PARKLAND COLLEGE DISTRICT #505

Champaign, Illinois

Comprehensive Annual Financial Report

For the Years Ended

June 30, 2020 and 2019

CONTENTS

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Parkland College District #505
Champaign, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Parkland College District #505 (the College) and its discretely presented component unit (Parkland College Foundation) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and of its discretely presented component unit as of June 30, 2020 and 2019 and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, the Schedule of Proportionate Share of Net Pension Liability – SURS and Schedule of Contributions – SURS on page 57, the Schedule of Proportionate Share of OPEB Liability- CIP on page 59, and the Schedule of Contributions – CIP on page 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the College and its discretely presented component unit as of and for the years ended June 30, 2020 and 2019. The combining financial statements and other data in Schedules 1 through 19 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The uniform financial statements in Schedules 20 through 24 and the certificate of chargeback reimbursement (Schedule 25) are presented for purposes of additional analysis as required by the Illinois Community College Board and are also not a required part of the basic financial statements. The accompanying Schedule 37 is also presented for purposes of additional analysis required by the Illinois Grant Accountability and Transparency Act and is not a required part of the basic financial statements. As described in Note 24, Schedules 1 through 3, Schedules 6 through 9, Schedules 14 through 16, Schedule 20, and Schedules 22 through 24 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

Schedules 1 through 25 and 37 are the responsibility of management. Schedules 1 through 25, except Schedule 19, and Schedule 37 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Information on Schedules 1 through 25, except Schedule 19, and Schedule 37 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 American. In our opinion, the information in Schedules 1 through 25, except Schedule 19, and Schedule 37 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole, except for differences between GAAP for a special-purpose government engaged only in business-type activities and the modified accrual basis of accounting used for the schedules noted above.

Schedule 19 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on Schedule 19.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated December 8, 2020, on our consideration of the College's internal control over financial reporting and 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.

Martin Hood LLC

Champaign, Illinois
December 8, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Parkland Community College's (the "College" or "Parkland") Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activities, and its component unit, the Parkland College Foundation (the "Foundation"), for the fiscal years ended June 30, 2020, 2019 and 2018. 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 and footnotes. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis. Responsibility for the completeness and fairness of this information rests with the College.

The MD&A contains comparisons between fiscal years 2020, 2019 and 2018 only.

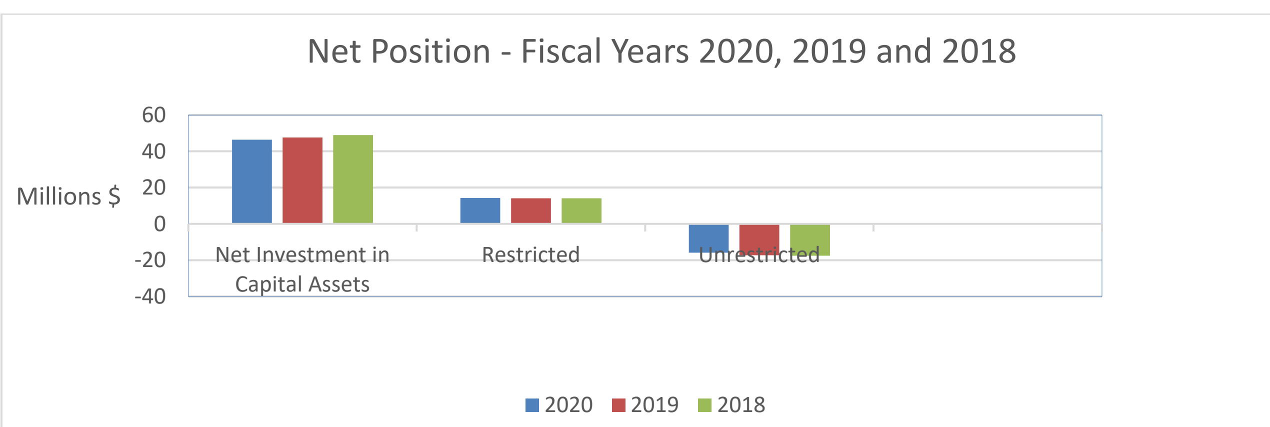
Using This Annual Report

The College's basic 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. The Statements of Revenues, Expenses, and Changes in Net Position focus on the costs of the College's activities which are mainly supported by property taxes, State revenues, and tuition. This approach is intended to summarize and simplify the user's analysis of the cost of various College services to students and the public. In addition, Generally Accepted Accounting Principles (GAAP) requires the financial statement presentation to include the Foundation, which is defined as a component unit.

The Management Discussion and Analysis contains financial activity of Parkland. The College's component unit, the Foundation, has separately issued financial statements. These statements should be used for detailed information on the Foundation's financial activity for the year ending June 30, 2020. Copies of the Foundation's annual audit can be obtained from the Foundation office at Parkland College.

Primary Institution Financial Highlights

Comparative Net Position Chart



The Statement of Net Position

Net position is divided into three major categories. The first category, net investment in capital assets, provides the College's equity in property, plant, and equipment owned by the College. The next category is restricted net position, which is available for expenditure by the College but must be spent for purposes as determined by external entities that have placed time or purpose restrictions on the use of the assets, or enabling legislation. The final category is unrestricted net position. These assets are available for use by the College for any legal purpose.

Financial Analysis of the College as a Whole

Statement of Net Position
As of June 30
(in millions)

	2020	2019	2018
Current Assets	$ 54.9	$ 51.7	$ 51.2
Non-Current Assets:			
Capital Assets, Net of Depreciation	95.6	99.5	102.7
Total Assets	150.5	151.2	153.9
Deferred Outflows of Resources	0.9	1.0	0.6
Total Assets and Deferred Outflows of Resources	151.4	152.2	154.5
Current Liabilities	13.6	13.5	13.3
Non-Current Liabilities	86.9	89.4	92.9
Total Liabilities	100.5	102.9	106.2
Deferred Inflows of Resources	6.1	4.9	2.9
Net Position:			
Net Investment in Capital Assets	46.4	47.6	48.9
Restricted	14.3	14.1	14.1
Unrestricted	(15.9)	(17.3)	(17.6)
Total Net Position	$ 44.8	$ 44.4	$ 45.4

This schedule is prepared from the College's statement of net position which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

Fiscal Year 2020 Compared to 2019

Net position increased $0.4 million during fiscal year 2020. This increase was due to increases in unrestricted net position of $1.4 million and restricted net position of $0.2 million, offset by a decrease of $1.2 million in net investment in capital assets.

Total liabilities decreased by $2.4 million to $100.5 million. This decrease was due to non-current liabilities decreasing by $2.5 million offset by current liabilities increasing by $0.1 million.

The change in Net Position is explained after the Analysis of Net Position chart.

Fiscal Year 2019 Compared to 2018

Net position decreased $1.0 million during fiscal year 2019. This decrease was due to an increase in unrestricted net position of $0.3 million, offset by a decrease of $1.3 million in net investment in capital assets.

Total liabilities decreased by $3.3 million to $102.9 million. This decrease was due to non-current liabilities decreasing by $3.5 million offset by current liabilities increasing by $0.2 million.

The change in Net Position is explained after the Analysis of Net Position chart.

The Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the operating results of the College, and the non-operating revenues and expenses. Annual State appropriations and local property taxes, while budgeted for operations, are considered non-operating revenues according to GAAP. The Supplemental Information following the Financial Statements illustrates actual performance relative to the College's initial budget.

Operating Results
For Year Ended June 30
(in millions)

	2020		2019		2018	
Operating Revenue:						
Tuition and Fees	$	19.1	$	20.0	$	20.7
Auxiliary Enterprises		3.2		3.8		4.0
Other		1.4		1.5		1.4
Total		23.7		25.3		26.1
Less: Operating Expenses		112.1		107.9		109.6
Operating Loss		(88.4)		(82.6)		(83.5)
Non-Operating Revenue (Expenses):						
State Grants and Contracts		8.0		6.9		7.7
Local Property Taxes		33.9		32.1		31.0
Federal Grants and Contracts		18.4		18.6		19.7
On-Behalf Payments		29.7		26.8		25.4
Interest Expense		(2.1)		(2.6)		(2.7)
Debt Issuance Costs		-		(1.0)		-
Interest Income		0.4		0.2		-
Investment Income		0.5		0.6		0.4
Total		88.8		81.6		81.5
Increase (Decrease) in Net Position		0.4		(1.0)		(2.0)
Net Position, Beginning of Year		44.4		45.4		80.8
Cumulative Effect of GASB 75 Adoption		-		-		(33.4)
Net Position, End of Year	$	44.8	$	44.4	$	45.4

Fiscal Year 2020 Compared to 2019

Operating revenues decreased $1.6 million from the prior year. Operating revenue decreased by $0.9 million and $0.6 million in the tuition & fees and auxiliary enterprises categories, respectively, along with a $0.1 million decrease in other revenues. The decrease in tuition and fees revenue reflects the decrease in tuition and fee revenue of $1.6 million combined with a decrease of $0.6 million in scholarship allowance from the prior year. This resulted in the decrease in operating revenue as mentioned above.

In total, operating expenses increased by $4.2 million. This is due to increases in instruction of $0.9 million, on behalf payments of $2.9 million and institutional support of $1.5 million, offset by a decrease in operation and maintenance of plant of $0.7 million and other post-employment benefits of $0.7 million.

The non-operating revenues, net of non-operating expenses, increased $7.2 million. This is due to increases in state grants and contracts of $1.1 million, local property taxes of $1.8 million, $2.9 million in on behalf payments from the State of Illinois for the SURS pension plan (see note

12) along with a decrease of $0.5 million in interest expense and debt issuance costs of $1.0 million, offset by decreases in federal grants (financial aid) of $0.2 million.

There are currently no other known facts, decisions, or conditions that will have a significant effect on the financial position (net position) or results of operation (revenue, expenses, and changes in net position).

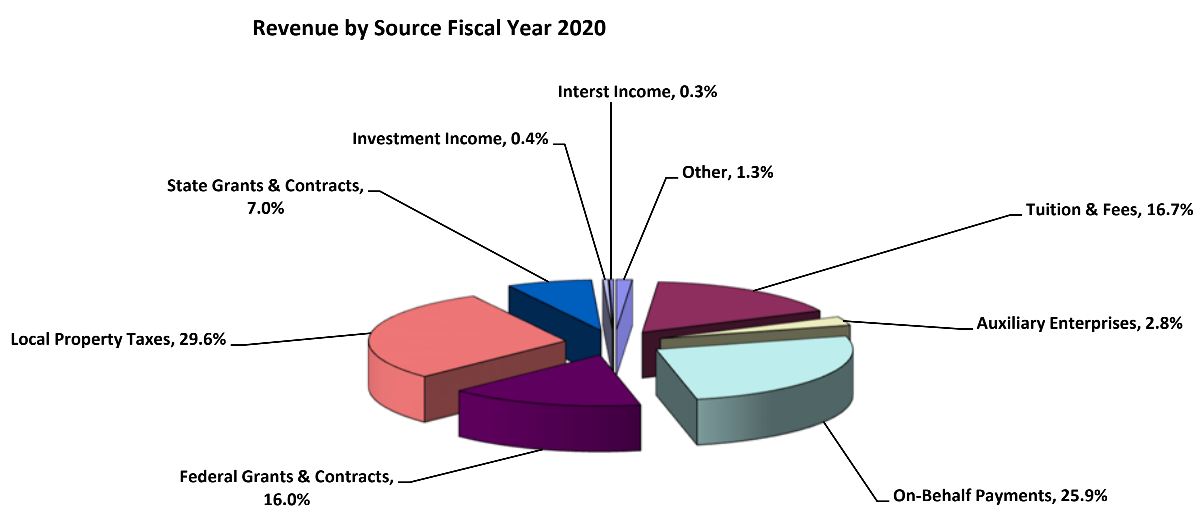
Fiscal Year 2019 Compared to 2018

Operating revenues decreased $0.8 million from the prior year. Operating revenue decreased by $0.7 million and $0.2 million in the tuition & fees and auxiliary enterprises categories, respectively, and was offset by a $0.1 million increase in other revenues. The decrease in tuition and fees revenue reflects the decrease in tuition and fee revenue of $1.7 million combined with an increase of $0.4 million in scholarship allowance from the prior year. This resulted in the decrease in operating revenue as mentioned above.

In total, operating expenses decreased by $1.7 million. This is due to decreases in scholarship and grants of $0.9 million, other postemployment benefits of $1.0 million, academic support of $0.4 million, and auxiliary expenses of $0.8 million, offset by an increase of $1.4 million in on-behalf payments.

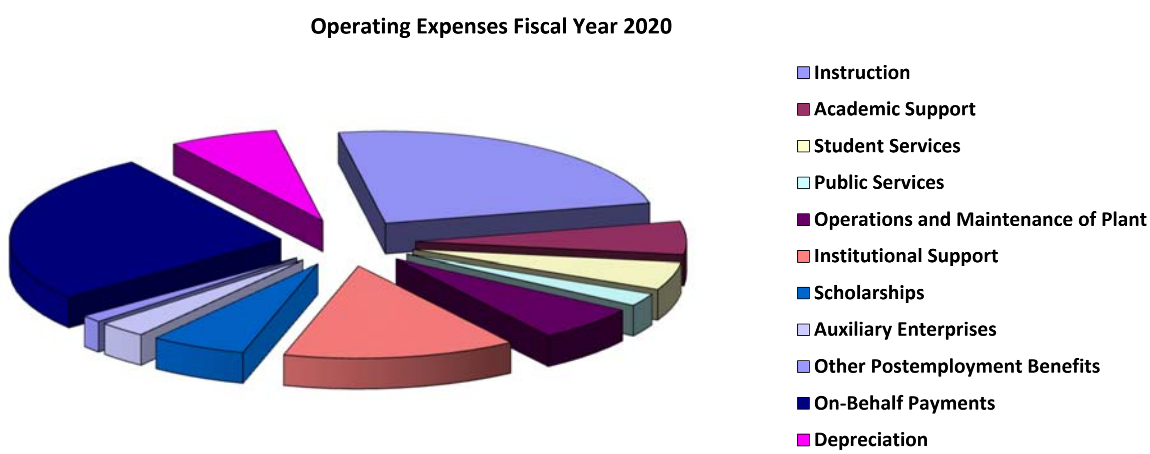
The non-operating revenues increased $0.1 million. This is due to increases in local property taxes of $1.1 million and $1.4 million in on behalf payments from the State of Illinois for the SURS pension plan (see note 12), offset by decreases in State Grants and Contracts of $0.8 million and federal grants (financial aid) of $1.1 million.

There are currently no other known facts, decisions, or conditions that will have a significant effect on the financial position (net position) or results of operation (revenue, expenses, and changes in net position).



Operating Expenses
For Year Ended June 30
(in millions)

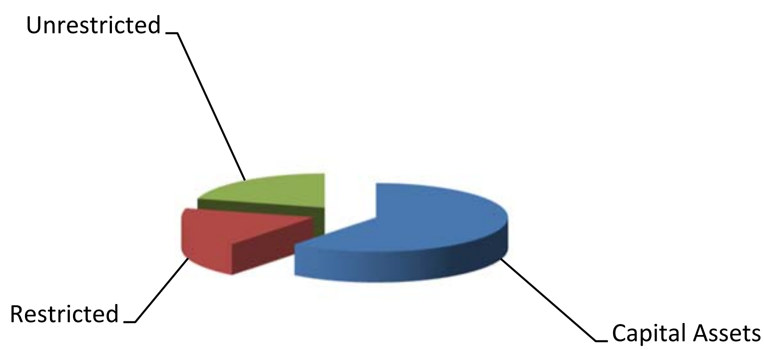
	2020	2019	2018
Operating Expenses:			
Instruction	$ 27.2	$ 26.3	$ 26.8
Academic Support	6.5	6.5	6.9
Student Services	5.4	5.0	4.9
Public Service	2.5	2.8	2.7
Operations and Maintenance of Plant	7.0	7.7	7.1
Instutitional Support	15.6	14.1	14.2
Scholarships	6.4	6.4	7.3
Auxiliary Enterprises	3.2	2.9	3.8
On-Behalf Payments	29.7	26.8	25.4
Other Postemployment Benefits	1.3	2.0	3.0
Depreciation	7.3	7.4	7.5
Total	$ 112.1	$ 107.9	$ 109.6



Analysis of Net Position
June 30
(in millions)

	2020	2019	2018
Net Position:			
Net Investment in Capital Assets	$ 46.4	$ 47.6	$ 48.9
Restricted	14.3	14.1	14.1
Unrestricted	(15.9)	(17.3)	(17.6)
Total	$ 44.8	$ 44.4	$ 45.4

Analysis of Net Position Fiscal Year 2020



Fiscal Year 2020 Compared to 2019

Total net position increased by $0.4 million from fiscal year 2019 to fiscal year 2020. The net investment in capital assets decreased $1.2 million, or 2.5% over the previous year. This decrease was due mainly to the sum of capital asset additions funded with non-debt resources (see Note 6) and payments of principal on outstanding bonds related to capital assets falling short of depreciation. Restricted net position increased by $0.2 million compared to the previous year and the unrestricted net position increased by $1.4 million during fiscal year 2020.

Fiscal Year 2019 Compared to 2018

Total net position decreased by $1.0 million from fiscal year 2018 to fiscal year 2019. The net investment in capital assets decreased $1.3 million, or 2.7% over the previous year. This decrease was due mainly to the sum of capital asset additions funded with non-debt resources (see Note 6) and payments of principal on outstanding bonds related to capital assets falling short of depreciation. Restricted net position remained constant compared to the previous year and the unrestricted net position increased by $0.3 million during fiscal year 2019.

The Statement of Cash Flows

Another way to assess the financial health of an institution is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about the cash receipts and cash disbursements of an entity during a period. The statement also helps users assess the College's ability to generate net cash flows, its ability to meet obligations as they come due, and its need for external financing. The College's Statement of Cash Flows is the final basic financial statement in the audited financial report.

Capital Asset Administration

At the end of fiscal year 2020, the College had $95.6 million invested in a broad range of capital assets (see table below). This amount represents a net decrease (including additions and depreciation) of $3.9 million. More detailed information about capital assets can be found in Note 6 to the Basic Financial Statements.

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

	2020	2019	2018
Land	$ 1.8	$ 1.8	$ 1.8
Construction in Progress	0.2	0.6	2.3
Buildings	73.1	72.8	75.1
Land Improvements	16.4	20.6	20.4
Equipment	4.1	3.7	3.1
Total	$ 95.6	$ 99.5	$ 102.7

This year's major addtions included (in millions) excluding deletions:

Walkway/Parking Lot Improvement	$ 1.6
Computer Equipment	0.7
IT Server/Hardware Upgrades	0.2
DCEO Energy Efficiency	0.2
Total	$ 2.7

The College's fiscal year 2021 operating capital budget is $5.6 million. This capital budget will be used to finish the facility master plan and continue facility improvements.

Long-Term Debt Activity

The College's long-term debt decreased during 2020 from $94.5 million to $93.0 million. The general obligation bonds payable decreased by $3.0 million while the property tax payable increased $0.6 million and retirement obligation increased $0.9 million.

In August 2019, S&P reaffirmed Parkland's rating of AA Stable. Moody's most recent rating of Aa3 is from December 2017. More detailed information about long-term debt can be found in Note 8 to the Basic Financial Statements.

The College has approximately $2 million in debt funds still available for qualified capital master plan projects.

Economic Factors That Will Affect the Future

The College's Administration and its Board will monitor other major factors related to its financial state including student enrollment and State funding in the upcoming years. Additionally, this would include various expenses related to salaries, cost of benefits, utilities, etc.

For fiscal year 2021, the Parkland College Board of Trustees did not raise tuition and fees per credit hour for a total of $171 in-district per credit hour. The intention was to hold enrollment steady and produce similar revenue from tuition and fees. The College also expects a modest increase in local property tax revenue due to 4% - 5% EAV growth. With the passage of a FY21 State budget, the College budgeted $5.0 million in State funding.

Parkland College continues to diligently monitor expenses. This includes thoroughly reviewing positions to decide whether each position is considered mission critical prior to filling vacancies. Also, the College has entered the fifth year with its health insurance administrator. The first several years yielded significant savings that will hopefully continue in FY21. The College also works with healthcare experts to determine the required actions of the College in the short and long term. Additional savings hope to be garnered through savings on utilities through various green initiatives such as solar array that went online and is intended to decrease the colleges electrical expense. Also, Parkland continues to realize savings on gas and electric use through guaranteed contracts with suppliers. These contracts are reviewed regularly to ensure that Parkland College receives the best value related to utilities.

During the fiscal year, the college experienced a cybersecurity incident. While the damage was contained it was quickly resolved and fixed. This has prompted the college to increase its focus and attentiveness on cybersecurity going forward which is mentioned later. This encompasses the college increasing firewall protection, email monitoring and additional third-party services to monitor our system 24 hours a day 365 days a year. Also, the College plans to increase employee training and awareness to help identify and mitigate cybersecurity risks.

In August of 2018, the College refinanced all of its outstanding bond debt. The Refunding Bond sale was very successful, which is attributed to several factors including the College's credit rating and financial position, strong market conditions at the time of the sale and marketing efforts of the underwriting team. The Refunding Bonds did not extend the payment schedule and saved nearly $6.6 million in aggregate.

In fiscal year 2014, the College completed the student portion of the major administrative computing upgrade, which began in fiscal year 2008. The finance module went live July 1, 2008. The payroll/human resource module went live January 1, 2009. In conjunction with the software provider the College performed an audit of its administrative software in fiscal year 2011. This audit provided a roadmap of initiatives (including additional training and software enhancements) to continue to increase the efficiency of the system as a whole. The College in fiscal year 2014 engaged an information technology consultant (Moran Technology) to evaluate the College's information systems. In fiscal year 2015, the College hired a Chief Information

Officer who was charged with implementing various aspects of the technology master plan. Several items that have been completed are the transition to a new email system, singular password system and completion of the College website redesign. The College will continue to implement the technology master plan with even more emphasis on cybersecurity.

Parkland will continue capital improvements in its grounds and facilities. As noted earlier, this includes finishing the master plan remodeling. The College has two approved Capital Development Board projects which includes the S building rehab and the fountain courtyard rehab and restructure. The College also plans to use two years of PHS dollars to fund the campus electronic door lock upgrade phase I and II project.

The College's approved operating budget for fiscal year 2021 is $57.5 million. The total College budget is $101.5 million.

All four union contracts are set to expire and negotiations will begin in fiscal year 2021.

The Parkland Foundation will continue to raise money for the College's needs as described in its mission statement. This will include raising funds for scholarships and future capital projects.

The College received its 10-year accreditation from the Higher Learning Commission in late 2012. Also, the College submitted the assurance argument to Higher Learning Commission during FY18. The Higher Learning Commission responded that no follow-up was required and no official Commission action needed to be taken.

Dr. Ramage has informed the Board of Trustees of his planned retirement in Fall 2022. Through his leadership, the College has built an outstanding team of faculty and staff, built new facilities that inspire engagement in learning, maintained a strong financial standing, and yielded positive student outcomes. The College and Board of Trustees are confident Dr. Ramage will continue to pursue and accomplish ambitious goals that will propel the institution forward over the next two years.

Other than the above, the College is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the new fiscal year.

PARKLAND COLLEGE DISTRICT #505
Statements of Net Position
June 30, 2020 and 2019

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	2020	2019
Current Assets		
Unrestricted:		
Cash and Cash Equivalents	$ 26,483,445	$ 23,063,545
Investments	5,372,578	6,250,150
Due from Parkland Foundation	80,180	-
Property Taxes Receivable, Net	7,790,628	7,150,667
Accounts Receivable, Net	1,956,410	1,692,967
Inventories	571,970	643,440
Prepaid Assets	34,971	1,000
Restricted:		
Cash and Cash Equivalents	9,992,789	10,567,828
Property Taxes Receivable, Net	1,769,300	1,628,273
Accounts Receivable, Net	796,158	743,699
Total Current Assets	54,848,429	51,741,569
Property and Equipment, Net	95,608,858	99,516,774
Total Assets	150,457,287	151,258,343
Deferred Outflows of Resources		
Deferred Charge on Refunding	22,030	87,250
Deferred Retirement Plan Contributions Subsequent to Measurement Date	79,454	62,972
Deferred Other Postemployment Benefit Contributions Subsequent to Measurement Date	843,825	839,741
Total Deferred Outflows of Resources	945,309	989,963
Total Assets and Deferred Outflows of Resources	$ 151,402,596	$ 152,248,306

LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

	2020	2019
Current Liabilities		
Accounts Payable	$ 348,148	$ 747,496
Current Portion of Accrued Liabilities	2,819,391	2,635,865
Current Portion of Property Tax Refund Payable	158,000	-
Due to Student Groups	1,602,407	1,670,435
Due to Parkland Foundation	-	469,224
Unearned Revenue	2,756,095	2,857,345
Current Portion of Retirement Obligation	2,112,196	1,778,703
Current Portion of Unamortized Bond Premium	381,866	381,866
Current Portion of Bonds Payable	3,395,000	2,970,000
Total Current Liabilities	13,573,103	13,510,934
Long-Term Liabilities		
Property Tax Refund Payable, Net of Current Portion	472,860	-
Retirement Obligation, Net of Current Portion	3,712,046	3,156,094
Accrued Compensated Absences	1,803,667	1,678,498
Unamortized Bond Premium, Net of Current Portion	3,214,036	3,595,902
Bonds Payable, Net of Current Portion	43,145,000	46,540,000
Net Other Postemployment Benefit Liability	34,597,679	34,380,273
Total Long-Term Liabilities	86,945,288	89,350,767
Total Liabilities	100,518,391	102,861,701
Deferred Inflows of Resources		
Other Postemployment Benefits	6,076,267	4,937,233
Net Position		
Net Investment in Capital Assets	46,375,359	47,637,396
Restricted for:		
Expendable Trust	7,599,358	7,599,358
Debt Service	4,267,897	4,051,710
Purposes Allowed by Property Tax Levies	2,018,558	1,829,180
Aviation Program Operation	399,790	591,590
Unrestricted		
General Purposes	23,977,097	21,217,903
Related to OPEB	(39,830,121)	(38,477,765)
Total Net Position	44,807,938	44,449,372
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 151,402,596	$ 152,248,306

See Accompanying Notes

PARKLAND COLLEGE DISTRICT #505
Statements of Financial Position - Component Unit
June 30, 2020 and 2019

ASSETS

	2020	2019
Current Assets		
Cash & Cash Equivalents	$ 2,445,942	$ -
Due from Parkland College	-	469,224
Promises to Give, Current Portion	8,494	35,624
Total Current Assets	2,454,436	504,848
Other Assets		
Investments	9,358,259	8,969,931
Promises to Give, Net of Current Portion, and Discount of $194,898 and $227,620, Respectively	318,277	325,554
Land Investment	-	1,972,582
Cash Surrender Value of Life Insurance	56,903	56,937
Other Assets	17,500	17,500
Total Other Assets	9,750,939	11,342,504
Total Assets	$ 12,205,375	$ 11,847,352

LIABILITIES AND NET ASSETS

	2020	2019
Current Liabilities		
Due to Parkland College	$ 80,180	$ -
Accrued Vacation Payable	19,211	20,003
Total Current Liabilities	99,391	20,003
Net Assets		
Without Donor Restrictions	1,228	(125,162)
With Donor Restrictions	12,104,756	11,952,511
Total Net Assets	12,105,984	11,827,349
Total Liabilities and Net Assets	$ 12,205,375	$ 11,847,352

See Accompanying Notes

PARKLAND COLLEGE DISTRICT #505
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2020 and 2019

	2020	2019
Operating Revenues		
Student Tuition and Fees, Net of Scholarship		
Allowance of $9,291,788 and $9,999,421, Respectively	$ 19,111,774	$ 20,018,817
Auxiliary Enterprises Revenue	3,165,049	3,798,771
Other Operating Revenues	1,438,693	1,462,579
Total Operating Revenues	23,715,516	25,280,167
Operating Expenses		
Instruction	27,244,074	25,989,097
Academic Support	6,468,722	6,440,675
Student Services	5,385,851	5,281,731
Public Service	2,509,593	2,784,000
Auxiliary Expenses	3,166,597	2,953,406
Operation and Maintenance of Plant	7,044,082	7,659,757
Scholarships and Grants	6,374,564	6,384,566
Institutional Support	15,557,115	14,125,770
On-Behalf Payments	29,718,064	26,807,164
Other Postemployment Benefits	1,352,356	2,060,517
Depreciation and Amortization	7,296,098	7,378,277
Total Operating Expenses	112,117,116	107,864,960
Operating Loss	(88,401,600)	(82,584,793)
Non-Operating Revenues		
State Grants and Contracts	8,003,027	6,902,817
Local Property Tax Revenues	33,922,272	32,051,999
Federal Grants and Contracts	18,310,101	18,565,285
On-Behalf Payments	29,718,064	26,807,164
Investment Income Earned	496,167	646,698
Interest Income	381,866	222,755
Debt Issuance Costs	-	(964,879)
Interest Expense	(2,071,331)	(2,565,939)
Total Non-Operating Revenues	88,760,166	81,665,900
Increase (Decrease) in Net Position	358,566	(918,893)
Net Position, Beginning of Year	44,449,372	45,368,265
Net Position, End of Year	$ 44,807,938	$ 44,449,372

See Accompanying Notes

PARKLAND COLLEGE DISTRICT #505
Statements of Activities - Component Unit
For the Years Ended June 30, 2020 and 2019

	2020	2019
Change in Net Assets Without Donor Restrictions		
Support and Revenue:		
Contributions	$ 102,341	$ 147,288
In-Kind Contributions	535,117	748,744
Interest and Dividends, Net of Fees	7,208	846
Net Realized and Unrealized Gain on Investments	12,448	-
Net Realized Loss on Sale of Land Investment	(43,486)	-
Unrealized Gain (Loss) on Land Investment	-	(53,527)
Change in Land Investment Use Obligation	-	298,145
Special Events, Net of Direct Benefit to Donor and Direct Costs	59,917	51,612
Net Increase (Decrease) in Cash Surrender Value of Life Insurance	(34)	97
Net Assets Released from Restrictions	750,310	1,042,024
Total Support and Revenue	1,423,821	2,235,229
Expenses:		
Program Services		
Scholarships	496,140	481,999
Institutional Support	691,014	1,174,684
Total Program Services	1,187,154	1,656,683
Supporting Services		
Management and General	154,917	155,497
Fundraising	265,291	265,117
Total Supporting Services	420,208	420,614
Total Expenses	1,607,362	2,077,297
Reclassification of Net Assets	309,931	1,727,964
Change in Unrestricted Net Assets	126,390	1,885,896
Change in Net Assets With Donor Restrictions		
Support and Revenue:		
Contributions	945,571	1,354,030
Special Events, Net of Direct Benefit to Donor and Direct Costs	7,359	42,918
Interest and Dividends, Net of Fees	179,902	203,951
Net Realized and Unrealized Gain (Loss) on Investments	79,654	258,098
Net Assets Released from Restrictions	(750,310)	(1,042,024)
Total Support and Revenue	462,176	816,973
Reclassification of Net Assets	(309,931)	(1,727,964)
Change in Temporarily Restricted Assets	152,245	(910,991)
Change in Net Assets	278,635	974,905
Net Assets, Beginning of Year	11,827,349	10,852,444
Net Assets, End of Year	$ 12,105,984	$ 11,827,349

See Accompanying Notes

PARKLAND COLLEGE DISTRICT #505
Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Student Tuition and Fees	$ 18,978,224	$ 20,256,459
Payments to Suppliers	(17,060,100)	(16,352,262)
Payments to Employees and Benefits Paid	(49,554,253)	(50,089,145)
Payments for Financial Aid and Scholarships	(6,374,564)	(6,384,566)
Auxiliary Enterprise Charges	3,165,049	3,798,771
Disbursements to Parkland Foundation	(549,404)	(263,201)
Other Receipts	1,438,693	1,462,579
Net Cash Used in Operating Activities	(49,956,355)	(47,571,365)
Cash Flows from Non-Capital Financing Activities		
Local Property Taxes	33,772,144	25,200,789
State Grants and Contracts	7,771,884	6,956,883
Federal Grants and Contracts	18,257,642	18,604,382
Net Cash Provided by Non-Capital Financing Activities	59,801,670	50,762,054
Cash Flows from Capital and Related Financing Activities		
Purchase of Property and Equipment	(3,388,182)	(4,222,684)
Principal Paid on Bonds	(2,970,000)	(2,830,000)
Interest Paid on Bonds	(2,016,011)	(2,068,889)
Debt Issuance Costs Paid	-	(964,879)
Net Cash Used in Capital and Related Financing Activities	(8,374,193)	(10,086,452)
Cash Flows from Investing Activities		
Purchase of Investments	(4,203,787)	(2,214,700)
Proceeds from Maturing of Investments	5,081,359	2,109,601
Interest on Cash and Cash Equivalents	496,167	646,698
Net Cash Provided by Investing Activities	1,373,739	541,599
Net Increase (Decrease) in Cash and Cash Equivalents	2,844,861	(6,354,164)
Cash and Cash Equivalents, Beginning of Year	33,631,373	39,985,537
Cash and Cash Equivalents, End of Year	$ 36,476,234	$ 33,631,373
On the Statement of Net Position as Follows:		
Unrestricted - Cash and Cash Equivalents	$ 26,483,445	$ 23,063,545
Restricted - Cash and Cash Equivalents	9,992,789	10,567,828
Cash and Cash Equivalents, End of Year	$ 36,476,234	$ 33,631,373

See Accompanying Notes

PARKLAND COLLEGE DISTRICT #505
Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019

	2020	2019
Reconciliation of Operating Loss to Net Cash		
Used in Operating Activities		
Operating Loss	$ (88,401,600)	$ (82,584,793)
Adjustments to Reconcile Operating Loss to Net Cash		
Used in Operating Activities:		
Depreciation and Amortization Expense	7,296,098	7,378,277
On-Behalf Payments	29,718,064	26,807,164
Other Postemployment Benefit Expense	1,352,356	2,060,517
Changes in Assets, Deferred Outflows, and Liabilities:		
Accounts Receivable, Net	(32,300)	43,316
Inventories	71,470	(99,477)
Prepaid Assets	(33,971)	-
Deferred Retirement Plan Contributions		
Subsequent to Measurement Date	(16,482)	21,365
Accounts Payable	(399,348)	(302,196)
Accrued Liabilities	193,426	9,567
Due to Student Groups	(68,028)	(4,251)
Due to/from Parkland Foundation	(549,404)	(263,201)
Unearned Revenue	(101,250)	194,326
Retirement Obligations	889,445	(896,928)
Accrued Compensated Absences	125,169	64,949
Net Cash Used in Operating Activities	$ (49,956,355)	$ (47,571,365)

Supplemental Disclosure of Non-Cash Capital and Related Financing Activity

	2020	2019
Bonds Refunded Resulting in Bond Premium	$ -	$ 4,200,523
Interest Paid During Bond Refunding	$ -	$ 460,523

See Accompanying Notes

Parkland College District #505 (the College) is a governmental unit that provides post-secondary school education and vocational training for the people of East Central Illinois. The summary of accounting policies is presented to assist you in understanding the College's financial statements.

1. Reporting Entity

The College is a community college governed by an elected eight-member Board of Trustees. The College's district includes the counties of Champaign, Coles, DeWitt, Douglas, Edgar, Ford, Iroquois, Livingston, McLean, Moultrie, Piatt, and Vermilion. The College's mission is to provide affordable vocational, technical, and academic education.

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the financial reporting entity of the College, which consists of the College (the primary government of the reporting entity) and Parkland College Foundation (the Foundation), a discretely presented component unit of the College. The Foundation is a discretely presented component unit because the resources received and held by the Foundation are entirely for the direct benefit of the College, the College has the ability to access those resources through common Board members, and those resources are significant to the College.

The assets, liabilities, net assets, revenue, and expenses of the Foundation are included in the basic financial statements presented in Exhibits B and D.

Copies of the separately issued financial statements of the Foundation are available at the Foundation's office in Champaign, Illinois. There are no other entities for which the nature and significance of their relationship with the College are such that exclusion would cause the College's financial statements to be materially misstated or incomplete.

2. Basis of Accounting and Significant Accounting Policies

a. The financial statements of the College are prepared in accordance with GAAP. The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. GAAP includes all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

b. The College has disclosed pension information based on the requirements of GASB Statement Number 68, *Accounting and Financial Reporting for Pensions*.

c. 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 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-agency transactions have been eliminated.

d. Certain assets are classified as restricted on the statement of net position because their use is limited by tax levies, grant agreements, or other contractual agreements.

e. For purposes of preparing the statements of cash flows, restricted and unrestricted currency, demand deposits, money market accounts, and highly-liquid investments with a maturity of three months or less at issuance are considered cash and cash equivalents.

f. The College is authorized to invest in instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes. Such instruments include: direct obligations of federally insured banks and savings and loan associations; insured obligations of Illinois credit unions; securities issued or guaranteed by the U.S. Government; money market mutual funds investing only in U.S. Government based securities; commercial paper of U.S. corporations with assets over $500 million; short-term obligations as defined in the Public Fund Investment Act; and the investment pools managed by the State Treasurer of Illinois. The investments consist of negotiable and non-negotiable certificates of deposit with initial maturity terms in excess of three months, which are held at cost. The difference between the cost and fair value of the negotiable certificates of deposit is insignificant.

g. Accounts receivable include uncollateralized student obligations, which generally require payment by the first day of classes. Accounts receivable are stated at the invoice amount.

   Account balances unpaid at the middle of the term are considered past due. Collection costs may be applied to account balances still outstanding 30 days following the end of the semester. Payments of accounts receivable are applied to the specific invoices identified on the students' remittance advice or, if unspecified, to the earliest unpaid invoices.

   The carrying amount of accounts receivable for student tuition is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of accounts based on the aging of the accounts receivable by semesters. If the actual defaults are higher than the historical experience, management's estimates of recoverability of amounts due could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts. The total allowance as of June 30, 2020 and 2019 was $3,639,419 and $3,064,307, respectively.

   Accounts receivable also includes outstanding balances from federal and state funding sources and other miscellaneous items. No allowance has been provided for these receivables, as management believes these are fully collectible based on past experience with these funding sources.

h. The College levies property taxes each year, on all taxable real property located within the College's district, on or before the last Tuesday in December. The 2019 tax levy was passed by the Board of Trustees on December 2019. Property taxes attach as an enforceable lien on property as of January 1 and are typically payable in two installments on June 1 and September 1. The College receives significant distributions of tax receipts approximately one month after these due dates. Revenue from property taxes is recognized in the period for which they are intended to finance. The Board of Trustees resolved that the 2019 tax levy be allocated and recognized 55 percent in fiscal year 2020 and 45 percent in fiscal year 2021.

Property tax revenue for the years ended June 30, 2020 and 2019 were from the 2019 and 2018 levies and the 2018 and 2017 levies, respectively. Property tax receivables have not been reduced for an allowance as the College's historical collection experience indicates this amount is insignificant. However, at June 30, 2020 and 2019, the College has recorded an allowance of $490,132 and $1,978,547 for a potential property tax refund identified by the Champaign County Treasurer.

The College's tax levy rate for education and operations, building, and maintenance purposes is limited by Illinois statute to $0.75 and $0.10, respectively, per $100 of equalized assessed valuation. However, a local referendum allows only a maximum total of $0.36 per $100 of equalized assessed value for these two purposes. The College is also limited by Illinois statute to levy no more than $.005 and $.05 per $100 of equalized assessed value for audit purposes and protection, health and safety operations, and maintenance purposes, respectively.

i. Operating revenues include all activities that have the characteristics of exchange transactions, such as student tuition and fees, and sales and services of auxiliary enterprises, net of scholarship discounts and allowances. All other revenues are considered non-operating or other revenues.

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

k. Inventories are stated at the lower of average cost or market. Cost is determined on a first-in, first-out (FIFO) basis.

l. Capital assets consist of property and equipment, which are recorded at cost. Major additions and those expenditures that substantially increase the useful life of a capital asset are capitalized. The College's capitalization threshold for property and equipment is $2,500 per unit and for site improvements and buildings is $25,000 per project. Maintenance, repairs, and minor additions and expenditures are expensed when incurred. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The College provides for depreciation using the straight-line method over the estimated useful lives of the assets. The useful lives used by the College include 50 years for buildings, ten years for land improvements, and a range of three to ten years for equipment.

Depreciation and amortization on the Statement of Revenues, Expenses and Changes in Net Position includes amortization for capital leases.

m. The financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The College has three items that qualify for reporting in this category. These items, deferred charge on refunding and deferred retirement plan contributions subsequent to measurement date, and deferred other postemployment benefit (OPEB) contributions subsequent to measurement date are reported in the Statements of Net Position. The deferred charge on refunding represents the excess of cash paid to the refunded bond escrow agent over the amount of refunded principal payments. The amount is deferred and recognized as an outflow of resources (expense) over the shorter of the remaining life of the refunded debt or the life of the refunding debt. The retirement plan contributions subsequent to measurement date deferred outflow item is the amount of contributions made by the College to the State Universities Retirement System (SURS or the System) for retirement benefits on grant funded salaries during the years ended June 30, 2020 and 2019. The OPEB contributions subsequent to measurement date deferred outflow item is the amount of contributions made by the College to the Community College Health Insurance Security Fund (CIP) for health insurance benefits on grant funded salaries during the years ended June 30, 2020 and 2019. These contributions occurred after the SURS and CIP measurement dates of June 30, 2019 and 2018 for the net pension liability and net OPEB liability and will be included in the net pension liability and net OPEB liability measurement at June 30, 2020 and 2019, and pension expense and other postemployment expense in fiscal years 2020 and 2019, respectively.

   The financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Other postemployment benefit related deferred inflows qualify for reporting in this category at June 30, 2020 and 2019. The other postemployment benefit deferred inflow consists of the unamortized portion of changes in assumptions and the net difference between projected and actual experience of the total OPEB liability.

n. Unearned revenue includes amounts received which represent payments for services to be provided in future periods for which asset recognition criteria has been met, but for which revenue recognition criteria have not been met. These amounts consist of unexpended grant funds and tuition and fee charges for a portion of the in-progress Summer semester and all of the upcoming Fall semester. The tuition and fee charges are prorated according to the timing of the semester.

o. Accrued compensated absences consist of accumulated unused vacation days up to a maximum of 56 days that employees are allowed to accumulate. Those days are guaranteed to be paid to employees upon termination of employment. The rate of accrued compensated absence is calculated based on the employee’s equivalent hourly rate as of Statement of Net Position date.

p. The College’s net position is classified as follows:

   Net Position

   - Net Investment in Capital Assets – This represents the College’s total investment in capital assets net of accumulated depreciation and related debt that has been used as of the statement of net position date to finance capital additions.

- Restricted Net Position – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or enabling legislation.

- Unrestricted Net Position – This includes resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources may be 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.

When both restricted and unrestricted resources are available to finance expenses for which restricted resources exist, it is the College's policy to first apply restricted resources to such expenses.

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

For the purposes of financial reporting, the State of Illinois and its public universities and community colleges under a special funding situation. A special funding exists when a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and the non-employer 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 a non-operating revenue and pension expense, with the expense further allocated to the related function by employees. The State of Illinois is considered a non-employer contributing entity.

r. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The most sensitive estimates affecting the financial statements were:

1. Valuation of the self-insured health benefit obligation

2. The valuation of the student tuition receivable

3. The useful lives of depreciable capital assets

4. The valuation of the early retirement obligation

3. Over Expenditure of Legal Budgets

The College over expended its legally adopted budget for the following funds in fiscal year 2020. Even though the funds were over expended, the funds' activity still resulted in a surplus for the year.

- The Audit Fund budget was over expended by $2,500. The over expenditure was due to audit expenses being higher than expected.
- The LPS Fund budget was over expended by $86,962. The over expenditure was due to LPS expenses being higher than expected.

4. Deposits and Investments

Investments

At June 30, 2020 and 2019, the College held the following investments:

	2020	2019
Certificates of Deposit		
Non-Negotiable	$ 1,897,929	$ 3,521,476
Negotiable	3,474,649	2,728,674
Total Investments	$ 5,372,578	$ 6,250,150

Custodial Credit Risk – Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's deposit policy requires that funds on deposit in excess of federal deposit insurance limits must be secured by collateral pledged by the financial institution. At June 30, 2020, $23,031,114 of the College's $23,781,114 bank balance, including certificates of deposit, was exposed to custodial credit risk. Of the assets exposed to custodial credit risk, $22,720,080 were fully collateralized by securities pledged by the depository banks, but such securities are not held in the name of the College. The remaining $311,034 was uninsured and uncollateralized.

Credit Risk and Interest Rate Risk – External Investment Pools

At June 30, 2020 and 2019, the College held $12,670,656 and $14,975,208, respectively, in the Illinois Funds Money Market Fund. The value of the College's position in this fund is equal to the value of the College's fund shares, which maintain a $1 net asset value. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has an AAA rating from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United States government or agencies related to the United States and valued at amortized cost. Assets of the fund that are not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The College has no restrictions on withdrawing funds from this external investment pool.

Custodial Credit Risk – Investments

At June 30, 2020, the College had custodial credit risk related to its investments that were held through a Securities Investor Protection Corporation (SIPC) member brokerage firm and the value of investments subject to custodial credit risk (negotiable certificates of deposit) in excess of the SIPC protection limit was $2,974,649.

Interest Rate Risk – Investments

Interest rate risk is the risk that a change in the market rate of interest for a category of debt securities will negatively impact the market value of a debt security. Interest rate risk is not directly addressed by the College's investment policy except for the general goal to "provide sufficient liquidity to pay obligations as they come due."

At June 30, 2020, the District held the following investments subject to interest rate risk:

	Carrying Value	Weighted Average Maturity (Years)
Negotiable Certificates of Deposit	$ 3,474,649	1.47

5. Accounts Receivable, Net

Accounts Receivable, Net consists of the following at June 30:

	2020	2019
Tuition Receivables from Students, Net	$ 895,094	$ 800,487
State Replacement Tax	336,758	349,460
Tuition Receivables from Agencies	268,813	351,139
Grants from Federal and State Sources	1,026,147	743,699
Other Receivables	225,756	191,881
Total Accounts Receivable, Net	$ 2,752,568	$ 2,436,666
Unrestricted	$ 1,956,410	$ 1,692,967
Restricted	796,158	743,699
Total Accounts Receivable, Net	$ 2,752,568	$ 2,436,666

6. Property and Equipment, Net

The following is a summary of changes in property and equipment for the year ended June 30, 2020:

	June 30, 2019	Additions	Disposals	June 30, 2020
Assets Not Being Depreciated:				
Land	$ 1,841,745	$ -	$ -	$ 1,841,745
Construction in Progress	620,791	1,484,751	(1,884,619)	220,923
Assets Being Depreciated:				
Buildings	116,623,250	-	-	116,623,250
Land Improvements	50,660,559	1,913,148	-	52,573,707
Equipment	26,140,117	1,874,902	-	28,015,019
Total Property and Equipment	195,886,462	5,272,801	(1,884,619)	199,274,644
Less: Accumulated Depreciation				
Buildings	(41,214,995)	(2,330,463)	-	(43,545,458)
Land Improvements	(32,725,730)	(3,487,189)	-	(36,212,919)
Equipment	(22,428,963)	(1,478,446)	-	(23,907,409)
Total Accumulated Depreciation and Amortization	(96,369,688)	(7,296,098)	-	(103,665,786)
Property and Equipment, Net	$ 99,516,774	$ (2,023,297)	$ (1,884,619)	$ 95,608,858

The following is a summary of changes in property and equipment for the year ended June 30, 2019:

	June 30, 2018	Additions	Disposals	June 30, 2019
Assets Not Being Depreciated:				
Land	$ 1,841,745	$ -	$ -	$ 1,841,745
Construction in Progress	2,327,680	2,191,685	(3,898,574)	620,791
Assets Being Depreciated:				
Buildings	116,623,250	-	-	116,623,250
Land Improvements	46,761,985	3,898,574	-	50,660,559
Equipment	24,109,119	2,030,998	-	26,140,117
Total Property and Equipment	191,663,779	8,121,257	(3,898,574)	195,886,462
Less: Accumulated Depreciation				
Buildings	(38,884,530)	(2,330,465)	-	(41,214,995)
Land Improvements	(29,102,230)	(3,623,500)	-	(32,725,730)
Equipment	(21,004,651)	(1,424,312)	-	(22,428,963)
Total Accumulated Depreciation	(88,991,411)	(7,378,277)	-	(96,369,688)
Property and Equipment, Net	$ 102,672,368	$ 742,980	$ (3,898,574)	$ 99,516,774

7. Unearned Revenue

Unearned revenue consists of the following at June 30:

	2020	2019
Unearned Student Tuition and Fees	$ 1,667,939	$ 1,877,721
Other Unearned Revenue	1,088,156	979,624
Total Unearned Revenue	$ 2,756,095	$ 2,857,345

8. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2020:

	June 30, 2019	Additions	Retired	June 30, 2020	Due Within One Year
Compensated Absences	$ 1,678,498	$ 1,410,000	$ 1,284,831	$ 1,803,667	$ -
Bonds	49,510,000	-	2,970,000	46,540,000	3,395,000
Unamortized Bond Premium	3,977,768	-	381,866	3,595,902	381,866
Retirement Obligation	4,934,797	2,686,009	1,796,564	5,824,242	2,112,196
Property Tax Payable	-	788,860	158,000	630,860	158,000
Other Postemployment Benefit	34,380,273	464,073	246,667	34,597,679	-
Total Long-Term Debt	$ 94,481,336	$ 5,348,942	$ 6,837,928	$ 92,992,350	$ 6,047,062

The following is a summary of changes in long-term debt for the year ended June 30, 2019:

	June 30, 2018	Additions	Retired	June 30, 2019	Due Within One Year
Compensated Absences	$ 1,613,549	$ 1,430,000	$ 1,365,051	$ 1,678,498	$ -
Bonds	56,080,000	49,510,000	56,080,000	49,510,000	2,970,000
Unamortized Bond Premium	-	4,200,523	222,755	3,977,768	381,866
Retirement Obligation	5,831,725	699,665	1,596,593	4,934,797	1,778,703
Other Postemployment Benefit	33,871,311	749,605	240,643	34,380,273	-
Total Long-Term Debt	$ 97,396,585	$ 56,589,793	$ 59,505,042	$ 94,481,336	$ 5,130,569

The College issued general obligation community college bonds in March 2009 to refund three outstanding debt certificates. The debt certificate was refunded with the proceeds from the general obligation community college bonds described below.

The College issued 2010A general obligation community college bonds in February 2010 to refund the College's outstanding debt certificate. The general obligation bond was refunded with the proceeds from the general obligation community college bonds described below.

The College issued 2010B general obligation community college bonds (alternative revenue source) in February 2010 to fund building construction projects. The general obligation bond was refunded with the proceeds from the general obligation community college bonds described below.

On December 1, 2018, the College issued General Obligation Refunding Bonds 2018A and 2018B and General Obligation Refunding Bond (Alternative Revenue Source) 2018C to refund all outstanding bonds held by the College. No defeasance of debt occurred during the transaction and all existing deferred refunding expenses were carried at existing amortization periods. The refunding resulted in a bond premium of $4,200,523, of which $381,866 and

$222,755 was amortized into interest income in fiscal year 2020 and 2019, respectively. The remaining $3,595,902 is amortized over 9 years.

The College has pledged future revenues to repay the principal and interest of the 2018C general obligation community college bonds (alternative revenue source). Principal and interest on these bonds are payable through December 2029 from the College's student fees and other lawfully available funds of the College, which essentially consists of the operating revenue of the College's Education and Operations and Maintenance-Operational sub-funds. Annual principal and interest payments on the bonds are expected to require approximately a maximum of 3.72 percent of such revenues. The principal and interest payments for alternative revenue source bonds for fiscal years 2020 and 2019 were $691,200 and $661,407, respectively. The College's pledged revenues totaled $18,659,576 and $19,579,063 for fiscal years 2020 and 2019, respectively. At June 30, 2020, pledged future revenues totaled $6,848,950, which is the amount of the remaining principal and interest on the bonds.

Maturities of the bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2021	$ 3,395,000	$ 1,888,710	$ 5,283,710
2022	3,845,000	1,743,910	5,588,910
2023	4,330,000	1,580,410	5,910,410
2024	4,860,000	1,396,610	6,256,610
2025	5,465,000	1,162,785	6,627,785
2026-2030	24,645,000	1,837,050	26,482,050
	$ 46,540,000	$ 9,609,475	$ 56,149,475

The deferred refunding expense, which is included in deferred outflows of resources on the statement of net position, will be amortized as follows:

Fiscal Year Ending June 30	
2021	$ 22,030

Total amortization for the year ended June 30, 2020 and 2019 was $65,220. This amount is included in interest expense.

Total interest incurred for all long term debt for the year ended June 30, 2020 and 2019 was $2,071,331 and $2,565,939, respectively, including the amortization of the refunding expense. The remaining interest has been expensed on the statement of revenues, expenses, and changes in net position.

In Fiscal Year 2009, the College defeased debt certificates by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the College's financial statements. At June 30, 2020 and 2019, $1,060,000 and $1,795,000 of debt principal is considered defeased.

In August 2018, S&P reaffirmed Parkland's rating of AA Stable. Moody's most recent rating of Aa3 is from April 2016.

The College entered in to an agreement on April 17, 2020 to refund property taxes previously received under protest with an unrelated third party. The amount of the agreement was for $788,860 and is to be paid in 4 equal installments of $158,000 each fiscal year with a final payment of $156,860 to be paid by July 1, 2024. The agreement satisfied all potential property tax obligations with the third party. The College recognized $699,555 in non-operating revenue as the agreement relieved amounts previously written off by the College.

9. Lease Revenue

The College is the lessor of office and rooftop space, as well as a wireless frequency area, under seven operating leases. Two of the office leases expire on February 28, 2025, one expires on September 30, 2025, and the other one expires on June 30, 2023. The rooftop space lease expired in August 2024. The wireless frequency lease expires on November 1, 2025. Each lease has an early termination clause at the option of the lessee. The cost of the office facility leased was $3,600,000 at June 30, 2020 and 2019. The carrying value was $2,908,800 and $2,966,400 at June 30, 2020 and 2019, respectively. The College also has a lease for an AT&T wireless frequency area expiring in July 2029 with options to renew for up to an additional ten years.

Minimum future rentals to be received on these leases, including periods subject to early termination, are as follows:

Fiscal Year Ending June 30,		
2021	$	404,809
2022		408,442
2023		412,347
2024		364,425
2025		251,778
Thereafter		71,630
Total	$	1,913,431

10. Lease Commitments

The College is obligated under various non-cancellable operating leases for office equipment with terms expiring at various dates from May 2021 through December 2023. The College is obligated under one non-cancellable lease for a communications tower running through July 2028. Additionally, the College is obligated for one cancellable operating lease for the airplanes used in its aviation program, with terms running through August 2023. An operating lease does not give rise to property rights or purchase obligations and, therefore these lease agreements are not reflected in the college's capital assets.

Future minimum lease payments under these operating leases are as follows:

Fiscal Year Ending June 30,		
2021	$	133,266
2022		50,296
2023		32,607
2024		22,958
2025		14,930
Thereafter		46,034
Total	$	300,091

Total rental expense for leased equipment and facilities for the years ending June 30, 2020 and June 30, 2019, was $133,541 and $117,766, respectively.

11. Early Retirement Plan

The College offers an early retirement incentive program to its employees. For an employee to be eligible, the employee must have been employed at the College on a full-time basis for at least 15 years and be at least 55 years old at retirement, or employed on a full-time basis for a least 25 years with no age requirement. For the health, safety and security officers and the professional academic staff, upon reaching eligibility, the bargaining unit member has five years following the date in which he/she achieved eligibility to retire under the plan and must declare by November 15 at least one and half contract years preceding the retirement date. For professional support staff, the employee must declare six months prior to the desired retirement date. When an employee declares retirement as specified above, he/she will receive a one-time stipend of 10 percent of their final base salary, which is paid on the retirement date. An amount equal to the final base salary will be paid in equal monthly payments over the four-year period beginning the month following the retirement date. The employee will also receive an annual stipend for four years following retirement equal to the College Insurance Plan indemnity plan annual premium rate divided by 69 percent, readjusted annually according to the new yearly rate. The rate was $6,165 and $5,833 for the years ended June 30, 2020 and 2019, respectively. The initial stipend will be based on the July 1 rate closest to the retiree's retirement date. At June 30, 2020 and 2019, this early retirement plan had 90 and 82 active participants, respectively.

Effective August 15, 2013, the College started a new retirement plan for academic employees, which includes all full-time faculty, professors who have previously been employed as full-time faculty for at least 15 years, full-time counselors, and full-time librarians. As of June 30, 2020 and 2019, this early retirement plan had 30 and 19 active participants, respectively.

From June 25, 2020 to August 17, 2020, the College reopened the eligibility window for employees who had previously seen their eligibility window close. Employees who applied for the early retirement program prior to or on June 30, 2020 are included in the fiscal year 2020 expense below.

Early retirement plan expense was $2,686,009 and $699,665 for fiscal years 2020 and 2019, respectively. At June 30, 2020 and 2019, the College had accrued a liability of

$5,824,242 and $4,934,797, respectively, for future required payments for the College's declared retirees under the plans described above. The liability was calculated based on the present value of future payments discounted at the Wall Street Journal Prime Rate, which was 3.25 and 5.5 percent at June 30, 2020 and 2019, respectively. A static College Insurance Plan indemnity plan annual rate was used in calculating the liability.

12. Pension Plan

Plan Description

The College contributes to SURS, a cost-sharing multiple-employer defined benefit pension plan with a special funding situation whereby the State of Illinois makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the state's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2019 can be found in the System's comprehensive annual financial report (CAFR) Notes to the Financial Statements.

Contributions

The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90 percent 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 College normal cost for fiscal year 2019 and 2020 respectively, was 12.29 percent and 13.02 percent 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 percent of their annual covered salary. The contribution requirements of plan members and the College are established and may be amended by the Illinois General Assembly.

The College makes contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants), Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6 percent 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).

Net Pension Liability

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

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the net pension liability to be recognized for the College is $0. The proportionate share of the State's net pension liability associated with the College is $262,386,570 or 0.9136 percent. This amount should not be recognized in the financial statements. The net pension liability was measured as of June 30, 2019, and the total pension used to calculate the net pension liability was determined based on the June 30, 2018 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2019.

Pension Expense

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

Employer Proportionate Share of Pension Expense

The College's proportionate share of collective pension 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 pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2019. As a result, the College recognized on-behalf revenue and pension expense of $28,272,871 for the fiscal year ended June 30, 2020.

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$160,132,483	$80,170,745
Changes in assumption	773,321,300	0
Net difference between projected and actual earnings on pension plan investments	0	55,456,660
Total	$ 933,453,783	$ 135,627,405

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

Fiscal Year Ending June 30	
2020	$ 786,021,133
2021	(11,534,848)
2022	(6,661,326)
2023	30,001,419
Total	$ 797,826,378

Employer Deferral of Fiscal Year 2020 Pension Expense

The College paid $79,454 in federal, trust or grant contributions for the fiscal year ended June 30, 2020. These contributions were made subsequent to the pension liability measurement date of June 30, 2019, and are recognized as Deferred Outflows of Resources as of June 30, 2020.

Assumptions and Other Inputs

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

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

Mortality rates were based on the RP-2014 White Collar, gender district tables with projected generational mortality and a separate mortality assumption for disabled participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target 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 consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	23%	5.25%
Private Equity	6%	8.65%
Non-U.S. Equity	19%	6.75%
Global Equity	8%	6.25%
Fixed Income	19%	1.85%
Treasury-Inflation Protected Securities	4%	1.20%
Emerging Market Debt	3%	4.00%
Real Estate REITS	4%	5.70%
Direct Real Estate	6%	4.85%
Commodities	2%	2.00%
Hedged Strategies	5%	2.85%
Opportunity Fund	1%	7.00%
Total	100%	
Weighted Average		4.80%
Inflation		2.75%
Expected Arithmetic Return		7.55%

Discount Rate

A single discount rate of 6.59 percent was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.75 percent and a municipal bond rate of 3.13 percent (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

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

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the State's net pension liability, calculated using a single discount rate of 6.59 percent, as well as what the State's net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

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

Additional information regarding the SURS basic financial statements, including the Plan's Net Position, can be found in the SURS comprehensive annual financial report by accessing the website at www.SURS.org.

13. Post-Employment Benefits Other Than Pension (OPEB)

Plan Description

The College participates in the State of Illinois Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program "CIP"). 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 the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. The Department of Central Management Services (Department) administers the plan with the cooperation of SURS and the boards of trustees of the various community college districts.

Plan Membership

All members receiving benefits from the 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.

Benefits Provided

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

Contributions

The Act requires every active contributor (employee) of SURS to contribute .5 percent of covered payroll and every community college district to contribute .5 percent of covered payroll. Retirees pay a premium for coverage that is also determined by the ILCS. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires a special funding situation whereby the State of Illinois to make an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers, and retirees. The result is pay as you go financing of the plan. The employer contributions made by the state of Illinois on behalf of the District to CIP and the College's contributions for the years ended June 30, 2020 and 2019 were and $164,490 and $164,448, respectively.

Net OPEB Liability

At June 30, 2019, CIP reported a net pension liability of $1,888,540,493.

Employer Proportionate Share of Net OPEB Liability

The proportionate share of the net OPEB liability reported by the College is $34,597,679. The State of Illinois is considered a non-employer contributing entity and the state's contribution meets the definition of special funding situation. The net OPEB liability was measured as of June 30, 2019. The total OPEB liability used to calculate the net OPEB liability was determined based on the June 30, 2019 actuarial valuation rolled forward. The College's proportion of the net OPEB liability was based on the College's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. At June 30, 2019, the College's proportion was 1.831980 percent.

OPEB Expense

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

Employer Proportionate Share of OPEB Expense

For the year ended June 30, 2020, the College recognized proportionate share of collective OPEB expense of $1,572,019. The basis of allocation used in the proportionate share of collective OPEB expense is the actual reported contributions made to CIP during fiscal year 2019.

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.

Deferred Inflows of Resources, represents 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.

Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$405,480	$731,663
Changes in assumption	0	4,820,263
Net difference between projected and actual earnings on pension plan investments	0	1,528
Changes in proportion and differences between employer contributions and share of contributions	273,855	522,813
Total deferred amounts to be recognized in OPEB expense in future periods	679,335	6,076,267
OPEB contributions made subsequent to the measurement date	164,490	0
Total deferred amounts related to OPEB	$843,825	$6,076,267

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:

Fiscal Year Ending June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	$ 135,867	$ 1,215,254
2021	135,867	1,215,254
2022	135,867	1,215,253
2023	135,867	1,215,253
2024	135,867	1,215,253
Total	$ 679,335	$ 6,076,267

Employer Deferral of Fiscal Year 2019 OPEB Expense

The State of Illinois paid $164,490 in OPEB contributions on-behalf of the College for the fiscal year ended June 30, 2020. These contributions were made subsequent to the OPEB liability measurement date of June 30, 2019 and are recognized as Deferred Outflows of Resources as of June 30, 2020.

Assumptions and Other Inputs

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

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

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

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

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed – income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index "20-year Municipal GO AA Index" has been selected. The discount rates are 3.13 percent as of June 30, 2019 and 3.62 percent as of June 30, 2018.

Sensitivity of total CIP's net OPEB liability to changes in the Single Discount Rate

The following presents the College's proportional share of the net OPEB liability, calculated using a Single Discount Rate of 3.13 percent, as well as what the total CIP's plan net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current discount rate:

1% Decrease 2.13%	Current Single Discount Rate Assumption 3.13%	1% Increase 4.13%
$39,709,005	$34,597,684	$30,259,431

Sensitivity of the total CIP's plan Net OPEB liability to changes in the healthcare cost trend rates

The following presents the College's share of the net OPEB liability, calculated using the healthcare cost trend rates as well as what the total CIP's net OPEB liability would be if it were calculated using healthcare cost trend rates. The key trend rates are 8.00 percent in 2020 decreasing to an ultimate trend rate of 4.90 percent in 2027, for non-Medicare coverage and 9.00 percent in 2020 decreasing to an ultimate trend rate of 4.5 percent in 2029 for Medicare coverage.

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
$28,713,970	$34,597,684	$42,372,670

- One percentage point decrease in healthcare trend rates are 7.00 percent in 2020 decreasing to an ultimate trend rate of 3.90 percent in 2027, for non-Medicare coverage and 8.00 percent in 2020 decreasing to an ultimate trend rate of 3.5 percent in 2029 for Medicare coverage.

- One percentage point increase in healthcare trend rates are 9.00 percent in 2020 decreasing to an ultimate trend rate of 5.90 percent in 2027, for non-Medicare coverage and 10.00 percent in 2020 decreasing to an ultimate trend rate of 5.5 percent in 2029 for Medicare coverage.

The College provides no other financially significant postemployment benefit to employees.

14. On-Behalf Payments for Fringe Benefits

For the years ending June 30, 2020 and 2019, payments for fringe benefits made by the State of Illinois on behalf of the College to SURS were $28,272,871 and $24,632,465 for pensions and to CIP were $1,445,193 and $2,174,699 for other postemployment benefits, respectively.

15. Related-Party Transactions

The Foundation is a nonprofit corporation organized for the purpose of furthering the excellence of education at the College. The Foundation is considered a related party due to common Board members. The College and Foundation have the following related-party transactions:

- The College held the Foundation's cash in a College bank account and records a liability equal to the cash balance held until Fiscal Year 2020, when the College established their own bank account. In addition, the College advanced operating funds to the Foundation under a non-interest-bearing, working-cash loan agreement during this time. Any receivable balance for this working-cash loan is netted against the cash balance held for the Foundation. At June 30, 2020, the net amount owed to the College was $80,180. At June 30, 2019, the net amount owed to the Foundation $469,224.

- During the years ended June 30, 2020 and 2019, the College incurred costs for the Foundation in the form of donated in-kind services in the amount of $136,946 and $146,635, respectively.

- The Foundation donates scholarships as well as certain in-kind items to the College to support the students and programs of the College. The total value of these items, as calculated by the Foundation, for the years ended June 30, 2020 and 2019, was $691,014 and $1,174,684, respectively. Included in these in-kind items is the annual lease value of agricultural equipment used by the College through the Foundation. The annual value of this lease was $350,000 for each fiscal year. The College has not recorded revenue or equivalent expense for this lease in fiscal years 2020 or 2019.

16. Self-Insurance

The College sponsors a health, dental, and accidental death and dismemberment insurance plan for its employees. The College pays a minimum premium to provide for administration of the health plan and claims up to the aggregate maximum liability. The College carries insurance to limit its excess liability. Aggregate maximum liability under the policy is a factor of the group census. The College is contingently liable for any deficit the health, dental, and accidental death and dismemberment plan may incur.

Claim liabilities are based on the requirements of GASB Statements which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. At June 30, 2020 and 2019, the submitted and estimated accrued claims were $720,000 and are included in the accrued liabilities on the Statement of Net Position.

The stop-loss limit for the health insurance plan at June 30, 2020 and 2019 was $200,000. This liability is based on estimates and the ultimate liability may be greater or less than the amount estimated. The methods used to calculate such estimates are continually reviewed, and any adjustments will be reflected in a future period.

The change in the claim liability over the past two fiscal years was as follows:

	2020	2019
Accrued Claims, Beginning of Year	$ 720,000	$ 720,000
Incurred Claims	5,254,305	4,818,248
Claim Payments	(5,254,305)	(4,818,248)
Accrued Claims, End of Year	$ 720,000	$ 720,000

17. Other Risk Management Issues

The College is exposed to various risks of loss due to torts, theft, or damage to assets, errors and omissions, and natural disasters. The College purchases commercial insurance for these risks. There has been no significant reduction in coverage over the past two years and settlements have not exceeded insurance coverage in any of the past three years.

18. Inter-Sub-Fund Balances and Transfers

The College maintains various sub-funds to track the activity of the primary government. Following is a summary of the balances and transactions among these sub-funds as of and for the year ended June 30, 2020.

	Due to	Due from
Education Fund	$ 9,306	$ -
Restricted Purposes Fund	-	9,306
Total Inter-Sub-Fund Balances	$ 9,306	$ 9,306

	Transfer in	Transfer out
Education Fund	$ 7,686	$ 1,000,746
Bond and Interest Fund	622,102	-
Operations and Maintenance Fund - Restricted	-	622,102
Working Cash Fund	-	7,686
Auxiliary Athletics Fund	750,000	-
Auxiliary Reprographics	75,000	-
Auxiliary Business Development Center Fund	746	-
Auxiliary Child Care Services Fund	175,000	-
Total Transfers	$ 1,630,534	$ 1,630,534

Following is a summary of the balances and transactions among these sub-funds as of and for the year ended June 30, 2019.

	Due to	Due from
Education Fund	$ -	$ 95,054
Restricted Purposes Fund	95,054	-
Total Inter-Sub-Fund Balances	$ 95,054	$ 95,054

	Transfer in	Transfer out
Education Fund	$ 8,224	$ 939,059
Bond and Interest Fund	669,419	-
Operations and Maintenance Fund - Restricted	-	669,419
Working Cash Fund	-	8,224
Auxiliary Athletics Fund	752,000	-
Auxiliary Reprographics	50,000	-
Auxiliary Business Development Center Fund	59	-
Auxiliary Child Care Services Fund	137,000	-
Total Transfers	$ 1,616,702	$ 1,616,702

The inter-sub-fund balances and transactions are eliminated for the preparation of the basic financial statements of the primary government of the College.

19. Other Commitments

The College has one uncompleted major construction contract in progress through the date of the Independent Auditor's Report. The remaining commitment on the contract was approximately $388,000 at June 30, 2020.

The College has a contract for the purchase of electricity through December 2020. The contract contains a set rate of $.04272 per kilowatt hours. Total electricity charges for the fiscal year ending June 30, 2020, were $861,054.

The College also entered into a seven-year software maintenance renewal agreement through June 30, 2024. Year one fees are approximately $280,000, with an increase not to exceed 4 percent each year following. The remaining commitment on these contracts was approximately $1,336,000 at June 30, 2020.

20. Reclassification of Comparative Year Information

The lines Net Investment in Capital Assets and Unrestricted Net Position on the statement of net position for the year ended June 30, 2019 have been reclassified to correspond to the presentation for the year ended June 30, 2020.

21. New Government Accounting Standard

In June 2017, GASB issued GASB Statement 87 (GASB 87), Leases. The provisions of GASB 87 require that certain lessees recognize a lease liability and asset for all leases greater than 12 months. GASB 87 is effective for the College's fiscal year 2022. The College's management is currently reviewing what impact, if any, this new standard will have on its future financial statements and disclosures.

22. Subsequent Event

Prior to June 30, 2020, local, U.S. and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the College as of the date of the independent auditor's report, management believes that a material impact on the College's financial position and results of future operations is reasonably possible. On June 25, 2020, management of the College opened a voluntary separation plan to current employees to react to potential future financial implications of the pandemic. The College reopened the early retirement plan as described in Note 11. In addition to this, the College offered incentives for new departures. The College believes it will reduce future salaries expenditures approximately $2,400,000 because of the voluntary separation plan and other employment changes.

Management found no other subsequent events that should be disclosed.

23. Discretely Presented Component Unit

The following notes are provided for the College's component unit, the Foundation:

A. Nature of Organization

Parkland College Foundation (the Foundation) is a nonprofit corporation organized under the laws of the State of Illinois for the purpose of furthering the excellence of education at Parkland Community College, Community College District #505 (the College). The Foundation is considered a component unit of the College under the accounting standards followed by the College; however, the Foundation is a separate legal entity.

The Foundation operates to secure gifts that support the mission of the College, its students, faculty, and programs through scholarships and other forms of institutional support. The Foundation's major sources of revenue and support are contributions from donors and investment income.

B. Summary of Significant Accounting Policies

a. The Foundation's financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States. Net assets of the Foundation and changes therein are classified and reported 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-imposed stipulations that may or will be met, either by actions of the Board of Directors and/or the passage of time, or that must be maintained perpetually by the Foundation. When a restriction expires, assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

b. For the purposes of the statement of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

c. Investments consist of managed investment accounts comprised of various mutual funds, fixed income investments that include corporate and government-backed bond funds, bond index funds, and cash equivalents. These investments are stated at fair value based on quoted markets prices. Investment securities are exposed to various risks such as interest rate, market, and credit risks.

d. Promises to give consist of unconditional promises to give to the Foundation for operating and restricted activities. Long-term promises to give are discounted to present value based on expected payment schedules and interest rates. The effective interest rate used to discount promises to give at June 30, 2020 and 2019, was 3.25 and 5.50 percent, respectively, for promises to give of ten years or less. Promises to give of ten years or more are discounted at an effective interest rate of 4.42 percent, which is equal to a ten-year average of the prime rate. The carrying amount of promises to give is reduced by a valuation allowance based on management's assessment of the collectability of specific promise to give balances. The allowance for doubtful accounts is $0 at June 30, 2020 and 2019, respectively. During the year ended June 30, 2020, $25,000 was written off as it related to one pledge receivable.

e. Property and equipment expenditures in excess of $2,500 are capitalized and recorded at cost or, if donated, at fair value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful life of assets. As of June 30, 2020 and 2019, the net book value of property and equipment was $2,587,557.

f. The Foundation holds special events throughout the year. A portion of the revenue raised at these events is considered reciprocal and is not tax deductible to the donor. This revenue is segregated from regular contributions and presented net of related expenses as special events revenue.

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

   The Foundation has estimated the value of net promises to give. Due to the estimation of future collection of promises to give, it is at least reasonable that the value of promises to give, the discounted present value, and the related allowance, will be revised.

h. Contributions of facilities and services are recognized if the benefit received (a) creates or enhances non-financial assets or (b) requires specialized skills provided by individuals possessing those skills and (c) would typically need to be purchased if not provided by donation. Such contributions are recorded at fair market value on the date of the contribution and presented as in-kind contributions.

i. The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The following costs, as summarized on Exhibit C, have been allocated based upon the following allocation methodologies:

Expense Classification	Method of Allocation
Salaries and Benefits	Time and Effort
In-Kind Facilities Miscellaneous	Square Footage / Usage

All other expenses are charged to each function based on direct expenditures incurred.

j. The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

k. The Foundation has evaluated subsequent events through October 6, 2020, the date which the financial statements were available to be issued.

l. In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). The ASU and all subsequently issued clarifying ASUs replace most existing revenue recognition guidance in U.S. GAAP. The Foundation adopted the new standard effective July 1, 2019, the first day of the Foundation's fiscal year using the modified retrospective approach.

   In June 2018, FASB issued ASU 2018-08, Not-for-Profit Entities – *Clarifying the Scope and Accounting Guidance for Contributions Received and Made* (Topic 958). The ASU clarifies whether transactions should be accounted for as contributions (nonreciprocal transactions within the scope of Topic 958) or exchanges (reciprocal transactions) subject to other guidance such as Topic 606. Additionally, the ASU assists in determining whether a contribution is conditional. The Foundation adopted the new standard effective July 1, 2019, the first day of the Foundation's fiscal year using the modified prospective approach.

   The adoption of these standards did not impact beginning net assets as of July 1, 2019 and there was also no impact to any component of the financial statements for fiscal year 2020 and a result of applying these ASUs.

C. Collateralization of Deposits

Cash and cash equivalents are financial instruments that potentially subject the Foundation to a concentration of credit risk. At June 30, 2020, the Foundation had deposits at financial institutions that totaled $2,445,942, reconciled to book balance of $0. Of the deposits, $250,000 was covered by the Federal Deposit Insurance Corporation. The remaining $2,195,942 of deposits were uninsured and uncollateralized.

D. Promises to Give

Promises to give at June 30, 2020, consist of amounts due in:

Less than One Year	$	8,494
One to Five Years		30,000
More than Five Years		483,175
Gross Promises to Give		521,669
Less: Discount on Long Term Promises to Give		(194,898)
Total Promises to Give, Net	$	326,771

Promises to give at June 30, 2019, consist of amounts due in:

Less than One Year	$	35,624
One to Five Years		40,000
More than Five Years		513,174
Gross Promises to Give		588,798
Less: Discount on Long Term Promises to Give		(227,620)
Total Promises to Give, Net	$	361,178

E. Liquidity and Availability of Financial Assets

Financial Assets:		
Due from Related Party	$	2,445,942
Promises to Give, Current Portion		8,494
Investments		9,358,259
Cash Surrender Value of Life Insurance		56,903
Total Financial Assets		11,869,598
Unavailable for General Expenditures within One Year:		
Perpetually Restricted by Donor		(5,162,175)
Restricted by Donor with Time or Purpose Restriction		(6,942,581)
Less: Donor Restricted Non-Current Promises to Give		312,646
Financial Assets Available for General Expenditures within One Year	$	77,488

Income from donor-restricted endowments is restricted for specific purposes, with the exception of amounts available for general use. Principal of donor-restricted endowment funds is not available for general expenditure. As part of its liquidity plan, excess cash is invested.

The Foundation's goal is generally to maintain financial assets sufficient to meet operating expenses. However, the Foundation receives a substantial number of gifts that are purpose or perpetually restricted by the donors and does not typically receive enough unrestricted donations to offset annual management and general and fundraising expenses. As discussed in Note I, the College has verbally guaranteed to support the Foundation's cash flow needs if they cannot be met with existing cash on hand. The College recognizes there may be a need in the future to support more of the Foundation's unrestricted operations. This is not an uncommon practice for Illinois Community College Foundations.

F. Investments

Fair Value Measurements

Financial Accounting Standards Board Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value under generally accepted accounting principles. Topic 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Topic 820 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. Topic 820 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

Level 1 Inputs to the valuation methodology are based on unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

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
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

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 is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2020.

Cash and Cash Equivalents – Valued at the cash balance available to the Foundation as of June 30, 2020.

Mutual Funds and Fixed Income Funds/Bonds – Valued at unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access.

The following table sets forth by level within the fair value hierarchy, the Foundation’s investments at fair value as of June 30, 2020:

		Cost		Market	Fair Value Level
Cash and Cash Equivalents	$	1,450,700	$	1,450,700	1
Fixed Income Funds/Bonds		3,220,154		3,505,169	1
Stock Mutual Funds		3,182,705		4,402,390	1
Total	$	7,853,559	$	9,358,259	

The following table sets forth by level within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2019:

		Cost		Market	Fair Value Level
Cash and Cash Equivalents	$	1,804,167	$	1,804,167	1
Fixed Income Funds/Bonds		2,399,175		2,477,506	1
Mutual Funds		3,445,732		4,688,258	1
Total	$	7,649,074	$	8,969,931	

Land Investment – While the land investment is presented separately on the statement of financial position, the value of this item is also based on fair market value. The land investment value is based on various inputs, including sale prices for similar land sales in Champaign County, and was estimated to be valued at $1,972,582 at June 30, 2019, which was sold during the year ended June 30, 2020.

These valuation methods fall within Level 2 of the fair value hierarchy as described above. There has been no change in the valuation approach or valuation technique in the year ended June 30, 2019.

Endowments

The Foundation maintains endowment funds, which represent gifts that have been accepted with the donor stipulation that the principal be maintained intact in perpetuity. Income from these assets is purpose restricted to provide scholarships, department funds, and management fees. Accordingly, earnings are recognized as purpose restricted net assets. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, if any, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's management believes it is following the Uniform Prudent Management of Institutional Funds Act adopted by the State of Illinois, although the Foundation has not sought the opinion of legal counsel on the appropriateness of this assertion. As a result, the Foundation classifies as perpetually restricted net assets (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual 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 perpetually restricted net assets is classified as purpose restricted net assets until those assets are appropriated for expenditure by the

Foundation. The Foundation has not adopted a policy for appropriation and approval by the Board of Directors of endowment expenses. However, approval of expenditures by the Board of Directors constitutes an approval of endowment expenses.

The objective of the Foundation is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return to meet cash flow needs while minimizing risk. To achieve that objective, the Foundation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes targets of 60 percent equity and 40 percent fixed income securities that is intended to result in a consistent inflation-protected rate of return. Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to expose the fund to acceptable levels of risk.

During the years ended June 30, 2020 and 2019, the Foundation did not liquidate investments for the purpose of appropriation for spending and instead funded this appropriation with current year cash receipts. In addition, the current donor agreement allows the Foundation to charge certain fees including investment manager fees as well as an amount equal to a percent per annum of the fair market value of the endowment, from investment income. This amount will be determined by the Board of Directors annually and will not exceed 10 percent. This policy may be changed from time to time provided that any changes are applied uniformly to all funds administered by the Foundation. For the year ended June 30, 2020, the Board elected to charge a 3 percent management fee, which totaled $309,931, and in 2019, the Board elected not to charge such a fee. The fee is classified as Reclassification of Net Assets in the statement of activities.

Endowment investment composition and changes in investments as of and for the year ended June 30, 2020, by type of fund, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning of Year, July 1, 2019	$ 300,847	$4,072,082	$4,597,003	$8,969,932
Contributions (Distributions)	1,240	(176,815)	285,950	110,375
Interest and Dividends	7,516	187,029	-	194,545
Net Realized and Unrealized Gain	12,447	79,655	-	92,102
Fees	(308)	(8,387)	-	(8,695)
Net Transfers Between Funds	-	(4,000)	4,000	-
End of Year, June 30, 2020	$ 321,742	$4,149,564	$4,886,953	$9,358,259

Endowment investment composition and changes in investments as of and for the year ended June 30, 2019, by type of fund, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning of Year, July 1, 2018	$ -	$3,652,663	$4,190,345	$7,843,008
Contributions (Distributions)	300,000	(34,972)	399,000	664,028
Interest and Dividends	885	211,552	-	212,437
Net Realized and Unrealized Gain	-	258,098	-	258,098
Fees	(38)	(7,601)	-	(7,639)
Net Transfers Between Funds	-	(7,658)	7,658	-
End of Year, June 30, 2019	$ 300,847	$4,072,082	$4,597,003	$8,969,932

G. Collateralization of Investments

The Foundation maintains its investments at two local and nationwide financial institutions. Investments are financial instruments that potentially subject the Foundation to a concentration of credit risk.

The insurance level at all Securities Investor Protection Corporation (SIPC) insured financial institutions is $500,000 per institution, per account holder. The Foundation had no investments in financial institutions in excess of the amounts insured by the SIPC at June 30, 2020.

H. Net Assets With Donor Restrictions

Purpose restricted net assets at June 30, 2020 are available for the following purposes:

Purpose Restricted For:	
Institutional Programs and Support	$ 2,641,591
Unallocated Cumulative Investment Income	2,608,334
Scholarships	1,597,696
Other	94,960
Total	$ 6,942,581

Purpose restricted net assets at June 30, 2019 are available for the following purposes:

Purpose Restricted For:		
Institutional Programs and Support	$	2,462,761
Unallocated Cumulative Investment Income		2,714,458
Scholarships		1,800,064
Other		107,011
Total	$	7,084,294

Perpetually restricted net assets at June 30, 2020, are restricted with earnings to be used for the following purposes:

Perpetually Restricted For:		
Scholarships	$	3,925,676
Institutional Programs and Support		936,028
Other		300,471
Total	$	5,162,175

Perpetually restricted net assets at June 30, 2019, are restricted with earnings to be used for the following purposes:

Perpetually Restricted For:		
Scholarships	$	3,616,780
Institutional Programs and Support		954,974
Other		296,463
Total	$	4,868,217

I. Related-Party Transactions

During the year ended June 30, 2019, the Foundation's cash balance was automatically swept to a cash account owned by the College.

The Foundation has an informal verbal guarantee with the College that the College will provide support to the Foundation by way of a related party loan to replenish restricted funds for operating expenditures. The balances in these loan accounts were $0 and $469,224 at June 30, 2020 and 2019 and have been classified as "Due from Related Party" in the Statement of Financial Position.

In addition, the College provided donated services to the Foundation consisting of salaries, benefits, utilities, and materials. For the years ended June 30, 2020 and 2019, the amount contributed and included as in-kind revenues totaled $136,946: $103,388 in salaries, $16,780 in benefits, $16,606 in facility space and utilities, and $172 in materials, and $146,635: $108,043 in salaries, $21,346 in benefits, $16,606 in facility space and utilities, and $640 in materials, respectively.

During the years ended June 30, 2020 and 2019 the Foundation donated certain in-kind items to the College totaling $395,344 and $581,804, respectively, including the annual lease value of agricultural equipment of $350,000 each year. In addition, the Foundation paid for certain items on behalf of the College, totaling $295,670 and $592,880, respectively. These items are classified as Institutional Support in the statement of activities.

J. Concentration of Revenue

The Foundation received $350,000 or 19 percent, of its total support and revenue from one donor, and $350,000 or 12 percent, of its total support and revenue from two donors for the years ended June 30, 2020 and 2019, respectively, of which was the in-kind use of agricultural equipment, in both years. Additionally, the Foundation received monetary contributions in the amount of $462,000 from two donors which represented approximately 24 percent of its total support and revenue.

K. Negative Unrestricted Net Assets

The Foundation receives a substantial number of gifts that are purpose or perpetually restricted by the donors. However, the Foundation does not typically receive enough unrestricted donations to offset annual management and general and fundraising expenses. Cumulatively this has resulted in a shortfall of assets to comply with donor restrictions of approximately $125,162 as of June 30, 2019. This amount is reflected as the negative net asset without donor restriction balance on the statements of financial position.

The College has verbally guaranteed to support the Foundation’s cash flow needs if they cannot be met with existing cash on hand, held in a custodial account with the College. The College recognizes there may be a need in the future to support more of the Foundation’s unrestricted operations. This is not an uncommon practice for Illinois Community College Foundations.

The Foundation Board of Directors and the College Administration are aware of the Foundation's net asset without donor restrictions deficit and have begun taking steps towards establishing a formal management fee structure and appropriations policy. Both the Foundation Board and College Administration will continue to monitor this situation closely and work together to maintain the Foundation's financial viability.

Net assets without donor restrictions was not negative as of June 30, 2020.

L. Recent Accounting Pronouncements

In August 2018, the FASB issued ASU 2018-03, *Fair Value Measurement (Topic 820).* The provisions of the ASU will modify the disclosures on fair value measurements requiring entities to add materiality as consideration for necessity of any singular disclosure requirement. The ASU is effective for periods beginning after December 15, 2019. Early adoption is permitted. The Foundation has yet to select a transition method and is currently evaluating the effect, if any, that the updated standard will have on future financial statements.

24. Supplementary Information

Schedules 1 through 3, Schedules 6 through 9, Schedules 14 through 16, Schedule 20, and Schedules 22 through 24 are reported using the modified accrual basis of accounting, which is a comprehensive basis of accounting other than GAAP for a special-purpose government engaged only in business-type activities.

In the schedules noted, the modified accrual basis of accounting differs from GAAP for a special-purpose government engaged only in business-type activities because:

- Capital assets are not depreciated and depreciation expense is not presented in the schedules, except for funds considered to be proprietary operations.

- Payments of principal on long-term debt are reported as expenditures in the schedules.

- In the schedules, the full amount of summer school revenue is recognized in the fiscal year in which the related term is completed.

- Expenditures in the schedules include the cost of capital asset acquisitions, except for funds considered to be proprietary operations.

- Debt service expenditures in the schedules, as well as expenditures related to early retirement benefits, are recorded only when payment is due, except for funds considered to be proprietary operations.

- The schedules exclude accrued interest on long-term debt.

- Property taxes receivable and unearned revenue in the schedules include property taxes not yet earned and not yet received as of June 30.

- Expenditures in the schedules include SURS payments made by the College in fiscal year 2020, which are subsequent to the SURS net pension liability measurement date of June 30, 2019.

PARKLAND COLLEGE DISTRICT #505
Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability - SURS
For the Year Ended June 30, 2020
(Unaudited)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
a) Parkland's Proportionate Percentage of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%
b) Parkland's Proportionate Amount of the Collective Net Pension Liability	$ -	$ -	$ -	$ -	$ -	$ -
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability Associated with Parkland	202,577,602	219,570,648	243,648,397	236,643,031	252,207,568	262,386,570
Total b) + c)	$ 202,577,602	$ 219,570,648	$ 243,648,397	$ 236,643,031	$ 252,207,568	$ 262,386,570
Parkland Defined Benefit Covered Payroll	$ 33,831,347	$ 33,645,622	$ 33,863,462	$ 32,745,297	$ 32,726,421	$ 32,978,576
Proportion of Collective Net Pension Liability Associated with Parkland as a Percentage of Defined Benefit Covered Payroll	599%	653%	720%	723%	771%	796%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%

Required Supplementary Information
Schedule of Contributions - SURS
For the Year Ended June 30, 2020
(Unaudited)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Parkland's Federal, Trust, Grant, and Other Contribution	$ 35,613	$ 49,760	$ 53,803	$ 72,189	$ 84,337	$ 62,972	$ 79,454
Parkland's Contribution in Relation to Required Contribution	35,613	49,760	53,803	72,189	84,337	62,972	79,454
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Parkland's Covered Payroll	$ 299,018	$ 424,937	$ 423,983	$ 576,129	$ 676,862	$ 512,384	$ 610,246
Contributions as a Percentage of Covered Payroll	11.91%	11.71%	12.69%	12.53%	12.46%	12.29%	13.02%

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

Changes of Benefit Terms

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

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, 2014 to June 30, 2017 was performed in February 2018, resulting in the adoption of new assumptions as of June 30, 2018.

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

PARKLAND COLLEGE DISTRICT #505
Required Supplementary Information
Schedule of Proportionate Share of Net OPEB Liability - CIP
For the Year Ended June 30, 2020
(Unaudited)

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
a) Parkland's Proportionate Percentage of the Collective Net OPEB Liability	1.84339%	1.857349%	1.823644%	1.831980%
b) Parkland's Proportionate Amount of the Collective Net OPEB Liability	$ 33,547,933	$ 33,871,311	$ 34,380,273	$ 34,597,679
c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net OPEB Liability Associated with Parkland	34,954,080	33,425,197	34,380,281	34,597,679
Total b) + c)	$ 68,502,013	$ 67,296,508	$ 68,760,554	$ 69,195,358
Parkland's Covered-Employee Payroll	$ 33,413,130	$ 32,227,736	$ 31,850,706	$ 32,889,600
Parkland's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered-Employee Payroll	100%	105%	108%	105%
CIP Plan Net Position as a Percentage of Total OPEB Liability	-2.15%	-2.87%	-3.54%	-4.13%

NOTE: The fund implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedules are intended to show information for 10 years.

PARKLAND COLLEGE DISTRICT #505
Required Supplementary Information
Schedule of Contributions- CIP
For the Year Ended June 30, 2020
(Unaudited)

Year Ended June 30	Statutorily Required Contributions*	Covered Payroll	Actual Contribution as a % of Covered Payroll
2020	$ 164,490	$ 32,898,000	0.50%
2019	164,448	32,889,600	0.50%
2018	159,254	31,850,706	0.50%
2017	161,139	32,227,736	0.50%
2016	167,066	33,413,130	0.50%
2015	163,306	32,661,156	0.50%
2014	161,017	32,203,368	0.50%
2013	152,456	30,491,122	0.50%

* Statutorily required contributions equal actual contributions recognized by the plan.

NOTE: The fund implemented GASB No. 75 in fiscal year 2018. The information is presented for as many years as available. The schedules are intended to show information for 10 years.

PARKLAND COLLEGE DISTRICT #505
Notes to Required Supplementary Information – OPEB Liability
For the Year Ended June 30, 2020
(Unaudited)

Changes of Benefit Terms

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

Assumptions Used

- 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, 2019, contribution rates are 0.50 percent of pay for active members, 0.50 percent of pay for community colleges and 0.50 percent 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 note paid plan costs.
- Asset Valuation Method – Market value
- Investment Rate of Return – 0 percent, net of OPEB plan investment expense, including inflation
- Inflation – 2.25 percent
- Salary Increases – Depends on service and ranges from 12.25 percent at less than 1 year of service to 3.25 percent at 34 or more years of service. Salary increase includes a 3.25 percent wage inflation assumption
- Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation.
- Mortality – Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.
- Healthcare Cost Trend Rates – Actual trend used for fiscal year 2019 based on premium increases. For fiscal years on and after 2020, trend starts at 8.00 percent and 9.00 percent for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50 percent. Additional trend rate of 0.40 percent is added to non-Medicare cost on and after 2022 to account for the Excise tax.
- Aging Factors – Based on the 2013 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.

Schedule 1

PARKLAND COLLEGE DISTRICT #505
Combined Balance Sheet -
Modified Accrual Basis (Governmental Fund Types and Account Groups)
and GAAP Basis (Proprietary and Fiduciary Fund Types)
All Fund Types and Account Groups
June 30, 2020

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects Fund - Operation and Maintenance Restricted	Enterprise	Trust and Agency Funds	General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
ASSETS									
Cash and Cash Equivalents	$ 21,238,123	$ 1,201,586	$ 2,914,320	$ 3,415,788	$ 1,247,456	$ 6,458,961	$ -	$ -	$ 36,476,234
Investments	5,372,578	-	-	-	-	-	-	-	5,372,578
Receivables:									
Property Taxes, Net	15,888,485	2,614,130	3,496,288	1,700,549	-	-	-	-	23,699,452
Replacement Taxes	336,758	-	-	-	-	-	-	-	336,758
Agency Tuition, Net	268,784	-	-	-	-	-	-	-	268,784
Student Tuition and Fees, Net of Allowance for Uncollectible Accounts of $3,639;419	824,008	-	-	-	71,115	-	-	-	895,123
Governmental Grants	229,989	796,158	-	-	-	-	-	-	1,026,147
Other	167,664	-	-	-	58,309	-	-	-	225,973
Due from Parkland Foundation	161,899	10,866	-	260,000	-	2,742,841	-	-	3,175,606
Due from Other Funds	-	9,306	-	-	-	-	-	-	9,306
Prepaid Assets	11,098	23,873	-	-	-	-	-	-	34,971
Inventory	-	-	-	-	571,970	-	-	-	571,970
Property and Equipment, Net	-	-	-	-	135,286	-	95,473,572	-	95,608,858
OTHER DEBITS									
Amount Available to Retire Debt	-	-	-	-	-	-	-	4,267,897	4,267,897
Amount to be Provided to Retire Debt	-	-	-	-	-	-	-	45,984,149	45,984,149
Total Assets and Other Debits	$ 44,499,386	$ 4,655,919	$ 6,410,608	$ 5,376,337	$ 2,084,136	$ 9,201,802	$ 95,473,572	$ 50,252,046	$ 217,953,806

Schedule 1
(continued)

PARKLAND COLLEGE DISTRICT #505
Combined Balance Sheet -
Modified Accrual Basis (Governmental Fund Types and Account Groups)
and GAAP Basis (Proprietary and Fiduciary Fund Types)
All Fund Types and Account Groups
June 30, 2020

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects Fund-Operation and Maintenance Restricted	Enterprise	Trust and Agency Funds	General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
LIABILITIES									
Accounts Payable	$ 263,383	$ 155,272	$ -	$ -	$ 491	$ 37	$ -	$ -	$ 419,183
Vacation Payable	1,465,701	177,519	-	-	160,447	-	-	-	1,803,667
Retirement Payable	2,112,196	-	-	-	-	-	-	3,712,046	5,824,242
Accrued Liabilities	3,098,831	-	54,128	61,698	1,508	-	-	-	3,216,165
Unearned Revenue	12,544,674	2,643,589	2,088,583	1,068,788	27,519	-	-	-	18,373,153
Due to Other Funds	9,306	-	-	-	-	-	-	-	9,306
Due to Parkland Foundation	3,062,680	13,787	-	-	18,959	-	-	-	3,095,426
Due to Student Groups	-	-	-	-	-	1,602,407	-	-	1,602,407
G. O. Bonds	-	-	-	-	-	-	-	46,540,000	46,540,000
Total Liabilities	22,556,771	2,990,167	2,142,711	1,130,486	208,924	1,602,444	-	50,252,046	80,883,549
COLLEGE EQUITY									
Investment in General Fixed Assets	-	-	-	-	-	-	95,473,572	-	95,473,572
Fund Balance:									
Reserved For:									
Trust and Agency Assets	-	-	-	-	-	7,599,358	-	-	7,599,358
Unreserved, Undesignated	21,942,615	1,665,752	4,267,897	4,245,851	-	-	-	-	32,122,115
Retained Earnings	-	-	-	-	1,875,212	-	-	-	1,875,212
Total College Equity	21,942,615	1,665,752	4,267,897	4,245,851	1,875,212	7,599,358	95,473,572	-	137,070,257
Total Liabilities and College Equity	$ 44,499,386	$ 4,655,919	$ 6,410,608	$ 5,376,337	$ 2,084,136	$ 9,201,802	$ 95,473,572	$ 50,252,046	$ 217,953,806

PARKLAND COLLEGE DISTRICT #505
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Accrual Basis
All Governmental Fund Types
For the Year Ended June 30, 2020

	General	Special Revenue	Debt Service - Bond and Interest	Capital Projects Fund-Operation and Maintenance Restricted	Total (Memorandum Only)
Revenue					
Local Sources	$ 23,646,228	$ 3,498,432	$ 4,580,096	$ 2,197,516	$ 33,922,272
State Sources	4,878,241	3,053,328	-	71,458	8,003,027
Federal Sources	140,089	18,170,012	-	-	18,310,101
Tuition and Fees	26,435,679	-	-	-	26,435,679
Facilities	674,207	-	-	622,103	1,296,310
Interest	456,382	-	-	31,385	487,767
Other Revenue	385,096	113,350	-	-	498,446
On-Behalf Payments	-	29,718,064	-	-	29,718,064
Total Revenue	56,615,922	54,553,186	4,580,096	2,922,462	118,671,666
Expenditures					
Instruction	24,052,733	1,561,989	-	-	25,614,722
Academic Support	4,762,494	2,161,377	-	5,555	6,929,426
Student Services	4,691,549	729,299	-	-	5,420,848
Public Service	430,074	558,334	-	-	988,408
Auxiliary Services	-	-	-	-	-
Operation and Maintenance of Plant	4,829,729	1,856,386	-	1,875,272	8,561,387
Scholarships and Grants	-	15,681,627	-	-	15,681,627
Institutional Support	14,165,555	2,102,003	-	-	16,267,558
Principal	-	-	2,970,000	-	2,970,000
Interest	-	-	2,016,011	-	2,016,011
On-Behalf Payments	-	29,718,064	-	-	29,718,064
Total Expenditures	52,932,134	54,369,079	4,986,011	1,880,827	114,168,051
Revenue Over (Under) Expenditures	3,683,788	184,107	(405,915)	1,041,635	4,503,615
Other Financing Sources (Uses)					
Operating Transfers, Net	(993,060)	-	622,102	(622,102)	(993,060)
Total Other Financing Sources (Uses)	(993,060)	-	622,102	(622,102)	(993,060)
Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	2,690,728	184,107	216,187	419,533	3,510,555
Fund Balance, July 1, 2019	19,251,887	1,481,645	4,051,710	3,826,318	28,611,560
Fund Balance, June 30, 2020	$ 21,942,615	$ 1,665,752	$ 4,267,897	$ 4,245,851	$ 32,122,115

PARKLAND COLLEGE DISTRICT #505
Combined Statement of Revenue, Expenditures,
and Changes in Fund Balances - Budget and Actual - Modified Accrual Basis
All Budgeted Governmental Fund Types
For the Year Ended June 30, 2020

	General		Special Revenue		Debt Service - Bond and Interest Fund		Capital Projects Fund - Operation and Maintenance Restricted		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenue										
Local Sources	$ 22,957,491	$ 23,646,228	$ 3,439,845	$ 3,498,432	$ 4,455,882	$ 4,580,096	$ 2,154,629	$ 2,197,516	$ 33,007,847	$ 33,922,272
State Sources	4,999,627	4,878,241	4,252,083	3,053,328	-	-	-	71,458	9,251,710	8,003,027
Federal Sources	100,000	140,089	22,974,613	18,170,012	-	-	-	-	23,074,613	18,310,101
Tuition and Fees	28,747,941	26,435,679	-	-	-	-	-	-	28,747,941	26,435,679
Facilities	895,000	674,207	-	-	-	-	670,000	622,103	1,565,000	1,296,310
Interest	540,000	456,382	-	-	-	-	60,000	31,385	600,000	487,767
Other Revenue	417,500	385,096	114,460	113,350	-	-	-	-	531,960	498,446
Total Revenue	58,657,559	56,615,922	30,781,001	24,835,122	4,455,882	4,580,096	2,884,629	2,922,462	96,779,071	88,953,602
Expenditures										
Instruction	25,447,247	24,052,733	2,792,921	1,561,989		-	-	-	28,240,168	25,614,722
Academic Support	5,486,286	4,762,494	2,556,761	2,161,377	-	-	-	5,555	8,043,047	6,929,426
Student Services	5,197,170	4,691,549	920,126	729,299	-	-	-	-	6,117,296	5,420,848
Public Service	490,905	430,074	676,540	558,334	-	-	-	-	1,167,445	988,408
Auxiliary Services	-	-	-	-	-	-	-	-	-	-
Operation and Maintenance of Plant	5,708,069	4,829,729	1,908,762	1,856,386	-	-	6,424,537	1,875,272	14,041,368	8,561,387
Scholarships and Grants	-	-	18,452,499	15,681,627	-	-	-	-	18,452,499	15,681,627
Institutional Support	15,618,923	14,165,555	3,268,296	2,102,003	-	-	-	-	18,887,219	16,267,558
Principal	-	-	-	-	2,970,000	2,970,000	-	-	2,970,000	2,970,000
Interest	-	-	-	-	2,016,010	2,016,011	-	-	2,016,010	2,016,011
Total Expenditures	57,948,600	52,932,134	30,575,905	24,651,015	4,986,010	4,986,011	6,424,537	1,880,827	99,935,052	84,449,987
Revenue Over (Under) Expenditures	708,959	3,683,788	205,096	184,107	(530,128)	(405,915)	(3,539,908)	1,041,635	(3,155,981)	4,503,615
Other Financing Sources (Uses)										
Operating Transfers, Net	(870,000)	(993,060)	-	-	670,000	622,102	(670,000)	(622,102)	(870,000)	(993,060)
Total Other Financing Sources (Uses)	(870,000)	(993,060)	-	-	670,000	622,102	(670,000)	(622,102)	(870,000)	(993,060)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ (161,041)	2,690,728	$ 205,096	184,107	$ 139,872	216,187	$ (4,209,908)	419,533	$ (4,025,981)	3,510,555
Fund Balance, July 1, 2019		19,251,887		1,481,645		4,051,710		3,826,318		28,611,560
Fund Balance, June 30, 2020		$ 21,942,615		$ 1,665,752		$ 4,267,897		$ 4,245,851		$ 32,122,115

*** Budget Column Represents the College's Original Legally Approved Budget**

PARKLAND COLLEGE DISTRICT #505
Combined Statement of Revenue, Expenses,
and Changes in College Equity - Budget and Actual
Proprietary Fund Types and Similar Trust Funds
For the Year Ended June 30, 2020

	Fiduciary Fund Type		Proprietary Fund Type	
	Working Cash Fund		Enterprise Funds	
	Budget	Actual	Budget	Actual
Operating Revenue				
Student and Community Services	$ -	$ -	$ 4,341,000	$ 3,178,823
Student Tuition and Fees	-	-	2,549,000	1,967,883
Other Revenue	-	-	71,000	57,767
Investment Revenue	10,000	7,686	2,000	714
Total Operating Revenue	10,000	7,686	6,963,000	5,205,187
Operating Expenses				
Salaries	-	-	2,617,356	2,651,333
Employee Benefits	-	-	447,638	439,380
Contractual Services	-	-	1,160,765	867,674
General Materials and Supplies	-	-	2,828,250	2,057,309
Conference and Meeting	-	-	266,342	160,089
Fixed Charges	-	-	669,041	490,455
Utilities	-	-	1,850	1,726
Capital Outlay	-	-	29,700	2,169
Depreciation	-	-	18,000	54,710
Other	-	-	275,991	105,280
Total Operating Expenses	-	-	8,314,933	6,830,125
Operating Income (Loss)	10,000	7,686	(1,351,933)	(1,624,938)
Other Financing Sources (Uses)				
Operating Transfers, Net	(7,686)	(7,686)	880,000	1,000,746
Net Income (Loss)	$ 2,314	-	$ (471,933)	(624,192)
College Equity, July 1, 2019		7,600,000		2,499,404
College Equity, June 30, 2020		$ 7,600,000		$ 1,875,212

*** Budget Column Represents the College's Original Legally Approved Budget**

PARKLAND COLLEGE DISTRICT #505
Combined Statement of Cash Flows
Proprietary Fund Types and Similar Trust Funds
For the Year Ended June 30, 2020

	Fiduciary Fund Type	Proprietary Fund Type
	Working Cash Fund	Enterprise Funds
Cash Flows from Operating Activities		
Auxiliary Enterprise Charges	$ -	$ 3,178,823
Student Tuition and Fees	-	1,762,262
Payments to Suppliers	-	(3,612,774)
Payments to Employees and Benefits Paid	-	(3,097,000)
Net Disbursements to Parkland Foundation	-	(2,302)
Receipts of Miscellaneous Revenue	-	57,767
Interest on Investments	7,686	714
Net Cash Provided by (Used in) Operating Activities	7,686	(1,712,510)
Capital and Related Financing Activities		
Purchase of Equipment	-	(94,590)
Non-Capital Financing Activities		
Operating Transfers In (Out)	(7,686)	1,000,746
Net Decrease in Cash and Cash Equivalents	-	(806,354)
Cash and Cash Equivalents, July 1, 2019	7,600,000	2,053,810
Cash and Cash Equivalents, June 30, 2020	$ 7,600,000	$ 1,247,456
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$ 7,686	$ (1,624,938)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	-	54,710
Changes in Assets and Liabilities:		
Receivables	-	38,336
Inventories	-	71,470
Accounts Payable	-	458
Vacation Payable	-	(6,287)
Unearned Revenue	-	(243,957)
Due to Parkland Foundation	-	(2,302)
Net Cash Provided by (Used in) Operating Activities	$ 7,686	$ (1,712,510)

PARKLAND COLLEGE DISTRICT #505
Combining Balance Sheet - Modified Accrual Basis
General Funds
June 30, 2020

	Education Fund	Operation and Maintenance Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 14,725,431	$ 6,512,692	$ 21,238,123
Investments	5,372,578	-	5,372,578
Receivables:			
Property Taxes, Net	11,475,022	4,413,463	15,888,485
Replacement Taxes	336,758	-	336,758
Agency Tuition, Net	268,784	-	268,784
Student Tuition and Fees, Net	824,008	-	824,008
Governmental Grants	229,989	-	229,989
Other	108,741	58,923	167,664
Due From Parkland Foundation	157,899	4,000	161,899
Prepaid Assets	11,098	-	11,098
Total Assets	$ 33,510,308	$10,989,078	$ 44,499,386
LIABILITIES			
Accounts Payable	$ 140,700	$ 122,683	$ 263,383
Vacation Payable	1,299,642	166,059	1,465,701
Retirement Payable	2,112,196	-	2,112,196
Due to Parkland Foundation	3,062,680	-	3,062,680
Accrued Liabilities	2,975,498	123,333	3,098,831
Due to Other Funds	9,306	-	9,306
Unearned Revenue	9,904,240	2,640,434	12,544,674
Total Liabilities	19,504,262	3,052,509	22,556,771
FUND BALANCE			
Unreserved	14,006,046	7,936,569	21,942,615
Total Fund Balance	14,006,046	7,936,569	21,942,615
Total Liabilities and Fund Balance	$ 33,510,308	$10,989,078	$ 44,499,386

PARKLAND COLLEGE DISTRICT #505
Combining Statement of Revenue, Expenditures, and
Changes in Fund Balances - Modified Accrual Basis
General Funds
For the Year Ended June 30, 2020

	Education Fund	Operation and Maintenance Fund	Total
Revenue			
Local Sources	$ 17,733,873	$ 5,912,355	$ 23,646,228
State Sources	4,878,241	-	4,878,241
Federal Sources	140,089	-	140,089
Tuition and Fees	26,435,679	-	26,435,679
Facilities	-	674,207	674,207
Interest	450,371	6,011	456,382
Other Revenue	375,404	9,692	385,096
Total Revenue	50,013,657	6,602,265	56,615,922
Expenditures			
Instruction	24,052,733	-	24,052,733
Academic Support	4,762,494	-	4,762,494
Student Services	4,691,549	-	4,691,549
Public Service	430,074	-	430,074
Operation and Maintenance of Plant	-	4,829,729	4,829,729
Institutional Support	14,165,555	-	14,165,555
Total Expenditures	48,102,405	4,829,729	52,932,134
Revenue Over Expenditures	1,911,252	1,772,536	3,683,788
Other Financing Uses			
Operating Transfers, Net	(993,060)	-	(993,060)
Total Other Financing Uses	(993,060)	-	(993,060)
Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	918,192	1,772,536	2,690,728
Fund Balance, July 1, 2019	13,087,854	6,164,033	19,251,887
Fund Balance, June 30, 2020	$ 14,006,046	$ 7,936,569	$ 21,942,615

PARKLAND COLLEGE DISTRICT #505
Combining Balance Sheet - Modified Accrual Basis
Special Revenue Funds
June 30, 2020

	Restricted Purposes Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
ASSETS				
Cash and Cash Equivalents	$ -	$ 165,857	$ 1,035,729	$ 1,201,586
Receivables:				
Property Taxes, Net	-	67,856	2,546,274	2,614,130
Due from Parkland Foundation	10,866	-	-	10,866
Governmental Grants	796,158	-	-	796,158
Prepaid Assets	-	-	23,873	23,873
Due from Other Funds	9,306	-	-	9,306
Total Assets	$ 816,330	$ 233,713	$ 3,605,876	$ 4,655,919
LIABILITIES				
Accounts Payable	$ 29,247	$ 11,134	$ 114,891	$ 155,272
Vacation Payable	51,516	-	126,003	177,519
Unearned Revenue	1,088,373	39,607	1,515,609	2,643,589
Due to Parkland Foundation	-	-	13,787	13,787
Total Liabilities	1,169,136	50,741	1,770,290	2,990,167
FUND BALANCE				
Unreserved, Undesignated	(352,806)	182,972	1,835,586	1,665,752
Total Fund Balance	(352,806)	182,972	1,835,586	1,665,752
Total Liabilities and Fund Balance	$ 816,330	$ 233,713	$ 3,605,876	$ 4,655,919

PARKLAND COLLEGE DISTRICT #505
Combining Statement of Revenue, Expenditures,
and Changes in Fund Balances - Modified Accrual Basis
Special Revenue Funds
For the Year Ended June 30, 2020

	Restricted Purposes Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Revenue				
Local Sources	$ -	$ 89,221	$ 3,409,211	$ 3,498,432
State Sources	3,053,328	-	-	3,053,328
Federal Sources	18,170,012	-	-	18,170,012
Facilities	-	-	-	-
Interest	-	-	-	-
Other	98,186	-	15,164	113,350
On-Behalf Payments	29,718,064	-	-	29,718,064
Total Revenue	51,039,590	89,221	3,424,375	54,553,186
Expenditures				
Instruction	1,561,989	-	-	1,561,989
Academic Support	2,161,377	-	-	2,161,377
Student Services	729,299	-	-	729,299
Public Service	558,334	-	-	558,334
Auxiliary Services	-	-	-	-
Operations and Maintenance of Plant	254,044	-	1,602,342	1,856,386
Institutional Support	380,127	69,500	1,652,376	2,102,003
Scholarships and Grants	15,681,627	-	-	15,681,627
On-Behalf Payments	29,718,064	-	-	29,718,064
Total Expenditures	51,044,861	69,500	3,254,718	54,369,079
Revenue Over (Under) Expenditures	(5,271)	19,721	169,657	184,107
Other Financing Sources				
Operating Transfers (Net)	-	-	-	-
Revenue Over (Under) Expenditures and Other Financing Uses	(5,271)	19,721	169,657	184,107
Fund Balance, July 1, 2019	(347,535)	163,251	1,665,929	1,481,645
Fund Balance, June 30, 2020	$ (352,806)	$ 182,972	$ 1,835,586	$ 1,665,752

PARKLAND COLLEGE DISTRICT #505
Combining Balance Sheet
Enterprise Funds
June 30, 2020

	Child Care Services	Reprographics	Student Government	Athletics	Business Development Center	Bookstore	Prospectus	Aviation	Total
ASSETS									
Cash and Cash Equivalents	$ 173,226	$ 104,415	$ (26,964)	$ (22,308)	$ (606,584)	$ 1,219,279	$ (2,689)	$ 409,081	$ 1,247,456
Receivables:									
Student Tuition and Fees, Net	-	-	-	-	71,115	-	-	-	71,115
Business and Industry Training	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	58,309	-	-	58,309
Due from Other Funds	-	-	-	-	-	-	-	-	-
Due from Parkland Foundation	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	571,970	-	-	571,970
Property and Equipment, Net of Accumulated Depreciation	2,128	-	99,423	25,676	-	8,059	-	-	135,286
Total Assets	$ 175,354	$ 104,415	$ 72,459	$ 3,368	$ (535,469)	$ 1,857,617	$ (2,689)	$ 409,081	$ 2,084,136
LIABILITIES									
Accounts Payable	$ -	$ -	$ -	$ -	$ 33	$ -	$ -	$ 458	$ 491
Vacation Payable	20,015	10,114	35,369	-	69,386	16,730	-	8,833	160,447
Accrued Liabilities	-	-	1,508	-	-	-	-	-	1,508
Due to Other Funds	-	-	-	-	-	-	-	-	-
Due to Parkland Foundation	-	-	-	-	-	-	18,959	-	18,959
Unearned Revenue	-	-	27,519	-	-	-	-	-	27,519
Total Liabilities	20,015	10,114	64,396	-	69,419	16,730	18,959	9,291	208,924
RETAINED EARNINGS (ACCUMULATED DEFICIT)	155,339	94,301	8,063	3,368	(604,888)	1,840,887	(21,648)	399,790	1,875,212
Total Liabilities and Retained Earnings (Accumulated Deficit)	$ 175,354	$ 104,415	$ 72,459	$ 3,368	$ (535,469)	$ 1,857,617	$ (2,689)	$ 409,081	$ 2,084,136

PARKLAND COLLEGE DISTRICT #505
Combining Statement of Revenue, Expenses,
and Changes in Retained Earnings (Deficit)
Enterprise Funds
For the Year Ended June 30, 2020

	Child Care Services	Reprographics	Student Government	Athletics	Business Development Center	Bookstore	Prospectus	Aviation	Total
Operating Revenue									
Student and Community Services	$ 303,632	$ 182,388	$ 28,747	$ -	$ 668,985	$ 1,986,770	$ 8,301	$ -	$ 3,178,823
Student Tuition and Fees	-	-	157,805	60,000	387,967	-	-	1,362,111	1,967,883
Other Revenue	-	-	5	-	37,493	-	-	20,983	58,481
Total Operating Revenue	303,632	182,388	186,557	60,000	1,094,445	1,986,770	8,301	1,383,094	5,205,187
Operating Expenses									
Salaries	366,189	89,123	73,035	436,882	719,631	243,570	6,346	716,557	2,651,333
Employee Benefits	81,468	12,610	17,033	73,980	120,018	35,153	-	99,118	439,380
Contractual Services	-	-	15,999	67,465	456,379	19,190	-	308,641	867,674
General Materials and Supplies	25,043	29,845	3,926	79,367	116,753	1,416,967	13,746	371,662	2,057,309
Conference and Meeting	200	852	13,281	128,545	10,334	582	-	6,295	160,089
Fixed Charges	-	124,494	-	9,250	11,100	272,990	-	72,621	490,455
Utilities	-	-	-	-	1,726	-	-	-	1,726
Capital Outlay	-	-	-	-	2,169	-	-	-	2,169
Interest	-	-	-	-	-	-	-	-	-
Depreciation	1,543	-	40,570	2,853	-	9,744	-	-	54,710
Other	786	-	13,749	7,538	83,207	-	-	-	105,280
Total Operating Expenses	475,229	256,924	177,593	805,880	1,521,317	1,998,196	20,092	1,574,894	6,830,125
Operating Income (Loss)	(171,597)	(74,536)	8,964	(745,880)	(426,872)	(11,426)	(11,791)	(191,800)	(1,624,938)
Other Financing Sources									
Operating Transfers, Net	175,000	75,000	-	750,000	746	-	-	-	1,000,746
Net Income (Loss)	3,403	464	8,964	4,120	(426,126)	(11,426)	(11,791)	(191,800)	(624,192)
Retained Earnings (Deficit), July 1, 2019	151,936	93,837	(901)	(752)	(178,762)	1,852,313	(9,857)	591,590	2,499,404
Retained Earnings (Deficit), June 30, 2020	$ 155,339	$ 94,301	$ 8,063	$ 3,368	$ (604,888)	$ 1,840,887	$ (21,648)	$ 399,790	$ 1,875,212

PARKLAND COLLEGE DISTRICT #505
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2020

	Child Care Services	Reprographics	Student Government	Athletics	Business Development Center	Bookstore	Prospectus	Aviation	Total
Cash Flows from Operating Activities									
Auxiliary Enterprise Charges	$ 303,632	$ 182,388	$ 28,747	$ -	$ 668,985	$ 1,986,770	$ 8,301	$ -	$ 3,178,823
Student Tuition and Fees	-	-	159,088	60,000	423,921	2,382	-	1,116,871	1,762,262
Payments to Suppliers	(26,029)	(155,191)	(46,955)	(292,165)	(681,668)	(1,638,259)	(13,746)	(758,761)	(3,612,774)
Payments to Employees and Benefits Paid	(457,912)	(100,552)	(81,345)	(510,862)	(842,671)	(279,192)	(6,346)	(818,120)	(3,097,000)
Net Distributions to Parkland Foundation	-	-	-	-	-	-	(2,302)	-	(2,302)
Other Receipts	-	-	5	-	37,493	-	-	20,983	58,481
Net Cash Provided by (Used in) Operating Activities	(180,309)	(73,355)	59,540	(743,027)	(393,940)	71,701	(14,093)	(439,027)	(1,712,510)
Capital and Related Financing Activities									
Purchase of Equipment	-	-	(53,971)	(28,529)	-	(12,090)	-	-	(94,590)
Non-Capital Financing Activities									
Operating Transfers In	175,000	75,000	-	750,000	746	-	-	-	1,000,746
Net Increase (Decrease) in Cash and Cash Equivalents	(5,309)	1,645	5,569	(21,556)	(393,194)	59,611	(14,093)	(439,027)	(806,354)
Cash and Cash Equivalents, July 1, 2019	178,535	102,770	(32,533)	(752)	(213,390)	1,159,668	11,404	848,108	2,053,810
Cash and Cash Equivalents, June 30, 2020	$ 173,226	$ 104,415	$ (26,964)	$ (22,308)	$ (606,584)	$ 1,219,279	$ (2,689)	$ 409,081	$ 1,247,456
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities									
Operating Income (Loss)	$ (171,597)	$ (74,536)	$ 8,964	$ (745,880)	$ (426,872)	$ (11,426)	$ (11,791)	$ (191,800)	$ (1,624,938)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:									
Depreciation Expense	1,543	-	40,570	2,853	-	9,744	-	-	54,710
Changes in Assets and Liabilities:									
Receivables	-	-	-	-	35,954	2,382	-	-	38,336
Inventories	-	-	-	-	-	71,470	-	-	71,470
Accounts Payable	-	-	-	-	-	-	-	458	458
Vacation Payable	(10,255)	1,181	8,723	-	(3,022)	(469)	-	(2,445)	(6,287)
Unearned Revenue	-	-	1,283	-	-	-	-	(245,240)	(243,957)
Due to Parkland Foundation	-	-	-	-	-	-	(2,302)	-	(2,302)
Net Cash Provided By (Used in) Operating Activities	$ (180,309)	$ (73,355)	$ 59,540	$ (743,027)	$ (393,940)	$ 71,701	$ (14,093)	$ (439,027)	$ (1,712,510)

PARKLAND COLLEGE DISTRICT #505
Combining Balance Sheet
Fiduciary Funds
June 30, 2020

	Non-Expendable Trust Working Cash Fund	Trust and Agency Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 7,600,000	$ (1,141,039)	$ 6,458,961
Receivables:			
Due from Parkland Foundation	-	2,742,841	2,742,841
Total Assets	$ 7,600,000	$ 1,601,802	$ 9,201,802
LIABILITIES			
Accounts Payable	$ -	$ 37	$ 37
Due to Student Groups	-	1,602,407	1,602,407
Total Liabilities	-	1,602,444	1,602,444
FUND BALANCE			
Reserved for Trust and Agency Assets	7,600,000	(642)	7,599,358
Total Liabilities and Fund Balance	$ 7,600,000	$ 1,601,802	$ 9,201,802

Schedule 14

PARKLAND COLLEGE DISTRICT #505
Balance Sheet - Modified Accrual Basis (Governmental Fund Types and Account Groups) and GAAP Basis (Proprietary and Fiduciary Fund Types)
All Funds and Account Groups
June 30, 2020
(With comparative totals as of June 30, 2019)

		Operations and Maintenance Funds									Account Groups		Totals (Memorandum Only)	
	Education Fund	Operational	Restricted	Auxiliary Enterprise Funds	Restricted Purposes Fund	Working Cash Fund	Trust and Agency Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	General Fixed Assets	General Long-Term Debt	June 30, 2020	June 30, 2019
ASSETS														
Cash and Cash Equivalents	$ 14,725,431	$ 6,512,692	$ 3,415,788	$ 1,247,456	$ -	$ 7,600,000	$ (1,141,039)	$ 2,914,320	$ 165,857	$ 1,035,729	$ -	$ -	$ 36,476,234	$ 33,631,373
Investments	5,372,578	-	-	-	-	-	-	-	-	-	-	-	5,372,578	6,250,150
Receivables:														
Property Taxes, Net	11,475,022	4,413,463	1,700,549	-	-	-	-	3,496,288	67,856	2,546,274	-	-	23,699,452	22,269,088
Replacement Taxes	336,758	-	-	-	-	-	-	-	-	-	-	-	336,758	349,460
Agency Tuition, Net	268,784	-	-	-	-	-	-	-	-	-	-	-	268,784	303,407
Student Tuition and Fees, Net	824,008	-	-	71,115	-	-	-	-	-	-	-	-	895,123	848,219
Governmental Grants	229,989	-	-	-	796,158	-	-	-	-	-	-	-	1,026,147	-
Other	108,741	58,923	-	58,309	-	-	-	-	-	-	-	-	225,973	935,580
Due from Parkland Foundation	157,899	4,000	260,000	-	10,866	-	2,742,841	-	-	-	-	-	3,175,606	2,557,756
Due from Other Funds	-	-	-	-	9,306	-	-	-	-	-	-	-	9,306	95,054
Prepaid Assets	11,098	-	-	-	-	-	-	-	-	23,873	-	-	34,971	1,000
Inventory	-	-	-	571,970	-	-	-	-	-	-	-	-	571,970	643,440
Property and Equipment at Cost, Net	-	-	-	135,286	-	-	-	-	-	-	95,473,572	-	95,608,858	99,516,774
Amounts Available to Retire Debt	-	-	-	-	-	-	-	-	-	-	-	4,267,897	4,267,897	4,051,710
Amounts to be Provided to Retire Debt	-	-	-	-	-	-	-	-	-	-	-	49,580,051	49,580,051	52,592,152
Total Assets	$ 33,510,308	$ 10,989,078	$ 5,376,337	$ 2,084,136	$ 816,330	$ 7,600,000	$ 1,601,802	$ 6,410,608	$ 233,713	$ 3,605,876	$ 95,473,572	$ 53,847,948	$ 221,549,708	$ 224,045,163
LIABILITIES														
Accounts Payable	$ 140,700	$ 122,683	$ -	$ 491	$ 29,247	$ -	$ 37	$ -	$ 8,800	$ 46,190	$ -	$ -	$ 348,148	$ 747,496
Vacation Payable	1,299,642	166,059	-	160,447	51,516	-	-	-	-	126,003	-	-	1,803,667	1,678,498
Retirement Payable	2,112,196	-	-	-	-	-	-	-	-	-	-	3,712,046	5,824,242	4,934,797
Accrued Liabilities	2,975,498	123,333	61,698	1,508	-	-	-	54,128	2,334	68,701	-	-	3,287,200	2,462,914
Due to Other Funds	9,306	-	-	-	-	-	-	-	-	-	-	-	9,306	95,054
Due to Parkland Foundation	3,062,680	-	-	18,959	-	-	-	-	-	13,787	-	-	3,095,426	3,026,980
Unearned Revenue	9,904,240	2,640,434	1,068,788	27,519	1,088,373	-	-	2,088,583	39,607	1,515,609	-	-	18,373,153	17,809,535
Due to Student Groups	-	-	-	-	-	-	1,602,407	-	-	-	-	-	1,602,407	1,670,435
Unamortized Bond Premium	-	-	-	-	-	-	-	-	-	-	-	3,595,902	3,595,902	3,977,768
Bonds	-	-	-	-	-	-	-	-	-	-	-	46,540,000	46,540,000	49,510,000
Total Liabilities	19,504,262	3,052,509	1,130,486	208,924	1,169,136	-	1,602,444	2,142,711	50,741	1,770,290	-	53,847,948	84,479,451	85,913,477
COLLEGE EQUITY														
Investment in General Fixed Assets	-	-	-	-	-	-	-	-	-	-	95,473,572	-	95,473,572	99,421,366
Fund Balance:														
Reserved For:														
Trust and Agency Assets	-	-	-	-	-	7,600,000	(642)	-	-	-	-	-	7,599,358	7,599,358
Unreserved, Undesignated	14,006,046	7,936,569	4,245,851	-	(352,806)	-	-	4,267,897	182,972	1,835,586	-	-	32,122,115	28,611,560
Retained Earnings	-	-	-	1,875,212	-	-	-	-	-	-	-	-	1,875,212	2,499,402
Total College Equity (Deficit)	14,006,046	7,936,569	4,245,851	1,875,212	(352,806)	7,600,000	(642)	4,267,897	182,972	1,835,586	95,473,572	-	137,070,257	138,131,686
Total Liabilities and College Equity	$ 33,510,308	$ 10,989,078	$ 5,376,337	$ 2,084,136	$ 816,330	$ 7,600,000	$ 1,601,802	$ 6,410,608	$ 233,713	$ 3,605,876	$ 95,473,572	$ 53,847,948	$ 221,549,708	$ 224,045,163

PARKLAND COLLEGE DISTRICT #505
Statement of Revenue, Expenditures, and Changes in College Equity -
Modified Accrual Basis (Governmental Fund Types)
and GAAP Basis (Proprietary Fund Type)
All Funds
For the Year Ended June 30, 2020
(with Comparative totals for the Year Ended June 30, 2019)

		Operations and Maintenance Funds								Totals (Memorandum Only)	
	Education Fund	Operational	Restricted	Auxiliary Enterprise Funds	Restricted Purposes Fund	Working Cash Fund	Bond and Interest Fund	Audit Fund	Liability, Protection, and Settlement Fund	2020	2019
Revenue											
Local Sources	$ 17,733,873	$ 5,912,355	$ 2,197,516	$ -	$ -	$ -	$ 4,580,096	$ 89,221	$ 3,409,211	$ 33,922,272	$ 32,051,999
State Sources	4,878,241	-	71,458	-	3,053,328	-	-	-	-	8,003,027	6,902,817
Federal Sources	140,089	-	-	-	18,170,012	-	-	-	-	18,310,101	18,565,285
Tuition and Fees	26,435,679	-	-	1,967,883	-	-	-	-	-	28,403,562	30,018,238
Facilities	-	674,207	622,103	-	-	-	-	-	-	1,296,310	1,406,854
Other Revenue	825,775	15,703	31,385	3,237,304	98,186	7,686	-	-	15,164	4,231,203	5,027,480
On-Behalf Payments	-	-	-	-	29,718,064	-	-	-	-	29,718,064	26,807,164
Total Revenue	50,013,657	6,602,265	2,922,462	5,205,187	51,039,590	7,686	4,580,096	89,221	3,424,375	123,884,539	120,779,837
Expenditures											
Instruction	24,052,733	-	-	1,574,894	1,561,989	-	-	-	-	27,189,616	26,991,776
Academic Support	4,762,494	-	5,555	256,924	2,161,377	-	-	-	-	7,186,350	8,233,711
Student Services	4,691,549	-	-	-	729,299	-	-	-	-	5,420,848	5,320,344
Public Service	430,074	-	-	1,521,185	558,334	-	-	-	-	2,509,593	2,784,000
Auxiliary Services	-	-	-	3,422,412	-	-	-	-	-	3,422,412	3,756,604
Operation and Maintenance of Plant	-	4,829,729	1,875,272	-	254,044	-	-	-	1,602,342	8,561,387	9,851,433
Institutional Support	14,165,555	-	-	-	380,127	-	-	69,500	1,652,376	16,267,558	14,547,698
Scholarships and Grants	-	-	-	-	15,681,627	-	-	-	-	15,681,627	16,288,381
Principal	-	-	-	-	-	-	2,970,000	-	-	2,970,000	3,794,879
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	2,016,011	-	-	2,016,011	1,542,827
Depreciation	-	-	-	54,710	-	-	-	-	-	54,710	41,625
On-Behalf Payments	-	-	-	-	29,718,064	-	-	-	-	29,718,064	26,807,164
Total Expenditures	48,102,405	4,829,729	1,880,827	6,830,125	51,044,861	-	4,986,011	69,500	3,254,718	120,998,176	119,960,442
Revenue Over (Under) Expenditures	1,911,252	1,772,536	1,041,635	(1,624,938)	(5,271)	7,686	(405,915)	19,721	169,657	2,886,363	819,395
Other Financing Sources (Uses)											
Operating Transfers, Net	(993,060)	-	(622,102)	1,000,746	-	(7,686)	622,102	-	-	-	-
Total Other Financing Sources (Uses)	(993,060)	-	(622,102)	1,000,746	-	(7,686)	622,102	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	918,192	1,772,536	419,533	(624,192)	(5,271)	-	216,187	19,721	169,657	2,886,363	819,395
College Equity, Beginning of Year	13,087,854	6,164,033	3,826,318	2,499,404	(347,535)	7,600,000	4,051,710	163,251	1,665,929	38,710,964	37,891,567
College Equity, End of Year	$ 14,006,046	$ 7,936,569	$ 4,245,851	$ 1,875,212	$ (352,806)	$ 7,600,000	$ 4,267,897	$ 182,972	$ 1,835,586	$ 41,597,327	$ 38,710,962

PARKLAND COLLEGE DISTRICT #505
Reconciliations of the Balance Sheet -
Modified Accrual Basis (Governmental Fund Types and Account Groups)
and GAAP Basis (Proprietary and Fiduciary Fund Types) to the Statement of Net Position
June 30, 2020 and 2019

	2020	2019
College Equity	$ 137,070,257	$ 138,131,686
Reconciling Items:		
Recognition of Summer School Revenues	1,477,317	1,462,042
Deferred Revenue for Property Taxes Not Received	14,139,524	13,490,148
Property Taxes Receivable Not Earned and Not Received	(14,139,524)	(13,490,148)
Reclassification of Long Term Debt	(50,252,046)	(52,666,094)
Recognition of Bond Premium	(3,595,902)	(3,977,768)
Deferred Refunding Expense	22,030	87,250
Deferred Retirement Plan Contributions	79,454	62,972
Recognition of Other Postemployment Benefit Liability	(34,597,679)	(34,380,273)
Deferred Other Postemployment Benefit Contributions	843,825	839,741
Deferred Postemployment Benefits	(6,076,267)	(4,937,233)
Recognition of Interest Payable on Long Term Debt	(163,051)	(172,951)
Net Position	$ 44,807,938	$ 44,449,372

Reconciliations of the Statement of Revenues, Expenditures, and Changes in College Equity -
Modified Accrual Basis (Governmental Fund Types) and GAAP Basis (Proprietary and Fiduciary Fund Types)
to the Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2020 and 2019

	2020	2019
Change in College Equity	$ 2,886,363	$ 819,395
Reconciling Items:		
Remove Rent Revenue Paid by the Bookstore to O&M Fund	(245,216)	(277,136)
Remove Rent Expense from the Bookstore	245,216	277,136
Remove Revenue Paid by the Education Fund to Reprographics	(182,388)	(249,150)
Remove Expenditures from the Education Fund	182,388	249,150
Remove Student Aid and Scholarship Payments from Revenue	(9,307,063)	(9,903,815)
Remove Student Aid and Scholarship Payments from Expense	9,307,063	9,903,815
Change in Recognition of Summer School Revenues	15,275	(95,607)
General Obligation Debt Retired	2,970,000	2,830,000
Change in Retirement Obligations	(555,952)	1,002,679
Added Other Postemployment Benefit Expense	(1,516,846)	(2,224,965)
Change in Deferred Other Postemployment Benefit Contributions	164,490	164,448
Remove Capital Expenditures and Interest Expenditures Related to Capitalized Assets	3,293,596	4,217,469
Record Depreciation on the Capital Assets	(7,241,388)	(7,336,652)
Change in Deferred Refunding Expense	(65,220)	(77,170)
Change in Deferred Retirement Plan Contributions	16,482	(21,365)
Change in Investment Income on Bond Premium	381,866	222,755
Amortization of Bond Refunding	-	(460,523)
Change in Accrued Interest on Long Term Debt	9,900	40,643
Change in Net Position	$ 358,566	$ (918,893)

PARKLAND COLLEGE DISTRICT #505
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections
June 30, 2020

	2019 LEVY	2018 LEVY	2017 LEVY	2016 LEVY	2015 LEVY	2014 LEVY	2013 LEVY	2012 LEVY	2011 LEVY	2010 LEVY
Assessed Valuations										
County:										
Champaign	$ 4,289,103,023	$ 4,131,006,412	$ 3,970,870,297	$ 3,807,025,662	$ 3,603,466,479	$ 3,542,030,898	$ 3,495,210,920	$ 3,555,879,362	$ 3,577,235,959	$ 3,602,160,901
Coles	10,858,865	10,536,067	10,096,352	9,748,842	9,507,569	9,227,401	8,632,210	8,080,907	7,575,377	7,072,734
DeWitt	98,855,905	96,035,712	92,463,660	89,904,005	88,198,381	86,559,619	79,976,784	77,636,422	76,496,177	72,965,141
Douglas	329,403,398	319,507,185	310,106,381	299,993,082	283,012,820	266,599,451	262,791,029	254,139,581	251,636,058	248,720,699
Edgar	5,308,490	5,242,730	5,042,910	4,877,010	4,392,900	4,288,109	3,965,329	3,667,574	3,188,000	3,188,451
Ford	266,450,695	255,703,676	248,312,269	238,843,129	234,112,035	230,561,166	226,771,001	221,216,880	200,698,988	195,027,444
Iroquois	110,167,841	106,923,815	99,038,017	95,451,955	92,391,706	89,349,950	88,933,502	88,876,028	85,460,933	87,283,023
Livingston	81,881,548	77,160,998	70,368,714	67,236,270	67,152,175	64,861,050	64,336,230	61,960,581	61,241,000	60,031,221
McLean	207,512,370	204,132,833	201,099,761	196,569,947	191,864,392	189,414,822	185,142,499	171,336,846	168,439,009	165,055,933
Moultrie	5,435,178	5,100,766	4,896,109	4,710,270	4,475,862	4,345,549	3,983,482	3,640,875	3,377,000	3,136,292
Piatt	435,908,684	420,813,458	407,636,547	388,170,194	379,243,657	373,852,737	361,541,176	354,597,431	348,165,000	340,014,568
Vermilion	20,629,043	19,567,357	18,757,472	18,244,975	17,621,449	17,101,096	15,910,293	15,016,004	13,294,313	13,038,583
TOTAL	$ 5,861,515,040	$ 5,651,731,009	$ 5,438,688,489	$ 5,220,775,341	$ 4,975,439,425	$ 4,878,191,848	$ 4,797,194,455	$ 4,816,048,491	$ 4,796,807,814	$ 4,797,694,990
Tax Rates										
(Per $100 Assessed Valuations)										
Education Fund	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600	0.2600
Operations and Maintenance:										
Operational Fund	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Bond	0.0791	0.0771	0.0847	0.0841	0.0824	0.0794	0.0770	0.0715	0.0678	0.0639
Tort and Immunity	0.0336	0.0346	0.0341	0.0355	0.0372	0.0369	0.0375	0.0374	0.0354	0.0344
Audit	0.0015	0.0015	0.0014	0.0014	0.0015	0.0010	0.0010	0.0010	0.0010	0.0019
Worker's Compensation	0.0015	0.0018	0.0021	0.0016	0.0015	0.0014	0.0019	0.0019	0.0019	0.0018
Unemployment Insurance	0.0009	0.0002	0.0003	0.0005	0.0008	0.0010	0.0010	0.0010	0.0002	0.0002
Protection, Health, and Safety	0.0375	0.0373	0.0368	0.0384	0.0400	0.0267	0.0271	0.0263	0.0264	0.0264
Medicare Insurance	0.0111	0.0116	0.0120	0.0125	0.0126	0.0113	0.0115	0.0117	0.0125	0.0115
Property Insurance	0.0103	0.0098	0.0097	0.0096	0.0100	0.0082	0.0083	0.0083	0.0068	0.0063
TOTAL	0.5355	0.5339	0.5411	0.5436	0.5460	0.5259	0.5253	0.5191	0.5120	0.5064

PARKLAND COLLEGE DISTRICT #505
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections
June 30, 2020

	2019 LEVY	2018 LEVY	2017 LEVY	2016 LEVY	2015 LEVY	2014 LEVY	2013 LEVY	2012 LEVY	2011 LEVY	2010 LEVY
Tax Extensions										
Education Fund	$ 15,239,939	$ 14,694,501	$ 14,140,590	$ 13,574,016	$ 12,936,143	$ 12,683,299	$ 12,472,706	$ 12,521,726	$ 12,471,700	$ 12,474,005
Operations and Maintenance:										
Operational Fund	5,861,515	5,651,731	5,438,688	5,220,775	4,975,439	4,878,192	4,797,194	4,816,048	4,796,808	4,797,695
Bond	4,636,458	4,357,485	4,606,569	4,390,672	4,099,762	3,873,284	3,693,840	3,443,475	3,252,236	3,065,727
Tort and Immunity	1,969,469	1,955,386	1,854,593	1,853,375	1,850,863	1,800,053	1,798,948	1,801,202	1,698,070	1,650,407
Audit	87,923	84,776	76,142	73,091	74,632	48,782	47,972	48,160	47,968	91,156
Worker's Compensation	87,923	101,731	114,212	83,532	74,632	68,295	91,147	91,505	91,139	86,359
Unemployment Insurance	52,754	11,303	16,316	26,104	39,804	48,782	47,972	48,160	9,594	9,595
Protection, Health, and Safety	2,198,068	2,108,096	2,001,437	2,004,778	1,990,176	1,302,477	1,300,040	1,266,621	1,266,357	1,266,591
Medicare Insurance	650,628	655,601	652,643	652,597	626,905	551,236	551,677	563,478	599,601	551,735
Property Insurance	603,736	553,870	527,553	501,194	497,544	400,012	398,167	399,732	326,183	302,255
	31,388,413	30,174,480	29,428,743	28,380,134	27,165,900	25,654,412	25,199,663	25,000,107	24,559,656	24,295,525
Tax Collections Prior to Year End	(7,198,829)	(5,926,845)	(12,304,470)	(12,528,359)	(11,824,016)	(11,999,151)	(11,963,533)	(10,459,197)	(10,592,143)	(10,391,341)
	24,189,584	24,247,635	17,124,273	15,851,775	15,341,884	13,655,261	13,236,130	14,540,910	13,967,513	13,904,184
Taxes Not Collectible Due to Taxpayer Exemption	-	-	-	-	-	-	-	(358,909)	-	-
Allowance for Uncollectible Taxes and Potential Refunds	(490,132)	(1,978,547)	(1,978,547)	(1,978,547)	(1,978,547)	(1,503,174)	(1,503,174)	(1,129,370)	(1,129,370)	(973,951)
Property Taxes Receivable	$ 23,699,452	$ 22,269,088	$ 15,145,726	$ 13,873,228	$ 13,363,337	$ 12,152,087	$ 11,732,956	$ 13,052,631	$ 12,838,143	$ 12,930,233
Property Taxes Receivable by Fund										
Education Fund	$ 11,475,022	$ 10,775,296	$ 7,202,011	$ 6,555,543	$ 6,279,411	$ 5,959,804	$ 5,760,065	$ 6,499,483	$ 6,486,665	$ 6,621,915
Operations and Maintenance:										
Operational Fund	4,413,463	4,144,337	2,769,997	2,521,356	2,415,150	2,292,225	2,215,402	2,499,794	2,494,864	2,546,881
Restricted Fund	1,700,549	1,558,640	1,025,649	980,806	984,981	578,447	568,014	623,221	624,652	638,385
Bond Fund	3,496,288	3,299,631	2,475,993	2,247,897	2,110,813	1,928,913	1,807,442	1,871,385	1,771,650	1,699,209
Audit Fund	67,856	62,678	38,897	35,416	36,739	21,461	20,692	23,470	23,487	48,374
Liability, Protection, and Settlement Fund	2,546,274	2,428,506	1,633,179	1,532,210	1,536,243	1,371,237	1,361,341	1,535,278	1,436,825	1,375,469
TOTAL	$ 23,699,452	$ 22,269,088	$ 15,145,726	$ 13,873,228	$ 13,363,337	$ 12,152,087	$ 11,732,956	$ 13,052,631	$ 12,838,143	$ 12,930,233

PARKLAND COLLEGE DISTRICT #505
Schedule of Legal Debt Margin
June 30, 2020

ASSESSED VALUATIONS - 2019 LEVY	$	5,861,515,040
Debt Limit, 2.875 Percent of Assessed Valuation	$	168,518,557
Indebtedness:		
G. O. Bonds		41,110,000
Legal Debt Margin	$	127,408,557

Note: By Illinois statute, the legal debt margin excludes alternative revenue source debt while the related property tax is abated.

PARKLAND COLLEGE DISTRICT #505
Student Enrollment and Full-Time Equivalency
At Tenth Day
For the Year Ended June 30, 2020
(Unaudited)

	Student Enrollment	Full-Time Equivalency Semester
School Quarter		
Summer 2019	3,190	1,745
Fall 2019	6,510	4,003
Spring 2020	6,269	3,715
Semester Average (Exclusive of Summer School)	6,390	3,859

PARKLAND COLLEGE DISTRICT #505
All Funds Summary - Modified Accrual Basis
Uniform Financial Statement No. 1
For the Year Ended June 30, 2020

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
Fund Balance, July 1, 2019	$ 13,087,854	$ 6,164,033	$ 3,826,318	$ 4,051,710	$ 2,499,404	$ (347,535)	$ 7,600,000	$ 163,251	$ 1,665,929	$ 38,710,964
Revenues:										
Local Tax Revenue	15,372,123	5,912,355	2,187,079	4,558,553	-	-	-	88,802	3,392,998	31,511,910
All Other Local Revenue	2,361,750	-	10,437	21,543	-	-	-	419	16,213	2,410,362
ICCB Grants	4,433,110	-	-	-	-	1,077,158	-	-	-	5,510,268
All Other State Revenue (Including SURS On-Behalf)	445,131	-	71,458	-	-	31,694,234	-	-	-	32,210,823
Federal Revenue	140,089	-	-	-	-	18,170,012	-	-	-	18,310,101
Student Tuition and Fees	26,435,679	-	-	-	1,967,883	-	-	-	-	28,403,562
All Other Revenue	825,775	689,910	653,488	-	3,237,304	98,186	7,686	-	15,164	5,527,513
Total Revenue	50,013,657	6,602,265	2,922,462	4,580,096	5,205,187	51,039,590	7,686	89,221	3,424,375	123,884,539
Expenditures:										
Instruction	24,052,733	-	-	-	1,574,894	16,591,889	-	-	-	42,219,516
Academic Support	4,762,494	-	5,555	-	256,924	4,537,520	-	-	-	9,562,493
Student Services	4,691,549	-	-	-	-	3,587,544	-	-	-	8,279,093
Public Service/Continuing Education	430,074	-	-	-	1,521,185	1,502,131	-	-	-	3,453,390
Organized Research	-	-	-	-	-	-	-	-	-	-
Auxiliary Services	-	-	-	-	3,477,122	782,019	-	-	-	4,259,141
Operations and Maintenance	-	4,829,729	1,875,272	-	-	2,300,997	-	-	1,602,342	10,608,340
Institutional Support	14,165,555	-	-	4,986,011	-	5,956,025	-	69,500	1,652,376	26,829,467
Scholarships, Student Grants, & Waivers	-	-	-	-	-	15,786,736	-	-	-	15,786,736
Total Expenditures	48,102,405	4,829,729	1,880,827	4,986,011	6,830,125	51,044,861	-	69,500	3,254,718	120,998,176
Net Transfers	(993,060)	-	(622,102)	622,102	1,000,746	-	(7,686)	-	-	-
Fund Balance, June 30, 2020	$ 14,006,046	$ 7,936,569	$ 4,245,851	$ 4,267,897	$ 1,875,212	$ (352,806)	$ 7,600,000	$ 182,972	$ 1,835,586	$ 41,597,327

PARKLAND COLLEGE DISTRICT #505
Summary of Fixed Assets and Debt
Uniform Financial Statement No. 2
For the Year Ended June 30, 2020

	Capital Assets / Long Term Debt			
	July 1, 2019	Additions	Deletions	June 30, 2020
Fixed Assets:				
Land	$ 1,841,745	$ -	$ -	$ 1,841,745
Land Improvements	50,660,559	1,884,619	-	52,545,178
Buildings, Additions, and Improvements	116,623,250	-	-	116,623,250
Equipment	23,647,161	1,808,841	-	25,456,002
Other Fixed Assets	620,782	1,484,755	(1,884,619)	220,918
Accumulated Depreciation	(93,972,131)	(7,241,390)	-	(101,213,521)
Net Fixed Assets	$ 99,421,366	$ (2,063,175)	$ (1,884,619)	$ 95,473,572
Fixed Debt:				
Bonds	$ 49,510,000	$ -	$ (2,970,000)	$ 46,540,000
Net Other Postemployment Benefit Liability	33,871,311	464,073	(246,667)	34,088,717
Early Retirement Benefits	4,158,773	1,870,746	(2,317,473)	3,712,046
Total Fixed Debt	$ 87,540,084	$ 2,334,819	$ (5,534,140)	$ 84,340,763

	Outstanding			
	July 1, 2019	Issued	Redeemed	June 30, 2020
Education Fund:				
Tax Anticipation Warrants	$ -	$ -	$ -	$ -
Tax Anticipation Notes	-	-	-	-
Operations and Maintenance Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Bond and Interest Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Audit Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Liability, Protection, and Settlement Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
PBC Rental Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
PBC Operations and Maintenance Fund:				
Tax Anticipation Warrants	-	-	-	-
Tax Anticipation Notes	-	-	-	-
Total Anticipation Warrants and Notes	$ -	$ -	$ -	$ -

PARKLAND COLLEGE DISTRICT #505
Operating Funds Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 3
For the Year Ended June 30, 2020

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Revenues by Source:			
Local Government			
Local Taxes	$ 15,372,123	$ 5,912,355	$ 21,284,478
Chargeback Revenue	-	-	-
CPPRT	2,361,750	-	2,361,750
Total Local Government	17,733,873	5,912,355	23,646,228
State Government			
ICCB Base Operating Grant	4,371,060	-	4,371,060
ICCB Equalization Grant	50,000	-	50,000
ICCB Performance Grant	12,050	-	12,050
Other State	445,131	-	445,131
Total State Government	4,878,241	-	4,878,241
Federal Government			
Department of Education	140,089	-	140,089
Total Federal Government	140,089	-	140,089
Student Tuition and Fees			
Tuition	22,984,495	-	22,984,495
Fees	3,451,184	-	3,451,184
Total Student Tuition and Fees	26,435,679	-	26,435,679
Other Sources			
Sales and Service Fees	168,614	-	168,614
Facilities Revenue	-	674,207	674,207
Investment Revenue	450,371	6,011	456,382
Other	206,790	9,692	216,482
Total Other Sources	825,775	689,910	1,515,685
Total Operating Revenues	50,013,657	6,602,265	56,615,922
Less: Non-Operating Items			
Tuition Chargeback Revenue	-	-	-
Adjusted Operating Revenue	$ 50,013,657	$ 6,602,265	$ 56,615,922

PARKLAND COLLEGE DISTRICT #505
Operating Funds Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 3
For the Year Ended June 30, 2020

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures by Program:			
Instruction	$ 24,052,733	$ -	$ 24,052,733
Academic Support	4,762,494	-	4,762,494
Student Services	4,691,549	-	4,691,549
Public Service/Continuing Education	430,074	-	430,074
Organized Research	-	-	-
Auxiliary Services	-	-	-
Operations and Maintenance	-	4,829,729	4,829,729
Institutional Support	14,165,555	-	14,165,555
Scholarships, Grants, Waivers	-	-	-
Transfers	993,060	-	993,060
Total Operating Expenditures by Program	49,095,465	4,829,729	53,925,194
Less: Non-Operating Items			
Transfers	(993,060)	-	-
Tuition Chargeback	-	-	-
Adjusted Operating Expenditures by Program	$ 48,102,405	$ 4,829,729	$ 53,925,194
Operating Expenditures by Object:			
Salaries	$ 35,342,605	$ 1,724,182	$ 37,066,787
Employee Benefits	5,287,946	641,035	5,928,981
Contractual Services	2,134,691	537,988	2,672,679
General Materials and Supplies	2,403,265	340,090	2,743,355
*Library Materials **	*187,436*	-	*187,436*
Conference and Meeting Expenses	307,607	4,596	312,203
Fixed Charges	22,906	29,519	52,425
Utilities	14,665	1,527,286	1,541,951
Capital Outlay	405,765	25,033	430,798
Other	2,182,955	-	2,182,955
Transfers	993,060	-	993,060
Total Operating Expenditures by Object	49,095,465	4,829,729	53,925,194
Less: Non-Operating Items			
Transfers	(993,060)	-	(993,060)
Tuition Chargeback	-	-	-
Adjusted Operating Expenditures by Object	$ 48,102,405	$ 4,829,729	$ 52,932,134

* Per ICCB reporting requirements, this line is presented as a memo only figure and is not added into the total expenditure amount.

PARKLAND COLLEGE DISTRICT #505
Restricted Purposes Fund Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 4
For the Year Ended June 30, 2020

	Restricted Purposes Fund
Revenue by Source:	
State Government	
ICCB - SWFT: Workforce Equity Initiative	$ 668,438
ICCB - Adult Education	216,004
ICCB - Innovative Bridge	77,754
ICCB - ESLTP	46,139
ICCB - Perkins Program Improvement	45,199
ICCB - Transitional Instruction	23,624
Illinois State Board of Education	1,647,441
SURS - On Behalf	29,718,064
Other	328,729
Total State Government	32,771,392
Federal Government	
Department of Education	17,671,593
Department of Labor	33,144
Department of Transportation	271,428
Department of Agriculture	15,844
National Science Foundation	178,003
Total Federal Government	18,170,012
Other Sources	
Other	98,186
Total Other Sources	98,186
Total Restricted Purposes Fund Revenues	$ 51,039,590

PARKLAND COLLEGE DISTRICT #505
Restricted Purposes Fund Revenues and Expenditures - Modified Accrual Basis
Uniform Financial Statement No. 4
For the Year Ended June 30, 2020

	Restricted Purposes Fund
Expenditures by Program:	
Instruction	$ 16,591,889
Academic Support	4,537,520
Student Services	3,587,544
Public Service/Continuing Education	1,502,131
Auxiliary Services	782,019
Operations and Maintenance	2,300,997
Institutional Support	5,956,025
Scholarships, Student Grants, and Waivers	15,786,736
Total Restricted Purposes Fund Expenditures by Program	$ 51,044,861
Expenditures by Object:	
Salaries	$ 1,911,437
Employee Benefits (Including SURS On-Behalf)	29,994,974
Contractual Services	1,576,026
General Materials and Supplies	265,026
Travel & Conference/Meeting Expenses	204,338
Fixed Charges	26,819
Utilities	7,813
Capital Outlay	844,210
Other	16,214,218
*Scholarships, Grants, Waivers **	*15,786,736*
Total Restricted Purposes Fund Expenditures by Object	$ 51,044,861

* Per ICCB reporting requirements, this line is presented as a memo only figure and is not added into the total expenditure amount.

PARKLAND COLLEGE DISTRICT #505
Current Funds* Expenditures by Activity - Modified Accrual Basis
Uniform Financial Statement No. 5
For the Year Ended June 30, 2020

Instruction:	
Instructional Programs	$ 42,219,516
Academic Support:	
Library Center	1,074,910
Academic Computing Support	1,420,059
Other	7,061,969
Total Academic Support	9,556,938
Student Services Support:	
Admissions and Records	821,423
Counseling and Career Services	1,370,007
Financial Aid Administration	712,119
Other	5,375,544
Total Student Services Support	8,279,093
Public Service/Continuing Education:	
Community Education	17,558
Customized Training (Instructional)	1,775,082
Community Services	440,177
Other	1,220,573
Total Public Service/Continuing Education	3,453,390

PARKLAND COLLEGE DISTRICT #505
Current Funds Expenditures by Activity - Modified Accrual Basis
Uniform Financial Statement No. 5
For the Year Ended June 30, 2020

Auxiliary Services	4,259,141
Operations and Maintenance of Plant:	
Maintenance	985,162
Custodial Services	1,642,929
Grounds	465,309
Campus Security	1,492,810
Transportation	47,622
Utilities	1,693,876
Administration	160,208
Other	2,245,152
Total Operations and Maintenance of Plant	8,733,068
Institutional Support:	
Executive Management	436,253
Fiscal Operations	950,651
Community Relations	94,807
Board of Trustees	39,448
General Institutional	4,029,516
Institutional Research	362,618
Administrative Data Processing	2,770,983
Other	18,145,191
Total Institutional Support	26,829,467
Scholarships, Student Grants, and Waivers	15,786,736
Total Current Funds Expenditures	$ 119,117,349

* Current funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection, and Settlement; and Bond and Interest Funds

PARKLAND COLLEGE DISTRICT #505
Certificate of Chargeback Reimbursement
For the Year Ended June 30, 2020

All Fiscal Year 2020 Non-Capital Audited Operating Expenditures from the Following Funds:	
Education	$ 47,696,640
Operations and Maintenance Fund	4,804,696
Restricted Purposes Fund	20,482,587
Audit Fund	69,500
Liability, Protection and Settlement Fund	3,225,037
Auxiliary Enterprise Fund (subsidy only)	1,000,746
Total Non-Capital Expenditures	77,279,206
Depreciation on Capital Outlay Expenditures from Sources Other than State and Federal Funds	4,027,163
Total Costs Included	81,306,369
Total Certified Semester Credit Hours for Fiscal Year 2020	117,361
Per Capita Cost	692.79
All Fiscal Year 2020 State and Federal Operating Grants for Non-Capital Expenditures, Except ICCB Grants	20,731,402
Fiscal Year 2020 State and Federal Grants Per Semester Credit Hour	176.65
District's Average ICCB Grant Rate (excluding equalization grants) for Fiscal Year 2021	36.43
District's Student Tuition and Fee Rate Per Semester Credit Hour for Fiscal Year 2021	171.00
Chargeback Reimbursement Per Semester Credit Hour	$ 308.71

Approved: ______________________
Chief Fiscal Officer

Approved: ______________________
Chief Executive Officer

Martin | Hood

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Champaign, Illinois 61820
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE REQUIREMENTS FOR CAREER AND TECHNICAL EDUCATION-PROGRAM IMPROVEMENT GRANT AND ADULT EDUCATION AND FAMILY LITERACY GRANTS

Board of Trustees
Parkland College District #505
Champaign, Illinois

Report on the Financial Statements

We have audited the accompanying balance sheets of the Career and Technical Education Improvement and Adult Education and Family Literacy Grants of Parkland College District #505 (the College) as of June 30, 2020, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended.

Management's Responsibility 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 Illinois Community College Board (ICCB). Management is also responsible 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 error or fraud. Management is also responsible for compliance with the requirements of the ICCB.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the grant policy guidelines of the ICCB 's *Fiscal Management Manual*. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Career and Technical Education-Program Improvement grant and Adult Education and Family Literacy grants of the College at June 30, 2020, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

The accompanying balance sheets and statements of revenue and expenditures were prepared for the purpose of complying with the terms of the ICCB Grants and are not intended to be a complete presentation of the College's revenue and expenditures in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic grant program financial statements taken as a whole. The supplementary ICCB compliance schedule for the Adult Education and Family Literacy Grant (Schedule 28) is presented for purposes of additional analysis as required by the ICCB and is not a required part of the basic grant program financial statements. This schedule is the responsibility of the College's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic grant program financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic grant program financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic grant program financial statements taken 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 Career and Technical Education-Program Improvement grant and 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.

Martin Hood LLC

Champaign, Illinois
December 8, 2020

PARKLAND COLLEGE DISTRICT #505
State Adult Education Restricted Funds
(State Basic and Performance)
Balance Sheet
June 30, 2020

ASSETS

	State Basic	Performance	Total
Cash	$ -	$ -	$ -

LIABILITIES AND FUND BALANCE

	State Basic	Performance	Total
Accounts Payable	$ -	$ -	$ -
Due to College	-	-	-
Total Liabilities	-	-	-
Fund Balance	-	-	-
Total Liabilities and Fund Balance	$ -	$ -	$ -

PARKLAND COLLEGE DISTRICT #505
State Adult Education Restricted Funds
(State Basic and Performance)
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2020

	State Basic	Performance	Total
Revenues			
ICCB Grant	$ 156,383	$ 59,621	$ 216,004
Expenditures			
Instructional Student Services:			
Instruction	146,697	54,287	200,984
Social Work Services	-	-	-
Guidance Services	1,815	3,414	5,229
Assistive and Adaptive Equipment	-	-	-
Assessment and Testing	-	-	-
Student Transportation Services	-	-	-
Literacy Services	-	-	-
Childcare Services	-	-	-
Total Instructional Student Services	148,512	57,701	206,213
Program Support:			
Improvement of Instructional Services	3,480	-	3,480
General Administration	4,391	1,920	6,311
Operation and Maintenance of Plant Services	-	-	-
Workforce Coordination	-	-	-
Data and Information Services	-	-	-
Approved Indirect Costs	-	-	-
Total Program Support	7,871	1,920	9,791
Total Expenditures	156,383	59,621	216,004
Excess of Revenue Over Expenditures	-	-	-
Fund Balance, July 01, 2019	-	-	-
Fund Balance, June 30, 2020	$ -	$ -	$ -

PARKLAND COLLEGE DISTRICT #505
ICCB Compliance Statement for the
Adult Education and Family Literacy Grant
Expenditure Amounts and Percentages for
ICCB Grant Funds Only
For the Year Ended June 30, 2020

	Audited Expenditure (Dollars)	Actual Expenditure (Percentage)
State Basic		
Instruction (45 Percent Minimum Required)*	$ 146,697	93.81%
General Administration (15 Percent Maximum Allowed)	4,391	2.81%

* This requirement was waived by ICCB for Fiscal Year 2020.

PARKLAND COLLEGE DISTRICT #505
Career and Technical Education
(Program Improvement)
Balance Sheet
June 30, 2020

ASSETS

Cash	$ -

LIABILITIES AND FUND BALANCE

Accounts Payable	$ -
Fund Balance	-
Total Liabilities and Fund Balance	$ -

PARKLAND COLLEGE DISTRICT #505
Career and Technical Education
(Program Improvement)
Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended June 30, 2020

Revenue	
ICCB Grant	$ 45,199
Expenditures	
Salaries	-
Employee Benefits	-
Contractual Services	-
Instructional Materials	-
Staff Development	-
Instructional Equipment	45,199
Total Expenditures	45,199
Excess of Revenues Over Expenditures	-
Fund Balance, July 01, 2019	-
Fund Balance, June 30, 2020	$ -

PARKLAND COLLEGE DISTRICT #505
Notes to the ICCB Grant Financial Statements
June 30, 2020

The Career and Technical Education-Program Improvement and Adult Education and Family Literacy Grant Programs were established as special revenue sub-funds of Parkland College District #505 (the College) to account for revenues and expenditures of the respective programs. These programs are administered by the Illinois Community College Board (ICCB). The following is a summary of the significant accounting policies followed by the College in respect to these funds.

Basis of Accounting

The statements have been prepared on the accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2020. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

Budgets and Budgetary Accounting

Each year the College prepares a budget for the grants. The budget is prepared on the same basis of accounting as the records are maintained.

Capital Outlay

Capital outlay is charged to expenditure in the period which it is purchased instead of being recognized as an asset and depreciated over its useful life. As a result, the expenditures reflected in the statements include the cost of capital outlay purchased during the year rather than a provision for depreciation.

Certain capital outlay expenditures are accumulated in the General Fixed Assets Account Group of the College, for reporting specific to ICCB and in capital assets for external financial reporting on the statement of net position.

Grant Extension

All state funded ICCB grants for fiscal year 2020 were extended until June 30, 2021 in response to the coronavirus pandemic.

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

Board of Trustees
Parkland College District #505
Champaign, Illinois

Report on the Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

We have audited the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Parkland College District #505 (the College) for the year ended June 30, 2020.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Illinois Community College Board. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement, which is free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the guidelines of the Illinois Community College Board's *Fiscal Management Manual,* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

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

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

Opinion

In our opinion, the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of the College for the year ended June 30, 2020 is fairly presented in accordance with the aforementioned guidelines.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement noted above. The information on Schedules 32 through 36 is presented for purposes of additional analysis as required by the Illinois Community College Board and is not a required part of the financial statement. These schedules are the responsibility of the College's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. These schedules have been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated December 8, 2020, on our consideration of the College's internal control over financial reporting and 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.

Martin Hood LLC

Champaign, Illinois
December 8, 2020

PARKLAND COLLEGE DISTRICT #505
Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed
For the Year Ended June 30, 2020

Categories	Summer		Fall		Spring		Total	
Total Reimbursable Semester Credit Hours by Term								
	Unrestricted	**Restricted**	**Unrestricted**	**Restricted**	**Unrestricted**	**Restricted**	**Unrestricted**	**Restricted**
Baccalaureate	9,332.0	43.0	33,082.0	12.0	31,069.0	81.0	73,483.0	136.0
Business Occupational	430.0	-	1,693.5	414.0	1,548.0	354.0	3,671.5	768.0
Technical Occupational	828.0	217.0	6,795.5	140.0	6,133.5	224.0	13,757.0	581.0
Health Occupational	1,049.5	-	5,678.5	-	5,483.0	-	12,211.0	-
Remedial Developmental	562.0	-	5,396.0	-	3,158.0	-	9,116.0	-
Adult Basic/Secondary Education	75.0	-	404.0	1,531.0	412.0	1,215.0	891.0	2,746.0
TOTAL CREDIT HOURS CERTIFIED	12,276.5	260.0	53,049.5	2,097.0	47,803.5	1,874.0	113,129.5	4,231.0

	Attending In-District	Attending Out-of-District on Chargeback	Total
Reimbursable Semester Credit Hours (All Terms)	93,752.5	-	93,752.5

	Dual Credit	Dual Enrollment
Reimbursable Semester Credit Hours (All Terms)	6,335.0	357.0

District 2019 Equalized Assessed Valuation $ 5,861,515,040

Categories	Summer	Fall	Spring	Total
Total Reimbursable Correctional Semester Credit Hours by Term				
Baccalaureate	-	-	-	-
Business Occupational	-	-	-	-
Technical Occupational	-	-	-	-
Health Occupational	-	-	-	-
Remedial Developmental	-	-	-	-
Adult Basic/Secondary Education	-	-	-	-
TOTAL CREDIT HOURS CERTIFIED	-	-	-	-

Signatures:

Chief Executive Officer (CEO)

Chief Financial Officer (CFO)

PARKLAND COLLEGE DISTRICT #505
For the Year Ended June 30, 2020

Reconciliation of Total Semester Credit Hours

Categories	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	73,483.0	73,483.0	-	136.0	136.0	-
Business Occupational	3,671.5	3,671.5	-	768.0	768.0	-
Technical Occupational	13,757.0	13,757.0	-	581.0	581.0	-
Health Occupational	12,211.0	12,211.0	-	-	-	-
Remedial Developmental	9,116.0	9,116.0	-	-	-	-
Adult Basic / Secondary Education	891.0	891.0	-	2,746.0	2,746.0	-
Total Credit Hours Certified	113,129.5	113,129.5	-	4,231.0	4,231.0	-

Reconciliation of In-District/Chargeback and Cooperative/Contractual Agreement Credit Hours

	Total Attending	Total Attending as Certified to the ICCB	Difference
In-District Residents	93,752.5	93,752.5	-
Out-of-District on Chargeback or Contractual Agreement	-	-	-
Total	93,752.5	93,752.5	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	6,335.0	6,335.0	-
Dual Enrollment	357.0	357.0	-
Total	6,692.0	6,692.0	-

Reconciliation of Total Correctional Semester Credit Hours

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

PARKLAND COLLEGE DISTRICT #505
Documentation of Residency Verification Steps
For the Year Ended June 30, 2020

The following procedures detail the process for verifying the residency status of the students of Parkland College District #505.

Applicants

The residency status on application forms is normally determined by the address the student uses on their application form for admission. If the address is an in-district address, then the student is tagged by the College's Admissions Office as "D" for in-district. Likewise, if there is an out-of-district or out-of-state address, then a code of "I" or "U" is used, respectively.

However, there are some exceptions to the above procedures. If a student indicates an in-district address on the application but lists an out-of-district high school and the student is still in high school or a recent high school graduate, then the student will be tagged as an out-of-district student. The student will then have to provide residency proof, such as a copy of a driver's license, voter registration card, property tax statement, or other valid item providing verification of the student's address. If the emergency contact is listed at an address out-of-district and the student is less than 21 years of age, the same procedures listed above must be followed.

Students

If a student who is already in the College's computer system is changing an address from out-of-district to in-district, the College will change the address but not change the residency code. In order to change an out-of-district status to an in-district status, the student must complete the Request for Change of Residency paperwork and provide the required documentation. The request is then reviewed by the Director of Admissions and Enrollment Management, the Associate Director, or one of the Assistant Directors who makes the decision based upon suitable documentation provided by the student as listed in the previous section. This documentation will also include a letter from an employer stating that the student has been employed for at least 35 hours per week prior to registering for courses for the term in which the adjustment is to be made. For students under age 21, a notarized affidavit of non-support is also required.

Returned Mail

When mail is returned to the College in which the post office has provided a label indicating the forwarding address is out-of-district or out-of-state, the College will correct the address in the computer system.

PARKLAND COLLEGE DISTRICT #505
Background Information on State Grant Activity
For the Year Ended June 30, 2020

Unrestricted Grants

Base Operating Grants – General operating funds provided to colleges 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

Career and Technical Education – Program Improvement Grant – Grant funding recognizes that keeping career and technical education programs current and reflective of the highest quality practices in the workplace is necessary to prepare students to be successful in their chosen careers and to provide employers with the well-trained workforce they acquire. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

Statewide Initiatives

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

Restricted Adult Education Grants/State

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

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

PARKLAND COLLEGE DISTRICT #505
Schedule of Findings and Questioned Costs – ICCB Grant Compliance
For the Year Ended June 30, 2020

Findings – ICCB Grant Compliance

No findings noted in the current fiscal year.

PARKLAND COLLEGE DISTRICT #505
Schedule of Prior Audit Findings – ICCB Grant Compliance
For the Year Ended June 30, 2020

Findings – ICCB Grant Compliance

No findings were noted in the prior fiscal year.

PARKLAND COLLEGE DISTRICT #505
Illinois Grant Accountability and Transparency Act -
Consolidated Year-End Financial Report
For Year Ended June 30, 2020

CSFA #	Program	State Amount	Federal Amount	Other Amount	Total
586-18-0409	Child and Adult Care Food Program	$ -	$ 15,844	$ -	$ 15,844
586-18-0870	Agricultural Education	784,877	-	-	784,877
586-18-0875	Agricultural Education	862,564	-	-	862,564
586-44-0419	Title I Migrant Incentive	-	4,015	-	4,015
586-44-2307	Title I - Migrant Education	-	272,761	-	272,761
601-00-0748	Illinois Cooperative Work Study Program	4,611	-	-	4,611
684-00-0465	Career and Technical Education - Basic Grants to States	-	468,739	-	468,739
684-00-0818	Illinois Veteran's Grant	132,700	-	-	132,700
684-00-0822	Career and Technical Education Early School Leaver Transition Program	46,139	-	-	46,139
684-00-0825	Base Operating Grants	4,371,060	-	-	4,371,060
684-00-0826	Equalization Grants	50,000	-	-	50,000
684-00-2333	Transitional Instruction Math and English Pilot Grant	23,624	-	-	23,624
684-00-2334	Apprenticeship Grant	-	4,784	-	4,784
684-01-1625	Adult Education - Basic Grants to States - Federal and State Funding Combined	216,004	168,556	-	384,560
684-01-1670	Innovative Bridge and Transition Program Grants	77,754	-	-	77,754
684-01-2213	Workforce Equity Initiative	668,438	-	-	668,438
	Other Grants Programs and Activities	-	17,235,313	-	17,235,313
	All Other Costs not Allocated	-	-	88,780,664	88,780,664
	Total	$ 7,237,771	$ 18,170,012	$ 88,780,664	$ 114,188,447

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

Board of Trustees
Parkland College District #505
Champaign, Illinois

We have audited, in accordance with the 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 Parkland College District #505 (the College) and its discretely presented component unit as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated December 8, 2020.

The financial statements of the College's discretely presented component unit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the College's discretely presented component unit.

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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Martin Hood LLC

Champaign, Illinois
December 8, 2020