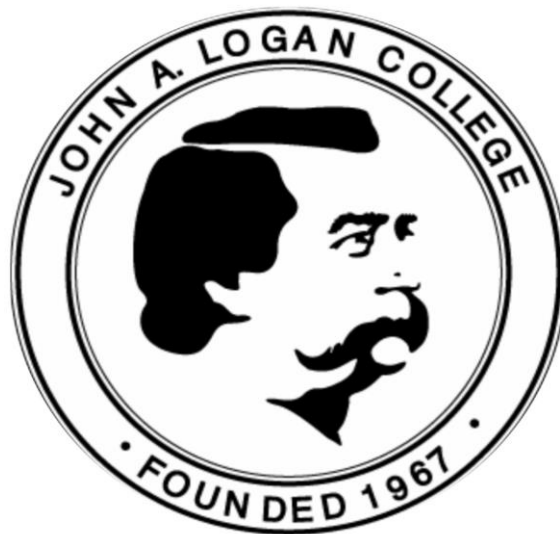


# **JOHN A. LOGAN COLLEGE COMMUNITY COLLEGE DISTRICT 530 CARTERVILLE, ILLINOIS**

**2014 Annual Budget  
Fiscal Year Ended June 30, 2014  
Adopted September 24, 2013**

***"To education must we look ..."*  
Senator John A. Logan  
March 16, 1882**





JOHN A. LOGAN COLLEGE  
Community College District 530  
700 Logan College Road  
Carterville, IL 62918  
[www.jalc.edu](http://www.jalc.edu)

Annual Budget for the fiscal year  
Beginning July 1, 2013 and Ending June 30, 2014  
Adopted September 24, 2013  
By the Board of Trustees



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**John A. Logan College  
Illinois**

For the Fiscal Year Beginning

**July 1, 2012**

*Christopher P. Morrell*      *Jeffrey R. Brown*

President

Executive Director

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to John A. Logan College, Illinois for its annual budget for the fiscal year beginning July 1, 2012. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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## ***INTRODUCTION TO THE COLLEGE***



The College has 660,116 sq. ft. at the Carterville campus with additional extension centers located in the towns of Du Quoin (Perry County) and West Frankfort (Franklin County).

## **COLLEGE HISTORY**

John A. Logan College (JALC) is an open admission, comprehensive community college designed to provide high-quality, affordable educational opportunities to its citizens. The College owes its existence to the Illinois Public Community College Act of July 15, 1965 which provided legislation to create a junior college system in the state of Illinois. John A. Logan College district citizens approved the creation of the Junior College district in September, 1967.

The College is named in honor of John Alexander Logan, a prominent southern Illinoisan whose political career led from county clerk to U.S. Congressman. During the Civil War, Logan volunteered as a citizen soldier and fought in eight major campaigns and is considered one of the premier volunteer generals of the Civil War. After the war, Logan returned to Congress and he helped found Memorial Day as a national holiday. In 1871, and again in 1874, Logan was elected to the U.S. Senate and was James G. Blaines' vice-presidential running mate. Throughout his political career, he was a strong advocate for public education. Logan drafted legislation that established normal schools, teachers' institutes, and instruction in the industrial and mechanical arts.

Senator Logan's speech in support of this public education legislation attracted attention throughout the country. His emphasis on planning for the future helped to refocus and rebuild the nation. The College motto, "To education must we look . . .," is derived from the following excerpt:

*"To education, therefore, must we look for all the elements of national strength, and the more generally it is diffused and the higher its grade, in like proportion will our national power be increased." (Congressional Record, March 16, 1882)*

John A. Logan College offers comprehensive programming to serve the needs of citizens in Jackson and Williamson counties and portions of Franklin, Perry, and Randolph counties. Governance of the College resides with an elected seven-member Board of Trustees. The College is a community-minded organization that focuses on the needs of its students and communities. Dual credit programs assist high school students in the transition to college. Transfer programs articulate with colleges and universities in the state of Illinois and surrounding states. Career programs support students who desire a one- or two-year program to enter the workforce. Business and Industry and Workforce Development programs offer training and services to workers and displaced workers. John A. Logan College, over the past several years, has been number one in the State of Illinois in providing customized training. The College also has very comprehensive adult and continuing education programs.

### **SERVICE AREA**

The John A. Logan College district consists of one central campus and extension centers in the towns of DuQuoin and West Frankfort. Many courses in baccalaureate transfer, career education, continuing education and adult literacy are taught in high schools and public facilities throughout the five-county district. The College takes pride in providing high-quality, affordable education to its citizens. JALC is in very close proximity to a four-year educational institution, Southern Illinois University-Carbondale (SIU-C). Please see a district map in the supplemental materials section at the end of this document.

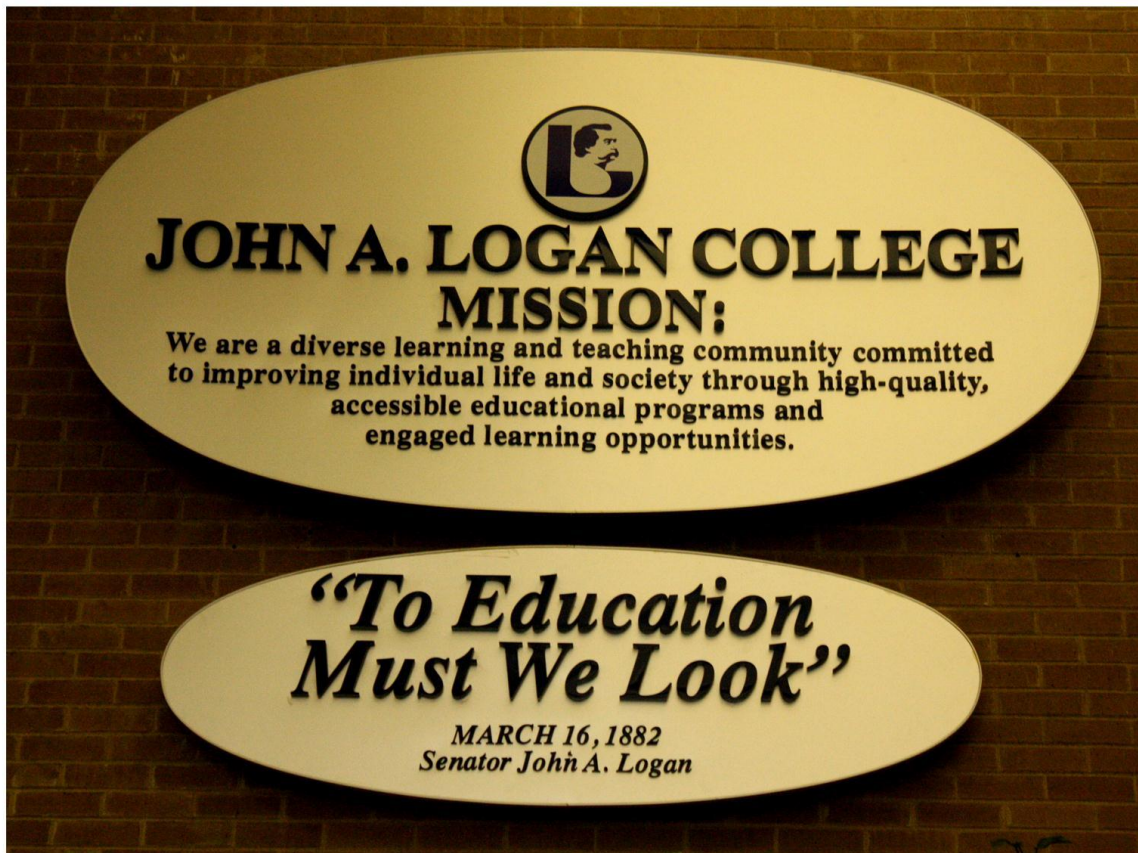
The College district serves the following school districts: Marion, Johnston City, Herrin, Crab Orchard, Carterville, Carbondale, Tri-Co, Elverado, Murphysboro, West Frankfort, and DuQuoin. The area has a long history of manufacturing and coal-mining. With closures of many mines and manufacturing plants, the College has successfully worked with state and local agencies to provide transition services and training programs to help these workers obtain degrees and training to obtain employment.

### **ACCREDITATION**

John A. Logan College is accredited by The Higher Learning Commission (HLC), a part of the North Central Association of Colleges and Schools (NCA). NCA, founded in 1895, is one of six regional institutional accreditors in the United States. The College's last comprehensive evaluation was in February of 2007, and was approved for a ten-year accreditation. The next comprehensive evaluation is scheduled for 2016 – 2017.

## ***LONG-TERM GOALS AND CONCERNS***

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**MISSION STATEMENT**

John A. Logan College first adopted a mission statement in September of 1968. It has been amended at various times over the years as the institution and the needs of its constituents have evolved. The most recent revision of the Mission and Goals Statement began in 2004 as a part of the College's operational planning process. A committee comprised of faculty, staff, and administration was formed to review and revise the existing mission documents to reflect current institutional priorities. On October 25, 2004, the College Board of Trustees modified and adopted a revised statement of mission and goals. Additional evaluation of the philosophy, mission, and goals just occurred as a part of the College's most recent strategic planning process which was completed in June of 2013. Most of those interviewed during the process felt that the current mission statement accurately represents what JALC does and stands for as an institution. Therefore, no revisions were recommended at this time. The current version of the College's mission and the corresponding goals are stated below:

"John A. Logan College is a diverse learning and teaching community committed to improving individual life and society through high-quality, accessible educational programs and engaged learning opportunities."

**MISSION GOALS**

- To foster an environment where diverse individuals, groups, and views are valued.
- To provide programs and services for lifelong learning that create and enhance opportunities for achieving career and personal goals in a changing society.
- To serve with integrity and accountability as a model of institutional excellence.
- To offer affordable programs and services enhanced by technology in an accessible and safe learning and working environment.
- To be a center for intellectual, economic, cultural, and recreational resources for individuals and communities.

## **CORE VALUES**

In September of 2013, John A. Logan College revised its Core Values from those originally adopted in 2006. This was a result of input received during the development of the College's new *Five-Year Strategic Plan FY 2014 – 2018* which was adopted in June of 2013. Surveys of all constituent groups and discussion by the strategic plan steering committee indicated a strong preference for the values of service and integrity. It was felt that integrity encompassed both the previous values of fairness and honesty. As a result, stated below are the revised Core Values and their definitions:

- **Service**  
*We are committed to the cultivation of positive relationships and common experiences among students, faculty, staff and the communities we serve.*
- **Responsibility**  
*We accept responsibility for our own actions and accountability for the use, preservation, and enhancement of human and material resources.*
- **Respect**  
*While recognizing and valuing the dignity and uniqueness of every person, we are committed to creating a community where everyone is appreciated and considered for their contributions and performance.*
- **Compassion**  
*We respond to the feelings of each person with kindness, concern, and empathy for their needs.*
- **Integrity**  
*We are committed to creating trust and confidence in our college community. We act with honesty and forthrightness, and hold ourselves to high academic and ethical standards.*

## **PHILOSOPHY**

The philosophy provides an internal view of what the College hopes to become, whereas the mission statement has an external focus on present goals and commitments.

The JALC Statement of Philosophy is listed below:

“John A. Logan College believes in the inherent worth and dignity of the individual. Derived from that belief is the concept that education is important to the cultural, intellectual, and social enlightenment of the individual; that high-quality educational opportunities are the right of the citizens to whom the College belongs; and that education is vital to the area's economic growth.

Because our citizens have worth, dignity, and potential regardless of their age, economic status, or social station, the College assumes the obligation to serve its citizens through an open admission concept with lifelong learning opportunities.

Within the limits of the College's ability to attain and maintain a solid financial base, it is ready and eager to provide low-cost traditional and non-traditional education opportunities whenever, wherever, and however they are needed by the citizens to improve the quality of their lives.”



## **VISION**

John A. Logan College strives to be a learning-centered institution that prepares students for effective global citizenship and responds to regional needs.

## **EDUCATIONAL GOALS**

The faculty and staff of John A. Logan College are committed to providing students with opportunities to develop learning abilities that will last a lifetime. Graduates will be prepared to succeed in their personal and professional lives because of achieved competence in the following general education goals:

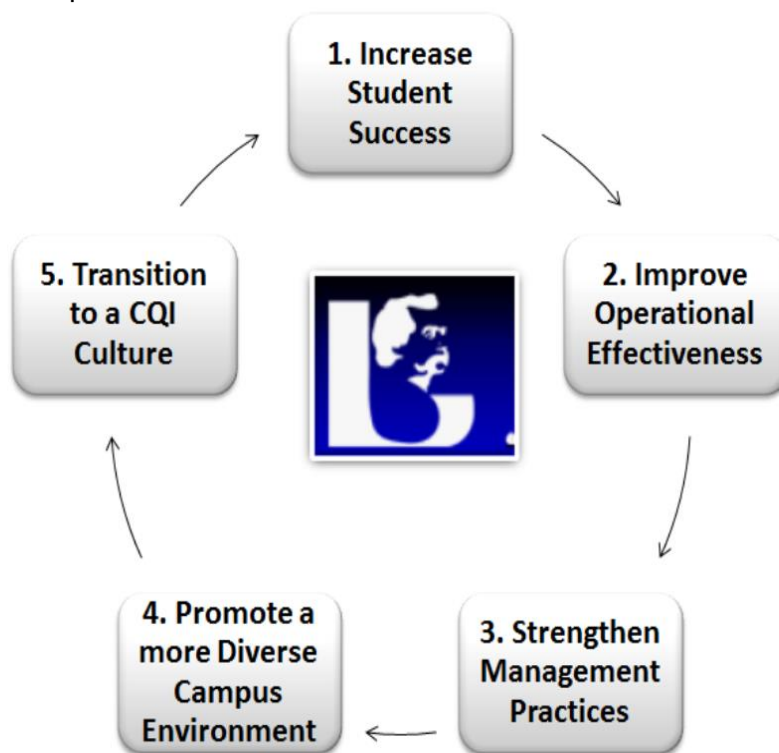
- **Communication** - To participate in the entire communication process of listening, speaking, reading, and writing.
- **Critical Thinking** - To cultivate the process of critical thinking by analyzing, synthesizing and evaluating objects, concepts, theories, and hypotheses.
- **Mathematical Reasoning** - To develop mathematical reasoning and an ability to apply quantitative methods.
- **Workplace Readiness** - To accomplish workplace readiness by acquiring competencies and technological application skills related to chosen careers.
- **Ethical Awareness** - To develop an ethical awareness which focuses on the values of integrity, honesty, and personal responsibility.
- **Community Responsibility** - To become a responsible member of local, national, and global communities by recognizing the values of diverse histories, economies, and cultures.
- **Wellness** - To achieve physical and psychological wellness by learning to take responsibility for personal well-being.
- **Aesthetic Response** - To develop an aesthetic appreciation of life through creative, artistic, and cultural experiences.

**FIVE-YEAR STRATEGIC PLAN FY 2014 - 2018**

In September of 2012, the Board of Trustees contracted with Wunderle Consulting Inc. to develop a five-year institutional strategic plan. It was understood that at the end of the process ownership of the plan would transfer to the College. The process was guided by three planning principles – strategic alignment, inclusiveness, and actionable recommendations, and began with reaffirmation of the mission, vision, and values.

It included an environmental scan that examined strengths, opportunities, challenges, change drivers, and mandates. The process spanned eight months and involved eight major steps, including the environmental scan, gap analysis, development of strategies and goals, development of projects, an implementation strategy, clarification of steps, and presentation of the final report. All JALC's constituencies were invited to participate in some way, including interviews, surveys, focus groups, and invitations to comment. In addition, a review of existing documentation was performed and a 17 member steering committee was formed. Listed below are some of the reasons why a new strategic plan was very crucial to the College and the five strategic goals that resulted.

- To set institutional priorities for the future.
- To direct limited resources where they will have the most effect.
- To reaffirm foundational statements of purpose and value.
- To inspire and guide the individual and collective effort to grow and improve.
- To complement and support the Higher Learning Commission (HLC) Open Pathways reaccreditation process.



Sixteen strategic projects were identified with a proposed timeline for implementation phased-in over the five-year period. Project owners were then assigned from within the original steering committee. These owners are now considered the Project Oversight Committee. They will meet monthly to present status reports, including accomplishments to-date, next steps, and any other matters critical to the success of the projects. See below the complete list of projects and their owners:

1. Student Success Initiative: VP for Instruction (Deborah Payne)
2. ERP System: Chief Information Technology Officer (Mark Kinkaid)
3. IT Staffing: Chief Information Technology Officer (Mark Kinkaid)
4. Assessment: Senior Director of Assessment & Quality Assurance (Kristin Shelby)
5. Knowledge & Information Management: Dean, Financial Operations (Stacy Buckingham)
6. Process Improvements: VP, Administration (Tim Daugherty)
7. Office Productivity: Dean, Student Services (Terry Crain)
8. Internal Communications: Executive Director, Foundation (Staci Bynum)
9. Website Redesign: Director, College Relations & Marketing (Steve O'Keefe)
10. Strengthening Management Practices: Executive Director, Human Resources (Clay Brewer)
11. Diversity: President (Mike Dreith)
12. CQI Transition: President (Mike Dreith)
13. LMS Implementation: Dean, Instruction (Deborah Payne)
14. Planning & Institutional Effectiveness: VP, Instruction (Deborah Payne)
15. Career and Job Readiness: Dean, Workforce Development (Phil Minnis)
16. Capital Construction/Renovation/Maintenance: VP Business Services (Brad McCormick)

### **STRATEGIC PLAN ITEMS EMPHASIZED IN FY 2014 BUDGET**

Due to normal financial and staffing limitations, it is not reasonable for all strategic projects to be implemented at once. The plan includes a detailed implementation schedule for each project including which budget years they are expected to affect and the projected financial impact.

Listed below are some of the items emphasized in the FY 2014 budget that are directly related to one of the sixteen strategic plan projects shown previously.

- Purchase of new Jenzabar Enterprise Resource Planning (ERP) System
  - Software, Implementation, Training, Maintenance, Hosting Services
  - Contract with CampusWorks for project management and business process review
- Additional Staffing of JALC Information Technology Department
  - Includes training
- Implementation of new Desire2Learn Learning Management System (LMS)
  - Includes faculty and staff training
- Higher Learning Commission (HLC) training for Open Pathways model
- Development of budget for Assessment department
- Redesign of JALC website
- Diversity Initiatives
- Student Success Items
  - Assistance with increasing GED test fees and transition of GED students
  - Participation in Model Government and travel study programs
  - Equipment and instructional supplies for renovated Dental and Cosmetology areas
  - Lab equipment and instructional supplies at new West Frankfort Extension Center

**FACILITY MASTER PLAN**

In April 2009, John A. Logan College began the process of developing a comprehensive Facility Master Plan. The final draft was presented in June of 2010. The purpose of the Master Plan is to serve as documentation of the needs and concerns of the College as it moves forward and guidance in response to those issues. The premise of the Master Plan is to look forward for the coming ten to fifteen years and predict the needs of the College and develop responses to them.

From the beginning, the importance of staff, student and community participation in the process was recognized. With this in mind a Master Planning Committee was formed, consisting of a cross section of administrators and staff. Additionally, public hearings were scheduled to generate and receive suggestions and input.

Three public forums were held to discuss and document issues relating to sustainability and the environment, buildings and facilities, and campus parking and roadways. These gave opportunities for the entire John A. Logan community to learn about the planning process and how it might impact the future of the College, and to help identify the issues considered to be important to address in the Facility Master Plan.

After the conclusion of the public forum period, meetings of the Master Planning Committee were held to discuss the issues identified during those forums and to establish importance and priorities. Goals were developed that reflected the culture, identity and needs of the College. Committee members sought and gathered specific information and data from their respective constituents.

The various options that were identified were explored and discussed by the Committee. Pros and cons were reviewed for each, and thoroughly discussed. Priorities and viability were established for each option with respect to the entire list. The results of these meetings were presented to the Board of Trustees for approval.

Information was also gathered regarding the condition and needs with respect to the physical infrastructure of the John A. Logan main campus. The issues identified and documented will help to address these maintenance and infrastructure upgrades in a planned and comprehensive manner.

John A. Logan College, in response to a requirement of the Illinois Community College Board, had prepared a master plan for the immediate three years and submitted it in September, 2008. The issues addressed in that document have been included in this Master Plan which is being referred to as Phase II.

This Master Plan strives to serve the needs of John A. Logan College, the surrounding communities, and the region to assure the College's role as an educational and cultural resource. The recommendations can help fulfill the mission of the College, realize goals, and enhance its role as an educational and cultural center for the region. The Facility Master Plan is meant to be a living document, to be periodically reviewed and necessarily revised. It is not an inflexible path of action, but rather a guide for the orderly development of the campus. Without a plan for the future, development can become emergency reactions to growth of enrollment, program revisions and advancements, and the need for expansion of services, rather than thoughtful patterns of development.

Future decisions can, therefore, vary from the results and recommendations of this plan. They should, however, be made with understanding of their context within the document and careful evaluation of their impact on the direction and vision that the Master Plan represents.

Stated below are the goals developed during the Master Plan process:

- Promote sustainability in campus operations, improvements and expansions, and create a campus culture committed to sustainability.
  - Illinois Community College Sustainability Network - JALC a founding member
  - Existing building LEED certification
  - Nurture environmental responsibility with staff
- Provide facilities with the flexibility to respond to and facilitate the changing needs of the College and Community.
  - Education shouldn't suffer because of the facility
  - Multi-purpose spaces and facilities
- Improve the functional relationships of programs, classes, and services.
  - Optimize use of existing spaces
- Establish entrance hierarchies and improve way finding throughout the campus from roadways and parking to building interiors.
  - Building entrances - distinctive and welcoming
  - Front of campus is changing
  - Signage
  - Parking relationships
- Continue the current high level of campus care and maintenance including grounds and building exteriors and interiors.
  - Plan for deferred maintenance
  - Provide for spaces to enhance productivity

### **INTEGRATED TECHNOLOGY COMMITTEE**

At the end of FY 2012, the long standing Technology Implementation Committee (TIC) was restructured into a newly formed Integrated Technology Committee. The Committee's mission is to proactively develop strategic technology initiatives that promote educational and institutional growth.

While it is headed by the Instructional division, it has representation from across the College. Among other technology related issues, its work includes the learning management system and the campus-wide administrative ERP system. The goal is for the revised committee membership to have more decision making authority than the previous one and a stronger instructional voice.

**ADVISORY COMMITTEES**

Authorized by a long-standing board policy, the College utilizes both a General Advisory Committee and a Program Advisory Committee for Career Education. The College believes that training people for employment in career education fields is a task that should be shared by the College and the community. To provide quality programs and competent graduates, the College must understand the needs of area businesses and industries. It is important that a two-way system of communication between the College and the community be maintained to meet the educational and training needs of the College district.

The feedback from advisory committees enables the College to develop or modify programs of career education to reflect current needs of the community. Each committee assists the College in determining industry needs, developing curricula, establishing work experiences, identifying equipment and facility needs, and assessing program objectives and content. In addition to reviewing existing programs and recommending new programs, they also assist with the development of a one-year and a five-year plan for vocational education. These committees are comprised of community and business representatives in a specific occupational area from the College district, plus the chairperson of each program's advisory committee.

**COLLEGE COUNCIL**

The College Council provides a forum for discussion of College-wide issues, and is advisory to the president of John A. Logan College on matters regarding the instructional curriculum, physical facilities, and support services of the College. Membership on the Council includes all full-time faculty and non-teaching professional staff; representatives of the part-time faculty; elected representatives of the operational and building and maintenance staffs; representatives of the Student Senate; and the student trustee. The Council meets monthly during the fall and spring semesters. The standing committees of the College all report to the College Council and are composed of members of the College Council. Action taken by College Council is forwarded to the appropriate vice-president who then makes a recommendation to the president of the College.

**CURRICULUM AND INSTRUCTION COMMITTEE (C&I)**

The Curriculum and Instruction Committee ensures that course objectives meet one or more of the educational goals, and that course objectives are written in a measurable form.

In addition, this committee is responsible for:

- Approving all new curriculum and course proposals which are then subject to College Council for final approval
- Assisting in the development of curriculum
- Developing internal policies delineating the procedures through which curricular changes are achieved
- Developing policies and procedures designed to encourage the improvement of instruction

The C&I Committee reports back through the College Council and brings its proposed changes before the College Council for a vote.

### **PRESIDENT'S CABINET**

During the fall and spring terms, the President has bi-weekly meetings with College administrators designated as the President's Cabinet. The group includes the three Vice-Presidents, the Deans of each area, the Chief Information Technology Officer, the Executive Director of Human Resources, the Executive Director of the College Foundation, the Athletic Director, the Director of College Relations, and the Director of Assessment.

### **BOARD RETREATS**

Annually, the John A. Logan College Board of Trustees schedules a retreat for the purpose of future planning, self-evaluation, examination of policies and procedures, and evaluation of the President. The President reports on institutional initiatives and the vice-presidents present a review of his/her division over the past year.

At this retreat, the Board also receives an update on the overall financial status of the College and an overview of the outlook for the coming fiscal year. The Board has been able to use this break from the normal monthly business that it must perform as an opportunity for future planning and the development of new ideas. The financial status report helps the Board gain important insight before making decisions concerning things like tuition, building projects, and major purchases.



## ***SHORT-TERM BUDGET ISSUES***



**FY 2014 CONCERNS**

For FY 2014, the College is expected to receive \$300,133 less in largest source of state revenue, equalization grant funding than the previous year. Equalization grants from the Illinois Community College Board attempt to reduce the disparity among districts in local property tax funds available per student. This year's equalization funding is determined by full-time equivalent (FTE) enrollment in FY 2012 and by 2012 property values. Unfortunately, stagnant to declining property value growth in the northern portion of the state, has caused a redistribution of equalization funding and community colleges in Southern Illinois have still not recovered from the significant losses in equalization last year. FY 2014 equalization is still \$1,368,748 lower than three (3) years ago, which represents approximately a 15% reduction.

Declining enrollment as expressed both in headcount (FTE) and credit hour generation threatens two of the three primary sources of revenue, which are state revenue and tuition and fee revenue. Tuition and fee related revenue is expected to be down 2.01%, or \$296,148. This leaves only local property tax revenue which is projected to also be down by \$28,672.

The College has five (5) labor contracts to negotiate that renew on varying schedules. FY 2014 is the last year of a four (4) year agreement with the full-time Faculty Association. The average faculty percentage increase negotiated for FY 2014 will be 2.14%. By policy, salary increases for the College's Professional staff mirror that of the full-time Faculty. These two (2) employee groups represent the majority of salary commitments. As provided in this the final year of their contract, the Operational (Clerical) Staff will receive a 2.8% salary increase. Budgeted salary expenditures for operating funds total \$21,352,038, up just 0.06% from the previous year, and make up 56% of the College's FY 14 operational funds budget.

The purchase of an administrative software system, along with implementation services has changed this year's budget in a dramatic way. This purchase was financed through the issuance of debt certificates and the capital investment using these funds did allow the College to avoid capital outlay in the operating funds, leading to a reduction in operating fund capital investment by 39%. Training costs associated with this purchase, in addition to the purchase of a new learning management system (D2L), did result in a necessary increase in professional development costs by 23%. These costs could not be capitalized.

What was stated last year as a concern, the potential transition of funding responsibility for the State Universities Retirement System (SURS), is no longer a concern as the Illinois legislature did pass a pension reform bill that did not include the transition of funding responsibility to the colleges. Still a great concern to John A. Logan College in particular is the escalating costs of the post-employment benefit of subsidizing retiree health insurance costs. This has been eliminated for new employees, but there are still three decades of current employees that are still going to move into that benefit upon retirement.

The percentage of total revenues which are derived from the state remained the same for this year at 36% when compared to last year. The financial condition of the State has not improved from a macro perspective, though cash flows are not timely from a historical perspective. The College remains concerned about the future level of funding it will receive from this source.

The College completed a strategic planning process using an experienced external consultant. The resulting document, *The Plan*, for FY2014 contains specific actionable items, which are addressed in this budget.

## ***BUDGET SUMMARY***



Brad McCormick, Vice President for Business Services & College Facilities

**BUDGET MESSAGE****By Brad McCormick, Vice-President of Business Services & College Facilities**

State funding in the John A. Logan College budget is almost entirely performance based with the performance measurement being simple credit hours generated two (2) years past. In a time when aggregate, statewide community college funding being static, funding becomes a relative measure of performance with each individual college being impacted most by individual college production of credit hours as compared to the same measure of performance across the state. For FY 2014, the credit hour production in FY 2012 is the determining factor for funding. The College's relative credit hour production was down when compared to the state, resulting in a loss of Credit Hour Grant funding, as described earlier in the budget document.

Sound management and budget planning have historically allowed John A. Logan College to operate consistently below the statewide average unit cost per hour of instruction. This is evidenced by the annual Unit Cost Study, which is an annual project involving the participation of all public community colleges in Illinois. Results of the study show John A. Logan College to be below the overall state average of cost per credit hour generated in such areas as net instructional cost, full instructional cost, and total institutional costs. The most current statewide cost data illustrates the College operates at a per capita cost of 76% of the statewide average, with only 3 of 39 community college districts in the state with a lower per capita cost.

The College must continue to utilize sound financial management and planning to meet future needs. Although the FY 2014 budget may not meet every staff member's expectation, the College feels it will continue its history of sound financial planning and excellent service to our district. The resources provided in this budget should allow the College to continue its commitment to our mission by improving individual life and society through high quality, accessible educational programs, and engaged learning opportunities.

## **PRIORITIES**

In prior budget years, Priority 1 items approved in the College's annual *Operational Plan* were included in the current year's budget. This year with the development of the College's new *Five-Year Strategic Plan*, the *Operational Plan* was eliminated. The Planning Council was also replaced by the new Strategic Plan Steering Committee.

Over many years, it was difficult to tell which Priority 1 plan items were still being carried forward from year to year and which ones had been removed as one time requests. To bring the budget back to a basic starting point, the College implemented a modified form of zero-based budgeting for FY 2014.

In selected line items such as contractual services, computer software, travel, equipment, etc., departmental Budget Officers were asked to build their budget from the ground up and include detailed requests along with justifications, and rankings of importance. There were over 50 Budget Officers involved in this new process. One goal of this process was to seek more input across the entire campus and determine what was most important to each department.

Budget requests were then sent on to the head of the respective division for review and approval with possible revisions. This helped to further establish priorities at the divisional level. After the first draft of the overall budget was developed, a final review and any needed revisions were performed to complete the process. Just prior to this final phase, the *Five-Year Strategic Plan* was officially adopted by the Board of Trustees. As mentioned in an earlier section, the document was able to serve as a reference point to ensure that any final adjustments did not contradict the plan and that current year strategic projects were supported in the budget. You can see a list of these supported projects in the earlier section "Strategic Plan Items Emphasized in FY 2014 Budget".

The end result of this new budget process provided much greater detail at the departmental level and provided better feedback to Budget Officers on which requested items had been approved, rejected, or modified during the review phase.

**PRIOR YEAR COMPARISON**

For FY 2014, there was an increased need for additional equipment, instructional supplies, and operating expenses due to a combination of the relocation of a College Extension Center and the renovation of onsite areas for the Dental and Cosmetology programs. The new West Frankfort Extension Center facility is owned and maintained by the College versus the previous leased space. It is also a much larger space and additional utility and maintenance costs were budgeted to support the extra square footage. In addition, this facility now houses a Medical Assisting program and offers a new Biology lab.

As mentioned earlier, the previous year's concern that legislators will shift the employer pension burden from the State to the individual Colleges has been relieved by other legislation.

In FY 2013, the College budget benefited from a large savings of \$934,974 or 28% in the cost of employee benefits due to its enrollment into a different health insurance group. This gave the FY 2013 budget a tremendous boost. For FY 2014, the College budgeted for a 4.00% premium increase in combination with some additional enrollment which resulted in an overall 4.57% increase in employee benefits from the prior year. This was still a very mild increase when compared to past history and still resulted in a reduced dollar amount as compared to FY 2012 benefit costs. Opportunities for this level of reduction are extremely rare and not easily repeated.

However through the newly implemented zero-based approach, a planned reduction in contingency funds, and salary savings due to retirements, FY 2014 operating expenditures stayed basically flat as compared to FY 2013 with an actual minimal decrease of \$21,919

This was done while supporting a new \$386,088 transfer from the Education fund to the Bond and Interest Fund to begin the ten year repayment schedule of recently issued debt certificates mentioned earlier. Plus, additional dollars were needed for the hosting of the new administrative ERP system while still maintaining a maintenance contract on the existing system during the transition process. There were also expenses related to the purchase and transition to the new LMS system. Additional staffing needs for the Information Technology department were also supported along with an increase in overall technology training needs for faculty and staff. These were all new issues that had to be addressed in this year's budget.

Even though state payments continued to be delayed throughout FY 2013, all of the funds were able to be accrued at year-end. During FY 2013 state payments seem to have stabilized to a consistent delay of around three months which is an improvement over FY 2012. This improved consistency will allow for better cash flow planning in FY 2014.

On this note, a concern exists again this year that overall enrollment trends still reflect an expected decrease. A 2.0% reduction in student tuition and fees was budgeted as compared to the prior year. In addition, a small overall decrease in property tax values is expected from speaking to the College's two largest counties. These factors in combination with declining state revenue dollars continue to create a budgeted revenue shortfall. There is a plan to expand the offerings and grow the enrollment at the new West Frankfort Extension Center facility. However, it is too early to determine if additional revenue can be expected to materialize this year. Therefore, it was not reflected in the budget at this time. This will be evaluated during preparations for FY 2015.



**ACTIONS TAKEN**

The most significant action taken be as judicious as possible in this year's budget was to approach the budget from a zero based budgeting perspective for most discretionary line items. Doing so enabled the College to build a budget that contained less than 1/10<sup>th</sup> of one percent change in total expenditures. The College continues to evaluate its energy use and will be taking action to invest in energy reducing projects with very short payback periods, while at the same time the College entered into a multi-year electricity contract which will result in savings. The College is now using EnerNOC, Inc., an energy services company to negotiate energy contracts and accomplish real time energy demand monitoring.

The College has reduced the number of learning management systems for online class delivery and support to a single provider from two (2) providers used for many years. Beginning in FY2015, this will reduce operational costs by as much as \$100,000 annually.

Finally, during the FY2014 year, the College will complete the final phase of the \$20 million capital program that began in FY2007. The West Frankfort Extension Center, purchase in FY2013, will be completed at the beginning of FY2014 and will enable the College to expand its offering in the northern part of its district, which will result in expanded revenue generation. This budget contains the additional investment necessary to fulfill the facility commitments made in that program.

## ***BUDGET OVERVIEW***



A student enjoys the campus between classes.

### Summary of Fiscal Year 2014 Budget by Fund

Summary of Budget by Fund:	General		Special Revenue		
	Education Fund	Operations & Maintenance Fund	Restricted Purposes Fund	Audit Fund	Liability, Protection, Settlement Fund
<b>Fiscal Year 2014</b>					
Beginning Balance	\$11,511,059	\$2,715,031	\$0	\$74,611	\$1,570,967
Budgeted Revenue	30,036,454	3,869,502	21,693,512	50,250	1,401,500
Budgeted Expenditures	31,418,260	4,507,278	21,710,362	52,495	1,791,730
Budgeted Transfers from (to) Other Funds	(2,102,938)		16,850		
<b>Budgeted Ending Balance (Deficit)</b>	<b>\$8,026,315</b>	<b>\$2,077,255</b>	<b>\$0</b>	<b>\$72,366</b>	<b>\$1,180,737</b>

Summary of Budget by Fund:	Debt Service	Capital Projects	Proprietary Fund
	Bond & Interest Fund	Operations & Maintenance Fund (Restricted)	Auxiliary Enterprises Fund
<b>Fiscal Year 2014</b>			
Beginning Balance	\$796,677	\$1,796,696	\$3,052,846
Budgeted Revenue	1,311,200	802,500	522,165
Budgeted Expenditures	1,731,138	2,627,251	1,877,362
Budgeted Transfers from (to) Other Funds	386,088	500,000	1,200,000
<b>Budgeted Ending Balance (Deficit)</b>	<b>\$762,827</b>	<b>\$471,945</b>	<b>\$2,897,649</b>

The official budget which is accurately summarized in this document was approved by the Board of Trustees on September, 24, 2013.

**Budgeted vs. Actual Expenditures  
Operating Funds  
Fiscal Year 2000 - FY 2013**

Fiscal Year	Education Fund			Operations & Maintenance Fund			Total Percent Expended
	Budget	Actual	Percent Expended	Budget	Actual	Percent Expended	
00	19,046,734	18,087,634	94.96%	2,737,552	2,398,964	87.63%	94.04%
01	20,297,130	18,693,545	92.10%	3,672,809	2,753,882	74.98%	89.48%
02	21,918,087	19,615,565	89.49%	3,600,289	2,682,108	74.50%	87.38%
03	24,195,342	21,998,391	90.92%	4,027,502	2,816,047	69.92%	87.92%
04	24,365,041	22,054,461	90.52%	4,538,181	3,242,083	71.44%	87.52%
05	26,571,301	23,638,275	88.96%	5,004,526	3,361,046	67.16%	85.51%
06	28,109,073	24,231,031	86.20%	5,741,445	3,720,629	64.80%	82.57%
07	30,337,763	26,266,022	86.58%	5,487,059	3,713,583	67.68%	83.68%
08	33,235,496	27,359,283	82.32%	5,844,366	3,831,804	65.56%	79.81%
09	33,397,236	29,026,580	86.91%	6,096,541	4,320,310	70.86%	84.44%
10	35,436,271	29,680,518	83.76%	5,490,121	4,220,129	76.87%	82.83%
11	33,393,581	30,048,418	89.98%	4,889,387	3,671,076	75.08%	88.08%
12	34,407,822	31,052,279	90.25%	4,489,562	3,811,960	84.91%	89.63%
13	33,443,145	30,253,591	90.46%	4,607,250	3,830,393	83.14%	89.58%

## ***INSTITUTIONAL OVERVIEW***



Brad McCormick, Vice-President for Business Services and College Facilities, gives a report at the College's monthly Board of Trustees meeting

**ORGANIZATIONAL STRUCTURE**

The College is governed by a Board of Trustees that consists of seven elected officials and one Student Representative. The Board exercises its responsibility to the public to ensure that the organization operates legally, responsibly, and with fiscal integrity. The Board of Trustees Policy Manual and Administrative Procedures Manual outline the policies and procedures that are to be followed in virtually all areas of the district's operations, whether they are instructional, financial, or otherwise.

The College President oversees three divisional Vice-Presidents. They oversee the Instructional Division, the Administrative Services Division, and the Business Services Division. Additional administrators assist the vice-presidents in managing the College: the Dean for Student Services, the Dean for Workforce and Community Education, the Dean for Financial Operations, the Dean for Academic Affairs, the Dean for Career and Technical Education, and a Chief Information Technology Officer. These administrators are assisted by a network of associate deans, directors, and coordinators as outlined in the organizational chart.

Five of the on-campus employee groups are represented by educational associations or union bargaining units (John A. Logan College Operational Staff Association, IEA-NEA, Teamsters Local Union Number 347, Laborers' International Union of North America, AFL-CIO, and the Southern and Central Illinois Laborers' District Council, Laborers Local 773).

**Board of Trustees:**

Jacob "Jake" Rendleman, Chair  
Jackie Hancock, Vice-Chair  
Cheryl Graff, Secretary  
Donald L. Brewer

Michael Hopkins  
William J. Kilquist  
John Sanders  
Kayla Malone, Student Trustee

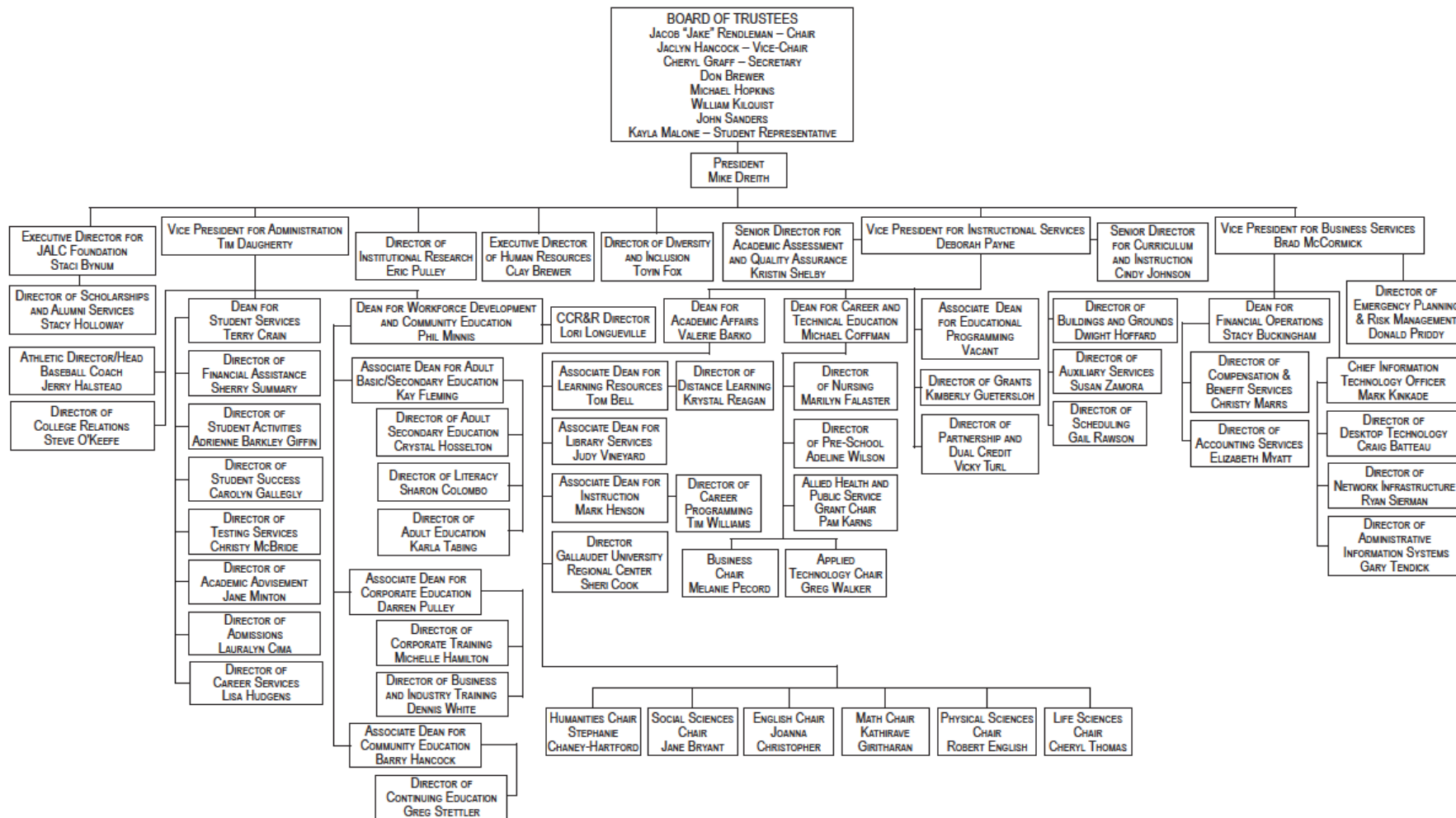
**Officers of the College:**

Mike Dreith, President  
Brad McCormick, Vice President for Business Services & College Facilities  
Tim Daugherty, Vice President for Administrative Services  
Deborah Payne, Vice President for Instructional Services

**ORGANIZATIONAL CHART – INSTITUTIONAL**

The College's organizational chart establishes clear lines of authority through which decisions about the organization are made.

## JOHN A. LOGAN COLLEGE ORGANIZATIONAL CHART





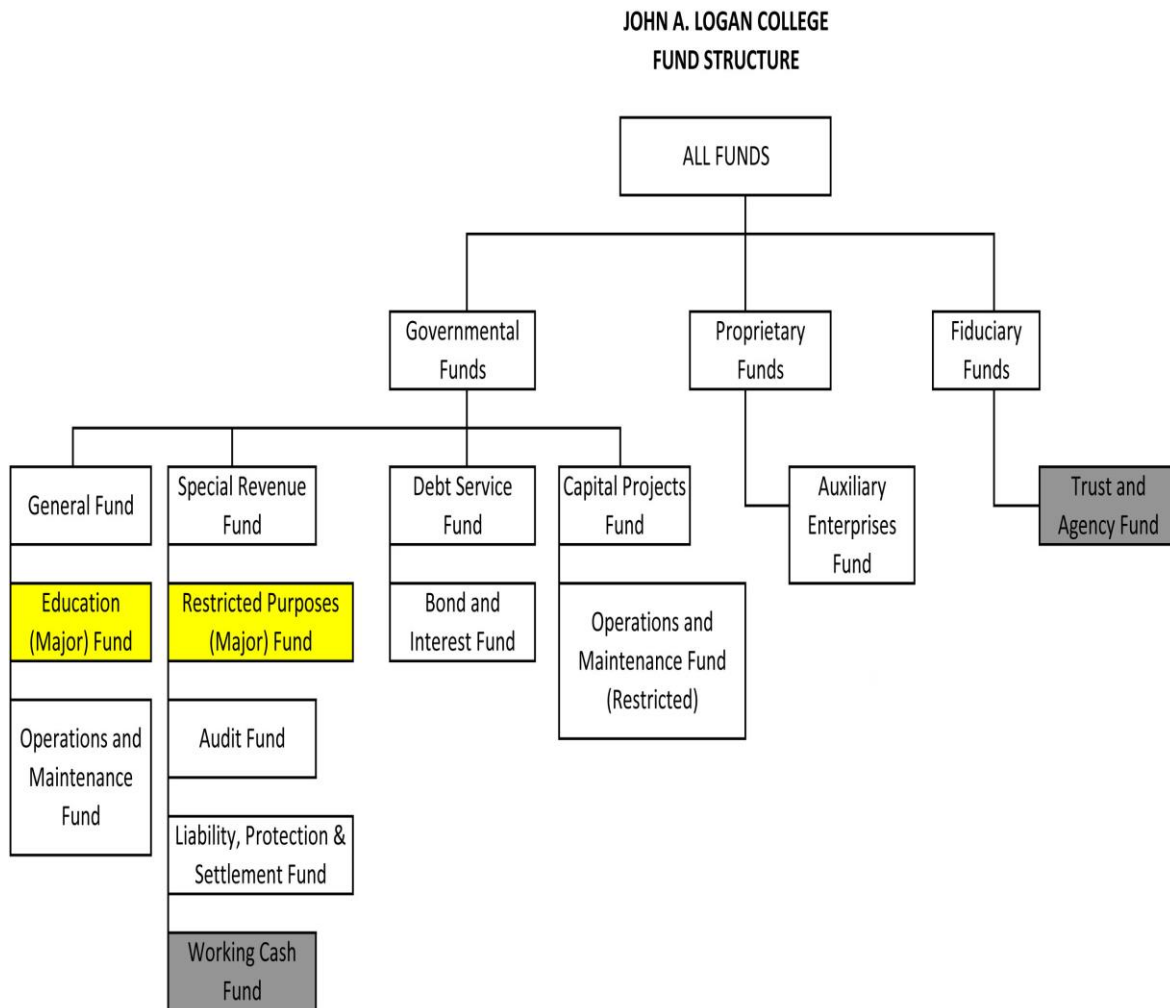
## ***FUND DESCRIPTIONS***



John A. Logan College campus in the fall of 2013.

## ORGANIZATIONAL CHART ACCOUNTING FUNDS

The Illinois Community College Board (ICCB) requires Illinois Community Colleges to adopt a Uniform Financial Accounting Model for consistency of reporting and analysis. Fund groups and account groups are used in accounting for financial transactions. Each fund is composed of a series of self-balancing accounts. (ICCB Fiscal Management Manual ~ August 2013)



Designates a "Major" fund (a fund whose revenues or expenditures are 10% or more of the total appropriated funds)

Designates a non-budgeted fund

The following chart from the ICCB Financial Management Manual summarizes the codification system:

Code Classification

XX-0000-00000-00 Fund

00-XX00-00000-00 Program

00-00XX-00000-00 Subprogram

00-0000-X0000-00 Type

00-0000-0XX00-00 Object

00-0000-000XX-00 Sub-object

00-0000-00000-XX Detailed Sub-object

<b>Fund Overview:</b>	<b>Fund Type</b>	<b>Budget Basis</b>	<b>Accounting Basis</b>
Education	General	Accrual	Accrual
Operations & Maintenance	General	Accrual	Accrual
Operations & Maintenance (Restricted)	Capital Projects	Accrual	Accrual
Bond & Interest	Debt Service	Accrual	Accrual
Auxiliary Enterprises	Proprietary	Accrual	Accrual
Restricted Purposes	Special Revenue	Accrual	Accrual
Working Cash	Special Revenue	Not Budgeted	Accrual
Trust & Agency	Fiduciary	Not Budgeted	Accrual
Audit	Special Revenue	Accrual	Accrual
Liability, Protection & Settlement	Special Revenue	Accrual	Accrual

**FUND DESCRIPTIONS**

John A. Logan College has two Operating funds: the Education Fund and the Operations and Maintenance Fund. The Education fund works in combination with the Operations and Maintenance fund to make up the College's General Fund.

**EDUCATION FUND**

The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the college. It includes the cost of instructional, administrative, and professional salaries; supplies and moveable equipment; library books and materials; maintenance of instructional and administrative equipment; and other costs pertaining to the educational programs of the college. (See Sections 3-20.3 and 7-18 of the *Public Community College Act*.) The total budgeted expenditures for the Education Fund are \$33,521,198 which includes \$2,102,938 in transfers to other funds. Education Fund revenues are projected at \$30,036,454.

**OPERATIONS AND MAINTENANCE FUND**

This fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property for community college purposes; payment of all premiums for insurance upon buildings and building fixtures. If approved by resolution of the local board, the payment of salaries of janitors, engineers, or other custodial employees; all costs of fuel, lights, gas, water, telephone service, custodial supplies, and equipment; and professional surveys of the condition of college buildings are allowed. (See Sections 3-20.3 and 7-18 of the *Public Community College Act*.) The total budgeted expenditures for the Operations and Maintenance Fund are \$4,507,278. Operations and Maintenance Fund revenues are projected at \$3,869,502.

**OPERATIONS AND MAINTENANCE (Restricted)**

This fund is utilized to account for monies restricted for building purposes and site acquisition. This fund primarily will be expending bond proceeds acquired for the new building project, protection, health and safety levies, plus transfers from operating funds and interest earnings. The amount of \$2,627,251 is being budgeted in this fund. Funds are provided in the Operation and Maintenance (Restricted) for completion of approved protection, health, safety projects.

**BOND AND INTEREST FUND**

This fund is established for the payment of principal, interest and related charges of any outstanding bond issue. For FY 2014, \$1,731,138 in principal and interest payments are scheduled as compared to only \$1,271,675 for the prior year. The increase in FY 2014 budgeted expenditures is due to the additional payment of principle and interest related to the issuance of \$3,000,000 in debt certificates for the specific purchase of and implementation services related to the College's new administrative software or ERP system.

**WORKING CASH FUND**

The Working Cash Fund is used primarily to ensure that the College has adequate cash required for necessary expenditures. It is used to provide temporary loans to other College funds. Primarily, John A. Logan has had to utilize this fund to loan monies to the Restricted Purposes Fund due to the significant delay in grant payments from the State of IL. Sometimes due to a shorter timing issue, it may be necessary to make a temporary loan to the Trust and Agency fund. The College has an agency relationship with the Southern Illinois Collegiate Common Market (SICCM). This is explained in more detail below in the fund description.

**AUXILIARY ENTERPRISES FUND**

The Auxiliary Enterprises Fund accounts for college services where a fee is charged to students/staff and the activity is intended to be self-supporting. Examples of accounts in this fund include food services, bookstore, copy/supply center, and intercollegiate athletics. Subsidies for Auxiliary Services by the Education Fund should be shown as transfers to the appropriate account. For FY 2014, expenditures in this fund are estimated at \$1,877,362 with \$1,722,165 in budgeted revenue of which \$1,200,000 is being provided by transfers from the Education Fund.

**RESTRICTED PURPOSES FUND**

This fund is for the purpose of the accounting for monies that have restrictions regarding their use. This fund accounts for state and federal grants plus other specific use contracts. Student financial aid funds are a primary source of expenditures in this fund. During FY 2014, we will budget \$21,710,362 in this fund. The College feels this will adequately meet the needs of the Restricted Fund.

**TRUST AND AGENCY FUND**

The Trust and Agency Fund, established by Section 3-27c of the *Public Community College Act*, is used to receive and hold funds when the college serves as a custodian or fiscal agent for another body. The college has an agency rather than a beneficial interest in these monies. Each agency's monies should be accounted for by a complete group of self-balancing accounts, or sub-fund, within this fund.

Monies from the various John A. Logan College student clubs are accounted for in this fund. In addition, John A. Logan College has an agency relationship with the Southern Illinois Collegiate Common Market (SICCM). SICCM is a consortium of colleges that offers programs that would be too cost prohibitive for individual institutions to offer. JALC is the payroll and fringe benefit processor for SICCM employees and is reimbursed for these monies. The Trust and Agency Fund has no revenues, expenditures, or fund balances of its own. The Trust and Agency Fund is not a budgeted fund.

**AUDIT FUND**

The Audit Fund is established for recording the payment of auditing expenses. During FY 2014, \$52,495 will be budgeted to cover expenditures in this fund. As required by board policy, the College is subject to an annual external audit by a CPA firm which is included in this budget along with some additional required actuarial costs related to a GASB requirement.

**LIABILITY, PROTECTION AND SETTLEMENT FUND**

This fund accepts special levies for tort liability, property insurance, Medicare insurance, FICA taxes and workers' compensation. The monies in this fund should be used only for the payment of tort liability, property, unemployment or workers compensation insurance or claims, and the cost of participation in the Federal Medicare program. During FY 2014, the budget amount for expenditures is \$1,791,730. Expenditures in this fund include insurance costs for property and casualty, and the cost of maintaining and expanding the Campus Safety operations. The College will include attorney fees pertaining to liability protection plus a portion of staff members' time that are active in the functions of this fund.



## ***FUNCTIONAL RELATIONSHIPS***



Associate Professor, Cheryl Bernhardt, instructs Business students

**FUND GROUPS / DEPARTMENTAL UNITS****Education Fund****Instruction**

Instruction consists of those activities dealing directly with the teaching of students. It includes the activities of faculty in the baccalaureate-oriented/transfer, occupational-technical career, general studies, and remedial and ABE/ASE programs. It includes expenditures for department chairpersons, administrators, and support staff for whom instruction is an important role. Instructional salaries are allocated among the subprograms according to teaching assignment. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- All Instructional Programs (i.e. English, Math, Humanities, Nursing Programs, Dental Programs, etc.)
- ABE/GED Programs
- Continuing Education

A complete list of instructional programs can be seen in the section on Personnel Information: Faculty Position Counts.

**Academic Support**

This category includes activities designed to provide support services for the institution's primary missions of instruction, public service, and research. Academic support includes the operation of the library, educational media services, instructional materials center, and academic computing used in the learning process. Some other activities include tutoring, learning skills centers, and reading and writing centers. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- Library Services
- Media Services
- Dean for Academic Affairs
- Asst. to the VP for Instruction
- Developmental and Educational Programing
- Baccalaureate/Transfer
- Career Education
- Special Programs
- Word Processing



**Student Services**

The student services function provides assistance in the areas of financial aid, admissions and records, health, placement, testing, counseling, and student activities. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- Admissions
- Extension Centers
- Academic Advisement Center
- Student Support Services
- Financial Assistance, Veteran's Office
- Testing Services
- Career Services, Career Development Office
- Student Activities
- Dean for Student Services

**Public Service/Continuing Education**

Public service consists of noncredit classes and other activities of an educational nature, such as workshops, seminars, forums, exhibits, and the provision of college facilities and expertise to the community designed to be of service to the public. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- Community Services
- Small Business Workshops
- Scheduling Office

**Institutional Support**

Institutional support includes expenditures for central executive-level activities and support services that benefit the entire institution. Examples include expenses for the governing board, administrative data processing, fiscal operations, legal services, etc. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- President's Office
- Offices of the Vice President's
- Board of Trustees
- Business Services
- College Relations
- Foundation/Alumni Office
- Human Resources
- Institutional Research, Grant Development
- Information Systems

**Scholarships, Student Grants, and Waivers**

This category includes activities in the form of grants to students, prizes and awards, chargebacks, and aid to students in the form of state-mandated and institutional tuition and fee waivers. Employees/family tuition waivers are not included in this category. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- Waivers
- Chargebacks

**Operations and Maintenance Fund**

Operation of plant consists of housekeeping activities necessary in order to keep the physical facilities open and ready for use. Maintenance of plant consists of those activities necessary to keep the grounds, buildings, and equipment operating efficiently. This function also provides for plant utilities. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- Custodial
- Building Maintenance
- Grounds Maintenance
- Plant Utilities

**Auxiliary Enterprises Fund**

Auxiliary Services provides for the operation of the cafeteria, bookstore, student organizations, athletics, and other related activities. Activities included in Auxiliary Services should be self-supporting. (ICCB Fiscal Management Manual ~ August 2013)

***JALC Department Examples:***

- Athletic Programs
- Food Service, Bookstore
- Cosmetology Retail Sales
- Copy Center, Supply Room
- Auto Shop, Auto Pool

**Restricted Purposes Fund**

ICCB grants are be accounted for in this fund. Additionally, this fund is also used to account for other state, federal, or other funds which are restricted for a specific purpose. (ICCB Fiscal Management Manual ~ *August 2013*)

***JALC Department Examples:***

- Grant Programs and Contracts (State Federal, and Locally Funded)
- Financial Aid (Pell, Student Loans, FSEOG)
- Federal College Workstudy

**Liability, Protection, and Settlement Fund**

The tort liability and Medicare insurance/FICA tax levies should be recorded in this fund. The monies in this fund, including interest earned on the assets of this fund, should be used only for the purposes authorized under 745 ILCS 10/9-107, for example, the payment of tort liability, unemployment, or worker's compensation insurance or claims, or 40 ILCS5/21-110.1, i.e., the cost of participation in the federal Medicare/Social Security programs. (ICCB Fiscal Management Manual ~ *August 2013*)

***JALC Department Examples:***

- Campus Safety
- Employer Fringe Benefits / Insurance (Medicare, Workers Compensation, Unemployment, Social Security, Fixed Charges)
- Tort Liability

## ***REPORTING BASIS***



John A. Logan College Board of Trustees-Chair, Jacob “Jake” Rendleman, also serves on the Illinois Community College Board (ICCB).

**BUDGET AND ACCOUNTING BASIS**

The accounting policies of John A. Logan College conform to accounting principles generally accepted in the United States of America applicable to colleges and universities or otherwise referred to as generally accepted accounting principles (GAAP). The College reports are based on all Governmental Accounting Standards Board (GASB) pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Review Boards of Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The College also presents its financial statements in accordance with accounting practices prescribed by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The College operates on a fiscal year basis beginning on July 1<sup>st</sup> and ending June 30<sup>th</sup>.

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. Tuition and fees, which are either collected or recorded in the current fiscal year but are applicable to future periods (i.e. Summer term) and grant funds which have been received but not yet expended are deferred to the subsequent year.

The College budgets on the same basis as its financial reporting to ensure consistency. As required by GASB 24, the College reports retirement contributions made by the State of IL on behalf of the College as both a revenue and expenditure. This is not reflected in the College budget.

## ***LONG-TERM FINANCIAL POLICIES & PROCEDURES***



John A. Logan College Bell Tower and Front Entrance

**BALANCED BUDGET**

John A. Logan College does not have a Board Policy in place to define a balanced budget, but the College has historically operated with that philosophy in mind. Since FY 1998, there have only been two (2) fiscal years that did not result in an operating surplus. Those years were FY 2009 (\$50,300 deficit) and FY 2000 (\$45,430 deficit). Each of those years the deficit was less than ¼% of annual expenditures. Over the last two (2) years, the College has maintained a “Stages of Action” cash management tool that includes the current cash position and four levels of action if the balance falls within corresponding ranges.

Historically, the College’s optimal goal is to adopt a budget where current year revenues are equal to or greater than its budgeted expenditures. While FY 2014 expenditures actually reflect a decrease of \$21,919 or a 0.06% decrease from the prior FY 2013 budget, declining state and local revenues along with a conservative approach to the budgeting of tuition and fees revenue have resulted in an expected current year deficit if Budget Officers spend 100% of requested budget. Without considering the fund balance accumulated from prior years, the current operating revenue of \$33,905,956 reflects a \$974,733 or 2.79% decrease as compared to \$34,880,689 from FY 2013.

Therefore, it was necessary to balance the budget through the use of carryover funds as an available resource. Based on accounting principles, the College does not consider fund balance appropriations earned in earlier years as current revenue. So when fund balance appropriations are used to balance the budget, audited financial statements at year-end must still reflect a deficit for accounting purposes.

However, based on past trends from many years of history (pg. 24), the College is expending only around 90% of expense budgets. While FY 2013 also had a budgeted deficit, actual operations resulted in a \$392,650 surplus. Therefore, we would still expect to produce a small surplus at year end. For FY 2013, the fund balances related to operating funds have grown to 40.67% of expenditures. This is compared to only 11.11% for FY 2000.

**AUDIT OF COLLEGE ACCOUNTS**

See below the language contained in Board Policy 7130 regarding an external audit of College accounts:

- The Board shall cause an audit to be made at the end of each fiscal year by an accounting firm with at least one (1) accountant licensed to practice public accounting in Illinois. The auditing firm shall be selected for a three (3) year audit cycle, which may be extended one (1) additional year if mutually agreeable. An auditing firm may perform this service for no more than two (2) cycles, after which the auditing firm will be ineligible for consideration for the next auditing cycle.
- The auditor shall perform the examination in accordance with generally accepted auditing standards and regulations prescribed by the ICCB and submit the report in accordance with generally accepted accounting principles.
- The examination and report will include a verification of student enrollment and any other figures upon which claims are filed with the ICCB. The report will also contain a statement of the scope and findings of the audit and a professional opinion signed by the auditor. If a professional opinion is denied, the auditor will set forth the reasons for the denial. The Board will not limit the scope of the examination so as to cause a qualification of the professional opinion.
- The Board Finance Committee shall serve as the audit committee for purposes of reviewing and discussing the final audit with the lead auditor and the board treasurer prior to submission to the whole board.
- Copies of the audit report shall be filed with the ICCB in accordance with its regulations and shall be filed with the official records of the Board.

**MASTER PLAN REVIEW PROCEDURE**

With the adoption of the Facility Master Plan, John A. Logan College has also committed to regular and comprehensive updates that will document the progress of campus development and revise and add recommendations to reflect changing needs. The review process will be a phased effort.

- Review the plan and development progress of the previous three years.
- Prepare a summary of those recommendations that have been implemented.
- Host public forums for the community, staff, and students to offer input toward the revision process.
- Meet with the Master Plan Committee to review progress and develop updates.
- Present the draft of the revised Master Plan to the JALC Board of Trustees.
- Incorporate feedback from the Board of Trustees into the Master Plan.
- Review the final document with the Master Plan Committee.
- Upon approval by the Board of Trustees, publish the Master Plan and post on the College website.



**PURCHASING POLICY AND SPENDING AUTHORITY**

Per Board Policy 7154, College purchasing is the responsibility of the president and the vice-president for business services and college facilities. Purchases must be handled in accordance with a commonly accepted business procedure and substantiated with the necessary records to satisfy audit and inventory requirements. All expenditures must be compatible with the current budget, and fully comply with all Illinois Statutes affecting purchasing. Products with recycled-content shall be procured wherever and whenever cost, specifications, standards, and availability are comparable to products without recycled-content.

1. Whenever possible, competitive prices are to be secured on items costing \$25,000 or less. With the exception of clothing, book and postage purchases, written evidence documenting compliance with this statement will be maintained in the purchasing files of the Business Office for all purchases exceeding \$1,000 where available.
2. Purchase of supplies, materials or work involving an expenditure in excess of \$25,000 must be awarded to the lowest responsible bidder considering conformity with specifications, terms of delivery, quality, and serviceability, after due advertisement, except the following:
  - a. contracts for the services of individuals possessing a high degree of professional skill (however, the Board may use a competitive selection process for such service whenever it is deemed appropriate);
  - b. contracts for the printing or engraving of bonds, tax warrants and other evidences of indebtedness;
  - c. contracts for materials and work which have been awarded to the lowest responsible bidder after due advertisement, but due to unforeseen revisions, not the fault of the contractor for materials and work, must be revised, causing expenditures not in excess of ten (10) percent of the contract price;
  - d. contracts for the maintenance or servicing of, or provision of repair parts for, equipment which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance, or servicing can best be performed by the manufacturer or authorized service agent;
  - e. purchases and contracts for the use, purchase, delivery, movement, or installation of data processing equipment, software, or services and telecommunications and interconnect equipment, software, and services;
  - f. contracts for duplicating machines and supplies;
  - g. contracts for the purchase of natural gas when the cost is less than that offered by a public utility;
  - h. purchase of equipment previously owned by some entity other than the district itself;
  - i. contracts for repair, maintenance, remodeling, renovation, or construction, or a single project involving an expenditure not to exceed \$50,000 and not involving a change or increase in the size, type, or extent of an existing facility;
  - j. contracts for goods or services procured from another governmental agency;
  - k. contracts for goods or services which are economically procurable from only one source, such as for the purchase of magazines, books, periodicals, pamphlets and reports;
  - l. contracts for utility services such as water, light, heat, telephone or telegraph;
  - m. Emergency expenditures approved by three-fourths (3/4) of the members of the Board.

3. Specifications on contracts for supplies or work involving expenditures of more than \$25,000, which are not included in the budget, must be brought to the Board for approval before bids are sought. For contracts involving less than \$25,000, the president shall use his judgment as to the most appropriate way to complete the transaction.
4. Sealed bids must be opened and announced at a public bid opening. Bidders must be given at least three (3) days notice of time and place of bid opening and at least one (1) public notice in a newspaper published in the district must be given ten (10) days before the bid date.
5. The administration may utilize joint purchasing with the State of Illinois when such joint purchasing will benefit the College. As with contracts for supplies or work involving expenditures of more than \$25,000, which are not included in the budget, prior approval of the Board of Trustees will be obtained.
6. The administration will report to the Board of Trustees all purchases and contracts between \$10,000 and \$25,000.

All expenditures must be within the scope of the approved budget and in compliance with this Board Policy 7154. Purchasing not requiring Board approval in advance is subject to the following limitations:

President	\$25,000
Vice-Presidents	\$5,000
NTP Level 5	\$2,500
NTP Level 4	\$1,500
NTP Level 3	\$1,000
NTP Level 2 and Department Chairs	\$500

### **DISBURSEMENT POLICY**

Board Policy 7155 sets the guidelines for disbursements. The treasurer of the Board of Trustees is authorized to make payment on invoices received from vendors as necessary, with review and certification of these disbursements to be made by the Board at its next regular meeting. The Vice-President for Business Services and College Facilities acts as the treasurer. Disbursements must be made in compliance with the State Prompt Payment Act. These disbursements shall be made only upon express authorization by the Board:

1. Site and Construction Fund payments, except for movable equipment purchases included in the annual budget adopted by the Board, or payments made as part of projects previously approved.
2. Expenditures which, in the judgment of the president, should be made only upon authorization by the Board.

**INVESTMENT POLICY**

Board Policy 7160 establishes the objectives, guidelines, responsibility, performance measures, reporting, investment vehicles, and safekeeping of the College's funds. This investment policy applies to the investment activities of any funds which are or may come under the jurisdiction of the College. Anything in this policy notwithstanding, the mandates of the Illinois Compiled Statutes shall take precedence over this policy except where this policy is more restrictive.

All transactions involving the funds and related activity of any funds shall be administered in accordance with the provisions of this procedure and the canons of the "prudent person rule."

The purpose of this College's Investment Policy is to establish cash management and investment guidelines for the stewardship of public funds that are under the jurisdiction of the College. The specific objectives of this policy are:

1. **Safety** -- The safety of principal and the security of monies, whether on hand or invested, shall be the primary concern of the Treasurer in selecting depositories or investments.
2. **Liquidity** -- The investment portfolio shall remain sufficiently liquid to meet the College's reasonably anticipated operating requirements.
3. **Return** -- To the extent consistent with safety and the restriction imposed by this policy, the Treasurer shall seek to attain a market average or better rate of return throughout budgetary and economic cycles, taking into account risk, constraints, cash flow, and legal restriction on investment.
4. **Local Considerations** -- The Treasurer shall use sound federally insured depositories located within the College District provided that the afore described objectives are met, and such investments would be in compliance with all other conditions and limitations of this Investment Policy.

To assist in attaining the stated objectives, the following guidelines shall be observed:

1. Investments shall be undertaken in a manner that seeks to insure preservation of capital in the overall portfolio. To avoid unreasonable risks, diversification of investments is required. No one institution shall have more than 75% of the College's invested funds at any one time.
2. The portfolio should remain sufficiently liquid to meet operating requirements, which may be reasonably anticipated. Cash flows shall be reviewed quarterly.
3. Investments shall be limited to those permitted by law; to the extent this policy is not more restrictive than the law.
4. All funds shall be deposited / invested within three working days.
5. When appropriate, investments shall be selected on the basis of competitive bids.

Diversification of the investment portfolio shall be consistent with the objectives described in the Objectives above.

Except as may be further limited by these policies, the treasurer shall limit investments of College funds to those permitted in Illinois Compiled Statutes 30 ILCS 235/2.

1. To meet the objective of safety of capital, the treasurer will always require deposits in excess of the federally insured amount to be appropriately collateralized to the extent of One Hundred and Ten Percent (110%) and such collateralization shall be evidenced by an approved written agreement.
2. Eligible collateral instruments and collateral rates (market value divided by deposit) are as follows:
  - a. Negotiable obligations of the United States Government = 110%
  - b. Negotiable obligations of any agency or instrumentality of the United States Government backed by the full faith and credit of the United States Government = 110%
  - c. Negotiable obligations of the State of Illinois which are rated A or better by Moody or Standard and Poor = 110%
  - d. Negotiable obligations of the College which are rated A or better by Moody or Standard and Poor = 110%
3. Maturity of acceptable collateral shall not exceed 120 months.
4. The ratio of fair market value of collateral to the amount of funds secured shall be reviewed weekly and additional collateral will be requested when the ratio declines below the level required.
5. Safekeeping of Collateral: Third party safekeeping is required for all collateral. To accomplish this, the securities will be held at a safekeeping depository as approved from time to time by the treasurer. Safekeeping will be documented by an approved written agreement. Substitution, exchange or release of securities held in safekeeping may be done upon two (2) days prior written notice to the Treasurer.

### **DEBT COLLECTION POLICY**

Board Policy 7180 addresses the issue of debt collection. The Business Office should make all efforts possible to collect debts owed to the College by any person. After reasonable attempts have been made to collect a debt, the Business Office should use all methods available to it, including a collection agency.

When any student owes money to the College for any reason, including, but not limited to tuition, laboratory fees, and library charges, and does not pay the debt by the prescribed time, the College will not release the student's official transcript. The student may, however, view his/her own educational records.

Students with outstanding debts equating to three (3) credit hours of current tuition or greater may make arrangements with the Business Office for paying the debt while continuing enrollment. The payment period for the collection of the past due amount shall not exceed six (6) months. Students with outstanding balances equating to less than three (3) credit hours of current tuition must pay the entire balance prior to being allowed to re-enroll.

Only the Business Office may release registration locks related to student indebtedness.

## ***BUDGET PROCESS***



Construction Management students were hard at work.



**BUDGET PREPARATION PROCESS**

The overall budget process is guided under the direction of the Vice-President for Business Services and College Facilities and the day-to-day coordination of the Dean for Financial Operations. The previous long-standing process was revamped for FY 2014 to include a modified form of zero-based budgeting. The steps completed during the budget preparation process are detailed below:

- Review of FY 2013 anticipated expenses, revenues, and projected ending fund balances
- Budgeting for Salary & Benefit projections performed by Payroll staff
- Perform revenue projections for local taxes, state, federal, student tuition and fees, etc.
- A modified form of zero-based budgeting was implemented for selected line items
- A new Budget Development form was created
- Multiple trainings were held with departmental Budget Officers across the campus
- Held discussions with Administration on their role and the review/approval process
- Budget Officers were given a “Starting Point” for their FY 2014 budgets
- For the following line items, a starting point of \$0.00 was given and budget was detailed from the ground up with justifications:
  - Contractual Services
  - Publications & Dues
  - Computer Software
  - Conference & Meeting Expense (except for F/T Faculty contractual obligation)
  - Other Supplies and Materials
  - Capital Outlay
- For the following line items, the starting point was the lesser of FY 2013 original budget or the actual expenditures for FY 2012 and any increases had to be detailed and justification provided:
  - Office Supplies
  - Printing
  - Postage
  - Advertising
- Budget Officers were given the opportunity to reallocate funds equally between line items and also between departments within their budget control without justification. Any increases required justification.
- Detailed departmental budgets were submitted to the Head of the Division for review, approval, or reduction
- Submitted back to the Dean for Financial Operations for review of accuracy
- Meetings were held with the President and Vice-Presidents for discussion and revisions
- Budget data entry took place and reports were generated
- Tentative legal budget was prepared
- Tentative Budget was reviewed with Board Finance Committee
- Board of Trustees met on August 20, 2013 to approve display of tentative budget
- Tentative Budget was put on public display for 30-day period of inspection
- Additional review was performed by Vice-President of Business Services & College Facilities
- Revisions to the tentative budget were performed
- Explanation of revisions to the tentative budget presented at the public budget hearing
- Budget was adopted by the Board of Trustees

## **Budget / Strategic Planning Calendar – FY 2014**

### **OCTOBER to NOVEMBER**

- Strategic Plan - Project Initialization

### **NOVEMBER to JANUARY**

- Strategic Plan – Environmental Scan
- Strategic Plan – Review of Mission, Vision, Values

### **JANUARY to MARCH**

- Strategic Plan - Gap Analysis
- Strategic Plan – Strategies & Goals
- Strategic Plan - Projects
- Salary and Fringe Benefit Projections Developed
- Zero-based Budgeting Model Developed
- Multiple Trainings Held with Budget Officers and Staff to Explain New Model

### **APRIL**

- Budget Officers Work to Build Detailed Departmental Budgets and Justify Requests

### **MAY**

- Strategic Plan – Final Report Presented to Board of Trustees for Consideration
- President and Vice-Presidents Meet with Dean Financial Operations to Discuss Budget
- Budget Officers Submit Departmental Budgets to Division Heads

### **JUNE**

- Strategic Plan Adopted by Board of Trustees
- Division Heads Review Departmental Budgets and Perform Approval Process
- Departmental Budgets Submitted from Division Heads to Dean for Financial Operations
- Budget Preparation by Dean for Financial Operations & Vice-President Business Services

### **JULY**

- Tentative Budget Preparation Continues
- President and Vice-Presidents Meet with Dean Financial Operations to Discuss Budget
- Entry of Tentative Budget Amounts into ERP System and Reports Prepared

### **AUGUST**

- Budget Presented to Board Finance Committee
- Tentative Budget Submitted to Board of Trustees
- Tentative Budget Put on Public Display

### **SEPTEMBER**

- Final Budget Review by Vice-President of Business Services
- Budget Hearing is Held Prior to Board Meeting
- Explanation of Revisions from Tentative Budget to Proposed
- Proposed Budget Submitted to the Board of Trustees

**BUDGET ADOPTION POLICY AND TRANSFERS**

The Board of Trustees shall adopt an annual budget. The College adopts an expanded operational budget. The budget must be on display for public inspection for at least 30 days prior to final approval.

Transfers of funds affecting the adopted budget shall be reported to the Board on a monthly basis in conjunction with the monthly financial report. This will include a comparison of the original budget and the budget as amended to insure the legal limit of 10% is not exceeded.

**BUDGET CONTROL**

The College utilizes an ERP computer software package called APECS. This software contains modules for the higher education student system, finance, payroll, and human resources. The system allows employees real time access to view their series of departmental accounts. Any requested expenditures beyond the available departmental balance will not be processed without an approved budget transfer. The College has purchased a new ERP system called Jenzabar which will replace APECS. Preparation for the conversion will occur in FY 2014 with a planned transition of the finance module occurring at the beginning of FY 2015.

The College utilizes an encumbrance process for both purchasing and for salaries. Salary encumbrances include both contractual and hourly employees. Online requisitioning is utilized for requesting purchase orders and required approvals are done electronically while adhering to the chain of command. Any remaining encumbrances lapse at year end. The College makes monthly financial reports to its Board of Trustees including a Treasurer's Report, a Financial Report, and a Purchasing Card Report.



## ***FINANCIAL SUMMARIES***



Students walk through a tunnel, from one building of classrooms to the next.

**REVENUE OVERVIEW**

Operating revenue includes activities that have the characteristics of exchange transactions such as (1) student tuition and fees and sales and services of auxiliary enterprises, net of scholarship discounts and allowances. Non-operating revenue includes 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.

Student tuition is the amount of money charged to students for instructional services. John A. Logan College charges tuition on a per credit hours basis and has different tuition rates for in-district residents, out-of-district, and out-of-state students. It also has a variable tuition rate for some high cost programs. Currently, in-district tuition is \$97 per credit hour.

The College receives various types of state funds through the Illinois Community College Board (ICCB). Base Operating Grants are general operating funds provided to colleges based on credit enrollment. Performance Grants are provided based on measures for advancing success of students who are academically or financially at risk and focus on completion. Equalization Grants are provided to institutions with less than the statewide average local tax dollars available per full-time equivalent student. Career and Technical Education Grants recognize that keeping career and technical education programs current and of the highest quality is necessary to prepare students to be successful. These funds are dedicated to enhancing instruction and academic support activities in the career and technical programs.

Local taxes are levied on property owners for all real property within the counties of the College district.

RESOURCE COMPARISON BY SOURCE OPERATING FUNDS					
BY SOURCE:	FY14 Adopted Budget	FY13 Adopted Budget	\$ Increase (Decrease)	% Increase (Decrease)	% of Total FY14 Revenue
CARRYOVER	\$ 14,226,090	\$ 12,921,886	\$ 1,304,204	10.09%	
LOCAL TAXES	6,125,000	6,153,672	(28,672)	(0.47%)	18.06%
CHARGEBACKS	8,000	9,639	(1,639)	(17.00%)	0.02%
ICCB CREDIT HOUR GRANTS	4,129,409	4,265,186	(135,777)	(3.18%)	12.18%
ICCB EQUALIZATION GRANTS	7,702,797	8,002,930	(300,133)	(3.75%)	22.72%
ICCB VOCATIONAL GRANTS-INSTRUCTIONAL	413,000	486,091	(73,091)	(15.04%)	1.22%
ICCB PERFORMANCE ALLOCATION GRANT	20,000	-	20,000		0.06%
ICCB VETERANS GRANT	54,900	-	54,900		0.16%
CORPORATE PERSONAL PROPERTY REPLACEMENT TAX	550,000	581,617	(31,617)	(5.44%)	1.62%
TUITION / FEES	14,452,400	14,748,548	(296,148)	(2.01%)	42.62%
SALES & SERVICE FEES	279,000	270,008	8,992	3.33%	0.82%
INTEREST ON INVESTMENTS	36,450	22,483	13,967	62.12%	0.11%
FACILITY USE	30,000	28,485	1,515	5.32%	0.09%
OTHER INCOME	105,000	312,030	(207,030)	(66.35%)	0.32%
<b>TOTAL</b>	<b>\$ 48,132,046</b>	<b>\$ 47,802,575</b>	<b>\$ 329,471</b>	<b>0.69%</b>	<b>100.00%</b>
Note: Includes Education and Operations & Maintenance Funds.					

REVENUES, EXPENDITURES, TRANSFERS & CHANGES IN FUND BALANCE - ALL FUNDS FY 2014 BUDGET									
	GENERAL FUND		SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	CAPITAL PROJECTS FUND	ENTERPRISE FUND	
FY 2014	Education Fund	Operations & Maintenance Fund	Restricted Purposes Fund	Audit Fund	Liability, Protection & Settlement Fund	Bond & Interest Fund	Operations & Maintenance Restricted Fund	Auxiliary Enterprises Fund	Total All Funds
<b>Revenues</b>									
Local Property Taxes	\$5,250,000	\$875,000	-	50,000	1,400,000	\$1,310,000	\$800,000	-	\$9,685,000
Personal Property Replacement Tax	550,000	-	-	-	-	-	-	-	550,000
Other Local Revenues	8,000	-	-	-	-	-	-	-	8,000
State Government	9,362,054	2,958,052	5,443,512	-	-	-	-	-	17,763,618
Federal Government	-	-	16,250,000	-	-	-	-	-	16,250,000
Student Tuition & Fees	14,452,400	-	-	-	-	-	-	-	14,452,400
Sales & Service Fees	279,000	-	-	-	-	-	-	522,165	801,165
Facilities Rental	-	30,000	-	-	-	-	-	-	30,000
Interest Income	35,000	1,450	-	250	1,500	1,200	2,500	-	41,900
Non-Governmental Gifts, Grants	-	-	-	-	-	-	-	-	0
Other	100,000	5,000	-	-	-	-	-	-	105,000
<b>Total Revenues</b>	<b>30,036,454</b>	<b>3,869,502</b>	<b>21,693,512</b>	<b>50,250</b>	<b>1,401,500</b>	<b>1,311,200</b>	<b>802,500</b>	<b>522,165</b>	<b>59,687,083</b>
<b>Expenditures</b>									
Instruction	12,661,087	-	1,060,000	-	-	-	-	-	13,721,087
Academic Support	2,816,434	-	285,000	-	-	-	-	4,200	3,105,634
Student Services	3,025,235	-	635,000	-	-	-	-	-	3,660,235
Public Service	1,008,041	-	2,430,000	-	-	-	-	-	3,438,041
Independent Operations	-	-	-	-	-	-	-	1,506,016	1,506,016
Operations & Maintenance	-	4,503,157	-	-	644,501	-	-	267,046	5,414,704
Institutional Support	6,805,463	4,121	3,720,362	52,495	1,147,229	1,731,138	2,627,251	100,100	16,188,159
Scholarships, Student Grants, Waivers	5,102,000	-	13,580,000	-	-	-	-	-	18,682,000
<b>Total Expenditures</b>	<b>31,418,260</b>	<b>4,507,278</b>	<b>21,710,362</b>	<b>52,495</b>	<b>1,791,730</b>	<b>1,731,138</b>	<b>2,627,251</b>	<b>1,877,362</b>	<b>65,715,876</b>
Excess (Deficiency) of Revenues Over Expenditures	(1,381,806)	(637,776)	(16,850)	(2,245)	(390,230)	(419,938)	(1,824,751)	(1,355,197)	(6,028,793)
<b>Other Financing Sources (Uses)</b>									
Bond Proceeds	-	-	-	-	-	-	-	-	0
Transfers In (Out)	(2,102,938)	-	16,850	-	-	386,088	500,000	1,200,000	0
Total Other Financing Sources (Uses)	(2,102,938)	0	16,850	0	0	386,088	500,000	1,200,000	0
(Deficit)/Surplus	(3,484,744)	(637,776)	0	(2,245)	(390,230)	(33,850)	(1,324,751)	(155,197)	(6,028,793)
Prior Year Fund Balance Resource	-	-	-	-	-	-	-	-	0
Net Change	(3,484,744)	(637,776)	0	(2,245)	(390,230)	(33,850)	(1,324,751)	(155,197)	(6,028,793)
Beginning Fund Balance	11,511,059	2,715,031	0	74,611	1,570,967	796,677	1,796,696	3,052,846	21,517,887
Use of Prior Year Fund Balance	-	-	-	-	-	-	-	-	-
Ending Fund Balance	\$8,026,315	\$2,077,255	\$0	\$72,366	\$1,180,737	\$762,827	\$471,945	\$2,897,649	\$15,489,094

## YEARLY COMPARISON



Dr. Dreith, College President, takes a moment to talk to students between classes.

**REVENUE/ EXPENDITURE SUMMARY  
ALL FUNDS**

	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget
<b><u>Revenues:</u></b>				
Local Property Taxes	\$9,466,034	9,590,538	9,680,740	9,685,000
Personal Property Replacement Tax	668,441	598,509	617,785	550,000
Other Local Revenues	18,205	17,293	6,832	8,000
State Government	15,551,717	14,190,755	13,407,310	17,763,618
Federal Government	13,963,236	10,455,531	10,259,612	16,250,000
Student Tuition & Fees	14,561,672	15,060,002	14,628,693	14,452,400
Sales & Service Fees	250,647	229,544	293,713	801,165
Facilities Rental	1,760	27,872	43,527	30,000
Interest Income	21,428	30,139	38,724	41,900
Non-Governmental Gifts, Grants	-	-	-	-
Other	3,061,570	1,271,922	1,534,162	105,000
Total Revenues	57,564,710	51,472,105	50,511,098	59,687,083
<b><u>Expenditures:</u></b>				
Instruction	13,490,312	13,714,978	13,225,866	13,721,087
Academic Support	3,031,661	2,820,792	2,764,315	3,105,634
Student Services	3,505,172	3,845,200	3,440,984	3,660,235
Public Service	3,129,831	3,085,187	2,894,207	3,438,041
Independent Operations	1,511,184	1,505,616	1,424,772	1,506,016
Operations & Maintenance	4,187,490	4,411,432	4,363,243	5,414,704
Institutional Support	14,440,847	10,464,322	11,206,251	16,188,159
Scholarships, Student Grants, Waivers	16,268,280	13,076,512	12,692,486	18,682,000
Total Expenditures	59,564,777	52,924,039	52,012,124	65,715,876
Excess (Deficiency) of Revenues Over Expenditures	(2,000,067)	(1,451,934)	(1,501,026)	(6,028,793)
<b><u>Other Financing Sources (Uses):</u></b>				
Bond Proceeds	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	0	0	0	0
(Deficit)/Surplus	(2,000,067)	(1,451,934)	(1,501,026)	(6,028,793)
Prior Year Fund Balance Resource	-	-	-	-
Net Change	(2,000,067)	(1,451,934)	(1,501,026)	(6,028,793)
Beginning Fund Balance	26,027,535	23,889,957	22,438,023	21,517,887
Use of Prior Year Fund Balance	-	-	-	-
Ending Fund Balance	\$24,027,468	\$22,438,023	\$20,936,997	\$15,489,094

GENERAL FUND	EDUCATION FUND				OPERATIONS & MAINTENANCE FUND			
MULTI-YEAR COMPARISON	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Budget
<b>Revenues</b>								
Local Property Taxes	\$5,172,715	\$5,210,667	\$5,252,099	\$5,250,000	\$862,180	\$868,447	\$875,316	\$875,000
Personal Property Repl Tax	668,441	598,509	617,785	550,000	-	-	-	-
Other Local Revenues	18,205	17,293	6,832	8,000	-	-	-	-
State Government	10,363,920	9,952,635	9,627,567	9,362,054	3,647,165	2,846,838	2,884,150	2,958,052
Federal Government	34,095	32,482	30,532	-	-	-	-	-
Student Tuition & Fees	14,561,672	15,060,002	14,628,693	14,452,400	-	-	-	-
Sales & Service Fees	250,647	229,544	293,713	279,000	-	-	-	-
Facilities Rental	-	-	-	-	1,760	27,872	43,527	30,000
Interest Income	20,393	28,627	37,254	35,000	1,035	1,512	1,470	1,450
Non-Governmental Gifts, Grants	-	-	-	-	-	-	-	-
Other	640,539	191,192	165,796	100,000	11,758	4,495	11,900	5,000
Total Revenues	31,730,627	31,320,951	30,660,271	30,036,454	4,523,898	3,749,164	3,816,363	3,869,502
<b>Expenditures</b>								
Instruction	12,552,198	12,728,280	12,184,435	12,661,087	-	-	-	-
Academic Support	2,740,041	2,711,981	2,658,103	2,816,434	-	-	-	-
Student Services	2,867,751	3,325,973	2,941,979	3,025,235	-	-	-	-
Public Service	822,990	882,008	955,292	1,008,041	-	-	-	-
Independent Operations	-	-	-	-	-	-	-	-
Operations & Maintenance	-	-	-	-	3,667,300	3,807,840	3,826,273	4,503,157
Institutional Support	4,749,568	4,737,288	4,736,942	6,805,463	3,777	4,120	4,120	4,121
Scholarships, Student Grants, Waivers	4,560,608	4,911,490	5,021,581	5,102,000	-	-	-	-
Total Expenditures	28,293,156	29,297,020	28,498,332	31,418,260	3,671,077	3,811,960	3,830,393	4,507,278
Excess (Deficiency) of Revenues Over Expenditures	3,437,471	2,023,931	2,161,939	(1,381,806)	852,821	(62,796)	(14,030)	(637,776)
<b>Other Financing Sources (Uses)</b>								
Bond Proceeds	-	-	-	-	-	-	-	-
Transfers In (Out)	(1,755,259)	(1,755,259)	(1,755,259)	(2,102,938)	-	-	-	-
Total Other Fin Sources (Uses)	(1,755,259)	(1,755,259)	(1,755,259)	(2,102,938)	0	0	0	0
(Deficit)/Surplus	1,682,212	268,672	406,680	(3,484,744)	852,821	(62,796)	(14,030)	(637,776)
Prior Year Fund Balance Resource	-	-	-	-	-	-	-	-
Net Change	1,682,212	268,672	406,680	(3,484,744)	852,821	(62,796)	(14,030)	(637,776)
Beginning Fund Balance	8,822,783	10,504,995	10,773,667	11,511,059	1,906,697	2,759,518	2,696,722	2,715,031
Use of Prior Year Fund Balance	-	-	-	-	-	-	-	-
Ending Fund Balance	\$10,504,995	\$10,773,667	\$11,180,347	\$8,026,315	\$2,759,518	\$2,696,722	\$2,682,692	\$2,077,255



## SPECIAL REVENUE FUNDS

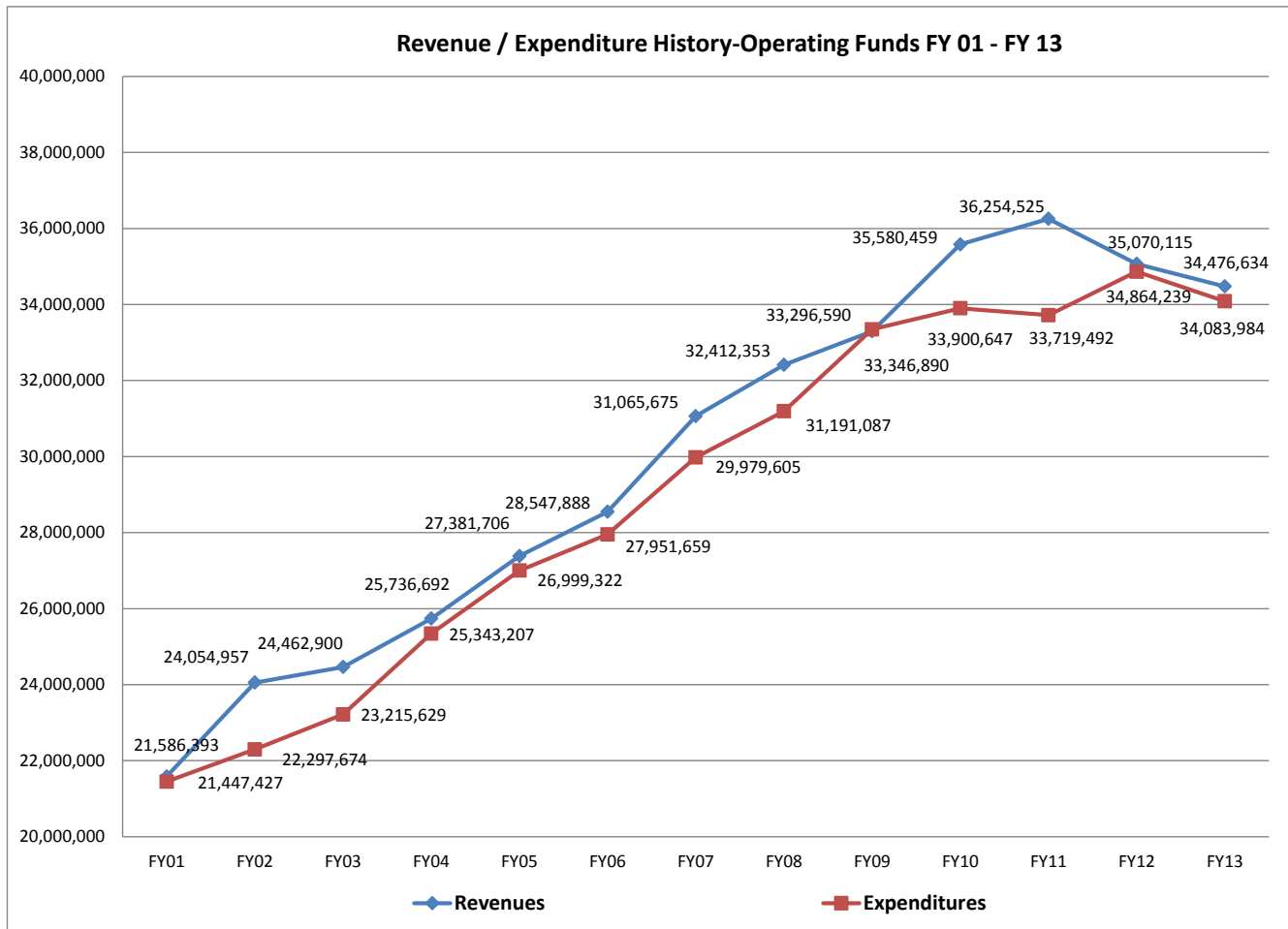
THREE YEAR COMPARISON	RESTRICTED PURPOSES FUND			AUDIT FUND			LIABILITY, PROTECTION & SETTLEMENT FUND		
	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2012 Actual	FY2013 Actual	FY2014 Budget
<b>Revenues</b>									
Local Property Taxes	-	-	-	\$64,393	\$52,206	\$50,000	\$1,422,615	\$1,397,507	\$1,400,000
Personal Property Replacement Tax	-	-	-	-	-	-	-	-	-
Other Local Revenues	-	-	-	-	-	-	-	-	-
State Government	1,391,282	747,255	5,443,512	-	-	-	-	-	-
Federal Government	10,423,049	10,229,080	16,250,000	-	-	-	-	-	-
Student Tuition & Fees	-	-	-	-	-	-	-	-	-
Sales & Service Fees	-	-	-	-	-	-	-	-	-
Facilities Rental	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-
Non-Governmental Gifts, Grants	-	-	-	-	-	-	-	-	-
Other	529,361	624,611	-	221	285	250	1,881	2,058	1,500
<b>Total Revenues</b>	<b>12,343,692</b>	<b>11,600,946</b>	<b>21,693,512</b>	<b>64,614</b>	<b>52,491</b>	<b>50,250</b>	<b>1,424,496</b>	<b>1,399,565</b>	<b>1,401,500</b>
<b>Expenditures</b>									
Instruction	986,698	1,041,431	1,060,000	-	-	-	-	-	-
Academic Support	106,322	103,597	285,000	-	-	-	-	-	-
Student Services	519,227	499,005	635,000	-	-	-	-	-	-
Public Service	2,203,179	1,938,915	2,430,000	-	-	-	-	-	-
Independent Operations	-	-	-	-	-	-	-	-	-
Operations & Maintenance	\$101,044	\$775	-	-	-	-	483,918	530,672	644,501
Institutional Support	277,657	364,659	3,720,362	45,195	32,194	52,495	911,961	899,789	1,147,229
Scholarships, Student Grants, Waivers	8,165,022	7,670,905	13,580,000	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>12,359,149</b>	<b>11,619,287</b>	<b>21,710,362</b>	<b>45,195</b>	<b>32,194</b>	<b>52,495</b>	<b>1,395,879</b>	<b>1,430,461</b>	<b>1,791,730</b>
Excess (Deficiency) of Revenues Over Expenditures	(15,457)	(18,341)	(16,850)	19,419	20,297	(2,245)	28,617	(30,896)	(390,230)
<b>Other Financing Sources (Uses)</b>									
Bond Proceeds	-	-	-	-	-	-	-	-	-
Transfers In (Out)	15,457	18,341	16,850	-	-	-	-	-	-
<b>Total Other Fin Sources (Uses)</b>	<b>15,457</b>	<b>18,341</b>	<b>16,850</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(Deficit)/Surplus	0	0	0	19,419	20,297	(2,245)	28,617	(30,896)	(390,230)
Prior Year Fund Balance Resource	-	-	-	-	-	-	-	-	-
Net Change	0	0	0	19,419	20,297	(2,245)	28,617	(30,896)	(390,230)
Beginning Fund Balance	0	0	0	34,895	54,314	74,611	1,573,246	1,601,863	1,570,967
Use of Prior Year Fund Balance	-	-	-	-	-	-	-	-	-
Ending Fund Balance	\$0	\$0	\$0	\$54,314	\$74,611	\$72,366	\$1,601,863	\$1,570,967	\$1,180,737



## DEBT SERVICE, CAPITAL PROJECTS, AND PROPRIETARY FUNDS

	Debt Service			Capital Projects			Proprietary		
	Bond & Interest Fund			Operations & Maintenance Restricted Fund			Auxiliary Enterprises Fund		
THREE YEAR COMPARISON	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2012 Actual	FY2013 Actual	FY2014 Budget
<b>Revenues</b>									
Local Property Taxes	\$1,231,364	1,303,901	1,310,000	\$793,052	799,711	800,000	-	-	-
Personal Property Replacement Tax	-	-	-	-	-	-	-	-	-
Other Local Revenues	-	-	-	-	-	-	-	-	-
State Government	-	-	-	-	148,338	-	-	-	-
Federal Government	-	-	-	-	-	-	-	-	-
Student Tuition & Fees	-	-	-	-	-	-	-	-	-
Sales & Service Fees	-	-	-	-	-	-	-	-	-
Facilities Rental	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-
Non-Governmental Gifts, Grants	-	-	-	-	-	-	-	-	-
Other	1,278	1,283	1,200	5,484	186,036	2,500	538,010	538,971	522,165
Total Revenues	1,232,642	1,305,184	1,311,200	798,536	1,134,085	802,500	538,010	538,971	522,165
<b>Expenditures</b>									
Instruction	-	-	-	-	-	-	-	-	-
Academic Support	-	-	-	-	-	-	2,489	2,615	4,200
Student Services	-	-	-	-	-	-	-	-	-
Public Service	-	-	-	-	-	-	-	-	-
Independent Operations	-	-	-	-	-	-	1,505,616	1,424,772	1,506,016
Operations & Maintenance	-	-	-	-	-	-	18,630	5,523	267,046
Institutional Support	1,202,000	1,271,675	1,731,138	3,215,573	3,822,796	2,627,251	70,528	74,076	100,100
Scholarships, Student Grants, Waivers	-	-	-	-	-	-	-	-	-
Total Expenditures	1,202,000	1,271,675	1,731,138	3,215,573	3,822,796	2,627,251	1,597,263	1,506,986	1,877,362
Excess (Deficiency) of Revenues Over Expenditures	30,642	33,509	(419,938)	(2,417,037)	(2,688,711)	(1,824,751)	(1,059,253)	(968,015)	(1,355,197)
<b>Other Financing Sources (Uses)</b>									
Bond Proceeds	-	-	-	-	-	-	-	-	-
Transfers In (Out)	-	-	386,088	195,652	200,000	500,000	1,544,150	1,536,918	1,200,000
Total Other Fin Sources (Uses)	0	0	386,088	195,652	200,000	500,000	1,544,150	1,536,918	1,200,000
(Deficit)/Surplus	30,642	33,509	(33,850)	(2,221,385)	(2,488,711)	(1,324,751)	484,897	568,903	(155,197)
Prior Year Fund Balance Resource	-	-	-	-	-	-	-	-	-
Net Change	30,642	33,509	(33,850)	(2,221,385)	(2,488,711)	(1,324,751)	484,897	568,903	(155,197)
Beginning Fund Balance	732,527	763,169	796,677	6,291,791	4,070,406	1,796,696	1,992,985	2,477,882	3,052,846
Use of Prior Year Fund Balance	-	-	-	-	-	-	-	-	-
Ending Fund Balance	\$763,169	\$796,678	\$762,827	\$4,070,406	\$1,581,695	\$471,945	\$2,477,882	\$3,046,785	\$2,897,649

Revenue / Expenditure Comparison Operating Funds FY 2001 - FY 2013			
Fiscal Year	Revenues	Expenditures	Revenues Over/(Under) Expenditures
FY 01	21,586,393	21,447,427	138,966
FY 02	24,054,957	22,297,674	1,757,283
FY 03	24,462,900	23,215,629	1,247,271
FY 04	25,736,692	25,343,207	393,485
FY 05	27,381,706	26,999,322	382,384
FY 06	28,547,888	27,951,659	596,229
FY 07	31,065,675	29,979,605	1,086,070
FY 08	32,412,353	31,191,087	1,221,266
FY 09	33,296,590	33,346,890	(50,300)
FY 10	35,580,459	33,900,647	1,679,812
FY 11	36,254,525	33,719,492	2,535,033
FY 12	35,070,115	34,864,239	205,876
FY 13	34,476,634	34,083,984	392,650



## ***FUND BALANCE***



JALC Student taking a moment to relax.

**FUND BALANCE – DEFINED**

Fund balance is the amount by which the value of the assets of a fund exceeds the value of the liabilities of that fund.

**FUND BALANCE GOALS**

Awareness of the appropriate level of balance in the College's various funds is the first step in developing financial forecasts and plays a part in strategic planning as well. The College's operating fund is appropriate, which means that in the short-term, the College is very stable. However, long-term stability cannot be assured without significant attention being placed on both the working cash and auxiliary funds. These are the funds that determine whether or not the College remains stable in volatile or lagging state cash flow, stagnant local property values and associate revenue, or during a prolonged enrollment decline. The cash flow from the State of Illinois since 2009 relative to ICCB revenues has reinforced the importance of healthy fund balances in the operating, working cash and auxiliary funds. The following plan will provide the framework from which the College can build future budgets and financial forecasts.

**Operating Funds:**

The goal is to hold a combined balance in the education and operation and maintenance funds equal to 25% of annual operating expenditures. The College is currently above this target percentage at 37.41%.

**Working Cash Fund:**

The goal is to hold a balance equal to 15% of annual operating expenditures in the working cash fund. The College currently has a fund balance representing 5.27% of annual operating expenditures.

**Auxiliary Fund:**

The goal is to hold a balance equal to 10% of annual operating expenditures in the auxiliary fund. The College currently has a fund balance representing 6.15% of annual operating expenditures.

These goals establish a general direction and serve to inform the College on what to do during years in which extra resources are available. Though they are not high enough to place the College ahead of all peers, neighbors, and the statewide average, when established in 2008 the goals are high enough to ensure adequate stability as the College looks to the future. Because these goals were created prior to the significant state cash flow problem that began in 2009, these fund balance goals, especially the operating fund balance goal, should be re-examined in 2014.

A responsible approach to meet the auxiliary fund and working cash fund balance goals is to diligently plod along, transferring funds annually into these funds, attempting to reach the target by 2020, while maintaining the targeted operating fund balance.

Initial focus needs to be placed on the auxiliary fund. While the auxiliary fund balance goal is being attacked, attention will need to be placed on the working cash fund balance, possibly through a future debt issue applied to the tax levy. Throughout the process of building these fund balances, the College will continue historical annual transfers to the restricted building fund to enable its investment in facility renovations.

**Change in Ending Fund Balance  
FY 2014 Proposed Budget Compared to FY 2013 Projected Budget**

<b>Fund</b>	<b>FY 2013 Projected Ending Fund Balance</b>	<b>FY 2014 Proposed Ending Fund Balance</b>	<b>Change in Fund Balance</b>	<b>% Change</b>
Education Fund	\$7,769,552	\$8,026,315	\$256,763	3.30%
Operations & Maintenance Fund	1,982,628	2,077,255	94,627	4.77%
Restricted Purposes Fund	0	0	0	0.00%
Audit Fund	51,331	72,366	21,035	40.98%
Liability, Protection & Settlement Fund	640,712	1,180,737	540,025	84.29%
Bond & Interest Fund	803,840	762,827	(41,013)	(5.10%)
Operations & Maintenance (Restricted) Fund	2,271,487	471,945	(1,799,542)	(79.22%)
Auxiliary Fund	2,789,091	2,897,649	108,558	3.89%
<b>Total All Funds</b>	<b>\$16,308,641</b>	<b>\$15,489,094</b>	<b>(\$819,547)</b>	<b>(5.03%)</b>

**Explanation of Changes in Fund Balance of More Than 10%:**

Audit Fund-The FY 2014 proposed ending fund balance is \$21,035 greater than the projected FY 2013 ending fund balance. This is due a portion of the audit fees related to grants being expensed in the restricted purposes fund and a correction of an over accrual in a prior period.

Liability, Protection & Settlement Fund-The FY 2014 proposed ending fund balance is \$540,025 greater than the projected FY 2013 ending fund balance. This is due in large part to a decrease in contingency of \$450,000 and an increase in estimated property tax revenue levied.

Operations & Maintenance (Restricted) Fund-The FY 2014 proposed ending fund balance is \$1,799,542 less than the projected FY 2013 ending fund balance. This is due the planned completion of the final phase of bond related construction.

Fund Balance Operating Funds FY 2000 - FY 2013								
Fiscal Year Ended	Revenues	Expenditures	Revenues Over/(Under) Expenditures	Surplus as a % of Exp	Fund Balance	Fund Balance as a % of Exp	Accrual	Cash Fund Balance
06/30/13	34,476,634	34,083,984	392,650	1.15%	13,863,039	40.67%	7,270,316	6,592,723
06/30/12	35,070,115	34,864,239	205,876	0.59%	13,470,389	38.64%	6,941,079	6,529,310
06/30/11	36,254,525	33,719,492	2,535,033	7.52%	13,264,513	39.34%	9,348,387	3,916,126
06/30/10	35,580,459	33,900,647	1,679,812	4.96%	10,729,480	31.65%	5,371,860	5,357,620
06/30/09	33,296,590	33,346,890	(50,300)	-0.15%	9,049,668	27.14%	9,597,321	(547,653)
06/30/08	32,412,353	31,191,087	1,221,266	3.92%	9,099,968	29.17%	2,988,454	6,111,514
06/30/07	31,065,675	29,979,605	1,086,070	3.62%	7,878,702	26.28%	2,769,722	5,108,980
06/30/06	28,547,888	27,951,659	596,229	2.13%	6,792,632	24.30%	2,555,393	4,237,239
06/30/05	27,381,706	26,999,322	382,384	1.42%	6,196,403	22.95%	2,358,613	3,837,790
06/30/04	25,736,692	25,343,207	393,485	1.55%	5,814,019	22.94%	2,198,262	3,615,757
06/30/03	24,462,900	23,215,629	1,247,271	5.37%	5,420,534	23.35%	1,867,500	3,553,034
06/30/02	24,054,957	22,297,674	1,757,283	7.88%	4,173,263	18.72%	1,937,547	2,235,716
06/30/01	21,586,393	21,447,427	138,966	0.65%	2,415,980	11.26%	961,350	1,454,630
06/30/00	20,441,168	20,486,598	(45,430)	-0.22%	2,277,014	11.11%	949,130	1,327,884
Fund balance 06-30-99					2,322,444			



## ***REVENUES / EXPENDITURES***



Community Health Education Complex, Aquatic Center

**RESOURCE ASSUMPTIONS-OPERATING FUNDS**

For this 2014 budget, it will be necessary to utilize fund balance from prior fiscal years to subsidize the shortfall of current year operating revenues as compared to budgeted expenditures. While expenditures actually reflect a decrease of \$21,919 or a 0.06% decrease from the prior FY 2013 budget, declining state and local revenues along with a conservative approach to the budgeting of tuition and fees revenue have resulted in an expected current year deficit if Budget Officers spend 100% of requested budget. Historically, there has been an underspend of around 10%. If the underspend continues, a small surplus will result.

Without considering the fund balance accumulated from prior years, the current operating revenue of \$33,905,956 reflects a \$974,733 or 2.79% decrease as compared to \$34,880,689 from FY 2013.

Local tax revenues are currently projected to be \$6,125,000. This amount is a decrease of \$28,672 or a 0.47% projected decrease. This is based on discussion with the College's two largest counties. While one county is anticipating a potential 3.00% growth in EAV, the other is projecting a possible 3.50% decrease in EAV. In other local sources, Corporate Personal Property Replacement Tax is estimated at \$550,000 which is a 5.44% decrease from the prior budget.

State revenue sources reflect a decline in revenue. Based on information from the Illinois Community College Board final budget allocation, ICCB Base Operating grant funds are budgeted at a total of \$4,129,409 which is a decrease of \$135,777 or 3.18% from the FY 2013 estimate, but an actual reduction of \$21,461 from the final FY 2013 allocation of \$4,150,870. Equalization grants account for \$7,702,797 which is a decrease of \$300,133 or 3.75% from prior budget, but an actual decrease of \$224,011 from the final FY 2013 allocation of \$7,926,808. FY 2014 amounts for base operating and equalization grants were allocated 75% to the Education fund and 25% to the Operations and Maintenance Fund. ICCB Vocational grants are budgeted at \$413,000 which is a budget reduction of \$73,091 or 15.04%.

This year the College will receive a special designated ICCB Veterans grant of \$54,900. For Performance Based funding, \$20,000 is estimated. This is based on receipt of \$20,175 in FY 2013. The ICCB allocation for performance based funding for all Illinois colleges remains unchanged in FY 2014 at \$360,000.

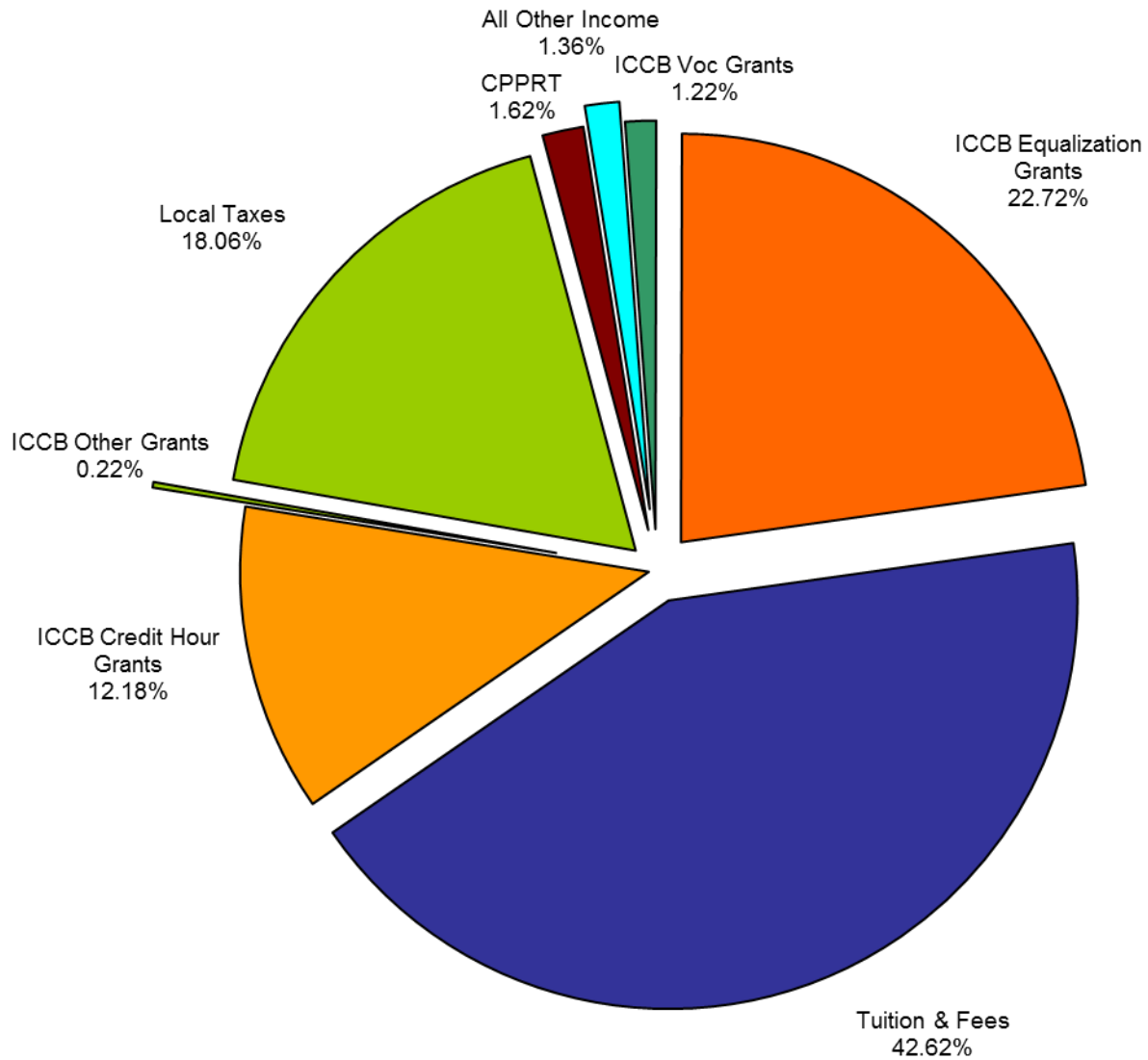
For FY 2014, the in-district tuition rate is \$97 per credit hour. Student tuition and fees are anticipated at \$14,452,400 for FY 2014 as compared to \$14,748,548 for FY 2013. This is a projected decrease of \$296,148 or 2.01%. Reasons for this projection are concerns about statewide trends in decreasing enrollment and initial numbers for the summer term regarding credit hour generation. In FY 2013, the College also experienced \$329,952 in lost tuition revenue due to unfunded mandates of financial aid programs. The potential write off of revenue in this amount contributed to the reduction of budgeted tuition. The adjustment of the number of credit hours awarded for certain courses was also taken into consideration. Hopefully, this projection will prove to be understated given there was a \$5 tuition increase. However, a conservative budgeting approach was taken due to the factors stated above and the fact that actual tuition revenues for FY 2013 came in slightly below budget.

Interest income and other sources which include facilities revenue, sales and service fees are expected to total \$450,450 during FY 2014. This accounts for less than 2% of operating resources. Due to audit direction, administrative fees from grants previously budgeted in operating revenue have not been included as a resource. Any grant fees received will be used to offset related expenditures.

## Summary of Fiscal Year 2014 Estimated Revenues

Operating Revenues By Source	Education Fund	Operations and Maintenance Fund	Total Operating Funds	% of Total
<b>Local Government Sources:</b>				
Current Taxes	\$5,250,000	\$875,000	\$6,125,000	18.06%
Corporate Personal Property Replacement Tax	\$550,000		550,000	1.62%
Chargeback Revenue	8,000		8,000	0.02%
<b>TOTAL LOCAL GOVERNMENT</b>	<b>\$5,808,000</b>	<b>\$875,000</b>	<b>\$6,683,000</b>	<b>19.71%</b>
<b>State Governmental Sources:</b>				
ICCB Base Operating Grants	\$3,097,057	\$1,032,352	\$4,129,409	12.18%
ICCB Equalization Grants	5,777,097	1,925,700	7,702,797	22.72%
ICCB Performance Allocation Grant	20,000		20,000	0.06%
ICCB Veterans Grant	54,900		54,900	0.16%
Illinois Community College Board-Vocational Education	413,000		413,000	1.22%
<b>TOTAL STATE GOVERNMENT</b>	<b>\$9,362,054</b>	<b>\$2,958,052</b>	<b>\$12,320,106</b>	<b>36.34%</b>
<b>Student Tuition and Fees:</b>				
Tuition	\$13,240,000		\$13,240,000	39.05%
Fees	1,212,400		1,212,400	3.58%
<b>TOTAL TUITION AND FEES</b>	<b>\$14,452,400</b>	<b>\$0</b>	<b>\$14,452,400</b>	<b>42.62%</b>
<b>Other Sources:</b>				
Sales and Service Fees	\$279,000		\$279,000	0.82%
Facilities Revenue		\$30,000	30,000	0.09%
Investment Revenue	35,000	1,450	36,450	0.11%
Other Sources	100,000	5,000	105,000	0.32%
<b>TOTAL OTHER SOURCES</b>	<b>\$414,000</b>	<b>\$36,450</b>	<b>\$450,450</b>	<b>1.34%</b>
<b>TOTAL FY 2014 BUDGETED REVENUE</b>	<b>\$30,036,454</b>	<b>\$3,869,502</b>	<b>\$33,905,956</b>	<b>100.00%</b>
Less Nonoperating Items:				
Tuition Chargeback Revenue	\$8,000		\$8,000	
<b>ADJUSTED REVENUE</b>	<b>\$30,028,454</b>	<b>\$3,869,502</b>	<b>\$33,897,956</b>	

## Revenues Operating Funds FY 2014

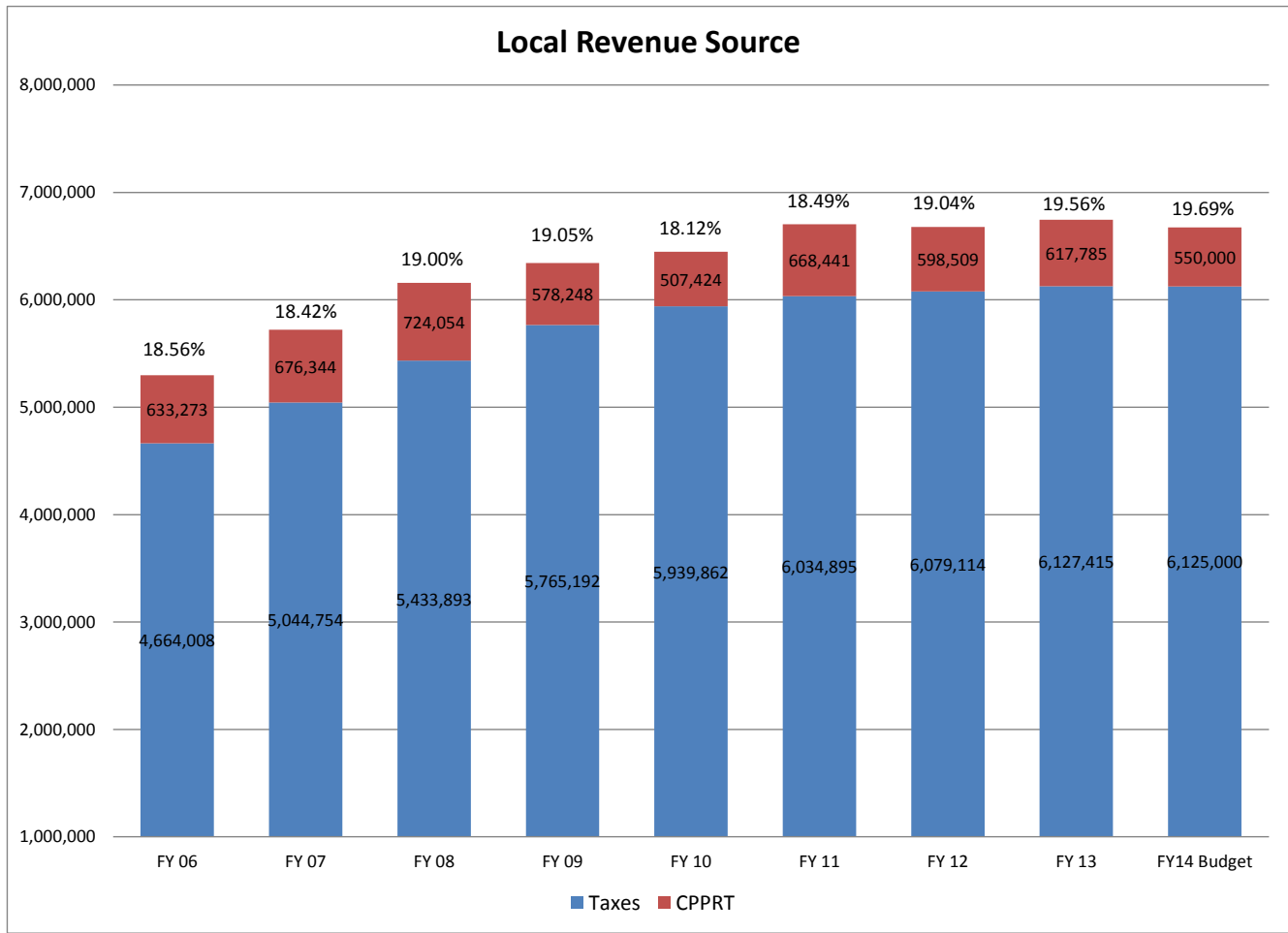


## OPERATING FUNDS-ACTUAL REVENUE BY SOURCE FY 05- FY 13

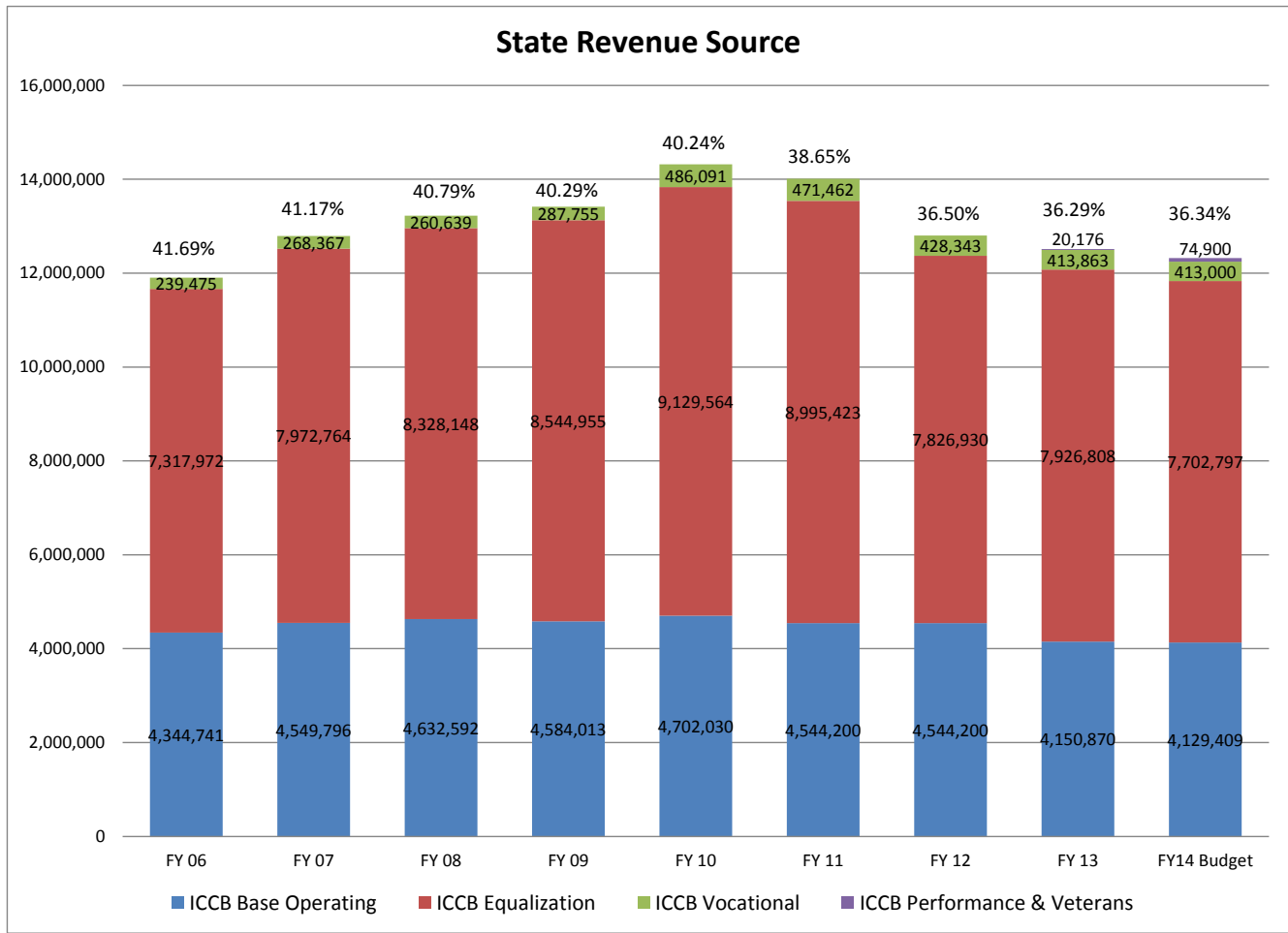
REVENUE SOURCE:	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
Local Property Taxes	4,499,648 16.43%	4,664,008 16.34%	5,044,754 16.24%	5,433,893 16.76%	5,765,192 17.31%	5,939,862 16.69%	6,034,895 16.65%	6,079,114 17.33%	6,127,415 17.76%
Chargeback Revenue	22,794 0.08%	22,129 0.08%	9,899 0.03%	9,639 0.03%	7,425 0.02%	7,979 0.02%	18,205 0.05%	17,293 0.05%	6,832 0.02%
ICCB Base Operating Credit Hour Grants	4,310,000 15.74%	4,344,741 15.22%	4,549,796 14.65%	4,632,592 14.29%	4,584,013 13.77%	4,702,030 13.22%	4,544,200 12.53%	4,544,200 12.96%	4,150,870 12.04%
ICCB Equalization Grants	7,037,068 25.70%	7,317,972 25.63%	7,972,764 25.66%	8,328,148 25.69%	8,544,955 25.66%	9,129,564 25.66%	8,995,423 24.81%	7,826,930 22.32%	7,926,808 22.99%
ICCB Vocational Education	218,222 0.80%	239,475 0.84%	268,367 0.86%	260,639 0.80%	287,755 0.86%	486,091 1.37%	471,462 1.30%	428,343 1.22%	413,863 1.20%
ICCB Performance Allocation	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	20,176 0.06%
Corporate Personal Property Replacement Tax	507,029 1.85%	633,273 2.22%	676,344 2.18%	724,054 2.23%	578,248 1.74%	507,424 1.43%	668,441 1.84%	598,509 1.71%	617,785 1.79%
Federal Government-Other	12,521 0.05%	15,835 0.06%	13,114 0.04%	16,414 0.05%	21,607 0.06%	225,836 0.63%	34,095 0.09%	32,482 0.09%	26,255 0.08%
Tuition	9,468,132 34.58%	9,804,641 34.34%	10,205,891 32.85%	11,128,824 34.34%	11,787,700 35.40%	12,763,702 35.87%	13,405,662 36.98%	13,811,142 39.38%	13,382,565 38.82%
Course Fees	679,699 2.48%	676,459 2.37%	768,804 2.47%	816,592 2.52%	803,276 2.41%	1,089,795 3.06%	1,156,010 3.19%	1,248,860 3.56%	1,250,406 3.63%
Sales and Service fees	285,511 1.04%	277,698 0.97%	221,318 0.71%	250,044 0.77%	228,343 0.69%	228,645 0.64%	250,647 0.69%	229,544 0.65%	293,713 0.85%
Facilities Revenue	17,470 0.06%	22,030 0.08%	27,013 0.09%	23,956 0.07%	9,900 0.03%	3,120 0.01%	1,760 0.00%	27,872 0.08%	43,527 0.13%
Investment Revenue	194,807 0.71%	418,950 1.47%	762,897 2.46%	429,402 1.32%	104,497 0.31%	25,210 0.07%	21,428 0.06%	30,139 0.09%	38,724 0.11%
Other Sources	128,805 0.47%	110,677 0.39%	544,714 1.75%	358,156 1.10%	573,675 1.72%	471,201 1.32%	652,297 1.80%	195,687 0.56%	177,696 0.52%
<b>Total Operating Revenue</b>	<b>27,381,706 100%</b>	<b>28,547,888 100%</b>	<b>31,065,675 100%</b>	<b>32,412,353 100%</b>	<b>33,296,586 100%</b>	<b>35,580,459 100%</b>	<b>36,254,525 100%</b>	<b>35,070,115 100%</b>	<b>34,476,635 100%</b>

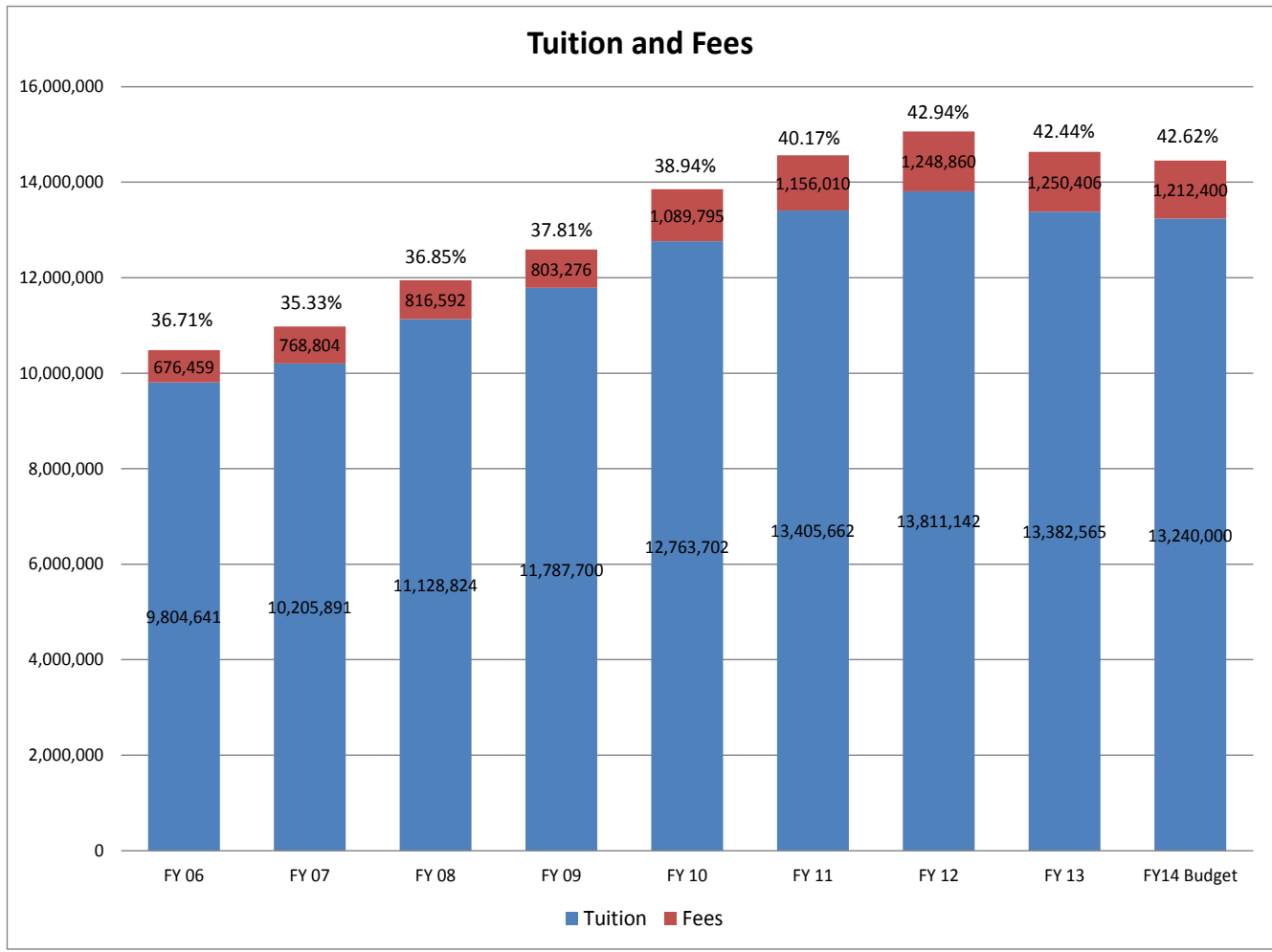
<b>EQUALIZED ASSESSED VALUATION</b>				
			\$	%
<b>COUNTY</b>	<b>2012 PAYABLE IN 2013</b>	<b>2011 PAYABLE IN 2012</b>	<b>INCREASE (DECREASE)</b>	<b>INCREASE (DECREASE)</b>
Williamson	\$919,939,174	\$906,001,510	\$13,937,664	1.54%
Jackson	672,273,769	672,534,952	(\$261,183)	(0.04%)
Perry	83,641,699	82,191,295	\$1,450,404	1.76%
Randolph	10,416,804	10,071,546	\$345,258	3.43%
Franklin	77,500,710	76,817,046	\$683,664	0.89%
<b>TOTAL</b>	<b>\$1,763,772,156</b>	<b>\$1,747,616,349</b>	<b>\$16,155,807</b>	
<b>OVERALL INCREASE</b>				<b>0.92%</b>

<b>Property Tax Rates Levied By Fund FY 2001 - FY 2014</b>							
<b>Fiscal Year</b>	<b>Education</b>	<b>Building</b>	<b>Protection Health Safety</b>	<b>Bond and Interest</b>	<b>Audit</b>	<b>Liability Protection Settlement</b>	<b>Total Tax Rate</b>
FY 01	\$0.3000	\$0.0500	\$0.0500	\$0.0412	\$0.0004	\$0.0378	<b>\$0.4794</b>
FY 02	\$0.3000	\$0.0500	\$0.0500	\$0.0000	\$0.0003	\$0.0730	<b>\$0.4733</b>
FY 03	\$0.3000	\$0.0500	\$0.0500	\$0.0000	\$0.0003	\$0.0777	<b>\$0.4780</b>
FY 04	\$0.3000	\$0.0500	\$0.0500	\$0.0000	\$0.0003	\$0.0720	<b>\$0.4723</b>
FY 05	\$0.3000	\$0.0500	\$0.0500	\$0.0000	\$0.0003	\$0.0742	<b>\$0.4745</b>
FY 06	\$0.3000	\$0.0500	\$0.0448	\$0.0000	\$0.0003	\$0.0884	<b>\$0.4835</b>
FY 07	\$0.3000	\$0.0500	\$0.0225	\$0.0000	\$0.0000	\$0.1014	<b>\$0.4739</b>
FY 08	\$0.3032	\$0.0505	\$0.0187	\$0.0657	\$0.0001	\$0.1073	<b>\$0.5456</b>
FY 09	\$0.3000	\$0.0500	\$0.0220	\$0.0646	\$0.0003	\$0.1130	<b>\$0.5498</b>
FY 10	\$0.3000	\$0.0500	\$0.0364	\$0.0641	\$0.0021	\$0.0927	<b>\$0.5454</b>
FY 11	\$0.3000	\$0.0500	\$0.0443	\$0.0665	\$0.0040	\$0.0797	<b>\$0.5445</b>
FY 12	\$0.3000	\$0.0500	\$0.0456	\$0.0702	\$0.0041	\$0.0844	<b>\$0.5543</b>
FY 13	\$0.3000	\$0.0500	\$0.0461	\$0.0727	\$0.0028	\$0.0768	<b>\$0.5484</b>
FY 14	\$0.3000	\$0.0500	\$0.0451	\$0.0764	\$0.0028	\$0.0809	<b>\$0.5552</b>









**EXPENDITURE ALLOCATION-OPERATING FUNDS**

Total budgeted expenditures for FY 2014 are \$38,028,476 as compared to \$38,050,395 for FY 2013. This is a decrease of 0.06% or \$21,919. In operating funds, budgeted expenditures include a provision for contingency funds of \$1,310,000. This represents 3.44% of total budgeted operating expenditures. While these funds are available for emergencies and unforeseen budget issues, under standard operations only a minimal portion of these funds are normally expended and close monitoring of these funds is performed by the College Administration.

**INSTRUCTION:**

As compared to the prior year's budget, Instruction experienced a slight decrease of 1.73% or \$222,298. This overall decrease was a result of two factors. The first was a \$302,300 decrease in total salaries due to retirements, new hires, and position changes within the division. The second factor was a one-time \$82,299 reduction in fees for the Southern IL Collegiate Common Market (SICCM). The College will pay SICCM only \$28,000 this year for its five programs.

The division received increases in other areas of contractual services, general materials and supplies, and capital outlay. In the FY 2014 budget, Instruction represents the largest portion of total operating expenditures at \$12,661,087 or 33.29%.

**ACADEMIC SUPPORT:**

The area of Academic Support represents 7.41% of this year's budget or \$2,816,434. This is a decrease of 11.24 % or \$356,824. The reason for this decrease is the reorganization of several staff members to departments that fall under the category of Institutional Support. This resulted in a large decrease of salaries, benefits, and other services related to these staff members previously budgeted under this area. See the section below on Institutional Support for details on staff reassignments.

This program area did receive an increase in conference and meeting expense to support training related to accreditation and to the College's new Learning Management System, Desire2Learn.

**STUDENT SERVICES:**

The area of Student Services represents 7.96% of this year's budget or \$3,025,235. This is a slight decrease of 1.48% or \$45,310. This area experienced slight decreases in the areas of salaries and general materials and supplies. The relocation of the West Frankfort Extension Center also resulted in the elimination of a monthly rental expense. However, there was an increase in contractual services related to the Student Success Center and providing services to students.

**PUBLIC SERVICES:**

The area of Public Services represents 2.65% of this year's budget or \$1,008,041. This is an increase of 10.72% or \$97,591. A majority of this relates to additional salaries and benefits added to the Corporate Education department due to the elimination of the Workforce Development grant. This change was previously approved in FY 2013 after completion of the budget. Additional funds were also budgeted for contractual trainers in this area for the purpose of expanding Pharmacy Tech and OSHA trainings.

**INSTITUTIONAL SUPPORT:**

The area of Institutional Support represents 17.90% of this year's budget or \$6,809,584. This is a \$212,079 or 3.21% increase. A certain portion of this increase relates specifically to the hosting of the new Jenzabar ERP system and for travel related to Jenzabar training. A contract for the hosting of the system was more cost effective than the purchase of related hardware, staff support costs, and maintenance of that equipment.

However, the majority of this increase is a result of the reorganization of several staff members previously working for departments in the Academic Support area to departments under the category of Institutional support. These reassignments resulted in an increase in salaries and benefits.

- Two staff members relocated from Media Distribution to Information Technology
- Visual Media and the Webmaster positions relocated to College Relations
- A recruiting position reassigned from Admissions to College Relations
- New Grant Director position previously duties fell under Developmental and Education Programming

This budget does reflect a planned decrease in the College's provision for general institutional contingency funds.

**OPERATION AND MAINTENANCE OF PLANT:**

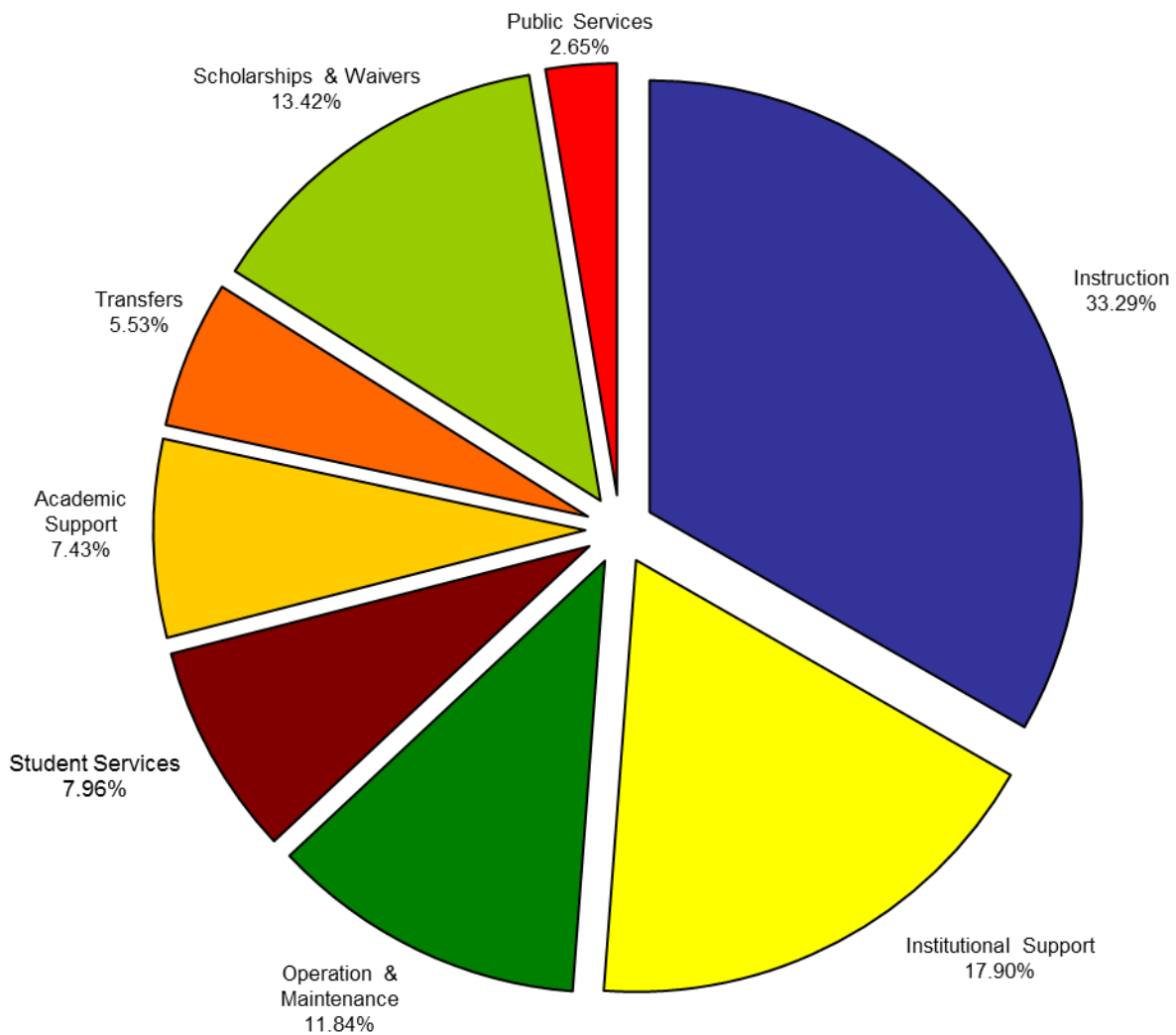
The area of Operation and Maintenance represents 11.84% of this year's budget or \$4,503,157. This is a decrease of 2.26% or \$104,093. Budgeting in this area included decreases in contractual services and general materials and supplies. In addition, the provision for contingency funds was reduced in this area.

There were increases in expected utility expenses based on prior year experience and the addition of some square footage in West Frankfort. An increase in capital outlay was reflected for custodial and grounds maintenance equipment.

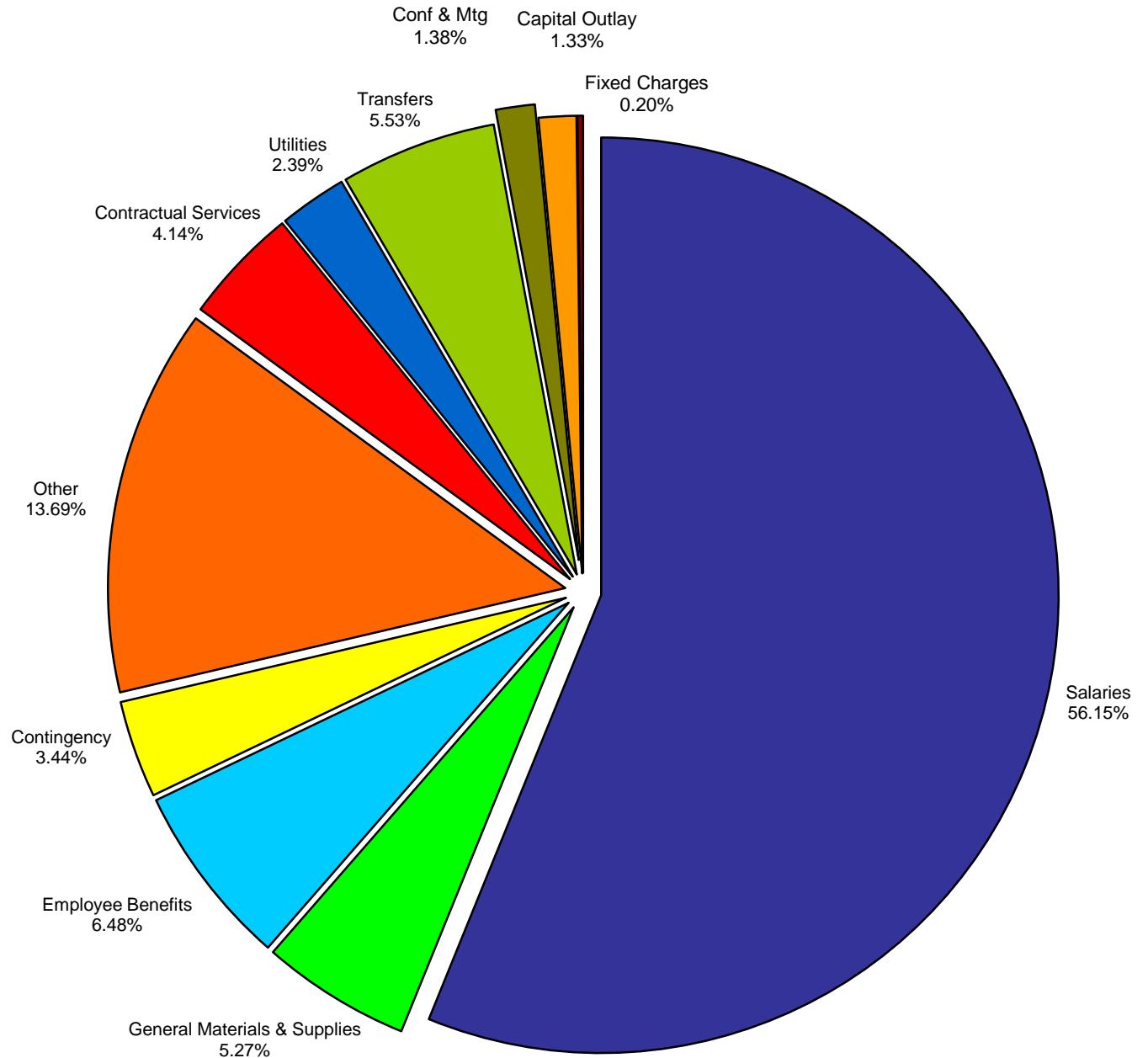
## Summary of Fiscal Year 2014 Operating Budgeted Expenditures

<b>BY PROGRAM</b>	<b>Operations and Education</b>		<b>Total</b>	<b>%</b>
	<b>Fund</b>	<b>Maintenance Fund</b>	<b>Operating Funds</b>	
Instruction	\$12,661,087		\$12,661,087	33.3%
Academic Support	2,816,434		2,816,434	7.4%
Student Services	3,025,235		3,025,235	8.0%
Public Service	1,008,041		1,008,041	2.7%
Operation & Maintenance of Plant		\$4,503,157	4,503,157	11.8%
Institutional Support	6,805,463	4,121	6,809,584	17.9%
Scholarships, Student Grants, and Waivers	5,102,000		5,102,000	13.4%
<b>TRANSFERS</b>	2,102,938		2,102,938	5.5%
<b>Total FY 2014 Budgeted Expenditures</b>	<b>\$33,521,198</b>	<b>\$4,507,278</b>	<b>\$38,028,476</b>	<b>100.0%</b>
Less Nonoperating Items:				
Tuition Chargeback	\$12,000		\$12,000	
<b>ADJUSTED EXPENDITURES</b>	<b>\$33,509,198</b>	<b>\$4,507,278</b>	<b>\$38,016,476</b>	
<b>BY OBJECT</b>				
Salaries	\$19,169,351	\$2,182,687	\$21,352,038	56.1%
Employee Benefits	2,233,437	229,894	2,463,331	6.5%
Contractual Services	1,229,647	343,579	1,573,226	4.1%
General Materials & Supplies	1,728,183	274,148	2,002,331	5.3%
Conference & Meeting Expense	509,230	15,320	524,550	1.4%
Fixed Charges	14,777	62,910	77,687	0.2%
Utilities	0	910,193	910,193	2.4%
Capital Outlay	417,600	88,547	506,147	1.3%
Other	5,206,035	0	5,206,035	13.7%
Provision for Contingency	910,000	400,000	1,310,000	3.4%
<b>TRANSFERS</b>	2,102,938	0	2,102,938	5.5%
<b>Total FY 2014 Budgeted Expenditures</b>	<b>\$33,521,198</b>	<b>\$4,507,278</b>	<b>\$38,028,476</b>	<b>100.0%</b>
Less Nonoperating Items:				
Tuition Chargeback	\$12,000		\$12,000	
<b>ADJUSTED EXPENDITURES</b>	<b>\$33,509,198</b>	<b>\$4,507,278</b>	<b>\$38,016,476</b>	

**Expenditures by Program  
Operating Funds  
FY 2014**



## Expenditures by Object Operating Funds FY 2014





## EXPENDITURE COMPARISON-OPERATING FUNDS FY 2014 vs. FY 2013

<b>EDUCATION &amp; OPERATIONS MAINT. BY PROGRAM</b>	<b>FY 14 Adopted Budget</b>	<b>FY 13 Adopted Budget</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>	<b>% of Total FY14 Budget</b>
INSTRUCTION	\$12,661,087	\$ 12,883,385	\$ (222,298)	(1.73%)	33.29%
ACADEMIC SUPPORT	2,816,434	3,173,258	(356,824)	(11.24%)	7.41%
STUDENT SERVICES	3,025,235	3,070,545	(45,310)	(1.48%)	7.96%
PUBLIC SERVICES	1,008,041	910,450	97,591	10.72%	2.65%
OPERATION & MAINTENANCE	4,503,157	4,607,250	(104,093)	(2.26%)	11.84%
INSTITUTIONAL SUPPORT	6,809,584	6,597,505	212,079	3.21%	17.90%
SCHOLARSHIPS & WAIVERS	5,102,000	5,052,743	49,257	0.97%	13.42%
TRANSFERS	2,102,938	1,755,259	347,679	19.81%	5.53%
<b>TOTALS</b>	<b>\$ 38,028,476</b>	<b>\$ 38,050,395</b>	<b>\$ (21,919)</b>	<b>(0.06%)</b>	<b>100.00%</b>
<b>EDUCATION &amp; OPERATIONS MAINT. EXPENDITURES BY OBJECT</b>	<b>FY 14 Adopted Budget</b>	<b>FY 13 Adopted Budget</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>	<b>% of Total FY14 Budget</b>
SALARIES	\$21,352,038	\$ 21,340,118	\$ 11,920	0.06%	56.15%
EMPLOYEE BENEFITS	2,463,331	2,355,741	107,590	4.57%	6.48%
CONTRACTUAL SERVICES	1,573,226	1,487,884	85,342	5.74%	4.14%
GENERAL MATERIALS & SUPPLIES	2,002,331	1,694,977	307,354	18.13%	5.27%
CONFERENCE & MEETING	524,550	426,564	97,986	22.97%	1.38%
FIXED CHARGES	77,687	94,738	(17,051)	(18.00%)	0.20%
UTILITIES	910,193	878,935	31,258	3.56%	2.39%
CAPITAL OUTLAY	506,147	832,140	(325,993)	(39.18%)	1.33%
OTHER	5,206,035	5,229,039	(23,004)	(0.44%)	13.69%
CONTINGENCY	1,310,000	1,955,000	(645,000)	(32.99%)	3.44%
TRANSFERS	2,102,938	1,755,259	347,679	19.81%	5.53%
<b>TOTALS</b>	<b>\$ 38,028,476</b>	<b>\$ 38,050,395</b>	<b>\$ (21,919)</b>	<b>(0.06%)</b>	<b>100.00%</b>

## ***LONG-RANGE FINANCIAL PLANS***

### *Mission Statement*

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We are a diverse learning and teaching community committed to improving individual life and society through high-quality, accessible educational programs and engaged learning opportunities.

**BUDGET ALIGNED WITH THE STRATEGIC PLAN**

During the initial development of the FY 2014 budget by individual departmental officers, it was difficult for them to tie budget requests directly to the new strategic plan. This was a timing issue due to the fact that the strategic plan document was not finalized until May and was not formally adopted by the Board of Trustees until June of 2013. The budget development process was taking place in the months prior to the completion of the strategic planning process which spanned over an eight month period with the help of an outside consultant.

This extensive strategic planning process was necessary, because the College had previously only developed one other strategic plan document called *Logan at 50: A Strategic Plan for 2017 and Beyond*. The former document was much broader in scope. While it contained strategic pillars and goals, it did not contain actionable items with specific timelines for implementation. There was no ownership of defined strategic projects or performance measures. An additional annual *Operational Plan* document had to be used in conjunction with this former document to complete the planning and budgeting process each year.

Even though for this budget year, Budget Officers could not make direct connections to the new strategic plan document during the initial development phase, the finalized *Five-Year Strategic Plan FY 2014 – 2018* was adopted in time to be taken into consideration when performing the final phase of budget review. The document was used as a reference to make sure any adjustments did not contradict the plan. In addition, discussions and some initial planning had already begun in certain strategic areas while the document was still in draft form, especially in those areas related to technology. There were already plans underway toward the purchase of a new ERP and Learning Management System.

Now that a more comprehensive strategic plan document containing actionable items is in place, the College intends to develop a formal process to align future budgets requests with the plan.

## ***CAPITAL EXPENDITURES***



Community Health Education Complex Building

**CAPITAL EXPENDITURES – DEFINED**

Capital assets include property, equipment, and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial cost of \$2,500 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs not adding to the value of the asset or materially extending the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is computed by the straight-line method over the estimated useful lives as follows:

Site Improvements	10 years
Buildings and Improvements	50 years
Equipment	8 years

**NON-RECURRING CAPITAL EXPENDITURES**

Non-recurring capital expenditures are accounted for in the Operations and Maintenance (Restricted) Fund. This fund is utilized to account for monies restricted for building purposes and site acquisition. Protection, Health, and Safety (PHS) levies are used for various qualifying projects, in which a licensed architect certifies eligibility of use of those funds. John A. Logan College receives funding through the local tax base for PHS projects, which provide for alterations or repairs necessary for health and safety, environmental protection, ADA accessibility, and energy conservation purposes.

Capital investments in the College's facilities are funded through the Restricted Operations and Maintenance Fund (Fund 03). This fund accepts transfers from the general operating fund annually to provide the resources for facility renovation projects, as well as, new construction. In addition, this fund receives bond proceeds, when the College issues bonds for the purpose of constructing facilities, local tax revenue collected to fund Protection, Health, and Safety projects which have been approved by the Illinois Community College Board and the board of trustees, as well as, private donations restricted by the donor for capital improvements. During FY2014, \$2,627,251 is budgeted in the Operations and Maintenance (Restricted) Fund for capital projects. Those projects include the following:

BUDGET BREAKDOWN OF OPERATIONS & MAINTENANCE (O & M) RESTRICTED FUND:  
CAPITAL PROJECTS-FY2014

*CHEC Pool Roof	\$400,000
West Frankfort Extension	134,750
Dental Remodel	355,220
Cosmetology Remodel	787,281
Shipping & Receiving Relocation	75,000
Campus Police Relocation	180,000
**PHS Miscellaneous	620,000
Carpet Replacement	50,000
General Remodeling	25,000
Total O&M Restricted	\$2,627,251

\*CHEC – Community Health Education Complex

\*\*PHS – Protection Health Safety

## ***IMPACT OF CAPITAL IMPROVEMENTS***



The College's Workforce Development training programs and its Construction Management program are housed in this building.



**IMPACT ON CURRENT OPERATING BUDGET**

Because the College has purchased and renovated two off-campus facilities in the last three years, which was not foreseen at the time of the 2007 bond issue, additional support from the Operations and Maintenance Fund (Restricted) was necessary. This was accomplished through existing balances within that fund. Upon completion of all anticipated construction and renovation as listed below, this fund will be exhausted. Any future construction outside of these listed projects would have to be funded from the operating funds or the auxiliary fund. Future projects, other than those funded through the issuance of PHS tax levies are not anticipated for FY2014 or FY2015.

Annually, the College spends between \$750,000 - \$800,000 in protection, health, and safety funds provided through a local tax levy to keep facilities safe, protected, and energy efficient so as to ensure they are available for future generations. This is a central part of the College's ongoing maintenance program and results in a very low deferred maintenance level within the facilities.

The impact on the operating budget as a result of capital projects included a direct transfer of \$500,000 to finish up multiple capital projects listed above. During FY2014, there will be additional operating costs as a result of the operation of the new West Frankfort Extension Center. A light increase in additional staffing will be required to operate this facility during this year due to increased operational hours. Additionally, custodial care has increased due to the increased square footage, which has increased some cost. Hopefully, this increase in cost will be offset by the additional instruction taking place at the facility.

## ***DEBT***



General John Alexander Logan Statue

**CURRENT DEBT LEVELS**

The College's history of limited bond indebtedness is also a factor contributing to the College's evidence of commitment to supporting and strengthening long-term financial health. In 1999, voters approved a 10 cent increase per \$100 assessed valuation to the educational purposes fund to support future educational programs. The College district benefited from an equal amount of bonded indebtedness being paid off at the same time. This increase did not appear as a net tax increase. Later, in February 2007, in order to fund the board of trustee's vision for campus facility expansion, an additional \$20,000,000 in debt was issued in the form of tax exempt bonds. The impact on the districts tax levy was approximately 7 cents. Since that time, the goal of the College has been to maintain the steady and stable tax rate. In most years since that time, the tax rate has declined slightly from the previous year.

Current debt is \$21,882,871 and is comprised of bonds payable of \$18,845,000, debt certificates payable of \$3,000,000 as explained below, and a lease-purchase payable of \$37,871 for the College's phone system. Payments for long-term debt in total for fiscal year 2014 are \$1,769,104.

**LEGAL DEBT LIMITS**

Community College District 530 has a legal debt limit of \$50,243,970, which is equal to the 2.875% of \$1,747,616,349 which is the assessed property valuation in the district. The College has used 43% of its legal debt capacity leaving a legal debt margin of \$28,361,099.

There are no present plans to issue additional capital bonds for construction. The above debt limit information includes the most recent issue of \$3,000,000 in debt certificates for the purpose of investment in new ERP administrative software system and engagement of a partner to assist with implementation services.

In April 2010, the board of trustees passed a resolution to issue working cash bonds in an amount not to exceed \$11,000,000. The board did not have intentions of immediate issue and took the action to allow for quick access to working cash funds should the state's cash flow problems worsen creating a hardship on the College. The cash flow has returned to what one would consider normal patterns, which is one of a four month delay in state payments. To date, it has not been necessary to issue additional working cash fund bonds and the administration does not see it necessary to issue bonds in FY 2014 and will continually reevaluate based upon the cash flow forecast. The authority to issue bonds through the resolution passed in April 2010 expired in March 2013. Therefore, if there were an additional issue to occur in the future, the prior limits available in the law would prevail.

**IMPACT ON OPERATIONS**

The large amount of debt margin available to the College has the potential of providing needed cash flow relief if economic conditions in Illinois were to return to the slow payment experienced in 2008 – 2011. Significant debt margin exists to aid the College to address any unforeseen problem.

## ***PERSONNEL INFORMATION***



Employee, Beth Hanner, receives an award for raising funds for the American Heart Association.

**John A. Logan College**  
**Institutional Position Count By Employee Group**

Employee Group (Full-Time):	FY 10	FY 11	FY 12	FY 13	FY 14
Campus Safety	8	8	8	7	8
Faculty	106	102	98	95	96
Non-Teaching Professional	95	96	95	93	99
Non-Teaching Professional-Grant	32	32	31	33	33
Operational (Clerical)	78	74	80	78	80
Operational-Grant	9	9	8	7	7
Custodial/Maintenance/Grounds	36	33	32	33	34
 Subtotal-Full-Time	 364	 354	 352	 346	 357
 Employee Group (Part-Time):	 FY 10	 FY 11	 FY 12	 FY 13	 FY 14
Campus Safety	14	12	8	10	12
ABE/GED/ASE Instructors	13	14	13	13	15
Non-Teaching Professional-Grant	7	6	8	4	5
Operational-Grant	1	1	1	1	1
Student Workers	125	107	98	99	104
Non-Teaching Professional	10	9	9	9	14
Term Faculty (Adjunct)	183	167	172	162	173
Trainers	9	6	12	7	10
Continuing Education Instructors	66	61	62	62	65
Operational (Clerical)	11	10	9	11	11
Custodial	0	0	4	5	5
 Subtotal-Part-Time	 439	 393	 396	 383	 415
 Total JALC Employees	 803	 747	 748	 729	 772

Full-Time Faculty Position Counts							
Instructional Dept.	FY 10	FY 11	FY 12	FY 13	FY 14	Net Change	Comments
Social Science	10.00	10.00	10.00	10.00	10.00		
Life Science	8.80	8.80	8.80	7.80	8.80		
Physical Science	6.50	6.50	6.50	6.50	6.00	(0.50)	Retirement
Humanities	8.70	8.70	6.70	6.70	7.70	(1.00)	Retirement
Theatre	0.30	0.30	0.30	0.30	0.30		
English	11.00	10.00	9.00	8.00	8.00	(3.00)	Retirements
Math	7.50	6.50	7.50	7.50	7.00	(0.50)	Retirement
Business	9.00	9.00	9.00	8.00	7.00	(2.00)	Retirements
Data Processing	4.00	4.00	4.00	4.00	3.00	(1.00)	Retirement
Automotive	2.00	2.00	2.00	2.00	2.00		
Auto Body	1.00	1.00	1.00	1.00	1.00		
Drafting	0.50	0.50	0.50	0.50	0.50		
Machinist	0.50	0.50	0.00	0.00	0.00	(0.50)	Program Eliminated
Welding	1.00	1.00	1.00	1.00	1.00		
Electronics	2.00	2.00	1.00	1.00	1.00	(1.00)	Retirement
Emergency Medical Services	0.00	0.00	0.00	0.00	1.00	1.00	New Position
Heating & Air Cond	1.00	1.00	1.00	1.00	1.00		
Certified Medical Assisting	0.00	0.00	0.00	0.00	1.00	1.00	New Position
Computer Integrated Mfg.	0.50	0.50	0.50	0.50	0.50		
Tool & Die	0.50	0.50	0.00	0.00	0.00	(0.50)	Program Eliminated
Construction Management	3.00	2.00	2.00	2.00	2.00	(1.00)	Position Eliminated
Associate Degree Nursing	4.00	3.00	3.00	3.00	4.00		
Child Care	1.00	1.00	1.00	1.00	1.00		
Cosmetology	3.00	3.00	3.00	3.00	3.00		
Nursing Assistant	2.00	2.00	2.00	2.00	1.00	(1.00)	Department Transfer
Practical Nursing	6.00	6.00	6.00	6.00	6.00		
Dental Assisting	2.00	2.00	2.00	2.00	2.50	0.50	New Position
Dental Hygiene	4.00	4.00	4.00	4.00	3.50	(0.50)	Vacancy, New Position
Sonography	1.00	1.00	1.00	1.00	1.00		
Massage Therapy	1.00	1.00	1.00	1.00	1.00		
Interpreter Prep Training	2.00	2.00	2.00	2.00	2.00		
Criminal Justice	1.00	1.00	1.00	1.00	1.00		
International Education	0.20	0.20	0.20	0.20	0.20		
Library	1.00	1.00	1.00	1.00	1.00		
<b>Total</b>	<b>106</b>	<b>102</b>	<b>98</b>	<b>95</b>	<b>96</b>	<b>(10.00)</b>	<b>Change FY10 to FY14</b>

### **CHANGES IN STAFF LEVELS**

Full-Time Faculty positions have been reduced either through attrition or an actual elimination of some low enrollment programs. Adjunct Faculty members are being utilized as needed, but overall there has been a very slight decrease in the actual number of part-time faculty members as compared to earlier years. Through attrition, the total number of full-time Custodial positions have been slightly reduced and partially replaced with the addition of newly created part-time positions. The number of Student Worker positions have decreased from earlier years due to both a reduction in available Federal College Workstudy funds and additional restrictions placed on the total number of weekly work hours. The reduction in the number of allowable work hours was designed to provide a savings in institutional supported student wages.

## ***ORGANIZATIONAL UNITS / DIVISIONS***



### **Officers of the College**

Deborah Payne, Vice President for Instructional Services, Brad McCormick, Vice President for Business Services, Tim Daugherty, Vice President for Administrative Services, Mike Dreith, President

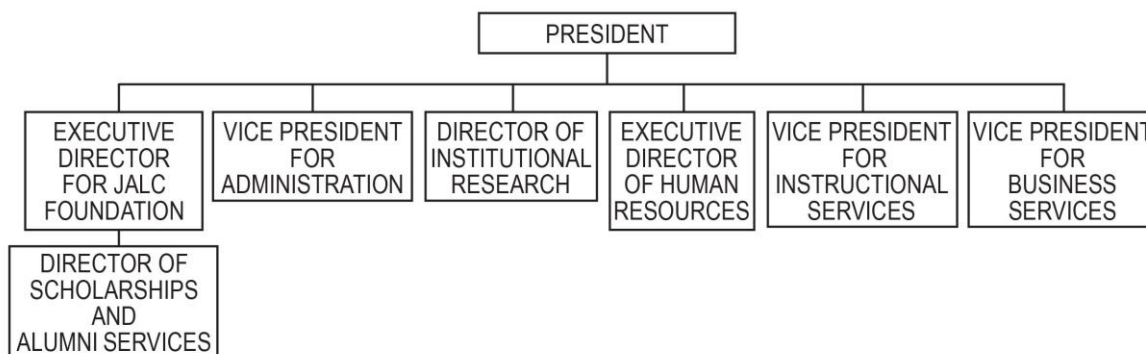


**FUNCTIONS – PRESIDENT’S DIVISION**

The President serves as the College’s chief executive officer and reports directly to the Board of Trustees. Three divisional vice-presidents report directly to the president. The President is responsible for the total operation of the College, including the recommendation of policies, and for the administration of the College according to the established purposes and policies. The College foundation and College development are also lodged in the Office of the President.

- **Human Resources Office** - Responsible for posting positions and accepting job applications. In addition, the department oversees hiring committees and placing hiring items on the board agenda. They also perform background checks, coordinate new hire paperwork, complete employment verifications, and review FMLA requests.
- **JALC Foundation** - A 501(c)(3) not for profit corporation that provides financial support to the educational programs and services at John A. Logan College; to assist in increasing and enhancing the physical and cultural environment of the College; to broaden the educational opportunities and services for its students, alumni, and citizens of the District; and to provide funds to implement scholarships and various awards.
- **Office of Institutional Research** - Responsible for compiling College reports, surveying constituent groups and developing analysis reports. As part of the strategic planning process, SWOT analyses are being conducted

## PRESIDENT'S DIVISION ORGANIZATIONAL CHART



**FUNCTIONS - INSTRUCTIONAL DIVISION**

The Vice-President for Instructional Services oversees the administration of all aspects of the College's Baccalaureate Transfer and Career programs as well as the Library and Media Services.

In addition to its primary teaching departments, the Instructional division includes other departments responsible for providing instructional support. Critical functions of the Office of the Vice-President and these other instructional departments include the following:

**Curriculum Development** - John A. Logan College will strive to make sure the curriculum reflects the educational purposes of this institution. Therefore, curriculum development necessitates the implementation of a comprehensive community college program and an open-door admissions policy, as well as recognition of the community. Curriculum development is a continuous, ongoing process of careful planning, implementation, and evaluation. Teaching faculty and staff of the College will work closely in this respect while functioning through the Curriculum and Instruction Committee.

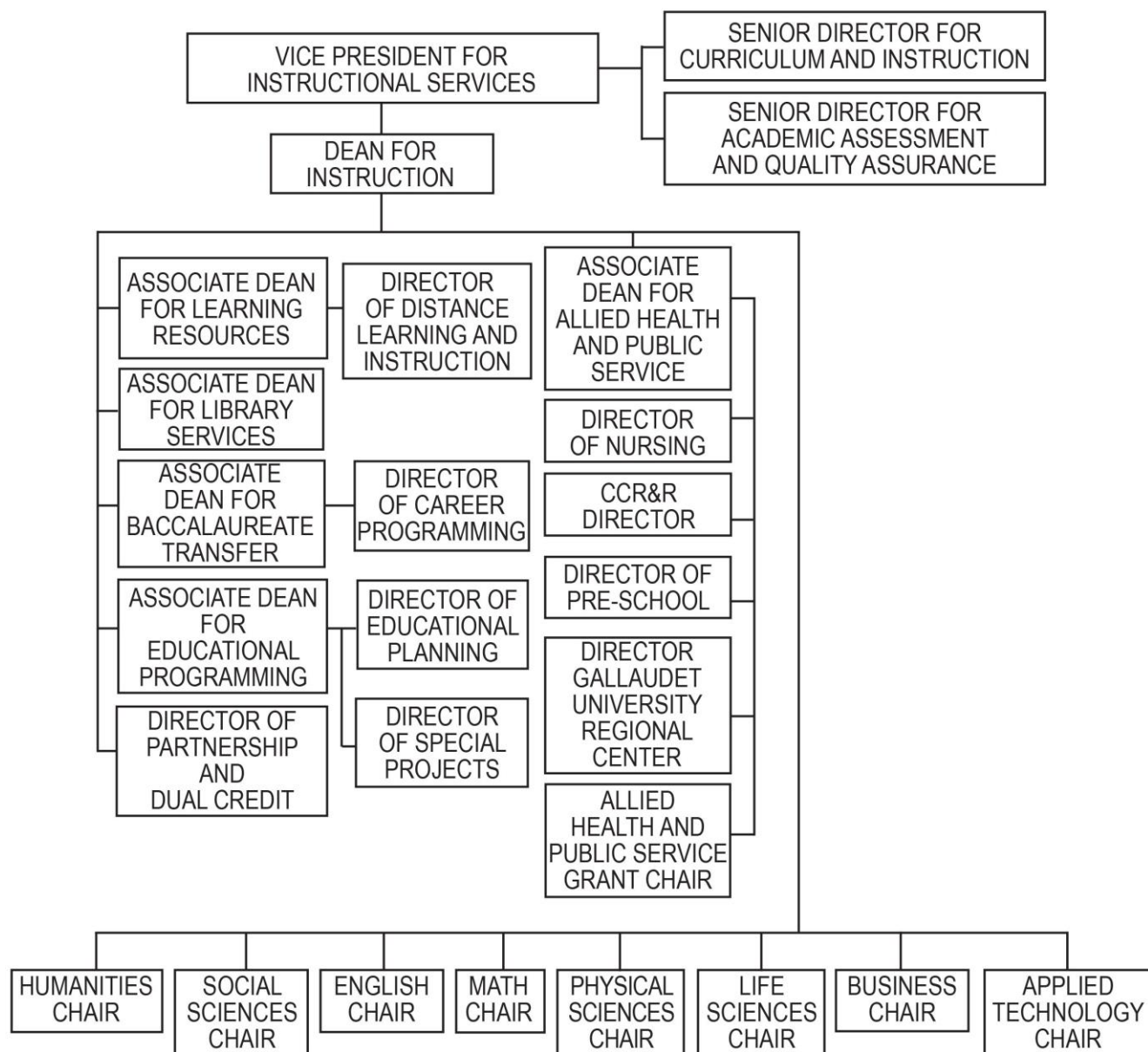
**Articulation** - For those students who aspire to earn the baccalaureate transfer degree, an awareness of curricular requirements of senior institutions of higher learning is essential. Liaison and coordination with four-year colleges and universities is the responsibility of the vice-president for Instructional Services. In addition, a dedicated articulation specialist provides assurance that courses and transfer degree programs meet articulation requirements with transfer universities and the Illinois Articulation Initiative. These articulation requirements are communicated to all faculty through curriculum guides and the College **Catalog**.

**Faculty Affairs** - The responsibility for procuring and retaining well-qualified and dedicated community college faculty is initiated by the Office of the Vice-President for Instructional Services. This responsibility encompasses recruitment, evaluation, retention, advancement, assignment and development and will involve the recommendations of the deans. Since the primary role of the instructor is to teach, every effort will be made to provide the best possible instruction. Just as curriculum must mirror the purposes of the College, so, too, must instructors and instruction emphasize the educational role of our College.

**Budgeting** - Adequate financial support of instruction results from planning. Generally, expenditures are made only for budgeted items. All faculty members will participate in budget formulation by recommending expenditures for the forthcoming fiscal year. All requisitions for instruction and faculty affairs are subject to approval by the vice-president for instructional services.

**Publication of the College Catalog** - The Office of the Vice-President for Instructional Services and the Office of the Vice-President for Administration are responsible for providing leadership in publishing the College **Catalog**, with input from the Catalog/Homepage Committee.

# INSTRUCTIONAL SERVICES DIVISION ORGANIZATIONAL CHART



**FUNCTIONS – ADMINISTRATIVE SERVICES DIVISION**

The Office of the Vice-President for Administration serves to support the total administrative services component of the College as assigned in the organizational structure. This includes the entire student services function of the College, Student Activities and Athletics, Placement, College Relations, Continuing Education, Adult Basic/Secondary Education, and Workforce Development.

This office is responsible for the following functions:

- Institutional planning
- In-service staff development for operational (clerical) staff
- Preparation and management of budget for the Administrative Services Division
- The student services function of the College (admissions and registration, academic advisement, records maintenance)
- Student life and activities functions outside of direct instructional activities (student activities, placement, veterans affairs, financial aid, athletics, student success center; and minority transfer center)
- Referring students with counseling needs to proper resources
- Workforce development and community education (continuing education classes; extension centers, IETC, Adult Secondary Education; GED, literacy, Adult Basic Education, and Business and Industry)
- Administration and supervision of the College relations office
- Assuming of duties, authority, and responsibilities of the president in his absence

**Career Development Center** – The center assists students in clarifying goals and objectives that are related to their work values, abilities, needs, and interests.

**Career Services** – This office provides placement services that are available to assist all students, graduates, and alumni in securing employment in positions directly related to their academic areas.

**Transfer Center** - Serves as the focus for transfer activities to encourage, guide, and inform students about transfer opportunities and the process of transferring from a community college to baccalaureate-degree-granting institution.

**Student Success Center** – The Success Center is jointly funded by John A. Logan College and a United States Department of Education TRiO grant. The Student Success Center maintains tutoring services for various subjects.

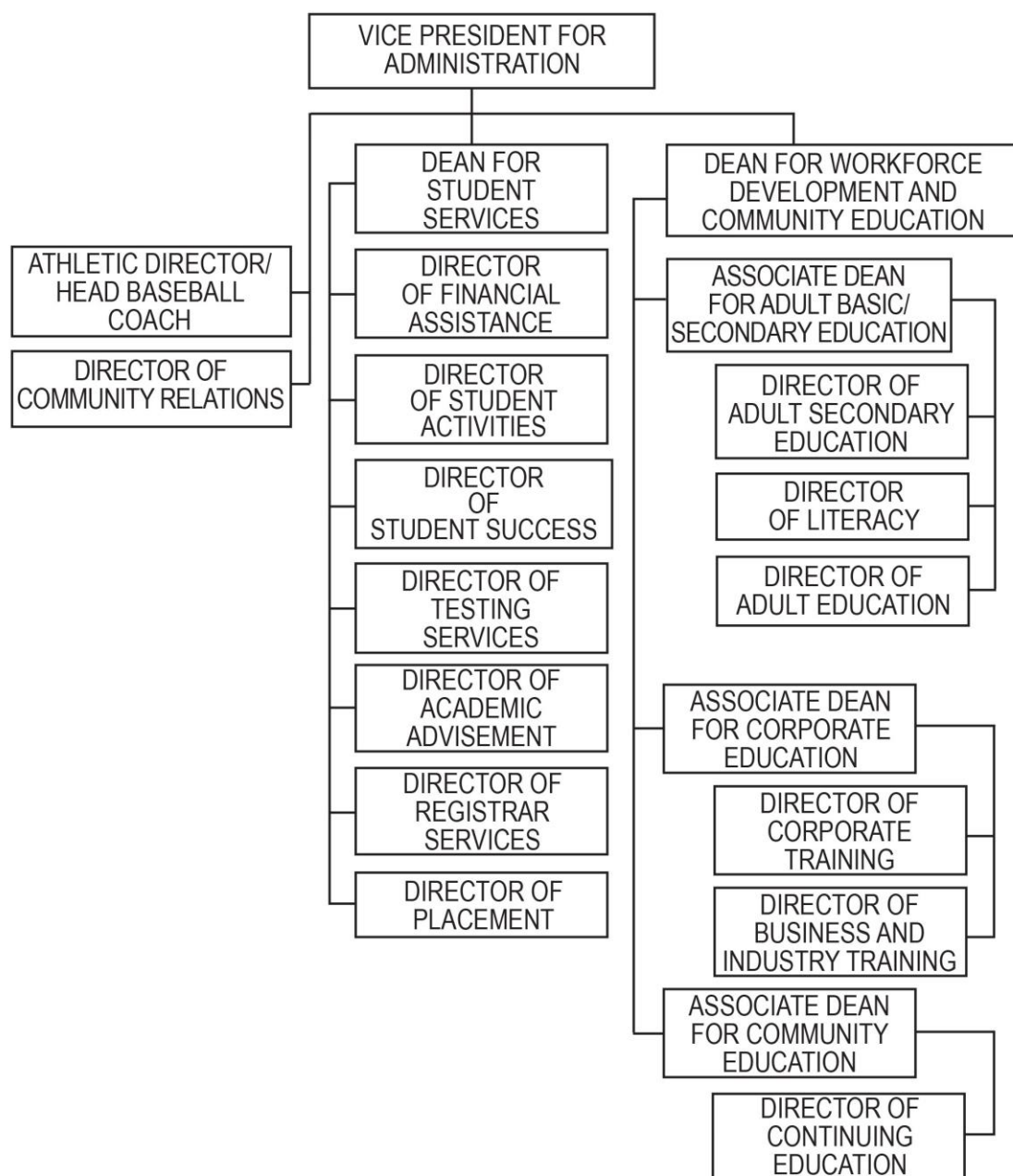
**Adult Education** - Provides GED classes at the College and in various communities for adults who were unable to complete their formal high school studies.

**Adult Secondary Education (ASE) Program** - Coordinated effort involving John A. Logan College, the high schools in the John A. Logan College district, and the Regional Superintendents of Schools. The program is offered to students who have dropped out of school or who are at risk of school failure in their regular school environment.

**Literacy Program** - Staffed with trained volunteers to assist adults with reading skills.

**Office of Student Activities** - Coordinates campus clubs and organizations, the performing arts series, special events, museum exhibits, and events with area K-12 school districts.

## ADMINISTRATIVE SERVICES DIVISION ORGANIZATIONAL CHART



**FUNCTIONS – BUSINESS SERVICES DIVISION**

The Vice-President for Business Services and College Facilities is responsible for all business and financial operations of the College, Information Technology, Word Processing, Campus Safety, Buildings and Grounds, and the College's operations that are under contract, such as food services and the bookstore.

The Office serves as a support function of the College:

- Accounting / Business Office
- Payroll and fringe benefits
- Collection of tuition and fees
- Preparation of financial reports
- Budget planning and preparation
- Purchasing
- Collective bargaining
- Risk management
- Data processing
- Word Processing Center
- Scheduling Office
- Investment of College funds
- College operations that are under contractual agreement
- Operation, cleaning, and maintenance of College buildings and grounds
- Campus security, building keys, and inventory control
- Coordination of construction projects, financing arrangements, contracts

**Business / Bursar's Office** - Provides accounting, budgeting, cashiering, billing and receivable management, accounts payable, payroll, internal controls, cash management and investments, external compliance, and financial reporting.

**Maintenance** - Responsible for maintaining the College's physical plant and grounds, providing a safe and secure environment, energy conservation, receiving duties.

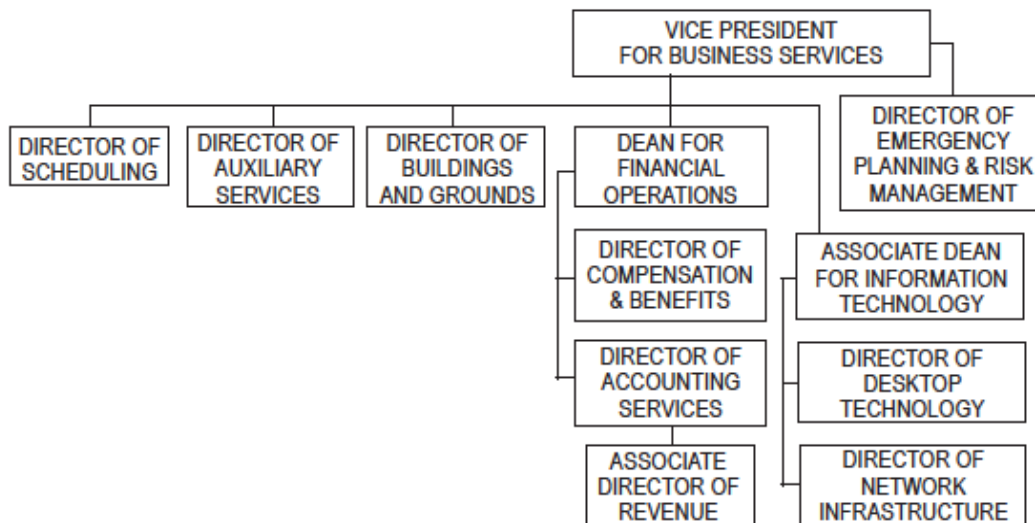
**Information Technology** - Responsible for management of the College's phone services, computer networks, computer program development, software support, email services, system security, and performs maintenance on and replacement of College computers.

**Risk Management** - Responsible for management of Campus Safety personnel, security of students and staff, risk management, and compliance reporting.

**Scheduling** – This office is responsible for all classroom scheduling and facilities scheduling of the conference center and other meeting rooms for both internal staff and external organizations to schedule conferences, seminars and banquets.

**Auxiliary Services** – Oversees Word Processing, Copy Center, Supply Room, and oversight of the College's bookstore & vending operations which are performed by outside vendors.

## BUSINESS SERVICES DIVISION ORGANIZATIONAL CHART





## ***PERFORMANCE MEASURES***



JALC Students hanging out during lunch in the cafeteria.



**INSTITUTIONAL ACCOMPLISHMENTS- EXPECTED DURING FY 2014**

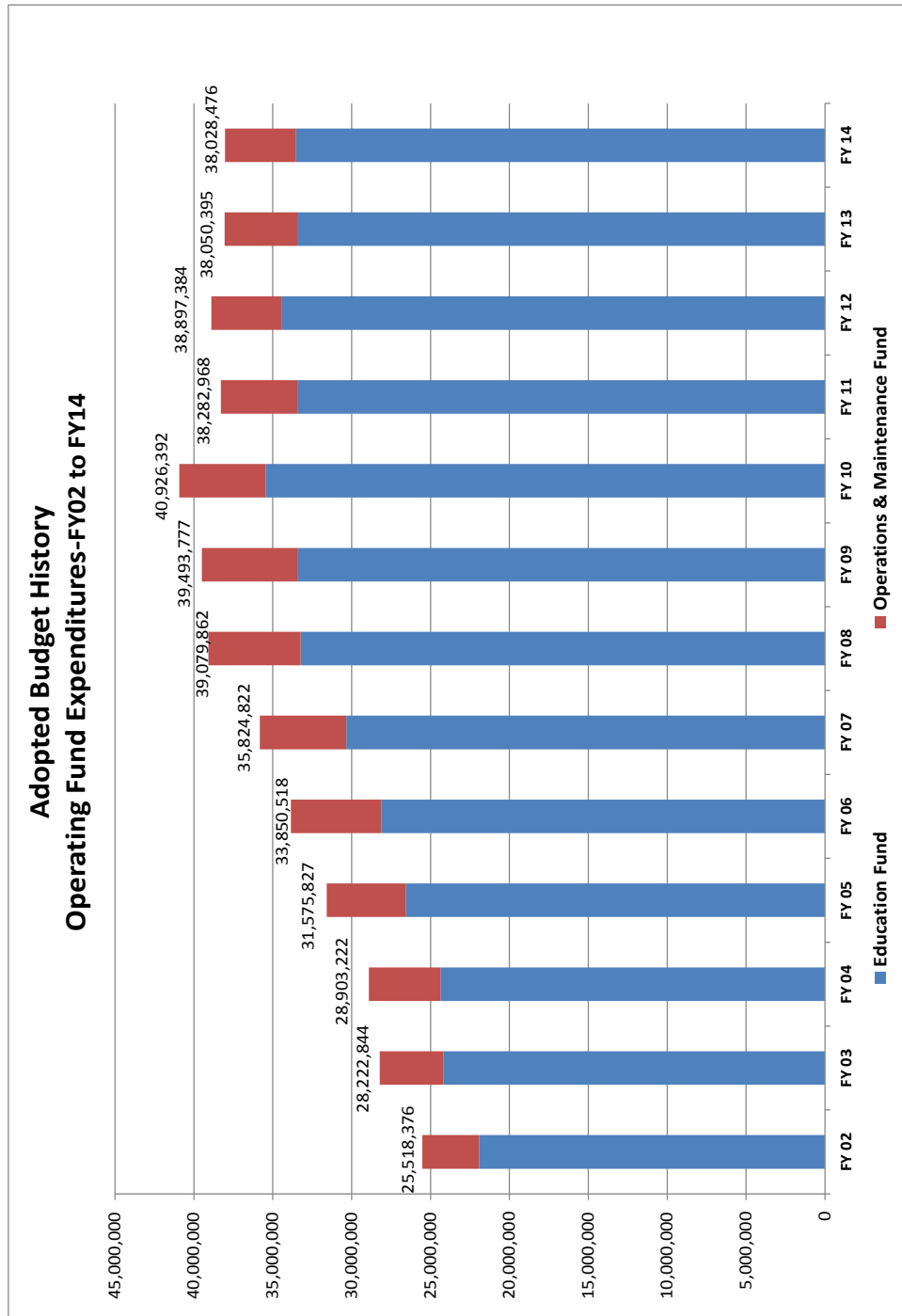
- Completion of Dental and Cosmetology renovations
- Opening of a new College owned facility for the West Frankfort Extension Center with expanded offerings and increased enrollment
- Relocation of Campus Police department
- Implementation of the 5 year Strategic Plan including progress on strategic projects
- Full implementation and training for the new Desire2Learn (D2L) Learning Management System (LMS) for online instruction
- Engagement of an implementation partner (Campus Works) for the new Jenzabar Enterprise Resource Planning (ERP) administrative software system to be used campus wide
- Training and data cleanup in preparation for the 1<sup>st</sup> stage of the ERP implementation
- Hiring of a new position: Dean of Institutional Effectiveness
- Launch a new College Intranet through the use of SharePoint software
- Launch a new College website
- Payment Card Industry (PCI) compliance training
- Continued energy reduction through membership in the Illinois Green Economy Network

## ***SUPPLEMENTAL MATERIAL***



Men's Basketball Team gets in a practice

<b>Adopted Budget History</b> <b>Operating Fund Expenditures</b> <b>FY 00 - FY 14</b>				
<b>FISCAL YEAR</b>	<b>Education</b>	<b>Operations &amp; Maintenance</b>	<b>Total Amount</b>	<b>Increase (Decrease) From Prior Year</b>
FY 00	19,046,734	2,737,552	21,784,286	
FY 01	20,297,130	3,672,809	23,969,939	10.03%
FY 02	21,918,087	3,600,289	25,518,376	6.46%
FY 03	24,195,342	4,027,502	28,222,844	10.60%
FY 04	24,365,041	4,538,181	28,903,222	2.41%
FY 05	26,571,301	5,004,526	31,575,827	9.25%
FY 06	28,109,073	5,741,445	33,850,518	7.20%
FY 07	30,337,763	5,487,059	35,824,822	5.83%
FY 08	33,235,496	5,844,366	39,079,862	9.09%
FY 09	33,397,236	6,096,541	39,493,777	1.06%
FY 10	35,436,271	5,490,121	40,926,392	3.63%
FY 11	33,393,581	4,889,387	38,282,968	(6.46%)
FY 12	34,407,822	4,489,562	38,897,384	1.60%
FY 13	33,443,145	4,607,250	38,050,395	(2.18%)
FY 14	33,521,198	4,507,278	38,028,476	(0.06%)



**ENROLLMENT STATISTICS / DEMOGRAPHICS**

John A. Logan College enrolled 6,425 students in baccalaureate-transfer and career education programs fall semester, 2013 with 57.5% of those students being female and the average age being just under 35 years old. For the same semester, approximately 6,000 continuing education students were enrolled in credit and non-credit classes. In addition, the Center for Corporate Education trains over 15,000 (duplicated count) people each academic year. Full-Time Equivalency (FTE) was 3,340 for FY13. Students from over 400 high schools in Illinois, 40 states and over 30 countries currently enroll at the College.

See below a table detailing five years' worth of demographic data based on 10<sup>th</sup> day enrollment for the fall term.

Student Age, Ethnicity, and Gender Information Fall 10th Day Enrollments - FL 09 to FL 13					
Age Information	FL 09	FL 10	FL 11	FL 12	FL 13
17 & under	324	333	336	340	464
18-20	2,044	1,896	1,709	1,739	1,609
21-25	1,494	1,437	1,307	1,297	1,343
26-30	615	559	591	503	505
31-40	650	603	499	519	512
41-50	452	411	346	370	370
51-60	388	374	344	358	355
61-70	645	708	700	758	699
71-80	342	377	341	412	462
81-90	66	84	76	100	102
91 & over	4	5	8	4	4
<b>Total</b>	<b>7,024</b>	<b>6,787</b>	<b>6,257</b>	<b>6,400</b>	<b>6,425</b>
<b>Average age</b>	33.1	34.0	34.1	35.1	34.9
Under 21	2,368	2,229	2,015	2,079	2,073
Age 17-22	3,020	2,838	2,604	2,612	2,525
25 and over	3,331	3,283	3,067	3,186	3,157
60 and over	1,054	1,225	1,174	1,324	1,317

Ethnicity	FL 09	FL 10	FL 11	FL 12	FL 13
American Indian or Alaskan Native	30	32	30	30	20
Asian	99	77	74	74	77
Black or African American	551	522	467	518	526
Hispanics of any race	105	108	112	104	101
Native Hawaiian or Other Pacific Islander	0	0	0	0	21
White	6,197	6,047	5,433	5,401	5,282
Non-Resident Alien	0	0	10	0	0
Unknown	42	1	131	273	398
<b>Total</b>	<b>7,024</b>	<b>6,787</b>	<b>6,257</b>	<b>6,400</b>	<b>6,425</b>
Total Minority	785	739	683	726	745

Gender	FL 09	FL 10	FL 11	FL 12	FL 13
Female	4,153	4,020	3,787	3,733	3,694
Male	2,871	2,767	2,470	2,667	2,731
<b>Total</b>	<b>7,024</b>	<b>6,787</b>	<b>6,257</b>	<b>6,400</b>	<b>6,425</b>

**REGIONAL DATA**

John A. Logan College is located in the southern tip of Illinois. The College is located in a semi-rural region that contrasts sharply with the industrial/metropolitan stereotype of Illinois. It is located 335 miles south of the state's major metropolitan center, Chicago; and 180 miles from the state capital, Springfield. The closest large population center is the Belleville/St. Louis metropolitan area 122 miles due northwest.

John A. Logan College serves 5 rural counties (Franklin, Jackson, Perry, Randolph, and Williamson) in southern Illinois with a combined population of 221,166. The total land area of the counties (combined) is 2,430.4 square miles leaving the total persons per square mile at 91.0.

The ethnic breakdown of the population of the five counties the College serves follows (U.S. Census 2012 data):

Ethnicity	Franklin	Jackson	Perry	Randolph	Williamson
White	97.7%	78.6%	88.9%	88.4%	93.0%
Black or African American	0.5%	14.6%	8.7%	10.0%	4.1%
American Indian and Alaska Native	0.3%	0.5%	0.4%	0.2%	0.4%
Asian	0.4%	3.7%	0.5%	0.3%	0.9%
Native Hawaiian and Other Pacific Islander	N/A	0.1%	N/A	0.1%	N/A
Hispanic or Latino Origin	1.3%	4.2%	3.0%	2.7%	2.1%
Persons reporting two or more races	1.1%	2.5%	1.5%	1.0%	1.6%

Age and gender data (U.S. Census 2012 data) also follows:

Age/Gender Information	Franklin	Jackson	Perry	Randolph	Williamson
Persons under 18 years	22.8%	17.8%	20.2%	19.3%	21.8%
Persons 65 years and over	18.7%	12.1%	16.3%	16.6%	17.1%
Females	51.0%	49.4%	45.6%	45.0%	50.5%

Housing and income information for the counties is as follows (U.S. Census data):

Housing/Income Information	Franklin	Jackson	Perry	Randolph	Williamson
Housing units (2011)	18,504	28,668	9,364	13,692	30,503
Homeownership rate (2007-2011)	78.4%	54.4%	78.5%	76.2%	72.3%
Households (2007-2011)	16,100	23,718	8,252	12,022	26,764
Persons per household (2007-2011)	2.42	2.27	2.42	2.46	2.39
Median household income (2007-2011)	\$36,383	\$32,896	\$41,333	\$46,148	\$41,319
Persons below poverty level (2007-2011)	18.5%	29.1%	17.0%	12.4%	16.9%

Educational attainment information for the populations of the five counties follows (U.S. Census data):

Education Information	Franklin	Jackson	Perry	Randolph	Williamson
High school graduates (persons age 25 and over – 2007-2011)	84.9%	89.9%	83.0%	79.9%	88.4%
Bachelor's degree or higher (persons age 25 and over – 2007-2011)	12.8%	35.6%	13.9%	11.6%	22.0%



Unemployment rates in the southern Illinois region continue to remain high. The counties the College serves are no exception. Two of the five are ranked amongst the top five in Illinois with Franklin actually ranking highest in terms of unemployment. The rates as of October 2013 were as follows (Illinois Department of Employment Security data):

Franklin	11.9
Jackson	7.3
Perry	10.9
Randolph	7.9
Williamson	8.0

Major employers in the region include the following:

- Southern Illinois University-Carbondale
- Southern Illinois Healthcare
- Crownline Boats
- John A. Logan College
- Aisin Manufacturing Illinois, LLC
- Pepsi Mid-America
- Heartland Regional Medical Center
- U.S. Department of Justice (United States Penitentiary)
- Blue Cross/Blue Shield of Illinois
- The H Group
- Wal-Mart
- Penn Aluminum International
- Illinois Department of Transportation
- General Dynamics

Some of the major industries in the area include:

- Healthcare and Healthcare Related Services
- Education
- Transportation/Logistics
- Retail
- Construction
- Manufacturing
- Distribution
- Rail
- Farming
- Coal Mining
- Power Production

Coal mining was the major industry in southern Illinois during most of the 20<sup>th</sup> century. Agriculture was another important industry for the region during this time period. Area employment grew significantly after World War II, but more rural areas continued to suffer from higher unemployment levels.

With passage of the Clean Air Act of 1990, the impact on mining in the region was devastating. Southern Illinois coal is high in sulfur and many utility companies were forced to switch to low sulfur coal. Due to the high cost of cleaning the higher sulfur coal area mines lost markets and the economy was greatly affected. As such, southern Illinois agriculture became the dominant force in driving the southern Illinois economy.

Populations in smaller cities and towns have suffered with the movement of people primarily to Carbondale, Herrin and Marion. The town of Marion as well as the entire region received a significant boost with the 2010 passage of the STAR Bonds District for the Millennium Development. This was the first passage of a STAR Bonds District in Illinois. According to Governor Pat Quinn, "This new law will bring investment, spur economic development and create jobs across Illinois." The Millennium Development's (now known as Boulder Creek at the Hill) purpose is to develop a major retail and entertainment complex near Marion. It was originally developed for a city ten times the size of Marion. It is hoped that this development will spur the struggling economy across southern Illinois.

In addition, the Southern Illinois region is famous for tourism with 18 wineries; driving services for group tours; unique restaurants, shopping and antiques; numerous orchards; museums; and lodging which includes cabins and bed & breakfast facilities. The Shawnee Hills Wine Trail looks forward to increasing growth and success in the years to come, and was recently granted an American Viticultural Area (AVA) designation.

Located in the College district is the Crab Orchard National Wildlife Refuge. Crab Orchard National Wildlife Refuge's 44,000 acres of land and water contain a wide diversity of flora and fauna. Major habitat types on the refuge include hardwood forest, agricultural land, grazing units, brush lands, wetlands, and lakes.

The Refuge provides significant resting areas for migratory birds utilizing the Mississippi Flyway. The western 24,000 acres of the refuge provide a wide range of recreational opportunities and also include a 4,050-acre wilderness area. The eastern portion, 20,000 acres, is a wildlife sanctuary, and public use is limited.

Visitation reported is roughly 1,000,000 guests annually.

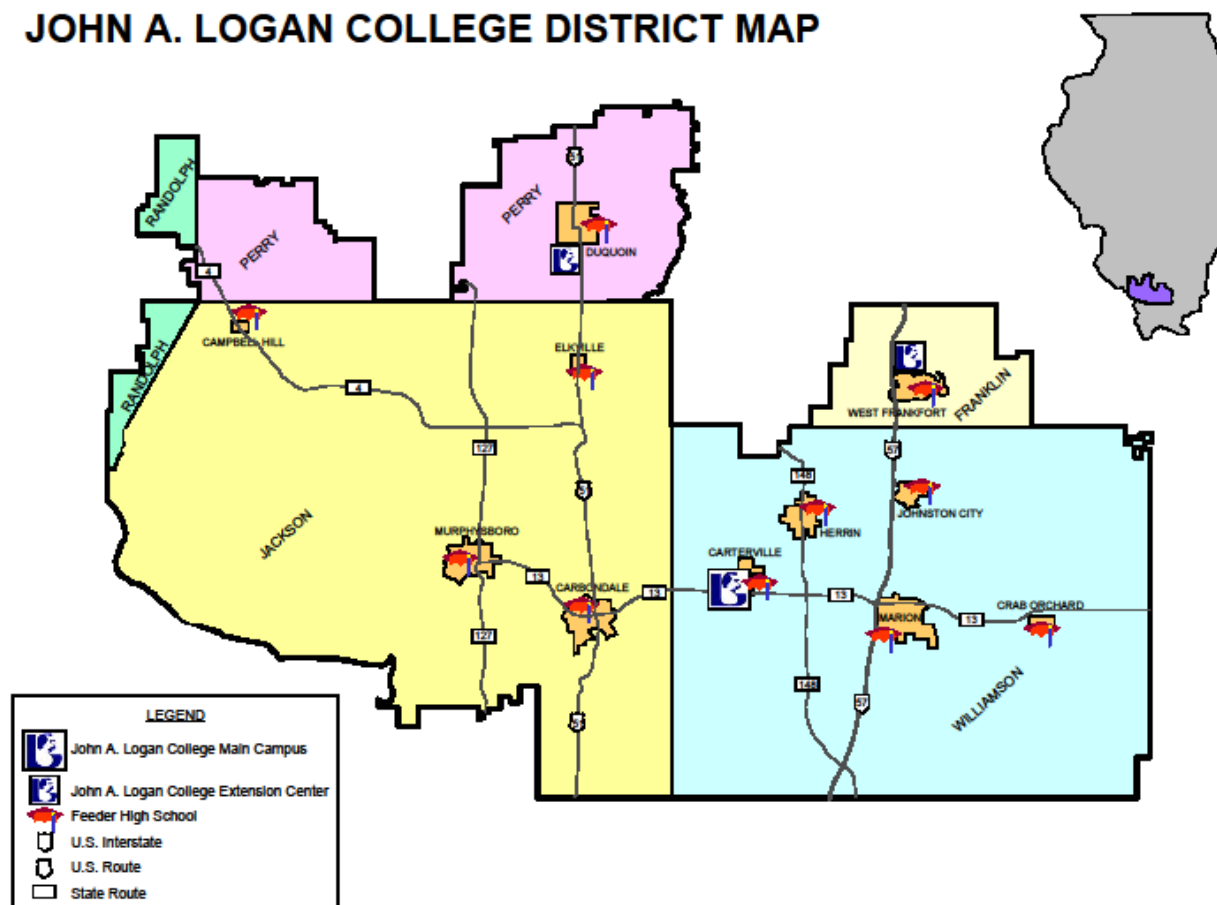
Southern Illinois University at Carbondale is the state's second teachers college - founded in 1869. The University now ranks among Illinois' most comprehensive public universities.

Each year, SIUC welcomes students from every state as well as more than 100 countries who take advantage of outstanding academic programs as they pursue associate, Bachelor's, master's, doctoral and professional degrees in law and medicine. Additionally, the University provides many civic and cultural events to the region.

**ICCB TUITION AND FEES SURVEY BY COLLEGE**

COLLEGE	In-District Fall FY2014 (calendar 2013)			In-District Spring FY2014 (calendar 2014)		
	Tuition	*Fees	Total	Tuition	*Fees	Total
DUPAGE	\$ 107.15	\$ 32.85	\$ 140.00	\$ 107.15	\$ 32.85	\$ 140.00
SANDBURG	\$ 140.00	\$ -	\$ 140.00	\$ 140.00	\$ -	\$ 140.00
HEARTLAND	\$ 130.00	\$ 9.00	\$ 139.00	\$ 130.00	\$ 9.00	\$ 139.00
SOUTH SUBURBAN	\$ 120.00	\$ 17.75	\$ 137.75	\$ 120.00	\$ 17.75	\$ 137.75
WOOD	\$ 123.00	\$ 10.00	\$ 133.00	\$ 123.00	\$ 10.00	\$ 133.00
HIGHLAND	\$ 115.00	\$ 16.00	\$ 131.00	\$ 115.00	\$ 16.00	\$ 131.00
MORAIN VALLEY	\$ 109.00	\$ 17.00	\$ 126.00	\$ 109.00	\$ 17.00	\$ 126.00
SPOON RIVER	\$ 105.00	\$ 20.00	\$ 125.00	\$ 105.00	\$ 20.00	\$ 125.00
HARPER	\$ 108.50	\$ 16.00	\$ 124.50	\$ 108.50	\$ 16.00	\$ 124.50
PRAIRIE STATE	\$ 108.00	\$ 16.00	\$ 124.00	\$ 108.00	\$ 16.00	\$ 124.00
DANVILLE	\$ 108.00	\$ 12.00	\$ 120.00	\$ 108.00	\$ 12.00	\$ 120.00
LEWIS & CLARK	\$ 101.00	\$ 17.00	\$ 118.00	\$ 101.00	\$ 17.00	\$ 118.00
PARKLAND	\$ 109.00	\$ 8.50	\$ 117.50	\$ 109.00	\$ 8.50	\$ 117.50
KANKAKEE	\$ 104.00	\$ 13.00	\$ 117.00	\$ 104.00	\$ 13.00	\$ 117.00
BLACK HAWK	\$ 115.00	\$ -	\$ 115.00	\$ 115.00	\$ -	\$ 115.00
ILLINOIS CENTRAL	\$ 115.00	\$ -	\$ 115.00	\$ 115.00	\$ -	\$ 115.00
KISHWAUKEE	\$ 101.00	\$ 11.00	\$ 112.00	\$ 101.00	\$ 11.00	\$ 112.00
LAKE COUNTY	\$ 93.00	\$ 19.00	\$ 112.00	\$ 93.00	\$ 19.00	\$ 112.00
KASKASKIA	\$ 97.00	\$ 14.00	\$ 111.00	\$ 97.00	\$ 14.00	\$ 111.00
LINCOLN LAND	\$ 99.00	\$ 11.00	\$ 110.00	\$ 99.00	\$ 11.00	\$ 110.00
ELGIN	\$ 109.00	\$ -	\$ 109.00	\$ 109.00	\$ -	\$ 109.00
SOUTHWESTERN	\$ 103.00	\$ 5.00	\$ 108.00	\$ 103.00	\$ 5.00	\$ 108.00
LAKE LAND	\$ 87.50	\$ 20.30	\$ 107.80	\$ 87.50	\$ 20.30	\$ 107.80
JOLIET	\$ 80.00	\$ 27.00	\$ 107.00	\$ 80.00	\$ 27.00	\$ 107.00
RICHLAND	\$ 101.00	\$ 6.00	\$ 107.00	\$ 101.00	\$ 6.00	\$ 107.00
WAUBONSEE	\$ 100.00	\$ 5.00	\$ 105.00	\$ 100.00	\$ 5.00	\$ 105.00
SAUK VALLEY	\$ 98.00	\$ 5.00	\$ 103.00	\$ 98.00	\$ 5.00	\$ 103.00
TRITON	\$ 103.00	\$ -	\$ 103.00	\$ 103.00	\$ -	\$ 103.00
CHICAGO	\$ 89.00	\$ 13.33	\$ 102.33	\$ 89.00	\$ 13.33	\$ 102.33
MC HENRY	\$ 93.00	\$ 9.00	\$ 102.00	\$ 93.00	\$ 9.00	\$ 102.00
ILLINOIS VALLEY	\$ 93.60	\$ 7.40	\$ 101.00	\$ 93.60	\$ 7.40	\$ 101.00
OAKTON	\$ 95.34	\$ 5.00	\$ 100.34	\$ 95.34	\$ 5.00	\$ 100.34
MORTON	\$ 79.00	\$ 20.00	\$ 99.00	\$ 79.00	\$ 20.00	\$ 99.00
LOGAN	\$ 97.00	\$ -	\$ 97.00	\$ 97.00	\$ -	\$ 97.00
ROCK VALLEY	\$ 87.00	\$ 10.00	\$ 97.00	\$ 87.00	\$ 10.00	\$ 97.00
REND LAKE	\$ 95.00	\$ -	\$ 95.00	\$ 95.00	\$ -	\$ 95.00
SHAWNEE	\$ 95.00	\$ -	\$ 95.00	\$ 95.00	\$ -	\$ 95.00
SOUTHEASTERN	\$ 91.00	\$ 4.00	\$ 95.00	\$ 91.00	\$ 4.00	\$ 95.00
ILLINOIS EASTERN	\$ 77.00	\$ 15.00	\$ 92.00	\$ 77.00	\$ 15.00	\$ 92.00
STATE AVERAGE	\$ 102.08	\$ 10.57	\$ 112.65	\$ 102.08	\$ 10.57	\$ 112.65

## JOHN A. LOGAN COLLEGE DISTRICT MAP

**Service Area:**

Jackson and Williamson counties and portions of Franklin, Perry, and Randolph

**Main Campus:**

John A. Logan College  
700 Logan College Rd  
Carterville, Illinois 62918

**Extension Centers:**

Alongi Du Quoin Extension Center  
U. S. 51 South, Southtowne Mall  
Du Quoin, Illinois 62832

West Frankfort Extension Center  
19 West Frankfort Plaza  
West Frankfort, Illinois 62896

**TAX LEVY RESOLUTION**

JOHN A. LOGAN COLLEGE  
Carterville, IL 62918

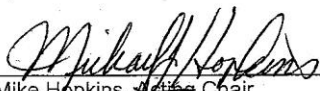
**TAX LEVY RESOLUTION**

BE IT RESOLVED BY THE Board of Trustees of Community College District No. 530, counties of Williamson, Jackson, Franklin, Randolph and Perry, and the State of Illinois, that all legal requirements have been complied with, and said Community College District No. 530 requires the following tax levy: That **\$5,480,000** be levied as a tax for educational purposes; that **\$914,000** be levied as a tax for operations and maintenance purposes; that **\$1,191,600** be levied as a special tax for purposes of the Local Governmental and Governmental Employees Tort Immunity Act; that **\$234,100** be levied as a special tax for Social Security and Medicare insurance purposes; that **\$50,000** be levied as a special tax for audit purposes; and that **\$795,000** be levied as a special tax for protection, health, and safety purposes, for a total of **\$8,664,700** on an equalized assessed valuation of the **taxable properties of said District for the year 2012 to be collected in the year 2013; and that the levy for the year 2012 be allocated 50% for Fiscal Year 2013 and 50% for Fiscal Year 2014.**

The estimated property taxes to be levied for debt service and public building commission leases for **2012 are \$1,344,550**. The estimated total property taxes to be levied for **2012 are \$10,009,250**. This represents a **4.36% increase** over the prior year. Due to the proposal being less than a 5.00% aggregate increase, a public hearing was not necessary to approve the proposed tax levy.

BE IT FURTHER RESOLVED that the secretary or his designee, of said Board of Trustees of Community College District No. 530 is hereby authorized and instructed to file certificates of tax levy in accordance with Chapter 122, Section 103.20.5 of the Revised Statutes of the State of Illinois with the County Clerks of Williamson, Jackson, Franklin, Randolph and Perry Counties, State of Illinois.

I HEREBY CERTIFY that the above Tax Levy Resolution was approved in public session by the John A. Logan College Board of Trustees, Community College District No. 530, meeting in regular session on November 27, 2012. FURTHERMORE, I CERTIFY that all provisions of Public Act 82-102 have been met, particularly Sections 4 through 7 of Public Act 82-102.

  
Mike Hopkins, Acting Chair  
Board of Trustees  
Community College District No. 530

**CERTIFICATE OF TAX LEVY**


## CERTIFICATE OF TAX LEVY

Community College District No. 530County(ies) Williamson, Jackson, Franklin, Randolph & PerryCommunity College District Name: John A. Logan College and State of Illinois

We hereby certify that we require:

the sum of \$ 5,480,000 to be levied as a tax for educational purposes (110 ILCS 805/3-1), and  
 the sum of \$ 914,000 to be levied as a tax for operations and maintenance purposes (110 ILCS 805/3-1), and  
 the sum of \$ \_\_\_\_\_ to be levied as an additional tax for educational and operations and maintenance purposes (110 ILCS 805/3-14.3), and  
 the sum of \$ 1,191,600 to be levied as a special tax for purposes of Local Governmental and Governmental Employees Tort Immunity Tax (745 ILCS 10/9-107), and  
 the sum of \$ 234,100 to be levied as a special tax for Social Security and Medicare Insurance purposes (40 ILCS 5/21-110 and 5/21-110.1), and  
 the sum of \$ 50,000 to be levied as a special tax for financial audit purposed (50 ILCS 310/9), and  
 the sum of \$ 795,000 to be levied as a special tax for protection, health, and safety purposes (110 ILCS 805/3-20.3.01), and  
 the sum of \$ \_\_\_\_\_ to be levied as a special tax for (specify) \_\_\_\_\_ purposes, on the taxable property of our community college district for the year 20\_\_\_\_.

Signed this 27th day of November, 2012

  
 Chairman of the Board of Said Community College District

  
 Secretary of the Board of Said Community College District

When any community college district is authorized to issue bonds, the community college board shall file in the office of the county clerk in which any part of the community college district is situated a certified copy of the resolution providing for their issuance and levying a tax to pay them. The county clerk shall each year during the life of a bond issue extend the tax for bonds and interest set forth in the certified copy of the resolution. Therefore, to avoid a possible duplication of tax levies, the community college board should not include in its annual tax levy for bonds and interest.

Number of bond issues of said community college district which have not been paid in full 1.

This certificate of tax levy shall be filed with the county clerk of each county in which any part of the community college district is located on or before the last Tuesday in December.

**(DETACH AND RETURN TO COMMUNITY COLLEGE DISTRICT)**

This is to certify that the Certificate of Tax Levy for Community College District No. \_\_\_\_\_ County(ies) of \_\_\_\_\_ and State of Illinois on the equalized assessed value of all taxable property of said community college district for the year 20\_\_\_\_ was filed in the office of the County Clerk of this county on \_\_\_\_\_, 20\_\_\_\_.

In addition to an extension of taxes authorized by levies made by the Board of said community college district an additional extension(s) will be made, as authorized by resolution(s) on file in this office, to provide funds to retire bonds and pay interest thereon. The total amount, as approved in the original resolution(s), for said purpose for the year 20\_\_\_\_ is \$ \_\_\_\_\_.

Date

County Clerk and County

**BOARD MINUTES-ADOPTION OF THE BUDGET**

**JOHNA. LOGAN COLLEGE**

**Carterville, IL 62918**

Minutes of the regular meeting of the Board of Trustees of Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry, and Randolph, State of Illinois, held at the West Frankfort Extension Center, West Frankfort, Illinois, on September 24, 2013, commencing at 7:00 p.m.

The meeting was called to order by Board Chair Jake Rendleman.

The chair directed the recording secretary to call the roll:

Donald L. Brewer -- present

Mike Hopkins -- present

Bill Kilquist -- present

Jackie Hancock -- present

Cheryl Graff -- present

John Sanders -- present

Kayla Malone -- present

Jake Rendleman -- present

Also present were: Mike Dreith, President; Brad McCormick, Vice-President for Business Services and College Facilities; Tim Daugherty, Vice-President for Administration; Deborah Payne, Vice-President for Instruction; John Huffman and Don Prosser, College Legal Counsel; Steve O'Keefe, Director of College Relations; Donna Glodjo, Recording Secretary to the Board of Trustees; and other College personnel.

Board Chair Rendleman led the Pledge of Allegiance.

**OLD BUSINESS**

**A. Adoption of 2013-14 Budget (Appendix IV)**

The tentative budget for the 2013-14 academic year was approved at the August 27 meeting of the Board of Trustees, and a public hearing was held at 6:30 p.m., September 24, 2013, in the Conference Room, West Frankfort Extension Center, 19 West Frankfort Plaza, West Frankfort, IL. Vice-President Brad McCormick had apprised the board of some adjustments made to the tentative budget. Based on the results of the hearing, President Dreith recommended the following resolution be adopted by the Board of Trustees:



WHEREAS the Community College Board of John A. Logan College District No. 530, Counties of Williamson, Jackson, Franklin, Randolph, and Perry, and the State of Illinois caused to be prepared in tentative form a budget and the secretary of this board has made the same conveniently available to public inspection for at least thirty days prior to final action thereon, and whereas a public hearing was held as to such budget on the 24th day of September, 2013. Notice of hearing was given at least thirty days prior thereto as required by law and all other legal requirements have been complied with.

NOW THEREFORE BE IT RESOLVED by the Community College Board of said District as follows:

SECTION 1 -- That the fiscal year of the Community College District be and the same is hereby fixed and declared to be beginning July 1, 2013, and ending June 30, 2014, and

SECTION 2 -- That the budget containing an estimate of amounts available in each fund separately and of expenditures from each, and same is hereby adopted as the budget of this Community College District for the said fiscal year.

President Dreith recommended and Bill Kilquist and Don Brewer moved and seconded that the Board of Trustees adopt the 2013-2014 budget as presented in Appendix IV, and that the administration be authorized to implement this budget effective July 1, 2013.

Upon roll call, all members voted yes. Motion carried.  
(Resolution #16-2940)

Respectfully submitted: Donna Glodjo, Recording Secretary to the Board of Trustees



Jake Rendleman, Chair



Cheryl Graff, Secretary

## **GLOSSARY**

### **ACRONYMS**

**ABE** – Adult Basic Education

**APECS** – Advanced Programs for Education Computer Solutions

**ASE** – Adult Secondary Education

**AVA** – American Viticultural Area

**BOT** – Board of Trustees

**CAAHEP** – Commission on Accreditation of Allied Health Education Programs

**C&I** – Curriculum and Instruction Committee

**CCR&R** – Child Care Resource and Referral grant program

**CHEC** – The Community Health Education Complex is a College facility that includes a fitness center, two swimming pools, locker rooms, class rooms, and a Massage Therapy center.

**CITO** – Chief Information Technology Officer

**CPPRT** – Corporate Personal Property Replacement Taxes

**D2L** – Desire2Learn (Learning Management System) for online instruction

**DQ** – DuQuoin, IL (Location of JALC Extension Center)

**EAV** – Equalized Assessed Valuation

**ERP** – Enterprise Resource Planning System

**FMLA** – Family Medical Leave Act

**FSEOG** - Federal Supplemental Educational Opportunity Grant Program

**FTE** – Full-time Equivalency

**FY** – Fiscal Year

**GAAP** – Generally Accepted Accounting Principles

**GASB** – Governmental Accounting Standards Board

**GED** – General Education Development

**HLC** – The Higher Learning Commission

**IBHE** – Illinois Board of Higher Education

**ICCB** – Illinois Community College Board

**ICCTA** – Illinois Community College Trustees Association

**IEA-NEA** – Illinois Education Association/National Education Association

**ISBE** – Illinois State Board of Education

**JALC** – John A. Logan College

**LOSA** – Logan Operational Staff Association

**LRC** – Learning Resource Center

**PCI** – Payment Card Industry

**PHS** – Protection health and Safety

**RAMP** – Resource Allocation and Management Plant

**SICCM** – Southern Illinois Collegiate Common Market

**SIH** – Southern Illinois Healthcare

**SIU-C** – Southern Illinois University-Carbondale

**SSS** – Student Support Services

**SURS** – State Universities Retirement System

**TIC** – Technology Implementation Committee

**TRiO** – Educational Opportunity for Low-Income and Disabled Americans

**WF** – West Frankfort, IL (Location of JALC Extension Center)

## GLOSSARY

### TERMS

**Accrual Basis** – The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

**Annual Budget** - A controlled plan used in implementing the philosophy and the objectives of the institution for one accounting cycle.

**Appropriation** – An authorization that allows the College to make expenditures and incur obligations for a specific purpose.

**Base Operating Grants** – These grants are administered by the Illinois Community College Board using a prescribed formula. Reimbursable credit hours are funded in six funding categories (Baccalaureate, Business, Technical, Health, Remedial, and Adult Education).

**Capital Outlay** – Includes site acquisition and improvement, office equipment, instructional equipment, and service equipment. The College sets a threshold of expenditures that are at least \$2,500 or greater.

**Chargeback** - A resident of Community College District 530 who wants to enroll in an educational program which is not available at John A. Logan College may apply for charge-back tuition if he/she enrolls in such a program at another public community college in Illinois.

**Contingency** – A special account used to provide for unexpected occurrences or emergencies.

**Corporate Personal Property Replacement Tax** – A tax collected by the IL Department of Revenue as a replacement for the personal property tax.

**Credit Hour Grant** – A State resource based upon student and programmatic enrollments determined based on enrollment at midterm of the semester.

**Deferred Revenue** - Revenues applicable to a subsequent fiscal period (fiscal year for property taxes and terms for student tuition and fees) recognized as a deferred credit in the current fiscal period, not as current revenue.

**Deficit** – A shortfall of revenues and transfers in under expenditures and transfers out.

**Encumbrance** – A reservation against a current year's expenditure appropriation. Encumbrances are recorded when a purchase order is issued or when anticipated salary amounts are known.

**Equalization Funding** – A State resource calculated by a formula utilizing both property tax base and student enrollment.

**External Audit** – An annual examination by an outside CPA firm used to obtain reasonable assurance that the financial statements of the College are free of material misstatement.

**Fiscal Year** – A 12 month financial period. John A. Logan College operates on fiscal year beginning July 1st and ending June 30th.

**Fixed Charges** – Fixed charges include charges for rentals of facilities and equipment, payment of debt interest and principal, general insurance charges, installment payments for lease/purchase agreements, and property/casualty insurance.

**Function** – Classification representing the collection of program elements serving a common set of objectives that reflect the major institutional missions and related support objectives.

**Fund** – A separate accounting entity with a set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Major Fund – Any fund whose revenues or expenditures are equal to or greater than 10% of the total appropriated funds.

**Jenzabar** – Brand of administrative software system or Enterprise Resource Planning (ERP) system for campus-wide computing related to Admissions, Student Accounts, Financial Operations, Payroll, and Human Resources

**Pell** – Federal Student Aid Awards



***John A. Logan College  
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Carterville, IL 62918  
(618) 985-3741  
[www.jalc.edu](http://www.jalc.edu)***