

**Sauk Valley Community College**  
**October 26, 2020**

**Agenda Item 3.1.4**

**Topic: Fiscal Year 2020 Audit Update and Financial Review**

**Strategic Direction: Goal 1, Objective 3 – Be operationally efficient in order to maintain a low cost of attendance for students**

**Presented By: Dr. David Hellmich and Kent Sorenson**

**Presentation:**

Wipfli LLP of Sterling is nearing completion of the College's Fiscal Year 2020 Audit. The College's Annual Financial Report encompasses the following items:

1. The College's Basic Financial Statements (includes the College and its discretely presented component unit, the Sauk Valley College Foundation)
2. Required Supplementary Information
  - a. Management's Discussion & Analysis (MD&A)
  - b. Pension and Other Postemployment Benefits (OPEB) schedules
3. Supplemental Financial Information
  - a. Uniform Financial Statements (for ICCB analysis)
  - b. Combining balances sheets and income statements
  - c. Tax levy information
4. State Grant Activity and Schedule of Enrollment Data
5. Federal Compliance Section

Wipfli LLP provides the following independent auditor or accountant opinions:

1. Independent Auditor's Report (covers the basic financial statements, required supplementary information, and supplemental financial information)
2. Independent Auditor's Report on Compliance with State Requirements for State Adult Education and Family Literacy Grants
3. Independent Accountant's Report on Enrollment Data and Other Bases upon which Claims are Filed
4. 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.
5. Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

Attached is a summary of Fiscal Year 2020 Operating Fund Financial Results with comparative information for Fiscal Year 2019 and Quarter 1 of Fiscal Year 2021.



**Fiscal Year 2020 Review  
October 2020**

<b>Revenues</b>	<b>2019 Final</b>	<b>2020 Budget</b>	<b>2020 Final</b>	<b>2021 Budget</b>	<b>2021 Q1</b>
Local taxes	\$ 5,547,015	\$ 5,634,272	\$ 5,764,757	\$ 5,761,912	\$ 2,252,484
State sources	1,574,050	1,718,248	1,758,668	1,675,338	445,288
Tuition and fees	4,890,310	4,794,278	5,079,979	4,579,000	2,345,951
Other revenues	318,847	242,500	245,446	192,800	68,585
Investment income	92,013	70,500	99,302	50,000	18,236
<b>Total revenues</b>	<b>\$ 12,422,236</b>	<b>\$ 12,459,798</b>	<b>\$ 12,948,151</b>	<b>\$ 12,259,050</b>	<b>\$ 5,130,544</b>
<b>Expenditures</b>					
Salaries and wages	\$ 7,390,914	\$ 7,795,918	7,740,173	\$ 8,035,104	\$ 1,352,249
Benefits	1,577,477	1,723,413	1,716,400	1,777,384	380,596
Contractual services	855,155	982,191	733,859	739,674	162,405
Supplies	564,987	666,567	593,612	568,127	185,680
Conference and travel	130,121	203,399	104,298	106,930	7,279
Fixed charges	40,491	42,314	42,314		-
Utilities	359,668	375,700	334,620	335,300	47,655
Capital outlay	11,511	-	22,520		27,613
Grants and waivers	710,047	716,900	728,828	667,500	324,314
Other expenses	18,619	66,500	10,258	25,300	(6,029)
Provision for contingencies		150,000		250,000	
<b>Total expenditures</b>	<b>\$ 11,658,991</b>	<b>\$ 12,722,902</b>	<b>\$ 12,026,882</b>	<b>\$ 12,505,319</b>	<b>\$ 2,481,762</b>
Transfers, net	\$ (33,228)	\$ (46,126)	\$ (49,548)	\$ -	\$ -
Surplus/Deficit	730,017	(309,230)	871,721	(246,269)	2,648,782
Fund balance, beginning	7,933,000	8,663,017	8,663,017	9,534,738	9,534,738
Fund balance, end	\$ 8,663,017	\$ 8,353,787	\$ 9,534,738	\$ 9,288,469	\$ 12,183,521
Challenge grant funds	\$ 1,940,057	\$ 1,940,057	\$ 1,940,057	\$ 1,940,057	\$ 1,940,057
Adjusted fund balance	\$ 6,722,960	\$ 6,413,730	\$ 7,594,681	\$ 7,348,412	\$ 10,243,464
<b>Fund balance to expenditures</b>	<b>57.50%</b>	<b>50.23%</b>	<b>62.89%</b>	<b>58.76%</b>	