan. The fund accounts for the assets of the Voluntary Employees' Beneficiary Association (VEBA). The VEBA was established under Section 501(C)(9) of the Internal Revenue Code. The trust provides for payment of health (medical, dental, and vision) claims and health plan administrative and other directly related costs. This fiduciary fund is not considered a fiduciary component unit due to the College board overseeing the administration of VEBA assets and plan policies. A separate audit report is issued annually for the VEBA plan as of December 31 and is available in the Finance Department, 6600 34<sup>th</sup> Avenue, Moline, IL 61265.

Classification of Revenues and Expenses: Operating revenue and expenses include activities that have the characteristics of exchange transactions, such as student tuition and fees and sales and services of auxiliary enterprises, net of financial aid and scholarship awards, salaries and benefits, and materials and supplies. Non-operating revenues and expenses include activities that have the characteristics of non-exchange transactions, such as 1) local property taxes, 2) state appropriations, 3) most federal, state and local grants and contracts, and federal appropriations, and 4) gifts and contributions.

Net Position: Net position represents the difference between assets and liabilities. "Net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of any borrowings, used for the acquisition, construction or improvement of those assets. Significant unspent proceeds are reported as restricted. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Amounts restricted for working cash are imposed by enabling legislation. However, legislation allows for procedures to abolish this fund and remove those restrictions. Amounts restricted for operations and maintenance are imposed by enabling legislation. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the College first applies restricted resources.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 1. Operation and Significant Accounting Policies (Continued)**

Deferred outflows/inflows: In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate 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 two items that qualify for reporting in this category. The College reports deferred outflows of resources related to pension and OPEB for its proportionate shares of collective deferred outflows of resources related to pension and OPEB and College contributions to pension and OPEB plans subsequent to the measurement date of the collective net pension and net OPEB liability (asset).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents the 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. The College has four items that qualify for reporting in this category. The College report unavailable revenues from property taxes and grants that will be available in a future period. The College also reports deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to OPEB.

Lease-related amounts are recognized at the inception of leases in which the College is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner of the term of the lease.

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

Property taxes: Property taxes are recognized as a receivable at the time they are levied and the current taxes receivable represent the 2021 levy. Property tax revenue recorded on the financial statements relates to the 2020 and 2021 levies. Property taxes are levied each year on all taxable real property in the College District. Property taxes are certified on or before the last Tuesday in December and are attached as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in 2021 or 2022, respectively, and are collected by the county collectors in the College District who in turn remit to the College its respective share. An allowance is provided for uncollectible taxes.

Student Tuition and Fees: Student tuition and fees include all such items assessed against students for educational and service purposes.

College Bookstores Inventory: Inventories of the College bookstores are stated at the lower of cost (first-in, first-out) or market (net realizable value).

Compensated Absences: Vacation leave is accrued as a liability as it is earned. Sick leave benefits are not payable upon retirement or termination.

Capital Assets: Capital assets are defined by the College as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Assets are recorded at historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 1. Operation and Significant Accounting Policies (Continued)**

service concession arrangement are recorded at 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 the life of the asset are not capitalized.

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives for each capital asset type are as follows:

	<u>Years</u>
Buildings and improvements	50
Land improvements	50
Equipment	4 - 10

The College's collection of works of art, library books, and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for, and preserved.

Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. Capital assets are considered impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The determination of the impairment loss is dependent upon the event or circumstance in which the impairment occurred. Impairment losses, if any, are recorded in the statements of revenues, expenses, and changes in net position. There were no impairment losses recorded for the year ended June 30, 2022.

Investments: Investments are stated at fair value.

Tax Status: The College is a political sub-division of the State of Illinois and has nontaxable status under the Internal Revenue Code.

Cash and Cash Equivalents: For purposes of reporting cash flows, the College considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Receivables: Student accounts receivable are reported net of any anticipated losses due to uncollectible accounts. The College considers students accounts to be past due when a student has an account balance after the payment due date for the class. Past due accounts are subject to past due letter collection efforts and are subsequently placed with third-party collection agencies.

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

For financial reporting purposes, the State of Illinois (State) and its public universities and community colleges are under a special funding situation. A special funding situation exists when a nonemployer entity (the State) is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity (Black Hawk College) and the nonemployer entity (the State) is the only entity with

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 1. Operation and Significant Accounting Policies (Continued)**

a legal obligation to make contributions directly to a pension plan. The College recognizes its proportionate share of the State's pension expense relative to College employees as non-operating revenue and pension expense, with the expense further allocated to the related function by employees.

Accounting Pronouncements: The College is applying all applicable Governmental Accounting Standards Board (GASB) pronouncements.

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

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

**Note 2. Cash and Investments**

Under provision of the College's investment policy, the College may invest in select securities allowed by law as set out in Illinois Compiled Statutes. A summary of allowable securities follows:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America.
- Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- Interest-bearing savings account, interest-bearing certificates of deposit, or interest-bearing time deposits, or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by the Federal Deposit Insurance Corporation (FDIC).
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of security legally issuable by savings and loan associations incorporated under the laws of the State of Illinois or any other state or under the laws of the United States and only in those savings and loan associations insured by the FDIC.
- Money market mutual funds whose portfolios consist of government securities or agreements to repurchase such obligations.
- Illinois School District Liquid Asset Fund.
- Illinois State Funds Money Market Fund.
- Funds managed, operated, and administered by a bank provided that the public agency has an

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 2. Cash and Investments (Continued)**

undivided interest in the assets of the fund.

- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986.
- Dividends-bearing share accounts, share certificate accounts of a credit union with its principal office located in Illinois and insured by applicable law.
- Funds managed, operated, and administered by a bank.

At June 30, 2022, the College's cash and cash equivalents balances are as follows:

Depository accounts, checking and certificates of deposit	\$ 71,448,225
Petty cash	<u>35,510</u>
<b>Total cash and cash equivalents</b>	<b>\$ 71,483,735</b>
Fiduciary funds	<u>1,340,730</u>
<b>Total cash and cash equivalents</b>	<b>\$ 72,824,465</b>
Less: Petty cash	<u>(35,510)</u>
<b>Total carrying amount of deposits</b>	<b><u>\$ 72,788,955</u></b>

As of June 30, 2022, the carrying amount of the College's deposits totaled \$72,788,955 with a bank balance of \$72,722,276. Of the \$72,722,276 bank balance, \$72,722,276 was covered by federal depository insurance and an Irrevocable Standby Letter of Credit as collateral held by the College's agent in the College's name. As of June 30, 2022, \$0 was exposed to custodial credit risk. The College has no foreign currency risk for deposits at year end.

As of June 30, 2022, the College did not hold any investments.

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the change in market interest rates. The College tries to match its maturities on investments with expected cash flows. As of June 30, 2022, the College did not hold any investments.

Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in U.S. Government obligations and Brokered CDs are not considered to be of any credit risk since they carry the full obligation and guarantee of the U.S. Government.

Concentration of Credit Risk:

The College has no investments in any one issuer that represent 5% or more of total College's investments.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 2. Cash and Investments (Continued)**

Custodial Credit Risk:

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, an entity will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of June 30, 2022, there are no investments with custodial credit risk as all investments are insured via an Irrevocable Standby Letter of Credit.

Foreign Currency Risk:

The College has no foreign currency risk for investments at year end.

**Note 3. State of Illinois Claims Allowance**

In 2009, \$1 million from the Illinois Jobs Now! initiative was identified for the College through the Illinois Department of Commerce and Economic Opportunity (DCEO) for sustainability projects at the Quad-Cities campus (section 335 of P.A. 096-0039). In response, the College moved forward with the construction of the Sustainable Technologies building using bond funds as well as the anticipated DCEO funds. This project was completed in 2013. As of June 30, 2022, the \$1 million had still not been received by the College from DCEO. While the funding was included in the State of Illinois fiscal year 2022 appropriations, the college is waiting on notification from DCEO as to acceptance and payment. The College has created a 100% allowance against the \$1 million receivable on the financial statements and intends to continue conversations with state representatives in effort to collect these funds.

**Note 4. Liability, Protection, & Settlement Fund Expenditures**

The College had the following Liability, Protection, & Settlement Fund expenditures for the year ended June 30, 2022:

Security	\$ 935,731
Risk management & loss prevention	581,015
Insurance	669,839
Legal services	99,099
Security related salaries & benefits	<u>466,591</u>
Total Liability, Protection & Settlement Fund expenditures	<u>\$2,752,275</u>

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 5. Changes in Capital Assets**

A summary of changes in capital assets for the year ended June 30, 2022, is as follows:

	Balance July 1, 2021	Additions	Deletions and Transfers	Balance June 30, 2022
Capital assets not being depreciated				
Land	\$ 1,032,464	\$ -	\$ -	\$ 1,032,464
Construction in process	140,253	4,898,925	(420,063)	4,619,115
<b>Total capital assets not being depreciated</b>	<b>1,172,717</b>	<b>4,898,925</b>	<b>(420,063)</b>	<b>5,651,579</b>
Capital assets being depreciated:				
Buildings and improvements	120,941,428	-	-	120,941,428
Land improvements	10,802,750	11,032	97,150	10,910,932
Equipment	11,648,171	492,841	174,585	12,315,597
<b>Total capital assets being depreciated</b>	<b>143,392,349</b>	<b>503,873</b>	<b>271,735</b>	<b>144,167,957</b>
Less accumulated depreciation for:				
Buildings and improvements	29,251,517	2,186,416	-	31,437,933
Land improvements	2,297,146	213,101	-	2,510,247
Equipment	7,911,435	785,003	(137,975)	8,558,463
<b>Total accumulated depreciation</b>	<b>39,460,098</b>	<b>3,184,520</b>	<b>(137,975)</b>	<b>42,506,643</b>
<b>Total capital assets being depreciated, net</b>	<b>103,932,251</b>	<b>(2,680,647)</b>	<b>409,710</b>	<b>101,661,314</b>
<b>Total capital assets, net</b>	<b>\$ 105,104,968</b>	<b>\$ 2,218,278</b>	<b>(10,353)</b>	<b>\$ 107,312,893</b>

**Note 6. Other Post-Employment Benefits**

Plan Administration: The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program, "CIP") is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. The CIP was established under the State Employees Group Insurance Act of 1971, as amended, 5 ILCS 375/6.9 (f), which became effective July 1, 1999. The purpose of the CCHISF is to receive and record all revenues from the administration of health benefit programs under Article 15 of the Illinois Pension Code. 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 with a special funding situation that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to CIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the State Universities Retirement System and the boards of trustees of the various community college districts.

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

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 6. Other Post-Employment Benefits (Continued)**

Management Services. A copy of the CCHISF's financial statements of the Department may be obtained by accessing the website [www.auditor.illinois.gov/Audit-Reports/CMS-CCHISF.asp](http://www.auditor.illinois.gov/Audit-Reports/CMS-CCHISF.asp).

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

Contributions: The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriate Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

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

Net OPEB Liability:

The net OPEB liability was measured as of June 30, 2021. At June 30, 2021, CIP reported a net OPEB liability of \$1,735,532,864.

Employer Proportionate Share of Net OPEB Liability:

The amount of the proportionate share of the net OPEB liability to be recognized for the College is \$16,305,315 or 0.9395%. This amount is recognized in the financial statement. The change in the College's proportionate net OPEB liability was a decrease of 0.0177%. The proportionate share of the State's net OPEB liability associated with the College is \$16,305,315. The total proportionate share of the net OPEB liability associated with the College is \$32,610,630. The net OPEB liability and total OPEB liability as of June 30, 2021, was determined based on the June 30, 2020, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2021.

OPEB Expense:

At June 30, 2021, CIP reported a collective net OPEB income of \$(8,291,172).

Employer Proportionate Share of OPEB Expense

The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2021. As a result, the College recognized OPEB income of \$642,117 for its proportionate share of OPEB expense for the fiscal year ended June 30, 2022. In addition, the College recognized an additional \$(3,421,906) as OPEB expense (and revenue) for its proportionate share of the State of Illinois' contribution to the plan.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 6. Other Post-Employment Benefits (Continued)**

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs:

Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods. Black Hawk College's Deferred Outflows and Deferred Inflows of Resources by Sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 103,186	\$ 1,191,726
Changes in assumption	-	3,114,831
Net difference between projected and actual earnings on OPEB plan investments	-	470
Changes in proportion and differences between employer contributions and share of contributions	6,740	1,218,976
<b>Total deferred amounts to be recognized in pension expense in future periods</b>	<b>109,926</b>	<b>5,526,003</b>
OPEB contributions made subsequent to the measurement date	89,776	-
<b>Total</b>	<b>\$ 199,702</b>	<b>\$ 5,526,003</b>

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:

<b>Year ended June 30:</b>	<b>Net Deferred Inflows of Resources</b>
2023	\$ (902,680)
2024	(902,680)
2025	(902,680)
2026	(902,680)
2027	(902,680)
2028	(902,677)
<b>Total</b>	<b>\$ (5,416,077)</b>

**Employer Deferral of Fiscal Year 2022 OPEB Expense**

The College paid \$89,776 CIP contributions for the fiscal year ended June 30, 2022. These contributions were made subsequent to the OPEB liability date of June 30, 2021, and are recognized as Deferred Outflows of Resources as of June 30, 2022.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 6. Other Post-Employment Benefits (Continued)**

**Assumptions and Other Inputs**

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation for all plan years
Healthcare cost trend rates	Actual trend used for fiscal year 2022 based on premium increases. For fiscal years on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs and gradually decreases to an ultimate trend of 4.25%.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017.

Discount Rate: Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you go basis, a discount rate consistent with fixed income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported by Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 1.92% as of June 30, 2021, and 2.45% as of June 30, 2020. The decrease in the single discount rate from 2.45% to 1.92% caused the total OPEB liability to increase by approximately \$114.7 million from 2020 to 2021.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate: The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 1.92%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (2.92%) or lower (0.92%) than the current rate:

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**Notes to Financial Statements**

**Note 6. Other Post-Employment Benefits (Continued)**

Sensitivity of Net OPEB Liability as of June 30, 2021 to the Single Discount Rate Assumption			
		Current Single Discount	
	1% Decrease	Rate Assumption	1% Increase
	(0.92%)	(1.92%)	(2.92%)
Net OPEB liability	\$ 18,576,544	\$ 16,305,315	\$ 14,343,900

**Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate:** The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

Sensitivity of Net OPEB Liability as of June 30, 2021 to the Healthcare Cost Trend Rate Assumption			
		Healthcare Cost	
	1% Decrease (a)	Trend	1% Increase (b)
		Rates Assumption	
Net OPEB liability	\$ 13,435,321	\$ 16,305,315	\$ 20,149,087

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate trend rate of 3.25% in 2038.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.

**Note 7. Defined Benefit Pension Plan**

**General Information about the Pension Plan**

**Plan Description:** The College contributes to the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's Annual Comprehensive Financial Report 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. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889

**Black Hawk College  
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**Notes to Financial Statements**

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**Note 7. Defined Benefit Pension Plan (Continued)**

revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2021 can be found in the SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.

Contributions: The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of fiscal year 2045. Employer contributions from “trust, federal, and other funds” are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2021 and 2022, respectively, was 12.70% and 12.32% of employee payroll. The normal cost is equal to the value of current year’s pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State’s General Assembly.

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

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

Net Pension Liability:

The net pension liability (NPL) was measured as of June 30, 2021. At June 30, 2021, SURS reported a NPL of \$28,528,477,079.

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’s NPL associated with the College is \$114,335,860 or 0.4008%. The College’s proportionate share changed by 0.0000% from 0.4008% since the last measurement date on June 30, 2020. This amount is not recognized in the College’s financial statements. The NPL and total pension liability as of June 30, 2021 was determined based on the June 30, 2020 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 2020.

Defined Benefit Pension Expense:

For the year ending June 30, 2021, SURS defined benefit plan reported a collective net pension expense of \$2,342,460,058.

Employer Proportionate Share of Defined Benefit Pension Expense:

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in

**Black Hawk College  
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**Notes to Financial Statements**

**Note 7. Defined Benefit Pension Plan (Continued)**

the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2020. As a result, the College recognized revenue and pension expense of \$9,388,065 from this special funding situation during the fiscal year ended June 30, 2022.

Deferred Outflows 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	\$ 113,467,689	\$ -
Changes in assumption	776,968,084	-
Net difference between projected and actual earnings on pension plan investments	-	2,283,514,660
<b>Total</b>	<b>\$ 890,435,773</b>	<b>\$ 2,283,514,660</b>

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

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ 34,095,451
2023	(197,005,703)
2024	(538,343,058)
2025	(691,825,577)
2026	-
Thereafter	-
<b>Total</b>	<b>\$ 1,393,078,887)</b>

**College Deferral of Fiscal Year 2022 Contributions:**

The College paid \$90,832 in federal, trust or grant contributions to SURS defined benefit pension plan during the year ended June 30, 2022. These contributions were made subsequent to the pension liability measurement date of June 30, 2021, and are recognized as deferred outflows of resources as of June 30, 2022.

**Assumptions and Other Inputs**

Actuarial assumptions: The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020. The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.00 to 12.75 percent, including inflation
Investment rate of return	6.50 percent beginning with the actuarial valuation as of June 30, 2021

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

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**Notes to Financial Statements**

**Note 7. Defined Benefit Pension Plan (Continued)**

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 consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2021, these best estimates are summarized in the following table:

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Traditional Growth		
Global Public Equity	41.0%	6.30%
Stabilized Growth		
Credit Fixed Income	14.0	1.82
Core Real Assets	5.0	3.92
Options Strategies	6.0	4.20
Non-Traditional Growth		
Private Equity	7.5	10.45
Non-Core Real Assets	2.5	8.83
Inflation Sensitive		
U.S TIPS	6.0	(0.22)
Principal Protection		
Core Fixed Income	8.0	(0.81)
Crisis Risk Offset		
Systematic Trend Following	3.5	3.45
Alternative Risk Premia	3.0	2.30
Long Duration	3.5	0.91
<b>Total</b>	<b>100.0%</b>	<b>4.43%</b>
<b>Inflation</b>		<b>2.25</b>
<b>Expected arithmetic return</b>		<b>6.68%</b>

Discount Rate: A single discount rate of 6.12% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 1.92% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2021). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the SURS Net Pension Liability to Changes in the Discount Rate: Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.12%, 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:

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**Notes to Financial Statements**

**Note 7. Defined Benefit Pension Plan (Continued)**

1% Decrease 5.12%	Current Single Discount Rate Assumption 6.12%	1% Increase 7.12%
\$ 35,000,704,353	\$ 28,528,477,079	\$ 23,155,085,730

Additional information regarding the SURS basic financial statements, including the plan’s net position, can be found in SURS Comprehensive Annual Financial Report by accessing the website at [www.SURS.org](http://www.SURS.org).

**Note 8. Defined Contribution Pension Plan**

Plan Description: The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation where by the State of Illinois (State) 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, 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, 2021, can be found in SURS Annual Comprehensive Financial Report- Notes to the Financial Statements.

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

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

**Pension Expense Related to Defined Contribution Pensions**

Defined Contribution Pension Expense: For the year ended June 30, 2021, the State’s contributions to the RSP on behalf of individual employers totaled \$76,280,832. Of this amount, \$70,403,460 was funded via an

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**Notes to Financial Statements**

**Note 8. Defined Contribution Pension Plan (Continued)**

appropriation from the State and \$5,877,372 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense: The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2021. The College's share of pensionable contributions was 0.4056%. As a result, the College recognized revenue and defined contribution pension expense of \$309,425 from this special funding situation during the year ended June 30, 2022, of which \$23,841 constituted forfeitures.

**Note 9. Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2022, are as follows:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year
Bonds Payable	\$ 32,500,000	\$ -	\$(5,315,000)	\$ 27,185,000	\$ 5,655,000
Unamortized premium	787,022	-	(358,815)	428,207	250,968
Accrued vacation	962,302	934,414	(962,303)	934,414	233,604
Early retirement	1,224,966	169,274	(169,274)	1,224,966	169,274
OPEB	17,448,224	109,926	(1,252,835)	16,305,315	-
<b>Total</b>	<b>\$ 52,922,514</b>	<b>\$ 1,213,614</b>	<b>\$(8,058,228)</b>	<b>\$ 46,077,902</b>	<b>\$ 6,308,846</b>

General Obligation Community College Bonds, Series 2013: On March 12, 2013, the College issued \$20,000,000 in General Obligation Bonds, Series 2013A \$10 million taxable and Series 2013B \$10 million tax exempt, to refund short-term debt certificates of that amount. The debt certificates were issued and received by the College on December 18, 2012. The purpose of issuing these debt certificates was to use the proceeds for construction of the \$15 million Health Sciences Center at the Quad Cities Campus, construct a \$3.5 million Welding and Skilled Trades Center in Kewanee, Illinois, and utilize the remaining \$2.5 million to expand and renovate facilities throughout the College. Principal and interest payments on the General Obligation Bonds are to be paid annually on December 1 with the final payment on December 1, 2032. Interest only payments are due June 1 of each year beginning June 1, 2013. Interest rates range from 3.00% to 4.75% over the life of the bonds.

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds as of June 30, 2022, are as follows:

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**Notes to Financial Statements**

**Note 9. Long-Term Liabilities (Continued)**

Year Ending June 30:	Principal	Interest	Total
2023	1,100,000	435,165	1,535,165
2024	1,150,000	390,640	1,540,640
2025	1,190,000	352,308	1,542,308
2026	1,225,000	311,688	1,536,688
2027	1,270,000	271,950	1,541,950
2028-2032	6,915,000	758,025	7,673,025
2033	1,515,000	22,725	1,537,725
<b>Total</b>	<b>\$ 14,365,000</b>	<b>\$ 2,542,501</b>	<b>\$ 16,907,501</b>

General Obligation Community College Bonds, Series 2017: On January 5, 2017, the College issued \$28,955,000 in tax exempt General Obligation Bonds, Series 2017, to refund \$31.5 million of short-term debt certificates issued and received by the College on October 20, 2016. The purpose of issuing these debt certificates was to use the proceeds for a \$6.7 million new addition for eight classrooms, \$19.8 million existing building renovation, \$2.0 million site prep and street improvements and \$3.0 million technology upgrades across the District. Principal and interest payments on the General Obligation Bonds are to be paid annually on December 1 with the final payment on December 1, 2024. Interest only payments are due June 1 of each year beginning June 1, 2018. The interest rate is 5.00% over the life of the bonds.

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds as of June 30, 2022, are as follows:

Year Ending June 30:	Principal	Interest	Total
2023	4,555,000	527,125	5,082,125
2024	4,850,000	292,000	5,142,000
2025	3,415,000	85,375	3,500,375
<b>Total</b>	<b>\$ 12,820,000</b>	<b>\$ 904,500</b>	<b>\$ 13,724,500</b>

The College is subject to a debt limitation of 2.875% of its assessed valuation of \$4,405,387,029 less outstanding debt. As of June 30, 2022, the College had \$99,041,670 remaining legal debt margin.

**Note 10. Early Retirement and Voluntary Separation Plans**

Effective May 1, 1983, the College has offered a variety of Early Retirement and Voluntary Separation plans for eligible employees. Eligibility and benefits for each plan vary by year of retirement and by the classification of employee (faculty, staff, collectively bargained).

Benefit Provisions

Benefits for each plan include Medical/Rx, and may include Dental, Vision, and Life Insurance. No valuation for life insurance is provided in this analysis. Benefits for Plan H have been cancelled.

The plans vary by the percentage of the College's monthly contribution rate retirees and spouses pay for coverage. Details are shown in the Statement of Actuarial Assumptions and Methods.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 10. Early Retirement and Voluntary Separation Plans (Continued)**

Generally, subsidized benefits continue through age 70. After age 70, retirees and spouses must pay the full monthly contribution rate for benefits. For some plans, benefits are no longer provided if the retiree or spouse is covered under another plan.

Funding Policy

Benefits are paid by a single-employer, the College, for post-retirement Medical/Rx, Dental, and Vision benefits as they occur. Contribution requirements may be amended by the Board of the College.

Statement of Actuarial Assumptions and Methods

*Plan Sponsor*

Black Hawk College

*Statement of Assumptions*

The assumptions disclosed are for the fiscal year ending June 30, 2021.

*Actuarial Cost Method*

Costs are determined using Projected Unit Credit Actuarial Cost Method

*Asset Valuation Method*

Market Value

*Discount Rate*

3.50%

*Projected Salary Increases*

Not applicable

*Mortality*

RP -2014 Mortality Table with projected mortality. The mortality was updated from the RP-2000 Mortality Table

*Turnover*

Not applicable; this analysis valued retirees only

*Retirement Rates*

Not applicable; this analysis valued retirees only

*Expense*

None

*Spousal Rate*

Where no information is provided:

75% of current male retirees are married at retirement

75% of current female retirees are married

Male spouses are assumed to be three years older than female spouses

**Black Hawk College  
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**Notes to Financial Statements**

**Note 10. Early Retirement and Voluntary Separation Plans (Continued)**

*Health Care Trend Rate*

<b>Year</b>	<b>Medical/Rx</b>	<b>Dental</b>	<b>Vision</b>
2021	6.5%	4.0%	3.0%
2022	6.0%	4.0%	3.0%
2023	5.5%	4.0%	3.0%
2024	5.0%	4.0%	3.0%
2025	4.5%	4.0%	3.0%
2026+	4.0%	4.0%	3.0%

*Medical/Rx Costs*

The following chart shows the monthly contribution rates for the 2020-2021 Plan Year

<b>Coverage</b>	<b>Retiree</b>	<b>Spouse</b>
Medical/Rx Under 65	\$ 796.65	\$ 1,049.46
Medical/Rx Over 65	\$ 355.03	\$ 489.37

The following chart shows the percentage participants and spouses pay for Medical/Rx coverage

<b>Plan</b>	<b>Retiree Contribution %</b>	<b>Spouse Contribution %</b>
A-F	0%	10%
G-H	0%	20%
I	25%	30%
J-K	0%	20%
L(a)	20%	20%
L(b)	30%	30%
M	15%	20%
N-P	25%	25%
Q	100%	100%
R (COBRA)	102%	102%

Participants age 70 and above pay 100% of the monthly contribution rates if they elect to continue participation

*Dental and Vision Costs*

The following chart shows the monthly contribution rates for the 2020-2021 Plan Year

<b>Coverage</b>	<b>Retiree</b>	<b>Spouse</b>
Dental	\$ 38.33	\$ 58.68
Vision	\$ 7.25	\$ 10.92

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 10. Early Retirement and Voluntary Separation Plans (Continued)**

The following chart shows the percentage participants and spouses pay for Dental and Vision coverage

Plan	Retiree Contribution %		Spouse Contribution %	
	Dental	Vision	Dental	Vision
A-E	Not Available	Not Available	Not Available	Not Available
F-G	0%	Not Available	50%	Not Available
H	0%	0%	50%	50%
I	25%	25%	50%	50%
J-K	0%	50%	0%	50%
L(a)	20%	20%	50%	50%
L(b)	30%	30%	50%	50%
M	15%	15%	50%	50%
N-P	25%	25%	50%	50%
Q	100%	100%	100%	100%
R (COBRA)	102%	102%	102%	102%

Participants age 70 and above pay 100% of the monthly contribution rates if they elect to continue participation.

*Life Insurance*

Not valued in this analysis

The following table shows the Early Retirement and Voluntary Separation liability of the College, separately for Medical/Rx, Dental, and Vision coverage:

	Medical/Rx	Dental	Vision	Total
Number of Retirees Covered	24	24	21	24
Number of Spouses Covered	17	16	14	17
Total Liability	\$1,125,778	\$ 87,577	\$ 11,611	\$1,224,966
Expected Payments Next Twelve Months	\$ 153,875	\$ 12,948	\$ 2,451	\$ 169,274

The recorded liability for these plans is \$1,224,966 as of June 30, 2022.

**Note 11. Risk Management and Insurance**

The College is exposed to various risks of loss related to tort, theft, damage to or the destruction of assets, errors and omissions, injuries to employees, and natural disasters. Those risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The College self-insures for employee medical, dental, and vision coverage through a Voluntary Employees' Beneficiary Association (VEBA). Self-insurance is in effect with a stop loss insurance arrangement that includes a \$145,000 maximum aggregate eligible claims expense per participant per year as well as a maximum aggregate benefit (in excess of the annual aggregate deductible per policy term) of \$1,000,000. Coverage from a reinsurer is maintained for claims in excess of the specific and aggregate stop/loss amount. All claim handling procedures are performed by an independent claims administrator.

The College establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but

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**Notes to Financial Statements**

**Note 11. Risk Management and Insurance (Continued)**

not reported. At June 30, 2022, the amount of these liabilities was \$600,000. The following represents changes in those liabilities for the College during the past three years:

	<i>Beginning of Fiscal Year Liability</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Claim Payments</i>	<i>Balance at Fiscal Year- End</i>
FY2020	\$ 780,000	\$ 5,617,224	\$ 5,947,224	\$ 450,000
FY2021	\$ 450,000	\$ 5,341,340	\$ 5,186,340	\$ 605,000
FY2022	\$ 605,000	\$ 6,949,803	\$ 6,954,803	\$ 600,000

**Note 12. Deferred Inflows of Resources**

The \$25,738 of deferred inflows of resources related to grants and restricted funds reported on the Statement of Net Position/Net Assets requires the passage of time before it can be properly recognized as revenue.

**Note 13. Commitments**

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

As of June 30, 2022, the College had 8 active construction contracts. The remaining commitment on these contracts as of June 30, 2022, was approximately \$16,120,000.

**Note 14. Tax Abatements**

Tax abatements are defined as a reduction in tax revenues that results from an agreement between one or more governments and an individual entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. All costs generated from tax abatements for the College are costs generated by the actions of other governmental bodies and/or costs created by obligations associated with tax abatement projects.

The College is indirectly entered into tax abatement agreements with developers in the form of tax incremental financing (TIF) incentive payments intended to stimulate economic development within a TIF district. The immediate impact of a TIF district on the College results in a loss of property tax revenue during the duration of a TIF agreement. Once the TIF agreement expires, the expectation is that the EAV will have increased due to the increased economic development therefore creating an opportunity for more tax revenue for the College in future years. The total tax revenue lost in the 2021 tax year due to TIF agreements in place equals \$1,583,191 as of June 30, 2022.

**Black Hawk College  
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**Notes to Financial Statements**

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**Note 15. Restatement**

As a result of the implementation of GASB Statement No. 87, *Leases*, the College made a prior period adjustment to the financial statements beginning net position.

	<b>Statement of Net Position</b>
Balance at July 1, 2021, as previously reported	\$114,829,259
GASB Statement No. 87 implementation	26,065
Balance at July 1, 2021, as restated	<u>\$114,855,324</u>

**Note 16. Component Unit Footnotes**

***Black Hawk College Foundation Notes to Financial Statements***

**Note 1 Nature of Entity and Summary of Significant Accounting Policies:**

Black Hawk College Foundation (the "Foundation") was founded under this name on November 19, 1982 as a non-profit, Illinois corporation. The Foundation has been organized to operate exclusively for educational purposes to assist in developing and augmenting the facilities and carrying out the educational functions of Black Hawk College. In order to achieve such purposes, the Foundation raises funds by campaign and/or encourages the making of loans, gifts, grants, devises or bequests of money, donation of property for research and instruction, and the establishment of endowments and scholarships for buildings, equipment and all other facilities of the College.

The Foundation has a Trustee from Black Hawk College serving as Foundation board member.

The Foundation acts in a fiduciary capacity in order to carry out the foregoing purposes by adhering to any restrictions imposed by the donor or transferor as well as managing, administering, investing and disposing of all funds received. Policies for such actions have been established by the Board and must be abided by for the direction of these actions.

**Basis of Accounting**

Black Hawk College Foundation follows the accrual basis of accounting, recognizing revenue when earned and recording expenses when the liability is incurred.

Pledges of cash which are only in the form of letters of intent are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received.

**Fund Accounting**

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, its accounts are maintained in accordance with the principles of fund accounting. Resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, cash receipts and disbursements. Receipts are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Net Assets**

Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions are net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.

Net assets with donor restrictions are net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time, long-lived assets placed in service, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

**Inclusion in College Financial Statements**

Black Hawk College has included the Foundation as a component unit in its financial statements in accordance with the provisions of the accounting standard, *Determining Whether Certain Organizations are Component Units*.

**Cash and Cash Equivalents**

For purposes of reporting the statement of cash flows, the Foundation defines cash accounts which are not subject to withdrawal restrictions or penalties with an original maturity of three months or less as cash and cash equivalents.

**Investments**

The Foundation carries investments in marketable securities with readily determined fair values and all investments in debt securities at their fair values in the statement of financial position. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities and changes in net assets.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Investments (continued)**

restriction is accomplished) in the reporting period in which the income and gains are recognized.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Pledges Receivable**

Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Promises to give whose eventual uses are restricted by the donors are recorded as increases in net assets with donor restrictions. Unrestricted promises to give to be collected in future periods are also recorded as an increase to net assets with donor restrictions and reclassified to net assets without donor restrictions when received, unless the donor's intention is to support current-period activities.

Promises to give expected to be collected in less than one year are reported at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution income over the duration of the pledge. As of June 30, 2022, there were promises to give less allowance to the Foundation in the amount of \$744,412.

**Contribution Revenue**

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net 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. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Contributed Nonfinancial Assets**

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributed services are recognized in the financial statements, if the services (a) create or enhance a non-financial asset or (b) be specialized skills, provided by entities or persons possessing those skills that would be purchased if not donated. For the year ending June 30, 2022, the Foundation received contributed nonfinancial assets of supplies and miscellaneous giveaway items valued at \$5,330 and contributed services, software, and supplies from a related party of \$142,711. These amounts are included in the financial statements as contributed nonfinancial asset revenues and expenses.

The Foundation also receives contributed services generally in the form of contributed time by volunteers. However, these contributed services are not reflected in the financial statements since they do not meet the criteria for recognition as contributed services.

**Functional Expenses Allocation Method**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Occupancy and management and general costs excluding administrative salaries are allocated to programs and fundraising based on revenues generated by those functions.

**Change in Accounting Policy**

In 2020, the FASB issued Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07). The amendments in this ASU apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. There was no change in opening balances of net assets and no prior period results were restated.

**Pending Accounting Pronouncements**

On February 25, 2016, the FASB issued ASU 2016-02: Leases. When this standard is adopted, the primary accounting change will require lessees to recognize right of use assets and lease obligations for most operating leases as well as finance leases. This standard is effective for financial statement issued for annual periods beginning after December 15, 2020. The Foundation is evaluating what impact this new standard will have on its financial statements.

**Black Hawk College  
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**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 2 Investments:**

Investments are presented in the financial statements in the aggregate at fair value. Gains and losses on the sale of or redemption at maturity of investments are shown net for each fund.

Investments are composed of the following as of June 30, 2022:

	<b>Cost</b>	<b>Fair Value</b>
Exchange-traded & closed-ended funds	\$656,197	\$624,660
Mutual funds	5,190,680	4,937,891
<b>Total investments</b>	<b>5,846,877</b>	<b>5,562,551</b>
Money market funds (cash equivalents)	56,491	56,491
<b>Total investments and money markets</b>	<b>\$5,903,368</b>	<b>\$5,619,042</b>

The following tabulation summarizes the relationship between carrying value and fair value of investment assets.

	<b>Cost</b>	<b>Fair Value</b>	<b>Excess of Fair Value Over (Under) Cost</b>
Balance at end of year	\$5,846,877	\$5,562,551	\$(284,326)
Balance at beginning of year	5,153,249	6,174,530	1,021,281
Decrease in unrealized appreciation			(1,305,607)
Realized net income (loss) for the year			390,433
<b>Total net loss for the year</b>			<b>\$(915,174)</b>

**Note 3 Fair Value Measurement:**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. 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 fair value hierarchy under FASB ASC 820 are described as follows:

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to 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; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a

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**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 3 Fair Value Measurement: (continued)**

specified (contractual) term, the level 2 input must be observable 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.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022.

Certificates of deposits, mutual funds, bonds and notes and equities: Valued at the cost-basis of shares held by the Plan at year end.

Beneficial interest in perpetual trust: Valued at the net asset value of the trust assets by the percentage of ownership in the trust assets.

Beneficial interest in charitable trust: Valued at the discounted principal and earnings of the percentage of the ownership in the trust assets.

The following table presents the Foundation's approximate fair value hierarchy for the assets measured at fair value on a recurring basis at June 30, 2022:

	<b>Fair Value</b>	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
Investments:				
Exchange-traded & closed ended	\$624,660	\$624,660	\$-	\$-
Mutual funds	4,937,891	4,937,891	-	-
Beneficial interest in:				
Perpetual trust	83,316	-	-	83,316
Charitable trust	127,662	-	-	127,662
<b>Total</b>	<b>\$5,773,529</b>	<b>\$5,562,551</b>	<b>\$-</b>	<b>\$210,978</b>

Valuation techniques used in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date.

**Black Hawk College  
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**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 3 Fair Value Measurement: (continued)**

Changes in assets measured on a recurring basis using significant unobservable inputs (Level 3 inputs) for the year ending June 30, 2022:

	<b>Beneficial Interest in Perpetual Trust</b>	<b>Beneficial Interest in Charitable Trust</b>
June 30, 2021	\$ 104,387	\$ 146,054
Change in value	(15,884)	(18,392)
Fees	(358)	-
Distributions	(4,829)	-
June 30, 2022	<u>\$ 83,316</u>	<u>\$ 127,662</u>

**Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements**

The following tables represent the Foundation's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs.

<b>As of June 30, 2022</b>				
<b>Assets</b>	<b>Fair Value</b>	<b>Valuation Technique</b>	<b>Significant Unobservable Inputs</b>	<b>Range</b>
Beneficial interest in perpetual trust	\$83,317	Market approach	Fair value of assets contributed to trust	N/A
Beneficial interest in charitable trust	\$127,662	Present value of future cash flows	Fair value of assets contributed to trust	N/A

The following table presents the Foundation's approximate fair value hierarchy for the assets measured at fair value on a nonrecurring basis at June 30, 2022:

	<b>Fair Value</b>	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
Contributed nonfinancial assets:				
Services, software, and supplies	\$142,711	\$-	\$-	\$142,711
Supplies and misc giveaway items	5,330	-	-	5,330
<b>Total</b>	<u>\$148,041</u>	<u>\$-</u>	<u>\$-</u>	<u>\$148,041</u>

Notes to Financial Statements

**Note 16. Component Unit Footnotes (continued)**

**Note 3 Fair Value Measurement: (continued)**

**Quantitative Information about Significant Unobservable Inputs Used in Level 3 Nonrecurring Fair Value Measurements**

The following tables represent the Foundation's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs.

As of June 30, 2022				
Assets	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range
Contributed services, software, and supplies	\$142,711	Market approach	Fair value of assets contributed to trust	N/A
Contributed supplies and misc giveaway items	\$5,330	Market approach	Fair value of assets contributed to trust	N/A
Total	\$148,041			

**Note 4 Endowment Funds:**

The Foundation's endowment consists of approximately 73 individual funds for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Investment income generated by the Foundation's endowment funds are used for the benefit of the Foundation.

The endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds	\$-	\$5,905,844	\$5,905,844
Board-designated endowment funds	394,014	-	394,014
Total	\$394,014	\$5,905,844	\$6,299,858

**Black Hawk College  
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**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 4 Endowment Funds: (continued)**

Changes in endowment net assets as of June 30, 2022 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Endowment net assts, beginning of year	\$453,383	\$6,919,048	\$7,372,431
Contributions	-	141,256	141,256
Special Events	-	14,099	14,099
In-kind revenues	-	5,330	5,330
Change in value of beneficial interest	-	(189,981)	(189,981)
Interest and dividend income	20,329	118,462	138,791
Other income	-	5,000	5,000
Internal Scholarship Program Admin Fee	(6,494)	(52,999)	(59,493)
Net unrealized and realized gain (loss) on investments	(73,204)	(822,436)	(895,640)
Amounts released from restriction	-	(231,935)	(231,935)
<b>Total</b>	<b>\$394,014</b>	<b>\$5,905,844</b>	<b>\$6,299,858</b>

**Note 5 Beneficial Interest in Trusts:**

The Foundation established the Black Hawk College Foundation Community Endowment Challenge Fund with The Moline Foundation in 2017 for the benefit of the Foundation. The fund agreement allows the use of the fund's principal and income in accordance with The Moline Foundation's spending policy for endowed funds for supporting of Black Hawk College Foundation. The fund is held and invested by The Moline Foundation, which were contributed by the Foundation, and is reported at fair value as beneficial interest in perpetual trust in the statement of financial position in the amount of \$ 83,316 as of June 30, 2022. Distributions and changes in fair value are recognized in the statement of activities and changes in net assets.

The Foundation is the beneficiary of a charitable remainder trust that was created independently by donors and are administered by outside agents designated by the donors. Therefore, the Foundation has neither possession nor control over the assets of the trust. At the date the Foundation received notice of a beneficial interest, a contribution with donor restrictions was recorded in the statements of activities and changes in net assets, and a beneficial interest in charitable trusts held by others was recorded in the statements of financial position at fair value using present value techniques. Thereafter, beneficial interests in the trusts are reported at fair value in the statements of financial position in the amount of \$ 127,662 as of June 30, 2022.

Changes in fair value are recognized in the statements of activities and changes in net assets. Upon receipt of trust distributions, in satisfaction of the donor-restricted purpose, net assets with donor-imposed time or purpose restrictions are released to net assets without donor restrictions.

**Black Hawk College  
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**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Note 6 Pledges Receivable:**

Unconditional promises are included in the financial statements as pledges receivable and revenue of the appropriate net asset category. An allowance has been set up in the amount of \$0 for uncollectible pledges. The breakdown of pledges receivable as of June 30, 2022 is as follows:

Due in one year or less	\$412
Due beyond one year	1,000,000
Less unamortized discount	(256,000)
Less allowance for uncollectible pledges	0
<hr/>	
Donation receivables	\$744,412
<hr/>	

**Note 7 Refundable Advance:**

During 2021, the Foundation received a \$200,000 donor restricted donation that is considered conditional. During 2022, the Foundation received an additional \$200,000 donor restricted donation that is considered conditional. The contributions relate to an educational program that Black Hawk College has not yet implemented. The Foundation will have to return the donation if the College decides not to start this new education program. Since the donation is conditioned on future uncertain events, it is not recognized as donation revenue until donor conditions are met. Cash received from the donor in advance of the conditions being met totaled \$400,000, are recorded as refundable advances in the statement of net position, and will subsequently be recognized as donation revenue when donor conditions are met.

**Note 8 Income Taxes:**

The Foundation qualifies for tax exempt status under Section 501(c)(3) of the Internal Revenue Code as a charitable group not organized for profit. Accordingly, no provision for income taxes is included in the financial statements. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation on unrelated business income.

The Foundation accounts for income taxes in accordance with Financial Accounting Standards Board Accounting for Uncertainty Income Taxes. The standard provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements and requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The Foundation recorded no liabilities for uncertain tax positions or unrecognized tax benefits.

**Note 9 Related Parties:**

The Foundation expends funds either directly to or for the indirect benefit of Black Hawk College, a related party. These expenses are for scholarships and other miscellaneous expenses. During the year, \$143,524 was expended for scholarships, \$6,020 expended for student emergency fund grants, and \$75,415 was expended for grants. As of June 30, 2022, the Foundation had payables to the College in the amount of \$60,404.

The College pays the salaries and benefits of the Foundation's employees. The Foundation has implemented "Not-for-Profit Entities: Services Received from Employees of an Affiliate" that includes

**Black Hawk College  
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**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Note 9 Related Parties: (continued)**

\$142,711 on the financial statements as contributed nonfinancial assets revenue and expense for the personnel and operating costs incurred by the College on the Foundation's behalf.

**Note 10 Ground Lease:**

The Foundation has a ground lease with The Villas at Black Hawk LLC with the initial term running through December 31, 2053, with two additional 10-year options for a cumulative possible extension of 20 years. This lease states basic rent shall be paid in the form of a housing scholarship credit, to be divided and allocated at Black Hawk College Foundation's discretion, equal to the value of the annual rental cost of two bedrooms in a four-bedroom unit. The housing scholarship credits shall be given by The Villas at Black Hawk LLC to Black Hawk College students each lease year. The outstanding balance of basic rent due in housing scholarship credits from The Villas at Black Hawk LLC equals \$12,444 on June 30, 2022. During fiscal year 2022, \$11,860 in housing scholarship credits were received by Black Hawk College students and an additional housing scholarship credit balance due from The Villas at Black Hawk LLC for the upcoming fiscal year will be in the amount of \$12,444.

The property taxes related to the property that The Villas at Black Hawk LLC occupies is due annually to Rock Island County from Black Hawk College Foundation. The ground lease with The Villas at Black Hawk LLC states that the Villas will be responsible for paying the property taxes annually.

**Note 11 Net Assets with Donor Restrictions:**

Net assets with donor restrictions are available as of June 30, 2022 for the following purposes:

Scholarship	\$ 5,566,752
Library	19,337
Grants to College	127,693
Student Emergency Fund	22,966
Specific programs	52,190
Scholarships or grants	49,321
Other	67,585
<hr/>	
Total	<u>\$5,905,844</u>

**Note 12 Net Assets Released:**

The Foundation reports gifts of cash as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Black Hawk College  
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**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Note 12 Net Assets Released: (continued)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes during the years ended June 30, 2022 as follows:

Scholarship	\$ 142,874
Student emergency grants	6,020
Grants	75,415
Miscellaneous	7,626
<hr/>	
Total	\$ 231,935
<hr/>	

**Note 13 Commitments:**

As of June 30, 2022, the Foundation has not committed to paying any scholarships awarded for Fall 2022.

**Note 14 Subsequent Events:**

The Foundation evaluated its June 30, 2022 financial statements for subsequent events through October 27, 2022, the date the financial statements were available to be issued. The Foundation is not aware of any material subsequent events which would require recognition or disclosure in the accompanying financial statements.

**Note 15 Liquidity**

The Foundation strives to maintain liquid financial assets to meet the short-term needs of the Foundation. Financial assets in excess of daily cash requirements are invested to earn more revenue. Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following as of June 30, 2022: (see next page)

**Black Hawk College  
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**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 15 Liquidity**

**Financial assets available within one year and free of donor restrictions:**

Cash and cash equivalents:	
Cash	\$ 84,570
Cash equivalents	1,901
Board-designated endowment	200,000
Board-designated earnings	194,014
Investments	157,425
	<b>637,910</b>

**Financial Assets with liquidity restrictions greater than one year:**

Beneficial interest in perpetual trust (Moline Foundation)	39,221
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**Financial assets available for expenditure, subject to restrictions:**

Cash and cash equivalents:	
Cash	296,298
Cash equivalents	4,903
Assets-in kind	50
Receivables	412
Investments	459,852
Beneficial interest in perpetual trust (Moline Foundation)	44,095
Beneficial interest in charitable trust (Saffield)	127,662
	<b>933,272</b>

**Financial assets held as board-designated term endowment  
(quasi-endowments)**

**127,423**

**Financial assets subject to donor-imposed endowment restrictions:**

Cash and cash equivalents:	
Cash	78,241
Cash equivalents	49,687
Investments	4,423,837
	<b>4,551,765</b>

**Non-cash assets:**

Land	45,000
Scholarship receivable from Villas	12,444
Endowed pledge receivable (only enforceable if funds are available when donor passes away)	744,000
	<b>801,444</b>

**Total financial assets** **\$7,091,035**

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

***Black Hawk East College Foundation Notes to Financial Statements***

**Note 1 Nature of Entity and Summary of Significant Accounting Policies:**

The Black Hawk East College Foundation (the "Foundation") was founded under this name on February 23, 1968 as a non-profit, Illinois corporation. The Foundation has been organized to operate exclusively for educational purposes to assist in developing and augmenting the facilities and carrying out the educational functions of Black Hawk East College campus located in Galva, Illinois, five miles south of Kewanee, Illinois. In order to achieve such purposes, the Foundation raises funds by campaign and/or encourages the making of loans, gifts, grants, devises or bequests of money, donation of property for research and instruction, and the establishment of endowments, scholarships, and academic chairs for buildings, equipment and all other facilities of the College.

The Foundation acts in a fiduciary capacity in order to carry out the foregoing purposes by adhering to any restrictions imposed by the donor or transferor as well as managing, administering, investing and disposing of all funds received. Policies for such actions have been established by the Board and must be abided by for the direction of these actions.

There is a separate Foundation whose purpose is to provide for the Black Hawk College Quad Cities Campus. The two Foundations do not share any Board members, but each may share members with the Board of Trustees of Black Hawk College.

In December 2011, the Foundation created the Prairie Pointe Apartments LLC. The Prairie Pointe Apartments LLC was created to finance, construct and manage a student housing facility for Black Hawk College.

**Principles of Consolidation**

The consolidated financial statements include the financial statements of the Black Hawk East College Foundation and the Prairie Pointe Apartments LLC. The Foundation is the sole member of the LLC. All significant intercompany balances and transactions have been eliminated in consolidation.

**Basis of Accounting**

The Foundation follows the accrual basis of accounting, recognizing revenue when earned and recording expenses when the liability is incurred.

Pledges of cash which are only in the form of letters of intent are recognized as revenues or gains in the period the intent was received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received.

**Fund Accounting**

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, its accounts are maintained in accordance with the principles of fund accounting. Resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, cash receipts and disbursements. Receipts are allocated to

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Fund Accounting (continued)**

and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

**Net Assets**

Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions are net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.

Net assets with donor restrictions are net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time, long-lived assets placed in service, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Inclusion in College Financial Statements**

Black Hawk College has included the Foundation as a component unit in its financial statements in accordance with the provisions of the accounting standard, *Determining Whether Certain Organizations are Component Units*.

**Cash and Cash Equivalents**

For purposes of reporting the consolidated statement of cash flows, the Foundation defines cash accounts which are not subject to withdrawal restrictions or penalties with an original maturity of three months or less as cash and cash equivalents.

**Promises To Give**

Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Promises to give whose eventual uses are restricted by the donors are recorded as increases in net assets with donor restrictions. Unrestricted promises to give to be collected in future periods are also recorded as an increase to net assets with donor restrictions and reclassified to net assets without donor restrictions when received, unless the donor's intention is to support current-period activities.

Promises to give expected to be collected in less than one year are reported at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution income over the duration of the pledge. As of June 30, 2022 there were promises to give to the Foundation of \$23,670 (see Note 5).

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Investments**

The Foundation carries investments in marketable securities with readily determined fair values in the consolidated statement of financial position. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities and changes in net assets.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

**Capital Assets**

Capital assets are acquired through purchase, donation, or bequest to the Foundation. Expenditures for the acquisition of property and equipment are recorded at cost and property which is donated is recorded at the fair value of the property. Fixed assets are capitalized when purchased or received as a donation. Depreciation is calculated using the straight-line method applied to historical cost or fair market value at date of donation, whichever is applicable.

**Contribution Revenue**

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net 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. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

**Contributed Nonfinancial Assets**

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Contributed Nonfinancial Assets (continued)**

Contributed services are recognized in the financial statements, if the services (a) create or enhance a non-financial asset or (b) be specialized skills, provided by entities or persons possessing those skills that would be purchased if not donated. For the year ending June 30, 2022 the Foundation received contributed nonfinancial assets of equipment and miscellaneous items valued at \$21,509 and contributed services from a related party of \$111,392. These amounts are included in the financial statements as contributed nonfinancial assets.

The Foundation also receives donated services generally in the form of contributed time by volunteers. However, these donated services are not reflected in the consolidated financial statements since they do not meet the criteria for recognition as contributed services.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Change in Accounting Policy**

In 2020, the FASB issued Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07). The amendments in this ASU apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. There was no change in opening balances of net assets and no prior period results were restated.

**Pending Accounting Pronouncements**

On February 25, 2016, the FASB issued ASU 2016-02: Leases. When this standard is adopted, the primary accounting change will require lessees to recognize right of use assets and lease obligations for most operating leases as well as finance leases. This standard is effective for financial statement issued for annual periods beginning after December 15, 2020. The Foundation is evaluating what impact this new standard will have on it financial statements.

**Note 2 Investments:**

Investments are presented in the consolidated financial statements in the aggregate at fair value.

Investments are composed of the following as of June 30, 2022:

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

	<b>Cost</b>	<b>Fair Value</b>
Certificates of deposit	\$318,319	\$318,319
Fixed income	10,000	10,005
Mutual funds	1,474,360	1,930,171
Stock	6,333	19,404
Annuity	213,320	213,320
	<u>\$2,022,331</u>	<u>\$2,491,218</u>

The following tabulation summarizes the relationship between carrying value and fair value of investment assets.

	<b>Cost</b>	<b>Fair Value</b>	<b>Excess of Fair Value Over (Under) Cost</b>
Balance at end of year	\$2,022,331	\$2,491,218	\$468,887
Balance at beginning of year	2,074,317	3,148,805	<u>1,074,488</u>
Decrease in unrealized appreciation			(605,601)
Realized net loss for the year			<u>(10,672)</u>
Total net loss for the year			<u><u>(\$616,273)</u></u>

**Note 3 Fair Value:**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. 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 fair value hierarchy under FASB ASC 820 are described as follows:

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to 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; or 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 substantially the full term of the asset or liability.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 3 Fair Value: (continued)**

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

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

The following table presents the Foundation's approximate fair value hierarchy for the assets measured at fair value on a recurring basis at June 30, 2022:

	<b>Fair Value</b>	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
Assets measured at fair value on a recurring basis:				
Certificates of deposit	\$318,319	\$0	\$318,319	\$0
Fixed income	10,005	0	10,005	0
Mutual funds	1,930,171	1,930,170	0	0
Stocks	19,404	19,404	0	0
Annuity	213,320	0	213,320	0
<b>Total</b>	<b>\$2,491,218</b>	<b>\$1,949,574</b>	<b>\$541,644</b>	<b>\$0</b>

Valuation techniques used in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date. There have been no changes in the methodologies used during the year ended June 30, 2022.

The following table presents the Foundation's approximate fair value hierarchy for the assets measured at fair value on a nonrecurring basis at June 30, 2022:

	<b>Fair Value</b>	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
Contributed nonfinancial assets:				
Services, software, and supplies	\$111,392	\$0	\$0	\$111,392
Supplies and misc giveaway items	21,509	0	0	21,509
<b>Total</b>	<b>\$132,901</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,901</b>

**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 3 Fair Value: (continued)**

**Quantitative Information about Significant Unobservable Inputs Used in Level 3 Nonrecurring Fair Value Measurements**

The following tables represent the Foundation's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs.

<b>As of June 30, 2022</b>				
<b>Assets</b>	<b>Fair Value</b>	<b>Valuation Technique</b>	<b>Significant Unobservable Inputs</b>	<b>Range</b>
Contributed services, software, and supplies	\$111,392	Market approach	Fair value of assets contributed to trust	N/A
Contributed supplies and misc giveaway items	\$21,509	Market approach	Fair value of assets contributed to trust	N/A
Total	\$132,901			

**Note 4 Endowment Funds:**

The Foundation's endowment consists of approximately 64 individual funds for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

*Investment Return Objectives, Risk Parameters and Strategies.* The Foundation's funds are invested in a long-term asset allocation arrangement depending on the fund, with 45 - 60% in equities, 10% in liquid assets, 0 - 20% in real estate, and 10 - 45% in fixed income. This allocation provides for long-term total return more than the fund's spending rate. Since the 4% of market value amount is based on the market value over the prior five years, the calculation helps to iron out fluctuations in the market and insure that a fair and reasonable distribution takes place based on a broadened time horizon while insuring the longevity of the fund through long-term market growth.

*Spending Policy.* Under the investment policy agreement, 4% of market value of the scholarship funds of 5 year rolling average adjusted for consumer price index will be used for scholarship awards. This percentage can be adjusted by majority vote of the Board from time-to-time.

Investment income generated by the Foundation's endowment funds are used for the benefit of the Foundation.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 4 Endowment Funds: (continued)**

The endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	<b>Net Assets With Restrictions</b>
Donor-restricted endowment funds	\$ 3,132,953

Changes in endowment net assets as of June 30, 2022 are as follows:

	<b>Net Assets With Restrictions</b>
Endowment net assets, beginning of year	\$3,445,866
Contributions and fundraising income	190,366
Interest and dividend income	229,780
Net unrealized gain(loss) on investments	(573,054)
Transfer out	(9,289)
Amounts released from restriction	(150,716)
	\$3,132,953

**Note 5 Pledge Receivables:**

Unconditional promises are included in the consolidated financial statements as pledge receivables and revenue of the appropriate net asset category. The Foundation evaluates receivable balances and establishes an allowance for doubtful accounts, based on age of the receivables, collections and current economic considerations. Accounts receivable are written off against the allowance for uncollectible pledges when all reasonable collection efforts have been exhausted. The breakdown of pledge receivables as of June 30, 2022 is as follows:

Due in one year or less	\$40,170
Due in one to five years	1,500
	41,670
Less allowance for uncollectible pledges	(18,000)
Pledge receivables	\$23,670

**Note 6 Other Receivables:**

Rent receivables for student housing and interest receivable are included in the consolidated financial statements as other receivables. Rent receivables are evaluated annually for collectability by management and an allowance for doubtful accounts is recorded as needed based on student attributes. The other receivables as of June 30, 2022 are \$55,757 and an allowance has been set up in the amount of \$30,000 for estimated uncollectible receivables.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

**Note 16. Component Unit Footnotes (continued)**

**Note 7 Income Taxes:**

The Foundation qualifies for tax exempt status under Section 501(c)(3) of the Internal Revenue Code as a charitable group not organized for profit. Accordingly, no provision for income taxes is included in the consolidated financial statements. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation on unrelated business income.

The Foundation accounts for income taxes in accordance with Financial Accounting Standards Board *Accounting for Uncertainty Income Taxes*. The standard provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements and requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The Foundation recorded no liabilities for uncertain tax positions or unrecognized tax benefits.

**Note 8 Related Parties:**

The Foundation expends funds either directly to or for the indirect benefit of Black Hawk East College, a related party. These expenses are for scholarships and other miscellaneous expenses. During the year, \$105,669 was expended for scholarships and \$9,476 was expended for grants. As of June 30, 2022, the Foundation had payables to the College in the amount of \$5,512.

The College pays the salaries and benefits of the Foundation's employees. The Foundation has implemented "Not-for-Profit Entities: Services Received from Employees of an Affiliate" that includes \$111,392 on the consolidated financial statements as in-kind income and the related in-kind expenses for the personnel costs incurred by the College on the Foundation's behalf.

**Note 9 Capital Assets:**

A summary of capital assets that relate to rental property is as follows:

	<b>Cost 6/30/2021</b>	<b>Additions</b>	<b>Retirements</b>	<b>Cost 6/30/2022</b>
Land	\$363,232	\$0	\$0	\$363,232
Building and improvements	1,933,391	57,284	0	1,990,675
Equipment, furniture and appliances	281,197	1,232	0	282,429
	2,577,820	58,516	0	2,636,336
Less accumulated depreciation	(1,319,892)	(76,445)	0	(1,396,337)
<b>Total, net of accumulated depreciation</b>	<b>\$1,257,928</b>	<b>\$ (17,929)</b>	<b>\$0</b>	<b>\$1,239,999</b>

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets which range from 5 to 40 years.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Note 10 Concentrations of Risk:**

At year end, the carrying amount of the Foundation's deposits in checking, money market, and savings was \$898,254 and the bank balance was \$910,649. Of the bank balance, \$313,722 was covered by federal depository insurance and \$596,927 was uninsured.

The Foundation's investment policy relative to insured deposits, states: "this requirement is waived for any financial institution for which the capital to assets ratio (according to quarterly Call Reports) is 10% or more. In that case, the maximum combined deposits of the Foundation in that financial institution may total up to \$300,000. This Finance Committee will monitor this ratio quarterly and report the status of financial institutions in its quarterly company report."

For financial statement purposes, the Foundation combines cash with savings accounts and money market accounts. Certificates of deposits are shown as investments. The total carrying amount above does not include petty cash.

**Note 11 Net Assets Released:**

The Foundation reports gifts of cash as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes during the year ended June 30, 2022 as follows:

Scholarship	\$105,669
Grants	7,524
Fundraising	14,812
Administrative	22,711
<hr/>	
Total	\$150,716

**Note 12 Net Assets with Restrictions:**

Net assets with restrictions are available as of June 30, 2022 for the following purposes:

Scholarship, special projects and grants	\$3,084,800
Capital campaign	48,153
<hr/>	
Total	\$3,132,953

**Note 13 Agri-Business Club Alumni Agreement:**

The Foundation entered into an agreement on April 26, 2011 with Black Hawk East Agri-Business Club Alumni (ABCA) to further both of the parties' missions for the education programs at Black Hawk College's East Campus. ABCA funds with the Foundation as of June 30, 2022 are \$193,980.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 16. Component Unit Footnotes (continued)**

**Note 14 Subsequent Events:**

The Foundation has evaluated subsequent events through December 15, 2022, which is the date these consolidated financial statements were issued. All subsequent events requiring recognition as of June 30, 2022 have been incorporated herein.

**Note 15 Liquidity:**

At this time, the Foundation does not have a liquidity management plan. The Foundation reviews cash balances at their Finance Committee meetings, at least once per year, but usually more often. As of June 30, 2021, the Foundation had enough cash to cover expenses for approximately 7.5 months. The Finance Committee's goal is to never have cash balances fall below the amount needed to finance expenses for 90 days. Financial assets in excess of daily cash requirements are invested to earn more revenue. Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the consolidated statement of financial position date, comprise the following as of June 30, 2021:

Financial assets available to meet cash needs for general expenditures within one year:	
Cash and cash equivalents	\$898,254
Investments	2,491,218
Receivables	25,757
Other assets	23,670
Less restricted	(1,366,559)
<b>Total</b>	<b>\$2,072,340</b>

**Note 16 Contributed Nonfinancial Assets:**

Contributed nonfinancial assets consist of the following:

Contributed services, software, and supplies	\$111,392
Supplies and misc giveaway items	21,509
<b>Total contributed nonfinancial assets</b>	<b>\$132,901</b>

The Foundation recognizes contributed nonfinancial assets within revenues, including contributed advertising and services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. Contributed fundraising giveaways were used to raise funds during events as raffle or other giveaway items. Contributed fundraising giveaways is valued and reported at the estimated fair value in the financial statements based on current rates for similar items. Contributed services recognized comprise of salaries and benefits for administrative personnel handling the operations of the Foundation, professional accounting services performed by the College employees, software, and supplies.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 17. Leases**

Lease-related amounts are recognized at the inception of the lease in which the College is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

In March 2014, the College, as a lessor, entered into a lease agreement involving tower space. The tower space is leased by a cellular phone company. As of June 30, 2022, the lease receivable was \$145,035 and the deferred inflows of resources related to lessor agreements was \$121,138. The total amount of inflows of resources, including lease revenue and interest income, recognized during the fiscal year was \$30,285.

<b>Year Ending June 30:</b>	<b>Lease Receivable</b>	<b>Net Deferred Inflows of Resources</b>
2023	\$29,660	\$26,430
2024	30,753	26,430
2025	31,877	26,430
2026	33,033	26,430
2027	19,712	15,418
<b>Total</b>	<b>\$145,035</b>	<b>\$121,138</b>

**Note 18. Pending Accounting Pronouncements**

GASB Statement No. 91, Conduit Debt Obligations provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The College has not determined the effect of this Statement.

GASB Statement No. 92, Omnibus 2021, improves the consistency of several practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 93, Replacement of Interbank Offered Rates, amends certain hedge accounting from GASB Statement No. 53 and variable lease payments in accordance with GASB Statement No. 87. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, provides more guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Financial Statements**

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**Note 18. Pending Accounting Pronouncements (continued)**

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), defines a SBITA, establishes a right-to-use subscription asset and liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The College has not determined the effect of this Statement.

GASB Statement No. 99, Omnibus 2022, improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 and 2023. The College has not determined the effect of this Statement.

GASB Statement No. 100, Accounting Changes and Error Corrections, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The College has not determined the effect of this Statement.

GASB Statement No. 101, Compensated Absences, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The College has not determined the effect of this Statement.

**Note 19. Subsequent Events**

The College has evaluated subsequent events through December 16, 2022 which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2022 have been incorporated herein with the exception of the following:

- a. In July 2022, the College approved multiple vendor contracts for the construction of the baseball and softball fields in the amount of \$12,100,000 for various categories of work including general trades, concrete, electrical, artificial grass, chain link fencing, sitework and site utilities, landscaping, lighting and field equipment.
- b. In October 2022, the College issued \$75,000,000 in debt certificates with an interest rate of ranging from 3.50% to 4.24% for the purpose of implementing the 2021 Facility Master Plan including the renovation of QC Building 2 & 3, QC Facilities Storage Building, EC Classroom and Computer Lab renovation, Technology Refresh. The debt certificates have a final maturity of December 1, 2041.
- c. In November 2022, the College approved multiple vendor contracts related to the QC Building 3 waterproofing and sitework project in the amount of \$1,227,608.

## **Required Supplementary Information (RSI)**

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**Black Hawk College  
Illinois Community College District #503  
Required Supplementary Information (RSI)**

**SURS Pension Information for the Year Ended June 30, 2022**

SCHEDULE OF BLACK HAWK COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY								
BLACK HAWK COLLEGE	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
(a) Proportionate Percentage of the Collective Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(b) Proportionate Amount of the Collective Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability associated with the College	\$117,152,029	\$118,843,678	\$126,703,122	\$115,964,513	\$119,573,827	\$120,049,898	\$123,023,928	\$114,335,860
Total (b) + (c)	\$117,152,029	\$118,843,678	\$126,703,122	\$115,964,513	\$119,573,827	\$120,049,898	\$123,023,928	\$114,335,860
Employer Defined Benefit Covered Payroll	\$ 19,512,271	\$ 18,035,229	\$ 17,584,276	\$ 16,035,416	\$ 15,496,618	\$ 15,061,369	\$ 14,832,131	\$ 14,206,662
Proportion of Collective Net Pension Liability associated with the College as a percentage of Defined Benefit Covered Payroll	600.40%	658.95%	720.55%	723.18%	771.61%	797.07%	829.44%	804.80%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%

Fiscal Year 2022 Total DB Covered Payroll: \$14,651,823

SCHEDULE OF CONTRIBUTIONS FOR PENSIONS									
BLACK HAWK COLLEGE	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Federal, Trust, Grant and Other contribution	\$ 100,055	\$ 90,997	\$ 90,687	\$ 71,829	\$ 80,987	\$ 82,690	\$ 87,847	\$ 84,974	\$ 90,832
Contribution in relation to required contribution	\$ 100,055	\$ 90,997	\$ 90,687	\$ 71,829	\$ 80,987	\$ 82,690	\$ 87,847	\$ 84,974	\$ 90,832
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer Covered payroll	\$ 17,235,771	\$ 22,184,485	\$ 21,640,911	\$ 20,088,183	\$ 19,379,989	\$ 19,499,632	\$ 19,385,236	\$ 18,923,684	\$ 19,366,184
Contributions as a percentage of covered payroll	0.58%	0.41%	0.42%	0.36%	0.42%	0.42%	0.45%	0.45%	0.47%

Note: The System implemented GASB No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.

Fiscal Year 2022 Total DB Contributions: \$1,181,089  
Fiscal Year 2022 Total RSP Contributions: \$377,148

See Accompanying Notes to Required Supplementary Information

**Black Hawk College  
Illinois Community College District #503**

**Required Supplementary Information (RSI)**

**OPEB Information for the Year Ended June 30, 2022**

SCHEDULE OF SHARE OF NET OPEB LIABILITY						
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
BLACK HAWK COLLEGE						
Proportion Percentage of the Collective Net OPEB Liability	1.08%	1.04%	0.99%	0.98%	0.96%	0.94%
Proportion Amount of the Collective Net OPEB Liability	\$ 19,635,594	\$ 18,932,513	\$ 18,616,921	\$ 18,578,409	\$ 17,448,224	\$ 16,305,315
Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability associated with Employer	\$ 20,458,618	\$ 18,683,160	\$ 18,616,921	\$ 18,578,409	\$ 17,448,189	\$ 16,305,315
Total collective net OPEB liability associated with the College	\$ 40,094,212	\$ 37,615,673	\$ 37,233,842	\$ 37,156,818	\$ 34,896,413	\$ 32,610,630
Employer Covered Payroll	\$ 21,640,911	\$ 20,088,183	\$ 19,379,989	\$ 19,499,632	\$ 19,385,236	\$ 18,923,684
Proportion of Collective Net OPEB Liability associated with the Employer as a percentage of Covered Payroll	185.27%	187.25%	192.13%	190.55%	180.02%	172.33%
College Insurance Plan (CIP) Net Position as a Percentage of Total OPEB Liability	-2.15%	-2.87%	-2.15%	-4.13%	-5.07%	-6.38%

SCHEDULE OF CONTRIBUTIONS						
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
BLACK HAWK COLLEGE						
Statutorily required contribution	\$ 97,783	\$ 90,069	\$ 86,236	\$ 88,306	\$ 88,035	\$ 87,354
Contribution in relation to the required statutorily	\$ 97,783	\$ 90,069	\$ 86,236	\$ 88,306	\$ 88,035	\$ 87,354
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College covered payroll	\$ 21,640,911	\$ 20,088,183	\$ 19,379,989	\$ 19,499,632	\$ 19,385,236	\$ 18,923,684
Contribution as a percentage of covered payroll	0.45%	0.45%	0.44%	0.45%	0.45%	0.46%

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

See Accompanying Notes to Required Supplementary Information

**Black Hawk College  
Illinois Community College District #503**

**Notes to Required Supplementary Information (RSI)**

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**Note 1. Changes of Pension benefit terms:**

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2021.

**Note 2. Changes of Pension 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, 2017 to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021.

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

**Note 3 Changes of OPEB Benefit Terms:**

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2021.

**Note 4. Changes of OPEB Assumptions:**

In accordance with *Illinois Compiled Statutes*, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of CIP. An experience review for the years June 30, 2014 to June 30, 2017, resulting in the adoption of new assumptions as of June 30, 2020. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2019:

- The discount rate was changed from 2.45 percent at June 30, 2020, to 1.92 percent at June 30, 2021.
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2020, projected plan cost for plan year end June 30, 2021, premium changes through plan year end 2021, and expectation of future trend increases after June 30, 2021;
- Per capita claim costs for plan year end June 30, 2021, were updated based on projected claims and enrollment experience through June 30, 2021, and updated premium rates through plan year end 2022; and
- Healthcare plan participation rates by plan were updated based on observed experience.

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## **Statistical Section (Unaudited)**

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**Statistical Narrative**

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This section of the College's annual comprehensive financial report presents detailed statistical information as a context for understanding information in the financial statements, note disclosures, and required supplementary information in relation to the overall financial health of the institution.

**Contents**

**Financial Trends**

These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

**Revenue Capacity**

These schedules contain information to help the reader assess the College's most significant local revenue sources, tuition and fees, state funding, and property taxes.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.

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

**Black Hawk College  
Illinois Community College District No. 503**

**Schedule of Net Position by Component  
FY2013 through FY2022**

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Net investment in capital	\$ 36,808,792	\$ 39,682,320	\$ 46,629,046	\$ 52,790,893	\$ 56,423,039	\$ 60,892,637	\$ 65,410,549	\$ 69,088,597	\$ 72,599,855	\$ 79,874,008
Restricted	38,975,554	39,325,155	32,748,174	21,743,611	20,665,256	21,223,578	21,178,705	22,353,543	24,108,398	26,011,156
Unrestricted	(3,108,137)	(463,684)	6,860,226	12,612,715	(275,854)	3,905,446	7,835,509	10,045,850	18,147,071	23,884,013
<b>Total net position</b>	<b>\$ 72,676,209</b>	<b>\$ 78,543,791</b>	<b>\$ 86,237,446</b>	<b>\$ 87,147,219</b>	<b>\$ 76,812,441</b>	<b>\$ 86,021,661</b>	<b>\$ 94,424,763</b>	<b>\$ 101,487,990</b>	<b>\$ 114,855,324</b>	<b>\$ 129,769,177</b>



Source: College audited financial statements.  
 Note: 1. In fiscal year 2018, GASB 75 was implemented retroactively to fiscal year 2017 which included a \$19,635,594 OPEB liability impact.  
 2. In fiscal year 2021, GASB 84 was implemented retroactively to fiscal year 2020 which included a \$387,196 impact from beginning custodial fund balances.  
 3. In fiscal year 2022, GASB 87 was implemented retroactively to fiscal year 2021 which included a \$26,065 impact from leases.

**Black Hawk College  
Illinois Community College District No. 503**

**Schedule of Changes in Net Position  
FY2013 through FY2022**

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Operating Revenues:</b>										
Student tuition and fees, net of allowance	\$ 7,613,048	\$ 7,624,251	\$ 7,900,764	\$ 8,229,163	\$ 7,892,417	\$ 9,662,882	\$ 8,601,924	\$ 7,299,079	\$ 6,412,494	\$ 6,351,437
Sales, service, and rental of facilities	2,236,204	2,233,506	2,430,045	3,105,311	3,057,200	1,650,722	1,655,925	1,511,592	1,090,044	1,291,467
Tuition chargeback	-	-	-	-	3,291	-	-	-	-	-
SURS contribution provided by state	7,535,508	8,068,818	-	-	-	-	-	-	-	-
Other operating revenue	-	-	-	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>17,384,760</b>	<b>17,926,575</b>	<b>10,330,809</b>	<b>11,334,474</b>	<b>10,952,908</b>	<b>11,313,604</b>	<b>10,257,849</b>	<b>8,810,671</b>	<b>7,502,538</b>	<b>7,642,904</b>
<b>Operating expenses:</b>										
Instruction	19,814,071	18,609,563	15,128,229	17,724,388	26,967,368	17,334,662	16,774,426	16,604,364	16,367,722	12,832,512
Academic support	6,244,734	6,272,580	5,874,310	5,983,041	8,645,553	6,125,203	6,049,316	6,434,686	6,294,005	5,529,340
Student services	4,265,652	4,300,131	4,210,904	4,549,668	7,062,263	4,578,630	4,657,028	4,592,178	4,453,541	3,846,266
Public service	1,879,087	2,122,000	2,477,612	2,086,257	2,443,828	1,964,151	1,922,837	1,805,061	1,326,057	1,142,278
Auxiliary services	3,823,167	3,765,785	3,617,263	3,002,230	3,175,143	2,517,809	2,281,350	2,132,268	2,035,307	1,991,567
Institutional support	10,346,257	9,025,272	7,732,965	8,651,774	11,570,659	9,645,521	10,501,177	12,097,709	10,309,024	11,396,199
Scholarships, student grants and waivers	2,401,499	2,615,325	2,665,004	2,925,053	2,760,799	2,861,182	2,387,028	2,799,051	4,719,833	6,834,470
SURS contribution provided by state	4,232,592	5,346,628	8,948,305	6,308,416	9,238,103	6,010,698	6,276,854	6,822,414	6,240,719	5,591,955
Operation of physical facilities	16,664	762,732	-	2,869	138,692	58,088	164,089	10,108	17,703	10,353
Loss on disposal of equipment	1,601,385	1,740,162	1,830,003	2,065,643	2,372,917	2,584,543	2,744,079	2,747,583	2,948,259	3,184,520
Depreciation	54,625,108	54,560,178	52,484,595	53,299,339	74,375,325	53,680,487	53,758,184	56,045,422	54,712,170	52,359,460
<b>Total operating expenses</b>	<b>(37,240,348)</b>	<b>(36,633,603)</b>	<b>(42,153,786)</b>	<b>(41,964,865)</b>	<b>(63,422,417)</b>	<b>(42,366,883)</b>	<b>(43,500,335)</b>	<b>(47,234,751)</b>	<b>(47,209,632)</b>	<b>(44,716,556)</b>
<b>Operating (loss)</b>										
Non-operating revenues (expenses)	19,119,399	19,462,491	19,623,307	20,316,292	21,077,895	22,304,048	23,116,343	23,354,222	24,145,463	24,474,478
Property taxes	1,346,184	1,361,828	1,464,594	1,340,818	1,480,910	1,219,068	1,356,578	1,466,854	2,043,762	4,418,980
Personal property taxes	9,562,931	10,192,344	19,205,104	13,134,693	23,427,506	20,838,529	20,344,690	21,167,329	21,049,016	15,265,077
State government sources	10,099,071	9,995,924	9,290,411	7,733,197	7,431,615	7,234,806	6,501,114	7,911,547	12,252,303	14,401,804
Federal government sources	848,082	286,520	259,842	232,346	394,887	908,951	1,372,995	807,639	371,200	401,024
Investment earnings	1,281,102	2,025,129	832,131	838,648	823,466	447,739	495,300	744,863	1,723,627	1,522,157
Other sources	(778,726)	(923,106)	(827,948)	(721,356)	(1,548,640)	(1,377,038)	(1,283,583)	(1,154,476)	(1,008,405)	(853,111)
Interest expense	41,478,043	42,401,130	49,847,441	42,874,638	53,087,639	51,576,103	51,903,437	54,297,978	60,576,966	59,630,409
<b>Total non-operating revenues (expenses)</b>	<b>\$ 4,237,695</b>	<b>\$ 5,767,527</b>	<b>\$ 7,693,655</b>	<b>\$ 909,773</b>	<b>\$ (10,334,778)</b>	<b>\$ 9,209,220</b>	<b>\$ 8,403,102</b>	<b>\$ 7,063,227</b>	<b>\$ 13,367,334</b>	<b>\$ 14,913,853</b>
<b>Change in net position</b>										

**Note:**

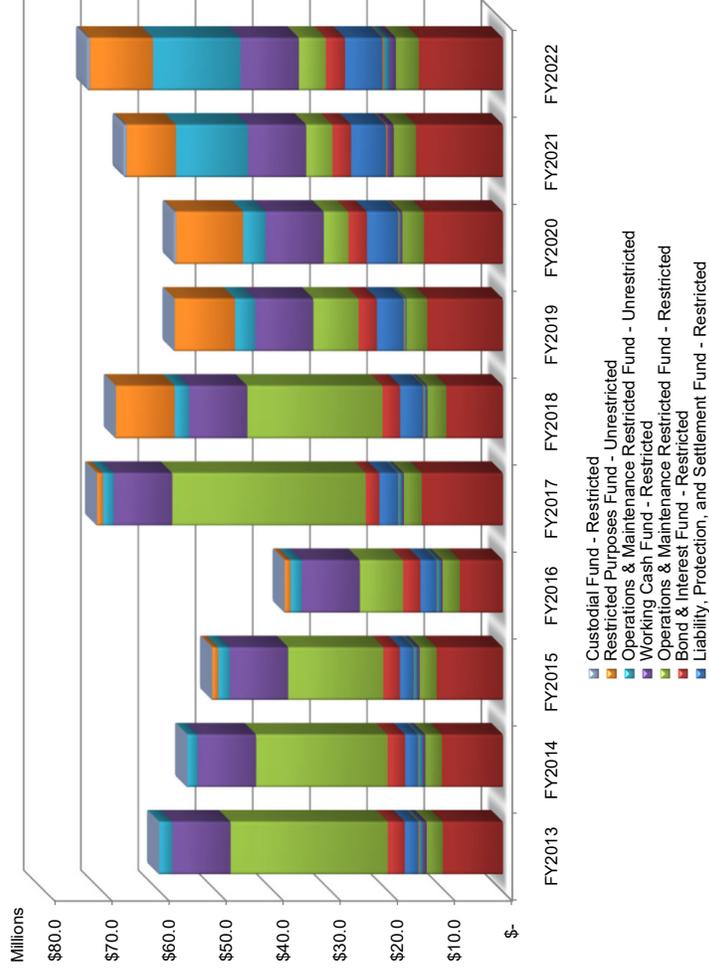
1. Beginning FY2013 SURS contribution provided by state allocated among existing operating exp
2. Beginning FY2015, SURS contribution provided by state included as a non-operating revenue under State government sources
3. In fiscal year 2018, GASB 75 was implemented retroactively to fiscal year 2017 which included a \$19,635,594 OPEB liability impac
4. In fiscal year 2021, GASB 84 was implemented retroactively to fiscal year 2020 which included a \$387,196 impact from beginning custodial fund balance;
5. In fiscal year 2022, GASB 87 was implemented retroactively to fiscal year 2021 which included a \$26,065 impact from leases.

Source: Black Hawk College Audited Financial Statements

**Black Hawk College  
Illinois Community College District No. 503**

**Schedule of Fund Balance by Fund  
FY2013 through FY2022**

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Education Fund and Operations & Maintenance Fund - Unrestricted	\$ 10,512,321	\$ 10,682,400	\$ 11,591,965	\$ 7,534,940	\$ 14,204,789	\$ 9,898,492	\$ 13,235,799	\$ 13,787,583	\$ 15,211,963	\$ 14,722,439
Working Cash Fund - Unrestricted	2,848,633	2,912,562	2,978,247	3,044,065	3,137,116	3,317,332	3,624,068	3,830,983	3,925,260	4,011,860
Auxiliary Fund - Unrestricted	711,344	477,896	458,386	377,799	369,513	279,543	40,420	379,093	1,068,531	1,182,717
Restricted Purposes Fund - Restricted	495,369	632,447	487,716	556,420	523,904	280,533	262,322	171,637	-	879,333
Restricted Purposes Fund - Unrestricted	-	-	1,000,000	1,000,000	1,000,000	10,240,000	10,530,635	11,674,278	8,644,844	11,009,068
Custodial Fund - Restricted	-	-	-	-	-	-	-	387,196	476,585	463,924
Audit Fund - Restricted	200,222	135,278	113,676	104,536	106,656	157,198	203,058	179,564	244,397	278,440
Liability, Protection, and Settlement Fund - Restricted	2,402,140	2,265,040	2,386,897	2,798,225	3,274,964	4,070,362	4,701,821	5,454,491	6,112,947	6,579,640
Bond & Interest Fund - Restricted	2,973,723	3,079,546	2,909,841	3,048,701	2,389,192	3,071,627	3,196,333	3,208,268	3,267,826	3,338,192
Operations & Maintenance Restricted Fund - Restricted	27,508,249	23,018,654	16,655,854	7,581,975	33,826,596	23,636,027	7,915,013	4,344,856	4,594,362	4,724,378
Operations & Maintenance Restricted Fund - Unrestricted	2,254,612	1,808,396	2,065,594	1,933,844	1,912,616	2,520,099	3,502,622	3,908,770	12,540,984	15,281,786
Working Cash Fund - Restricted	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190
<b>Total Fund Balance</b>	<b>\$ 60,100,803</b>	<b>\$ 55,206,409</b>	<b>\$ 50,842,366</b>	<b>\$ 38,174,695</b>	<b>\$ 70,939,536</b>	<b>\$ 67,665,403</b>	<b>\$ 57,406,281</b>	<b>\$ 57,520,909</b>	<b>\$ 66,281,889</b>	<b>\$ 72,665,967</b>



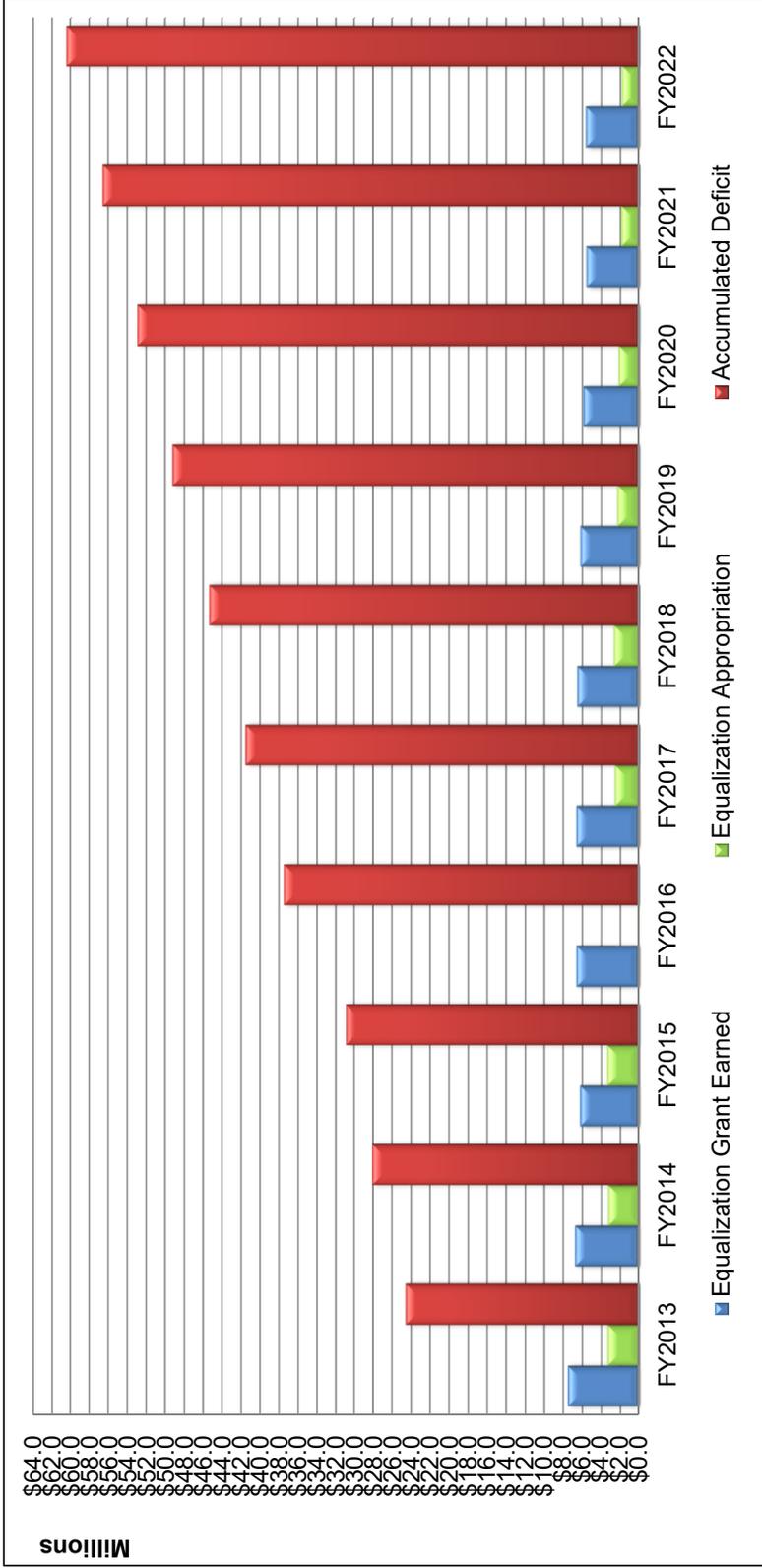
Source: College audited financial statements.

Note:

1. Excludes Investment in Plant and General Long Term Debt funds.
2. In fiscal year 2021, GASB 84 was implemented retroactively to fiscal year 2020 which included a \$387,196 impact from beginning custodial fund balances.
3. In fiscal year 2022, GASB 87 was implemented retroactively to fiscal year 2021 which included a \$26,065 impact from leases.

**Black Hawk College  
Illinois Community College District No. 503**

**State Equalization Grant Funding History & Accumulated Deficit  
FY2013 through FY2022**

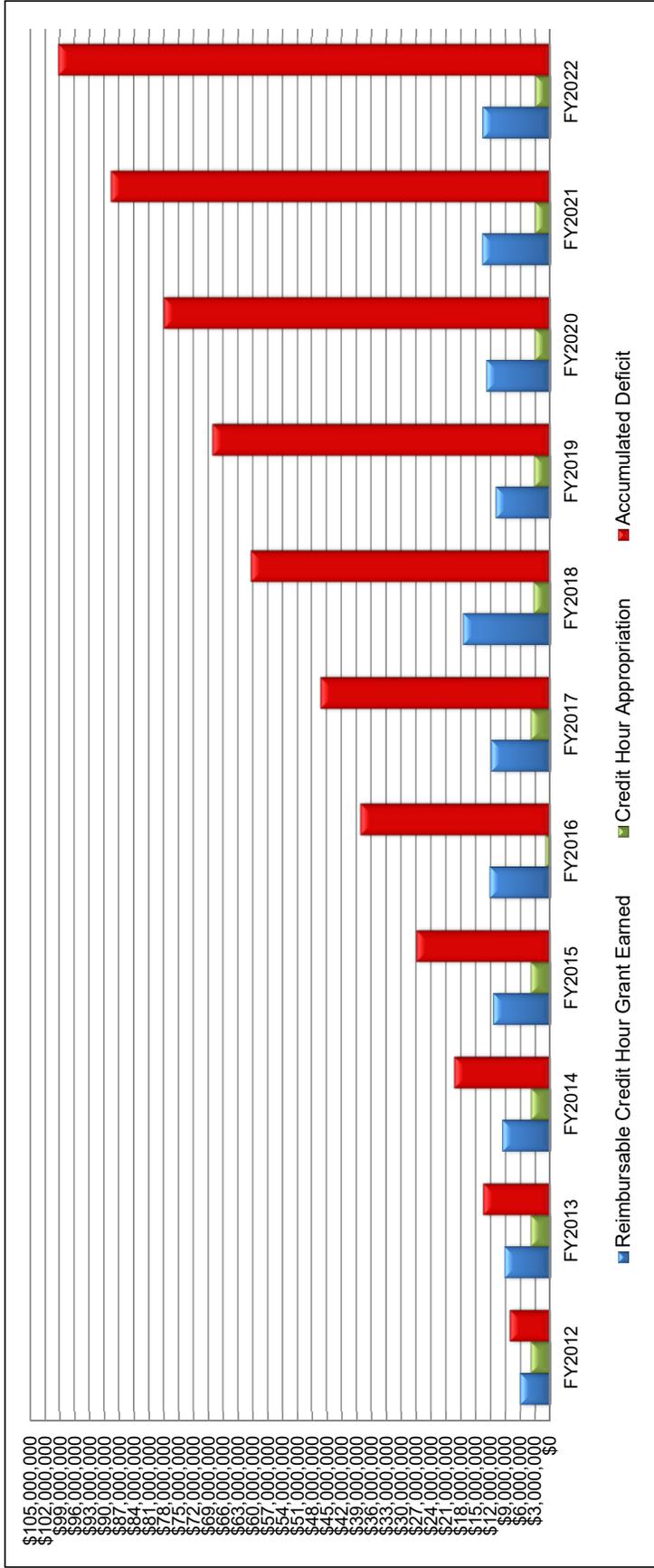


	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Equalization Grant Earned	\$ 7,500,478	\$ 6,768,524	\$ 6,238,384	\$ 6,614,329	\$ 6,614,579	\$ 6,509,795	\$ 6,183,772	\$ 5,901,276	\$ 5,567,779	\$ 5,630,996
Equalization Appropriation	3,348,294	3,264,676	3,387,065	50,000	2,566,390	2,684,210	2,304,020	2,194,790	1,920,695	1,831,720
Annual Deficit	(4,152,184)	(3,503,848)	(2,851,319)	(6,564,329)	(4,048,189)	(3,825,565)	(3,879,752)	(3,706,486)	(3,647,084)	(3,799,276)
Accumulated Deficit	\$ 24,578,915	\$ 28,082,763	\$ 30,934,082	\$ 37,498,411	\$ 41,546,600	\$ 45,372,185	\$ 49,251,937	\$ 52,958,423	\$ 56,605,507	\$ 60,404,783
Percentage Received	44.64%	48.23%	54.29%	0.76%	38.80%	41.23%	37.26%	37.19%	34.50%	32.53%

Source: ICCB System's Operating Budgets

**Black Hawk College  
Illinois Community College District No. 503**

**State Credit Hour Grant Funding History & Accumulated Deficit  
FY2013 through FY2022**



	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Reimbursable Credit Hour Grant Earned	\$ 6,125,709	\$ 9,276,633	\$ 9,701,085	\$ 11,564,377	\$ 12,262,006	\$ 11,950,503	\$ 17,568,916	\$ 11,001,848	\$ 12,931,395	\$ 13,723,440	\$ 13,625,027
Credit Hour Appropriation	3,923,273	3,917,264	3,897,853	3,919,294	1,051,489	3,919,661	3,365,310	3,249,820	3,150,010	3,069,520	3,034,115
Annual Deficit	<b>(2,202,436)</b>	<b>(5,359,369)</b>	<b>(5,803,232)</b>	<b>(7,645,083)</b>	<b>(11,210,537)</b>	<b>(8,030,842)</b>	<b>(14,203,606)</b>	<b>(7,752,028)</b>	<b>(9,781,385)</b>	<b>(10,653,920)</b>	<b>(10,590,912)</b>
Accumulated Deficit	\$ 8,139,006	\$ 13,498,375	\$ 19,301,607	\$ 26,946,690	\$ 38,157,227	\$ 46,188,069	\$ 60,391,675	\$ 68,143,703	\$ 77,925,088	\$ 88,579,008	\$ 99,169,920
Percentage Received	64.05%	42.23%	40.18%	33.89%	8.58%	32.80%	19.15%	29.54%	24.36%	22.37%	22.27%

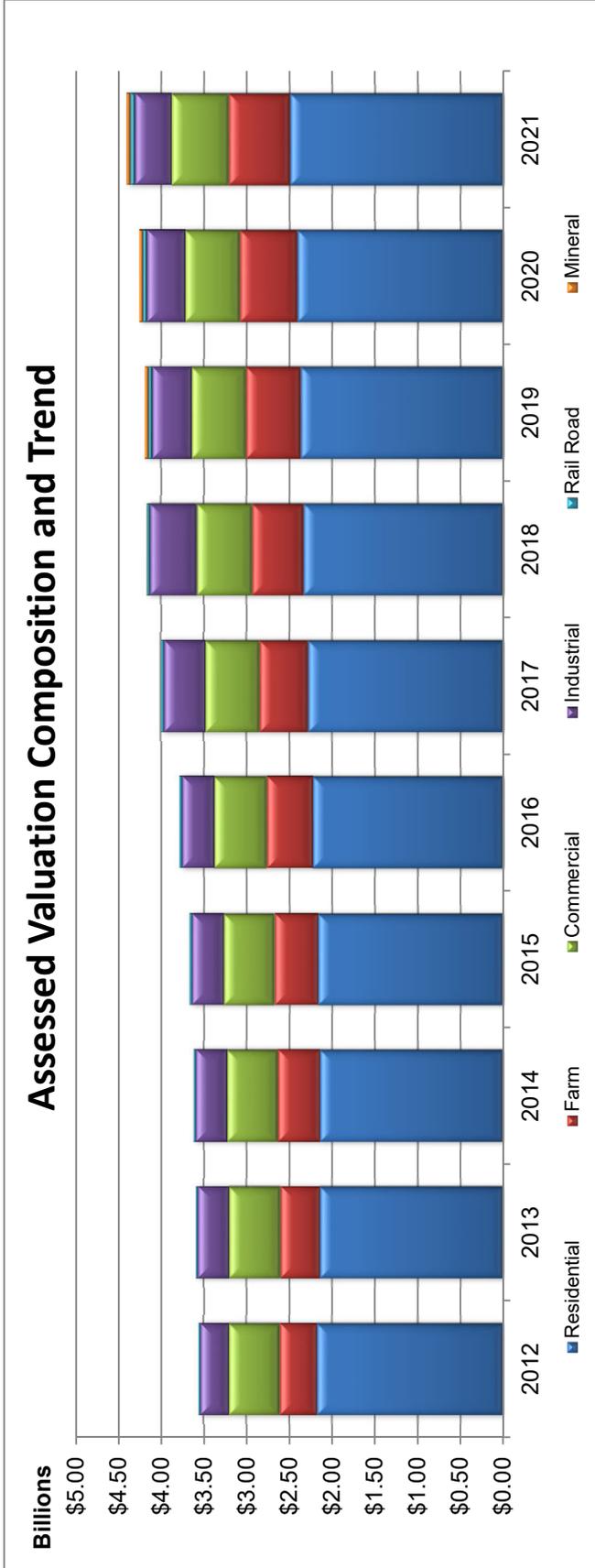
Source: ICCB System's Operating Budgets

**Black Hawk College  
Illinois Community College District No. 503**

Assessed and Estimated Actual Value of Taxable Property  
Tax Levy Years 2012 through 2021

**Assessed Valuation by Property Type**

Levy year	Residential	Farm	Commercial	Industrial	Rail Road	Mineral	Total Assessed Valuation	Estimated Actual Value
2012	2,175,310,702	435,606,505	591,923,037	335,445,784	18,466,435	-	3,556,752,463	10,671,324,521
2013	2,141,816,213	462,208,844	597,985,340	365,445,765	23,880,009	-	3,591,336,171	10,775,086,022
2014	2,141,894,538	492,617,957	592,749,727	366,962,987	25,739,504	-	3,619,964,713	10,860,980,237
2015	2,164,451,362	509,654,871	595,261,473	372,791,730	26,582,115	-	3,668,741,551	11,007,325,386
2016	2,226,812,309	537,527,465	615,974,154	376,403,368	29,962,823	6,955	3,786,687,074	11,361,197,342
2017	2,276,564,797	567,769,167	631,128,767	485,464,991	33,563,507	6,955	3,994,498,184	11,984,693,021
2018	2,331,168,336	602,148,998	644,837,721	549,430,491	35,551,679	6,955	4,163,144,180	12,490,681,608
2019	2,368,596,491	637,343,558	636,347,261	461,265,646	39,688,165	48,568,905	4,191,810,026	12,576,687,747
2020	2,406,998,220	672,438,696	641,303,150	447,906,353	45,900,429	47,885,943	4,262,432,791	12,788,577,231
2021	2,494,298,625	716,865,533	666,604,404	430,489,249	52,342,209	44,787,009	4,405,387,029	13,217,482,835



Notes:

1. Assessed value is computed by various county's clerks offices and is equal to approximately one-third of the estimated actual value.
2. The tax levy for 2021 is the most current information available
3. The total direct rate applied to tax year 2021 is \$.5620.

Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark, and Whiteside County Clerk's Offices

**Black Hawk College  
Illinois Community College District No. 503**

Property Tax Extensions and Collections  
Tax Levy Years 2012 through 2021

Levy Year	Fiscal Year	Assessed Valuation	Tax Rate	Taxes Extended (Levy)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percent of Extension		Amount	Percent of Extension
2012	2013	3,556,752,463	0.5403	19,217,134	6,378,931	33%	12,755,585	19,134,516	100%
2013	2014	3,591,336,171	0.5427	19,490,182	6,877,997	35%	12,469,656	19,347,653	99%
2014	2015	3,619,964,713	0.5485	19,855,507	6,971,526	35%	12,833,852	19,805,378	100%
2015	2016	3,668,741,551	0.5598	20,537,616	8,164,466	40%	12,245,978	20,410,444	99%
2016	2017	3,786,687,074	0.5718	21,666,808	8,518,863	39%	13,170,108	21,688,971	100%
2017	2018	3,994,498,184	0.5676	22,662,281	9,105,488	40%	13,460,606	22,566,094	100%
2018	2019	4,163,144,180	0.5632	23,442,470	9,158,500	39%	13,787,659	22,946,159	98%
2019	2020	4,191,810,026	0.5714	23,992,675	9,831,580	41%	14,082,113	23,913,693	100%
2020	2021	4,262,432,791	0.5682	24,226,437	10,003,535	41%	14,186,152	24,189,687	100%
2021	2022	4,405,387,029	0.5620	24,789,848	10,436,916	42%	-	10,436,916	42%

Notes:

1. Property taxes which are measurable and available are recognized as revenue. Property taxes which are measurable but not available are deferred and recognized as revenue as they become available.
2. The tax levy for 2021 is the most current information available.
3. The tax rates reported for the College are blended rates based on the total taxes and the total assessed valuations for all counties combined.
4. The tax rate fluctuates from year to year primarily due to the debt service requirements for General Obligation bonds.
5. Due to differences in the computational methods followed by the nine counties, portions of each of which are within the District's boundaries, there may be slight differences between the final levy amounts extended by the counties and those used for financial statement purposes.

Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark, and Whiteside County Clerk's Offices

**Black Hawk College  
Illinois Community College District No. 503**

Representative Tax Rates  
Tax Years 2012 through 2021

Taxing Districts	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Black Hawk College District No. 503	\$ 0.5403	\$ 0.5427	\$ 0.5485	\$ 0.5598	\$ 0.5718	\$ 0.5676	\$ 0.5632	\$ 0.5714	\$ 0.5682	\$ 0.5620
Rock Island County	0.8872	1.0184	1.0596	1.2480	1.2466	1.2436	1.2400	1.3296	1.3042	1.3051
South Moline Township	0.1358	0.1304	0.1244	0.1232	0.1192	0.1162	0.1154	0.1164	0.1131	0.1118
Road & Bridge - South Moline Township	0.0093	0.0152	0.0160	0.0116	0.0118	0.0116	0.0117	0.0175	0.0184	0.0182
Road & Bridge - City of Moline	0.0047	0.0047	0.0048	0.0052	0.0054	0.0054	0.0057	0.0000	0.0000	0.0000
South Moline Township Cemetery	0.0038	0.0040	0.0040	0.0040	0.0032	0.0032	0.0028	0.0000	0.0000	0.0000
City of Moline	2.0268	2.0500	2.0638	2.0782	2.0854	2.0742	2.0602	2.0554	2.0177	1.9437
School District No. 40	5.0590	5.1090	5.1120	5.1594	5.1498	5.1094	5.0318	5.0438	5.0410	5.0181
Forest Preserve	0.0974	0.1148	0.1190	0.1230	0.1246	0.1236	0.1274	0.1306	0.1313	0.1318
Metropolitan Airport Authority	0.0750	0.0750	0.0750	0.0750	0.0750	0.0756	0.0748	0.0733	0.0721	0.0696
Metropolitan Transit Authority	0.1948	0.2054	0.2082	0.2086	0.2056	0.2120	0.1952	0.1958	0.2000	0.1952
<b>Total</b>	<b>\$ 9.0341</b>	<b>\$ 9.2696</b>	<b>\$ 9.3353</b>	<b>\$ 9.5960</b>	<b>\$ 9.5984</b>	<b>\$ 9.5424</b>	<b>\$ 9.4282</b>	<b>\$ 9.5338</b>	<b>\$ 9.4660</b>	<b>\$ 9.3555</b>

Notes:

- The above table is a representative tax rate for a District property owner in Rock Island County living in the City of Moline. (Per \$100 Equalized Assessed Valuation)
  - For tax year 2019, the Rock Island County tax rate report combined the City of Moline Road & Bridge with the City of Moline tax rate. The South Moline Township Cemetery was combined with the South Moline Township tax rate.
- Source: Rock Island County Clerk's Office

Taxing Districts	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Black Hawk College District No. 503	\$ 0.5406	\$ 0.5344	\$ 0.5485	\$ 0.5492	\$ 0.5723	\$ 0.5676	\$ 0.5627	\$ 0.5720	\$ 0.5682	\$ 0.5632
Henry County	0.9316	0.9004	0.9198	0.9567	0.9423	0.9425	0.8792	0.8605	0.8432	0.8344
Kewanee Township	0.1789	0.1832	0.1835	0.1855	0.1813	0.1804	0.1778	0.1698	0.1757	0.1713
Kewanee Township Road District	0.2168	0.2173	0.2173	0.2174	0.2170	0.2175	0.2177	0.2173	0.2180	0.2174
City of Kewanee	2.6888	2.8057	2.8519	2.8652	2.8526	2.8265	2.9276	2.9234	3.1200	3.1655
Kewanee Park District	1.0891	1.1188	1.1229	1.3777	1.3869	1.4099	1.3973	1.3756	1.4344	1.4094
Kewanee Library District	0.8065	0.7493	0.7286	0.7140	0.7039	0.7083	0.7168	0.7181	0.7288	0.7306
Kewanee Airport	0.0131	0.0133	0.0133	0.0134	0.0131	0.0129	0.0127	0.0124	0.0126	0.0122
Kewanee School District No. 229	4.0950	4.0929	4.2893	4.5990	4.5703	4.5863	4.5924	4.5442	4.5849	4.5274
Kewanee Fire District	0.6294	0.6988	0.6974	0.7023	0.7041	0.7087	0.6952	0.6759	0.6625	0.6480
<b>Total</b>	<b>\$ 11.1898</b>	<b>\$ 11.3141</b>	<b>\$ 11.5725</b>	<b>\$ 12.1804</b>	<b>\$ 12.1438</b>	<b>\$ 12.1606</b>	<b>\$ 12.1794</b>	<b>\$ 12.0692</b>	<b>\$ 12.3483</b>	<b>\$ 12.2794</b>

Note: The above table is a representative tax rate for a District property owner in Henry County living in the City of Kewanee. (Per \$100 Equalized Assessed Valuation)  
Source: Henry County Clerk's Office

**Black Hawk College  
Illinois Community College District No. 503**

Principal Taxpayers  
Most recent Year and Ten Years Ago

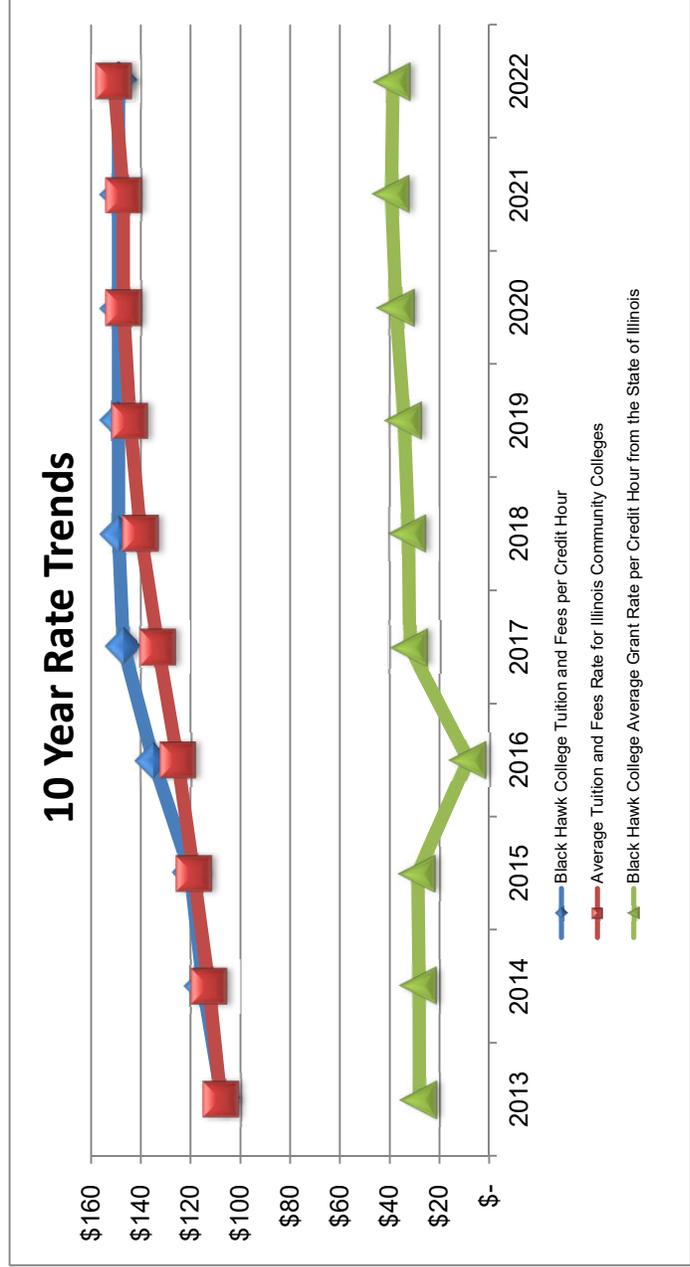
Taxpayer	2012			2021			
	Equalized Assessed Valuation	County	Percent of District's EAV	Taxpayer	Equalized Assessed Valuation	County	Percent of District's EAV
Commonwealth Edison	\$ 155,000,000	Rock Island	4.36%	Exelon	\$ 226,500,100	Rock Island	5.14%
Deere and Company	\$ 29,382,059	Rock Island	0.83%	Deere and Company	\$ 59,635,170	Rock Island	1.35%
Patriot Renewable Fuels	\$ 22,957,028	Henry	0.65%	Bishop Hill Energy, LLC	\$ 36,727,129	Henry	0.83%
DNC Gaming/Jumers Casino	\$ 21,956,462	Rock Island	0.62%	Patriot Renewable Fuels, LLC	\$ 23,581,675	Henry	0.54%
Big River Resources Galva	\$ 21,947,145	Henry	0.62%	DNC Gaming & Entertainment	\$ 21,228,555	Rock Island	0.48%
SDG Macerich/Southpark Mall	\$ 12,415,425	Rock Island	0.35%	Metropolitan Airport Authority	\$ 15,761,619	Rock Island	0.36%
Modern Woodmen of America	\$ 8,293,405	Rock Island	0.23%	Modern Woodmen of America	\$ 10,213,772.00	Rock Island	0.23%
Financial District - Kone	\$ 5,362,961	Rock Island	0.15%	Big River Resources	\$ 10,006,011.00	Henry	0.23%
FedEx Freight	\$ 5,025,042	Rock Island	0.14%	First Financial Group, LLC	\$ 9,104,623.00	Rock Island	0.21%
Walmart - Silvis	\$ 4,895,401	Rock Island	0.14%	MidAmerican Renewables	\$ 8,252,229	Henry	0.19%
	\$ 287,234,928		8.08%		\$ 421,010,883		9.56%

Source: Office of the County Clerk for Rock Island, Henry, Knox, Whiteside, Bureau, Mercer, Henderson, Stark, and Marshall Counties

**Black Hawk College  
Illinois Community College District No. 503**

Mandatory Tuition and Fees  
FY2013 through FY2022

Fiscal Year	Black Hawk College Tuition and Fees per Credit Hour	Average Tuition and Fees Rate for Illinois Community Colleges	Black Hawk College Average Grant Rate per Credit Hour from the State of Illinois	Black Hawk College Total Unrestricted and Restricted Credit Hours
2013	107.50	107.89	28.09	135,791
2014	115.00	112.65	28.25	129,755
2015	120.00	118.77	28.74	120,297
2016	135.00	125.27	8.57	107,308
2017	147.00	133.07	32.11	100,858
2018	149.00	140.15	32.45	93,328
2019	149.00	144.36	34.28	88,088
2020	149.00	147.01	37.40	82,494
2021	149.00	147.01	39.29	69,997
2022	149.00	150.82	38.70	65,963



Source: College records and ICCB Tuition and Fee data.

**Black Hawk College  
Illinois Community College District No. 503**

Ratio of Outstanding Debt by Type  
FY2013 through FY2022

Fiscal Year	General		Installment Contracts	Total Outstanding Debt	Estimated Actual Taxable Property Value	Percentage of Actual Value	Total Outstanding Debt Per Capita
	Obligation Bonds						
2013	33,557,258	-	-	33,557,258	10,671,324,521	0.314%	149.75
2014	28,299,231	-	-	28,299,231	10,775,086,022	0.263%	119.88
2015	32,649,100	-	-	32,649,100	10,860,980,237	0.301%	127.64
2016	27,277,322	-	-	27,277,322	11,007,325,386	0.248%	106.73
2017	53,357,758	-	-	53,357,758	11,361,197,342	0.470%	210.47
2018	49,050,054	-	-	49,050,054	11,984,693,021	0.409%	190.33
2019	43,992,054	-	-	43,992,054	12,490,681,608	0.352%	174.46
2020	38,742,052	-	-	38,742,052	12,576,687,747	0.308%	156.28
2021	33,287,022	-	-	33,287,022	12,788,577,231	0.260%	134.28
2022	27,613,207	-	-	27,613,207	13,217,482,835	0.209%	107.47

Notes:

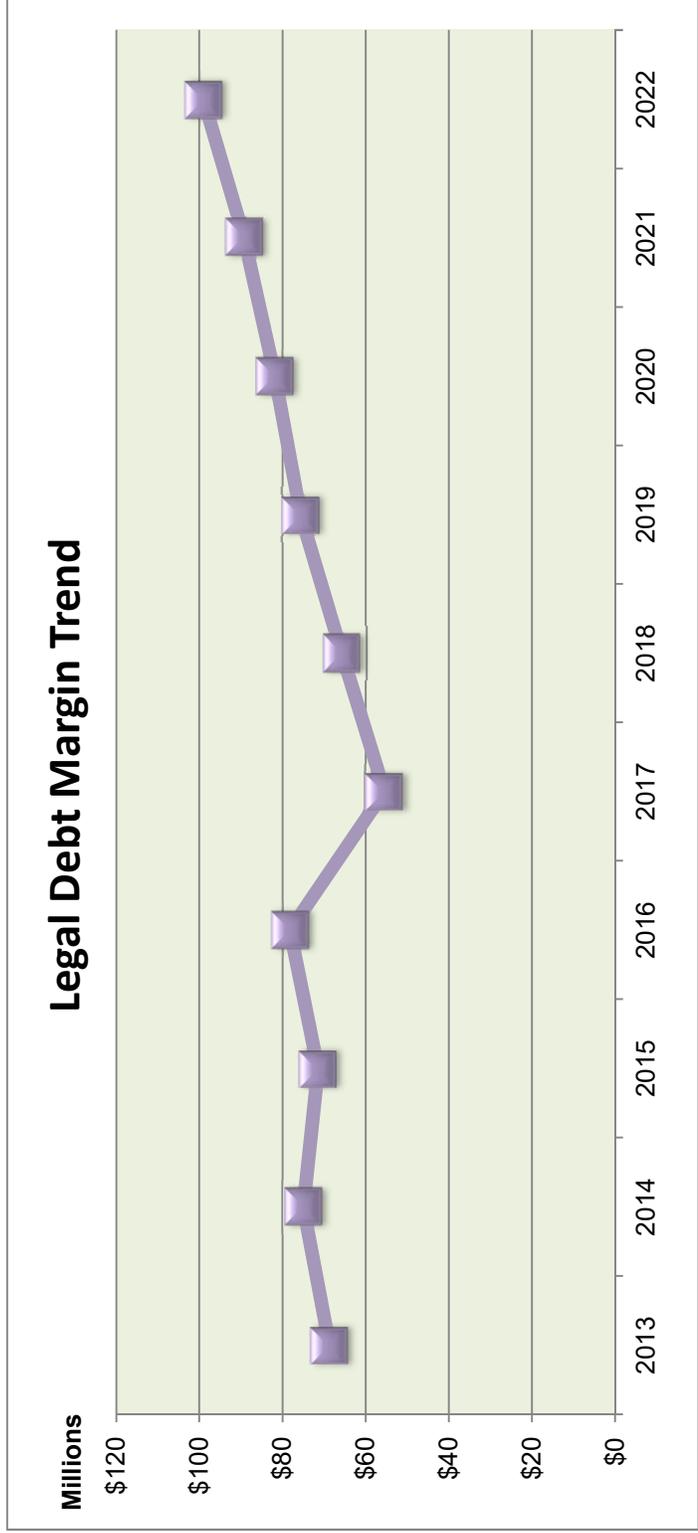
1. Details of the College's outstanding debt can be found in the notes to the financial statements.
2. Total Outstanding Debt Per Capita is calculated by using the 2010 U.S. Census or the most recent American Community Survey population for each of the nine counties, included either in part or whole, in the district adjusted by the percentage of each counties population located within the district.
3. Estimated Actual Taxable Property Value is based on property located within the district only.

Sources: College Records, County Clerk Offices, and the 2010 U.S. Census

**Black Hawk College  
Illinois Community College District No. 503**

Computation of Legal Debt Margin  
FY2013 through FY2022

Fiscal Year	Assessed Value	Debt Limit: 2.875% of Assessed Value	Less applicable Debt: General Obligation Bonds	Legal Debt Margin
2013	3,556,752,463	102,256,633	33,557,258	68,699,375
2014	3,591,336,171	103,250,915	28,299,231	74,951,684
2015	3,619,964,713	104,073,985	32,649,100	71,424,885
2016	3,668,741,551	105,476,320	27,277,322	78,198,998
2017	3,786,687,074	108,867,253	53,357,758	55,509,495
2018	3,994,498,184	114,841,823	49,050,054	65,791,769
2019	4,163,144,180	119,690,395	43,992,054	75,698,341
2020	4,191,810,026	120,514,538	38,742,052	81,772,486
2021	4,262,432,791	122,544,943	33,287,022	89,257,921
2022	4,405,387,029	126,654,877	27,613,207	99,041,670



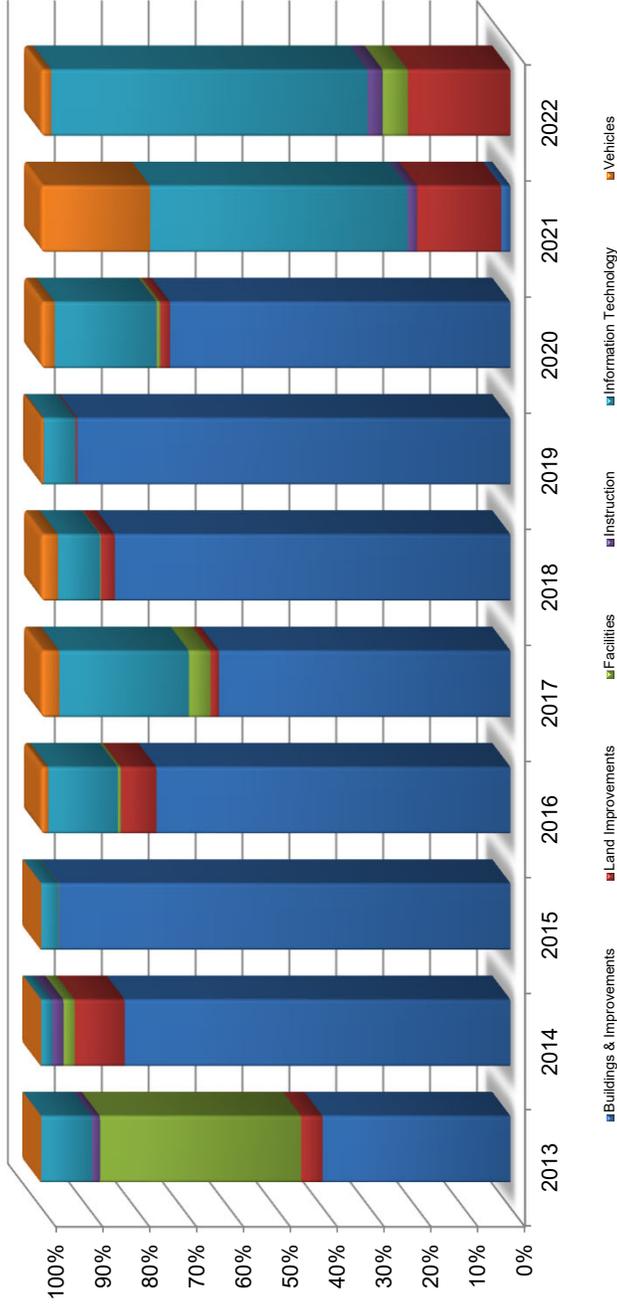
Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark and Whiteside County Clerk's Offices and College records

**Black Hawk College  
Illinois Community College District No. 503**

Use of Bond Issuance Proceeds  
FY2013 through FY2022

Purpose	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Buildings & Improvements	\$ 3,567,963	\$ 4,159,615	\$ 14,027,532	\$ 7,047,573	\$ 2,923,612	\$ 8,284,703	\$ 14,436,690	\$ 2,637,893	\$ 11,009	\$ -
Land Improvements	404,588	538,514	7,117	706,336	85,630	292,003	54,501	75,231	100,516	97,150
Facilities	3,821,944	122,738	15,566	57,498	216,835	16,927	3,267	27,585	-	23,923
Instruction	151,212	122,476	-	-	-	-	-	5,941	11,582	14,232
Information Technology	962,605	116,314	531,481	1,383,178	1,298,852	879,140	1,053,149	783,378	307,372	299,685
Vehicles	-	-	-	143,487	181,040	350,379	85,558	105,231	129,936	9,554
<b>Total</b>	<b>\$ 8,908,312</b>	<b>\$ 5,059,657</b>	<b>\$ 14,581,696</b>	<b>\$ 9,338,072</b>	<b>\$ 4,705,969</b>	<b>\$ 9,823,152</b>	<b>\$ 15,633,165</b>	<b>\$ 3,635,259</b>	<b>\$ 560,415</b>	<b>\$ 444,544</b>

**Bond Proceeds Usage**

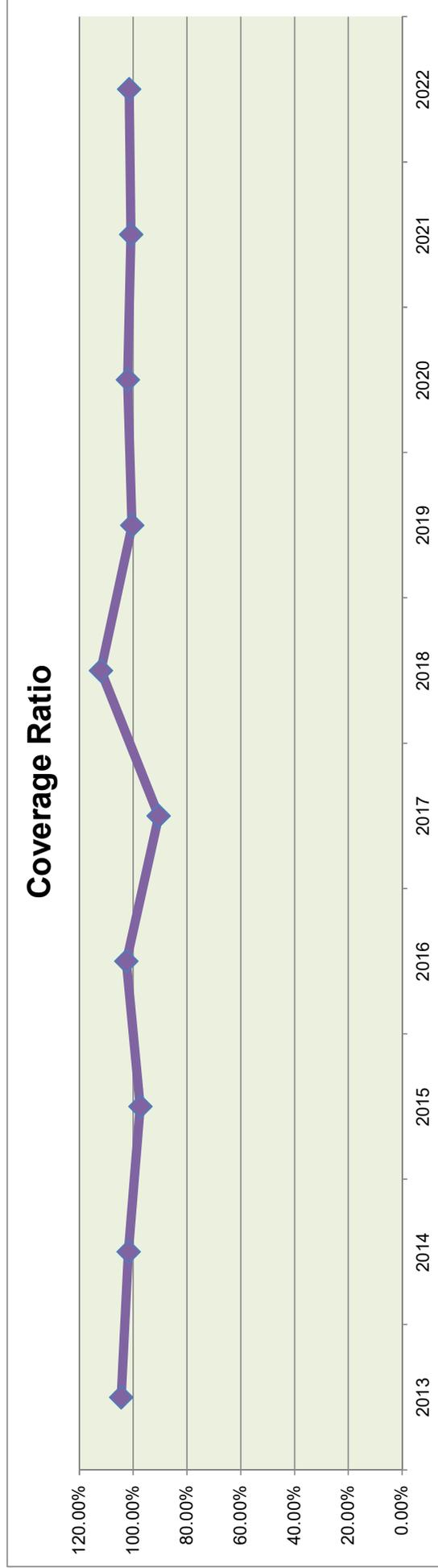


The College issued new bonds during fiscal years 2004, 2006, 2008, 2010, 2013, 2015 and 2017.  
Source: College records

**Black Hawk College  
Illinois Community College District No. 503**

Schedule of Bond Coverage  
FY2013 through FY2022

Fiscal Year	2010 Bonds			2013 Bonds			2015 Bonds			2017 Bonds			Coverage Ratio
	Property Taxes Collected	Interest Earned	Net Revenue Available for Debt Service	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total	
2013	5,912,910	135	5,913,045	5,025,000	419,263	-	216,257	-	-	-	-	5,660,520	104.46%
2014	6,278,922	9,034	6,287,956	5,150,000	296,366	-	734,767	-	-	-	-	6,181,133	101.73%
2015	6,166,578	9,505	6,176,083	5,300,000	145,242	-	729,996	-	-	-	-	6,344,789	97.34%
2016	6,237,631	9,256	6,246,887	2,265,000	28,313	-	729,996	2,775,000	169,551	-	-	6,093,134	102.52%
2017	6,272,429	12,414	6,284,843	-	-	835,000	706,251	4,530,000	294,825	-	-	6,943,852	90.51%
2018	6,344,299	23,678	6,367,977	-	-	875,000	665,045	1,005,000	58,550	1,690,000	1,391,146	5,684,741	112.02%
2019	6,336,494	47,066	6,383,560	-	-	915,000	625,995	1,045,000	20,900	2,450,000	1,302,000	6,358,895	100.39%
2020	6,516,228	36,514	6,552,742	-	-	960,000	581,465	-	-	3,735,000	1,147,375	6,423,840	102.01%
2021	6,520,323	13,837	6,534,160	-	-	1,000,000	534,916	-	-	3,995,000	954,125	6,484,041	100.77%
2022	6,632,737	12,173	6,644,910	-	-	1,050,000	486,228	-	-	4,265,000	747,625	6,548,853	101.47%



Note: The General Obligation Bonds are repaid from property taxes collected and interest earned accounted for in the Bond and Interest Fund.  
Source: College records

**Black Hawk College  
Illinois Community College District No. 503**

**Direct and Overlapping General Obligation Bonded Debt**

Issuing Taxing Districts	Amount of Outstanding Bonds (1)		Applicable to District	
	\$0		Estimated Percentage (2)	Amount
Rock Island County	\$0		100.00%	\$0
Rock Island County Forest Preserve Dist.	0		100.00%	0
Rock Island Metropolitan Mass Transit	0		100.00%	0
Metropolitan Airport of Rock Island County	0		100.00%	0
Hammond Henry Hospital	0		100.00%	0
Bureau County	0		4.05%	0
Village of Andalusia	0		100.00%	0
Village of Atkinson	0		100.00%	0
Village of Cambridge	0		100.00%	0
Village of Coal Valley	0		97.69%	0
City of Colona	0		100.00%	0
City of East Moline	0		100.00%	0
City of Geneseo	0		100.00%	0
Village of Hampton	0		100.00%	0
City of Kewanee	0		100.00%	0
Village of Matherville	0		100.00%	0
Village of Milan	1,770,000		100.00%	1,770,000
City of Moline	113,680,000		100.00%	113,680,000
Village of Orion	0		100.00%	0
City of Rock Island	68,146,667		100.00%	68,146,667
City of Silvis	5,052,000		100.00%	5,052,000
City of Toulon	0		100.00%	0
Cambridge Fire Protection District	795,000		100.00%	795,000
Coal Valley Fire Protection District	120,000		100.00%	120,000
Carnegie Library District	0		100.00%	0
Geneseo Park District	866,000		100.00%	866,000
Kewanee Park District	670,000		100.00%	670,000
Hampton School District 29	255,000		100.00%	255,000
Silvis School District 34	2,175,000		100.00%	2,175,000
Carbon Cliff/Barstow School District 36	886,000		100.00%	886,000
East Moline School District 37	25,170,000		100.00%	25,170,000
Rock Island School District 41	18,505,000		100.00%	18,505,000
Colona School District 190	445,000		100.00%	445,000
Moline Community Unit School District 40	19,565,162		100.00%	19,565,162
Riverdale Community Unit School District 100	1,875,000		100.00%	1,875,000
Stark Community Unit School District 100	13,907,900		99.85%	13,886,734
Sherard Community Unit School District 200	15,685,000		100.00%	15,685,000
Rowva Community Unit School District 208	7,795,000		3.83%	298,570
Orion Community Unit School District 223	6,296,700		100.00%	6,296,700
Galva Community Unit School District 224	1,020,800		100.00%	1,020,800
AIWood Community Unit School District 225	900,000		99.84%	898,528
Annawan Community Unit School District 226	1,865,000		100.00%	1,865,000
Cambridge Community Unit School District 227	1,052,300		100.00%	1,052,300
Geneseo Community Unit School District 228	24,498,327		100.00%	24,498,327
Kewanee Community Unit School District 229	1,350,000		100.00%	1,350,000
Wethersfield Community Unit School District 230	895,000		100.00%	895,000
Rockridge Community Unit School District 300	5,040,000		100.00%	5,040,000
United Community Unit School District 304	9,335,000		0.02%	1,481
Princeville Community Unit School District 326	11,768,300		0.08%	9,626
Mercer Community Unit School District 404	3,199,900		100.00%	3,199,900
United Township High School District 30	5,000,000		100.00%	\$5,000,000
<b>Total Overlapping General Obligation Bonded Debt</b>				<b>\$340,973,795</b>

Source: Rock Island; Henry; Mercer; Whiteside; Henderson; Knox; Bureau; Stark; and Marshall County Clerks' Offices.

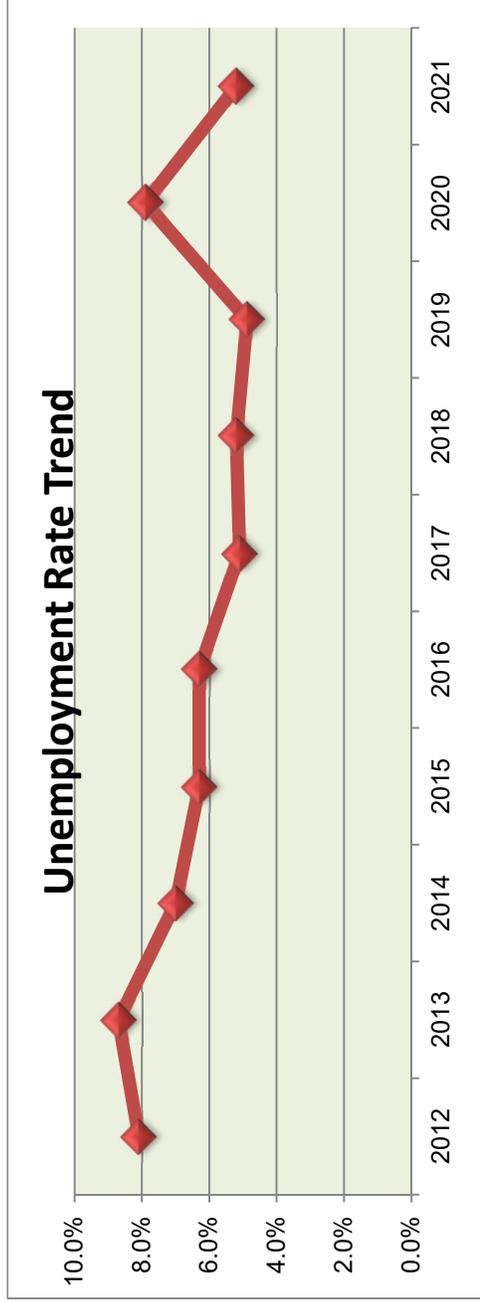
(1) Does not include alternative revenue bonds.

(2) Percentages based on 2021 EAVs, the most recent available.

**Black Hawk College  
Illinois Community College District No. 503**

Demographic and Economic Statistics  
Calendar Years 2012 through 2021

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2012	383,740	14,883,036	38,784	8.1%
2013	382,236	15,252,968	39,905	8.7%
2014	380,352	14,914,277	39,212	7.0%
2015	378,352	15,045,886	39,767	6.3%
2016	375,211	15,301,930	40,782	6.3%
2017	373,712	15,971,486	43,100	5.1%
2018	370,569	16,264,065	43,687	5.2%
2019	367,157	16,428,906	44,368	4.9%
2020	363,661	17,685,032	49,506	7.9%
2021	368,123	N/A	N/A	5.2%



- Notes:
1. Population reported above is the total population for all nine counties
  2. 2008-2012 Per Capita Personal Income is calculated by taking the average of nine counties. 2013 - 2017 was calculated by taking the sum of all 9 counties personal income estimates multiplied by 1,000, then dividing this amount by the total population of the District.
  3. N/A = Information Not Available at time of report

Sources: U.S. Bureau of Economic Analysis  
Average unemployment rate from Illinois Department of Employment Security  
U.S. Census Bureau

**Black Hawk College  
Illinois Community College District No. 503**

Principal Employers  
FY2012 compared to FY2021

Rock Island County							
2012		2021					
Employer	Product/Service	Approx. # of Employees	Percentage of Total Employment	Employer	Product/Service	Employees	Percentage of Total Employment
Rock Island Arsenal	Defense Manufacturing	7,900	11.41%	Deere & Company	Construction and Agricultural Equipment	7,240	11.33%
Deere & Co.	Construction and Agricultural Equipment	5,800	8.38%	Rock Island Arsenal	Defense Manufacturing	6,163	9.64%
Trinity Regional Health System	Health Care System	2,573	3.72%	Trinity-Unity Point Health System	Health Care System	4,000	6.28%
Tyson Fresh Meats	Food Processing	2,500	3.61%	Tyson Fresh Meats	Food Processing	2,400	3.75%
Group O Companies	Third Party Logistics	1,100	1.59%	XPAC	Supply-Chain Solutions Provider	1,000	1.56%
Export Packaging (XPAC)	Supply Chain Management and Logistics	1,000	1.44%	Moline Community School District #40	Elementary/Secondary School District	1,000	1.56%
Genesis Medical Center - Silvis	Hospital	970	1.40%	Black Hawk College	Community College	652	1.02%
Rock Island County	County Administration	841	1.21%	Augustana College	Private Liberal Arts & Sciences College	550	0.86%
Black Hawk College	Community College	825	1.19%	Jumer's Casino & hotel	Casino & Hotel	550	0.86%
Exelon	Utility/Energy Provider	700	1.01%	Pfizer Foods	Food Service Distributer	530	0.83%
<b>Total Employed Labor Force - Rock Island County</b>		<b>69,246</b>		<b>Total Employed Labor Force - Rock Island County</b>		<b>63,924</b>	
<b>Total Unemployed - Rock Island County</b>		<b>6,060</b>		<b>Total Unemployed - Rock Island County</b>		<b>3,785</b>	

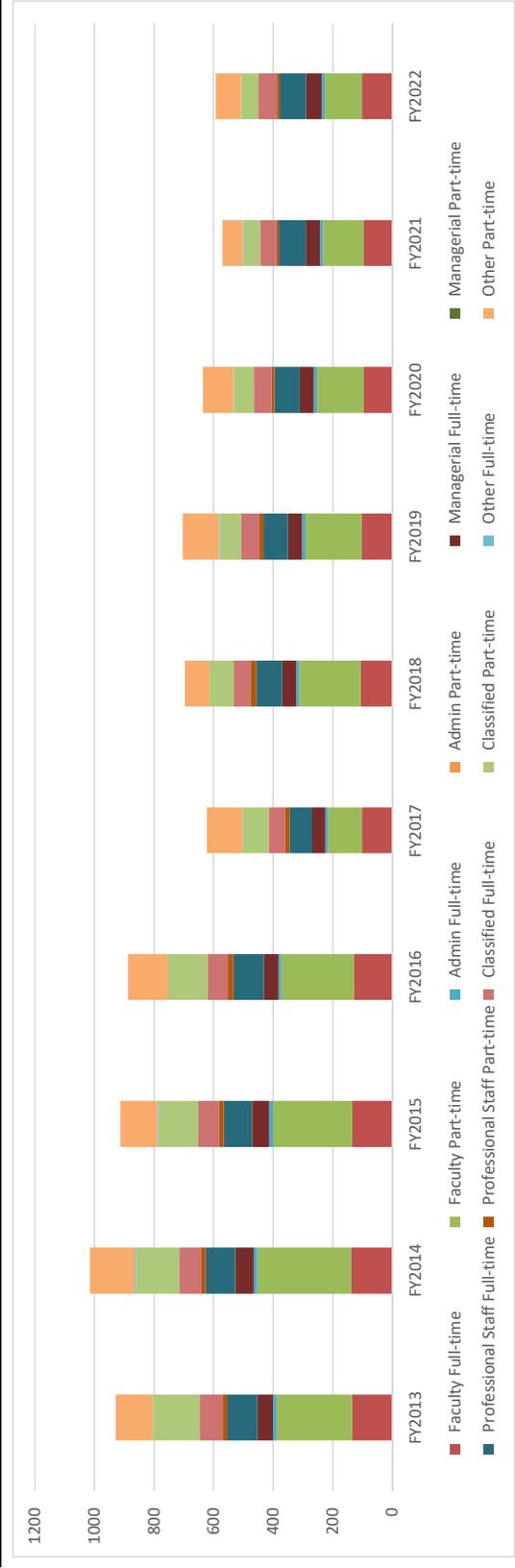
Henry County							
2012		2021					
Employer	Product/Service	Employees	Percentage of Total Employment	Employer	Product/Service	Employees	Percentage of Total Employment
Kewanee Youth Center	Youth Center	300	1.24%	Great Dane Trailers	Semi Truck Trail Manufacturer	600	2.67%
Kewanee Hospital	Hospital	300	1.24%	OSF Medical Group & OSF St. Luke Medical Center	Health Care	442	1.97%
Wal-Mart	Retail	300	1.24%	Hammond-Henry Hospital	Health Care	260	1.16%
Peterson Health Care	Nursing Home/Assisted Living	280	1.16%	Wal-Mart Supercenter	Retail	250	1.11%
Great Dane Trailers	Semi-Truck Trailer Manufacturer	250	1.03%	Henry County Courthouse	Government	230	1.02%
Kewanee Community School District #229	Elementary/Secondary Education	250	1.03%	Kone, Inc.	Elevator/Escalator Manufacturing	190	0.84%
Bomag Americas	Soil Compactor/Ashpalt Manufacturer	200	0.83%	Kewanee Park District	Government	150	0.67%
Excelled Sheepskin & Leather Co.	Leather Products Manufacturer	150	0.62%	Veterans of Foreign Wars	Non-Profit Organization	125	0.56%
Henry County Health Department	County Government	150	0.62%	Hillcrest Home	Nursing Home	122	0.54%
Menards, Inc.	Retail	150	0.62%	<b>Total Employed Labor Force - Henry County</b>		<b>22,491</b>	
<b>Total Employed Labor Force - Henry County</b>		<b>24,196</b>		<b>Total Unemployed - Henry County</b>		<b>1,153</b>	
<b>Total Unemployed - Henry County</b>		<b>1,945</b>					

Sources: Bi-State Regional Commission  
Illinois Department of Commerce and Economic Opportunity  
US Department of Labor - Bureau of Labor Statistics

**Black Hawk College  
Illinois Community College District No. 503**

Faculty and Staff Headcount  
FY2013 through FY2022

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Faculty</b>										
Faculty Full-time	136	139	135	130	102	107	103	97	97	102
Faculty Part-time	253	314	266	243	114	206	189	156	135	125
<b>Administrators</b>										
Admin Full-time	12	13	13	10	9	10	11	11	11	11
Admin Part-time	0	0	0	0	0	0	0	0	0	0
<b>Managerial</b>										
Managerial Full-time	51	60	57	49	44	47	48	48	48	52
Managerial Part-time	1	2	1	0	0	0	0	0	0	0
<b>Professional Staff</b>										
Professional Staff Full-time	102	99	94	102	77	88	82	84	90	88
Professional Staff Part-time	16	15	17	18	14	19	13	9	9	10
<b>Classified Staff</b>										
Classified Full-time	77	73	69	68	54	56	63	60	54	61
Classified Part-time	157	147	132	134	89	83	71	66	55	59
<b>Other</b>										
Other Full-time	0	4	4	0	1	0	3	3	3	1
Other Part-time	124	149	126	134	119	81	121	102	69	84
<b>Total Employees</b>										
Full-time	378	388	372	359	287	308	307	303	303	315
Part-time	551	627	542	529	336	389	378	333	268	277
<b>Grand Total</b>	<b>929</b>	<b>1,015</b>	<b>914</b>	<b>888</b>	<b>623</b>	<b>697</b>	<b>685</b>	<b>636</b>	<b>571</b>	<b>592</b>

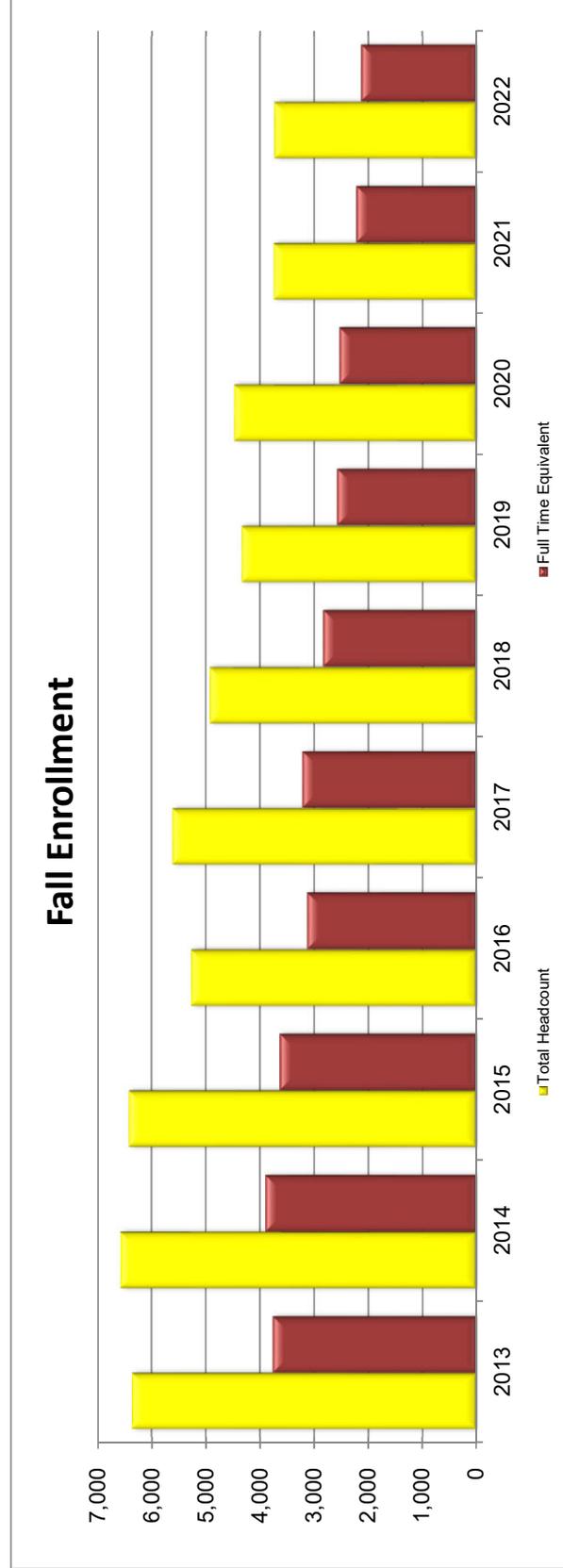


Source: BHC Budget & Accounting Manager

**Black Hawk College  
Illinois Community College District No. 503**

Student Enrollment Demographic Statistics  
FY2013 through FY2022

Fiscal Year	Fall Enrollment		Gender		Attendance		Enrollment Status					Age	
	Full Time Equivalent	Total Headcount	Male	Female	Full Time	Part Time	Continuing Student	New Student	Transfer Student	Readmit Student	Degreed	High School Student	Average Age
2013	3,761	6,360	2,594	3,766	2,631	3,729	2,150	921	373	1,949	304	663	27.2
2014	3,902	6,574	2,666	3,908	2,581	3,993	1,857	974	297	2,369	308	769	27.2
2015	3,635	6,416	2,629	3,678	2,346	3,961	1,510	912	365	2,269	271	1,089	26.2
2016	3,126	5,271	2,172	3,099	2,019	3,252	1,697	928	232	1,260	216	938	25.2
2017	3,215	5,613	2,369	3,244	2,009	3,604	1,952	1,587	237	510	242	1,085	25.5
2018	2,835	4,926	2,004	2,922	1,753	3,173	1,738	1,293	213	470	365	847	25.5
2019	2,577	4,333	1,700	2,633	1,625	2,708	1,580	917	167	425	320	924	24.5
2020	2,533	4,472	1,746	2,726	1,562	2,910	1,567	1,037	183	395	253	1,037	24.6
2021	2,222	3,743	1,374	2,369	1,366	2,377	1,352	758	113	184	270	1,066	23.0
2022	2,134	3,736	1,382	2,354	1,306	2,430	1,327	841	135	298	140	995	23.3



Source: ICCB E1 Report  
NR = Not Recorded

**Black Hawk College  
Illinois Community College District No. 503**

Financial Aid Recipients  
FY2013 through FY2022

Type of Aid	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Federal Aid</b>										
College Work Study	93	103	93	73	68	71	67	67	28	41
PELL Grant	2,679	2,509	2,356	1,944	1,787	1,742	1,456	1,451	1,197	1,125
SEOG	405	796	336	298	387	319	320	314	185	124
Stafford Loan - subsidized	775	645	569	453	403	383	325	307	242	188
Stafford Loan - unsubsidized	668	592	486	428	450	420	356	308	256	212
PLUS (Parent) Student Loan	12	13	14	14	16	13	18	21	18	8
Chapter 33 (a GI Bill fund)	69	78	75	77	88	94	67	65	54	39
Other Federal Military/Veteran's Aid <sup>1</sup>	-	-	-	-	104	75	77	67	79	57
<b>Emergency Federal Aid</b>										
CARES HEERF Grant - Student portion	-	-	-	-	-	-	-	759	1,469	1,981
Emergency SEOG (SEOGE)	-	-	-	-	-	-	-	1	162	78
<b>State Aid</b>										
MAP Grant	914	799	740	494	694	672	654	839	811	819
IL Veterans Grant (IVG)	131	104	81	73	60	34	27	22	12	9
National Guard	36	27	17	17	21	25	23	31	18	30
POW/MIA Dependents	5	6	7	6	5	3	4	4	8	9
DORS	28	32	45	49	48	37	22	21	27	27
Policeman/Fireman Dependents Grant	-	-	-	-	-	-	1	-	-	-
<b>Local Aid</b>										
Private Grant/Scholarship	263	251	264	277	239	215	255	257	232	226
Achievement Awards	321	354	324	286	258	250	271	246	232	263
Foundation Scholarships	221	228	247	268	245	266	526	489	342	316
Donor Scholarships	26	107	56	17	12	9	24	30	24	8
<b>TOTAL</b>	<b>6,646</b>	<b>6,644</b>	<b>5,710</b>	<b>4,774</b>	<b>4,885</b>	<b>4,628</b>	<b>4,493</b>	<b>5,299</b>	<b>5,396</b>	<b>5,560</b>

\*FY2022 totals reflect YTD payments through 07/07/2022, and does not include any further disbursements and adjustments which may occur after this date.

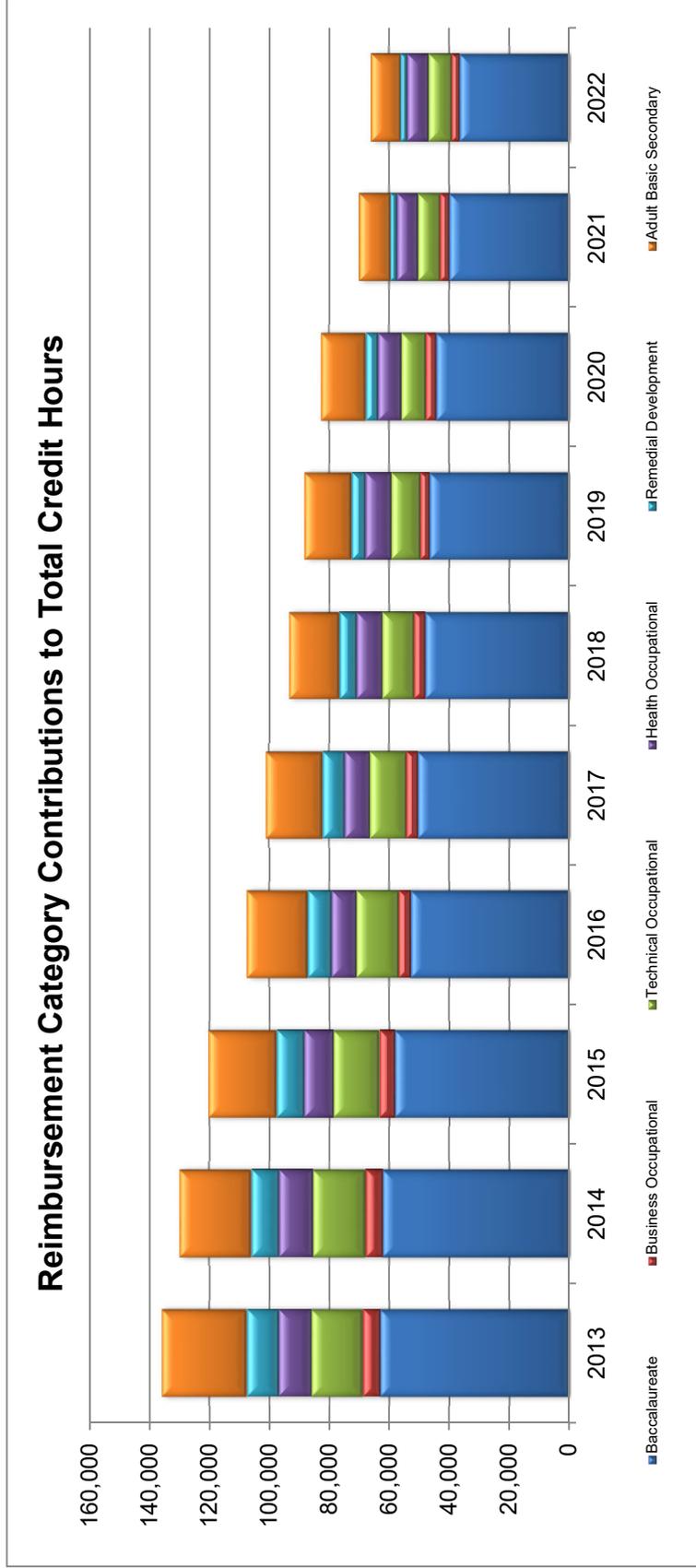
Note 1: Other Federal Military/Veteran's Aid has begun to be included in the FY2017 reporting. It includes Chapter 30 - Montgomery GI Bill Active Duty, Chapter 31 - Vocational Rehabilitation, Chapter 35 - Survivors' & Dependents' Assistance, Chapter 1606 - Montgomery GI Bill Selected Reserve, and Chapter 1607 - Reserve Educational Assistance Program

Source: BHC Financial Aid Database and BHC Veterans Services.

**Black Hawk College  
Illinois Community College District No. 503**

Credit Hours Eligible for Funding by Illinois Community College Board Reimbursement Categories  
FY2013 through FY2022

Category	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% Change 2013 vs 2022
Baccalaureate	63,117.0	62,224.2	58,180.8	52,849.3	50,448.9	48,077.4	46,553.2	44,301.3	39,994.4	36,519.3	-42.14%
Business Occupational	5,660.4	5,604.5	5,161.9	4,095.5	3,882.9	3,770.1	3,177.0	3,505.3	3,140.7	2,807.3	-50.40%
Technical Occupational	17,165.0	17,687.1	15,326.4	13,994.2	12,020.8	10,505.7	9,610.5	8,139.0	7,390.1	7,576.0	-55.86%
Health Occupational	11,012.9	11,236.6	9,826.1	8,322.5	8,444.7	8,623.7	8,577.0	7,731.0	6,891.1	7,095.3	-35.57%
Remedial Development	10,521.0	9,149.0	9,051.0	7,763.0	7,289.0	5,573.0	4,495.0	3,979.0	2,275.0	2,151.0	-79.56%
Adult Basic Secondary	28,314.9	23,853.8	22,751.2	20,283.9	18,771.4	16,778.1	15,674.9	14,838.6	10,305.4	9,814.4	-65.34%
<b>Total</b>	<b>135,791.2</b>	<b>129,755.2</b>	<b>120,297.4</b>	<b>107,308.4</b>	<b>100,857.7</b>	<b>93,328.0</b>	<b>88,087.6</b>	<b>82,494.2</b>	<b>69,996.7</b>	<b>65,963.3</b>	<b>-51.42%</b>



Note: Total credit hours includes both restricted and unrestricted credit hours.  
Source: College Audited Financial Statements

**Black Hawk College  
Illinois Community College District No. 503**

Schedule of Capital Assets - Instructional Facilities Information  
FY2013 through FY2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Buildings - Permanent	21	21	21	23	25	25	25	25	25	25
Total acres (includes parking lots)	272.8	273.0	275.2	273.0	231.6*	231.6	231.6	231.2	231.2	231.2
Net Assignable Square Feet:										
Classrooms and general use	78,033	75,935	80,797	86,218	84,681	84,611	75,906	80,209	80,209	80,209
Laboratory	137,122	140,870	138,268	154,546	149,537	152,377	153,071	162,525	162,525	162,525
Office	62,340	69,080	70,640	77,523	74,924	73,126	71,548	71,176	71,176	71,176
Study	24,873	24,873	20,095	20,043	25,776	28,784	27,170	28,191	28,191	28,191
Special use (Athletics, PE)	45,569	44,887	44,887	44,887	45,485	49,387	49,387	56,453	56,453	56,453
General use (Theater)	35,193	34,005	34,101	38,875	41,003	41,049	40,523	40,622	40,622	40,622
Support functions	33,357	35,210	36,882	39,730	40,980	38,378	45,847	48,139	48,139	48,139
Unassigned	-	2,719	3,363	940	-	-	2,245	-	-	-
<b>Total</b>	<b>416,487</b>	<b>427,579</b>	<b>429,033</b>	<b>462,762</b>	<b>462,386</b>	<b>467,712</b>	<b>465,697</b>	<b>487,315</b>	<b>487,315</b>	<b>487,315</b>

Parking capacity:

On campus parking spots	1,935	2,004	2,004	2,004	2,191	2,191	2,191	2,365	2,365	2,365
Acres	21	22	22	22	22	22	22	22	22	22

Source: FY11-19, Illinois Community College Board (ICCB) Data and Characteristics book, Tables V-1 and V-4. As of FY20, BHC is no longer required to report facilities and grounds square footages to ICCB. FY20, FY21, and FY22 information obtained from BHC Facilities Supervisors.

\* Acres owned by the East Campus Foundation were removed from the total in FY2017

**Black Hawk College  
Community College District No. 503**

Miscellaneous Statistics  
Year ended June 30, 2022

**Year Founded** 1946

**District Data**  
Population (approximation) 217,745

**Communities served include:**

Aledo	Cordova	LaFayette	Reynolds
Alpha	East Moline	Matherville	Rock Island
Andalusia	Erie	Milan	Seaton
Andover	Galva	Mineral	Sherrard
Annawan	Geneseo	Moline	Silvis
Atkinson	Hampton	Neponset	Toulon
Bishop Hill	Hillsdale	New Boston	Viola
Cambridge	Hoophole	New Windsor	Woodhull
Carbon Cliff	Joy	Orion	Wyoming
Coal Valley	Keithsburg	Port Byron	
Colona	Kewanee	Rapids City	

**Accreditation**

The Higher Learning Commission  
(Formerly North Central Association of Colleges and Schools)  
Next accreditation visit December 2022

**Degree and Certificates Awarded in Fiscal Year 2022**

Associate in Arts	192
Associate in Science	88
Associate in Liberal Studies	1
Associate in Applied Science	170
Associate in Fine Arts	0
Certificates	156

Source: Illinois Community College Board Annual Completions (A2) Report

# ICCB Supplemental Information

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**Black Hawk College  
Illinois Community College District #503**

**Equalized Assessed Valuations and Tax Collections**

	Tax Levy Year		
	2021	2020	2019
Equalized assessed valuations:			
Bureau County	\$ 32,931,872	\$ 31,103,239	\$ 29,221,017
Henderson County	3,757,834	3,536,161	3,359,101
Henry County	1,023,718,073	987,490,121	969,898,511
Knox County	18,682,999	17,457,879	16,613,261
Marshall County	137,139	131,953	128,042
Mercer County	317,418,708	296,789,793	281,487,771
Rock Island County	2,797,373,624	2,726,322,088	2,700,541,797
Stark County	128,105,619	121,379,066	116,022,868
Whiteside County	83,261,161	78,222,491	74,537,658
	<u>\$ 4,405,387,029</u>	<u>\$ 4,262,432,791</u>	<u>\$ 4,191,810,026</u>
Tax rates (per \$100 of assessed valuation):			
Education Fund	0.1185	0.1193	0.1200
Operations and Maintenance Fund	0.0692	0.0696	0.0700
Bond and Interest Fund	0.1503	0.1537	0.1547
Liability, Protection, and Settlement Fund	0.0721	0.0726	0.0713
Audit Fund	0.0030	0.0030	0.0030
Operations and Maintenance, restricted	0.0494	0.0497	0.0500
Equity	0.0995	0.1003	0.1024
	<u>0.5620</u>	<u>0.5682</u>	<u>0.5714</u>
Tax extensions:			
Education Fund	\$ 7,998,198	\$ 7,787,342	\$ 7,754,666
Operations and Maintenance Fund	4,667,594	4,542,824	4,526,975
Bond and Interest Fund	6,635,181	6,554,276	6,496,668
Liability, Protection, and Settlement Fund	3,178,828	3,095,151	2,989,911
Audit Fund	132,142	127,868	125,735
Operations and Maintenance, restricted	2,177,906	2,118,976	2,098,720
	<u>\$ 24,789,848</u>	<u>\$ 24,226,437</u>	<u>\$ 23,992,675</u>
Less tax collections (cumulative through June 30, 2021):			
Education Fund	\$ 3,366,302	\$ 7,775,092	\$ 7,712,960
Operations and Maintenance Fund	1,965,247	4,536,356	4,519,273
Bond and Interest Fund	2,794,697	6,544,346	6,480,285
Liability, Protection, and Settlement Fund	1,338,149	3,090,459	2,982,345
Audit Fund	55,678	127,678	125,413
Operations and Maintenance, restricted	916,843	2,115,756	2,093,417
	<u>\$ 10,436,916</u>	<u>\$ 24,189,687</u>	<u>\$ 23,913,693</u>
Taxes receivable:			
Tax receivable	\$ 14,352,932	\$ 36,750	\$ 78,981
Written off	-	-	16,991
Allowance for uncollectible taxes	(99,160)	(36,750)	(95,972)
	<u>\$ 14,253,772</u>	<u>\$ -</u>	<u>\$ -</u>
Taxes receivable by fund:			
Education Fund	\$ 4,599,903	\$ -	\$ -
Operations and Maintenance Fund	2,683,677	-	-
Bond and Interest Fund	3,813,943	-	-
Liability, Protection, and Settlement Fund	1,827,964	-	-
Audit Fund	75,934	-	-
Operations and Maintenance, restricted	1,252,351	-	-
	<u>\$ 14,253,772</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage of extensions collected	<u>42.10%</u>	<u>99.85%</u>	<u>99.67%</u>

**Black Hawk College  
Illinois Community College District #503**

**Schedule of Legal Debt Margin**

**Legal Debt Margin**

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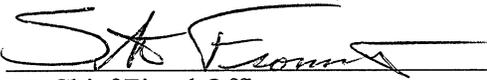
Assessed valuation, 2021 levy	\$ 4,405,387,029
Debt limit, 2.875% of assessed valuation	\$ 126,654,877
Bonded indebtedness	<u>(27,613,207)</u>
<b>Legal debt margin</b>	<u><u>\$ 99,041,670</u></u>

**CERTIFICATION OF CHARGEBACK REIMBURSEMENT  
FOR FISCAL YEAR 2023**

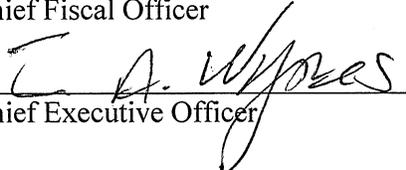
**College or District Name:** BLACK HAWK COLLEGE  
**District #:** 503

**ALL FISCAL YEAR 2022 NONCAPITAL AUDITED OPERATING EXPENDITURES FROM THE FOLLOWING FUNDS:**

1. Education Fund	\$ 26,532,743
2. Operations and Maintenance Fund	\$ 3,974,046
3. Public Building Commission Operation and Maintenance Fund	\$ -
4. Bond and Interest Fund	\$ -
5. Public Building Commission Rental Fund	\$ -
6. Restricted Purposes Fund	\$ 12,892,255
7. Audit Fund	\$ 97,325
8. Liability, Protection, and Settlement Fund	\$ 2,752,275
9. Auxiliary Enterprises Fund (subsidiy only)	\$ -
<b>10. TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)</b>	<b>\$ 46,248,644</b>
11. Depreciation on Capital Outlay Expenditures (equipment, buildings, and fixed equipment paid) from Sources other than State and Federal Funds	\$ 2,066,752
<b>12. TOTAL COSTS INCLUDED (line 10 plus line 11)</b>	<b>\$ 48,315,396</b>
13. Total certified semester credit hours for FY 2022	65,963.30
<b>14. PER CAPITA COST (line 12 divided by line 13)</b>	<b>\$ 732.46</b>
15. All FY 2022 state and federal operating grants for noncapital expenditures. <b>DO NOT INCLUDE ICCB GRANTS</b>	\$ 18,219,179
<b>16. FY 2022 state and federal grants per semester credit hour (line 15 divided by line 13)</b>	<b>\$ 276.20</b>
17. District's average ICCB grant rate (excluding equalization grants) for FY 2023	\$ 42.73
18. District's student tuition and fee rate per semester credit hour for FY 2023	\$ 164.00
<b>19. Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17, and 18)</b>	<b>\$ 249.53</b>

Approved:   
Chief Fiscal Officer

Nov 30, 2022  
Date

Approved:   
Chief Executive Officer

12-2-22  
Date

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# ICCB Uniform Financial Statements

The Uniform Financial Statements are required by the Illinois Community College Board for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's balance sheet and statement of revenues and expenditures, the Uniform Financial Statements are completed using the modified accrual basis of accounting prescribed by the NCGA Statement No. 1 and related interpretations.

The Uniform Financial Statements include the following:

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

**Black Hawk College**  
**Illinois Community College District #503**

**Uniform Financial Statement No. 1 - All Funds Summary**  
**Year ended June 30, 2022**

	Education Fund	Operation and Maintenance Fund	Bond & Interest Fund
Fund balance, beginning, as restated	\$ 9,755,734	\$ 5,456,229	\$ 3,267,826
Revenues:			
Local tax revenue	7,881,392	4,599,243	6,585,919
All Other Local Revenue	3,968,064	450,916	-
ICCB grants	4,686,658	485,458	-
All other state revenue	-	-	-
Federal revenue	2,043,319	-	-
Student tuition and fees	11,163,682	47,222	-
On-Behalf CIP	-	-	-
On-Behalf SURS	-	-	-
All other revenue	580,031	218,502	12,173
<b>Total revenues</b>	<b>30,323,146</b>	<b>5,801,341</b>	<b>6,598,092</b>
Expenditures:			
Instruction	10,026,882	-	-
Academic support	3,486,198	-	-
Student services	2,509,106	-	-
Public service/continuing education	364,883	-	-
Auxiliary services	-	-	-
Operations and maintenance	-	4,002,268	-
Institutional support	7,784,718	-	6,527,726
Scholarships, student grants and waivers	2,360,956	-	-
<b>Total expenditures</b>	<b>26,532,743</b>	<b>4,002,268</b>	<b>6,527,726</b>
<b>Net transfers</b>	<b>(4,395,000)</b>	<b>(1,684,000)</b>	<b>-</b>
Fund balance, end of year	<b>\$ 9,151,137</b>	<b>\$ 5,571,302</b>	<b>\$ 3,338,192</b>

Operations and Maintenance - Restricted	Auxiliary Enterprises Fund	Restricted Purpose Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
\$ 17,135,346	\$ 1,068,531	\$ 8,644,844	\$ 14,119,450	\$ 244,397	\$ 6,112,947	\$ 65,805,304
2,145,454	-	-	-	129,825	3,132,645	24,474,478
-	-	-	-	-	-	4,418,980
-	-	640,968	-	-	-	5,813,084
1,822,732	-	1,353,677	-	-	-	3,176,409
-	-	12,358,485	-	-	-	14,401,804
-	131,910	483,677	-	-	-	11,826,491
-	-	(3,421,906)	-	-	-	(3,421,906)
-	-	9,697,490	-	-	-	9,697,490
91,800	975,880	289,173	86,600	1,543	86,323	2,342,025
4,059,986	1,107,790	21,401,564	86,600	131,368	3,218,968	72,728,855
-	-	3,028,437	-	-	-	13,055,319
-	-	2,311,016	-	-	-	5,797,214
-	-	1,408,351	-	-	-	3,917,457
-	-	793,160	-	-	-	1,158,043
-	1,743,604	131,689	-	-	-	1,875,293
4,983,413	-	674,316	-	-	969,349	10,629,346
289,755	-	1,510,785	-	97,325	1,782,926	17,993,235
-	-	9,581,032	-	-	-	11,941,988
5,273,168	1,743,604	19,438,786	-	97,325	2,752,275	66,367,895
4,084,000	750,000	1,280,779	-	-	-	35,779
\$ 20,006,164	\$ 1,182,717	\$ 11,888,401	\$ 14,206,050	\$ 278,440	\$ 6,579,640	\$ 72,202,043

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**Black Hawk College**  
**Illinois Community College District #503**

**Uniform Financial Statement No. 2 - Summary of Capital Assets and Long-Term Debt**  
**Year ended June 30, 2022**

	Capital Asset/ Long-Term Debt June 30, 2021	Additions	Deletions and Transfers	Capital Asset/ Long-Term Debt June 30, 2022
<b>Capital Assets:</b>				
Land	\$ 11,835,214	11,032	\$ 97,150	\$ 11,943,396
Building and improvements	120,941,428	-	-	120,941,428
Equipment	11,648,171	492,841	174,585	12,315,597
Other	140,253	4,898,925	(420,063)	4,619,115
	144,565,066	5,402,798	(148,328)	149,819,536
Accumulated depreciation	(39,460,098)	(3,184,520)	137,975	(42,506,643)
<b>Total capital assets</b>	<b>\$ 105,104,968</b>	<b>\$ 2,218,278</b>	<b>\$ (10,353)</b>	<b>\$ 107,312,893</b>
<b>Long-Term Debt:</b>				
Bonds payable	\$ 32,500,000	-	\$ (5,315,000)	\$ 27,185,000
Other Fixed Liabilities	17,448,224	109,926	(1,252,835)	16,305,315
<b>Total long-term debt</b>	<b>\$ 49,948,224</b>	<b>\$ 109,926</b>	<b>\$ (6,567,835)</b>	<b>\$ 43,490,315</b>

**Black Hawk College**  
**Illinois Community College District #503**

**Uniform Financial Statement No. 3 - Operating Fund Revenues and Expenditures**  
**Year ended June 30, 2022**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
<b>Operating revenue by source:</b>			
Local government:			
Local taxes	\$ 7,881,392	\$ 4,599,243	\$ 12,480,635
Corporate personal property replacement tax	3,968,064	450,916	4,418,980
Chargeback revenue	-	-	-
	11,849,456	5,050,159	16,899,615
State government:			
ICCB base operating grant	2,548,657	485,458	3,034,115
ICCB equalization grant	1,831,720	-	1,831,720
ICCB - Career and Technical Education	284,876	-	284,876
Other ICCB Grants not listed above	21,405	-	21,405
Other state revenue	-	-	-
	4,686,658	485,458	5,172,116
Federal government:			
Department of Education	2,040,698	-	2,040,698
Other	2,621	-	2,621
	2,043,319	-	2,043,319
Student tuition and fees:			
Tuition	9,666,353	-	9,666,353
Fees	1,497,329	47,222	1,544,551
	11,163,682	47,222	11,210,904
Other sources:			
Sales and service fees	318,461	6,201	324,662
Facilities revenue	-	163,263	163,263
Investment revenue	131,881	40,970	172,851
Other	129,689	8,068	137,757
	580,031	218,502	798,533
<b>Total revenues</b>	<b>30,323,146</b>	<b>5,801,341</b>	<b>36,124,487</b>
Less nonoperating item, tuition chargeback revenue	-	-	-
<b>Adjusted revenues</b>	<b>\$ 30,323,146</b>	<b>\$ 5,801,341</b>	<b>\$ 36,124,487</b>

**Black Hawk College  
Illinois Community College District #503**

**Uniform Financial Statement No. 3 - Operating Fund Revenues and Expenditures (Continued)  
Year ended June 30, 2022**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
<b>Operating expenditures by program:</b>			
Instruction	\$ 10,026,882	\$ -	\$ 10,026,882
Academic support	3,486,198	-	3,486,198
Student services	2,509,106	-	2,509,106
Public service	364,883	-	364,883
Operations and maintenance	-	4,002,268	4,002,268
Institutional support	7,784,718	-	7,784,718
Scholarships, student grants and waivers	2,360,956	-	2,360,956
<b>Total expenditures</b>	<u>26,532,743</u>	<u>4,002,268</u>	<u>30,535,011</u>
Less nonoperating item, tuition chargeback			
	-	-	-
Transfers, net	4,395,000	1,684,000	6,079,000
<b>Adjusted expenditures</b>	<u>\$ 30,927,743</u>	<u>\$ 5,686,268</u>	<u>\$ 36,614,011</u>
<b>By object:</b>			
Salaries	\$ 15,774,701	\$ 1,369,482	\$ 17,144,183
Employee benefits	5,454,063	387,430	5,841,493
Contractual services	1,164,851	623,875	1,788,726
General materials and supplies	1,535,831	242,503	1,778,334
Conference and meeting expenses	151,573	1,726	153,299
Fixed charges	29,726	5,379	35,105
Utilities	3,356	1,343,107	1,346,463
Capital outlay	-	28,222	28,222
Other	2,418,642	544	2,419,186
<b>Total expenditures</b>	<u>26,532,743</u>	<u>4,002,268</u>	<u>30,535,011</u>
Less nonoperating item, tuition chargeback			
	-	-	-
Transfers, net	4,395,000	1,684,000	6,079,000
<b>Adjusted expenditures</b>	<u>\$ 30,927,743</u>	<u>\$ 5,686,268</u>	<u>\$ 36,614,011</u>

**Black Hawk College  
Illinois Community College District #503**

**Uniform Financial Statement No. 4 - Restricted Purposes Fund Revenues and Expenditures  
Year ended June 30, 2022**

Revenues by source:	
Local government	\$ -
State government:	
ICCB:	
Adult Education and Family Literacy	514,032
Early School Leaver	60,000
Illinois Veterans Grant	(31,352)
Innovative Bridge & Transition Grant	20,743
Illinois National Guard	77,545
Illinois State Board of Education:	
Truancy and Alternative Education	172,417
Illinois Department of Health & Human Services	
Department of Vocational Rehab	89,726
Illinois Department of Transportation	
Highway Construction Careers Training Program	211,713
Illinois Student Assistance Center	
Monetary Assistance Program	830,601
Illinois Secretary of State	
Adult Volunteer Literacy	44,000
Illinois Department of Veterans' Affairs	
MIA/POW	5,220
State Universities Retirement System of Illinois (1)	
SURS On-Behalf	9,697,490
OPEB CIP On-Behalf	(3,421,906)
<b>Total state government</b>	<u>8,270,229</u>
Federal government:	
Department of Education	
Student Aid Programs:	
Federal Work Study (FWS)	85,085
Pell Grant	3,990,098
Supplemental Educational Opportunity Grant (SEOG)	149,532
Carl D. Perkins Vocational and Applied Technology Program	402,453
CTE Improvement (Leadership) Grant	30,014
Special Student Services	372,543
Adult Education and Family Literacy, Federal Basic Program	207,728
Adult Education English Language/Civics	46,460
HEERF - Student portion	4,005,404
HEERF - Institutional portion	2,368,697
HEERF - Strengthening Institutions	-
GEER - Governor's Emergency Education Relief	321,994
Department of Labor	
TEAM	52,851
CareerLINK	67,228
Department of Health and Human Services	
Early Childhood Access Consortium for Equity (ECACE) Scholarship Program	43,659
Child Care and Development Block Grant for ECACE	56,935
Department of Transportation	
Highway Construction Careers Training Program	39,553
Other Sources:	
Veteran's Administration	118,251
<b>Total federal government</b>	<u>12,358,485</u>

Notes:

1. Revenues and expenditures in the Restricted Purposes Fund include State on-behalf contributions of \$6,275,584

**Black Hawk College  
Illinois Community College District #503**

**Uniform Financial Statement No. 4 - Restricted Purposes Fund Revenues and Expenditures (Continued)  
Year ended June 30, 2022**

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Revenues by source (Continued):

Other sources:	
Student Fees	483,677
Other	289,173
<b>Total other</b>	<u>772,850</u>
<b>Total Restricted Purposes Fund Revenues</b>	<u><u>\$ 21,401,564</u></u>

Expenditures by program (1):

Instruction	\$ 3,028,437
Academic support	2,311,016
Student services	1,408,351
Public service/continuing education	793,160
Auxiliary services	131,689
Operations and maintenance	674,316
Institutional support	1,510,785
Scholarships, student grants and waivers	9,581,032
<b>Total expenditures by program</b>	<u><u>\$ 19,438,786</u></u>

Expenditures by object:

Salaries	\$ 1,499,725
Employee benefits (1)	6,688,460
Contractual services	776,991
General materials and supplies	349,621
Conference and meeting expenses	60,615
Fixed charges	32,296
Utilities	106,758
Capital outlay	270,947
Other	9,653,373
<b>Total expenditures by object</b>	<u><u>\$ 19,438,786</u></u>

Notes:

1. Revenues and expenditures in the Restricted Purposes Fund include State on-behalf contributions of \$6,275,584

**Black Hawk College**  
**Illinois Community College District #503**

**Uniform Financial Statement No. 5 - Expenditures by Activity - Current Funds**  
**Year ended June 30, 2022**

Instruction (1)	<u>\$ 13,055,319</u>
Academic support:	
Library center	477,390
Instructional materials center	134,363
Educational media services	211,895
Academic computing support	1,641,486
Academic administration and planning	2,125,001
Other (1)	1,207,079
<b>Total academic support</b>	<u>5,797,214</u>
Student services:	
Admissions and records	746,532
Counseling and career guidance	1,332,908
Financial aid administration	484,635
Other (1)	1,353,382
<b>Total student services</b>	<u>3,917,457</u>
Public service/continuing education:	
Community education	165,218
Customized training (instructional)	236,866
Community services	133,664
Other (1)	622,295
<b>Total public service/continuing education</b>	<u>1,158,043</u>
Auxiliary services (1)	<u>1,875,293</u>
Operations and maintenance of plant:	
Maintenance	854,270
Custodial services	1,018,271
Grounds	331,695
Campus security	963,859
Utilities	1,625,967
Administration	208,756
Other (1)	643,115
<b>Total operations and maintenance</b>	<u>5,645,933</u>
Institutional support:	
Executive office	1,137,349
Fiscal operations	892,249
Community relations	1,225,400
Administrative support services	926,366
Board of Trustees	30,144
General institution	4,648,904
Administrative data processing	542,194
Other (1)	1,773,148
<b>Total institutional support</b>	<u>11,175,754</u>
Scholarships, student grants and waivers (1)	11,941,988
<b>Total current funds expenditures</b>	<u>\$ 54,567,001</u>

Notes:

1. Revenues and expenditures in the Restricted Purposes Fund include State on-behalf contributions of \$6,275,584

**Black Hawk College  
Illinois Community College District #503**

**Reconciliation of the Combining Balance Sheet to the Uniform Financial Statements  
Year ended June 30, 2022**

Fund Balances - Uniform Financial Statements	\$ 72,202,043
Capital assets in the Investment in Plant Fund	107,312,893
Long-term bond debt in the General Long Term Debt Fund	(26,738,059)
Unspent bond proceeds in the General Long Term Debt Fund	(446,941)
Long-term OPEB liability in the General Long Term Debt Fund	(21,631,616)
Agency Fund Balances	<u>463,924</u>
Fund Balances - All Fund Types	<u><u>\$ 131,162,244</u></u>

**Reconciliation of the Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances to the Uniform Financial Statements  
Year ended June 30, 2022**

Change in Fund Balances - Uniform Financial Statements	\$ 6,360,960
Additions to buildings and equipment	5,402,798
Depreciation and loss of disposal of assets	(3,194,873)
Net Effect	<u>2,207,925</u>
Payment on long-term debt	5,315,000
Issuance of long-term debt	-
Net Effect	<u>5,315,000</u>
OPEB expense	<u>642,177</u>
Additions to custodial funds	1,193,900
Payments from custodial funds	(1,170,782)
Net Effect	<u>23,118</u>
Change in Fund Balances - All Fund Types	<u><u>\$ 14,549,180</u></u>

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# **ICCB State Grants Financial Compliance Section**

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## **Independent Auditor's Report on State Adult Education and Family Literacy Grants Financial Statements**

To the Board of Trustees  
Black Hawk College  
Illinois Community College District #503  
Moline, Illinois

### **Opinion**

We have audited the accompanying financial statements of the State Adult Education and Family Literacy Grants of Black Hawk College – Community College District 503 (the “College”), as of and for the year ended June 30, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Adult Education and Family Literacy Grants of Black Hawk College – Community College District 503 as of June 30, 2022, and the changes in its financial position for the year then ended in accordance 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 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 State Adult Education and Family Literacy Grants of Black Hawk College – Community College District 503, 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.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements present only the State Adult Education and Family Literacy Grants and do not purport to, and do not present fairly the financial position of Black Hawk College – Community College District 503 as of June 30, 2022, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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

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

## **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 judgement 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.

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 opinions on the financial statements that collectively comprise the Grant Programs' financial statements. The ICCB Compliance Statement is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Wipfli LLP*

Sterling, Illinois  
December 16, 2022

**Independent Auditor's Report on Compliance with State Requirements  
For State Adult Education and Family Literacy Grants**

To the Board of Trustees  
Black Hawk College  
Illinois Community College District #503  
Moline, Illinois

***Compliance***

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State Adult Education and Family Literacy Grants Program of Black Hawk College District No. 503 (the "College"), which comprise of the statement of net position as of June 30, 2022, and the related statement of revenues, expenditures, and changes in net position for the year then ended, and the related notes to the financial statements, and we have issued our report there on dated December 16, 2022.

In connection with our audit, nothing came to our attention that caused us to believe that the College failed to materially comply with the terms or conditions of the grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*, insofar as they relate to State Adult Education and Family Literacy Grants. Our audit was not directed primarily toward obtaining knowledge of all such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the College's noncompliance with the above referenced terms or conditions of the grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*, insofar as they relate to State Adult Education and Family Literacy Grants.

The report is intended solely for the information and use of the boards of trustees and management of Black Hawk College District No. 503, and the Illinois Community College Board and is not intended to be and should not be used by anyone other than those specified parties.

*Wipfli LLP*

Sterling, Illinois  
December 16, 2022

**Black Hawk College  
Illinois Community College District #503**

**Adult Education and Family Literacy Grant Program  
Balance Sheet  
June 30, 2022**

	State Basic	Performance	Total
<b>Assets</b>			
Cash	\$ -	\$ -	\$ -
Receivable from ICCB	2,244	8,138	10,382
Due from other funds	1,003	-	1,003
Prepaid Expenses	-	-	-
<b>Total assets</b>	<u>\$ 3,247</u>	<u>\$ 8,138</u>	<u>\$ 11,385</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 911	\$ 911
Accrued salaries	3,247	7,160	10,407
Due to other funds	-	67	67
<b>Total liabilities</b>	<u>3,247</u>	<u>8,138</u>	<u>11,385</u>
<b>Fund balance</b>			
Reserved for encumbrances	-	-	-
<b>Total fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Note to Financial Statements - Grant Programs.

**Adult Education and Family Literacy Grant Program  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended June 30, 2022**

	State Basic	Performance	Total
Revenues, state sources	\$ 285,212	\$ 228,820	\$ 514,032
<b>Expenditures:</b>			
Current year's grant:			
Instruction	208,767	20,561	229,328
Social work services	-	-	-
Guidance services	61,766	26,659	88,425
Assessment and testing	9,431	14,097	23,528
Transportation	-	-	-
Literacy services	-	-	-
Child care services	-	-	-
Improvement of Instructional Services	-	7,174	7,174
General administration	4,140	25,025	29,165
Workforce coordination	-	3,220	3,220
Data and information services	1,108	132,084	133,192
Operation of plant services	-	-	-
<b>Total expenditures</b>	<u>285,212</u>	<u>228,820</u>	<u>514,032</u>
<b>Revenues over (under) expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund balance:</b>			
Beginning, July 1, 2021			-
Ending, June 30, 2022			<u>\$ -</u>

See Note to Financial Statements - Grant Programs.

**Black Hawk College  
Illinois Community College District #503**

**ICCB Compliance Statement for the State Adult Education and Family Literacy Restricted Funds  
Expenditure Amounts and Percentages for ICCB Grant Funds Only  
Year Ended June 30, 2022**

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$ 208,767	73.20%
General Administration (20% Maximum Allowed)	4,140	1.45%

**Black Hawk College  
Illinois Community College District #503**

**Note to Financial Statements - Grant Programs**

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**Note 1. Summary of Significant Accounting Policies**

**General:**

The accompanying statements include only those transactions resulting from the Adult Education and Family Literacy. The transactions for the grants have been accounted for in the Restricted Purposes Fund.

**Basis of Accounting:**

The statements have been prepared on the modified accrual basis of accounting as defined in the Illinois Community College Board's *Fiscal Management Manual*. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2022. Funds obligated for goods and services prior to June 30, but for which the goods and services 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 Illinois Community College Board by October 15, 2022.

**Capital Assets:**

Capital asset purchases are recorded as capital outlay expenditures and are capitalized in accordance with the College's capitalization policy and as allowed by grant specific guidelines.

**Encumbrances:**

Payments of prior year's encumbrances for goods and services received prior to August 31, 2022, are reflected as expenditures during the current fiscal year.

**Black Hawk College  
Illinois Community College District #503**

**Background Information on State Grant Activity**

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**Unrestricted Grants**

Base Operating Grants: General operating funds provided to colleges upon credit enrollment with a small portion of the allocation based upon gross square footage of space at the College.

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

**Restricted Grants/Special Initiatives**

Early School Leaver: Provides funding for high school dropouts between the ages of 16 and 21 who want to complete the secondary level of education and participate in work-site learning experiences related to career choices. Only those youth who demonstrate a willingness to meet both goals and who are able to benefit from such a program are selected.

**Statewide Initiatives**

Special Incentive Grants: A new request to provide flexible funding for unique initiatives needed in the community college system. The grants will be awarded on a Request for Proposal basis and will focus on higher education priorities such as accessibility, affordability, productivity, partnerships, quality, and responsiveness. In addition, a significant proportion of the dollars available will focus on improving the availability of qualified information technology employees in the State of Illinois.

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 brief description of each grant should be included in this section. 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 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.

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**Independent Accountant's Report on Enrollment Data  
and Other Bases Upon Which Claims are Filed**

To the Board of Trustees  
Black Hawk College  
Illinois Community College District #503  
Moline, Illinois

We have examined management of Black Hawk College, Illinois Community College District #503 (the College) assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Black Hawk College, Illinois Community College District #503 during the period July 1, 2021 through June 30, 2022. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirement based on our examination.

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

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

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

In our opinion, management's assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Black Hawk College, Illinois Community College District #503 is fairly stated, in all material respects.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Sterling, Illinois  
December 16, 2022

**BLACK HAWK COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT #503**  
**SCHEDULE OF CREDIT HOUR DATA AND OTHER BASES**  
**UPON WHICH CLAIMS ARE FILED**  
**YEAR ENDED JUNE 30, 2022**

<u>Total Reimbursable Semester Credit Hours by Term</u>				
<u>Credit Hour Categories</u>	<u>Summer Term</u>		<u>Fall Term</u>	
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Restricted</u>
	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>
Baccalaureate	2,809.00	21.60	17,831.80	42.80
Business Occupational	198.40	-	1,170.50	-
Technical Occupational	502.20	-	3,327.20	47.60
Health Occupational	626.60	-	3,745.50	-
Remedial/Developmental	160.00	-	1,191.00	-
Adult Education	279.20	309.30	109.40	4,374.40
Total	4,575.40	330.90	27,375.40	4,464.80

<u>Credit Hour Categories</u>	<u>Spring Term</u>		<u>Total All Terms</u>	
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Restricted</u>
	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>
Baccalaureate	15,788.90	25.20	36,429.70	89.60
Business Occupational	1,438.40	-	2,807.30	-
Technical Occupational	3,641.40	57.60	7,470.80	105.20
Health Occupational	2,723.20	-	7,095.30	-
Remedial/Developmental	800.00	-	2,151.00	-
Adult Education	295.40	4,446.70	684.00	9,130.40
Total	24,687.30	4,529.50	56,638.10	9,325.20

	<u>In-District (All terms)</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
	<u>Hours</u>	<u>Hours</u>
Reimbursable Credit Hours:	53,341.50	9,125.90

Credit Hours on Chargeback or Contractual Agreement: - 0

	<u>Dual Credit (All Terms)</u>		<u>Dual Enrollment (All Terms)</u>	
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Restricted</u>
	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>
Reimbursable Credit Hours:	9,399.00	-	29.00	-

District Equalized Assessed Valuation: \$4,405,387,029

<u>Correctional Semester Credit Hours</u>				
<u>Credit Hour Categories</u>	<u>Summer</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>
	<u>Correctional</u>	<u>Correctional</u>	<u>Correctional</u>	<u>Correctional</u>
	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>	<u>Hours</u>
Baccalaureate	-	-	-	-
Business Occupational	-	-	-	-
Technical Occupational	-	-	-	-
Health Occupational	-	-	-	-
Remedial/Developmental	-	-	-	-
Adult Education	-	-	-	-
Total	-	-	-	-

Signature:   
 Chief Executive Officer

Signature:   
 Chief Financial Officer

**BLACK HAWK COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT #503**  
**RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS**  
**YEAR ENDED JUNE 30, 2022**

<b>Total Reimbursable Semester Credit Hours</b>			
<b>Credit Hour Categories</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit</b>	<b>Certified to ICCB</b>	
	<b><u>Unrestricted Hours</u></b>	<b><u>Unrestricted Hours</u></b>	
Baccalaureate	36,429.70	36,429.70	-
Business Occupational	2,807.30	2,807.30	-
Technical Occupational	7,470.80	7,470.80	-
Health Occupational	7,095.30	7,095.30	-
Remedial/Developmental	2,151.00	2,151.00	-
Adult Education	684.00	684.00	-
<b>Total:</b>	<b>56,638.10</b>	<b>56,638.10</b>	<b>-</b>

<b>Credit Hour Categories</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit</b>	<b>Certified to ICCB</b>	
	<b><u>Restricted Hours</u></b>	<b><u>Restricted Hours</u></b>	
Baccalaureate	89.60	89.60	-
Business Occupational	-	-	-
Technical Occupational	105.20	105.20	-
Health Occupational	-	-	-
Remedial/Developmental	-	-	-
Adult Education	9,130.40	9,130.40	-
<b>Total:</b>	<b>9,325.20</b>	<b>9,325.20</b>	<b>-</b>

	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit</b>	<b>Certified to ICCB</b>	
	<b><u>Unrestricted Hours</u></b>	<b><u>Unrestricted Hours</u></b>	
In-District Credit Hours:	53,341.50	53,341.50	-
Dual Credit Hours:	9,399.00	9,399.00	-
Dual Enrollment Hours:	29.00	29.00	-

	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit</b>	<b>Certified to ICCB</b>	
	<b><u>Restricted Hours</u></b>	<b><u>Restricted Hours</u></b>	
In-District Credit Hours:	9,125.90	9,125.90	-
Dual Credit Hours:	-	-	-
Dual Enrollment Hours:	-	-	-

<b>Total Correctional Semester Credit Hours</b>			
<b>Credit Hour Categories</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit</b>	<b>Certified to ICCB</b>	
	<b><u>Unrestricted Hours</u></b>	<b><u>Unrestricted Hours</u></b>	
Baccalaureate	-	-	-
Business Occupational	-	-	-
Technical Occupational	-	-	-
Health Occupational	-	-	-
Remedial/Developmental	-	-	-
Adult Education	-	-	-
<b>Total:</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Credit Hour Categories</b>	<b>Total</b>	<b>Total</b>	<b>Difference</b>
	<b>Reported in Audit</b>	<b>Certified to ICCB</b>	
	<b><u>Restricted Hours</u></b>	<b><u>Restricted Hours</u></b>	
Baccalaureate	-	-	-
Business Occupational	-	-	-
Technical Occupational	-	-	-
Health Occupational	-	-	-
Remedial/Developmental	-	-	-
Adult Education	-	-	-
<b>Total:</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Black Hawk College  
Illinois Community College District #503**

**Student Residency Verification  
Year Ended June 30, 2022**

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**SUMMARY OF STUDENT RESIDENCY VERIFICATION PROCESS**

Residence is defined in the College catalog as the place where the student lives and which is the student's true home. Residency is determined at the time of application for admission. Students who change their residency after applying must verify their residency. Proof of residency is verified by any of the following:

1. An Illinois driver's license and/or vehicle registration
2. A voter registration card
3. Payment of property taxes in the Black Hawk College District #503
4. Full-time employment in Black Hawk College District #503
5. Other documents that are not self-serving

The residency of the student determines tuition rates assessed. Tuition rates assessed for students considered in-district are lower than tuition rates for those students who are considered out-of-district.

Copies of the proof and certification of residency forms are kept on file and residency compliance is periodically reviewed by the Office of Institutional Planning and Effectiveness. It is the student's responsibility to provide proof of residency and maintain compliance with the residency requirements of the College.

**Black Hawk College  
Illinois Community College District #503**

**Summary of Assessed Valuations  
Most Recent Three Years**

Tax Levy Year	Equalized Assessed Valuation
2021	4,405,387,029
2020	4,262,432,791
2019	4,191,810,026

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# **Federal Financial Compliance Section**

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

To the Board of Trustees  
Black Hawk College  
Illinois Community College District #503  
Moline, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of Black Hawk College District No. 503 (the "College"), as of and for the year ended June 30, 2022, 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 16, 2022.

The financial statements of Black Hawk College Foundation and Black Hawk East College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Black Hawk College Foundation and Black Hawk East College Foundation.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention of 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 and significant deficiencies may exist that have not been 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 College'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.

*Wipfli LLP*

Sterling, Illinois  
December 16, 2022

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

To the Board of Trustees  
Black Hawk College  
Illinois Community College District #503  
Moline, Illinois

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

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

We have audited Black Hawk College District No. 503'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, 2022. 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, Black Hawk College District No. 503 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, 2022.

***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 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 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 a 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 judgement 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 weakness 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

*Wipfli LLP*

Sterling, Illinois  
December 16, 2022

**Black Hawk College**  
**Illinois Community College District # 503**

**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal Assistance Listing Number	Grant Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Labor</b>				
WIOA Cluster				
Passed-through Illinois Department of Employment Security:				
Training Employee Academic Mastery	17.258	PY2022-BHC TEAM	52,851	-
Career Link	17.258	OSY-2022-01	67,228	-
<b>Total U.S. Department of Labor</b>			<u>120,079</u>	<u>-</u>
<b>U.S. Department of Education</b>				
Passed-through Illinois Community College Board:				
Adult Education - Basic Grants to States				
Federal Adult Education - Basic	84.002A	5030122	207,728	-
Federal Adult Education - IEL/CE	84.002A	5030122	46,460	-
Subtotal passed-through Illinois Community College Board			<u>254,188</u>	<u>-</u>
Direct award:				
Student Financial Aid Cluster				
Federal Pell Grant Program Admin Cost Allowance	84.063	P063Q191337	5	-
Federal Pell Grant Program Admin Cost Allowance	84.063	P063Q201337	295	-
Federal Pell Grant Program Admin Cost Allowance	84.063	P063Q211337	5,410	-
Federal Pell Grant Program	84.063	P063P201337	(856)	-
Federal Pell Grant Program	84.063	P063P211337	3,990,954	-
Federal Supplemental Educational Opportunity Grant	84.007	P007A211107	149,532	-
Federal Family Education Loans	84.268	P268K211337	26,007	-
Federal Family Education Loans	84.268	P268K221337	1,149,591	-
Federal Work-Study Program	84.033	P033A211107	85,085	-
Subtotal Student Financial Aid Cluster			<u>5,406,023</u>	<u>-</u>
Direct award:				
TRIO - Student Support Services	84.042A	P042A200804	372,543	-
Passed-through Illinois Community College Board:				
Career and Technical Education - Basic Grants to States:				
Vocational Education (Perkins)	84.048	CTE50322	395,328	-
CTE Leadership Improvement Grant	84.048	LEAD50321	30,014	-
Subtotal passed-through Illinois Community College Board			<u>425,342</u>	<u>-</u>
COVID-19 - Education Stabilization Fund				
Passed-through Illinois Community College Board:				
GEER - Governor's Emergency Education Relief	84.425C	GEER-503	200,510	-
GEER II - Governor's Emergency Education Relief	84.425C	GEERII-50322	121,484	-
Subtotal passed-through Illinois Community College Board			<u>321,994</u>	<u>-</u>
Direct award:				
Higher Education Emergency Relief Fund - Student Portion	84.425E	P425E202366	4,005,404	-
Higher Education Emergency Relief Fund - Institutional Portion	84.425F	P425F201722	1,595,244	-
Higher Education Emergency Relief Fund - Strengthening Institutions	84.425M	P425M200465	496,625	-
Subtotal ALN 84.425			<u>6,419,267</u>	<u>-</u>
<b>Total U.S. Department of Education:</b>			<u>12,877,363</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>				
Child Care and Development Fund (CCDF) Cluster				
Passed through Illinois Student Assistance Commission:				
COVID19 Early Childhood Access Consortium for Equity (ECACE) Scholarship Program	93.575	CRRSA ARPA CCDBG	43,659	-
Passed through Illinois Community College Board:				
COVID-19 Child Care and Development Block Grant Early Childhood Grant	93.575	ECE-50301-22	56,935	-
Subtotal ALN 93.575 Cluster			<u>100,594</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>100,594</u>	<u>-</u>
<b>U.S. Department of Transportation</b>				
Passed through Illinois Department of Transportation:				
Highway Construction Careers Training Program	20.205	HCCTP IGA FY22	39,553	-
<b>Total U.S. Department of Transportation</b>			<u>39,553</u>	<u>-</u>
<b>U.S. Department of Veteran's Affairs</b>				
Veteran's Educational Assistance	64.120		100,334	-
VA Rehab	64.116		18,185	-
<b>Total U.S. Department of Veteran's Affairs</b>			<u>118,519</u>	<u>-</u>
<b>Total Expenditures of Federal Awards:</b>			<u>\$ 13,256,108</u>	<u>\$ -</u>

See Notes to Schedule of Expenditures of Federal Awards.

**Black Hawk College  
Illinois Community College District #503**

**Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022**

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**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Black Hawk College under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Black Hawk College, it is not intended to and does not present the financial position, changes in net position or cash flows of Black Hawk College. The College elected to use the 10% de minimis indirect cost rate during the year ended June 30, 2022.

**Note 2. Summary of Significant Accounting**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**Note 3. Loan Program**

For the year ended, June 30, 2022, the College acted as a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$1,175,598.

**Note 4. Non-cash Assistance**

The College did not expend any federal awards in the form of non-cash assistance during the year ended June 30, 2022.

**Black Hawk College  
Illinois Community College District #503**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022**

---

**I. Summary of Independent Auditor's Results**

**Financial Statements:**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

\* Material weakness identified? \_\_\_\_\_ Yes       X  No

\* Significant deficiency identified that is not  
considered to be a material weakness      \_\_\_\_\_ Yes       X  No

Noncompliance material to financial statements  
noted?      \_\_\_\_\_ Yes       X  No

**Federal Awards:**

Internal control over major programs:

• Material weakness identified?      \_\_\_\_\_ Yes       X  No

• Significant deficiency identified that is  
not considered to be a material weakness      \_\_\_\_\_ Yes       X  No

Type of auditor's report issued on compliance for major programs: Unmodified

• Any audit findings disclosed that are required  
to be reported in accordance with the Uniform  
Guidance?      \_\_\_\_\_ Yes       X  No

**Identification of Major Programs:**

CFDA  
Number

Name of Federal Program

84.425E, 84.425F,  
84.425M, 84.425C

COVID19 Education Stabilization Fund

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

Auditee qualified as low risk auditee?       X  Yes      \_\_\_\_\_ No

**Black Hawk College  
Illinois Community College District #503**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022**

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No financial or federal award findings.

**Black Hawk College  
Illinois Community College District #503**

**Summary Schedule of Prior Audit Findings  
June 30, 2021**

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**None**

# Management Information

**Black Hawk College**  
**Illinois Community College District #503**

**Combining Balance Sheet**  
**June 30, 2022**

<b>Assets</b>	Education Fund	Operations & Maintenance Fund	Auxiliary Fund	Restricted Funds	Custodial Funds
Cash and cash equivalents	\$ 13,468,956	\$ 7,115,574	\$ 34,216	\$ 9,979,006	\$ 490,168
Investments	-	-	-	-	-
Receivables, net of allowance for uncollectibles:					
Property Taxes	4,599,903	2,683,677	-	-	-
Federal government claims	-	-	-	660,212	-
State government claims	650,123	73,877	-	195,691	-
Student tuition and fees	3,801,400	-	-	-	-
Other	5,403	145,035	2,783	-	74,191
Due from other funds	-	-	593,941	1,321,399	-
Inventory	-	-	675,124	-	-
Prepaid expenses	223,485	129,133	7,213	168,782	4,266
Capital assets:					
Land	-	-	-	-	-
Construction and Equipment in process	-	-	-	-	-
Building, improvements and equipment net of \$42,506,643 depreciation	-	-	-	-	-
Total assets	<u>\$ 22,749,270</u>	<u>\$ 10,147,296</u>	<u>\$ 1,313,277</u>	<u>\$ 12,325,090</u>	<u>\$ 568,625</u>
Deferred outflows of resources					
OPEB	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>					
Accounts payable	510,330	244,964	18,520	181,752	3,729
Accrued expenses					
Payroll	812,602	68,524	9,879	34,895	507
Early retirement	169,274	-	-	-	-
Accrued vacation	691,671	91,448	19,024	33,833	-
Other	-	-	35	-	-
Due to other funds	4,221,736	1,685,693	-	-	98,958
Unearned revenues					
Student tuition and fees	3,115,642	-	45,188	165,691	-
Grants and restricted funds	-	-	-	6,215	1,507
Other liabilities	77,779	19,795	37,114	-	-
Bonds payable	-	-	-	-	-
OPEB Liability	-	-	-	-	-
Total liabilities	<u>9,599,034</u>	<u>2,110,424</u>	<u>129,760</u>	<u>422,386</u>	<u>104,701</u>
Deferred inflows of resources					
Property taxes	3,999,099	2,333,797	-	-	-
Other	-	10,635	800	14,303	-
OPEB	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Lease Revenue	-	121,138	-	-	-
Total deferred inflows of resources	<u>3,999,099</u>	<u>2,465,570</u>	<u>800</u>	<u>14,303</u>	<u>-</u>
Fund balance					
Net investment in capital assets	-	-	-	-	-
Restricted	-	-	-	879,333	463,924
Unrestricted	9,151,137	5,571,302	1,182,717	11,009,068	-
Total fund balance	<u>9,151,137</u>	<u>5,571,302</u>	<u>1,182,717</u>	<u>11,888,401</u>	<u>463,924</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 22,749,270</u>	<u>\$ 10,147,296</u>	<u>\$ 1,313,277</u>	<u>\$ 12,325,090</u>	<u>\$ 568,625</u>

See Note to Management Information.

Audit Fund	Liability, Protection, and Settlement Fund	Working Cash Fund	Bond & Interest Fund	Operations & Maintenance Restricted	Investment in Plant Fund	General Long Term Debt Fund	Total
\$ 283,002	\$ 6,443,131	\$ 14,206,050	\$ 2,933,698	\$ 16,529,934	\$ -	\$ -	\$ 71,483,735
-	-	-	-	-	-	-	-
75,934	1,827,964	-	3,813,943	1,252,351	-	-	14,253,772
-	-	-	-	-	-	-	660,212
-	-	-	-	-	-	-	919,691
-	-	-	-	-	-	-	3,801,400
-	-	-	-	-	-	-	227,412
-	7,047	-	-	4,084,000	-	-	6,006,387
-	-	-	-	-	-	-	675,124
-	114,912	-	-	44,983	-	-	692,774
-	-	-	-	-	1,032,464	-	1,032,464
-	-	-	-	-	4,619,115	-	4,619,115
-	-	-	-	-	101,661,314	-	101,661,314
<b>\$ 358,936</b>	<b>\$ 8,393,054</b>	<b>\$ 14,206,050</b>	<b>\$ 6,747,641</b>	<b>\$ 21,911,268</b>	<b>\$ 107,312,893</b>	<b>\$ -</b>	<b>\$ 206,033,400</b>
-	-	-	-	-	-	199,702	199,702
-	-	-	-	-	-	199,702	199,702
14,425	67,582	-	-	816,151	-	-	1,857,453
-	57,980	-	-	-	-	-	984,387
-	-	-	-	-	-	-	169,274
-	98,438	-	-	-	-	-	934,414
-	-	-	91,858	-	-	-	91,893
-	-	-	-	-	-	-	6,006,387
-	-	-	-	-	-	-	3,326,521
-	-	-	-	-	-	-	7,722
-	-	-	-	-	-	-	134,688
-	-	-	-	-	-	27,185,000	27,185,000
-	-	-	-	-	-	16,305,315	16,305,315
14,425	224,000	-	91,858	816,151	-	43,490,315	57,003,054
66,071	1,589,414	-	3,317,591	1,088,953	-	-	12,394,925
-	-	-	-	-	-	-	25,738
-	-	-	-	-	-	5,526,003	5,526,003
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	121,138
66,071	1,589,414	-	3,317,591	1,088,953	-	5,526,003	18,067,804
-	-	-	-	-	107,312,893	(26,738,059)	80,574,834
278,440	6,579,640	10,194,190	3,338,192	4,724,378	-	(446,941)	26,011,156
-	-	4,011,860	-	15,281,786	-	(21,631,616)	24,576,254
278,440	6,579,640	14,206,050	3,338,192	20,006,164	107,312,893	(48,816,616)	131,162,244
<b>\$ 358,936</b>	<b>\$ 8,393,054</b>	<b>\$ 14,206,050</b>	<b>\$ 6,747,641</b>	<b>\$ 21,911,268</b>	<b>\$ 107,312,893</b>	<b>\$ 199,702</b>	<b>\$ 206,233,102</b>

**Black Hawk College  
Illinois Community College District #503**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year ended June 30, 2022**

	Education Fund	Operations & Maintenance Fund	Auxiliary Fund	Restricted Funds	Custodial Funds
<b>Revenues:</b>					
Local governmental sources					
Property taxes	\$ 7,881,392	\$ 4,599,243	\$ -	\$ -	\$ -
Personal Property Replacement Tax	3,968,064	450,916	-	-	-
Other	-	-	-	-	-
<b>Total local government sources</b>	<b>11,849,456</b>	<b>5,050,159</b>	<b>-</b>	<b>-</b>	<b>-</b>
State governmental sources	4,686,658	485,458	-	1,994,645	-
Federal governmental sources	2,043,319	-	-	12,358,485	-
Student tuition and fees	11,163,682	47,222	131,910	483,677	-
Sales, services and rental of facilities and equipment	318,461	169,464	945,296	15,385	164,138
Investment earnings	131,881	39,283	1,205	-	390
Other sources	129,689	9,755	29,379	273,788	1,029,372
Additions to buildings and equipment, current funds	-	-	-	-	-
Payment of long-term debt	-	-	-	-	-
SURS contribution provided by state	-	-	-	9,697,490	-
OPEB CIP contribution provided by state	-	-	-	(3,421,906)	-
<b>Total revenues</b>	<b>30,323,146</b>	<b>5,801,341</b>	<b>1,107,790</b>	<b>21,401,564</b>	<b>1,193,900</b>
<b>Expenditures:</b>					
Instruction	10,026,882	-	-	478,688	43,966
Academic support	3,486,198	-	-	1,440,830	-
Student services	2,509,106	-	-	712,648	-
Public services	364,883	-	-	603,837	3,608
Institutional support	7,784,718	-	-	340,304	291,002
Auxiliary services	-	-	1,743,604	-	140,781
Scholarships, student grants, and waivers	2,360,956	-	-	9,555,503	691,425
SURS contribution provided by state	-	-	-	9,697,490	-
OPEB CIP contribution provided by state	-	-	-	(3,421,906)	-
OPEB Expense (Income)	-	-	-	-	-
Depreciation	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-
Operation of physical facilities	-	4,002,268	-	31,392	-
<b>Total expenditures</b>	<b>26,532,743</b>	<b>4,002,268</b>	<b>1,743,604</b>	<b>19,438,786</b>	<b>1,170,782</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,790,403</b>	<b>1,799,073</b>	<b>(635,814)</b>	<b>1,962,778</b>	<b>23,118</b>
<b>Other financing sources (uses):</b>					
Bond proceeds	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-
Operating transfers in	-	-	750,000	1,245,000	-
Operating transfers out	(4,395,000)	(1,684,000)	-	-	-
Residual equity transfer in	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-
Transfer from other fund	-	-	-	35,779	-
Transfer to other fund	-	-	-	-	(35,779)
<b>Total other financing sources (uses)</b>	<b>(4,395,000)</b>	<b>(1,684,000)</b>	<b>750,000</b>	<b>1,280,779</b>	<b>(35,779)</b>
<b>Net change in fund balance</b>	<b>(604,597)</b>	<b>115,073</b>	<b>114,186</b>	<b>3,243,557</b>	<b>(12,661)</b>
<b>Fund balance</b>					
Beginning, as restated	9,755,734	5,456,229	1,068,531	8,644,844	476,585
Ending	\$ 9,151,137	\$ 5,571,302	\$ 1,182,717	\$ 11,888,401	\$ 463,924

See Note to Management Information.

Audit Fund	Liability, Protection, and Settlement Fund	Working Cash Fund	Bond & Interest Fund	Operations & Maintenance Restricted	Investment in Plant Fund	General Long Term Debt Fund	Total
\$ 129,825	\$ 3,132,645	\$ -	\$ 6,585,919	\$ 2,145,454	\$ -	\$ -	\$ 24,474,478
-	-	-	-	-	-	-	4,418,980
-	-	-	-	-	-	-	-
129,825	3,132,645	-	6,585,919	2,145,454	-	-	28,893,458
-	-	-	-	1,822,732	-	-	8,989,493
-	-	-	-	-	-	-	14,401,804
-	-	-	-	-	-	-	11,826,491
-	-	-	-	-	-	-	1,612,744
1,543	36,149	86,600	12,173	91,800	-	-	401,024
-	50,174	-	-	-	-	-	1,522,157
-	-	-	-	-	5,402,798	-	5,402,798
-	-	-	-	-	-	5,315,000	5,315,000
-	-	-	-	-	-	-	9,697,490
-	-	-	-	-	-	-	(3,421,906)
131,368	3,218,968	86,600	6,598,092	4,059,986	5,402,798	5,315,000	84,640,553
-	-	-	-	-	-	-	10,549,536
-	-	-	-	-	-	-	4,927,028
-	-	-	-	-	-	-	3,221,754
-	-	-	-	-	-	-	972,328
97,325	1,782,926	-	6,527,726	289,755	-	-	17,113,756
-	-	-	-	-	-	-	1,884,385
-	-	-	-	-	-	-	12,607,884
-	-	-	-	-	-	-	9,697,490
-	-	-	-	-	-	-	(3,421,906)
-	-	-	-	-	-	(642,177)	(642,177)
-	-	-	-	-	3,184,520	-	3,184,520
-	-	-	-	-	10,353	-	10,353
-	969,349	-	-	4,983,413	-	-	9,986,422
97,325	2,752,275	-	6,527,726	5,273,168	3,194,873	(642,177)	70,091,373
34,043	466,693	86,600	70,366	(1,213,182)	2,207,925	5,957,177	14,549,180
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,084,000	-	-	6,079,000
-	-	-	-	-	-	-	(6,079,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	35,779
-	-	-	-	-	-	-	(35,779)
-	-	-	-	4,084,000	-	-	-
34,043	466,693	86,600	70,366	2,870,818	2,207,925	5,957,177	14,549,180
244,397	6,112,947	14,119,450	3,267,826	17,135,346	105,104,968	(54,773,793)	116,613,064
\$ 278,440	\$ 6,579,640	\$ 14,206,050	\$ 3,338,192	\$ 20,006,164	\$ 107,312,893	\$ (48,816,616)	\$ 131,162,244

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**Black Hawk College  
Illinois Community College District #503**

**Reconciliation of the Combining Balance Sheet  
to the Statement of Net Position**

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Fund Balances - All Fund Types	\$ 131,162,244
Pension expense related to Federal, Trust, Grant and Other Contribution	90,832
Long-term portion of early retirement liability	(1,055,692)
Unamortized bond premium	(428,207)
Net Position of Statement of Net Position	<u><u>\$ 129,769,177</u></u>

**Reconciliation of the Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances to the Statement of Revenues, Expenses, and Changes in Net Position**

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Net Change in Fund Balances	\$ 14,549,180
Reduction in student tuition and fees	(5,796,331)
Reduction in financial aid	5,796,331
Net Effect	<u>-</u>
Additions to buildings and equipment, current funds	5,402,798
Expended for capital assets	(5,402,798)
Net Effect	<u>-</u>
Long-term debt retired	5,315,000
Additions to general long-term debt fund	(5,315,000)
Net Effect	<u>-</u>
Amortization of bond premium	358,815
Decrease in long-term early retirement liability	-
Increase in pension expense related to Federal, Trust, Grant and Other Contribution	5,858
Change in Net Position	<u><u>\$ 14,913,853</u></u>

This schedule is supplemental information and is maintained for management purposes only.

See Note to Management Information.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Education Fund and Operations & Maintenance Fund by Program**  
**Year ended June 30, 2022**

	Education Fund Budget	Education Fund Actual	Actual Over (Under) Budget	Operations & Maintenance Fund Budget	Operations & Maintenance Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>						
Local governmental sources						
Property taxes	\$ 7,829,000	\$ 7,881,392	\$ 52,392	\$ 4,542,850	\$ 4,599,243	\$ 56,393
Personal property taxes	1,100,000	3,968,064	2,868,064	125,000	450,916	325,916
Other	-	-	-	-	-	-
<b>Total local government sources</b>	<b>8,929,000</b>	<b>11,849,456</b>	<b>2,920,456</b>	<b>4,667,850</b>	<b>5,050,159</b>	<b>382,309</b>
State governmental sources	4,813,000	4,686,658	(126,342)	491,000	485,458	(5,542)
Federal governmental sources	6,500	2,043,319	2,036,819	-	-	-
Student tuition and fees	12,494,585	11,163,682	(1,330,903)	43,000	47,222	4,222
Sales, services and rental of facilities	295,453	318,461	23,008	172,148	169,464	(2,684)
Investment earnings	22,500	131,881	109,381	15,000	39,283	24,283
Other sources	53,530	129,689	76,159	8,000	9,755	1,755
Contingency	1,000	-	(1,000)	30,000	-	(30,000)
<b>Total revenues</b>	<b>26,615,568</b>	<b>30,323,146</b>	<b>3,707,578</b>	<b>5,426,998</b>	<b>5,801,341</b>	<b>374,343</b>
<b>Expenditures:</b>						
Current						
Instruction	10,757,225	10,026,882	(730,343)	-	-	-
Academic support	3,754,968	3,486,198	(268,770)	-	-	-
Student services	2,825,803	2,509,106	(316,697)	-	-	-
Public services	660,678	364,883	(295,795)	-	-	-
Institutional support	8,528,517	7,784,718	(743,799)	-	-	-
Auxiliary services	-	-	-	-	-	-
Scholarships, student grants, and waivers	2,675,000	2,360,956	(314,044)	-	-	-
Operation of physical facilities	-	-	-	4,831,710	4,002,268	(829,442)
Contingency	-	-	-	400,000	-	(400,000)
<b>Total expenditures</b>	<b>29,202,191</b>	<b>26,532,743</b>	<b>(2,669,448)</b>	<b>5,231,710</b>	<b>4,002,268</b>	<b>(1,229,442)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,586,623)</b>	<b>3,790,403</b>	<b>6,377,026</b>	<b>195,288</b>	<b>1,799,073</b>	<b>1,603,785</b>
<b>Other financing sources (uses):</b>						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	(4,395,000)	(4,395,000)	-	(1,684,000)	(1,684,000)
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	-	-	-	-	-
Transfer to other fund	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(4,395,000)</b>	<b>(4,395,000)</b>	<b>-</b>	<b>(1,684,000)</b>	<b>(1,684,000)</b>
<b>Net change in fund balance</b>	<b><u>\$(2,586,623)</u></b>	<b><u>(604,597)</u></b>	<b><u>\$ 1,982,026</u></b>	<b><u>\$ 195,288</u></b>	<b><u>115,073</u></b>	<b><u>\$ (80,215)</u></b>
Fund balance						
Beginning, as restated		\$ 9,755,734			\$ 5,456,229	
Ending		<u>\$ 9,151,137</u>			<u>\$ 5,571,302</u>	

See Note to Management Information.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Education Fund and Operations & Maintenance Fund by Object**  
**Year ended June 30, 2022**

	Education Fund Budget	Education Fund Actual	Actual Over (Under) Budget	Operations & Maintenance Fund Budget	Operations & Maintenance Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>						
Local governmental sources						
Property taxes	\$ 7,829,000	\$ 7,881,392	\$ 52,392	\$ 4,542,850	\$ 4,599,243	\$ 56,393
Personal property taxes	1,100,000	3,968,064	2,868,064	125,000	450,916	325,916
Other	-	-	-	-	-	-
<b>Total local government sources</b>	<b>8,929,000</b>	<b>11,849,456</b>	<b>2,920,456</b>	<b>4,667,850</b>	<b>5,050,159</b>	<b>382,309</b>
State governmental sources	4,813,000	4,686,658	(126,342)	491,000	485,458	(5,542)
Federal governmental sources	6,500	2,043,319	2,036,819	-	-	-
Student tuition and fees	12,494,585	11,163,682	(1,330,903)	43,000	47,222	4,222
Sales, services and rental of facilities	295,453	318,461	23,008	172,148	169,464	(2,684)
Investment earnings	22,500	131,881	109,381	15,000	39,283	24,283
Other sources	53,530	129,689	76,159	8,000	9,755	1,755
Contingency	1,000	-	(1,000)	30,000	-	(30,000)
<b>Total revenues</b>	<b>26,615,568</b>	<b>30,323,146</b>	<b>3,707,578</b>	<b>5,426,998</b>	<b>5,801,341</b>	<b>374,343</b>
<b>Expenditures:</b>						
Current						
Salaries	17,258,836	15,774,701	(1,484,135)	1,867,264	1,369,482	(497,782)
Benefits	5,644,037	5,454,063	(189,974)	420,257	387,430	(32,827)
Contractual Services	1,384,485	1,164,851	(219,634)	660,234	623,875	(36,359)
Supplies & Materials	1,750,521	1,535,831	(214,690)	450,765	242,503	(208,262)
Conference & Meetings	342,887	151,573	(191,314)	15,870	1,726	(14,144)
Fixed Charges	29,325	29,726	401	5,400	5,379	(21)
Utilities	3,000	3,356	356	1,410,920	1,343,107	(67,813)
Capital Outlay	-	-	-	-	28,222	28,222
Other	2,789,100	2,418,642	(370,458)	1,000	544	(456)
Contingency	-	-	-	400,000	-	(400,000)
<b>Total expenditures</b>	<b>29,202,191</b>	<b>26,532,743</b>	<b>(2,669,448)</b>	<b>5,231,710</b>	<b>4,002,268</b>	<b>(1,229,442)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,586,623)</b>	<b>3,790,403</b>	<b>6,377,026</b>	<b>195,288</b>	<b>1,799,073</b>	<b>1,603,785</b>
<b>Other financing sources (uses):</b>						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	(4,395,000)	(4,395,000)	-	(1,684,000)	(1,684,000)
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	-	-	-	-	-
Transfer to other fund	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(4,395,000)</b>	<b>(4,395,000)</b>	<b>-</b>	<b>(1,684,000)</b>	<b>(1,684,000)</b>
<b>Net change in fund balance</b>	<b><u>\$(2,586,623)</u></b>	<b><u>(604,597)</u></b>	<b><u>\$ 1,982,026</u></b>	<b><u>\$ 195,288</u></b>	<b><u>115,073</u></b>	<b><u>\$ (80,215)</u></b>
Fund balance						
Beginning, as restated		\$ 9,755,734			\$ 5,456,229	
Ending		<u>\$ 9,151,137</u>			<u>\$ 5,571,302</u>	

See Note to Management Information.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Major Special Revenue Funds by Program**  
**Year ended June 30, 2022**

	Restricted Purposes Funds Budget	Restricted Purposes Funds Actual	Actual Over (Under) Budget	Audit Fund Budget	Audit Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>						
Local governmental sources						
Property taxes	\$ -	\$ -	\$ -	\$ 126,990	\$ 129,825	\$ 2,835
Tuition chargeback	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total local government sources</b>	-	-	-	126,990	129,825	2,835
State governmental sources	1,942,699	1,994,645	51,946	-	-	-
Federal governmental sources	7,700,985	12,358,485	4,657,500	-	-	-
Student tuition and fees	536,000	483,677	(52,323)	-	-	-
Sales, services and rental of facilities	-	15,385	15,385	-	-	-
Investment earnings	-	-	-	-	1,543	1,543
Other sources	927,466	273,788	(653,678)	-	-	-
Contingency	1,687,460	-	(1,687,460)	-	-	-
<b>Total revenues</b>	12,794,610	15,125,980	2,331,370	126,990	131,368	4,378
<b>Expenditures:</b>						
Current						
Instruction	476,618	478,688	2,070	-	-	-
Academic support	1,303,500	1,440,830	137,330	-	-	-
Student services	696,398	712,648	16,250	-	-	-
Public services	859,832	603,837	(255,995)	-	-	-
Institutional support	548,100	340,304	(207,796)	160,725	97,325	(63,400)
Auxiliary services	-	-	-	-	-	-
Scholarships, student grants, and waivers	7,535,392	9,555,503	2,020,111	-	-	-
Operation of physical facilities	-	31,392	31,392	-	-	-
Contingency	1,614,810	-	(1,614,810)	-	-	-
<b>Total expenditures</b>	13,034,650	13,163,202	128,552	160,725	97,325	(63,400)
<b>Excess (deficiency) of revenues over expenditures</b>	(240,040)	1,962,778	2,202,818	(33,735)	34,043	67,778
<b>Other financing sources (uses):</b>						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	-	1,245,000	1,245,000	-	-	-
Operating transfers out	-	-	-	-	-	-
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	35,779	35,779	-	-	-
Transfer to other fund	-	-	-	-	-	-
<b>Total other financing sources</b>	-	1,280,779	1,280,779	-	-	-
<b>Net change in fund balance</b>	<u>\$ (240,040)</u>	3,243,557	<u>\$ 3,483,597</u>	<u>\$ (33,735)</u>	34,043	<u>\$ 67,778</u>
<b>Fund balance</b>						
Beginning		\$ 8,644,844			\$ 244,397	
Ending		<u>\$ 11,888,401</u>			<u>\$ 278,440</u>	

See Note to Management Information.

Liability, Protection, and Settlement Fund Budget	Liability, Protection, and Settlement Fund Actual	Actual Over (Under) Budget	Bond & Interest Fund Budget	Bond & Interest Fund Actual	Actual Over (Under) Budget	Operations & Maintenance, Restricted Budget	Operations & Maintenance, Restricted Actual	Actual Over (Under) Budget
\$ 3,090,700	\$ 3,132,645	\$ 41,945	\$ 6,547,900	\$ 6,585,919	\$ 38,019	\$ 1,969,000	\$ 2,145,454	\$ 176,454
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>3,090,700</u>	<u>3,132,645</u>	<u>41,945</u>	<u>6,547,900</u>	<u>6,585,919</u>	<u>38,019</u>	<u>1,969,000</u>	<u>2,145,454</u>	<u>176,454</u>
-	-	-	-	-	-	-	1,822,732	1,822,732
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
14,000	36,149	22,149	-	12,173	12,173	-	91,800	91,800
-	50,174	50,174	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>3,104,700</u>	<u>3,218,968</u>	<u>114,268</u>	<u>6,547,900</u>	<u>6,598,092</u>	<u>50,192</u>	<u>1,969,000</u>	<u>4,059,986</u>	<u>2,090,986</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,080,483	1,782,926	(297,557)	6,549,503	6,527,726	(21,777)	700,000	289,755	(410,245)
-	-	-	-	-	-	-	-	-
935,685	969,349	33,664	-	-	-	2,880,168	4,983,413	2,103,245
-	-	-	-	-	-	-	-	-
<u>3,016,168</u>	<u>2,752,275</u>	<u>(263,893)</u>	<u>6,549,503</u>	<u>6,527,726</u>	<u>(21,777)</u>	<u>3,580,168</u>	<u>5,273,168</u>	<u>1,693,000</u>
88,532	466,693	378,161	(1,603)	70,366	71,969	(1,611,168)	(1,213,182)	397,986
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,084,000	4,084,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,084,000	4,084,000
<u>\$ 88,532</u>	466,693	<u>\$ 378,161</u>	<u>\$ (1,603)</u>	70,366	<u>\$ 71,969</u>	<u>\$ (1,611,168)</u>	2,870,818	<u>\$ 4,481,986</u>
	<u>\$ 6,112,947</u>			<u>\$ 3,267,826</u>			<u>\$ 17,135,346</u>	
	<u>\$ 6,579,640</u>			<u>\$ 3,338,192</u>			<u>\$ 20,006,164</u>	

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Major Special Revenue Funds by Object**  
**Year ended June 30, 2022**

	Restricted Purposes Funds Budget	Restricted Purposes Funds Actual	Actual Over (Under) Budget	Audit Fund Budget	Audit Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>						
Local governmental sources						
Property taxes	\$ -	\$ -	\$ -	\$ 126,990	\$ 129,825	\$ 2,835
Tuition chargeback	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total local government sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,990</b>	<b>129,825</b>	<b>2,835</b>
State governmental sources	1,942,699	1,994,645	51,946	-	-	-
Federal governmental sources	7,700,985	12,358,485	4,657,500	-	-	-
Student tuition and fees	536,000	483,677	(52,323)	-	-	-
Sales, services and rental of facilities	-	15,385	15,385	-	-	-
Investment earnings	-	-	-	-	1,543	1,543
Other sources	927,466	273,788	(653,678)	-	-	-
Contingency	1,687,460	-	(1,687,460)	-	-	-
<b>Total revenues</b>	<b>12,794,610</b>	<b>15,125,980</b>	<b>2,331,370</b>	<b>126,990</b>	<b>131,368</b>	<b>4,378</b>
<b>Expenditures:</b>						
Current						
Salaries	1,537,184	1,499,725	(37,459)	-	-	-
Benefits	378,935	412,876	33,941	-	-	-
Contractual Services	1,156,079	776,991	(379,088)	160,725	97,325	(63,400)
Supplies & Materials	435,201	349,621	(85,580)	-	-	-
Conference & Meetings	68,478	60,615	(7,863)	-	-	-
Fixed Charges	32,400	32,296	(104)	-	-	-
Utilities	106,862	106,758	(104)	-	-	-
Capital Outlay	160,257	270,947	110,690	-	-	-
Other	7,544,444	9,653,373	2,108,929	-	-	-
Contingency	1,614,810	-	(1,614,810)	-	-	-
<b>Total expenditures</b>	<b>13,034,650</b>	<b>13,163,202</b>	<b>128,552</b>	<b>160,725</b>	<b>97,325</b>	<b>(63,400)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(240,040)</b>	<b>1,962,778</b>	<b>2,202,818</b>	<b>(33,735)</b>	<b>34,043</b>	<b>67,778</b>
<b>Other financing sources (uses):</b>						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	-	1,245,000	1,245,000	-	-	-
Operating transfers out	-	-	-	-	-	-
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	35,779	35,779	-	-	-
Transfer to other fund	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>1,280,779</b>	<b>1,280,779</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (240,040)</b>	<b>3,243,557</b>	<b>\$ 3,483,597</b>	<b>\$ (33,735)</b>	<b>34,043</b>	<b>\$ 67,778</b>
<b>Fund balance</b>						
Beginning		<u>\$ 8,644,844</u>			<u>\$ 244,397</u>	
Ending		<u>\$11,888,401</u>			<u>\$ 278,440</u>	

See Note to Management Information.

Liability, Protection, and Settlement Fund Budget	Liability, Protection, and Settlement Fund Actual	Actual Over (Under) Budget	Bond & Interest Fund Budget	Bond & Interest Fund Actual	Actual Over (Under) Budget	Operations & Maintenance, Restricted Budget	Operations & Maintenance, Restricted Actual	Actual Over (Under) Budget
\$ 3,090,700	\$ 3,132,645	\$ 41,945	\$ 6,547,900	\$ 6,585,919	\$ 38,019	\$ 1,969,000	\$ 2,145,454	\$ 176,454
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>3,090,700</u>	<u>3,132,645</u>	<u>41,945</u>	<u>6,547,900</u>	<u>6,585,919</u>	<u>38,019</u>	<u>1,969,000</u>	<u>2,145,454</u>	<u>176,454</u>
-	-	-	-	-	-	-	1,822,732	1,822,732
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
14,000	36,149	22,149	-	12,173	12,173	-	91,800	91,800
-	50,174	50,174	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>3,104,700</u>	<u>3,218,968</u>	<u>114,268</u>	<u>6,547,900</u>	<u>6,598,092</u>	<u>50,192</u>	<u>1,969,000</u>	<u>4,059,986</u>	<u>2,090,986</u>
1,252,126	1,247,107	(5,019)	-	-	-	-	-	-
742,567	662,144	(80,423)	-	-	-	-	-	-
703,085	595,254	(107,831)	-	-	-	-	49,050	49,050
6,520	3,708	(2,812)	-	-	-	25,000	149,570	124,570
34,450	3,515	(30,935)	-	-	-	-	-	-
272,500	236,274	(36,226)	6,549,503	6,527,726	(21,777)	-	-	-
420	395	(25)	-	-	-	-	-	-
-	-	-	-	-	-	3,555,168	5,074,549	1,519,381
4,500	3,878	(622)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>3,016,168</u>	<u>2,752,275</u>	<u>(263,893)</u>	<u>6,549,503</u>	<u>6,527,726</u>	<u>(21,777)</u>	<u>3,580,168</u>	<u>5,273,169</u>	<u>1,693,001</u>
88,532	466,693	378,161	(1,603)	70,366	71,969	(1,611,168)	(1,213,183)	397,985
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,084,000	4,084,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,084,000	4,084,000
<u>\$ 88,532</u>	466,693	<u>\$ 378,161</u>	<u>\$ (1,603)</u>	70,366	<u>\$ 71,969</u>	<u>\$ (1,611,168)</u>	2,870,817	<u>\$ 4,481,985</u>
	<u>\$ 6,112,947</u>			<u>\$ 3,267,826</u>			<u>\$ 17,135,346</u>	
	<u>\$ 6,579,640</u>			<u>\$ 3,338,192</u>			<u>\$ 20,006,163</u>	

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Major Special Revenue Funds by Object (continued)**  
**Year ended June 30, 2022**

	Working Cash Fund Budget	Working Cash Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
<b>Total local government sources</b>	<b>-</b>	<b>-</b>	<b>-</b>
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	-	-	-
Sales, services and rental of facilities	-	-	-
Investment earnings	35,000	86,600	51,600
Other sources	-	-	-
Contingency	-	-	-
<b>Total revenues</b>	<b>35,000</b>	<b>86,600</b>	<b>51,600</b>
<b>Expenditures:</b>			
Current			
Salaries	-	-	-
Benefits	-	-	-
Contractual Services	-	-	-
Supplies & Materials	-	-	-
Conference & Meeting	-	-	-
Fixed Charges	-	-	-
Utilities	-	-	-
Capital Outlay	-	-	-
Other	-	-	-
Contingency	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues         over expenditures</b>	<b>35,000</b>	<b>86,600</b>	<b>51,600</b>
<b>Other financing sources (uses):</b>			
Bond proceeds	-	-	-
Bond premium (discount)	-	-	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Residual equity transfer in	-	-	-
Residual equity transfer out	-	-	-
Transfer from other fund	-	-	-
Transfer to other fund	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ 35,000</b>	<b>86,600</b>	<b>\$ 51,600</b>
Fund balance			
Beginning		\$ 14,119,450	
Ending		<u>\$ 14,206,050</u>	

See Note to Management Information.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Proprietary Fund by Program**  
**Year ended June 30, 2022**

	Auxiliary Fund Budget	Auxiliary Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
<b>Total local government sources</b>	<b>-</b>	<b>-</b>	<b>-</b>
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	146,000	131,910	(14,090)
Sales, services and rental of facilities	1,058,015	945,296	(112,719)
Investment earnings	-	1,205	1,205
Other sources	8,450	29,379	20,929
Contingency	-	-	-
<b>Total revenues</b>	<b>1,212,465</b>	<b>1,107,790</b>	<b>(104,675)</b>
<b>Expenditures:</b>			
Current			
Instruction	-	-	-
Academic support	-	-	-
Student services	-	-	-
Public services	-	-	-
Institutional support	-	-	-
Auxiliary services	1,867,546	1,743,604	(123,942)
Scholarships, student grants, and waivers	-	-	-
Operation of physical facilities	-	-	-
Contingency	-	-	0
<b>Total expenditures</b>	<b>1,867,546</b>	<b>1,743,604</b>	<b>(123,942)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(655,081)</b>	<b>(635,814)</b>	<b>19,267</b>
<b>Other financing sources (uses):</b>			
Bond proceeds	-	-	-
Bond premium (discount)	-	-	-
Operating transfers in	-	750,000	750,000
Operating transfers out	-	-	-
Residual equity transfer in	-	-	-
Residual equity transfer out	-	-	-
Transfer from other fund	-	-	-
Transfer to other fund	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>750,000</b>	<b>750,000</b>
<b>Net change in fund balance</b>	<b>\$ (655,081)</b>	<b>114,186</b>	<b>\$ 769,267</b>
Fund balance			
Beginning		\$ 1,068,531	
Ending		<u>\$ 1,182,717</u>	

See Note to Management Information.

**Black Hawk College**  
**Illinois Community College District #503**

**Statement of Budgetary Comparison - Proprietary Fund by Object**  
**Year ended June 30, 2022**

	Auxiliary Fund Budget	Auxiliary Fund Actual	Actual Over (Under) Budget
<b>Revenues:</b>			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
<b>Total local government sources</b>	<b>-</b>	<b>-</b>	<b>-</b>
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	146,000	131,910	(14,090)
Sales, services and rental of facilities	1,058,015	945,296	(112,719)
Investment earnings	-	1,205	1,205
Other sources	8,450	29,379	20,929
Contingency	-	-	-
<b>Total revenues</b>	<b>1,212,465</b>	<b>1,107,790</b>	<b>(104,675)</b>
<b>Expenditures:</b>			
Current			
Salaries	464,452	426,828	(37,624)
Benefits	63,577	76,403	12,826
Contractual Services	156,646	92,666	(63,980)
Supplies & Materials	924,354	927,167	2,813
Conference & Meeting	251,192	203,005	(48,187)
Fixed Charges	1,050	-	(1,050)
Utilities	-	-	-
Capital Outlay	-	6,246	6,246
Other	6,275	11,289	5,014
Contingency	-	-	-
<b>Total expenditures</b>	<b>1,867,546</b>	<b>1,743,604</b>	<b>(123,942)</b>
<b>Excess (deficiency) of revenues         over expenditures</b>	<b>(655,081)</b>	<b>(635,814)</b>	<b>19,267</b>
<b>Other financing sources (uses):</b>			
Bond proceeds	-	-	-
Bond premium (discount)	-	-	-
Operating transfers in	-	750,000	750,000
Operating transfers out	-	-	-
Residual equity transfer in	-	-	-
Residual equity transfer out	-	-	-
Transfer from other fund	-	-	-
Transfer to other fund	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>750,000</b>	<b>750,000</b>
<b>Net change in fund balance</b>	<b>\$ (655,081)</b>	<b>114,186</b>	<b>\$ 769,267</b>
Fund balance			
Beginning		\$ 1,068,531	
Ending		<u>\$ 1,182,717</u>	

See Note to Management Information.

**Black Hawk College  
Illinois Community College District #503**

**Note to Management Information**

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**Note 1. Summary of Significant Accounting Policies**

Fund Accounting: In order to ensure observance of limitations and restrictions placed on the use of available resources, the accounts are maintained in accordance with the principles of fund accounting as promulgated in the *ICCB Fiscal Management Manual*. Financial statements by fund, required by the ICCB, are included as supplemental information. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

# CORE VALUES

INCLUSION AND DIVERSITY

CARING AND COMPASSION

FAIRNESS | HONESTY | INTEGRITY

RESPECT | RESPONSIBILITY

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# CULTURAL BELIEFS

STUDENTS AND COMMUNITIES FIRST

VALUE OTHERS

LET'S TALK

EXPLORE POSSIBILITIES

ONE BLACK HAWK



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