Fiscal Year Ended June 30, 2019

# COMPREHENSIVE ANNUAL Financial Report

Community College District 502
Counties of DuPage, Cook and Will and State of Illinois

College of DuPage

# COLLEGE OF DUPAGE
# COMMUNITY COLLEGE DISTRICT NUMBER 502
# GLEN ELLYN, ILLINOIS

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

## FISCAL YEAR ENDED
## JUNE 30, 2019

**Prepared by the Financial Affairs Department**


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**Vision**

*"College of DuPage will be the primary college district residents choose for high quality education."*

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College of DuPage
Financial Affairs

425 Fawell Blvd.
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cod.edu

October 25, 2019

Board of Trustees College of DuPage and
Citizens of DuPage Community College District Number 502:

State law, as enacted in the Public Community College Act, requires Community Colleges to submit audited financial statements to the Illinois Community College Board (ICCB). The Comprehensive Annual Financial Report (CAFR) of Community College District Number 502, Counties of DuPage, Cook, and Will, and the State of Illinois, College of DuPage (COD, College), for the fiscal year ended June 30, 2019 is hereby submitted.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls it has established for this purpose. Because the costs of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. 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, changes in financial position and cash flows of the College.

CliftonLarsonAllen LLP, an independent firm of licensed public accountants, has audited the financial statements of the College and has issued an unmodified ("clean") opinion on the College's financial statements for the fiscal year ended June 30, 2019. The independent auditors' report is located at the front of the Financial Section of the CAFR.

The CAFR is presented in four sections: Introductory, Financial, Statistical, and Special Reports. The Introductory Section includes this transmittal letter, the College's vision, mission, values, and philosophy, Strategic Long Range Plan goals, the College's principal officials, and an organization chart. The Financial Section includes the report of the independent auditors, 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 presented on a multi-year basis. The Special Reports Section includes Uniform Financial Statements, Certificate of Chargeback Reimbursement, supplementary financial information, grant financial statements, and enrollment schedules required by the ICCB, together with the related auditor's reports.

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

## PROFILE/HISTORY OF THE COLLEGE

On Sept. 25, 1967, College of DuPage opened under the leadership of President Rodney K. Berg and Board of Trustees Chairman George L. Seaton. Classes were held in office trailers and at leased suburban sites throughout the newly formed Community College District 502. Driving from class to class, the students, faculty and staff of this "campus-less" community college became affectionately known as road runners, hence the nickname for College community members: "Chaparrals."

College of DuPage's origins can be traced to two signature events. The first was the Illinois General Assembly adoption of the Public Community College Act of 1965. The second was the approval by DuPage high school district voters of a 1965 referendum. Their foresight created a new community college to serve the dynamically growing and prospering DuPage area.

In 1968, a 273-acre Glen Ellyn campus site was acquired and, a year later, three interim buildings were constructed west of Lambert Road. The first permanent building, today's Berg Instructional Center (BIC), opened in 1973. Four years later, the top floor of the BIC was completed. The year 1979 marked the appointment of Harold D. McAninch as College of DuPage's second president, and in 1983 the Student Resource Center (SRC) and Physical Education and Community Recreation Center opened.

Over the next decade, the McAninch Arts Center (1986) and Seaton Computing Center (SCC) (1990) opened on campus, while new Naperville and Westmont Educational Centers (1991) offered an even greater regional presence.

Michael T. Murphy became College of DuPage's third president in 1994. Under President Murphy, College of DuPage became America's largest single-campus community college, a distinction it held through 2003. Today, with approximately 24,000 students, College of DuPage is the second largest public provider of undergraduate education in Illinois.

Capping the 2002 academic year, voters approved a $183-million bond issue that provided funds for the renovation and rebuilding of the Glen Ellyn campus and several off-campus locations.

The arrival of the College's fourth president, Dr. Sunil Chand, highlighted 2003. Throughout 2004 and 2005, Chand launched major initiatives for the College's academic accreditation through the Academic Quality Improvement Program quality improvement process and curriculum conversion from quarters to semesters. The College converted to the semester system in the fall of 2005.

College of DuPage opened its Carol Stream Community Education Center in 2004. The year 2006 brought the Frontier Campus in Naperville, a collaboration between College of DuPage and Indian Prairie District 204. The year 2007 included completion of the Early Childhood Center (now the Institutional Resource Center) along with construction of efficient new campus roadways and revamped parking lots.

College of DuPage in 2008 received a maximum seven-year reaccreditation through the North Central Association of Colleges and Schools Commission on Institutions of Higher Education.

Dr. Robert L. Breuder took over for Interim President Harold McAninch in January 2009 and that summer both the Health and Science Center and Technical Education Center opened on the Glen Ellyn campus. Construction and other physical improvements, including landscaping and signage, intensified in November 2010 when District 502 voters approved a $168-million capital referendum initiative.

Funds from the 2002 referendum were used for the construction of the Homeland Security Education Center, the Student Services Center, and the Culinary & Hospitality Center. The 2010 referendum supported the renovation of the SRC, the SCC, the McAninch Arts Center, the Campus Maintenance Center, and the Physical Education Center. The College realized several major outcomes, including significant semester-to-semester enrollment increases, the addition of approximately 50 new academic programs, and the creation of the 3+1 degree program that allows students to earn an entire bachelor's degree with a partner university without leaving the COD campus.

On May 2, 2016, the College of DuPage Board of Trustees appointed Dr. Ann Rondeau to serve as the sixth president in the College's 49-year history. The College conducted a nationwide search to fill the position. Dr. Rondeau succeeded Acting Interim President Joseph E. Collins.

In 2016, after many years of physical building and expanding, the College undertook a series of cross-constituency endeavors intended to strengthen and update policies, processes, and procedures and to transform and modernize the College to changing environmental dynamics and conditions, from standards to demographics to learning delivery systems. The results included, though were not limited to, exemplary governance (setting a pace for community colleges in the state) and unprecedented recognition of financial practices.

Building upon these improvements, the College embarked on a long-term and rigorous Guided Pathways program. The program has emphasized student outcomes and persistence, making the student the focus for all parts of the College, as well as strategically and operationally planning for resources to support and sustain this emphasis.

On November 15, 2018, the College of DuPage Board of Trustees unanimously voted to appoint Dr. Brian W. Caputo, Vice President of Administration and CFO at the College, as the interim president as of January 1, 2019 succeeding Dr. Rondeau. The interim title was removed on July 1, 2019 after the Board unanimously approved a three-year contract with Dr. Caputo to serve as president on June 20, 2019.

The community college district served by College of DuPage has grown significantly over the years. Originally formed from 10 high school districts, District 502 has become the most populous community college district in Illinois, outside of Chicago. More than one million residents from all or part of 51 communities comprise today's District 502, with boundaries encompassing significant parts of Cook and Will counties, as well as the majority of DuPage County.

Total staff at the College numbers over 2,500 and includes administrators, full- and part-time faculty members, counselors and advisors, classified staff, various other professionals, and student employees.

College of DuPage's operating revenue is derived primarily from local taxes, tuition and fees, and state allocations. Special grants from state and federal sources may be acquired, and gifts and grants from foundations and private sources are accepted through the College of DuPage Foundation. College of DuPage is recognized by the ICCB and governed by a locally elected seven-member Board of Trustees and one elected, non-voting student representative. Since its humble beginnings in 1967, College of DuPage has grown in breadth and stature to take its place as one of the nation's finest community colleges.

Like many other service organizations, the primary expenditures of the College are for employee salaries and benefits. Salaries and employee benefits account for almost 71% of total expenditures in the FY2020 General Fund budget. The majority of the College's employees are covered by collective bargaining agreements or other employment agreements. Contracts with the full-time faculty association, painters, groundskeepers, classified staff association-mechanics and carpenters, Fraternal Order of Police, and operating engineers are currently under negotiations. The adjunct association contract has been extended through FY2021.

College of DuPage is a comprehensive community college that meets five key community educational needs: Transfer Education that prepares students for transfer to a four-year institution to pursue a bachelor's degree; Careers and Technical Education that prepares students who will graduate with an Associate in Applied Sciences degree or certificate to directly enter the workforce; Developmental Education that provides remedial education for students who are not academically ready to enroll in college-level courses; Continuing Education that provides non-credit courses to the community for personal development and enrichment; and Business Training that provides specialized or customized training and education to local companies for their employees.

College of DuPage offers seven associate degrees in two general areas, baccalaureate transfer and career and technical education. Baccalaureate transfer degrees include the Associate in Arts, Associate in Science, Associate in Engineering Science, Associate in Fine Arts in Art, and the Associate in Fine Arts in Music. The Associate in Applied Science degree provides education in more than 40 career and technical programs. The College also offers an Associate in General Studies degree designed for students who desire to arrange a program to meet their personal needs and interests.

In addition to associate degrees, College of DuPage offers over 175 certificates in almost 60 career and technical fields. College credit and Continuing Education classes are offered on the College's 273-acre Glen Ellyn campus, at four regional centers, and at area high schools and other community locations. Educational opportunities at College of DuPage include face-to-face courses, accelerated programs for adults, field and experiential learning, an honors program, online and hybrid courses, special programs for youth and older adults, customized training for business and industry, and courses required for licensure in various professions.

College of DuPage participates in the North Central Community College Conference and is a member of the National Junior College Athletic Association. Intercollegiate sports for men include baseball, basketball, cross country, football, golf, soccer, tennis, and track and field. College of DuPage has women's teams in basketball, cross country, soccer, softball, tennis, track and field, and volleyball. There is also a spirit squad that performs at home football and basketball games.

## LOCAL ECONOMY

Community College District 502 encompasses 357-square-miles. The Glen Ellyn campus is located about 35 miles west of downtown Chicago. Total estimated 2018 population of DuPage County is approximately 930,000, and the total 2018 DuPage County equalized assessed valuation is $38.7 billion. District 502 residents are interested in the highest quality of education at all levels. The District has excellent public and private grade schools and high schools, as well as several private institutions of higher education.

The principal employers in DuPage County include Edward Hospital, Heartland Food Corporation, Northwestern Hospital CDH, Abercrombie & Kent Inc., Readlink Distribution, Footprint Acquisition, DuPage County, Tellabs Inc., and Advocate Good Samaritan. Two major research laboratories, Fermi Lab in Batavia and Argonne National Laboratories in Darien, are located in District 502. The District also has several major shopping centers, such as Oak Brook, Stratford Square, Fox Valley, Yorktown, and many other small centers or strip malls. Some of the major hotels located within the District include Marriott Oak Brook, Hyatt Oak Brook, Hilton Suites Oakbrook Terrace, Radisson Lisle, Holiday Inn Naperville, Hyatt Regency Lisle, Hilton Lisle, Indian Lakes Resort Bloomingdale, and Wyndham Hamilton Hotel Itasca. The District normally has a relatively low unemployment rate and one of the highest equalized assessed valuations per community college student in Illinois.

## OUTREACH

The College offers many different forums to engage and provide programming to members of the community.

**McAninch Arts Center**
The McAninch Arts Center (MAC) is a state-of-the-art facility housing three performance spaces, an outdoor Lakeside Pavilion stage, the Cleve Carney Museum of Art, studios, production space, and classrooms for the College's academic programming. This unique facility has presented theater, music, dance, lectures, social events, and visual arts to more than 1.5 million people since its opening in 1986. The MAC is also home to the New Philharmonic Orchestra, which is in residence. The result is a collection of touring, resident, and student performances that foster enlightened education and entertaining performance opportunities to encourage artistic expression, promote a lasting relationship between people and art, and enrich the cultural vitality of the community. The MAC underwent a $35 million renovation in 2013, including upgrades in seating, acoustics, energy efficiency, and the addition of a new gallery, concession area, box office and outdoor space. The MAC re-opened to a sold-out performance on New Year's Eve 2013.

**WDCB-TV**
An educational and community service provided by College of DuPage, WDCB-TV's broadcast schedule originates from the College and runs 24-hours a day, seven days a week. Programs are aired with public service announcements and WDCB-FM news.

Primary sources of programming for WDCB-TV are college-credit telecourses offered by the College's Center for Extended Learning. The College's Multimedia Services Department produces *Images, Career Paths, That Beepin' Show,* and *The College Lecture Series.* These four general-interest video programs cover a wide range of College issues. WDCB-TV is available in Wheaton, Glen Ellyn, Naperville, West Chicago, Geneva, and St. Charles.

**WDCB 90.9 FM Public Radio**
The College's award-winning public radio station provides Chicagoland and beyond with jazz, blues, news, and more, 24-hours a day, seven days a week. WDCB serves the entire metropolitan area with a five-kilowatt signal broadcasting from COD's Glen Ellyn campus, and also streams its signal to the rest of the world at www.wdcb.org.

## FINANCIAL INFORMATION

The College maintains its accounts and prepares its financial statements in accordance with generally accepted accounting principles (GAAP) in the United States of America as set forth by the Governmental Accounting Standards Boards and standards promulgated by the ICCB. The ICCB requires accounting by funds in order that limitations and restrictions on resources can be easily accounted for. The funds required are as follows:

| Fund Group | Fund |
|---|---|
| General | Education |
| | Operations & Maintenance |
| Capital Projects | Operations & Maintenance Restricted |
| Debt Service | Bond & Interest |
| Enterprise | Auxiliary Enterprises |
| Special Revenue | Restricted Purposes |
| Permanent | Working Cash |

The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when an obligation has been incurred. The notes to the financial statements expand and explain the financial statements and the accounting principles applied.

Internal Controls: Management of the College is responsible for establishing and maintaining internal controls to protect the assets of the College, prevent loss from theft or misuse, and to provide that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefit likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

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

As demonstrated by the statements and supplementary financial information included in the Financial Section of this report, the College continues to meet its responsibility for sound financial management.

## PROPERTY TAXES

Taxes are collected on a calendar year basis. Taxes levied in December 2018 are collected in calendar year 2019. State legislation limits the increase in the amount of taxes the College can levy to 5% of the prior-year tax extension or the Consumer Price Index (CPI) annual increase, whichever is lower, plus the taxes on new construction. The prior-year CPI is used for the current levy year. The 1991 tax levy was the first levy affected by the tax cap legislation. Current and historical information on property taxes is presented in the Statistical Section of this report.

Calendar year 2010 was the first year DuPage County experienced a decrease in Equalized Assessed Valuation (EAV). The assessed valuations for the total District 502 decreased 5.2% in levy year 2010, 7.4% in levy year 2011, 7.7% in levy year 2012, 5.1% in 2013, and 0.4% in 2014 before increasing 3.8% in 2015, 6.5% in 2016, 6.8% in 2017, and 3.7% in 2018.

## PROSPECTS FOR THE FUTURE

As part of College of DuPage's overall planning activities, a five-year financial plan is prepared that is integrated with the strategic planning initiatives and annual budget process. This plan, which is updated annually and presented to the Board of Trustees as part of the annual budget submission, identifies actions that must be taken if the College is to continue to fulfill its mission, vision, and values consistent with the Strategic Long Range Plan (SLRP). The College's financial goal of maintaining a healthy financial position through the prudent allocation and use of available resources in support of its educational goals and mission remains unchanged. Looking forward, the College remains concerned about how the State of Illinois' financial situation, pension reform law, and the Affordable Care Act may adversely impact the financial results of the College.

Through strategic tuition and fee increases; continuous process improvements to lower costs; the development of marketing programs to build enrollment, especially in under-represented populations, focusing on retention; the expansion of course offerings, including online classes, to increase opportunities to learn; and seeking additional grant and private funding to reduce operating costs, the College has achieved a very healthy financial position. The College will continue to conserve resources through the application of financial controls and reduction in expenses, where possible, without affecting the quality of its educational programs. In March 2019, the College Board of Trustees elected to increase the total tuition and fee rate by $1 per credit hour to $137 per credit hour effective with the Fall 2019 semester.

College of DuPage engages in planning to assure that we are future-oriented in serving our students, community, and other stakeholders. College of DuPage's strategic long range planning is a continuous process that guides the future direction of the institution. Specifically, the SLRP defines the College's institutional philosophy, mission, vision, core values, long-term goals, and associated strategic objectives. Information about these foundational concepts may be found on pages 16-20.

At College of DuPage, the SLRP is based on the concept of planning "from the outside in." Therefore, the SLRP is a map for the development and delivery of programs and services that address community challenges and needs.

With the approval of the Board of Trustees, the SLRP sets the College's strategic direction over a five-year period. Therefore, the purpose of the document is to communicate to College of DuPage employees, students, community and other stakeholders a reference point for comprehensive long-range planning. The major tenets of the SLRP are reflected on pages 16-20 of this document.

## FINANCIAL POLICIES

Budget decisions shall be made in accordance with the College's Annual Plan and shall conform to the requirements as set forth in the ICCB Fiscal Management Manual. The definition of a balanced budget provides for the following:

- Annual expenditures plus other uses (i.e., fund balance) do not exceed projected revenues plus other sources. (Expenditures shall be budgeted according to the College's strategic priorities.)
- Debt service.
- Adequate reserves for maintenance and repairs to its existing facilities.
- Adequate reserves for acquisition, maintenance, and replacement of capital equipment.
- Adequate reserves for strategic capital projects.
- Adequate funding levels to fulfill future terms and conditions of employment.
- Adequate allocations for special projects related to the strategic direction of the College.
- Appropriate provisions for contingencies (unforeseen events requiring expenditures of current resources).
- Cash flow sufficient to provide for expenditures.
- Ending fund balances (according to policies set specifically for that purpose).

## DEBT ADMINISTRATION

| | |
|---|---|
| Equalized Assessed Valuation of Taxable Property (tax year 2018) | $44,892,120,691 |
| Net debt applicable to debt limit[1] | $127,459,043 |
| | |
| Long-Term Debt Percent of Assessed Valuation | 0.28% |

[1]Balances include current and non-current portions of Series Series 2011A, Series 2013A, and Series 2018 bond principal outstanding, less amount available in the Bond and Interest Fund.

The legal debt limit is 2.875% of the district's assessed valuation. The debt limitation would therefore be $1,290,648,470. The College's current bonded debt applicable to the limit is well below the legal limit.

## OTHER INFORMATION

### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to College of DuPage, Community College District Number 502 for its CAFR for the fiscal year ended June 30, 2018. A Certificate of Achievement is valid for a period of one year only.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable, efficient and organized CAFR whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The GFOA has also given the College of DuPage an Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report for the fiscal year ended June 30, 2018. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only.

College of DuPage has earned GFOA's Award for Best Practices in Community College Budgeting for its annual budget for the fiscal year ended June 30, 2019. Prior to this award, the College had received the GFOA's Award for Distinguished Budget Presentation for its annual budgets dating back to the fiscal year ending June 30, 1999. In order to receive these awards, a government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

**Acknowledgements**
The preparation of this CAFR was made possible by the dedicated service of the entire staff of the Financial Affairs Department. The staff has our sincere appreciation for the contributions made in the preparation of this report. We wish to thank the President of the College of DuPage, Dr. Brian W. Caputo; the Board of Trustees; and the members of the President's Cabinet for their continued interest and support for maintaining the highest standards of professionalism in the management of College of DuPage's finances.

Respectfully submitted,

Scott L. Brady

Scott L. Brady, C.P.A.
Interim CFO and Treasurer

David P. Virgilio, C.P.A.
Interim Controller

## VISION, MISSION, VALUES, AND PHILOSOPHY

### Vision

*"College of DuPage will be the primary college district residents choose for high quality education."*

### Mission

The mission statement of College of DuPage identifies the fundamental purpose and aspirations of the College. The mission is the foundation upon which all College activities are built.

*The mission of College of DuPage is to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education.*

### Values

| | |
|---|---|
| **INTEGRITY:** | *We expect the highest standard of moral character and ethical behavior.* |
| **HONESTY:** | *We expect truthfulness and trustworthiness.* |
| **RESPECT:** | *We expect openness to difference and to the uniqueness of all individuals.* |
| **RESPONSIBILITY:** | *We expect fulfillment of obligations and accountability.* |

### Philosophy

***College of DuPage believes in the power of teaching and learning****. We endorse the right of each person to accessible and affordable opportunities to learn and affirm the innate value of the pursuit of knowledge and its application to life. Our primary commitment is to facilitate and support student success in learning.*

***College of DuPage is committed to excellence****. We seek quality in all that we do. To ensure quality, we are committed to continual assessment and self-evaluation.*

***College of DuPage values diversity****. We seek to reflect and meet the educational needs of the residents of our large, multicultural district. We recognize the importance of embracing individual differences and cultures and value the contributions made to the College by people of all ethnic and cultural backgrounds. We affirm our role as a catalyst for promoting dialogue and tolerance on issues supporting the common good.*

***College of DuPage promotes participation in planning and decision making****. We support participatory governance and the involvement of the College community in the development of a shared vision. We believe that all students, staff, and residents can make meaningful contributions within a respectful environment that encourages meaningful discourse. We strive to build an organizational climate in which freedom of expression is defended and civility is affirmed.*

***College of DuPage will be a benefit to students and community****. The needs of our students and community are central to all we do.*

## FY2017-2021 STRATEGIC LONG RANGE PLAN GOALS

**Goal 1: Accountability**

College of DuPage is committed to being transparent, answerable and responsible to all stakeholders. To accomplish this we will:

**Strategic Objectives:**

1.1 Exceed the accreditation requirements of the Higher Learning Commission and other program specific accreditations and certifications (e.g., Accreditation Commission for Education in Nursing).

1.2 Develop, analyze and use meaningful metrics to demonstrate how well College of DuPage is educating students, including transfer and employment placement rates.

1.3 Ensure accuracy, integrity and reliability of data and of the data management system.

1.4 Integrate institutional data sources in order to track daily operations and overall organizational performance, including progress on achieving strategic objectives and annual targets.

1.5 Improve internal controls that create an auditable trail of evidence in order to promote efficiency and effectiveness of operations, ensure the safeguarding of assets, and to enhance fraud prevention and detection.

1.6 Ensure compliant and transparent processes that will promote stakeholder confidence and trust.

1.7 Create a fear-free culture where employees and other stakeholders feel compelled to speak up when they witness potential acts of wrongdoing or unethical conduct.

**Goal 2: Value-Added Education**

College of DuPage is committed to going beyond standard expectations and providing something more to the students and communities we serve. To accomplish this we will:

**Strategic Objectives:**

2.1 Empower students to design/customize their education to meet their specific educational goals and needs.

2.2 Ensure that educational descriptions are clear (including required prerequisites), accurate and that transferability is clearly stated.

2.3 Review, revise and develop curricular offerings to assure high quality education and alignment with the current and emerging employee skill needs of local businesses and employers.

2.4 Add new and strengthen current academic transfer partnerships agreements (e.g., 3+1, 2+2) and create greater opportunities for students to earn college credit while still in high school (e.g., Early College initiative, dual credit).

2.5 Support student success by addressing student identified (e.g. Noel-Levitz Student Satisfaction Inventory survey) issues with academic advising, with a focus on the academic advisor's knowledge about programs at College of DuPage and transfer requirements at other institutions.

2.6 Support student completion within 150% of the normal time (e.g., three years for an associate's degree) by implementing a guided pathways approach to programs and degrees.

2.7 Expand efforts to attract and provide resources to assist nontraditional students to enroll in credit courses, especially those in the 55-plus age group.

2.8 Continue to improve Adult Basic Education (ABE)/High School Equivalency (HSE)/ English Language Acquisition (ELA), etc., with a focus on transitioning students from non-credit to success in college degree and certificate programs of study.

2.9 Grow credit enrollment by enhancing and being known for providing exceptional educational and cultural experiences to students (e.g., study abroad programs, learning technologies, co-curricular activities).

**Goal 3: Student Centeredness**

College of DuPage is committed to methods of teaching that shift the focus of instruction from the teacher to the student. To accomplish this we will:

**Strategic Objectives:**

3.1 Enhance and expand opportunities to support student learning needs, including helping students identify a course of study, recognize their specific goals and assist them to overcome their weaknesses.

3.2 Create awareness among employees concerning student mental health and disability issues and adopt College policies and procedures to ensure they meet the needs of this population.

3.3 Develop innovative ways to gather quantitative and qualitative data from students about their needs and act upon that input.

3.4 Develop ways to better share data concerning student needs and success methods across all areas of the College.

3.5 Create effective communication pathways from the student, to the faculty, to the rest of the College.

3.6 Ensure that current College policies and procedures lead to improved student outcomes.

3.7 Foster a culture of intellectual expectations, achievement and engagement for students.

3.8 Leverage faculty expertise to develop and implement original content/learning modules that can be scaled to meet current and emerging student educational goals and local employer needs.

**Goal 4: Equality and Inclusiveness**

College of DuPage is committed to ensuring that all stakeholders are involved in setting institutional direction; that their perspectives are heard and valued and their needs are understood and addressed. To accomplish this we will:

**Strategic Objectives:**

4.1 Implement methods (e.g., Personal Assessment of the College Environment survey) to assess the institutional culture and climate and develop specific actions related to identified opportunities for improvement.

4.2 Incentivize employees to utilize College of DuPage resources (facilities, services and offerings).

4.3 Expand the availability and use of professional development funds for all employees.

4.4 Support cross-departmental knowledge exchange for all constituencies (starting with on-boarding and continuing throughout the employee's career).

4.5 Expand the Shared Governance Council to drive the culture so that it is inclusive of people, processes, inputs, ideas, thoughts, beliefs and perspectives.

4.6 Continue to foster a culture of inclusiveness for students, employees and the community through programs, activities, policies and procedures.

4.7 Develop and implement programs and services to enhance institutional diversity and global engagement, including recruitment and support for international students.

**Goal 5: Relationships**

College of DuPage is committed to cooperating and collaborating with all stakeholders in order to advance mutual interests. To accomplish this we will:

**Strategic Objectives:**

5.1 Increase College of DuPage's exposure and partnerships in District 502 by utilizing existing facilities in cities, towns and villages (e.g., municipal centers, libraries).

5.2 Develop a Learning Network by leveraging the off-campus centers and other community locations for the delivery of College programs and services.

5.3 Identify and implement optimal methods of communicating with and engaging all College stakeholders (e.g., alumni, business leaders, elected officials).

5.4 Utilize internal resources to develop a new College of DuPage brand and implement a communications plan that considers the preferences and needs of students and other internal and external stakeholders.

5.5 Modernize College of DuPage's website and other interfaces to improve functionality, information accessibility and user friendliness.

5.6 Identify, assess and enhance College of DuPage's community outreach activities, with a focus on the visual and performing arts.

5.7 Support collaboration, creation and learning by promoting and providing College of DuPage resources to all District 502 residents in DuPage, Will and Cook Counties (e.g., Center for Entrepreneurship).

5.8 Rebuild public confidence in College of DuPage's institutional integrity through increased engagements by College staff, faculty and Board members with community organizations (e.g., Rotary, Chambers, Libraries) with a focus on assessing and meeting community needs through the College's programs and services.

5.9 Continue to "spotlight" and promote faculty through social media, live events, etc., in order to give students and other stakeholders insight into the quality of instruction and programs provided by College faculty.

**Goal 6: Innovativeness**

College of DuPage is committed to making meaningful change that enhances organizational effectiveness and adds new value for stakeholders. To accomplish this we will:

**Strategic Objectives:**

6.1 Foster an innovative culture and climate by encouraging (risk-free) experimentation and the sharing of best practices by all employees.

6.2 Develop a process to systematically seek student perspectives and ideas in order to enhance the student experience.

6.3 Leverage College technology in innovative ways for the benefit of students and the community at large.

6.4 Provide professional development opportunities to promote innovative ideas and solutions College-wide.

6.5 Support cross-departmental knowledge exchange for all constituencies (starting with on-boarding and continuing throughout the employee's career).

**Goal 7: Financial Stewardship**

College of DuPage is committed to the careful and responsible management of the resources entrusted to its care. To accomplish this we will:

**Strategic Objectives:**

7.1 Keep tuition and property taxes as affordable as possible without impairing the quality or integrity of College programs and services.

7.2 Develop a financial model that identifies new revenue sources while eliminating the reliance on State of Illinois apportionment funds.

7.3 Educate stakeholders on the role, benefits and value of community colleges, with a focus on College of DuPage's value and stewardship of taxpayer dollars.

7.4 Increase philanthropic giving in order to increase access to education and to enhance cultural opportunities for the community.

7.5 Investigate and act upon opportunities to partner with co-branded programs and services with other Illinois community colleges.

7.6 Increase the active involvement of alumni in giving of their time and resources to support the College of DuPage Foundation mission.

7.7 Explore and, if feasible, incentivize students (e.g., reduced tuition) for taking courses during non-peak times.

**Goal 8: Infrastructure**

College of DuPage is committed to maintaining, improving and developing structures, systems and facilities necessary for the delivery of high-quality education and meaningful cultural events. To accomplish this we will:

**Strategic Objectives:**

8.1 Use faculty and other stakeholder input and appropriate institutional and benchmark data to analyze and understand current space capacity and utilization, and further develop and implement a detailed Facility Master Plan with a focus on future academic and student support needs.

8.1 Unify the west and east sides of the Glen Ellyn campus, creating a pedestrian-friendly crossing and a "one campus" feel.

8.2 Investigate the need for additional centers with a focus on how they would impact student preferences, accessibility and needs and enhance a Learning Network that advances student success.

8.3 Revise, integrate and implement the Information Technology Strategic Plan in order to enhance student success, maximize institutional effectiveness and ensure hardware and software are reliable, secure (from data breaches) and are user friendly to students, employees and other stakeholders.

The College's Annual Plan, Fact Book, SLRP, and other planning and reporting documents are available on the College's website:
https://cod.edu/about/administration/planning_and_reporting_documents/index.aspx

**COMMUNITY COLLEGE DISTRICT #502**
**JUNE 30, 2019**

## PRINCIPAL OFFICIALS

### Board of Trustees

| **Trustee Name** | **Position** | **Term Expiration** |
|---|---|---|
| Charles Bernstein | Trustee | 2021 |
| Annette K. Corrigan | Trustee | 2025 |
| Maureen Dunne | Trustee | 2025 |
| Christine M. Fenne | Trustee | 2023 |
| Heidi Holan | Trustee | 2021 |
| Daniel Markwell | Trustee | 2023 |
| Frank Napolitano | Trustee | 2021 |
| Jasmine Schuett | Student Trustee | 2020 |

### Appointed Annually

| | |
|---|---|
| Frank Napolitano | Board Chairman to 2020 |
| Christine M. Fenne | Board Vice Chairman to 2020 |
| Daniel Markwell | Board Secretary to 2020 |
| Scott L. Brady | Treasurer |

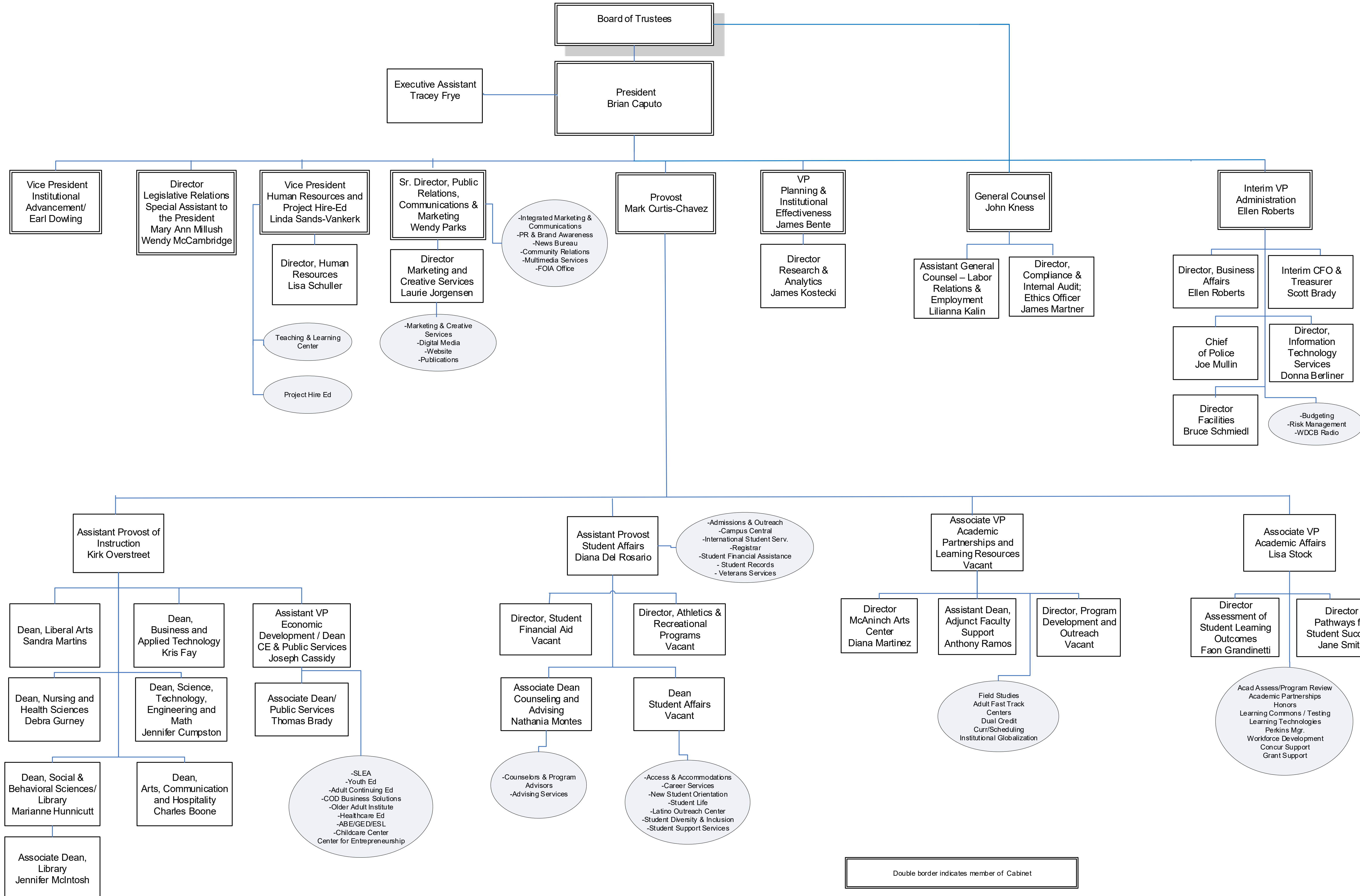
### Cabinet

Dr. Brian W. Caputo, President
James Benté, Vice President, Planning & Institutional Effectiveness
Dr. Mark Curtis-Chavez, Provost
Earl Dowling, Vice President, Institutional Advancement
John Kness, General Counsel
Mary Ann Millush, Director, Legislative Relations and Special Assistant to the President
Wendy E. Parks, Senior Director, Public Relations, Communications, and Marketing
Ellen Roberts, Interim Vice President, Administrative Affairs
Linda Sands-Vankerk, Vice President, Human Resources and Project Hire-Ed

### Officials Issuing Report

Scott L. Brady, Interim CFO and Treasurer
David P. Virgilio, Interim Controller

# COLLEGE OF DUPAGE ADMINISTRATION ORGANIZATION CHART




Effective 07/18/2019

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**College of DuPage**

**Community College District Number 502**

**Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**June 30, 2018**

Christopher P. Morrill

Executive Director/CEO


II. Financial Section

# II. FINANCIAL SECTION

**Mission**

*"The mission of College of DuPage is to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education."*

CliftonLarsonAllen LLP
CLAconnect.com

**INDEPENDENT AUDITORS' REPORT**

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

## Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the College of DuPage, Community College District Number 502 (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the basic financial statements based on our audits. We did not audit the financial statements of the District's component unit. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditor. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the District's component unit were not audited in accordance with *Government Auditing Standards.*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinions***

In our opinion, based on our audit and the report of the other auditor on the financial statements of the District's discretely presented component unit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District and its discretely presented component unit as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flow thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of College's Proportionate Share of the Collective Net OPEB Liability, Schedule of College's OPEB Contributions, Schedule of College's Local OPEB Plan Contributions, Schedule of College's Proportionate Share of Net Pension and related Notes to Required Supplementary Information – Pension Benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, statistical section, supplemental financial information, and the other supplemental financial information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Board of Trustees
College of DuPage, Community College District Number 502

The consolidated year-end financial report, the supplemental financial information, the combining schedule of revenues, expenses, and changes in subfund balances, all subfunds and account groups, and the schedule of auxiliary subfunds as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, the statistical section and other supplementary financial information as listed in the table of contents has not been subjected to auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2019, on our consideration of the District'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 District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Oak Brook, Illinois
October 25, 2019

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2019

# Management's Discussion and Analysis
# (unaudited)

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## INTRODUCTION AND BACKGROUND

This section of College of DuPage, Community College District 502's (the College) Comprehensive Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activity during the fiscal year ended June 30, 2019. Because this MD&A is designed to focus on current activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter and the College's basic financial statements including the notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the College.

## USING THIS ANNUAL REPORT

The financial statements focus on the College as a whole and are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The financial statements consist of four primary parts: (1) the statements of net position, (2) statements of revenues, expenses, and changes in net position, (3) statements of cash flows, and (4) notes to the financial statements. The financial statements are prepared on the accrual basis of accounting and economic resources measurement focus. Under the accrual basis of accounting, expenses are recorded when incurred, and all revenues are recognized when earned in accordance with generally accepted accounting principles.

The Statement of Net Position is presented in the format where assets plus deferred outflows of resources equal liabilities plus deferred inflows of resources plus net position. Assets and liabilities are presented in order of liquidity and are classified as current (convertible into cash within one year) and non-current. This statement combines and consolidates current financial resources (short-term spendable resources) with long-term capital assets and deferred inflows and outflows of resources. The focus of this statement is to show the overall liquidity and health of the College as of the end of the fiscal year. The change in net position is an indicator of whether the financial condition has improved or worsened during the year.

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross and net costs of College activities, which are supported substantially by property taxes, state and federal grants and contracts, student tuition and fees, and auxiliary enterprises revenues. This approach is intended to summarize and simplify the reader's analysis of the financial results of the various College services to students and the public.

The Statement of Cash Flows discloses net cash provided by or used for operating, non-capital financing, capital and related financing, and investing activities. This statement provides information about the cash receipts and cash payments during the fiscal year. When used with related disclosures and information in other financial statements, the Statement of Cash Flows should help the reader assess: (a) the College's ability to generate future cash flows, (b) its ability to meet its obligations as they come due, (c) its needs for external financing, (d) the reasons for differences between operating income and associated cash receipts and payments, and (e) the effects on the College's financial position of both its cash and its noncash investing, capital, and financing transactions during the period.

The notes to the financial statements are an integral part of the basic statements. They describe the College's significant accounting policies and provide other information that is essential to a reader's understanding of the College's financial position or inflows and outflows of resources. The reader is encouraged to review the notes in conjunction with management's discussion and analysis of the financial statements.

## FINANCIAL HIGHLIGHTS

## STATEMENT OF NET POSITION

The major components of College of DuPage's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2019 and 2018 are as follows (in millions of dollars):

| | 2019 | 2018 | Change 2019-18 |
|---|---|---|---|
| Assets | | | |
| Current assets | $ 423.1 | $ 362.8 | $ 60.3 |
| Non-current assets | | | |
| Capital assets, net of depreciation | 440.2 | 460.7 | (20.5) |
| Total assets | 863.3 | 823.5 | 39.8 |
| Deferred outflows of resources | 7.2 | 6.3 | 0.9 |
| Total assets & deferred outflows | 870.5 | 829.8 | 40.7 |
| Liabilities | | | |
| Current liabilities | 101.2 | 53.3 | 47.9 |
| Non-current liabilities | 284.3 | 303.4 | (19.1) |
| Total liabilities | 385.5 | 356.7 | 28.8 |
| Deferred inflows of resources | 64.3 | 57.7 | 6.6 |
| Total liabilities & deferred inflows | 449.8 | 414.4 | 35.4 |
| Net Position | | | |
| Net investment in capital assets | 238.8 | 238.6 | 0.2 |
| Restricted | 15.4 | 16.8 | (1.4) |
| Unrestricted | 166.5 | 160.0 | 6.5 |
| Total net position | $ 420.7 | $ 415.4 | $ 5.3 |

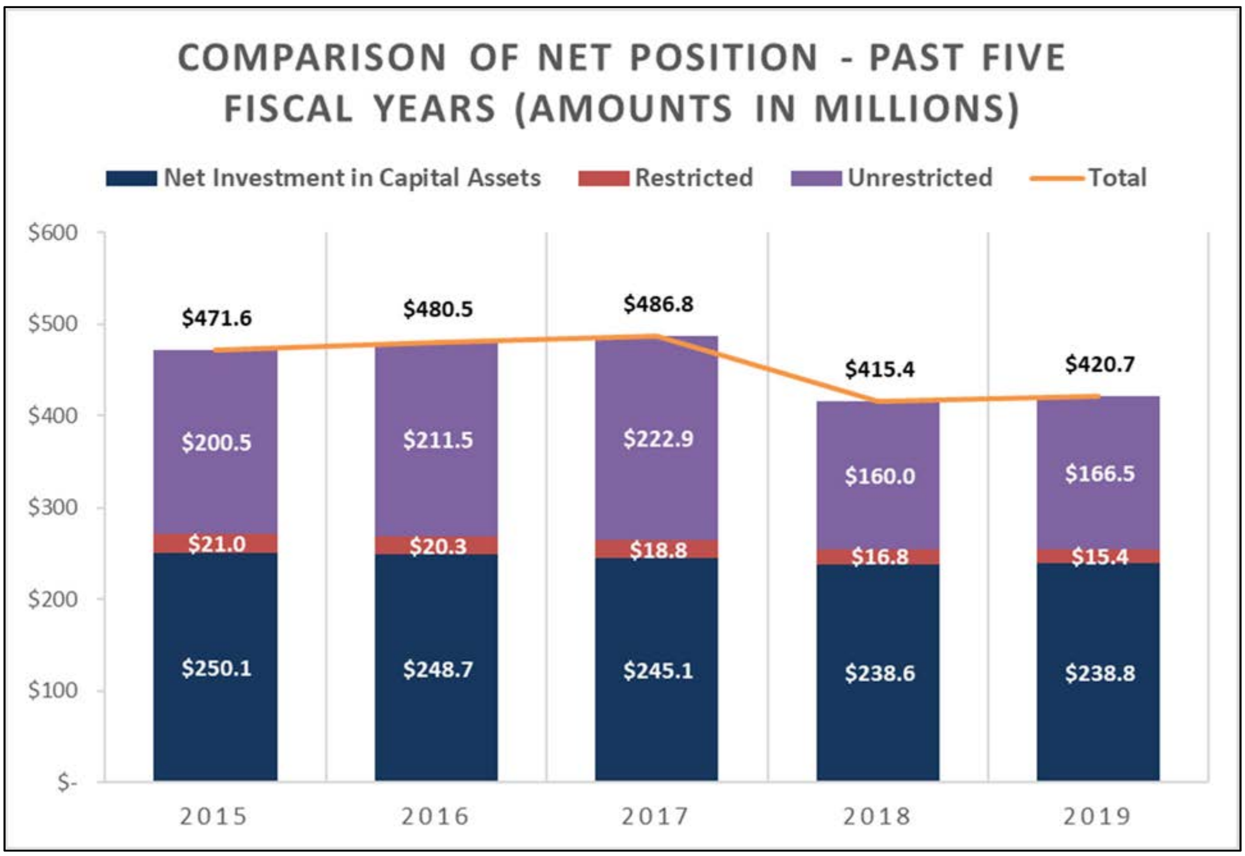
Total current assets increased $60.3 million from the prior year, due mostly to a $47.1 million increase in restricted cash stemming from a crossover bond refunding as well as an $8.8 million increase in cash and investments.

Non-current assets, comprised of capital assets, net of depreciation, decreased by $20.5 million from the previous year due to the decrease in net capital assets. The total cost value of capital assets increased $9.4 million from the previous year coupled with an increase of $29.9 in accumulated depreciation. Costs accumulated in construction in progress were transferred to land improvements or building improvements in FY2019 to reflect the completion of projects.

Current liabilities increased $47.9 million primarily due to a crossover bond refunding which occurred in April 2019.

Non-current liabilities decreased by $19.1 million over the previous year due to a decrease in bonds payable of $22.2 million, offset by an increase in Other Postemployment Benefits (OPEB) liability.

Total net position (equity) increased $5.3 million over the prior year. Net position is comprised of three line items: net investment in capital assets, restricted, and unrestricted:



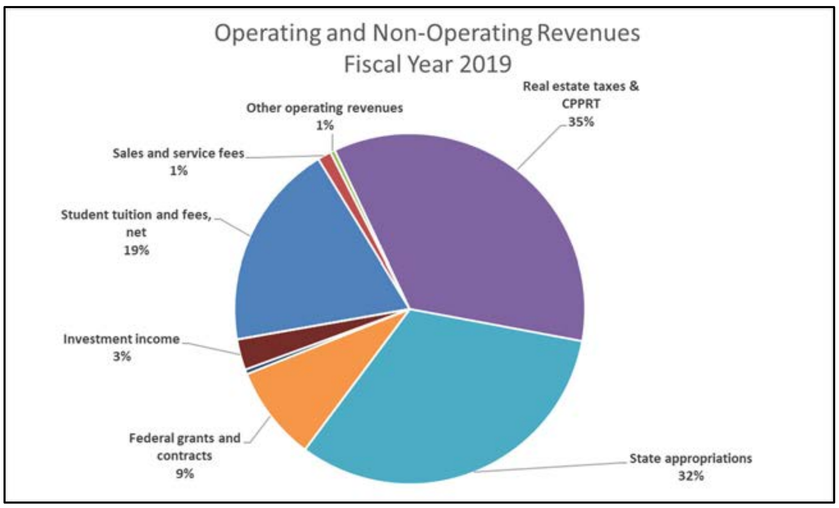
## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following table presents the statement of revenues, expenses, and changes in net position for the College for fiscal years 2019 and 2018 (in millions of dollars).

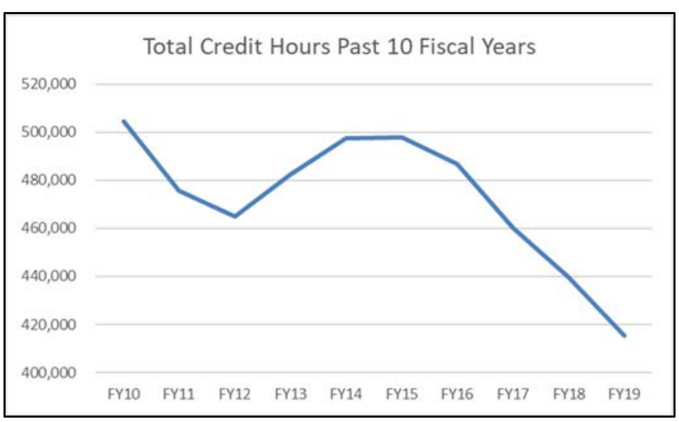
| | 2019 | 2018 | Change 2019-18 |
|---|---|---|---|
| Revenues | | | |
| Operating revenues | | | |
| Student tuition and fees, net | $ 56.4 | $ 56.9 | $ (0.5) |
| Sales and service fees | 3.7 | 3.5 | 0.2 |
| Other operating revenues | 1.3 | 1.6 | (0.3) |
| Total operating revenues | 61.4 | 62.0 | (0.6) |
| Non-operating revenues | | | |
| Real estate taxes & CPPRT | 103.5 | 110.5 | (7.0) |
| State appropriations | 95.5 | 103.9 | (8.4) |
| Federal grants and contracts | 25.9 | 27.2 | (1.3) |
| Investment income | 8.4 | 3.3 | 5.1 |
| Other non-operating revenues | 1.4 | 1.5 | (0.1) |
| Total non-operating revenues | 234.7 | 246.4 | (11.7) |
| Total revenues | 296.1 | 308.4 | (12.3) |
| Expenses | | | |
| Operating expenses | | | |
| Instruction | 117.6 | 117.0 | 0.6 |
| Academic support | 15.6 | 15.7 | (0.1) |
| Student services | 25.7 | 23.5 | 2.2 |
| Public service | 3.9 | 3.1 | 0.8 |
| Operation and maintenance of plant | 21.4 | 20.7 | 0.7 |
| General administration | 17.7 | 17.2 | 0.5 |
| General institutional | 27.7 | 25.9 | 1.8 |
| Auxiliary enterprises | 11.8 | 12.6 | (0.8) |
| Scholarship expense | 10.7 | 11.0 | (0.3) |
| Depreciation expense | 31.4 | 31.9 | (0.5) |
| Total operating expenses | 283.5 | 278.6 | 4.9 |
| Non-operating expenses | | | |
| Interest on capital asset-related debt | 7.3 | 9.0 | (1.7) |
| Total non-operating expenses | 7.3 | 9.0 | (1.7) |
| Total expenses | 290.8 | 287.6 | 3.2 |
| Net income before capital contributions | 5.3 | 20.8 | (15.5) |
| Capital contributions | - | 1.8 | (1.8) |
| Increase in net position | 5.3 | 22.6 | (17.3) |
| Net position at beginning of year | 415.4 | 486.8 | (71.4) |
| Cumulative effect of change in accounting principle | - | (94.0) | 94.0 |
| Net position at end of year | $ 420.7 | $ 415.4 | $ 5.3 |

**Revenues:**
The College's operating and non-operating revenues were $296.1 million for fiscal year 2019, a decrease of $12.3 million from the prior year. This decrease in revenues was driven primarily by lower property tax revenue and lower State of Illinois revenue. Receipts from the State of Illinois for the Base Operating Grant were $7.0 million lower in FY2019 due to the timing of the 2017 and 2018 state disbursements. Operating revenues decreased $0.6 million in FY2019

The College has three primary revenue sources that accounted for 86% of total revenues in FY2019. Real estate and corporate personal property replacement taxes (CPPRT) continue to be the College's primary revenue source accounting for $103.5 million, or 35%, of FY2019 total revenues. The second largest revenue source, state grants and appropriations, totaled $95.5 million and accounted for 32% of FY2019 total revenues. The third largest source of revenue was student tuition and fees totaling $56.4 million, or 19%, of total revenues in FY2019.




Certified student credit hours, on which the state claim is filed, decreased by 5.6% from FY2018 to FY2019, going from 439,649 semester credit hours in FY2018 to 415,199 in FY2019. The FY2020 budget assumes an enrollment decline of 3.0%.




The above chart reflects total annual semester credit hours upon which state claims are filed for the past ten fiscal years.

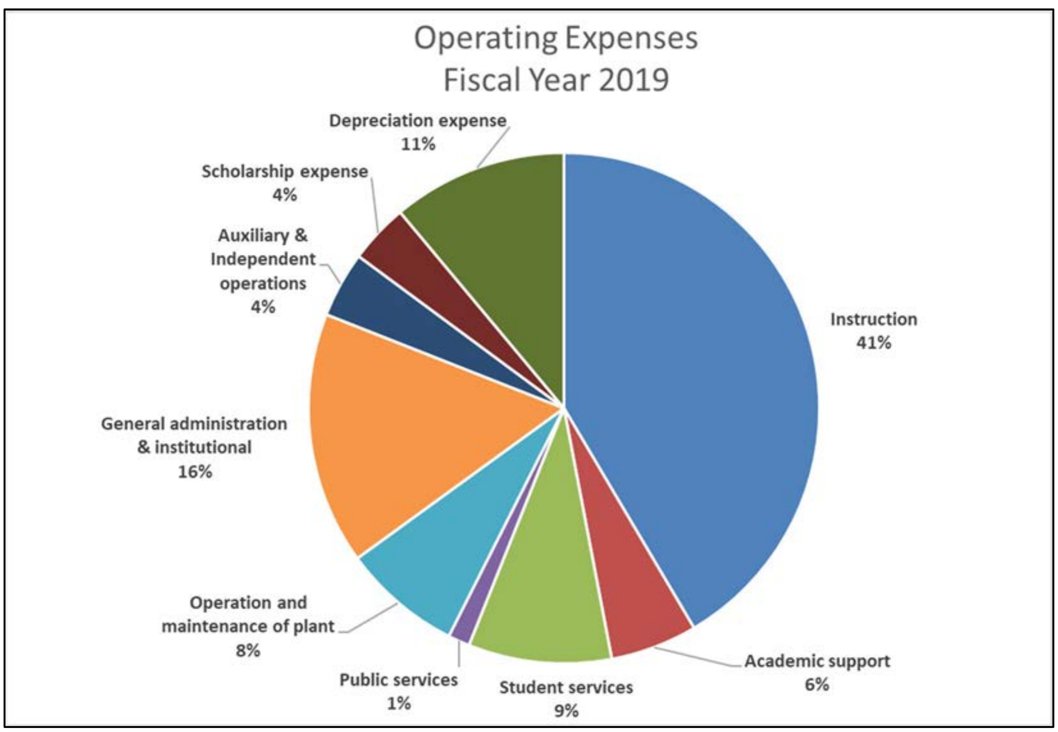
As shown in the following table, total student tuition and fees revenue before adjustment for the reclassification of tuition funded by state and federal grants was $80.6 million in FY2019; this was $5.1 million lower than the prior year.

| | FY2019 | FY2018 | Change 2019-18 | % Change 2019-18 |
|---|---|---|---|---|
| Student tuition and fees | $ 80.6 | $ 85.7 | $ (5.1) | -6% |
| Federal and State Awards | (24.2) | (28.8) | 4.6 | -16% |
| Student tuition and fees, net | $ 56.4 | $ 56.9 | $ (0.5) | -1% |

The decrease in tuition funded from federal and state awards reflects a decrease in Adult Basic Education, Presidential Scholarships, and Pell Grants/Federal Direct Loans.

The College historically receives approximately 99.5% of the annual property tax levy collections. Through June 30, 2019 the College has received approximately 51% of the 2018 tax year levy from all three counties within the District's boundaries.

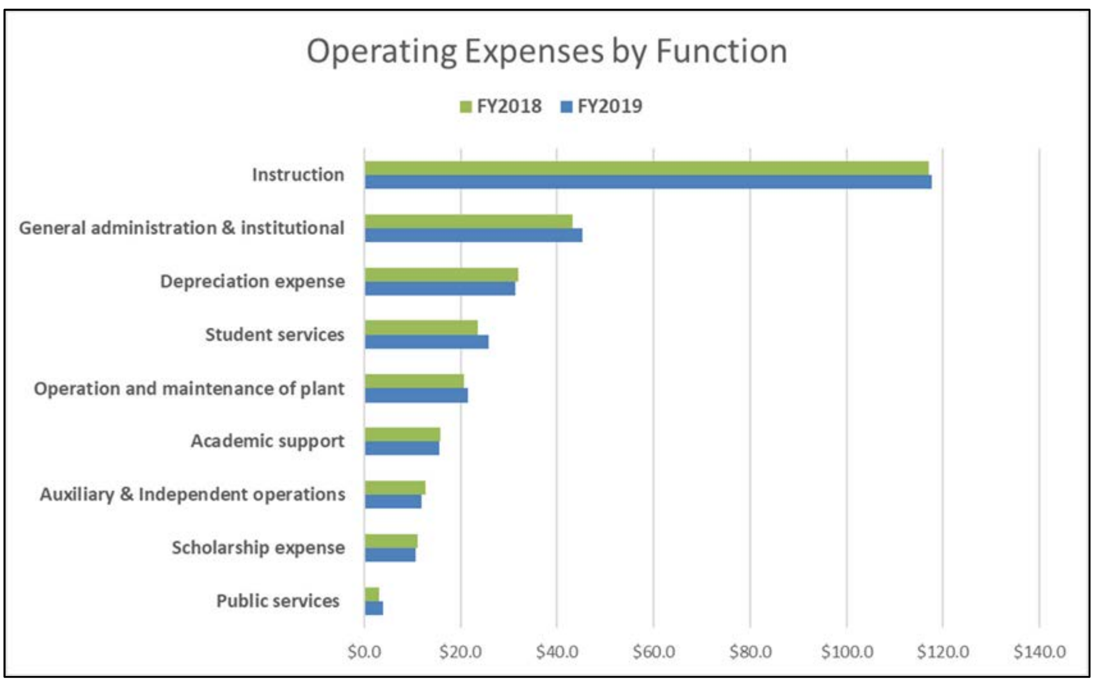
**Expenses:**
Total expenses for FY2019 were $290.8 million, an increase of $3.2 million from the previous fiscal year. Operating expenses increased $4.9 million while non-operating expenses decreased $1.7 million.



Contributions to the State Universities Retirement System (SURS) for pension and retiree healthcare benefits included in operating expenses increased by $4.7 million to $74.3 million in FY2019. The State of Illinois makes this contribution on behalf of the College. The College records an expense and revenue for the in-kind payment made by the state. This expense is then allocated to the different expense categories based on their prorated share of labor expense. The following table shows how the state on-behalf expenses have been allocated to the functional expense categories for the current year and the previous year.

| | FY2019 | FY2018 | Change 2019-18 |
|---|---|---|---|
| Instruction | $ 40.3 | $ 38.2 | $ 2.1 |
| Student Services | 8.3 | 7.2 | 1.1 |
| General Institutional | 6.9 | 6.2 | 0.7 |
| General Administration | 5.4 | 5.0 | 0.4 |
| Academic Support | 4.9 | 4.8 | 0.1 |
| Operations and Maintenance of Plant | 4.9 | 4.7 | 0.2 |
| Auxiliary Enterprises | 2.5 | 2.6 | (0.1) |
| Public Services | 1.1 | 0.9 | 0.2 |
| Total SURS On-Behalf | $ 74.3 | $ 69.6 | $ 4.7 |

The following chart shows the College's total operating expenses by function for the current year and the previous year ($ in millions).



## NET CAPITAL ASSETS AND LONG-TERM DEBT

| | 2019 | 2018 | Change 2019-18 |
|---|---|---|---|
| Capital assets | | | |
| Land and improvements | $ 95.5 | $ 95.5 | $ - |
| Construction in progress | 4.5 | 1.4 | 3.1 |
| Art collection | 2.6 | 2.6 | - |
| Building and improvements | 573.2 | 569.7 | 3.5 |
| Leasehold improvements | 2.1 | - | 2.1 |
| Equipment | 57.1 | 56.4 | 0.7 |
| Subtotal | 735.0 | 725.6 | 9.4 |
| Less: accumulated depreciation | (294.8) | (264.9) | (29.9) |
| Capital assets, net | $ 440.2 | $ 460.7 | $ (20.5) |

As of June 30, 2019, the College had net capital assets of $440.2 million, a decrease of $20.5 million from the prior year. The cost value of capital assets increased $9.4 million due to the completion of work on projects throughout campus and purchases of new assets. The College continued spending down the voter approved November 2010 referendum bond proceeds received in FY2013.

The increases in land and improvements and building and improvements are a result of projects in construction in progress being completed and transferred to these depreciable capital asset categories in FY2019.

Costs related to renovating a portion the Glen Ellyn Civic Center, which is leased to the College by the Village, are categorized as leasehold improvements.

More detailed information on capital assets is provided in Note 3 to the financial statements.

**Debt Administration**

The College's long-term debt obligations increased $21.7 million from the prior year to $249.1 million. The College paid outstanding bond principal of $20.9 million, while issuing new bonds in the sum of $40.8 million. The reason the total debt increased in FY2019 is because the new bonds issued to refund the 2009B bonds were considered crossover refunding bonds. The 2009B bonds outstanding principal was called on July 1, 2019, therefore the outstanding principal for both the 2019 bonds and the 2009B bonds are included in the FY2019 financial statements.

More detailed information on debt obligations is provided in Note 6 to the financial statements.

As of fiscal year end, the College's general obligation bond ratings were Aa1 'positive' by Moody's Investors Services and AA+ with an outlook of 'stable' by Standard and Poor's Global Ratings (S&P).

## OTHER

On December 16, 2015, the Board of the Higher Learning Commission (HLC), the accrediting body of College of DuPage, placed the College on academic probation for a two-year period. In February 2017, the College submitted its assurance filing to the commission following a comprehensive assessment by the commission's peer review corps. In November 2017, following a nearly two-year review process, the HLC removed the College from probationary status. The HLC stated it took this action based on the College's ability to "demonstrate that it meets HLC's Criteria for Accreditation." While the sanction of probation has been removed, the HLC will continue to monitor the College's progress through a focused review in September 2019.

The College's management believes it will continue its strong financial position into the future. The major external validation of this strength is through the high bond ratings mentioned in this report. These ratings look at the overall financial health of which net position is a major component. The higher rating serves to lower the cost to issue bonds. The lower the cost to issue bonds, the lower the cost to taxpayers in future periods. This aids in obtaining capital funding at the most competitive rates.

The College has contracted with a firm to prepare a new Facilities Master Plan. The plan was finalized in FY2019 and serves as the road map for construction activities over the next several years. Anticipated future educational needs of the community college district were key considerations in the development of the plan.

Management is not aware of any other currently known facts, decisions, or conditions that would have a significant impact on the College's financial position (net position) or results of operations (revenues, expenses, and other changes in net position).

## ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The College continues to be concerned with the fiscal stress that the State of Illinois is experiencing and the impacts that this stress may have on future funding for community colleges and financial aid for students. Many colleges and universities have been forced to exhaust financial reserves, freeze or eliminate positions, incorporate furlough days, reduce programs and services and increase tuition and fees.

The College of DuPage management and the Board of Trustees have been very thoughtful and deliberate in their actions to mitigate future risk to the College from both internal and external sources such as the State of Illinois. As reflected in the Strategic Long Range Plan, the College aims to keep tuition and property taxes as affordable as possible without impairing the quality or integrity of College programs and services.

The College does not anticipate a substantial change in property tax revenues. They are derived mostly from the County of DuPage which, under the Property Tax Extension Limitation Law, limits the amount taxes can increase from year to year based on the change in the Consumer Price Index-Urban (CPI-U). The CPI-U for the last two years has been 1.9% and 2.1% for 2018 and 2017, respectively, and, with the Congressional Budget Office's recent estimate of 2.1% for 2019, property tax revenue growth will remain modest.

The College continues to monitor residential and commercial property values and economic activity in the residential and office construction sector to forecast future funding impacts on the College. Revenues from property taxes represent nearly half of the revenues the College receives to fund operations. Lower assessed valuations impede the growth in property tax revenues and ultimately result in the College having to either raise tuition or eliminate services to reduce costs.

## CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, customers, community members, and other interested parties with a general overview of College of DuPage's finances and to demonstrate College of DuPage's accountability for the funds it receives.

If you have questions about this report or need additional information, please contact the Financial Affairs Department, at 425 Fawell Boulevard, Glen Ellyn, Illinois 60137-6599, (630) 942-4285.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2019

# BASIC FINANCIAL STATEMENTS

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**STATEMENT 1**
**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**STATEMENT OF NET POSITION**
**June 30, 2019**

| | |
|---|---|
| **ASSETS** | |
| **Current Assets** | |
| Cash and cash equivalents | $ 14,714,425 |
| Restricted cash | 47,143,128 |
| Investments | 296,967,289 |
| Total cash, cash equivalents and investments | 358,824,842 |
| Receivables | |
| Property taxes receivable (net of allowances of $570,305) | 51,856,028 |
| Tuition and fees receivable (net of allowances of $8,501,016) | 6,038,507 |
| Government claims receivable | 2,191,447 |
| Interest receivable | 1,373,005 |
| Other accounts receivable | 1,672,391 |
| Total receivables | 63,131,378 |
| Inventory | 171,190 |
| Prepaid expenses | 948,439 |
| Other assets | 5,776 |
| **Total Current Assets** | 423,081,625 |
| **Non-Current Assets** | |
| Capital assets not being depreciated | 11,885,558 |
| Capital assets being depreciated | 723,098,846 |
| Less allowance for depreciation | (294,794,295) |
| **Total Non-Current Assets** | 440,190,109 |
| **Total Assets** | 863,271,734 |
| **DEFERRED OUTFLOWS OF RESOURCES** | |
| Deferred charge SURS Contributions | 120,667 |
| OPEB - Employer contributions subsequent to measurement date | 1,106,117 |
| OPEB - Changes in proportion and differences between employer contributions and share of contributions | 4,457,234 |
| OPEB - Difference between expected and actual experience | 1,285,525 |
| Deferred amount on refunding | 254,573 |
| **Total Deferred Outflows of Resources** | 7,224,116 |
| **Subtotal, Assets and Deferred Outflows of Resources** | 870,495,850 |
| **LIABILITIES** | |
| **Current Liabilities** | |
| Accounts payable and accrued expenses | 8,830,945 |
| Accrued salaries and benefits | 6,658,812 |
| Claims payable | 999,787 |
| Unearned tuition and fee revenues | 14,980,503 |
| Unearned grant revenues | 7,407 |
| Total accrued expenses and unearned revenues | 31,477,454 |
| Bonds payable - current | 64,845,000 |
| Bond interest payable | 2,250,090 |
| Compensated absences | 1,834,774 |
| Deposits held in custody for others | 568,139 |
| Other current liabilities | 248,886 |
| **Total Current Liabilities** | 101,224,343 |
| **Non-Current Liabilities** | |
| Bonds payable | 181,695,221 |
| Compensated absences | 708,501 |
| Other post employment benefits (OPEB) | 101,880,248 |
| **Total Non-Current Liabilities** | 284,283,970 |
| **Total Liabilities** | 385,508,313 |
| **DEFERRED INFLOWS OF RESOURCES** | |
| OPEB - Changes of assumptions | 12,015,933 |
| OPEB - Difference between expected and actual experience | 191,560 |
| OPEB - Net difference between projected and actual investment earnings | 2,858 |
| OPEB - Changes in proportion and differences between employer contributions and share of contributions | 3,766 |
| Deferred amount on refunding | 447,233 |
| Deferred property tax revenues | 51,609,932 |
| **Total Deferred Inflows of Resources** | 64,271,282 |
| **Subtotal, Liabilities and Deferred Inflows of Resources** | 449,779,595 |
| **NET POSITION** | |
| Net investment in capital assets | 238,848,835 |
| Restricted for: | |
| Debt service | 6,560,867 |
| Working cash | 8,746,694 |
| Unspent grant proceeds | 89,696 |
| Unrestricted | 166,470,163 |
| **Total Net Position** | $ 420,716,255 |

See accompanying notes to financial statements.

**STATEMENT 2**
**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**
**FOR THE YEAR ENDED JUNE 30, 2019**

| | | |
|---|---|---|
| **REVENUES** | | |
| **Operating Revenues** | | |
| Student tuition and fees | $ | 56,395,747 |
| (net of scholarship allowances of $24,187,510 | | |
| and uncollectable of $264,799) | | |
| Sales and service fees | | 3,740,162 |
| Other operating revenues | | 1,273,401 |
| **Total Operating Revenues** | | 61,409,310 |
| **EXPENSES** | | |
| **Operating Expenses** | | |
| Instruction | | 117,582,668 |
| Academic support | | 15,636,029 |
| Student services | | 25,726,293 |
| Public service | | 3,878,082 |
| Operation and maintenance of plant | | 21,387,457 |
| General administration | | 17,673,438 |
| General institutional | | 27,662,915 |
| Auxiliary enterprises | | 11,843,716 |
| Scholarship expense | | 10,651,685 |
| Depreciation expense | | 31,371,173 |
| **Total Operating Expenses** | | 283,413,456 |
| **Operating Income (Loss)** | | (222,004,146) |
| **NON-OPERATING REVENUES (EXPENSES)** | | |
| Real estate taxes | | 101,930,953 |
| Corporate personal property replacement taxes | | 1,538,154 |
| State appropriations | | 95,514,639 |
| Federal grants and contracts | | 25,853,807 |
| Non-governmental gifts and grants | | 1,346,190 |
| Investment income | | 8,367,067 |
| Interest on capital asset-related debt | | (7,303,023) |
| Gain (loss) on sale of capital assets | | 17,728 |
| **Net Non-Operating Revenues (Expenses)** | | 227,265,515 |
| **Increase in Net Position** | | 5,261,369 |
| **Net Position at Beginning of Year** | | 415,454,886 |
| **Net Position at End of Year** | $ | 420,716,255 |

See accompanying notes to financial statements.

**STATEMENT 3**
**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED JUNE 30, 2019**

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Tuition and fees | $ | 80,391,209 |
| Sales and Services | | 4,840,823 |
| Payment to suppliers | | (62,939,766) |
| Payment to employees | | (128,875,394) |
| Net Cash from Operating Activities | | (106,583,128) |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | |
| Real estate taxes & corporate personal property replacement taxes | | 103,458,526 |
| State appropriations | | 14,773,455 |
| Grants & contracts | | 33,225,765 |
| Net Cash from Non-Capital Financing Activities | | 151,457,746 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | |
| Purchases of capital assets | | (10,874,586) |
| Proceeds from sale of bonds | | 40,780,000 |
| Premium on bonds | | 4,367,639 |
| Bond principal payments | | (20,702,737) |
| Interest paid on bonds | | (10,102,280) |
| Proceeds from the sales of capital assets | | 12,127 |
| Net Cash from Capital and Related Financing Activities | | 3,480,163 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sales and maturities of investments | | 553,985,856 |
| Interest on investments | | 7,585,472 |
| Purchase of investments | | (570,658,764) |
| Net Cash from Investing Activities | | (9,087,436) |
| Net Increase (Decrease) in Cash | | 39,267,345 |
| **Cash and Cash Equivalents - Beginning of Year** | | 22,590,208 |
| **Cash and Cash Equivalents - End of the Year** | $ | 61,857,553 |
| **RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:** | | |
| Operating Income (Loss) | $ | (222,004,146) |
| Adjustments to Reconcile Income (Loss) to Net Cash from Operating Activities: | | |
| Depreciation expense | | 31,371,173 |
| State Universities Retirement System on-behalf payments | | 74,261,154 |
| Changes in Assets and Liabilities: | | |
| Receivables (net) | | (1,045,697) |
| Inventories | | 17,575 |
| Prepaid expenses | | 713,510 |
| Other assets | | (5,776) |
| Deferred inflows and outflows of resources | | 3,206,356 |
| Accounts payable | | 3,217,996 |
| Accrued salaries and benefits | | 206,447 |
| Other accrued liabilities | | 88,042 |
| Unearned tuition and fees | | 326,095 |
| Accrued post-employment benefits | | 3,028,932 |
| Other unearned revenues | | 35,211 |
| Net Cash from Operating Activities | $ | (106,583,128) |

Notes to the Statement of Cash Flows

1. Noncash investing, capital and financing activities: Increase in the fair value of investments, $1,741,164 in FY2019.

2. The College recognized $74,261,154 in the form of on-behalf contributions from the State of Illinois, which are not included in the Statement of Cash Flows. The on-behalf payments did not affect net position.

See accompanying notes to financial statements.

**STATEMENT 4**
**COLLEGE OF DUPAGE FOUNDATION**
**STATEMENT OF FINANCIAL POSITION**
**JUNE 30, 2019**

| | | |
|---|---|---|
| ASSETS | | |
| Cash and Cash Equivalents | $ | 320,644 |
| Investments | | 6,689,724 |
| Pledges Receivable, net | | 207,864 |
| Cash Surrender Value of Life Insurance Policies | | 11,467 |
| Investments - Restricted | | 9,575,133 |
| TOTAL ASSETS | $ | 16,804,832 |
| | | |
| LIABILITIES AND NET ASSETS | | |
| | | |
| LIABILITIES | | |
| Accounts Payable | $ | 13,894 |
| Due to College of DuPage | | 210,800 |
| Other Liabilities | | 10,697 |
| TOTAL LIABILITIES | | 235,391 |
| | | |
| NET ASSETS | | |
| Without Donor Restriction | | 1,175,693 |
| With Donor Restriction | | 15,393,748 |
| TOTAL NET ASSETS | | 16,569,441 |
| | | |
| TOTAL LIABILITIES AND NET ASSETS | $ | 16,804,832 |

See accompanying notes to financial statements.

**STATEMENT 5**
**COLLEGE OF DUPAGE FOUNDATION**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED JUNE 30, 2019**

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| Revenues | | | |
| Gifts and Contributions | $ 1,427,955 | $ 1,006,251 | $ 2,434,206 |
| In-Kind Contributions | 18,069 | 46,352 | 64,421 |
| Contributed Services | 332,028 | - | 332,028 |
| Net Investment Return | 92,413 | 626,244 | 718,657 |
| Net Assets Released from Restrictions | 510,935 | (510,935) | - |
| Total Revenues | 2,381,400 | 1,167,912 | 3,549,312 |
| Expenses | | | |
| Program | | | |
| Scholarships | 439,391 | - | 439,391 |
| Awards Granted | 15,259 | - | 15,259 |
| Cash Gifts to College of DuPage | 1,118,903 | - | 1,118,903 |
| Noncash Gifts to College of DuPage | 64,421 | - | 64,421 |
| Salaries and Wages | 177,599 | - | 177,599 |
| Other | 279,451 | - | 279,451 |
| Total Program | 2,095,024 | - | 2,095,024 |
| General and Administrative | | | |
| Salaries and Wages | 48,238 | - | 48,238 |
| Contractual Services | 65,161 | - | 65,161 |
| Other | 51,535 | - | 51,535 |
| Total General and Administrative | 164,934 | - | 164,934 |
| Fundraising | | | |
| Salaries and Wages | 260,429 | - | 260,429 |
| Contractual Services | 49,490 | - | 49,490 |
| Other | 21,363 | - | 21,363 |
| Total Fundraising | 331,282 | - | 331,282 |
| Total Expenses | 2,591,240 | - | 2,591,240 |
| Change in Net Assets | (209,840) | 1,167,912 | 958,072 |
| Net Assets, Beginning of Year | 1,385,533 | 14,225,836 | 15,611,369 |
| Net Assets, End of Year | $ 1,175,693 | $ 15,393,748 | $ 16,569,441 |

See accompanying notes to financial statements.

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## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of College of DuPage, Community College District Number 502 (the College), conform to accounting principles generally accepted in the United States of America (GAAP), applicable to government units and Illinois community colleges, as well as those prescribed by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The College's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the significant accounting policies.

### A. Reporting Entity

The College is a municipal corporation governed by an elected seven-member Board of Trustees. GASB Statement No.14, *The Financial Reporting Entity*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, established standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body *and* either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

Pursuant to the standards established in GASB Statement No. 14, *The Financial Reporting Entity,* the College is considered a primary government since it is fiscally independent. The College has determined that the College of DuPage Foundation meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14,* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, because of the nature and significance of the Foundation's relationship with the College, which has resulted in the College of DuPage Foundation being reported as a discretely presented component unit of the College. The College of DuPage Foundation is a legally separate not-for-profit established under Internal Revenue Code Section 501(c)(3). Separately issued financial statements of the Foundation are available from the Foundation's Executive Director, 425 Fawell Blvd, Glen Ellyn, Illinois 60137.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Non-exchange transactions, in which the College receives value without directly giving equal value in return, include: property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from 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 use is first permitted, matching requirements, in which the College must provide local resources to be used for a specific purpose, and expense requirements, in which the resources are provided to the College on a reimbursement basis.

### C. Property Taxes

The College's property taxes are levied each calendar year on all taxable real property located in the District. Property taxes are recorded on the accrual basis of accounting. Pursuant to guidance from the ICCB and the College Board of Trustees resolution, property tax levies are allocated fifty percent for each of the two fiscal years after the levy year. Accordingly, the College estimates fifty percent of property taxes extended for the 2018 tax year and collected in 2019 are recorded as revenue in fiscal year 2019. The remaining fifty percent of revenues related to tax year 2018 has been deferred and will be recorded as revenue in fiscal year 2020. The fifty percent allocation is an approximation based on tax collections in prior years.

Each County Assessor is responsible for assessment of all taxable real property within each county except for certain railroad property that is assessed directly by the state. Reassessment is on a three-year schedule for Cook County and on a four-year schedule for DuPage and Will Counties, as established by their respective Assessors. Each County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the taxing bodies their respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, generally on June 1 and September 1. Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1, immediately following the levy year. Tax bills are levied in December by passage of a Tax Levy Ordinance. The Property Tax Extension Limitation Law (PTELL) placed limitations on the annual growth of most local government's property tax collections. Currently, the limitation is the lesser of five percent or the rate of inflation, measured by the Consumer Price Index.

The statutory maximum tax rates and the respective final rates for the past five tax years per $100 of assessed valuation is presented below. The tax year levy is payable to the College in the next calendar year (i.e. the 2018 tax levy is payable in calendar year 2019).

| | Maximum Authority | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|
| Education | $ 0.7500 | $ 0.1584 | $ 0.1635 | $ 0.1712 | $ 0.1812 | $ 0.1958 |
| Operations and Maintenance | 0.1000 | 0.0263 | 0.0271 | 0.0283 | 0.0299 | 0.0322 |
| Bond and Interest | none | 0.0470 | 0.0525 | 0.0631 | 0.0675 | 0.0695 |
| Total | | $ 0.2317 | $ 0.2431 | $ 0.2626 | $ 0.2786 | $ 0.2975 |

The 2019 tax levy, which will attach as an enforceable lien on property as of January 1, 2020, has not been recorded as a receivable as of June 30, 2019, as the tax has not yet been levied by the counties within the College's district and will not be levied until December 2019, and therefore, the levy is not measurable at June 30, 2019.

### D. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets such as roads, parking lots, and sidewalks. Such 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 service concession arrangement are reported at acquisition value at the date of donation. Costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are defined by the College as assets with an initial unit cost greater than or equal to the College's dollar defined capitalization thresholds, and having an estimated useful life of at least one year. Capital assets of the College, other than land, art, and construction-in-progress, which are non-depreciable assets, are depreciated using the straight-line method over the following useful lives (See Note 3 for further detail).

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

| Capital Asset | Dollar Threshold | Useful Life (Years) |
|---|---|---|
| Buildings | $100,000 | 50 |
| Building Improvements | $50,000 | 20 |
| Land | All | Non-Depreciable |
| Land Improvements | $50,000 | 20 |
| Infrastructure | $50,000 | 20 |
| Artwork | $5,000 | Non-Depreciable |
| Equipment | $5,000 | 6 |
| Vehicles | $5,000 | 4 |
| IT Equipment | $5,000 | 4 |

Capitalized Interest: Since 2003, the College has issued General Obligation Bonds to fund various projects on campus such as new buildings, equipment, parking facilities, and renovations of existing buildings of the College. A portion of the interest cost incurred on this borrowing can be capitalized and has been included as part of the historical cost of the assets and depreciated over the useful life of the assets.

There was no capitalized interest in fiscal year 2019 since the major construction and renovation projects were completed by August 2016.

### E. Cash and Cash Equivalents

Cash includes deposits held at financial institutions and small amounts maintained for change and petty cash funds. Cash equivalents are defined as highly liquid investments readily converted to cash with original maturities of three months or less. Cash Equivalents could include amounts held in overnight Repurchase Agreements, Illinois Funds, Illinois School District Liquid Asset Fund Money Market, Illinois Institutional Investors Trust, and amounts held in banks as Trust Assets.

Restricted Cash of $47.1 million at June 30, 2019, represents funds held in escrow for payment of Debt Service due on July 1, 2019, as well as for certain construction projects.

### F. Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools,* nonnegotiable certificates of deposit and investments with a maturity of less than one year at date of purchase are stated at amortized cost, which approximates fair value. All other investments are stated at fair value.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### G. Inventories

Inventories consist of items purchased for resale in law enforcement and student activities areas. Inventory is held for resale and is stated at lower of cost (first-in, first-out) or market.

### H. Compensated Absences

The College records a liability for employees' vacation leave earned but not taken. Employees are allowed to carry over a limited number of vacation days from year-to-year. The College has no commitment for accumulated sick leave, and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System pension plan (see Note 5 for further detail).

### I. Unearned Revenue

Unearned revenues include: amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year that are related to the subsequent fiscal year; and amounts received from grants and contract sponsors that have not been earned.

### J. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a reduction of net position (equity) that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time.

A deferred charge on bond refunding results when the carrying value of the refunded debt is less than the reacquisition price (loss on refunding); the loss from the refunding is deferred and amortized over the shorter of the life of the refunded bonds or the new bonds issued. The deferred contributions to SURS represents the federal, trust, or grant contributions made by the College to SURS subsequent to the pension liability measurement date. The contributions will be recognized as an expense in the next fiscal year.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time. Deferred revenue, which is derived from property taxes, is deferred and recognized as an inflow of resources in the period that the amounts become available.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Post-Employment Benefits (OPEB) expense, as well as deferred outflows of resources and deferred inflows of resources related to OPEB, should be recognized for the employers' (and non-employer contributing entity's) proportionate shares of collective OPEB expense and collective deferred outflows of resources and deferred inflows of resources related to OPEB.

Other than differences between projected and actual investment earnings, deferred inflows and outflows of resources are recognized in OPEB expense beginning in the current period, using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active and inactive), determined as of the beginning of the measurement period.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the College of DuPage's Retiree Health Care Plan (Plan), and additions to/ deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by The Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

### K. Net Position

The College's net position is classified as follows:

**Net investment in capital assets –** this represents the College's total investment in capital assets, net of accumulated depreciation and net of any debt issued to acquire the capital asset, plus unspent bond proceeds.

**Restricted for:**

**Debt service –** this represents the amount that has been set aside for payments of bond principal and interest.

**Working cash –** this represents the principal balance of the Working Cash subfund, which pursuant to College Board of Trustees resolution and Illinois law, is held in perpetuity.

**Unspent grant proceeds –** this represents unspent grant receipts in the Restricted Purposes subfund.

In addition to the restrictions presented on the financial statements, the Board of Trustees has approved four additional reservations of net position that total $124,200,000: $54,300,000 for capital projects; $52,900,000 for the recapitalization plan; $12,000,000 to fund retiree healthcare costs; and $5,000,000 for future Information Technology Plan costs identified in the Information Technology Strategic Plan.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Unrestricted –** This includes the remaining resources derived from student tuition and fees, state appropriations, sales, and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose. Sometimes the College will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the College's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

### L. Long-Term Obligations

Long-term obligations are reported as liabilities in the applicable financial statements. Bonds payable are reported net of the applicable premium or discount. Bond premiums and discounts are amortized over the life of the bonds. Bond issuance costs are expensed at the time of the bond issuance. Arbitrage liabilities, if any, are recorded as interest expense in the year the potential liability is incurred.

### M. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions, such as student tuition and fees, net of scholarship discounts and allowances, and sales and services of auxiliary enterprises. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as local property taxes; state appropriations; most federal, state, and local grants; contracts and federal appropriations; gifts; and contributions. Operating expenses are those expenses directly attributable to the operations of the College.

### N. Federal Financial Assistance Programs

The College participates in federally funded programs providing Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, Federal Direct Loans Program, and support for other grant programs not related to student financial aid. Federal programs are audited in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The following table represents the amounts expended for the past fiscal year from federally funded programs:

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

| | Fiscal Year 2019 |
|---|---|
| Pell Grants | $ 20,427,731 |
| Federal Direct Student Loans | 12,416,394 |
| Carl Perkins Grants | 1,453,106 |
| General Adult Education | 874,131 |
| SEOG | 432,661 |
| Federal Work-Study | 349,763 |
| Other Federal Support | 783,325 |
| | $ 36,737,111 |

### O. On-Behalf Payments from the State of Illinois

The College recognizes as revenues and expenses contributions made by the State of Illinois to the State Universities Retirement System and the Community College Health Insurance Security Fund on behalf of the College's employees. In fiscal year 2019, the state made contributions of $74,261,154 (see Note 4 for further detail).

### P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan net position of the State Universities Retirement System (SURS or the System), and additions to/ deductions from SURS' plan net position have 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 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 pension plan that is used to provide pensions to the employees of another entity or entities and either: (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions, or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Q. Use of Estimates

In order to prepare these financial statements in conformity with GAAP, management has made a number of estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; the reported amounts of revenues and expenses; and gains and losses during the reporting period. Actual results could differ from these estimates.

### R. New Accounting Pronouncements

In November 2016, the GASB issued Statement 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs) and establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement is effective for the College's fiscal year ended June 30, 2019, with no material impact on the College.

In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement is effective for the College's fiscal year ending June 30, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement is effective for the College's fiscal year ending June 30, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

In April 2018, the GASB issued Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This Statement is effective for the College's fiscal year ended June 30, 2019, with no material impact on the College.

In June 2018, the GASB issued Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements,* which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement is effective for the College's fiscal year ending June 30, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

In August 2018, the GASB issued Statement 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization, and therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. This statement is effective for the College's fiscal year ending June 30, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In May 2019, the GASB issued Statement 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This statement is effective for the College's fiscal year ending June 30, 2022. Management has not determined what impact, if any, this statement will have on its financial statements.

## 2. CASH DEPOSITS AND INVESTMENTS

The Illinois Public Community College Act and the Investment of the Public Funds Act authorize the College to invest in obligations issued by the United States Government, investments constituting direct obligations of any bank, short-term commercial paper of U.S. corporations with assets exceeding $500 million, short-term obligations issued by the Federal National Mortgage Association, shares or other securities issued by savings and loan associations, share accounts of credit unions chartered in the United States with their principal office located in Illinois and securities issued by the Illinois Funds.

The College of DuPage Board of Trustees has adopted an investment policy (Policy 10-55) which governs the investment of College funds. It is the policy of the College to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the College and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety (preservation of capital and protection of investment principal), liquidity, and return.

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

## 2. CASH DEPOSITS AND INVESTMENTS (continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold. These investments are not required to be categorized based on custodial risk in accordance with GASB Statement No. 40 because they are not securities. The relationship between the College and the Illinois Funds is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership. For the College's reporting purposes, Illinois Funds are considered cash equivalents.

### A. Deposits with Financial Institutions

Cash: The College's investment policy does not allow uninsured or uncollateralized deposits at any financial institution. Funds may be deposited in certificates of deposit, money market accounts, time deposits, or savings accounts, and only with banks, savings banks and savings and loan associations which are insured by the FDIC (Bank Insurance Fund or Savings Association Insurance Fund) or the National Credit Union Share Insurance Fund (NCUSIF). The deposits must be collateralized or insured at levels acceptable to the College in excess of the current maximum limit provided by the FDIC. At June 30, 2019, the College had no bank balances on deposit, which were uninsured and uncollateralized out of total bank balances on deposit of $61,306,038. In addition, the College had $1,136,197 in money market mutual funds, which were not subject to collateralization and are considered cash equivalents for the College's reporting purposes. The carrying value of cash on hand was $61,857,553. At June 30, 2019, $47.1 million of Restricted Cash was held in escrow and was restricted for payment of debt service due on July 1, 2019 as well as for construction projects. All funds were expended as of August 31, 2019 so Restricted Cash was $0 as of that date.

### B. Investments

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs. The investment values are measured using trading platform fees, quoted matrix pricing models, and multi-dimensional relational models. Level 3 inputs are significant unobservable inputs.

## 2. CASH DEPOSITS AND INVESTMENTS (continued)

The College has the following recurring fair value measurements as of June 30, 2019:

| Investment | Total Fair Value (Level 1) | Total Fair Value (Level 2) | Duration Less Than 1 Year | Duration 1 to 5 Years |
|---|---|---|---|---|
| Certificates of Deposit | $ - | $ 17,519,928 | $ 14,260,958 | $ 3,258,970 |
| U.S. Treasury Bond / Notes | 221,381,295 | - | 113,305,700 | 108,075,595 |
| Commercial Paper | - | 2,207,464 | 2,207,464 | - |
| Federal Agency Bond / Notes | - | 55,333,602 | 54,308,632 | 1,024,970 |
| Municipal/State Bond | - | 525,000 | 525,000 | - |
| | $ 221,381,295 | $ 75,585,994 | $ 184,607,754 | $ 112,359,535 |

The College has the following recurring fair value measurements as of June 30, 2019: U.S. agency securities (FHLMC, FFCB, FNMA, and FHLB) of $55,333,602, negotiable certificates of deposit of $17,519,928, a local government municipal bond of $525,000, and corporate commercial paper of $2,207,464 (Level 2 inputs).

Credit Risk: The College limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the U.S. government or securities issued by agencies of the U.S. government. The College limits its investments in commercial paper and state/municipal government securities to no more than 30% each in aggregate, and 5% each in single issuer of the overall portfolio. Mutual funds in money market funds are limited to 20% in single issuer of the overall portfolio. At June 30, 2019, the College had 75% of its overall investment portfolio invested in U.S. Treasury Securities, 7% Federal Home Loan Bank Bonds, 6% in Certificates of Deposit, 5% in Federal Farm Credit Banks Bonds, 3% in Federal Farm Credit Banks Discount Notes, 2% each in Federal Home Loan Bank Discount Notes and Federal Home Loan Mortgage, 1% in Commercial Papers, and less than 1% each in Federal National Mortgage Association and Municipal Bonds.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty to the investment, the College will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the College's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the College's agent separate from where the investment was purchased. Additionally, financial institutions must collateralize all deposits in excess of the maximum limit provided by the Federal Deposit Insurance Corporation to 102% of market value. Acceptable collateral includes the following:

a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

**2. CASH DEPOSITS AND INVESTMENTS (continued)**

b. Bonds, notes or other securities constituting the direct and general obligations of any agency or instrumentality of the United States, the interest and principal of which is guaranteed by the United States;

c. Bonds issued by College of DuPage;

d. Obligations of United States Government Agencies; and

e. Certain surety bonds or letters of credit as approved by the Treasurer.

At June 30, 2019, the Federal Agency Bond/Note investments held by the College were all rated AA+/Aaa by Standard and Poors (S&P) and Moody’s, respectively. The Certificates of Deposit were rated AA- by S&P and Aa3 to Aa1 by Moody’s. The Commercial Paper was rated A-1+ by S&P and P-1 by Moody’s. The State/Municipal Bonds were rated AA by S&P and Aa3 by Moody’s.

The College’s investment balance totaled $296,967,289. All required investments were insured or collateralized. Included in the investment balance was unspent bond funds of $387,303.

## 3. CAPITAL ASSETS

A summary of changes in capital assets for the fiscal year ended June 30, 2019, is as follows:

| | Balance June 30, 2018 | Additions | Retirements | Transfers | Balance June 30, 2019 |
|---|---|---|---|---|---|
| Capital Assets, not being depreciated | | | | | |
| Land | $ 4,786,881 | $ - | $ - | $ - | $ 4,786,881 |
| Art Collection | 2,633,294 | - | - | - | 2,633,294 |
| Construction in Progress | 1,367,799 | 9,042,862 | - | (5,945,278) | 4,465,383 |
| Total Capital Assets, not being depreciated | 8,787,974 | 9,042,862 | - | (5,945,278) | 11,885,558 |
| Capital Assets being depreciated | | | | | |
| Land Improvements | 90,671,172 | - | - | - | 90,671,172 |
| Buildings | 277,262,447 | - | - | - | 277,262,447 |
| Building Improvements | 292,363,482 | - | - | 3,539,445 | 295,902,927 |
| Leasehold Improvements | - | - | - | 2,126,176 | 2,126,176 |
| Equipment | 56,455,774 | 1,898,322 | (1,497,629) | 279,657 | 57,136,124 |
| Total Capital Assets being depreciated | 716,752,875 | 1,898,322 | (1,497,629) | 5,945,278 | 723,098,846 |
| Total Cost | 725,540,849 | 10,941,184 | (1,497,629) | - | 734,984,404 |
| Accumulated Depreciation | | | | | |
| Land Improvements | (45,801,431) | (7,114,181) | - | - | (52,915,612) |
| Buildings | (78,670,919) | (5,562,058) | - | - | (84,232,977) |
| Building Improvements | (95,997,026) | (13,836,953) | - | - | (109,833,979) |
| Leasehold Improvements | - | (8,859) | - | - | (8,859) |
| Equipment | (44,390,377) | (4,849,122) | 1,436,631 | - | (47,802,868) |
| Total Accumulated Depreciation | (264,859,753) | (31,371,173) | 1,436,631 | - | (294,794,295) |
| Net Capital Assets | $ 460,681,096 | $ (20,429,989) | $ (60,998) | $ - | $ 440,190,109 |

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS

A. State Universities Retirement System (SURS) of Illinois

*Plan Description.* The College of DuPage contributes to the State Universities Retirement System of Illinois, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the 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 of Illinois' financial reporting entity and is included in the state's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

*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 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 6 months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2018 can be found in the System's comprehensive annual financial report (CAFR) Notes to the Financial Statements.

*Contributions.* The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010, and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2018 and 2019 respectively, was 12.46% and 12.29% 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. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

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

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

*Net Pension Liability*
The net pension liability (NPL) was measured as of June 30, 2018. At June 30, 2018, SURS reported an NPL of $27,494,556,682.

*Employer Proportionate Share of Net Pension Liability*
The amount of the proportionate share of the net pension liability to be recognized for College of DuPage is $0. The proportionate share of the State's net pension liability associated with the College of DuPage is $699,489,016.55 or 2.5441%. This amount should not be recognized in the financial statement. The net pension liability and total pension liability as of June 30, 2018 was determined based on the June 30, 2017 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 during fiscal year 2018.

*Pension Expense*
At June 30, 2018 SURS reported a collective net pension expense of $2,685,322,700.

*Employer Proportionate Share of Pension Expense*
The employer proportionate share of collective pension 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 pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2018. As a result, College of DuPage recognized on-behalf revenue and pension expense of $68,317,294.81 for the fiscal year ended June 30, 2019.

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*
Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

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 | $ 65,521,614 | $ 181,032,053 |
| Changes in assumption | 1,286,257,095 | 123,218,306 |
| Net difference between projected and actual earnings on pension plan investments | 26,810,634 | - |
| Total | $ 1,378,589,343 | $ 304,250,359 |

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 |
|---|---|
| 2019 | $ 763,171,084 |
| 2020 | 540,443,042 |
| 2021 | (192,612,398) |
| 2022 | (36,662,744) |
| 2023 | - |
| Thereafter | - |
| Total | $ 1,074,338,984 |

**Employer Deferral of Fiscal Year 2019 Pension Expense**
Your employer paid $120,667 in federal, trust or grant contributions for the fiscal year ended June 30, 2019. These contributions were made subsequent to the pension liability date of June 30, 2018 and are recognized as Deferred Outflows of Resources as of June 30, 2019.

**Assumptions and Other Inputs:**
*Actuarial assumptions.* The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period June 30, 2014 - 2017. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

- Inflation: 2.25 percent
- Salary increases: 3.25 to 12.25 percent, including inflation
- Investment rate of return: 6.75 percent beginning with the actuarial valuation as of June 30, 2018

Mortality rates were based on the RP-2014 Combined Mortality Table with projected generational mortality and a separate mortality assumption for disabled participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2018, these best estimates are summarized in the following table:

| Asset Class | Target Allocation | Weighted Average Long-Term Expected Real Rate of Return |
|---|---|---|
| U.S. Equity | 23% | 5.00% |
| Private Equity | 6% | 8.50% |
| Non-U.S. Equity | 19% | 6.45% |
| Global Equity | 8% | 6.00% |
| Fixed Income | 19% | 1.50% |
| Treasury-Inflation Protected Securities | 4% | 0.75% |
| Emerging Market Debt | 3% | 3.65% |
| Real Estate Investment Trusts (REITs) | 4% | 5.45% |
| Direct Real Estate | 6% | 4.75% |
| Commodities | 2% | 2.00% |
| Hedged Strategies | 5% | 2.85% |
| Opportunity Fund | 1% | 7.00% |
| **Total** | 100% | 4.55% |
| **Inflation** | | 2.75% |
| **Expected Arithmetic Return** | | **7.30%** |

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*Discount Rate.* A single discount rate of 6.65% 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 6.75% and a municipal bond rate of 3.62% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 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 System's Net Pension Liability to Changes in the Discount Rate.* Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.65%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

| 1% Decrease 5.65% | Current Single Discount Rate Assumption 6.65% | 1% Increase 7.65% |
|---|---|---|
| $ 33,352,188,584 | $ 27,494,556,682 | $ 22,650,651,520 |

Additional information regarding the SURS basic financial statements including the Plan Net Position can be found in the SURS comprehensive annual financial report by accessing the website at www.SURS.org.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

B. Other Post Employment Benefits

### a. Community College Health Insurance Security Fund

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

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

Membership in the plan consisted of the following at June 30, 2018:

| | |
|---|---|
| Retirees and Beneficiaries | 6,324 |
| Inactive, Nonretired Members | 5,682 |
| Active Members | 20,407 |
| Total | 32,413 |
| | |
| Number of participating employers | 39 |
| Number of nonemployer contributing entities | 1 |

*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.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*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 Appropriation Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees.

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. Contributions to the OPEB plan from the College were $411,316 for the year ended June 30, 2019.

For the year ended June 30, 2018, member required contributions ranged from $113.28 to $132.27 per month per retiree, and from $453.11 to $529.10, per month per dependent beneficiary (assuming Medicare eligibility). Non-Medicare eligible members' required contributions ranged from $126.68 to $438.60 per retiree and from $506.74 to $1,754.40 per dependent family members. Active employees contributed $4.463 million, or approximately 33.57% of total premiums, representing 0.5% of their salaries, and participating college districts contributed $4.463 million, or 33.57% of total premiums, representing their required 0.5% contribution. The State contributed $4.367 million, or approximately 32.86% of total premiums, representing their required contribution of 0.5% of estimated active employee salaries. The State contribution amount is annually adjusted to "true-up" the contribution from two years prior using actual rather than estimated covered payroll. The Department records an estimate for projected "true-up" amounts for the two years subsequent to the report date. The fund received $207 thousand in Medicare Part D subsidy payments from the federal government. Retiree contributions are netted with related liability.

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

At June 30, 2019, the College reported a liability of $87,465,137 for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2017. The College's proportion of the collective net OPEB liability was based on the College's fiscal year 2018 contributions to the OPEB plan relative to the fiscal year 2018 contributions of all participating Colleges.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

At June 30, 2018, the College's proportion was 4.639441%, which was an increase of 0.032035% from its proportion measured as of June 30, 2017 (4.607406%).

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 1,285,525 | $ 191,560 |
| Changes in assumption | - | 10,948,056 |
| Net difference between projected and actual earnings on pension plan investments | - | 2,858 |
| Changes in proportion and differences between College contributions and share of contributions | 4,457,234 | 3,766 |
| College contributions after measurement date | 411,316 | - |
| Total | $ 6,154,075 | $ 11,146,240 |

The $694,801 difference between the deferred outflows of resources and the $1,067,877 difference between the deferred inflows of resources above and the amounts presented on the Statement of Net Position is due to the College's local OPEB Plan and its associated deferred outflows and deferred inflows of resources at year-end.

Of the total amount reported as deferred outflows of resources related to OPEB, $411,316 resulting from College contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the College's OPEB expense as follows:

| Year Ending June 30, | Net Deferred Outflows (Inflows) of Resources |
|---|---|
| 2020 | $ (1,080,840) |
| 2021 | (1,080,840) |
| 2022 | (1,080,840) |
| 2023 | (1,080,840) |
| 2024 | (1,080,125) |
| Total | $ (5,403,485) |

*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

| | |
|---|---|
| Inflation | 2.75% |
| Salary Increases | Depends on service and ranges from 10.00% at less than 1 year of service to 3.75% at 34 or more years of service. Salary increase includes a 3.75% wage inflation assumption. |
| 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 2018 based on premium increases. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.41% is added to non-Medicare cost on and after 2022 to account for the Excise Tax. |

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-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period June 30, 2010 to June 30, 2014.

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.

During the plan year ending June 30, 2018, the trust earned $59,000 in interest and due to a significant benefit payable, the market value of assets at June 30, 2017, is a negative $64.5 million. Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the long-term expected rate of return assumption was set to zero.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*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 in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.56% as of June 30, 2017, and 3.62% as of June 30, 2018. The increase in the single discount rate from 3.56% to 3.62% caused the total OPEB liability to decrease by approximately $16.5 million from 2017 to 2018.

*Sensitivity of the College's proportionate share of the collective net OPEB liability to changes in the discount rate*

The following presents the College's proportionate share of the collective net OPEB liability, calculated using a discount Rate of 3.62%, as well as what the College's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

| | 1% Decrease (2.62%) | Discount Rate Assumption (3.62%) | 1% Increase (4.62%) |
|---|---|---|---|
| College's proportionate share of the collective net OPEB liability | $ 101,369,820 | $ 87,465,137 | $ 75,892,302 |

*Sensitivity of the College's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates*

The following presents the College's proportionate share of the collective net OPEB liability, calculated using the healthcare cost trend rates, as well as what the College's proportionate share of the collective 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 2019 decreasing to an ultimate trend rate of 4.91% in 2026, for non-Medicare coverage, and 9.00% in 2019 decreasing to an ultimate trend rate of 4.5% in 2028 for Medicare coverage.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

| | 1% Decrease (a) | Healthcare Cost Trends Rate Assumption | 1% Increase (b) |
|---|---|---|---|
| College's proportionate share of the collective net OPEB liability | $ 72,508,021 | $ 87,465,137 | $ 107,150,967 |

(a) One percentage point decrease in healthcare trend rates are 7.00% in 2019 decreasing to an ultimate trend rate of 3.91% in 2026, for non-Medicare coverage, and 8.00% in 2019 decreasing to an ultimate trend rate of 3.50% in 2028 for Medicare coverage.
(b) One percentage point increase in healthcare trend rates are 9.00% in 2019 decreasing to an ultimate trend rate of 5.91% in 2026, for non-Medicare coverage, and 10.00% in 2019 decreasing to an ultimate trend rate of 5.50% in 2028 for Medicare coverage.

*OPEB Plan Fiduciary Net Position*

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued CCHISF financial report.

### b. College of DuPage Retiree Health Care Plan

*Plan Description*

The College’s Retiree Health Care Plan (Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the College. The Plan, which is administered by the College, allows employees who retire from the College and meet retirement eligibility requirements under the SURS retirement plan, to receive a reimbursement towards healthcare coverage from the College based on years of service and date of retirement. For purposes of applying Paragraph 4 under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the Plan does not meet the requirements for an OPEB plan administered through a trust.

*Employees covered by benefit terms*

At June 30, 2017, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive plan members or beneficiaries currently receiving benefits | 633 |
| Inactive plan members entitled to but not yet receiving benefits | - |
| Active plan members | 910 |
| | 1,543 |

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*Benefits Provided*

The College provides healthcare coverage reimbursements capped at a fixed dollar amount. The Plan also provides retirees with a life insurance benefit (varying from $3,000 to $10,000). Spouses and dependents of eligible retirees are not eligible for coverage. All employees of the College are eligible to receive postemployment health care benefits.

*Total OPEB Liability*

The measurement date is June 30, 2018.
The measurement period for the OPEB expense was July 1, 2017 to June 30, 2018.
The reporting period is July 1, 2018 through June 30, 2019.

The College's Total OPEB Liability was measured as of June 30, 2018.

*Actuarial Assumptions*

The Total OPEB Liability was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.50% |
| Salary Increases | 5.00% |
| Discount Rate | 3.87% |
| Initial Trend Rate | 8.50% |
| Ultimate Trend Rate | 4.00% |
| Years to Ultimate | 55 |

Mortality rates were based on the RP-2014 White Collar Mortality Table projected generationally with Improvement Scale MP-2015.

*Discount Rate*

Given the College's decision not to fund the program, all future benefit payments were discounted using a high quality municipal bond rate of 3.87%. The high quality municipal bond rate was based on the week closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's AA.

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*Change in Total OPEB Liability*

| | Increase (Decrease) in Total OPEB Liability |
|---|---|
| Reporting Period Ending June 30, 2018 | $ 14,828,959 |
| Changes for the Year: | |
| Service Cost | 155,040 |
| Interest | 524,552 |
| Difference between Expected and Actual Experience | - |
| Changes of assumptions | (424,161) |
| Changes of benefit terms | - |
| Contributions - Employer | - |
| Benefit Payments | (669,279) |
| Other Changes | - |
| Net Changes | (413,848) |
| Reporting Period Ending June 30, 2019 | $ 14,415,111 |

Changes in assumptions reflect a change in the discount rate from 3.58% for the reporting period ended June 30, 2018, to 3.87% for the reporting period ended June 30, 2019.

*Sensitivity of the Total OPEB Liability to changes in the Discount Rate*
The following presents the Total OPEB Liability of the College, as well as what the College's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

| | 1% Decrease (2.87%) | Discount Rate Assumption (3.87%) | 1% Increase (4.87%) |
|---|---|---|---|
| Total OPEB Liability (Asset) | $ 15,972,558 | $ 14,415,111 | $ 13,100,941 |

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates*

The following presents the Total OPEB Liability of the College, as well as what the College's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

| | 1% Decrease (3.00% - 7.50%) | Healthcare Cost Trends Rate (4.00% - 8.50%) | 1% Increase (5.00% - 9.50%) |
|---|---|---|---|
| Total OPEB Liability (Asset) | $ 14,373,135 | $ 14,415,111 | $ 14,460,251 |

*OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB*

For the year ended June 30, 2019, the College recognized OPEB expense of $351,911. On June 30, 2019, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ - | $ - |
| Changes in assumption | - | 1,067,877 |
| Net difference between projected and actual earnings on pension plan investments | - | - |
| Changes in proportion and differences between College contributions and share of contributions | - | - |
| College contributions after measurement date | 694,801 | - |
| Total | $ 694,801 | $ 1,067,877 |

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

| Year Ending June 30, | Net Deferred Outflows (Inflows) of Resources |
|---|---|
| 2020 | $ (327,681) |
| 2021 | (327,681) |
| 2022 | (327,682) |
| 2023 | (84,833) |
| 2024 | - |
| Total | $ (1,067,877) |

## 4. RETIREMENT, TERMINATION, AND POST EMPLOYMENT RELATED BENEFITS (continued)

*OPEB Plan Fiduciary Net Position*
The plan is unfunded, so the OPEB Plan's Fiduciary Net Position is $0.

## 5. COMPENSATED ABSENCES

The College records a liability for employees' vacation leave earned but not taken. Employees are allowed to carry over a limited number of vacation days from year-to-year. As of June 30, 2019, employees had earned but not taken annual vacation leave which, at new salary rates in effect, aggregated approximately $2,543,275.

| Fiscal Year | Beginning Balance July 1 | Issuances | Retirements | Ending Balance June 30 |
|---|---|---|---|---|
| 2019 | $ 2,542,535 | $ 3,051,027 | $ 3,050,287 | $ 2,543,275 |

The ending balance as of June 30, 2019, is reported in the financial statements as follows:

| Fiscal Year | Current Portion | Long-term Portion | Total |
|---|---|---|---|
| 2019 | $ 1,834,774 | $ 708,501 | $ 2,543,275 |

The College has no commitment for accumulated sick leave, and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System.

## 6. LONG-TERM DEBT

A. A summary of long-term debt transactions for the year ended June 30, 2019 as follows:

| | Balance July 1, 2018 | Issuances | Retirements/ Refundings | Balance June 30, 2019 | Current Portion | Long term portion |
|---|---|---|---|---|---|---|
| General Obligation Bonds | | | | | | |
| Series 2011A | $ 49,125,000 | $ - | $ 3,935,000 | $ 45,190,000 | $ 2,915,000 | $ 42,275,000 |
| Series 2013A | 72,340,000 | - | 4,180,000 | 68,160,000 | 4,350,000 | 63,810,000 |
| Series 2018 | 30,060,000 | - | 7,140,000 | 22,920,000 | 7,430,000 | 15,490,000 |
| Alternative Revenue Source | | | | | | |
| Series 2006 | 3,895,000 | - | 1,910,000 | 1,985,000 | 1,985,000 | - |
| Series 2009B | 48,515,000 | - | 3,730,000 | 44,785,000 | 44,785,000 | - |
| Series 2011B | 6,345,000 | - | - | 6,345,000 | - | 6,345,000 |
| Series 2019 | - | 40,780,000 | - | 40,780,000 | 3,380,000 | 37,400,000 |
| Subtotal | 210,280,000 | 40,780,000 | 20,895,000 | 230,165,000 | 64,845,000 | 165,320,000 |
| Bond Premiums | | | | | | |
| Series 2011A | 4,160,583 | - | 598,908 | 3,561,675 | - | 3,561,675 |
| Series 2013A | 7,568,419 | - | 1,024,248 | 6,544,171 | - | 6,544,171 |
| Series 2018 | 2,464,602 | - | 823,395 | 1,641,207 | - | 1,641,207 |
| Alternative Revenue Source | | | | | | |
| Series 2006 | 3,192 | - | 2,106 | 1,086 | - | 1,086 |
| Series 2009B | 14,694 | - | 14,694 | - | - | - |
| Series 2011B | 343,575 | - | 84,132 | 259,443 | - | 259,443 |
| Series 2019 | - | 4,367,639 | - | 4,367,639 | - | 4,367,639 |
| Subtotal | 14,555,065 | 4,367,639 | 2,547,483 | 16,375,221 | - | 16,375,221 |
| Total G.O. Bonds | 224,835,065 | 45,147,639 | 23,442,483 | 246,540,221 | 64,845,000 | 181,695,221 |
| OPEB Liability | 98,851,316 | 3,028,932 | - | 101,880,248 | - | 101,880,248 |
| Compensated Absences | 2,542,535 | 3,051,027 | 3,050,287 | 2,543,275 | 1,834,774 | 708,501 |
| Total Long-Term Debt | $ 326,228,916 | $ 51,227,598 | $ 26,492,770 | $ 350,963,744 | $ 66,679,774 | $ 284,283,970 |

B. The long-term debt of the College outstanding at June 30, 2019 is as follows:

General Obligation Bonds (**Alternate Revenue Source**) – Series 2006

On October 31, 2006, the College issued the Series 2006 refunding bonds in the amount of $7,890,000. The proceeds were used to advance refund, through an in-substance defeasance, $7,375,000 of the Series 2003B bonds and to pay the cost of issuing the bonds. The $7,375,000 Series 2003B defeased bonds were called and paid on January 1, 2013. The Series 2006 refunding bonds were issued with interest rates ranging from 3.75% to 4.00% with payment dates of July 1 and January 1 each year through January 1, 2020. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds.

## 6. LONG-TERM DEBT (continued)

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2020 | $ 1,985,000 | $ 75,430 | $ 2,060,430 |
| Total | $ 1,985,000 | $ 75,430 | $ 2,060,430 |

General Obligation Bonds (**Alternative Revenue Source**) – Series 2009B
On May 4, 2009, the College issued the Series 2009B bonds in the amount of $62,450,000. The proceeds derived from the issuance of these bonds were used by the College to finance certain capital projects, including additions and renovations and to pay the cost of issuing the bonds. The bonds were issued with interest rates ranging from 3.75% to 5.75% with payment dates of July 1 and January 1 each year through January 1, 2029. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds. The College issued Series 2019 refunding bonds on April 25, 2019 for the purposes of crossover refunding the 2009B bonds. Refunding bond proceeds for the crossover refunding of Series 2009B were placed in an escrow account to be liquidated on the crossover refunding date of July 1, 2019. Until the crossover refunding date, outstanding principal on both Series 2009B and Series 2019 are shown on the College's financial statements.

These bonds are Build America Bonds and 35% of the interest paid each year by the College is supposed to be reimbursed by the U.S. Department of Treasury. As a result of the Federal government's budget sequestration, the College did not receive the full amount that it was entitled to under the terms of the Build America Bond program for the past two fiscal years. The College received reductions of 6.6% in FY2019. The College will receive a reduction in payments that will continue into future years barring any intervening U.S. Congressional action.

| Fiscal Year | Amount Owed to College | Amount Paid to College | Shortfall |
|---|---|---|---|
| 2019 | $ 899,059 | $ 813,469 | $ (85,590) |

General Obligation Bonds – Series 2011A
On August 10, 2011 the College issued the Series 2011A bonds of $95,440,000, of which $84,000,000 was used by the College to finance certain capital projects, including additions and renovations and to pay the cost of issuing the bonds. The $84 million represented the first issuance of the November 2010 voter approved referendum for $168 million. The remaining $11,440,000 was issued to advance refund $11,375,000 of General Obligation Bonds Series 2003A. The refunded 2003A bonds were subsequently called and are no longer outstanding. The 2011A bonds were issued with interest rates ranging from 3.00% to 5.25% with payment dates of June 1 and December 1 each year through June 1, 2031. The College levies an annual property tax for the repayment of these bonds.

**6. LONG-TERM DEBT (continued)**

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2020 | $ 2,915,000 | $ 2,267,800 | $ 5,182,800 |
| 2021 | 1,840,000 | 2,122,050 | 3,962,050 |
| 2022 | 725,000 | 2,030,050 | 2,755,050 |
| 2023 | 2,905,000 | 1,994,800 | 4,899,800 |
| 2024 | 7,785,000 | 1,849,550 | 9,634,550 |
| 2025 | 6,960,000 | 1,460,300 | 8,420,300 |
| 2026 | 6,110,000 | 1,094,900 | 7,204,900 |
| 2027 | 5,200,000 | 789,400 | 5,989,400 |
| 2028 | 4,245,000 | 529,400 | 4,774,400 |
| 2029 | 3,240,000 | 317,150 | 3,557,150 |
| 2030 | 2,185,000 | 155,150 | 2,340,150 |
| 2031 | 1,080,000 | 45,900 | 1,125,900 |
| Total | $ 45,190,000 | $ 14,656,450 | $ 59,846,450 |

General Obligation Bonds (**Alternative Revenue Source**) – Series 2011B

On August 10, 2011, the College issued the Series 2011B bonds in the amount of $9,460,000. The proceeds derived from the issuance of these bonds were used by the College to advance refund $9,780,000 of General Obligation Bonds Series 2003B. The bonds were issued with interest rates ranging from 4.00% to 4.75% with payment dates of July 1 and January 1 each year through January 1, 2023. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds.

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2020 | $ - | $ 286,200 | $ 286,200 |
| 2021 | 2,025,000 | 286,200 | 2,311,200 |
| 2022 | 2,110,000 | 205,200 | 2,315,200 |
| 2023 | 2,210,000 | 104,975 | 2,314,975 |
| Total | $ 6,345,000 | $ 882,575 | $ 7,227,575 |

General Obligation Bonds – Series 2013A

On April 30, 2013, the College issued the Series 2013A bonds in the amount of $84,000,000. The proceeds will be used by the College to finance certain capital projects, including additions and renovations and to pay the cost of issuing the bonds. The $84 million represented the second and final issuance of the November 2010 voter approved referendum for $168 million. The bonds were issued with interest rates ranging from 3.15% to 5.00%with payment dates of June 1 and December 1 each year through June 1, 2031. The College levies an annual property tax for the repayment of these bonds.

## 6. LONG-TERM DEBT (continued)

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2020 | $ 4,350,000 | $ 3,035,980 | $ 7,385,980 |
| 2021 | 4,565,000 | 2,818,480 | 7,383,480 |
| 2022 | 4,795,000 | 2,590,230 | 7,385,230 |
| 2023 | 4,995,000 | 2,388,980 | 7,383,980 |
| 2024 | 5,240,000 | 2,146,730 | 7,386,730 |
| 2025 | 5,500,000 | 1,884,730 | 7,384,730 |
| 2026 | 5,775,000 | 1,609,730 | 7,384,730 |
| 2027 | 6,065,000 | 1,320,980 | 7,385,980 |
| 2028 | 6,370,000 | 1,017,730 | 7,387,730 |
| 2029 | 6,570,000 | 817,075 | 7,387,075 |
| 2030 | 6,830,000 | 554,275 | 7,384,275 |
| 2031 | 7,105,000 | 281,075 | 7,386,075 |
| Total | $ 68,160,000 | $ 20,465,995 | $ 88,625,995 |

General Obligation Bonds – Series 2018

On March 29, 2018, the College issued the Series 2018 refunding bonds in the amount of $30,060,000. The proceeds were used to currently refund, through an in-substance defeasance, $32,375,000 of the Series 2007 bonds and to pay the cost of issuing the bonds. The Series 2018 refunding bonds were issued with interest rates ranging from 4.00% to 5.00% with payment dates of July 1 and January 1 each year through July 1, 2023. The College levies an annual property tax for the repayment of these bonds.

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2020 | $ 7,430,000 | $ 1,146,000 | $ 8,576,000 |
| 2021 | 2,065,000 | 774,500 | 2,839,500 |
| 2022 | 8,190,000 | 671,250 | 8,861,250 |
| 2023 | 5,235,000 | 261,750 | 5,496,750 |
| Total | $ 22,920,000 | $ 2,853,500 | $ 25,773,500 |

## 6. LONG-TERM DEBT (continued)

General Obligation Bonds (**Alternative Revenue Source**) – Series 2019
On April 25, 2019, the College issued the Series 2019 refunding bonds in the amount of $40,780,000. The proceeds were used for a crossover refunding of the Series 2009B General Obligation Bonds (Alternate Revenue Source). Refunding bond proceeds for the crossover refunding of Series 2009B were placed in an escrow account to be liquidated on the crossover refunding date of July 1, 2019. The total cash flow savings to the College attributable to the refunding of these bonds is $3,509,475.99 with a net present value of approximately $3,135,554.73. The Series 2019 bonds were issued with interest rates ranging from 3.00% to 5.00% with payment dates of July 1 and January 1 each year through January 1, 2029. The College has pledged a portion of tuition revenue and a debt service fee assessed to students for the repayment of these bonds.

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2020 | $ 3,380,000 | $ 1,261,092 | $ 4,641,092 |
| 2021 | 3,420,000 | 1,676,500 | 5,096,500 |
| 2022 | 3,590,000 | 1,505,500 | 5,095,500 |
| 2023 | 3,765,000 | 1,326,000 | 5,091,000 |
| 2024 | 3,940,000 | 1,137,750 | 5,077,750 |
| 2025 | 4,135,000 | 940,750 | 5,075,750 |
| 2026 | 4,335,000 | 734,000 | 5,069,000 |
| 2027 | 4,540,000 | 517,250 | 5,057,250 |
| 2028 | 4,765,000 | 290,250 | 5,055,250 |
| 2029 | 4,910,000 | 147,300 | 5,057,300 |
| Total | $ 40,780,000 | $ 9,536,392 | $ 50,316,392 |

Bond Discounts, Premiums, and Deferred Amounts on Refunding

Bonds payable are reported net of the applicable bond premium or discount. Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method or a method that approximates the effective interest rate method. The deferred amounts on refunding are reported as deferred outflows of resources (losses from refunding bonds) or as deferred inflows of resources (gains from refunding bonds).

## 6. LONG-TERM DEBT (continued)

C. Pledges of Future Revenues

The College has pledged future tuition and fee revenues to repay Series 2006, Series 2011B, and Series 2019 bonds. Annual principal and interest payments on these bonds are 25.5% of the total debt services of all the College's bonds. Proceeds from these bonds provided financing for the construction of new buildings, renovating existing facilities, related site improvements, the purchase of equipment, and refunding of old debt. The bonds are payable from tuition and fees revenues and are payable through the year ended June 30, 2029. Annual principal and interest payments on the bonds are expected to require less than 15 percent of tuition and fees revenues. The total principal and interest remaining to be paid on the bonds is $59,604,397. Principal and interest paid for the current year was $8,642,950, and total tuition and fees revenues for the current year were $6,425,789.

## 7. LEASES AND OTHER AGREEMENTS

### A. BOOKSTORE LEASE

In December 2018, the Board of Trustees approved a new operating agreement for bookstore management services with Follett Higher Education Group of Oak Brook, Illinois, extending its partnership through March 31, 2024. Under the terms of the new agreement, Follett will manage the bookstore on campus, and beginning April 2019, guarantees the College a minimum of $1,000,000 in annual income during the first contract year, with a guaranteed annual minimum of 90% of the calculated commission of the preceding year for each of the remaining three years. Commissions are paid monthly, in arrears, based on a percentage of commissionable sales. Follett agrees to pay the College 14% of commissionable sales up to $7,000,000; plus 15% of commissionable sales between $7,000,000 and $10,000,000; plus 16% of commissionable sales over $10,000,000. In addition, the College will receive a one-time payment of $150,000 following the effective date of the new agreement. If annual gross sales decrease by more than 5% from the previous contract year due to declining enrollment or other reasons, the College and Follett agree to negotiate a good-faith adjustment to the current compensation terms. For the year ended June 30, 2019, the College recognized $1,091,723 in commission revenue.

### B. DINING SERVICES AND VENDING

In May 2016, the College renewed its agreement with Sodexo America, LLC, of Gaithersburg, Maryland, through June 30, 2019, to operate the cafeteria and other on-campus dining venues, such as Starbucks, Subway, Chick-fil-A, and Einstein Bros. Bagels, and to continue providing catering services to the College. In September 2018, the Board of Trustees exercised a renewal option with Sodexo which extended the agreement through June 30, 2023, with no changes to the compensation terms from the 2013 and 2016 agreements. Under the current terms, Sodexo shall retain surplus, if any, of up to 5% of net sales.

## 7. LEASES AND OTHER AGREEMENTS (continued)

Any excess surplus will be split between Sodexo and the College on a fifty-fifty basis, and the College's share will be distributed within 30 days after the end of each contract year or within 30 days after the date the agreement is terminated. In addition to profit-sharing, Sodexo will provide the College with an annual gift of $20,000, payable on July 1 each year. For the year ended June 30, 2019, the College received $20,000 from Sodexo.

The College also has agreements with outside companies to provide vending machine services. In March 2015, the College renewed its agreement with Canteen Vending Services, Inc., (formerly Ace Coffee Bar) of Charlotte, North Carolina, through December 31, 2019, to provide food and select beverage vending options on campus. Under the terms of the agreement, Canteen agrees to pay commissions at rate of 26.5% of net sales, payable monthly, and guarantees the College an annual minimum of $50,000 in commission payments. For the year ended June 30, 2019, the College recognized commission revenue under this agreement of $66,887.

In September 2015, the College renewed its agreement with Pepsi Beverages Company of Schaumburg, Illinois, through December 31, 2019. Under the terms of the agreement, Pepsi agrees to pay monthly commissions at an average rate of 33% of net sales.

In addition, Pepsi agrees to pay an annual sponsorship fee of $51,000 within sixty days of the successful execution of the agreement and also at the commencement of each contract year thereafter. For the year ended June 30, 2019, the College recognized commission revenue of $86,738 and received one $51,000 sponsorship payment and one $1,000 sustainability support payment.

## C. FACILITIES LEASE

The College has entered into operating leases for several off-campus facilities. The leases are for various terms with the longest term expiring on June 30, 2026. The total rental cost on these facilities was $430,825 for fiscal year 2019. The future minimum rental payments on these leases are as follows:

## 7. LEASES AND OTHER AGREEMENTS (continued)

| Fiscal Year | Minimum Rental Payments |
|---|---|
| 2020 | $ 272,000 |
| 2021 | 277,440 |
| 2022 | 219,458 |
| 2023 | 223,848 |
| 2024 | 228,325 |
| 2025 | 232,891 |
| 2026 | 237,549 |
| Total | $ 1,691,510 |

### D. EQUIPMENT LEASES

In October 2014, the College entered into a five-year agreement with Xerox for Managed Print Services. The College currently pays rental fees on the leased equipment, a monthly charge for help desk, personnel, and other services, and “per click” charges based on equipment usage. The total cost was $726,686 for fiscal year 2019. The future estimated minimum rental payments for the agreement are as follows:

| Fiscal Year | Minimum Rental Payments |
|---|---|
| 2020 | $ 537,567 |
| 2021 | 268,784 |
| Total | $ 806,351 |

## 8. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts, theft of, damage to, or destruction of property, injuries to employees, and natural disasters. The College is a member of the Illinois Community College Risk Management Consortium (the “Consortium”). The Consortium is a public entity risk pool operating as a common risk management and insurance program for fourteen local community colleges. Each college pays an annual premium to the Consortium as its pro rata share for property and casualty insurance coverage. The Agreement for Formation of the Consortium provides that the Consortium will be self-sustaining through member premiums and will reinsure through commercial companies. The College continues to carry commercial insurance coverage for sports accident insurance.

## 8. RISK MANAGEMENT (continued)

The College participates in the Consortium, which was established in 1981 by several Chicago area community colleges as a means of reducing the cost of property, liability, and workers' compensation insurance. The main purpose of the Consortium is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. Coverage includes all property, liability, re-insurance ($30,000,000), and workers' compensation. No settlement has exceeded coverage since establishment of the Consortium. The College joined the consortium in fiscal year 1982. Since the Consortium requests initial payments to cover substantially any losses to be incurred for that policy year, the College anticipates no future liabilities for incurred losses. The policy is annual and renewable on July 1. The College's level of coverage has not changed for the past three years, and the amount of settlements has not exceeded insurance coverage in each of the past three years.

On January 1, 2012, the College joined the Community College Health Care Consortium which provides employees insurance coverage for medical and prescription drugs. The College pays the Community College Health Care Consortium a monthly premium based on the number of participants and the type of coverage that has been elected. The College maintains self-insurance coverage through a third-party administrator for its dental insurance. The College currently allocates all expenses associated with the employee health plans to each of the College's individual departments. Claims and expenses are reported when incurred, and an estimate is made for incurred but not reported claims. The amount of settlements has not exceeded insurance coverage in each of the past three years.

The College's estimate of liability for claims incurred but not reported for the past three fiscal years is as follows:

| Fiscal Year | Claims Payable Beginning of Year | Claims Incurred | Claims Paid | Claims Payable End of Year |
|---|---|---|---|---|
| 2019 | $ 1,044,997 | $ 11,808,757 | $ 11,853,967 | $ 999,787 |
| 2018 | 1,022,521 | 11,488,105 | 11,465,629 | 1,044,997 |
| 2017 | 1,014,474 | 12,127,539 | 12,119,492 | 1,022,521 |

## 9. LITIGATION AND INVESTIGATIONS

From time to time, the College is party to various pending claims and legal proceedings. Although the outcome cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material, adverse effect on the College's financial position or results of operations.

## 10. DISCRETELY PRESENTED COMPONENT UNIT

### A. NATURE OF ACTIVITIES

The College of DuPage Foundation (the Foundation) was incorporated in 1967 under the laws of the State of Illinois. The Foundation was formed to promote the educational development and general education welfare of the College of DuPage - Community College District No. 502 (the College). The Foundation is operated in conjunction with, and in support of the educational mission of the College. The Foundation supports the College through solicitation and administration of scholarships, gifts, grants, or bequests of money or property for certain educational and cultural activities of the College as approved by the Board of Directors of the Foundation. The Foundation is subsidized by the College for general and administrative expenses, which is included in the statement of activities as contributed services from the College as further described in below.

### B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation

The Foundation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets: with donor restrictions and without donor restrictions. Accordingly, net assets and changes therein are classified as follows:

> Net assets without donor restrictions – Net assets not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by actions of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

> Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that will be met by actions of the Foundation and/or passage of time or maintained in perpetuity by the Foundation. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the time period has elapsed) are reported as reclassifications between the applicable classes of net assets and reported in the statements of activities as net assets released from restrictions.

## 10. DISCRETELY PRESENTED COMPONENT UNIT (continued)

Contributions and other revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction.

b. Contributions

Contributions and fundraising revenue, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their fair value. Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in more then one year are initially reported at fair value determined using the discounted present value of estimated future cash flows technique based on the Federal Funds rate at the date the promise is made. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of fundraising activity.

Revenues received through contributions from private fundraising for WDCB-FM radio station are accounted for in the Foundation's financial statements. Disbursements of these contributions to the radio station are included in the Cash Gifts to College of DuPage expense line in the statement of activities and changes in net assets. During the years ended June 30, 2019 and 2018, total contributions for WDCB-FM radio station accounted for in the Foundation were $968,271 and $1,031,800, respectively. Disbursements recorded as Cash Gifts to College of DuPage were $1,011,155 and $975,191 for the years ended June 30, 2019 and 2018, respectively.

c. Cash and Cash Equivalents

All highly liquid investments with an original maturity of three months or less when purchased are deemed cash equivalents.

The Foundation maintains its cash and cash equivalents in financial institutions, which at times may exceed federally insured limits. At June 30, 2019 and 2018, the Foundation's accounts did not exceed federally insured limits. The Foundation has not experienced any losses in such accounts and is not exposed to any significant credit risk on cash.

d. Investments

Investments are measured at fair value. The realized and unrealized gain or loss on investments is reflected on the statement of activities. Investment return is reported net of external and direct internal expenses.

**10. DISCRETELY PRESENTED COMPONENT UNIT (continued)**

e. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are directly charged when feasible. Costs that cannot be directly charged (salaries and wages) are allocated based on time and effort.

f. Art Collection

The Foundation's art collection consists of approximately 334 art pieces displayed throughout campus and held for educational purposes. Accessions of these collections are recorded at cost when purchased or at fair value when contributed. In-kind contributions of art collection are reflected on the statement of activities. Gains and losses from deaccessions are reported as changes in net assets based on the absence or existence and nature of donor-imposed restrictions. Collection items are protected, kept unencumbered, cared for, and preserved.

In June 2018, the Executive Committee of the Foundation's Board of Directors approved the transfer of the Foundation's entire art collection to the College. The distribution of the art collection of $1,733,068 was recorded during the fiscal year ended June 30, 2018.

g. Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code as other than a private foundation. Accordingly, no provision for income tax expense is included in the accompanying financial statements.

h. Use of Estimates

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

i. New Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, Presentation of Financial Statements of Not-for-Profit Entities (Topic 958). The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed-in-service approach to recognize the expirations or restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all

## 10. DISCRETELY PRESENTED COMPONENT UNIT (continued)

i. New Accounting Pronouncements (Continued)

nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The Foundation has adopted this ASU for the year ended June 30, 2019 and has applied the changes retrospectively to all periods presented except for the disclosures around liquidity and availability. This disclosure has been presented for 2018 only as allowed by ASU 2016-14. As a result of implementation $51,159 was reclassified from management and general to a reduction to interest income for 2018.

FASB has issued ASU No. 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU No. 2018-08 is intended to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of contribution accounting guidance, or as exchange (reciprocal) transactions subject to other guidance, and (2) determining whether a contribution is conditional. ASU No. 2018-08 is effective for fiscal years beginning after December 15, 2018, for transactions in which the entity serves as a resource recipient, and for fiscal years beginning after December 15, 2019, for transactions in which the entity serves as a resource provider. Early adoption is permitted. The Foundation is currently assessing the impact of this new standard.

C. LIQUIDITY AND AVAILABILITY

The Foundation receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowment that will exist in perpetuity; the income generated from these endowments is used to fund programs. In addition, the Foundation receives support without donor restrictions.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor restricted and board-designated (quasi) endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be able to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the
Foundation's fiscal year.

**10. DISCRETELY PRESENTED COMPONENT UNIT (continued)**

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

Financial assets available for general expenditures, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following:

| | 2019 |
|---|---|
| Cash and cash equivalents | $ 320,644 |
| Pledges receivable | 65,765 |
| Investments | 16,264,857 |
| Total financial assets and liquid resources | 16,651,266 |
| Less: | |
| With donor restrictions | (15,393,748) |
| Total financial assets not available for use | (15,393,748) |
| FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR | $ 1,257,518 |

D. PLEDGES RECEIVABLE

Pledges receivable consist of and are due as follows at June 30:

| | 2019 | 2018 |
|---|---|---|
| Less than one year | $ 65,765 | $ 45,650 |
| One to five years | 142,099 | 98,736 |
| Five to ten years | - | - |
| PLEDGES RECEIVABLE, NET | $ 207,864 | $ 144,386 |

Pledges receivable are discounted at 3%.

## 10. DISCRETELY PRESENTED COMPONENT UNIT (continued)

E. INVESTMENTS AND FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. GAAP requires the Foundation to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Significant unobservable inputs.

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

The Foundation recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. There were no transfers between levels during the years ended June 30, 2019 or 2018.

Following is a description of the valuation techniques used for assets and liabilities measured at fair value on a recurring basis. There have been no changes to the techniques used during the years ended June 30, 2019 and 2018.

*Equity and mutual funds*: valued at the NAV of shares on the last trading day of the fiscal year.

Fair value measurements for investments at June 30, 2019 were as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual Funds | $16,209,177 | $ - | $ - | $ 16,209,177 |
| Cash and cash equivalents | | | | 55,680 |
| Total investments at fair value | | | | $ 16,264,857 |

**10. DISCRETELY PRESENTED COMPONENT UNIT (continued)**

Fair value measurements for investments at June 30, 2018 were as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Equities | $ 26,739 | $ - | $ - | $ 26,739 |
| Mutual Funds | 15,334,196 | - | - | 15,334,196 |
| Total investments at fair value | $ 15,360,935 | $ - | $ - | $ 15,360,935 |

F. NET ASSETS WITH DONOR RESTRICTIONS

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

| | 2019 | 2018 |
|---|---|---|
| Restricted for purpose: | | |
| Programs | $ 3,250,172 | $ 2,950,143 |
| Scholarships | 2,568,443 | 2,311,777 |
| Total restricted for purpose | 5,818,615 | 5,261,920 |
| Restricted in perpetuity | | |
| Programs | 3,005,376 | 3,001,666 |
| Scholarships | 6,569,757 | 5,962,250 |
| Total restricted in perpetuity | 9,575,133 | 8,963,916 |
| TOTAL | $ 15,393,748 | $ 14,225,836 |

G. ENDOWMENTS

The Foundation's endowment consists of donor-restricted endowment funds. As required by accounting standards generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor restrictions to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions to be held in

## 10. DISCRETELY PRESENTED COMPONENT UNIT (continued)

perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The Foundation's spending policy provides that only the income from endowments may be used for the general purposes of the Foundation, with the Foundation withdrawing current income as it is needed.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There were no amounts underwater as of June 30, 2019 or 2018.

Endowment net asset composition by type of fund as of June 30, 2019:

| | With Donor Restriction | Total |
|---|---|---|
| Donor restricted | $ 13,182,050 | $ 13,182,050 |

## 10. DISCRETELY PRESENTED COMPONENT UNIT (continued)

During the year ended June 30, 2019, the Foundation had the following endowment-related activities:

| | With Donor Restriction | Total |
|---|---|---|
| Endowment net assets, beginning of year | $ 11,925,304 | $ 11,925,304 |
| Investment return, net | 626,244 | 626,244 |
| Contributions to endowment | 752,778 | 752,778 |
| Appropriation of endowment assets for expenditure | (122,276) | (122,276) |
| ENDOWMENT ASSETS, END OF YEAR | $ 13,182,050 | $ 13,182,050 |

Endowment net asset composition by type of fund as of June 30, 2018:

| | With Donor Restriction | Total |
|---|---|---|
| Donor restricted | $ 11,925,304 | $ 11,925,304 |

During the year ended June 30, 2018, the Foundation had the following endowment-related activities:

| | With Donor Restriction | Total |
|---|---|---|
| Endowment net assets, beginning of year | $ 12,298,638 | $ 12,298,638 |
| Investment return, net | 691,582 | 691,582 |
| Contributions to endowment | 387,872 | 387,872 |
| Appropriation of endowment assets for expenditure | (1,452,788) | (1,452,788) |
| ENDOWMENT ASSETS, END OF YEAR | $ 11,925,304 | $ 11,925,304 |

## 10. DISCRETELY PRESENTED COMPONENT UNIT (continued)

### H. CONTRIBUTED SERVICES AND RELATED PARTY TRANSACTIONS

The College provides accounting and other administrative services without charge to the Foundation. Foundation officials estimate the cost of these services for the years ended June 30, 2019 and 2018 to be $332,028 and $508,586, respectively. The value of these contributed services is reflected in the statements of activities.

Other transactions between the Foundation and the College include the Foundation's support to the College in the form of scholarships, staff salary expenses and grants. The College also occasionally pays for miscellaneous other expenses for the Foundation. Total payments to the College were $1,533,630 and $3,038,287, for the years ended June 30, 2019 and 2018, respectively. At June 30, 2019 and 2018, the Foundation owes the College $210,800 and $193,291, respectively.

Donations from officers and board members of the Foundation totaled $44,200 and $39,971 during the years ended June 30, 2019 and 2018, respectively. Pledges receivable from officers and board members at June 30, 2019 and 2018 was $5,000 and $12,750, respectively.

### I. SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through September 10, 2019, which was the date that its financial statements were available for issuance, and determined that there were no significant nonrecognized subsequent events through that date.

## 11. SUBSEQUENT EVENTS

Subsequent to year-end, the College entered into various agreements totaling approximately $4,702,516 for the purpose of construction and renovation of buildings and facilities, supply purchases, and service contracts. As of June 30, 2019, the College had outstanding purchase orders of $6,912,643.

## 12. RELATED ORGANIZATIONS

The College's officials are also responsible for appointing the members of the boards of other organizations, but the College's accountability for these organizations does not extend beyond making the appointments. The College President appoints a non-voting majority of board members of Innovation DuPage. In FY2019, the College contributed $251,465 in the form of an operating grant of $213,000 and in-kind contributions of $38,465 to Innovation DuPage.

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COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2019

# Required Supplementary Information

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## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502

## REQUIRED SUPPLEMENTARY INFORMATION

Schedule of College's Proportionate Share of the Collective Net OPEB Liability
State of Illinois Department of Central Management Services Community College's Health Insurance Security Fund
Last 10 Fiscal Years *

| Fiscal Year Ended | College's proportion of the collective net OPEB liability | College's proportionate share of the collective net OPEB liability | College's covered payroll | College's proportionate share of the collective net OPEB liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total OPEB liability |
|---|---|---|---|---|---|
| 2019 | 4.64% | $ 87,465,137 | $ 82,263,200 | 106.324% | -3.54% |
| 2018 | 4.61% | 84,022,357 | $ 81,029,800 | 103.693% | -2.87% |
| 2017 | 4.28% | 77,959,395 | $ 79,945,200 | 97.516% | Not available |

* The amounts presented for each fiscal year were determined as of the prior fiscal year-end. This schedule is presented to illustrate the requirement to show information for 10 years. However, information is presented for as many years as is available.

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502

## REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the College's OPEB Contributions
State of Illinois Department of Central Management Services Community College's Health Insurance Security Fund
Last 10 Fiscal Years *

| Fiscal Year Ended | Statutorily required contributions | Contributions in relations to the statutorily required contribution | Contribution deficiency (excess) | College's covered payroll | Contributions as a percentage of covered payroll |
|---|---|---|---|---|---|
| 2019 | $ 411,316 | $ (411,316) | $ - | $ 82,263,200 | 0.500% |
| 2018 | 405,149 | (405,149) | - | 81,029,800 | 0.500% |
| 2017 | 399,726 | (399,726) | - | 79,945,200 | 0.500% |
| 2016 | 388,231 | (388,231) | - | 77,646,200 | 0.500% |

* The amounts presented for each fiscal year were determined as of the prior fiscal year-end. This schedule is presented to illustrate the requirement to show information for 10 years. However, information is presented for as many years as is available.

# COLLEGE OF DUPAGE
# COMMUNITY COLLEGE DISTRICT NUMBER 502

## REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net OPEB Liability and Related Ratios
College of DuPage OPEB Plan
Last 10 Fiscal Years *

| Total OPEB Liability | 2019 | 2018 |
|---|---|---|
| Service cost | $ 155,040 | $ 171,216 |
| Interest | 524,552 | 456,511 |
| Assumption changes | (424,161) | (1,214,246) |
| Employer contributions | (669,279) | (871,328) |
| Administrative expense | - | 14,900 |
| Net change in total OPEB liability | (413,848) | (1,442,947) |
| Total OPEB liability beginning of year | 14,828,959 | 16,271,906 |
| Total OPEB liability end of year | 14,415,111 | 14,828,959 |
| Covered payroll | $ 122,864,812 | $ 111,442,006 |
| Net OPEB Liability as a percentage of covered employee payroll | 11.73% | 13.31% |

* The amounts presented for each fiscal year were determined as of the prior fiscal year-end. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, the College will present information for those years for which information is available.

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502

## REQUIRED SUPPLEMENTARY INFORMATION
## PENSION BENEFITS

### Schedule of Employer's Share of Net Pension Liability

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| Fiscal Year Ended | Percentage of the Collective Net Pension Liability | Proportion Amount of the Collective Net Pension Liability | Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability associated with the College | Total (B + C) | Employer DB Covered payroll | Proportion of Collective Net Pension Liability associated with the College as a percentage of DB covered payroll (D / E) | SURS Plan Net Position as a percentage of Total Pension Liability |
| June 30, 2018 | 0.00% | $ - | $ 699,489,017 | $ 699,489,017 | $ 90,952,415 | 769.07% | 41.27% |
| June 30, 2017 | 0.00% | - | 652,724,011 | 652,724,011 | 90,506,122 | 721.19% | 42.04% |
| June 30, 2016 | 0.00% | - | 637,415,682 | 637,415,682 | 88,728,278 | 718.39% | 39.57% |
| June 30, 2015 | 0.00% | - | 572,546,237 | 572,546,237 | 87,795,309 | 652.14% | 42.37% |
| June 30, 2014 | 0.00% | - | 502,273,193 | 502,273,193 | 83,640,423 | 600.51% | 44.39% |

### Schedule of Employer's Contributions

| | A | B | C | D | E |
|---|---|---|---|---|---|
| Fiscal Year Ended | Federal, Trust, Grant and Other Contribution | Contribution in relation to Required Contribution | Contribution Deficiency (Excess) (A -B) | Employer Covered payroll | Contributions as a percentage of covered payroll (A / D) |
| June 30, 2019 | $ 120,667 | $ 120,667 | $ - | $ 109,843,308 | 0.11% |
| June 30, 2018 | 185,362 | 185,362 | - | 109,175,053 | 0.17% |
| June 30, 2017 | 121,585 | 121,585 | - | 108,340,384 | 0.11% |
| June 30, 2016 | 59,101 | 59,101 | - | 105,993,446 | 0.06% |
| June 30, 2015 | 152,999 | 152,999 | - | 105,547,434 | 0.14% |
| June 30, 2014 | 129,591 | 129,591 | - | 100,100,521 | 0.13% |

### On-Behalf Payments for Community College Health Insurance Program

| Fiscal Year Ended | |
|---|---|
| June 30, 2019 | $ 411,316 |
| June 30, 2018 | 405,148 |
| June 30, 2017 | 399,726 |
| June 30, 2016 | 388,231 |
| June 30, 2015 | 384,521 |
| June 30, 2014 | 373,672 |

NOTE: SURS implemented GASB 68 in FY2015. The information above is presented for as many years available. The schedules ultimately will show information for 10 years.

Fiscal Year 2019 Total DB (Defined Benefit) Contributions: $7,341,161.36
Fiscal Year 2019 Total SMP (Self Managed Plan) Contributions: $1,419,393.66

## 1. CHANGES OF BENEFIT TERMS

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2018.

## 2. CHANGES OF ASSUMPTIONS

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2014 to June 30, 2017 was performed in February 2018, resulting in the adoption of new assumptions as of June 30, 2018.

- Salary increase. Decrease in the overall assumed salary increase rates, ranging from 3.25% to 12.25% based on years of service, with underlying wage inflation of 2.25%.
- Investment return. Decrease the investment return assumption to 6.75%. This reflects maintaining an assumed real rate of return of 4.50% and decreasing the underlying assumed price inflation to 2.25%.
- Effective rate of interest. Decrease the long-term assumption for the ERI for crediting the money purchase accounts to 6.75% (effective July 2, 2019).
- Normal retirement rates. A slight increase in the retirement rate at age 50. No change to the rates for ages 60-61, 67-74 and 80+, but a slight decrease in rates at all other ages. A rate of 50% if the member has 40 or more years of service and is younger than age 80.
- Early retirement rates. Decrease in rates for all Tier 1 early retirement eligibility ages (55-59).
- Turnover rates. Change rates to produce lower expected turnover for members with less than 10 years of service and higher turnover for members with more than 10 years of service.
- Mortality rates. Maintain the RP-2014 mortality tables with projected generational mortality improvement. Update the projection scale from the MP-2014 to the MP-2017 scale.
- Disability rates. Decrease current rates to reflect that certain members who receive disability benefits do not receive the benefits on a long-term basis.

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# III. STATISTICAL SECTION

**Values**

| | |
|---|---|
| Integrity: | *We expect the highest standard of moral character and ethical behavior.* |
| Honesty: | *We expect truthfulness and trustworthiness.* |
| Respect: | *We expect openness to difference and to the uniqueness of all individuals.* |
| Responsibility: | *We expect fulfillment of obligations and accountability.* |

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**STATISTICAL SECTION CONTENTS**
**JUNE 30, 2019**

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

## Contents

Financial Trends

Tabular information is presented to demonstrate changes in the College's financial position over time.

Revenue Capacity

These tables contain information to assist the reader in understanding and assessing the College's ability to generate its most significant local revenue sources - real estate taxes, tuition and fees.

Debt Capacity

Data are shown to disclose the College's current level of outstanding debt and to indicate the College's ability to issue additional debt.

Demographic and Economic Information

These tables offer information about the socioeconomic environment within which the College operates. Data are provided to facilitate comparisons of financial statement information over time and between the College and other community colleges.

Operating Information

Non-financial information about the College's operations and resources is provided in these tables to facilitate the reader's use of the College's financial statement information to understand and assess the College's economic condition.

*Sources: Unless otherwise noted, the information in these tables is derived from the College's Comprehensive Annual Financial Reports for the relevant years*

TABLE 1

**FINANCIAL TRENDS**

**NET POSITION/NET ASSETS BY COMPONENT**
**LAST TEN FISCAL YEARS**

| | 2019 | 2018* | 2017 | 2016 | 2015* | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net Position/Net Assets** | | | | | | | | | | |
| **Net Investment in Capital Assets** | $ 238,848,835 | $ 238,640,470 | $ 245,130,173 | $ 248,727,053 | $ 250,118,908 | $ 248,770,684 | $ 234,639,592 | $ 221,164,380 | $ 185,096,593 | $ 162,345,893 |
| **Restricted** | | | | | | | | | | |
| Debt service | 6,560,867 | 8,117,909 | 11,810,915 | 11,917,088 | 12,442,812 | 13,247,859 | 16,484,678 | 18,021,452 | 20,233,785 | 21,225,545 |
| Working cash | 8,746,694 | 8,561,067 | 8,455,152 | 8,403,883 | 8,362,959 | 8,321,799 | 8,283,842 | 8,262,954 | 8,229,678 | 8,123,977 |
| Other purposes | 89,696 | 53,431 | (1,405,496) | 24,870 | 202,648 | 321,794 | 568,337 | 74,224 | - | 461,414 |
| **Unrestricted** | 166,470,163 | 160,082,009 | 222,823,355 | 211,452,174 | 200,476,052 | 173,714,323 | 147,895,808 | 128,576,028 | 124,682,137 | 99,925,517 |
| **Total Net Position/Net Assets** | $ 420,716,255 | $ 415,454,886 | $ 486,814,099 | $ 480,525,068 | $ 471,603,379 | $ 444,376,459 | $ 407,872,257 | $ 376,099,038 | $ 338,242,193 | $ 292,082,346 |

Source: College of DuPage Comprehensive Annual Financial Reports.

**Notes:**
*As restated
1. The College implemented GASB Statements No. 63 and 65 for the year ended June 30, 2013. Fiscal year 2012 was restated to comply with these two GASB pronouncements.
2. The College implemented GASB Statement No. 75 for the year ended June 30, 2018. Opening Net Position was restated for June 30, 2018 to comply with this GASB pronouncement.

TABLE 2

**FINANCIAL TRENDS**

**CHANGES IN NET POSITION/NET ASSETS**
**LAST TEN FISCAL YEARS**

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| **OPERATING REVENUES** | | | | | | | | | | |
| Student tuition and fees | $ 56,395,747 | $ 56,939,949 | $ 61,178,153 | $ 65,289,259 | $ 67,640,163 | $ 65,918,716 | $ 62,113,934 | $ 59,100,863 | $ 61,990,141 | $ 54,420,351 |
| Chargeback revenue | - | 3,595 | 115,129 | 394,500 | 557,633 | 754,539 | 764,431 | 673,262 | 662,258 | 775,955 |
| Sales and service fees: | | | | | | | | | | |
| Bookstore | 1,091,723 | 1,079,406 | 1,215,419 | 1,203,711 | 1,542,204 | 1,039,265 | 1,176,945 | 1,118,558 | 1,114,289 | 1,584,230 |
| Other | 2,648,439 | 2,448,169 | 2,597,746 | 2,450,351 | 3,298,951 | 2,121,041 | 1,766,040 | 2,707,160 | 2,788,269 | 5,148,296 |
| Other operating revenue | 1,273,401 | 1,564,332 | 1,235,414 | 1,309,644 | 1,653,423 | 1,257,863 | 934,162 | 1,147,097 | 1,226,179 | 1,771,906 |
| Total operating revenues | 61,409,310 | 62,035,451 | 66,341,861 | 70,647,465 | 74,692,374 | 71,091,424 | 66,755,512 | 64,746,940 | 67,781,136 | 63,700,738 |
| **OPERATING EXPENSES** | | | | | | | | | | |
| Instruction | 117,582,668 | 116,989,139 | 112,588,939 | 105,288,900 | 100,574,125 | 93,280,995 | 93,393,300 | 88,951,878 | 83,385,917 | 84,295,911 |
| Academic support | 15,636,029 | 15,654,227 | 12,122,201 | 11,263,661 | 10,071,433 | 10,078,118 | 10,030,258 | 9,366,021 | 9,528,488 | 10,131,827 |
| Student services | 25,726,293 | 23,516,583 | 21,090,411 | 19,767,623 | 17,902,682 | 16,018,220 | 13,729,284 | 11,120,268 | 12,377,424 | 13,789,957 |
| Public services | 3,878,082 | 3,147,000 | 2,700,955 | 2,557,640 | 2,633,364 | 2,787,075 | 2,202,396 | 1,895,427 | 1,683,103 | 2,109,646 |
| Independent operations | - | - | - | - | 3,106 | 9,923 | 7,973 | 316,150 | 233,934 | 550,549 |
| Operation and maintenance of plant | 21,387,457 | 20,656,880 | 19,639,513 | 19,245,711 | 19,150,108 | 18,358,900 | 17,178,800 | 17,202,087 | 15,946,733 | 16,013,297 |
| General administration | 17,673,438 | 17,189,470 | 17,407,855 | 15,221,859 | 16,008,432 | 13,951,158 | 13,806,523 | 13,357,056 | 12,898,568 | 13,057,232 |
| General institutional | 27,662,915 | 25,942,261 | 24,187,921 | 22,619,028 | 20,839,665 | 21,834,358 | 20,130,613 | 22,131,912 | 22,219,537 | 6,283,201 |
| Auxiliary enterprises | 11,843,716 | 12,596,589 | 11,360,772 | 11,104,988 | 10,732,897 | 9,974,369 | 9,895,502 | 12,505,598 | 10,907,689 | 11,908,173 |
| Scholarship expense | 10,651,685 | 10,954,307 | 6,854,898 | 8,316,420 | 10,862,684 | 11,092,632 | 10,847,045 | 12,492,032 | 12,215,817 | 6,578,760 |
| Depreciation expense | 31,371,173 | 31,929,511 | 31,959,911 | 31,311,232 | 29,656,996 | 24,071,416 | 19,929,800 | 14,417,172 | 7,741,061 | 6,444,716 |
| Total operating expenses | 283,413,456 | 278,575,967 | 259,913,376 | 246,697,062 | 238,435,492 | 221,457,164 | 211,151,494 | 203,755,601 | 189,138,271 | 171,163,269 |
| Operating income (loss) | (222,004,146) | (216,540,516) | (193,571,515) | (176,049,597) | (163,743,118) | (150,365,740) | (144,395,982) | (139,008,661) | (121,357,135) | (107,462,531) |
| **NON-OPERATING REVENUES (EXPENSES)** | | | | | | | | | | |
| Real estate taxes | 101,930,953 | 109,154,900 | 107,232,185 | 108,715,095 | 107,996,843 | 106,110,511 | 99,822,644 | 107,807,680 | 104,425,923 | 95,138,277 |
| Corporate personal property replacement taxes | 1,538,154 | 1,382,239 | 1,679,128 | 1,520,291 | 1,660,637 | 1,544,222 | 1,526,489 | 1,494,002 | 1,624,041 | 1,252,327 |
| State appropriations | 95,514,639 | 103,938,221 | 71,627,721 | 54,712,381 | 57,175,880 | 54,690,039 | 50,695,312 | 42,633,843 | 38,742,103 | 34,000,077 |
| Federal grants and contracts | 25,853,807 | 27,153,665 | 26,328,946 | 28,297,826 | 30,541,565 | 31,111,335 | 30,349,795 | 29,415,386 | 26,175,510 | 20,018,562 |
| Non-governmental gifts and grants | 1,346,190 | 1,364,630 | 1,302,432 | 1,394,821 | 1,249,566 | 1,086,146 | 1,125,049 | 1,363,232 | 1,561,341 | 1,318,726 |
| Investment income | 8,367,067 | 3,348,227 | 1,606,832 | 1,197,182 | (854,727) | 2,235,615 | (29,307) | 727,102 | 1,315,742 | 2,024,357 |
| Other non-operating revenues | - | - | - | - | - | - | - | - | - | 1,187,737 |
| Interest on capital asset-related debt | (7,303,023) | (9,020,575) | (10,206,045) | (10,986,174) | (9,968,060) | (9,948,113) | (7,363,226) | (5,824,138) | (6,342,263) | (6,272,077) |
| Gain (loss) on disposal of capital assets | 17,728 | 35,675 | 56,839 | 56,439 | 94 | 40,187 | 42,445 | 98,660 | 14,585 | 175,924 |
| Net non-operating revenues (expenses) | 227,265,515 | 237,356,982 | 199,628,038 | 184,907,861 | 187,801,798 | 186,869,942 | 176,169,201 | 177,715,767 | 167,516,982 | 148,843,910 |
| Net income before capital contributions | 5,261,369 | 20,816,466 | 6,056,523 | 8,858,264 | 24,058,680 | 36,504,202 | 31,773,219 | 38,707,106 | 46,159,847 | 41,381,379 |
| **CAPITAL CONTRIBUTIONS** | | | | | | | | | | |
| Capital gifts and grants | - | 1,799,128 | 232,508 | 63,425 | 135,160 | - | - | - | - | - |
| Total capital contributions | - | 1,799,128 | 232,508 | 63,425 | 135,160 | - | - | - | - | - |
| **CHANGE IN NET POSITION/NET ASSETS** | $ 5,261,369 | $ 22,615,594 | $ 6,289,031 | $ 8,921,689 | $ 24,193,840 | $ 36,504,202 | $ 31,773,219 | $ 38,707,106 | $ 46,159,847 | $ 41,381,379 |

Sources: College of DuPage Comprehensive Annual Financial Reports and general ledger reports.

Notes: (1) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year-to-year is limited to the lesser of 5% or the consumer price index for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates established by Illinois Compiled Statutes.

(2) The College implemented GASB Statements No. 63 and 65 for the year ended June 30, 2013. Fiscal year 2012 was restated to comply with these two GASB pronouncements.

TABLE 3

## REVENUE CAPACITY

### ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
### LAST TEN LEVY YEARS

| Levy Year | Residential Property | Commercial Property | Industrial Property | Farm Property | Railroad Property | Total Taxable Assessed Value | Total Direct Tax Rate (2) | Estimated Actual Taxable Value | Percentage of Estimated Actual Taxable Value |
|---|---|---|---|---|---|---|---|---|---|
| 2018 | $ 34,668,559,718 | $ 6,888,975,600 | $ 3,266,011,000 | $ 3,153,246 | $ 65,421,127 | $ 44,892,120,691 | 0.2328 | $ 134,676,362,073 | 33.333% |
| 2017 (1) | 33,388,499,668 | 6,696,086,235 | 3,126,842,504 | 3,075,767 | 62,733,045 | 43,277,237,219 | 0.2473 | 129,831,711,657 | 33.333% |
| 2016 | 31,120,342,228 | 6,389,103,812 | 2,931,007,500 | 3,007,856 | 60,927,670 | 40,504,389,066 | 0.2661 | 121,513,167,198 | 33.333% |
| 2015 | 29,109,144,297 | 6,081,103,597 | 2,770,289,990 | 2,976,206 | 54,771,654 | 38,018,285,744 | 0.2786 | 114,054,857,232 | 33.333% |
| 2014 | 28,070,893,318 | 5,830,708,367 | 2,684,767,261 | 3,051,553 | 50,191,541 | 36,639,612,040 | 0.2975 | 109,918,836,120 | 33.333% |
| 2013 | 28,157,335,069 | 5,760,566,268 | 2,834,793,372 | 3,130,424 | 48,587,683 | 36,804,412,816 | 0.2956 | 110,413,238,448 | 33.333% |
| 2012 | 29,659,837,065 | 6,084,070,636 | 2,974,967,448 | 3,057,663 | 41,448,234 | 38,763,381,046 | 0.2681 | 116,290,143,138 | 33.333% |
| 2011 | 32,222,147,558 | 6,528,100,751 | 3,224,250,962 | 2,952,530 | 39,691,367 | 42,017,143,168 | 0.2495 | 126,051,429,504 | 33.333% |
| 2010 | 35,225,106,750 | 6,775,696,972 | 3,332,260,318 | 2,798,434 | 35,924,625 | 45,371,787,099 | 0.2349 | 136,115,361,297 | 33.333% |
| 2009 | 37,968,146,247 | 6,766,483,282 | 3,122,083,730 | 2,601,938 | 23,832,039 | 47,883,147,236 | 0.2127 | 143,649,441,708 | 33.333% |

Data Sources:
Offices of the County Clerks for DuPage, Cook, and Will Counties; DuPage County comprises approximately 90% of College of DuPage District 502.

Notes :
Property in the College's district is reassessed each year. Property is assessed at 33% of actual value. The direct tax rates reported for the College are those of DuPage County.

(1) The breakdown by type of property for 2017 was adjusted from the previous year CAFR due to the receipt of the final Cook County property values which was received after the printing of the FY2018 CAFR.

(2) The direct tax rates per $100 of equalized assessed value reported for the College are those of DuPage County, as it comprises approximately 90% of College of DuPage District 502.

(3) The assessed valuation for tax year 2018 increased from 2017. Valuations increased by 3.7% after a 6.8% increase in 2017, a 6.5% in 2016, a 3.8% increase in 2015, a 0.4% decrease in 2014, a 5.1% decrease in 2013, 7.7% decrease in 2012, 7.4% and 5.2% in levy years 2011 and 2010, respectively. Calendar year 2010 was the first year DuPage County experienced a decrease in assessed valuations.

TABLE 4

## REVENUE CAPACITY

## PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
## LAST TEN LEVY YEARS

| Levy Year | Legal Limit | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **College of DuPage** (1) (2) | | | | | | | | | | | |
| Educational Purposes | $ 0.7500 | $ 0.1584 | $ 0.1635 | $ 0.1712 | $ 0.1812 | $ 0.1958 | $ 0.1941 | $ 0.1818 | $ 0.1611 | $ 0.1483 | $ 0.1337 |
| Audit | 0.0050 | - | - | - | - | - | - | - | - | - | - |
| Operations and Maintenance | 0.1000 | 0.0263 | 0.0271 | 0.0283 | 0.0299 | 0.0322 | 0.0317 | 0.0298 | 0.0263 | 0.0242 | 0.0217 |
| Liability Protection and | None | - | - | - | - | - | - | - | - | - | - |
| Social Security and Medicare | None | - | - | - | - | - | - | - | - | - | - |
| Bond and Interest | None | 0.0470 | 0.0525 | 0.0631 | 0.0675 | 0.0695 | 0.0698 | 0.0565 | 0.0621 | 0.0624 | 0.0573 |
| Total | | 0.2317 | 0.2431 | 0.2626 | 0.2786 | 0.2975 | 0.2956 | 0.2681 | 0.2495 | 0.2349 | 0.2127 |
| **Overlapping Rates** (3) | | | | | | | | | | | |
| County | | N/A | 0.1749 | 0.1848 | 0.1971 | 0.2057 | 0.2040 | 0.1929 | 0.1773 | 0.1659 | 0.1554 |
| Cities and Villages | | N/A | 0.0709 | 0.7288 | 0.7680 | 0.7909 | 0.7653 | 0.7115 | 0.6498 | 0.6102 | 0.5695 |
| High Schools | | N/A | 1.2035 | 1.2438 | 1.3112 | 1.3445 | 1.3061 | 1.2130 | 1.0714 | 0.9819 | 0.8955 |
| Unit District | | N/A | 2.6640 | 2.1182 | 2.2324 | 2.2684 | 2.2509 | 2.0643 | 1.8319 | 1.6717 | 1.5236 |
| Grade Schools | | N/A | 1.8593 | 1.9117 | 2.0079 | 2.0638 | 2.0184 | 1.8637 | 1.6539 | 1.5243 | 1.4000 |
| Junior Colleges | | N/A | 0.0252 | 0.2714 | 0.2882 | 0.3043 | 0.3092 | 0.2774 | 0.2579 | 0.2405 | 0.2186 |
| Townships | | N/A | 0.1239 | 0.1260 | 0.1297 | 0.1334 | 0.1326 | 0.1188 | 0.1112 | 0.1023 | 0.0930 |
| Sanitary District | | N/A | 0.0032 | 0.0033 | 0.0035 | 0.0036 | 0.0035 | 0.0032 | 0.0028 | 0.0026 | 0.0024 |
| Park Districts | | N/A | 0.3764 | 0.3889 | 0.4094 | 0.4172 | 0.4083 | 0.3770 | 0.3364 | 0.3090 | 0.2797 |
| Library | | N/A | 0.0867 | 0.0916 | 0.0874 | 0.0904 | 0.0877 | 0.0819 | 0.0723 | 0.0661 | 0.0535 |
| Forest Preserve | | N/A | 0.1306 | 0.1514 | 0.1622 | 0.1691 | 0.1657 | 0.1542 | 0.1414 | 0.1321 | 0.1217 |
| Fire Protection | | N/A | 0.3029 | 0.3137 | 0.3296 | 0.3362 | 0.3255 | 0.3009 | 0.2698 | 0.2471 | 0.2243 |
| Service Areas | | N/A | 0.0221 | 0.0229 | 0.0235 | 0.0242 | 0.0233 | 0.0193 | 0.0181 | 0.0159 | 0.0153 |
| Other Special Districts | | N/A | 0.0179 | 0.0187 | 0.0222 | 0.0232 | 0.0212 | 0.0199 | 0.0196 | 0.0183 | 0.0170 |

Data Sources:

College of DuPage property tax records.
DuPage County property tax records as of November 2018.

Notes:

(1) The direct tax rates per $100 of equalized assessed value reported for the College are those of DuPage County, as it comprises approximately 90% of College of DuPage District 502.

(2) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year to year is limited to the lesser of 5% or the Consumer Price Index for the state as determined by the Illinois Department of Revenue, and the rate for certain levy components are limited to maximums established by Illinois Compiled Statutes.

(3) DuPage County overlapping rates for levy year 2017 were not available at the time the CAFR was prepared.

## REVENUE CAPACITY

## PRINCIPAL PROPERTY TAXPAYERS CURRENT LEVY YEAR AND NINE YEARS AGO

| Taxpayer (a) | 2018 Levy Year Assessed Value (a) (000s) | 2018 Levy Year Rank | 2018 Levy Year Percentage of Total District 502 Assessed Valuation (b) | 2009 Levy Year Assessed Value (a) (000s) | 2009 Levy Year Rank | 2009 Levy Year Percentage of Total District 502 Assessed Valuation (b) |
|---|---|---|---|---|---|---|
| Prologics | $ 112,442 | 1 | 0.25% | $ - | - | 0.00% |
| Oakbrook Shopping Center | 108,469 | 2 | 0.24% | 125,276 | 1 | 0.26% |
| Hamilton Partners, Inc. | 99,898 | 3 | 0.22% | 120,993 | 2 | 0.25% |
| AMB Property Corp | 87,473 | 4 | 0.19% | 113,529 | 3 | 0.24% |
| BRE IL Office Owner | 61,914 | 5 | 0.14% | - | - | 0.00% |
| Real Esate Tax Advisors | 44,699 | 6 | 0.10% | - | - | 0.00% |
| Navistar, Inc. | 40,625 | 7 | 0.09% | - | - | 0.00% |
| Medinah Country Club | 39,290 | 8 | 0.09% | - | - | 0.00% |
| Three Galleria Tower | 37,519 | 9 | 0.08% | - | - | 0.00% |
| Fox Valley Mall, LLC | 29,997 | 10 | 0.07% | - | - | 0.00% |
| Wells Real Estate Funds | - | - | 0.00% | 84,999 | 4 | 0.18% |
| Arden Realty, Inc. | - | - | 0.00% | 71,727 | 5 | 0.15% |
| AMLI | - | - | 0.00% | 66,569 | 6 | 0.14% |
| AIMCO | - | - | 0.00% | 64,050 | 7 | 0.13% |
| Crane and Norcross (Prologis) | - | - | 0.00% | 61,417 | 8 | 0.13% |
| UBS Realty Investors LLC | - | - | 0.00% | 59,754 | 9 | 0.12% |
| Property Tax Advisors | - | - | 0.00% | 54,153 | 10 | 0.11% |
| Total Assessed Value for Top 10 Businesses | $ 662,326 | | 1.475% | $ 822,467 | | 1.718% |
| Equalized Assessed Value of District | $ 44,892,120,691 | | | $ 47,883,147,236 | | |

Data Sources:

(a) DuPage County CAFR dated November 30, 2018; approximately 90% of College of DuPage District 502 lies in DuPage County.

(b) Assessed evaluation percentage is calculated by taking the assessed value of the taxpayers by total EAV of the District.

## REVENUE CAPACITY

## PROPERTY TAX LEVIES AND COLLECTIONS
## LAST TEN LEVY YEARS

| Levy Year | Assessed Valuation | Direct Tax Rate (1) | Taxes Extended (2) | Total Collected Through June 30, 2018 | Collected During Year Ended June 30, 2019 (3) | Total Collected Through June 30, 2019 (4) | Percent of Taxes Extended Collected Through June 30, 2019 | Tax Cap Limit (5) |
|---|---|---|---|---|---|---|---|---|
| 2018 | $ 44,892,120,691 | 0.2328 | $ 105,021,577 | $ - | $ 53,315,220 | $ 53,315,220 | 50.77% | 1.90% |
| 2017 | 43,277,237,219 | 0.2473 | 105,542,500 | 56,562,169 | 48,755,894 | 105,318,063 | 99.79% | 2.10% |
| 2016 | 40,504,389,066 | 0.2661 | 107,576,816 | 107,350,716 | (23,344) | 107,327,373 | 99.77% | 2.10% |
| 2015 | 38,018,285,744 | 0.2791 | 106,603,379 | 106,493,510 | (68,615) | 106,424,895 | 99.83% | 0.70% |
| 2014 | 36,639,612,040 | 0.3014 | 109,556,200 | 109,016,064 | (51,628) | 108,964,436 | 99.46% | 0.80% |
| 2013 | 36,804,412,816 | 0.2955 | 109,567,598 | 109,032,542 | (11,282) | 109,021,260 | 99.50% | 1.50% |
| 2012 | 38,763,381,046 | 0.2648 | 104,007,287 | 103,112,179 | (9,742) | 103,102,437 | 99.13% | 1.70% |
| 2011 | 42,017,143,168 | 0.2456 | 104,753,164 | 104,227,490 | (6,560) | 104,220,929 | 99.49% | 3.00% |
| 2010 | 45,371,787,099 | 0.2315 | 105,572,929 | 104,960,900 | (1,527) | 104,959,373 | 99.42% | 2.70% |
| 2009 | 47,883,147,236 | 0.2127 | 101,210,205 | 100,674,065 | (6,105) | 100,667,960 | 99.46% | 0.10% |

Data Sources:
College of DuPage property tax records.
DuPage County property tax records as of end of November 2018.

Notes:

(1) The direct tax rates per $100 of equalized assessed value reported for the College are those of DuPage, Cook and Will Counties.

(2) Taxes extended represent the total final extensions for DuPage, Cook and Will Counties.

(3) The column represents total cash collection during the fiscal year and not the total revenue recognized during the fiscal year.

(4) Taxes are generally due on June 1st and September 1st of the calendar year subsequent to the levy year.

(5) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year-to-year is limited to the lesser of 5% or the consumer price index for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates by Illinois Compiled Statutes.

## REVENUE CAPACITY

### ENROLLMENT, TUITION AND FEE RATES, CREDIT HOURS, AND TUITION AND FEE REVENUES GENERATED LAST TEN FISCAL YEARS

| | ---- Fall Term 10th Day Enrollment ---- | | | -------------- Tuition and Fee Rates -------------- | | | | ------------------ Tuition and Fee Revenues (1) ------------------ | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | FTEs Credit Courses | Headcount Credit Courses | Headcount Noncredit Courses | In-District Tuition and Fees per Semester Hour | Out-of-District Tuition and Fees per Semester Hour | Out-of-State Tuition and Fees per Semester Hour | Fall Term Total Student Credit Hours 10th Day FTEs | Education Purposes and Operations and Maintenance Purposes Subfunds | Auxiliary Enterprises & Other Subfunds | Total All Subfunds |
| **2019** | 13,676 | 24,900 | 1,576 | $ 136.00 | $ 323.00 | $ 393.00 | 205,140 | $ 67,677,649 | $ 12,905,608 | $ 80,583,257 |
| **2018** | 14,633 | 26,165 | 1,411 | 135.00 | 322.00 | 392.00 | 219,495 | 71,809,761 | 13,964,065 | 85,773,826 |
| **2017** | 15,133 | 26,901 | 1,477 | 135.00 | 322.00 | 392.00 | 226,995 | 74,551,060 | 13,943,589 | 88,494,649 |
| **2016** | 16,310 | 28,678 | 920 | 135.00 | 322.00 | 392.00 | 244,650 | 80,742,043 | 14,302,459 | 95,044,502 |
| **2015** | 16,858 | 29,476 | 598 | 140.00 | 327.00 | 397.00 | 252,870 | 85,929,123 | 14,501,819 | 100,430,942 |
| **2014** | 16,565 | 28,627 | 701 | 140.00 | 327.00 | 397.00 | 248,475 | 83,162,423 | 13,123,092 | 96,285,515 |
| **2013** | 15,393 | 26,156 | 879 | 136.00 | 323.00 | 393.00 | 230,895 | 78,068,948 | 13,011,000 | 91,079,948 |
| **2012** | 15,175 | 26,209 | 877 | 132.00 | 319.00 | 389.00 | 227,625 | 70,373,718 | 14,154,098 | 84,527,816 |
| **2011** | 15,902 | 26,722 | 1,001 | 129.00 | 316.00 | 386.00 | 238,530 | 70,336,737 | 16,296,420 | 86,633,157 |
| **2010** | 16,036 | 27,083 | 736 | 116.00 | 305.00 | 370.00 | 240,540 | 62,131,406 | 13,956,074 | 76,087,480 |

Data Sources: College of DuPage records and Comprehensive Annual Financial Reports.

Notes:

(1) Tuition and fee revenues presented in Table 7 differ from the amounts shown on Statement 2 because this table presents amounts before adjustments for scholarship allowance.

TABLE 8

## DEBT CAPACITY

### RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

| Fiscal Year Ended | A<br>General Obligation Bonds (1) | A-1<br>General Obligation Bonds Premiums (Discounts) | B<br>General Obligation Alternate Revenue Source Bonds (1) | B-1<br>General Obligation Alternate Revenue Source Premiums (Discounts) | C<br>( =A + A-1 + B + B-1 )<br>Total Net Outstanding Debt (2) | D<br>Less: Amounts Available for Debt Service (3) | E<br>( = A + A-1 - D )<br>Net General Bonded Debt (2) | F<br>District 502 Estimated Actual Taxable Property Value | G<br>( = C / F )<br>Percentage of Total Outstanding Debt to Estimated Actual Taxable Property Value | H<br>District Population (4) | I<br>( = C / H )<br>Total Outstanding Debt Per Capita | J<br>( = E / F )<br>Percentage of Net General Bonded Debt to Estimated Actual Taxable Property Value | K<br>( = E / H )<br>Net General Bonded Debt Per Capita |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2019 | $ 136,270,000 | $ 11,747,053 | $ 93,895,000 | $ 4,628,168 | $ 246,540,221 | $ 8,810,957 | $ 139,206,096 | $ 134,676,362,073 | 0.18% | 1,060,000 | $ 232.59 | 0.10% | $ 131.33 |
| 2018 | 151,525,000 | 14,193,604 | 58,755,000 | 361,461 | 224,835,065 | 10,210,995 | 155,507,609 | 129,831,711,657 | 0.17% | 1,060,000 | 212.11 | 0.12% | 146.71 |
| 2017 | 176,755,000 | 14,249,756 | 64,220,000 | 448,673 | 255,673,429 | 14,148,292 | 176,856,464 | 121,513,167,198 | 0.21% | 1,067,589 | 239.49 | 0.15% | 165.66 |
| 2016 | 193,170,000 | 16,392,178 | 69,515,000 | 535,757 | 279,612,935 | 14,406,755 | 195,155,423 | 114,054,857,232 | 0.25% | 1,061,506 | 263.41 | 0.17% | 183.85 |
| 2015 | 208,870,000 | 18,643,788 | 74,590,000 | 641,357 | 302,745,145 | 15,093,436 | 212,420,352 | 109,918,836,120 | 0.28% | 1,061,506 | 285.20 | 0.19% | 200.11 |
| 2014 | 223,940,000 | 24,026,441 | 79,525,000 | 791,994 | 328,283,435 | 16,045,414 | 231,921,027 | 110,413,238,448 | 0.30% | 1,061,506 | 309.26 | 0.21% | 218.48 |
| 2013 | 238,105,000 | 25,500,225 | 84,320,000 | 954,419 | 348,879,644 | 19,740,455 | 243,864,770 | 116,290,143,138 | 0.30% | 1,061,506 | 328.66 | 0.21% | 229.73 |
| 2012 | 171,980,000 | 13,777,907 | 89,000,000 | 1,177,485 | 275,935,392 | 20,772,501 | 164,985,406 | 126,051,429,504 | 0.22% | 1,061,506 | 259.95 | 0.13% | 155.43 |
| 2011 | 109,740,000 | 6,979,601 | 93,875,000 | 492,056 | 211,086,657 | 22,823,375 | 93,896,226 | 135,992,734,653 | 0.16% | 1,091,387 | 193.41 | 0.07% | 86.03 |
| 2010 | 131,030,000 | 8,290,546 | 98,320,000 | 609,173 | 238,249,719 | 23,939,727 | 115,380,819 | 143,373,661,827 | 0.17% | 1,091,387 | 218.30 | 0.08% | 105.72 |

Data Sources: College of DuPage records, Comprehensive Annual Financial Reports, and DuPage County records.

Notes:

(1) Balances include current and non-current portions of bond principal outstanding.

(2) Details of the College's outstanding debt can be found in the notes to the financial statements.

(3) Amounts equal the equity in the College's bond and interest fund.

(4) Estimated population figures are compiled by the College of DuPage Research and Planning Office.

## DEBT CAPACITY

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
## GENERAL OBLIGATION BONDS
## JUNE 30, 2019

| District | Total Gross Debt Outstanding [3] | Percentage of Debt Applicable to DuPage County [2] | DuPage County Share of Debt [1] |
|---|---|---|---|
| County | $ 186,444,944 | 100.00% | $ 186,444,944 |
| Forest Preserve | 127,639,000 | 100.00% | 127,639,000 |
| Cities and Villages | 10,373,750,903 [1] | 6.24% | 646,949,943 |
| Parks | 1,156,142,639 [1] | 27.37% | 316,454,930 |
| Fire Protection | 8,305,000 | 100.00% | 8,305,000 |
| Library | 52,240,000 | 12.67% | 6,616,436 |
| Special Service | 20,957,500 | 97.25% | 20,381,351 |
| Grade Schools | 224,501,639 | 95.62% | 214,675,983 |
| High Schools | 274,096,560 | 95.87% | 262,788,472 |
| Unit Schools | 729,440,698 | 61.42% | 448,025,289 |
| Subtotal Overlapping Debt | 13,153,518,883 | | 2,238,281,348 |
| College of DuPage - Direct [4] | 136,270,000 | 90.00% | 122,643,000 |
| Total Direct and Overlapping Debt | $ 13,289,788,883 | | $ 2,360,924,348 |
| College's Assessed Valuation | $ 44,892,120,691 | | |

Data Sources:

DuPage County Illinois Comprehensive Annual Financial Report dated November 30, 2018, Computation of Direct and Overlapping Debt, pg. 302, and College of DuPage records.

Notes:

[1] Data includes City of Chicago (O'Hare Airport), a minor portion of which overlaps DuPage County. The Chicago Park District taxing boundaries are coterminous with the City of Chicago.

[2] Debt percentage applicable to DuPage County is calculated by applying the ratio of assessed value of the specific district to that portion which is in DuPage County. Percentages have been rounded to the nearest hundredth.

[3] Represents direct debt for governmental activities, as reported by various governments. Overlapping governments without direct debt are not shown. Some data is an estimation and was compiled by a review of the bonded debt information filed with the DuPage County Clerk.

[4]Approximately 90% of College of DuPage District 502 lies in DuPage County.

**TABLE 10**

## DEBT CAPACITY

### LEGAL DEBT MARGIN INFORMATION
### LAST TEN FISCAL YEARS

| Fiscal Year | Assessed Value | Debt Limit Rate | Debt Limit (Assessed Value X Debt Limit Rate) | Net Debt Applicable to Debt Limit [1] | Legal Debt Margin | Net Debt Applicable to Debt Limit as a Percentage of Debt Limit [2] |
|---|---|---|---|---|---|---|
| 2019 | $ 44,892,120,691 | 2.875% | $ 1,290,648,470 | $ 127,459,043 | $ 1,163,189,427 | 9.88% |
| 2018 | 43,277,237,219 | 2.875% | 1,244,220,570 | 141,314,005 | 1,102,906,565 | 11.36% |
| 2017 | 40,504,389,066 | 2.875% | 1,164,501,186 | 162,606,708 | 1,001,894,478 | 13.96% |
| 2016 | 38,018,285,744 | 2.875% | 1,093,025,715 | 178,763,245 | 914,262,470 | 16.35% |
| 2015 | 36,639,612,040 | 2.875% | 1,053,388,846 | 193,776,563 | 859,612,283 | 18.40% |
| 2014 | 36,804,412,816 | 2.875% | 1,058,126,868 | 207,894,586 | 850,232,282 | 19.65% |
| 2013 | 38,763,381,046 | 2.875% | 1,114,447,205 | 218,364,545 | 896,082,660 | 19.59% |
| 2012 | 42,017,143,168 | 2.875% | 1,207,992,866 | 151,207,499 | 1,056,785,367 | 12.52% |
| 2011 | 45,371,787,099 | 2.875% | 1,304,438,879 | 86,916,625 | 1,217,522,254 | 6.66% |
| 2010 | 47,883,147,236 | 2.875% | 1,376,640,483 | 107,090,273 | 1,269,550,210 | 7.78% |

Data Sources: College of DuPage records, Comprehensive Annual Financial Reports, and DuPage County records.

Notes:

(1) Balances include current and non-current portions of Series 2011A, Series 2013A, and Series 2018 bond principal outstanding, less amount available in the Bond and Interest Fund. Series Series 2006, Series 2009B, and Series 2011B bonds do not count against the legal debt limitation unless taxes are extended to pay debt service thereon. Details of the College's outstanding debt can be found in the notes to the financial statements.

(2) The increase from 2011 is attributable to the decline in assessed valuations in DuPage County and the issuance of $168 million in bonds.

**TABLE 11**

## DEBT CAPACITY

### PLEDGED REVENUE COVERAGE
### SERIES 2006 BONDS
### SERIES 2009B BONDS
### SERIES 2011B BONDS
### LAST TEN FISCAL YEARS (1)

| Levy Year | Fiscal Year Ending June 30 | Restricted Pledged Revenues (2) | Principal and Interest | Coverage |
|---|---|---|---|---|
| 2018 | 2019 | $ 6,350,093 | $ 8,642,950 | 0.73 |
| 2017 | 2018 | 6,829,085 | 8,704,606 | 0.78 |
| 2016 | 2017 | 7,061,120 | 8,759,625 | 0.81 |
| 2015 | 2016 | 6,588,538 | 8,742,625 | 0.75 |
| 2014 | 2015 | 6,818,825 | 8,791,650 | 0.78 |
| 2013 | 2014 | 5,727,395 | 8,843,450 | 0.65 |
| 2012 | 2013 | 5,628,851 | 8,850,060 | 0.64 |
| 2011 | 2012 | 5,284,224 | 8,816,482 | 0.60 |
| 2010 | 2011 | 5,584,192 | 8,880,436 | 0.63 |
| 2009 | 2010 | 5,143,233 | 4,651,412 | 1.11 |
| TOTAL DEBT SERVICE | | | $ 83,683,296 | |

Data Source: College of DuPage records.

Notes:

(1) Series 2006 General Obligation Bonds (Alternate Revenue Source) were issued November 1, 2006. Series 2009B General Obligation Bonds (Alternative Revenue Source) were issued May 4, 2009. Series 2011B General Obligation Bonds (Alternative Revenue Source) were issued August 10, 2011.

(2) Restricted pledged revenues represent the portion of tuition and fees that are designated for the payment of debt service in the bond and interest subfund. Pursuant to the Local Government Debt Reform Act, the required coverage level is 1.25, however, the College has sufficient resources on hand to cover any foreseeable shortfoll in restricted pledged revenues.

(3) Additional information regarding historical tuition and fees can be found in Table 7 - Enrollment, Tuition and Fee Rates, Credit Hours, and Tuition and Fee Revenues Generated.

(4) Details of the College's outstanding debt can be found in the notes to the financial statements.

## DEMOGRAPHIC AND ECONOMIC INFORMATION

## PERSONAL INCOME PER CAPITA LAST TEN CALENDAR YEARS

| Calendar Year | DuPage County Population **(1)** | DuPage County Total Personal Income (2012 $) **(2)** | DuPage County Per Capita Personal Income (2012 $) **(3)** | DuPage County Unemployment Rate **(4)** |
|---|---|---|---|---|
| 2019 | 937,620 | $ 63,225,390,000 | $ 67,432 | 3.3% |
| 2018 | 934,051 | 61,947,950,000 | 66,322 | 3.6% |
| 2017 | 930,128 | 60,787,810,000 | 65,354 | 4.2% |
| 2016 | 931,153 | 59,633,760,000 | 64,043 | 5.1% |
| 2015 | 933,115 | 59,617,520,000 | 63,891 | 5.1% |
| 2014 | 932,958 | 56,370,020,000 | 60,421 | 5.8% |
| 2013 | 931,775 | 54,098,130,000 | 58,059 | 8.6% |
| 2012 | 928,274 | 54,062,720,000 | 58,240 | 7.9% |
| 2011 | 924,421 | 52,389,770,000 | 56,673 | 9.0% |
| 2010 | 918,112 | 50,783,400,000 | 55,313 | 8.9% |

Data Sources:

(1) Population figures are provided by Woods & Poole Economics, Inc., 2019, Washington, D.C., Copyright 2019.

(2) DuPage County Total Personal Income figures are provided by Woods & Poole Economics, Inc., 2019, Washington, D.C., Copyright 2019, and are based on 2012 dollars using the Consumer Price Index.

(3) DuPage County Per Capita Personal Income figures are provided by Woods & Poole Economics, Inc., 2019, Washington, D.C., Copyright 2019, and are based on 2012 dollars using the Consumer Price Index.

(4) DuPage County unemployment data was provided by the Illinois Department of Employment Security (IDES), Local Area Unemployment Statistics (LAUS). Rates presented are as of June 30th each fiscal year.

Note: Approximately 90% of College of DuPage District 502 lies in DuPage County.

**TABLE 13**

## DEMOGRAPHIC AND ECONOMIC INFORMATION

## PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

**2018**

| Employer | City | Number of Jobs | Rank | Percent of Total DuPage County Employment |
|---|---|---|---|---|
| Edward Hospital & Health Svc | Naperville | 8,000 | 1 | 1.00% |
| Canham Steel Corporation | Wheaton | 5,000 | 2 | 0.62% |
| APL Logistics | Woodridge | 4,500 | 3 | 0.56% |
| Ace Hardware Corp | Oak Brook | 4,500 | 4 | 0.56% |
| Behavioral Health Service | Winfield | 4,422 | 5 | 0.55% |
| Readerlink Distribution Services, LLC | Oak Brook | 3,245 | 6 | 0.41% |
| Argonne National Laboratory | Lemont | 3,190 | 7 | 0.40% |
| Advocate Health Care | Downers Grove | 3,090 | 8 | 0.39% |
| McDonalds Corp | Oak Brook | 2,600 | 9 | 0.32% |
| DuPage County | Wheaton | 2,561 | 10 | 0.32% |
| Total | | 41,108 | | 5.14% |
| | Total number of jobs in DuPage County | 800,117 | | |

**2009**

| Employer | City | Number of Jobs | Rank | Percent of Total DuPage County Employment |
|---|---|---|---|---|
| Edward Hospital | Naperville | 4,100 | 1 | 0.55% |
| BP America, Inc. | Warrenville | 3,800 | 2 | 0.51% |
| Elmhurst Memorial Hospital | Elmhurst | 3,600 | 3 | 0.48% |
| DuPage County | Wheaton | 3,085 | 4 | 0.41% |
| Argonne National Lab | Lemont | 2,900 | 5 | 0.39% |
| College of DuPage | Glen Ellyn | 2,700 | 6 | 0.36% |
| Good Samaritan Hospital | Downers Grove | 2,500 | 7 | 0.34% |
| Navistar, Inc. | Lisle | 1,800 | 8 | 0.24% |
| Alcatel-Lucent | Naperville | 1,500 | 9 | 0.20% |
| McDonald's Corporation | Oak Brook | 1,500 | 10 | 0.20% |
| Total | | 27,485 | | 3.70% |
| | Total number of jobs in DuPage County | 743,791 | | |

Data Sources:
Primary Employers, DuPage County CAFR dated November 30, 2018

Notes:
(1) Approximately 90% of College of DuPage District 502 lies in DuPage County.
(2) The total number of jobs in DuPage County as of November 30, 2018, is obtained from data from the Bureau of Economic Analysis and is one year in arrears.

## DEMOGRAPHIC AND ECONOMIC INFORMATION

## STUDENT ENROLLMENT DEMOGRAPHIC STATISTICS BY CATEGORY
## LAST TEN FISCAL YEARS

| Calendar | | Fall Enrollment | | | | Gender | | Attendance | | Enrollment Status * | | | | | In-District | Mean | Median |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Headcount | | | | | | | | | | | | | | | |
| Year | | Credit | Non-Credit | Total | FTE | M | F | FT | PT | Cont | New | Transfer | Readmit | Other | Residency | Age | Age |
| 2018 | * | 24,900 | 1576 | 26,476 | 13,676 | 46% | 53% | 32% | 68% | 36% | 28% | 9% | 8% | 19% | 84% | 26 | 22 |
| 2017 | * | 26,165 | 1411 | 27,576 | 14,633 | 47% | 53% | 33% | 67% | 42% | 19% | 3% | 10% | 27% | 83% | 26 | 22 |
| 2016 | * | 26,901 | 1477 | 28,378 | 15,133 | 47% | 52% | 33% | 67% | 50% | 20% | 5% | 9% | 17% | 83% | 26 | 22 |
| 2015 | * | 28,678 | 920 | 29,598 | 16,310 | 46% | 53% | 34% | 66% | 48% | 20% | 5% | 10% | 17% | 83% | 26 | 22 |
| 2014 | * | 29,476 | 598 | 30,074 | 16,858 | 46% | 53% | 34% | 66% | 48% | 21% | 5% | 10% | 16% | 83% | 27 | 22 |
| 2013 | * | 28,627 | 701 | 29,328 | 16,565 | 46% | 52% | 35% | 65% | 49% | 22% | 5% | 10% | 13% | 85% | 27 | 22 |
| 2012 | * | 26,156 | 879 | 27,035 | 15,397 | 47% | 52% | 37% | 63% | 53% | 22% | 4% | 11% | 10% | 90% | 28 | 23 |
| 2011 | * | 26,209 | 877 | 27,086 | 15,175 | 47% | 53% | 36% | 64% | 53% | 20% | 5% | 11% | 11% | 90% | 28 | 23 |
| 2010 | * | 26,722 | 1,001 | 27,723 | 15,902 | 47% | 53% | 39% | 61% | 49% | 21% | 6% | 12% | 12% | 90% | 28 | 23 |
| 2009 | * | 27,083 | 736 | 27,819 | 16,036 | 46% | 54% | 39% | 61% | 47% | 21% | 3% | 21% | 11% | 91% | 28 | 23 |

Note -The above statistics reflect tenth day total enrollment (credit) for fall terms of year listed.
The College operates on a fiscal year starting July 1 and ending June 30.

Data Source: Fall 10th Day Reports, College of DuPage Office of Research; for Fall 2018, Enrollment Status, Residency, Mean & Median Age are from ICCB E1 Submission; for prior years Enrollment Status, Residency, and age statistics were derived from MIS 7005 reports.

* - Starting in 2009 both pre-college enrollees and college degree holders were classified as "Other." In prior years, pre-college was classified as "Other" and college degree holders were distributed throughout the remaining categories.

Legend:
FTE (Full-Time Equivalent), M (Male), F (Female), FT (Full-Time), PT (Part-Time), Cont (Continuing Student), Readmit (Readmission)

## DEMOGRAPHIC AND ECONOMIC INFORMATION

### STUDENT ENROLLMENT SEMESTER CREDIT HOURS
### LAST TEN FISCAL YEARS

| ICCB Funding Category | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 [1] | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| Baccalaureate | 256,029 | 274,983 | 286,220 | 298,802 | 303,646 | 301,080 | 296,011 | 288,838 | 292,005 | 303,824 |
| Business Occupational | 34,189 | 36,344 | 38,990 | 48,161 | 47,231 | 48,411 | 46,789 | 43,914 | 41,319 | 43,601 |
| Technical Occupational | 55,378 | 53,604 | 51,876 | 51,042 | 49,584 | 49,086 | 44,629 | 43,252 | 43,077 | 45,003 |
| Health Occupational | 25,766 | 26,517 | 26,841 | 27,378 | 29,038 | 29,716 | 29,449 | 28,169 | 28,849 | 29,590 |
| Remedial Developmental | 21,837 | 23,314 | 28,441 | 33,748 | 37,008 | 38,771 | 33,838 | 32,623 | 33,681 | 35,475 |
| Adult Basic/Secondary Education | 22,000 | 24,888 | 27,882 | 27,451 | 31,498 | 30,365 | 31,615 | 28,271 | 36,664 | 46,975 |
| Total Credit Hours | 415,199 | 439,649 | 460,250 | 486,582 | 498,004 | 497,429 | 482,331 | 465,067 | 475,595 | 504,468 |

Data Source: College reports for all semesters of Certified Reimbursable Credit Hours submitted to the Illinois Community College Board (ICCB).

**Notes**
(1) FY2011 figures revised in FY2012

# DEMOGRAPHIC AND ECONOMIC INFORMATION

## STATE CREDIT HOUR GRANT FUNDING PER SEMESTER CREDIT HOUR BY INSTRUCTIONAL CATEGORY
## LAST TEN FISCAL YEARS

| Fiscal Year | | Baccalaureate | Business | Technical | Health | Remedial | ABE/ASE (1) | State Average | State Average Annual Percentage Increase or Decrease | College of DuPage Average | College of DuPage Average Annual Percentage Increase or Decrease |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2019 | | $ 25.01 | $ 33.91 | $ 35.65 | $ 62.17 | $ 6.46 | $ 62.95 | $ 35.02 | 8.72% | $ 30.50 | 1.23% |
| 2018 | | 25.01 | 29.73 | 29.84 | 45.41 | 10.63 | 89.95 | 32.21 | -2.07% | 30.13 | 4.80% |
| 2017 | | 22.93 | 33.75 | 35.57 | 56.20 | 7.21 | 64.42 | 32.89 | 45.98% | 28.75 | 47.23% |
| 2016 | | 15.78 | 23.15 | 24.39 | 38.43 | 5.08 | 43.86 | 22.53 | -28.61% | 19.53 | -29.06% |
| 2015 | (4) | 21.95 | 31.52 | 32.49 | 53.02 | 9.74 | 64.51 | 31.56 | -1.28% | 27.53 | 0.29% |
| 2014 | | 21.98 | 35.66 | 31.80 | 54.87 | 9.66 | 57.49 | 31.97 | 1.43% | 27.45 | 0.77% |
| 2013 | (3) | 21.26 | 34.96 | 30.96 | 58.91 | 7.03 | 58.71 | 31.52 | -19.65% | 27.24 | -5.78% |
| 2012 | (2) | 13.13 | 46.98 | 49.45 | 101.94 | 9.51 | 80.27 | 39.23 | 0.00% | 28.91 | -1.47% |
| 2011 | | 13.13 | 46.98 | 49.45 | 101.94 | 9.51 | 80.27 | 39.23 | -0.03% | 29.34 | -0.61% |
| 2010 | | 19.41 | 29.96 | 55.39 | 90.56 | 14.40 | 56.45 | 39.24 | 18.77% | 29.52 | 1.37% |

(1) Adult Basic Education / Adult Secondary Education.

(2) The State of Illinois did not publish credit hour grant rates for FY2012. The College received the same credit hour grant reward as in FY2011.

(3) In FY2013, the state implemented a loss limit on the Base Operating Grant, following FY2012 in which rates were frozen.

(4) In FY2015, the state reduced its Operating Grant funding to the College by 2.25%

Data Source: College Records.

TABLE 17

## OPERATING INFORMATION

## EMPLOYEE HEADCOUNT AND CLASSIFICATION LAST TEN FISCAL YEARS

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| **TOTAL HEADCOUNT** | 2,255 | 2,153 | 2,174 | 2,236 | 2,264 | 2,234 | 2,199 | 2,290 | 2,129 | 2,176 |
| **Classification** | | | | | | | | | | |
| Administrators | 36 | 36 | 42 | 44 | 49 | 46 | 47 | 45 | 44 | 45 |
| Classified | 819 | 780 | 764 | 745 | 753 | 732 | 688 | 735 | 785 | 816 |
| Managerial | 136 | 133 | 125 | 118 | 122 | 120 | 106 | 104 | - | - |
| Faculty | 1,060 | 1,003 | 1,045 | 1,090 | 1,111 | 1,086 | 1,131 | 1,169 | 1,065 | 1,035 |
| Professionals | 22 | 20 | 19 | 19 | 20 | 21 | 21 | 20 | 23 | 20 |
| Students | 182 | 181 | 179 | 220 | 209 | 229 | 206 | 217 | 212 | 260 |
| Total | 2,255 | 2,153 | 2,174 | 2,236 | 2,264 | 2,234 | 2,199 | 2,290 | 2,129 | 2,176 |
| **Classification Broken From Part to Full Time** | | | | | | | | | | |
| Classified Full-Time | 506 | 479 | 462 | 463 | 437 | 419 | 411 | 412 | 481 | 503 |
| Classified Part-Time | 313 | 301 | 302 | 282 | 316 | 313 | 277 | 323 | 304 | 313 |
| Total | 819 | 780 | 764 | 745 | 753 | 732 | 688 | 735 | 785 | 816 |
| Managerial Full-Time | 136 | 131 | 125 | 118 | 122 | 120 | 105 | 100 | - | - |
| Managerial Part-Time | - | 2 | - | - | - | - | 1 | 4 | - | - |
| Total | 136 | 133 | 125 | 118 | 122 | 120 | 106 | 104 | - | - |
| Faculty Full-Time | 263 | 264 | 272 | 263 | 259 | 252 | 260 | 262 | 265 | 268 |
| Faculty Part-Time | 797 | 739 | 773 | 827 | 852 | 834 | 871 | 907 | 800 | 767 |
| Total | 1,060 | 1,003 | 1,045 | 1,090 | 1,111 | 1,086 | 1,131 | 1,169 | 1,065 | 1,035 |
| Professionals Full-Time | 22 | 20 | 19 | 19 | 20 | 21 | 21 | 20 | 23 | 20 |
| Professionals Part-Time | - | - | - | - | - | - | - | - | - | - |
| Total | 22 | 20 | 19 | 19 | 20 | 21 | 21 | 20 | 23 | 20 |

Data Source: College records, which represents the June Employee Submission Report, for total employee headcount, as of June 30th, submitted to the Department of Labor by the College's Human Resources division.

Notes:
(1) The student counts do not include students that are part of the Federal Work Study Program.
(2) All counts are based on Headcounts.
(3) Managerial group was created in FY2012. In previous years, the managers were reported with the Classified staff.

TABLE 18

## OPERATING INFORMATION

### OPERATING INDICATORS LAST TEN FISCAL YEARS

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| Annual Credit Hour Enrollment (Credit) | 480,556 | 510,304 | 532,068 | 560,732 | 578,951 | 565,005 | 544,320 | 530,976 | 549,755 | 561,330 |
| Annual FTEs (Credit) | 32,037 | 34,020 | 35,471 | 37,382 | 38,597 | 37,667 | 36,288 | 35,398 | 36,650 | 37,422 |
| Annual Credit Head Count (1) | 66,905 | 66,986 | 70,294 | 72,891 | 74,496 | 72,904 | 70,730 | 4,167 | 4,871 | 4,049 |
| Annual Non-Credit Head Count (2) | 5,748 | 5,573 | 5,437 | 4,340 | 3,437 | 3,253 | 3,566 | - | - | - |
| Fall 10th Day (3) | | | | | | | | | | |
| Head Count (Credit) | 24,900 | 26,165 | 26,901 | 28,678 | 29,476 | 28,627 | 26,156 | 26,209 | 26,722 | 27,083 |
| Head Count (Non-Credit) | 1,576 | 1,411 | 1,477 | 920 | 598 | 701 | 879 | 877 | 1,001 | 736 |
| | 26,476 | 27,576 | 28,378 | 29,598 | 30,074 | 29,328 | 27,035 | 27,086 | 27,723 | 27,819 |
| Seat Count (Credit) | 69,698 | 66,910 | 69,288 | 74,628 | 76,699 | 76,674 | 70,838 | 69,881 | 73,065 | 73,661 |
| Seat Count (Non-Credit) | 5,132 | 2,253 | 2,393 | 1,332 | 722 | 719 | 1,068 | 1,046 | 1,175 | 900 |
| FTEs (Credit) | 13,676 | 14,633 | 15,133 | 16,310 | 16,858 | 16,565 | 15,397 | 15,175 | 15,902 | 16,036 |
| Credit Students Only Head Count (3) | | | | | | | | | | |
| Full-Time | 7,857 | 8,510 | 9,004 | 9,811 | 10,022 | 9,908 | 9,628 | 9,465 | 10,331 | 10,591 |
| Part-Time | 17,043 | 17,655 | 17,897 | 18,867 | 19,454 | 18,719 | 16,528 | 16,744 | 16,391 | 16,492 |
| | 24,900 | 26,165 | 26,901 | 28,678 | 29,476 | 28,627 | 26,156 | 26,209 | 26,722 | 27,083 |
| Male | 11,478 | 12,172 | 12,530 | 13,228 | 13,557 | 13,063 | 12,293 | 11,964 | 12,390 | 12,430 |
| Female | 13,170 | 13,795 | 13,970 | 15,060 | 15,501 | 14,873 | 13,650 | 13,516 | 14,148 | 14,622 |
| Unreported | 252 | 198 | 401 | 390 | 418 | 691 | 213 | 729 | 184 | 31 |
| | 24,900 | 26,165 | 26,901 | 28,678 | 29,476 | 28,627 | 26,156 | 26,209 | 26,722 | 27,083 |
| American Indian/Alaskan | 28 | 55 | 57 | 61 | 65 | 75 | 51 | 70 | 62 | 75 |
| Asian or Pacific Islander | 2,873 | 2,898 | 2,973 | 2,866 | 3,024 | 2,832 | 2,535 | 2,353 | 2,503 | 2,681 |
| Black, Non-Hispanic | 1,740 | 1,813 | 1,897 | 2,066 | 2,224 | 2,233 | 2,105 | 1,869 | 1,813 | 1,725 |
| Hispanic | 6,405 | 6,445 | 6,172 | 6,225 | 6,315 | 5,616 | 4,654 | 3,013 | 2,982 | 3,179 |
| White, Non-Hispanic | 12,398 | 13,580 | 14,323 | 15,460 | 16,126 | 16,076 | 15,227 | 15,546 | 16,060 | 16,260 |
| Other/Unknown | 1,456 | 1,374 | 1,479 | 2,000 | 1,722 | 1,795 | 1,584 | 1,050 | 723 | 631 |
| Unreported | - | - | - | - | - | - | - | 2,308 | 2,579 | 2,532 |
| | 24,900 | 26,165 | 26,901 | 28,678 | 29,476 | 28,627 | 26,156 | 26,209 | 26,722 | 27,083 |
| Prior Education (4) | | | | | | | | | | |
| Bachelor's Degree or Higher | 1,779 | 1,879 | 1,949 | 2,011 | 2,183 | 2,184 | 2,485 | 2,840 | 3,231 | 3,150 |
| Some College through Certificate and Associate's Degree | 4,487 | 4,681 | 4,981 | 5,371 | 5,665 | 5,721 | 5,693 | 5,788 | 5,931 | 5,936 |
| HS/GED | 12,930 | 13,691 | 13,832 | 14,552 | 14,809 | 14,826 | 14,108 | 13,577 | 13,416 | 13,003 |
| < HS | 688 | 726 | 805 | 944 | 1,106 | 1,181 | 1,272 | 1,504 | 1,893 | 3,005 |
| Unknown * | 6,592 | 6,599 | 6,811 | 6,720 | 6,311 | 5,416 | 3,477 | 3,377 | 3,252 | 2,725 |
| | 26,476 | 27,576 | 28,378 | 29,598 | 30,074 | 29,328 | 27,035 | 27,086 | 27,723 | 27,819 |
| Within-Term Retention, Fall ** (5) | N/A | N/A | N/A | N/A | N/A | N/A | 91% | 91% | 92% | 92% |

* Starting in FY2014, the College stopped tracking non-credit headcount for prior education. The non-credit headcount is included in the Unknown category.
** Starting in FY2014, the College stopped tracking within-term retention.

Data Source: College records and ICCB Annual Enrollment and Completion submission (A1; submitted to ICCB September 1, 2018)

Notes:
(1) Credit headcount--Fall, Spring, and Summer terms based on tenth day reports.
(2) Non-credit headcount--Fall, Spring, and Summer terms based on tenth day reports.
(3) Data represents the Fall 10th Day Reports.
(4) Total Headcount, Fall 10th Day thru 2012; credit headcount.
(5) Within-Term retention based on percentage of Full-Time Equivalent of credit students at Midterm.

TABLE 19

## OPERATING INFORMATION

## CAPITAL ASSET STATISTICS LAST TEN FISCAL YEARS

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Acreage - Main Campus | 283.92 | 283.92 | 283.92 | 283.92 | 283.92 | 283.92 | 283.92 | 283.92 | 283.92 | 283.92 |
| Total Acreage - Regional Sites | 11.53 | 11.53 | 11.53 | 11.53 | 11.53 | 11.53 | 11.53 | 11.53 | 11.53 | 11.53 |
| Gross Square Feet - Owned Main Campus | 1,891,824 | 1,891,559 | 1,895,159 | 1,843,141 | 1,803,427 | 1,787,159 | 1,957,565 | 1,968,255 | 1,752,621 | 1,778,642 |
| Gross Square Feet - Owned Off Campus | 52,489 | 52,489 | 52,489 | 55,127 | 55,127 | 55,157 | 55,157 | 54,661 | 55,157 | 55,157 |
| Gross Square Feet - Leased On/Off Campus | 27,460 | 24,413 | 24,413 | 18,665 | 17,065 | 18,025 | 27,525 | 93,389 | 74,501 | 64,881 |
| Total Number of Buildings - Owned Main Campus (2) | 14 | 14 | 14 | 13 | 13 | 13 | 17 | 16 | 16 | 13 |
| Total Number of Buildings - Owned Off Campus | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Total Number of Buildings - Leased On/Off Campus | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 7 | 8 | 6 |
| Total Number of Computer Labs | 155 | 155 | 155 | 155 | 155 | 155 | 155 | 154 | 150 | 150 |
| Total Number of Parking Spaces | 7,923 | 7,923 | 7,923 | 7,921 | 7,885 | 7,941 | 8,080 | 6,142 | 7,000 | 6,142 |

Data Source: Research and Analytics Department, College records

Notes:
(1) All figures are as of June 30th each year.
(2) FY2010 - FY2013 figures revised in FY2014 based on campus maps provided by the College's Facilities Department.


# IV. SPECIAL REPORTS



**Philosophy**

*"College of DuPage believes in the power of teaching and learning…is committed to excellence…values diversity…promotes participation in planning and decision making…the needs of our students and communities are central to all we do."*

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2019

# Supplemental Financial Information

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**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**

**JUNE 30, 2019**

The following special reports are required by the Illinois Community College Board (ICCB).

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**EXHIBIT 1**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**ALL SUBFUNDS SUMMARY**
**FOR THE YEAR ENDED JUNE 30, 2019**

| | Education Purposes | Operations and Maintenance Purposes | Operations and Maintenance Subfunds (Restricted) | Bond & Interest Subfund | Auxiliary Enterprises Subfund | Restricted Purposes Subfund (1) | Working Cash Subfund | Adjustments for GAAP | Total |
|---|---|---|---|---|---|---|---|---|---|
| Net Position July 1, 2018 | $ 197,030,961 | $ 36,684,046 | $ 20,839,388 | $ 10,210,995 | $ 12,163,298 | $ 53,431 | $ 8,561,067 | $ 129,911,700 | $ 415,454,886 |
| Revenues | | | | | | | | | |
| Local tax revenue | 68,529,537 | 11,357,280 | - | 22,044,136 | - | - | - | - | 101,930,953 |
| CPPRT | 1,538,154 | - | - | - | - | - | - | - | 1,538,154 |
| All other local revenue | - | - | - | 40,780,000 | - | - | - | (40,780,000) | - |
| ICCB grants | 14,773,455 | - | - | - | - | 1,681,785 | - | - | 16,455,240 |
| All other state revenue | - | - | - | - | - | 79,059,399 | - | - | 79,059,399 |
| Federal revenue | - | - | - | 813,469 | - | 25,040,338 | - | - | 25,853,807 |
| Student tuition and fees | 65,474,483 | 2,203,166 | 1,009,755 | 6,425,789 | 5,396,895 | 73,169 | - | (24,187,510) | 56,395,747 |
| All other revenue | 7,655,833 | 821,414 | 414,827 | 4,679,500 | 5,232,492 | 171,700 | 185,627 | (4,422,446) | 14,738,947 |
| Total Revenues | 157,971,462 | 14,381,860 | 1,424,582 | 74,742,894 | 10,629,387 | 106,026,391 | 185,627 | (69,389,956) | 295,972,247 |
| Expenditures | | | | | | | | | |
| Instruction | 69,466,784 | - | - | - | - | 44,738,460 | - | 3,377,424 | 117,582,668 |
| Academic support | 10,342,337 | - | - | - | - | 4,918,398 | - | 375,294 | 15,636,029 |
| Student services | 16,813,143 | - | - | - | - | 8,407,691 | - | 505,459 | 25,726,293 |
| Public service | 2,103,928 | - | - | - | - | 1,653,444 | - | 120,710 | 3,878,082 |
| Auxiliary services | 337 | - | - | - | 7,171,337 | 2,475,177 | - | 2,201,790 | 11,848,641 |
| Operations and maintenance | 5,943,647 | 10,192,084 | - | - | - | 4,880,194 | - | 371,532 | 21,387,457 |
| General administration | 11,799,619 | - | - | - | 669,966 | 5,383,339 | - | (184,411) | 17,668,513 |
| General institutional | 19,657,495 | 2,092,418 | 9,042,862 | 76,142,932 | 1,315,191 | 6,942,950 | - | (48,862,338) | 66,331,510 |
| Scholarship expense | 7,808,236 | - | - | - | - | 26,889,547 | - | (24,046,098) | 10,651,685 |
| Total Expenditures | 143,935,526 | 12,284,502 | 9,042,862 | 76,142,932 | 9,156,494 | 106,289,200 | - | (66,140,638) | 290,710,878 |
| Net Transfers | (3,299,074) | - | 3,000,000 | - | - | 299,074 | - | - | - |
| Net Position June 30, 2019 | $ 207,767,823 | $ 38,781,404 | $ 16,221,108 | $ 8,810,957 | $ 13,636,191 | $ 89,696 | $ 8,746,694 | $ 126,662,382 | $ 420,716,255 |

Notes:

1. Revenues and expenditures in the Restricted Purposes Subfund include State on-behalf contributions of $74,261,154

2. The Audit and Liability Protection & Settlement Subfunds have been excluded from this exhibit. The activity for these subfunds were consolidated into the Education Purposes Subfund in FY2011.

**EXHIBIT 2**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**SUMMARY OF CAPITAL ASSETS AND LONG-TERM DEBT**
**FOR THE YEAR ENDED JUNE 30, 2019**

| | Beginning Balance July 1, 2018 | Additions | Deletions | Transfers | Ending Balance June 30, 2019 |
|---|---|---|---|---|---|
| Capital Assets | | | | | |
| Cost | | | | | |
| Land | $ 4,786,881 | $ - | $ - | $ - | $ 4,786,881 |
| Land Improvements | 90,671,172 | - | - | - | 90,671,172 |
| Buildings | 277,262,447 | - | - | - | 277,262,447 |
| Building Improvements | 292,363,482 | - | - | 3,539,445 | 295,902,927 |
| Leasehold Improvements | - | - | - | 2,126,176 | 2,126,176 |
| Equipment | 56,455,774 | 1,898,322 | 1,497,629 | 279,657 | 57,136,124 |
| Art Collection | 2,633,294 | - | - | - | 2,633,294 |
| Construction in Progress | 1,367,799 | 9,042,862 | - | (5,945,278) | 4,465,383 |
| Total Cost | 725,540,849 | 10,941,184 | 1,497,629 | - | 734,984,404 |
| Accumulated Depreciation | | | | | |
| Land Improvements | (45,801,431) | (7,114,181) | - | - | (52,915,612) |
| Buildings | (78,670,919) | (5,562,058) | - | - | (84,232,977) |
| Building Improvements | (95,997,026) | (13,836,953) | - | - | (109,833,979) |
| Leasehold Improvements | - | (8,859) | - | - | (8,859) |
| Equipment | (44,390,377) | (4,849,122) | (1,436,631) | - | (47,802,868) |
| Total Accumulated Depreciation | (264,859,753) | (31,371,173) | (1,436,631) | - | (294,794,295) |
| Net Capital Assets | $ 460,681,096 | $ (20,429,989) | $ 60,998 | $ - | $ 440,190,109 |
| Long-Term Debt | | | | | |
| Bonds Payable | $ 224,835,065 | $ 45,147,639 | $ 23,442,483 | $ - | $ 246,540,221 |
| Other Long-Term Liabilities | 101,393,851 | 6,079,959 | 3,050,287 | - | 104,423,523 |
| Total Long-Term Debt | $ 326,228,916 | $ 51,227,598 | $ 26,492,770 | $ - | $ 350,963,744 |

**EXHIBIT 3**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**OPERATING SUBFUNDS REVENUES AND EXPENDITURES**
**FOR THE YEAR ENDED JUNE 30, 2019**



| | Education Purposes | Operations and Maintenance Purposes | Total |
|---|---|---|---|
| Operating Revenues By Source | | | |
| Local government | | | |
| Local taxes | $ 68,529,537 | $ 11,357,280 | $ 79,886,817 |
| Corporate personal property replacement tax | 1,538,154 | - | 1,538,154 |
| Total local government | 70,067,691 | 11,357,280 | 81,424,971 |
| State government | | | |
| Illinois Community College Board | 13,338,065 | - | 13,338,065 |
| ICCB-Career and Technical Education | 1,435,390 | - | 1,435,390 |
| Total state government | 14,773,455 | - | 14,773,455 |
| Student tuition and fees | | | |
| Tuition | 54,793,038 | - | 54,793,038 |
| Fees | 10,681,445 | 2,203,166 | 12,884,611 |
| Total student tuition and fees | 65,474,483 | 2,203,166 | 67,677,649 |
| Other Sources | | | |
| Investment revenue | 6,358,576 | 813,364 | 7,171,940 |
| Other | 1,297,257 | 8,050 | 1,305,307 |
| Total other sources | 7,655,833 | 821,414 | 8,477,247 |
| Total Revenue and Transfers | $ 157,971,462 | $ 14,381,860 | $ 172,353,322 |

**EXHIBIT 3**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**OPERATING SUBFUNDS REVENUES AND EXPENDITURES**
**FOR THE YEAR ENDED JUNE 30, 2019**
**(CONTINUED)**



| | Education Purposes | Operations and Maintenance Purposes | Total |
|---|---|---|---|
| Operating Expenditures By Program | | | |
| Instruction | $ 69,466,784 | $ - | $ 69,466,784 |
| Academic support | 10,342,337 | - | 10,342,337 |
| Student services | 16,813,143 | - | 16,813,143 |
| Public service | 2,103,928 | - | 2,103,928 |
| Operations and maintenance of plant | 5,943,647 | 10,192,084 | 16,135,731 |
| General administration | 11,799,956 | - | 11,799,956 |
| General institutional | 19,657,495 | 2,092,418 | 21,749,913 |
| Scholarships, student grants, and waivers | 7,808,236 | - | 7,808,236 |
| Transfers | 3,299,074 | - | 3,299,074 |
| Total Operating Expenditures and Transfers By Program | 147,234,600 | 12,284,502 | 159,519,102 |
| Less non-operating items | | | |
| Transfers to non-operating subfunds | (3,299,074) | - | (3,299,074) |
| Adjusted Expenditures and Transfers | $ 143,935,526 | $ 12,284,502 | $ 156,220,028 |
| | | | |
| Operating Expenditures By Object | | | |
| Salaries | $ 101,209,226 | $ 3,411,288 | $ 104,620,514 |
| Employee benefits | 14,578,972 | 643,065 | 15,222,037 |
| Contractual services | 7,088,060 | 1,372,409 | 8,460,469 |
| General materials and supplies | 7,840,912 | 396,290 | 8,237,202 |
| *Library materials** | *959,538* | - | *959,538* |
| Conference and meeting | 1,501,222 | 276 | 1,501,498 |
| Fixed charges | 1,484,853 | 934,853 | 2,419,706 |
| Utilities | 10,956 | 4,519,292 | 4,530,248 |
| Capital outlay | 1,667,116 | 997,342 | 2,664,458 |
| Other | 8,554,209 | 9,687 | 8,563,896 |
| *Student grants and scholarships** | *7,808,236* | - | *7,808,236* |
| Transfers | 3,299,074 | - | 3,299,074 |
| Total Expenditures and Transfers | 147,234,600 | 12,284,502 | 159,519,102 |
| Less non-operating items | | | |
| Transfers to non-operating subfunds | (3,299,074) | - | (3,299,074) |
| Adjusted Expenditures and Transfers | $ 143,935,526 | $ 12,284,502 | $ 156,220,028 |

* Per ICCB reporting requirements, Library Materials and Student Grants and Scholarships are included in this exhibit as memo only figures and are not added into the total expenditures amount.

## EXHIBIT 4

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502
## RESTRICTED PURPOSES SUBFUND REVENUES AND EXPENDITURES
## FOR THE YEAR ENDED JUNE 30, 2019

**(Page 1 of 2)**

| | |
|---|---|
| Revenue By Source | |
| | |
| State government | |
| ICCB - State Adult Education and Family Literacy Restricted Funds | $ 1,681,785 |
| ISAC | 3,941,250 |
| Financial aid | 681,646 |
| Other grants | 74,436,503 |
| Total state government | 80,741,184 |
| Federal government | |
| Department of Education | |
| College Work Study Grants | 349,763 |
| Pell Grants | 20,315,572 |
| Supplemental Educational Opportunity Grants | 432,661 |
| Perkins Grants | 1,402,935 |
| Adult Education | 819,131 |
| English Literacy and Civics | 55,000 |
| Other | 1,665,276 |
| Total federal government | 25,040,338 |
| Other sources | |
| Tuition and fees | 73,169 |
| Other | 171,700 |
| Total other sources | 244,869 |
| | |
| Transfers - Net | 299,074 |
| | |
| Total Restricted Purposes Fund Revenues | $ 106,325,465 |

**EXHIBIT 4**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**RESTRICTED PURPOSES SUBFUND REVENUES AND EXPENDITURES**
**FOR THE YEAR ENDED JUNE 30, 2019**
**(CONTINUED)**

**(Page 2 of 2)**

| | | |
|---|---|---|
| Expenditures By Program | | |
| Instruction | $ | 44,738,460 |
| Academic support | | 4,918,398 |
| Student services | | 8,407,691 |
| Public service | | 1,653,444 |
| Operations and maintenance | | 4,880,194 |
| General administration | | 7,858,516 |
| General institutional | | 6,942,950 |
| Scholarships, student grants, and waivers | | 26,889,547 |
| Total Expenditures By Program | $ | 106,289,200 |
| | | |
| Expenditures By Object | | |
| Salaries | $ | 3,256,195 |
| Employee benefits | | 74,689,604 |
| Contractual services | | 381,377 |
| General materials and supplies | | 373,044 |
| Conference and meeting | | 150,119 |
| Fixed charges | | 1,000 |
| Capital outlay | | 247,932 |
| Scholarships, student grants, and waivers | | 26,889,547 |
| Other | | 300,382 |
| Total Expenditures By Object | $ | 106,289,200 |

Notes:

1. Revenues and expenditures in the Restricted Purposes Subfund include State on-behalf contributions of $74,261,154

## EXHIBIT 5

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502
## CURRENT SUBFUNDS* EXPENDITURES BY ACTIVITY
## FOR THE YEAR ENDED JUNE 30, 2019

| | |
|---|---|
| Instruction | |
| Instructional programs | $ 114,205,244 |
| Total instruction | 114,205,244 |
| Public Service | 3,757,372 |
| Academic Support | |
| Library | 5,270,904 |
| Other academic support | 9,989,831 |
| Total academic support | 15,260,735 |
| Student Services Support | |
| Admissions and records | 2,304,438 |
| Counseling and career services | 4,272,234 |
| Financial aid administration | 1,532,647 |
| Other student services support | 17,111,515 |
| Total student services support | 25,220,834 |
| Operations and Maintenance of Plant | |
| O & M administration | 867,992 |
| Custodial services | 3,465,943 |
| Building maintenance | 4,122,355 |
| Grounds maintenance | 737,577 |
| Plant utilities | 4,178,161 |
| Security | 2,391,115 |
| Transportation | 86,589 |
| Other O & M | 5,166,193 |
| Total operations and maintenance of plant | 21,015,925 |
| General Administration | |
| Executive office | 525,133 |
| Business office | 4,606,321 |
| General administrative services | 1,292,078 |
| Community relations | 1,704,496 |
| Other general administration | 9,724,896 |
| Total general administration | 17,852,924 |
| Institutional Support | |
| Board of trustees | 127,217 |
| General institutional support | 16,778,978 |
| Data processing | 13,101,859 |
| Total institutional support | 30,008,054 |
| Scholarships, Student Grants And Waivers | 34,697,783 |
| Auxiliary Services | 9,646,851 |
| Total Current Funds Expenditures | $ 271,665,722 |

Notes:

* Current Subfunds include the Education; Operation and Maintenance; Auxiliary Enterprises; Restricted Purposes.

1. Revenues and expenditures in the Restricted Purposes Subfund include State on-behalf contributions of $74,261,154.

## EXHIBIT 6

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502
## CERTIFICATION OF CHARGEBACK REIMBURSEMENT
## FOR THE YEAR ENDED JUNE 30, 2019

| | | |
|---|---|---|
| All non-capital audited operating expenditures from the following funds | | |
| Education fund | | $ 142,268,410 |
| Operations and maintenance fund | | 11,287,160 |
| Bond and interest fund | | - |
| Restricted purpose funds | | 31,780,114 |
| Audit fund | | - |
| Liability, protection and settlement fund | | - |
| Total non-capital expenditures | | 185,335,684 |
| Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid from sources other than state and federal funds) | | 31,371,173 |
| Total costs included | | $ 216,706,857 |
| Total certified semester credit hours | | 415,199 |
| Per capita cost | | $ 521.94 |
| All fiscal year 2019 state and federal operating grants for non-capital expenditures except ICCB grants | $ 28,019,024 | |
| Fiscal year 2019 state and federal operating grants per semester credit hour | | $ 67.48 |
| District's average ICCB grant rate for fiscal year 2020 | | $ 33.09 |
| District's student tuition and fee rate per semester credit hour for fiscal year 2020 | | $ 137.00 |
| Chargeback reimbursement per semester credit hour | | $ 284.36 |

Approved: Scott L Ney 9/9/19
Chief Fiscal Officer Date

Approved: Brian W. Caputo 9/10/19
Chief Executive Officer Date

See Accompanying Independent Auditor's Report.

COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

JUNE 30, 2019

# Other Supplemental Financial Information

**EXHIBIT A**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND**
**CHANGES IN SUBFUND BALANCES ALL SUBFUNDS AND ACCOUNT GROUPS**
**FOR THE YEAR ENDED JUNE 30, 2019**

| | Education Subfund | O & M Subfund | Capital Projects Subfund | Bond & Interest Subfund | Auxiliary Enterprises Subfund | Restricted Purposes Subfund |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Local government sources: | | | | | | |
| Real estate taxes | $ 68,529,537 | $ 11,357,280 | $ - | $ 22,044,136 | $ - | $ - |
| Corporate personal property replacement tax | 1,538,154 | - | - | - | - | - |
| Chargeback revenue | - | - | - | - | - | - |
| Total Local government sources | 70,067,691 | 11,357,280 | - | 22,044,136 | - | - |
| State government sources: | | | | | | |
| ICCB base operating grant | 13,338,065 | - | - | - | - | - |
| ICCB Career and Technical Education grant | 1,435,390 | - | - | - | - | 1,681,785 |
| Other grants | - | - | - | - | - | 79,059,399 |
| Total state government sources | 14,773,455 | - | - | - | - | 80,741,184 |
| Federal government sources | - | - | - | 813,469 | - | 25,040,338 |
| Student tuition and fees | 65,474,483 | 2,203,166 | 1,009,755 | 6,425,789 | 5,396,895 | 73,169 |
| Sales and service fees | 584,050 | - | - | - | 3,210,919 | - |
| Interest on investments | 6,358,576 | 813,364 | 414,827 | 311,861 | 282,812 | - |
| Other revenue | | | | | | |
| Rentals | 228,800 | - | - | - | 385,250 | - |
| Non government gifts and grants | 60 | - | - | - | 1,174,430 | 171,700 |
| Other | 472,220 | 8,050 | - | - | 179,081 | - |
| Total other revenue | 701,080 | 8,050 | - | - | 1,738,761 | 171,700 |
| Total revenues | 157,959,335 | 14,381,860 | 1,424,582 | 29,595,255 | 10,629,387 | 106,026,391 |
| **Expenses** | | | | | | |
| Current: | | | | | | |
| Instruction | 69,466,784 | - | - | - | - | 44,738,460 |
| Academic support | 10,342,337 | - | - | - | - | 4,918,398 |
| Student services | 16,813,143 | - | - | - | - | 8,407,691 |
| Public service | 2,103,928 | - | - | - | - | 1,653,444 |
| Independent operations | - | - | - | - | 666,726 | - |
| Operation and maintenance of plant | 5,943,647 | 10,192,084 | - | - | - | 4,880,194 |
| General administration | 11,799,619 | - | - | - | 3,240 | 5,383,339 |
| General institutional | 19,657,495 | 2,092,418 | 9,042,862 | 214,573 | 1,315,191 | 6,942,950 |
| Auxiliary enterprises | 337 | - | - | - | 7,171,337 | 2,475,177 |
| Scholarships, student grants & waivers | 7,808,236 | - | - | - | - | 26,889,547 |
| Depreciation expense | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal retirement | - | - | - | 20,895,000 | - | - |
| Interest | - | - | - | 10,102,280 | - | - |
| Total expenses | 143,935,526 | 12,284,502 | 9,042,862 | 31,211,853 | 9,156,494 | 106,289,200 |
| Excess (deficiency) of revenues over expenses | 14,023,809 | 2,097,358 | (7,618,280) | (1,616,598) | 1,472,893 | (262,809) |
| **Other financing sources (uses)** | | | | | | |
| Gain (loss) on disposal of fixed assets | 12,127 | - | - | - | - | - |
| Proceeds from sale of bonds | - | - | - | 40,780,000 | - | - |
| Premium on bonds | - | - | - | 4,367,639 | - | - |
| Payment to refunding agent | - | - | - | (44,931,079) | - | - |
| Capital Contributions | - | - | - | - | - | - |
| Transfers in | - | - | 3,000,000 | - | - | 299,074 |
| Transfers out | (3,299,074) | - | - | - | - | - |
| Total other financing sources (uses): | (3,286,947) | - | 3,000,000 | 216,560 | - | 299,074 |
| Net change in fund balances | 10,736,862 | 2,097,358 | (4,618,280) | (1,400,038) | 1,472,893 | 36,265 |
| Fund Balances at Beginning of Year | 197,030,961 | 36,684,046 | 20,839,388 | 10,210,995 | 12,163,298 | 53,431 |
| Fund Balances at End of Year | $ 207,767,823 | $ 38,781,404 | $ 16,221,108 | $ 8,810,957 | $ 13,636,191 | $ 89,696 |
| Fund Balance Restricted for: | | | | | | |
| Information technology plan | $ 5,000,000 | $ - | $ - | $ - | $ - | $ - |
| Retiree OPEB liability | 12,000,000 | - | - | - | - | - |
| Recapitalization Plan | 52,900,000 | - | - | - | - | - |
| Draft Capital Investment Projects | 54,300,000 | - | - | - | - | - |
| Total Restricted Fund Balance | 124,200,000 | - | - | - | - | - |
| Unrestricted | 83,567,823 | 38,781,404 | 16,221,108 | 8,810,957 | 13,636,191 | 89,696 |
| Total Fund Balance | $ 207,767,823 | $ 38,781,404 | $ 16,221,108 | $ 8,810,957 | $ 13,636,191 | $ 89,696 |

1. Revenues and expenses in the Restricted Purposes Subfund include State on-behalf contributions of $74,261,154

| Permanent Subfund Working Cash | Capital Assets Account Group | Long-term Debt Account Group | Agency Subfund | Totals | Adjustments for GAAP | GAAP Totals |
|---|---|---|---|---|---|---|
| $ - | $ - | $ - | $ - | $ 101,930,953 | $ - | $ 101,930,953 |
| - | - | - | - | 1,538,154 | - | 1,538,154 |
| - | - | - | - | - | - | - |
| - | - | - | - | 103,469,107 | - | 103,469,107 |
| - | - | - | - | 13,338,065 | - | 13,338,065 |
| - | - | - | - | 3,117,175 | - | 3,117,175 |
| - | - | - | - | 79,059,399 | - | 79,059,399 |
| - | - | - | - | 95,514,639 | - | 95,514,639 |
| - | - | - | - | 25,853,807 | - | 25,853,807 |
| - | - | - | - | 80,583,257 | (24,187,510) | 56,395,747 |
| - | - | - | - | 3,794,969 | (54,807) | 3,740,162 |
| 185,627 | - | - | - | 8,367,067 | - | 8,367,067 |
| - | - | - | - | 614,050 | - | 614,050 |
| - | - | - | - | 1,346,190 | - | 1,346,190 |
| - | - | - | - | 659,351 | - | 659,351 |
| - | - | - | - | 2,619,591 | - | 2,619,591 |
| 185,627 | - | - | - | 320,202,437 | (24,242,317) | 295,960,120 |
| - | - | 3,340,783 | - | 117,546,027 | 36,641 | 117,582,668 |
| - | - | 376,132 | - | 15,636,867 | (838) | 15,636,029 |
| - | - | 641,126 | - | 25,861,960 | (135,667) | 25,726,293 |
| - | - | 108,868 | - | 3,866,240 | 11,842 | 3,878,082 |
| - | - | 4,122 | - | 670,848 | (5,807) | 665,041 |
| - | - | 371,532 | - | 21,387,457 | - | 21,387,457 |
| - | - | 487,792 | - | 17,673,990 | (552) | 17,673,438 |
| - | (10,874,585) | 617,181 | - | 29,008,085 | (29,979) | 28,978,106 |
| - | - | 223,797 | - | 9,870,648 | (7,164) | 9,863,484 |
| - | - | - | - | 34,697,783 | (24,046,098) | 10,651,685 |
| - | 31,371,173 | - | - | 31,371,173 | - | 31,371,173 |
| - | - | (20,895,000) | - | - | - | - |
| - | - | (2,799,257) | - | 7,303,023 | - | 7,303,023 |
| - | 20,496,588 | (17,522,924) | - | 314,894,101 | (24,177,622) | 290,716,479 |
| 185,627 | (20,496,588) | 17,522,924 | - | 5,308,336 | (64,695) | 5,243,641 |
| - | 5,601 | - | - | 17,728 | - | 17,728 |
| - | - | (40,780,000) | - | - | - | - |
| - | - | (4,367,639) | - | - | - | - |
| - | - | 44,931,079 | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | 3,299,074 | - | 3,299,074 |
| - | - | - | - | (3,299,074) | - | (3,299,074) |
| - | 5,601 | (216,560) | - | 17,728 | - | 17,728 |
| 185,627 | (20,490,987) | 17,306,364 | - | 5,326,064 | (64,695) | 5,261,369 |
| 8,561,067 | 460,681,096 | (330,954,758) | - | 415,269,524 | 185,362 | 415,454,886 |
| $ 8,746,694 | $ 440,190,109 | $ (313,648,394) | $ - | $ 420,595,588 | $ 120,667 | $ 420,716,255 |
| $ - | $ - | $ - | $ - | $ 5,000,000 | $ - | $ 5,000,000 |
| - | - | - | - | 12,000,000 | - | 12,000,000 |
| - | - | - | - | 52,900,000 | - | 52,900,000 |
| - | - | - | - | 54,300,000 | - | 54,300,000 |
| - | - | - | - | 124,200,000 | - | 124,200,000 |
| 8,746,694 | 440,190,109 | (313,648,394) | - | 296,395,588 | 120,667 | 296,516,255 |
| $ 8,746,694 | $ 440,190,109 | $ (313,648,394) | $ - | $ 420,595,588 | $ 120,667 | $ 420,716,255 |

## EXHIBIT B

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502
## SCHEDULE OF AUXILIARY SUBFUNDS
## FOR THE YEAR ENDED JUNE 30, 2019

| | Subfund Balance July 1, 2018 | Revenues | Expenditures | Intrafund Transfers In (Out) | Subfund Balance June 30, 2019 |
|---|---|---|---|---|---|
| General Auxiliary: | | | | | |
| Bookstore | $ 5,984,136 | $ 1,091,723 | $ 22,877 | $ - | $ 7,052,982 |
| Dining Services | 1,110,776 | 236,077 | 20,237 | - | 1,326,616 |
| Total General Auxiliary | 7,094,912 | 1,327,800 | 43,114 | - | 8,379,598 |
| Student Activities: | 258,707 | 98,984 | 135,279 | - | 222,412 |
| Specialized Accounts: | | | | | |
| Chaparral Fitness | 227,174 | 262,039 | 311,487 | - | 177,726 |
| Continuing Education | 917,194 | 4,110,218 | 3,919,294 | - | 1,108,118 |
| Field & Exp. Learning | 30,542 | 1,093,851 | 977,469 | - | 146,924 |
| The Art Center | (471,084) | 2,206,776 | 2,408,872 | 1,079,242 | 406,062 |
| WDCB Fundraising | 2,886,255 | 1,212,249 | 1,315,190 | - | 2,783,314 |
| Miscellaneous | 1,219,598 | 317,470 | 45,789 | (1,079,242) | 412,037 |
| Total Specialized Accounts | 4,809,679 | 9,202,603 | 8,978,101 | - | 5,034,181 |
| Total Auxiliary Enterprises Subfund | $ 12,163,298 | $ 10,629,387 | $ 9,156,494 | $ - | $ 13,636,191 |

Note:

Other costs such as depreciation and general administration have not been allocated to the auxiliary units.

## OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
## JUNE 30, 2019

### History of Assessed Valuation of District

| Assessment Year | DuPage County | Cook County | Will County | Total |
|---|---|---|---|---|
| 2018 | $ 38,655,603,402 | $ 3,587,890,668 | $ 2,648,626,621 | $ 44,892,120,691 |
| 2017 | 36,996,101,637 | 3,706,594,754 | 2,574,540,828 | 43,277,237,219 |
| 2016 | 34,980,981,549 | 3,027,393,289 | 2,496,014,228 | 40,504,389,066 |

Source: District records. Assessed value is equal to one-third of estimated actual value.

### District Funds and Levy Limits
### Levy Rates (per $100 of equalized assessed valuation):

| | Max. Auth. | 2018 | 2017 | 2016 |
|---|---|---|---|---|
| Education | $ 0.7500 | $ 0.1584 | $ 0.1635 | $ 0.1712 |
| Operations & Maintenance | 0.1000 | 0.0263 | 0.0271 | 0.0283 |
| Liability, Protection and Settlement | None | None | None | None |
| Social Security/Medicare | None | None | None | None |
| Audit | 0.0050 | None | None | None |
| Bond and Interest | None | 0.0470 | 0.0525 | 0.0631 |
| Other | None | None | None | None |
| Total | | $ 0.2317 | $ 0.2431 | $ 0.2626 |

Source: District records.

### Total Tax Levy by Fund

| | 2018 | 2017 | 2016 |
|---|---|---|---|
| Education | $ 71,783,973 | $ 70,955,309 | $ 70,109,864 |
| Operations & Maintenance | 11,916,535 | 11,757,778 | 11,587,487 |
| Bond and Interest | 21,321,070 | 22,829,413 | 25,879,465 |
| Total | $ 105,021,578 | $ 105,542,500 | $ 107,576,816 |

Source: District records.

The following chart shows the total tax levies and collections of the District for the past ten years, current as of June 30, 2019.

**District Property Tax Levies and Collections**

| Year of Levy | Tax Collection Year | Total Tax Levy * | Tax Collections | Percent of Levy Collected |
|---|---|---|---|---|
| 2018 | 2019 | $ 105,021,578 | $ 53,315,220 | 50.77% |
| 2017 | 2018 | 105,542,500 | 105,318,063 | 99.79% |
| 2016 | 2017 | 107,576,816 | 107,327,373 | 99.77% |
| 2015 | 2016 | 106,603,379 | 106,424,895 | 99.83% |
| 2014 | 2015 | 109,556,200 | 108,964,436 | 99.46% |
| 2013 | 2014 | 109,567,598 | 109,021,260 | 99.50% |
| 2012 | 2013 | 104,007,287 | 103,102,437 | 99.13% |
| 2011 | 2012 | 104,753,164 | 104,220,929 | 99.49% |
| 2010 | 2011 | 105,572,929 | 104,959,373 | 99.42% |
| 2009 | 2010 | 101,210,205 | 100,667,960 | 99.46% |

* Total tax levy amounts represent the total final extensions for DuPage, Cook, and Will Counties.

Source: District records.

## Schedule of Debt Maturities
### For the Year Ended June 30, 2019

| | | | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| Fiscal Year | **Bond Series** | Interest Rate | Principal | Interest | Total | Principal Balance |
| 2019 | **2006** | 3.800% | $ 1,910,000 | $ 148,010 | $ 2,058,010 | $ 1,985,000 |
| 2020 | **2006** | 3.800% | 1,985,000 | 75,430 | 2,060,430 | - |
| | Totals | | $ 3,895,000 | $ 223,440 | $ 4,118,440 | |

Interest is due January 1 and July 1; principal is due January 1

## Schedule of Debt Maturities
### For the Year Ended June 30, 2019

| | | | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| Fiscal Year | **Bond Series** | Interest Rate | Principal | Interest | Total | Principal Balance |
| 2019 | **2009B** | 4.875% | $ 3,730,000 | $ 2,568,740 | $ 6,298,740 | $ 44,785,000 |
| 2020 | **2009B** | 4.625% | 44,785,000 | 1,193,451 | 45,978,451 | - |
| | Totals | | $ 48,515,000 | $ 3,762,191 | $ 52,277,191 | |

*Series 2009B bonds refunded in April 2019, callable on July 1, 2019

### Schedule of Debt Maturities
### For the Year Ended June 30, 2019

| | | | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| Fiscal Year | **Bond Series** | Interest Rate | Principal | Interest | Total | Principal Balance |
| 2019 | **2011A** | 5.000% | $ 3,935,000 | $ 2,464,550 | $ 6,399,550 | $ 45,190,000 |
| 2020 | **2011A** | 5.000% | 2,915,000 | 2,267,800 | 5,182,800 | 42,275,000 |
| 2021 | **2011A** | 5.000% | 1,840,000 | 2,122,050 | 3,962,050 | 40,435,000 |
| 2022 | **2011A** | 4.0-5.0% | 725,000 | 2,030,050 | 2,755,050 | 39,710,000 |
| 2023 | **2011A** | 5.000% | 2,905,000 | 1,994,800 | 4,899,800 | 36,805,000 |
| 2024 | **2011A** | 5.000% | 7,785,000 | 1,849,550 | 9,634,550 | 29,020,000 |
| 2025 | **2011A** | 5.250% | 6,960,000 | 1,460,300 | 8,420,300 | 22,060,000 |
| 2026 | **2011A** | 5.000% | 6,110,000 | 1,094,900 | 7,204,900 | 15,950,000 |
| 2027 | **2011A** | 5.000% | 5,200,000 | 789,400 | 5,989,400 | 10,750,000 |
| 2028 | **2011A** | 5.000% | 4,245,000 | 529,400 | 4,774,400 | 6,505,000 |
| 2029 | **2011A** | 5.000% | 3,240,000 | 317,150 | 3,557,150 | 3,265,000 |
| 2030 | **2011A** | 5.000% | 2,185,000 | 155,150 | 2,340,150 | 1,080,000 |
| 2031 | **2011A** | 4.250% | 1,080,000 | 45,900 | 1,125,900 | - |
| | Totals | | $ 49,125,000 | $ 17,121,000 | $ 66,246,000 | |

Interest is due December 1 and June 1; principal is due June 1

### Schedule of Debt Maturities
### For the Year Ended June 30, 2019

| | | | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| Fiscal Year | **Bond Series** | Interest Rate | Principal | Interest | Total | Principal Balance |
| 2019 | **2011B** | - | $ - | $ 286,200 | $ 286,200 | $ 6,345,000 |
| 2020 | **2011B** | - | - | 286,200 | 286,200 | 6,345,000 |
| 2021 | **2011B** | 4.000% | 2,025,000 | 286,200 | 2,311,200 | 4,320,000 |
| 2022 | **2011B** | 4.750% | 2,110,000 | 205,200 | 2,315,200 | 2,210,000 |
| 2023 | **2011B** | 4.750% | 2,210,000 | 104,975 | 2,314,975 | - |
| | Totals | | $ 6,345,000 | $ 1,168,775 | $ 7,513,775 | |

Interest is due January 1 and July 1; principal is due January 1

# COLLEGE OF DUPAGE
# COMMUNITY COLLEGE DISTRICT NUMBER 502

## OTHER SUPPLEMENTARY FINANCIAL INFORMATION AS REQUIRED BY THE ILLINOIS COMMUNITY COLLEGE BOARD
## JUNE 30, 2019
## (Continued)

**Schedule of Debt Maturities**
**For the Year Ended June 30, 2019**

| Fiscal Year | **Bond Series** | Interest Rate | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| | | | Principal | Interest | Total | Principal Balance |
| 2019 | **2013A** | 4.000% | $ 4,180,000 | $ 3,203,180 | $ 7,383,180 | $ 68,160,000 |
| 2020 | **2013A** | 5.000% | 4,350,000 | 3,035,980 | 7,385,980 | 63,810,000 |
| 2021 | **2013A** | 5.000% | 4,565,000 | 2,818,480 | 7,383,480 | 59,245,000 |
| 2022 | **2013A** | 2.2-5.0% | 4,795,000 | 2,590,230 | 7,385,230 | 54,450,000 |
| 2023 | **2013A** | 2.5-5.0% | 4,995,000 | 2,388,980 | 7,383,980 | 49,455,000 |
| 2024 | **2013A** | 5.000% | 5,240,000 | 2,146,730 | 7,386,730 | 44,215,000 |
| 2025 | **2013A** | 5.000% | 5,500,000 | 1,884,730 | 7,384,730 | 38,715,000 |
| 2026 | **2013A** | 5.000% | 5,775,000 | 1,609,730 | 7,384,730 | 32,940,000 |
| 2027 | **2013A** | 5.000% | 6,065,000 | 1,320,980 | 7,385,980 | 26,875,000 |
| 2028 | **2013A** | 3.150% | 6,370,000 | 1,017,730 | 7,387,730 | 20,505,000 |
| 2029 | **2013A** | 4.000% | 6,570,000 | 817,075 | 7,387,075 | 13,935,000 |
| 2030 | **2013A** | 4.000% | 6,830,000 | 554,275 | 7,384,275 | 7,105,000 |
| 2031 | **2013A** | 3.375-4.0% | 7,105,000 | 281,075 | 7,386,075 | - |
| | Totals | | $ 72,340,000 | $ 23,669,175 | $ 96,009,175 | |

Interest is due December 1 and June 1; principal is due June 1

**Schedule of Debt Maturities**
**For the Year Ended June 30, 2019**

| Fiscal Year | **Bond Series** | Interest Rate | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| | | | Principal | Interest | Total | Principal Balance |
| 2019 | **2018** | 4.000% | $ 7,140,000 | $ 1,431,600 | $ 8,571,600 | $ 22,920,000 |
| 2020 | **2018** | 5.000% | 7,430,000 | 1,146,000 | 8,576,000 | 15,490,000 |
| 2021 | **2018** | 5.000% | 2,065,000 | 774,500 | 2,839,500 | 13,425,000 |
| 2022 | **2018** | 5.000% | 8,190,000 | 671,250 | 8,861,250 | 5,235,000 |
| 2023 | **2018** | 5.000% | 5,235,000 | 261,750 | 5,496,750 | - |
| | Totals | | $ 30,060,000 | $ 4,285,100 | $ 34,345,100 | |

Interest is due December 1 and June 1; principal is due June 1

**Schedule of Debt Maturities**
**For the Year Ended June 30, 2019**

| | | | Amounts Due During Year | | | End of Year Unpaid |
|---|---|---|---|---|---|---|
| Fiscal Year | **Bond Series** | Interest Rate | Principal | Interest | Total | Principal Balance |
| 2019 | **2019** | - | $ - | $ - | $ - | $ 40,780,000 |
| 2020 | **2019** | 5.000% | 3,380,000 | 1,261,092 | 4,641,092 | 37,400,000 |
| 2021 | **2019** | 5.000% | 3,420,000 | 1,676,500 | 5,096,500 | 33,980,000 |
| 2022 | **2019** | 5.000% | 3,590,000 | 1,505,500 | 5,095,500 | 30,390,000 |
| 2023 | **2019** | 5.000% | 3,765,000 | 1,326,000 | 5,091,000 | 26,625,000 |
| 2024 | **2019** | 5.000% | 3,940,000 | 1,137,750 | 5,077,750 | 22,685,000 |
| 2025 | **2019** | 5.000% | 4,135,000 | 940,750 | 5,075,750 | 18,550,000 |
| 2026 | **2019** | 5.000% | 4,335,000 | 734,000 | 5,069,000 | 14,215,000 |
| 2027 | **2019** | 5.000% | 4,540,000 | 517,250 | 5,057,250 | 9,675,000 |
| 2028 | **2019** | 3.000% | 4,765,000 | 290,250 | 5,055,250 | 4,910,000 |
| 2029 | **2019** | 3.000% | 4,910,000 | 147,300 | 5,057,300 | - |
| | Totals | | $ 40,780,000 | $ 9,536,392 | $ 50,316,392 | |

Interest is due January 1 and July 1; principal is due January 1

## Schedule of Legal Debt Margin
## For the Year Ended June 30, 2019

| | |
|---|---|
| Estimated Full Value of Taxable Property | $ 134,676,362,073 |
| Equalized Assessed Valuation of Taxable Property | $ 44,892,120,691 |
| Debt Limit (2.875% of EAV) | $ 1,290,648,470 |
| General Obligation Bonded Debt (including Alternative Revenue Bonds): | $ 230,165,000 |
| Percentage to Full Value of Taxable Property: | 0.17% |
| Percentage to Equalized Assessed Valuation: | 0.51% |
| | |
| Net Debt Applicable to Debt Limit (1) | $ 127,459,043 |
| Percentage of Debt Limit (2.875% of EAV): (1) | 9.88% |
| Legal Debt Margin | $ 1,163,189,427 |

(1) Does not include Alternative Revenue Bonds, which do not count against the legal debt limitation of the District unless taxes are extended to pay debt service thereon.

## COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502

## BACKGROUND INFORMATION ON STATE GRANT ACTIVITY AND SCHEDULE OF ENROLLMENT DATA
## JUNE 30, 2019

The following audit reports are required by the Illinois Community College Board.

### Unrestricted Grants

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

### Restricted Adult Education Grants/State

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

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

### Schedule of Enrollment Data and Other Bases upon Which Claims Are Filed

Credit hour grants are to be received for courses for each semester credit hour or equivalent for students who were certified as being in attendance at midterm during each semester of the fiscal year. There are no special restrictions on the use of these funds. The Schedule of Enrollment Data and Other Bases on Which Claims Are Filed provide the information on which such grants are based.

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# INDEPENDENT AUDITORS' REPORT ON THE ADULT EDUCATION AND FAMILY LITERACY AND CAREER AND TECHNICAL EDUCATION RESTRICTED FUND GRANTS

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

## Report on the Financial Statements

We have audited the accompanying combining financial statements of the College of DuPage, Community College District Number 502 (the District) State Adult Education and Family Literacy Restricted Fund Grants and the financial statements of the District's Career and Technical Education – Program Improvement Grant (collectively the Grant Programs) which comprise the balance sheets as of June 30, 2019, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. 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 Fiscal Management Manual. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College of DuPage, Community College District Number 502 State Adult Education and Family Literacy Restricted Fund Grants and the District's Career and Technical Education – Program Improvement Grant as of June 30, 2019, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

The financial statements of the Grant Programs are intended to present the financial position and changes in financial position of only that portion of the business-type activities of the District that is attributable to the Grant Programs. These financial statements do not purport to, and do not, present fairly the statement of net position of the District as of June 30, 2019, or the revenues, expenses, and changes in net position, 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.

**Other 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Oak Brook, Illinois
October 25, 2019

CliftonLarsonAllen LLP
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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the College of DuPage, Community College District Number 502 (the District) Adult Education and Family Literacy Restricted Fund Grants and the financial statements of the District's Career and Technical Education – Program Improvement Grant (collectively the Grant Programs) which comprise the balance sheets as of June 30, 2019, and the related statements 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 thereon dated October 25, 2019.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to 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 accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District'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 accounting matters.

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

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Oak Brook, Illinois
October 25, 2019

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**SCHEDULE 1**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUND GRANTS**
**COMBINING BALANCE SHEET**
**JUNE 30, 2019**

**ASSETS**

| | State Basic | Performance | Total |
|---|---|---|---|
| Assets | | | |
| Accounts Receivable | $ 116,456 | $ 48,672 | $ 165,128 |
| Total assets | | | $ 165,128 |

**LIABILITIES AND FUND BALANCE**

| | State Basic | Performance | Total |
|---|---|---|---|
| Liabilities | | | |
| Accrued payroll | $ 5,350 | $ 16,608 | $ 21,958 |
| Accrued expenditures | - | 2,531 | 2,531 |
| Cash overdraft | 111,106 | 29,533 | 140,639 |
| Total liabilities | $ 116,456 | $ 48,672 | 165,128 |
| Fund balance | | | - |
| Total liabilities and fund balance | | | $ 165,128 |

See Notes to the Financial Statements.

# SCHEDULE 2

# COLLEGE OF DUPAGE
## COMMUNITY COLLEGE DISTRICT NUMBER 502
## STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUND GRANTS
## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
## FOR THE YEAR ENDED JUNE 30, 2019

| | State Basic | Performance | Total |
|---|---|---|---|
| Revenue | | | |
| State grant revenues | $ 1,180,070 | $ 501,714 | $ 1,681,784 |
| Expenditures by program | | | |
| Current year's grant | | | |
| Instruction | 1,056,925 | 14,439 | 1,071,364 |
| Guidance services | - | 36,947 | 36,947 |
| Assessment and testing | 36,362 | 72,544 | 108,906 |
| Subtotal Instructional and Student Services | 1,093,287 | 123,930 | 1,217,217 |
| Improvement of instructional services | 20,745 | 132,217 | 152,962 |
| General administration | 55,937 | 126,611 | 182,548 |
| Data and information services | - | 105,816 | 105,816 |
| Subtotal Program Support | 76,682 | 364,644 | 441,326 |
| Payment of prior year's encumbrance (Note 2) | | | |
| Instruction | 10,101 | 13,140 | 23,241 |
| Total Expenditures | 1,180,070 | 501,714 | 1,681,784 |
| Excess of Revenue over (under) Expenditures | $ - | $ - | - |
| Fund Balance at Beginning of Year | | | - |
| Fund Balance at End of Year | | | $ - |

See Notes to the Financial Statements.

**SCHEDULE 3**

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUND GRANTS**
**ICCB COMPLIANCE STATEMENT**
**FOR THE YEAR ENDED JUNE 30, 2019**

EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY
FOR THE YEAR ENDED JUNE 30, 2019

| State Basic | Audited Expenditure Amount | Actual Expenditure Percentage |
|---|---|---|
| Instruction (45% Minimum Required) | $ 1,067,026 | 90.4% |
| General Administration (15% Maximum Allowed) | $ 55,937 | 4.7% |

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**

**STATE ADULT EDUCATION AND FAMILY LITERACY GRANTS**

**NOTES TO THE FINANCIAL STATEMENTS**
**JUNE 30, 2019**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. General

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

b. Basis of Accounting

The statements have been prepared on the full accrual basis. Expenses include all accounts payable representing liabilities for goods and services actually received as of June 30, 2019. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

c. Fixed Assets

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

## 2. PAYMENTS OF PRIOR YEAR'S ENCUMBRANCES

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

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# INDEPENDENT ACCOUNTANTS' REPORT ON ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED AND THE RECONCILIATION OF SEMESTER CREDIT HOURS

Board of Trustees
College of DuPage, Community College District Number 502
Glen Ellyn, Illinois

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon which Claims are Filed and the Reconciliation of Semester Credit Hours of the College of DuPage, Community College District Number 502 (the District) for the year ended June 30, 2019. Management is responsible for the schedules. Our responsibility is to express an opinion on the schedules based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and guidelines of the Illinois Community College Board's Fiscal Management Manual and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Semester Credit Hours and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the student enrollment and other bases upon which claims are filed and reconciliation of semester credit hours of the District for the year ended June 30, 2019, in accordance with the provisions of the aforementioned guidelines.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Oak Brook, Illinois
October 25, 2019

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**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED**
**FOR THE YEAR ENDED JUNE 30, 2019**

Total Semester Credit Hours by Term (In-District and Out-of-District Reimbursable)

| Categories | Summer | | Fall | | Spring | | Total | |
|---|---|---|---|---|---|---|---|---|
| Notes 1 and 2 | Unrestricted | Restricted | Unrestricted | Restricted | Unrestricted | Restricted | Unrestricted | Restricted |
| Baccalaureate | 40,356.0 | - | 110,937.0 | - | 104,736.0 | - | 256,029.0 | - |
| Business Occupational | 3,506.0 | - | 14,348.0 | - | 16,335.0 | - | 34,189.0 | - |
| Technical Occupational | 4,697.0 | - | 23,450.5 | - | 27,230.5 | - | 55,378.0 | - |
| Health Occupational | 3,902.0 | - | 10,264.0 | - | 11,599.5 | - | 25,765.5 | - |
| Remedial Development | 1,549.0 | - | 11,581.0 | - | 8,707.0 | - | 21,837.0 | - |
| Adult Basic/Secondary Education | 3,182.0 | - | - | 9,817.0 | 117.0 | 8,884.0 | 3,299.0 | 18,701.0 |
| TOTAL | 57,192.0 | - | 170,580.5 | 9,817.0 | 168,725.0 | 8,884.0 | 396,497.5 | 18,701.0 |

NOTE 1) Unrestricted credit hours are supported with 50% or more of unrestricted sources of funding and are reimbursable if they meet all eligibility requirements.
NOTE 2) Restricted credit hours are supported with more than 50% of restricted sources of funding.

| | Attending In-District | Attending Out-of-District on Chargeback or a Cooperative/Contractual Agreement | TOTAL |
|---|---|---|---|
| Semester Credit Hours (All Terms) | 372,758.5 | 1,140.0 | 373,898.5 |

| | Dual Credit | Dual Enrollment |
|---|---|---|
| Reimbursable Semester Credit Hours (All Terms) | 22,850.0 | 0.0 |

| District Prior Year Equalized Assessed Valuation: | |
|---|---|
| Cook County | $ 3,587,890,668 |
| DuPage County | 38,655,603,402 |
| Will County | 2,648,626,621 |
| Total | $ 44,892,120,691 |

**Student Residency Verification Process**

College of DuPage only requires that students provide documentation to verify their in-district permanent residence when the address provided by the student is returned by the post office as undeliverable. To prove in-district residency, a student must submit to the Admission Office two items from the following list: valid driver's license, voter registration card, current lease, contract for sale of a home, community library card, current utility bill/insurance/medical/credit card statement, automobile registration, recent in-district high school transcript, tax bill for District 502, imprinted checks, or paycheck stub.

A student must reside within the district for a least 30 days prior to the start of semester classes in order to meet the residency requirement unless they've met the exemptions outlined by ICCB. A student may also qualify for in-district tuition rates if he/she is employed full time at a company within the College of DuPage district and provides a letter from the employer to the Admissions Office.

District Prior Year Equalized Assessed Valuation $ 44,892,120,691

Signatures: Brian W. Caputo
Chief Executive Officer (CEO)

Chief Financial Officer (CFO)

**COLLEGE OF DUPAGE**
**COMMUNITY COLLEGE DISTRICT NUMBER 502**
**RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS**
**FOR THE YEAR ENDED JUNE 30, 2019**

| Categories | Total Unrestricted Hours | Total Unrestricted Hours Certified to the ICCB | Difference | Total Restricted Hours | Total Restricted Hours Certified the ICCB | Difference |
|---|---|---|---|---|---|---|
| Baccalaureate | 256,029.0 | 256,029.0 | - | - | - | - |
| Business Occupational | 34,189.0 | 34,189.0 | - | - | - | - |
| Technical Occupational | 55,378.0 | 55,378.0 | - | - | - | - |
| Health Occupational | 25,765.5 | 25,765.5 | - | - | - | - |
| Remedial Development | 21,837.0 | 21,837.0 | - | - | - | - |
| Adult Basic/Secondary Education | 3,299.0 | 3,299.0 | - | 18,701.0 | 18,701.0 | - |
| TOTAL | 396,497.5 | 396,497.5 | - | 18,701.0 | 18,701.0 | - |

**RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS**

| | Total Attending (Unrestricted and Restricted) | Total Attending as Certified to the ICCB (Unrestricted and Restricted) | Difference |
|---|---|---|---|
| In-District Residents | 372,758.5 | 372,758.5 | - |
| Out-of-District on Chargeback or Contractual Agreement | 1,140.0 | 1,140.0 | - |
| Total | 373,898.5 | 373,898.5 | - |

College of DuPage

College of DuPage
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