JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

ANNUAL FINANCIAL REPORT
AND
SINGLE AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2021

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

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COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of John A. Logan College, Community College District No. 530 (the College), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards.*

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of John A. Logan College, Community College District No. 530, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Uniform Financial Statements, as required by the Illinois Community College Board, and Other Supplemental Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Uniform Financial Statements, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Uniform Financial Statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Other Supplemental Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
March 28, 2022

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Certified Public Accountants and Consultants

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

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of John A. Logan College, Community College District No. 530 (the College) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated March 28, 2022. The financial statements of the John A. Logan College Foundation (the Foundation), a discretely presented component unit, were not audited in accordance with *Government Auditing Standards* and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

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

Purpose of this Report

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

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
March 28, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021
(Unaudited)

This section of John A. Logan College's Annual Comprehensive Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal year ended June 30, 2021. This management's discussion and analysis is designed to focus on current activities, resulting change, and currently known facts. Please read it in conjunction with the College's audited basic financial statements and the notes to financial statements. Responsibility for the completeness and fairness of this information rests with the College.

Using This Annual Report

The basic financial statements focus on the College as a whole and are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The focus of the Statement of Net Position is designed to reflect the College's financial position at a certain date. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets. Net position is one indicator of the current financial condition of the College, while the change in net position is another indicator of whether the overall financial condition has improved or deteriorated during the year.

The Statement of Revenues, Expenses, and Changes in Net Position presents the College's financial results for the fiscal year. This statement includes the College's revenues and expenses, both operating and non-operating. Operating revenues and expenses are those for which the College directly exchanges goods and services. The primary operating revenues for the College are tuition and fees, which are stated net of scholarship allowances, and auxiliary services. Non-operating revenues and expenses are those that exclude specific, direct exchanges of goods and services. The major components of the College's non-operating revenues include local property tax and government grants and contracts. The reporting model classifies these revenues as non-operating because no direct exchange of goods and services are received from the government or local taxpayers, respectively. This approach is intended to summarize and simplify the user's analysis of costs of various College services to students and the public.

Financial Highlights

During the year ended June 30, 2021, the College's net position increased by $2.9 million to $31.3 million at June 30, 2021, from $28.4 million at June 30, 2020. Net position represents the balance in the College's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted.

Operating revenues remained stable at $6.0 million for the years ended June 30, 2020 and 2021, respectively. The State University Retirement System (SURS) and the State of Illinois College Insurance Program (CIP) contributions made on behalf of the College increased from $16.5 million to $17.3 million in fiscal years 2020 and 2021, respectively. Total revenues and capital contributions, excluding State on-behalf contributions, increased $3.2 million from $39.1 million to $42.2 million for fiscal years 2020 and 2021, respectively. This increase is largely due to an increase in federal grants and contracts of $2.5 million, primarily driven by the Higher Education Emergency Relief Fund revenue, a $0.6 million increase in nongovernmental gifts, grants, and bequests, and a $0.3 million increase in capital contributions. Total expenses, excluding on-behalf expenses, increased $0.4 million from $38.9 million to $39.3 million for fiscal years 2020 and 2021, respectively. More discussion of the change in total expenses is available below.

Financial Analysis of the College as a Whole

Net Position
(in millions)

ASSETS	FY2021	FY2020	Increase (Decrease)	Percent Change
Current				
Current assets	$ 31.2	$ 26.0	$ 5.2	20.0 %
Non-Current				
Restricted assets	21.0	12.7	8.3	65.4
Capital assets, net	61.2	61.1	0.1	0.2
Total assets	113.4	99.8	13.6	13.6
DEFERRED OUTFLOWS OF RESOURCES	1.4	1.3	0.1	7.7
LIABILITIES				
Current liabilities	9.3	7.4	1.9	25.7
Non-current liabilities	52.5	46.5	6.0	12.9
Total liabilities	61.8	53.9	7.9	14.7
DEFERRED INFLOWS OF RESOURCES	21.7	18.8	2.9	15.4
NET ASSETS				
Net investment in capital assets	46.2	45.2	1.0	2.2
Restricted	14.8	5.3	9.5	179.2
Unrestricted	(29.7)	(22.1)	(7.6)	(34.4)
Total net assets	$ 31.3	$ 28.4	$ 2.9	10.2 %

The above schedule summarizes the College's statement of net position which is presented on the accrual basis of accounting whereby assets are capitalized and depreciated and deferred outflows and inflows of resources are recognized.

Current assets increased $5.2 million from June 30, 2020 to June 30, 2021 to $31.2 million. Within current assets, receivables increased $4.2 million, cash and cash equivalents increased $0.9 million, and prepaid expenses increased $0.1 million. The increase in total receivables was driven primarily by an increase of $2.8 million in property taxes receivable partially due to the addition of a December 2020 bond issuance and $1.3 million in the combined governmental claims and other receivables. Prepaid expenses increased due to timing of payments on certain contracts. Total non-current assets increased by $8.4 million, primarily in restricted assets due to the addition of $10.0 million from a debt certificate issue in October 2020.

Financial Analysis of the College as a Whole (Continued)

Current liabilities increased $1.9 million due to an increase in the current portion of bonds payable of $1.8 million and an increase in accounts payable of $0.6, which were partially offset by the payoff of the remaining ICCB reimbursement due during fiscal year 2021. Non-current liabilities increased $6.0 million due to the issuance of the 2020A-D Debt Certificates and the 2020A Bonds, offset by the immediate retirement of the 2020A-D Debt Certificates and the retirement of an additional $2.2 million of debt through fiscal year 2021.

Deferred outflows of resources increased $0.1 million primarily due to a $0.1 million increase in OPEB plan related amounts. Deferred inflows of resources increased $2.9 million primarily due to a $2.7 million increase in deferred property tax revenue.

Operating Results
(in millions)

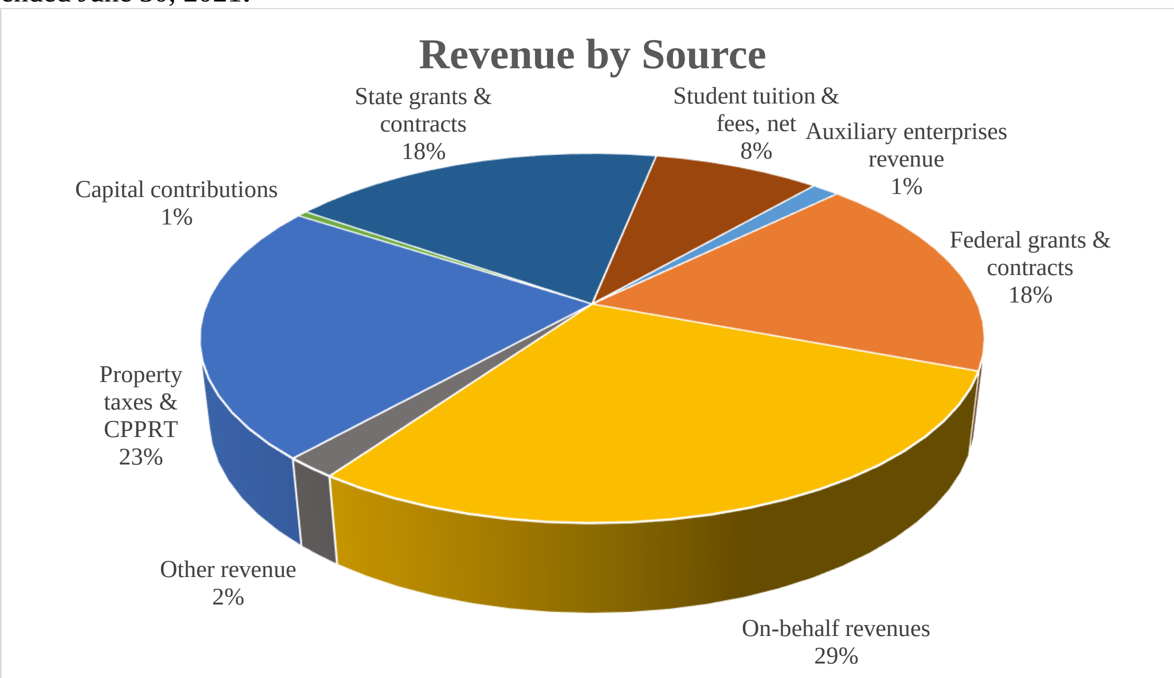
OPERATING REVENUES	FY2021	FY2020	Increase (Decrease)	Percent Change
Operating Revenues				
Student tuition and fees, net	$ 4.9	$ 4.6	$ 0.3	6.5%
Auxiliary enterprises revenue	0.8	0.9	(0.1)	(11.1)
Other operating revenue	0.3	0.5	(0.2)	(40.0)
Total operating revenue	6.0	6.0	-	-
Less operating expenses	55.7	54.5	1.2	2.2
Operating income (loss)	(49.7)	(48.5)	(1.2)	(2.5)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	12.5	12.2	0.3	2.5
Corporate personal property replacement taxes	0.9	0.7	0.2	28.6
State grants and contracts	11.0	11.4	(0.4)	(3.5)
Federal grants and contracts	10.7	8.2	2.5	30.5
Nongovernmental gifts, grants and bequests	0.7	0.1	0.6	600.0
On-behalf revenues – SURS & CIP	17.3	16.5	0.8	4.8
Investment income	0.1	0.4	(0.3)	(75.0)
Bond premium amortization (interest expense), net	(0.9)	(0.8)	(0.1)	12.5
Total non-operating revenues (expenses)	52.3	48.7	3.6	7.4
Capital Contributions	0.3	-	0.3	N/A
Increase (decrease) in net position	$ 2.9	$ 0.2	$ 2.7	1,350.0%

When reviewing the information, it should be noted the tuition and fees amount has been adjusted for a scholarship allowance. The scholarship allowance for the years ended June 30, 2021 and 2020 was $4.8 million and $6.2 million, respectively. This scholarship allowance represents the amount of scholarship monies which

Financial Analysis of the College as a Whole (Continued)

were applied to student accounts to fund a portion of their tuition and fee balances. If tuition and fees were presented on a gross basis, a greater dependence on tuition and fees would be noted. The pandemic continued to disrupt face to face learning and overall enrollment during fiscal year 2021, driving a decrease in gross tuition and fees of $1.0 million year over year.

The following is a graphic illustration of total revenue, including capital contributions, by source for the year ended June 30, 2021**:**



Operating Expenses
(in millions)

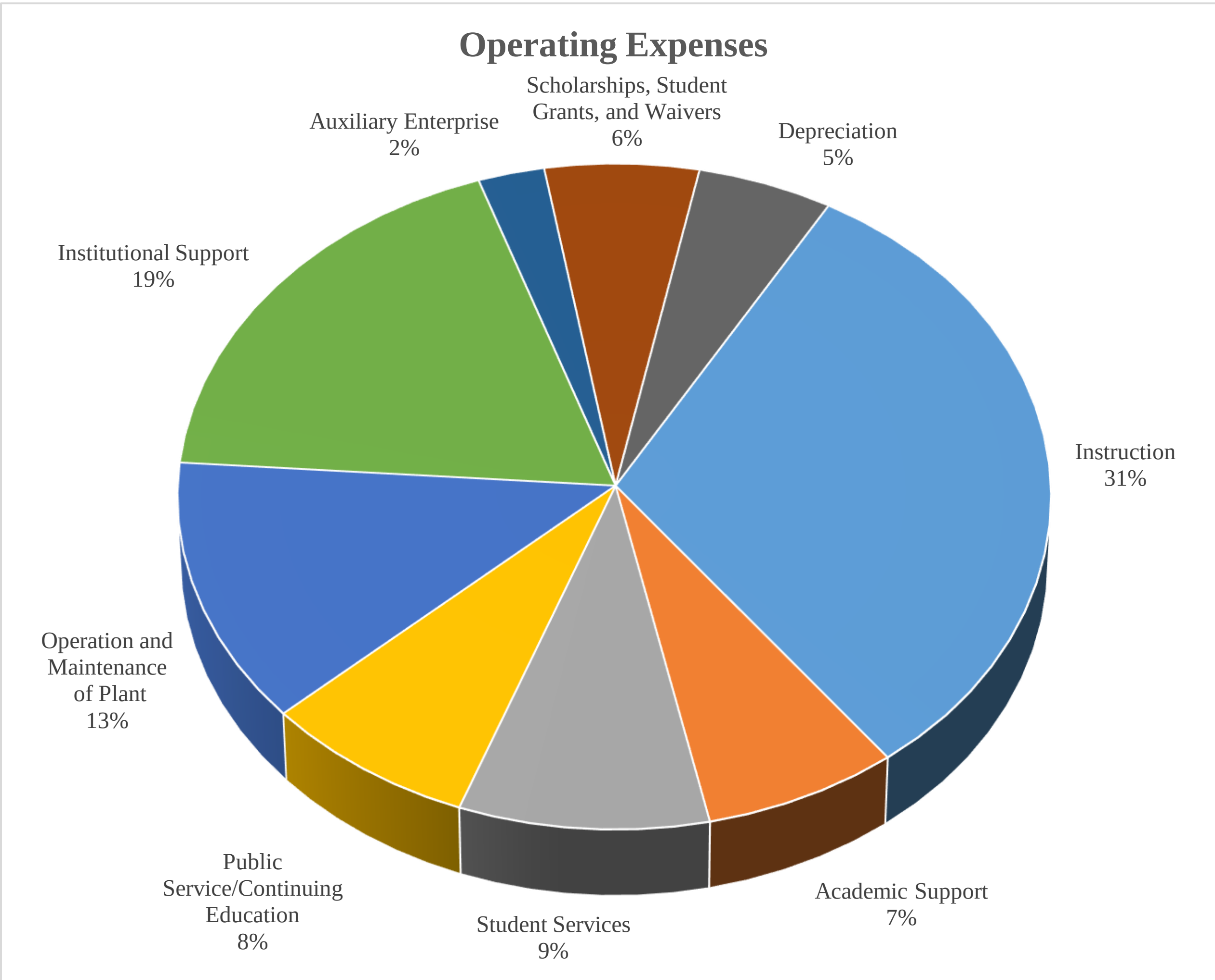
OPERATING EXPENSES	FY2021	FY2020	Increase (Decrease)	Percent Change
Instruction	$ 17.4	$ 16.3	$ 1.1	6.7 %
Academic support	3.9	4.1	(0.2)	(4.9)
Student services	5.0	4.7	0.3	6.4
Public service/continuing education	4.3	4.8	(0.5)	(10.4)
Operation and maintenance of plant	7.1	6.7	0.4	6.0
Institutional support	10.4	10.3	0.1	1.0
Auxiliary enterprise	1.4	1.7	(0.3)	(17.6)
Scholarships, student grants, and waivers	3.3	3.1	0.2	6.5
Depreciation	2.9	2.8	0.1	3.6
Total operating expenses	$ 55.7	$ 54.5	$ 1.2	2.2 %

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021
(Unaudited)

Financial Analysis of the College as a Whole (Continued)

The following is a graphic illustration of operating expenses for the year ended June 30, 2021:



Operating expenses at June 30, 2021 increased $1.2 million compared to the year ended June 30, 2020. Much of this increase is attributable to an increase of $0.8 million in SURS and CIP expenses paid on-behalf of the College by the State, which are allocated across operating expense functions based on salary expenses. These on-behalf expenses represent the College's portion of the SURS pension and CIP OPEB contributions. The State has the legal obligation to make contributions directly to the SURS pension plan. The College recognizes revenue and a corresponding employee benefit expense for the College's proportionate share of the State's payments. The revenues and expenses recorded for these payments do not pass through the College, and the College does not spend any actual dollars. These on-behalf payments occur annually and amounts may fluctuate significantly year to year.

Financial Analysis of the College as a Whole (Concluded)

Excluding the on-behalf expense allocation, instructional and operation and maintenance of plant expenses increased by $0.6 million and $0.2 million, respectively. Higher Education Emergency Relief Fund (HEERF) awards in these categories allowed the College to purchase materials, technology, and online services to improve remote learning and promote social distancing and campus safety. The College had offsetting decreases of $0.4 million in both public service/continuing education and in auxiliary enterprises. The pandemic and disruption of in person meeting contributed to reduced expenses in public service/continuing education and auxiliary enterprise areas such as Logan Fitness and Southern Illinois Hunting and Fishing Days. Across campus, many conferences were also attended virtually or canceled due to the pandemic. Scholarships, student grants, and waivers increased due to student emergency grant payments of $0.8 million made to directly students through the federal HEERF awards.

Capital and Debt Activities

Capital Assets, Net
As of June 30
(in millions)

CAPITAL ASSETS	2021	2020	Increase (Decrease)	Percent Change
Site	$ 0.3	$ 0.3	$ -	0.0 %
Site improvement	2.5	1.9	0.6	31.6
Buildings and improvements	95.0	93.0	2.0	2.2
Equipment and other	11.5	10.6	0.9	8.5
Construction in progress	0.3	0.9	(0.6)	(66.7)
Total historical cost	109.6	106.7	2.9	2.7
Less accumulated depreciation	48.4	45.6	2.8	6.1
Capital assets, net	$ 61.2	$ 61.1	$ 0.1	0.2 %

Net capital assets increased $0.1 million comprised of an increase of $2.9 million in capital assets at cost, offset by a $2.8 million increase in accumulated depreciation. Depreciation expense for the years ended June 30, 2021 and 2020 was $2.9 million and $2.8 million, respectively.

During the year ended June 30, 2021, the College completed a large project encompassing conference center interior and courtyard renovations, campus-wide railings and retaining wall work, and corrective drainage work at the Carterville and Du Quoin campuses for $0.8 million. A second large project including C and F wing HVAC upgrades, admissions area renovations, and cafeteria asbestos abatement work reached completion at $0.7 million. The College also completed the biology lab and AHU replacement project for $0.6 million, west lobby entrance asbestos abatement and restroom renovations for $0.4 million, Carterville and DuQuoin campus HVAC replacements for $0.2 million, Logan Fitness accessibility renovations for $0.2 million, building frame construction for the Highway Maintenance and Construction Building for $0.2 million, Administrative Building renovations of $0.1 million, and miscellaneous work in the multi-purpose room and gymnasium of $0.1 million during fiscal year 2021. Several other pieces of instructional and service equipment were placed into service during the year, and others were disposed of when no longer operational.

Capital and Debt Activities (Concluded)

Several other construction projects have been approved by the Board and were in progress during the year ended June 30, 2021. These projects are included in Construction in Progress at June 30, 2021. See Note 11 of the notes to the financial statements for a list of these projects and the estimated remaining project commitments at June 30, 2021.

The College's debt activity for the year consisted of:

Debt payable, July 1, 2020	$ 23,205,000
Debt issued	20,205,000
Debt retired	(12,195,000)
Debt payable, June 30, 2021	$ 31,215,000

In October 2020, the College issued $10,045,000 2020A-D General Obligation (Limited Tax) Debt Certificates for certain capital projects. Then in December 2020, the College issued General Obligation Community College Bonds, Series 2020A to pay off the 2020A-D Series Debt Certificates. Additional debt retirement of $2.2 million occurred during the year in accordance with the original debt retirement schedules of previously issued bonds and debt certificates. The Taxable Debt Certificates, Series 2016A were paid off during fiscal year 2021.

BASIC FINANCIAL STATEMENTS

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

STATEMENT OF NET POSITION
JUNE 30, 2021

	John A. Logan College	Component Unit John A. Logan College Foundation
Assets		
Current Assets		
Cash and Cash Equivalents	$ 9,283,568	$ 369,892
Receivables		
Property Taxes	15,420,394	-
Governmental Claims	2,137,414	-
Tuition and Fees, Net of Allowance for Doubtful Accounts of $980,000	1,429,199	-
Other	2,190,650	-
Inventories	4,558	-
Prepaid Expenses	711,830	4,485
Total Current Assets	31,177,613	374,377
Non-Current Assets		
Restricted Cash and Cash Equivalents	21,039,356	-
Long-Term Investments	-	11,056,713
Capital Assets, Net of Accumulated Depreciation	61,223,873	-
Total Non-Current Assets	82,263,229	11,056,713
Total Assets	113,440,842	11,431,090
Deferred Outflows of Resources		
College OPEB Plan Related Amounts	281,287	-
CIP OPEB Plan Related Amounts	564,762	-
Pension Related Amounts	155,757	-
Deferred Loss on Refunded Bonds Payable	393,017	-
Total Deferred Outflows of Resources	1,394,823	-
Liabilities		
Current Liabilities		
Accounts Payable	1,192,120	40,088
Accrued Expenses	4,033,738	-
Unearned Revenue	34,114	-
Deposits Held in Custody	22,820	-
Accrued Bond Interest	129,138	-
Bonds Payable, Current	3,905,000	-
Total Current Liabilities	9,316,930	40,088
Non-Current Liabilities		
Net OPEB Liability	23,811,047	-
Bonds Payable, Long-Term Portion, Net of Unamortized Premium of $1,365,014	28,675,014	-
Total Non-Current Liabilities	52,486,061	-
Total Liabilities	61,802,991	40,088
Deferred Inflows of Resources		
College OPEB Plan Related Amounts	22,629	-
CIP OPEB Plan Related Amounts	4,898,601	-
Deferred Property Tax Revenue	15,197,928	-
Deferred Tuition and Fees	472,804	-
Deferred SIH and Pepsi Agreement	1,134,861	-
Total Deferred Inflows of Resources	21,726,823	-
Net Position		
Net Investment in Capital Assets	46,175,391	-
Restricted for		
Capital Projects	10,324,388	-
Liability Protection	251,730	-
Working Cash	4,190,685	-
Other	32,977	-
Without Donor Restrictions	-	1,888,391
With Donor Restrictions	-	9,502,611
Unrestricted	(29,669,320)	-
Total Net Position	$ 31,305,851	$ 11,391,002

The accompanying notes are an integral part of these financial statements.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	John A. Logan College	Component Unit John A. Logan College Foundation
Revenues		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarships and Allowances of $4,834,505	$ 4,947,554	$ -
Donations	-	618,300
Auxiliary Enterprise Revenue	770,591	-
Other	294,688	30,606
Total Operating Revenues	6,012,833	648,906
Expenses		
Operating Expenses:		
Instruction	17,438,377	-
Academic Support	3,898,525	-
Student Services	4,995,632	805,811
Public Service/Continuing Education	4,276,713	-
Operation and Maintenance of Plant	7,129,553	-
Institutional Support	10,391,256	-
Auxiliary Enterprise	1,408,802	-
Scholarships, Student Grants, and Waivers	3,269,706	-
Depreciation	2,872,587	
Total Operating Expenses	55,681,151	805,811
Operating Income (Loss)	(49,668,318)	(156,905)
Non-Operating Revenues (Expenses)		
Property Taxes	12,503,943	-
Corporate Personal Property Replacement Taxes	939,161	-
State Grants and Contracts	11,007,607	-
Federal Grants and Contracts	10,721,409	-
Nongovernmental Gifts, Grants, and Bequests	662,741	-
On-Behalf Revenues - SURS & CIP	17,256,603	-
Investment Income	60,557	198,787
Bond Premium Amortization (Interest Expense), Net	(852,915)	-
Realized Capital Gains (Losses)	-	1,174,550
Unrealized Capital Gains (Losses)	-	721,884
Total Non-Operating Revenues (Expenses)	52,299,106	2,095,221
Income before Capital Contributions	2,630,788	1,938,316
Capital Contributions	316,620	-
Change in Net Position	2,947,408	1,938,316
Net Position, July 1, 2020	28,358,443	9,452,686
Net Position, June 30, 2021	$ 31,305,851	$ 11,391,002

The accompanying notes are an integral part of these financial statements.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

Cash Flows from Operating Activities	
Tuition and Fees	$ 3,842,739
Payments to Suppliers	(10,284,066)
Payments to and Benefits for Employees	(24,484,286)
Auxiliary Enterprise Charges	770,591
Other Receipts	283,966
Net Cash Provided (Used) by Operating Activities	(29,871,056)
Cash Flows from Noncapital Financing Activities	
Property Taxes	12,457,180
Corporate Personal Property Replacement Taxes	859,571
Receipt of Deposits Held in Custody	110,625
Disbursement of Deposits Held in Custody	(180,600)
Grants, Contracts, Gifts, and Bequests	21,189,091
Net Cash Provided (Used) by Noncapital Financing Activities	34,435,867
Cash Flows from Capital and Related Financing Activities	
Capital Grants, Contracts, Gifts, and Bequests	600,512
Principal Paid on Bonds	(12,195,000)
Interest Paid on Bonds	(925,893)
Proceeds from Issuance of Bonds	10,160,000
Proceeds from Issuance of Debt Certificates	10,045,000
Purchases of Capital Assets	(3,088,194)
Net Cash Provided (Used) by Capital and Related Financing Activities	4,596,425
Cash Flows from Investing Activities	
Interest Income	60,557
Net Cash Provided (Used) by Investing Activities	60,557
Net Increase (Decrease) in Cash and Cash Equivalents	9,221,793
Cash and Cash Equivalents, July 1, 2020	21,101,131
Cash and Cash Equivalents, June 30, 2021	$ 30,322,924
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	$ (49,668,318)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
On-Behalf - SURS & CIP	17,256,603
Depreciation Expense	2,872,587
Loss on disposed capital assets	96,560
Change in Assets, Liabilities, and Deferred Outflows (Inflows):	
Tuition and Fees Receivables (net)	(86,403)
Other Receivables	(989,045)
Inventories	1,081
Prepaid Expenses	(133,550)
Net College OPEB-related deferred outflows/inflows	(308)
Net CIP OPEB-related deferred outflows/inflows	278,540
Pension related deferred outflows	(2,288)
Net OPEB liability	(96,572)
Accounts Payable	555,652
Accrued Expenses	84,494
Deferred Tuition and Fees	(29,367)
Refundable Advances	(10,722)
Net Cash Provided (Used) by Operating Activities	$ (29,871,056)

The accompanying notes are an integral part of these financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

John A. Logan College, Community College District No. 530 (the College) is organized under the Illinois Public Community College Act with partial funding by the Illinois Community College Board. The College encompasses parts of five counties in Southern Illinois.

The accounting policies of the College conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to colleges and universities as well as those prescribed by the Illinois Community College Board (ICCB). The College reports are based on all applicable Government Accounting Standards Board (GASB) pronouncements.

The following is a summary of the more significant accounting policies followed by the College.

A. Reporting Entity

The accompanying financial statements include all entities for which the elected, eight-member Board of Trustees of the College has financial accountability.

The College has developed criteria to determine whether other entities are component units of the College. Component units are legally separate organizations for which the elected officials of the College are financially accountable. The College would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the College (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization). If an organization is fiscally dependent on the College, the College is considered financially accountable regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Additionally, organizations that raise and hold economic resources for the direct benefit of the College are considered to be component units.

Based on the foregoing criteria, the following organization is considered to be a component unit and is discretely presented in the basic financial statements.

The John A. Logan College Foundation (the Foundation) is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College. The Foundation is governed by a separate board of directors and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the resources, or income thereon, which the Foundation holds and invests are restricted for the benefit of the College, its students, and its programs. Because the restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered to be a component unit of the College.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Concluded)

The Foundation is a private nonprofit organization that reports its financial results under Financial Accounting Standards Board (FASB) Statements. Most significant to the Foundation's operations and reporting model is FASB Accounting Standards Codification 958-205, *Presentation of Financial Statements for Not-For-Profit Entities.* As such, certain revenue recognition criteria and presentation differ from GASB revenue recognition criteria and presentation. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences; however, significant note disclosures (see Component Unit Note within Note 1) to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

Separate financial statements for the Foundation can be obtained from the Foundation office at 700 Logan College Drive, Carterville, IL 62918.

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

As a public institution, the College is considered a special-purpose government under the provisions of GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – An Amendment of GASB Statement No. 34*. The College records revenue in part from tuition, fees, and other charges for services to external users, and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments engaged in business-type activities. This model allows for all financial information of the College to be reported in a single column in each of the financial statements, accompanied by separate column for its discretely presented component unit. All significant internal activity between funds has been eliminated from these financial statements.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues from exchange transactions are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Intergovernmental revenues, such as federal, state, and local grants, and state shared revenues generally meet the definition of non-exchange transactions and are accounted for as non-operating revenues, with the exception of intergovernmental revenues used for capital assets which are accounted for as capital contributions. Revenue from these sources is recognized when all applicable eligibility requirements have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the College must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the College on a reimbursement basis. Receivables are reported for these amounts for which revenue has been recognized but the related payments have not been received.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

Property tax revenues are reported in accordance with National Council on Governmental Accounting (NCGA) Interpretation No. 3, *Revenue Recognition – Property Taxes*, GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions,* and GASB Interpretation No. 5, *Property Tax Revenue Recognition in Governmental Funds.* Consequently, under the accrual basis of accounting, property tax revenue is recognized in the period for which the taxes are levied. Property tax receivables are reported when the College has an enforceable legal claim to the taxes, which is considered to be the lien date.

New Accounting Guidance

For the fiscal year ended June 30, 2021, the College implemented Governmental Accounting Standards Board (GASB) Statement No. 84 – *Fiduciary Activities*, and GASB Statement No. 90 – *Majority Equity Interest* – an amendment of GASB Statements No. 14 and 61. GASB Statement No. 84 provides guidance regarding: (1) properly identifying fiduciary activities; (2) determining the correct fiduciary fund type to use to report fiduciary activities; and (3) presenting the financial statements of fiduciary funds. The implementation of GASB Statement No. 84 required changes to the College's financial statement reporting related to their student activity subfund. The implementation of GASB Statement No. 90 had no significant impact on the financial statements of the College.

The accounting and reporting policies of the College conform to generally accepted accounting principles applicable to government units and Illinois community colleges. The GASB is the accepted standard setting body for establishing accounting and financial reporting principles. These authoritative pronouncements are consistent with the accounting practices prescribed or permitted by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The following is a summary of the more significant policies.

C. Budgets

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

D. Estimates

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Cash Equivalents

Cash includes deposits held at banks and small amounts of cash held for change funds. Cash equivalents include deposits held in the Illinois Funds Money Market Fund due to its liquidity and/or short-term nature.

The College's investment policy allows for cash deposits to be invested in accordance with those securities allowed for by statute. Chapter 122, Section 103.47 of the Illinois Public Community College Act and Chapter 85, Sections 901-907 of the Investment of the Public Funds Act allow current operating funds, special funds, interest and sinking funds, and other funds belonging to or in the custody of a community college, including restricted and non-restricted funds, to be invested in U.S. Treasury and U.S. Agencies, repurchase agreements, certificates of deposit, the Illinois School District Liquid Asset Fund Plus, and the Illinois Treasurers' Investment Pool (Illinois Funds).

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments in the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission (SEC) as an investment company. Illinois Funds does meet all the criteria in GASB Statement No. 79, paragraph 4, which allows the reporting of its investments at amortized cost. Investments in Illinois Funds are valued at share price, which is the price the investment could be sold for.

The College's investment policy reduces the risk related to cash deposits through requiring deposits in excess of the federally insured amount to be appropriately collateralized to the extent of 110% and such collateralization shall be evidenced by an approved written agreement.

F. Restricted Cash and Cash Equivalents

Cash that is externally restricted to make debt service payments, or to purchase or construct capital or other noncurrent assets, is classified as noncurrent assets in the Statement of Net Position.

G. Receivables

Receivables consist of tuition and fee charges to students, auxiliary enterprise fees for services provided to student, faculty, and staff, the majority of each residing in Illinois, and property tax receivables. These receivables are recorded net of estimated uncollectible amounts, which is based on management's assessment of collectability of specific students' accounts and the aging of the accounts receivable. If the actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due could be adversely affected. All accounts, or portions thereof, deemed to be uncollectible or to require an excessive collection cost are written-off to the allowance for doubtful accounts.

Receivables also include amounts due from various state and federal granting agencies. These amounts are considered to be 100% collectible.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories

Inventories are stated at the lower of cost or market on the first in, first out (FIFO) basis. Inventories represent items held for resale by the College's auxiliary enterprises.

I. Prepaid Expenses

Prepaid expenses represent current expenditures which benefit future periods.

J. Capital Assets

Capital assets include property, improvements to property, vehicles, and equipment. Capital assets are defined by the College as assets with an initial cost of $5,000 or more and an estimated useful life in excess of one year. Certain assets have higher capitalization thresholds, including leasehold improvements of $20,000, site of $25,000, building improvements and site improvements of $50,000, and buildings of $100,000. 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 that do not add to the value of an asset or materially extend 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:

Buildings and Improvements	50 Years
Leasehold Improvements	15 Years
Site Improvements	10 Years
Equipment	8 Years
Vehicles	5 Years
Computer Software	3 Years

K. Amortization of Debt Issuance Premiums

The College amortizes debt issuance premiums by the straight-line method over the period the related debt issue is outstanding. The debt premium is amortized by using the same interest rate as the related debt issue, and the current period amortization is shown as a decrease to current period interest expense. Bond issuance costs are expensed at the time debt is issued.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows (Inflows) of Resources

Deferred outflows are defined under GASB Statement No. 63 as a consumption of net assets by the College that is applicable to a future reporting period and should be reported as having a similar impact on net position as assets. For the College, pension payments related to employees with federally funded positions and made subsequent to the pension liability measurement date are considered to be deferred outflows in accordance with GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – An Amendment of GASB Statement No. 68. Changes in assumptions and differences between expected and actual experience of the College's other postemployment benefit (OPEB) plans are considered to be deferred outflows. Changes in proportion and differences between employer contributions and actual contributions and its proportionate share of contributions to the plan relative to all employers is also considered to be a deferred outflow. Deferred outflows also include losses on debt refundings, which are amortized over the remaining life of the new debt, or refunded debt, whichever is shorter.

Deferred inflows of resources are defined under GASB Statement No. 63 as acquisitions of net assets that are applicable to a future reporting period and should be reported as having a similar impact on net position as liabilities. At June 30, 2021, deferred inflows of resources included tax levies accrued that are levied for use in the next fiscal year, student tuition and fees that were collected or accrued for the next academic year, and the unamortized portion of the net difference between projected and actual earnings on OPEB investments.

M. Net Position

The College's net position is classified as follows:

Net Investment in Capital Assets – This represents the College's total investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This represents assets/resources that are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties, reduced by liabilities and deferred inflow resources related to those assets. Sources of restricted revenue include federal, state, and private grants and contracts. Externally restricted funds may be utilized only in accordance with the purpose established by the source of such funds and are in contrast with unrestricted funds over which the Board of Trustees retains full control to use in achieving any of its institutional purposes. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted – This represents unrestricted assets/resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the Board of Trustees to meet current expenses for any lawful purpose.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions such as (1) student tuition and fees, net of scholarship allowances, and (2) sales and services of auxiliary enterprises. 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. Operating expenses are those expenses directly attributable to the operations of the College. Incidental expenses are classified as non-operating expenses.

O. Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

P. Property Taxes

The 2020 property tax extension has been deferred to comply with GASB Statement No. 33 since it was levied to finance activities of the 2021/2022 academic year. In accordance with these guidelines, property tax revenue is to be recognized in the period the levy is intended to finance.

The College must file its tax levy ordinance by the last Tuesday in December of each year. The College's property tax is levied each year on all taxable real property located within the District. These taxes attach an enforceable lien on real property as of January 1 and are payable in two installments; due dates vary by county. The College receives significant property tax receipts from July through November.

Q. Federal Financial Assistance Programs

The College participates in federally funded PELL Grants, FSEOG Grants, and Federal Work-Study. Federal programs are audited in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Federal Awarding Agency Regulatory Implementation of Office Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audit of States, Local Governments and Non-Profit Organizations,* and the *Compliance Supplement.*

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Pensions

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

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

S. Other Postemployment Benefits (OPEB)

For purposes of measuring the other postemployment benefits (OPEB) obligations, deferred outflows of resources and deferred inflows of resources related to OPEB, and benefits expense, information about the net position of the OPEB plans and additions to and deductions from the OPEB plans' net positions have been determined on the same basis as they are reported by the OPEB plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. Insurance Coverage

The College is exposed to various risks of loss including, but not limited to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To limit exposure to these risks, the College has obtained coverage from commercial insurance companies for all major programs: property, liability, and workmen's compensation. Expenditures and claims are recognized in the year in which they are notified of the loss. During the current fiscal year, there were no significant reductions in insurance coverage. Also, there have been no settlements which have exceeded insurance coverage during the past three fiscal years.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

U. Component Unit

The Foundation is required to report information regarding its financial position and activities based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

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

V. Effect of COVID-19 Pandemic

On March 11, 2020, the World Health Organization ("WHO") recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant impact upon many sectors of the economy. We believe the ultimate financial impact of the COVID-19 pandemic on the College is likely to be determined by factors which are uncertain, unpredictable, and outside of the control of the College. The situation surrounding COVID-19 remains fluid, and if disruptions do arise, they could materially adversely affect future revenues.

W. Subsequent Events

The College has evaluated subsequent events through March 28, 2022, the date which the financial statements were available to be issued.

NOTE 2: CASH AND CASH EQUIVALENTS

At June 30, 2021, the carrying amount and bank balance of the College's deposits, which does not include cash on hand and petty cash of $1,435 is as follows:

	Carrying Amount	Bank Balance
Cash and Cash Equivalents:		
Cash Accounts	$ 15,883,385	$ 15,970,599
US Treasury Obligations	1,601,474	1,601,474
Illinois Funds Money Market Fund	12,838,065	12,835,789
Total Cash and Cash Equivalents	$ 30,322,924	$ 30,407,862

	Carrying Amount	Bank Balance
Current Assets:		
Cash and Cash Equivalents	$ 9,283,568	$ 9,368,506
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	21,039,356	21,039,356
	$ 30,322,924	$ 30,407,862

Custodial Credit Risk

With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of Federal Deposit Insurance Corporation (FDIC) insurable limits to be secured by collateral and held at an independent, third-party institution, in the name of the College. As of June 30, 2021, the bank balances of the College's deposits with financial institutions were all fully insured or collateralized by securities pledged by the College's financial institution's agent in the College's name. There were no investments exposed to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. The College's investment policy does not limit the maturities of investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Illinois Funds are measured at net asset value (NAV) amortized cost. There are no limitations on redemption frequency or redemption notice. Redemption frequency is daily and redemption notice period is one day.

NOTE 2: CASH AND CASH EQUIVALENTS (CONCLUDED)

Credit Risk

Credit risk is the risk that the College will not recover its investments due to the ability of the counterparty to fulfill its obligation. Illinois statutes authorize the College to invest in obligations of the US Treasury and US Agencies, interest-bearing savings accounts, interest-bearing time deposits, money market mutual funds registered under the Investment Company Act of 1940 (limited to US Government obligations), shares issued savings and loan associations (provided the investments are insured by the FSLIC, short term discount obligations issued by the FNMA), share accounts of certain credit unions, investments in the Illinois Funds Money Market Fund, and certain repurchase agreements.

The College is also authorized to invest in short-term obligations of corporations organized in the United States with assets exceeding $500,000 if such obligations are rated at the time of purchase within the three highest classifications established by two or more standard rating services, the obligations mature within 180 days, no more than 1/3 of the total average balances from all funds available at the end of each month is invested in such obligations at any time, and such purchases do not exceed 10% of a corporation's outstanding obligations. Investments may be made only in banks, which are insured by the FDIC.

The College's investment policy does not further limit its investment choices. The College's investments in the Illinois Funds Money Market Fund were rated AAAm by Standard and Poor's at June 30, 2021.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any one single issuer. The College's investment policy limits the amount the College may invest in any one issuer to 75% of the College's total invested funds. The College is considered to have a concentration of credit risk of its investments if any one single issuer is greater than 5% of the total fixed income investments. At June 30, 2021, the College did not have a concentration of credit risk.

NOTE 3: CAPITAL ASSETS

The following is a schedule of changes in capital asset categories for the fiscal year ended June 30, 2021. The investment in capital assets is determined by reducing historical cost by accumulated depreciation.

	Primary Government/Business-Type Activity			
	Balance 07/01/20	Additions	Deletions	Balance 06/30/21
Historical Cost:				
Capital Assets Not Being Depreciated:				
Site	$ 346,427	$ -	$ -	$ 346,427
Construction in Progress	850,015	193,666	(756,023)	287,658
	1,196,442	193,666	(756,023)	634,085
Other Capital Assets:				
Site Improvements	1,871,826	627,215	-	2,499,041
Buildings and Improvements	93,029,425	2,066,368	(109,727)	94,986,066
Equipment	10,577,213	956,967	(7,400)	11,526,780
Other	16,500	-	-	16,500
	105,494,964	3,650,550	(117,127)	109,028,387
Total Capital Assets:	106,691,406	$ 3,844,216	$ (873,150)	109,662,472
Less Accumulated Depreciation:				
Other Capital Assets:				
Site Improvements	1,223,903	$ 140,575	$ -	1,364,478
Buildings and Improvements	37,033,695	1,835,929	(13,167)	38,856,457
Equipment	7,328,982	879,582	(7,400)	8,201,164
Other	-	16,500	-	16,500
	45,586,580	$ 2,872,586	$ (20,567)	48,438,599
Capital Assets, Net	$ 61,104,826			$ 61,223,873

NOTE 4: ACCRUED EXPENSES

Accrued expenses consisted of the following at June 30, 2021:

Accrued Payroll	$ 1,741,243
Accrued Vacation	1,693,833
Accrued Benefits	184,228
Accrued Personal Leave	258,446
Accrued Expenses - Other	155,988
	$ 4,033,738

NOTE 5: CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of long-term debt transactions of the College for the year ended June 30, 2021:

	2014 Bond Issue	2016A Debt Certificates	2016B Bond Issue	2017A Refunding Bonds
Debt Payable at July 1, 2020	$ 1,200,000	$ 325,000	$ 3,940,000	$ 13,265,000
Debt Issued	-	-	-	-
Debt Retired	(390,000)	(325,000)	(305,000)	-
Debt Refunded	-	-	-	-
Debt Payable at June 30, 2021	$ 810,000	$ -	$ 3,635,000	$ 13,265,000
Due Within One Year	$ 400,000	$ -	$ 315,000	$ -

	2017B Bond Issue	2020A-D Debt Certificates	2020A Bond Issue	Total Long-Term Debt
Debt Payable at July 1, 2020	$ 4,475,000	$ -	$ -	$ 23,205,000
Debt Issued	-	10,045,000	10,160,000	20,205,000
Debt Retired	(1,130,000)	(10,045,000)	-	(12,195,000)
Debt Refunded	-	-	-	-
Debt Payable at June 30, 2021	$ 3,345,000	$ -	$ 10,160,000	$ 31,215,000
Due Within One Year	$ 1,245,000	$ -	$ 1,945,000	$ 3,905,000

The following are descriptions of the bond issues and the debt service requirements to maturity:

Taxable General Obligation Community College Bonds, Series 2014
Dated: November 20, 2014
Maturity Date: December 1, 2022
Total Issue: $3,000,000
Principal Paid Annually on December 1
Interest Paid Semi-Annually on December 1 and June 1, beginning on December 1, 2015
Interest Rate: 2.00% - 3.00%

Year Ending June 30,	Principal	Interest	Total
2022	$ 400,000	$ 18,300	$ 418,300
2023	410,000	6,150	416,150
	$ 810,000	$ 24,450	$ 834,450

NOTE 5: CHANGES IN GENERAL LONG-TERM DEBT (CONTINUED)

Taxable General Obligation Community College Bonds, Series 2016B
Dated: February 29, 2016
Maturity Date: December 1, 2030
Total Issue: $5,035,000
Principal Paid Annually on December 1
Interest Paid Semi-Annually on December 1 and June 1, beginning on December 1, 2016
Interest Rate: 3.00% - 3.75%

Year Ending June 30,	Principal	Interest	Total
2022	$ 315,000	$ 114,685	$ 429,685
2023	325,000	105,085	430,085
2024	335,000	95,185	430,185
2025	345,000	84,985	429,985
2026	355,000	74,485	429,485
2027 – 2031	1,960,000	182,538	2,142,538
	$ 3,635,000	$ 656,963	$ 4,291,963

On December 7, 2015, the College issued Taxable General Obligation Community College Bonds (Alternate Revenue Source), Series 2015, which created an obligation against the College in order to create a tax levy. $4,910,000 was the bond issue, of which $81,525 was bond issuance costs, and $4,897,500 was deposited in College funds. The bonds were then called and redeemed with proceeds of the Tax General Obligation Community College Bonds, Series 2016B above. The money is restricted for making future OPEB contributions.

General Obligation Community College Bonds, Series 2017A
Dated: April 25, 2017
Maturity Date: December 1, 2029
Total Issue: $13,265,000
Principal Paid Annually on December 1
Interest Paid Semi-Annually on December 1 and June 1, beginning on December 1, 2018
Interest Rate: 3.25% - 5.00%

Year Ending June 30,	Principal	Interest	Total
2022	$ -	$ 641,025	$ 641,025
2023	-	641,025	641,025
2024	1,190,000	611,275	1,801,275
2025	1,950,000	532,775	2,482,775
2026	2,050,000	432,775	2,482,775
2027 – 2030	8,075,000	666,338	8,741,338
	$ 13,265,000	$ 3,525,213	$ 16,790,213

NOTE 5: CHANGES IN GENERAL LONG-TERM DEBT (CONTINUED)

On April 25, 2017, the College issued General Obligation Bonds with an interest rate ranging from 3.25% to 5.00% to advance refund $14.6 million of outstanding 2007 Government Obligation Bonds with an interest rate ranging from 3.8% to 5.0%. The net proceeds of $13.3 million (after payment of $235,620 in issuance costs) plus an additional $255,648 of College funds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 General Obligation Bonds. As a result, a portion of the 2007 General Obligation Bonds is considered to be defeased.

Taxable General Obligation Community College Bonds, Series 2017B
Dated: April 25, 2017
Maturity Date: December 1, 2023
Total Issue: $5,500,000
Principal Paid Annually on December 1
Interest Paid Semi-Annually on December 1 and June 1, beginning on December 1, 2018
Interest Rate: 2.05% - 3.04%

Year Ending June 30,	Principal	Interest	Total
2022	$ 1,245,000	$ 80,236	$ 1,325,236
2023	1,370,000	42,468	1,412,468
2024	730,000	11,096	741,096
	$ 3,345,000	$ 133,800	$ 3,478,800

On April 25, 2017, the College issued Taxable General Obligation Community College Bonds, Series 2017B to increase the working cash fund of the College and debt issuance. $5,576,877 was the bond issue, of which $76,577 was bond issuance costs, with $5,500,000 deposited into the Working Cash Fund.

Taxable General Obligation Community College Bonds, Series 2020A
Dated: December 29, 2020
Maturity Date: December 1, 2025
Total Issue: $10,160,000
Principal Paid Annually on December 1
Interest Paid Semi-Annually on December 1 and June 1, beginning on December 1, 2021
Interest Rate: 1.15%

Year Ending June 30,	Principal	Interest	Total
2022	$ 1,945,000	$ 154,989	$ 2,099,989
2023	2,020,000	82,858	2,102,858
2024	2,040,000	59,512	2,099,512
2025	2,065,000	35,909	2,100,909
2026	2,090,000	12,017	2,102,017
	$ 10,160,000	$ 345,285	$ 10,505,285

NOTE 5: CHANGES IN GENERAL LONG-TERM DEBT (CONCLUDED)

On December 29, 2020, the College issued General Obligation Community College Bonds, Series 2020A, which created an obligation against the College in order to pay off the General Obligation (Limited Tax) Debt Certificates, Series 2020A-D. $10,160,000 was the bond issue, of which $98,235 was bond issuance costs, $10,058,184 paid off the Debt Certificates, and $3,581 was deposited in College funds.

For the year ended June 30, 2021, $852,915 was recognized as interest expense in the Statement of Revenues, Expenses and Changes in Net Position. Interest expense is net of amortization of bond premium in the amount of $177,058.

At June 30, 2021, the College's future cash flow requirements of long-term debt obligations by fiscal year were as follows:

Year Ending June 30,		Principal	Interest	Total
2022		$ 3,905,000	$ 1,009,235	$ 4,914,235
2023		4,125,000	877,586	5,002,586
2024		4,295,000	777,068	5,072,068
2025		4,360,000	653,669	5,013,669
2026		4,495,000	519,277	5,014,277
2027 – 2031		10,035,000	848,876	10,883,876
		31,215,000	$ 4,685,711	$ 35,900,711
	Unamortized Bond Premium	1,365,014		
		$ 32,580,014		

NOTE 6: ICCB REIMBURSEMENT

During the year ended June 30, 2014, the Illinois Community College Board (ICCB) conducted a recognition evaluation of the College. These evaluations are performed by the ICCB on a five-year cycle to ensure that colleges are in compliance with specific standards as established by the ICCB. All community colleges must be officially recognized to be eligible for State funding.

As part of this evaluation, the ICCB determined that the College did not have adequate controls in place for determining the "active and successful" pursuit of course completion for five of its courses. This resulted in an overstatement of 38,044 credit hours and an overpayment of $1,308,395 to the College by the ICCB through its Equalization and Base Operating Grants from July 1, 2011 through June 30, 2014. The College received an additional overpayment of $346,574 during fiscal year 2015 for a total overpayment of $1,654,969. The College is required to reimburse the ICCB for these overpayments through the reduction of funds to be received from its Equalization and Base Operating Grants for fiscal years 2016 through 2021. During the year ended June 30, 2021, $413,742 was repaid to the ICCB as the final payment to pay off the liability owed to the ICCB.

NOTE 7: DEFINED BENEFIT PENSION PLAN

Plan Description

John A. Logan College, Community College District No. 530 contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's Comprehensive Annual Financial Report (CAFR) as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who began participation on or after January 1, 2011, and who do not have other eligible reciprocal system service. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2020 can be found in SURS CAFR's Notes to the Financial Statements.

Contributions

The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2020 and fiscal year 2021, respectively, was 13.02% and 12.70% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State's General Assembly.

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions (Concluded)

Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants), Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).

<u>Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

Net Pension Liability

The net pension liability (NPL) was measured as of June 30, 2020. At June 30, 2020, SURS reported a net pension liability (NPL) of $30,619,504,321.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the net pension liability to be recognized for the College is $0. The proportionate share of the State's net pension liability associated with the College is $154,166,063 or 0.5035%. The John A. Logan College's proportionate share changed by (00.0054%) from 0.5089% since the last measurement date on June 30, 2019. This amount should not be recognized in the College's financial statements. The net pension liability and total pension liability as of June 30, 2020 was determined based on the June 30, 2019 actuarial evaluation rolled forward. The basis of allocation used in the proportionate share of the net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2020.

Pension Expense

At June 30, 2020 SURS reported a collective net pension expense of $3,364,411,021.

Employer Proportionate Share of Pension Expense

The employer proportionate share of collective pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2020. As a result, the College recognized revenue and pension expense of $16,939,464.39 from this special funding situation during the year ended June 30, 2021.

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 170,987,483	$ -
Changes in assumptions	473,019,629	-
Net difference between projected and actual earnings on pension plan investments	474,659,178	-
Total	$ 1,118,666,290	$ -

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

Years ending June 30,	Net Deferred Outflows of Resources
2021	$ 435,271,667
2022	346,428,171
2023	183,483,935
2024	153,482,517
2025	-
Thereafter	-
Total	$ 1,118,666,290

Employer Deferral of Fiscal Year 2021 Pension Expense

The College paid $155,757 in federal, trust or grant contributions for the fiscal year ended June 30, 2021. These contributions were made subsequent to the pension liability measurement date of June 30, 2020, and are recognized as deferred outflows of resources as of June 30, 2021.

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumptions and Other Inputs

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2014-2017. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Traditional Growth – Global Public Equity	44%	6.67%
Stabilized Growth		
Credit Fixed Income	14%	2.39%
Core Real Assets	5%	4.14%
Options Strategies	6%	4.44%
Non-Traditional Growth		
Private Equity	8%	9.66%
Non-Core Real Assets	3%	8.70%
Inflation Sensitive – US TIPS	6%	0.13%
Principal Protection – Core Fixed Income	8%	(0.45%)
Crisis Risk Offset		
Systematic Trend Following	2.1%	2.16%
Alternative Risk Premia	1.8%	1.60%
Long Duration	2.1%	0.86%
Total	100%	4.84%
Inflation		2.25%
Expected Arithmetic Return		7.09%

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONCLUDED)

Assumptions and Other Inputs (Concluded)

Discount Rate

A single discount rate of 6.49% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.75% and a municipal bond rate of 2.45% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the State's net pension liability, calculated using a single discount rate of 6.49%, as well as what the State's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point-higher:

1% Decrease 5.49%	Current Single Discount Rate Assumption 6.49%	1% Increase 7.49%
$ 36,893,469,884	$ 30,619,504,321	$ 25,441,837,592

Additional information regarding the SURS basic financial statements, including the plan's net position, can be found in the SURS Comprehensive Annual Financial Report by accessing the website at www.SURS.org.

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The College participates in two postemployment benefit (OPEB) plans: the State of Illinois' College Insurance Program (CIP) and an OPEB plan provided by the College.

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program

Plan Description

The College contributes to the Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program "CIP") that was established under the State Employees Group Insurance Act of 1971, as amended, 5 ILCS 375/6.9(f), which became effective July 1, 1999. The CIP is a cost-sharing, multiple-employer defined benefit OPEB Trust Fund, which has a special funding situation as described in 40 ILCS 15/1.4. A non-employer (the State) is required by statute to contribute a defined percentage of participant payroll directly to the OPEB plan, which is administered through the trust.

CIP has no component units and is not a component unit of any other entity. However, because CIP is not legally separate from the State of Illinois, the financials statements of the CIP are included in the financial statements of the State of Illinois as a pension (and other employee benefit) trust fund. This fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing health benefits to retirees, as established under the plan and associated administrative cost.

Benefits Provided

Through the trust the State provides health, dental, vision, and life insurance benefits for retirees and their dependents. Substantially all State employees become eligible for post-employment benefits if they eventually become annuitants of one of the State sponsored pension plans. Health, dental and vision benefits include basic benefits for annuitants and their dependents under the State's self-insurance plan and insurance contracts currently in force. Annuitants may be required to contribute towards health, dental, and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employees' Retirement System do not contribute towards health, dental, and vision benefits. For annuitants who retire on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health, dental, and vision benefits. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes $5,000.

The State pays for a portion of the employer costs for the benefits provided. The total cost of the State's portion of the health, dental, vision, and life insurance benefits of all members, including post-employment health, dental, vision, and life insurance benefits, is recognized as an expenditure by the State in the Illinois Comprehensive Annual Financial Report. The State finances the costs on a pay-as-you-go basis. The total costs incurred for health, dental, vision, and life insurance benefits are not separated by department or component unit for annuitants and their dependents nor active employees and the dependents.

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

Benefits Provided (Concluded)

A summary of post-employment benefit provision, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department of Central Management Services, may be obtained by writing to the Department of Central Management Services, Stratton Office Building, 401 South Spring Street, Springfield, IL 62706.

Contributions

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriation Act (40 ILCS15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from the district. Administrative costs are paid by the CIP. At June 30, 2021, the College's policy was not to subsidize health insurance premiums of their retirees.

Employers participating in a cost-sharing OPEB plan, and any non-employer contributing entities that meet the definition of a special funding situation, are required to recognize their proportionate share of the collective OPEBs amounts for the OPEB benefits provided to members through the CIP plan. During fiscal year 2021, the College recognized OPEB contributions of $92,522.

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

The collective net OPEB liability was measured as of June 30, 2020. At June 30, 2020, the CIP reported a net OPEB liability of $1,822,763,537.

The collective net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation performed as of that date. The College's proportion of the collective net OPEB liability was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of the College,

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

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

actuarially determined. At June 30, 2020, the College's proportion was $17,831,530 (0.978269%), which was an increase of 0.000136% from its proportion measured as of June 30, 2019 of $18,217,715 (0.964645%). The State's support and total are for disclosure purposes only. The amount recognized by the College as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follow:

College's proportionate share of the collective net OPEB liability	$	17,831,530
State's proportionate share of the collective net OPEB liability associated with the employer		17,831,530
	$	35,663,060

For the year ending June 30, 2021, the College recognized OPEB revenue and expense of $317,139 for support provided on-behalf by the State. At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources		Deferred Inflows of Resources
Difference between expected and actual experience	$	161,984	$	(997,994)
Changes in assumptions		-		(2,850,609)
Net difference between projected and actual earnings on OPEB plan investments		-		(755)
Changes in proportion and differences between employer contributions and proportionate share of contributions		310,256		(1,049,243)
Total deferred amounts to be recognized in expense in future periods		472,240		(4,898,601)
Employer contributions subsequent to the measurement date		92,522		-
Total	$	564,762	$	(4,898,601)

The College reported $92,522 as deferred outflows of resources related to OPEB resulting from College contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the measurement period ended June 30, 2021.

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

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

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

Years ending June 30,		Net Deferred Inflows of Resources
2021	$	(1,830,521)
2022		(1,325,234)
2023		(566,714)
2024		(620,929)
2025		(82,963)
Thereafter		-
Total	$	(4,426,361)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Actual trend used for fiscal year 2020 based on premium increases. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate due to the repeal of the Excise Tax.

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

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

Actuarial Assumptions (Concluded)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2018.

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the CIP fund is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20-years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 2.45% as of June 30, 2020, and 3.13% as of June 30, 2019. The decrease in the single discount rate from 3.13% to 2.45% caused the College's total OPEB liability to decrease by $386,087 from 2019 to 2020.

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

During the plan year ending June 30, 2020, the collective trust earned $25,000 in interest and due to the significant benefit payable, the market value of assets at June 30, 2020, is a negative $88.0 million. Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the long-term expected rate of return assumptions was set to zero.

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Single Discount Rate

The table below presents the collective net OPEB liability of the College calculated using a single discount rate of 2.45% as well as what the College's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%) than the current discount rate:

	1% Decrease 1.45%	Current Discount Rate 2.45%	1% Increase 3.45%
Employer's proportionate share of the collective net OPEB liability	$ 20,317,711	$ 17,831,530	$ 15,687,590

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Concluded)

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The table below presents the College's collective net OPEB liability, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037:

	1% Decrease *(a)*	Healthcare Cost Trend Rates Assumptions	1% Increase *(b)*
Employer's proportionate share of the collective net OPEB liability	$ 14,775,208	$ 17,831,530	$ 21,885,599

(a) One percentage point decrease in healthcare trend rates is 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.
(b) One percentage point increase in healthcare trend rates is 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

Payable to the OPEB Plan

The College had no outstanding contributions payable to the CIP plan for the year ended June 30, 2021.

Request for information

The State of Illinois' Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's office, Division of Financial Reporting, 325 West Adams Street, Springfield, Illinois, 62704-1871.

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan

Retirees' Health Insurance Reimbursement

In addition to the pension benefits described in Note 7, the College provides a subsidy to eligible retirees to bring their cost of health insurance to current active employee levels. Eligibility is based on board policy or the applicable union contract, depending on the employee group. At the death of a retired employee, coverage will be extended to the spouse if previously covered. Retirees from the College will qualify for health insurance coverage under the College Insurance Program (Plan) offered through the State office of Central Management Services. Qualifying individuals receive reimbursement of varying amounts from the College in order to keep retirees' net contributions equal to the contribution of a current active employee with similar coverage. The College finances the Plan on a pay-as-you go basis.

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan (Continued)

Employees Covered by the Benefit Term

As of June 30, 2021, the following employees were covered by the benefit term:

Active employees	140
Inactive employees entitled to but not receiving benefits	-
Inactive employees currently receiving benefits	134
Total	274

Total OPEB Liability

The College's total OPEB liability of $5,979,517 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary rate increase	4.00%
Discount rate	2.18%
Healthcare cost trend rates	6.00%, managed care option, 6.00% CCHP option for 2020 decreasing to an ultimate rate of 4.50% for 2035 and later years
Retirees' share of benefit-related costs	Same as healthcare trend

Since the Plan is financed on a pay-as-you-go basis, a long-term rate of return was not used, and the discount rate used to measure the total OPEB liability was a 20-year general obligation bond index rate. The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2021. The discount rate as of June 30, 2021 was 2.18%, which was a decrease from the June 30, 2020 rate of 2.66%.

Mortality rates were based on the RP-2014 Combined Annuitant Mortality Table for males and females, as appropriate.

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan (Continued)

Changes in the Total OPEB Liability

Balance as of June 30, 2020	$	5,689,904
Changes for the year:		
Service cost		6,793
Interest		148,082
Difference between expected and actual experience		-
Changes in assumptions and other inputs		380,555
Benefit payments		(245,817)
Other changes		-
Net changes		289,613
Balance as of June 30, 2021	$	5,979,517

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rates.

The table below presents the OPEB liability of the College calculated using a discount rate of 2.18% as well as what the College's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current rate:

	1% Decrease 1.18%	Current Discount Rate 2.18%	1% Increase 3.18%
Employer's proportionate share of the collective net OPEB liability	$ 6,701,236	$ 5,979,517	$ 5,378,477

The table below presents the College's OPEB liability, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be it if were calculated using a healthcare cost trend rate that is 1-percentage-point higher or lower, than the current healthcare cost trend rates. The key trend rates are 6.00%, managed care option, and 6.00%, CCHP option, decreasing to an ultimate trend rate of 4.50% in 2035:

	1% Decrease *(a)*	Healthcare Cost Trend Rates Assumptions	1% Increase *(b)*
Employer's proportionate share of the collective net OPEB liability	$ 5,384,024	$ 5,979,517	6,680,518

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONCLUDED)

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan (Concluded)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates (Concluded)

(a) One percentage point decrease in healthcare trend rates is 5.00%, managed care option, and 5.00%, CCHP option, in 2020 decreasing to an ultimate trend rate of 3.50% in 2035.
(b) One percentage point increase in healthcare trend rates is 7.00%, managed care option, and 7.00%, CCHP option, in 2020 decreasing to an ultimate trend rate of 5.50% in 2035.

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

For the year ended June 30, 2021, the College recognized OPEB expense of $535,123. At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ (15,266)
Changes in assumptions	281,287	(7,363)
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total deferred amounts to be recognized in expense in future periods	$ 281,287	$ (22,629)

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

Years ending June 30,	Net Deferred Outflows of Resources
2022	$ 194,716
2023	63,942
Total	$ 258,658

NOTE 9: INTERGOVERNMENTAL AGREEMENT

In September 2017, the College entered into an educational partnership agreement (Community College Education Agreement) with 36 other Illinois community colleges to provide additional educational programs to the citizens of each district. The cooperating institutions in this agreement will be treated as in district in relation to admission policies for their programs. Colleges sending students to any receiving cooperating institution will no longer pay chargebacks to the receiving college.

NOTE 10: SIH EDUCATIONAL AGREEMENT AND PEPSI AGREEMENT

SIH

On November 30, 2011, the College entered into an educational partnership agreement with Southern Illinois Hospital Services (SIH) with the goal of improving the health outcome and health status of the region. As part of that agreement, SIH agreed to finish "Area 2" of the College's Communication Wing (approximately 6,000 square feet) to use for SIH's educational purposes at a cost of $716,665 to SIH for the rights to reside within the space for a period of at least 10 years. After the 10-year period, SIH would then have the ability to renew the agreement if it is within their best interest to do so. As a result, the $716,665 is being recognized as revenue over the ten-year period. During the year ended June 30, 2021, the College recognized $71,667 as revenue with the remaining $29,861 recorded as a deferred inflow of resources.

Pepsi

On October 23, 2018, the College entered into an agreement with Pepsi MidAmerica Co. (Pepsi) in which Pepsi will be the exclusive beverage and line snack provider for a period of 20 years. In accordance with the agreement, Pepsi made an upfront payment to the College for $130,000 for the first two years of the agreement. Pepsi will then make payments of $65,000 per year for years 3-20 of the agreement. The total monetary payments over the contract will be $1,300,000. During the year ended June 30, 2021, the College recognized $65,000 as revenue, accounts receivable of $1,105,000, and $1,105,000 as a deferred inflow of resources related to this contract.

NOTE 11: CONTINGENT LIABILITIES AND COMMITMENTS

Federal and State Grants

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

Vacation and Personal Leave

As of June 30, 2021, employees had earned but not taken annual vacation and personal leave, which at salary rates in effect at the end of the year, totaled approximately $1,700,000 and $260,000, respectively. The College has accrued this liability.

NOTE 11: CONTINGENT LIABILITIES AND COMMITMENTS (CONCLUDED)

Litigation

At June 30, 2021, the College had pending litigation involving a matter with faculty. On November 23, 2021, the Board of Trustees approved the expenditure of $394,967 plus SURS interest and authorized seven settlement agreements to resolve this matter.

Construction in Progress

At June 30, 2021, the College had construction project commitments totaling approximately $4,585,800. These commitments are detailed below:

Approved prior to June 30, 2021:		
West entry elevator and mezzanine	$	159,800
G building & Logan practice facility roofs		458,400
Electronical system and transformer upgrades		207,300
Waterfall courtyard outdoor dining		54,400
Pedestrian pathway		326,400
Multi-use pathway with pedestrian bridge		188,800
West lobby expansion		1,258,300
Renovation of upper C wing and E wing lobby		575,000
Highway construction careers program building		20,000
		3,248,400
Approved after June 30, 2021, but prior to report date:		
PHS HVAC Upgrades C wing		901,300
Admissions conference room		81,800
Cooling tower repairs – 2 units		109,000
Hoffard pond-drain and dredge, remove silt		109,000
PA alert system installation		136,300
		1,337,400
Total construction commitments	$	4,585,800

Copier Leases

Effective April 2017, the College entered into a lease agreement with University Lease covering all copiers on campus. The lease is for five years at $6,870 per month for equipment rental and maintenance. The agreement allows for changes in equipment during this period should the College's needs change. Lease expense for the year ended June 30, 2021 was $82,439.

NOTE 12: SUBSEQUENT EVENTS

On November 23, 2021, the College approved a five-year lease with Konica Minolta for $318,711. This lease is for a fleet of 38 MFD copiers, including production copier equipment for the copy center, and maintenance.

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT

The Foundation's notes to the financial statements are as follows:

A. Summary of Significant Accounting Policies

John A. Logan College Foundation (the Foundation) is organized exclusively for educational and charitable purposes. The Foundation assists in developing and augmenting the facilities and carrying out the educational functions of John A. Logan College (the College).

Basis of Accounting – The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities. The Foundation has presented its assets and liabilities on its Statement of Financial Position in an unclassified manner, but in order of liquidity.

Basis of Presentation – The Foundation classifies its net assets, revenues, gains, and losses on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for various purposes, including quasi-endowments.

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

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents – For the purpose of the Statement of Cash Flows, cash equivalents consist of cash and highly-liquid short-term investments including money market account deposits with original maturity of three months or less from the date of purchase.

Contributions – Contributions, including unconditional pledges, are recognized in the appropriate category of net assets in the period received. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at estimated fair value. Contributions to be received after one year are discounted and recorded at the present value using a risk-adjusted rate of return. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. There were no contributions to be received after one year at June 30, 2021. An allowance for uncollectible pledges is recognized based on historical experience, as necessary. No allowance for uncollectible pledges was recognized for the year ended June 30, 2021.

Contributions received in the same year in which the restriction is met are recorded as contributions with donor restrictions and released from restriction.

Contributed Services – The College provides office space, accounting and record-keeping services, and the necessary administrative services to the Foundation at no charge. The rental value of the office space is recorded at fair rental value equivalent to similar facility space. Other amounts have been recorded based on actual cost to the College for the services. See Note 13F below.

Investments – Investments are reported at fair value. Investment income, gains and losses, and any investment-related expenses are recorded as changes in net assets without donor restrictions in the Statement of Activities unless their use is temporarily or permanently restricted by explicit donor stipulations or laws. In the absence of donor stipulations or law to the contrary, losses on the investments of donor-restricted endowment funds are recognized as reductions of net assets with donor restrictions to the extent that donor-imposed restrictions on net appreciation of the funds have not been met before the loss occurs. Any remaining loss reduces net assets without donor restrictions.

Investment Expenses – Investment expenses, including custodial fees and investment advisory fees, relating to investment income amounted to $42,155 and have netted with investment income in the accompanying Statement of Activities.

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Continued)

Fair Value – The Foundation follows FASB ASC 820-10 "Fair Value Measurements," which provides a framework for measuring fair value under U.S. generally accepted accounting principles. FASB ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. FASB ASC 820-10 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. FASB ASC 820-10 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels as described below.

> Level 1: Inputs to the valuation methodology derived from unadjusted quoted prices for identical assets or liabilities in active markets.
>
> Level 2: Other observable inputs including quoted prices for similar assets or liabilities in active or inactive markets, and inputs that are principally derived from or corroborated by observable market data by correlation or other means.
>
> Level 3: Inputs to the valuation methodology which are unobservable and significant to the fair value measurements. These inputs are only used when Level 1 or Level 2 inputs are not available.

Income Taxes – The Foundation is recognized as exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Foundation may be subject to federal and state income taxes on any net income from unrelated business activities. The Foundation files a form 990 (Return of Organization Exempt from Income Tax) annually, and unrelated business income (UBI) is reported on Form 990-T, as appropriate. Management has evaluated the Foundation's material tax positions, which include such matters as the tax-exempt status of each entity and various positions relative to potential sources of UBI. As of June 30, 2021, there were no uncertain tax benefits identified and recorded as a liability. The Foundation is no longer subject to U.S. federal or state income tax authorities for the years ending prior to June 30, 2018.

Use of Estimates – The preparation of financial statements in conformity with United States generally accepted accounting principles requires the use of management's estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Concluded)

Functional Allocation of Expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. This presentation requires allocation of expenses on a reasonable basis that is consistently applied. Expenses are allocated based on the Organization's best estimate of the time spent by employees on program services vs. supporting services functions. Directly identifiable expenses are charged to the appropriate program or supporting service. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall support and direction of the Organization.

Date of Management's Review – Management has reviewed subsequent events through January 11, 2022, the date the financial statements were available to be issued.

B. Investments and Fair Value Measurements

The Foundation's investments are held primarily by a national bank and managed by an investment advisor in accordance with the terms of an investment advisor agreement. Investments detailed below were measured at fair value as described in Note 13A.

Investments as of June 30, 2021 consisted of the following:

		Fair Value		
	Cost	Quoted Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Mutual Funds	$ 3,291,770	$ 4,206,612	$ -	$ 4,206,612
Exchange-traded Funds	2,674,312	3,163,538	-	3,163,538
Corporate Bonds	3,469,687	-	3,423,839	3,423,839
Real Estate Investments	208,207	-	262,724	262,724
Total Investments	$ 9,643,976	$ 7,370,150	$ 3,686,563	$ 11,056,713

There were no transfers between Levels 1, 2, or 3 of the fair value hierarchy during the year ended June 30, 2021.

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

C. Net Assets with Donor Restrictions

The Foundation reports gifts of cash and other assets as restricted if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

At June 30, 2021, the Foundation held $9,502,611 in net assets with donor restrictions. These assets will be used for scholarships for students of the College as well as grants benefiting the College in amounts as follows:

Non-endowed Scholarships	$ 588,829
Athletics	90,845
Endowments	8,530,071
Other	292,866
Total	$ 9,502,611

During the year ended June 30, 2021, $492,350 was released from restrictions and used for the following purposes:

Scholarships	$ 407,862
Athletics	77,152
Other Student Support	7,336
Total	$ 492,350

D. Endowment Funds

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

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

D. Endowment Funds (Continued)

Interpretation of Relevant Law: The Board of Directors of the Organization, through obtaining a legal opinion and committee review, has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions to be held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not considered to be held in perpetuity, is also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the funds;
2. The purposes of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The Foundation’s investment policies.

Spending Policy. The Foundation has a policy in which any accumulated earnings in excess of a calculated reserve are available for distribution each year. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Foundation expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 4% annually. This is consistent with the Foundation’s objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return. The Board-approved spending was $198,122 for the fiscal year ended June 30, 2021.

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

D. Endowment Funds (Concluded)

Investment Return Objectives, Risk Parameters and Strategies. The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to preserve and increase the real principal value of the fund over the long-term. The investment objective is to earn an average annual rate of return over a 10-15 year period which exceeds the average annual change in the Consumer Price Index by 4%. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Endowment net assets as June 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Donor-restricted Endowment Funds	$ -	$ 8,530,070	$ 8,530,070
Board-designated Endowment Funds	1,832,195	-	1,832,195
	$ 1,832,195	$ 8,530,070	$ 10,362,265

Changes in endowment net assets as of June 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Endowment Net Assets, Beginning of Year	$ 1,521,350	$ 6,984,328	$ 8,505,678
Contributions	-	118,060	118,060
Investment Income, Net of Fees	33,783	149,480	183,263
Realized Gain (Loss)	200,019	884,993	1,085,012
Unrealized Gain (Loss)	123,295	545,079	668,374
Amounts Appropriated for Expenditures	(46,252)	(151,870)	(198,122)
Endowment Net Assets, End of Year	$ 1,832,195	$ 8,530,070	$ 10,362,265

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

E. Liquidity and Availability

The Foundation's financial assets available for general expenditures, that is, without donor restrictions or other limitations, such as Board designations, within one year of the Statement of Net Position date, comprise the following:

Cash and Cash Equivalents	$	99,219
Investments		450,063
Total	$	549,282

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditures.

Board-designated endowments of $1,345,314 are subject to an annual spending limit as described in Note 13D. Although the Foundation does not intend to spend from the board-designated endowments (other than amounts appropriated for general expenditures as part of the Board's annual approved budget), these amounts could be made available if necessary.

As part of the Foundation's liquidity management plan, cash in excess of the Foundation's daily requirements are invested in short-term investments, certificates of deposit, and money market funds as determined by the Foundation's investment committee.

F. Relationship to John A. Logan College and Related Transactions

As part of the Foundation efforts, donations are accepted for the purchase of equipment to be used at the College. The College makes the initial purchase and submits invoices to the Foundation for reimbursement. The amounts reimbursed to the College are expensed as title to the assets remains with the College.

The College furnishes the Foundation with certain services and facilities at no charge. The total value of the services and facilities provided by the College during the year ended June 30, 2021 is recognized as contributions revenue in the Statement of Activities as detailed below:

Occupancy	$	12,000
Contractual Services		112
Supplies, Materials, and Travel		3,998
Personnel		207,489
Total	$	223,599

NOTE 13: DISCRETELY PRESENTED COMPONENT UNIT (CONCLUDED)

F. Relationship to John A. Logan College and Related Transactions (Concluded)

The total value of the services and the facilities provided by the College during the year ended June 30, 2021 is also recognized as expenses as follows:

Scholarships	$ 42,434
Other Student Services	13,069
Management and General	59,656
Fundraising	108,440
Total	$ 223,599

G. Concentrations of Credit Risk

The Foundation maintains cash and cash equivalents at two different financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At June 30, 2021, the Foundation had cash and cash equivalents totaling $85,325 that were exposed to custodial credit risk but were collateralized by securities pledged by the Foundation's financial institution on-behalf of the Foundation.

H. Effect of COVID-19 Pandemic

On March 11, 2020, the World Health Organization ("WHO") recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant impact upon many sectors of the economy. We believe the ultimate financial impact of the COVID-19 pandemic on the Foundation is likely to be determined by factors which are uncertain, unpredictable, and outside of the control of the Foundation. The situation surrounding COVID-19 remains fluid, and if disruptions do arise, they could materially adversely affect future revenues.

REQUIRED SUPPLEMENTARY INFORMATION

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS (SURS) PENSION PLAN - GASB 68

SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY†
State Universities Retirement System - ***Unaudited***

	FY2021*	FY2020*	FY2019*	FY2018*	FY2017*	FY2016*	FY2015*
College's proportionate percentage of the collective net pension liability	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
College's proportionate amount of the collective net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of collective net pension liability associated with the College	154,166,063	146,156,442	141,981,891	132,756,562	150,631,522	142,796,497	134,423,009
Total	$ 154,166,063	$ 146,156,442	$ 141,981,891	$ 132,756,562	$ 150,631,522	$ 142,796,497	$ 134,423,009
College's DB covered payroll	$ 18,661,907	$ 18,387,517	$ 18,444,296	$ 18,370,903	$ 20,970,430	$ 21,977,912	$ 22,488,035
College's proportionate share of collective net pension liability as a percentage of its DB covered payroll	826.10%	794.87%	769.79%	722.65%	718.30%	649.73%	597.75%
SURS plan fiduciary net position as a percentage of the total pension liability	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%

**The amounts presented were determined as of the prior fiscal year end.*
†The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

SCHEDULE OF COLLEGE CONTRIBUTIONS†
State Universities Retirement System - ***Unaudited***

	FY2021	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015
Federal, trust, grant and other contributions (required contributions)	$ 155,757	$ 153,469	$ 148,117	$ 159,156	$ 161,062	$ 167,235	$ 182,837
Contributions in relation to required contributions	155,757	153,469	148,117	159,156	161,062	167,235	182,837
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered payroll	$ 1,226,434	$ 1,178,720	$ 1,205,183	$ 1,277,335	$ 1,285,411	$ 1,317,849	$ 1,561,375
Contributions as a percentage of covered payroll	12.70%	13.02%	12.29%	12.46%	12.53%	12.69%	11.71%

	FY2021	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015
On-behalf payments for Community College Health Insurance Program	$ 92,522	$ 89,969	$ 86,591	$ 85,396	$ 84,297	$ 100,481	$ 106,881

†The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF CHANGES IN THE COLLEGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS
COLLEGE PLAN - GASB 75 - *UNAUDITED*

Fiscal Year Ended	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	$ 6,793	$ 5,389	$ 17,357	$ 17,620
Interest on Total OPEB Liability	148,082	158,767	169,959	148,927
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(94,383)	-	497,910
Changes of Assumptions or Other Inputs	380,555	107,469	162,832	116,522
Benefit Payments	(245,817)	(368,328)	(373,937)	(475,247)
Other Changes	0	6,269	8,234	349,370
Net Change in Total OPEB Liability	289,613	(184,817)	(15,555)	655,102
Total OPEB Liability - Beginning	5,689,904	5,874,721	5,890,276	5,235,174
Total OPEB Liability - Ending	$ 5,979,517	$ 5,689,904	$ 5,874,721	$ 5,890,276
Covered Payroll	$ 10,868,249	$ 10,868,249	$ 13,411,239	$ 13,411,239
Total OPEB Liability as a Percentage of Covered Payroll	55.02%	52.35%	43.80%	43.92%

Notes to Schedule

The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY†
COLLEGE INSURANCE PROGRAM (CIP) - GASB 75 - *UNAUDITED*

	FY2021	FY2020	FY2019	FY2018	FY2017
College's proportion of the collective net OPEB liability	0.978269%	0.964645%	0.977891%	0.971646%	1.108664%
College's proportionate share of the collective net OPEB liability	$ 17,831,530	$ 18,217,715	$ 18,435,712	$ 18,011,609	$ 20,177,182
State's proportionate share of the collective net OPEB liability associated with the College	17,831,530	18,217,617	18,435,620	23,653,716	21,023,006
Total	$ 35,663,060	$ 36,435,332	$ 36,871,332	$ 41,665,325	$ 41,200,188
College's covered payroll	$ 18,504,390	$ 17,993,700	$ 17,318,296	$ 17,078,749	$ 16,859,262
College's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	96.4%	101.2%	106.5%	105.5%	119.7%
Plan fiduciary net position as a percentage of the total OPEB liability	-4.83%	-3.96%	-3.42%	-2.81%	N/A

†*The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.*

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - *UNAUDITED*
JUNE 30, 2021

NOTE 1: SURS PENSION PLAN

Changes of Benefit Terms.

There were no benefit changes recognized in the Total Pension Liability as of June 30, 2020.

Changes of Assumptions.

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

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

Special Funding Situation

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a nonemployer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the nonemployer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the nonemployer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a nonemployer contributing entity. Participating employers are considered employer contributing entities. The State is responsible for the collective net pension liability of the plan with the exception of federal, trust, or grant contributions made by the College that are recognized as deferred outflows of resources.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONCLUDED) - *UNAUDITED*
JUNE 30, 2021

NOTE 2: COLLEGE INSURANCE PLAN

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Sponsor's Fiscal Year-End	June 30, 2021

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Retired members contribute a percentage of premium rates based on service at retirement. The sponsor contributes claims and expenses in excess of retired member contributions. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Not applicable
Investment Rate of Return	Not applicalbe
Inflation	2.25%
Salary Increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of services. Salary increases include a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018 actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2020. For fiscal years on and after 2021, trends start at 8.25% for non-Medicare cost and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

OTHER SUPPLEMENTAL INFORMATION

Other

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530

SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, AND TAXES EXTENDED
UNAUDITED
LEVY YEARS 2018, 2019 AND 2020

	2020 Levy Payable in 2021*	2019 Levy Payable in 2020*	2018 Levy Payable in 2019*
Assessed Valuation (by County)			
Franklin County	$ 96,746,412	$ 96,171,054	$ 91,991,429
Jackson County	697,616,552	691,194,351	702,228,672
Perry County	105,638,374	99,955,768	95,552,899
Randolph County	13,086,465	12,857,942	12,380,954
Williamson County	1,117,807,799	1,078,712,881	1,046,667,240
	$ 2,030,895,602	$ 1,978,891,996	$ 1,948,821,194
Tax Rates			
(Per $100 of Assessed Valuation)			
Education	0.30000	0.30000	0.30000
Operations and Maintenance	0.05000	0.05000	0.05000
Bond and Interest	0.24270	0.13789	0.13604
Audit	0.00256	0.00252	0.00256
Liability, Protection, and Settlement	0.10369	0.09591	0.09496
Health, Life, and Safety	0.04805	0.04252	0.04296
Prior Year Adjustment	0.00024	0.00261	(0.00122)
	0.74724	0.63145	0.62530
Taxes Extended			
Education	$ 6,092,687	$ 5,933,270	$ 5,846,463
Operations and Maintenance	1,015,448	988,875	974,411
Bond and Interest	4,969,091	2,749,681	2,655,551
Audit	52,490	50,317	50,106
Liability, Protection, and Settlement	2,122,615	1,912,182	1,853,077
Health, Life, and Safety	983,655	847,759	838,386
Prior Year Adjustment	(38,058)	28,154	(12,769)
	$ 15,197,928	$ 12,510,238	$ 12,205,225

* Tax rates vary by county. Williamson County rates are reflected in the table. Tax extended represents actual extensions from all counties. Therefore, rate times assessed valuation does not compute to taxes extended.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN
UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2021

Assessed Valuation - 2019 Levy		
Franklin County	$	96,171,054
Jackson County		691,194,351
Perry County		99,955,768
Randolph County		12,857,942
Williamson County		1,078,712,881
	$	1,978,891,996
Debt Limit, 2.875% of Assessed Valuation (50 ILCS 405/1)	$	56,893,145
Less: Total Indebtedness		(31,215,000)
Legal Debt Margin	$	25,678,145

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE
UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2021

Policy Number	Coverage	Effective Date	Expiration Date	Coverage
14-0145-106-00001313	Title Insurance	Non-expiring		$188,000 College Property (Main Campus) $9,000 College Property (Main Campus Addition) $15,000 College Property (Main Campus Addition) $390,000 College Property (DuQuoin Extension Center)
ZBC H331124	Commercial Property	8/15/2020	8/15/2021	$91,149 commercial property $122,782,812 building $13,716,773 personal property $25,000 deductible $5,000,000 limit blanket business income $42,513 general liability $5,000,000 flood $5,000,000 earthquake
AWC H331103	Commercial Auto	8/15/2020	8/15/2021	$1,000,000 covered liability $1,000,000 uninsured/underinsured motorists $5,000 medical payments $500 deductible comprehensive and collision
WC100-000709-120	Workers' Compensation and Employer's Liability	8/15/2020	8/15/2021	Workers' Compensation - Statutory Coverage Employer's Liability - $500,000 bodily injury by accident or disease
UHC H331127	Commercial Umbrella Policy	8/15/2020	8/15/2021	$15,000,000 each occurrence $15,000,000 annual aggregate
UHC H331127	Commercial Umbrella Policy	8/15/2020	8/15/2021	$1,000,000 each occurrence $1,000,000 personal and advertising injury $2,000,000 general/products-completed operations aggregate
MQE0104037	Excess Earthquake	8/15/2020	8/15/2021	$20,000,000 limit during any one policy period
MPL4204531-20	Cyber Liability	8/15/2020	8/15/2021	$5,000,000 policy limit of liability
124-127-D47-O	Athletic Accident Insurance	8/15/2020	8/15/2021	$25,000 maximum benefit
64835245N	IL Notary Bond	12/17/2019	12/17/2023	$5,000 bond
LSM1426393	IL Notary Bond	1/5/2021	1/5/2025	$5,000 bond
SCH-60000136-00	Catastrophic Student Athletic Accident	8/15/2020	8/15/2021	$5,000,000 aggregate limit, $25,000 deductible
107364522	Treasurer/Working Cash Bond	1/1/2021	12/31/2021	$7,500,000 bond amount
107364526	General Obligation Bond	1/1/2021	12/31/2021	$835,000 bond amount
0022110	Treasurer/Working Cash Bond	4/22/2020	4/21/2021	$1,400,000 bond amount
107364527	Working Cash Bond	1/1/2021	12/31/2021	$1,400,000 bond amount

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

CERTIFICATION OF CHARGEBACK REIMBURSEMENT

FOR FISCAL YEAR 2022

All Non-Capital Audited Operating Expenditures for Fiscal Year 2021 From the Following Funds:

1	Education Fund	$ 22,697,853	
2	Operations and Maintenance Fund	3,871,172	
3	Public Building Commission Operation and Maintenance Fund	-	
4	Bond and Interest Fund	1,670,658	
5	Public Building Commission Rental Fund	-	
6	Restricted Purposes Fund	9,103,991	
7	Audit Fund	54,175	
8	Liability, Protection, and Settlement Fund	2,051,895	
9	Auxiliary Enterprises Fund (subsidy only)	2,292,111	
10	**Total Non-Capital Expenditures (sum of lines 1-9)**		$ 41,741,855
11	Depreciation on Capital Outlay Expenditures (equipment, buildings, and fixed equipment paid) From Sources Other than State and Federal Funds	1,746,942	
12	**Total Costs Included (line 10 plus line 11)**		$ 43,488,797
13	Total Certified Semester Credit Hours for Fiscal Year 2021	58,384.50	
14	**Per Capita Cost (line 12 divided by line 13)**		$ 744.87
15	All Fiscal Year 2021 State and Federal Operating Grants For Non-Capital Expenditures, Except ICCB Grants	3,214,821	
16	Fiscal Year 2021 State and Federal Grants Per Semester Credit Hour (line 15 divided by line 13)		55.06
17	District's Average ICCB Grant Rate (excluding equalization grant) for Fiscal Year 2022		40.29
18	District's Student Tuition and Fee Rate Per Semester Credit Hour for Fiscal Year 2022		133.00
19	**Chargeback Reimbursement Per Semester Credit Hour (line 14 less lines 16, 17, and 18)**		$ 516.52

APPROVED: Stacy Buckingham 3/25/2022
Chief Fiscal Officer Date

APPROVED: Kirk E. Dorn PhD 3/25/2022
Chief Executive Officer Date

UNIFORM FINANCIAL STATEMENTS

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1
FISCAL YEAR ENDED JUNE 30, 2021

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
Fund Balance, July 1, 2020	$ 5,501,430	$ 786,010	$ 1,682,885	$ 189,124	$ 171,980	$ 3,501,035	$ 7,535,685	$ 36,519	$ 384,475	$ 19,789,143
Revenues										
Local Tax Revenue	6,882,932	990,643	849,232	2,754,424	-	-	-	50,401	1,915,472	13,443,104
All Other Local Revenue	-	-	10,045,000	10,160,000	-	-	-	-	-	20,205,000
ICCB Grants	6,554,070	3,035,008	-	-	-	274,195	-	-	-	9,863,273
All Other State Revenue	9,488	4,066	142,477	-	-	781,348	-	-	-	937,379
Federal Revenue	2,982,126	135,091	-	-	497,835	7,216,190	-	-	-	10,831,242
Student Tuition and Fees	9,762,429	-	-	-	283,755	19,630	-	-	-	10,065,814
On-Behalf CIP	-	-	-	-	-	317,139	-	-	-	317,139
On-Behalf SURS	-	-	-	-	-	16,939,464	-	-	-	16,939,464
All Other Revenue	181,187	39,462	88,044	1,659	555,057	800,284	-	232	3,678	1,669,603
Total Revenues	26,372,232	4,204,270	11,124,753	12,916,083	1,336,647	26,348,250	-	50,633	1,919,150	84,272,018
Expenditures										
Instruction	9,416,312	-	-	-	-	8,037,658	-	-	-	17,453,970
Academic Support	2,255,539	-	-	-	-	1,642,986	-	-	-	3,898,525
Student Services	2,536,824	-	-	-	-	2,458,808	-	-	-	4,995,632
Public Service/Continuing Education	987,490	-	-	-	637,138	2,667,609	-	-	-	4,292,237
Auxiliary Services	567	-	-	-	1,070,829	406,194	-	-	-	1,477,590
Operations and Maintenance	-	3,711,169	-	-	-	2,658,279	-	-	811,494	7,180,942
Institutional Support	5,173,662	210,392	2,783,250	13,221,185	30,254	3,702,210	-	54,175	1,240,401	26,415,529
Scholarships, Grants, and Waivers	2,479,707	-	-	-	569,414	5,055,090	-	-	-	8,104,211
Total Expenditures	22,850,101	3,921,561	2,783,250	13,221,185	2,307,635	26,628,834	-	54,175	2,051,895	73,818,636
Net Transfers	(1,767,856)	(300,000)	300,000	200,000	1,251,495	316,361	-	-	-	-
Fund Balance, June 30, 2021	$ 7,255,705	$ 768,719	$ 10,324,388	$ 84,022	$ 452,487	$ 3,536,812	$ 7,535,685	$ 32,977	$ 251,730	$ 30,242,525

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

RECONCILIATION OF THE UNIFORM FINANCIAL STATEMENT NO. 1
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balance - Uniform Financial Statement No. 1	$	30,242,525
Amounts reported in the basic financial statements for net position are different because:		
Capital assets used in College activities are not current financial resources and therefore are not reported in the Uniform Financial Statements.		61,223,873
Capital assets included as prepaid expenses on the Uniform Financial Statements but are capitalized and amortized over the life of the capital assets in the basic financial statements.		(113,941)
Pension contributions made after the actuarial valuation date are considered expenditures in the Uniform Financial Statements but are deferred outflows of resources in the basic financial statements.		155,757
OPEB contributions made after the actuarial measurement date are considered expenditures in the Uniform Financial Statements but are deferred outflows of resources in the basic financial statements.		92,522
Premiums on fixed debt are other financial sources in the Uniform Financial Statements but are liabilities that are amortized over the life of the fixed debt in the basic financial statements.		(1,365,014)
Deferred losses on refunded fixed debt are other financing uses in the Uniform Financial Statements but are reported as deferred outflows of resources that are amortized over the life of the fixed debt in the basic financial statements.		393,017
Changes in assumptions, experiences, and other calculations are reported as deferred outflows/inflows in the basic financial statements; however, they are not recorded in the Uniform Financial Statements.		(4,167,703)
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported as liabilities in the Uniform Financial Statements. These liabilities consist of:		
Bonds payable		(31,215,000)
Postemployment benefits		(23,811,047)
Accrued interest		(129,138)
Net Position - Statement of Net Position	$	31,305,851

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

RECONCILIATION OF THE UNIFORM FINANCIAL STATEMENT NO. 1
TO THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Uniform Financial Statement No. 1			$	10,453,382
Amounts reported in the general-purpose Statement of Revenues, Expenses, and Changes in Net Position are different because:				
The Uniform Financial Statements report capital outlays as expenditures paid while the basic financial statements report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlays exceeded depreciation in the current period:				
Capital outlays	$	3,165,825		
Depreciation expense		(2,872,587)		
				293,238
Net book value of disposed capital assets is not reported in the Uniform Financial Statements.				(96,560)
Contributions to pension funds are recognized as expenditures when paid to the pension fund on the Uniform Financial Statements. These expenses are recorded on the basic financial statements based on the pension expense, corresponding with the most recent measurement period. This is the difference between these amounts.				2,288
Contributions to the OPEB plans are recognized as expenditures when paid to the plans on the Uniform Financial Statements. These expenses are recorded on the basic financial statements based on the OPEB expense, corresponding with the most recent measurement period. This is the difference between these amounts.				92,522
Proceeds from long-term debt are recognized as other local revenue in the Uniform Financial Statements but have no impact on net assets in the Statement of Revenues, Expenses, and Changes in Net Position.				(20,205,000)
Some expenses reported in the Uniform Financial Statements use current financial resources to reduce long-term liabilities reported on the basic financial statements. These activities consist of:				
Bonds payable, including amortization of bond premiums				12,322,534
Debt certificates payable				
Postemployment benefits				(274,182)
Reduction of ICCB reimbursement				413,742
Accrued interest				(54,556)
Increase in Net Position - Statement of Revenues, Expenses, and Changes in Net Position			$	2,947,408

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SUMMARY OF FIXED ASSETS AND DEBT
UNIFORM FINANCIAL STATEMENT #2
FISCAL YEAR ENDED JUNE 30, 2021

	Fixed Asset/Debt Account Groups July 1, 2020	Additions	Deletions	Fixed Asset/Debt Account Groups June 30, 2021
Fixed Assets				
Sites	$ 346,427	$ -	$ -	$ 346,427
Site Improvements	1,871,826	627,216	-	2,499,042
Buildings, Additions, and Improvements	93,029,425	2,066,368	(109,728)	94,986,065
Equipment	10,577,213	956,967	(7,400)	11,526,780
Other Fixed Assets	16,500	-	-	16,500
Construction in Progress	850,015	193,666	(756,023)	287,658
Total Fixed Assets	106,691,406	3,844,217	(873,151)	109,662,472
Less: Accumulated Depreciation	45,586,580	2,872,587	(20,568)	48,438,599
Net Fixed Assets	$ 61,104,826	$ 971,630	$ (852,583)	$ 61,223,873
Fixed Debt				
Bonds Payable	$ 22,880,000	$ 10,160,000	$ (1,825,000)	$ 31,215,000
Debt Certificates Payable	325,000	10,045,000	(10,370,000)	-
CIP Net OPEB Liability	18,217,715	-	(386,185)	17,831,530
Total Fixed Debt	$ 41,422,715	$ 20,205,000	$ (12,581,185)	$ 49,046,530

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3
FISCAL YEAR ENDED JUNE 30, 2021

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Revenues by Sources			
Local Government Revenues:			
Local Taxes	$ 5,943,771	$ 990,643	$ 6,934,414
Corporate Personal Property Replacement Tax	939,161	-	939,161
Total Local Government	6,882,932	990,643	7,873,575
State Government:			
ICCB Base Operating Grant	1,960,308	1,009,832	2,970,140
ICCB Equalization Grant	4,075,341	2,025,176	6,100,517
ICCB Career and Technical Education	418,561	-	418,561
ICCB Performance Grant	7,860	-	7,860
Other ICCB Unrestricted Grants not listed above	92,000	-	92,000
Other State not listed above	9,488	4,066	13,554
Total State Government	6,563,558	3,039,074	9,602,632
Federal Government:			
Department of Education	2,763,273	41,296	2,804,569
Dept. of Labor	-	-	-
Department of Health & Human Services	218,853	93,795	312,648
Other	-	-	-
Total Federal Government	2,982,126	135,091	3,117,217
Student Tuition and Fees:			
Tuition	8,948,354	-	8,948,354
Fees	814,075	-	814,075
Total Student Tuition and Fees	9,762,429	-	9,762,429
Other Sources:			
Sales and Service Fees	32,662	-	32,662
Facilities Revenue	-	34,565	34,565
Investment Revenue	31,027	2,392	33,419
Other	117,498	2,505	120,003
Total Other Sources	181,187	39,462	220,649
Total Revenue	26,372,232	4,204,270	30,576,502
Less Non-Operating Items:*			
Tuition Chargeback Revenue	-	-	-
Adjusted Revenue	$ 26,372,232	$ 4,204,270	$ 30,576,502

*Intercollege revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3
FISCAL YEAR ENDED JUNE 30, 2021

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures			
By Program:			
Instruction	$ 9,416,312	$ -	$ 9,416,312
Academic Support	2,255,539	-	2,255,539
Student Services	2,536,824	-	2,536,824
Public Service/Continuing Education	987,490	-	987,490
Auxiliary Services	567	-	567
Operations and Maintenance	-	3,711,169	3,711,169
Institutional Support	5,173,662	210,392	5,384,054
Scholarships, Grants, and Waivers	2,479,707	-	2,479,707
Total Expenditures	22,850,101	3,921,561	26,771,662
Less Non-Operating Items:*			
Transfers	-	-	-
Adjusted Expenditures	$ 22,850,101	$ 3,921,561	$ 26,771,662
By Object:			
Salaries	$ 15,409,214	$ 2,407,796	$ 17,817,010
Employee Benefits	1,822,775	354,517	2,177,292
Contractual Services	1,355,070	196,468	1,551,538
General Materials and Supplies	1,164,226	200,011	1,364,237
Library Materials**	27,929	-	27,929
Conference and Meeting Expenses	27,323	-	27,323
Fixed Charges	10,192	18,788	28,980
Utilities	11,897	693,592	705,489
Capital Outlay	152,248	50,389	202,637
Other	2,897,156	-	2,897,156
Student Grants and Scholarships**	2,479,707	-	2,479,707
Total Expenditures	22,850,101	3,921,561	26,771,662
Less Non-Operating Items:*			
Transfers	-	-	-
Adjusted Expenditures	$ 22,850,101	$ 3,921,561	$ 26,771,662

*Intercollege expenditures that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

**Non-add line

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4
FISCAL YEAR ENDED JUNE 30, 2021

	Restricted Purposes Fund
Revenues by Source	
State Government:	
ICCB - Adult Education	$ 207,465
ICCB - Other	66,730
On-Behalf CIP	317,139
On-Behalf SURS	16,939,464
Other	781,348
Total State Government	18,312,146
Federal Government:	
Department of Education	6,261,223
Department of Health and Human Services	840,197
Other	114,770
Total Federal Government	7,216,190
Other Sources:	
Tuition and Fees	19,630
Other	800,284
Total Other Sources	819,914
Total Restricted Purposes Fund Revenues	$ 26,348,250
Expenditures By Program	
Instruction	$ 8,037,658
Academic Support	1,642,986
Student Services	2,458,808
Public Service/Continuing Education	2,667,609
Auxiliary Services	406,194
Operations and Maintenance	2,658,279
Institutional Support	3,702,210
Scholarships, Grants, and Waivers	5,055,090
Total Restricted Purposes Fund Expenditures	$ 26,628,834
Expenditures By Object	
Salaries	$ 1,652,790
Employee Benefits (Including SURS & CIP On-Behalf)	18,041,411
Contractual Services	348,027
General Materials and Supplies	992,832
Library Materials*	-
Travel & Conference/Meeting Expenses	16,843
Fixed Charges	63,202
Utilities	16,731
Capital Outlay	268,240
Other	5,228,758
Scholarships, Grants, and Waivers*	5,061,956
Total Restricted Purposes Fund Expenditures	$ 26,628,834

*Non-add line

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

CURRENT FUNDS * EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5
FISCAL YEAR ENDED JUNE 30, 2021

Instruction	
Instructional Programs	$ 17,214,231
Other	239,739
Total Instruction	17,453,970
Academic Support	
Library Center	340,120
Instructional Materials Center	318,207
Academic Computing Support	384,519
Academic Administration and Planning	2,620,541
Other	235,138
Total Academic Support	3,898,525
Student Services	
Admissions and Records	812,087
Counseling and Career Guidance	2,727,016
Financial Aid Administration	574,393
Other	882,136
Total Student Services Support	4,995,632
Public Service/Continuing Education	
Community Education	1,046,519
Customized Training (Instructional)	431,719
Community Services	2,806,628
Other	7,371
Total Public Service/Continuing Education	4,292,237
Auxiliary Services	1,477,590
Operations and Maintenance of Plant	
Maintenance	1,680,301
Custodial	2,416,245
Grounds	749,803
Campus Security	1,636,981
Transportation	-
Plant Utilities	697,612
Total Operations and Maintenance of Plant	7,180,942
Institutional Support	
Executive Management	1,739,711
Fiscal Operations	1,330,069
Community Relations	611,964
Administrative Support Services	1,108,661
Board of Trustees	33,606
General Institution	1,627,301
Institutional Research	525,983
Administrative Data Processing	2,903,342
Other	530,457
Total Institutional Support	10,411,094
Scholarships, Student Grants, and Waivers	8,104,211
Total Current Funds Expenditures	$ 57,814,201

*Current Funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection, and Settlement; and PBC Operations and Maintenance Funds.

STATE COMPLIANCE SECTION

Illinois Community College Board
State Grants Financial Compliance Section

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

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

Report on the Financial Statements

We have audited the accompanying financial statements of the Adult Education and Family Literacy Grants (State Basic and Performance) (grant program) of John A. Logan College, Community College District No. 530 (the College) as of June 30, 2021, and the related notes to the grant program financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the grant policy guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our audit also included a review of compliance with the provisions of laws, regulations, contracts, and grants between the College and the State of Illinois and the Illinois Community College Board (ICCB).

We believe that our audit provides a reasonable basis for our opinion and the College is in compliance, in all material respects, with the provisions of laws, contracts, and ICCB policy guidelines for restricted grants.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Adult Education and Family Literacy Grants (State Basic and Performance) of John A. Logan College, Community College District No. 530 as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The grant program financial statements present only the Grant Programs referred to above and do not purport to, and do not, present the financial position of the College as of June 30, 2021, or the changes in financial position of the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the grant program financial statements of the College. The ICCB Compliance Statement on page 74 is presented for purposes of additional analysis and is not a required part of the grant program financial statements.

The ICCB Compliance Statement is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the grant program financial statements. Such information has been subjected to the auditing procedures applied in the audit of the grant program's financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the grant program financial statements or to the grant program financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the ICCB Compliance Statement on page 74 is fairly stated, in all material respects, in relation to the grant program financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report on pages 4-5 dated March 28, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
March 28, 2022

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

STATE ADULT EDUCATION RESTRICTED FUNDS

BALANCE SHEET
JUNE 30, 2021

	State Basic	Performance	Total (Memorandum Only)
Assets			
Current Assets			
Receivables - Governmental Claims	$ -	$ -	$ -
Total Assets	$ -	$ -	$ -
Liabilities and Fund Balances			
Current Liabilities			
Due To Other Funds	$ -	$ -	$ -
Total Liabilities	-	-	-
Fund Balance			
Reserved	-	-	-
Total Liabilities and Fund Balances	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

STATE ADULT EDUCATION RESTRICTED FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

	State Basic	Performance	Total (Memorandum Only)
Revenues			
Grant	$ 128,356	$ 77,885	$ 206,241
Expenditures by Program			
Instruction	75,237	1,027	76,264
Social Work Services	25,695	-	25,695
Guidance Services	-	-	-
Assistive and Adaptive Equipment	50	118	168
Assessment and Testing	5,060	-	5,060
Student Transportation Services	485	155	640
Literacy Services	-	-	-
Subtotal Instructional & Student Services	106,527	1,300	107,827
Program Support			
Improvement of Instructional Services	2,650	-	2,650
General Administration	400	73,016	73,416
Operation & Maintenance of Plant Services	-	2,110	2,110
Workforce Coordination	-	1,285	1,285
Data & Information Services	18,779	174	18,953
Subtotal Program Support	21,829	76,585	98,414
Total Expenditures	128,356	77,885	206,241
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance, July 1, 2020	-	-	-
Fund Balance, June 30, 2021	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

NOTES TO GRANT PROGRAM FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: PROGRAM DESCRIPTIONS

The College is responsible for administering the programs listed below in accordance with "Policy Guidelines for Restricted Grant Expenditures and Reporting" set forth by ICCB in its *Fiscal Management Manual.* Program funds are accounted for in the College's current restricted fund.

Adult Education and Family Literacy Grant Program

ICCB awards funding to eligible applicants to develop, implement, and improve adult education and literacy activities. The provider must use the grant to establish or operate programs that provide services or instruction in one or more of the following categories:

- Adult education and literacy services (including workplace),
- Family literacy services, and/or
- English literacy programs.

ICCB provides funding for adult education and family literacy from State and federal sources. State funds include three categories (1) State Basic, (2) State Public Assistance, and (3) State Performance. Federal funds include two categories: (1) Federal Basic and (2) Federal EL/Civics. Funding is allocated through a competitive process. The funding source determined the applicable statutory regulations, policies, and guidelines, including allowable costs. State Performance – Grants are awarded to adult education and family literacy providers based upon performance outcomes.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The statements have been prepared on the modified accrual basis.

Expenditures are reported when services are rendered or when goods are received. The grant funds shall be expended or obligated prior to June 30 each year, the last day of the fiscal year. Grant funds should be accounted for in the same period as in the credit hour claiming process. Unexpended funds shall be returned to ICCB by October 15 following the end of the fiscal year.

Grant revenues are reported in these grant program financial statements when allowable grant expenditures are made. Expenditures are allowable if they comply with "Policy Guidelines for Restricted Grant Expenditures and Reporting" set forth in ICCB's *Fiscal Management Manual.* Grant funds should be accounted for in the same period as in the credit hour claiming process.

These grant program financial statements cover only the State Adult Education Grant Programs. They are not intended to, and do not, present the financial position or results of operations of the College in its entirety.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

B. Cash Held by John A. Logan College

To facilitate sound management, substantially all grant program cash for the State Adult Education Grant Program is pooled with the College.

C. Receivables – Governmental Claims

A receivable is recorded for the funds to be received from ICCB at June 30, 2021, for reimbursement of allowable expenditures incurred during the fiscal year. These amounts are considered to be 100% collectible.

D. Due to Other Funds

This account presents the amount to be reimbursed to other funds for the use of the other funds' resources to pay for the expenses incurred by the grant program.

E. Capital Assets

Acquisitions of capital assets, if any, are reported as capital assets in the College's financial statements. They are recorded as capital outlay and are not capitalized in the grant program financial statements. There were no capital assets purchased with the grant funds during the fiscal year ended June 30, 2021.

F. Use of Estimates

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

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

ICCB COMPLIANCE STATEMENT FOR THE
ADULT EDUCATION AND FAMILY LITERACY GRANT

EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY
FOR THE YEAR ENDED JUNE 30, 2021

	Audited Expenditure Amount	Actual Expenditure Percentage
State Basic		
Instruction (45% Minimum Required)	$ 75,237	58.62%
General Administration (15% Maximum Allowed)	$ 400	0.31%

The accompanying notes are an integral part of these financial statements.

ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED

KEMPER
CPA GROUP LLP
Certified Public Accountants and Consultants

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

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of John A. Logan College, Community College District No. 530 for the year ended June 30, 2021 (the Schedule). The College's management is responsible for preparing the Schedule in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual.* Our responsibility is to express an opinion on the Schedule based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule referred to above is in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule referred to above, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Schedule is presented in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* in all material respects.

The supplementary information on pages 78-80 discusses the College's residency verification steps and is the responsibility of the College's management. This information has not been subjected to the audit procedures applied in the audit of the Schedule, and accordingly, we do not express an opinion or provide any assurance on it.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
March 28, 2022

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JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2021

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

	Summer		Fall		Spring		Total (Note 3)	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Categories								
(Notes 1 & 2)								
Baccalaureate	4,920.0	-	15,141.0	71.0	14,683.0	75.0	34,744.0	146.0
Business Occupational	318.0	-	1,567.0	60.0	2,151.5	46.5	4,036.5	106.5
Technical Occupational	118.5	-	3,184.0	145.0	3,123.0	76.5	6,425.5	221.5
Health Occupational	890.0	19.5	4,213.5	165.0	3,809.0	15.0	8,912.5	199.5
Remedial Developmental	291.0	-	502.0	-	330.0	-	1,123.0	-
Adult Basic/Secondary Education	156.0	110.0	551.5	471.0	265.5	915.5	973.0	1,496.5
Total	6,693.5	129.5	25,159.0	912.0	24,362.0	1,128.5	56,214.5	2,170.0

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

Note 2) Restricted credit hours are supported with more than 50% of restricted sources of funding.

Note 3) Total of unrestricted and restricted should equal the SU and SR record totals.

	Attending In-District	Attending Out-of District on Chargeback or Contractual Agreement	Total
Reimbursable Semester Credit Hours (All Terms)	51,865.0	2,867.5	54,732.5

	Dual Credit	Dual Enrollment
Reimbursable Semester Credit Hours (All Terms)	7,504.0	3,649.0

District Prior Year Equalized Assessed Valuation $1,978,891,996

Correctional Semester Credit Hours by Term

	Summer	Fall	Spring	Total
Categories				-
Baccalaureate	-	-	-	-
Business Occupational	-	-	-	-
Technical Occupational	-	-	-	-
Health Occupational	-	-	-	-
Remedial Development	-	-	-	-
Adult Basic/Secondary Education	-	-	-	-
Total	-	-	-	-

Signatures

Chief Executive Officer (CEO)

Chief Fiscal Officer (CFO)

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

RECONCILIATION OF TOTAL REIMBURSABLE SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2021

Categories	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	34,744.0	34,744.0	-	146.0	146.0	-
Business Occupational	4,036.5	4,036.5	-	106.5	106.5	-
Technical Occupational	6,425.5	6,425.5	-	221.5	221.5	-
Health Occupational	8,912.5	8,912.5	-	199.5	199.5	-
Remedial Developmental	1,123.0	1,123.0	-	-	-	-
Adult Basic/Secondary Education	973.0	973.0	-	1,496.5	1,496.5	-
Total	56,214.5	56,214.5	-	2,170.0	2,170.0	-

RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2021

	Total Attending (Unrestricted and Restricted)	Total Attending As Certified To The ICCB	Difference
Reimbursable In-District Residents	51,865.0	51,865.0	-
Reimbursable Out-of-District on Chargeback or Contractual Agreement	2,867.5	2,867.5	-
Total	54,732.5	54,732.5	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	7,504.0	7,504.0	-
Dual Enrollment	3,649.0	3,649.0	-
Total	11,153.0	11,153.0	-

RECONCILIATION OF TOTAL CORRECTIONAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2021

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

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

DOCUMENTATION OF RESIDENCY VERIFICATION STEPS
JUNE 30, 2021

In-District Student

Description: A student who has lived in Franklin, Jackson, Perry, Randolph, or Williamson counties for at least 30 days prior to the beginning of the semester.

Residency Code: In-district

Acceptable Documentation: Includes driver's license, voter registration card, or a property tax statement, and the proof must show an in-district address.

If none of the above items are available, the student may establish proof of in-district residency by providing a notarized statement signed by the student and his/her parents stating that the student's residence is within the boundaries of the district. In the event that parents are not appropriate or available as co-signers on a notarized statement, such a statement can be co-signed by a city clerk or the county clerk in the city or county where the student has a permanent address.

Tuition Charge: Current in-district tuition charge

Student Employed Full-Time in the District

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

Residency Code: Out-of-district

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

Tuition Charge: Current in-district tuition charge

Out-of-District Student

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

Residency Code: Out-of-district

Acceptable Documentation: Includes driver's license, voter registration card, or property tax statement.

Tuition Charge: Current out-of-district tuition charge

DOCUMENTATION OF RESIDENCY VERIFICATION STEPS (CONTINUED)
JUNE 30, 2021

Chargeback Student

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

Residency Code: Out-of-district

Acceptable Documentation: A signed chargeback agreement from the home community college.

Tuition Charge: Current out-of-district tuition charge, but a waiver is processed for the difference between in-district and out-of-district

Reciprocal Agreement Student

Description: A student who lives in the Shawnee College, Rend Lake College, or Southeastern Illinois Community College district but attends John A. Logan College for the purpose of enrolling in a specific course not offered by the home community college. Since this is an agreement made among these four colleges, a chargeback request is not required.

Residency Code: Out-of-district

Acceptable Documentation: A letter of reciprocity from the home community college.

Tuition Charge: Current in-district tuition charge

Out-of-State Student

Description: A student who lives outside the State of Illinois.

Residency Code: Out-of-state

Acceptable documentation: None is required.

Tuition Charge: Current out-of-state tuition charge

DOCUMENTATION OF RESIDENCY VERIFICATION STEPS (CONCLUDED)
JUNE 30, 2021

International Student

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

Residency Code: Foreign

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Director of Counseling.

Tuition Charge: Current out-of-state tuition charge

International Athlete

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

Residency Code: Foreign

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Director of Counseling.

Tuition Charge: Current in-district tuition charge

International Student with U.S. In-District Sponsor

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

Residency Code: Out-of-country

Acceptable Documentation: A signed letter from an in-district resident verifying financial sponsorship.

Tuition Charge: Current in-district tuition charge

FEDERAL COMPLIANCE SECTION

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

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

Report on Compliance for Each Major Federal Program

We have audited John A. Logan College, Community College District No. 530's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2021. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

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Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001, 2021-002, and 2021-003. Our opinion on each major federal program is not modified with respect to these matters.

The College's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The College's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001, 2021-002, and 2021-003 that we consider to be significant deficiencies.

The College's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The College's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
March 28, 2022

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grant/Program or Cluster Title	Federal CFDA Number	Contract or Pass-Through Identifying Number	Provided to Subrecipients	Federal Expenditures
U.S. Department of Education				
Direct Grants:				
Trio Student Support Services	84.042A	P042A150266	$ -	$ 68,827
Trio Student Support Services	84.042A	P042A200753	-	235,129
Total Student Support Services			-	303,956
Student Financial Assistance Cluster				
Federal Pell Grant Program (M)	84.063	P063P190542	-	357,997
Federal Pell Grant Program (M)	84.063	P063P200542	-	3,483,909
Federal Supplemental Educational Opportunity Grants (M)	84.007	P007A201184	-	90,000
Federal Work-Study Program (M)	84.033	P033A201184	-	64,317
Total Student Financial Assistance Cluster			-	3,996,223
Education Stabilization Fund				
COVID-19 - Higher Education Emergency Relief Fund Student Portion (M)	84.425E	P425E202186	-	775,972
COVID-19 - Higher Education Emergency Relief Fund Insitutional Portion (M)	84.425F	P425F201008	-	3,537,570
COVID-19 - Higher Education Emergency Relief Fund Strengthening Institutions Program (M)	84.425M	P425M201142	-	46,550
Total Education Stabilization Fund			-	4,360,092
Passed through the Illinois Community College Board:				
COVID-19 - Governor's Emergency Education Relief (M)	84.425C	GEER-530	-	467,342
Total Governor's Emergency Education Relief			-	467,342
Adult Education - Basic Grants to States	84.002	5300121	-	84,272
Total Adult Education - Basic Grants to States			-	84,272
Career and Technical Education - Basic Grants to States	84.048	CTE53021	-	348,180
Career and Technical Education - Basic Grants to States	84.048	LEAD-53021	-	3,562
Total Career and Technical Education - Basic Grants to States			-	351,742
Total U.S. Department of Education			-	9,563,627
U.S. Department of Health and Human Services				
Passed through the Illinois Department of Human Services:				
Child Care and Development Fund Cluster				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	FCSZI04632	-	539,406
Child Care and Development Block Grant	93.575	FCSZI04632	-	598,513
Total Child Care and Development Fund Cluster			-	1,137,919
Passed through Southern Illinois University Carbondale				
Biomedical Research and Research Training	93.859	SIUC 20-02	-	14,926
Total U.S. Department of Health and Human Services			-	1,152,845
U.S. Department of Agriculture				
Passed through The Morton Arboretum:				
Urban and Community Forestry	10.675	15-FFY20-01UCF	-	14,875
Total U.S. Department of Agriculture			-	14,875
U.S. Department of Veterans Affairs				
Post-9/11 Veterans Education Assistance - GI Bill Chapter 33	64.028	N/A	-	79,895
Total U.S. Department of Veterans Affairs			-	79,895
U.S. Department of Treasury				
Passed through the Illinois Community College Board:				
COVID-19 - Coronavirus Relief Fund (Cures)	21.019	CURES22	-	20,000
Total U.S. Department of Treasury			-	20,000
Total Federal Awards			$ -	$ 10,831,242

(NC) Non-cash awards
(M) Major Program

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1: BASIS OF PRESENTATION

A. General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of John A. Logan College, Community College District No. 530 (the College) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title I *U.S. Code of Federal Regulation* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

B. Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursements.

NOTE 2: SUBRECIPIENTS

There were no federal awards provided to subrecipients for the year ended June 30, 2021.

NOTE 3: NONCASH AWARDS

There were no noncash awards reported on the Schedule for the year ended June 30, 2021.

NOTE 4: LOANS OR LOAN GUARANTEES OUTSTANDING

There were no loan programs for the year ended June 30, 2021.

NOTE 5: INDIRECT COST RATE

The College has a plan for allocation of common and indirect costs related to grant programs in accordance with the Uniform Guidance. The indirect cost rate used to allocate amounts to grant programs during the fiscal year ended June 30, 2021, is primarily based on a federally negotiated higher education rate agreement. The College has elected not to use the 10% de Minimis indirect cost rate.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1. Type of auditor's report issued:	Unmodified
2. Internal control over financial reporting:	
a.) Material weaknesses identified?	No
b.) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
c.) Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major program:	
a.) Material weaknesses identified?	No
b.) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of the Uniform Guidance?	Yes
4. Identification of major programs:	

CFDA Number	Name of Federal Program
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program
84.425C	COVID-19-Governor's Emergency Education Relief
84.425E	COVID-19-Higher Education Emergency Relief Fund Student Portion
84.425F	COVID-19-Higher Education Emergency Relief Fund Institutional Portion
84.425M	COVID-19-Higher Education Emergency Relief Fund Strengthening Institutions Program

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

None Reported

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding No. 2021-001: Controls Over Student Financial Assistance Special Tests and Provisions – Return of Funds (Repeated from Findings 2020-001, 2019-001 and 2018-001)

Federal Program Name	Student Financial Assistance Program
Project No.	P007A201184, P033A201184, P063P190542, P063P190542
CFDA No.	84.063, 84.007, 84.033
Federal Agency	U.S. Department of Education

Criteria/Specific Requirement:

The Student Financial Aid Handbook states that if a recipient of Title IV grant or loan funds withdraws from a school after beginning attendance, the school must perform an R2T4 calculation to determine the amount of Title IV assistance earned by the student.

Condition:

During the compliance testing of "Special Tests and Provisions" requirements related to Return of Funds, we noted the following exceptions:

- For twelve (12) students the incorrect semester end date was used in the calculation.
- For thirteen (13) students the amount of break days used in the calculation was incorrect.

Questioned Costs:

None

Context:

In the Return of Funds calculation, twenty-five (25) of the twenty-five (25) returns were calculated incorrectly.

Effect:

Funds sent back to the Department of Education could be calculated incorrectly.

Cause:

The Return of Funds calculation errors were due to oversight over the dates used in the calculations.

Recommendation:

We recommend the College implement a review process over the Return of Funds calculation.

Management's Response:

Management agrees with the finding.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding No. 2021-002: Controls Over Student Financial Assistance Special Tests and Provisions – Disbursements to Students

Federal Program Name	Student Financial Assistance Program
Project No.	P007A201184, P033A201184, P063P190542, P063P190542
CFDA No.	84.063, 84.007, 84.033
Federal Agency	U.S. Department of Education

Criteria/Specific Requirement:

The Student Financial Aid Handbook states that if a recipient of Title IV grant or loan funds has a prior year balance, it may use the current year award to satisfy prior year balances of not more than $200. A "prior-year" is any award year or loan period prior to the current one, as applicable. The remaining award, if any, should be returned to the students within fourteen (14) days of the day the credit balance occurred.

Condition:

During our testing it was noted that one student's Title IV award was used to pay prior year charges in the amount of $827. This should have been limited to $200. The remaining $627 would have created a credit balance on the student's current year account which the College would have been required to return to the student within 14 days. Because the school did not correctly apply the funds, the 14 day requirement was not met.

Questioned Costs:

None

Context:

During our student financial aid testing, it was noted that in one (1) instance out of forty (40) the incorrect amount of award was applied to the students' prior year balance due. Specifically, $827 of the current year award was applied to a prior year balance. Per the student financial aid guidance, this should be limited to $200.

Effect:

The student did not receive a refund within the required 14 days.

Cause:

Oversight of the student financial aid requirements.

Recommendation:

We recommend the College implement a review process over application of funds to student accounts.

Management's Response:

Management agrees with the finding.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding No. 2021-003: Controls Over Student Financial Assistance Consumer Information Reporting

Federal Program Name	Student Financial Assistance Program
Project No.	P007A201184, P033A201184, P063P190542, P063P190542
CFDA No.	84.063, 84.007, 84.033
Federal Agency	U.S. Department of Education

Criteria/Specific Requirement:

The Student Financial Aid Handbook requires that if a school has an intercollegiate athletic program, the school is to make prospective students aware of its commitment to providing equitable athletic opportunities for its male and female students. The annual report commonly referred to as the Equity in Athletics (EADA) report must include specific information related to students that receive financial aid. The College did file the reporting timely, but did not include the following information related to student financial aid:

- The number of students above who received athletically related student aid, categorized by gender within each sport.
- The completion or graduation rate and, if applicable, transfer out rate of the entering students described in 668.45(a)(1) who received athletically related student aid, categorized by race and gender.
- The average completion or graduation rate and, if applicable, transfer-out rate for the four most recent completing or graduating classes of entering students described in 668.45(a)(1), (3), and (4), categorized by race and gender.
- The average completion or graduation rate and, if applicable, transfer out rate of the four most recent completing or graduating classes of enter students described in 668.45 (a)(1) who received athletically related student aid, categorized by race and gender within each sport.

Condition:

After reviewing the EADA report, it was noted that the requirements above were not met.

Questioned Costs:

None

Context:

The EADA report was posted by the required deadline but did not include all information of the required to be reported.

Effect:

The College was not in compliance with the consumer information EADA reporting requirements.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2021

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding No. 2021-003: Controls Over Student Financial Assistance Consumer Information Reporting (Concluded)

Cause:

Oversight of the consumer information EADA reporting requirements.

Recommendation:

We recommend the College implement a review process over consumer information EADA reporting requirements.

Management's Response:

Management agrees with the finding.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

Finding No.	Condition	Current Status
2020-001	During the compliance testing of "Special Tests and Provisions" requirements, we noted the following exceptions: 1) Eight (8) students were not reported within the 60-day time frames. 2) Four (4) students' Return of Funds calculation was incorrect. The MAP grant was reduced from the institutional charges, resulting in the incorrect amount of funds being returned to the Department of Education	Repeated as Finding 2021-001

John A. Logan College
700 Logan College Drive Carterville, Illinois, 62918-2500 618.985.2828

CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2021

Finding No. 2021-001: Controls Over Student Financial Assistance Special Tests and Provisions – Return of Funds (Repeated from Findings 2020-001, 2019-001 and 2018-001)

Condition:

During the compliance testing of "Special Tests and Provisions" requirements related to Return of Funds, we noted the following exceptions:

- For twelve (12) students the incorrect semester end date was used in the calculation.
- For thirteen (13) students the amount of break days used in the calculation was incorrect.

Plan:

John A. Logan College (JALC) concurs with Finding No. 2021-001. Extensive training has been conducted on the Return of Title IV Funds regulations. The Federal Student Aid Handbook has been reviewed in detail as a source document to ensure all requirements of the Return of Title IV Funds regulations have been addressed.

The correct beginning and ending dates of scheduled breaks greater than five days in length have been recorded in PowerFAIDS, JALC's financial aid system of record. The financial aid staff have a clear understanding that scheduled breaks must include weekends preceding and following the scheduled break provided no classes are offered on the weekends. In addition, any faculty that deviate from the college catalog's academic calendar must have prior approval by the Assistant Provost for Academic Affairs.

A validation process will be created with a signoff from the Assistant Provost for Student Affairs and Associate Manager for Curriculum and Instruction.

Anticipated Date of Completion:

March 2022

Name of Contact Person:

Melanie Pecord, Provost

John A. Logan College
700 Logan College Drive Carterville, Illinois, 62918-2500 618.985.2828

CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2021

Finding No. 2021-002: Controls Over Student Financial Assistance Special Tests and Provisions – Disbursements to Students

Condition:

During our testing it was noted that one student's Title IV award was used to pay prior year charges in the amount of $827. This should have been limited to $200. The remaining $627 would have created a credit balance on the student's current year account which the College would have been required to return to the student within 14 days. Because the school did not correctly apply the funds, the 14 day requirement was not met.

Plan:

John A. Logan College (JALC) concurs with Finding No. 2021-002. The Bursar Office staff have been made aware of the condition and have been given a copy of Volume 4, Chapter 2 of the 2020-2021 Federal Student Aid Handbook as it relates to paying prior-year charges with Title IV funds.

The Bursar Office staff, Controller, and Financial Aid Office have a clear understanding that the College may only use current year Title IV funds to satisfy qualifying prior-year charges of not more than $200, regardless of student or parent authorization. Any remaining credit balance will be refunded to the student within 14 days. The Bursar Office will not deviate from this regulation.

Anticipated Date of Completion:

November 2021

Name of Contact Person:

Stacy Buckingham, Vice-President of Business Services and CFO

John A. Logan College
700 Logan College Drive Carterville, Illinois, 62918-2500 618.985.2828

CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2021

Finding No. 2021-003: Controls Over Student Financial Assistance Consumer Information Reporting

Criteria/Specific Requirement:

The Student Financial Aid Handbook requires that if a school has an intercollegiate athletic program, the school is to make prospective students aware of its commitment to providing equitable athletic opportunities for its male and female students. The annual report commonly referred to as the Equity in Athletics (EADA) report must include specific information related to students that receive financial aid. The College did file the reporting timely, but did not include the following information related to student financial aid:

- The number of students above who received athletically related student aid, categorized by gender within each sport.
- The completion or graduation rate and, if applicable, transfer out rate of the entering students described in 668.45(a)(1) who received athletically related student aid, categorized by race and gender.
- The average completion or graduation rate and, if applicable, transfer-out rate for the four most recent completing or graduating classes of entering students described in 668.45(a)(1), (3), and (4), categorized by race and gender.
- The average completion or graduation rate and, if applicable, transfer out rate of the four most recent completing or graduating classes of enter students described in 668.45 (a)(1) who received athletically related student aid, categorized by race and gender within each sport.

Condition:

After reviewing the EADA report, it was noted that the requirements above were not met.

Plan:

John A. Logan College (JALC) concurs with Finding No. 2021-003. The Athletic Director and office of Institutional Effectiveness staff have been made aware of the condition and have been given a copy of 34 CFR 668 as it relates to EADA Consumer Information reporting. We have met with involved staff members and will post a report for the academic year ending summer 2021 by the anticipated date of completion below. Procedures will be put in place to post this disclosure annually by October 15th. The report will be posted on the College's public facing website.

Anticipated Date of Completion:

June 30, 2022

Name of Contact Person:

Greg Starrick, Athletic Director