

# BUDGET FISCAL YEAR 2018



Community College District #540  
1500 W. Raab Rd.  
Normal, IL 61761



# HEARTLAND COMMUNITY COLLEGE

## Fiscal Year 2018

### Budget

September 19, 2017

Prepared by:

Business Services Division

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HEARTLAND  
COMMUNITY COLLEGE

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# Heartland Community College Fiscal Year 2018 Budget



HEARTLAND  
COMMUNITY COLLEGE

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# Heartland Community College Fiscal Year 2018 Budget



HEARTLAND  
COMMUNITY COLLEGE

## Introduction

Transmittal Letter  
Organizational Structure  
Principal Officials  
Resolution Adopting the Fiscal Year 2018 Budget

September 19, 2017

## **To the Citizens of Community College District No. 540:**

Provided herein is the Heartland Community College District No. 540 Budget for Fiscal Year 2018, the year beginning July 1, 2017 and ending June 30, 2018. This budget incorporates the educational and public service operational commitments of Heartland Community College to District students and residents. It also reflects the fiscal year 2018 financial implications of a *Strategic Multi-Year Plan for Budget and HR Realignment* approved by the Board of Trustees during fiscal year 2016 and recognizes a new Strategic Plan launched with the start of the Fall 2017 semester. This budget was adopted following an opportunity for public review and a public hearing conducted on September 19, 2017.

This budget document is presented in three sections:

1. **Introduction** – The Introduction includes this transmittal letter, the Heartland Community College Organizational Structure, a list of principal officials of the College, and the Resolution Adopting the Fiscal Year 2018 Budget.
2. **Statistics and Graphical Information** – This section provides a narrative of highlights of the fiscal year 2018 budget as well as various charts, tables, and graphical presentations of the budget.
3. **Financial** – This section includes complete budget documents for all College funds in the format prescribed by the State for all Illinois community colleges.

College staff used a modified zero-based budgeting approach and critically reviewed departmental budget requests and revenue projections necessary to operate the College during fiscal year 2018. Decisions reflected in this budget have been made with a view to assuring the most efficient and effective utilization of institutional resources available for fiscal year 2018. This budget also has been designed to provide the resources necessary to support college-wide priorities and goals in the Strategic Plan.

### **STRATEGIC PLAN Heartland Community College**

Founded in 1990, Heartland Community College is a comprehensive community college operating in accordance with the provisions of the Illinois Public Community College Act. The College is accredited by the Higher Learning Commission and recognized by the Illinois Community College Board. This budget is aligned with and supports the College's vision, mission, and college-wide priorities and goals.

#### **Vision**

Leading our community to lifelong learning and success.

#### **Mission**

Heartland provides accessible, innovative learning opportunities and resources that enrich our community.

### **College-Wide Priorities and Goals**

#### ***Promote Student Success***

- Increase percentage of students progressing toward and completing their educational and career goals.
- Improve student satisfaction.
- Increase student achievement of the College's Essential Competencies.

#### ***Ensure Resource Stewardship***

- Improve employee satisfaction.
- Maintain or increase the College's financial health.
- Maintain or increase value of the College's physical assets.

***Serve as a Community Resource***

- Meet emerging workforce needs through education and training programs.
- Fulfill unmet community demand for personal enrichment and professional learning.

***Model Effective Communication, Collaboration and Transparency***

- Intentionally obtain and incorporate employee input.
- Improve internal dissemination of information.
- Share resources, responsibilities and results to achieve college-wide goals.

**SUMMARY**

Implicit in the presentation of this budget material is the administration's commitment to manage the educational and financial affairs of the College within the guidelines set forth by this adopted budget. This publication of the fiscal year 2018 budget has been prepared to provide the Board, employees, students and the community at-large with an informative financial statement of the proposed educational and operating commitments of Heartland Community College. We hope this document will stimulate interest in and facilitate understanding of the programs and services by which the College intends to realize its higher educational goals and its community service obligations.

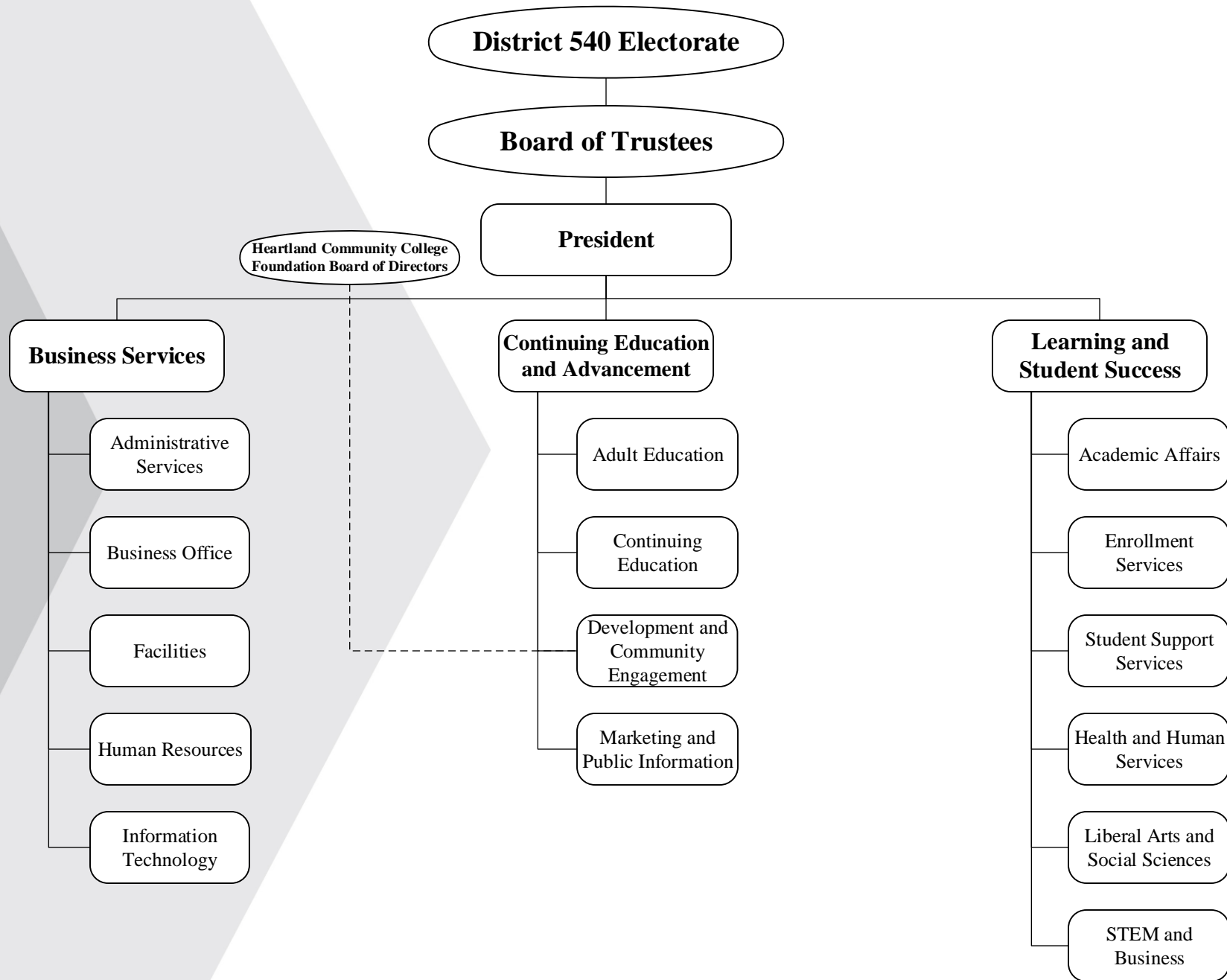
**ACKNOWLEDGMENTS**

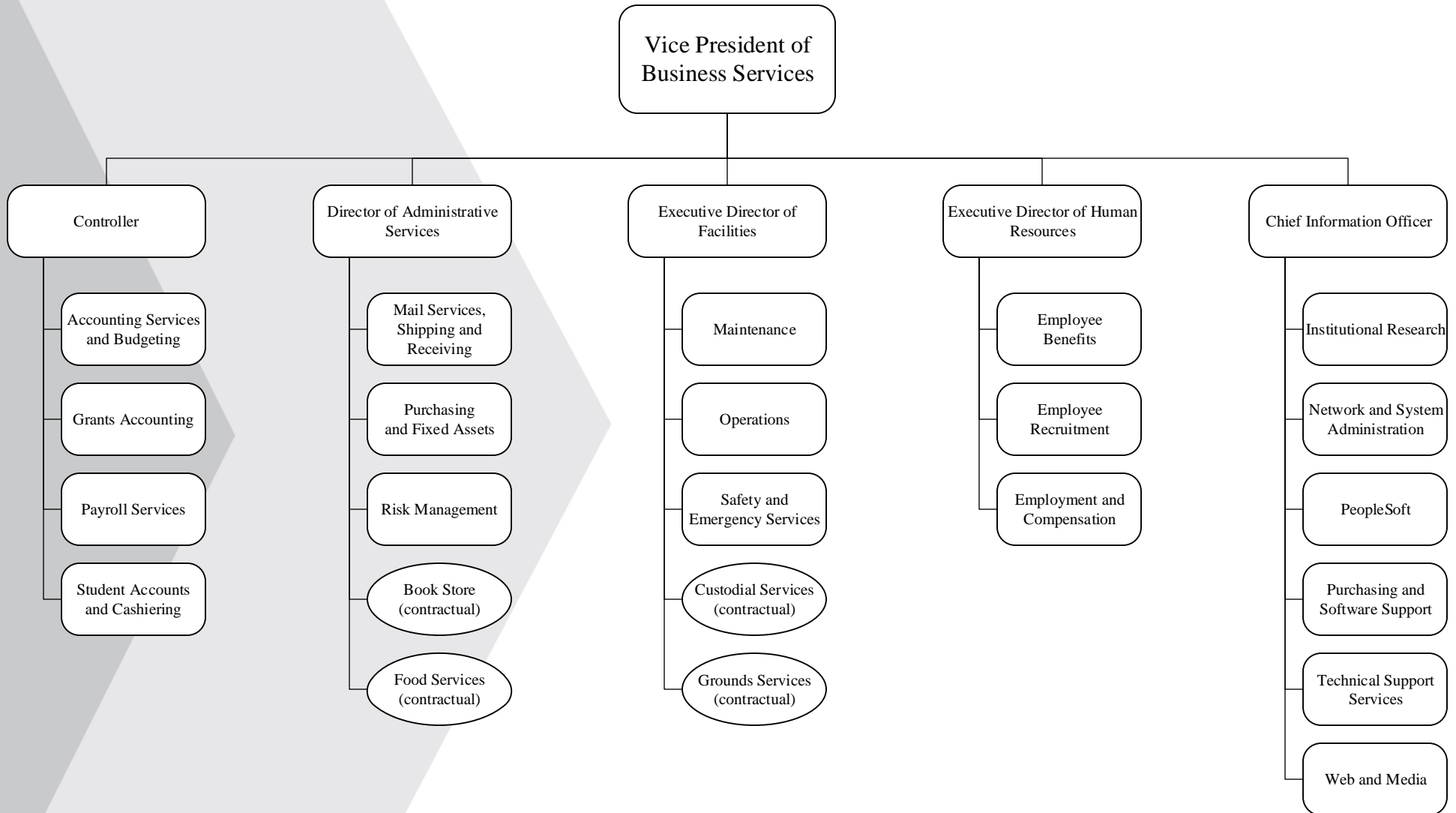
We thank the Board of Trustees for their support and attention to planning and conducting the financial operations of the College in a highly responsible and accountable manner, with fiscal integrity. We also acknowledge the efforts of staff from all areas of the College, particularly the College Advisory Council this year, in the development of this budget.

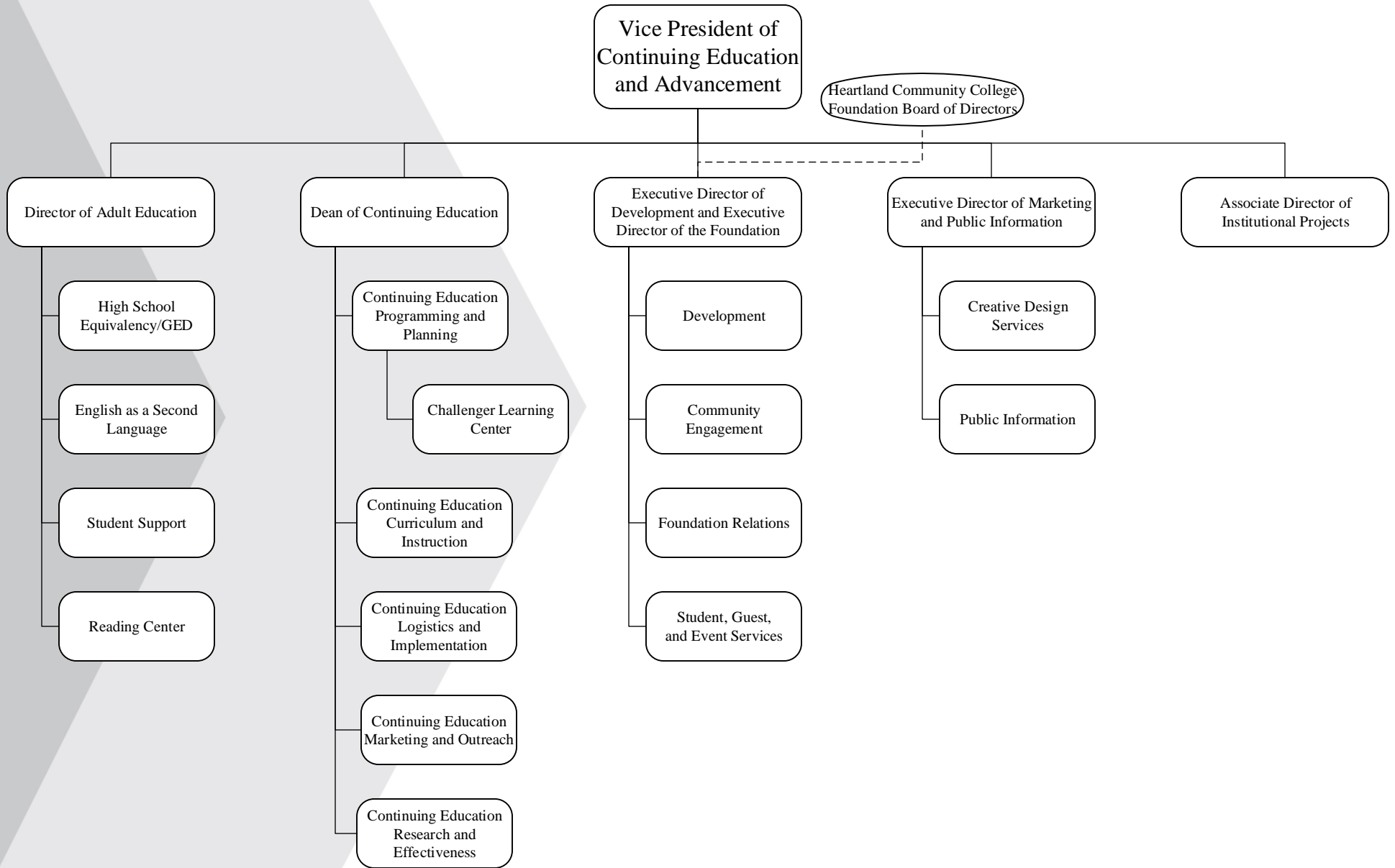
Respectfully submitted,

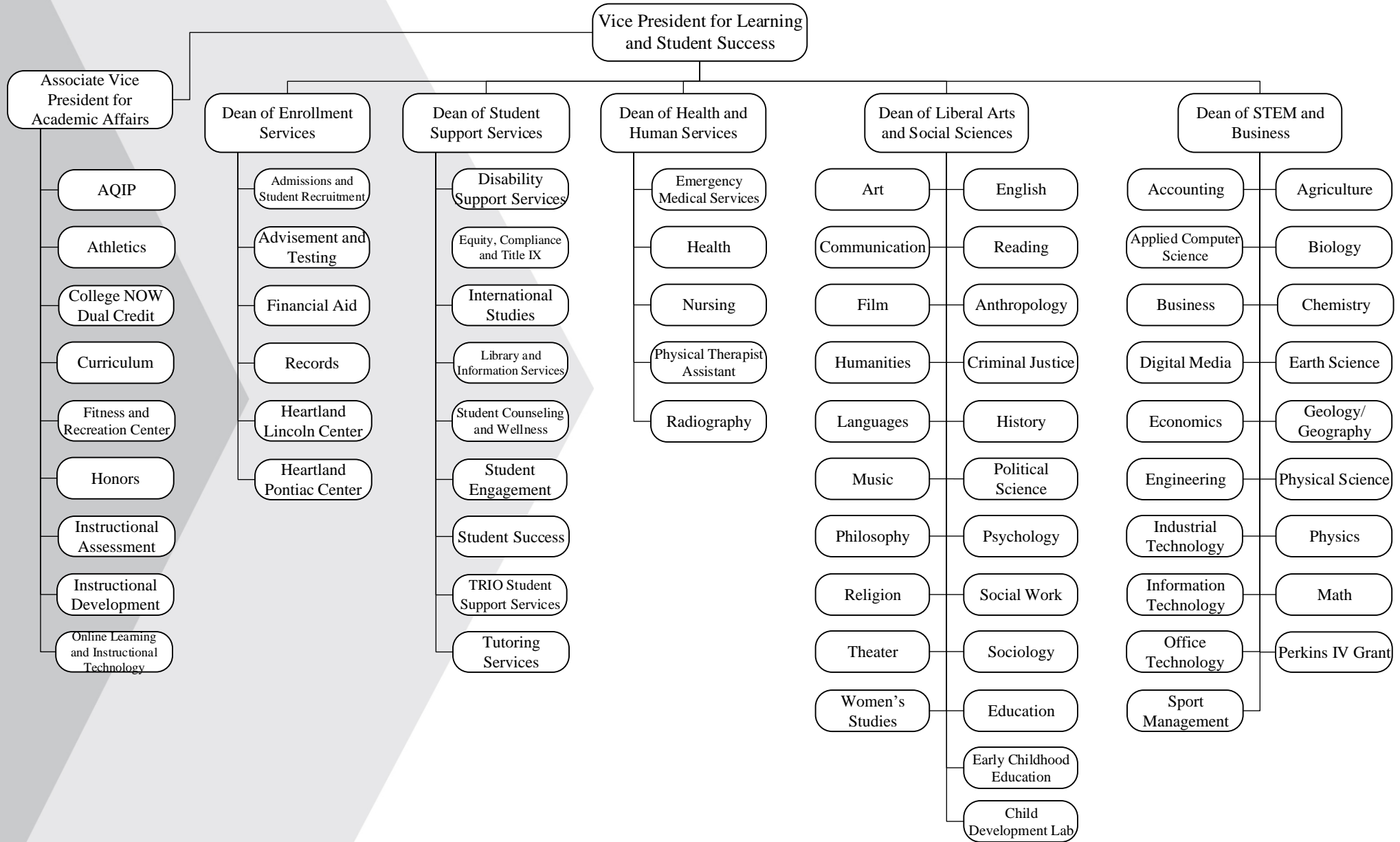
Robert D. Widmer  
President

Douglas E. Minter  
Vice President of Business Services and Treasurer









**HEARTLAND COMMUNITY COLLEGE  
COMMUNITY COLLEGE DISTRICT #540**

**PRINCIPAL OFFICIALS**

***Board of Trustees***

	<u>Position</u>	<u>Term Expiration</u>
Gregg Chadwick	Chair	2023
Jeffrey Flessner	Vice-Chair	2019
Rebecca Ropp	Secretary	2021
Donald Gibb	Trustee	2019
Patrick Hardesty	Trustee	2019
Mary E. Campbell	Trustee	2023
Janet M. Hood	Trustee	2021
Renee Vaessen	Student Trustee	2018

***Officers of the College***

Robert D. Widmer	President
Douglas E. Minter	Vice President of Business Services
Kelli Hill	Vice President of Continuing Education and Advancement
Rick Pearce	Vice President for Learning and Student Success

***Officials Issuing Report***

Sharon M. McDonald	Controller
Shelley Marquis	Director for Payroll Services and Student Accounts
Bridget Miller	Associate Director for Accounting Services

***Department Issuing Report***

Business Services Division

RESOLUTION ADOPTING ANNUAL BUDGET

WHEREAS, the Board of Trustees of Community College District No. 540, Counties of DeWitt, Ford, Livingston, Logan, McLean, and Tazewell, and State of Illinois, must adopt an annual budget within or before the first quarter of each fiscal year; and,

WHEREAS, a tentative budget for the fiscal year 2018 (July 1, 2017 to June 30, 2018) was prepared and made conveniently available to public inspection for at least thirty (30) days heretofore, after due notice of availability for public inspection; and,

WHEREAS, a public hearing has been held regarding such tentative budget, after due notice of the holding of such public hearing; and,

WHEREAS, the provisions of the Illinois Public Community College Act required to be complied with prior to adopting an annual budget have been complied with;

WHEREAS, specific expenses that may be paid from the tax levied for operation and maintenance of facilities purposes and the purchase of college grounds pursuant to Section 3-20.3 of the Illinois Public Community College Act (110 ILCS 805/3-20.3) shall be paid from said tax to the extent provided for in and contemplated by said budget.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE Board of Trustees of Community College District No. 540, Counties of DeWitt, Ford, Livingston, Logan, McLean, and Tazewell, and State of Illinois, that the annual budget for the fiscal year 2018 (July 1, 2017 to June 30, 2018), attached hereto and incorporated by reference, is hereby adopted as the annual budget for such fiscal year.

APPROVED: \_\_\_\_\_  
Chair, Board of Trustees

ATTEST:

\_\_\_\_\_  
Secretary, Board of Trustees

Recorded this 19<sup>th</sup> day of September, 2017

# Heartland Community College Fiscal Year 2018 Budget



HEARTLAND  
COMMUNITY COLLEGE

## Statistics and Graphical Information

Highlights of the Fiscal Year 2018 Budget

Operating Fund - Revenues By Source

Operating Fund - Expenditures By Object

Education Fund - Expenditures By Object

Operations & Maintenance Fund - Expenditures By Object

# HIGHLIGHTS OF THE FISCAL YEAR 2018 BUDGET

## *BACKGROUND INFORMATION*

### Introduction

Heartland is proud to have served the needs of constituents across the district for over 25 years. In this time, the College experienced strong growth and has become an important, valued, and respected community asset. It provides educational opportunities to thousands of district residents every year, not only in traditional credit instruction programs, but in a myriad of non-credit programs as well. While declining enrollments in higher education are a nationwide concern, Heartland's enrollments are strong when compared to Illinois community colleges and many State universities. Further, data from the National Community College Benchmark Project shows that Heartland student performance for degree completion exceeds several national averages.

Despite such positive factors, the College faces multiple ongoing challenges in preparing the Fiscal Year 2018 Budget. The continued financial distress of the State of Illinois and its late appropriations for fiscal year 2017 and fiscal year 2018 has led to difficult budget planning. The 2018 Budget presented includes appropriations from the State for the Base Operating Grant and the Career and Technical Education (CTE) Grant for fiscal year 2017 of \$1,634,756 and for fiscal year 2018 of \$2,606,290, for a total of \$4,241,046. Because the State of Illinois did not pass the fiscal year 2017 appropriation before the June 30, 2017 fiscal year-end, the College's auditors consulted with the Governmental Accounting Standards Board (GASB). Despite legislative intent to the contrary, GASB requires the appropriation be recognized in fiscal year 2018. The same GASB ruling applies to a fiscal year 2017 appropriated Veteran's Grant of \$63,730, which is also included in the fiscal year 2018 Budget. Additionally, enrollment volatility, a multi-year analysis of revenue and expense trends, and a likely loss of equalization funding in fiscal year 2019 have driven the need to focus significant time and effort on both long- and short-term budgetary plans and strategies.

### Multi-Year Plan

While the focal point of this narrative is fiscal year 2018, three facets of the College's longer term planning are important and briefly explained below.

First, the Board of Trustees approved a Strategic Multi-Year Plan for Budget and HR Realignment in fiscal year 2016. That plan influenced fiscal year 2018 budget planning.

Second, in April 2017, staff presented a 5-year Strategic Budget Forecast that emphasized the difficulty of budgeting with unknown state funding levels. With concurrence that quality should not suffer due to poor fiscal management by the State, the Board agreed to draw on operating fund reserves as an intentional, future strategic approach, if necessary. This authorization has allowed staff to manage the uncertainty associated with the State's budget impasse and continue to deliver high quality education and services. While this year's financial outlook is certainly more favorable

thanks to recent budget legislation, the GASB accounting ruling and ongoing concerns about future State funding must not be discounted. A sound multi-year financial management plan continues to be critical.

Third, the College has prepared a new strategic plan, which formally launched in August 2017. While many themes of the prior plan persist, greater emphasis on data-informed priorities, engagement of the community in the planning process, and alignment of priorities to strategic and operational budget decision making will further reinforce the College's value to the District. Planning efforts will continue in fiscal year 2018 with emphasis on operational and master plans, as well as strategic budgeting.

### Current Considerations

The General Assembly approved a package of legislation (Senate Bills 6, 9 and 42) that provided appropriations for fiscal years 2017 and 2018. Governor Rauner vetoed the package. Both the House and the Senate overrode the veto thus enacting the legislation into law on July 6, 2017. For fiscal year 2017, this appropriated a Base Operating Grant of \$1,500,536, a CTE Grant of \$134,220, and a Veterans' Grant of \$63,730. For fiscal year 2018, the appropriation included a Base Operating Grant of \$2,490,460 and CTE Grant funding (net of Program Improvement Grant funding) of \$115,830. Because the law did not pass until after the June 30, 2017 fiscal year deadline, all of the funds appropriated by the law must be recognized in fiscal year 2018 according to GASB regulations.

The College's Fiscal Year 2018 Budget also assumes:

- a projected enrollment reduction of a little over 3% when compared to fiscal year 2017's budget
- a \$2 per credit hour tuition increase
- a \$2 per credit hour Learning Management System (LMS) fee
- a small increase in the local property tax base
- the uncertainty associated with a likely loss of eligibility for equity tax funding in fiscal year 2019
- ever-increasing demands on support from student tuition and fees

This budget documents the financial operations of the College for fiscal year 2018 and emphasizes the need that continues for full state funding in a third consecutive year of unprecedented financial backdrop.

The Budget for fiscal year 2018 continues to embrace Heartland Community College strategic priorities. The new plan's priorities include Promoting Student Success; Ensuring Resource Stewardship; Serving as a Community Resource; and Modeling Effective Communication, Collaboration and Transparency.

Following is a discussion of various revenues and expenditures included in the Fiscal Year 2018 Budget.

## *OPERATING FUNDS*

### Revenues

The general operating funds of the College are the total of the Education Fund and the Operations and Maintenance Fund. These revenues and transfers for fiscal year 2018 are budgeted at \$32,344,699 in the Education Fund and \$4,161,626 in the Operations and Maintenance Fund. Combined, operating revenues will total \$36,506,325.

*Student tuition and course fees.* The Fiscal Year 2018 Budget anticipates an overall decrease in student tuition and fees revenue of (2.5%) compared to the Fiscal Year 2017 Budget. This decrease is the net result of a tuition increase of \$2 per credit hour, a \$2 per credit hour LMS fee, and a projected enrollment decrease of a little over 3% from the FY17 Budget. Student tuition and fees account for 41.9% – nearly half – of operating fund revenues. This causes continued concern about students' accessibility to affordable education.

Enrollment decreases are continuing at many community colleges across the State. This trend has been experienced the last few years by several Illinois community colleges and is expected to continue in the upcoming year for many higher education institutions. Staff is continuing to study enrollment and retention data and trends, and will monitor their impacts on College operations throughout fiscal year 2018.

*State revenues.* The College is projecting state support at the Fiscal Year 2017 and the Fiscal Year 2018 appropriation amounts totaling \$4,241,046 for the Base Operating and CTE Grants. Special purpose funding from the State, in the form of restricted grants for adult education, is also included in the amount of \$394,720, as are federal adult education grants in the amount of \$263,067. In addition, a state veteran's grant of \$63,730 appropriated for fiscal year 2017 but recognized in fiscal year 2018 because of GASB accounting requirements is included.

*Local support.* Local tax revenue anticipated for the Fiscal Year 2018 Budget is based on the tax levy adopted last fall. The Budget is based on an equalized assessed value that increased this year by 2.5%. The largest portion of the increase in local support was driven by a 17.4% (almost \$489,000) increase in the equity tax levy. The overall increase in local support is 5.3% and compares to an increase of 8.4% in the prior year. Local support will provide 38.2% of total operating fund revenues.

During the past few years, the rate of growth in the district's tax base has been impacted by significant farmland assessment adjustments, property tax relief measures, and a general weakening of commercial development and residential real estate transactions. The tax base growth supporting this budget, while positive for three consecutive years, has been much weaker than in past years. The former Mitsubishi auto manufacturing plant was purchased by a new automaker, Rivian Automotive, in FY17. While this should help improve the local tax base in the longer term, recent closures of anchor stores at Eastland Mall may negatively impact the trend.

A decrease in the Corporate Personal Property Replacement Tax (CPPRT) revenue is being projected for fiscal year 2018. CPPRT revenue is budgeted at \$664,553, which is a decrease of 5.6% from fiscal year 2017's budgeted amount. The College anticipated a reduction due to recent communications regarding a prior year miscalculation by the State that impacted all taxing bodies.

*Continuing Education fees.* The Continuing Education area has undergone restructuring in the last year to achieve efficiencies and better meet community needs. Revenues will be derived from personal enrichment and professional learning programs (formerly identified as community education and customized training, respectively). This revenue source is budgeted at \$2,890,019 for fiscal year 2018. Projected increases in one low-margin contractual services provider offerings account for almost \$600,000 of the increase in revenue over the Fiscal Year 2017 budget.

*Investment and other income.* Investment income is budgeted at \$25,697 for fiscal year 2018, equal to the current projection for total FY17 revenue in this category. Other and federal income includes a variety of grant-related and miscellaneous revenues totaling \$99,551.

A graphical analysis of fiscal year 2018 revenue sources is presented at the beginning of the Statistics and Graphical Information section. Included as well is a comparison of budgeted operating funds revenue sources for fiscal years 2018 and 2017.

### Expenditures

Budgeted operating fund expenditures include both the Education Fund and the Operations and Maintenance Funds. The Fiscal Year 2018 budgeted Education Fund expenditures and transfers are \$30,081,414. The Operations and Maintenance Fund expenditures and transfers included in the Fiscal Year 2018 Tentative Budget are \$4,161,626. Total operating expenditures and transfers are budgeted at \$34,243,040. These total operating expenditures are \$2,263,285 less than operating revenues, providing a budgeted reserve of that amount in the Education Fund.

A variety of expenditure summaries and comparisons are presented in the Statistics and Graphical Information section.

*Employee salaries and benefits.* Employee salaries and benefits are the most significant component of any community college's expenses. Heartland is no exception. The Fiscal Year 2018 Budget provides for \$21.7 million or 63.5% of the total operating budget for employee compensation. This compares to \$22.2 million or 66.7% in fiscal year 2017 and represents an overall decrease of 2.1%.

The Budget provides for overall increases of 2.5% in wages and salaries to full-time employees and eligible part-time employees. It also provides funds for increases to part-time faculty. This is offset by a projection of fewer employees in fiscal year 2018.

The cost of employee group health insurance is the major component of employee benefits. Due to strong claims-to-premiums ratios in both the medical and dental programs in FY17, the budget projects an overall decrease of approximately 10% over the prior year. Additional benefit costs reflected in budgeted expenditures include the required contribution by the College to the State of Illinois insurance program for community college retirees, employee and dependent tuition waivers and reimbursements, and Employee Assistance Program costs.

*Contractual services.* The Budget reflects an increase of 35.3%, or approximately \$824,880 in contractual services, for fiscal year 2018 as compared to fiscal year 2017. Anticipated enrollments with a previously mentioned contractual provider of instructional services, accounts for approximately \$515,000 of this difference. The remaining difference of \$309,880 is the result of increases in some facility and maintenance contracts and services, as well as increases in various professional fees and projected costs of other personal enrichment and professional learning

program training contracts. Contractual services will account for 9.2% of the operating fund's expenditures.

*General materials and supplies.* Materials and supplies costs are projected to increase by 2.7% or approximately \$38,426. This includes a purchase of multi-function scanner-copier-printers with the Education Fund share of that cost being \$33,372. Basic cost and usage across all lines for materials and supplies are included in the Budget following a year of priority-only spending during fiscal year 2017.

*Conference, travel, and meeting expense.* The amount allocated to conference, travel, and meeting expenses for fiscal year 2018 has increased by \$100,002 or 21.6% from the fiscal year 2017 budget level. Professional development expenses for non-faculty were curtailed during much of fiscal year 2017 in response to insufficient state funding. Fiscal year 2017 total travel expenses are projected at \$226,200 or 64% of the original budgeted amount. Supporting professional development opportunities, however, continues to be a high priority consistent with delivery of high quality instruction and services. It is in in this year's budget at a total of \$562,910.

*Fixed charges.* Fixed charges are budgeted to increase 5.2% (approximately \$60,000) over the fiscal year 2017 budgeted amount. Fixed charges include leases for the Heartland Pontiac Center, Heartland Lincoln Center, and other short-term instructional sites for community education classes, as well as various annual insurance, property taxes, and other small equipment lease and rental costs. Debt service payments associated with the guaranteed energy savings performance contract will also increase during fiscal year 2018.

*Utilities.* The Fiscal Year 2018 Final Budget includes utilities costs of \$875,532, a decrease of 11.1% over the fiscal year 2017 budgeted amount. Utility costs for fiscal year 2017 are projected to be 19% lower than budgeted. Utilities are monitored and managed closely throughout the year.

*Capital outlay.* Funding for capital outlay has been identified as a priority during fiscal year 2018 to address deferred maintenance projects and other instructional equipment replacement needs that have not been addressed in several years. The capital outlay portion of the aforementioned multi-function scanner-copier-printers is approximately \$41,222. A total of \$743,840 has been budgeted in the operating fund for capital, which is a 112.5% increase over the FY 2017 Budget.

While final decisions have not been made, a minibus purchase is being evaluated as a strategy to reduce athletic transportation costs, and a renewed commitment to Logan County and the City of Lincoln may lead to decisions with significant facilities implications. Allowances for these possibilities are included in the capital total.

*Waivers and Other.* Waivers and other expenditures will increase by 0.1% (approximately \$3,000) over the fiscal year 2017 budget amount. This is a result of projected increases in the cost of tuition waivers and other miscellaneous costs, such as bad debt write-offs. Projected growth in the dual credit program (College NOW) with district high schools will continue to contribute to this increase in waiver costs. Waivers and other expenses account for 10.4% of the operating budget's expenditures.

*Contingencies and transfers.* Budgeted contingencies and transfers again are incorporated into the Budget. For fiscal year 2018, budgeted contingencies total \$450,000, with \$350,000 in the

Education Fund and \$100,000 in the Operations and Maintenance Fund. These provide for the uncertainties associated with the State's finances, fall and spring enrollment fluctuations, utility cost volatility, and other market-driven costs, as well as to fund reserve plans. Included this year is a contingency reserve of \$250,000 specifically designated for allocation by the College's senior leadership team to address strategic opportunities and unexpected needs that arise during the year. Another \$100,000 is included in contingency to address additional professional development funding for employees, with needs still being identified and prioritized. The total contingency line reflects only 1.3% of the operating budget.

A budgeted transfer in the Operations and Maintenance Fund provides for a transfer of \$310,000 to the Operations and Maintenance (Restricted) Fund. This transfer will continue a commitment to restoring reserves for future campus projects and will fund the annual debt certificate interest payment on the 2010 land purchase. A budgeted transfer from the Education Fund provides \$146,339 to the Auxiliary Enterprises Fund. This transfer will subsidize auxiliary operations such as the Child Development Lab, student athletics, student activities, and other student life initiatives.

### *OTHER FUNDS*

The Fiscal Year 2018 Budget includes anticipated revenues and expenditures for several other funds including the Liability, Protection and Settlement Fund; Restricted Purposes Fund; Audit Fund; Bond and Interest Fund; Operations and Maintenance (Restricted) Fund; Auxiliary Enterprises Fund; Working Cash Fund; Self-Insurance Fund; and the Trust and Agency Fund. These funds generally derive revenues from state sources, local tax receipts, special fees, and/or interest income, and generate expenditures within specifically defined parameters prescribed by the revenue source or applicable statutes or administrative rules.

The Liability, Protection, and Settlement Fund is used to support the College's risk management program and thereby shield it from tort litigation. Budgeted expenses for this fund will exceed Budgeted revenues by \$172,021 in fiscal year 2018. This is due to several factors including some anticipated elevator repairs estimated at \$140,000, fire system repairs estimated to be \$44,000, and security functionality on multi-function scanner-copier-printers at approximately \$32,000.

The Restricted Purposes Fund is used to account for federal, state, and local grants and initiatives including federal student financial aid. During fiscal year 2018, the Restricted Fund will also be used to account for:

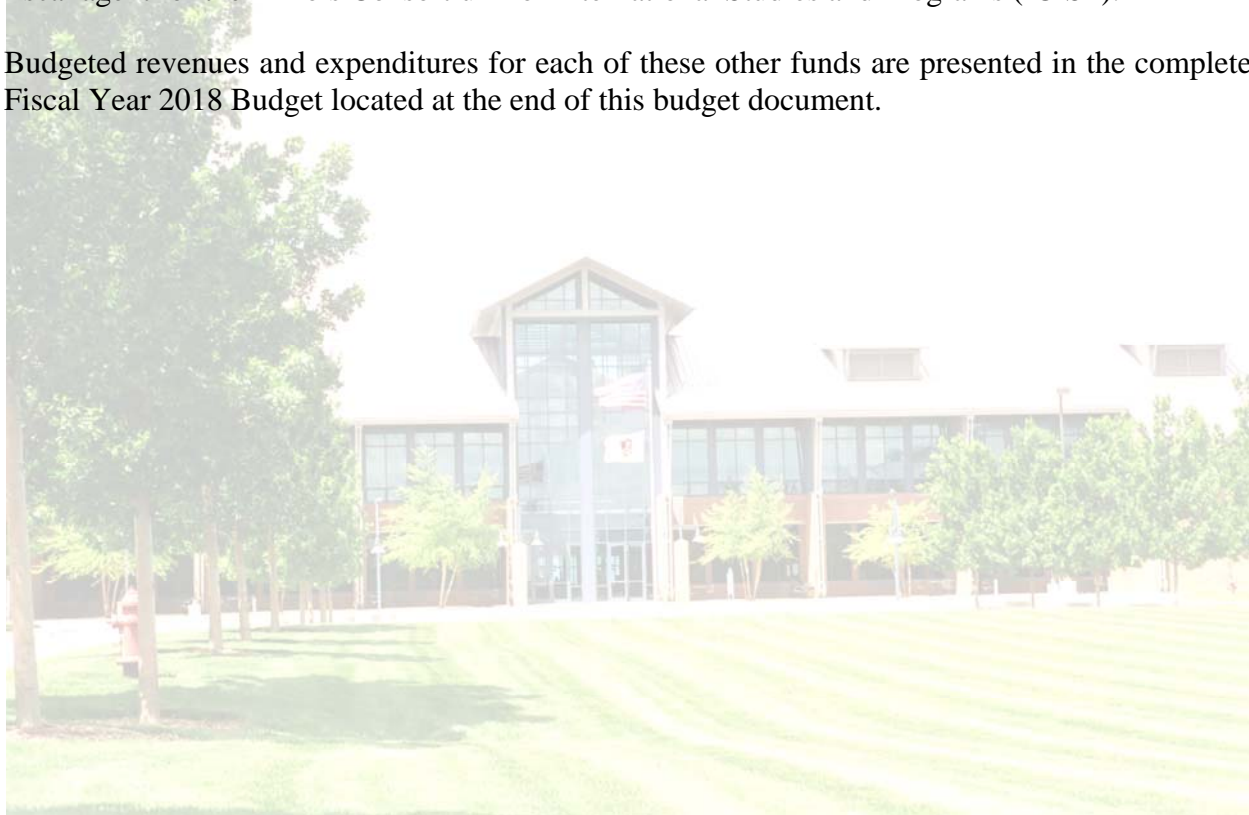
- (1) approximately \$3 million in technology expenditures associated with the 2016 and 2018 technology funding bond issues
- (2) the guaranteed energy savings facility improvement measures project
- (3) Advanced Truck Driver Training program development expenditures of \$1,482 using the Program Development and Facilities Enhancement Fees fund

Restricted Fund revenues and expenses are budgeted at \$18,056,892 and \$16,419,443 respectively, for fiscal year 2018. Restricted Fund revenues exceed expenditures by \$1.6 million due to technology bond fund revenues to be received during fiscal year 2018 for expenditures planned during fiscal year 2018 and over the next several fiscal years. It is important to note this fund's budget will change during the year as new grants are awarded and received.

In the Operations and Maintenance (Restricted) Fund for fiscal year 2018, \$250,000 has been budgeted for protection, health and safety projects. Another \$74,900 is budgeted for interest payments on the 2013 debt certificates issued in conjunction with the land purchase originally financed in 2010. The Auxiliary Enterprises Fund continues to account for the Child Development Lab, student athletics, student activities and other student life initiatives, such as city bus transportation for students. Also included in the Auxiliary Fund are revenues and expenses related to international programs. The College is committed to increasing the number of international students and programs during FY18.

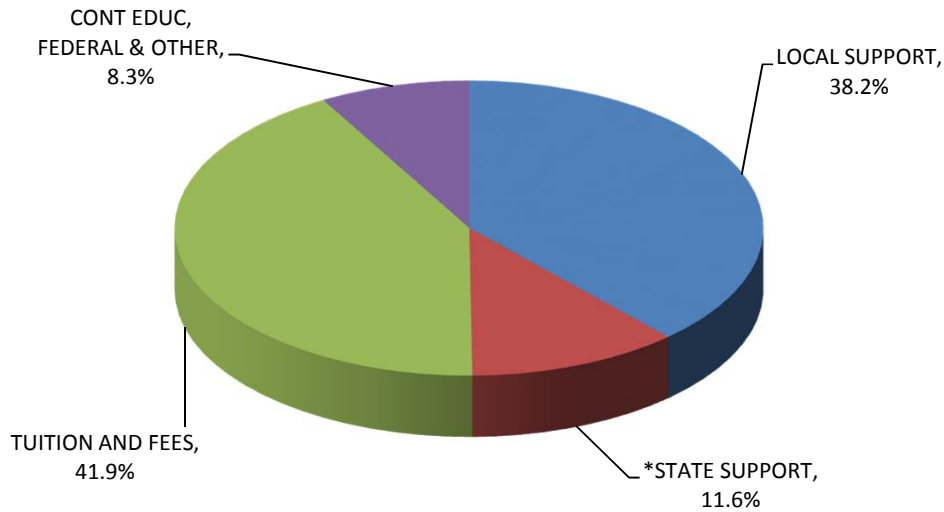
The Trust and Agency Fund receives and holds funds when the College serves as a custodian or fiscal agent for another entity. Once again during fiscal year 2018, the College will serve as the fiscal agent for the Illinois Consortium for International Studies and Programs (ICISP).

Budgeted revenues and expenditures for each of these other funds are presented in the complete Fiscal Year 2018 Budget located at the end of this budget document.



**HEARTLAND COMMUNITY COLLEGE  
FISCAL YEAR 2018 OPERATING FUND  
REVENUES BY SOURCE**

**FY2018  
BUDGET**



FUNDING SOURCE	EDUCATION FUND	O&M FUND	TOTAL OPERATING REVENUES
LOCAL SUPPORT	\$11,051,495	\$2,877,508	\$13,929,003
*STATE SUPPORT	4,241,046	0	4,241,046
TUITION AND FEES	14,045,970	1,265,039	15,311,009
CONT EDUC, FEDERAL & OTHER	<u>3,001,188</u>	<u>14,079</u>	<u>3,015,267</u>
<i>TOTAL REVENUES</i>	\$32,339,699	\$4,156,626	\$36,496,325
TRANSFERS	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>
<i>TOTAL REVENUE AND TRANSFERS</i>	<u>\$32,344,699</u>	<u>\$4,161,626</u>	<u>\$36,506,325</u>

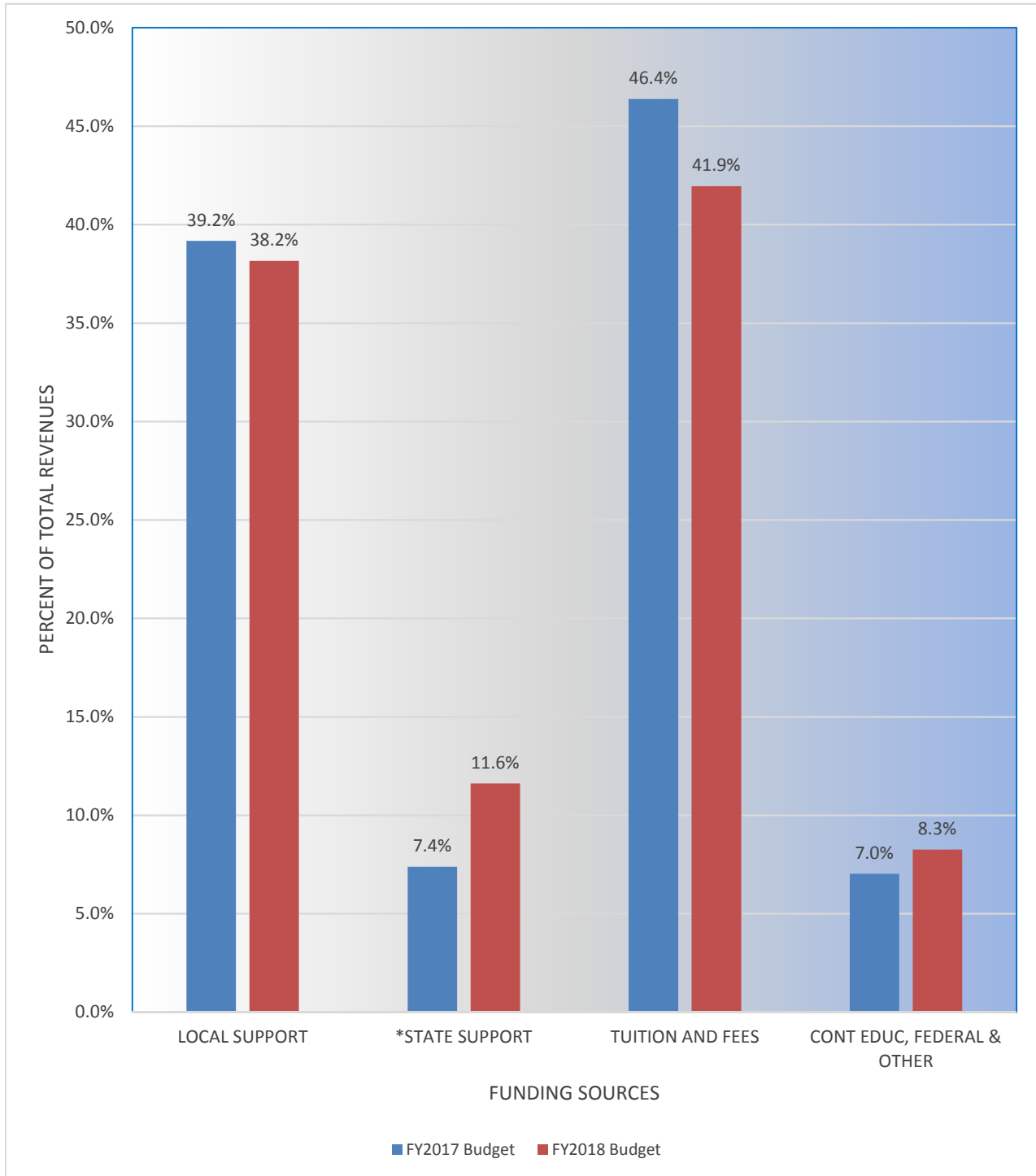
\*State Support includes FY17 state appropriations totaling \$1,634,756 due to GASB accounting requirements of reporting the revenue in the fiscal year the appropriation was executed.

**HEARTLAND COMMUNITY COLLEGE  
OPERATING FUND  
REVENUES BY SOURCE  
FISCAL YEARS 2017 AND 2018**

FUNDING SOURCE	FY2017 BUDGET	FY2018 BUDGET	PERCENT INCREASE/ DECREASE
LOCAL SUPPORT	\$13,229,049	\$13,929,003	5.3%
*STATE SUPPORT	2,500,000	4,241,046	69.6%
TUITION AND FEES	15,701,344	15,311,009	-2.5%
CONT EDUC, FEDERAL & OTHER	<u>2,414,283</u>	<u>3,015,267</u>	<u>24.9%</u>
<i>TOTAL REVENUES</i>	<i>\$33,844,676</i>	<i>\$36,496,325</i>	<i>7.8%</i>
TRANSFERS	<u>11,700</u>	<u>10,000</u>	<u>-14.5%</u>
<i>TOTAL REVENUES AND TRANSFERS</i>	<u><u>\$33,856,376</u></u>	<u><u>\$36,506,325</u></u>	<u><u>7.8%</u></u>

\*FY 18 State Support includes FY17 state appropriations totaling \$1,634,756 due to GASB accounting requirements of reporting the revenue in the fiscal year the appropriation was executed.

**HEARTLAND COMMUNITY COLLEGE**  
**FISCAL YEARS 2017 AND 2018 OPERATING FUND**  
**REVENUES BY SOURCE**



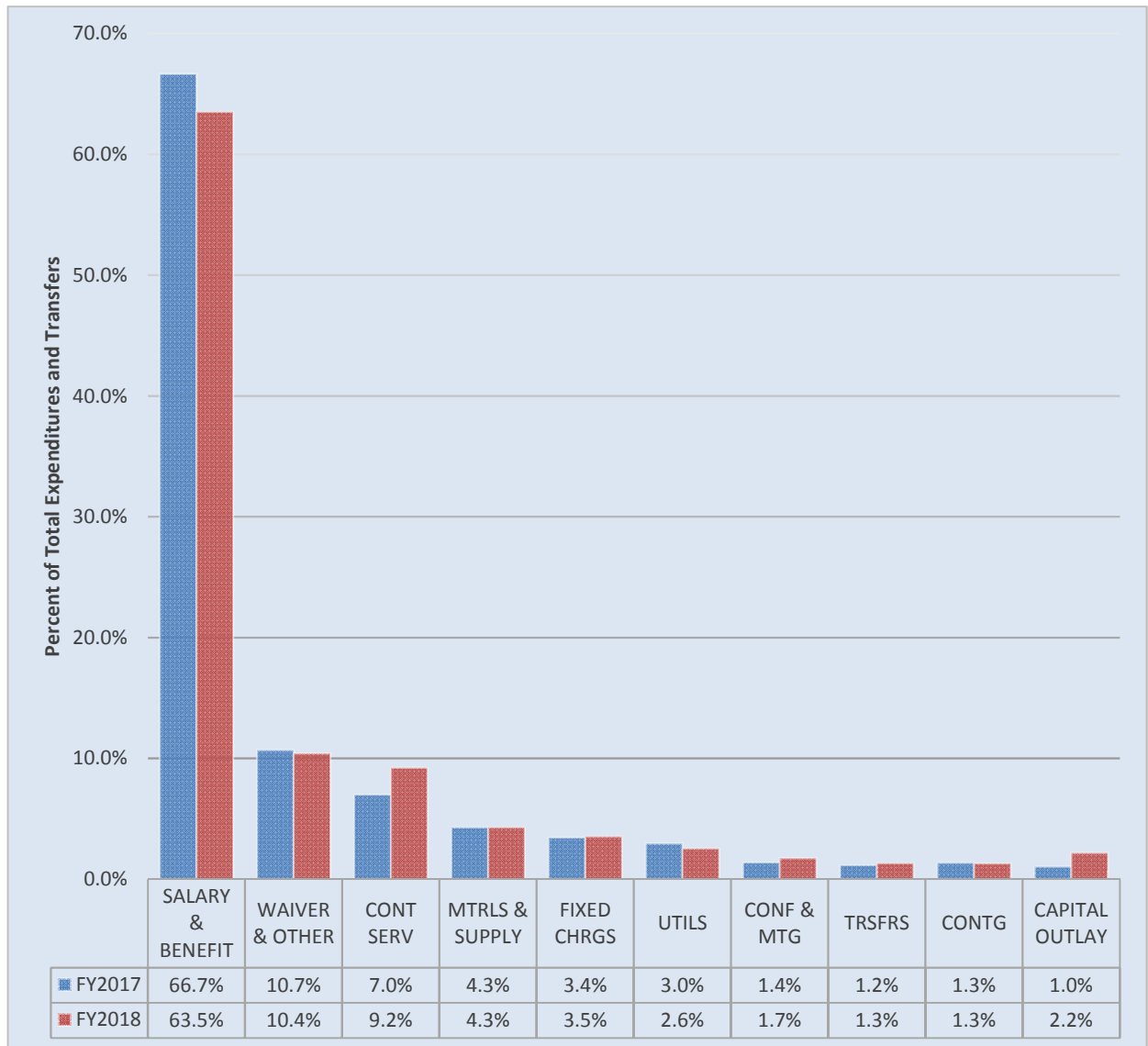
\*FY18 State Support includes FY17 state appropriations totaling \$1,634,756 due to GASB accounting requirements of reporting the revenue in the fiscal year the appropriation was executed.



**HEARTLAND COMMUNITY COLLEGE  
OPERATING FUND  
EXPENDITURES BY OBJECT AND TRANSFERS  
FISCAL YEARS 2017 AND 2018**

OBJECT	FY2017 BUDGET	FY2018 BUDGET	PERCENT INCREASE/ DECREASE
SALARIES & BENEFITS	\$22,221,241	\$21,748,732	-2.1%
CONTRACTUAL SERVICES	2,333,693	3,158,577	35.3%
GENERAL MATERIALS & SUPPLIES	1,433,594	1,472,020	2.7%
CONFERENCES & MEETINGS	462,908	562,910	21.6%
FIXED CHARGES	1,149,628	1,209,630	5.2%
UTILITIES	985,085	875,532	-11.1%
CAPITAL OUTLAY	350,000	743,840	112.5%
WAIVERS & OTHER	3,562,461	3,565,460	0.1%
CONTINGENCY	450,000	450,000	0.0%
<i>TOTAL EXPENDITURES</i>	<u>\$32,948,610</u>	<u>\$33,786,701</u>	2.5%
TRANSFERS	387,669	456,339	17.7%
<i>TOTAL EXPENDITURES AND TRANSFERS</i>	<u><u>\$33,336,279</u></u>	<u><u>\$34,243,040</u></u>	<u>2.7%</u>
<i>BUDGETED RESERVES</i>	\$520,098	\$2,263,285	335.2%

**HEARTLAND COMMUNITY COLLEGE**  
**OPERATING FUND**  
**FISCAL YEARS 2017 AND 2018**  
**EXPENDITURES BY OBJECT AND TRANSFERS**

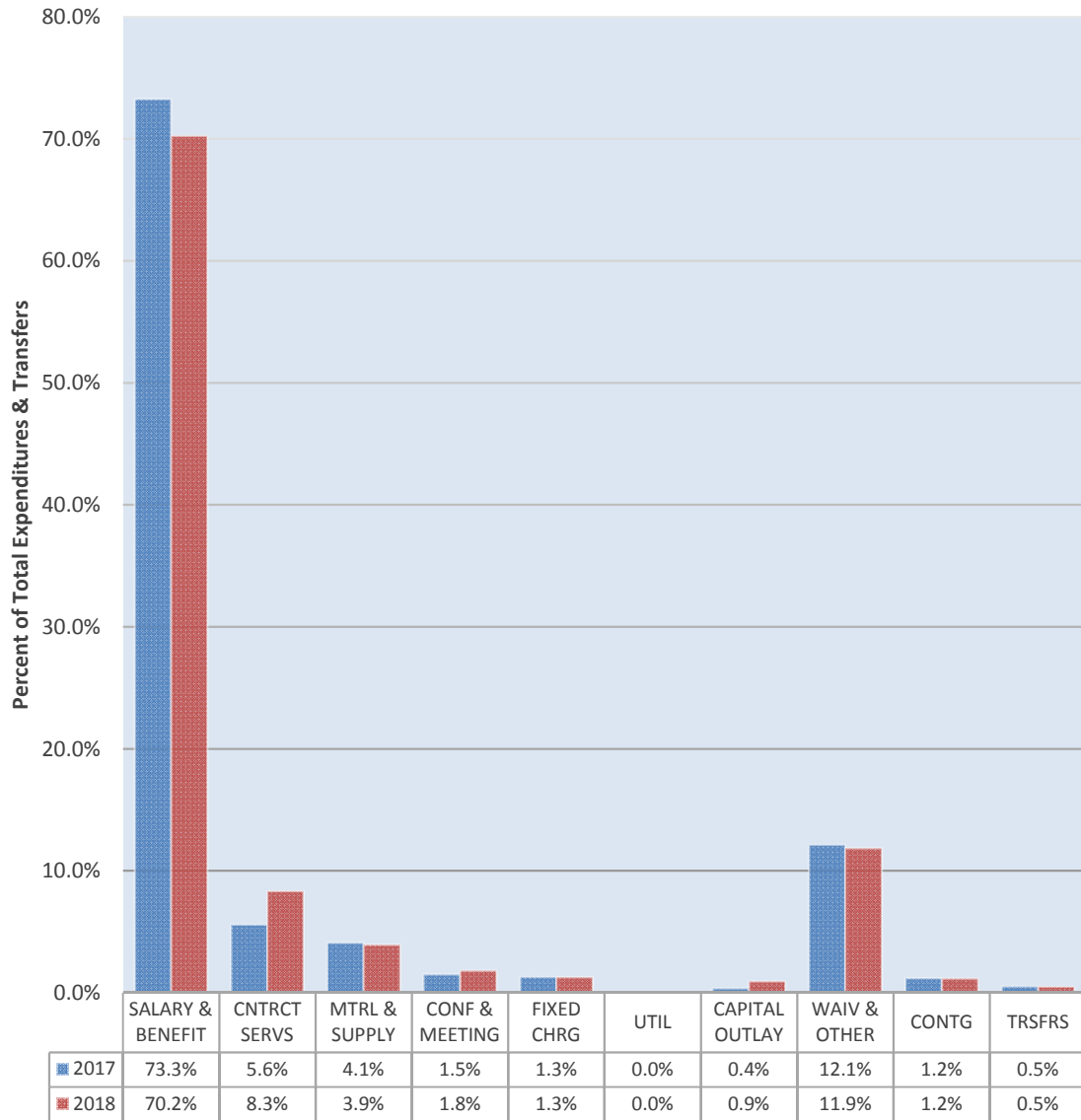


**HEARTLAND COMMUNITY COLLEGE  
EDUCATION FUND  
EXPENDITURES BY OBJECT AND TRANSFERS  
FISCAL YEARS 2017 AND 2018**

OBJECT	FY2017 BUDGET	FY2018 BUDGET	PERCENT INCREASE/ DECREASE
SALARIES & BENEFITS	\$21,536,264	\$21,129,166	-1.9%
CONTRACTUAL SERVICES	1,645,345	2,507,890	52.4%
GENERAL MATERIALS & SUPPLIES	1,230,507	1,182,590	-3.9%
CONFERENCES & MEETINGS	441,408	541,410	22.7%
FIXED CHARGES	379,563	379,565	0.0%
UTILITIES	775	775	0.0%
CAPITAL OUTLAY	100,000	278,219	178.2%
WAIVERS & OTHER	3,562,461	3,565,460	0.1%
CONTINGENCY	350,000	350,000	0.0%
<i>TOTAL EXPENDITURES</i>	<u>\$29,246,323</u>	<u>\$29,935,075</u>	2.4%
TRANSFERS	152,092	146,339	-3.8%
<i>TOTAL EXPENDITURES AND TRANSFERS</i>	<u><u>\$29,398,415</u></u>	<u><u>\$30,081,414</u></u>	<u>2.3%</u>
<i>BUDGETED RESERVES</i>	\$520,098	\$2,263,285	335.2%

HEARTLAND COMMUNITY COLLEGE

**EDUCATION FUND  
FISCAL YEARS 2017 AND 2018  
EXPENDITURES BY OBJECT AND TRANSFERS**

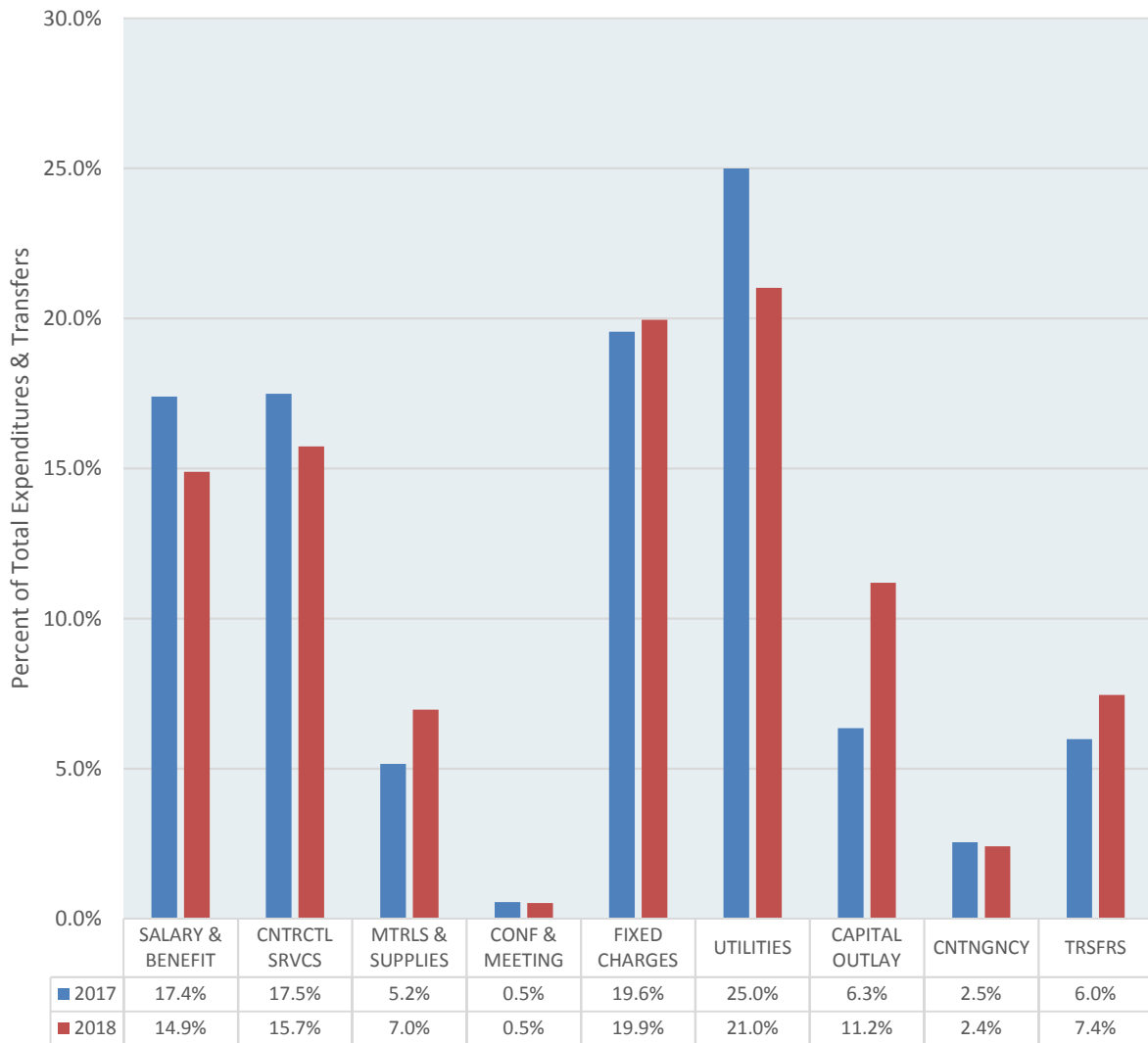


**HEARTLAND COMMUNITY COLLEGE  
OPERATIONS AND MAINTENANCE FUND  
EXPENDITURES BY OBJECT AND TRANSFERS  
FISCAL YEARS 2017 AND 2018**

OBJECT	FY2017 BUDGET	FY2018 BUDGET	PERCENT INCREASE/ DECREASE
SALARIES & BENEFITS	\$684,977	\$619,566	-9.5%
CONTRACTUAL SERVICES	688,348	650,687	-5.5%
GENERAL MATERIALS & SUPPLIES	203,087	289,430	42.5%
CONFERENCES & MEETINGS	21,500	21,500	0.0%
FIXED CHARGES	770,065	830,065	7.8%
UTILITIES	984,310	874,757	-11.1%
CAPITAL OUTLAY	250,000	465,621	86.2%
WAIVERS & OTHER	0	0	N/A
CONTINGENCY	100,000	100,000	0.0%
<i>TOTAL EXPENDITURES</i>	<u>\$3,702,287</u>	<u>\$3,851,626</u>	4.0%
TRANSFERS	<u>235,577</u>	<u>310,000</u>	31.6%
<i>TOTAL EXPENDITURES AND TRANSFERS</i>	<u><u>\$3,937,864</u></u>	<u><u>\$4,161,626</u></u>	<u>5.7%</u>
<i>BUDGETED RESERVES</i>	\$0	\$0	N/A

HEARTLAND COMMUNITY COLLEGE

**OPERATIONS & MAINTENANCE FUND  
FISCAL YEARS 2017 AND 2018  
EXPENDITURES BY OBJECT AND TRANSFERS**



# Heartland Community College Fiscal Year 2018 Budget



HEARTLAND  
COMMUNITY COLLEGE

## Financial

Summary of Fiscal Year 2018 Budget By Fund

Summary of Fiscal Year 2018 Estimated Revenues

Summary of Fiscal Year 2018 Operating Budget Expenditures

Fiscal Year 2018 Budget Expenditures





**SUMMARY OF FISCAL YEAR 2018 ESTIMATED REVENUES  
(continued)**

	<u>Education Fund</u>	<u>Operations &amp; Maintenance Fund</u>	<u>Total Operating Funds</u>
<b>OPERATING REVENUE BY SOURCE</b>			
TRANSFERS	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$10,000</u>
<b>TOTAL 2018 BUDGETED REVENUE</b>	<u>\$32,344,699</u>	<u>\$4,161,626</u>	<u>\$36,506,325</u>
Less Non-Operating Items*:			
Tuition Chargeback Revenue	<u>                    </u>	<u>                    </u>	<u>                    </u>
Instructional Service	<u>                    </u>	<u>                    </u>	<u>                    </u>
Contract Revenue	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ADJUSTED REVENUE</b>	<u>\$32,344,699</u>	<u>\$4,161,626</u>	<u>\$36,506,325</u>

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

**SUMMARY OF FISCAL YEAR 2018 ESTIMATED REVENUES**  
(continued)

<b>LIABILITY, PROTECTION, AND SETTLEMENT FUND</b>	Revenues	Totals
Local Governmental Sources	\$2,570,000	\$2,570,000
Other Sources	1,000	1,000
<b>GRAND TOTAL</b>		<b>\$2,571,000</b>
<b>RESTRICTED PURPOSES FUND</b>		
Local Governmental Sources		
Technology Funding Bonds	\$4,500,000	\$4,500,000
State Governmental Sources		
ICCB - Adult Education	\$394,720	
ICCB - Program Improvement Grant	12,870	
ICCB - IL Veterans Grant*	63,730	
Pathway to Results	5,000	
IL Student Assistance Commission	580,000	
IBHE-Cooperative Work Study	7,891	
DCEO - Challenger Learning Center	88,690	\$1,152,901
Federal Governmental Sources		
Department of Education - Pell	\$6,175,000	
Department of Education - Student Loans	5,070,100	
Department of Education - College Work Study	84,042	
Department of Education - SEOG	90,000	
Department of Education - Adult Education	263,067	
Department of Education - Student Support Services (Trio)	232,312	
Department of Education - STEM Grant	25,000	
ICCB Dual Credit Enhancement	8,530	
ICCB - Perkins II C	161,201	
ICCB - Perkins Leadership Grant	10,000	
ICCB Special Populations Grant	10,000	
Career Link/Dislocated Workers	1,500	
Career Link/Adult Education	55,872	
National Science Foundation - Independent Science Grant	2,571	\$12,189,195
Student Tuition and Fees	\$207,534	\$207,534
Other Sources	\$7,262	\$7,262
<b>GRAND TOTAL</b>		<b>\$18,056,892</b>

\*ICCB - IL Veterans Grant was appropriated for FY17 but will be recognized in FY18 due to GASB accounting requirements of reporting the revenue in the fiscal year the appropriation was executed.

**SUMMARY OF FISCAL YEAR 2018 ESTIMATED REVENUES**  
(continued)

<b>BOND AND INTEREST FUND</b>	Revenues	Totals	
Local Governmental Sources	<u>\$9,820,175</u>	<u>\$9,820,175</u>	
Other Sources	<u>10,000</u>	<u>10,000</u>	
<b>GRAND TOTAL</b>			<u>\$9,830,175</u>
<b>OPERATIONS AND MAINTENANCE FUND (Restricted)</b>			
Local Governmental Sources			
Current Taxes	<u>\$250,000</u>	<u>\$250,000</u>	
State Governmental Sources			
Federal Governmental Sources			
Other Sources	<u>100</u>	<u>100</u>	
TRANSFERS		<u>310,000</u>	
<b>GRAND TOTAL</b>			<u>\$560,100</u>
<b>AUXILIARY ENTERPRISES FUND</b>			
Local Government Sources			
State Governmental Sources			
Federal Governmental Sources	<u>\$14,400</u>	<u>\$14,400</u>	
Tuition and Fees	<u>\$970,644</u>	<u>\$970,644</u>	
Other Sources:			
Sales and Service Fees	\$562,823		
Other	<u>25,200</u>		
Total Other Sources		<u>\$588,023</u>	
TRANSFERS		<u>\$146,339</u>	
<b>GRAND TOTAL</b>			<u>\$1,719,406</u>
<b>WORKING CASH FUND</b>			
Other Sources	<u>\$10,000</u>	<u>\$10,000</u>	
<b>GRAND TOTAL</b>			<u>\$10,000</u>

**SUMMARY OF FISCAL YEAR 2018 ESTIMATED REVENUES**  
(continued)

**TRUST AND AGENCY FUND**

Other Sources	<u>\$458,286</u>	<u>\$458,286</u>	
<b>GRAND TOTAL</b>			<u><u>\$458,286</u></u>

**SELF INSURANCE FUND**

Other Sources:			
Investment Revenue	\$4,000		
Other	<u>3,441,670</u>		
Total Other Sources		<u>\$3,445,670</u>	
<b>GRAND TOTAL</b>			<u><u>\$3,445,670</u></u>

**AUDIT FUND**

Local Governmental Sources	\$143,325	\$143,325	
Other Sources	<u>50</u>	<u>50</u>	
<b>GRAND TOTAL</b>			<u><u>\$143,375</u></u>

**SUMMARY OF FISCAL YEAR 2018 OPERATING BUDGETED EXPENDITURES**

	Education Fund	Operations & Maintenance Fund	Total Operating Fund	%
<b>BY OBJECT</b>				
Salaries	\$18,227,527	\$519,616	\$18,747,143	54.7
Employee Benefits	2,901,639	99,950	3,001,589	8.8
Contractual Services	2,507,890	650,687	3,158,577	9.2
General Materials & Supplies	1,182,590	289,430	1,472,020	4.3
Conference & Meeting Expenses	541,410	21,500	562,910	1.6
Fixed Charges	379,565	830,065	1,209,630	3.5
Utilities	775	874,757	875,532	2.6
Capital Outlay	278,219	465,621	743,840	2.2
Other	3,565,460	0	3,565,460	10.4
Provision for Contingency	350,000	100,000	450,000	1.3
<b>TOTAL 2017 TENTATIVE BUDGET EXPENDITURES</b>	<b>\$29,935,075</b>	<b>\$3,851,626</b>	<b>\$33,786,701</b>	<b>98.7</b>
<b>TRANSFERS</b>	<b>146,339</b>	<b>310,000</b>	<b>456,339</b>	<b>1.3</b>
<b>TOTAL 2017 TENTATIVE BUDGET EXPENDITURES AND TRANSFERS</b>	<b>\$30,081,414</b>	<b>\$4,161,626</b>	<b>\$34,243,040</b>	<b>100.0</b>
Less Non-Operating Items*:				
Tuition Chargebacks	0		0	0.0
Instructional Service Contracts				
<b>ADJUSTED EXPENDITURES</b>	<b>\$30,081,414</b>	<b>\$4,161,626</b>	<b>\$34,243,040</b>	<b>100.0</b>

\*Inter-college expenses that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

**FISCAL YEAR 2018 BUDGETED EXPENDITURES-ALL OTHER FUNDS**

<u>RESTRICTED PURPOSES FUND</u>	<u>Appropriations</u>	<u>Totals</u>
<b>INSTRUCTION</b>		
Salaries	\$534,924	
Employee Benefits	105,191	
Contractual Services	85,234	
General Materials & Supplies	152,667	
Conference and Meeting Expense	36,339	
Fixed Charges	7,000	
Utilities	2,500	
Other	4,342	<u>\$928,197</u>
<b>ACADEMIC SUPPORT</b>		
Salaries	\$173,492	
Employee Benefits	27,200	
Contractual Services	40,360	
General Materials & Supplies	42,494	
Conference and Meeting Expense	16,200	
Other	18,750	<u>\$318,496</u>
<b>STUDENT SERVICES</b>		
Salaries	\$34,325	
Contractual Services	25,421	
General Materials & Supplies	5,420	
Conference and Meeting Expense	1,840	<u>\$67,006</u>
<b>PUBLIC SERVICE</b>		
Salaries	\$7,862	
Contractual Services	2,400	
General Materials & Supplies	74,104	
Conference and Meeting Expense	17,380	
Fixed Charges	732	<u>\$102,479</u>
<b>AUXILIARY SERVICES</b>		
Salaries	6,830	<u>\$6,830</u>
<b>OPERATION AND MAINTENANCE OF PLANT</b>		
Contractual Services	3,286	<u>\$3,286</u>
<b>INSTITUTIONAL SUPPORT</b>		
Salaries	\$6,830	
Contractual Services	650,155	
General Materials & Supplies	1,400,354	
Conference and Meeting Expense	55,980	
Capital Outlay	871,000	<u>\$2,984,319</u>
<b>SCHOLARSHIPS, STUDENT GRANTS &amp; WAIVERS</b>		
Other	\$12,008,830	<u>\$12,008,830</u>
<b>GRAND TOTAL</b>		<u><u>\$16,419,443</u></u>

**FISCAL YEAR 2018 BUDGETED EXPENDITURES-ALL OTHER FUNDS**

(continued)

<u><b>BOND AND INTEREST FUND</b></u>	<u>Appropriations</u>	<u>Totals</u>
INSTITUTIONAL SUPPORT		
Salaries		
Employee Benefits		
Contractual Services	\$5,000	
General Materials and Supplies		
Conference and Meeting Expense		
Fixed Charges	9,820,175	
Utilities		
Capital Outlay		
Other		
	<hr/>	<hr/>
		\$9,825,175
GRAND TOTAL		<u><u>\$9,825,175</u></u>
<u><b>OPERATIONS AND MAINTENANCE FUND (Restricted)</b></u>		
OPERATION AND MAINTENANCE OF PLANT		
Salaries		
Employee Benefits		
Contractual Services	\$75,000	
General Materials and Supplies	75,000	
Conference and Meeting Expense		
Fixed Charges	74,900	
Utilities		
Capital Outlay	100,000	
Other		
	<hr/>	<hr/>
		\$324,900
GRAND TOTAL		<u><u>\$324,900</u></u>
<u><b>AUXILIARY ENTERPRISE FUND</b></u>		
AUXILIARY SERVICES		
Salaries	\$741,498	
Employee Benefits	108,025	
Contractual Services	193,780	
General Materials and Supplies	188,883	
Conference and Meeting Expense	113,861	
Fixed Charges	53,912	
Other/Scholarships, Grants and Waivers	319,447	
	<hr/>	<hr/>
		\$1,719,406
GRAND TOTAL		<u><u>\$1,719,406</u></u>



**FISCAL YEAR 2018 BUDGETED EXPENDITURES-ALL OTHER FUNDS**  
(continued)

<b>LIABILITY, PROTECTION, AND SETTLEMENT FUND</b>	<u>Appropriations</u>	<u>Totals</u>
<b>INSTRUCTION</b>		
Salaries	\$179,253	
Employee Benefits	31,477	
Fixed Charges	9,000	<u>\$219,730</u>
<b>ACADEMIC SUPPORT</b>		
Salaries	\$1,441	
Employee Benefits	250	
Conference and Meeting Expense	4,500	
Fixed Charges	4,218	<u>\$10,409</u>
<b>STUDENT SERVICES</b>		
Salaries	\$15,878	
Employee Benefits	2,799	
Contractual Services	365	
Fixed Charges	0	<u>\$19,042</u>
<b>PUBLIC SERVICES</b>		
Salaries	\$22,529	
Employee Benefits	3,901	
Fixed Charges	1,751	<u>\$28,181</u>
<b>INSTITUTIONAL SUPPORT</b>		
Salaries	\$442,319	
Employee Benefits	552,442	
Contractual Services	137,112	
General Materials and Supplies	27,776	
Conferences and Meeting Expense	5,400	
Fixed Charges	131,618	
Utilities	10,250	
Capital Outlay	17,667	<u>\$1,324,584</u>
<b>AUXILIARY OPERATIONS</b>		
Salaries	75,992	
Employee Benefits	12,666	<u>\$88,658</u>
<b>OPERATION AND MAINTENANCE OF PLANT</b>		
Salaries	\$184,931	
Employee Benefits	33,623	
Contractual Services	730,519	
General Materials and Supplies	48,458	
Conference and Meeting Expense	3,600	
Fixed Charges	12,263	
Utilities	7,725	
Capital Outlay	31,850	<u>\$1,052,969</u>
<b>GRAND TOTAL</b>		<u><u>\$2,743,573</u></u>

**HEARTLAND COMMUNITY COLLEGE**

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