

LEWIS & CLARK COMMUNITY COLLEGE
GODFREY, ILLINOIS

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

FINANCIAL SECTION

LEWIS AND CLARK COMMUNITY COLLEGE
JUNE 30, 2025

Table of Contents	<u>Page</u>
FINANCIAL SECTION	
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-10
<u>Basic Financial Statements</u>	
Statement of Net Position	11
Statement of Revenues, Expenses, and Changes in Net Position	12
Statement of Cash Flows	13-14
Notes to the Financial Statements	15-55
<u>Required Supplementary Information</u>	
Schedule of Share of Net Pension Liability	56
Schedule of Pension Contributions	57
Schedule of Share of Net OPEB Liability	58
Schedule of OPEB Contributions	59
Notes to Required Supplementary Information	60-61
SPECIAL REPORTS SECTION	
<u>Supplemental Financial Information</u>	
Supplemental Financial Information Section	62
Uniform Financial Statements	63-71
Certification of Per Capita Cost	72
Combining Balance Sheet - All Fund Types	73-76
Combining Statement of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Net Position (Deficit) - All Fund Types	77-80
Assessed Valuations, Tax Rates, Tax Extensions, and Tax Collections	81
Schedule of Legal Debt Margin	82

LEWIS AND CLARK COMMUNITY COLLEGE
JUNE 30, 2025

Table of Contents (Continued)

Page

ICCB State Grant Financial Compliance Section

Independent Auditor's Report on Compliance with State Requirements for Adult Education and Family Literacy Grants	83-85
State Adult Education and Family Literacy Funds	
Balance Sheet	86
Statement of Revenues, Expenditures, and Changes in Fund Balance	87
ICCB Compliance Statement for the Adult Education and Family Literacy Grant - Expenditure Amounts and Percentages for ICCB Grant Funds Only	88
Notes to ICCB Grant Programs Financial Statements	89
Background Information on State Grant Activity	90
Independent Auditor's Report on Enrollment Data and Other Bases	
Upon Which Claims are Filed	91
Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed	92-93
Notes to Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed	94

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on and Audit of Financial Statements in Accordance with <i>Government Auditing Standards</i>	95-96
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	97-99
Schedule of Expenditures of Federal Awards	100-102
Notes to Schedule of Expenditures of Federal Awards	103
Schedule of Findings and Questioned Costs	104-108
Corrective Action Plan for Current Year Findings	109-113
Summary Schedule of Prior Year Audit Findings	114



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Lewis & Clark Community College
Godfrey, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Lewis & Clark Community College (the "College"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of Lewis & Clark Community College as of June 30, 2025, 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.

We did not audit the financial statements of Lewis & Clark Community College Foundation, a discretely presented nonprofit component unit of the College, which represents 100% of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Lewis & Clark Community College Foundation, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Lewis & Clark Community College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lewis & Clark Community College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lewis & Clark Community College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lewis & Clark Community College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lewis & Clark Community College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



Alton, Illinois

December 15, 2025

Lewis & Clark Community College

Management's Discussion and Analysis

This section of Lewis & Clark Community College's (the "College") Annual Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal year ended June 30, 2025. Since this management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the College's basic financial statements. Responsibility for the completeness and fairness of this information rests with the College.

Using This Annual Report

The financial statement format focuses on the College as a whole. The College financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total.

The focus of the Statements of Net Position is designed to be similar to bottom line results for the College. These statements combine and consolidate current financial resources (short-term spendable resources) with capital assets. The Statements of Revenues, Expenses, and Changes in Net Position focus on both the gross costs and the net costs of College activities, which are supported mainly by property taxes, tuition, federal and state revenues. This approach is intended to summarize and simplify the user's analysis of the cost of various College services to students and the public.

The College's financial reports are prepared in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. These standards also require that financial statements be presented on a consolidated basis to focus on the College as a whole. The financial statements presented here encompass the College and its discretely presented component unit, the Lewis & Clark Community College Foundation. Information regarding this component unit is summarized in Note 14 to the financial statements. This MD&A focuses on the College exclusive of the Foundation.

Implementation of New Accounting Standards

For fiscal year ended June 30, 2025, the College implemented GASB Statement No. 101, *Compensated Absences*, which represents a change in accounting principle. This statement requires the recognition of a liability for both unused and used, but unpaid, compensated absences. The liability is recognized when the leave is attributable to past services, accumulates, and is more likely than not to be used. The College has restated its beginning net position for the cumulative effect of adopting this standard. See Note 12, Change in Accounting Principle, for further information.

For fiscal year ended June 30, 2025, the College implemented GASB Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to disclose information about risks from certain concentrations or constraints that limit its ability to acquire resources or control spending. At this time, the College has not identified any new concentrations or constraints that pose a risk requiring disclosure as a result of adopting this standard.

Lewis & Clark Community College
Management's Discussion and Analysis

Financial Analysis of the College as a Whole

The College's financial position is summarized as follows:

	Net Position As of June 30 (in millions)			Increase (Decrease) 2025-2024
	2025	2024 *As Restated	2025	
Current Assets	\$ 90.9	\$ 92.6	\$ (1.7)	
Non-Current Assets				
Capital Assets, Net of Depreciation	125.3	126.6	(1.3)	
Right of Use Assets - SBITAs, Net of Amortization	2.0	2.0	\$ -	
Other	30.3	29.5	0.8	
Total Assets	<u>248.5</u>	<u>250.7</u>	<u>\$ (2.2)</u>	
Total Deferred Outflows of Resources	1.3	1.6	(0.3)	
Total Assets and Deferred Outflows of Resources	<u>249.8</u>	<u>252.3</u>	<u>\$ (2.5)</u>	
Current Liabilities	25.1	26.3	(1.2)	
Non-Current Liabilities	59.5	71.9	(12.4)	
Total Liabilities	<u>84.6</u>	<u>98.2</u>	<u>(13.6)</u>	
Total Deferred Inflows of Resources	25.0	27.7	(2.7)	
Total Liabilities and Deferred Inflows of Resources	<u>109.6</u>	<u>125.9</u>	<u>(16.3)</u>	
Net Position				
Net Investment in Capital Assets	87.5	84.7	2.8	
Restricted	42.7	44.3	(1.6)	
Unrestricted	10.0	(2.6)	12.6	
Total Net Position	<u>140.2</u>	<u>126.4</u>	<u>13.8</u>	
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 249.8</u>	<u>\$ 252.3</u>	<u>\$ (2.5)</u>	

*Restated for implementation of GASB 101

Lewis & Clark Community College

Management's Discussion and Analysis

Fiscal Year 2025 Compared to 2024

Current assets decreased \$1.7 million primarily due to a decrease in short-term investments.

Non-current assets decreased \$0.5 million due to an overall decrease in capital assets, offset by an overall increase in long-term investments.

Current liabilities decreased \$1.2 million primarily due to a decrease in the current portion of debt certificates and bonds payable, as well as a decrease in unearned grants.

Non-current liabilities decreased \$12.4 million primarily due to the paydown of long-term debt. There was no new borrowed debt during fiscal year 2025. For more detailed information on debt activity, refer to Note 5 – Long-Term Debt, in the Notes to Financial Statements.

Deferred inflows of resources decreased \$2.7 million due to a decrease in other post-employment benefits (OPEB). For more detailed information on OPEB activity, refer to Note 9 – Other Post-Employment Benefits, in the Notes to Financial Statements.

Total net position at June 30, 2025 increased by \$13.8 million. The restricted net position of \$42.7 million is restricted for capital projects, grants, and debt service payments.

Lewis & Clark Community College
Management's Discussion and Analysis

Fiscal Year 2025 Compared to 2024 (Continued)

The College's operating results are summarized as follows:

	Operating Results for the Year Ended June 30, (in millions)			Increase (Decrease) 2025-2024
	2025	*As Restated	2024	
Operating Revenue				
Tuition and Fees	\$ 5.6	\$ 6.2	\$ (0.6)	
Sales and Service Fees	0.5	0.5	-	
Facilities Revenue	0.4	0.3	0.1	
Other	0.5	0.9	(0.4)	
Total Operating Revenue	<u>7.0</u>	<u>7.9</u>	<u>\$ (0.9)</u>	
Less Operating Expenses	<u>62.0</u>	<u>59.4</u>	<u>2.6</u>	
Operating Income (Loss)	<u>(55.0)</u>	<u>(51.5)</u>	<u>(3.5)</u>	
Non-Operating Revenue (Expense)				
Local Taxes	33.4	33.5	(0.1)	
State Government	10.6	12.2	(1.6)	
State On-Behalf - SURS and CIP	9.9	9.4	0.5	
Federal Government	11.2	11.0	0.2	
Nongovernmental grants	0.9	0.6	0.3	
Investment Income	4.5	4.2	0.3	
Interest Expense	(2.6)	(3.6)	1.0	
Total Net Non-Operating Revenue	<u>67.9</u>	<u>67.3</u>	<u>0.6</u>	
Capital Contributions	<u>0.9</u>	<u>0.1</u>	<u>0.8</u>	
Change in Net Position	<u>13.8</u>	<u>15.9</u>	<u>(2.1)</u>	
Net Position, Beginning of Year	<u>126.4</u>	<u>110.5</u>	<u>15.9</u>	
Net Position, End of Year	<u>\$ 140.2</u>	<u>\$ 126.4</u>	<u>\$ 13.8</u>	

*Restated for implementation of GASB 101

Lewis & Clark Community College
Management's Discussion and Analysis

Fiscal Year 2025 Compared to 2024 (Continued)

Total revenues and expenses (Operating and Non-Operating) for the fiscal year 2025 were \$78.4 million and \$64.6 million, respectively. Fiscal year 2024 were \$78.9 million and \$63.0 million, respectively.

Operating revenue decreased \$0.9 million over the prior year, which is primarily from tuition and fees revenue including a higher scholarship allowance, which offsets revenue. Net non-operating revenue increased by \$0.6 million over the prior year. This is the net result of decreases in interest expense combined with decreases in state grants from the Illinois Community College Board.

Operating expenses increased by \$2.6 million over the prior year. The College's operating expenses by program are as follows:

Operating Expenses
For the Year Ended June 30,
(in millions)

Operating Expenses By Program:	2025	Percent	*As Restated	2024	2024 Percent	Increase (Decrease)	
						2025	2024
Instruction	\$ 16.7	26.94%	\$ 16.1	27.10%	\$ 0.6		
Academic Support	3.5	5.65%	3.5	5.89%	-		
Student Services	4.0	6.45%	3.8	6.40%	0.2		
Public Services	7.0	11.29%	7.0	11.78%	-		
Organized Research	0.1	0.16%	-	0.00%	0.1		
Auxiliary Services	2.1	3.39%	1.7	2.86%	0.4		
Operation & Maintenance of Plant	8.9	14.35%	8.5	14.31%	0.4		
Institutional Support	11.4	18.39%	10.7	18.01%	0.7		
Scholarships, Grants, Waivers	3.3	5.32%	3.2	5.39%	0.1		
Depreciation	5.0	8.06%	4.9	8.25%	0.1		
Total	\$ 62.0	100.00%	\$ 59.4	100.00%	2.6		

*Restated for implementation of GASB 101

As in the prior year, the largest portion of the College's operating expenses was dedicated to instruction. Instruction costs were \$16.7 million, or 26.94 percent, of the total operating expenses.

Institutional support of \$11.4 million is the next largest category of operating expenses making up 18.39 percent of the total operating expenses, followed by operation & maintenance of plant of \$8.9 million, or 14.35 percent of total operating expenses.

Lewis & Clark Community College
Management's Discussion and Analysis

Fiscal Year 2025 Compared to 2024 (Continued)

The following is an analysis of the College's capital assets:

	Capital Assets, Net June 30, (in millions)		Increase (Decrease) 2025-2024
	2025	2024	
Capital Assets			
Land & Improvements	\$ 24.1	\$ 23.6	\$ 0.5
Buildings & Improvements	186.0	184.0	2.0
Equipment	14.0	13.6	0.4
Sculptures and Art	2.5	2.5	-
Construction in Progress	2.0	2.5	(0.5)
Subscription Assets	3.5	3.3	0.2
Total	<u>232.1</u>	<u>229.5</u>	<u>2.6</u>
Less Accumulated Depreciation and Amortization	<u>(104.8)</u>	<u>(100.9)</u>	<u>(3.9)</u>
Net Capital Assets	<u>\$ 127.3</u>	<u>\$ 128.6</u>	<u>\$ (1.3)</u>

As of June 30, 2025, the College had recorded \$232.1 million invested in capital assets, \$104.8 million in accumulated depreciation and amortization, and \$127.3 million in net capital assets. For more detailed information on capital asset activity, refer to Note 4 - Capital Assets, in the Notes to Financial Statements.

The following is an analysis of the College's long-term debt:

	Long-Term Debt June 30, (in millions)		Increase (Decrease) 2025-2024
	2025	*As Restated	
General Obligation Bonds, Net	\$ 59.8	\$ 70.4	\$ (10.6)
Debt Certificates, Net	1.6	3.9	(2.3)
Subscription Liability	1.9	1.9	-
Compensated Absences	1.4	1.3	0.1
Total	<u>\$ 64.7</u>	<u>\$ 77.5</u>	<u>\$ (12.8)</u>

*Restated for implementation of GASB 101

Lewis & Clark Community College
Management's Discussion and Analysis

Fiscal Year 2025 Compared to 2024 (Continued)

During fiscal year 2025, the College retired \$11.3 million in principal bond and debt certificate payments and had no new bond and debt certificates issued during the year. For more detailed information on long-term debt activity, refer to Note 5 - Long-Term Debt, in the Notes to Financial Statements.

Contacting the College's Financial Management

This financial report is designed to provide our constituents with a general overview of the College's financial position. Questions concerning this report or requests for additional information should be directed to the College's administrative office, 5800 Godfrey Road, Godfrey, IL 62035.

Basic Financial Statements

LEWIS AND CLARK COMMUNITY COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>ASSETS</u>	
	<u>COLLEGE</u>	<u>FOUNDATION</u>
CURRENT ASSETS:		
Cash and Invested Cash	\$ 1,030,968	\$ 946,640
Investments	50,373,302	15,637,316
Taxes Receivable, Net of Allowance	31,940,804	-
Other Accounts Receivable, Net of Allowance	7,078,947	20,033
Prepaid Expenses & Other	486,645	2,908
Total Current Assets	<u>90,910,666</u>	<u>16,606,897</u>
NON-CURRENT ASSETS:		
Long-Term Investments	30,285,871	11,486
Right of Use Assets - SBITAs, Net of Amortization	2,015,745	-
Nondepreciable Capital Assets	5,912,713	3,117,923
Depreciable Capital Assets	222,659,767	-
Less: Accumulated Depreciation	(103,273,285)	-
Total Non-Current Assets, Net	<u>157,600,811</u>	<u>3,129,409</u>
Total Assets	<u>248,511,477</u>	<u>19,736,306</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to OPEB	343,138	-
Deferred Outflows Related to Pension	479,199	-
Deferred Loss on Refunding Bonds	494,881	-
Total Deferred Outflow of Resources	<u>1,317,218</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u>249,828,695</u>	<u>19,736,306</u>
	<u>LIABILITIES AND NET POSITION</u>	
CURRENT LIABILITIES:		
Accounts Payable	2,555,115	15,048
Accrued Expenses & Compensated Absences	2,959,829	-
Unearned Tuition and Fees	4,241,783	-
Unearned Grants and Other Deferred Revenue	3,529,155	-
SBITA Liability, Current	590,628	-
Bonds Payable, Current	9,658,041	-
Debt Certificates, Current	1,529,395	-
Total Current Liabilities	<u>25,063,946</u>	<u>15,048</u>
LONG-TERM LIABILITIES:		
SBITA Liability	1,351,798	-
Bonds Payable	50,115,097	-
Debt Certificates	75,548	-
Compensated Absences	1,068,554	-
OPEB Liability	6,888,009	-
Total Long-Term Liabilities	<u>59,499,006</u>	<u>-</u>
Total Liabilities	<u>84,562,952</u>	<u>15,048</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Property Taxes	16,020,936	-
Deferred Inflows of OPEB Resources	9,026,924	-
Total Deferred Inflows of Resources	<u>25,047,860</u>	<u>-</u>
NET POSITION:		
Net Investment in Capital Assets	87,481,298	-
Restricted:		
Capital Projects	29,360,738	-
Grants	6,425,763	-
Debt Service	6,982,776	-
Donor Restricted	-	17,615,952
Unrestricted	9,967,308	2,105,306
Total Net Position	<u>140,217,883</u>	<u>19,721,258</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 249,828,695</u>	<u>\$ 19,736,306</u>

See Accompanying Notes to Financial Statements

LEWIS AND CLARK COMMUNITY COLLEGE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025

	<u>COLLEGE</u>	<u>FOUNDATION</u>
OPERATING REVENUES:		
Student Tuition and Fees, Net of Scholarship Allowance	\$ 5,642,847	\$ -
Sales and Service Fees	550,959	-
Facilities Revenue	395,125	-
Other Revenue	<u>459,887</u>	<u>995,561</u>
 Total Operating Revenues	 <u>7,048,818</u>	 <u>995,561</u>
OPERATING EXPENSES:		
Instruction	16,654,634	-
Academic Support	3,563,789	-
Student Services	3,980,753	-
Public Services	7,052,967	-
Auxiliary Services	2,082,375	-
Operation and Maintenance of Plant Services	8,893,758	-
Institutional Support	<u>11,409,518</u>	<u>1,011,524</u>
Scholarships, Student Grants, and Waivers	3,341,735	311,986
Depreciation Expense	<u>5,048,661</u>	<u>-</u>
 Total Operating Expenses	 <u>62,028,190</u>	 <u>1,323,510</u>
INCOME (LOSS) FROM OPERATIONS	 <u>(54,979,372)</u>	 <u>(327,949)</u>
NON-OPERATING REVENUES (EXPENSES):		
Local Taxes	33,372,592	-
State Government	10,617,171	-
State On-Behalf - SURS and CIP	9,881,980	-
Federal Government	11,222,272	-
Nongovernmental Grants	941,916	-
Investment Income	4,442,032	1,454,860
Interest, Service Charges, and Issuance Costs	<u>(2,584,069)</u>	<u>-</u>
Total Non-Operating Revenues (Expenses)	<u>67,893,894</u>	<u>1,454,860</u>
CAPITAL CONTRIBUTIONS	 <u>868,034</u>	 <u>-</u>
INCREASE (DECREASE) IN NET POSITION	 <u>13,782,556</u>	 <u>1,126,911</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED	 <u>126,435,327</u>	 <u>18,594,347</u>
NET POSITION, END OF YEAR	 <u>\$ 140,217,883</u>	 <u>\$ 19,721,258</u>

See Accompanying Notes to Financial Statements

LEWIS AND CLARK COMMUNITY COLLEGE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025

	<u>COLLEGE</u>	<u>FOUNDATION</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and Fees	\$ 11,287,399	\$ -
Payments to Suppliers	(15,514,445)	(1,315,111)
Payments to Employees for Salaries & Fringe Benefits	(30,528,038)	-
Payments to Students for Scholarships	(8,610,511)	-
Auxiliary Enterprise Changes	550,468	-
Other	744,243	986,048
Net Cash From Operating Activities	<u>(42,070,884)</u>	<u>(329,063)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Proceeds from Property Taxes	31,282,610	-
Proceeds from Grants	22,614,794	-
Proceeds from Other Taxes	<u>1,458,814</u>	<u>-</u>
Net Cash From Non-Capital Financing Activities	<u>55,356,218</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchases of Capital Assets	(4,393,718)	-
Principal Paid on Bonds Payable and Other Long-Term Obligations	(12,690,028)	-
Proceeds from Issuance of Long-Term Debt	649,208	-
Interest Paid on Bonds Payable and Other Long-Term Obligations	(3,380,303)	-
Capital Contributions	<u>868,034</u>	<u>-</u>
Net Cash From Capital and Related Financing Activities	<u>(18,946,807)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received	3,985,749	477,334
Proceeds from Maturities of Investment Securities	25,866,408	9,026,998
Purchases of Investment Securities	<u>(24,569,220)</u>	<u>(9,233,962)</u>
Net Cash From Investing Activities	<u>5,282,937</u>	<u>270,370</u>
Net Change in Cash and Cash Equivalents	(378,536)	(58,693)
Cash and Invested Cash, Beginning of Year	<u>1,409,504</u>	<u>1,005,333</u>
Cash and Invested Cash, End of Year	<u>\$ 1,030,968</u>	<u>\$ 946,640</u>

See Accompanying Notes to Financial Statements

LEWIS AND CLARK COMMUNITY COLLEGE
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2025

	<u>COLLEGE</u>	<u>FOUNDATION</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities:		
Operating Income (Loss)	\$ (54,979,372)	\$ (327,949)
Adjustment to Reconcile Operating Income (Loss) to Net Cash From Operating Activities:		
Depreciation	5,048,661	-
Amortization	675,374	-
State On-Behalf Payments for Fringe Benefits	9,881,980	-
Non-Cash Gift of Stock included in Contributions		(10,191)
Change in Assets and Liabilities:		
Other Accounts Receivable	125,972	678
Prepaid Expenses & Other	24,458	1,233
Deferred Outflows Related to OPEB and Pension	(75,631)	-
Accounts Payable	128,614	7,166
Accrued Expenses & Compensated Absences	331,839	-
Unearned Tuition and Fees	137,577	-
Unearned Grants and Other Deferred Revenue	967	-
OPEB Liability	(727,856)	-
Deferred Inflows of OPEB Resources	<u>(2,643,467)</u>	<u>-</u>
Net Cash From Operating Activities	<u>\$ (42,070,884)</u>	<u>\$ (329,063)</u>
Noncash Investing, Capital, and Financial:		
Revenue from State On-Behalf Payments	<u>\$ 9,881,980</u>	<u>\$ -</u>

See Accompanying Notes to Financial Statements

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Lewis & Clark Community College (the “College”) is a governmental unit that provides post-secondary school education and vocational training for the local community at its main campus in Godfrey, Illinois as well as other campuses in surrounding communities. The summary of significant accounting policies is presented to assist you in understanding the College’s financial statements.

The College is a community college governed by an elected seven-member Board of Trustees. The College’s mission is to empower people by raising aspirations and fostering achievement through dynamic, compassionate and responsible learning experiences.

Reporting Entity

The College’s financial statements include all entities for which the College has financial accountability. In defining the financial reporting entity, the College has considered whether there are any potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accordance with accounting principles generally accepted in the United States. The primary criterion for including a potential component unit within the reporting entity is the financial accountability that the elected officials of the primary government have for the component unit. The criteria used in assessing financial accountability consist of (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents (2) the primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Lewis and Clark Community College Foundation (Foundation) is a legally separate, tax-exempt nonprofit component unit of the College. The Foundation was organized and operated exclusively for educational and charitable purposes designed to promote the welfare of the College. Because the resources of the Foundation are to be used substantially for the benefit of the College, the Foundation is considered a component unit of the College and is discretely presented in the College’s financial statements. Complete financial statements for the Foundation can be obtained from the administrative offices of the College located at 5800 Godfrey Road, IL 62035 or by calling (618) 468-7000. The Foundation paid the College \$311,986 for scholarships and awards during the year ended June 30, 2025.

The College is not aware of any entity whose elected officials are financially accountable for the operations of the College that would result in the College being considered a component unit of such entity.

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Significant Accounting Policies

The financial statements of the College are prepared in accordance with accounting principles generally accepted in the United States of American (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 as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, and Accounting Principles Board Opinions.

Measurement Focus and Basis of Accounting

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

Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes; federal, state, and local grants; state appropriations and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

Adoption of New Accounting Pronouncements

Effective for fiscal year ended June 30, 2025, the College adopted the provisions of GASB Statement No. 101, *Compensated Absences*, which represents a change in accounting principle. This statement requires the recognition of a liability for both unused and used, but unpaid, compensated absences. The liability is recognized when the leave is attributable to past services, accumulates, and is more likely than not to be used. The liability is measured at the employee's rate of pay as of the statement of net position date. The College has restated its beginning net position for the cumulative effect of adopting this standard. See Note 12, Change in Accounting Principle, for further information.

Effective for fiscal year ended June 30, 2025, the College adopted the provisions of GASB Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to disclose information about risks from certain concentrations or constraints that limit its ability to acquire resources or control spending. At this time, the College has not identified any new concentrations or constraints that pose a risk requiring disclosure as a result of adopting this standard.

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

Cash, Invested Cash and Investments

For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents reported as invested cash.

Investments, consisting of money markets and certificates of deposit through financial institutions, are reported at cost which approximates fair value. Investments, consisting of the Illinois Institutional Investors Trust (IIIT), Illinois Funds local government investment pool, and Illinois Trust Term, are reported at amortized cost. Investments, consisting of certificates of deposit through the Illinois Trust CD Program, commercial paper, corporate notes, supra-national agency bond/notes, federal agency bond/notes, and US Treasuries, are reported at fair value, as listed in the leveling table.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

The IIIT is a diversified, open-end, actively managed investment trust designed to address short-term cash investment needs of Illinois public investors managed by a Board of Trustees elected from the participating members. The IIIT offers two investment options: Illinois Portfolio (rated AAAm by Standard and Poor's) and Illinois TERM (rated AAAf by Fitch).

Illinois Funds and the Illinois Portfolio meet the criteria contained in GASB Statement No. 79, Certain Investment Pools and Pool Participants. This allows these investments and those local governments investing in these funds to measure its investment at amortized cost. The criteria contained in GASB Statement No. 79 address (1) how the pool interacts with participants, (2) requirements for portfolio maturity, quality, diversification and liquidity, and (3) calculation and requirements of a shadow price.

Prepaid Expenses

Prepaid expenses represent payments made by the College for which benefits extend beyond June 30, 2025. The costs of prepaid expenses are recorded as expenses when consumed rather than when purchased.

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Inventory

Inventory is stated at lower of cost or market. Cost is determined by the retail and first-in, first-out methods of inventory accounting. Inventory is included in Prepaid Expenses & Other in the Statement of Net Position.

Capital Assets

Purchased or constructed capital assets, including property, plant, equipment, and infrastructure (such as roads and sidewalks) are reported at cost or estimated historical cost at the date of acquisition. Capital assets are defined as assets with an initial unit cost of \$10,000 or more and an estimated life in excess of one year. Additions or improvements that increase the value more than \$50,000 or significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Donated assets are recorded at their estimated acquisition value at the date of donation. Maintenance and repairs of a routine nature are charged to expenses/expenditures as incurred and are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land Improvements	10 to 20 years
Buildings and Improvements	40 to 60 years
Equipment	3 to 10 years

Capital assets not being depreciated include land, sculptures and art, and construction in progress.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Unearned Revenue

Unearned revenue includes amounts received which represents payment for services to be provided in future periods for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. These amounts consist primarily of: 1) amounts received or accrued for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year, and 2) amounts received from grant and contract sponsors that have not been earned.

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

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

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

Compensated Absences

Accrued compensated absences consist of accumulated unused vacation days and compensatory time based upon completed years of service as of the employment anniversary date, which can be paid out upon separation from the college. In accordance with the implementation of GASB 101, *Compensated Absences*, accrued compensated absences also consists of leave that is more likely than not to be used for time off, which includes personal leave, adjunct leave, part-time leave, floating holiday, and sick leave that is in excess of the conversion amount allowed by the State Universities Retirement System (SURS) for pension credit. The rate of accrued compensated absence is calculated based on the employee's equivalent hourly rate at the statement of net position date. The current portion of accrued compensated absences is included in Accrued Expenses & Compensated Absences in the Statement of Net Position.

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) and additions to/deductions from SURS plan net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the purposes of financial reporting, the State of Illinois (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 or entities (the College) and the non-employer entity (the State) is the only entity with a legal obligation to make contributions directly to a pension plan. The College recognizes its proportionate share of the State's pension expense relative to the College's employees as non-operating revenue and pension expense, with the expense further allocated to the related function by employees.

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Other Post-Employment Benefit (OPEB) Obligations

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

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

Net Position

In the financial statements net position is classified and displayed in three categories:

- *Net investment in capital assets* - consists of capital assets net of accumulated depreciation and related debt, if applicable.
- *Restricted net position* - consists of resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, and then unrestricted resources when they are needed.
- *Unrestricted net position* - 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 governing board to meet current expenses for any purpose.

Property Tax Revenue

The College's property taxes are levied each calendar year on all taxable property located in the College's taxing district. Property taxes are recorded on the accrual basis of accounting. Property taxes have been recognized in the current year at fifty percent of the expected tax levy in the year that the taxes are levied and fifty percent in the following year in accordance with GASB.

Lewis & Clark Community College

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Personal Property Replacement Taxes

Personal property replacement taxes are recorded on the accrual basis of accounting based on amounts collected and paid by the state. Personal property replacement taxes are recorded in Local Taxes in the Statement of Revenues, Expenses, and Changes in Net Position.

Student Tuition

Summer and Fall tuition is recorded as receivable at the time of registration. The amounts that are prepayments or receivables related to the subsequent fiscal year are reported as deferred revenue in the respective funds to which they apply.

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf.

Classification of Revenue

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, and (2) sales and services of auxiliary enterprises. Nonoperating revenue includes activities that have the characteristics of nonexchange transactions, such as (1) local property taxes, (2) state appropriations (3) most federal, state and local grants and contracts, (4) federal appropriations, and (5) gifts and contributions.

On-Behalf Payments for Fringe Benefits and Salaries

Contributions made by the State of Illinois relating to the State Universities Retirement Systems and College Insurance Plan on behalf of the College's employees are recognized by the College as revenues and expenses. In fiscal year 2025, the State made on-behalf contributions of \$9,881,980.

Related Party Transactions

The College had no transactions with related parties for the year ended June 30, 2025.

Lewis & Clark Community College

Notes to Financial Statements

Note 2: Property Taxes

The College's property tax is levied each year on all taxable real property located in the College's taxing district on or before the last Tuesday in December. The Board passed the 2024 levy on December 10, 2024. Property taxes attach as an enforceable lien on property as of January 1 and are payable in installments beginning approximately one to two months after billing by the various counties. The College receives significant distributions of tax receipts beginning in June or July of each year.

The following are the permissible tax rate limits and the actual rates levied per \$100 of assessed valuation:

	Limit	Tax Levy Years	
		2024	2023
Education	0.1500	0.1438	0.1500
Operations & Maintenance	0.1000	0.0959	0.1000
Liability/Judgments	No Limit	0.0491	0.0467
Health & Safety	0.0500	0.0480	0.0490
Audit	0.0050	0.0012	0.0013
Bond and Interest	No Limit	0.1868	0.2242
Social Security	No Limit	0.0045	0.0049
Prior Year Adjustment	(0.0069)	(0.0037)	
	<u>0.5224</u>	<u>0.5724</u>	

Note 3: Cash, Invested Cash and Investments

The College's cash and invested cash throughout the year and at year-end consisted of cash on hand and demand deposit accounts, which included checking and savings accounts. The College classified these accounts as cash and invested cash on the statement of net position according to liquidity and intended use.

Cash and invested cash as of June 30, 2025 consist of the following:

Cash on Hand	\$ 1,500
Invested Cash - Deposits with Financial Institutions	<u>1,029,468</u>
Total	<u>\$ 1,030,968</u>

The College is allowed to invest in securities as authorized by the Illinois Public Community College Act and the Illinois Investment of Public Funds Act.

Lewis & Clark Community College

Notes to Financial Statements

Note 3: Cash, Invested Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments at June 30, 2025 consist of the following:

Money Market - Financial Institutions	\$ 199,029
Certificates of Deposit - Financial Institutions	326,352
Certificates of Deposit - Illinois Trust CD Program	7,723,000
Illinois Funds - Local Government Investment Pool	257,086
Illinois Trust Term	13,533,086
Money Market - Illinois Institutional Investors Trust	2,481,320
Commercial Paper	3,759,202
Corporate Notes	9,384,649
Supra-National Agency Bond/Note	424,469
US Treasuries	<u>42,570,980</u>
Total	<u><u>\$ 80,659,173</u></u>

As of June 30, 2025, the College had the following investments with stated maturities:

	Total	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Money Market - Financial Institutions	\$ 199,029	\$ 199,029	\$ -	\$ -	\$ -
Certificates of Deposit - Financial Institutions	326,352	326,352	-	-	-
Certificates of Deposit - Illinois Trust CD Program	7,723,000	7,723,000	-	-	-
Illinois Funds - Local Government Investment Pool	257,086	257,086	-	-	-
Illinois Trust Term	13,533,086	13,533,086	-	-	-
Money Market - Illinois Institutional Investors Trust	2,481,320	2,481,320	-	-	-
Commercial Paper	3,759,202	3,759,202	-	-	-
Corporate Notes	9,384,649	1,600,821	7,783,828	-	-
Supra-National Agency Bond/Note	424,469	-	424,469	-	-
US Treasuries	<u>42,570,980</u>	<u>20,493,406</u>	<u>22,077,574</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 80,659,173</u></u>	<u><u>\$ 50,373,302</u></u>	<u><u>\$ 30,285,871</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Lewis & Clark Community College

Notes to Financial Statements

Note 3: Cash, Invested Cash and Investments (Continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. It is the College's policy to limit its investments in debt securities to the three top ratings issued by at least two standard rating services. The College's investment policy also limits the holding of debt securities to no more than ten percent of its outstanding obligations.

The College currently invests in several types of securities with different credit ratings. Certificates of deposits and money market funds held by the College are unrated. Commercial paper securities held have a rating of A-1, corporate notes held range from AAA to BBB+, local government investment pool securities are rated at AAAm, and Illinois Trust Term securities are rated at AAAf. INB Illinois Funds are rated at AAAm, Supra-national agency bonds and notes are rated at AAA, and U.S. Treasuries are rated from a range of AAA to A-1+.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the College will not recover the value of its investments or collateral securities that are in the possession of an outside party. Investments with brokers are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 of which \$250,000 may be cash. Insurance protects assets in the case of broker-dealer insolvency and not against declines in market valuation. As of June 30, 2025, the College had investments in excess of the SIPC insurance amounts. The College followed established policies in directing and monitoring the investment management of the College's investments during the year.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned to it. At year end, the College's carrying amount of deposits was \$1,554,849, of which \$1,029,468 is cash and invested cash and \$525,381 is investments, and the bank balance was \$2,130,794. Of the bank balance, \$778,141 was covered by federal depository insurance and \$1,352,653 was collateralized with securities held by the pledging institution's trust department or agent in the College's name.

Concentration Risk

Concentration risk is the risk associated with having more than 5 percent of investments in any issuer, other than the U.S. Government. The College does not have a concentration risk policy. The College has no investments that represent 5 percent or more of the total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The College does not have a foreign currency risk policy. The College does not have any investments with foreign currency risk exposure.

Lewis & Clark Community College

Notes to Financial Statements

Note 3: Cash, Invested Cash and Investments (Continued)

Fair Value Measurement

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy, as described under current accounting standards, are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets; or
- inputs other than quoted prices that are observable for the asset or liability.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

The following table presents the College's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of June 30, 2025:

	Fair Value Measurements at Reporting Date Using			
	Total	(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value on a recurring basis:				
Certificates of Deposit - Illinois Trust CD Program	\$ 7,723,000	\$ -	\$ 7,723,000	\$ -
Commercial Paper	3,759,202	-	3,759,202	-
Corporate Notes	9,384,649	-	9,384,649	-
Supra-National Agency Bond/Note	424,469	-	424,469	-
US Treasuries	42,570,980	-	42,570,980	-
	<u>\$ 63,862,300</u>	<u>\$ -</u>	<u>\$ 63,862,300</u>	<u>\$ -</u>

Lewis & Clark Community College
Notes to Financial Statements

Note 4: Capital Assets

Capital asset balances and activity for the year ended June 30, 2025, were as follows:

	Balance			Balance
	7/1/2024	Additions	Disposals	6/30/2025
Capital assets, not being depreciated:				
Land	\$ 1,393,634	\$ -	\$ -	\$ 1,393,634
Construction in progress	2,455,667	1,273,571	(1,745,664)	1,983,574
Sculptures & art	2,535,505	-	-	2,535,505
Total capital assets, not being depreciated	<u>\$ 6,384,806</u>	<u>\$ 1,273,571</u>	<u>\$ (1,745,664)</u>	<u>\$ 5,912,713</u>
Capital Assets, being depreciated:				
Land improvements	\$ 22,224,293	\$ 1,355,798	\$ (920,837)	\$ 22,659,254
Buildings and improvements	184,046,566	1,908,629	-	185,955,195
Equipment	13,551,560	952,176	(458,418)	14,045,318
Total capital assets, being depreciated	<u>\$ 219,822,419</u>	<u>\$ 4,216,603</u>	<u>\$ (1,379,255)</u>	<u>\$ 222,659,767</u>
Right-of-Use Assets, being amortized:				
Subscription software	\$ 3,346,150	\$ 649,208	\$ (449,388)	\$ 3,545,970
Total right-of-use assets, being amortized	<u>\$ 3,346,150</u>	<u>\$ 649,208</u>	<u>\$ (449,388)</u>	<u>\$ 3,545,970</u>
Accumulated Depreciation and Amortization:				
Land improvements	\$ (14,882,438)	\$ (799,554)	\$ 920,837	\$ (14,761,155)
Buildings and improvements	(73,850,425)	(3,732,857)	-	(77,583,282)
Equipment	(10,871,016)	(516,250)	458,418	(10,928,848)
Total accumulated depreciation	<u>\$ (99,603,879)</u>	<u>\$ (5,048,661)</u>	<u>\$ 1,379,255</u>	<u>\$ (103,273,285)</u>
Subscription Software	\$ (1,304,239)	\$ (675,374)	\$ 449,388	\$ (1,530,225)
Total accumulated amortization	<u>\$ (1,304,239)</u>	<u>\$ (675,374)</u>	<u>\$ 449,388</u>	<u>\$ (1,530,225)</u>
Total accumulated depreciation and amortization	<u><u>\$ (100,908,118)</u></u>	<u><u>\$ (5,724,035)</u></u>	<u><u>\$ 1,828,643</u></u>	<u><u>\$ (104,803,510)</u></u>
Total capital assets, being depreciated, net	<u><u>\$ 122,260,451</u></u>	<u><u>\$ (858,224)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 121,402,227</u></u>
Business-type activities capital assets, net	<u><u>\$ 128,645,257</u></u>	<u><u>\$ 415,347</u></u>	<u><u>\$ (1,745,664)</u></u>	<u><u>\$ 127,314,940</u></u>

Depreciation expense was \$5,048,661 for the year ended June 30, 2025. Amortization expense was \$675,374 for the year ended June 30, 2025, and is recorded in Interest, Service Charges, and Issuance Costs in the Statement of Revenues, Expenses, and Changes in Net Position.

Lewis & Clark Community College

Notes to Financial Statements

Note 5: Long-Term Debt

The following is a summary of the College's long-term debt for the year ended June 30, 2025:

	Balance			Retirements /Refunding	Balance 6/30/2025	Current Portion	Long-Term Portion
	7/1/2024 (As Restated)	Additions	Accretion				
Long-Term Debt:							
General Obligation Bonds	\$ 66,449,479	\$ -	\$ -	\$ (9,109,479)	\$ 57,340,000	\$ 9,070,000	\$ 48,270,000
Accreted Interest on Capital							
Appreciation Bonds	716,767	-	53,754	(770,521)	-	-	-
Bond Premiums	3,213,208	-	-	(780,070)	2,433,138	588,042	1,845,096
Debt Certificates	3,660,000	-	-	(2,205,000)	1,455,000	1,455,000	-
Debt Certificate Premiums	242,520	-	-	(92,577)	149,943	74,395	75,548
Subscription Liability	1,898,246	649,208	-	(605,028)	1,942,426	590,628	1,351,798
Compensated Absences	1,297,121	38,571	-	-	1,335,692	267,138	1,068,554
Totals	\$ 77,477,341	\$ 687,779	\$ 53,754	\$ (13,562,675)	\$ 64,656,199	\$ 12,045,203	\$ 52,610,996

Details on the debt as of June 30, 2025, along with the applicable required payment schedules, are as follows:

On May 5, 2015, the College issued \$17,025,000 of General Obligation Refunding Bonds, Series 2015A. The remaining maturities are due in annual payments ranging from \$2,795,000 to \$3,320,000 at an interest rate of 5.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The bonds were sold at a premium of \$3,156,845, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$2,892,905. These bonds were issued to refund a portion of the Series 2004A General Obligation Funding Bonds, Series 2005A General Obligation Funding Bonds, and Series 2007 General Obligation Bonds.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 3,320,000	\$ 369,750	\$ 3,689,750
2027	2,795,000	216,875	3,011,875
2028	2,940,000	73,500	3,013,500
Total	\$ 9,055,000	\$ 660,125	\$ 9,715,125

Lewis & Clark Community College
Notes to Financial Statements

Note 5: Long-Term Debt (Continued)

On August 4, 2015, the College issued \$4,530,000 of General Obligation Bonds, Series 2015F. The remaining maturities are due in annual principal payments ranging from \$105,000 to \$920,000 with interest rates ranging from 0.00% to 5.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The bonds were sold at a premium of \$24,079, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$22,791. These bonds were issued to refund the Series 2015D Bonds.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 105,000	\$ 37,737	\$ 142,737
2027	920,000	17,556	937,556
Total	\$ 1,025,000	\$ 55,293	\$ 1,080,293

On June 1, 2016, the College issued \$8,000,000 of Taxable General Obligation Bonds, Series 2016. The remaining maturities are due in annual principal payments ranging from \$900,000 to \$930,000 at an interest rate of 4.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The bonds were sold at a premium of \$395,873, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$379,069. These bonds were issued for working cash purposes.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 900,000	\$ 55,200	\$ 955,200
2027	930,000	18,600	948,600
Total	\$ 1,830,000	\$ 73,800	\$ 1,903,800

On July 26, 2017, the College issued \$14,200,000 of General Obligation Refunding Bonds, Series 2017A. The Series 2017A Bonds were issued to defease the remaining outstanding portion of the General Obligation Bonds Series 2007A Bonds. The maturities are due in annual payments ranging from \$0 to \$14,200,000 at an interest rate of 5.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The bonds were sold at a premium of \$2,177,870, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$1,101,084.

During the year ending June 30:	Principal	Interest	Total
2026	\$ -	\$ 710,000	\$ 710,000
2027	-	710,000	710,000
2028	-	710,000	710,000
2029	-	710,000	710,000
2030	-	710,000	710,000
2031-2034	14,200,000	1,725,000	15,925,000
Total	\$ 14,200,000	\$ 5,275,000	\$ 19,475,000

Lewis & Clark Community College

Notes to Financial Statements

Note 5: Long-Term Debt (Continued)

On July 26, 2017, the College issued \$14,994,479 of Taxable General Obligation Bonds, Series 2017B. The Series 2017B Bonds were issued to redeem the Taxable General Obligation Series 2017 Bonds. The remaining maturities are due in annual payments ranging from \$250,000 to \$3,900,000 with interest rates ranging from 3.35% to 3.80%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The bonds were sold at a premium of \$485,291, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$367,398.

A portion of the Series 2017B Bonds are capital appreciation bonds. The bonds have a principal value of \$504,479 and a remaining maturity of \$1,275,000. The interest on these bonds was paid upon maturity on November 1, 2024. The accretion expense recognized in the current fiscal year was \$53,754, which is reflected in interest expense and long-term bonds payable.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 450,000	\$ 249,113	\$ 699,113
2027	575,000	231,800	806,800
2028	250,000	217,525	467,525
2029	850,000	197,725	1,047,725
2030	925,000	165,313	1,090,313
2031-2034	<u>3,900,000</u>	<u>74,100</u>	<u>3,974,100</u>
Total	<u>\$ 6,950,000</u>	<u>\$ 1,135,576</u>	<u>\$ 8,085,576</u>

On February 18, 2020, the College issued \$31,560,000 of General Obligation Refunding Bonds, Series 2020. The remaining maturities are due in annual payments ranging from \$1,445,000 to \$5,145,000 at an interest rate of 4.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The bonds were sold at a premium of \$3,178,328, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$2,221,901. These bonds were issued to refund a portion of the Series 2010B General Obligation Bonds, the Series 2010C General Obligation Bonds and the Series 2012 General Obligation Bonds.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 1,445,000	\$ 582,400	\$ 2,027,400
2027	1,480,000	524,600	2,004,600
2028	1,685,000	465,400	2,150,400
2029	4,805,000	398,000	5,203,000
2030	5,145,000	205,800	5,350,800
Total	<u>\$ 14,560,000</u>	<u>\$ 2,176,200</u>	<u>\$ 16,736,200</u>

Lewis & Clark Community College
Notes to Financial Statements

Note 5: Long-Term Debt (Continued)

On February 9, 2022, the College issued \$7,650,000 of General Obligation Debt Certificates Series 2022A. The remaining maturity is due in an annual payment of \$1,455,000 at an interest rate of 4.00%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. The certificates were sold at a premium of \$479,385, which is being amortized over the life of the bonds. Accumulated amortization as of June 30, 2025, was \$329,442.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 1,455,000	\$ 29,100	\$ 1,484,100
Total	\$ 1,455,000	\$ 29,100	\$ 1,484,100

On February 9, 2022, the College issued \$13,900,000 of General Obligation Refunding Bonds Series 2022B. The remaining maturities are due in annual payments ranging from \$2,250,000 to \$4,620,000 with interest rates ranging from 1.45% to 2.20%. The issue provides for retirement of principal on November 1 of each year, with interest payable May 1 and November 1. These bonds were issued to refund the Series 2015E General Obligation Bonds.

During the year ending June 30:	Principal	Interest	Total
2026	\$ 2,850,000	\$ 172,290	\$ 3,022,290
2027	2,250,000	124,140	2,374,140
2028	4,620,000	50,820	4,670,820
Total	\$ 9,720,000	\$ 347,250	\$ 10,067,250

The annual requirements to amortize all debt outstanding as of June 30, 2025, including interest, are as follows:

During the year ending June 30:	General Obligation Bond	Debt Certificates	Total Principal	Interest and Accretion	Total Principal, Accretion, and Interest
2026	\$ 9,070,000	\$ 1,455,000	\$ 10,525,000	\$ 2,205,590	\$ 12,730,590
2027	8,950,000	-	8,950,000	1,843,571	10,793,571
2028	9,495,000	-	9,495,000	1,517,245	11,012,245
2029	5,655,000	-	5,655,000	1,305,725	6,960,725
2030	6,070,000	-	6,070,000	1,081,113	7,151,113
2031-2034	18,100,000	-	18,100,000	1,799,100	19,899,100
Total	\$ 57,340,000	\$ 1,455,000	\$ 58,795,000	\$ 9,752,344	\$ 68,547,344

Lewis & Clark Community College

Notes to Financial Statements

Note 6: Subscription Liabilities

The College has various subscription-based information technology arrangements (SBITAs) for accounting software and academic operations and learning platforms, the terms of which expire in various years through 2029.

The following is a schedule by year of principal and interest required under the SBITAs as of June 30, 2025:

Year Ending	June 30	Principal	Interest	Total
2026	\$ 590,628	\$ 95,830	\$ 686,458	
2027	641,135	68,238	709,373	
2028	567,020	38,183	605,203	
2029	143,643	10,706	154,349	
	<u>\$ 1,942,426</u>	<u>\$ 212,957</u>	<u>\$ 2,155,383</u>	

Note 7: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description. The College contributes to the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's Annual Comprehensive Financial Report (ACFR) 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 (effective January 1, 1998) established an alternative defined benefit program known as the portable benefit package. Tier 1 of the traditional and portable plan refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible 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, 2024, can be found in the Financial Section of SURS ACFR.

Lewis & Clark Community College

Notes to Financial Statements

Note 7: Defined Benefit Pension Plan (Continued)

Contributions. The State is primarily responsible for funding the SURS 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 2024 and fiscal year 2025, respectively, was 12.53% and 11.98% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State's General Assembly.

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

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

Net Pension Liability

The net pension liability (NPL) was measured as of June 30, 2024. At June 30, 2024, SURS defined benefit plan reported a NPL of \$30,230,907,727.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the NPL to be recognized for the College is \$0. The proportionate share of the State's NPL associated with the College is \$141,610,641 or 0.4684%. The College's proportionate share changed by (0.0047%) from 0.4732% since the last measurement date on June 30, 2023. This amount is not recognized in the College's financial statements. The NPL and total pension liability as of June 30, 2024, was determined based on the June 30, 2023, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2023.

Lewis & Clark Community College

Notes to Financial Statements

Note 7: Defined Benefit Pension Plan (Continued)

Defined Benefit Pension Expense

For the year ending June 30, 2024, SURS defined benefit plan reported a collective net pension expense of \$1,996,285,670.

Employer Proportionate Share of Defined Benefit Pension Expense

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2023. As a result, the College recognized on-behalf revenue and defined benefit pension expense of \$9,351,201 from this special funding situation during the year ended June 30, 2025.

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

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

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	De fer red Outflows of Resources	De fer red Inflows of Resources	
Difference between expected and actual experience	\$ 305,114,071		-
Changes in assumptions	483,809,428		-
Net difference between projected and actual earnings on pension plan investments	-	\$ 27,577,324	
Total	\$ 788,923,499	\$ 27,577,324	

Lewis & Clark Community College

Notes to Financial Statements

Note 7: Defined Benefit Pension Plan (Continued)

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

<u>Year Ending June 30</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 126,531,380
2026	756,545,086
2027	(49,545,529)
2028	(72,184,762)
2029	-
Thereafter	-
Total	<u><u>\$ 761,346,175</u></u>

College's Deferral of Fiscal Year 2025 Contributions

The College paid \$479,199 in federal, trust or grant contributions to SURS defined benefit pension plan during the year ended June 30, 2025. These contributions were made subsequent to the pension liability measurement date of June 30, 2024, and are recognized as deferred outflows of resources as of June 30, 2025.

Assumptions and Other Inputs

Actuarial assumptions. The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period June 30, 2020, through June 30, 2023. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increases	3.15 to 15.00 percent, including inflation
Investment rate of return	6.50 percent

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

Lewis & Clark Community College

Notes to Financial Statements

Note 7: Defined Benefit Pension Plan (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024, these best estimates are summarized in the following table:

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)	
		Real Rate of Return (Arithmetic)	Real Rate of Return (Arithmetic)
Traditional Growth			
Global Public Equity	36.0%	7.13%	
Stabilized Growth			
Core Real Assets	8.0%	5.06%	
Public Credit Fixed Income	6.5%	4.10%	
Private Credit	2.5%	7.36%	
Non-Traditional Growth			
Private Equity	11.0%	10.92%	
Non-Core Real Assets	4.0%	9.09%	
Inflation Sensitive			
U.S. TIPS	5.0%	2.12%	
Principal Protection			
Core Fixed Income	10.0%	1.34%	
Crisis Risk Offset			
Systematic Trend Following	10.0%	2.90%	
Alternative Risk Premia	3.0%	2.62%	
Long Duration	2.0%	2.84%	
Long Volatility/Tail Risk	2.0%	-1.22%	
Total	100.00%	5.63%	
Inflation		2.80%	
Expected Arithmetic Return		8.43%	

Lewis & Clark Community College

Notes to Financial Statements

Note 7: Defined Benefit Pension Plan (Continued)

Discount Rate. A single discount rate of 6.35% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.97% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2024). 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 SURS Net Pension Liability to Changes in the Discount Rate. Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.35%, as well as what the State's NPL would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Current Single Discount		
1% Decrease	Rate Assumption	1% Increase
5.35%	6.35%	7.35%
\$ 36,700,168,358	\$ 30,230,907,727	\$ 24,839,790,537

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

Note 8: Defined Contribution Pension Plan

General Information about the Pension Plan

Plan Description. The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.surs.org. The RSP and its benefit terms were established and may be amended by the State's General Assembly.

Lewis & Clark Community College

Notes to Financial Statements

Note 8: Defined Contribution Pension Plan (Continued)

Benefits Provided. A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2024, can be found in SURS Annual Comprehensive Financial Report - Notes to the Financial Statements.

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

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

Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

For the year ended June 30, 2024, the State's contributions to the RSP on behalf of individual employers totaled \$96,741,887. Of this amount, \$89,857,115 was funded via an appropriation from the State and \$6,884,772 was funded from previously forfeited contributions.

Lewis & Clark Community College

Notes to Financial Statements

Note 8: Defined Contribution Pension Plan (Continued)

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2024. The College's share of pensionable contributions was 0.3474%. As a result, the College recognized revenue and defined contribution pension expense of \$336,060 from this special funding situation during the year ended June 30, 2025, of which \$23,916 constituted forfeitures.

Note 9: Other Post-Employment Benefits

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

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

Benefit Provisions - A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department may be obtained by accessing the website at www.auditor.illinois.gov/Audit-Reports/CMS-CCHISF.asp.

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

Lewis & Clark Community College

Notes to Financial Statements

Note 9: Other Post-Employment Benefits (Continued)

Contributions – Beginning July 1, 2023 and through June 30, 2024, 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 0.75% of the 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 0.75% of the salary paid to its full-time employees who participate in the plan. Beginning July 1, 2024 and through June 30, 2026, the contribution rate shall be a percentage of salary to be determined by the Department, which in each fiscal year shall not exceed a 0.1 percentage point increase in the amount of salary actually required to be contributed for the previous fiscal year. Beginning July 1, 2026, the active member and employer contribution rates shall be a percentage of salary to be determined by the Department, which in each fiscal year shall not exceed 105% of the percentage of salary actually required to be contributed for the previous fiscal year. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1071 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

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

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2024. CIP reported a net OPEB liability on June 30, 2024 of \$665,190,300.

Employer Proportionate Share of Net OPEB Liability

The amount of the proportionate share of the net OPEB liability to be recognized for the College in fiscal year 2025 is \$6,888,009 or 1.035%. This amount is recognized in the financial statements. The change in the College's proportionate net OPEB liability was a decrease of 0.043%. The proportionate share of the State's net OPEB liability associated with the College at June 30, 2024, was \$6,888,009. The total proportionate share of the net OPEB liability associated with the College on June 30, 2024, was \$13,776,018. The net OPEB liability and total OPEB liability as of June 30, 2024, was determined based on the June 30, 2023, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net OPEB liability is the actual reported OPEB contributions made to CIP during fiscal year 2024.

OPEB Expense

On June 30, 2024, CIP reported a collective net OPEB expense (income) of (\$252,150,464).

Lewis & Clark Community College

Notes to Financial Statements

Note 9: Other Post-Employment Benefits (Continued)

Employer Proportionate Share of OPEB Expense

The employer proportionate share of collective OPEB expense should be recognized similarly to on-behalf payments as both revenue and matching expenditure in the financial statements. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported OPEB contributions made to CIP during fiscal year 2024. As a result, the College recognized on-behalf revenue and expense of \$194,719 for the fiscal year ended June 30, 2025. Additionally, the College recognized OPEB income of \$3,425,708 for the fiscal year ended June 30, 2025.

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

Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods, and thus will not be recognized as an outflow (expense) until the future periods.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The College's Portion of Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 87,323	\$ 2,075,324
Changes of assumptions	50,935	5,004,555
Net difference between projected and actual investment earnings on OPEB plan investments	-	3,415
Changes in proportion and differences between employer contributions and share of contributions	<u>10,161</u>	<u>1,943,630</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>148,419</u>	<u>9,026,924</u>
OPEB contributions made subsequent to the measurement date	<u>194,719</u>	<u>-</u>
Total	<u>\$ 343,138</u>	<u>\$ 9,026,924</u>

Lewis & Clark Community College

Notes to Financial Statements

Note 9: Other Post-Employment Benefits (Continued)

The College reported \$194,719 as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

<u>Year Ending June 30</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2026	\$ (1,775,701)
2027	(1,775,701)
2028	(1,775,701)
2029	(1,775,701)
2030	<u>(1,775,701)</u>
Total	<u><u>\$ (8,878,505)</u></u>

Assumptions and Other Inputs

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary Increases	Depends on age and service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend rates for plan year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trends rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.

Lewis & Clark Community College

Notes to Financial Statements

Note 9: Other Post-Employment Benefits (Continued)

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. For disabled annuitants, mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020.

Discount Rate. Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with the 20 years to maturity that include only federally tax-exempt municipal bonds reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.97% as of June 30, 2024, and 3.86% as of June 30, 2023. The increase in the single discount rate from 3.86% to 3.97% caused the total OPEB liability to decrease by approximately \$6.3 million from 2023 to 2024.

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

Lewis & Clark Community College

Notes to Financial Statements

Note 9: Other Post-Employment Benefits (Continued)

Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate

The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 3.97%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (4.97%) or lower (2.97%) than the current rate:

Sensitivity of Net OPEB Liability as of June 30, 2024 to the Single Discount Rate Assumption			
	Current Single 1% Decrease (2.97%)	Discount Rate Assumption (3.97%)	1% Increase (4.97%)
Net OPEB liability	\$ 7,521,655	\$ 6,888,009	\$ 6,339,421

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates as well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower.

Sensitivity of Net OPEB Liability as of June 30, 2024 to the Healthcare Cost Trend Rate Assumption			
	Healthcare Cost Trend 1% Decrease (b) Rates Assumption (a) 1% Increase (c)		
Net OPEB liability	\$ 6,185,885	\$ 6,888,009	\$ 7,731,306

- (a) Current healthcare trend rates – Pre-Medicare per capita costs: 9.02% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.
- (b) One percentage point decrease in current healthcare trend rates – Pre-Medicare per capita costs: 8.02% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 14.00% from 2026 to 2030, 6.00% in 2031 decreasing ratably to an ultimate rate of 3.25% in 2041.
- (c) One percentage point increase in current healthcare trend rates – Pre-Medicare per capita costs: 10.02% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 16.00% from 2026 to 2030, 8.00% in 2031 decreasing ratably to an ultimate rate of 5.25% in 2041.

Lewis & Clark Community College

Notes to Financial Statements

Note 10: Risk Management

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the College carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Note 11: Impact of Pending Accounting Principles

The GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The College is in the process of completing its assessment of the impact of these requirements.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, in September 2024. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The College is in the process of completing its assessment of the impact of these requirements.

Note 12: Change in Accounting Principle

The implementation of GASB Statement No. 101, *Compensated Absences*, had the following effect on fund balance as reported at July 1, 2024:

<u>GASB 35 Entries</u>	
Fund Balance, as previously reported	\$ (452,637)
GASB Statement No. 101	(386,531)
Restated Fund Balance, at July 1, 2024	<u>\$ (839,168)</u>

The implementation of GASB Statement No. 101, *Compensated Absences*, had the following effect on net position as reported at July 1, 2024:

<u>College</u>	
Net Position, as previously reported	\$ 126,821,858
GASB Statement No. 101	(386,531)
Restated Net Position, at July 1, 2024	<u>\$ 126,435,327</u>

Note 13: Subsequent Events

The College has evaluated subsequent events through December 15, 2025, which is the date the financial statements were available to be issued.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit

ORGANIZATION

Lewis and Clark Community College Foundation (the Foundation) is an Illinois 501(c)(3) corporation that was organized for the purpose of promoting the welfare of Lewis & Clark Community College (College). The Foundation's program services in support of the College include academic and institutional support, student support and scholarships, cultural support, and capital project support to further the educational purposes of the College.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financially Interrelated Organizations - U.S. generally accepted accounting principles (GAAP) presume that combined financial statements for financially integrated organizations are more meaningful than separate statements and are usually necessary for fair presentation. The College and the Foundation are financially interrelated organizations as defined by GAAP.

These financial statements are intended to present only the financial position and results of operations of the Foundation, and do not include the financial position or results of operations of the College. The financial statements of the College are reported separately to comply with the State of Illinois' reporting requirements. The College reports the transactions of the Foundation as a discretely presented component unit in accordance with Governmental Accounting Standards Board (GASB) Statement No.14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

Basis of Accounting - The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect the significant receivables, other assets, and payables.

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; however, in the accompanying financial statements, the funds have been combined.

The Foundation follows the provisions of FASB Accounting Standards Codification Topic 958 "Not-for-Profit Entities" ("ASC 958"). This requires the Foundation to distinguish between contributions that increase net assets with donor restrictions and net assets without donor restrictions. It is also requiring recognition of contributed services meeting certain criteria at fair value.

The Foundation utilizes net assets with donor restrictions and net assets without donor restrictions groupings to account for its resources. ASC 958 requires a statement of financial position, a statement of activities and a statement of cash flows for not-for-profit organizations.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The assets, liabilities and net assets of the Foundation are reported in self-balancing fund groups as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets subject to donor stipulations that can be fulfilled by actions of the Foundation pursuant to those stipulations or that expire by passage of time and donor-imposed stipulations that must be maintained permanently by the Foundation.

Functional Allocation of Expenses - The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statement of Activities. Expenses which are associated with a specific program are charged directly to that program.

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

Contributions - Contributions, including unconditional promises to give, are recognized as revenues in the period the contribution or unconditional promise is received. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the time of the gift. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with any donor-imposed restrictions on the contributions.

Cash and Cash Equivalents - The Foundation considers all highly liquid investments purchased with original maturity of three months or less to be cash equivalents.

Investments - The Foundation's portfolio is managed by outside investment managers who operate within the guidelines established by the Investment Committee of the Board of Directors. The investment strategy for the portfolio is growth and income. This is consistent with a goal of long-term appreciation and modest current income. The Foundation has adopted an asset allocation range which will allow portfolio managers to take a long-term approach to the asset allocation decision rather than a short-term market timing strategy. Portfolio assets are invested in a combination of cash equivalents, common stocks, fixed income securities and mutual funds.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in marketable securities with readily determinable fair value and all investments in debt securities are reported at their fair values in the statement of financial position. Investment income (interest and dividends) is included in the change in net assets from operations unless the income or loss is restricted by the donor or law.

Management is not aware of any significant derivative financial positions entered into by its investment managers. Accordingly, management has estimated that the risk, if any, associated with derivatives is not material to the Foundation as of June 30, 2025.

Pledges Receivable – The fair value of unconditional promises to give to be received in more than one year is estimated based on future cash flows discounted 3% at June 30, 2025. Unconditional promises to give to be received in less than one-year approximate fair value because of short maturity. The Foundation monitors the collectability of promises to give and estimates the allowance for uncollectable amounts. There was no allowance for pledges receivable as of June 30, 2025.

Fair Value of Financial Instruments – The carrying value of financial instruments such as accounts receivable and accounts payable approximate the fair value due to their short-term nature.

Administrative Fee – The Foundation charges an annual administrative fee of 1% of the market value of its investment fund. The fee is charged monthly and reduces the investment income earned on the permanently and temporarily restricted net assets. Total fees assessed were \$139,579 for fiscal year ended June 30, 2025.

Income Taxes – The Foundation is a not-for-profit organization exempt from income taxes, except on “unrelated business income”, under Section 501(c)(3) of the Internal Revenue Code. There was no unrelated business income during the fiscal year ended June 30, 2025, therefore, no provision has been made for income taxes in the accompanying financial statements.

The Foundation files informational returns in the U.S. federal jurisdiction, and the State of Illinois. With few exceptions, the Foundation is no longer subject to U.S. federal and state examinations for years ending prior to June 30, 2022.

The Foundation has adopted the provisions of FASB ASC 740-10-25 (formerly FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes – an Interpretation of FASB No. 109*), requiring disclosure of uncertain tax positions. There has been no interest, nor penalties, recognized in the Statement of Activities nor in the Statement of Financial Position related to uncertain tax positions. The Foundation evaluates the potential existence of uncertain tax positions on a continual basis through review of its policies and procedures, and discussions with outside experts. The adoption of FASB ASC 740-10-25 has had no effect on the financial statements.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications - Certain reclassifications of the prior year's comparative balances have been made to conform to the current year presentation.

INVESTMENTS

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. The Foundation records purchased securities at quoted market value and contributed securities at their fair value on the date of receipt. Unrealized gains and losses are reflected in changes in net assets in the statements of activities for the corresponding asset classes.

The Foundation pools the investments of its various funds. The income from such investments and the realized and unrealized gains and losses on the investments are allocated to the participating funds based on the adjusted market value of the fund groups.

Investment income for the year ended June 30, 2025, was as follows:

	Without Donor Restrictions	With Donor Restrictions	June 30, 2025
Investment Income	\$ 107,735	\$ 600,997	\$ 708,732
Net Realized Gain in Investments	94,199	501,631	595,830
Net Unrealized Gain on Investments	61,224	330,831	392,055
Administrative and Investment Fee	(25,201)	(216,556)	(241,757)
Net Investment Income	\$ 237,957	\$ 1,216,903	\$ 1,454,860

Realized losses result from the sale of investments below historical cost. Unrealized losses result from decline in market value of investments held from period to period. Total investment fees as charged by the Foundation's investment managers were \$102,178 for fiscal year ended June 30, 2025.

Investments cost and fair values are comprised of the following at June 30, 2025:

	Cost	Value	Unrealized Gains	Unrealized Losses
U.S.Government Securities	\$ 1,075,610	\$ 1,058,035	\$ 7,157	\$ (24,732)
U.S. Government Agencies	34,914	34,924	10	-
Corporate Bonds	934,759	942,261	21,856	(14,354)
Common Stock	3,972,147	4,830,243	969,503	(111,407)
Mutual Funds	4,801,716	5,642,188	882,080	(41,608)
Alternative Investments	3,013,184	3,129,665	129,513	(13,032)
	\$ 13,832,330	\$ 15,637,316	\$ 2,010,119	\$ (205,133)

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Foundation has adopted FASB ASC 820 (formerly SFAS No. 157, *Fair Value Measurements*) which defines fair value under U.S. generally accepted accounting principles, establishes framework for measuring fair value and enhances disclosures about fair value measurements. This standard defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price), in the principal or most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. FASB ASC 820 establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs when measuring fair value.

The following provides a description of the three levels of inputs that may be used to measure fair value under the standard, the types of plan investments that fall under each category, and the valuation methodologies used to measure these investments at fair value.

Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets include mutual funds that are valued at the net asset value of shares held by the Foundation at year end. Level 1 assets also include common stock, corporate bonds, U.S. government securities, and U.S. government agencies which are valued at quoted closing prices.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets include certificates of deposit which are valued from a market-driven pricing model. The inputs include daily quoted prices for assets in active markets obtained from third party pricing agents, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are corroborated by observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include assets and liabilities for which the determination of fair value requires significant management judgment or estimation. Level 3 assets include Limited Liability Companies for which no formal trading market exists and are valued at the estimate of the value of the certificate. The value is based on the book value of the program's net assets and capital accounts which is determined by the management of the program.

An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The preceding described methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurement at the reporting date.

The following table represents the Foundation's fair value hierarchy for those assets measured at fair value as of June 30, 2025:

	Fair Value	Active Markets For Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government Securities	\$ 1,058,035	\$ 1,058,035	\$ -	\$ -
U.S. Government Agencies	34,924	34,924	-	-
Corporate Bonds	942,261	942,261	-	-
Common Stock	4,830,243	4,830,243	-	-
Mutual Funds	5,642,188	5,642,188	-	-
Alternative Investments	3,129,665	-	-	3,129,665
	<u>\$ 15,637,316</u>	<u>\$ 12,507,651</u>	<u>\$ -</u>	<u>\$ 3,129,665</u>

The fair value of the Foundation's other financial instruments classified as current assets or liabilities, including other assets, accounts receivable, and accounts payable approximates carrying value due to the short-term nature of these accounts. FASB ASC 820 is also effective for nonfinancial instruments of the Foundation. There were no triggering events that required fair value measurements of the Foundation's nonfinancial assets and liabilities at June 30, 2025.

LAND

During the year ended June 30, 2009, the Foundation received a gift of 430 acres of land known as the Palisades Preserve from the Great Rivers Land Trust. The land has been designated as an Illinois Nature Preserve by the Illinois Nature Preserve Commission and by accepting title to the property, the Foundation agrees to preserve and protect in perpetuity the scenic values and natural character of this gift. As the Foundation entered into an agreement with the Great Rivers Land Trust that prohibits the transfer of the property to any other party, the land has been classified as a permanently restricted net asset. The land was valued at \$2,888,423 which was the cost of the property when it was acquired by the Great Rivers Land Trust in 2007. The property is being maintained by and utilized as part of the National Great Rivers Research and Education Center (NGRREC) which is a program of the College designed to study the great rivers of the U.S. and to provide outreach aid educational programs on the great rivers and river ecology.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

LAND (CONTINUED)

During the year ended June 30, 2013, the Foundation received a gift of 170 acres of land known as Coon Island from John D. Simmons. The land has been valued at \$229,500, based upon a real estate appraisal, and is included in unrestricted net assets in the accompanying statement of activities. Coon Island is located in Calhoun County within the confines of the Mississippi River, and is also being maintained by and utilized as part of the College's NGRREC program.

CASH VALUE OF LIFE INSURANCE

The Foundation has received gifts through whole-life life insurance policies which name the Foundation as both owner and beneficiary. Contributions of donated life insurance are recorded at the cash surrender values of the policies and adjusted annually. The annual change in the cash surrender values of the policies is reported as support in the statement of activities.

The cash surrender values of the life insurance policies as of June 30, 2025 amounted to \$11,486. The total decrease in the values of the policies during fiscal year 2025 was \$591.

CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS

The Foundation manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Foundation has not experienced losses in any of these accounts.

Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned to it. The Foundation occasionally has a need to maintain cash balances in excess of \$250,000, the amount insured by the Federal Deposit Insurance Corporation (FDIC).

Investments - Investments with brokers are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 of which \$250,000 may be cash. Insurance protects assets in the case of broker-dealer insolvency and not against declines in market valuation. As of June 30, 2025, the Foundation had investments in excess of the SIPC insurance amounts. The Foundation followed established policies in directing and monitoring the investment management of the Foundation's investments during the year.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

NET ASSETS RELEASED FROM RESTRICTIONS

Net assets are released from donor restrictions either by the passage of time or by incurring expenses satisfying the purpose specified by the donors. The net assets released from donor restrictions in fiscal year 2025 are summarized as follows:

Scholarships	\$ 153,520
Program Support	555,084
Student Support	45,714
Landscaping	3,980
Other	1,986
	<hr/>
	<u>\$ 760,284</u>

ENDOWMENT

The Foundation's endowment consists of various endowments for scholarships and educational program purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, 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.

Interpretation of Relevant Law - The Board of Directors of the Foundation 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 the interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

ENDOWMENT (CONTINUED)

In accordance with the UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization 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 organization
7. The investment policies of the organization

Return Objective and Spending Policy - The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets consist of the assets of donor-restricted funds that the Foundation must hold for either a specific period of time or until the donor-specified purpose has been satisfied, as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce investment returns and incur investment risk consistent with a universe of peers with the same investment style or discipline.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (both realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

ENDOWMENT (CONTINUED)

Under the Foundation's spending policy, the Board has approved a three percent annual distribution based on a three year-rolling average fair market value as of the calendar year-end preceding the fiscal year in which the distribution is planned. The annual distribution shall not exceed total return for each endowment absent Board approval. The policy provides for two percent of annual cost for external investment management and internal administration fees. The Foundation expects the current spending policy to allow its endowment to grow at an average of three percent annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The composition of endowment net assets by fund type for the year ended June 30, 2025, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 14,065,516	\$ 14,065,516
Board-designated endowment funds	\$ 841,977	-	\$ 841,977
	<u>\$ 841,977</u>	<u>\$ 14,065,516</u>	<u>\$ 14,907,493</u>

The endowment net assets and activity for the year ended June 30, 2025, consisted of the following:

	Net Assets		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 776,508	\$ 13,044,619	\$ 13,821,127
Investment return:			
Investment income	35,249	599,733	634,982
Net realized and unrealized appreciation	51,413	830,616	882,029
Total investment return	<u>86,662</u>	<u>1,430,349</u>	<u>1,517,011</u>
Contributions and grants	-	324,492	324,492
Other income	29	-	29
Fund transfers	-	-	-
Appropriation of endowment funds for expenditure	(21,222)	(733,944)	(755,166)
Endowment net assets, end of year	<u>\$ 841,977</u>	<u>\$ 14,065,516</u>	<u>\$ 14,907,493</u>

Lewis & Clark Community College

Notes to Financial Statements

Note 14: Component Unit (Continued)

ENDOWMENT (CONTINUED)

As a result of realized investment losses, the fair value of certain endowment funds have fallen below the donor's original gift. As of June 30, 2025, the sum of the deficiencies in the individual donor-restricted endowment funds was \$53,236.

LIQUIDITY AND AVAILABILITY OF RESOURCES

The Foundation's financial assets available within one year of the date of the statement of financial position for general expenditures as of June 30, 2025:

Cash and cash equivalents	\$ 946,640
Investments	15,637,316
Interest receivable	<u>17,073</u>
Total financial assets available within one year	16,601,029
Less:	
Amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	14,727,529
Amounts unavailable to management without Board's approval:	
Board designated for endowment	<u>841,977</u>
Total financial assets available to management for expenditures within one year	<u>\$ 1,031,523</u>

The Foundation maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

TITLE III ENDOWMENT CHALLENGE GRANT

Title III will match up to \$220,722 deposited into the Title III endowment. The endowment grant period will last from September 30, 2016, until September 30, 2036. During this period, income from the corpus can be used for costs necessary to operate the institution, costs to administer and manage the endowment fund, and costs associated with buying and selling securities. At the end of the grant period of twenty years, the Institution may use the grant endowment fund corpus for any education purpose.

Required Supplementary Information

Lewis & Clark Community College
 Schedule of Share of Net Pension Liability
 Last Ten Fiscal Years

Measurement Date June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion percentage of the collective net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Proportion amount of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portion of nonemployer contributing entities' total proportion of collective net pension liability associated with the College	\$ 141,610,641	\$ 139,323,310	\$ 148,076,791	\$ 153,745,383	\$ 165,014,939	\$ 158,391,193	\$ 150,175,269	\$ 141,445,619	\$ 145,139,292	\$ 132,382,465
Employer covered payroll	\$ 19,262,538	\$ 18,770,669	\$ 18,097,459	\$ 19,037,527	\$ 20,093,933	\$ 20,001,937	\$ 19,582,481	\$ 19,663,007	\$ 20,252,966	\$ 20,230,643
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	7.35%	7.42%	8.18%	8.08%	8.21%	7.92%	7.67%	7.19%	7.17%	6.54%
SURS plan net position as a percentage of total pension liability	44.60%	44.06%	43.65%	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%

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

See accompanying Notes to Required Supplementary Information.

Lewis & Clark Community College
 Schedule of Share of Pension Contributions
 Last Ten Fiscal Years

Measurement Date June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Federal, trust, grant and other contribution	\$ 479,199	\$ 457,953	\$ 426,782	\$ 310,383	\$ 314,241	\$ 313,493	\$ 295,512	\$ 237,228	\$ 291,172	\$ 250,765
Contribution in relation to required contribution	479,199	457,953	426,782	310,383	314,241	313,493	295,512	237,228	291,172	250,765
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer covered payroll	\$ 20,057,644	\$ 19,262,538	\$ 18,770,669	\$ 18,097,459	\$ 19,037,527	\$ 20,093,933	\$ 20,001,937	\$ 19,582,481	\$ 19,663,007	\$ 20,252,966
Contribution as a percentage of covered payroll	2.39%	2.38%	2.27%	1.72%	1.65%	1.56%	1.48%	1.21%	1.48%	1.24%

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

See accompanying Notes to Required Supplementary Information.

Lewis & Clark Community College
 Schedule of Share of Net OPEB Liability
 Last Ten Fiscal Years
 (schedule to be built prospectively from 2014)

Measurement Date June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion percentage of the collective net OPEB liability	1.04%	1.08%	1.09%	1.16%	1.20%	1.21%	1.22%			
Proportion amount of the collective net OPEB liability	\$ 6,888,009	\$ 7,615,865	\$ 7,477,336	\$ 20,130,047	\$ 21,885,197	\$ 22,816,742	\$ 22,910,966			
Portion of nonemployer contributing entities' total proportion of collective net OPEB liability associated with the College	\$ 6,888,009	\$ 7,615,865	\$ 7,477,336	\$ 20,130,047	\$ 21,885,197	\$ 22,816,742	\$ 22,910,966			
Total collective net OPEB liability associated with the College	\$ 13,776,018	\$ 15,231,730	\$ 14,954,672	\$ 40,260,094	\$ 43,770,394	\$ 45,633,484	\$ 45,821,932			
District's covered payroll	\$ 19,262,538	\$ 18,770,669	\$ 18,097,459	\$ 19,037,527	\$ 20,093,933	\$ 20,001,937	\$ 19,582,481			
Proportion of collective net OPEB liability associated with the College as a percentage of covered payroll	71.52%	81.15%	82.63%	211.48%	217.83%	228.15%	233.99%			
College insurance plan net position as a percentage of total OPEB liability	(18.45%)	(17.87%)	(22.03%)	(6.38%)	(5.07%)	(4.13%)	(3.54%)			

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

See accompanying Notes to Required Supplementary Information.

Lewis & Clark Community College
 Schedule of Share of OPEB Contributions
 Last Ten Fiscal Years

Measurement Date June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 194,719	\$ 164,635	\$ 106,644	\$ 103,007	\$ 107,844	\$ 110,421	\$ 108,451	\$ 106,126	\$ 105,183	\$ 106,824
Contribution in relation to required statutorily	194,719	164,635	106,644	103,007	107,844	110,421	108,451	106,126	105,183	106,824
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 20,057,644	\$ 19,262,538	\$ 18,770,669	\$ 18,097,459	\$ 19,037,527	\$ 20,093,933	\$ 20,001,937	\$ 19,582,481	\$ 19,663,007	\$ 20,252,966
Contribution as a percentage of covered payroll	0.97%	0.85%	0.57%	0.57%	0.57%	0.55%	0.54%	0.54%	0.53%	0.53%

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

See accompanying Notes to Required Supplementary Information.

Lewis & Clark Community College

Notes to Required Supplementary Information

Note 1: Changes of Benefit Terms

Public Act 103-0548, effective August 11, 2023, made changes to the calculation of service and eliminated the part-time adjustment for participants on or after September 1, 2024. This change was first reflected in the Total Pension Liability as of June 30, 2024.

Note 2: Changes of Assumptions

In accordance with *Illinois Compiled Statutes*, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2020 to June 30, 2023, was performed in Spring 2024, resulting in the adoption of new assumptions as of June 30, 2024. These assumptions are listed below.

- Salary increase. The overall assumed rates of salary increase range from 3.15 percent to 15.00 percent based on years of service, with an underlying wage inflation of 2.40 percent.
- Investment return. The investment return is assumed to be 6.50 percent. This reflects an assumed real rate of return to 4.10 percent and assumed price inflation of 2.40 percent.
- Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 7.00 percent.
- Normal retirement rates. Separate rates are assumed for members in academic positions, non-academic positions, and public safety positions. Rates are generally highest for public safety positions and lowest for academic positions.
- Early retirement rates. Separate rates are assumed for members in academic positions and non-academic positions. Rates are generally higher for non-academic positions.
- Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase, with separate rates for academic and non-academic positions.
- Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2021 scale, with separate rates for academic, non-academic, and public safety members.
- Disability rates. Separate rates are assumed for members in academic positions, non-academic positions, and public safety positions, as well as for males and females. Public safety disability incidence is assumed to be 50 percent line-of-duty related and 50 percent ordinary.
- Plan election. For non-academic members, assumed plan election rates are 75 percent for Tier 2 and 25 percent for Retirement Savings Plan (RSP). For new academic members, assumed plan election rates are 55 percent for Tier 2 and 45 percent for RSP.
- Cost of living adjustment. Annual annuity increases are assumed to be 3.00 percent for Tier 1 members and 1.20 percent for Tier 2 members.

Lewis & Clark Community College

Notes to Required Supplementary Information (Continued)

Note 3: Changes of OPEB Benefit Terms

There were no benefit changes recognized in the Total OPEB Liability as of June 30, 2024.

Note 4: Changes of OPEB Assumptions

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Sponsor's Fiscal Year End	June 30, 2025

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. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.75% of pay for active members, 0.75% of pay for community colleges and 0.75% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market Value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.25%
Salary Increases	Depends on age and service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% 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, 2021 actuarial valuation of SURS.
Mortality	Retirement and Beneficiary Annuitants: Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Cost Trend Rates	Trend used plan year end 2025 and are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.
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.

SPECIAL REPORTS SECTION

Supplemental Financial Information

LEWIS & CLARK COMMUNITY COLLEGE
SUPPLEMENT FINANCIAL INFORMATION SECTION

Uniform Financial Statements

The Uniform Financial Statements are required by the Illinois Community College Board for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position, the Uniform Financial Statements are completed using the modified accrual basis of accounting and a current financial resource measurement focus.

The Uniform Financial Statements include the following:

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

Per Capita Cost

- No. 6 - Certification of Per Capita Cost

See Independent Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #1 - ALL FUNDS SUMMARY

<i>Year Ended June 30, 2025</i>	<u>EDUCATION FUND</u>	<u>OPERATIONS AND MAINTENANCE FUND</u>	<u>OPERATIONS AND MAINTENANCE RESTRICTED FUND</u>	<u>BOND AND INTEREST FUND</u>	<u>AUXILIARY FUND</u>
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	\$ 19,304,180	\$ 12,106,770	\$ 29,186,494	\$ 7,188,300	\$ 825,006
REVENUES:					
Local Tax Revenue	9,325,179	6,218,385	2,815,573	11,885,847	-
ICCB State Grants	3,802,021	6,000	-	-	-
All Other State Revenue	-	-	868,034	-	-
Federal Revenue	-	-	-	-	-
Student Tuition and Fees	9,048,052	122,314	-	-	988,691
On-Behalf CIP	-	-	-	-	-
On-Behalf SURS	-	-	-	-	-
Other Revenue	752,805	558,841	1,239,145	-	463,325
Total Revenues	22,928,057	6,905,540	4,922,752	11,885,847	1,452,016
EXPENDITURES:					
Instruction	12,460,402	-	-	-	-
Academic Support	2,494,634	-	-	-	-
Student Services	2,966,064	-	-	-	-
Public Services	-	-	-	-	-
Auxiliary Services	-	-	-	-	1,532,511
Operation and Maintenance of Plant Services	-	7,225,033	-	-	-
Institutional Support	5,414,160	99,847	2,441,208	2,544	-
Scholarships, Student Grants, and Waivers	341,259	-	-	-	814,198
Debt Service:					
Principal Retirement	352,462	-	-	12,085,000	-
Interest, Service Charges, and Insurance Costs	49,888	-	-	2,311,127	-
Total Expenditures	24,078,869	7,324,880	2,441,208	14,398,671	2,346,709
OTHER FINANCING SOURCES (USES):					
Transfers In	1,729,736	292,120	141,600	2,307,300	1,014,434
Transfers Out	(1,088,049)	-	(2,448,900)	-	(174,476)
SBITA Proceeds	-	-	-	-	-
Total other financing sources (uses)	641,687	292,120	(2,307,300)	2,307,300	839,958
NET CHANGE IN FUND BALANCE	(509,125)	(127,220)	174,244	(205,524)	(54,735)
FUND BALANCE (DEFICIT), END OF YEAR	\$ 18,795,055	\$ 11,979,550	\$ 29,360,738	\$ 6,982,776	\$ 770,271

See Independent Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #1 - ALL FUNDS SUMMARY (CONTINUED)

<i>Year Ended June 30, 2025</i>	<u>RESTRICTED PURPOSE FUND</u>	<u>WORKING CASH FUND</u>	<u>AUDIT FUND</u>	<u>LIABILITY PROTECTION SETTLEMENT FUND</u>	<u>TOTAL</u>
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	\$ 7,950,562	\$ 15,576,263	\$ 8,260	\$ 834,819	\$ 92,980,654
REVENUES:					
Local Tax Revenue	-	-	73,157	3,054,451	33,372,592
ICCB State Grants	1,021,491	-	-	-	4,829,512
All Other State Revenue	5,787,659	-	-	-	6,655,693
Federal Revenue	11,222,272	-	-	-	11,222,272
Student Tuition and Fees	752,566	-	-	-	10,911,623
On-Behalf CIP	194,719	-	-	-	194,719
On-Behalf SURS	9,687,261	-	-	-	9,687,261
Other Revenue	1,682,256	2,088,446	-	5,101	6,789,919
Total Revenues	<u>30,348,224</u>	<u>2,088,446</u>	<u>73,157</u>	<u>3,059,552</u>	<u>83,663,591</u>
EXPENDITURES:					
Instruction	5,802,150	-	-	-	18,262,552
Academic Support	1,966,343	-	-	-	4,460,977
Student Services	1,370,693	-	-	-	4,336,757
Public Services	7,734,182	-	-	-	7,734,182
Auxiliary Services	669,953	-	-	-	2,202,464
Operation and Maintenance of Plant Services	555,302	-	-	1,666,513	9,446,848
Institutional Support	5,557,076	-	70,638	1,410,642	14,996,115
Scholarships, Student Grants, and Waivers	7,455,054	-	-	-	8,610,511
Debt Service:					
Principal Retirement	252,566	-	-	-	12,690,028
Interest, Service Charges, and Insurance Costs	35,147	-	-	-	2,396,162
Total Expenditures	<u>31,398,466</u>	<u>-</u>	<u>70,638</u>	<u>3,077,155</u>	<u>85,136,596</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	1,821,565	-	-	-	7,306,755
Transfers Out	(2,945,330)	(650,000)	-	-	(7,306,755)
SBITA Proceeds	649,208	-	-	-	649,208
Total other financing sources (uses)	<u>(474,557)</u>	<u>(650,000)</u>	<u>-</u>	<u>-</u>	<u>649,208</u>
NET CHANGE IN FUND BALANCE	<u>(1,524,799)</u>	<u>1,438,446</u>	<u>2,519</u>	<u>(17,603)</u>	<u>(823,797)</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 6,425,763</u>	<u>\$ 17,014,709</u>	<u>\$ 10,779</u>	<u>\$ 817,216</u>	<u>\$ 92,156,857</u>

See Independent Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #2
SUMMARY OF CAPITAL ASSETS AND LONG-TERM DEBT

<u>Year Ended June 30, 2025</u>	<u>BALANCE</u>		<u>DELETIONS</u>	<u>BALANCE</u>
	<u>JUNE 30, 2024</u>	<u>(AS RESTATED)</u>		
Capital Assets:				
Site and Improvements	\$ 23,617,927	\$ 1,355,798	\$ 920,837	\$ 24,052,888
Buildings, Additions, and Improvements	184,046,566	1,908,629	-	185,955,195
Equipment	13,551,560	952,176	458,418	14,045,318
Sculptures and Art	2,535,505	-	-	2,535,505
Construction in Progress	2,455,667	1,273,571	1,745,664	1,983,574
Subscription Software	3,346,150	649,208	449,388	3,545,970
Total Capital Assets	<u>229,553,375</u>	<u>6,139,382</u>	<u>3,574,307</u>	<u>232,118,450</u>
Accumulated Depreciation and Amortization	<u>100,908,118</u>	<u>5,724,035</u>	<u>1,828,643</u>	<u>104,803,510</u>
Total Net Capital Assets	<u><u>128,645,257</u></u>	<u><u>415,347</u></u>	<u><u>1,745,664</u></u>	<u><u>127,314,940</u></u>
Long-Term Debt:				
Bonds Payable	67,166,246	53,754	9,880,000	57,340,000
Bond Premium	3,213,208	-	780,070	2,433,138
Subscription Liability	1,898,246	649,208	605,028	1,942,426
OPEB Liability	7,615,865	-	727,856	6,888,009
Accrued Compensated Absences	1,297,121	38,571	-	1,335,692
Debt Certificates	3,660,000	-	2,205,000	1,455,000
Debt Certificates Premium	242,520	-	92,577	149,943
Total Long-term Debt	<u>\$ 85,093,206</u>	<u>\$ 741,533</u>	<u>\$ 14,290,531</u>	<u>\$ 71,544,208</u>

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #3
OPERATING FUNDS REVENUES AND EXPENDITURES

<i>Year Ended June 30, 2025</i>	<u>EDUCATION FUND</u>	<u>OPERATIONS AND MAINTENANCE FUND</u>	<u>TOTAL OPERATING FUNDS</u>
Operating Revenues by Source			
Local Government:			
Local Taxes	\$ 8,514,821	\$ 5,678,146	\$ 14,192,967
Corporate Personal Property Replacement Taxes	810,358	540,239	1,350,597
Tuition Chargeback Revenue	-	-	-
Total Local Government	<u>9,325,179</u>	<u>6,218,385</u>	<u>15,543,564</u>
State Government:			
ICCB Base Operating Grant	3,248,689	6,000	3,254,689
ICCB Equalization Grant	239,680	-	239,680
ICCB Career & Technical Education	313,652	-	313,652
Total State Government	<u>3,802,021</u>	<u>6,000</u>	<u>3,808,021</u>
Student Tuition and Fees:			
Tuition	7,387,908	6,000	7,393,908
Student Fees	1,660,144	116,314	1,776,458
Total Student Tuition and Fees	<u>9,048,052</u>	<u>122,314</u>	<u>9,170,366</u>
Other Sources:			
Sales and Service Fees	63,733	-	63,733
Facilities Revenue	-	183,922	183,922
Investment Income	565,820	364,504	930,324
Nongovernmental Grants	20,000	-	20,000
Other Revenues	103,252	10,415	113,667
Total Other Sources	<u>752,805</u>	<u>558,841</u>	<u>1,311,646</u>
Total Revenue	<u>22,928,057</u>	<u>6,905,540</u>	<u>29,833,597</u>
Less nonoperating items:			
Tuition Chargeback Revenue	-	-	-
Adjusted Revenue	<u>\$ 22,928,057</u>	<u>\$ 6,905,540</u>	<u>\$ 29,833,597</u>

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #3
OPERATING FUNDS REVENUES AND EXPENDITURES (CONTINUED)

Year Ended June 30, 2025

Operating Expenditures

By Program:

	EDUCATION FUND	OPERATIONS AND MAINTENANCE FUND	TOTAL OPERATING FUND
Instruction	\$ 12,460,402	\$ -	\$ 12,460,402
Academic Support	2,695,809	-	2,695,809
Student Services	2,966,064	-	2,966,064
Operation and Maintenance of Plant Services	-	7,225,033	7,225,033
Institutional Support	5,615,335	99,847	5,715,182
Scholarships, Student Grants, and Waivers	341,259	-	341,259
Total Expenditures	<u>24,078,869</u>	<u>7,324,880</u>	<u>31,403,749</u>

Less nonoperating items:

Tuition Chargeback

Adjusted Expenditures

24,078,869 7,324,880 31,403,749

By Object:

Salaries	18,499,463	1,255,715	19,755,178
Employee Benefits	2,183,625	213,516	2,397,141
Contractual Services	583,961	2,805,755	3,389,716
General Materials and Supplies	1,590,939	706,109	2,297,048
Travel, Conference, and Meeting Expense	259,556	5,935	265,491
Fixed Charges	22,464	100,343	122,807
Utilities	-	1,883,286	1,883,286
Capital Outlay	-	354,221	354,221
Debt Service	402,350	-	402,350
Other	536,511	-	536,511
Total Expenditures	<u>24,078,869</u>	<u>7,324,880</u>	<u>31,403,749</u>

Less nonoperating items:

Tuition Chargeback

Adjusted Expenditures

\$ 24,078,869 \$ 7,324,880 \$ 31,403,749

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES

Year Ended June 30, 2025

RESTRICTED
PURPOSES
FUND

Revenue by Source:

Local Government:

Property Taxes	\$ _____ -
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State Government:

ICCB:

Adult Education	333,548
Other	687,943
Illinois School Board of Education	274,576
On-Behalf CIP	194,719
On-Behalf SURS	9,687,261
Other State Government	<u>5,513,083</u>
Total State Government	<u>16,691,130</u>

Federal Government:

Department of Education:

Adult Education	247,944
FSEOG	148,626
Federal Work Study	124,311
Pell Grant	5,296,412
Federal Direct Student Loans	1,691,981
TRIO - Talent Search	379,237
TRIO - Upward Bound	404,265
Career & Technical Education	355,517

Department of Labor:

YouthBuild	346,918
WIOA - Youth Employment Enhancement	66,190

Other Federal Government Sources:

Americorps	140,606
Illinois Department of Natural Resources	588,563
Natural Resources Conservation Service	1,164,813
Other	266,889
Total Federal Government	<u>\$ 11,222,272</u>

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #4
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES (CONTINUED)

Year Ended June 30, 2025

RESTRICTED
PURPOSES
FUND

Revenue by Source (Continued):

Other Sources:

Student Tuition and Fees	\$ 752,566
Sales and Service Fees	257,162
Facilities Revenue	4,988
Investment Income	184,117
Nongovernmental Grants	921,916
Miscellaneous Revenue	314,073
Total Other Sources	<u>2,434,822</u>
 Total Restricted Purposes Fund Revenues	 <u>30,348,224</u>

Expenditures by Program:

Instruction	5,802,150
Academic Support	2,254,056
Student Services	1,370,693
Public Services	7,734,182
Auxiliary Services	669,953
Operating and Maintenance of Plant Services	555,302
Institutional Support	5,557,076
Scholarships, Student Grants, and Waivers	7,455,054
Total Restricted Purposes Fund Expenditures by Program	<u>31,398,466</u>

Expenditures by Object:

Salaries	5,522,439
Employee Benefits	11,376,954
Contractual Services	2,570,762
General Materials and Supplies	1,538,306
Travel, Conference, and Meeting Expense	420,051
Fixed Charges	30,682
Utilities	127,726
Capital Outlay	1,568,558
Debt Service	287,713
Other	7,955,275
Total Restricted Purposes Fund Expenditures by Object	<u>\$ 31,398,466</u>

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #5
CURRENT FUNDS* - EXPENDITURES BY ACTIVITY

Year Ended June 30, 2025

CURRENT
FUNDS

Instruction:

Instructional Programs	\$ 13,901,004
Other	4,361,548
Total Instruction	<u>18,262,552</u>

Academic Support:

Library Center	518,159
Instructional Materials Center	171,283
Academic Computing Support	2,060,605
Debt Service	488,888
Academic Administration and Planning	774,960
Other Academic Support	935,970
Total Academic Support	<u>4,949,865</u>

Student Services:

Admissions and Records	1,005,360
Counseling & Career Guidance	1,191,186
Health Services	-
Financial Aid Administration	528,012
Social and Cultural Development	191,363
Other Student Services	1,420,836
Total Student Services	<u>4,336,757</u>

Public Service/Continuing Education:

Community Education	606,681
Customized Training	1,164,966
Community Services	144,880
Other Public Services	5,817,655
Total Public Service/Continuing Education	<u>7,734,182</u>

Auxiliary	<u>2,202,464</u>
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Operations and Maintenance of Plant:

Maintenance	2,478,737
Custodial Services	1,214,361
Grounds	569,080
Campus Security	2,164,746
Transportation	96,750
Plant Utilities	1,967,106
Administration	102,855
Other Operations and Maintenance	853,213
Total Operations and Maintenance of Plant	<u>\$ 9,446,848</u>

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
UNIFORM FINANCIAL STATEMENT #5
CURRENT FUNDS* - EXPENDITURES BY ACTIVITY (CONTINUED)

Year Ended June 30, 2025

CURRENT
FUNDS

Institutional Support:

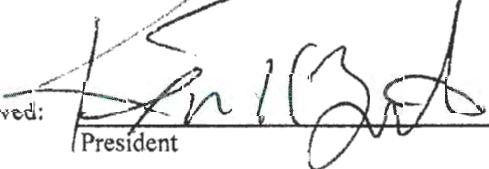
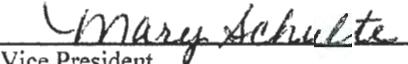
Executive Management	\$ 1,146,164
Fiscal Operations	1,034,466
Community Relations	435,457
Administrative Support Services	757,403
Board of Trustees	23,592
General Institution	3,202,876
Institutional Research	104,634
Administrative Data Processing	1,710,751
Other Institutional Support	4,338,195
Total Institutional Support	<u>12,753,538</u>
Scholarships, Grants, Waivers	<u>8,610,511</u>
Total Current Funds Expenditures	<u><u>\$ 68,296,717</u></u>

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

See Auditor's Report on Supplementary Information

LEWIS AND CLARK COMMUNITY COLLEGE
CERTIFICATION OF PER CAPITA COST
FOR FISCAL YEAR 2026

All fiscal year 2025 noncapital audited operating expenditures from the following funds:

1. Education Fund	\$ 23,676,519
2. Operations and Maintenance Fund	6,970,659
3. Bond and Interest Fund	8,877,358
5. Public Building Commision Rental Fund	-
6. Restricted Purposes Fund	19,660,217
7. Audit Fund	70,638
8. Liability, Protection, and Settlement Fund	3,077,155
9. Auxiliary Enterprises Fund (subsidy only)	-
10. Total noncapital expenditures (sum of lines 1-9)	<u>62,332,546</u>
11. Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u>3,234,464</u>
12. Total costs included (line 10 plus line 11)	<u>65,567,010</u>
13. Total certified semester credit hours for FY 2025	70,145
14. Per capita cost (line 12 divided by line 13)	934.74
Approved: 	<u>12-15-25</u> Date
President	
	<u>12-15-25</u> Date
Vice President	

See Independent Auditor's Report on Supplementary Information

Other Financial Information

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING BALANCE SHEET - ALL FUND TYPES

	EDUCATION FUND	OPERATIONS AND MAINTENANCE FUND	OPERATIONS AND MAINTENANCE RESTRICTED FUND	BOND AND INTEREST FUND
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Cash and Cash Equivalents	\$ 72,318	\$ -	\$ 952,815	\$ -
Investments	10,277,212	6,794,080	25,548,326	-
Receivables, net:				
Taxes Receivable	8,676,111	5,784,074	2,898,152	11,274,664
Government Claims Receivable	139,740	93,160	-	-
Student Tuition Receivable (net)	3,484,427	-	-	-
Accrued Interest	134,253	91,591	231,276	-
Other Receivables	15,485	23,000	-	-
Prepaid Expenses & Other	253,821	0	-	-
Interfund Receivables	6,297,925	3,224,302	1,566,262	1,750,258
Right of Use Assets - SBITAs, Net of Amortization	-	-	-	-
Capital Assets, Net of Accumulated Depreciation	-	-	-	-
Total Assets	<u>29,351,292</u>	<u>16,010,207</u>	<u>31,196,831</u>	<u>13,024,922</u>
Deferred Outflows of Resources:				
Deferred Outflows Related to OPEB	-	-	-	-
Deferred Outflows Related to Pension	-	-	-	-
Deferred Loss on Refunding Bonds	-	-	-	-
Total Deferred Outflow of Resources	-	-	-	-
Total Assets and Deferred Outflow of Resources	<u>29,351,292</u>	<u>16,010,207</u>	<u>31,196,831</u>	<u>13,024,922</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Accounts Payable	299,497	1,036,193	382,432	318
Accrued Expenses & Compensated Absences	2,273,184	-	-	386,658
Unearned Tuition and Fees	3,631,774	44,139	-	-
Unearned Grants and Other Deferred Revenue	-	49,137	-	-
SBITA Liability	-	-	-	-
Bonds Payable	-	-	-	-
Debt Certificates	-	-	-	-
OPEB Liability	-	-	-	-
Total Liabilities	<u>6,204,455</u>	<u>1,129,469</u>	<u>382,432</u>	<u>386,976</u>
Deferred Inflows of Resources:				
Unavailable Property Taxes	4,351,782	2,901,188	1,453,661	5,655,170
Deferred Inflows of OPEB Resources	-	-	-	-
Total Deferred Inflows of Resources	<u>4,351,782</u>	<u>2,901,188</u>	<u>1,453,661</u>	<u>5,655,170</u>
Total Liabilities and Deferred Inflows of Resources	<u>10,556,237</u>	<u>4,030,657</u>	<u>1,836,093</u>	<u>6,042,146</u>
FUND BALANCE (DEFICIT)				
Net Investment in Capital Assets	-	-	-	-
Restricted Fund Balance	-	-	29,360,738	6,982,776
Unrestricted	18,795,055	11,979,550	-	-
Total Fund Balance	<u>18,795,055</u>	<u>11,979,550</u>	<u>29,360,738</u>	<u>6,982,776</u>
Total Liabilities, Deferred Inflows or Resources and Fund Balances	<u>\$ 29,351,292</u>	<u>\$ 16,010,207</u>	<u>\$ 31,196,831</u>	<u>\$ 13,024,922</u>

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING BALANCE SHEET - ALL FUND TYPES (CONTINUED)

	<u>AUXILIARY FUND</u>	<u>RESTRICTED PURPOSE FUND</u>	<u>WORKING CASH FUND</u>	<u>AUDIT FUND</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Cash and Cash Equivalents	\$ -	\$ 5,835	\$ -	\$ -
Investments	- -	3,282,930	34,756,625	- -
Receivables, net:				
Taxes Receivable	- -	- -	- -	73,372
Government Claims Receivable	- -	2,293,544	- -	- -
Student Tuition Receivable (net)	- -	- -	- -	- -
Accrued Interest	- -	24,115	361,187	- -
Other Receivables	181,171	- -	- -	- -
Prepaid Expenses & Other	- -	201,401	- -	- -
Interfund Receivables	1,001,586	4,912,080	(18,101,306)	(25,791)
Right of Use Assets - SBITAs, Net of Amortization	- -	- -	- -	- -
Capital Assets, Net of Accumulated Depreciation	- -	- -	- -	- -
Total Assets	<u>1,182,757</u>	<u>10,719,905</u>	<u>17,016,506</u>	<u>47,581</u>
Deferred Outflows of Resources:				
Deferred Outflows Related to OPEB	- -	- -	- -	- -
Deferred Outflows Related to Pension	- -	- -	- -	- -
Deferred Loss on Refunding Bonds	- -	- -	- -	- -
Total Deferred Outflow of Resources	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>
Total Assets and Deferred Outflow of Resources	<u>1,182,757</u>	<u>10,719,905</u>	<u>17,016,506</u>	<u>47,581</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Accounts Payable	13,764	614,127	1,797	- -
Accrued Expenses & Compensated Absences	4,763	28,086	- -	- -
Unearned Tuition and Fees	375,149	190,721	- -	- -
Unearned Grants and Other Deferred Revenue	18,810	3,461,208	- -	- -
SBITA Liability	- -	- -	- -	- -
Bonds Payable	- -	- -	- -	- -
Debt Certificates	- -	- -	- -	- -
OPEB Liability	- -	- -	- -	- -
Total Liabilities	<u>412,486</u>	<u>4,294,142</u>	<u>1,797</u>	<u>- -</u>
Deferred Inflows of Resources:				
Unavailable Property Taxes	- -	- -	- -	36,802
Deferred Inflows of OPEB Resources	- -	- -	- -	- -
Total Deferred Inflows of Resources	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>36,802</u>
Total Liabilities and Deferred Inflows of Resources	<u>412,486</u>	<u>4,294,142</u>	<u>1,797</u>	<u>36,802</u>
FUND BALANCE (DEFICIT)				
Net Investment in Capital Assets	- -	- -	- -	- -
Restricted Fund Balance	- -	6,425,763	- -	- -
Unrestricted	770,271	- -	17,014,709	10,779
Total Fund Balance	<u>770,271</u>	<u>6,425,763</u>	<u>17,014,709</u>	<u>10,779</u>
Total Liabilities, Deferred Inflows or Resources and Fund Balances	<u>\$ 1,182,757</u>	<u>\$ 10,719,905</u>	<u>\$ 17,016,506</u>	<u>\$ 47,581</u>

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING BALANCE SHEET - ALL FUND TYPES (CONTINUED)

	LIABILITY PROTECTION SETTLEMENT FUND	FUND TOTALS BEFORE GASB ADJUSTMENTS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Cash and Cash Equivalents	\$ -	\$ 1,030,968
Investments	- -	80,659,173
Receivables, net:		
Taxes Receivable	3,234,431	31,940,804
Government Claims Receivable	- -	2,526,444
Student Tuition Receivable (net)	- -	3,484,427
Accrued Interest	- -	842,422
Other Receivables	5,998	225,654
Prepaid Expenses & Other	31,423	486,645
Interfund Receivables	(625,316)	- -
Right of Use Assets - SBITAs, Net of Amortization	- -	- -
Capital Assets, Net of Accumulated Depreciation	- -	- -
Total Assets	2,646,536	121,196,537
Deferred Outflows of Resources:		
Deferred Outflows Related to OPEB	- -	- -
Deferred Outflows Related to Pension	- -	- -
Deferred Loss on Refunding Bonds	- -	- -
Total Deferred Outflow of Resources	- -	- -
Total Assets and Deferred Outflow of Resources	2,646,536	121,196,537
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Accounts Payable	206,987	2,555,115
Accrued Expenses & Compensated Absences	- -	2,692,691
Unearned Tuition and Fees	- -	4,241,783
Unearned Grants and Other Deferred Revenue	- -	3,529,155
SBITA Liability	- -	- -
Bonds Payable	- -	- -
Debt Certificates	- -	- -
OPEB Liability	- -	- -
Total Liabilities	206,987	13,018,744
Deferred Inflows of Resources:		
Unavailable Property Taxes	1,622,333	16,020,936
Deferred Inflows of OPEB Resources	- -	- -
Total Deferred Inflows of Resources	1,622,333	16,020,936
Total Liabilities and Deferred Inflows of Resources	1,829,320	29,039,680
FUND BALANCE (DEFICIT)		
Net Investment in Capital Assets	- -	- -
Restricted Fund Balance	- -	42,769,277
Unrestricted	817,216	49,387,580
Total Fund Balance	817,216	92,156,857
Total Liabilities, Deferred Inflows or Resources and Fund Balances	\$ 2,646,536	\$ 121,196,537

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING BALANCE SHEET - ALL FUND TYPES (CONTINUED)

	GASB ADJUSTMENTS			
	GENERAL FIXED ASSETS	GENERAL LONG- TERM DEBT	GASB 35 ENTRIES	ADJUSTED FUND TOTALS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 1,030,968
Investments	- -	- -	- -	80,659,173
Receivables, net:				
Taxes Receivable	- -	- -	- -	31,940,804
Government Claims Receivable	- -	- -	- -	2,526,444
Student Tuition Receivable (net)	- -	- -	- -	3,484,427
Accrued Interest	- -	- -	- -	842,422
Other Receivables	- -	- -	- -	225,654
Prepaid Expenses & Other	- -	- -	- -	486,645
Interfund Receivables	- -	- -	- -	0
Right of Use Assets - SBITAs, Net of Amortization		2,015,745	- -	2,015,745
Capital Assets, Net of Accumulated Depreciation	125,299,195	- -	- -	125,299,195
Total Assets	<u>125,299,195</u>	<u>2,015,745</u>	<u>- -</u>	<u>248,511,477</u>
Deferred Outflows of Resources:				
Deferred Outflows Related to OPEB	- -	343,138	- -	343,138
Deferred Outflows Related to Pension	- -	- -	479,199	479,199
Deferred Loss on Refunding Bonds	- -	494,881	- -	494,881
Total Deferred Outflow of Resources	<u>- -</u>	<u>838,019</u>	<u>479,199</u>	<u>1,317,218</u>
Total Assets and Deferred Outflow of Resources	<u>125,299,195</u>	<u>2,853,764</u>	<u>479,199</u>	<u>249,828,695</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Accounts Payable	- -	- -	- -	2,555,115
Accrued Expenses & Compensated Absences	- -	- -	1,335,692	4,028,383
Unearned Tuition and Fees	- -	- -	- -	4,241,783
Unearned Grants and Other Deferred Revenue	- -	- -	- -	3,529,155
SBITA Liability	- -	1,942,426	- -	1,942,426
Bonds Payable	- -	59,773,138	- -	59,773,138
Debt Certificates	- -	1,604,943	- -	1,604,943
OPEB Liability	- -	6,888,009	- -	6,888,009
Total Liabilities	<u>- -</u>	<u>70,208,516</u>	<u>1,335,692</u>	<u>84,562,952</u>
Deferred Inflows of Resources:				
Unavailable Property Taxes	- -	- -	- -	16,020,936
Deferred Inflows of OPEB Resources	- -	9,026,924	- -	9,026,924
Total Deferred Inflows of Resources	<u>- -</u>	<u>9,026,924</u>	<u>- -</u>	<u>25,047,860</u>
Total Liabilities and Deferred Inflows of Resources	<u>- -</u>	<u>79,235,440</u>	<u>1,335,692</u>	<u>109,610,812</u>
FUND BALANCE (DEFICIT)				
Net Investment in Capital Assets	125,299,195	(37,817,897)	- -	87,481,298
Restricted Fund Balance	- -	- -	- -	42,769,277
Unrestricted	- -	(38,563,779)	(856,493)	9,967,308
Total Fund Balance	<u>125,299,195</u>	<u>(76,381,676)</u>	<u>(856,493)</u>	<u>140,217,883</u>
Total Liabilities, Deferred Inflows or Resources and Fund Balances	<u>\$ 125,299,195</u>	<u>\$ 2,853,764</u>	<u>\$ 479,199</u>	<u>\$ 249,828,695</u>

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT) - ALL FUND TYPES

	<u>EDUCATION FUND</u>	<u>OPERATIONS AND MAINTENANCE FUND</u>	<u>OPERATIONS AND MAINTENANCE RESTRICTED FUND</u>	<u>BOND AND INTEREST FUND</u>
REVENUES:				
Local Government	\$ 9,325,179	\$ 6,218,385	\$ 2,815,573	\$ 11,885,847
State Government	3,802,021	6,000	868,034	-
State On-Behalf - SURS and CIP	-	-	-	-
Federal Government	-	-	-	-
Student Tuition and Fees	9,048,052	122,314	-	-
Sales and Service Fees	63,733	-	-	-
Facilities Revenue	-	183,922	-	-
Investment Income	565,820	364,504	1,239,145	-
Nongovernmental Grants	20,000	-	-	-
Other Revenue	103,252	10,415	-	-
Total Revenues	22,928,057	6,905,540	4,922,752	11,885,847
EXPENDITURES:				
Current:				
Instruction	12,460,402	-	-	-
Academic Support	2,494,634	-	-	-
Student Services	2,966,064	-	-	-
Public Services	-	-	-	-
Auxiliary Services	-	-	-	-
Operation and Maintenance of Plant Services	-	7,225,033	-	-
Institutional Support	5,414,160	99,847	2,441,208	2,544
Scholarships, Student Grants, and Waivers	341,259	-	-	-
Depreciation Expense	-	-	-	-
Debt Service:				
Principal Retirement	352,462	-	-	12,085,000
Interest, Service Charges, and Issuance Costs	49,888	-	-	2,311,127
Total Expenditures	24,078,869	7,324,880	2,441,208	14,398,671
Excess (Deficiency) of Revenues Over Expenditures	(1,150,812)	(419,340)	2,481,544	(2,512,824)
OTHER FINANCING SOURCES (USES):				
Transfers In	1,729,736	292,120	141,600	2,307,300
Transfers Out	(1,088,049)	-	(2,448,900)	-
SBITA Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	641,687	292,120	(2,307,300)	2,307,300
NET CHANGE IN FUND BALANCE	(509,125)	(127,220)	174,244	(205,524)
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	19,304,180	12,106,770	29,186,494	7,188,300
FUND BALANCE, END OF YEAR	\$ 18,795,055	\$ 11,979,550	\$ 29,360,738	\$ 6,982,776

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT) - ALL FUND TYPES (CONTINUED)

	<u>AUXILIARY FUND</u>	<u>RESTRICTED PURPOSE FUND</u>	<u>WORKING CASH FUND</u>	<u>AUDIT FUND</u>
REVENUES:				
Local Government	\$ -	\$ -	\$ -	\$ 73,157
State Government	- -	6,809,150	- -	- -
State On-Behalf - SURS and CIP	- -	9,881,980	- -	- -
Federal Government	- -	11,222,272	- -	- -
Student Tuition and Fees	988,691	752,566	- -	- -
Sales and Service Fees	230,064	257,162	- -	- -
Facilities Revenue	206,215	4,988	- -	- -
Investment Income	- -	184,117	2,088,446	- -
Nongovernmental Grants	- -	921,916	- -	- -
Other Revenue	27,046	314,073	- -	- -
Total Revenues	<u>1,452,016</u>	<u>30,348,224</u>	<u>2,088,446</u>	<u>73,157</u>
EXPENDITURES:				
Current:				
Instruction	- -	5,802,150	- -	- -
Academic Support	- -	1,966,343	- -	- -
Student Services	- -	1,370,693	- -	- -
Public Services	- -	7,734,182	- -	- -
Auxiliary Services	1,532,511	669,953	- -	- -
Operation and Maintenance of Plant Services	- -	555,302	- -	- -
Institutional Support	- -	5,557,076	- -	70,638
Scholarships, Student Grants, and Waivers	814,198	7,455,054	- -	- -
Depreciation Expense	- -	- -	- -	- -
Debt Service:				
Principal Retirement	- -	252,566	- -	- -
Interest, Service Charges, and Issuance Costs	- -	35,147	- -	- -
Total Expenditures	<u>2,346,709</u>	<u>31,398,466</u>	<u>-</u>	<u>70,638</u>
Excess (Deficiency) of Revenues Over Expenditures	(894,693)	(1,050,242)	2,088,446	2,519
OTHER FINANCING SOURCES (USES):				
Transfers In	1,014,434	1,821,565	- -	- -
Transfers Out	(174,476)	(2,945,330)	(650,000)	- -
SBITA Proceeds	- -	649,208	- -	- -
Total Other Financing Sources (Uses)	<u>839,958</u>	<u>(474,557)</u>	<u>(650,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(54,735)</u>	<u>(1,524,799)</u>	<u>1,438,446</u>	<u>2,519</u>
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>825,006</u>	<u>7,950,562</u>	<u>15,576,263</u>	<u>8,260</u>
FUND BALANCE, END OF YEAR	<u>\$ 770,271</u>	<u>\$ 6,425,763</u>	<u>\$ 17,014,709</u>	<u>\$ 10,779</u>

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT) - ALL FUND TYPES (CONTINUED)

	LIABILITY PROTECTION SETTLEMENT FUND	FUND TOTALS BEFORE GASB ADJUSTMENTS
REVENUES:		
Local Government	\$ 3,054,451	\$ 33,372,592
State Government	-	11,485,205
State On-Behalf - SURS and CIP	-	9,881,980
Federal Government	-	11,222,272
Student Tuition and Fees	-	10,911,623
Sales and Service Fees	-	550,959
Facilities Revenue	-	395,125
Investment Income	-	4,442,032
Nongovernmental Grants	-	941,916
Other Revenue	5,101	459,887
Total Revenues	<u>3,059,552</u>	<u>83,663,591</u>
EXPENDITURES:		
Current:		
Instruction	-	18,262,552
Academic Support	-	4,460,977
Student Services	-	4,336,757
Public Services	-	7,734,182
Auxiliary Services	-	2,202,464
Operation and Maintenance of Plant Services	1,666,513	9,446,848
Institutional Support	1,410,642	14,996,115
Scholarships, Student Grants, and Waivers	-	8,610,511
Depreciation Expense	-	-
Debt Service:		
Principal Retirement	-	12,690,028
Interest, Service Charges, and Issuance Costs	-	2,396,162
Total Expenditures	<u>3,077,155</u>	<u>85,136,596</u>
Excess (Deficiency) of Revenues Over Expenditures	(17,603)	(1,473,005)
OTHER FINANCING SOURCES (USES):		
Transfers In	-	7,306,755
Transfers Out	-	(7,306,755)
SBITA Proceeds	-	649,208
Total Other Financing Sources (Uses)	<u>-</u>	<u>649,208</u>
NET CHANGE IN FUND BALANCE	(17,603)	(823,797)
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>834,819</u>	<u>92,980,654</u>
FUND BALANCE, END OF YEAR	<u>\$ 817,216</u>	<u>\$ 92,156,857</u>

LEWIS AND CLARK COMMUNITY COLLEGE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT) - ALL FUND TYPES (CONTINUED)

GASB ADJUSTMENTS					
	GENERAL FIXED ASSETS	GENERAL LONG- TERM DEBT	GASB 35 ENTRIES	ADJUSTED TOTALS	
REVENUES:					
Local Government	\$	-	\$	-	\$
State Government					11,485,205
State On-Behalf - SURS and CIP					9,881,980
Federal Government					11,222,272
Student Tuition and Fees				(5,268,776)	5,642,847
Sales and Service Fees					550,959
Facilities Revenue					395,125
Investment Income					4,442,032
Nongovernmental Grants					941,916
Other Revenue					459,887
Total Revenues				(5,268,776)	78,394,815
EXPENDITURES:					
Current:					
Instruction		(152,171)	(1,468,427)	12,680	16,654,634
Academic Support		-	(875,715)	(21,473)	3,563,789
Student Services		(25,533)	(327,848)	(2,623)	3,980,753
Public Services		(268,497)	(411,866)	(852)	7,052,967
Auxiliary Services		(29,731)	(112,917)	22,559	2,082,375
Operation and Maintenance of Plant Services		(350,101)	(192,502)	(10,487)	8,893,758
Institutional Support		(2,918,477)	(685,641)	17,521	11,409,518
Scholarships, Student Grants, and Waivers		-		(5,268,776)	3,341,735
Depreciation Expense		5,048,661			5,048,661
Debt Service:					
Principal Retirement		-	(12,690,028)		-
Interest, Service Charges, and Issuance Costs			187,907		2,584,069
Total Expenditures		1,304,151	(16,577,037)	(5,251,451)	64,612,259
Excess (Deficiency) of Revenues Over Expenditures	\$	(1,304,151)	\$ 16,577,037	\$ (17,325)	\$ 13,782,556
OTHER FINANCING SOURCES (USES):					
Transfers In		-			7,306,755
Transfers Out		-			(7,306,755)
SBITA Proceeds		-	(649,208)		-
Total Other Financing Sources (Uses)		-	(649,208)		-
NET CHANGE IN FUND BALANCE		(1,304,151)	15,927,829	(17,325)	13,782,556
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED		126,603,346	(92,309,505)	(839,168)	126,435,327
FUND BALANCE, END OF YEAR		<u>\$ 125,299,195</u>	<u>\$ (76,381,676)</u>	<u>\$ (856,493)</u>	<u>\$ 140,217,883</u>

LEWIS AND CLARK COMMUNITY COLLEGE

ASSESSED VALUATIONS, TAX RATES, TAX EXTENSIONS AND TAX COLLECTIONS

<u>Levy Years</u>	<u>2024</u>	<u>2023</u>
Assessed Valuations:		
Madison	\$ 4,542,951,651	\$ 4,167,542,768
Macoupin	667,788,385	617,181,002
Jersey	553,174,598	498,030,983
Greene	305,545,033	286,351,721
Calhoun	125,947,572	103,061,854
Morgan	73,280	71,850
Scott	64,859	59,573
 Total Assessed Valuations	<u><u>6,195,545,378</u></u>	<u><u>5,672,299,751</u></u>
Tax Rates (per \$100 Assessed Valuation):		
Education	0.1438	0.1500
Operations and Maintenance	0.0959	0.1000
Bond and Interest	0.1868	0.2242
Liability/Judgements	0.0491	0.0467
Social Security/Medicare	0.0045	0.0049
Health & Safety	0.0480	0.0490
Audit	0.0012	0.0013
Prior Year Adjustment	-0.0069	-0.0037
 Total Tax Rate	<u><u>0.5224</u></u>	<u><u>0.5724</u></u>
Taxes Extended:		
Education	8,791,479	8,446,054
Operations and Maintenance	5,860,986	5,632,594
Bond and Interest	11,424,586	12,637,884
Liability/Judgements	3,004,840	2,648,964
Social Security/Medicare	272,604	277,943
Protection Health Safety	2,936,689	2,762,410
Audit	74,347	73,740
 Total Taxes Extended	<u><u>32,365,531</u></u>	<u><u>32,479,589</u></u>
Tax Collections to June 30:		
Education	27,453	8,344,454
Operations and Maintenance	18,302	5,564,837
Bond and Interest	35,676	12,485,859
Liability/Judgements	9,383	2,605,891
Social Security/Medicare	851	274,599
Protection Health Safety	9,171	2,729,180
Audit	232	72,853
 Total Tax Collections	<u><u>\$ 101,068</u></u>	<u><u>\$ 32,077,673</u></u>
Percent of Extensions Collected	<u><u>0.31%</u></u>	<u><u>98.76%</u></u>

LEWIS AND CLARK COMMUNITY COLLEGE

SCHEDULE OF LEGAL DEBT MARGIN

Year Ended June 30, 2025

Estimated total equalized assessed valuation - 2024 Levy	<u>\$ 6,195,545,378</u>
Debt limit, 2.875% of assessed valuation	178,121,930
Outstanding general obligation indebtedness	
Bonds	57,340,000
Debt Certificates	<u>1,455,000</u>
Legal Debt Margin	<u>\$ 119,326,930</u>

ICCB State Grants Section



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

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

Board of Trustees
Lewis & Clark Community College
Godfrey, Illinois

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the State Adult Education and Family Literacy Grants of Lewis & Clark Community College (the "College"), as of and for the year ended June 30, 2025, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Adult Education and Family Literacy Grants of Lewis & Clark Community College as of June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the grant policy guidelines of the Illinois Community College Board's (ICCB) *Fiscal Management Manual*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State Adult Education and Family Literacy Grants of Lewis & Clark Community College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Notes to ICCB Grant Programs Financial Statements, the financial statements present only the State Adult Education and Family Literacy Grants and do not purport to, and do not present fairly the financial position of Lewis & Clark Community College as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



Responsibilities of Management for the Financial Statements and Compliance

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Report on Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the College failed to comply with terms, covenants, provisions, or conditions of the Adult Education and Family Literacy grants as presented in the policy guidelines of the ICCB's *Fiscal Management Manual*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the College's noncompliance.



Alton, Illinois
December 15, 2025

LEWIS AND CLARK COMMUNITY COLLEGE
STATE ADULT EDUCATION AND FAMILY LITERACY GRANTS
BALANCE SHEET

<i>June 30, 2025</i>	<u>State Basic</u>	<u>State Performance</u>	Total (Memorandum Only)
Assets			
Cash & Cash Equivalents	\$ -	\$ -	\$ -
Government Receivable	- -	- -	- -
Total Assets	- -	- -	- -
Liabilities and Fund Balance			
Total Liabilities & Fund Balances	\$ -	\$ -	\$ -

See Notes to ICCB Grant Programs Financial Statements.

LEWIS AND CLARK COMMUNITY COLLEGE
STATE ADULT EDUCATION AND FAMILY LITERACY GRANTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

<i>Year Ended June 30, 2025</i>	<i>State Basic</i>	<i>State Performance</i>	<i>Total (Memorandum Only)</i>
Revenues:			
Grant Revenue	\$ 257,013	\$ 76,535	\$ 333,548
Total Revenue	<u>257,013</u>	<u>76,535</u>	<u>333,548</u>
Expenditures			
Instruction	136,328	-	136,328
Contractual Services	11,540	13,890	25,430
Social Work Services	64,095	30,724	94,819
Guidance Services	-	-	-
Student Transportation Services	4,256	-	4,256
Literacy Services	-	-	-
Subtotal Instructional and Student Services	<u>216,219</u>	<u>44,614</u>	<u>260,833</u>
Improvement	2,647	1,675	4,322
General Administration	2,480	18,334	20,814
Data and Information Services	12,689	4,954	17,643
Subtotal Program Support	<u>17,816</u>	<u>24,963</u>	<u>42,779</u>
Indirect Costs	22,978	6,958	29,936
Total Expenditures	<u>257,013</u>	<u>76,535</u>	<u>333,548</u>
Net Change in Fund Balance			
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to ICCB Grant Programs Financial Statements.

LEWIS AND CLARK COMMUNITY COLLEGE
ICCB COMPLIANCE STATEMENT FOR THE
STATE ADULT EDUCATION AND FAMILY LITERACY GRANT
EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY

Year Ended June 30, 2025

State Basic

	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% minimum required)	\$ 136,328	53.04%

Lewis & Clark Community College

Notes to ICCB Grant Programs Financial Statements

Note 1: Summary of Significant Accounting Policies

General

The accompanying statements include only those transactions resulting from the State Adult Education & Family Literacy grant programs. These transactions have been accounted for in the College's Restricted Purpose Fund.

Basis of Accounting

The statements have been prepared on the modified accrual basis. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2025. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31, 2025, are recorded as encumbrances.

Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

Capital Assets

Capital asset purchases are recorded as capital outlay expenditures. However, for the Statement of Net Position for the College as a whole, capital assets are capitalized.

Note 2: Payment of Prior Year's Encumbrances

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

Lewis & Clark Community College

Background Information on State Grant Activity

Unrestricted Grants

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

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

Restricted Grants/Statewide Initiatives

Special Incentive Grants - The Special Incentive Grants are restricted grants that provide financial support for community colleges across Illinois with the aim of fostering innovative programs and projects that address important needs within the higher education system. The funding may be distributed through a competitive application or Request for Proposal (RFP) process, which invites community colleges (and other eligible applicants) to submit detailed proposals for projects that align with key higher education priorities. These priorities include accessibility, affordability, productivity, partnerships, quality, and responsiveness. By focusing on these areas, the initiative aims to improve both the educational experience for students and the broader economic outcomes for the state. The accessibility aspect of the initiative seeks to remove barriers that prevent many students from enrolling in or completing college.

Other Grants - These other grants are additional restricted grants provided for special or specific system-related initiatives that serve particular needs within the educational framework. Unlike general-purpose funding, these grants are tied to clearly defined goals and are governed by signed agreements between the college and the State of Illinois. These agreements ensure that the funds are allocated and utilized for particular projects or services that align with the state priorities or legislative mandates.

Restricted Adult Education Grants/State

State Basic - This grant is specifically designed to support Adult Education and Family Literacy providers in offering specialized classes for adults aged 21 and older, as well as individuals under 21 who are not enrolled in public schools. The primary goal of the grant is to help adults in the community improve their qualifications for employment, enhance their ability to achieve self-sufficiency, and strengthen their role as responsible citizens. The courses funded by this grant include general education programs that help adults earn diplomas or meet the requirements for graduation from elementary or high schools, as well as classes aimed at Americanization and General Education Development (GED) preparation. These classes are tailored to address the needs of adult learners who may not have completed their formal education and who seek to improve their literacy, language, and academic skills.

State Performance - The grant is awarded to Adult Education and Family Literacy providers based on their ability to meet specific performance outcomes, which are typically tied to measurable goals such as student progress, graduation rates, and successful completion of courses.



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

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

Board of Trustees
Lewis & Clark Community College
Godfrey, Illinois

We have examined management of Lewis & Clark Community College's (the "College") assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Lewis & Clark Community College during the period July 1, 2024, through June 30, 2025. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirement based on our examination.

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

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

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

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

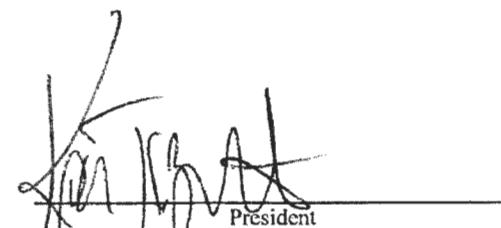
A handwritten signature in black ink that reads "Scheffel Boyle". The signature is written in a cursive, flowing style.

Alton, Illinois
December 15, 2025

LEWIS AND CLARK COMMUNITY COLLEGE
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED
YEAR ENDED JUNE 30, 2025

<u>Credit Hour Categories</u>	Total Reimbursable Semester Credit Hours by Term										
	Summer Term		Fall Term		Spring Term		Total All Terms				
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours			
Baccalaureate	2,910.0	12.0	21,633.5	16.0	22,721.0	1.0	47,264.5	29.0			
Business Occupational	371.0	0.0	2,039.0	0.0	1,887.0	0.0	4,297.0	0.0			
Technical Occupational	226.0	0.0	3,509.0	242.0	3,545.0	141.0	7,280.0	383.0			
Health Occupational	459.0	0.0	3,192.0	0.0	2,745.0	66.0	6,396.0	66.0			
Remedial/Developmental	84.0	0.0	1,147.0	0.0	586.0	0.0	1,817.0	0.0			
Adult Education	12.5	408.0	0.0	152.5	0.0	2,039.5	12.5	2,600.0			
	4,062.5	420.0	31,520.5	410.5	31,484.0	2247.5	67,067.0	3,078.0			
In-District (All Terms)											
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours					
Reimbursable Credit Hours:	62,502.5	2,831.5	16,357.0	0.0	2,597.0	20.0					
Credit Hours on Chargeback or Contractual Agreement:			3,888.0								
District Equalized Assessed Valuation			\$6,195,545.378								
Correctional Semester Credit Hours by Term											
	Summer Correctional Hours	Fall Correctional Hours	Spring Correctional Hours	Total Correctional Hours							
	Hours	Hours	Hours	Hours							
<u>Credit Hour Categories</u>											
Baccalaureate	0.0	0.0	0.0	0.0							
Business Occupational	0.0	0.0	0.0	0.0							
Technical Occupational	0.0	0.0	0.0	0.0							
Health Occupational	0.0	0.0	0.0	0.0							
Remedial/Developmental	0.0	0.0	0.0	0.0							
Adult Education	0.0	0.0	0.0	0.0							
	0.0	0.0	0.0	0.0							

Signature:



Mary Schmitz

Vice President of Finance

LEWIS AND CLARK COMMUNITY COLLEGE
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED (CONTINUED)
YEAR ENDED JUNE 30, 2025

<u>Credit Hour Categories</u>	Total Reimbursable Semester Credit Hours					
	Total Reported in Audit		Total Certified to ICCB		Total Reported in Audit	
	Unrestricted <u>Hours</u>	Unrestricted <u>Hours</u>	Difference	Restricted <u>Hours</u>	Certified to ICCB Restricted <u>Hours</u>	Difference
Baccalaureate	47,264.5	47,264.5	0.0	29.0	29.0	0.0
Business Occupational	4,297.0	4,297.0	0.0	0.0	0.0	0.0
Technical Occupational	7,280.0	7,280.0	0.0	383.0	383.0	0.0
Health Occupational	6,396.0	6,396.0	0.0	66.0	66.0	0.0
Remedial/Developmental	1,817.0	1,817.0	0.0	0.0	0.0	0.0
Adult Education	12.5	12.5	0.0	2,600.0	2,600.0	0.0
Total:	67,067.0	67,067.0	0.0	3,078.0	3,078.0	0.0
	Total Reported in Audit		Total Certified to ICCB		Total Reported in Audit	
	Unrestricted <u>Hours</u>	Unrestricted <u>Hours</u>	Difference	Restricted <u>Hours</u>	Certified to ICCB Restricted <u>Hours</u>	Difference
	In-District Credit Hours:	62,502.5	62,502.5	0.0	2,831.5	2,831.5
Dual Credit Hours:	16,357.0	16,357.0	0.0	0.0	0.0	0.0
Dual Enrollment Hours:	2,597.0	2,597.0	0.0	20.0	20.0	0.0
Total Correctional Semester Credit Hours						
<u>Credit Hour Categories</u>	Total Reported in Audit		Total Certified to ICCB		Total Reported in Audit	
	Unrestricted <u>Hours</u>	Restricted <u>Hours</u>	Difference	Restricted <u>Hours</u>	Certified to ICCB Restricted <u>Hours</u>	Difference
	0.0	0.0	0.0	0.0	0.0	0.0
Baccalaureate	0.0	0.0	0.0	0.0	0.0	0.0
Business Occupational	0.0	0.0	0.0	0.0	0.0	0.0
Technical Occupational	0.0	0.0	0.0	0.0	0.0	0.0
Health Occupational	0.0	0.0	0.0	0.0	0.0	0.0
Remedial/Developmental	0.0	0.0	0.0	0.0	0.0	0.0
Adult Education	0.0	0.0	0.0	0.0	0.0	0.0
Total:	0.0	0.0	0.0	0.0	0.0	0.0

Lewis & Clark Community College

Note to Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

Note 1 Residency Verification Process

The College adheres to the rules and policies of the Illinois Community College Board in documenting student residency.

The College procedures are as follows:

Upon initial contact with students, the College receives admission forms and other documents indicating residency. To be coded "in-district", each student must have lived at the in-district address supplied on forms for at least 30 days prior to the official beginning date of the semester and show proof of his/her residency at this address by providing one of the following documents:

- An Illinois driver's license
- An Illinois auto license registration
- An Illinois voter's registration card
- An Illinois property tax statement
- A document showing the student's past or existing status as an in-district student, e.g., a high school transcript
- Other non-self-serving documentation.

After the College staff member has witnessed the above documentation verifying residency, a code is entered on the student's computer record indication verification of residency. The student is automatically coded as the appropriate status within the Ellucian Colleague system.

Students who live out-of-district and work at least 35 hours per week in-district are eligible to receive the in-district tuition rate. The College requires documentation from the student's employer to be eligible. While the College serves very few students who meet the following criteria, these students also qualify for in-district status if the appropriate documentation is provided: Federal Job corps worker stationed in Illinois; members of the armed forces stationed in Illinois; and inmates of state correctional/rehabilitation institutions located in Illinois.

The College periodically updates staff training to properly administer the residency policies and procedures.

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

**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**

Board of Trustees
Lewis & Clark Community College
Godfrey, Illinois

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 discretely presented component unit of Lewis & Clark Community College (the "College"), as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 15, 2025. Our report includes a reference to other auditors who audited the financial statements of Lewis & Clark Community College Foundation, as described in our report on the College's financial statements.

The financial statements of Lewis & Clark Community College Foundation (a nonprofit organization, discretely presented component unit of the College) 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 Lewis & Clark Community College Foundation or that are reported on separately by those auditors who audited the financial statements of Lewis & Clark Community College Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness 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 reasonable possibility that a material misstatement of the College's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

Report on 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 College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Alton, Illinois

December 15, 2025



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND

JERSEYVILLE COLUMBIA CARROLLTON

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

Board of Trustees
Lewis & Clark Community College
Godfrey, Illinois

Report on Compliance for the Major Federal Program

Opinion on Each Major Federal Program

We have audited Lewis & Clark Community College's (the "College") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on its major federal programs for the year ended June 30, 2025. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lewis & Clark Community 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, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.



Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, 2025-003, and 2025-004. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Lewis & Clark Community College's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Lewis & Clark Community College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Alton, Illinois

December 15, 2025

Lewis & Clark Community College
 Schedule of Expenditures of Federal Awards By Grant
 For the Year Ended June 30, 2025

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal ALN Number</i>	<i>Subrecipients</i>	<i>Pass-through Grantor</i>	<i>Contract/Project Number</i>	<i>Federal Expenditures</i>	
<i>Student Financial Assistance Cluster-Cluster</i>						
Department of Education						
Federal Supplemental Educational Opportunity Grants						
Federal Supplemental Educational Opportunity Grants	84.007			P007A241200	\$ 165,875	
Total Federal Supplemental Educational Opportunity Grants					<u>\$ 165,875</u>	
Federal Work-Study Program						
Federal Work-Study Program	84.033			P033A241200	\$ 120,005	
Total Federal Work-Study Program					<u>\$ 120,005</u>	
Federal Pell Grant Program						
Federal Pell Grant Program	84.063			Pell Admin--P063Q223282	\$ 5,930	
Federal Pell Grant Program	84.063			PELL--P063P223282	<u>\$ 5,290,482</u>	
Total Federal Pell Grant Program					<u>\$ 5,296,412</u>	
Federal Direct Student Loans						
Federal Direct Student Loans	84.268			P268K253282	\$ 1,691,981	
Total Federal Direct Student Loans					<u>\$ 1,691,981</u>	
<i>Total Department of Education</i>					<u>\$ 7,274,273</u>	
<i>Total Student Financial Assistance Cluster-Cluster</i>						
<i>CSBG Cluster-Cluster</i>						
Department of Health and Human Services						
Community Services Block Grant						
Community Services Block Grant	93.569			Madison County Community Development	Madison County CSBG Scholarship and Support -- 2024-CSBG-003	\$ 7,529
Total Community Services Block Grant						<u>\$ 7,529</u>
<i>Total Department of Health and Human Services</i>						<u>\$ 7,274,273</u>
<i>Total CSBG Cluster-Cluster</i>						
<i>Fish and Wildlife Cluster-Cluster</i>						
Department of the Interior						
Wildlife Restoration and Basic Hunter Education						
Wildlife Restoration and Basic Hunter Education	15.611			IL Department of Natural Resources	Bolstering Relevance & Public Understanding of IL Hunting & Trapping Regula-- RC24W-209-R-4	\$ 95,031
Wildlife Restoration and Basic Hunter Education	15.611			IL Department of Natural Resources	Living with Wildlife segment 16--RC24W147T17	<u>410,517</u>
Total Wildlife Restoration and Basic Hunter Education						<u>\$ 505,548</u>
<i>Total Department of the Interior</i>						<u>\$ 505,548</u>
<i>Total Fish and Wildlife Cluster-Cluster</i>						<u>\$ 505,548</u>
<i>TRIO Cluster-Cluster</i>						
Department of Education						
TRIO Talent Search						
TRIO Talent Search	84.044			Talent Search-- P044A210145-24	\$ 302,613	
TRIO Talent Search	84.044			Talent Search-- P044A210145-23	<u>76,624</u>	
Total TRIO Talent Search					<u>\$ 379,237</u>	
TRIO Upward Bound						
TRIO Upward Bound	84.047			Upward Bound-- P047A220836-24	\$ 297,399	
TRIO Upward Bound	84.047			Upward Bound-- P047A220836-23	<u>106,866</u>	
Total TRIO Upward Bound					<u>\$ 404,265</u>	
<i>Total Department of Education</i>					<u>\$ 783,502</u>	
<i>Total TRIO Cluster-Cluster</i>					<u>\$ 783,502</u>	

See Notes to Schedule of Expenditures of Federal Awards

Lewis & Clark Community College
 Schedule of Expenditures of Federal Awards By Grant (Continued)
 For the Year Ended June 30, 2025

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal ALN Number</i>	<i>Subrecipients</i>	<i>Contract/Project Number</i>	<i>Federal Expenditures</i>
<i>WIA Cluster-Cluster</i>				
Department of Labor				
WIOA Youth Activities				
WIOA Youth Activities	17.259		MCETD IL DCEO DOL	WIOA Youth Program - YEEP
Total WIOA Youth Activities				\$ 66,190
Total Department of Labor				\$ 66,190
<i>Total WIA Cluster-Cluster</i>				
<i>Other Programs</i>				
Corporation for National and Community Service				
AmeriCorps				
AmeriCorps	94.006		YouthBuild Global Inc.	Youthbuild USA 24-25-- 22NDFMA0090027
AmeriCorps	94.006		YouthBuild Global Inc.	Youthbuild USA 23-24-- 22NDFMA0090027
Total AmeriCorps				\$ 54,827
Total Corporation for National and Community Service				\$ 85,779
Department of Defense				
Basic, Applied, and Advanced Research in Science and Engineering				
Basic, Applied, and Advanced Research in Science and Engineering	12.630			UMRS Forest Resources Inventory & Analysis-- W912HZ-25-2-0005
Total Basic, Applied, and Advanced Research in Science and Engineering				\$ 8,018
Total Department of Defense				\$ 8,018
Department of the Interior				
State Wildlife Grants				
State Wildlife Grants	15.634		Illinois Dept of Natural Resources	Status Assessment of odonates in IL-- RC21T132R1
Total State Wildlife Grants				\$ 83,016
Endangered Species Recovery Implementation				\$ 83,016
Endangered Species Recovery Implementation	15.657			
Total Endangered Species Recovery Implementation				
Assistance to State Water Resources Research Institutes				
Assistance to State Water Resources Research Institutes	15.805		University of Illinois	Assessment of populations and management techniques for Boltonia decurrents-- F24AP02362-00
Total Assistance to State Water Resources Research Institutes				\$ 63,922
U.S. Geological Survey Research and Data Collection				
U.S. Geological Survey Research and Data Collection	15.808		University of Illinois	Annual Water Resources Research Act Program-- 106053-202500-00
Total U.S. Geological Survey Research and Data Collection				\$ 5,372
Total Department of the Interior				
Department of Labor				
YouthBuild				
YouthBuild	17.274			CESU Hydrology & Soil-- G24AC00470-00
YouthBuild	17.274			\$ 4,389
Total YouthBuild				
Total Department of Labor				

See Notes to Schedule of Expenditures of Federal Awards

Lewis & Clark Community College
 Schedule of Expenditures of Federal Awards By Grant (Continued)
 For the Year Ended June 30, 2025

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal ALN Number</i>	<i>Subrecipients</i>	<i>Contract/Project Number</i>	<i>Federal Expenditures</i>
Department of Education				
Adult Education - Basic Grants to States				
Adult Education - Basic Grants to States	84.002		Federal IELCE--IELCE-53601-25	\$ 41,689
Adult Education - Basic Grants to States	84.002	ICCB	Federal Basics--AE-53601-25	194,344
Adult Education - Basic Grants to States	84.002	ICCB	IELCE Supplemental--CIVS-536-25	11,911
Total Adult Education - Basic Grants to States				<u>\$ 247,944</u>
Career and Technical Education -- Basic Grants to States				
Career and Technical Education -- Basic Grants to States	84.048	ICCB	CTE Perkins	\$ 355,517
Total Career and Technical Education -- Basic Grants to States				<u>\$ 355,517</u>
<i>Total Department of Education</i>				<u>\$ 603,461</u>
United States Environmental Protection Agency				
Regional Wetland Program Development Grants				
Regional Wetland Program Development Grants	66.461		CD-00E03734-0	\$ 12,394
Total Regional Wetland Program Development Grants				<u>\$ 12,394</u>
<i>Total United States Environmental Protection Agency</i>				<u>\$ 12,394</u>
National Science Foundation				
Geosciences				
Geosciences	47.050		201850 (101348-18066)	\$ 97,743
Total Geosciences				<u>\$ 97,743</u>
Biological Sciences				
Biological Sciences	47.074		REU Site: Wetland Science in the modern world--2050400	\$ 24,647
Total Biological Sciences				<u>\$ 24,647</u>
<i>Total National Science Foundation</i>				<u>\$ 122,390</u>
United States Department of Agriculture				
Conservation Reserve Program				
Conservation Reserve Program	10.069		NGRREC Land Conservation Specialist Program--NRCS-ADS-093	\$ 1,165,598
Conservation Reserve Program	10.069		Conservation Reserve Program--FSA24CPT0014380	23,177
Total Conservation Reserve Program				<u>\$ 1,188,775</u>
<i>Total United States Department of Agriculture</i>				<u>\$ 1,188,775</u>
<i>Total Other Programs</i>				<u>\$ 2,579,261</u>
<i>Total Expenditures of Federal Awards</i>	<u>\$ 0</u>			<u>\$ 11,234,721</u>

See Notes to Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1: General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Lewis & Clark Community College (the College) under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows of the College.

Note 2: Basis of Accounting

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3: Loan Program

For fiscal year ended June 30, 2025, the College acted as a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$1,691,981.

Note 4: Indirect Cost Rate

The College has developed and used an indirect cost rate of 41% for On-campus programs and 21% for Off-campus programs.

Note 5: Other Federal Award Information

The College did not receive or administer any federal insurance, loan guarantees, or federal noncash assistance during the fiscal year ended June 30, 2025.

Lewis & Clark Community College
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Significant deficiency(ies) identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	None Reported
Noncompliance material to financial statements noted?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Significant deficiency(ies) identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

Identification of major programs

AL Number(s)

84.007; 84.033; 84.063; 84.268

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

Yes No

Federal Program or Cluster

Student Financial Assistance Cluster

Lewis & Clark Community College
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

Finding 2025-001: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$37

Condition: Each year, the Department of Education requires the College to verify information on student aid applications. While doing so, an incorrect parent AGI was used that was higher than the actual AGI amount on a particular student.

Criteria: Per the Student Financial Assistance Program Compliance Supplement, November 2025, the Special Test compliance requirements "Verification", the College has many requirements pertaining to verifying financial aid information provided by students and parents. Specifically, the College must match information on the verification documentation to the student aid application.

Cause: The incorrect higher AGI amount was due to a data entry error.

Effect: The College was not in compliance with the verification requirements under Special Tests.

Recommendation: We recommend the College implement internal control procedures to ensure that all verification information is entered correctly.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

Anticipated Date of Completion: June 30, 2026

Lewis & Clark Community College
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section III - Federal Award Findings and Questioned Costs

Finding 2025-002: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$0

Condition: The College had one instance out of the 13 tested where a student's verification form was not signed off on by the verifying financial aid advisor.

Criteria: The College has implemented a control for the compliance requirement verification that requires the verifying employee to sign off on the verification sheet to indicate that the verification was complete.

Cause: The missing signature was an inadvertent omission.

Effect: The implemented control did not function as designed in this instance.

Recommendation: We suggest that the College emphasize the importance of consistent application of established controls.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

Anticipated Date of Completion: June 30, 2026

Lewis & Clark Community College
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section III - Federal Award Findings and Questioned Costs

Finding 2025-003: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$64

Condition: A student's first disbursement date was 10/25/24 but their award letter date appears to be 5/30/25. Upon further investigation, the student's unsubsidized loan needed to be prorated based on how many hours the student was taking as it was their last term before graduation. When the loan amount granted was prorated, the calculation was rounded instead of the required truncating which resulted in the loan amount awarded being too high by \$64.

Criteria: Per the Student Financial Assistance Program Compliance Supplement, November 2025, the Special Test compliance requirement "disbursements to or on behalf of students", the College must provide notification to the student of the amount and type of Title IV funds they are expected to receive and how and when disbursements will be made before the disbursement is made and that the disbursement amount complied with the requirements for allowable current year and prior year charges.

Cause: The discrepancy was caused by an oversight during the percentage calculation process (rounding vs truncating).

Effect: The College awarded a student \$64 more in unsubsidized loans than was allowable.

Recommendation: We recommend that supplemental training be provided to financial aid employees.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

Anticipated Date of Completion: June 30, 2026

Lewis & Clark Community College
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section III - Federal Award Findings and Questioned Costs

Finding 2025-004: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$0

Condition: The College has one instance out of 25 tested where a student's direct loan notification letter was sent out 14 days after the first disbursement date.

Criteria: Per the Student Financial Assistance Program Compliance Supplement, November 2025, the Special Test compliance requirement "disbursements to or on behalf of students", the College must send the direction notification letter to students no later than seven days after crediting the student's account.

Cause: The late notification was caused by an inadvertent oversight.

Effect: The College was seven days late in sending the direct notification letter.

Recommendation: We recommend the College implement processes to ensure that all direct notification letters are sent timely.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

Anticipated Date of Completion: June 30, 2026

Lewis & Clark Community College
Schedule of Findings and Questioned Costs
For the Ended June 30, 2025

Corrective Action Plans
December 5, 2025

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

Finding 2025-001: Special Tests

Student Financial Aid Cluster

ALN No. 84.007; 84.033; 84.063; 84.268

Department of Education Direct Award

Questioned Costs: \$37

Condition: Each year, the Department of Education requires the College to verify information on student aid applications. While doing so, an incorrect parent AGI was used that was higher than the actual AGI amount on a particular student.

Criteria: Per the Student Financial Assistance Program Compliance Supplement, November 2025, the Special Test compliance requirements "Verification", the College has many requirements pertaining to verifying financial aid information provided by students and parents. Specifically, the College must match information on the verification documentation to the student aid application.

Cause: The incorrect higher AGI amount was due to a data entry error.

Effect: The College was not in compliance with the verification requirements under Special Tests.

Recommendation: We recommend the College implement internal control procedures to ensure that all verification information is entered correctly.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

Anticipated Date of Completion: June 30, 2026

CORRECTIVE ACTION PLAN:

Although Financial Aid Administrators pride themselves on their attention to federal guidelines and the administration of student aid, errors can occur. To reinforce our shared commitment, management has expanded quality assurance reviews and incorporated additional training into regular staff meetings.

As a result of a verification compliance review, a misread number resulted in a higher Student Aid Index (SAI). A student received Direct Subsidized Loan funds in excess of financial need. Since the student is no longer enrolled during the loan period, according to federal aid guidelines, the institution is not required to take any action to eliminate the excess **subsidized** loan amount.

In contrast if, due to an error, a student borrower who was eligible for a Direct Subsidized Loan instead received a Direct Unsubsidized Loan, the institution would have to correct the error, even if the loan period had ended, by submitting a downward adjustment to reduce or eliminate the Direct Unsubsidized Loan, as appropriate, and replacing it with the same amount of Direct Subsidized Loan funds.

Person(s) Responsible: Angela Weaver

Timing for Implementation: November 21, 2025



Angela Weaver, Financial Aid Director
Lewis & Clark Community College

Section III - Federal Award Findings and Questioned Costs

Finding 2025-002: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$0

Condition: The College had one instance out of the 13 tested where a student's verification form was not signed off on by the verifying financial aid advisor.

Criteria: The College has implemented a control for the compliance requirement verification that requires the verifying financial aid advisor to sign off on the verification sheet to indicate that the verification was complete.

Cause: The missing signature was an inadvertent omission.

Effect: The implemented control did not function as designed in this instance.

Recommendation: We suggest that the College emphasize the importance of consistent application of established controls.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

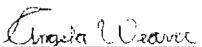
Anticipated Date of Completion: June 30, 2026

CORRECTIVE ACTION PLAN:

Management will remind financial aid administrators of their responsibility to maintain internal controls and sign off on all quality assurance measures. Continued reinforcement of these standards will occur during regular department meetings.

Person(s) Responsible: Angela Weaver

Timing for Implementation: November 21, 2025



Angela Weaver, Financial Aid Director
Lewis & Clark Community College

Section III - Federal Award Findings and Questioned Costs

Finding 2025-003: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$64

Condition: A student's first disbursement date was 10/25/24 but their award letter date appears to be 5/30/25. Upon further investigation, the student's unsubsidized loan needed to be prorated based on how many hours the student was taking as it was their last term before graduation. When the loan amount granted was pro-rated, the calculation was rounded instead of the required truncating which resulted in the loan amount awarded being too high by \$64.

Criteria: Per the Student Financial Assistance Program Compliance Supplement, November 2025, the Special Test compliance requirement "disbursements to or on behalf of students", the College must provide notification to the student of the amount and type of Title IV funds they are expected to receive and how and when disbursements will be made before the disbursement is made and that the disbursement amount complied with the requirements for allowable current year and prior year charges.

Cause: The discrepancy was caused by an oversight during the percentage calculation process (rounding vs truncation).

Effect: The College awarded a student \$64 more in unsubsidized loans than was allowable.

Recommendation: We recommend that supplemental training be provided to financial aid employees.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

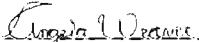
Anticipated Date of Completion: June 30, 2026

CORRECTIVE ACTION PLAN:

The Financial Aid office conducted a comprehensive internal review in Spring 2025 to verify that our procedures were consistently followed. As a result, management corrected a student's loan proration calculation to be consistent with current practices, regarding truncating rather than rounding the fractional percentage (decimal) of loan eligibility for students receiving one-semester loans in their last semester of study. Management corrected the loan proration calculation in accordance with current procedures, and the loan amount was adjusted accordingly, resulting in the institution returning \$64 in Federal Unsubsidized loan funds to Federal Student Aid. The student was eligible only for unsubsidized loans.

Person(s) Responsible: Angela Weaver

Timing for Implementation: November 21, 2025



Angela Weaver, Financial Aid Director
Lewis & Clark Community College

Section III - Federal Award Findings and Questioned Costs

Finding 2025-004: Special Tests

Student Financial Aid Cluster
ALN No. 84.007; 84.033; 84.063; 84.268
Department of Education Direct Award

Questioned Costs: \$0

Condition: The College has one instance out of 25 tested where a student's direct loan notification letter was sent out 14 days after the first disbursement date.

Criteria: Per the Student Financial Assistance Program Compliance Supplement, November 2025, the Special Test compliance requirement "disbursements to or on behalf of students", the College must send the direction notification letter to students no later than seven days after crediting the student's account.

Cause: The late notification was caused by an inadvertent oversight.

Effect: The College was seven days late in sending the direct notification letter.

Recommendation: We recommend the College implement processes to ensure that all direct notification letters are sent timely.

View of Responsible Officials: Management acknowledges the finding and has prepared a corrective action plan.

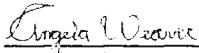
Anticipated Date of Completion: June 30, 2026

CORRECTIVE ACTION PLAN:

Procedures are currently in place to comply with the requirement to send Direct Loan notifications within the regulatory time frame. To support this, the responsible team member will have a weekly reminder added to their Lewis & Clark Outlook work calendar to prompt timely notifications. Management will also add a weekly reminder to one of the office managers' calendars to assist with ongoing monitoring and compliance checks.

Person(s) Responsible: Angela Weaver

Timing for Implementation: November 7, 2025



Angela Weaver, Financial Aid Director
Lewis & Clark Community College

Lewis & Clark Community College
 Summary Schedule of Prior Year Audit Findings
 Year Ended June 30, 2025

<u>Reference Number</u>	<u>Summary of Finding</u>	<u>Status</u>
2024-001	<p>For the Student Financial Aid Cluster, the College sent out Direct Loan notification letters that only gave the students 14 days to cancel their loans when the cancellation period is required to be 30 days. There was an instance where the College did not send out a direct loan notification email to a student as required. There was one instance where the post-withdrawal disbursement was calculated correctly but paid out before the federal funds letter was returned by the student authorizing the payment of this disbursement.</p>	Not a current year finding
2024-002	<p>For the Student Financial Aid Cluster, the College had five instances out of the twenty-five tested where a student's enrollment change was not updated within the required sixty days. The College had another instance where the student had graduated but the NSLDS records showed the student went straight from full time to withdrawn. The Department of Education never received a report of the student's graduation.</p>	Not a current year finding
2024-003	<p>For the Student Financial Aid Cluster, the College's information security program included all seven required elements. However, the Design and Implementation required element included eight minimum safeguards that must be addressed within that element and those were not included in the policy.</p>	Not a current year finding
2024-004	<p>For the Conservation Reserve Program, the College requested \$785 of reimbursement for expenses that were out of the period of performance.</p>	Not a current year finding