

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2020



BLACK HAWK COLLEGE

ILLINOIS COMMUNITY COLLEGE DISTRICT #503

Quad-Cities Campus, Moline, Illinois | East Campus, Galva, Illinois



2020



Illinois Community College District 503
6600 34th Avenue
Moline, Illinois 61265
www.bhc.edu

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the
Fiscal Year Ended June 30, 2020**

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

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Office of the President
309.796.5301

February 2, 2021

To the Citizens of Black Hawk College:

The Comprehensive Annual Financial Report of Black Hawk College, Community College District No. 503, for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and operations results of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission, vision, and goals have been included. In addition, this letter of transmittal should be read in conjunction with the management's discussion and analysis which immediately follows the independent auditor's report and focuses on current activities, accounting changes, and currently known facts.

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

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

District 503
6600 34th Avenue
Moline, IL 61265-5899
309.796.5000
800.334.1311
www.bhc.edu

Improving Life Through Learning

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

College Profile

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

Black Hawk College operates two primary campuses as well as other instructional centers throughout the District and serves a population of approximately 220,000. The College's Quad-Cities Campus is located on 149 wooded acres in Moline, Illinois, while the College's East Campus is located on a 102-acre site in Galva, Illinois. In addition to these full-service campuses, BHC operates facilities including the Outreach Center, and the Industrial Training Lab Extension Center, all in Moline, the Adult Learning Center in Rock Island, and the East Campus Community Education Center and Welding and Skilled Trades Center in Kewanee.

Based on U.S. Bureau of Labor Statistics, local unemployment rates are at 11.5%, which is higher than the national rate of 11.1% as of the end of June 2020. The local unemployment rate was 13.2% in June 2020. The significant unemployment rates at June 30, 2020 is directly related to the COVID-19 pandemic. While still higher than recent history, unemployment rates have been coming back down since June 30, 2020.

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

Mission, Vision, and Goals

Black Hawk College enriches the community by providing the environment and educational resources for individuals to become lifelong learners.

The vision of the College is to position Black Hawk College as the preferred choice for education and training through total accessibility, quality instructional programs, student-centered services, and strategic alliances. The following strategic priorities have been established to aid in the process of accomplishing the mission and vision of the College:

- ***Improve Student Success and Completion*** - Implement actions that promote an increase in percentages and total number of students either graduating, in a timely manner, with associate degrees, certificates, licensure, and satisfaction of industry-accepted standards of career credentials or transferring to a college or university to complete a bachelor's degree.
- ***Create Exceptional Employee Experiences*** - Collaborate with employees to create experiences where employees feel valued, resolve problems through respectful dialogue and discovery, and contribute to the success of the College

- **Strengthen Organizational Effectiveness** - Encourage and nurture continuous improvement actions that evaluate and enhance College operations using data informed planning and resource allocation processes resulting in innovative services and programs that meet the needs of our students, employees, and the constituents of the communities we serve.
- **Build Community Relationships** - Cultivate and nurture ways the College engages in the life of our communities by expanding partnerships and connecting regionally with business, industry, and educational leaders to train a diverse and qualified workforce and supporting regional economic development efforts.

Local Economy

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

Tuition and fee revenues accounted for approximately 38.4% of total general fund revenue earned in fiscal year 2020. As illustrated in the Statistical section of this document, total credit hours for all categories, which includes both restricted and unrestricted hours, decreased by 6.3% or 5,593 total credit hours in fiscal year 2020. Enrollment was budgeted to decrease by 7.8% in fiscal year 2021. Preliminary results for fiscal year 2021 Fall semester indicate enrollment decreased by 10.7% credit hours when compared to fiscal year 2020 Fall semester on tenth day.

State funding, which accounted for approximately 16.1% of total general fund revenue earned, continues to be a concern for the College as the level of College appropriations from state funding continues to decline. The College anticipates State funding levels to remain flat for fiscal year 2021 and then will decline until the state can establish a balanced operating budget. State operating and equalization grant continue to be an important part of the Black Hawk College operation.

Property taxes, which accounted for approximately 34.0% of total general fund revenue earned, are levied each year for all taxable real property in the District on the basis of the equalized assessed property values (EAV). Assessed values are established by each of the nine respective counties within the district. The subsequent property taxes are billed and collected by each county. Property tax revenue continues to hold relatively stable as equalized assessed values in the District have steadily been increasing over the past ten years despite the uncertain national economic climate and subsequent impact on property values.

Financial Planning

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

- Cost containment
- New and renovated facilities to attract students
- Competitive tuition rates and fees
- Review and redesign of the organization and business processes, and utilization of technology to improve efficiency
- Development and implementation of new programs to increase enrollment
- More aggressive curriculum, outreach development and promoting online degrees

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

The annual budget, adopted as balanced, indicates all resources received are subsequently expended during the same fiscal year in a manner consistent with the mission of the institution. As such, any disruption in the timely receipt of budgeted resources has the potential to adversely influence program and service delivery. As a result, the College must define and acknowledge potential resources and maintain an efficient cash flow strategy for minimizing the impact of delayed or eliminated funding sources.

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

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

Internal Controls

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

Budgetary Controls

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

Fund Balance Policy

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

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

As of June 30, 2020, the General Fund ending fund balance, including Auxiliary, is 43.% of fiscal year 2020 expenses.

Risk Management

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

Other Information

- Independent audit State statutes require an annual audit by independent certified public accountants. The accounting firm of Wipfli, LLP was selected by the College to perform the fiscal year 2020 audit. The auditor's report on the financial statements and schedules is unqualified and is included in the financial section of this report.
- Awards Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Black Hawk College for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 11th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

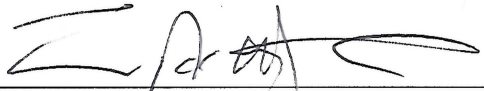
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the College has received the GFOA Distinguished Budget Presentation Award for fiscal years 2009 through fiscal year 2017. The GFOA budget award process changed in 2018 and the College received an award for the 2019 budget under this new program. The College is still awaiting a response to the fiscal year 2020 application submitted. The GFOA budget award process is changing yet again for the fiscal year 2021 application.

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

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

Respectfully submitted,



Tim A. Wynes, J.D.
President



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



Dena M. Grunewald
Director of Accounting



Illinois Community College District No. 503

Board of Trustees



Fritz W. Larsen
Moline
Board Chair



Jon A. Looney
Kewanee
Vice Chair



Steven P. Spivey
New Windsor
Secretary



Richard P. Fiems
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Kimberly D. Goodley
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Douglas L. Strand
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Joseph B. Swan
Colona



Kelly R. Nache
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Student Trustee

Executive Administration



Tim A. Wynes
President



Dr. Amy M. Maxeiner
Vice President for Instruction



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



Dr. LaDrina N. Wilson
Vice President of Student Services



Kathy M. Malcolm
Executive Director of Planning
and Institutional Effectiveness



Stacey L. Cary
Director of Human Resources

Black Hawk College District



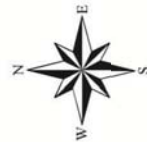
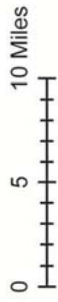
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Black Hawk College District

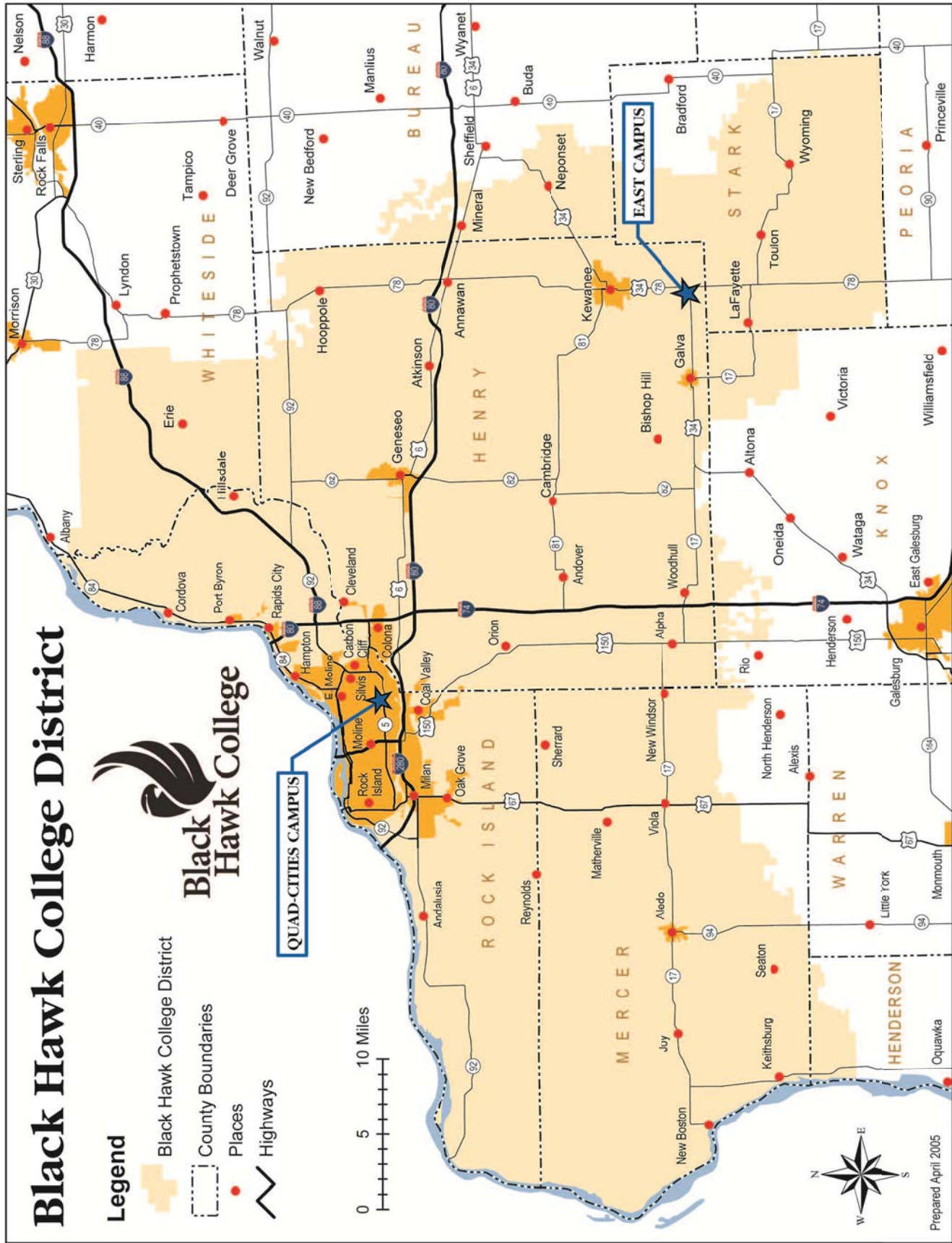
County Boundaries

Places

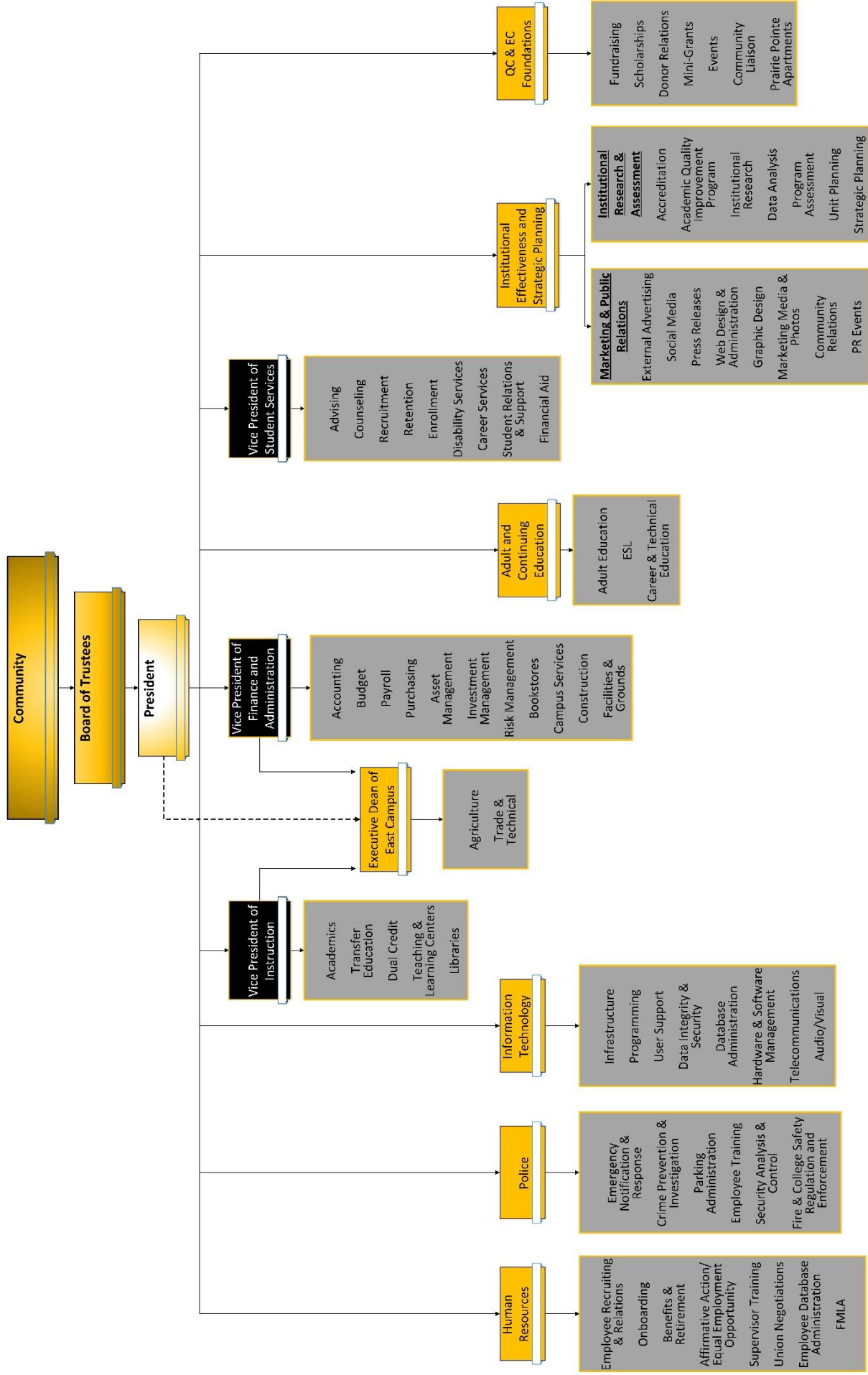
Highways



Prepared April 2005



Black Hawk College Organization





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

Financial Section

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of Black Hawk College, Illinois Community College District #503 (the College) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College'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; 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 Black Hawk College Foundation and Black Hawk East College Foundation 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 auditor's 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 College'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 College'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 obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of Black Hawk College, Illinois Community College District #503 as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the Management's Discussion and Analysis, Schedule of SURS Pension Liability and Pension Contributions, and Schedule of OPEB Liability and Contributions, 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, 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 College's basic financial statements. The introductory section, statistical section, the ICCB Supplemental Information, the ICCB Uniform Financial Statements, and the Management 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. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The ICCB Supplemental Information, the ICCB Uniform Financial Statements, and Schedule of Expenditures of Federal Awards 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. In our opinion, the ICCB Supplemental Information, the ICCB Uniform Financial Statements, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section, statistical section, and management information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2021 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Wipfli LLP

Sterling, Illinois
February 2, 2021

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Management's Discussion and Analysis

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Management's Discussion and Analysis

Introduction

This section of Black Hawk College's (College) Comprehensive Annual Financial Report presents Management's Discussion and Analysis of the College's financial activity during the fiscal years ended June 30, 2020 and June 30, 2019. Since this Management's Discussion and Analysis is designed to focus on current activities, resulting change, and currently known facts, please read it in conjunction with the College's basic financial statements. Responsibility for the completeness and fairness of this information rests with the College.

Overview of the Basic Financial Statements

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

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

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

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

Management's Discussion and Analysis

Financial Highlights

For the year ended June 30, 2020, the College recorded total operating revenues of \$8,810,671 and total operating expenses of \$56,045,422. The difference produced an operating loss of \$47,234,751. Net non-operating revenue of \$53,910,782 offsets this loss and results in an overall increase in net position of \$6,676,031.

Non-operating revenue included local property taxes of \$23,354,222, state grants and contracts of \$21,167,329, federal grants and contracts of \$7,911,547, and other net miscellaneous revenue of \$2,632,160. Within the state grants and contracts non-operating revenue line, the SURS and CIP contributions provided by the state, on behalf of the College, to the State University Retirement System (SURS) totaled \$13,483,398. The comparable contribution by the state to SURS and CIP for the fiscal year ended June 30, 2019, was \$12,625,349.

Operating revenue accounted for 13.8% of the College's total revenue, while non-operating revenues accounted for the other 86.2% of the College's total revenue. Operating revenue consisted of tuition and fees, net of financial aid awards, totaling \$7,299,079 and sales, services, and rentals of facilities revenues totaling \$1,511,592.

Operating expenses accounted for 97.7% of the College's total expenses, while non-operating expenses accounted for the remaining 2.3%. The SURS and CIP on-behalf contributions provided by the state as well as the OPEB expense was allocated among the existing functions of operating expenses and increased by \$437,498 from fiscal year 2019. Total operating expenses, excluding OPEB expense, SURS on-behalf expense, and CIP on-behalf expense, increased by 4.6% in fiscal year 2020 from prior year.

Overall, the College's financial position remains strong at the end of fiscal year 2020 while operating in a climate of reduced state funding and reduced enrollment which impacts tuition and future state appropriations. Data related to enrollment, credit hour, and state funding trend information are available in the Statistical section of this document. Additionally, overall actual fiscal year 2020 results compared to budget were favorable. Details by fund can be found in the Management Information section of this document.

Long-Term Debt

The College did not issue any additional long-term debt during fiscal year 2020. The unused legal debt capacity of the College is currently \$81,772,486, which represents 2.875% of the assessed valuation of the College's district less the \$38,742,052 in outstanding debt. See Note 8 regarding Long-Term Liabilities in the Notes to the Financial Statements for further information.

Economic Factors

Unemployment rates, both locally and nationally, have increased dramatically due to the COVID-19 pandemic. While unemployment rate has improved since June 30, 2020, rates are still abnormally high. Additional information regarding unemployment rate trends can be found in the Statistical section of this document.

Property tax revenue accounts for 42.4% of total non-operating revenue and is a direct result of Equalized Assessed Valuations (EAV) in the district. While some districts have experienced sizable decreases in EAV over the past few years, the Black Hawk College district EAV continues to grow each year as overall property values continue to increase. Additional information regarding EAV and estimated actual property values within the district can be found in the Statistical section of this document.

Management's Discussion and Analysis

The State of Illinois has approved an annual budget. While new state revenues have been identified, cash outflow demands still exceed sources of cash and it was assumed the state would borrow money to meet the shortage. While the College remains optimistic the State of Illinois will continue to support higher education, an on-going financial pattern of spending more than what is generated is not sustainable. State support is critical to maintain college operations. The state political environment has changed since the budget impasse of 2016 and 2017 as the governor's office is now aligned with state legislators allowing more measures to move forward including the support of higher education.

Declining enrollment continues to be the trend with a 6.3% decrease in fiscal year 2020 compared to a 5.6% decrease during fiscal year 2019. Fall enrollment for fiscal year 2021 declined by 10.7% from fiscal year 2020 fall enrollment. As a community college, Black Hawk is well positioned to serve displaced workers seeking to enhance existing skills or develop additional skills necessary to re-enter the workforce due to the relatively short-term nature of many programs offered. Furthermore, both the College Administration and Board of Trustees are committed to ensuring student needs are effectively met and to this end, the institution prides itself on being nimble and capable of efficiently implementing programmatic changes designed to maximize student success.

Given the decreased enrollment trend in recent years, the College Administration and Board of Trustees have taken measures to identify opportunities for growth. In the last few fiscal years, completed new construction includes the Health Sciences Center at the Quad-Cities Campus, the Welding and Skilled Trades Center in Kewanee, and the Veterinary Sciences Center at the Galva (East) Campus. Completed renovation projects includes the Outreach Center in the Quad-Cities and Buildings 1 and 2 at East Campus. During fiscal year 2019, East Campus added new stables and re-established another practice arena while the Quad-Cities campus constructed an addition to Building 1 and renovation of existing classrooms to create larger, collaborative learning classroom spaces. All of these renovations and additions will increase enrollment capacity, thus providing a greater opportunity for generating credit hours. In addition to capital development, the Board of Trustees has designated operating funds to be used for faculty and staff development as well as new program development.

Other Significant Financial Factors

The Board of Trustees adopts tuition and fee rates each February with the adopted rates becoming effective for the summer, fall, and spring semesters of the upcoming fiscal year. Tuition rates for fiscal year 2020 remained the same from fiscal year 2019 rates. Fiscal year 2021 tuition rates have been approved to remain the same as fiscal year 2020 rates. With the uncertainty created by the COVID-19 pandemic on the college budget as well as every other organization and personal budget of every student, the college hopes to keep 2022 tuition the same for the fifth consecutive year. Without a significant increase in enrollment, longer term tuition rates, will require an adjustment to account for auxiliary service changes and new state mandates (i.e. change in minimum wage). Additional information regarding the tuition and fee rate trend is provided in the Statistical section of this document.

The Board of Trustees adopts the annual tax levy by January of each year for tax revenues to be received during the upcoming fiscal year. The fiscal year 2020 tax levy increased 2.3% over fiscal year 2019 primarily due to the increase in EAV throughout the district. While it will need to be revisited, the desire is to keep the tax levy steady for 2021. Additional information regarding tax levy trend is provided in the Statistical section.

Comparative Net Position – Fiscal Years 2020 and 2019

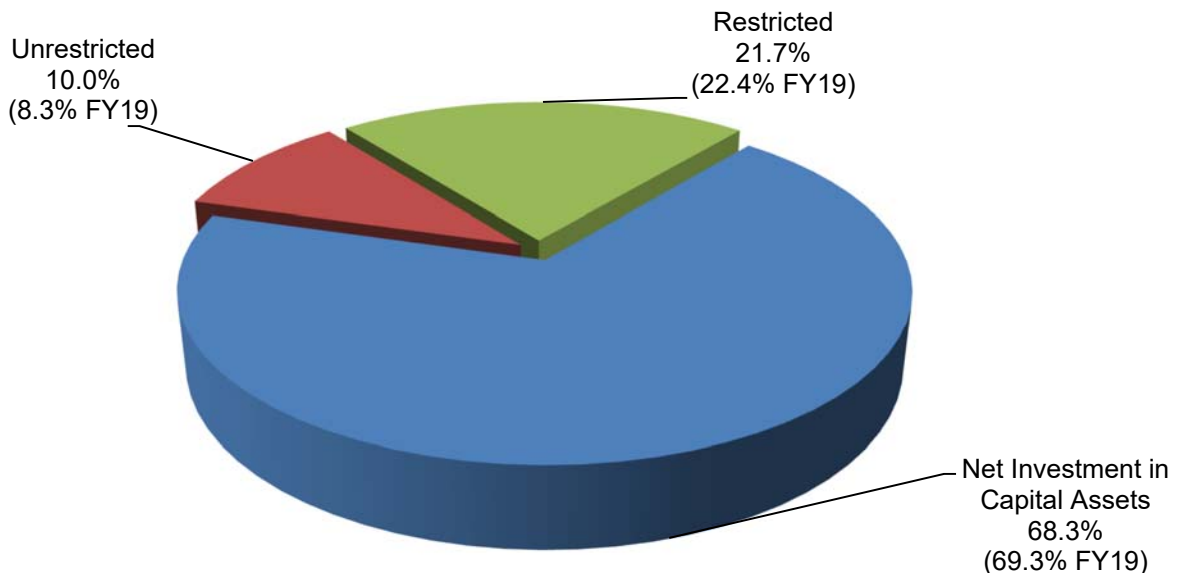
	2020	2019	Increase (Decrease)	Percent Change
Current Assets	\$ 73,148,014	\$ 74,978,086	\$ (1,830,072)	-2.4%
Capital Assets, net of depreciation	106,243,990	104,108,571	2,135,419	2.1%
Total Assets	\$ 179,392,004	\$ 179,086,657	\$ 305,347	0.2%
Deferred Outflows of Resources	\$ 394,479	\$ 444,619	\$ (50,140)	-11.3%
Current Liabilities	\$ 8,795,412	\$ 10,489,411	\$ (1,693,999)	-16.1%
Non-Current Liabilities	53,737,173	59,166,023	(5,428,850)	-9.2%
Total Liabilities	\$ 62,532,585	\$ 69,655,434	\$ (7,122,849)	-10.2%
Deferred Inflows of Resources	\$ 16,153,104	\$ 15,451,079	\$ 702,025	4.5%
Net Position				
Net Investment in Capital Assets	\$ 69,088,597	\$ 65,410,549	\$ 3,678,048	5.6%
Restricted	21,966,347	21,178,705	787,642	3.7%
Unrestricted	10,045,850	7,835,509	2,210,341	28.2%
Total Net position	\$ 101,100,794	\$ 94,424,763	\$ 6,676,031	7.1%

The College had a net position at the beginning of the fiscal year totaling \$94,424,763. The increase in net position of \$6,676,031 brought the total net position at the end of fiscal year 2020 to \$101,100,794.

The most notable changes in the balance sheet for fiscal year 2020 include a decrease of 11.3% in deferred outflows of resources as well as a decrease of 10.2% in total liabilities. The decrease in deferred outflows of resources is due to the fluctuations reported in OPEB plan for the current year. The change in current liabilities includes a decrease in accounts payable due to less construction projects outstanding as of June 30, 2020. The change in non-current liabilities relates to paying down the principal on outstanding bonds with no new bond issues in fiscal year 2020.

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

Net Position - Fiscal Year 2020



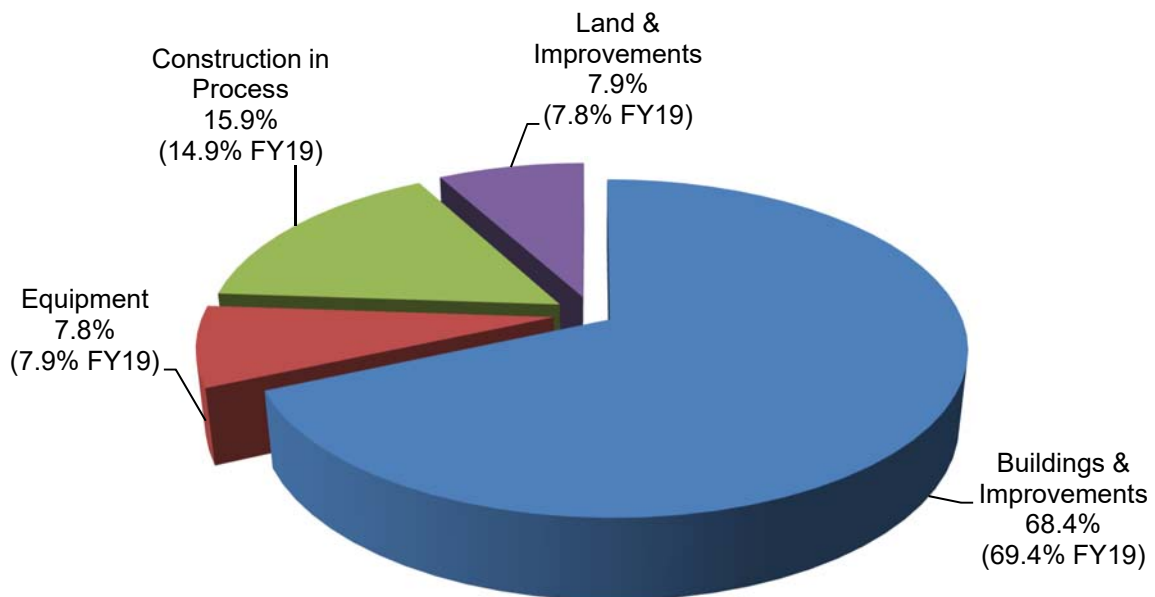
Comparison of Net Capital Assets Fiscal Years 2020 and 2019

	2020	2019	Increase (Decrease)	Percent Change
Capital Assets				
Land and Improvements	\$ 11,355,803	\$ 10,788,835	\$ 566,968	5.3%
Building and Improvements	97,663,222	95,850,812	1,812,410	1.9%
Equipment	11,071,025	10,840,819	230,206	2.1%
Construction in Progress	22,764,356	20,526,541	2,237,815	10.9%
Total Capital Assets	\$ 142,854,406	\$ 138,007,007	\$ 4,847,399	3.5%
Less Accumulated Depreciation	36,610,416	33,898,436	2,711,980	8.0%
Net Capital Assets	\$ 106,243,990	\$ 104,108,571	\$ 2,135,419	2.1%

As of June 30, 2020, the College has recorded \$142,854,406 invested in capital assets, \$36,610,416 in accumulated depreciation and \$106,243,990 in net capital assets.

Total Capital Assets increased \$4,847,399 or 3.5% and Net Capital Assets increased \$2,135,419 or 2.1%. This change is a result of the various remodeling and improvement projects district-wide during fiscal year 2020 off set by disposal of old assets no longer needed. The College’s current bonding strategy continues to allow investment in facilities, technology, and improvements. The expectation exists that Net Capital Assets will continue to increase in future years as a result. For further information, see Note 5 - Changes in Capital Assets and Note 8 - Long-Term Liabilities in the Notes to Financial Statements.

Capital Assets - Fiscal Year 2020



Revenues, Expenses & Changes in Net Position For the Fiscal years ending June 30, 2020 and 2019

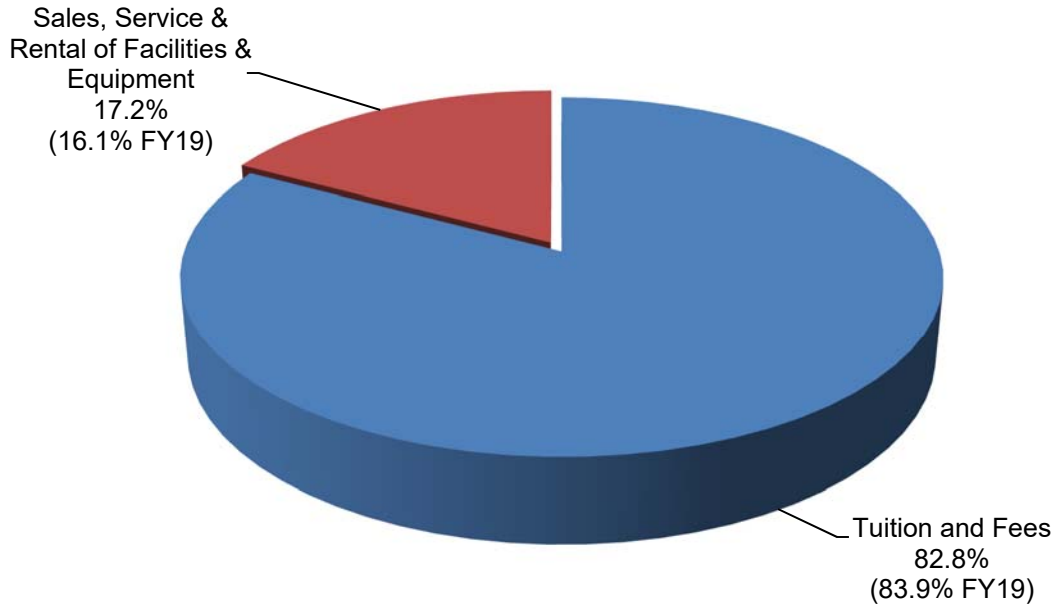
	2020	2019	Increase (Decrease)	Percent Change
Operating Revenue:				
Tuition and Fees	\$ 7,299,079	\$ 8,601,924	\$ (1,302,845)	-15.1%
Sales, Services and Rentals	1,511,592	1,655,925	(144,333)	-8.7%
Other	-	-	-	0.0%
Total Operating Revenue	\$ 8,810,671	\$ 10,257,849	\$ (1,447,178)	-14.1%
Less: Operating Expenses	56,045,422	53,758,184	2,287,238	4.3%
Operating Income (Loss)	\$ (47,234,751)	\$ (43,500,335)	\$ (3,734,416)	8.6%
Non-operating Revenue:				
State Grants & Contracts	\$ 21,167,329	\$ 20,344,690	\$ 822,639	4.0%
Federal Grants & Contracts	7,911,547	6,501,114	1,410,433	21.7%
Property Taxes	23,354,222	23,116,343	237,879	1.0%
Other Income	1,477,684	1,941,290	(463,606)	-23.9%
Total Non-operating Revenue:	\$ 53,910,782	\$ 51,903,437	\$ 2,007,345	3.9%
Change in Net Position	\$ 6,676,031	\$ 8,403,102	\$ (1,727,071)	-20.6%
Net Position, Beginning of Year	94,424,763	86,021,661	8,403,102	9.8%
Net Position, End of Year	\$ 101,100,794	\$ 94,424,763	\$ 6,676,031	7.1%

Total operating revenue decreased and total operating expenses increased for fiscal year 2020 when compared to fiscal year 2019.

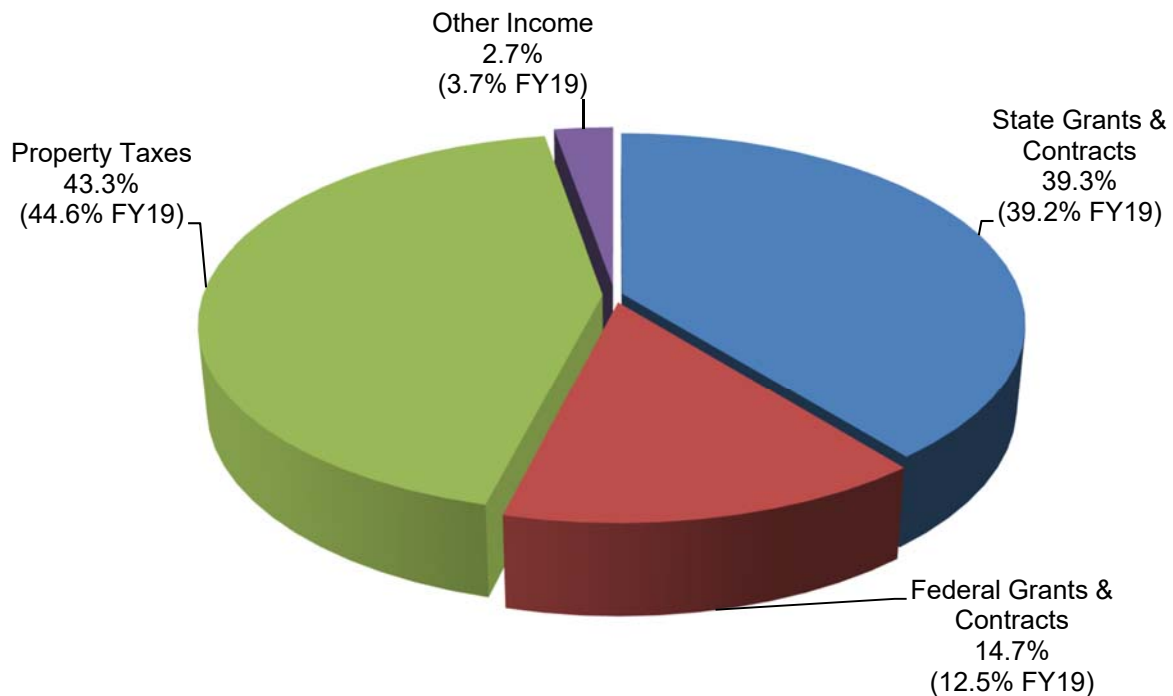
Tuition and fees decreased \$1,302,845 or 15.1% from fiscal year 2019 to fiscal year 2020. The decrease is attributable to a decline in enrollment. Sales, services, and rental revenue decreased during fiscal year 2020 at 8.7%. The decrease is a result of COVID-19 related campus closure which resulted in canceled classes, canceled events and decline in Bookstore sales. Some of this decrease in sales, services and rentals due to COVID-19 was able to be reimbursed through the CARES Act Federal grants.

Total non-operating revenue increased by \$2,007,345. State grants and contracts increased by \$822,639 due to the increase in expenses related to the SURS and CIP on-behalf payments. Federal grants and contracts increased by \$1,410,433 from fiscal year 2019 due new awards related to the CARES Act from Department of Education. Offsetting this increase was a \$463,606 decrease in other income for fiscal year 2020 primarily due to market rate decline on interest earned on cash balances.

Operating Revenues - Fiscal Year 2020



Non-Operating Revenues - Fiscal Year 2020



Comparison of Operating Expenses Fiscal Years 2020 and 2019

	2020	2019	Increase (Decrease)	Percent Change
Operating Expenses:				
Instruction	\$ 16,604,364	\$ 16,774,426	\$ (170,062)	-1.0%
Academic Support	6,434,686	6,049,316	385,370	6.4%
Student Services	4,592,178	4,657,028	(64,850)	-1.4%
Public Service / Continuing Ed.	1,805,061	1,922,837	(117,776)	-6.1%
Institutional Support	12,097,709	10,501,177	1,596,532	15.2%
Auxiliary Services	2,132,268	2,281,350	(149,082)	-6.5%
Scholarships, student grants and waivers	2,799,051	2,387,028	412,023	17.3%
Depreciation	2,747,583	2,744,079	3,504	0.1%
Loss on Disposal of Equipment	10,108	164,089	(153,981)	-93.8%
Operations of Physical Facilities	6,822,414	6,276,854	545,560	8.7%
Total Operating Expenses	\$ 56,045,422	\$ 53,758,184	\$ 2,287,238	4.3%

Operating expenses for fiscal year 2020 increased by 4.3% from fiscal year 2019. The SURS and CIP on-behalf contribution provided by the state increased to \$13,483,398 compared to \$12,625,349 in fiscal year 2019. This \$858,049 increase of SURS and CIP on-behalf contribution expense, \$420,551 decrease in OPEB expense, plus a net \$1,849,740 increase in all other expenses creates a net operating expense increase of \$2,287,238 for the fiscal year 2020 when compared to fiscal year 2019. See Notes 6 and 7 in the Notes to Financial Statements for additional information related to OPEB and SURS and CIP Pension Plan contributions.

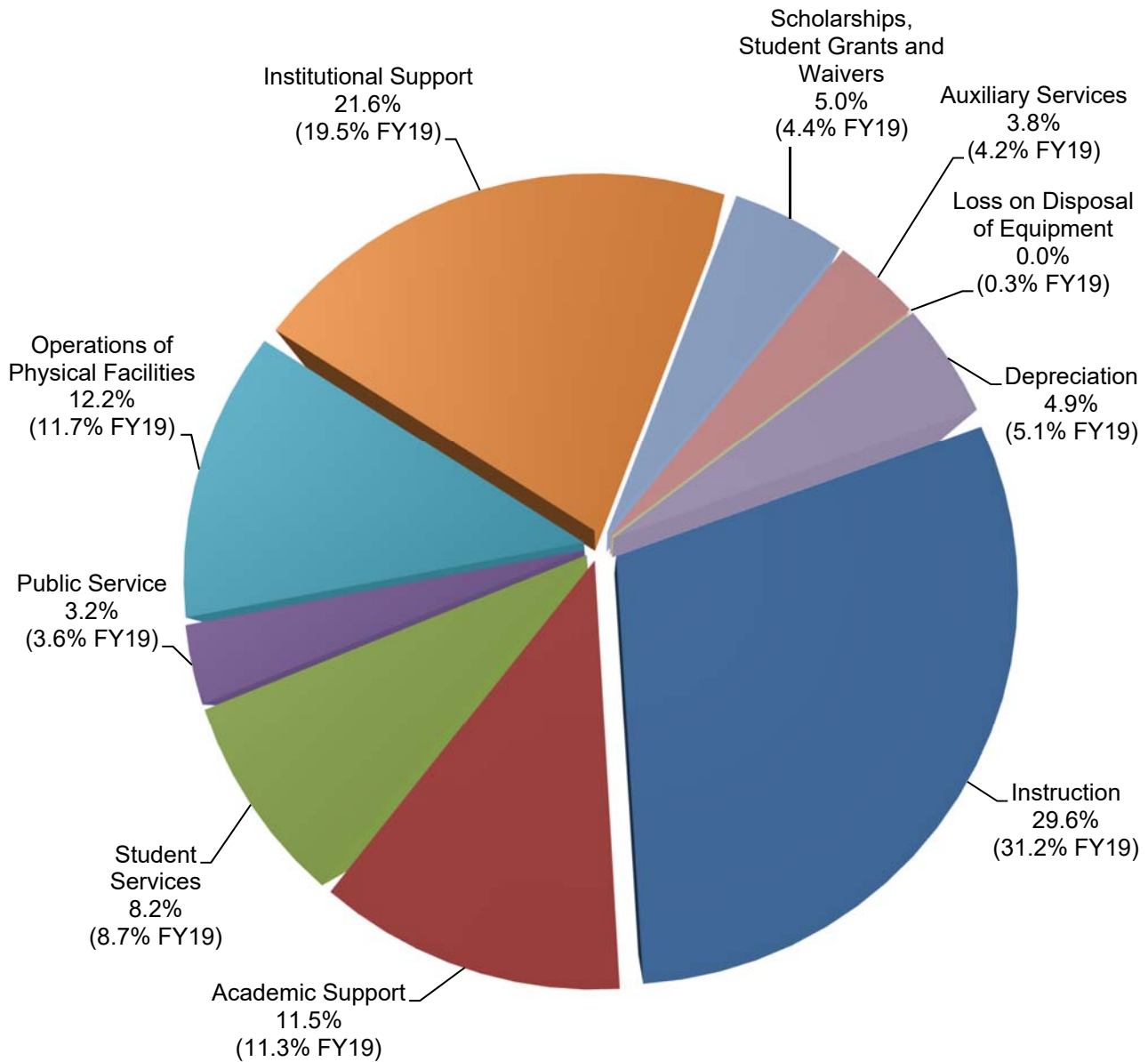
Institutional support increased by \$1,596,532 largely due to increase in SURS & CIP on-behalf contribution expense, increase in health insurance administration costs and an increase in technology purchases due to COVID-19.

Scholarships, student grants, and waivers increased 17.3% due to the Federal CARES Act related to Students as well as an increase in MAP grants and academic achievement awards during fiscal year 2020.

Management's Discussion and Analysis

The following graphic illustration shows the operating expenses by program for fiscal year 2020 by percentage of the total with the comparable percentage for fiscal year 2019 in parenthesis. For both years, the largest percentage of College money was spent on Instruction.

Operating Expenses - Fiscal Year 2020



Requests for Information

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

Finance Department
6600 34th Avenue
Moline, IL 61265

Basic Financial Statements

Black Hawk College
Illinois Community College District #503

Statement of Net Position/Net Assets
June 30, 2020

	Primary	Component Units	
	Government	Black Hawk College Foundation	Black Hawk East College Foundation
Assets			
Current Assets:			
Cash and cash equivalents	\$ 54,845,828	\$ 335,158	\$ 735,206
Investments	-	5,080,678	2,251,971
Receivables:			
Property taxes, net of allowance \$95,972	14,065,122	-	-
Federal government claims	1,141,343	-	-
State of Illinois claims	837,031	-	-
Student tuition and fees, net of allowance \$163,313	933,623	-	-
Other	117,602	1,121,903	64,312
Inventory	634,942	-	-
Prepaid expenses	572,523	-	2,095
Total current assets	73,148,014	6,537,739	3,053,584
Noncurrent Assets:			
Capital assets:			
Land	1,032,464	45,000	-
Construction and Equipment in process	22,764,356	-	-
Building, improvements and equipment, net of accumulated depreciation \$36,610,416, \$0 and \$1,242,082, respectively	82,447,170	-	1,324,507
Total capital assets, net of depreciation	106,243,990	45,000	1,324,507
Total noncurrent assets	106,243,990	45,000	1,324,507
Total assets	179,392,004	6,582,739	4,378,091
Deferred Outflows of Resources			
Deferred Outflows of SURS Pension expense	87,847	-	-
Deferred Outflows of OPEB expense	306,632	-	-
Total deferred outflows of resources	394,479	-	-
Liabilities			
Current Liabilities:			
Accounts payable	1,764,667	50,566	11,867
Accrued liabilities:			
Payroll	743,842	-	-
Early retirement	149,823	-	-
Accrued vacation	216,143	-	-
Other	134,389	-	-
Unearned revenues:			
Grants and restricted funds	59,134	-	-
Notes and bonds due in less than one year	5,455,030	-	-
Other liabilities	272,384	-	-
Total current liabilities	8,795,412	50,566	11,867
Noncurrent Liabilities:			
Early retirement	1,223,311	-	-
Accrued vacation	648,431	-	-
Notes and bonds payable in more than one year	33,287,022	-	-
OPEB	18,578,409	-	-
Total noncurrent liabilities	53,737,173	-	-
Total liabilities	62,532,585	50,566	11,867
Deferred Inflows of Resources			
Property Taxes	11,996,337	-	-
Grants and restricted funds	29,151	-	-
OPEB	4,127,616	-	-
Total deferred inflows of resources	16,153,104	-	-
Net Position/Net Assets (Deficit)			
Net Investment in capital assets	69,088,597	45,000	1,324,507
Restricted		5,902,368	2,981,818
Audit	179,564	-	-
Liability, Protection and Settlement	5,454,491	-	-
Working Cash	10,194,190	-	-
Bond & Interest	3,208,268	-	-
Operations & Maintenance, Restricted	2,758,197	-	-
Grants & Scholarships	171,637	-	-
Unrestricted	10,045,850	584,805	59,899
Total net position/net assets	\$ 101,100,794	\$ 6,532,173	\$ 4,366,224

See Notes to Financial Statements.

Black Hawk College
Illinois Community College District #503

Statement of Revenues, Expenses, and Changes in Net Position/Net Assets
Year Ended June 30, 2020

	Primary	Component Units	
	Government	Black Hawk College Foundation	Black Hawk East College Foundation
Operating Revenues:			
Student tuition and fees, net of scholarship awards	\$ 7,299,079	\$ -	\$ -
Sales, service and rental of facilities and equipment	1,511,592	-	-
Total operating revenues	8,810,671	-	-
Operating expenses:			
Instruction	16,604,364	-	-
Academic support	6,434,686	-	-
Student services	4,592,178	-	-
Public service	1,805,061	-	-
Auxiliary services	2,132,268	-	-
Institutional support	12,097,709	162,970	566,132
Scholarships, student grants and waivers	2,799,051	137,289	132,450
Operation of physical facilities	6,822,414	-	-
Loss on disposal of buildings and equipment	10,108	-	-
Depreciation and amortization	2,747,583	-	81,023
Total operating expenses	56,045,422	300,259	779,605
Operating (loss)	(47,234,751)	(300,259)	(779,605)
Non-operating revenues (expenses):			
Property taxes	23,354,222	-	-
Personal property replacement taxes	1,466,854	-	-
State government sources	21,167,329	-	-
Federal government sources	7,911,547	-	-
Investment earnings	807,639	297,419	108,707
Other sources	357,667	1,376,150	1,024,579
Interest expense	(1,154,476)	-	-
Total non-operating revenues (expenses)	53,910,782	1,673,569	1,133,286
Change in net position/net assets	6,676,031	1,373,310	353,681
Net position/net assets:			
Beginning	94,424,763	5,158,863	4,012,543
Ending	\$ 101,100,794	\$ 6,532,173	\$ 4,366,224

See Notes to Financial Statements.

Black Hawk College
Illinois Community College District #503

Statement of Cash Flows
Year Ended June 30, 2020

	Primary Government
	Black Hawk College
Cash Flows from Operating Activities:	
Tuition and fees	\$ 7,017,579
Payments to employees	(20,312,644)
Payments to suppliers	(34,776,055)
Sales, service, and rental of facilities and equipment	1,602,997
Net cash provided by (used in) operating activities	<u>(46,468,123)</u>
Cash Flows from Non-Capital Financing Activities:	
State and federal grants and contracts	28,562,058
Personal property replacement taxes	1,466,854
Property taxes	23,777,844
Net cash provided by non-capital financing activities	<u>53,806,756</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	(4,937,546)
Proceeds on debt	-
Debt issuance costs	-
Principal paid on debt	(5,250,002)
Interest paid on debt	(1,154,476)
Net cash provided by (used in) capital and related financing activities	<u>(11,342,024)</u>
Cash Flows from Investing Activities	
Interest received	807,639
Net cash provided by (used in) investing activities	<u>807,639</u>
Net increase (decrease) in cash	(3,195,752)
Cash and cash equivalents:	
Beginning	58,041,580
Ending	<u>\$ 54,845,828</u>
Reconciliation of Operating Loss to Net Cash	
(Used in) Operating Activities:	
Operating loss	\$ (47,234,751)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	2,747,583
Loss on disposal of equipment	10,108
Changes in assets and liabilities:	
(Increase) decrease in receivables	(190,095)
(Increase) decrease in inventory	(246,283)
(Increase) decrease in prepaid expenses	249,342
(Increase) decrease in deferred outflows	(5,157)
Increase (decrease) in accounts payable	(2,119,282)
Increase (decrease) in accrued expenditures	148,951
Increase (decrease) in other liabilities	171,461
Total adjustments	<u>766,628</u>
Net cash provided by (used in) operating activities	<u>\$ (46,468,123)</u>
Noncash, Capital and Related Financing Activities:	
SURS contribution paid by state	\$ 12,935,705
OPEB CIP contribution paid by state	547,693
OPEB expense	441,979
Purchase of capital assets on account	(44,436)
	<u>\$ 13,880,941</u>

See Notes to Financial Statements.

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

**Statement of Fiduciary Net Position
June 30, 2020**

	Voluntary Employees' Benefit Association (VEBA) Health Benefit Plan
Assets	
Cash	\$ 1,385,397
Liabilities	
Claims payable	450,000
Due to others	-
Total liabilities	450,000
Net Position, unrestricted	\$ 935,397

See Notes to Financial Statements.

**Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2020**

Additions:	
Employer paid premiums	\$ 5,143,022
Grant paid premiums	206,087
Employee paid premiums	903,536
Investment earnings	16,621
Total additions	\$ 6,269,266
Deductions:	
Health and dental claims	5,404,167
Administrative	489,991
Total deductions	\$ 5,894,158
Change in net position	375,108
Net position:	
Beginning	560,289
Ending	\$ 935,397

See Notes to Financial Statements.

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Notes to Financial Statements

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

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies

Organization:

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

Significant Accounting Policies:

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

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

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

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

During the fiscal year ended June 30, 2020, the Black Hawk College Foundation and the Black Hawk East Foundation distributed \$125,529 and \$132,450, respectively, to the College for both restricted and unrestricted purposes.

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

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

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued):

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-College transactions have been eliminated. Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

The College has a fiduciary fund type. Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The College has the following fiduciary fund type:

Pension (and other employee benefit) trust fund – is the fund type for the College's health benefit plan and is accounted for in essentially the same manner as the business-type activities, using the same measurement focus and basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer made a formal commitment to provide the contributions. Claims payable are recognized when due and payable in accordance with the terms of the health plan. The fund accounts for the assets of the Voluntary Employees' Beneficiary Association (VEBA). The VEBA was established under Section 501(C)(9) of the Internal Revenue Code. The trust provides for payment of health (medical, dental, and vision) claims and health plan administrative and other directly related costs.

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

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

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

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies (Continued)

Deferred outflows/inflows: In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents the acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

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

Property taxes: Property taxes are recognized as a receivable at the time they are levied and the current taxes receivable represent the 2019 levy. Property tax revenue recorded on the financial statements relates to the 2018 and 2019 levies. Property taxes are levied each year on all taxable real property in the College District. Property taxes are certified on or before the last Tuesday in December and are attached as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in 2019 or 2020, respectively, and are collected by the county collectors in the College District who in turn remit to the College its respective share. An allowance is provided for uncollectible taxes.

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

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

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

Capital Assets: Capital assets are defined by the College as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Assets are recorded at historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

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

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

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

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies (Continued)

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

Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. Capital assets are considered impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage.

The determination of the impairment loss is dependent upon the event or circumstance in which the impairment occurred. Impairment losses, if any, are recorded in the statements of revenues, expenses, and changes in net position. There were no impairment losses recorded for the year ended June 30, 2020.

Investments: Investments are stated at fair value.

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

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

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

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

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.

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

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies (Continued)

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

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

Note 2. Cash and Investments

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

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America.
- Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- Interest-bearing savings account, interest-bearing certificates of deposit, or interest-bearing time deposits, or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by the Federal Deposit Insurance Corporation (FDIC).
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of security legally issuable by savings and loan associations incorporated under the laws of the State of Illinois or any other state or under the laws of the United States and only in those savings and loan associations insured by the FDIC.
- Money market mutual funds whose portfolios consist of government securities or agreements to repurchase such obligations.
- Illinois School District Liquid Asset Fund.
- Illinois State Funds Money Market Fund.
- Funds managed, operated, and administered by a bank provided that the public agency has an undivided interest in the assets of the fund.
- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986.

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

Notes to Financial Statements

Note 2. Cash and Investments (Continued)

- Dividends-bearing share accounts, share certificate accounts of a credit union with its principal office located in Illinois and insured by applicable law.
- Funds managed, operated, and administered by a bank.

At June 30, 2020, the College's cash and cash equivalents balances are as follows:

Depository accounts, checking and certificates of deposit	\$ 54,813,464
Petty cash	<u>32,364</u>
Total cash and cash equivalents	\$ 54,845,828
Fiduciary funds	<u>1,385,397</u>
Total cash and cash equivalents	\$ 56,231,225
Less: Petty cash	<u>(32,364)</u>
Total carrying amount of deposits	<u>\$ 56,198,861</u>

As of June 30, 2020, the carrying amount of the College's deposits totaled \$56,198,861 with a bank balance of \$56,496,564. Of the \$56,496,564 bank balance, \$56,496,564 was covered by federal depository insurance and an Irrevocable Standby Letter of Credit as collateral held by the College's agent in the College's name. The College has no foreign currency risk for deposits at year end.

As of June 30, 2020, the College did not hold any investments.

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the change in market interest rates. The College tries to match its maturities on investments with expected cash flows. As of June 30, 2020, the College did not hold any investments.

Credit Risk:

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

Concentration of Credit Risk:

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

Custodial Credit Risk:

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, an entity will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

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

Notes to Financial Statements

Note 2. Cash and Investments (Continued)

As of June 30, 2020, there are no investments with custodial credit risk as all investments are insured via an Irrevocable Standby Letter of Credit.

Foreign Currency Risk:

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

Note 3. State of Illinois Claims Allowance

In 2009, \$1 million from the Illinois Jobs Now! initiative was identified for the College through the Illinois Department of Commerce and Economic Opportunity (DCEO) for sustainability projects at the Quad-Cities campus (section 335 of P.A. 096-0039). In response, the College moved forward with the construction of the Sustainable Technologies building using bond funds as well as the anticipated DCEO funds. This project was completed in 2013. As of June 30, 2020, the \$1 million had still not been received by the College from DCEO. While the funding was included in the State of Illinois fiscal year 2020 appropriations, the college is waiting on notification from DCEO as to acceptance and payment. The College has created a 100% allowance against the \$1 million receivable on the financial statements and intends to continue conversations with state representatives in effort to collect these funds.

Note 4. Liability, Protection, & Settlement Fund Expenditures

The College had the following Liability, Protection, & Settlement Fund expenditures for the year ended June 30, 2020:

Security	\$ 858,175
Risk management & loss prevention	191,035
Insurance	623,380
Legal services	94,895
Security related salaries & benefits	<u>336,486</u>
Total Liability, Protection & Settlement Fund expenditures	<u>\$2,103,971</u>

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

Notes to Financial Statements

Note 5. Changes in Capital Assets

A summary of changes in capital assets for the year ended June 30, 2020, is as follows:

	Balance July 1, 2019	Additions	Deletions and Transfers	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 1,032,464	\$ -	\$ -	\$ 1,032,464
Construction in process	20,526,541	4,175,225	(1,937,410)	22,764,356
Total capital assets not being depreciated	21,559,005	4,175,225	(1,937,410)	23,796,820
Capital assets being depreciated:				
Buildings and improvements	95,850,812	423,234	1,389,176	97,663,222
Land improvements	9,756,371	27,450	539,518	10,323,339
Equipment	10,840,819	267,201	(36,995)	11,071,025
Total capital assets being depreciated	116,448,002	717,885	1,891,699	119,057,586
Less accumulated depreciation for:				
Buildings and improvements	25,484,860	1,813,022	-	27,297,882
Land improvements	1,891,123	198,798	-	2,089,921
Equipment	6,522,453	735,763	(35,603)	7,222,613
Total accumulated depreciation	33,898,436	2,747,583	(35,603)	36,610,416
Total capital assets being depreciated, net	82,549,566	(2,029,698)	1,927,302	82,447,170
Total capital assets, net	\$ 104,108,571	\$ 2,145,527	(10,108)	\$ 106,243,990

Note 6. Other Post-Employment Benefits

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

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

**Black Hawk College
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Notes to Financial Statements

Note 6. Other Post-Employment Benefits (Continued)

Management Services. A copy of the financial statements of the Department may be obtained by writing to the Department of Central Management Services, 401 South Spring Street, Springfield, Illinois, 62706-4100.

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

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

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

Net OPEB Liability:

The net OPEB liability was measured as of June 30, 2019. At June 30, 2019, CIP reported a net OPEB liability of \$1,888,540,494.

Employer Proportionate Share of Net OPEB Liability:

The amount of the proportionate share of the net OPEB liability to be recognized for the College is \$18,578,409 or 0.9837%. This amount is recognized in the financial statement. The change in the College's proportionate net OPEB liability was a decrease of 0.0038%. The proportionate share of the State's net OPEB liability associated with the College is \$18,578,409. The total proportionate share of the net OPEB liability associated with the College is \$37,156,818. The net OPEB liability and total OPEB liability as of June 30, 2019, was determined based on the June 30, 2018, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2019.

OPEB Expense:

At June 30, 2019, CIP reported a collective net OPEB expense of \$84,924,196.

Employer Proportionate Share of OPEB Expense

The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2019. As a result, the College recognized OPEB expense of \$441,979 for its proportionate share of OPEB expense for the fiscal year ended June 30, 2020. In addition, the College recognized an additional \$547,693 as OPEB expense (and revenue) for its proportionate share of the State of Illinois' contribution to the plan.

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

Notes to Financial Statements

Note 6. Other Post-Employment Benefits (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 217,736	\$ 392,892
Changes in assumption	-	2,588,405
Net difference between projected and actual earnings on OPEB plan investments	-	820
Changes in proportion and differences between employer contributions and share of contributions	861	1,145,499
Total deferred amounts to be recognized in pension expense in future periods	218,597	4,127,616
OPEB contributions made subsequent to the measurement date	88,035	-
Total	\$ 306,632	\$ 4,127,616

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

Year ended June 30:	Net Deferred Inflows of Resources
2020	\$ (651,503)
2021	(651,503)
2022	(651,503)
2023	(651,503)
2024	(651,503)
2025	(651,504)
Total	\$ (3,909,019)

Employer Deferral of Fiscal Year 2019 OPEB Expense

The College paid \$88,035 CIP contributions for the fiscal year ended June 30, 2020. These contributions were made subsequent to the OPEB liability date of June 30, 2019, and are recognized as Deferred Outflows of Resources as of June 30, 2020.

Notes to Financial Statements

Note 6. Other Post-Employment Benefits (Continued)

Assumptions and Other Inputs

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation for all plan years
Healthcare cost trend rates	Actual trend used for fiscal year 2019 based on premium increases. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.40% is added to non-Medicare cost on and after 2022 to account for the Excise Tax.

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 Whited Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017.

Discount Rate: Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.62% as of June 30, 2018, and 3.13% as of June 30, 2019. The increase in the single discount rate from 3.62% to 3.13% caused the total OPEB liability to increase by approximately \$121.1 million from 2018 to 2019.

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

Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate: The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 3.13%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (4.13%) or lower (2.13%) than the current rate:

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Notes to Financial Statements

Note 6. Other Post-Employment Benefits (Continued)

Sensitivity of Net OPEB Liability as of June 30, 2019 to the Single Discount Rate Assumption			
		Current Single Discount Rate Assumption	
	1% Decrease (-2.13%)		1% Increase (-4.13%)
Net OPEB liability	\$ 21,323,108	\$ 18,578,409	\$ 16,248,836

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.90% in 2027, for non-Medicare coverage, and 9.00% in 2020 decreasing to an ultimate trend rate of 4.50% in 2029 for Medicare coverage.

Sensitivity of Net OPEB Liability as of June 30, 2019 to the Healthcare Cost Trend Rate Assumption			
		Healthcare Cost Trend Rates Assumption	
	1% Decrease (a)		1% Increase (b)
Net OPEB liability	\$ 15,418,948	\$ 18,578,409	\$ 22,753,453

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate trend rate of 3.90% in 2027, for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2029 for Medicare coverage.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.90% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2029 for Medicare coverage.

Note 7. Defined Benefit Pension Plan

General Information about the Pension Plan

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

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

Notes to Financial Statements

Note 7. Pension Plan (Continued)

revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2019 can be found in the SURS CAFR's Notes to the Financial Statements.

Contributions: The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of fiscal year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2019 and 2020, respectively, was 12.29% and 13.02% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State's General Assembly.

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

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

Net Pension Liability:

The net pension liability (NPL) was measured as of June 30, 2019. At June 30, 2019, SURS reported a NPL of \$28,720,071,173.

Employer Proportionate Share of Net Pension Liability:

The amount of the proportionate share of the NPL to be recognized for the College is \$0. The proportionate share of the State's NPL associated with the College is \$120,049,898 or 0.4180%. This amount should not be recognized in the College's financial statement. The NPL and total pension liability as of June 30, 2019 was determined based on the June 30, 2018 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 2019.

Pension Expense:

At June 30, 2019, SURS reported a collective net pension expense of \$3,094,666,252.

Employer Proportionate Share of Pension Expense:

The employer proportionate share of collective pension is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2019. As a result, the College recognized revenue and pension expense of \$12,935,705 from this special funding situation during the fiscal year ended June 30, 2020.

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Notes to Financial Statements

Note 7. Pension Plan (Continued)

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

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 160,132,483	\$ 80,170,745
Changes in assumption	773,321,300	-
Net difference between projected and actual earnings on pension plan investments	-	55,456,660
Total	\$ 933,453,783	\$ 135,627,405

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 of Resources
2020	\$ 786,021,133
2021	(11,534,848)
2022	(6,661,326)
2023	30,001,419
2024	-
Thereafter	-
Total	\$ 797,826,378

College Deferral of Fiscal Year 2020 Contributions:

The College paid \$87,847 in federal, trust or grant contributions during the year ended June 30, 2020. These contributions were made subsequent to the pension liability measurement date of June 30, 2019, and are recognized as deferred outflows of resources as of June 30, 2020.

Assumptions and Other Inputs

Actuarial assumptions: The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017. The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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 White Collar, gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

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

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

Notes to Financial Statements

Note 7. Pension Plan (Continued)

asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary.

For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2019, 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%	5.25%
Private Equity	6%	8.65%
Non-U.S. Equity	19%	6.75%
Global Equity	8%	6.25%
Fixed Income	19%	1.85%
Treasury-Inflation Protected Securities	4%	1.20%
Emerging Market Debt	3%	4.00%
Real Estate REITS	4%	5.70%
Direct Real Estate	6%	4.85%
Commodities	2%	2.00%
Hedged Strategies	5%	2.85%
Opportunity Fund	1%	7.00%
Total	100%	4.80%
Inflation		2.75%
Expected Arithmetic Return		7.55%

Discount Rate: A single discount rate of 6.59% 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 3.13% (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 SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate: Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.59%, as well as what the State's NPL would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease 5.59%	Current Single Discount Rate Assumption 6.59%	1% Increase 7.59%
\$ 34,786,851,779	\$ 28,720,071,173	\$ 23,712,555,197

Additional information regarding the SURS basic financial statements, including the plans net position, can be found in SURS CAFR by accessing the website at www.SURS.org.

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

Notes to Financial Statements

Note 8. Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2020, are as follows:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Bonds Payable	\$ 42,190,000	\$ -	\$(4,695,000)	\$ 37,495,000	\$ 4,995,000
Unamortized premium	1,802,054	-	(555,002)	1,247,052	460,030
Accrued vacation	778,319	864,573	(778,319)	864,573	216,143
Early retirement	1,373,134	149,823	(149,823)	1,373,134	149,823
OPEB	18,616,921	218,597	(257,109)	18,578,409	-
Total	\$ 64,760,428	\$ 1,232,993	\$(6,435,253)	\$ 59,558,168	\$ 5,904,362

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

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds as of June 30, 2020, are as follows:

Year Ending June 30:	Principal	Interest	Total
2021	\$ 1,000,000	\$ 534,916	\$ 1,534,916
2022	1,050,000	486,228	1,536,228
2023	1,100,000	435,165	1,535,165
2024	1,150,000	390,640	1,540,640
2025	1,190,000	352,308	1,542,308
2026-2030	6,520,000	1,163,463	7,683,463
2031-2033	4,405,000	200,925	4,605,925
Total	\$ 16,415,000	\$ 3,563,645	\$ 19,978,645

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

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

Notes to Financial Statements

Note 8. Long-Term Liabilities (Continued)

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds as of June 30, 2020, are as follows:

Year Ending June 30:	Principal	Interest	Total
2021	\$ 3,995,000	\$ 954,125	\$ 4,949,125
2022	4,265,000	747,625	5,012,625
2023	4,555,000	527,125	5,082,125
2024	4,850,000	292,000	5,142,000
2025	3,415,000	85,375	3,500,375
Total	\$ 21,080,000	\$ 2,606,250	\$ 23,686,250

The College is subject to a debt limitation of 2.875% of its assessed valuation of \$4,191,810,026 less outstanding debt. As of June 30, 2020, the College had \$81,772,486 remaining legal debt margin.

Note 9. Early Retirement and Voluntary Separation Plans

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

Benefit Provisions

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

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

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

Funding Policy

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

Statement of Actuarial Assumptions and Methods

Plan Sponsor

Black Hawk College

Statement of Assumptions

The assumptions disclosed are for the fiscal year ending June 30, 2019.

Actuarial Cost Method

Costs are determined using Projected Unit Credit Actuarial Cost Method

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

Notes to Financial Statements

Note 9. Early Retirement and Voluntary Separation Plans (Continued)

Asset Valuation Method
Market Value

Discount Rate
4.25%

Projected Salary Increases
Not applicable

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

Turnover
Not applicable; this analysis valued retirees only

Retirement Rates
Not applicable; this analysis valued retirees only

Expense
None

Spousal Rate
Where no information is provided:
75% of current male retirees are married at retirement
75% of current female retirees are married
Male spouses are assumed to be three years older than female spouses

Health Care Trend Rate

Year	Medical/Rx	Dental	Vision
2019	6.5%	4.0%	3.0%
2020	6.0%	4.0%	3.0%
2021	5.5%	4.0%	3.0%
2022	5.0%	4.0%	3.0%
2023	4.5%	4.0%	3.0%
2024+	4.0%	4.0%	3.0%

Medical/Rx Costs

The following chart shows the monthly contribution rates for the 2018-2019 Plan Year

Coverage	Retiree	Spouse
Medical/Rx Under 65	\$ 697.85	\$ 916.03
Medical/Rx Over 65	\$ 302.89	\$ 415.12

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

Notes to Financial Statements

Note 9. Early Retirement and Voluntary Separation Plans (Continued)

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

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

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

Dental and Vision Costs

The following chart shows the monthly contribution rates for the 2018-2019 Plan Year

Coverage	Retiree	Spouse
Dental	\$ 38.33	\$ 58.68
Vision	\$ 7.25	\$ 10.92

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

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

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

Life Insurance

Not valued in this analysis

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

Notes to Financial Statements

Note 9. Early Retirement and Voluntary Separation Plans (Continued)

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

	Medical/Rx	Dental	Vision	Total
Number of Retirees Covered	30	29	25	30
Number of Spouses Covered	18	17	13	28
Total Liability	\$1,245,995	\$ 112,139	\$ 14,999	\$1,373,134
Expected Payments Next Twelve Months	\$ 135,571	\$ 12,103	\$ 2,148	\$ 149,823

The recorded liability for these plans is \$1,373,134 as of June 30, 2020.

Note 10. Risk Management and Insurance

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

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

The College establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported. At June 30, 2020, the amount of these liabilities was \$450,000. The following represents changes in those liabilities for the College during the past three years:

	<i>Beginning of Fiscal Year Liability</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Claim Payments</i>	<i>Balance at Fiscal Year- End</i>
FY2018	\$ 532,295	\$ 5,498,174	\$ 5,480,469	\$ 550,000
FY2019	\$ 550,000	\$ 5,897,300	\$ 5,667,300	\$ 780,000
FY2020	\$ 780,000	\$ 5,617,224	\$ 5,947,224	\$ 450,000

Note 11. Deferred Inflows of Resources

The \$29,151 of deferred inflows of resources related to grants and restricted funds reported on the Statement of Net Position/Net Assets requires the passage of time before it can be properly recognized as revenue.

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

Notes to Financial Statements

Note 12. Restricted Net Position

The College restricted net position is comprised of the following at June 30, 2020:

Restricted for:	
Audit	\$ 179,564
Liability, Protection and Settlement	5,454,491
Working Cash	10,194,190
Bond & Interest	3,208,268
Operations & Maintenance, Restricted	2,758,197
Grants & Scholarships	171,637
	\$ 21,966,347

Funds are classified as restricted net position when restrictions are imposed by external funding sources

Note 13. Commitments

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

As of June 30, 2020, the College had 8 active construction contracts. The remaining commitment on these contracts as of June 30, 2020, was approximately \$1,110,000.

Note 14. Tax Abatements

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual entity in which

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

The College is indirectly entered into tax abatement agreements with developers in the form of tax incremental financing (TIF) incentive payments intended to stimulate economic development within a TIF district. The immediate impact of a TIF district on the College results in a loss of property tax revenue during the duration of a TIF agreement. Once the TIF agreement expires, the expectation is that the EAV will have increased due to the increased economic development therefore creating an opportunity for more tax revenue for the College in future years. The total tax revenue lost in the 2019 tax year due to TIF agreements in place equals \$1,673,166 as of June 30, 2020.

The College is directly entered into a tax abatement agreement in relation to the Villas apartment complex located in Rock Island County. The total tax revenue lost in the 2019 tax year due to this tax abatement agreement is \$3,350 as of June 30, 2020.

Notes to Financial Statements

Note 15. Pending Accounting Pronouncements

GASB Statement No. 84, Fiduciary Activities establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The College has not determined the effect of this Statement.

GASB Statement No. 87, Leases, improves 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. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021. The College has not determined the effect of this Statement.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. 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. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The College has not determined the effect of this Statement.

GASB Statement No. 90, Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The College has not determined the effect of this Statement.

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

GASB Statement No. 92, Omnibus 2020, improves the consistency of several practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The College has not determined the effect of this Statement.

GASB Statement No. 93, Replacement of Interbank Offered Rates, amends certain hedge accounting from GASB Statement No. 53 and variable lease payments in accordance with GASB Statement No. 87. The requirements of this Statement are effective for fiscal years beginning after June 15, 2020. The College has not determined the effect of this Statement.

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

Notes to Financial Statements

Note 15. Pending Accounting Pronouncements (Continued)

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, provides more guidance regarding postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The College has not determined the effect of this Statement.

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

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32, provides more guidance for determining whether a primary government is financially accountable for a potential component unit, when the financial burden criterion in paragraph 7 of Statement No. 84 applies, and this statement clarifies that Statement 84 should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged if Statement 84 has been implemented. The College has not determined the effect of this Statement.

Note 16. Risk and Uncertainties

Specific to the College, COVID-19 impacted various aspects of operations and financial results for the year ended June 30, 2020, including charges for services and tax revenues. Management believes the College has taken appropriate actions in response to the pandemic. However, the full impact of COVID-19 remains unknown and cannot be reasonably estimated as these events are still developing.

Note 17. Subsequent Event

The College has evaluated subsequent events through February 2, 2021 which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2020 have been incorporated herein. There are no other subsequent events that require disclosure.

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Required Supplementary Information (RSI)

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

Required Supplementary Information (RSI)

SURS Pension Information for the Year Ended June 30, 2019

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

Fiscal Year 2020 Total DB Covered Payroll: \$14,832,131

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

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

Fiscal Year 2020 Total DB Contributions: \$1,195,460
Fiscal Year 2020 Total SMP Contributions: \$364,248

See Accompanying Notes to Required Supplementary Information

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

Required Supplementary Information (RSI)

OPEB Information for the Year Ended June 30, 2019

SCHEDULE OF SHARE OF NET OPEB LIABILITY				
BLACK HAWK COLLEGE	FY2016	FY2017	FY2018	FY2019
Proportion Percentage of the Collective Net OPEB Liability	1.08%	1.04%	0.99%	0.98%
Proportion Amount of the Collective Net OPEB Liability	\$19,635,594	\$18,932,513	\$18,616,921	\$18,578,409
Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability associated with Employer	\$20,458,618	\$18,683,160	\$18,616,921	\$18,578,409
Total collective net OPEB liability associated with the College	\$40,094,212	\$37,615,673	\$37,233,842	\$37,156,818
Employer Covered Payroll	\$21,640,911	\$20,088,183	\$19,379,989	\$19,499,632
Proportion of Collective Net OPEB Liability associated with the Employer as a percentage of Covered Payroll	185.27%	187.25%	192.13%	190.55%
College Insurance Plan (CIP) Net Position as a Percentage of Total Pension Liability	-2.15%	-2.87%	-2.15%	-4.13%

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

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

See Accompanying Notes to Required Supplementary Information

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

Notes to Required Supplementary Information (RSI)

Note 1. Changes of Pension benefit terms:

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2019.

Note 2. Changes of Pension assumptions:

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 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 overall assumed salary increase rates, ranging from 3.25 percent to 12.25 percent based on years of service, with underlying wage inflation of 2.25 percent.
- Investment return. Decrease the investment return assumption to 6.75 percent. This reflects maintaining an assumed real rate of return of 4.50 percent and decreasing the underlying assumed price inflation to 2.25 percent.
- Effective rate of interest. Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.75 percent (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 percent 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.

Note 3 Changes of OPEB Benefit Terms:

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2019.

Note 4. Changes of OPEB Assumptions:

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of CIP. An experience review for the years June 30, 2014 to June 30, 2017, resulting in the adoption of new assumptions as of June 30, 2018. The following OPEB-related assumptions changes were made since the last valuation as of June 30, 2017:

- The price inflation was decreased from 2.75 percent to 2.25 percent.
- The salary scale assumption was decreased.
- The rates of retirement were decreased.
- The rates of termination were decreased.
- The rates of disability were decreased.
- The mortality table was updated to reflect recent experience and mortality improvement scales.
- The discount rate was changed from 3.62 percent at June 30, 2018, to 3.13 percent at June 30, 2019.
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2018, projected plan cost for plan year end June 30, 2019, premium changes through plan year end 2019, and expectation of future trend increases after June 30, 2019;

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

Notes to Required Supplementary Information (RSI)

Note 4. Changes of OPEB Assumptions (Continued):

- The Excise Tax trend adjustment was updated based on available premium and enrollment information as of June 30, 2019;
- Per capita claim costs for plan year end June 30, 2019, were updated based on projected claims and enrollment experience through June 30, 2019, and updated premium rates through plan year end 2020; and
- Healthcare plan participation rates by plan were updated based on observed experience.

Statistical Section (Unaudited)

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Statistical Narrative

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

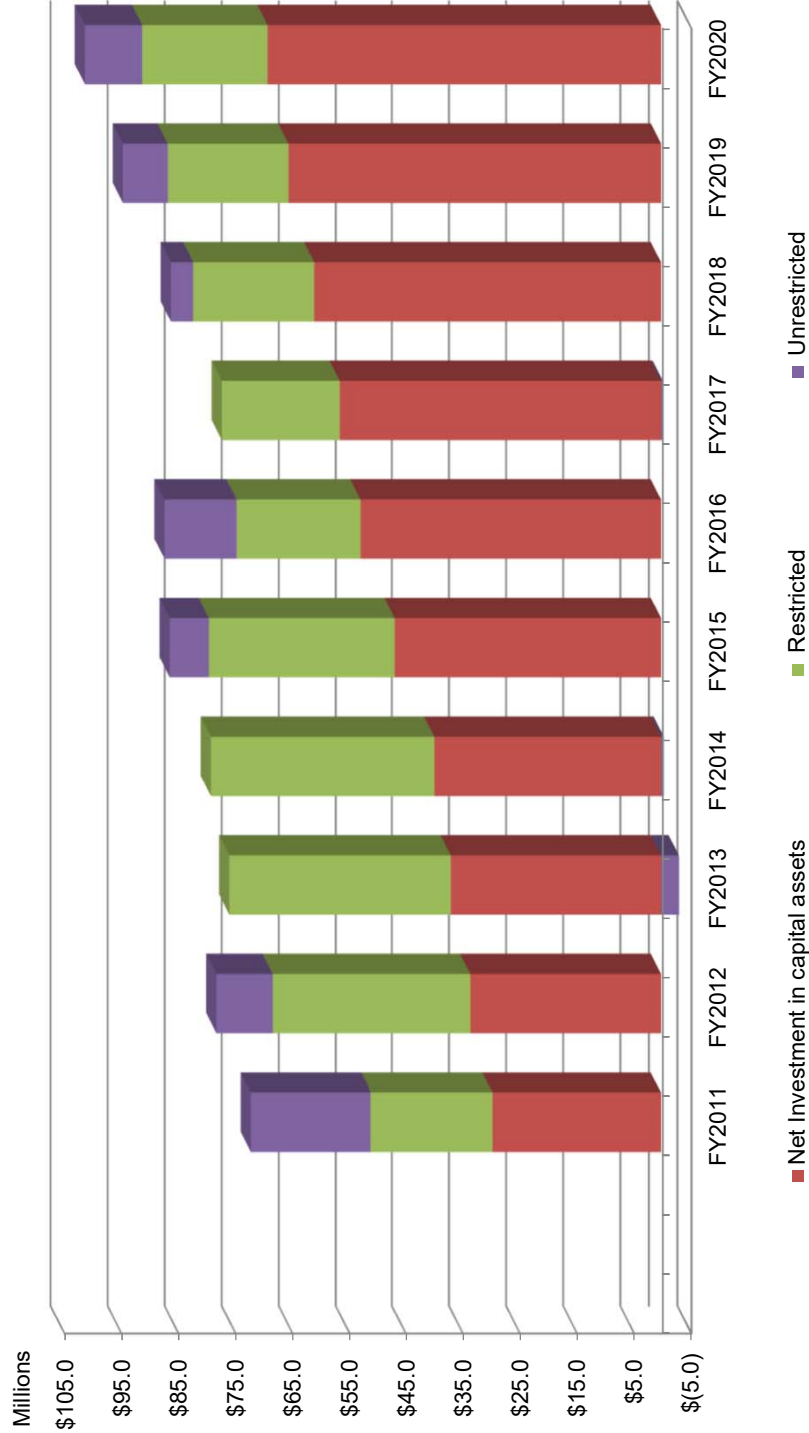
These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.

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

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

**Schedule of Net Position by Component
FY2011 through FY2020**

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Net investment in capital assets	\$ 29,495,572	\$ 33,387,782	\$ 36,808,792	\$ 39,682,320	\$ 46,629,046	\$ 52,790,893	\$ 56,423,039	\$ 60,892,637	\$ 65,410,549	\$ 69,088,597
Restricted	21,347,889	34,787,857	38,975,554	39,325,155	32,748,174	21,743,611	20,665,256	21,223,578	21,178,705	\$ 21,966,347
Unrestricted	21,158,239	9,871,444	(3,108,137)	(463,684)	6,860,226	12,612,715	(275,854)	3,905,446	7,835,509	\$ 10,045,850
Total net position	\$ 72,001,700	\$ 78,047,083	\$ 72,676,209	\$ 78,543,791	\$ 86,237,446	\$ 87,147,219	\$ 76,812,441	\$ 86,021,661	\$ 94,424,763	\$ 101,100,794



Source: College audited financial statements.
Note: In fiscal year 2018, GASB 75 was implemented retroactively to fiscal year 2017 which included a \$19,635,594 OPEB liability impact.

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

**Schedule of Changes in Net Position
FY2011 through FY2020**

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Operating Revenues:										
Student tuition and fees, net of allowance	\$ 7,916,703	\$ 6,609,902	\$ 7,613,048	\$ 7,624,251	\$ 7,900,764	\$ 8,229,163	\$ 7,892,417	\$ 9,662,882	\$ 8,601,924	\$ 7,299,079
Sales, service, and rental of facilities	2,992,034	2,481,502	2,236,204	2,233,506	2,430,045	3,105,311	3,057,200	1,650,722	1,655,925	1,511,592
Tuition chargeback	-	-	-	-	-	-	3,291	-	-	-
SURS contribution provided by state	4,293,814	5,373,730	7,535,508	8,068,818	-	-	-	-	-	-
Other operating revenue	3,680	2,486	-	-	-	-	-	-	-	-
Total operating revenue	15,206,231	14,467,620	17,384,760	17,926,575	10,330,809	11,334,474	10,952,908	11,313,604	10,257,849	8,810,671
Operating expenses:										
Instruction	13,787,062	13,973,024	19,814,071	18,609,563	15,128,229	17,724,388	26,967,368	17,334,662	16,774,426	16,604,364
Academic support	3,950,163	5,127,170	6,244,734	6,272,580	5,874,310	5,983,041	8,645,553	6,125,203	6,049,316	6,434,686
Student services	3,595,126	3,485,166	4,265,652	4,300,131	4,210,904	4,549,668	7,062,263	4,578,630	4,657,028	4,592,178
Public service	1,840,080	1,977,739	1,879,087	2,122,000	2,477,612	2,086,257	2,443,828	1,964,151	1,922,837	1,805,061
Auxiliary services	3,766,883	3,706,401	3,823,167	3,765,785	3,617,263	3,002,230	3,175,143	2,517,809	2,281,350	2,132,268
Institutional support	9,345,604	9,215,268	10,346,257	9,025,272	7,732,965	8,651,774	11,570,659	9,645,521	10,501,177	12,097,709
Scholarships, student grants and waivers	3,748,071	2,747,946	2,401,499	2,615,325	2,665,004	2,925,053	2,760,799	2,861,182	2,387,028	2,799,051
SURS contribution provided by state	4,293,814	5,373,730	-	-	-	-	-	-	-	-
Operation of physical facilities	4,792,520	4,920,249	4,232,592	5,346,628	8,948,305	6,308,416	9,238,103	6,010,698	6,276,854	6,822,414
Loss on disposal of equipment	22,464	5,451	16,664	762,732	-	2,869	138,692	58,088	164,089	10,108
Depreciation	1,298,115	1,419,276	1,601,385	1,740,162	1,830,003	2,065,643	2,372,917	2,584,543	2,744,079	2,747,583
Total operating expenses	50,439,902	51,951,420	54,625,108	54,560,178	52,484,595	53,299,339	74,375,325	53,680,487	53,758,184	56,045,422
Operating (loss)	(35,233,671)	(37,483,800)	(37,240,348)	(36,633,603)	(42,153,786)	(41,964,865)	(63,422,417)	(42,366,883)	(43,500,335)	(47,234,751)
Non-operating revenues (expenses)										
Property taxes	18,692,853	19,171,402	19,119,399	19,462,491	19,623,307	20,316,292	21,077,895	22,304,048	23,116,343	23,354,222
Personal property taxes	1,432,216	1,317,537	1,346,184	1,361,828	1,464,594	1,340,818	1,480,910	1,219,068	1,356,578	1,466,854
State government sources	11,697,372	10,578,684	9,562,931	10,192,344	19,205,104	13,134,693	23,427,506	20,838,529	20,344,690	21,167,329
Federal government sources	11,941,906	10,875,102	10,099,071	9,995,924	9,290,411	7,733,197	7,431,615	7,234,806	6,501,114	7,911,547
Investment earnings	1,304,926	1,118,105	848,082	286,520	259,842	232,346	394,887	908,951	1,372,995	807,639
Other sources	846,037	1,046,866	1,281,102	2,025,129	832,131	838,648	823,466	447,739	495,300	357,667
Interest expense	(760,282)	(578,513)	(778,726)	(923,106)	(827,948)	(721,356)	(1,548,640)	(1,377,038)	(1,283,583)	(1,154,476)
Total non-operating revenues (expenses)	45,155,028	43,529,183	41,478,043	42,401,130	49,847,441	42,874,638	53,087,639	51,576,103	51,903,437	53,910,782
Change in net position	\$ 9,921,357	\$ 6,045,383	\$ 4,237,695	\$ 5,767,527	\$ 7,693,655	\$ 909,773	\$ (10,334,778)	\$ 9,209,220	\$ 8,403,102	\$ 6,676,031

Note:

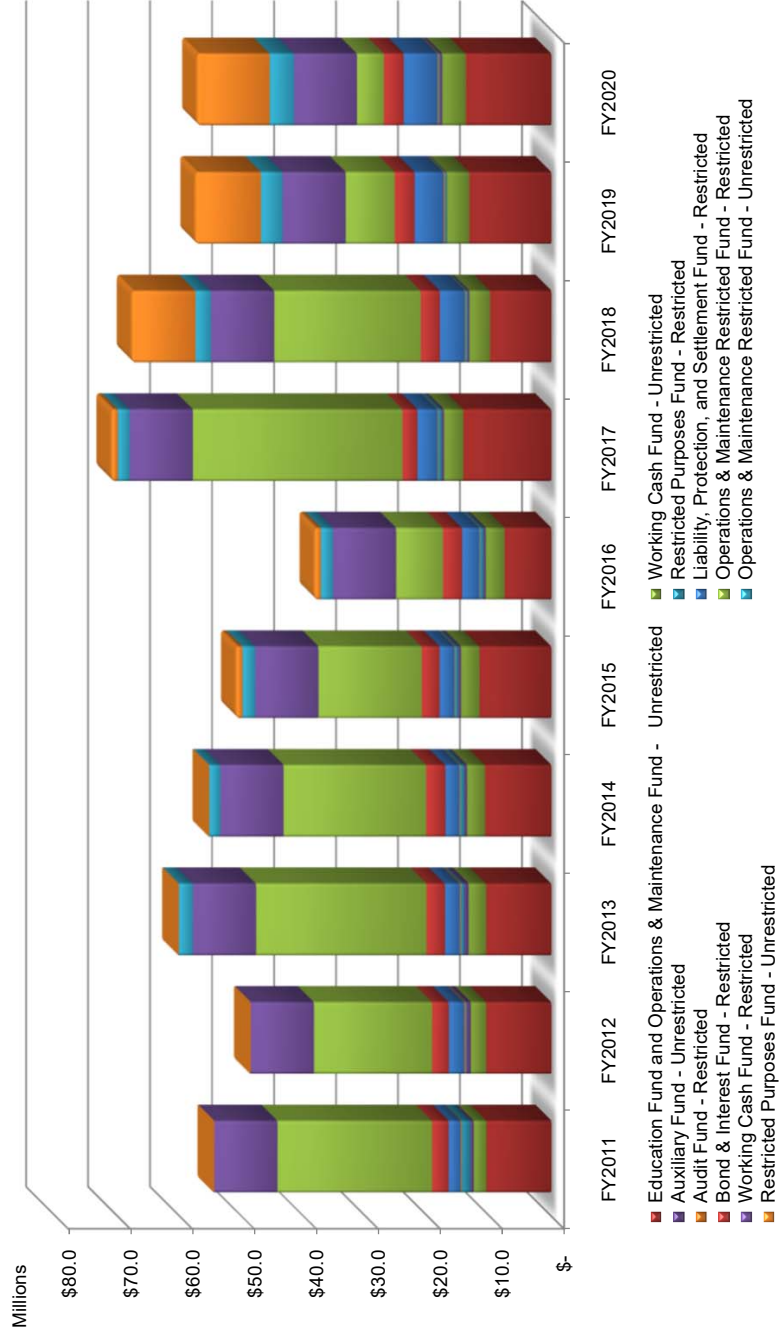
1. Beginning FY2013 SURS contribution provided by state allocated among existing operating expense functions.
2. Beginning FY2015, SURS contribution provided by state included as a non-operating revenue under State government sources.
3. In fiscal year 2018, GASB 75 was implemented retroactively to fiscal year 2017 which included a \$19,635,594 OPEB liability impact

Source: Black Hawk College Audited Financial Statements

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

**Schedule of Fund Balance by Fund
FY2011 through FY2020**

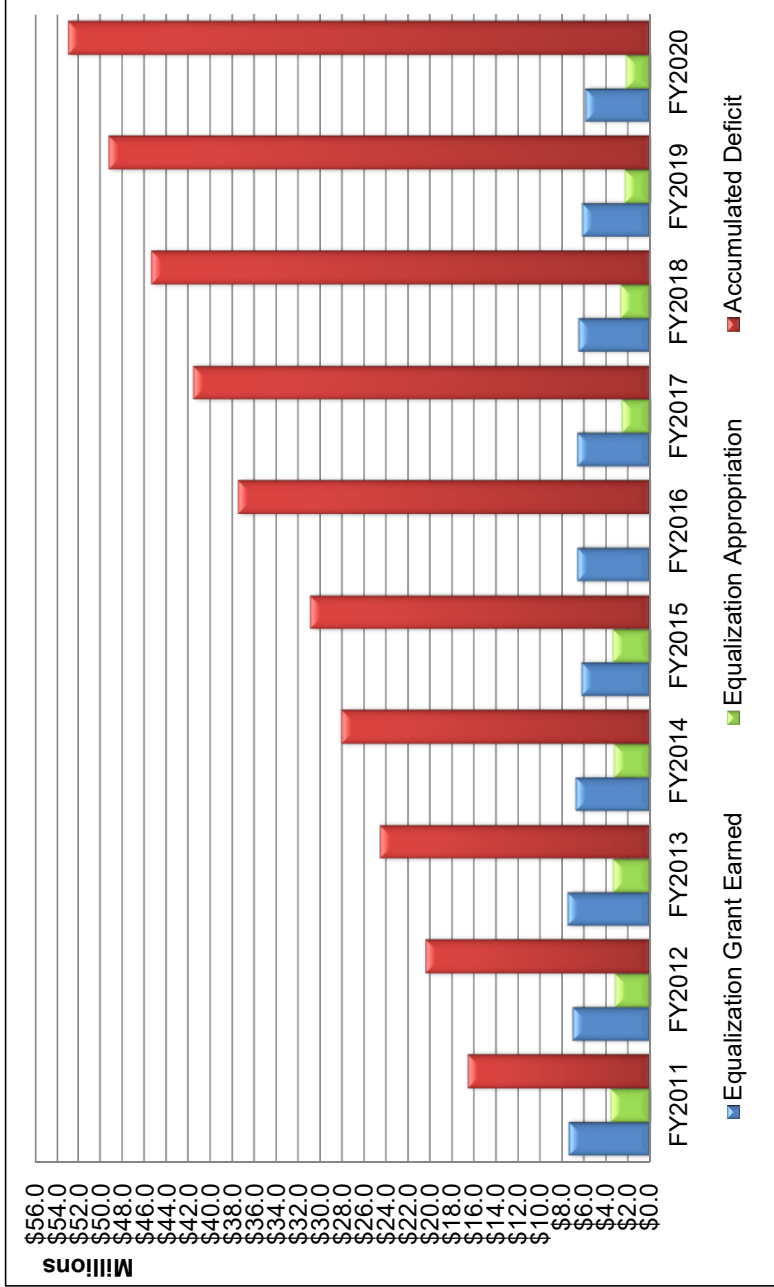
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Education Fund and Operations & Maintenance Fund - Unrestricted	\$ 10,458,459	\$ 10,512,321	\$ 10,512,321	\$ 10,682,400	\$ 11,591,965	\$ 7,534,940	\$ 14,204,789	\$ 9,898,492	\$ 13,235,799	\$ 13,787,583
Working Cash Fund - Unrestricted	2,081,546	2,496,165	2,848,633	2,912,562	2,978,247	3,044,065	3,137,116	3,317,332	3,624,068	3,830,983
Auxiliary Fund - Unrestricted	495,505	702,675	711,344	477,896	458,386	377,799	369,513	279,543	40,420	379,093
Restricted Purposes Fund - Restricted	1,393,815	94,284	495,369	632,447	487,716	556,420	523,904	280,533	262,322	171,637
Restricted Purposes Fund - Unrestricted	-	-	-	-	1,000,000	1,000,000	1,000,000	10,240,000	10,530,635	11,674,278
Audit Fund - Restricted	172,765	211,908	200,222	135,278	113,676	104,536	106,656	157,198	203,058	179,564
Liability, Protection, and Settlement Fund - Restricted	1,952,072	2,521,853	2,402,140	2,265,040	2,386,897	2,798,225	3,274,964	4,070,362	4,701,821	5,454,491
Bond & Interest Fund - Restricted	2,704,975	2,721,899	2,973,723	3,079,546	2,909,841	3,048,701	2,389,192	3,071,627	3,196,333	3,208,268
Operations & Maintenance Restricted Fund - Restricted	24,930,072	19,043,923	27,508,249	23,018,654	16,655,854	7,581,975	33,826,596	23,636,027	7,915,013	4,344,856
Operations & Maintenance Restricted Fund - Unrestricted	-	-	2,254,612	1,808,396	2,065,594	1,933,844	1,912,616	2,520,099	3,502,622	3,908,770
Working Cash Fund - Restricted	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190	10,194,190
Total Fund Balance	\$ 54,383,399	\$ 48,499,018	\$ 60,100,803	\$ 55,206,409	\$ 50,842,366	\$ 38,174,695	\$ 70,939,536	\$ 67,665,403	\$ 57,406,281	\$ 57,133,713



Note: Excludes Investment in Plant and General Long Term Debt funds.
Source: College audited financial statements.

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

**State Equalization Grant Funding History & Accumulated Deficit
FY2011 through FY2020**

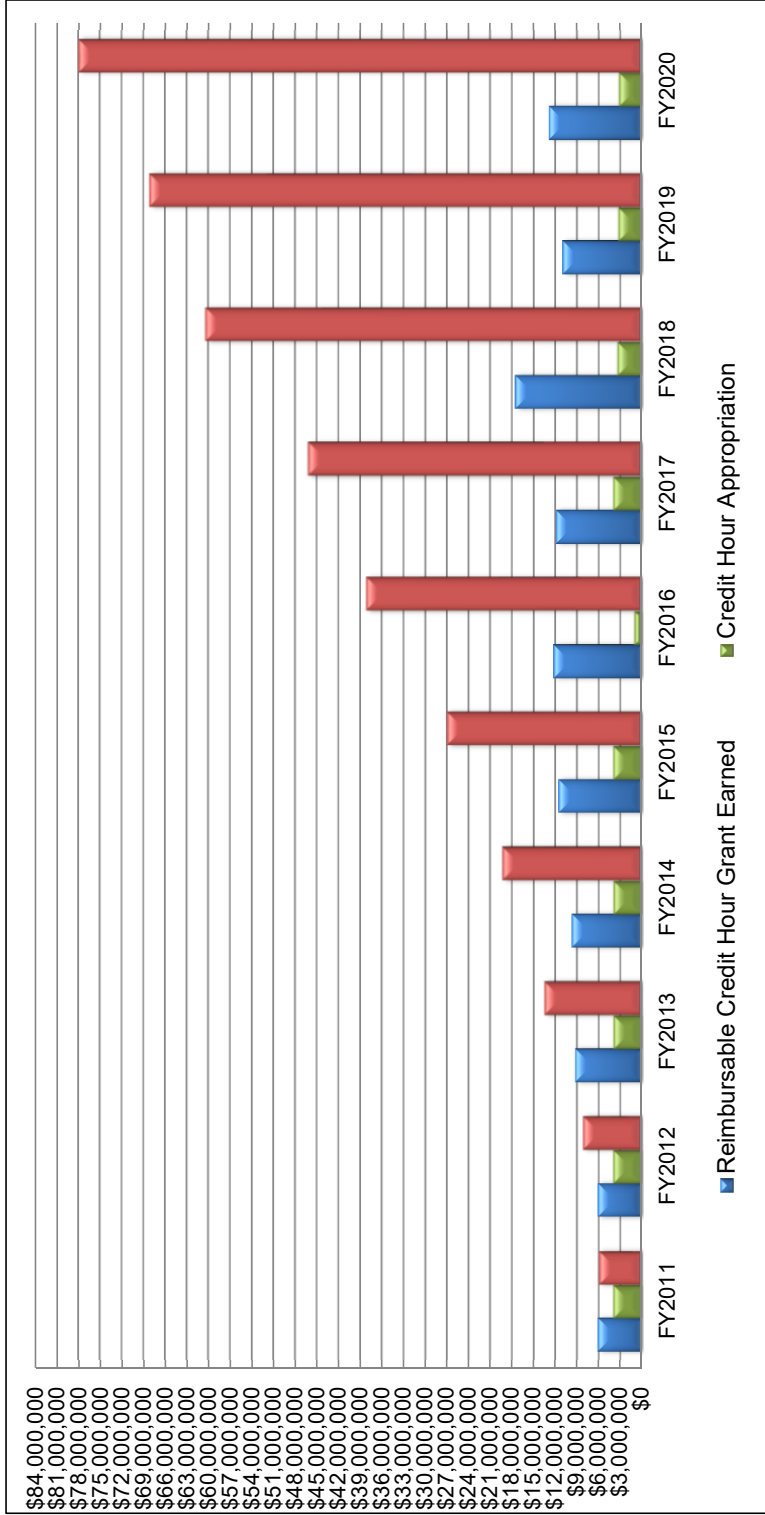


	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Equalization Grant Earned	\$ 7,372,057	\$ 7,028,293	\$ 7,500,478	\$ 6,768,524	\$ 6,238,384	\$ 6,614,329	\$ 6,614,579	\$ 6,509,795	\$ 6,183,772	\$ 5,901,276
Equalization Appropriation	3,576,700	3,187,173	3,348,294	3,264,676	3,387,065	50,000	2,566,390	2,684,210	2,304,020	2,194,790
Annual Deficit	(3,795,357)	(3,841,120)	(4,152,184)	(3,503,848)	(2,851,319)	(6,564,329)	(4,048,189)	(3,825,565)	(3,879,752)	(3,706,486)
Accumulated Deficit	\$ 16,585,611	\$ 20,426,731	\$ 24,578,915	\$ 28,082,763	\$ 30,934,082	\$ 37,498,411	\$ 41,546,600	\$ 45,372,165	\$ 49,251,937	\$ 52,958,423
Percentage Received	48.52%	45.35%	44.64%	48.23%	54.29%	0.76%	38.80%	41.23%	37.26%	37.19%

Source: ICCB System's Operating Budgets

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

**State Credit Hour Grant Funding History & Accumulated Deficit
FY2011 through FY2020**



	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Reimbursable Credit Hour Grant Earned	\$ 6,125,709	\$ 6,125,709	\$ 9,276,633	\$ 9,701,085	\$ 11,564,377	\$ 12,262,006	\$ 11,950,503	\$ 17,568,916	\$ 11,001,848	\$ 12,931,395
Credit Hour Appropriation	3,923,273	3,923,273	3,917,264	3,897,853	3,919,294	1,051,469	3,919,661	3,365,310	3,249,820	3,150,010
Annual Deficit	(2,202,436)	(2,202,436)	(5,359,369)	(5,803,232)	(7,645,083)	(11,210,537)	(8,030,842)	(14,203,606)	(7,752,028)	(9,781,385)
Accumulated Deficit	\$ 5,936,570	\$ 8,139,006	\$ 13,498,375	\$ 19,301,607	\$ 26,946,690	\$ 38,157,227	\$ 46,188,069	\$ 60,391,675	\$ 68,143,703	\$ 77,925,088
Percentage Received	64.05%	64.05%	42.23%	40.18%	33.89%	8.58%	32.80%	19.15%	29.54%	24.36%

Source: ICCB System's Operating Budgets

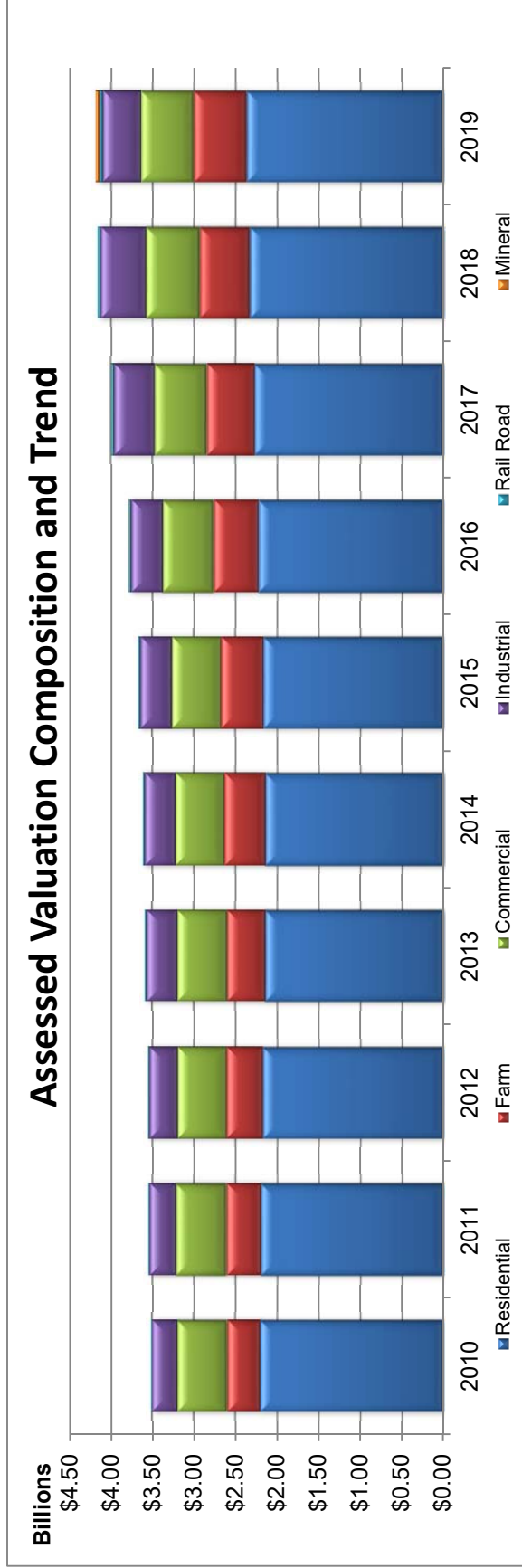
**Black Hawk College
Illinois Community College District No. 503**

Assessed and Estimated Actual Value of Taxable Property
Tax Levy Years 2010 through 2019

Assessed Valuation by Property Type

Levy year	Residential	Farm	Commercial	Industrial	Rail Road	Mineral	Total Assessed Valuation	Estimated Actual Value
2010	2,204,812,845	390,730,975	600,753,081	305,756,819	10,948,746	-	3,513,002,466	10,540,061,404
2011	2,199,256,948	412,091,076	608,557,475	315,981,890	14,957,174	-	3,550,844,563	10,653,599,049
2012	2,175,310,702	435,606,505	591,923,037	335,445,784	18,466,435	-	3,556,752,463	10,671,324,521
2013	2,141,816,213	462,208,844	597,985,340	365,445,765	23,880,009	-	3,591,336,171	10,775,086,022
2014	2,141,894,538	492,617,957	592,749,727	366,962,987	25,739,504	-	3,619,964,713	10,860,980,237
2015	2,164,451,362	509,654,871	595,261,473	372,791,730	26,582,115	-	3,668,741,551	11,007,325,386
2016	2,226,812,309	537,527,465	615,974,154	376,403,368	29,962,823	6,955	3,786,687,074	11,361,197,342
2017	2,276,564,797	567,769,167	631,128,767	485,464,991	33,563,507	6,955	3,994,498,184	11,984,693,021
2018	2,331,168,336	602,148,998	644,837,721	549,430,491	35,551,679	6,955	4,163,144,180	12,490,681,608
2019	2,368,596,491	637,343,558	636,347,261	461,265,646	39,688,165	48,568,905	4,191,810,026	12,576,687,747

Assessed Valuation Composition and Trend



Notes:

1. Assessed value is computed by various county's clerks offices and is equal to approximately one-third of the estimated actual value.
2. The tax levy for 2019 is the most current information available
3. The total direct rate applied to tax year 2019 is \$0.5714.

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

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

Property Tax Extensions and Collections
Tax Levy Years 2010 through 2019

Levy Year	Fiscal Year	Assessed Valuation	Tax Rate	Taxes Extended (Levy)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percent of Extension		Amount	Percent of Extension
2010	2011	3,513,002,466	0.5324	18,703,225	6,123,362	33%	12,547,662	18,671,024	100%
2011	2012	3,550,844,563	0.5369	19,064,484	6,573,422	34%	12,462,381	19,035,803	100%
2012	2013	3,556,752,463	0.5403	19,217,134	6,378,931	33%	12,755,585	19,134,516	100%
2013	2014	3,591,336,171	0.5427	19,490,182	6,877,997	35%	12,469,656	19,347,653	99%
2014	2015	3,619,964,713	0.5485	19,855,507	6,971,526	35%	12,833,852	19,805,378	100%
2015	2016	3,668,741,551	0.5598	20,537,616	8,164,466	40%	12,245,978	20,410,444	99%
2016	2017	3,786,687,074	0.5718	21,666,808	8,518,863	39%	13,170,108	21,688,971	100%
2017	2018	3,994,498,184	0.5676	22,662,281	9,105,488	40%	13,460,606	22,566,094	100%
2018	2019	4,163,144,180	0.5632	23,442,470	9,158,500	39%	13,787,659	22,946,159	98%
2019	2020	4,191,810,026	0.5714	23,992,675	9,831,580	41%	-	9,831,580	41%

Notes:

1. Property taxes which are measurable and available are recognized as revenue. Property taxes which are measurable but not available are deferred and recognized as revenue as they become available.
2. The tax levy for 2019 is the most current information available.
3. The tax rates reported for the College are blended rates based on the total taxes and the total assessed valuations for all counties combined.
4. The tax rate fluctuates from year to year primarily due to the debt service requirements for General Obligation bonds.
5. Due to differences in the computational methods followed by the nine counties, portions of each of which are within the District's boundaries, there may be slight differences between the final levy amounts extended by the counties and those used for financial statement purposes.

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

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

Representative Tax Rates
Tax Years 2010 through 2019

Taxing Districts	Tax Year 2010	Tax Year 2011	Tax Year 2012	Tax Year 2013	Tax Year 2014	Tax Year 2015	Tax Year 2016	Tax Year 2017	Tax Year 2018	Tax Year 2019
Black Hawk College District No. 503	\$ 0.5324	\$ 0.5369	\$ 0.5403	\$ 0.5427	\$ 0.5485	\$ 0.5598	\$ 0.5718	\$ 0.5676	\$ 0.5632	\$ 0.5714
Rock Island County	0.8574	0.8684	0.8872	1.0184	1.0596	1.2480	1.2466	1.2436	1.2400	1.3296
South Moline Township	0.1420	0.1318	0.1358	0.1304	0.1244	0.1232	0.1192	0.1162	0.1154	0.1164
Road & Bridge - South Moline Township	0.0070	0.0085	0.0093	0.0152	0.0160	0.0116	0.0118	0.0116	0.0117	0.0175
Road & Bridge - City of Moline	0.0042	0.0043	0.0047	0.0047	0.0048	0.0052	0.0054	0.0054	0.0057	-
South Moline Township Cemetery	0.0038	0.0038	0.0038	0.0040	0.0040	0.0040	0.0032	0.0032	0.0028	-
City of Moline	1.9324	1.9744	2.0268	2.0500	2.0638	2.0782	2.0854	2.0742	2.0602	2.0554
School District No. 40	5.0584	5.0600	5.0590	5.1090	5.1120	5.1594	5.1498	5.1094	5.0318	5.0438
Forest Preserve	0.0942	0.0944	0.0974	0.1148	0.1190	0.1230	0.1246	0.1236	0.1274	0.1306
Metropolitan Airport Authority	0.0734	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0756	0.0748	0.0733
Metropolitan Transit Authority	0.1822	0.1872	0.1948	0.2054	0.2082	0.2086	0.2056	0.2120	0.1952	0.1958
Total	\$ 8.8874	\$ 8.9447	\$ 9.0341	\$ 9.2696	\$ 9.3353	\$ 9.5960	\$ 9.5984	\$ 9.5424	\$ 9.4282	\$ 9.5338

Notes:

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

Source: Rock Island County Clerk's Office

Taxing Districts	Tax Year 2010	Tax Year 2011	Tax Year 2012	Tax Year 2013	Tax Year 2014	Tax Year 2015	Tax Year 2016	Tax Year 2017	Tax Year 2018	Tax Year 2019
Black Hawk College District No. 503	\$ 0.5341	\$ 0.5372	\$ 0.5406	\$ 0.5344	\$ 0.5485	\$ 0.5492	\$ 0.5723	\$ 0.5676	\$ 0.5627	\$ 0.5720
Henry County	0.9498	0.9270	0.9316	0.9004	0.9198	0.9567	0.9423	0.9425	0.8792	0.8605
Kewanee Township	0.1742	0.1774	0.1789	0.1832	0.1835	0.1855	0.1813	0.1804	0.1778	0.1698
Kewanee Township Road District	0.2163	0.2167	0.2168	0.2173	0.2173	0.2174	0.2170	0.2175	0.2177	0.2173
City of Kewanee	2.3865	2.4857	2.6888	2.8057	2.8519	2.8652	2.8526	2.8265	2.9276	2.9234
Kewanee Park District	1.0518	1.0692	1.0891	1.1188	1.1229	1.3777	1.3869	1.4099	1.3973	1.3756
Kewanee Library District	0.7627	0.7680	0.8065	0.7493	0.7286	0.7140	0.7039	0.7083	0.7168	0.7181
Kewanee Airport	0.0121	0.0123	0.0131	0.0133	0.0133	0.0134	0.0131	0.0129	0.0127	0.0124
Kewanee School District No. 229	4.5174	4.3535	4.0950	4.0929	4.2893	4.5990	4.5703	4.5863	4.5924	4.5442
Kewanee Fire District	0.6347	0.6254	0.6294	0.6988	0.6974	0.7023	0.7041	0.7087	0.6952	0.6759
Total	\$ 11.2396	\$ 11.1724	\$ 11.1898	\$ 11.3141	\$ 11.5725	\$ 12.1804	\$ 12.1438	\$ 12.1606	\$ 12.1794	\$ 12.0692

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

Source: Henry County Clerk's Office

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

Principal Taxpayers
Most recent Year and Ten Years Ago

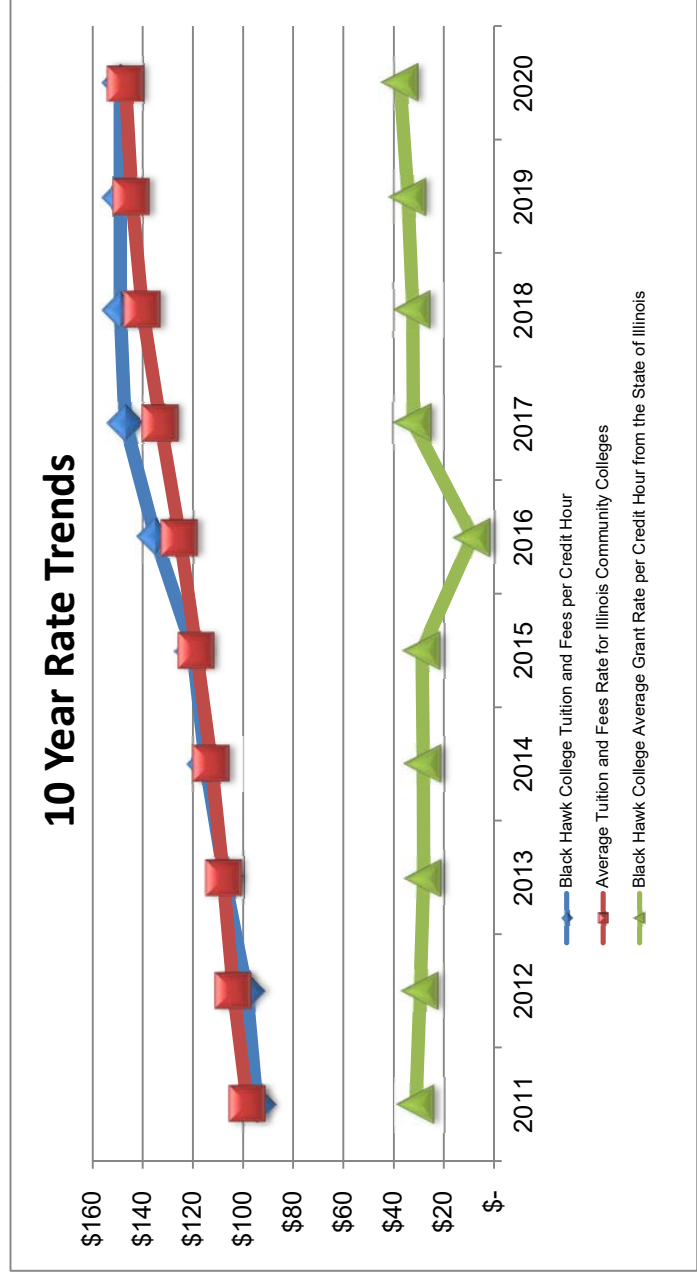
Taxpayer	2010			2019			
	Equalized Assessed Valuation	County	Percent of District's EAV	Taxpayer	Equalized Assessed Valuation	County	Percent of District's EAV
Common Wealth Edison	\$ 140,000,000	Rock Island	3.99%	Exelon Generation Co., LLC	\$ 263,924,344	Rock Island	6.30%
Deere & Company	\$ 29,734,693	Rock Island	0.85%	Bishop Hill Energy, LLC	\$ 39,551,137	Henry	0.94%
Patriot Renewable Fuels, LLC.	\$ 22,942,607	Henry	0.65%	Deere & Company	\$ 31,132,389	Rock Island	0.74%
Rock Island Boatworks/ Jumer's Casino	\$ 22,519,448	Rock Island	0.64%	Patriot Renewable Fuels, LLC	\$ 23,565,004	Henry	0.56%
Big River Resources Galva LLC	\$ 21,942,813	Henry	0.62%	Big River Resources Galva, LLC	\$ 10,000,000	Henry	0.24%
SDG Macerich/Southpark Mall	\$ 16,632,476	Rock Island	0.47%	Macerich Retail/Southpark Mall	\$ 9,891,170	Rock Island	0.24%
Modern Woodmen of America	\$ 9,543,326	Rock Island	0.27%	Minnesota Mining & MFG Co.	\$ 9,407,421	Rock Island	0.22%
Thoms-Proestler Co.	\$ 5,643,419	Rock Island	0.16%	MidAmerican Renewables	\$ 8,865,513	Henry	0.21%
Fed Ex Freight	\$ 5,025,042	Rock Island	0.14%	Modern Woodmen of America	\$ 8,845,529	Rock Island	0.21%
Walmart-Silvis	\$ 4,895,401	Rock Island	0.14%	PIRET	\$ 5,455,917	Rock Island	0.13%
	\$ 278,879,225		7.94%		\$ 410,638,424		9.80%

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

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

Mandatory Tuition and Fees
FY2011 through FY2020

Fiscal Year	Black Hawk College Tuition and Fees per Credit Hour	Average Tuition and Fees Rate for Illinois Community Colleges	Black Hawk College Average Grant Rate per Credit Hour from the State of Illinois	Black Hawk College Total Unrestricted and Restricted Credit Hours
2011	94.50	98.26	31.08	139,479
2012	98.50	103.89	29.49	137,989
2013	107.50	107.89	28.09	135,791
2014	115.00	112.65	28.25	129,755
2015	120.00	118.77	28.74	120,297
2016	135.00	125.27	8.57	107,308
2017	147.00	133.07	32.11	100,858
2018	149.00	140.15	32.45	93,328
2019	149.00	144.36	34.28	88,088
2020	149.00	147.01	37.40	88,875



Source: College records and ICCB Tuition and Fee data.

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

Ratio of Outstanding Debt by Type
FY2011 through FY2020

Fiscal Year	General		Installment Contracts	Total Outstanding Debt	Estimated Actual Taxable Property Value	Percentage of Actual Value	Total Outstanding Debt Per Capita
	Obligation Bonds						
2011	22,600,000	-	-	22,600,000	10,540,061,404	0.214%	90.40
2012	17,740,000	-	-	17,740,000	10,653,599,049	0.167%	79.49
2013	33,557,258	-	-	33,557,258	10,671,324,521	0.314%	149.75
2014	28,299,231	-	-	28,299,231	10,775,086,022	0.263%	119.88
2015	32,649,100	-	-	32,649,100	10,860,980,237	0.301%	127.64
2016	27,277,322	-	-	27,277,322	11,007,325,386	0.248%	106.73
2017	53,357,758	-	-	53,357,758	11,361,197,342	0.470%	210.47
2018	49,050,054	-	-	49,050,054	11,984,693,021	0.409%	197.27
2019	43,992,054	-	-	43,992,054	12,490,681,608	0.352%	174.46
2020	38,742,052	-	-	38,742,052	12,576,687,747	0.308%	156.28

Notes:

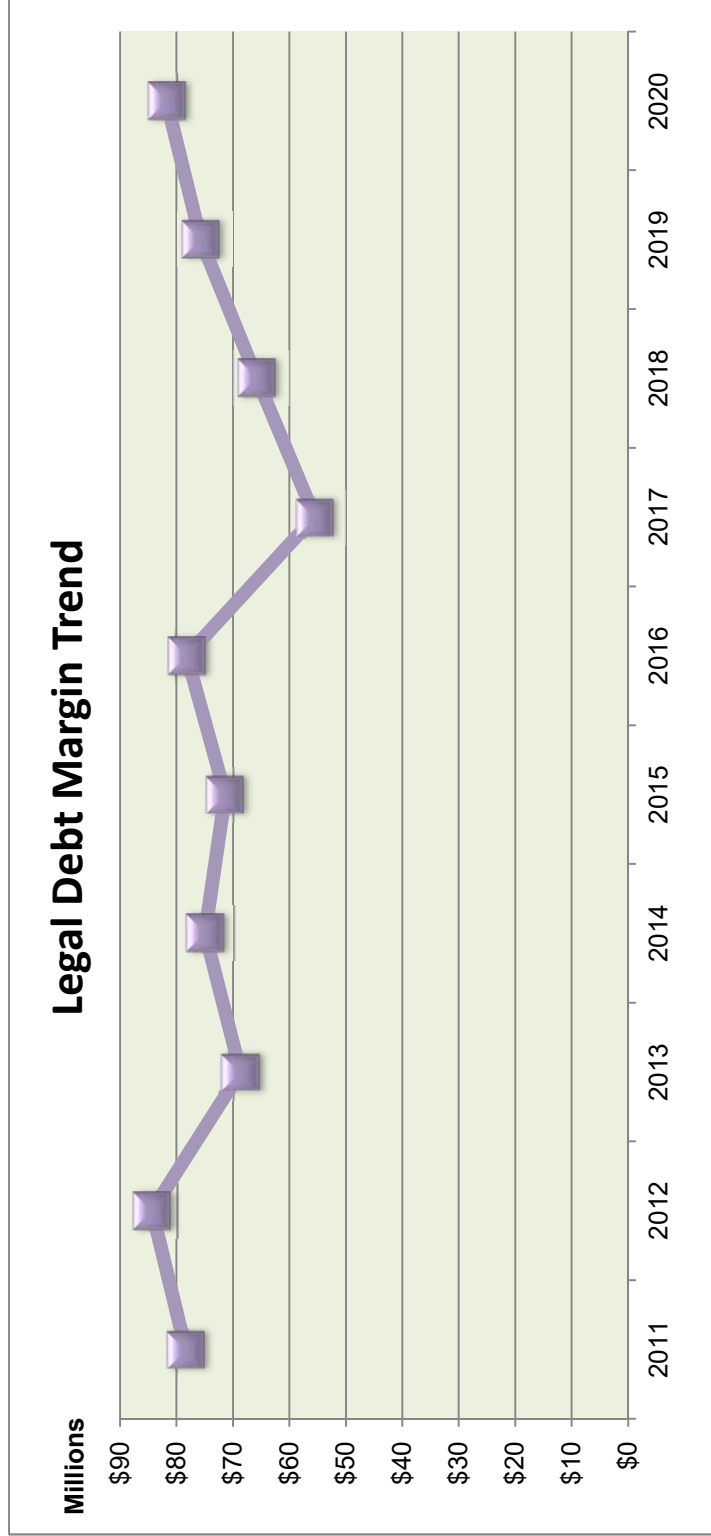
1. Details of the College's outstanding debt can be found in the notes to the financial statements.
2. Total Outstanding Debt Per Capita is calculated by using the 2010 U.S. Census or the most recent American Community Survey population for each of the nine counties, included either in part or whole,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

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

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

Computation of Legal Debt Margin
FY2011 through FY2020

Fiscal Year	Assessed Value	Debt Limit: 2.875% of Assessed Value	Less applicable Debt: General Obligation Bonds	Legal Debt Margin
2011	3,513,002,466	100,998,821	22,600,000	78,398,821
2012	3,550,844,563	102,086,781	17,740,000	84,346,781
2013	3,556,752,463	102,256,633	33,557,258	68,699,375
2014	3,591,336,171	103,250,915	28,299,231	74,951,684
2015	3,619,964,713	104,073,985	32,649,100	71,424,885
2016	3,668,741,551	105,476,320	27,277,322	78,198,998
2017	3,786,687,074	108,867,253	53,357,758	55,509,495
2018	3,994,498,184	114,841,823	49,050,054	65,791,769
2019	4,163,144,180	119,690,395	43,992,054	75,698,341
2020	4,191,810,026	120,514,538	38,742,052	81,772,486

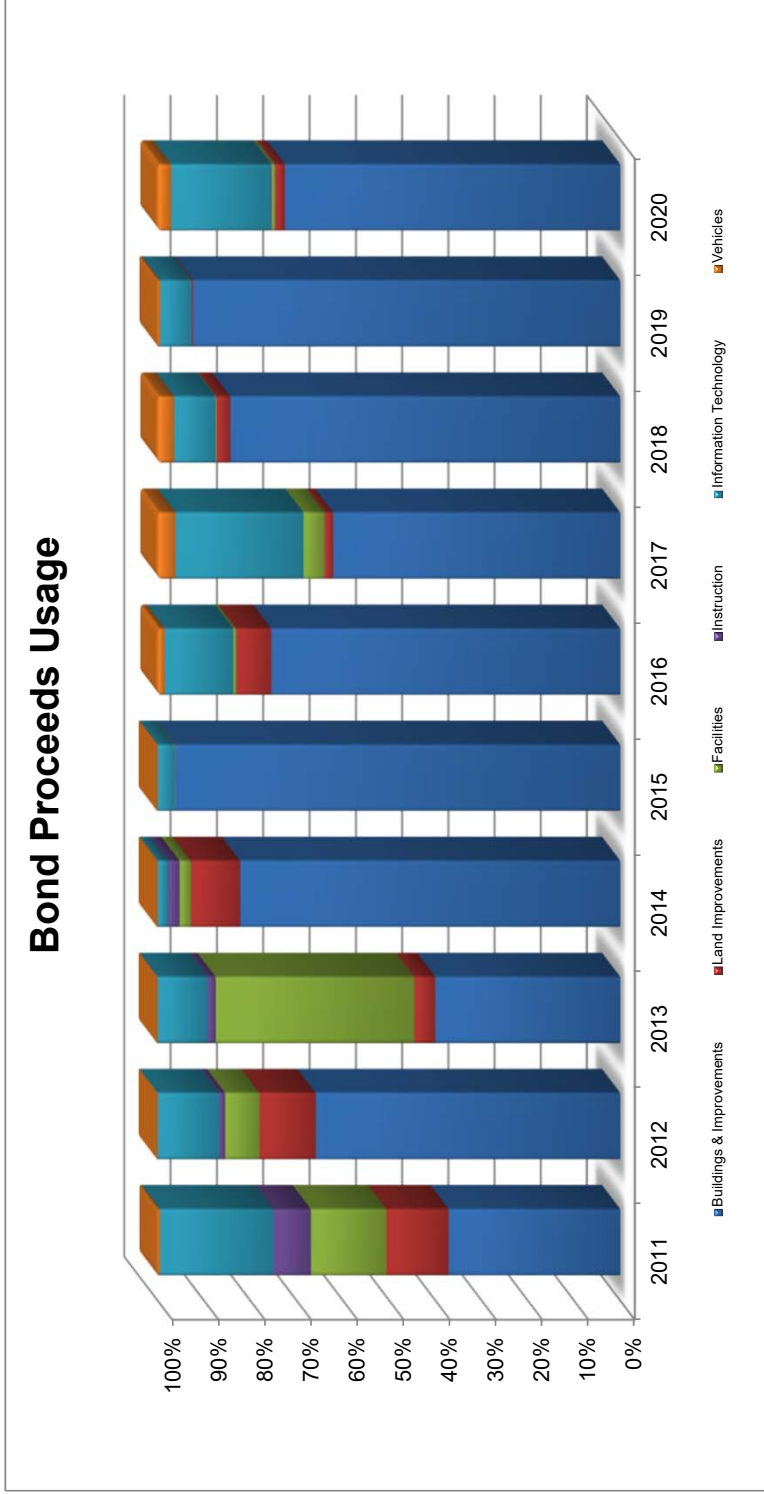


Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark and Whiteside County Clerks Offices and College records

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

Use of Bond Issuance Proceeds
FY2011 through FY2020

Purpose	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Buildings & Improvements	\$ 990,583	\$ 4,379,666	\$ 3,567,963	\$ 4,159,615	\$ 14,027,532	\$ 7,047,573	\$ 2,923,612	\$ 8,284,703	\$ 14,436,690	\$ 2,637,893
Land Improvements	359,872	803,531	404,588	538,514	7,117	706,336	85,630	292,003	54,501	75,231
Facilities	434,725	494,661	3,821,944	122,738	15,566	57,498	216,835	16,927	3,267	27,585
Instruction	215,168	83,700	151,212	122,476	-	-	-	-	-	5,941
Information Technology	652,498	883,528	962,605	116,314	531,481	1,383,178	1,298,852	879,140	1,053,149	783,378
Vehicles	13,479	-	-	-	-	143,487	181,040	350,379	85,558	105,231
Total	\$ 2,666,324	\$ 6,645,086	\$ 8,908,312	\$ 5,059,657	\$ 14,581,696	\$ 9,338,072	\$ 4,705,969	\$ 9,823,152	\$ 15,633,165	\$ 3,635,259

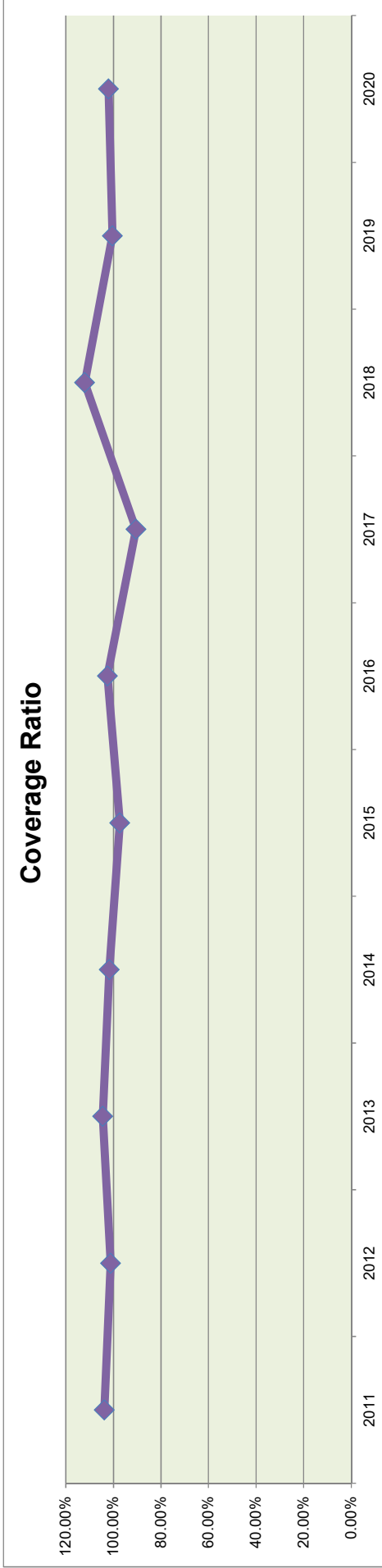


The College issued new bonds during fiscal years 2004, 2006, 2008, 2010, 2013, 2015 and 2017.
Source: College records

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

Schedule of Bond Coverage
FY2011 through FY2020

Fiscal Year	2008 Bonds		2010 Bonds		2013 Bonds		2015 Bonds		2017 Bonds		Coverage Ratio	
	Property Taxes Collected	Interest Earned	Net Revenue Available for Debt Service	Principal	Interest	Principal	Interest	Principal	Interest	Principal		Interest
2011	5,444,629	54,878	5,499,507	4,145,000	189,039	-	-	-	-	-	-	103.82%
2012	5,452,397	48,280	5,500,677	3,000,000	50,000	-	-	-	-	-	-	101.14%
2013	5,912,910	135	5,913,045	-	-	-	-	-	-	-	-	104.46%
2014	6,278,922	9,034	6,287,956	-	-	-	216,257	-	-	-	-	101.73%
2015	6,166,578	9,505	6,176,083	-	-	-	734,767	-	-	-	-	97.34%
2016	6,237,631	9,256	6,246,887	-	-	-	729,996	-	-	-	-	102.52%
2017	6,272,429	12,414	6,284,843	-	-	835,000	706,251	2,775,000	294,825	-	-	90.51%
2018	6,344,299	23,678	6,367,977	-	-	875,000	665,045	4,530,000	157,500	1,690,000	715,101	112.02%
2019	6,336,494	47,066	6,383,560	-	-	915,000	625,995	1,005,000	58,550	2,450,000	1,302,000	100.39%
2020	6,516,228	36,514	6,552,742	-	-	960,000	581,465	1,045,000	20,900	3,735,000	1,147,375	102.01%



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

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

Direct and Overlapping General Obligation Bonded Debt

Issuing Taxing Districts	Amount of Outstanding Bonds	Applicable to District	
		Estimated Percentage	Amount
Rock Island County (Public Building Commission)	\$28,900,000	100.00%	\$28,900,000
Knox County	3,915,000	1.87%	73,211
Henry Hospital District	21,033,317	95.50%	20,086,818
City of Kewanee	291,920	100.00%	291,920
Village of Milan	300,000	100.00%	300,000
City of Moline	32,780,000	100.00%	32,780,000
Village of Orion	0	99.42%	0
City of Rock Island	53,305,000	100.00%	53,305,000
City of Silvis	400,000	100.00%	400,000
City of Toulon	0	100.00%	0
Kewanee Park District	490,000	100.00%	490,000
Cambridge Fire Protection District	1,365,000	100.00%	1,365,000
Coal Valley Fire Protection District	510,000	13.65%	69,615
Hampton School District Number 29	465,000	100.00%	465,000
Silvis School District Number 34	2,830,000	100.00%	2,830,000
Carbon Cliff School District Number 36	2,830,000	100.00%	2,830,000
East Moline School District Number 37	10,835,000	100.00%	10,835,000
Colona School District Number 190	750,000	100.00%	750,000
Moline School District Number 40	11,610,000	100.00%	11,610,000
Rock Island School District Number 41	23,450,000	100.00%	23,450,000
Stark Community Unit School District Number 100	6,500,000	100.00%	6,500,000
Sherrard Community Unit School District Number 200	4,510,000	99.95%	4,507,745
Aledo Community Unit School District Number 201	2,000,000	100.00%	2,000,000
Westmer Community Unit School District Number 203	85,000	100.00%	85,000
Community Unit School District Number 208	6,860,000	0.17%	11,662
Orion Community Unit School District Number 223	1,235,000	100.00%	1,235,000
Galva Community Unit School District Number 224	380,000	100.00%	380,000
Alwood Community Unit School District Number 225	2,415,000	100.00%	2,415,000
Anawan Community Unit School District Number 226	1,330,000	96.45%	1,282,785
Cambridge Community Unit School District Number 227	1,425,000	99.84%	1,422,720
Geneseo Community Unit School District Number 228	21,868,317	99.05%	21,660,568
Kewanee Community Unit School District Number 229	1,500,000	94.60%	1,419,000
Wethersfield Community Unit School Dist. Number 230	995,000	98.67%	981,767
RKR Community Unit School District Number 300	6,045,000	100.00%	6,045,000
Mercer Community Unit School District Number 404	3,613,900	100.00%	3,613,900
Total Overlapping Bonded Debt			<u>\$244,391,711</u>

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

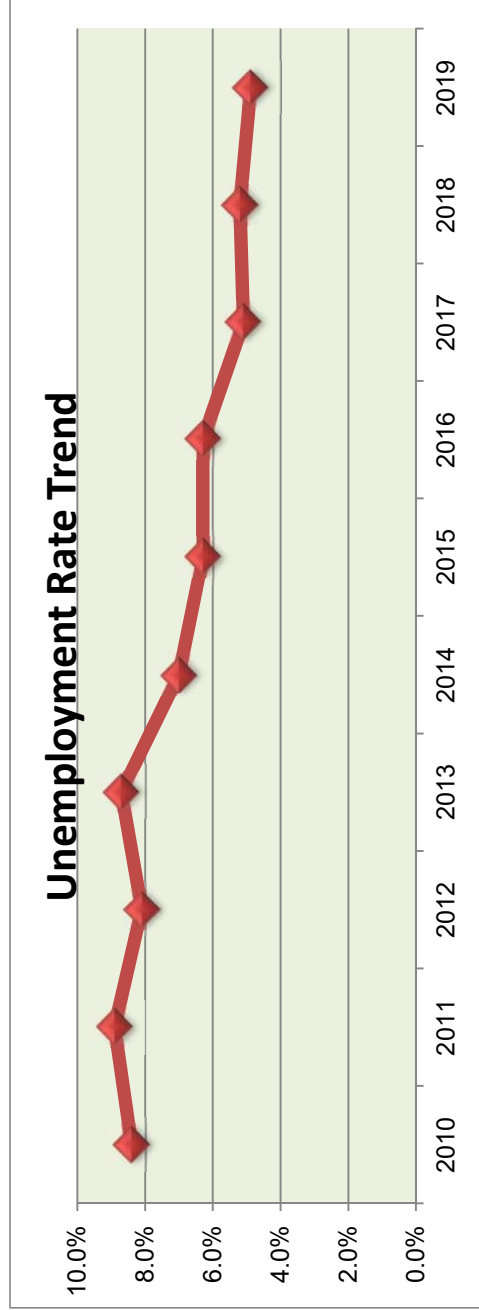
(1) Does not include alternate revenue bonds.

(2) Percentages based on 2019 EAVS, the most recent available.

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

Demographic and Economic Statistics
Calendar Years 2010 through 2019

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2010	386,767	13,840,622	35,785	8.4%
2011	385,206	14,770,835	38,345	8.9%
2012	383,740	14,883,036	38,784	8.1%
2013	382,236	15,252,968	39,905	8.7%
2014	380,352	14,914,277	39,212	7.0%
2015	378,352	15,045,886	39,767	6.3%
2016	375,211	15,301,930	40,782	6.3%
2017	373,712	15,971,486	43,100	5.1%
2018	370,569	16,264,065	43,687	5.2%
2019	367,157	N/A	N/A	4.9%



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

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

Black Hawk College
Illinois Community College District No. 503

Principal Employers
 FY2010 compared to FY2019

Rock Island County				
2010		2019		
Employer	Product/Service	Approx # of Employees	Percentage of Total Employment	
Rock Island Arsenal	Defense Manufacturing	6,680	8.71%	
Deere & Co.	Construction and Agricultural Equipment	6,300	8.22%	
Genesis Health Systems	Healthcare System	4,900	6.39%	
Trinity Regional Health System	Healthcare System	4,400	5.74%	
John Deere Harvester Works	Construction and Agricultural Equipment	2,400	3.13%	
John Deere Seeding Group	Planting Equipment	1,918	2.50%	
Export Packaging (XPAC)	Supply Chain Management and Logistics	1,065	1.39%	
MidAmerican Energy Co.	Utility/Energy Delivery	1,060	1.38%	
Community Unit School District #40	Elementary/Secondary School District	990	1.29%	
US Army Corps of Engineers	National Security	900	1.17%	
Total Employed Labor Force		76,688		
Total Unemployed		7,278		

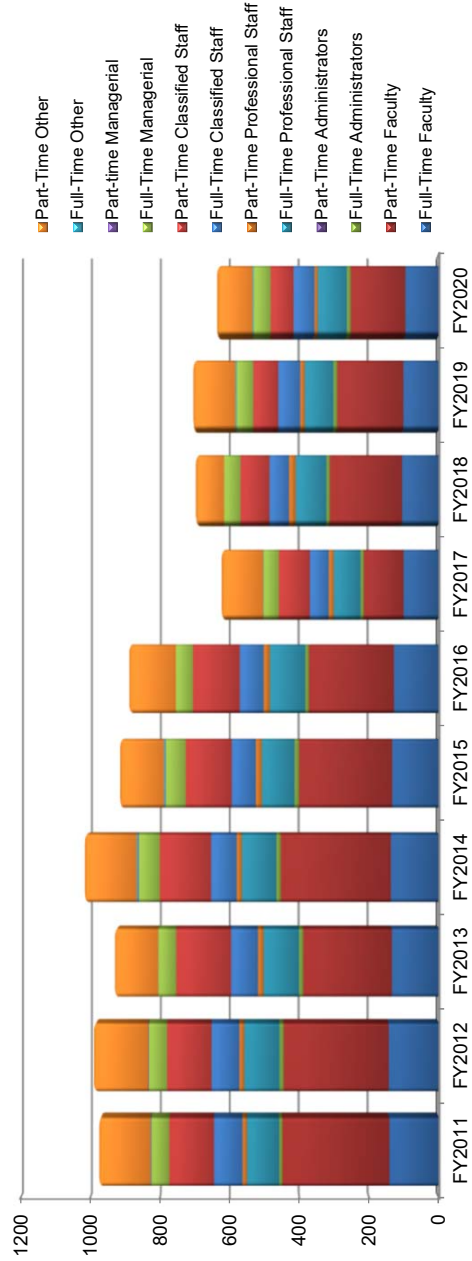
Henry County				
2010		2019		
Employer	Product/Service	Employees	Percentage of Total Employment	
Great Dane Trailers	Manufacturer Semi-Truck Trailers	640	2.38%	
OSF St. Luke Medical Center	Healthcare	375	1.40%	
Hammond Henry Hospital	Healthcare	303	1.13%	
Union Federal Savings & Loan	Banking	298	1.11%	
Kone, Inc	Manufacturing	190	0.71%	
National Guard	Government	156	0.58%	
Walmart Supercenter	Retail	145	0.54%	
Royal Oaks Care Center	Healthcare	138	0.51%	
Gold Star FS	Agriculture Services	120	0.45%	
Total Employed Labor Force		26,846		
Total Unemployed		2,437		

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

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

Faculty and Staff Headcount
FY2011 through FY2020

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Faculty										
Full-time	143	145	136	139	135	130	102	107	103	97
Part-time	306	300	253	314	266	243	114	206	189	156
Administrators										
Full-time	9	12	12	13	13	10	9	10	11	11
Part-time	0	0	0	0	0	0	0	0	0	0
Managerial										
Full-time	51	52	51	60	57	49	44	47	48	48
Part-time	2	2	1	2	1	0	0	0	0	0
Professional Staff										
Full-time	92	101	102	99	94	102	77	88	82	84
Part-time	13	14	16	15	17	18	14	19	13	9
Classified Staff										
Full-time	82	80	77	73	69	68	54	56	63	60
Part-time	128	127	157	147	132	134	89	83	71	66
Other										
Full-time	1	0	0	4	4	0	1	0	3	3
Part-time	147	156	124	149	126	134	119	81	121	102
Total Employees										
Full-time	378	390	378	388	372	359	287	308	307	303
Part-time	596	599	551	627	542	529	336	389	378	333
Grand Total	974	989	929	1,015	914	888	623	697	685	636

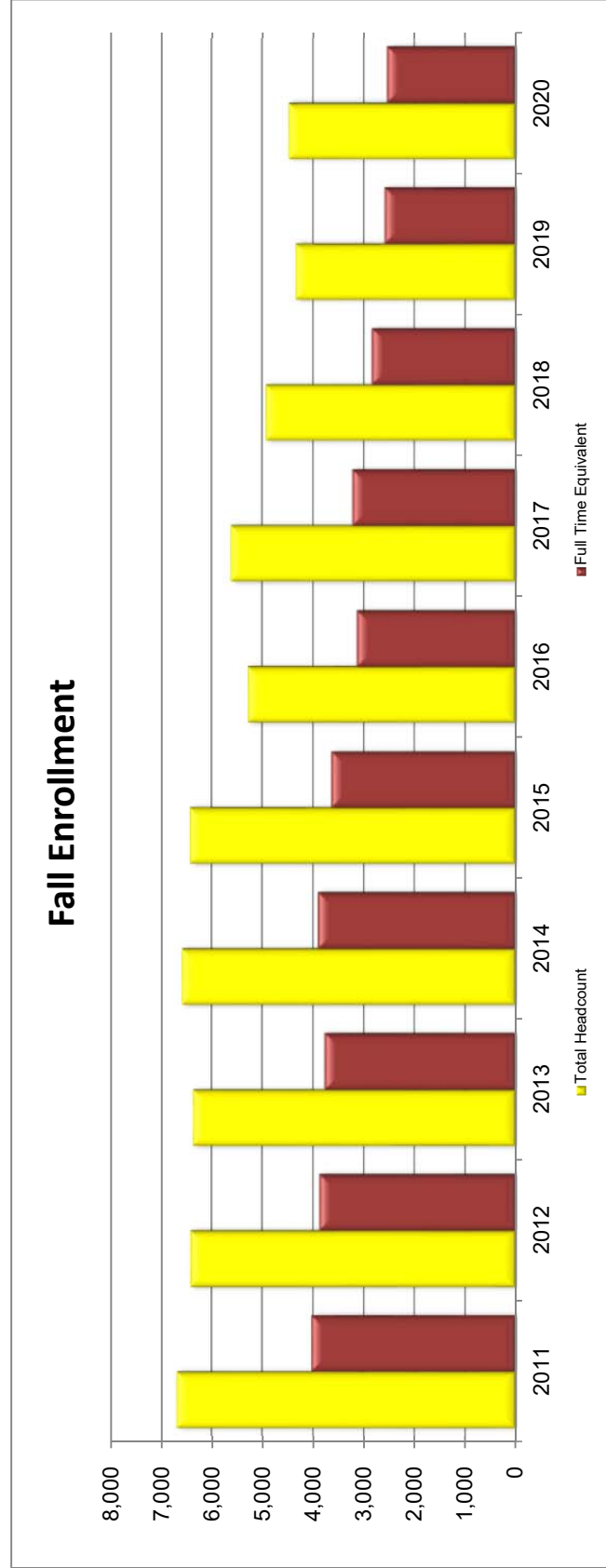


Source: BHC Budget & Accounting Manager

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

Student Enrollment Demographic Statistics
FY2011 through FY2020

Fiscal Year	Fall Enrollment		Gender		Attendance		Enrollment Status						Age
	Full Time Equivalent	Total Headcount	Male	Female	Full Time	Part Time	Continuing Student	New Student	Transfer Student	Readmit Student	Degreed	High School Student	Average Age
2011	4,031	6,677	2,746	3,931	2,940	3,737	3,218	1,429	240	1,489	301	NR	27.4
2012	3,872	6,403	2,539	3,864	2,732	3,671	3,425	1,174	286	1,250	268	NR	27.3
2013	3,761	6,360	2,594	3,766	2,631	3,729	2,150	921	373	1,949	304	663	27.2
2014	3,902	6,574	2,666	3,908	2,581	3,993	1,857	974	297	2,369	308	769	27.2
2015	3,635	6,416	2,629	3,678	2,346	3,961	1,510	912	365	2,269	271	1,089	26.2
2016	3,126	5,271	2,172	3,099	2,019	3,252	1,697	928	232	1,260	216	938	25.2
2017	3,215	5,613	2,369	3,244	2,009	3,604	1,952	1,587	237	510	242	1,085	25.5
2018	2,835	4,926	2,004	2,922	1,753	3,173	1,738	1,293	213	470	365	847	25.5
2019	2,577	4,333	1,700	2,633	1,625	2,708	1,580	917	167	425	320	924	24.5
2020	2,533	4,472	1,746	2,726	1,562	2,910	1,567	1,037	183	395	253	1,037	24.6



Source: ICCB E1 Report
NR = Not Recorded

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

Financial Aid Recipients
FY2011 through FY2020

Type of Aid	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Federal Aid										
College Work Study	88	97	93	103	93	73	68	71	67	67
PELL Grant	3,068	3,015	2,679	2,509	2,356	1,944	1,787	1,742	1,456	1,452
SEOG	635	248	405	796	336	298	387	319	320	314
Stafford Loan - subsidized	508	722	775	645	569	453	403	383	325	307
Stafford Loan - unsubsidized	283	334	668	592	486	428	450	420	356	308
PLUS (Parent) Student Loan	15	15	12	13	14	14	16	13	18	21
Chapter 33 (a GI Bill fund)	70	79	69	78	75	77	88	94	67	65
Other Federal Military/Veteran's Aid ¹	-	-	-	-	-	-	104	75	77	67
Emergency Federal Aid										
CARES HEERF Grant - Student portion	-	-	-	-	-	-	-	-	-	692
State Aid										
MAP Grant	1,030	1,136	914	799	740	494	694	672	654	839
IL Veterans Grant (IVG)	151	134	131	104	81	73	60	34	27	22
National Guard	31	43	36	27	17	17	21	25	23	31
POW/MIA Dependents	6	5	5	6	7	6	5	3	4	4
DORS	23	29	28	32	45	49	48	37	22	21
Policeman/Fireman Dependents Grant	1	1	-	-	-	-	-	-	1	-
Local Aid										
Private Grant/Scholarship	238	293	263	251	264	277	239	215	255	254
Achievement Awards	370	320	321	354	324	286	258	250	271	246
Foundation Scholarships	223	205	221	228	247	268	245	266	526	489
Donor Scholarships	31	25	26	107	56	17	12	9	24	30
TOTAL	6,771	6,701	6,646	6,644	5,710	4,774	4,885	4,628	4,493	5,229

*FY2020 totals reflect YTD payments through 07/28/2020, and does not include any further disbursements and adjustments which may occur after this date.

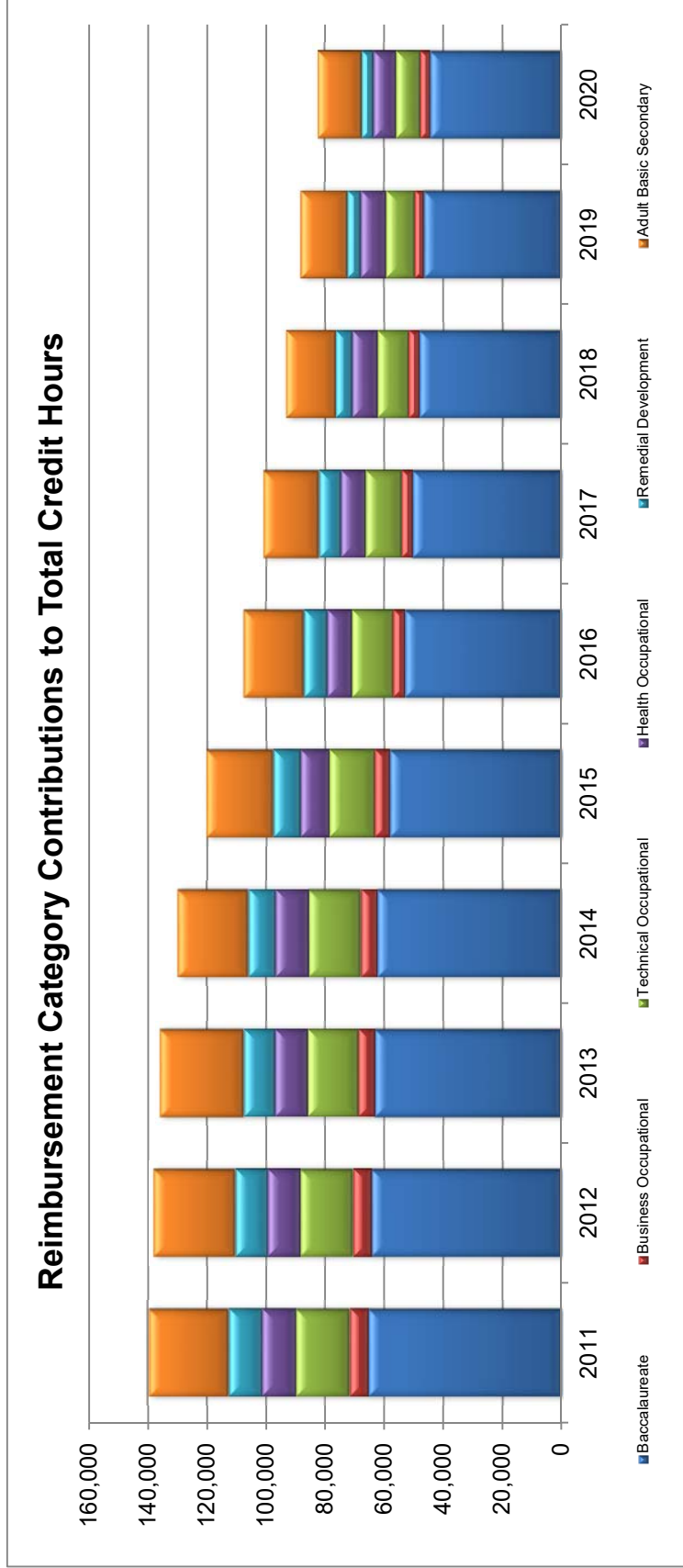
Note 1: Other Federal Military/Veteran's Aid has begun to be included in the FY2017 reporting. It includes Chapter 30 - Montgomery GI Bill Active Duty, Chapter 31 - Vocational Rehabilitation, Chapter 35 - Survivors' & Dependents' Assistance, Chapter 1606 - Montgomery GI Bill Selected Reserve, and Chapter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

Source: BHC Financial Aid Database and BHC Veterans Services.

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

Credit Hours Eligible for Funding by Illinois Community College Board Reimbursement Categories
FY2011 through FY2020

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	% Change 2011 vs 2020
Baccalaureate	65,304.7	64,300.2	63,117.0	62,224.2	58,180.8	52,849.3	50,448.9	48,077.4	46,553.2	44,301.3	-32.16%
Business Occupational	6,284.3	6,177.5	5,660.4	5,604.5	5,161.9	4,095.5	3,882.9	3,770.1	3,177.0	3,505.3	-44.22%
Technical Occupational	18,238.5	17,967.3	17,165.0	17,687.1	15,326.4	13,994.2	12,020.8	10,505.7	9,610.5	8,139.0	-55.37%
Health Occupational	11,510.2	11,028.1	11,012.9	11,236.6	9,826.1	8,322.5	8,444.7	8,623.7	8,577.0	7,731.0	-32.83%
Remedial Development	11,172.0	10,915.0	10,521.0	9,149.0	9,051.0	7,763.0	7,289.0	5,573.0	4,495.0	3,979.0	-64.38%
Adult Basic Secondary	26,969.0	27,600.5	28,314.9	23,853.8	22,751.2	20,283.9	18,771.4	16,778.1	15,674.9	14,838.6	-44.98%
Total	139,478.7	137,988.6	135,791.2	129,755.2	120,297.4	107,308.4	100,857.7	93,328.0	88,087.6	82,494.2	-40.86%



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

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

Schedule of Capital Assets - Instructional Facilities Information
FY2011 through FY2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Buildings - Permanent	19	19	21	21	21	23	25	25	25	25
Total acres (includes parking lots)	271.9	271.9	272.8	273.0	275.2	273.0	231.6*	231.6	231.6	231.2
Net Assignable Square Feet:										
Classrooms and general use	71,831	74,429	78,033	75,935	80,797	86,218	84,681	84,611	75,906	80,209
Laboratory	129,373	131,001	137,122	140,870	138,268	154,546	149,537	152,377	153,071	162,525
Office	59,601	61,536	62,340	69,080	70,640	77,523	74,924	73,126	71,548	71,176
Study	24,307	24,873	24,873	24,873	20,095	20,043	25,776	28,784	27,170	28,191
Special use (Athletics, PE)	45,448	45,448	45,569	44,887	44,887	44,887	45,485	49,387	49,387	56,453
General use (Theater)	33,181	34,437	35,193	34,005	34,101	38,875	41,003	41,049	40,523	40,622
Support functions	29,154	32,401	33,357	35,210	36,882	39,730	40,980	38,378	45,847	48,139
Unassigned	-	-	-	2,719	3,363	940	-	-	2,245	-
Total	392,895	404,125	416,487	427,579	429,033	462,762	462,386	467,712	465,697	487,315
Parking capacity:										
On campus parking spots	1,920	1,920	1,935	2,004	2,004	2,004	2,191	2,191	2,191	2,365
Acres	21	21	21	22	22	22	22	22	22	22

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

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

Black Hawk College Community College District No. 503

Miscellaneous Statistics
Year ended June 30, 2020

Year Founded	1946		
District Data			
Population (approximation)	216,278		
Communities served include:			
Aledo	Cordova	LaFayette	Reynolds
Alpha	East Moline	Matherville	Rock Island
Andalusia	Erie	Milan	Seaton
Andover	Galva	Mineral	Sherrard
Annawan	Geneseo	Moline	Silvis
Atkinson	Hampton	Neponset	Toulon
Bishop Hill	Hillsdale	New Boston	Viola
Cambridge	Hoophole	New Windsor	Woodhull
Carbon Cliff	Joy	Orion	Wyoming
Coal Valley	Keithsburg	Port Byron	
Colona	Kewanee	Rapids City	
Accreditation			
The Higher Learning Commission (Formerly North Central Association of Colleges and Schools)			2023
Next accreditation visit			
Degree and Certificates Awarded in Fiscal Year 2020			
Associate in Arts			214
Associate in Science			65
Associate in Liberal Studies			1
Associate in Applied Science			192
Associate in Fine Arts			0
Certificates			167

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

ICCB Supplemental Information

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

Equalized Assessed Valuations and Tax Collections

	Tax Levy Year		
	2019	2018	2017
Equalized assessed valuations:			
Bureau County	\$ 29,221,017	\$ 27,325,344	\$ 26,370,174
Henderson County	3,359,101	3,138,676	2,971,989
Henry County	969,898,511	1,003,037,367	884,259,417
Knox County	16,613,261	15,733,195	15,024,813
Marshall County	128,042	123,605	121,135
Mercer County	281,487,771	272,725,669	262,433,820
Rock Island County	2,700,541,797	2,659,684,614	2,627,934,839
Stark County	116,022,868	109,568,133	106,701,369
Whiteside County	74,537,658	71,807,577	68,680,628
	<u>\$ 4,191,810,026</u>	<u>\$ 4,163,144,180</u>	<u>\$ 3,994,498,184</u>
Tax rates (per \$100 of assessed valuation):			
Education Fund	0.1200	0.1190	0.1188
Operations and Maintenance Fund	0.0700	0.0694	0.0694
Bond and Interest Fund	0.1547	0.1572	0.1594
Liability, Protection, and Settlement Fund	0.0713	0.0650	0.0626
Audit Fund	0.0030	0.0026	0.0026
Operations and Maintenance, restricted	0.0500	0.0496	0.0496
Equity	0.1024	0.1004	0.1052
	<u>0.5714</u>	<u>0.5632</u>	<u>0.5676</u>
Tax extensions:			
Education Fund	\$ 7,754,666	\$ 7,580,381	\$ 7,392,489
Operations and Maintenance Fund	4,526,975	4,438,452	4,322,202
Bond and Interest Fund	6,496,668	6,544,437	6,365,228
Liability, Protection, and Settlement Fund	2,989,911	2,705,901	2,498,652
Audit Fund	125,735	108,232	103,430
Operations and Maintenance, restricted	2,098,720	2,065,067	1,980,280
	<u>\$ 23,992,675</u>	<u>\$ 23,442,470</u>	<u>\$ 22,662,281</u>
Less tax collections (cumulative through June 30, 2020):			
Education Fund	\$ 3,170,616	\$ 7,420,406	\$ 7,360,513
Operations and Maintenance Fund	1,856,708	4,344,360	4,304,265
Bond and Interest Fund	2,666,268	6,405,514	6,337,884
Liability, Protection, and Settlement Fund	1,226,376	2,648,392	2,488,272
Audit Fund	51,598	105,694	103,285
Operations and Maintenance, restricted	860,014	2,021,795	1,971,875
	<u>\$ 9,831,580</u>	<u>\$ 22,946,159</u>	<u>\$ 22,566,094</u>
Taxes receivable:			
Tax receivable	\$ 14,161,094	\$ 475,114	\$ 73,681
Written off	-	(404,787)	(5,694)
Allowance for uncollectible taxes	(95,972)	(70,327)	(67,987)
	<u>\$ 14,065,122</u>	<u>\$ -</u>	<u>\$ -</u>
Taxes receivable by fund:			
Education Fund	\$ 4,553,031	\$ -	\$ -
Operations and Maintenance Fund	2,652,159	-	-
Bond and Interest Fund	3,804,413	-	-
Liability, Protection, and Settlement Fund	1,751,575	-	-
Audit Fund	73,633	-	-
Operations and Maintenance, restricted	1,230,311	-	-
	<u>\$ 14,065,122</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage of extensions collected	<u>40.98%</u>	<u>97.88%</u>	<u>99.58%</u>

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

Schedule of Legal Debt Margin

Legal Debt Margin

Assessed valuation, 2019 levy	<u>\$ 4,191,810,026</u>
Debt limit, 2.875% of assessed valuation	\$ 120,514,538
Bonded indebtedness	<u>(38,742,052)</u>
Legal debt margin	<u><u>\$ 81,772,486</u></u>

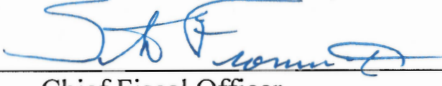
**CERTIFICATION OF CHARGEBACK REIMBURSEMENT
FOR FISCAL YEAR 2021**

College or District Name: BLACK HAWK COLLEGE

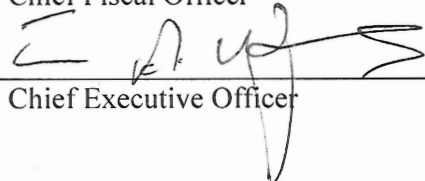
District #: 503

ALL FISCAL YEAR 2020 NONCAPITAL AUDITED OPERATING EXPENDITURES FROM THE FOLLOWING FUNDS:

1. Education Fund	\$ 26,732,974
2. Operations and Maintenance Fund	\$ 3,690,406
3. Public Building Commission Operation and Maintenance Fund	\$ -
4. Bond and Interest Fund	\$ -
5. Public Building Commission Rental Fund	\$ -
6. Restricted Purposes Fund	\$ 10,565,667
7. Audit Fund	\$ 140,490
8. Liability, Protection, and Settlement Fund	\$ 2,103,971
9. Auxiliary Enterprises Fund (subsidiy only)	\$ -
10. TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)	\$ 43,233,508
11. Depreciation on Capital Outlay Expenditures (equipment, buildings, and fixed equipment paid) from Sources other than State and Federal Funds	\$ 1,921,117
12. TOTAL COSTS INCLUDED (line 10 plus line 11)	\$ 45,154,625
13. Total certified semester credit hours for FY 2020	82,494.20
14. PER CAPITA COST (line 12 divided by line 13)	\$ 547.37
15. All FY 2020 state and federal operating grants for noncapital expenditures. DO NOT INCLUDE ICCB GRANTS	\$ 9,922,139
16. FY 2020 state and federal grants per semester credit hour (line 15 divided by line 13)	\$ 120.28
17. District's average ICCB grant rate (excluding equalization grants) for FY 2021	\$ 39.29
18. District's student tuition and fee rate per semester credit hour for FY 2021	\$ 149.00
19. Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17, and 18)	\$ 238.80

Approved: 
Chief Fiscal Officer

1-28-2021
Date

Approved: 
Chief Executive Officer

1-28-2021
Date

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ICCB Uniform Financial Statements

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

The Uniform Financial Statements include the following:

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

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 1 - All Funds Summary
Year ended June 30, 2020

	Education Fund	Operation and Maintenance Fund	Bond & Interest Fund
Fund balance, beginning	\$ 8,557,955	\$ 4,677,844	\$ 3,196,333
Revenues:			
Local tax revenue	7,625,244	4,406,992	6,380,700
All Other Local Revenue	1,320,025	146,829	-
ICCB grants	5,169,338	504,002	-
All other state revenue	16,319	-	-
Federal revenue	149,768	-	-
Student tuition and fees	13,319,831	97,729	-
All other revenue	663,403	333,319	36,514
Total revenues	28,263,928	5,488,871	6,417,214
Expenditures:			
Instruction	10,182,611	-	-
Academic support	3,362,909	-	-
Student services	2,524,373	-	-
Public service/continuing education	542,239	-	-
Auxiliary services	-	-	-
Operations and maintenance	-	3,690,406	-
Institutional support	7,165,397	-	6,405,279
Scholarships, student grants and waivers	2,962,080	-	-
Total expenditures	26,739,609	3,690,406	6,405,279
Net transfers	(1,602,000)	(1,169,000)	-
Fund balance, end of year	\$ 8,480,274	\$ 5,307,309	\$ 3,208,268

Operations and Maintenance - Restricted	Auxiliary Enterprises Fund	Restricted Purpose Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
\$ 11,417,635	\$ 40,420	\$ 10,792,957	\$ 13,818,258	\$ 203,058	\$ 4,701,821	\$ 57,406,281
2,038,133	-	-	-	114,356	2,788,797	23,354,222
-	-	-	-	-	-	1,466,854
-	-	738,421	-	-	-	6,411,761
-	-	14,739,249	-	-	-	14,755,568
-	-	7,761,779	-	-	-	7,911,547
-	158,429	447,015	-	-	-	14,023,004
176,603	1,433,804	250,069	206,915	2,640	67,844	3,171,111
2,214,736	1,592,233	23,936,533	206,915	116,996	2,856,641	71,094,067
5,941	-	6,242,120	-	-	-	16,430,672
-	-	3,024,397	-	-	-	6,387,306
-	-	2,020,240	-	-	-	4,544,613
-	-	1,245,574	-	-	-	1,787,813
-	1,853,560	270,610	-	-	-	2,124,170
5,589,730	-	1,400,262	-	-	858,175	11,538,573
783,378	-	2,799,067	-	140,490	1,245,796	18,539,407
-	-	7,052,001	-	-	-	10,014,081
6,379,049	1,853,560	24,054,271	-	140,490	2,103,971	71,366,635
1,000,304	600,000	1,170,696	-	-	-	-
\$ 8,253,626	\$ 379,093	\$ 11,845,915	\$ 14,025,173	\$ 179,564	\$ 5,454,491	\$ 57,133,713

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Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 2 - Summary of Fixed Assets and Debt
Year ended June 30, 2020

	Capital Asset/Debt June 30, 2019	Additions	Deletions and Transfers	Capital Asset/Debt June 30, 2020
Capital Assets:				
Land	\$ 10,788,835	\$ 27,450	\$ 539,518	\$ 11,355,803
Building and improvements	95,850,812	423,234	1,389,176	97,663,222
Equipment	10,840,819	267,201	(36,995)	11,071,025
Other	20,526,541	4,175,225	(1,937,410)	22,764,356
	<u>138,007,007</u>	<u>4,893,110</u>	<u>(45,711)</u>	<u>142,854,406</u>
Accumulated depreciation	(33,898,436)	(2,747,583)	35,603	(36,610,416)
Total capital assets	<u>\$ 104,108,571</u>	<u>\$ 2,145,527</u>	<u>\$ (10,108)</u>	<u>\$ 106,243,990</u>
 Capital Debt:				
Bonds payable	\$ 42,190,000	-	\$ (4,695,000)	\$ 37,495,000
Other Fixed Liabilities	18,616,921	218,597	(257,109)	18,578,409
Total capital debt	<u>\$ 60,806,921</u>	<u>\$ 218,597</u>	<u>\$ (4,952,109)</u>	<u>\$ 56,073,409</u>

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

**Uniform Financial Statement No. 3 - Operating Fund Revenues and Expenditures
Year ended June 30, 2020**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating revenue by source:			
Local government:			
Local taxes	\$ 7,625,244	\$ 4,406,992	\$ 12,032,236
Corporate personal property replacement tax	1,320,025	146,829	1,466,854
Chargeback revenue	-	-	-
	8,945,269	4,553,821	13,499,090
State government:			
ICCB base operating grant	2,646,008	504,002	3,150,010
ICCB equalization grant	2,194,790	-	2,194,790
ICCB - Career and Technical Education	300,100	-	300,100
Other ICCB Grants not listed above	28,440	-	28,440
Other state revenue	16,319	-	16,319
	5,185,657	504,002	5,689,659
Federal government:			
Department of Education	134,729	-	134,729
Other	15,039	-	15,039
	149,768	-	149,768
Student tuition and fees:			
Tuition	11,942,770	-	11,942,770
Fees	1,377,061	97,729	1,474,790
	13,319,831	97,729	13,417,560
Other sources:			
Sales and service fees	364,017	4,932	368,949
Facilities revenue	13,558	208,863	222,421
Investment revenue	270,437	78,344	348,781
Other	15,391	41,180	56,571
	663,403	333,319	996,722
Total revenues	28,263,928	5,488,871	33,752,799
Less nonoperating item, tuition chargeback revenue	-	-	-
Adjusted revenues	\$ 28,263,928	\$ 5,488,871	\$ 33,752,799

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

**Uniform Financial Statement No. 3 - Operating Fund Revenues and Expenditures (Continued)
Year ended June 30, 2020**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating expenditures by program:			
Instruction	\$ 10,182,611	\$ -	\$ 10,182,611
Academic support	3,362,909	-	3,362,909
Student services	2,524,373	-	2,524,373
Public service	542,239	-	542,239
Operations and maintenance	-	3,690,406	3,690,406
Institutional support	7,165,397	-	7,165,397
Scholarships, student grants and waivers	2,962,080	-	2,962,080
Total expenditures	<u>26,739,609</u>	<u>3,690,406</u>	<u>30,430,015</u>
Less nonoperating item,			
tuition chargeback	-	-	-
Transfers, net	1,602,000	1,169,000	2,771,000
Adjusted expenditures	<u>\$ 28,341,609</u>	<u>\$ 4,859,406</u>	<u>\$ 33,201,015</u>
By object:			
Salaries	\$ 16,129,454	\$ 1,400,446	\$ 17,529,900
Employee benefits	5,003,202	370,843	5,374,045
Contractual services	1,088,014	518,611	1,606,625
General materials and supplies	1,351,129	279,007	1,630,136
Conference and meeting expenses	142,083	2,556	144,639
Fixed charges	20,922	5,750	26,672
Utilities	885	1,086,243	1,087,128
Capital outlay	6,635	25,963	32,598
Other	2,997,285	987	2,998,272
Total expenditures	<u>26,739,609</u>	<u>3,690,406</u>	<u>30,430,015</u>
Less nonoperating item,			
tuition chargeback	-	-	-
Transfers, net	1,602,000	1,169,000	2,771,000
Adjusted expenditures	<u>\$ 28,341,609</u>	<u>\$ 4,859,406</u>	<u>\$ 33,201,015</u>

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 4 - Restricted Purposes Fund Revenues and Expenditures
Year ended June 30, 2020

Revenues by source:	
Local government	\$ <u> -</u>
State government:	
ICCB:	
Adult Education and Family Literacy	525,930
Early School Leaver	57,420
Illinois Veterans Grant	135,548
Innovative Bridge & Transition Grant	8,223
Transitional Instruction Math & English	11,300
Illinois State Board of Education:	
Truancy and Alternative Education	174,418
Illinois Department of Health & Human Services	
Department of Vocational Rehab	66,793
Illinois Department of Transportation	
Highway Construction Careers Training Program	158,662
Illinois Student Assistance Center	
Monetary Assistance Program	803,335
Illinois Secretary of State	
Adult Volunteer Literacy	43,852
Illinois Department of Veterans' Affairs	
MIA/POW	8,791
State Universities Retirement System of Illinois (1)	
SURS On-Behalf	12,935,705
OPEB CIP On-Behalf	547,693
Total state government	<u>15,477,670</u>
Federal government:	
Department of Education	
Student Aid Programs:	
Federal Work Study (FWS)	143,993
Pell Grant	4,989,141
Supplemental Educational Opportunity Grant (SEOG)	85,098
Carl D. Perkins Vocational and Applied Technology Program	368,667
CTE Improvement (Leadership) Grant	-
CTE Pathways to Results	-
Special Student Services	308,852
Adult Education and Family Literacy, Federal Basic Program	255,507
Adult Education English Language/Civics	32,340
CARES HEERF - Student portion	353,290
CARES HEERF - Institutional portion	708,815
CARES HEERF - Strengthening Institutions	108,072
Department of Labor	
TEAM	67,747
CareerLINK	60,445
Department of Transportation	
Highway Construction Careers Training Program	104,778
Other Sources:	
Veteran's Administration	175,034
Total federal government	<u>7,761,779</u>

Notes:

1. Revenues and expenditures in the Restricted Purposes Fund include State on-behalf contributions of \$13,483,398.

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 4 - Restricted Purposes Fund Revenues and Expenditures (Continued)
Year ended June 30, 2020

Revenues by source (Continued):

Other sources:	
Student Fees	447,015
Other	250,069
Total other	<u>697,084</u>
Total Restricted Purposes Fund Revenues	<u><u>\$ 23,936,533</u></u>

Expenditures by program (1):

Instruction	\$ 6,242,120
Academic support	3,024,397
Student services	2,020,240
Public service/continuing education	1,245,574
Auxiliary services	270,610
Operations and maintenance	1,400,262
Institutional support	2,799,067
Scholarships, student grants and waivers	7,052,001
Total expenditures by program	<u><u>\$ 24,054,271</u></u>

Expenditures by object:

Salaries	\$ 1,516,637
Employee benefits (1)	13,834,070
Contractual services	829,157
General materials and supplies	723,822
Conference and meeting expenses	78,332
Fixed charges	31,448
Utilities	121,568
Capital outlay	5,206
Other	6,914,031
Total expenditures by object	<u><u>\$ 24,054,271</u></u>

Notes:

1. Revenues and expenditures in the Restricted Purposes Fund include State on-behalf contributions of \$13,483,398.

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 5 - Expenditures by Activity - Current Funds
Year ended June 30, 2020

Instruction (1)	<u>\$ 16,424,731</u>
Academic support:	
Library center	466,799
Instructional materials center	225,587
Educational media services	115,687
Academic computing support	1,552,892
Academic administration and planning	1,934,764
Other (1)	<u>2,091,577</u>
Total academic support	<u>6,387,306</u>
Student services:	
Admissions and records	809,512
Counseling and career guidance	1,275,958
Financial aid administration	468,364
Other (1)	<u>1,990,779</u>
Total student services	<u>4,544,613</u>
Public service/continuing education:	
Community education	194,401
Customized training (instructional)	249,420
Community services	227,829
Other (1)	<u>1,116,163</u>
Total public service/continuing education	<u>1,787,813</u>
Auxiliary services (1)	<u>2,124,170</u>
Operations and maintenance of plant:	
Maintenance	889,693
Custodial services	936,016
Grounds	342,240
Campus security	901,201
Utilities	1,321,879
Administration	201,734
Other (1)	<u>1,356,080</u>
Total operations and maintenance	<u>5,948,843</u>
Institutional support:	
Executive office	1,047,685
Fiscal operations	924,381
Community relations	1,132,743
Administrative support services	747,516
Board of Trustees	24,124
General institution	3,807,513
Administrative data processing	782,390
Other (1)	<u>2,884,398</u>
Total institutional support	<u>11,350,750</u>
Scholarships, student grants and waivers (1)	<u>10,014,081</u>
Total current funds expenditures	<u>\$ 58,582,307</u>

Notes:

1. Revenues and expenditures in the Restricted Purposes Fund include State on-behalf contributions of \$13,483,398.

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

**Reconciliation of the Combining Balance Sheet to the Uniform Financial Statements
Year ended June 30, 2020**

Fund Balances - Uniform Financial Statements	\$ 57,133,713
Capital assets in the Investment in Plant Fund	106,243,990
Long-term bond debt in the General Long Term Debt Fund	(35,908,341)
Unspent bond proceeds in the General Long Term Debt Fund	(1,586,659)
Long-term OPEB liability in the General Long Term Debt Fund	<u>(22,399,393)</u>
Fund Balances - All Fund Types	<u>\$ 103,483,310</u>

**Reconciliation of the Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Uniform Financial Statements
Year ended June 30, 2020**

Change in Fund Balances - Uniform Financial Statements	\$ (272,568)
Additions to buildings and equipment	4,893,110
Depreciation and loss of disposal of assets	<u>(2,757,691)</u>
Net Effect	<u>2,135,419</u>
Payment on long-term debt	4,695,000
Issuance of long-term debt	<u>-</u>
Net Effect	<u>4,695,000</u>
OPEB expense	<u>(441,979)</u>
Change in Fund Balances - All Fund Types	<u>\$ 6,115,872</u>

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ICCB State Grants Financial Compliance Section

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

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

Report on the Financial Statements

We have audited the accompanying financial statements of the State Adult Education and Family Literacy Grants of Black Hawk College, Illinois Community College District #503 (the College) which comprise of the statement of net position as of and for the year ended June 30, 2020, and the related statement of revenues, expenditures, and changes in net position for the year then ended, and the related notes to the financial statements.

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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 auditor's 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 College'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 College'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. Our audit also included a review of compliance with the provisions of laws, regulations, contracts, and grants between the College and the State of Illinois and Illinois Community College Board (ICCB).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion, and the College is in compliance with the provisions of laws, contracts, and ICCB policy guidelines for restricted grants.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Adult Education and Family Literacy Grants of Black Hawk College, Illinois Community College District #503 as of June 30, 2020, and the changes in financial position thereof and for the year ended in accordance with accounting principles generally accepted in the United States.

Emphasis of Matter

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

Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the College failed to materially comply with the provisions of laws, regulations, contracts and grants between the College and the State of Illinois and the Illinois Community College Board (ICCB). However, our audit was not directed primarily toward obtaining knowledge of all such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the College's noncompliance with the above referenced laws, regulations, contracts and grants. We also believe that the College is materially in compliance with the provisions of laws, contracts, and ICCB policy guidelines with respect to restricted grants.

Wipfli LLP

Sterling, Illinois
February 2, 2021

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

**Adult Education and Family Literacy Grant Program
Balance Sheet
June 30, 2020**

	State Basic	Performance	Total
Assets			
Cash	\$ -	\$ -	\$ -
Receivable from ICCB	28,747	23,846	52,593
Due from other funds	-	-	-
Prepaid Expenses	-	-	-
Total assets	<u>\$ 28,747</u>	<u>\$ 23,846</u>	<u>\$ 52,593</u>
Liabilities			
Accounts payable	\$ 665	\$ 1,160	\$ 1,825
Accrued salaries	1,399	2,550	3,949
Due to other funds	26,683	20,136	46,819
Total liabilities	<u>28,747</u>	<u>23,846</u>	<u>52,593</u>
Fund balance			
Reserved for encumbrances	-	-	-
Total fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Note to Financial Statements - Grant Programs.

**Adult Education and Family Literacy Grant Program
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2020**

	State Basic	Performance	Total
Revenues, state sources	<u>\$ 287,470</u>	<u>\$ 238,460</u>	<u>\$ 525,930</u>
Expenditures:			
Current year's grant:			
Instruction	210,989	79,963	290,952
Social work services	-	-	-
Guidance services	60,393	10,719	71,112
Assessment and testing	-	-	-
Transportation	-	24	24
Literacy services	-	-	-
Child care services	-	-	-
Improvement of Instructional Services	-	12,025	12,025
General administration	3,807	22,875	26,682
Workforce coordination	-	4,253	4,253
Data and information services	12,281	108,601	120,882
Operation of plant services	-	-	-
Total expenditures	<u>287,470</u>	<u>238,460</u>	<u>525,930</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance:			
Beginning, July 1, 2019			-
Ending, June 30, 2020			<u>\$ -</u>

See Note to Financial Statements - Grant Programs.

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

**ICCB Compliance Statement for the State Adult Education and Family Literacy Restricted Funds
Expenditure Amounts and Percentages for ICCB Grant Funds Only
Year Ended June 30, 2020**

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$ 210,989	73.40%
General Administration (20% Maximum Allowed)	3,807	1.32%

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

Note to Financial Statements - Grant Programs

Note 1. Summary of Significant Accounting Policies

General:

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

Basis of Accounting:

The statements have been prepared on the modified accrual basis of accounting as defined in the Illinois Community College Board's *Fiscal Management Manual*. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2020. Funds obligated for goods and services prior to June 30, but for which the goods and services are received prior to August 31, are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the Illinois Community College Board by October 15, 2020.

Capital Assets:

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

Encumbrances:

Payments of prior year's encumbrances for goods and services received prior to August 31, 2020, are reflected as expenditures during the current fiscal year.

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

Background Information on State Grant Activity

Unrestricted Grants

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

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

Restricted Grants/Special Initiatives

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

Statewide Initiatives

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

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

Restricted Adult Education Grants/State

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

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

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

**Schedule of Findings and Questioned Costs for Certain State Grants Summary
Year Ended June 30, 2020**

None

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

**Summary Schedule of Prior Year Findings and Questioned Costs for Certain State Grants
Year Ended June 30, 2019**

None

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

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

We have examined management of Black Hawk College, Illinois Community College District #503 (the College) assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Black Hawk College, Illinois Community College District #503 during the period July 1, 2019 through June 30, 2020. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirement based on our examination.

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

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

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

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

Sterling, Illinois
February 2, 2021

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BLACK HAWK COLLEGE
ILLINOIS COMMUNITY COLLEGE DISTRICT #503
SCHEDULE OF CREDIT HOUR DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED
YEAR ENDED JUNE 30, 2020

Total Reimbursable Semester Credit Hours by Term				
Credit Hour Categories	Summer Term		Fall Term	
	Unrestricted	Restricted	Unrestricted	Restricted
	Hours	Hours	Hours	Hours
Baccalaureate	3,567.00	18.40	21,466.90	115.40
Business Occupational	255.30	-	1,579.00	-
Technical Occupational	619.10	14.40	3,826.90	140.60
Health Occupational	663.00	-	4,153.70	-
Remedial/Developmental	340.00	-	2,237.00	-
Adult Education	122.10	751.20	354.60	6,970.60
Total	5,566.50	784.00	33,618.10	7,226.60

Credit Hour Categories	Spring Term		Total All Terms	
	Unrestricted	Restricted	Unrestricted	Restricted
	Hours	Hours	Hours	Hours
Baccalaureate	19,068.60	65.00	44,102.50	198.80
Business Occupational	1,676.00	-	3,510.30	-
Technical Occupational	3,520.90	12.10	7,966.90	167.10
Health Occupational	2,914.30	-	7,731.00	-
Remedial/Developmental	1,402.00	-	3,979.00	-
Adult Education	427.40	6,212.70	904.10	13,934.50
Total	29,009.20	6,289.80	68,193.80	14,300.40

	In-District (All terms)	
	Unrestricted	Restricted
	Hours	Hours
Reimbursable Credit Hours:	65,624.80	14,138.50

Credit Hours on Chargeback or Contractual Agreement: _____

	Dual Credit (All Terms)		Dual Enrollment (All Terms)	
	Unrestricted	Restricted	Unrestricted	Restricted
	Hours	Hours	Hours	Hours
Reimbursable Credit Hours:	9,454.00	-	46.00	-

District Equalized Assessed Valuation: \$4,191,810,026

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

Signature: 
 Chief Executive Officer

Signature: 
 Chief Financial Officer

BLACK HAWK COLLEGE
ILLINOIS COMMUNITY COLLEGE DISTRICT #503
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
YEAR ENDED JUNE 30, 2020

Total Reimbursable Semester Credit Hours			
<u>Credit Hour Categories</u>	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Unrestricted Hours</u>	<u>Unrestricted Hours</u>	
Baccalaureate	44,102.50	44,102.50	-
Business Occupational	3,510.30	3,510.30	-
Technical Occupational	7,966.90	7,966.90	-
Health Occupational	7,731.00	7,731.00	-
Remedial/Developmental	3,979.00	3,979.00	-
Adult Education	904.10	904.10	-
Total:	68,193.80	68,193.80	-

<u>Credit Hour Categories</u>	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Restricted Hours</u>	<u>Restricted Hours</u>	
Baccalaureate	198.80	198.80	-
Business Occupational	-	-	-
Technical Occupational	167.10	167.10	-
Health Occupational	-	-	-
Remedial/Developmental	-	-	-
Adult Education	13,934.50	13,934.50	-
Total:	14,300.40	14,300.40	-

	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Unrestricted Hours</u>	<u>Unrestricted Hours</u>	
In-District Credit Hours:	65,624.80	65,624.80	-
Dual Credit Hours:	9,454.00	9,454.00	-
Dual Enrollment Hours:	46.00	46.00	-

	Total	Total	<u>Difference</u>
	Reported in Audit	Certified to ICCB	
	<u>Restricted Hours</u>	<u>Restricted Hours</u>	
In-District Credit Hours:	14,138.50	14,138.50	-
Dual Credit Hours:	-	-	-
Dual Enrollment Hours:	-	-	-

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

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

SUMMARY OF STUDENT RESIDENCY VERIFICATION PROCESS

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

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

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

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

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

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

Tax Levy Year	Equalized Assessed Valuation
2019	4,191,810,026
2018	4,163,144,180
2017	3,994,498,184

Federal Financial Compliance Section

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of Black Hawk College, Illinois Community College District #503 (the College), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated February 2, 2021. The financial statements of Black Hawk College Foundation and Black Hawk East College Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Wipfli LLP

Sterling, Illinois
February 2, 2021

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

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

Report on Compliance for Each Major Federal Program

We have audited Black Hawk College, Illinois Community College District #503's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the College's compliance.

Opinion on Each Major Federal Program

In our opinion, Black Hawk College, Illinois Community College District #503 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020-001. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a significant deficiency.

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

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



Sterling, Illinois
February 2, 2021

Black Hawk College
Illinois Community College District # 503

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Education				
Direct Programs:				
Student Financial Aid - cluster				
Federal PELL Grant Program Admin Cost Allowance	84.063	P063Q181337	310	-
Federal PELL Grant Program Admin Cost Allowance	84.063	P063Q191337	7,105	-
Federal PELL Grant Program	84.063	P063P181337	1,766	-
Federal PELL Grant Program	84.063	P063P191337	4,987,375	-
Federal Supplemental Educational Opportunity Grant	84.007	P007A191107	85,097	-
Federal Family Education Loans	84.268	P268K191337	36,996	-
Federal Family Education Loans	84.268	P268K201337	1,822,355	-
Federal Work-Study Program	84.033	P033A191107	143,993	-
Total student financial aid			<u>7,084,997</u>	<u>-</u>
TRIO - Student Support Services	84.042A	P042A150187	308,852	-
			<u>308,852</u>	
COVID19 Education Stabilization Fund – Higher Education Emergency Relief Fund – Student Portion	84.425E	P425E202366	353,290	-
COVID19 Education Stabilization Fund – Higher Education Emergency Relief Fund – Institutional Costs	84.425F	P425F201722	708,815	-
COVID19 Education Stabilization Fund – Strengthening Institutions	84.425M	P425M200465	108,072	-
			<u>1,170,177</u>	
Total direct programs			<u>8,564,026</u>	<u>-</u>
Passed through Illinois Community College Board:				
Adult Education State Grant Program (Fed Basic)	84.002A	5030120	255,507	-
Adult Education State Grant Program (IEL/CE)	84.002A	5030120	32,340	-
			<u>287,847</u>	<u>-</u>
Vocational Education (Perkins)	84.048	CTE50320	368,667	-
			<u>368,667</u>	<u>-</u>
Total pass through programs from Illinois Community College Board			<u>656,514</u>	<u>-</u>
Total U.S. Department of Education:			<u>9,220,540</u>	<u>-</u>
U.S. Department of Veteran's Affairs				
Veteran's Educational Assistance	64.120		158,765	-
VA Rehab	64.116		14,559	-
Total U.S. Department of Veteran's Affairs			<u>173,324</u>	<u>-</u>
U.S. Department of Labor				
Passed through Illinois Department of Employment:				
WIA - Training Employee Academic Mastery		PY2018-BHC TEAM	67,747	-
WIA – Career Link		OSY-2018-01	60,445	-
Total U.S. Department of Labor:			<u>128,192</u>	<u>-</u>
U.S. Department of Transportation				
Passed through Illinois Department of Transportation:				
Highway Construction Careers Training Program	20.205	HCCTP IGA FY20	104,778	-
Total U.S. Department of Transportation			<u>104,778</u>	<u>-</u>
Total Expenditures of Federal Awards:			<u>\$ 9,626,834</u>	<u>\$ -</u>

See Notes to Schedule of Expenditures of Federal Awards.

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

**Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Black Hawk College under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Black Hawk College, it is not intended to and does not present the financial position, changes in net position or cash flows of Black Hawk College. The College elected to use the 10% de minimis indirect cost rate during the year ended June 30, 2020.

Note 2. Summary of Significant Accounting

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

Note 3. Loan Program

For the year ended, June 30, 2020, the College acted as a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$1,859,351.

Note 4. Non-cash Assistance

The College did not expend any federal awards in the form of non-cash assistance during the year ended June 30, 2020.

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

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

I. Summary of Independent Auditor's Results

Financial Statements:

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- * Material weakness identified? Yes X No
- * Significant deficiency identified that is not considered to be a material weakness Yes X No
- Noncompliance material to financial statements noted? Yes X No

Federal Awards:

Internal control over major programs:

- Material weakness identified? Yes X No
- Significant deficiency identified that is not considered to be a material weakness X Yes No

Type of auditor's report issued on compliance for major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? X Yes No

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.007	Federal Supplemental Educational Opportunity Grant
84.268	Federal Direct Student Loans
84.033	Federal Work-Study Program
84.063	Federal PELL Grant Program
84.425E	COVID19 Education Stabilization Fund – Higher Education Emergency Relief Fund – Student Portion
84.425F	COVID19 Education Stabilization Fund – Higher Education Emergency Relief Fund – Institutional Costs
84.425M	COVID19 Education Stabilization Fund – Higher Education Emergency Relief Fund – Strengthening Institutions

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

Auditee qualified as low risk auditee? X Yes No

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

**Schedule of Findings and Questioned Costs
Year Ending June 30, 2020**

II. Findings Relating to the Basic Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

III. Findings and Questioned Costs for Federal Awards

Finding 2020-001: Allowable Activities and Period of Performance

COVID-19 Education Stabilization Fund – Higher Education Emergency Relief Fund (HEERF)
CFDA No. 84.425
Department of Education Direct Award
Grant period: April 25, 2020 through May 5, 2021

Questioned costs: \$14,240

How the questioned costs were computed: \$10,400 of questioned costs relates to an individually important item and \$3,840 relates to a sample selection of one disbursement that did not meet the allowable activities as prescribed by the Department of Education.

Condition: We discovered two questioned costs that were not actual cash disbursements paid out. One cost was an estimated year-end accrual of internet stipend reimbursement benefits based on the number of employees at year-end. After the year ended, the actual reimbursements requested by employees was less than originally anticipated. The other cost was for waiver of college application fees which were a waiver of expense to the applicant rather than a payment of cash directly to the applicant. In addition, we discovered one expense that was reported in the wrong period of performance. The goods were not received until after year-end. These expenses are allowable but should have been reported in fiscal year 2021.

Our testing included six individually important items and a non-statistical sample of 40 transactions out of a population of 1,111. Out of the 6 individually important items and the sample of 40, two transactions were found to be unallowable and one transaction was not reported in the proper period of performance.

Criteria: The requirement that costs claimed against the Section 18004(a)(1) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) must be actual expenditures for which checks were written was provided during the October 14, 2020 webinar presented by the Department of Education.

Cause: The HEERF program was a new grant for the Department of Education. During implementation, there were multiple forms of guidance issued by the Department of Education subsequent to fiscal year-end related to the allowability of expenditures. The delayed release of final guidance as well as changes in interpretation of guidance meant the College was reclassifying existing expenditures in to the grant as they became eligible and/or ineligible per guidance. This unorthodox approach lead to the opportunity for missteps in the quality control process over allowable activities and period of performance such that unallowable costs went undetected and costs were reported in the improper period.

Effect: The program is not in compliance with Department of Education requirements.

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

**Schedule of Findings and Questioned Costs
Year Ending June 30, 2020**

III. Findings and Questioned Costs for Federal Awards

Finding 2020-001: Allowable Activities and Period of Performance (Continued)

Recommendation: We recommend that the College modify quality control processes over this grant when additional guidance is issued to prevent noncompliance and to make discovery of any corrections needed on a timely basis.

View of responsible officials: Management acknowledges the finding and has prepared a corrective action plan.

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

**Corrective Action Plan
Year Ending June 30, 2020**

Finding 2020-001 – Higher Education Emergency Relief Fund – Allowable Activities and Period of Performance

Plan: The College will stay well-informed of available guidance and information provided by Department of Education in regards to HEERF funds. HEERF expenditures will continue to exercise strong internal controls by carefully reviewing expenditures for allowability based on the guidance available. Management will monitor this topic regularly during the year to ensure compliance.

Timing for Implementation: To be completed by June 30, 2021

Person(s) Responsible: Steven Frommelt, Vice President for Finance and Administration and Dena Grunewald, Director of Accounting

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

**Summary Schedule of Prior Audit Findings
June 30, 2020**

None

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Management Information

Black Hawk College
Illinois Community College District #503

Combining Balance Sheet
June 30, 2020

	Education Fund	Operations & Maintenance Fund	Auxiliary Enterprises Fund	Restricted Purposes Funds	Agency Funds
Assets					
Cash and cash equivalents	\$ 8,189,306	\$ 6,225,441	\$ 31,353	\$ 11,228,963	\$ 437,649
Investments	-	-	-	-	-
Receivables, net of allowance for uncollectibles:					
Property Taxes	4,553,031	2,652,159	-	-	-
Federal government claims	-	-	-	1,141,343	-
State government claims	520,511	46,974	-	269,546	-
Student tuition and fees	3,820,512	-	-	-	-
Other	14,936	-	49,264	30,000	23,402
Due from other funds	-	-	-	-	-
Inventory	-	-	634,942	-	-
Prepaid expenses	173,363	72,319	1,658	186,965	1,801
Capital assets:					
Land	-	-	-	-	-
Construction and Equipment in process	-	-	-	-	-
Building, improvements and equipment net of \$36,610,416 depreciation	-	-	-	-	-
Total assets	<u>\$ 17,271,659</u>	<u>\$ 8,996,893</u>	<u>\$ 717,217</u>	<u>\$ 12,856,817</u>	<u>\$ 462,852</u>
Deferred outflows of resources					
OPEB	\$ -	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities, Deferred Inflows of Resources and Fund Balance					
Accounts payable	376,744	134,870	3,973	74,993	391,473
Accrued expenses					
Payroll	621,444	41,233	8,495	33,899	-
Early retirement	149,823	-	-	-	-
Accrued vacation	640,853	97,568	23,374	25,641	-
Other	-	-	-	-	-
Due to other funds	165,120	1,122,772	262,696	711,037	18,460
Unearned revenues					
Student tuition and fees	2,707,289	-	38,486	141,114	-
Grants and restricted funds	-	-	-	6,215	52,919
Other liabilities	252,779	19,605	-	-	-
Bonds payable	-	-	-	-	-
OPEB Liability	-	-	-	-	-
Total liabilities	<u>4,914,052</u>	<u>1,416,048</u>	<u>337,024</u>	<u>992,899</u>	<u>462,852</u>
Deferred inflows of resources					
Property taxes	3,877,333	2,263,488	-	-	-
Other	-	10,048	1,100	18,003	-
OPEB	-	-	-	-	-
Total deferred inflows of resources	<u>3,877,333</u>	<u>2,273,536</u>	<u>1,100</u>	<u>18,003</u>	<u>-</u>
Fund balance					
Net investment in capital assets	-	-	-	-	-
Restricted	-	-	-	171,637	-
Unrestricted	8,480,274	5,307,309	379,093	11,674,278	-
Total fund balance	<u>8,480,274</u>	<u>5,307,309</u>	<u>379,093</u>	<u>11,845,915</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 17,271,659</u>	<u>\$ 8,996,893</u>	<u>\$ 717,217</u>	<u>\$ 12,856,817</u>	<u>\$ 462,852</u>

See Note to Management Information.

Audit Fund	Liability, Protection, and Settlement Fund	Working Cash Fund	Bond & Interest Fund	Operations & Maintenance Restricted	Investment in Plant Fund	General Long Term Debt Fund	Total
\$ 172,698	\$ 5,289,939	\$ 14,025,173	\$ 2,786,578	\$ 6,458,728	\$ -	\$ -	\$ 54,845,828
-	-	-	-	-	-	-	-
73,633	1,751,575	-	3,804,413	1,230,311	-	-	14,065,122
-	-	-	-	-	-	-	1,141,343
-	-	-	-	-	-	-	837,031
-	-	-	-	-	-	-	3,820,512
-	-	-	-	-	-	-	117,602
-	63,427	-	-	2,216,658	-	-	2,280,085
-	-	-	-	-	-	-	634,942
-	14,358	-	-	122,059	-	-	572,523
-	-	-	-	-	1,032,464	-	1,032,464
-	-	-	-	-	22,764,356	-	22,764,356
-	-	-	-	-	82,447,170	-	82,447,170
\$ 246,331	\$ 7,119,299	\$ 14,025,173	\$ 6,590,991	\$ 10,027,756	\$ 106,243,990	\$ -	\$ 184,558,978
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 306,632	\$ 306,632
-	-	-	-	-	-	306,632	306,632
3,900	53,944	-	-	724,770	-	-	1,764,667
-	38,771	-	-	-	-	-	743,842
-	-	-	-	-	-	-	149,823
-	77,138	-	-	-	-	-	864,574
-	-	-	134,389	-	-	-	134,389
-	-	-	-	-	-	-	2,280,085
-	-	-	-	-	-	-	2,886,889
-	-	-	-	-	-	-	59,134
-	-	-	-	-	-	-	272,384
-	-	-	-	-	-	37,495,000	37,495,000
-	-	-	-	-	-	18,578,409	18,578,409
3,900	169,853	-	134,389	724,770	-	56,073,409	65,229,196
62,867	1,494,955	-	3,248,334	1,049,360	-	-	11,996,337
-	-	-	-	-	-	-	29,151
-	-	-	-	-	-	4,127,616	4,127,616
62,867	1,494,955	-	3,248,334	1,049,360	-	4,127,616	16,153,104
-	-	-	-	-	106,243,990	(35,908,341)	70,335,649
179,564	5,454,491	10,194,190	3,208,268	4,344,856	-	(1,586,659)	21,966,347
-	-	3,830,983	-	3,908,770	-	(22,399,393)	11,181,314
179,564	5,454,491	14,025,173	3,208,268	8,253,626	106,243,990	(59,894,393)	103,483,310
\$ 246,331	\$ 7,119,299	\$ 14,025,173	\$ 6,590,991	\$ 10,027,756	\$ 106,243,990	\$ 306,632	\$ 184,865,610

Black Hawk College
Illinois Community College District #503

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2020

	Education Fund	Operations and Maintenance Fund	Auxiliary Fund	Restricted Funds	Agency Funds
Revenues:					
Local governmental sources					
Property taxes	\$ 7,625,244	\$ 4,406,992	\$ -	\$ -	\$ -
Personal Property Replacement Tax	1,320,025	146,829	-	-	-
Other	-	-	-	-	-
Total local government sources	8,945,269	4,553,821	-	-	-
State governmental sources	5,185,657	504,002	-	1,994,272	-
Federal governmental sources	149,768	-	-	7,761,779	-
Student tuition and fees	13,319,831	97,729	158,429	447,015	-
Sales, services and rental of facilities and equipment	377,575	213,795	1,414,435	-	-
Investment earnings	270,437	78,344	690	-	-
Other sources	15,391	41,180	18,679	250,069	-
Additions to buildings and equipment, current funds	-	-	-	-	-
Payment of long-term debt	-	-	-	-	-
SURS contribution provided by state	-	-	-	12,935,705	-
OPEB CIP contribution provided by state	-	-	-	547,693	-
Total revenues	28,263,928	5,488,871	1,592,233	23,936,533	-
Expenditures:					
Instruction	10,182,611	-	-	604,755	-
Academic support	3,362,909	-	-	1,217,738	-
Student services	2,524,373	-	-	569,173	-
Public services	542,239	-	-	719,373	-
Institutional support	7,165,397	-	-	434,894	-
Auxiliary services	-	-	1,853,560	23,551	-
Scholarships, student grants, and waivers	2,962,080	-	-	6,957,205	-
SURS contribution provided by state	-	-	-	12,935,705	-
OPEB CIP contribution provided by state	-	-	-	547,693	-
OPEB Expense	-	-	-	-	-
Depreciation	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-
Operation of physical facilities	-	3,690,406	-	44,184	-
Total expenditures	26,739,609	3,690,406	1,853,560	24,054,271	-
Excess (deficiency) of revenues over expenditures	1,524,319	1,798,465	(261,327)	(117,738)	-
Other financing sources (uses):					
Bond proceeds	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-
Operating transfers in	-	-	600,000	100,000	-
Operating transfers out	(1,602,000)	(1,169,000)	-	-	-
Residual equity transfer in	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-
Transfer from other fund	-	-	-	1,070,696	-
Transfer to other fund	-	-	-	-	-
Total other financing sources (uses)	(1,602,000)	(1,169,000)	600,000	1,170,696	-
Net change in fund balance	(77,681)	629,465	338,673	1,052,958	-
Fund balance					
Beginning	8,557,955	4,677,844	40,420	10,792,957	-
Ending	\$ 8,480,274	\$ 5,307,309	\$ 379,093	\$ 11,845,915	\$ -

See Note to Management Information.

Audit Fund	Liability, Protection, and Settlement Fund	Working Cash Fund	Bond & Interest Fund	Operations & Maintenance Restricted	Investment in Plant Fund	General Long Term Debt Fund	Total
\$ 114,356	\$ 2,788,797	\$ -	\$ 6,380,700	\$ 2,038,133	\$ -	\$ -	\$ 23,354,222
-	-	-	-	-	-	-	1,466,854
-	-	-	-	-	-	-	-
114,356	2,788,797	-	6,380,700	2,038,133	-	-	24,821,076
-	-	-	-	-	-	-	7,683,931
-	-	-	-	-	-	-	7,911,547
-	-	-	-	-	-	-	14,023,004
-	-	-	-	-	-	-	2,005,805
2,640	67,844	206,915	36,514	144,255	-	-	807,639
-	-	-	-	32,348	-	-	357,667
-	-	-	-	-	4,893,110	-	4,893,110
-	-	-	-	-	-	4,695,000	4,695,000
-	-	-	-	-	-	-	12,935,705
-	-	-	-	-	-	-	547,693
116,996	2,856,641	206,915	6,417,214	2,214,736	4,893,110	4,695,000	80,682,177
-	-	-	-	5,941	-	-	10,793,307
-	-	-	-	-	-	-	4,580,647
-	-	-	-	-	-	-	3,093,546
-	-	-	-	-	-	-	1,261,612
140,490	1,245,796	-	6,405,279	783,378	-	-	16,175,234
-	-	-	-	-	-	-	1,877,111
-	-	-	-	-	-	-	9,919,285
-	-	-	-	-	-	-	12,935,705
-	-	-	-	-	-	-	547,693
-	-	-	-	-	-	441,979	441,979
-	-	-	-	-	2,747,583	-	2,747,583
-	-	-	-	-	10,108	-	10,108
-	858,175	-	-	5,589,730	-	-	10,182,495
140,490	2,103,971	-	6,405,279	6,379,049	2,757,691	441,979	74,566,305
(23,494)	752,670	206,915	11,935	(4,164,313)	2,135,419	4,253,021	6,115,872
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,071,000	-	-	2,771,000
-	-	-	-	-	-	-	(2,771,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,070,696
-	-	-	-	(1,070,696)	-	-	(1,070,696)
-	-	-	-	1,000,304	-	-	-
(23,494)	752,670	206,915	11,935	(3,164,009)	2,135,419	4,253,021	6,115,872
203,058	4,701,821	13,818,258	3,196,333	11,417,635	104,108,571	(64,147,414)	97,367,438
\$ 179,564	\$ 5,454,491	\$ 14,025,173	\$ 3,208,268	\$ 8,253,626	\$ 106,243,990	\$ (59,894,393)	\$ 103,483,310

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Black Hawk College
Illinois Community College District #503

**Reconciliation of the Combining Balance Sheet
to the Statement of Net Position**

Fund Balances - All Fund Types	\$ 103,483,310
Pension expense related to Federal, Trust, Grant and Other Contribution	<u>87,847</u>
Long-term portion of early retirement liability	<u>(1,223,311)</u>
Unamortized bond premium	<u>(1,247,052)</u>
Net Position of Statement of Net Position	<u><u>\$ 101,100,794</u></u>

**Reconciliation of the Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Revenues, Expenses, and Changes in Net Position**

Net Change in Fund Balances	\$ 6,115,872
Reduction in student tuition and fees	(7,218,138)
Reduction in financial aid	<u>7,218,138</u>
Net Effect	<u>-</u>
Additions to buildings and equipment, current funds	4,893,110
Expended for capital assets	<u>(4,893,110)</u>
Net Effect	<u>-</u>
Long-term debt retired	4,695,000
Additions to general long-term debt fund	<u>(4,695,000)</u>
Net Effect	<u>-</u>
Amortization of bond premium	<u>555,002</u>
Increase in pension expense related to Federal, Trust, Grant and Other Contribution	<u>5,157</u>
Change in Net Position	<u><u>\$ 6,676,031</u></u>

This schedule is supplemental information and is maintained for management purposes only.

See Note to Management Information.

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Education Fund and Operations & Maintenance Fund by Program
Year ended June 30, 2020

	Education Fund Budget	Education Fund Actual	Actual Over (Under) Budget	Operations & Maintenance Fund Budget	Operations & Maintenance Fund Actual	Actual Over (Under) Budget
Revenues:						
Local governmental sources						
Property taxes	\$ 7,507,400	\$ 7,625,244	\$ 117,844	\$ 4,355,250	\$ 4,406,992	\$ 51,742
Personal property taxes	917,000	1,320,025	403,025	102,000	146,829	44,829
Other	-	-	-	-	-	-
Total local government sources	8,424,400	8,945,269	520,869	4,457,250	4,553,821	96,571
State governmental sources	5,374,727	5,185,657	(189,070)	520,000	504,002	(15,998)
Federal governmental sources	47,603	149,768	102,165	-	-	-
Student tuition and fees	14,370,947	13,319,831	(1,051,116)	102,400	97,729	(4,671)
Sales, services and rental of facilities	397,777	377,575	(20,202)	158,406	213,795	55,389
Investment earnings	300,000	270,437	(29,563)	100,000	78,344	(21,656)
Other sources	4,900	15,391	10,491	15,000	41,180	26,180
Contingency	10,000	-	(10,000)	25,000	-	(25,000)
Total revenues	28,930,354	28,263,928	(666,426)	5,378,056	5,488,871	110,815
Expenditures:						
Current						
Instruction	11,246,478	10,182,611	(1,063,867)	-	-	-
Academic support	3,659,518	3,362,909	(296,609)	-	-	-
Student services	2,849,368	2,524,373	(324,995)	-	-	-
Public services	678,799	542,239	(136,560)	-	-	-
Institutional support	7,222,407	7,165,397	(57,010)	-	-	-
Auxiliary services	-	-	-	-	-	-
Scholarships, student grants, and waivers	3,200,000	2,962,080	(237,920)	-	-	-
Operation of physical facilities	-	-	-	4,429,606	3,690,406	(739,200)
Contingency	222,883	-	(222,883)	420,000	-	(420,000)
Total expenditures	29,079,453	26,739,609	(2,339,844)	4,849,606	3,690,406	(1,159,200)
Excess (deficiency) of revenues over expenditures	(149,099)	1,524,319	1,673,418	528,450	1,798,465	1,270,015
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	150,000	-	(150,000)	-	-	-
Operating transfers out	-	(1,602,000)	(1,602,000)	(525,000)	(1,169,000)	(644,000)
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	-	-	-	-	-
Transfer to other fund	-	-	-	-	-	-
Total other financing sources (uses)	150,000	(1,602,000)	(1,752,000)	(525,000)	(1,169,000)	(644,000)
Net change in fund balance	\$ 901	(77,681)	\$ (78,582)	\$ 3,450	629,465	\$ 626,015
Fund balance						
Beginning		<u>\$ 8,557,955</u>			<u>\$ 4,677,844</u>	
Ending		<u>\$ 8,480,274</u>			<u>\$ 5,307,309</u>	

See Note to Management Information.

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Education Fund and Operations & Maintenance Fund by Object
Year ended June 30, 2020

	Education Fund Budget	Education Fund Actual	Actual Over (Under) Budget	Operations & Maintenance Fund Budget	Operations & Maintenance Fund Actual	Actual Over (Under) Budget
Revenues:						
Local governmental sources						
Property taxes	\$ 7,507,400	\$ 7,625,244	\$ 117,844	\$ 4,355,250	\$ 4,406,992	\$ 51,742
Personal property taxes	917,000	1,320,025	403,025	102,000	146,829	44,829
Other	-	-	-	-	-	-
Total local government sources	8,424,400	8,945,269	520,869	4,457,250	4,553,821	96,571
State governmental sources	5,374,727	5,185,657	(189,070)	520,000	504,002	(15,998)
Federal governmental sources	47,603	149,768	102,165	-	-	-
Student tuition and fees	14,370,947	13,319,831	(1,051,116)	102,400	97,729	(4,671)
Sales, services and rental of facilities	397,777	377,575	(20,202)	158,406	213,795	55,389
Investment earnings	300,000	270,437	(29,563)	100,000	78,344	(21,656)
Other sources	4,900	15,391	10,491	15,000	41,180	26,180
Contingency	10,000	-	(10,000)	25,000	-	(25,000)
Total revenues	28,930,354	28,263,928	(666,426)	5,378,056	5,488,871	110,815
Expenditures:						
Current						
Salaries	17,539,193	16,129,454	(1,409,739)	1,789,692	1,400,446	(389,246)
Benefits	4,561,187	5,003,202	442,015	421,176	370,843	(50,333)
Contractual Services	1,449,342	1,088,014	(361,328)	575,823	518,611	(57,212)
Supplies & Materials	1,685,802	1,351,129	(334,673)	319,780	279,007	(40,773)
Conference & Meetings	342,246	142,083	(200,163)	9,870	2,556	(7,314)
Fixed Charges	31,500	20,922	(10,578)	5,400	5,750	350
Utilities	3,000	885	(2,115)	1,306,465	1,086,243	(220,222)
Capital Outlay	-	6,635	6,635	-	25,963	25,963
Other	3,244,300	2,997,285	(247,015)	1,400	987	(413)
Contingency	222,883	-	(222,883)	420,000	-	(420,000)
Total expenditures	29,079,453	26,739,609	(2,339,844)	4,849,606	3,690,406	(1,159,200)
Excess (deficiency) of revenues over expenditures	(149,099)	1,524,319	1,673,418	528,450	1,798,465	1,270,015
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	150,000	-	(150,000)	-	-	-
Operating transfers out	-	(1,602,000)	(1,602,000)	(525,000)	(1,169,000)	(644,000)
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	-	-	-	-	-
Transfer to other fund	-	-	-	-	-	-
Total other financing sources (uses)	150,000	(1,602,000)	(1,752,000)	(525,000)	(1,169,000)	(644,000)
Net change in fund balance	\$ 901	(77,681)	\$ (78,582)	\$ 3,450	629,465	\$ 626,015
Fund balance						
Beginning		<u>\$ 8,557,955</u>			<u>\$ 4,677,844</u>	
Ending		<u>\$ 8,480,274</u>			<u>\$ 5,307,309</u>	

See Note to Management Information.

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Major Special Revenue Funds by Program
Year ended June 30, 2020

	Restricted Purposes Funds Budget	Restricted Purposes Funds Actual	Actual Over (Under) Budget	Audit Fund Budget	Audit Fund Actual	Actual Over (Under) Budget
Revenues:						
Local governmental sources						
Property taxes	\$ -	\$ -	\$ -	\$ 104,930	\$ 114,356	\$ 9,426
Tuition chargeback	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total local government sources	-	-	-	104,930	114,356	9,426
State governmental sources	2,183,622	1,994,272	(189,350)	-	-	-
Federal governmental sources	8,034,440	7,761,779	(272,661)	-	-	-
Student tuition and fees	615,000	447,015	(167,985)	-	-	-
Sales, services and rental of facilities	-	-	-	-	-	-
Investment earnings	-	-	-	-	2,640	2,640
Other sources	1,072,921	250,069	(822,852)	-	-	-
Contingency	91,469	-	(91,469)	-	-	-
Total revenues	11,997,452	10,453,135	(1,544,317)	104,930	116,996	12,066
Expenditures:						
Current						
Instruction	605,067	604,755	(312)	-	-	-
Academic support	1,245,129	1,217,738	(27,391)	-	-	-
Student services	600,347	569,173	(31,174)	-	-	-
Public services	925,054	719,373	(205,681)	-	-	-
Institutional support	1,293,090	434,894	(858,196)	180,400	140,490	(39,910)
Auxiliary services	-	23,551	23,551	-	-	-
Scholarships, student grants, and waivers	7,467,822	6,957,205	(510,617)	-	-	-
Operation of physical facilities	-	44,184	44,184	-	-	-
Contingency	90,792	-	(90,792)	-	-	-
Total expenditures	12,227,301	10,570,873	(1,656,428)	180,400	140,490	(39,910)
Excess (deficiency) of revenues over expenditures	(229,849)	(117,738)	112,111	(75,470)	(23,494)	51,976
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	100,000	100,000	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	1,070,696	1,070,696	-	-	-
Transfer to other fund	-	-	-	-	-	-
Total other financing sources	100,000	1,170,696	1,070,696	-	-	-
Net change in fund balance	\$ (129,849)	1,052,958	\$ 1,182,807	\$ (75,470)	(23,494)	\$ 51,976
Fund balance						
Beginning		<u>\$ 10,792,957</u>			<u>\$ 203,058</u>	
Ending		<u>\$ 11,845,915</u>			<u>\$ 179,564</u>	

See Note to Management Information.

Liability, Protection, and Settlement Fund Budget	Liability, Protection, and Settlement Fund Actual	Actual Over (Under) Budget	Bond & Interest Fund Budget	Bond & Interest Fund Actual	Actual Over (Under) Budget	Operations & Maintenance, Restricted Budget	Operations & Maintenance, Restricted Actual	Actual Over (Under) Budget
\$ 2,650,500	\$ 2,788,797	\$ 138,297	\$ 6,423,440	\$ 6,380,700	\$ (42,740)	\$ 2,027,000	\$ 2,038,133	\$ 11,133
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,650,500	2,788,797	138,297	6,423,440	6,380,700	(42,740)	2,027,000	2,038,133	11,133
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
60,000	67,844	7,844	-	36,514	36,514	25,000	144,255	119,255
-	-	-	-	-	-	-	32,348	32,348
-	-	-	-	-	-	-	-	-
2,710,500	2,856,641	146,141	6,423,440	6,417,214	(6,226)	2,052,000	2,214,736	162,736
-	-	-	-	-	-	-	5,941	5,941
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,657,512	1,245,796	(411,716)	6,423,840	6,405,279	(18,561)	12,114	783,378	771,264
-	-	-	-	-	-	-	-	-
867,527	858,175	(9,352)	-	-	-	10,639,526	5,589,730	(5,049,796)
-	-	-	-	-	-	-	-	-
2,525,039	2,103,971	(421,068)	6,423,840	6,405,279	(18,561)	10,651,640	6,379,049	(4,272,591)
185,461	752,670	567,209	(400)	11,935	12,335	(8,599,640)	(4,164,313)	4,435,327
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,071,000	2,071,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(1,070,696)	(1,070,696)
-	-	-	-	-	-	-	1,000,304	1,000,304
<u>\$ 185,461</u>	752,670	<u>\$ 567,209</u>	<u>\$ (400)</u>	11,935	<u>\$ 12,335</u>	<u>\$ (8,599,640)</u>	(3,164,009)	<u>\$ 5,435,631</u>
	<u>\$ 4,701,821</u>			<u>\$ 3,196,333</u>			<u>\$ 11,417,635</u>	
	<u>\$ 5,454,491</u>			<u>\$ 3,208,268</u>			<u>\$ 8,253,626</u>	

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Major Special Revenue Funds by Object
Year ended June 30, 2020

	Restricted Purposes Funds Budget	Restricted Purposes Funds Actual	Actual Over (Under) Budget	Audit Fund Budget	Audit Fund Actual	Actual Over (Under) Budget
Revenues:						
Local governmental sources						
Property taxes	\$ -	\$ -	\$ -	\$ 104,930	\$ 114,356	\$ 9,426
Tuition chargeback	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total local government sources	-	-	-	104,930	114,356	9,426
State governmental sources	2,183,622	1,994,272	(189,350)	-	-	-
Federal governmental sources	8,034,440	7,761,779	(272,661)	-	-	-
Student tuition and fees	615,000	447,015	(167,985)	-	-	-
Sales, services and rental of facilities	-	-	-	-	-	-
Investment earnings	-	-	-	-	2,640	2,640
Other sources	1,072,921	250,069	(822,852)	-	-	-
Contingency	91,469	-	(91,469)	-	-	-
Total revenues	11,997,452	10,453,135	(1,544,317)	104,930	116,996	12,066
Expenditures:						
Current						
Salaries	1,753,203	1,516,637	(236,566)	-	-	-
Benefits	490,780	350,672	(140,108)	-	-	-
Contractual Services	1,068,175	829,157	(239,018)	180,400	140,490	(39,910)
Supplies & Materials	442,954	723,822	280,868	-	-	-
Conference & Meetings	287,613	78,332	(209,281)	-	-	-
Fixed Charges	26,450	31,448	4,998	-	-	-
Utilities	133,482	121,568	(11,914)	-	-	-
Capital Outlay	55,000	5,206	(49,794)	-	-	-
Other	7,878,852	6,914,031	(964,821)	-	-	-
Contingency	90,792	-	(90,792)	-	-	-
Total expenditures	12,227,301	10,570,873	(1,656,428)	180,400	140,490	(39,910)
Excess (deficiency) of revenues over expenditures	(229,849)	(117,738)	112,111	(75,470)	(23,494)	51,976
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Operating transfers in	100,000	100,000	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Residual equity transfer in	-	-	-	-	-	-
Residual equity transfer out	-	-	-	-	-	-
Transfer from other fund	-	1,070,696	1,070,696	-	-	-
Transfer to other fund	-	-	-	-	-	-
Total other financing sources	100,000	1,170,696	1,070,696	-	-	-
Net change in fund balance	\$ (129,849)	1,052,958	\$ 1,182,807	\$ (75,470)	(23,494)	\$ 51,976
Fund balance						
Beginning		<u>\$10,792,957</u>			<u>\$ 203,058</u>	
Ending		<u>\$11,845,915</u>			<u>\$ 179,564</u>	

See Note to Management Information.

Liability, Protection, and Settlement Fund Budget	Liability, Protection, and Settlement Fund Actual	Actual Over (Under) Budget	Bond & Interest Fund Budget	Bond & Interest Fund Actual	Actual Over (Under) Budget	Operations & Maintenance, Restricted Budget	Operations & Maintenance, Restricted Actual	Actual Over (Under) Budget
\$ 2,650,500	\$ 2,788,797	\$ 138,297	\$ 6,423,440	\$ 6,380,700	\$ (42,740)	\$ 2,027,000	\$ 2,038,133	\$ 11,133
-	-	-	-	-	-	-	-	-
<u>2,650,500</u>	<u>2,788,797</u>	<u>138,297</u>	<u>6,423,440</u>	<u>6,380,700</u>	<u>(42,740)</u>	<u>2,027,000</u>	<u>2,038,133</u>	<u>11,133</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
60,000	67,844	7,844	-	36,514	36,514	25,000	144,255	119,255
-	-	-	-	-	-	-	32,348	32,348
-	-	-	-	-	-	-	-	-
<u>2,710,500</u>	<u>2,856,641</u>	<u>146,141</u>	<u>6,423,440</u>	<u>6,417,214</u>	<u>(6,226)</u>	<u>2,052,000</u>	<u>2,214,736</u>	<u>162,736</u>
1,020,361	1,060,170	39,809	-	-	-	-	-	-
800,552	657,568	(142,984)	-	-	-	-	-	-
470,750	187,793	(282,957)	-	-	-	27,585	74,051	46,466
6,270	4,204	(2,066)	-	-	-	9,860	1,463,048	1,453,188
35,406	12,468	(22,938)	-	-	-	-	191	191
191,700	181,768	(9,932)	6,423,840	6,405,279	(18,561)	-	2,078	2,078
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	10,614,195	4,839,681	(5,774,514)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>2,525,039</u>	<u>2,103,971</u>	<u>(421,068)</u>	<u>6,423,840</u>	<u>6,405,279</u>	<u>(18,561)</u>	<u>10,651,640</u>	<u>6,379,049</u>	<u>(4,272,591)</u>
185,461	752,670	567,209	(400)	11,935	12,335	(8,599,640)	(4,164,313)	4,435,327
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	(1,070,696)
-	-	-	-	-	-	-	2,071,000	2,071,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(1,070,696)	(1,070,696)
-	-	-	-	-	-	-	1,000,304	1,000,304
<u>\$ 185,461</u>	<u>752,670</u>	<u>\$ 567,209</u>	<u>\$ (400)</u>	<u>11,935</u>	<u>\$ 12,335</u>	<u>\$ (8,599,640)</u>	<u>(3,164,009)</u>	<u>\$ 5,435,631</u>
	<u>\$ 4,701,821</u>			<u>\$ 3,196,333</u>			<u>\$ 11,417,635</u>	
	<u>\$ 5,454,491</u>			<u>\$ 3,208,268</u>			<u>\$ 8,253,626</u>	

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Major Special Revenue Funds by Object (continued)
Year ended June 30, 2020

	Working Cash Fund Budget	Working Cash Fund Actual	Actual Over (Under) Budget
Revenues:			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
Total local government sources	-	-	-
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	-	-	-
Sales, services and rental of facilities	-	-	-
Investment earnings	337,500	206,915	(130,585)
Other sources	-	-	-
Contingency	-	-	-
Total revenues	337,500	206,915	(130,585)
Expenditures:			
Current			
Salaries	-	-	-
Benefits	-	-	-
Contractual Services	-	-	-
Supplies & Materials	-	-	-
Conference & Meeting	-	-	-
Fixed Charges	-	-	-
Utilities	-	-	-
Capital Outlay	-	-	-
Other	-	-	-
Contingency	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	337,500	206,915	(130,585)
Other financing sources (uses):			
Bond proceeds	-	-	-
Bond premium (discount)	-	-	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Residual equity transfer in	-	-	-
Residual equity transfer out	-	-	-
Transfer from other fund	-	-	-
Transfer to other fund	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	\$ 337,500	206,915	\$ (130,585)
Fund balance			
Beginning		<u>\$ 13,818,258</u>	
Ending		<u>\$ 14,025,173</u>	

See Note to Management Information.

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Proprietary Fund by Program
Year ended June 30, 2020

	Auxiliary Fund Budget	Auxiliary Fund Actual	Actual Over (Under) Budget
Revenues:			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
Total local government sources	-	-	-
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	168,000	158,429	(9,571)
Sales, services and rental of facilities	1,670,186	1,414,435	(255,751)
Investment earnings	-	690	690
Other sources	24,300	18,679	(5,621)
Contingency	25,000	-	(25,000)
Total revenues	1,887,486	1,592,233	(295,253)
Expenditures:			
Current			
Instruction	-	-	-
Academic support	-	-	-
Student services	-	-	-
Public services	-	-	-
Institutional support	-	-	-
Auxiliary services	2,129,415	1,853,560	(275,855)
Scholarships, student grants, and waivers	-	-	-
Operation of physical facilities	-	-	-
Contingency	25,000	-	(25,000)
Total expenditures	2,154,415	1,853,560	(300,855)
Excess (deficiency) of revenues over expenditures	(266,929)	(261,327)	5,602
Other financing sources (uses):			
Bond proceeds	-	-	-
Bond premium (discount)	-	-	-
Operating transfers in	275,000	600,000	325,000
Operating transfers out	-	-	-
Residual equity transfer in	-	-	-
Residual equity transfer out	-	-	-
Transfer from other fund	-	-	-
Transfer to other fund	-	-	-
Total other financing sources	275,000	600,000	325,000
Net change in fund balance	\$ 8,071	338,673	\$ 330,602
Fund balance			
Beginning		<u>\$ 40,420</u>	
Ending		<u>\$ 379,093</u>	

See Note to Management Information.

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

**Statement of Budgetary Comparison - Proprietary Fund by Object
Year ended June 30, 2020**

	Auxiliary Fund Budget	Auxiliary Fund Actual	Actual Over (Under) Budget
Revenues:			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
Total local government sources	<u>-</u>	<u>-</u>	<u>-</u>
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	168,000	158,429	(9,571)
Sales, services and rental of facilities	1,670,186	1,414,435	(255,751)
Investment earnings	-	690	690
Other sources	24,300	18,679	(5,621)
Contingency	25,000	-	(25,000)
Total revenues	<u>1,887,486</u>	<u>1,592,233</u>	<u>(295,253)</u>
Expenditures:			
Current			
Salaries	369,368	374,250	4,882
Benefits	60,375	69,618	9,243
Contractual Services	123,180	81,572	(41,608)
Supplies & Materials	1,375,065	1,211,593	(163,472)
Conference & Meeting	182,557	105,642	(76,915)
Fixed Charges	650	751	101
Utilities	-	-	-
Capital Outlay	-	-	-
Other	18,220	10,134	(8,086)
Contingency	25,000	-	(25,000)
Total expenditures	<u>2,154,415</u>	<u>1,853,560</u>	<u>(300,855)</u>
Excess (deficiency) of revenues over expenditures	<u>(266,929)</u>	<u>(261,327)</u>	<u>5,602</u>
Other financing sources (uses):			
Bond proceeds	-	-	-
Bond premium (discount)	-	-	-
Operating transfers in	275,000	600,000	325,000
Operating transfers out	-	-	-
Residual equity transfer in	-	-	-
Residual equity transfer out	-	-	-
Transfer from other fund	-	-	-
Transfer to other fund	-	-	-
Total other financing sources	<u>275,000</u>	<u>600,000</u>	<u>325,000</u>
Net change in fund balance	<u>\$ 8,071</u>	<u>338,673</u>	<u>\$ 330,602</u>
Fund balance			
Beginning		<u>\$ 40,420</u>	
Ending		<u>\$ 379,093</u>	

See Note to Management Information.

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

Note to Management Information

Note 1. Summary of Significant Accounting Policies

Fund Accounting: In order to ensure observance of limitations and restrictions placed on the use of available resources, the accounts are maintained in accordance with the principles of fund accounting as promulgated in the *ICCB Fiscal Management Manual*. Financial statements by fund, required by the ICCB, are included as supplemental information. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

CORE VALUES

INCLUSION AND DIVERSITY

CARING AND COMPASSION

FAIRNESS | HONESTY | INTEGRITY

RESPECT | RESPONSIBILITY



Black
Hawk College



QUAD-CITIES CAMPUS | 309-796-5000

6600 34TH AVENUE, MOLINE, ILLINOIS 61265

EAST CAMPUS | 309-854-1700

26230 BLACK HAWK ROAD, GALVA, ILLINOIS 61434



2020