



**Black Hawk
COLLEGE**

www.bhc.edu

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

**Illinois Community College
District 503**

**Quad-Cities Campus
Moline, Illinois**

**East Campus
Galva, Illinois**



Illinois Community College District #503
6600 34th Avenue
Moline, Illinois 61265
www.bhc.edu

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the
Fiscal Year Ended June 30, 2010**

**Prepared by:
Finance Division
Leslie T. Anderson, Chief Financial Officer**

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October 14, 2010

QUAD-CITIES CAMPUS

6600 34th Avenue
Moline, Illinois 61265
(309) 796-5000

EAST CAMPUS

26230 Black Hawk Road
Galva, Illinois 61434
(309) 854-1700
*(located 5 miles
south of Kewanee)*

COMMUNITY EDUCATION CENTER

404 East Third Street
Kewanee, Illinois 61443
(309) 854-1875

OUTREACH CENTER

301 Avenue of the Cities
East Moline, Illinois 61244
(309) 796-4800

ILLINOIS WORKNET CENTER

4703 16th Street - Suite G
Moline, Illinois 61265
(309) 797-7138

TECHNOLOGY CENTER (BHCTC)

3930 11th Street
Rock Island, Illinois 61201
(309) 794-1072

To the Citizens of Black Hawk College:

The Comprehensive Annual Financial Report of Black Hawk College, Community College District No. 503, for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and operations results of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission, vision, and goals have been included. In addition, this letter of transmittal should be read in conjunction with the management's discussion and analysis which immediately follows the independent auditor's report and focuses on current activities, accounting changes and currently known facts.

The Comprehensive Annual Financial Report is presented in five sections: introductory, financial, statistical, special reports, and management information. The introductory section includes this transmittal letter, a list of principal officials and the College's organizational chart. The financial section includes the report of our independent public accountants, management's discussion and analysis, the basic financial statements, and notes to the financial statements. The statistical section includes selected unaudited financial and demographic information, generally presented on a multi-year basis. The special reports section includes the Uniform Financial Statements, grants and enrollment audits required by the Illinois Community College Board (ICCB) together with the related auditor's reports, and the Schedule of Expenditures of Federal Awards and the related notes together with the related auditor's reports. The management information section contains financial information by fund and budget to actual information utilized by the Board of Trustees and College management.

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by Governmental and Financial Accounting Standards Boards (GASB and FASB) and the Illinois Community College Board (ICCB). The financial records of the District are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay. The

notes to the financial statements expand and explain the financial statements and the accounting principles applied. The financial statements have been audited by our independent auditors, Wipfli, LLP. Their report is included as part of this financial presentation.

Mission, Vision, and Goals

The mission of Black Hawk College is to provide the environment and resources for individuals to become lifelong learners.

The vision of the College is to position Black Hawk College as the preferred choice for education and training through total accessibility, quality instructional programs, student-centered services, and strategic alliances. The following goals have been established to aid in the process of accomplishing both the mission and vision of the College:

- Provide the best atmosphere for successful **academic student outcomes**.
- Provide the best atmosphere for continued **career learning**.
- Provide the local and global community with **continuing education and personal and professional development**.
- Operate within the framework of our identified institutional **core values**: Appreciation of diversity, Caring and Compassion, Fairness, Honesty, Integrity, Respect, and Responsibility.
- Provide leadership in **community and economic development** through training, partnerships, and services.

Economic Condition and Outlook

Black Hawk College was established in 1946 and was granted official accreditation by the North Central Association of Colleges and Secondary Schools in March of 1951. Today, Community College District No. 503 is comprised of portions of nine Illinois counties which include: Rock Island, Henry, Mercer, Whiteside, Henderson, Knox, Bureau, Stark, and Marshall.

Black Hawk operates two primary campuses as well as other instructional centers throughout the District and serves a population in excess of 230,000. The College's Quad-Cities Campus is located on 149 wooded acres in Moline, Illinois while the College's East Campus is located on a 102-acre site five miles south of Kewanee, Illinois.

The average Fall semester head count is 6,263 from fiscal year 2006 to fiscal year 2010. The College experienced an increase in total credit hours in fiscal year 2010 of 10,750.6, which includes both restricted and unrestricted credit hours. This was an increase of 8.6% and the College is anticipating an additional increase for the upcoming fiscal year as well due to the slow economic recovery and countercyclical nature of higher education.

According to the 2000 Census, nearly 50% of workers employed within the district are employed in manufacturing, retail trade, or educational, health and social services industries. The District's principal employers are presented in the statistical section of this report. The Quad Cities area is considered a diverse business region and the long-term economic outlook for the region and the College is viewed as favorable. Furthermore, while the district as a whole has not been immune to recent economic forces, property values have remained steady and the May 2010 unemployment rate for the largest county in the district was a full percentage point below the national rate as published by the US Bureau of Labor Statistics.

Major Initiatives

The 2007-2009 Strategic Plan focuses on three main strategic priorities: Connecting with the Learner, Connecting with the Community, and Connecting Internally. This plan has been extended through 2010. The following objectives have been developed in order to accomplish these strategic priorities:

- Student Success
- Student Satisfaction
- Student Access
- Employment Opportunities
- Partnership agreements
- Workforce Development
- Fiscal Planning
- Recognition and Innovation of faculty and staff
- Collaboration between faculty and staff
- Communication

In addition to these strategic objectives, the College has also undertaken several major operational initiatives. These initiatives include:

- Achieving re-accreditation in 2013
- Increasing employee development opportunities
- Developing an institutional facilities master plan
- Continually balancing the budget
- Refreshing and enhancing both the information technology and instructional facilities of the College

The College also continues to review its course offerings and implement new programs that meet the above mentioned strategic priorities and better serve the District. For example, the College is currently planning a facilities expansion to better serve our sustainable energy programs through increased learning opportunities and lab spaces. Finally, the College continues to develop and implement additional online courses each semester to help meet the demand for alternative delivery of these courses as well.

Local Economy

Black Hawk College has three primary sources of Operating Funds revenue: Tuition and Fees, State Funding, and Property Taxes.

Tuition and fee revenues accounted for approximately 45% of the overall revenue received. Total credit hours, which includes restricted and unrestricted hours, for all categories increased by 8.6% in fiscal year 2010. Double-digit percentage increases were realized in four of six categories: Remedial Development (18.9%), Adult Basic Secondary (17.2%), Health Occupational (15.5%), and Business Occupational (15.2%). In fact, fiscal year 2010 credit hours for the first three of these four categories are the highest they have been in at least a decade.

State funding, which accounted for approximately 25% of the overall revenue received, continues to be problematic for the College as the level of state funding continues to decline and delays in receipt of allocated funds continue to increase. The College anticipates funding levels will continue to decline in future years primarily due to fluctuations in the allocation of the ICCB

Equalization Grant. The average ICCB credit hour reimbursement rate remains markedly lower than rates realized during fiscal years 2001 through 2003. These funding concerns have prompted the College to raise tuition and fee rates as well as cut spending on certain programs.

Property taxes, which accounted for approximately 30% of the overall revenue received, are levied each year for all taxable real property in the District on the basis of the equalized assessed property values (EAV). Assessed values are established by each of the nine respective counties within the district. The subsequent property taxes are billed and collected by each county. Property tax revenue continues to hold relatively stable as equalized assessed values in the District have been increasing steadily over the past several years despite the national economic crisis and subsequent impact on property values.

Financial Planning

The College has taken several steps to offset the negative impact of inadequate state funding and previously declining enrollment. These steps include:

- Cost containment and reduction of departmental budgets
- Greater focus on alternative sources of revenue
- Tuition and fee increases
- Review and redesign of key business processes and technology to improve efficiency
- Implementation of new programs to strengthen enrollment
- More aggressive curriculum and outreach development

In addition, the College utilizes its Financial Plan, presented to the Board of Trustees, to ensure focus and attention is given to critical areas in a more efficient manner. This financial planning process is coordinated with the budget preparation process. The current financial plan covers fiscal year 2011 through 2013 and focuses on three main objectives:

- Strategic Alignment of financial resources
- Proactive and effective cash flow management
- Timely expenditure of bond proceeds and efficient repayment of debt incurred

Enrollment trends and course demand are the most significant influence given the core mission of the institution. Consequently, it is imperative the College focus on strategically aligning financial resources to these demands in an effort to maximize return on investment for students, taxpayers, community members, and other stakeholders. To this end, the College will be implementing a new budget process, Budgeting for Outcomes, through which the College hopes to foster a culture of innovation and partnership, demonstrate performance and accountability, select priorities based on measurable results, and achieve transparency of all allocations.

Presently, the College is awaiting receipt of both the third and fourth quarter FY2010 Equalization Grant payments, which amount to approximately \$2 million. The annual budget, adopted as balanced, indicates all resources received are subsequently expended during the same fiscal year in a manner consistent with the mission of the institution. As such, any disruption in the timely receipt of budgeted resources has the potential to adversely influence program and service delivery. As a result, the College must define and acknowledge potential resources and develop an efficient cash flow strategy for minimizing the impact of delayed or eliminated funding sources.

Finally, the College will be implementing a new capital budgeting process in the coming months designed to provide a systematic, repeatable process used to identify, prioritize, approve, and fund both capital projects and non-capital fixed assets. In conjunction with the improved capital budgeting process, the College will focus on ensuring timely expenditure of existing bond proceeds in a manner consistent with statutory requirements and approved purposes. The Board remains committed to effective and efficient management of the property tax levy, which requires the College proactively and effectively manage its debt strategies.

Black Hawk College recognizes the importance of financial transparency and accountability and is committed to maximizing return on investment for students, employees, taxpayers, and the community. The College remains dedicated to balancing the budget annually as well as providing an annual update on the status of the Financial Plan. The current Financial Plan is designed to achieve results and continue to strengthen programs and services offered as well as the financial viability of the institution.

Internal Controls

Management of the College is responsible for establishing and maintaining effective internal controls to ensure compliance with requirements of laws, regulations, contracts and grants. Internal controls are designed to limit the College's exposure to risks, safeguard the College's assets from theft or misuse, and provide adequate documentation for the preparation of the financial statements in conformity with generally accepted accounting principles as well as accounting standards mandated by the ICCB. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of the control should not exceed the expected benefits and estimates and judgments by management are required for the valuation of the costs and benefits. Internal controls are continuously monitored, reviewed and updated to ensure ongoing efficiency and effectiveness.

Budgetary Controls

The College maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the budgeted amount) is established at the fund level. The College maintains an encumbrance accounting system as one technique to accomplish budgetary control. Encumbered amounts lapse at year-end. Statements of budgetary comparison are presented in the Management Information section of this document.

Fund Balance Policy

During fiscal year 2010, the Board of Trustees adopted a fund balance policy designed to ensure the maintenance of adequate reserves and protect against unanticipated events that would adversely affect the financial condition of the College and jeopardize the continuation of necessary programs and services. This policy requires the College to maintain an unrestricted General Fund ending fund balance of an amount between seventeen (17) and twenty-five (25) percent of budgeted expenditures in these funds. Additionally, if the ending fund balance falls below the target range, the College is required to replenish the ending fund balance within two (2) years.

Risk Management

The College is self-insured for its health insurance claims. The claims are administered by an external third party administrator. In addition, the College maintains stop loss coverage of \$125,000 specific and \$5,088,614 aggregate with a major insurance carrier for medical and dental claims that exceed these thresholds. The College also maintains adequate reserves to cover potential losses and the reserves are reviewed regularly to determine if they are appropriate.

Other Information

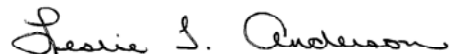
- Independent audit State statutes require an annual audit by independent certified public accountants. The accounting firm of Wipfli, LLP was selected by the College to perform the fiscal year 2010 audit. The auditor's report on the financial statements and schedules is unqualified and is included in the financial section of this report.
- Awards The College received the Certificate of Achievement for Excellence in Financial Reporting (CAFR) from the Government Finance Officers Association (GFOA) for the year ended June 30, 2009. In addition, the College has received the GFOA Distinguished Budget Presentation Award for fiscal years 2009 and 2010.
- Acknowledgements We wish to thank the members of the Board of Trustees for their interest and support in conducting the financial operations of the District to the degree of excellence necessary for continuance of operation of the District in a responsible manner.

The timely preparation of the Comprehensive Annual Financial Report was made possible by the continued, dedicated service of Black Hawk College's Accounting Services staff and others connected with the annual audit process. Our sincere appreciation goes out to each individual making contributions in the preparation of this report.

Respectfully submitted,



Dr. R. Gene Gardner
Acting President



Leslie T. Anderson
Chief Financial Officer



Illinois Community College District No. 503

Board of Trustees



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Orion
Vice Chair



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Sonia R. Berg
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Executive Administration



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Executive Vice President-
Vice President for
Instruction/ITS



Dr. R. Gene Gardner
Acting President



Chanda Dowell
Vice President
for East Campus



Leslie Anderson
Chief
Financial Officer



Michael Phillips
Vice President
for Administration



Dr. Richard Vallandingham
Vice President
for Student Services

Black Hawk College District



Legend

Black Hawk College District

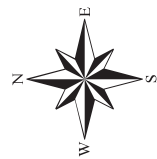
County Boundaries

Places

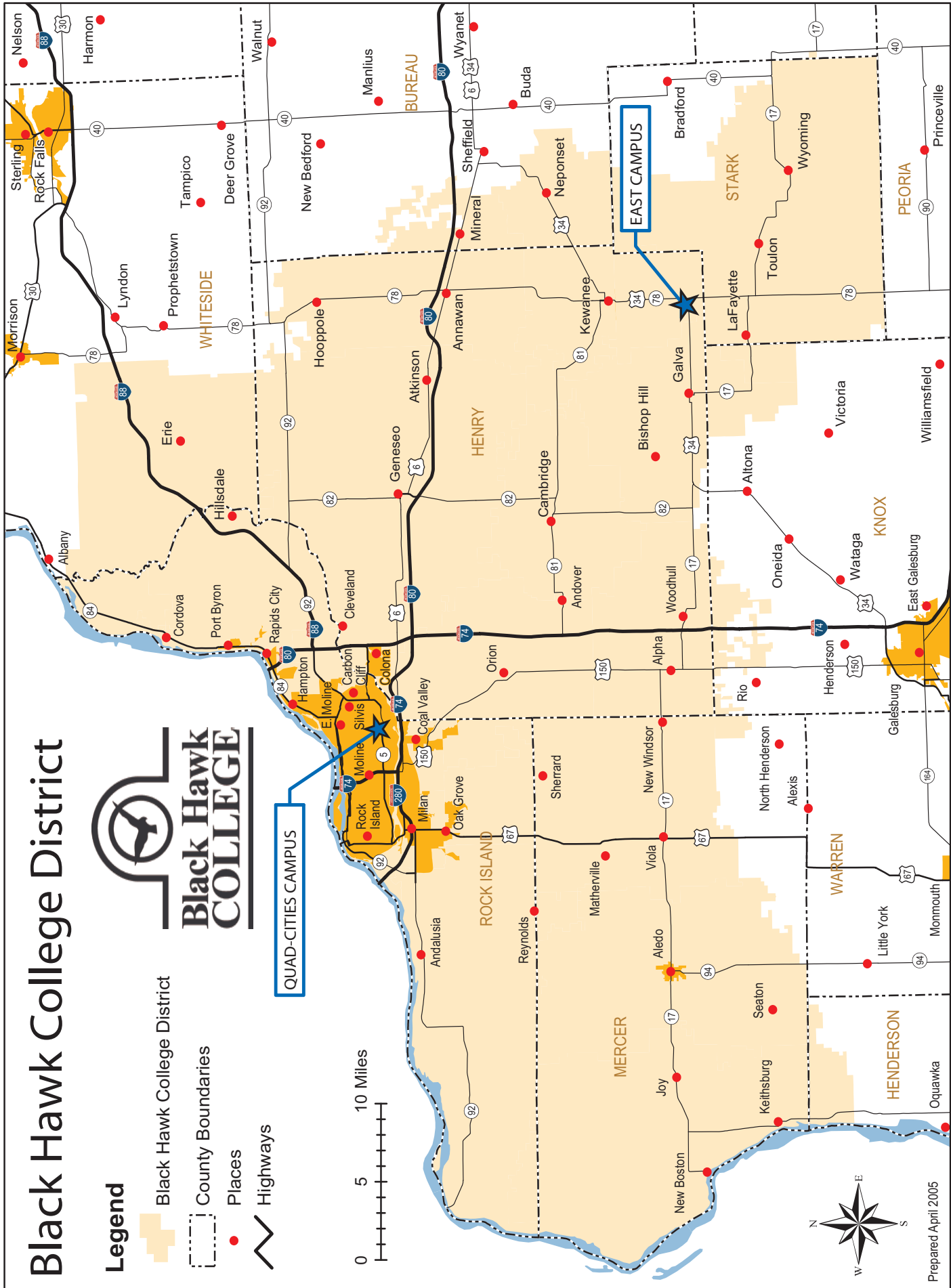
Highways

QUAD-CITIES CAMPUS

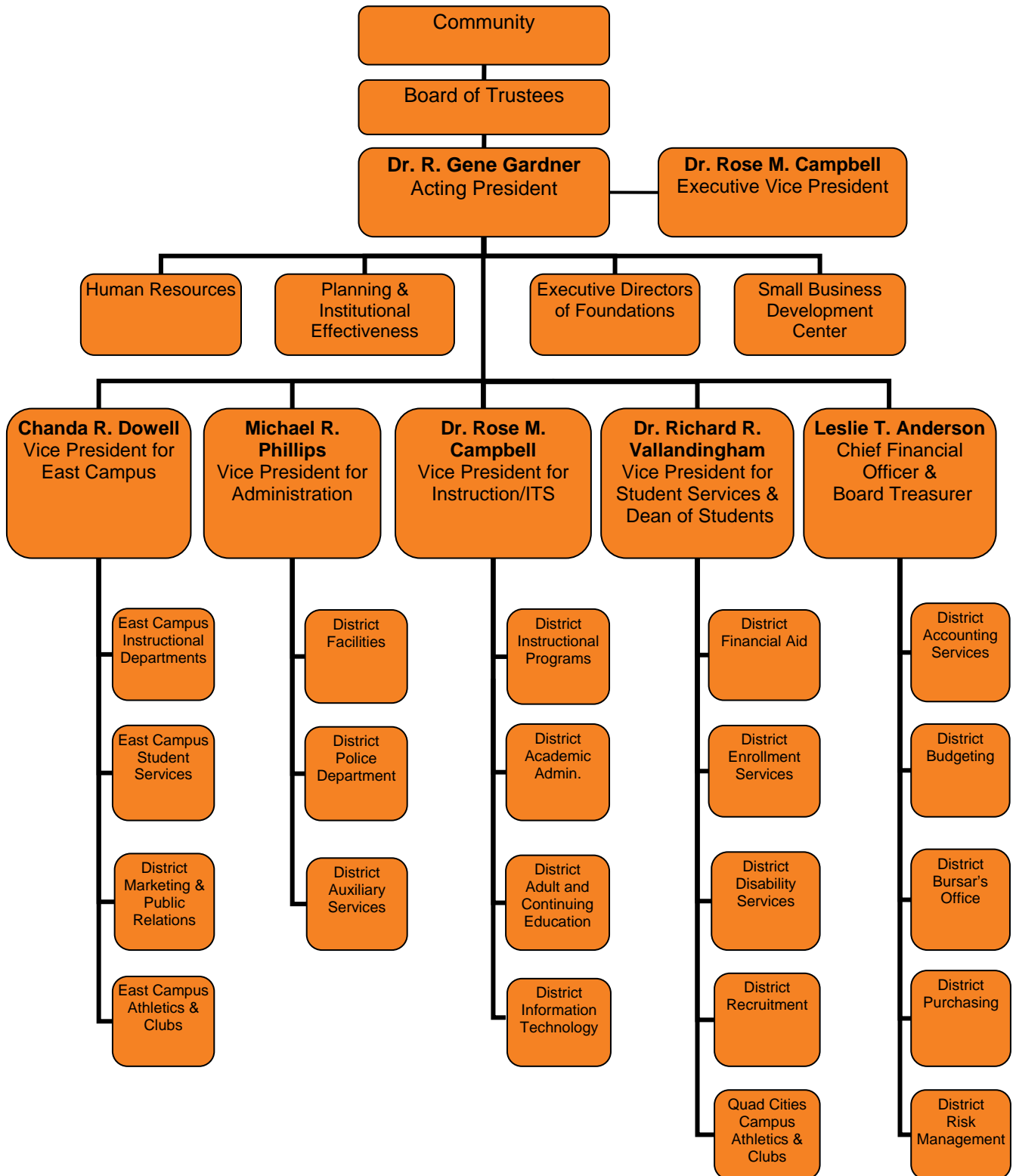
EAST CAMPUS



Prepared April 2005



Organization Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Black Hawk College
Illinois Community College
District 503

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

Financial Section

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Independent Auditor's Report

To the Board of Trustees
Black Hawk College
Illinois Community College District #503
Moline, Illinois

We have audited the accompanying financial statements of Black Hawk College, Illinois Community College District #503 (College) and its discretely presented component units as of and for the year ended June 30, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Black Hawk College, Illinois Community College District #503 and its discretely presented component units as of June 30, 2010, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2010 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 grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis on pages 15 through 25 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, the ICCB Supplemental Information, the ICCB Uniform Financial Statements, the ICCB State Grants Financial Compliance Section, and the Supplemental Information, as listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information, except for that portion marked "unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Wipfli LLP

Freeport, Illinois
October 6, 2010

Management's Discussion and Analysis

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Introduction

This section of Black Hawk College's (College) Comprehensive Annual Financial Report presents Management's Discussion and Analysis of the College's financial activity during the fiscal years ended June 30, 2010 and June 30, 2009. 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 the footnotes. Responsibility for the completeness and fairness of this information rests with the College.

Overview of the Basic Financial Statements

The basic financial statements focus on the College as a whole versus traditional presentation by fund types. The College's financial statements are designed to emulate corporate presentation models where by all of the College's activities are consolidated into one total.

The purpose of the **Statement of Net Assets** is to present the bottom line results of the College. This statement combines and consolidates current financial resources with capital assets. It presents assets, liabilities and net assets at the end of the fiscal year. The Statement of Net Assets requires the classification of assets and liabilities into current and non-current categories. The difference between total assets and total liabilities is reflected in the net assets section which reflects net assets in three broad categories: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are one indicator of the current financial condition of the College, while the change in net assets is one indicator of whether the overall financial condition of the College has improved or deteriorated during the year.

The **Statement of Revenues, Expenses, and Changes in Net Assets** focuses on both the gross costs and the net costs of the College's activities, which are supported mainly by local property taxes, tuition, and state revenues. It presents the revenues, expenses and transfer activities that occurred during the fiscal year. The Statement of Revenues, Expenses, and Changes in Net Assets requires the classification of revenues and expenses as operating and non-operating. Property taxes and state funding are reported as non-operating revenues, for example.

The **Statement of Cash Flows** presents the inflow and outflow of cash collected and disbursed by the College for the fiscal year. It separates the sources and uses of funds by the major categories of operating, capital and related financing, non-capital financing and investing activities. This statement emphasizes the College's dependence on state and local sources by separating them from operating cash flows.

Financial Highlights

For the year ended June 30, 2010, the College recorded total operating revenues of \$13,898,675 and total operating expenses of \$49,757,621. The difference produced an operating loss of \$35,858,946. Net non-operating revenue of \$41,997,284 offsets this loss and results in an overall increase in net assets of \$6,138,338.

Non-operating revenue included local property taxes of \$18,140,565, state grants and contracts of \$11,076,974, federal grants and local contracts of \$10,110,004, and other net miscellaneous revenue of \$2,669,741.

Operating revenue accounted for 25% of the College's total revenue, while non-operating revenues accounted for the other 75% of the College's total revenue. Operating revenue consisted of tuition and fees, net of financial aid allowances, totaling \$6,999,903, auxiliary enterprise revenues totaling \$3,104,115, and other miscellaneous revenue of \$3,794,657. The payment made by the state, on behalf of the College, to the State University Retirement System (SURS) was \$3,782,081 of the other miscellaneous revenue total. The comparable contribution by the state to SURS for the fiscal year ended June 30, 2009 was \$2,415,018.

Operating expenses accounted for 99% of the College's total expenses, while non-operating expenses accounted for the remaining 1%. Operating expenses consisting of instruction, academic support, student services, public service, financial aid, operations of physical facilities, institutional support and other categories increased 10.6% in fiscal year 2010 while interest expense, the only source of non-operating expense, decreased slightly by 7.4%.

Overall, the College's financial position improved during fiscal year 2010 primarily due to increased enrollments and credit hours as well as effective control of expenditures. Enrollment and credit hour trend information is provided in the Statistical section of this document. Additionally, Fiscal year 2010 results compared to budget were favorable for all funds except Restricted Purposes and Bond & Interest. Details by fund can be found in the Management Information section of this document.

Long-Term Debt

The College issued \$20 million in general obligation bonds in the current fiscal year. The proceeds from this process will be used to fund various capital improvements, including a facility expansion for Building 2 on the Quad Cities campus specifically for the purpose of expanding sustainable technologies programming, the construction of a wind turbine on the East Campus, and technology refresh projects throughout the district. The unused legal debt capacity of the College is currently \$70,538,381, which represents 2.875% of the assessed valuation of the College's district less the \$27,145,000 in outstanding debt. See Notes to the Financial Statements for further information.

Economic Factors

Unemployment rates, both locally and nationally, have remained elevated over the previous year. Our local economy has suffered from business closures as well as layoffs, although this trend appears to be declining. While unemployment rates within the district vary by county, the district rate appears to be maintaining a level lower than the national rate. Additional information regarding unemployment rate trends can be found in the Statistical section of this document.

Property tax revenue accounts for 32.5% of total revenue and is a direct result of Equalized Assessed Valuations (EAV) in the district. While many districts have experienced sizable decreases in EAV over the past few years, the Black Hawk College district EAV remains stable as overall property values continue to increase, although at a much slower rate. Additional information regarding EAV and estimated actual property values within the district can be found in the Statistical section of this document.

The State of Illinois continues to struggle financially and delays in receipt of appropriated funding have grown. The College remains optimistic all monies will eventually be received, but cautious with regards to expenditures and firmly dedicated to maintaining acceptable reserves to minimize disruption. However, Federal funding for education has increased and students at Black Hawk College received approximately \$2.5 million additional in Pell Grant awards during fiscal year 2010.

Due to the countercyclical nature of higher education, the College has experienced sizable enrollment growth over the past several semesters and is anticipating continued growth for the upcoming fiscal year as well. As a community college, Black Hawk is well positioned to serve displaced workers seeking to enhance existing skills or develop additional skills necessary to re-enter the workforce due to the relatively short-term nature of many programs offered. Furthermore, both the College Administration and Board of Trustees are committed to ensuring student needs are effectively met and to this end, the institution prides itself on being nimble and capable of efficiently implementing programmatic changes designed to maximize student success.

Other Significant Financial Factors

During fiscal year 2010, the College renegotiated labor agreements with its two major employee unions, the United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and the Illinois Federation of Teachers (IFT). The new contract end dates are June 30, 2012 and July 2014 respectively.

The Board of Trustees adopts tuition and fee rates each February with the adopted rates becoming effective for the Summer, Fall and Spring semesters of the upcoming fiscal year. Tuition rates for fiscal year 2010 increased 5.9% over fiscal year 2009 rates and will increase by an additional 5.5% for fiscal year 2011. Additional information regarding tuition and fee rate trend is provided in the Statistical section.

The Board of Trustees adopts the annual tax levy by January of each year for tax revenues to be received during the upcoming fiscal year. The fiscal year 2010 tax levy increased 1.7% over fiscal year 2009 primarily due to the increase in EAV throughout the district. Additional information regarding tax levy trend is provided in the Statistical section.

Comparative Net Assets – Fiscal Years 2010 and 2009

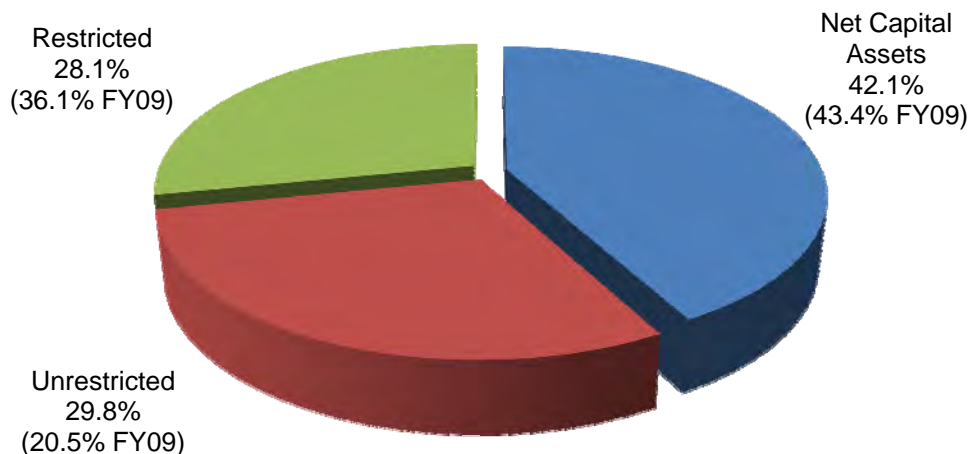
	2010	2009	Increase (Decrease)	Percent Change
Current Assets	\$64,634,431	\$43,739,223	\$20,895,208	47.8%
Non-Current Assets	30,307,509	30,102,182	205,327	0.7
Total Assets	\$94,941,940	\$73,841,405	\$21,100,535	28.6%
Current Liabilities	\$ 8,254,338	\$ 8,645,216	\$ (390,878)	(4.5)%
Non-Current Liabilities	24,607,259	9,254,184	15,353,075	165.9
Total Liabilities	\$32,861,597	\$17,899,400	\$14,962,197	83.6%
Net Assets				
Investment in Capital Assets, Net	\$26,107,509	\$24,287,182	\$ 1,820,327	7.5%
Restricted	18,508,373	20,212,636	(1,704,263)	(8.4)
Unrestricted	17,464,461	11,442,187	6,022,274	52.6
Total Net Assets	\$62,080,343	\$55,942,005	\$ 6,138,338	11.0%

The College had net assets at the beginning of the year totaling \$55,942,005. The net increase in net assets of \$6,138,338 brought the total of net assets at the end of the year to \$62,080,343.

Notable changes in fiscal year 2010 include the significant increase in Current Assets as a result of the \$20 million general obligation bonds issuance as well as increased receivables for State Grants and Contracts. Additionally, Non-Current Liabilities increased significantly as a result of the before mentioned bond issuance and its associated debt payments.

This schedule is prepared from the College's Statement of Net Assets, which is presented on a full accrual basis of accounting whereby assets costing \$5,000 or greater are capitalized and depreciated.

Net Assets - Fiscal Year 2010



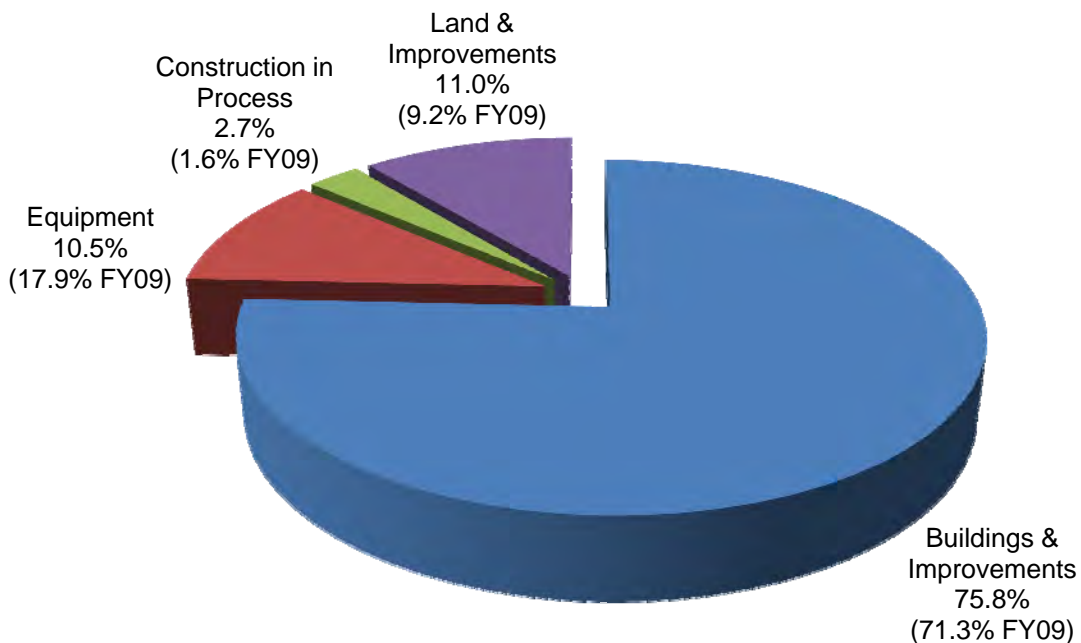
Comparison of Net Capital Assets Fiscal Years 2010 and 2009

Capital Assets	2010	2009	Increase (Decrease)	Percent Change
Land and Improvements	\$ 5,410,861	\$ 4,725,955	\$ 684,906	14.5%
Building and Improvements	37,403,079	36,537,982	865,097	2.4
Equipment	5,216,008	9,161,995	(3,945,987)	(43.1)
Construction In Progress	1,346,740	807,365	539,375	66.8
Total Capital Assets	\$49,376,688	\$51,233,297	\$(1,856,609)	(3.6)%
Less Accumulated Depreciation	19,069,179	21,131,115	(2,061,936)	(9.8)
Net Capital Assets	\$30,307,509	\$30,102,182	\$ 205,327	0.7%

As of June 30, 2010, the College has recorded \$49,376,688 invested in capital assets, \$19,069,179 in accumulated depreciation and \$30,307,509 in net capital assets.

Total Capital Assets decreased \$1,856,609, or 3.6%, primarily due to the transfer of WQPT and all related assets to Western Illinois University effective May 1, 2010. Net Capital assets increased \$205,327, or 0.7%, due to the completion of several remodeling / improvement projects in fiscal year 2010. The current bonding strategy continues to allow the College to invest in additional technology and facility improvements and the expectation exists that Net Capital Assets will continue to increase in future years as a result. See Notes to Financial Statements for further information.

Capital Assets - Fiscal Year 2010



Revenues, Expenses & Changes in Net Assets
For the years ending June 30,

	2010	2009	Increase (Decrease)	Percent Change
Operating Revenue:				
Tuition and Fees	\$ 6,999,903	\$ 6,563,186	\$ 436,717	6.7%
Auxiliary	3,104,115	3,024,705	79,410	2.6
Other	3,794,657	2,421,919	1,372,738	56.7
Total Operating Revenue	<u>\$ 13,898,675</u>	<u>\$ 12,009,810</u>	<u>\$ 1,888,865</u>	<u>15.7%</u>
Less: Operating Expenses	49,757,621	44,998,669	4,758,952	10.6
Operating Income (Loss)	<u>\$(35,858,946)</u>	<u>\$(32,988,859)</u>	<u>(2,870,087)</u>	<u>(8.7)%</u>
Non-operating Revenue:				
State Grants & Contracts	\$ 11,076,974	\$ 11,653,779	\$(576,805)	(4.9)%
Federal Grants & Contracts	10,110,004	7,050,847	3,059,157	43.4
Property Taxes	18,140,565	17,816,536	324,029	1.8
Other Income	2,669,741	2,962,228	(292,487)	(9.9)
Total Non-operating Revenue:	<u>\$ 41,997,284</u>	<u>\$ 39,483,390</u>	<u>\$ 2,513,894</u>	<u>6.4%</u>
Increase in Net Assets	6,138,338	6,494,531	(356,193)	(5.5)
Net Assets, Beginning of Year	55,942,005	49,447,474	6,494,531	13.1
Net Assets, End of Year	<u>\$ 62,080,343</u>	<u>\$ 55,942,005</u>	<u>\$ 6,138,338</u>	<u>11.0%</u>

Operating revenue and expense for fiscal year 2010 were markedly higher than fiscal year 2009.

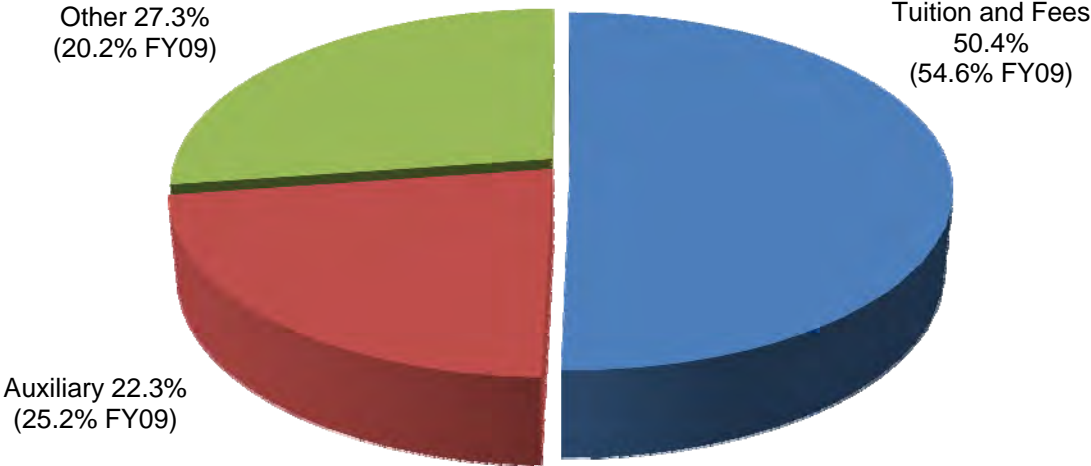
An increase in tuition and fees of \$436,717, or 6.7%, and auxiliary revenue of \$79,410, or 2.6%, from fiscal year 2009 was accompanied by an increase in the SURS contribution provided by the state as the fiscal year 2010 amount was \$1,367,063 greater than the fiscal year 2009 amount. As explained in Note 4 in the Notes to Financial Statements, this SURS contribution is shown as an operating revenue and an operating expense by the College.

The increase in tuition and fees and auxiliary revenue is the result of increased enrollments for fiscal year 2010. Continued economic challenges have resulted in sizable increases in enrollments as students seek additional educational opportunities as a method for ensuring future career successes.

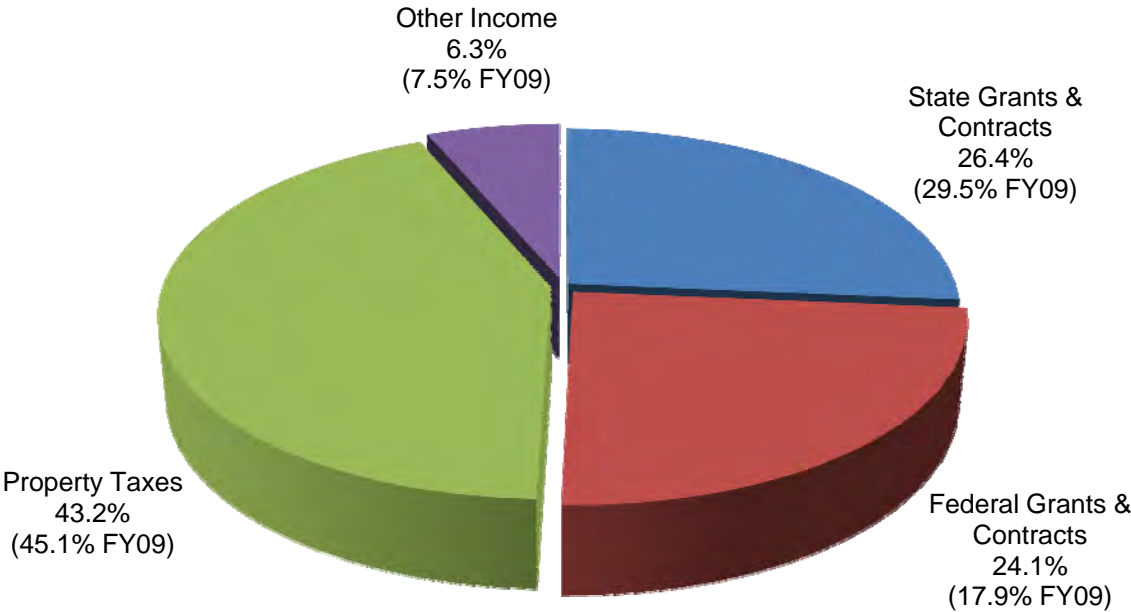
Non-operating revenue increased in total by \$2,513,894. The primary driver of this increase was the additional \$3,059,157 received in Federal Grants & Contracts, which is mostly attributable to a significant increase, approximately \$2.5 million, in Pell Grant awards to students. In addition, the College received \$143,288 in Federal stimulus funds through the American Recovery and Reinvestment Act (ARRA).

State Grants & Contracts revenue decreased \$576,805 in fiscal year 2010 in large part due to a reduction of \$376,872 in ICCB Credit Hour and Equalization Grants revenue received from the State of Illinois. These amounts are expected to decline further in fiscal year 2011 as the State continues to grapple with difficult economic issues and funding decisions.

Operating Revenues - Fiscal Year 2010



Non-Operating Revenues - Fiscal Year 2010



Comparison of Operating Expenses Fiscal Years 2010 and 2009

	2010	2009	Increase (Decrease)	Percent Change
Operating Expenses:				
Instruction	\$13,177,063	\$13,071,503	\$ 105,560	0.8%
Academic Support	4,354,090	4,344,918	9,172	0.2
Student Services	3,034,440	3,022,823	11,617	0.4
Public Service / Continuing Ed.	2,387,685	2,327,188	60,497	2.6
Operations of physical facilities	4,083,672	4,454,574	(370,902)	(8.3)
Institutional Support	8,700,444	6,843,449	1,856,995	27.1
Financial Aid	4,257,545	3,456,874	800,671	23.2
Auxiliary	3,472,459	3,265,960	206,499	6.3
Loss on disposal of equipment	1,308,112	7,409	1,300,703	17555.7
SURS Contribution provided by State	3,782,081	2,415,018	1,367,063	56.6
Depreciation	1,200,030	1,788,953	(588,923)	(32.9)
Total Operating Expenses:	\$49,757,621	\$44,998,669	\$4,758,952	10.6%

Operating expenses for fiscal year 2010 increased 10.6% from fiscal year 2009. Notable changes are discussed below.

Total operating expenditures for Instruction, Academic Support, Student Services, Public Service/Continuing Education and Auxiliary increased by \$393,345 because of increased enrollments during fiscal year 2010. Operations of physical facilities expenses decreased by \$370,902 in fiscal year 2010 due primarily to lower utilities and salaries and benefits expenditures. Financial Aid increased by \$800,671 almost entirely due to increased tuition waivers associated with Adult Education, as required by statute, and unfunded state Veterans grants.

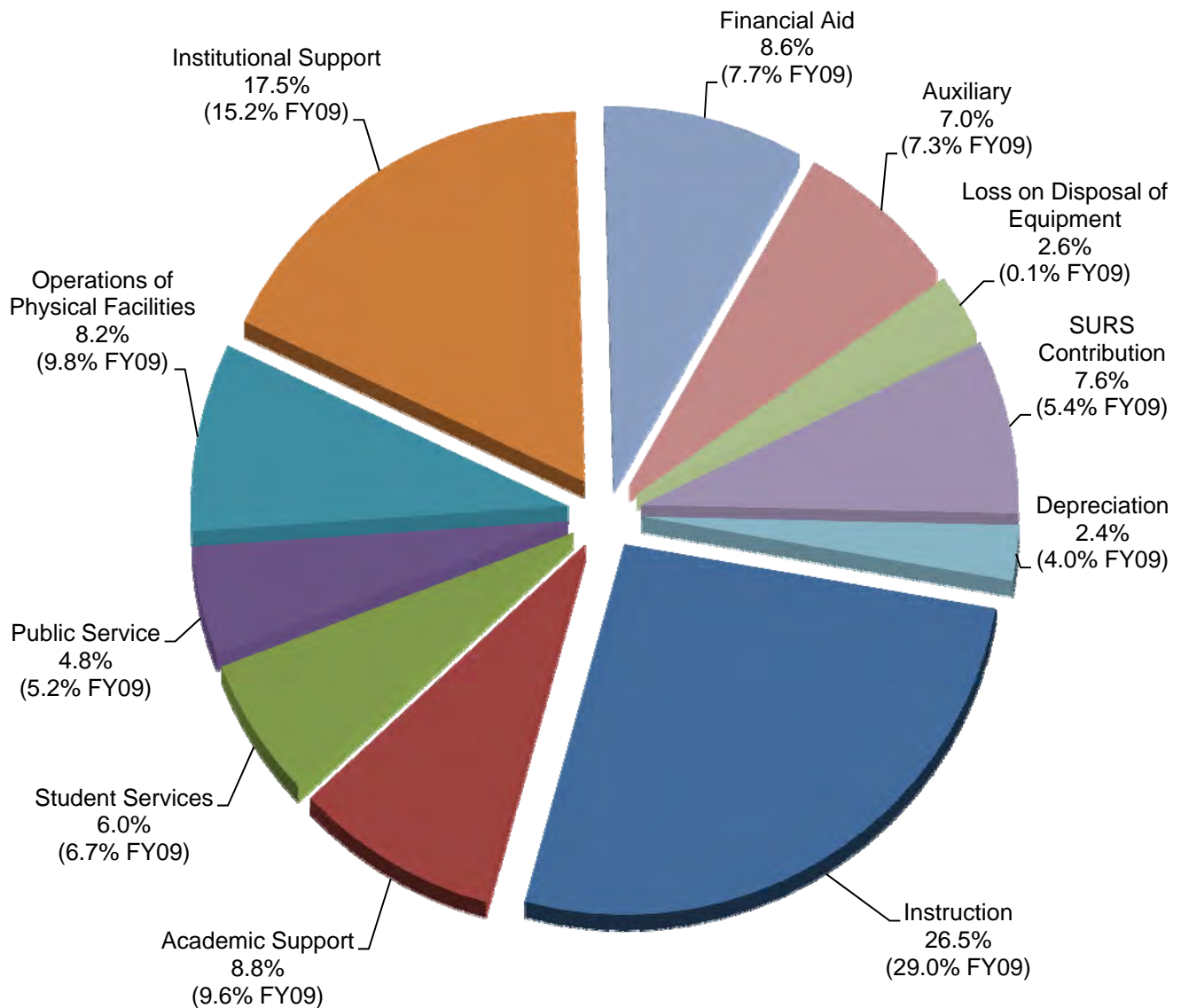
Institutional Support increased by approximately \$1.8 million, or 27.1%, due primarily to health cost allocations, increased legal fees associated with the transfer of WQPT, and the programmatic classification for various bond funded expenditures. The College will be reviewing methodologies and processes currently utilized to assign programmatic classifications during the upcoming fiscal year with the goal of more accurately reflecting expenditure types in the future.

Loss on disposal of equipment increased significantly by \$1.3 million in fiscal year 2010 due to the transfer of WQPT public television station and all assets associated with the Greater Quad Cities Telecommunications component unit. The College entered into an agreement with Western Illinois University (WIU) to transition the license for the public television station as well as all assets effective May 1, 2010. Subsequently, depreciation expense decreased by 32.9% in fiscal year 2010 as well.

In addition, a substantial increase in the SURS contribution provided by the state occurred as the fiscal year 2010 amount was \$1,367,063 greater than the fiscal year 2009 amount. As explained in Note 4 in the Notes to Financial Statements, this SURS contribution is shown as both an operating revenue and an operating expense by the College.

The following graphic illustration shows the operating expenses by program for fiscal year 2010 by percentage of the total with the comparable percentage for fiscal year 2009 in parenthesis. For both years, the largest percentage of College money was spent on Instruction.

Operating Expenses - Fiscal Year 2010



Requests for Information

This financial report is designed to provide the reader with a general overview of Black Hawk College's finances and to show Black Hawk College's accountability for the revenue it receives. If you have questions about this report or need additional information, please contact:

Leslie T. Anderson
Chief Financial Officer
6600 34th Avenue
Moline, IL 61265

Basic Financial Statements

Black Hawk College
Illinois Community College District #503

Statement of Net Assets
June 30, 2010

	Primary	Component Units	
	Government	Black Hawk College Foundation	Black Hawk East College Foundation
Assets			
Current Assets:			
Cash and cash equivalents	\$ 47,268,193	\$ 17,806	\$ 272,304
Investments	-	1,675,208	1,078,770
Receivables, net of allowance for uncollectibles of \$312,789:			
Property taxes	12,080,899	-	-
Federal government claims	1,067,754	-	-
State of Illinois claims	670,019	-	-
Student tuition and fees	306,444	-	-
Other	2,321,023	22,966	12,449
Inventory	671,745	-	-
Prepaid expenses	248,354	-	-
Total current assets	64,634,431	1,715,980	1,363,523
Noncurrent Assets:			
Capital assets:			
Land	760,862	-	-
Construction in process	1,346,740	-	-
Building, improvements and equipment, net of \$19,069,179 and \$579,446, respectively	28,199,907	-	1,499,781
Total capital assets, net of depreciation	30,307,509	-	1,499,781
Total noncurrent assets	30,307,509	-	1,499,781
Total assets	94,941,940	1,715,980	2,863,304
Liabilities			
Current Liabilities:			
Accounts payable	707,966	5,496	37,165
Accrued expenditures:			
Payroll	765,009	-	-
Early retirement	99,822	-	-
Accrued vacation	120,000	-	-
Other	231,075	-	-
Deferred revenues:			
Student tuition and fees	1,513,872	-	-
Other	217,190	-	-
Notes and bonds due in less than one year	4,545,000	-	28,174
Other liabilities	54,404	-	-
Total current liabilities	8,254,338	5,496	65,339
Noncurrent Liabilities:			
Early retirement	1,307,193	-	-
Accrued vacation	700,066	-	-
Notes and bonds payable in more than one year	22,600,000	-	875,474
Total noncurrent liabilities	24,607,259	-	875,474
Total liabilities	32,861,597	5,496	940,813
Net Assets			
Investment in capital assets, net of related debt	26,107,509	-	596,133
Restricted for audit	150,245	-	-
Restricted for liability, protection and settlement	1,573,022	-	-
Restricted for working cash	10,194,190	-	-
Restricted for bond & interest	2,642,136	-	-
Restricted for operations and maintenance	3,911,458	-	-
Restricted for grants and scholarships	37,322	1,238,828	690,520
Unrestricted	17,464,461	471,656	635,838
Total net assets	\$ 62,080,343	\$ 1,710,484	\$ 1,922,491

Black Hawk College
Illinois Community College District #503

Statement of Revenues, Expenses, and Changes in Net Assets
Year Ended June 30, 2010

	Primary		
	Government	Component Units	
	Black Hawk College	Black Hawk College Foundation	Black Hawk East College Foundation
Operating Revenues:			
Student tuition and fees, net of scholarship allowances	\$ 6,999,903	\$ -	\$ -
Sales, service and rental of facilities and equipment	3,104,115	-	-
SURS contribution provided by state	3,782,081	-	-
Other operating revenue	12,576	-	-
Total operating revenues	13,898,675	-	-
Operating expenses:			
Instruction	13,177,063	-	-
Academic support	4,354,090	-	-
Student services	3,034,440	-	-
Public service	2,387,685	-	-
Auxiliary services	3,472,459	-	-
Institutional support	8,700,444	70,432	155,456
Scholarships, student grants and waivers	4,257,545	61,276	45,434
SURS contribution provided by state	3,782,081	-	-
Operation of physical facilities	4,083,672	-	-
Loss on disposal of equipment	1,308,112	-	-
Depreciation and amortization	1,200,030	-	55,866
Total operating expenses	49,757,621	131,708	256,756
Operating (loss)	(35,858,946)	(131,708)	(256,756)
Non-operating revenues (expenses):			
Property taxes	18,140,565	-	-
Personal property replacement taxes	1,104,407	-	-
State government sources	11,076,974	-	-
Federal government sources	10,110,004	-	-
Investment earnings	1,079,642	181,491	35,139
Other sources	1,200,272	401,569	352,791
Interest expense	(714,580)	-	(65,194)
Total non-operating revenues (expenses)	41,997,284	583,060	322,736
Change in net assets	6,138,338	451,352	65,980
Net assets:			
Beginning	55,942,005	1,262,332	1,856,511
Ending	\$ 62,080,343	\$ 1,713,684	\$ 1,922,491

See Notes to Financial Statements.

Black Hawk College
Illinois Community College District #503

Statement of Cash Flows
Year Ended June 30, 2010

	Primary Government
	Black Hawk College
Cash Flows from Operating Activities:	
Tuition and fees	\$ 6,893,412
Payments to employees	(20,193,241)
Payments to suppliers	(23,575,900)
Sales, service, and rental of facilities and equipment	1,324,537
Other receipts, net	12,576
Net cash provided by (used in) operating activities	<u>(35,538,616)</u>
Cash Flows from Non-Capital Financing Activities:	
State and federal grants and contracts	25,826,522
Personal property replacement taxes	1,104,407
Property taxes	17,851,123
Net cash provided by non-capital financing activities	<u>44,782,052</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	(2,713,469)
Proceeds on debt	20,000,000
Principal paid on debt	(5,065,000)
Interest paid on debt	(714,580)
Net cash provided by (used in) capital and related financing activities	<u>11,506,951</u>
Cash Flows from Investing Activities, Interest	<u>1,079,642</u>
Net increase (decrease) in cash	21,830,029
Cash and cash equivalents:	
Beginning	25,438,164
Ending	<u>\$ 47,268,193</u>
Reconciliation of Operating Loss to Net Cash (Used in) Operating Activities:	
Operating loss	<u>\$ (35,858,946)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	1,200,030
Loss on disposal of equipment	1,308,112
Changes in assets and liabilities:	
(Increase) decrease in receivables	(2,065,715)
(Increase) decrease in inventory	(242,381)
(Increase) decrease in prepaid expenses	80,644
Increase (decrease) in accounts payable	(87,259)
Increase (decrease) in accrued expenditures	(74,008)
Increase (decrease) in deferred revenue	179,646
Increase (decrease) in other liabilities	21,261
Total adjustments	<u>320,330</u>
Net cash provided by (used in) operating activities	<u>\$ (35,538,616)</u>
Noncash, Capital and Related Financing Activities:	
SURS contribution paid by state	\$ 3,782,081

See Notes to Financial Statements.

**Black Hawk College
Illinois Community College District #503**

**Statement of Fiduciary Net Assets
June 30, 2010**

	Voluntary Employees' Benefit Association (VEBA) Health Benefit Plan
Assets	
Cash	\$ 2,155,231
Liabilities	
Claims payable	742,089
Due to others	-
Total liabilities	<u>742,089</u>
Net Assets, unrestricted	<u><u>\$ 1,413,142</u></u>

**Statement of Changes in Fiduciary Net Assets
Year Ended June 30, 2010**

Additions:	
Employer paid premiums	\$ 4,028,000
Employee paid premiums	534,535
Investment earnings	71,015
Total additions	<u>\$ 4,633,550</u>
Deductions:	
Health and dental claims	4,160,605
Administrative	457,904
Total deductions	<u>\$ 4,618,509</u>
Change in net assets	15,041
Net assets:	
Beginning	<u>1,398,101</u>
Ending	<u><u>\$ 1,413,142</u></u>

See Notes to Financial Statements.

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**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies

Organization:

Black Hawk College, Illinois Community College District #503 (College) is an Illinois Community College operating under the mandates and guidelines of the Illinois Board of Higher Education and the Illinois Community College Board (ICCB). The College offers a wide range of educational opportunities, including liberal studies, business training, continuing education, and community service programs. The College was organized to provide an excellent, affordable alternative in higher education with campus locations in Moline and Kewanee, Illinois and numerous outreach sites.

Significant Accounting Policies:

Financial Reporting Entity: The College is governed by a seven-member Board of Trustees. Board members are elected through general elections to a six-year term.

The College follows Governmental Accounting Standards Board (GASB) Statement Number 39, *Determining Whether Certain Organizations are Component Units*. This Statement amends GASB Statement No. 14, *The Financial Reporting Entity* to provide additional guidance to determine whether certain organizations for which the College is not financially accountable should be reported as component units based on the nature and significance of their relationship with the College.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its discretely presented component units, the Black Hawk College Foundation and the Black Hawk East College Foundation.

The two Foundations are legally separate, tax-exempt component units of the College. The Foundations act primarily as fund-raising organizations to supplement the resources that are available to the College in support of its programs. The 17-member boards of the Foundations are self-perpetuating and consist of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundations, the majority of resources, or income, thereon that the Foundations hold and invest are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundations can only be used by, or for the benefit of, the College, the Foundations are considered component units of the College.

During the year ended June 30, 2010, the Black Hawk College Foundation and the Black Hawk East Foundation distributed \$61,276 and \$45,434 respectively, to the College for both restricted and unrestricted purposes.

The Foundations are private-not-for-profit organizations that report their financial results under Financial Accounting Standard Board (FASB) Statements. Most significant to the Foundations' operations and reporting model are *Accounting for Contributions Received and Contributions Made* and *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundations' financial information in the College's financial reporting entity for these differences.

Notes to Financial Statements

Note 1. Operation and Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued):

Financial statements for both the Black Hawk College Foundation and Black Hawk East College Foundation can be obtained by calling the Foundation Accountant at 309-796-5941.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-College transactions have been eliminated. Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes; federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

The College has a fiduciary fund type. Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The College has the following fiduciary fund type:

Pension (and other employee benefit) trust fund – is the fund type for the College's health benefit plan and is accounted for in essentially the same manner as the business-type activities, using the same measurement focus and basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer made a formal commitment to provide the contributions. Claims payable are recognized when due and payable in accordance with the terms of the health plan. The fund accounts for the assets of the Voluntary Employees' Beneficiary Association (VEBA). The VEBA was established under Section 501(C)(9) of the Internal Revenue Code. The trust provides for payment of health (medical, dental, and vision) claims and health plan administrative and other directly related costs.

Classification of Revenues: Operating revenue in proprietary funds include 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. Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as 1) local property taxes, 2) state appropriations, 3) most federal, state and local grants and contracts, and federal appropriations, and 4) gifts and contributions.

Net Assets: Net assets represent the difference between assets and liabilities. "Net assets invested in capital assets, net of related debt", consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of any borrowings, used for the acquisition, construction or improvement of those assets. Significant unspent proceeds are reported as restricted. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Amounts restricted for working cash are imposed by enabling legislation. However, legislation allows for procedures to abolish this fund and remove those restrictions. Amounts restricted for operations and maintenance are imposed by enabling legislation. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the College first applies restricted resources.

Notes to Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Use of estimates: 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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property taxes: Property taxes are recognized as a receivable at the time they are levied and the current taxes receivable represent the 2009 levy. Property tax revenue recorded on the financial statements relates to the 2009 levy. Property taxes are levied each year on all taxable real property in the College District. Property taxes are certified on or before the last Tuesday in December and are attached as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in 2010 and are collected by the county collectors in the College District who in turn remit to the College District its respective share. An allowance is provided for uncollectible taxes. Property taxes that are not budgeted for current year operations are shown as deferred revenue.

Student Tuition and Fees: Student tuition and fees include all such items assessed against students for educational and service purposes.

College Bookstores Inventory: Inventories of the College bookstores are stated at the lower of cost (first-in, first-out) or market (net realizable value).

Compensated Absences: Vacation leave is accrued as a liability as it is earned. Sick leave benefits are not payable upon retirement or termination.

Capital Assets: Capital assets are defined by the College as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives for each capital asset type are as follows:

	<u>Years</u>
Buildings and improvements	50
Land and improvements	50
Equipment	4 - 10

The College's collection of works of art, library books, and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved, and subject to College policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Investments: Investments are stated at fair value.

Tax Status: The College is a not-for-profit institution organized and existing under the laws of the State of Illinois and has nontaxable status under the Internal Revenue Code.

Notes to Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Cash and Cash Equivalents: For purposes of reporting cash flows, the College considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounting Pronouncements: The College is applying all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as following all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Note 2. Cash and Investments

Under provision of the College's investment policy, the College may invest in any type of security allowed by law as set out in Illinois Compiled Statutes. A summary of allowable securities follows:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America.
- Bonds, notes debentures, or other similar obligations of the United States of America or its agencies.
- Interest-bearing savings account, interest-bearing certificates of deposit, or interest-bearing time deposits, or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by the Federal Deposit Insurance Corporation (FDIC).
- Short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000.
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of security legally issuable by savings and loan associations incorporated under the laws of the State of Illinois or any other state or under the laws of the United States and only in those savings and loan associations insured by the FDIC.
- Money market mutual funds whose portfolios consist of government securities or agreements to repurchase such obligations.
- Illinois School District Liquid Asset Fund.
- Illinois State Funds Money Market Fund.
- Funds managed, operated and administered by a bank provided that the public agency has an undivided interest in the assets of the fund.
- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986.
- Dividends-bearing share accounts, share certificate accounts of a credit union with its principal office located in Illinois and insured by applicable law.
- Funds managed, operated, and administered by a bank.

**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 2. Cash and Investments (Continued)

At June 30, 2010, the College's cash and cash equivalents balances are as follows:

Depository accounts, checking and certificates of deposit	\$47,257,593
Petty cash	<u>10,600</u>
Total cash and cash equivalents	47,268,193
Fiduciary funds	<u>2,155,231</u>
Total cash and cash equivalents	<u>\$49,423,424</u>
Less: Petty cash	<u>10,600</u>
Total carrying amount of deposits	<u>\$49,412,824</u>

As of June 30, 2010, the carrying amount of the College's deposits totaled \$49,412,824, with a bank balance of \$48,407,137. Of the \$48,407,137 bank balance, \$48,407,137 was covered by federal depository insurance or collateral held by the College's agent in the College's name. The College has no foreign currency risk for deposits at year end.

**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 3. Changes in Capital Assets

A summary of changes in capital assets for the year ended June 30, 2010, is as follows:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Capital assets not being depreciated:				
Land	\$ 760,862	\$ -	\$ -	\$ 760,862
Construction in process	807,365	2,116,735	(1,577,360)	1,346,740
Total capital assets not being depreciated	1,568,227	2,116,735	(1,577,360)	2,107,602
Capital assets being depreciated:				
Buildings and improvements	36,537,982	1,027,943	(162,846)	37,403,079
Land improvements	3,965,093	684,906	-	4,649,999
Equipment	9,161,995	461,245	(4,407,232)	5,216,008
Total capital assets being depreciated	49,665,070	2,174,094	(4,570,078)	47,269,086
Less accumulated depreciation for:				
Buildings and improvements	13,664,142	737,727	(17,913)	14,383,956
Land improvements	488,902	86,151	-	575,053
Equipment	6,978,071	376,152	(3,244,053)	4,110,170
Total accumulated depreciation	21,131,115	1,200,030	(3,261,966)	19,069,179
Total capital assets being depreciated, net	28,533,955	974,064	(1,308,112)	28,199,907
Total capital assets, net	\$30,102,182	\$3,090,799	\$(2,885,472)	\$30,307,509

Note 4. Retirement Plan

Plan Description:

Black Hawk College contributes to the State Universities Retirement System of Illinois (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 the 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 Section 5/15, Chapter 40, 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, or writing to SURS, 1901 Fox Drive, Champaign, IL 61820 or by calling 1-800-275-7877.

**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 4. Retirement Plan (Continued)

Funding Policy:

Plan members are required to contribute 8.0% of their annual covered salary, and substantially all employer contributions are made by the State of Illinois on behalf of the individual employers at an actuarially determined rate. The current rate is 21.27% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. The employer contributions to SURS for the years ended June 30, 2010, 2009, and 2008 were \$144,036, \$157,039, and \$187,084, respectively, equal to the required contributions for each year. The employer contributions made by the State of Illinois on behalf of the College to SURS were \$3,782,081, \$2,415,018, and \$1,954,642 for the years ended June 30, 2010, 2009, and 2008, respectively. These amounts are included as both revenue and expense of the College.

Note 5. Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2010, are as follows:

	Balance July 1, 2009	Additions	Repayments	Balance June 30, 2010	Due Within One Year
Bonds payable	\$12,210,000	\$20,000,000	\$(5,065,000)	\$27,145,000	\$4,545,000
Accrued vacation	886,982	53,084	(120,000)	820,066	120,000
Early retirement	1,458,758	64,813	(116,556)	1,407,015	99,822
	<u>\$14,555,740</u>	<u>\$20,117,897</u>	<u>\$(5,326,116)</u>	<u>\$29,372,081</u>	<u>\$4,764,822</u>

General Obligation Community College Bonds, Series 2004: On November 10, 2004 the College issued \$5,300,000 in General Obligation Bonds to refund \$5,300,000 in short-term debt certificates. The debt certificates were issued and received by the College on July 14, 2004. The purpose of issuing these debt certificates was to use the proceeds to expand and renovate facilities throughout the College and to expand and upgrade the College's technology infrastructure and acquire and implement additional software to assist in the College's service and effectiveness. Principal and interest payments on the General Obligation Bonds were paid annually on December 1 with the final payment on December 1, 2009. Interest only payments were due June 1 of each year beginning June 1, 2006. Interest rates range from 2.0% to 4.0% over the life of the bonds. This debt was retired during the fiscal year.

General Obligation Community College Bonds, Series 2006: On November 9, 2006 the College issued \$4,800,000 in General Obligation Bonds to refund \$4,800,000 in short-term debt certificates. The debt certificates were issued and received by the College on July 14, 2006. The purpose of issuing these debt certificates was to temporarily increase funding levels throughout the College. Principal and interest payments on the General Obligation Bonds were paid annually on December 1 with the final payment on December 1, 2009. Interest only payments are due June 1 of each year beginning June 1, 2008. Interest rates range from 2.0% to 4.0% over the life of the bonds. This debt was retired during the fiscal year.

**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 5. Long-Term Liabilities (Continued)

General Obligation Community College Bonds, Series 2008: On January 29, 2008 the College issued \$8,600,000 in General Obligation Bonds. \$4,100,000 of the amount will be used to increase the Working Cash Fund Balance. The remaining \$4,500,000 will be used for various Operation and Maintenance Projects at the College, which includes a new Community Education Center in Kewanee. Principal and interest payments on the General Obligation Bonds are to be paid annually on December 1 with the final payment on December 1, 2011. Interest only payments are due June 1 of each year. Interest rates range from 3.5% to 4.0% over the life of the bonds.

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds as of June 30, 2010, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2011	\$4,145,000	\$202,845	\$4,347,845
2012	3,000,000	60,000	3,060,000
Total	<u>\$7,145,000</u>	<u>\$262,845</u>	<u>\$7,407,845</u>

General Obligation Community College Bonds, Series 2010: On March 5, 2010 the College issued \$20,000,000 in General Obligation Bonds. The proceeds from this process will be used to fund various capital improvements, including a facility expansion for Building 2 on the Quad Cities campus specifically for the purpose of expanding sustainable technologies programming, the construction of a wind turbine on the East Campus, and technology refresh projects throughout the district. Principal and interest payments on the General Obligation Bonds are to be paid annually on December 1 with the final payment on December 1, 2011. Interest only payments are due June 1 of each year. Interest rates range from 2.0% to 3.5% over the life of the bonds. The interest rate includes bond issuance costs of approximately \$623,000.

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds as of June 30, 2010, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2011	\$ 400,000	\$ 706,938	\$ 1,106,938
2012	1,860,000	532,775	2,392,775
2013	5,025,000	431,825	5,456,825
2014	5,150,000	304,950	5,454,950
2015	5,300,000	160,700	5,460,700
2016	2,265,000	33,975	2,298,975
Total	<u>\$20,000,000</u>	<u>\$2,171,163</u>	<u>\$22,171,163</u>

The College is subject to a debt limitation of 2.875% of its assessed valuation of \$3,397,682,821. As of June 30, 2010 the College had \$70,538,381 of remaining legal debt margin.

**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 5. Long-Term Liabilities (Continued)

Operating Leases: The College leases space at the Illinois Employment & Training Center for \$8,202 per month through February 2013. Lease expense for the year ended June 30, 2010 was \$98,424. In addition, the College leases space for the Industrial Training Lab Extension Center for \$2,126.25 per month through October 2011. Lease expense for the year ended June 30, 2010 was \$17,010.

The annual requirements for operating leases as of June 30, 2010, are as follows:

Year ending June 30:	
2011	\$119,939
2012	96,929
2013	<u>61,616</u>
Total operating leases	<u>\$278,484</u>

Note 6. Early Retirement and Voluntary Separation Plans

The College has offered a number of voluntary separation and early retirement incentive plans (plans) covering individuals of specified employee groups who met stated age and service requirement, therefore the College is subject to the requirements set forth in GASB Statement Number 47. The plans generally provided benefits at the time of employee separation based upon combinations of employee age, years of continuous service, and salary. In addition, the plans provide health, vision, and dental insurance; certain of the plans also offer life insurance benefits. The length of coverage varies from five years following the date of separation, up to the life of the separated participant. Some plans require retiree co-payment. Currently 73 participants are covered under the various voluntary separation and early retirement plans. Costs related to these plans are funded on a pay-as-you-go basis. The liability was determined by factoring in the present value of projected future unit costs. The assumptions used in calculating the liability were a discount rate of 5%, compounded annually, a return on assets of 5%, compounded annually, and a decreasing health care trend rate of 6.5% to 4.0%. Mortality rates were obtained from the UP-1994 table with generational projection scale AA. It was assumed that 75% of retirees were married at retirement and that male spouses are three years older than female spouses. The recorded liability for these plans is \$1,407,015 as of June 30, 2010.

Note 7. Risk Management and Insurance

The College is exposed to various risks of loss related to tort, theft, damage to or the destruction of assets, errors and omissions, injuries to employees, and natural disasters. Those risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The College self insures for employee medical, dental, and vision coverage through a Voluntary Employees' Beneficiary Association (VEBA). Self insurance is in effect up to an aggregate stop/loss of \$5,088,614 with a \$125,000 per covered person stop/loss amount. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop/loss amount. All claim handling procedures are performed by an independent claims administrator.

**Black Hawk College
Illinois Community College District #503**

Notes to Financial Statements

Note 8. Commitments

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

Note 9. Liability, Protection, & Settlement Fund Expenditures

Black Hawk College had the following Liability, Protection, & Settlement Fund expenditures for the year ended June 30, 2010:

Security & safety related salaries and benefits	\$ 691,710
Risk management & loss prevention	102,227
Insurance	851,905
Legal services	196,363
Security and safety related	<u>100,930</u>
Total Liability, Protection & Settlement Fund expenditures	<u>\$1,943,135</u>

Note 10. New Accounting Pronouncements

Accounting and Financial Reporting for Intangible Assets was effective for the fiscal year ending June 30, 2010. The pronouncement establishes accounting and reporting standards for those entities with intangible assets (such as patents, trademarks, internally developed software). Management determined that there was no material impact of complying with this standard.

Accounting and Financial Reporting for Derivative Instruments is effective for the fiscal year ending June 30, 2010. The pronouncement establishes definitions of derivative instruments and establishes accounting, reporting and disclosure requirements for those entities involved with such instruments. Management determined that there was no material impact of complying with this standard.

Accounting and Financial Reporting for Chapter 9 Bankruptcies is effective for the fiscal year ending June 30, 2010. The pronouncement provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. Management determined that there was no material impact of complying with this standard.

Note 11. Pending Accounting Pronouncements

Fund Balance Reporting and Governmental Fund Type Definitions is effective for the fiscal year ending June 30, 2012. The pronouncement significantly changes the reporting and disclosure of "fund balance" information in the financial statements.

Management has not completed its assessment of these pending standards as to the effect, if any, they may have on the financial statements.

Statistical Section (Unaudited)

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**Black Hawk College
Illinois Community College District #503**

Statistical Section

This section of the College's comprehensive annual financial report presents detailed statistical information as a context for understanding information in the financial statements, note disclosures, and required supplementary information in relation to the overall financial health of the institution.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the College's most significant local revenue sources, tuition and fees and property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.

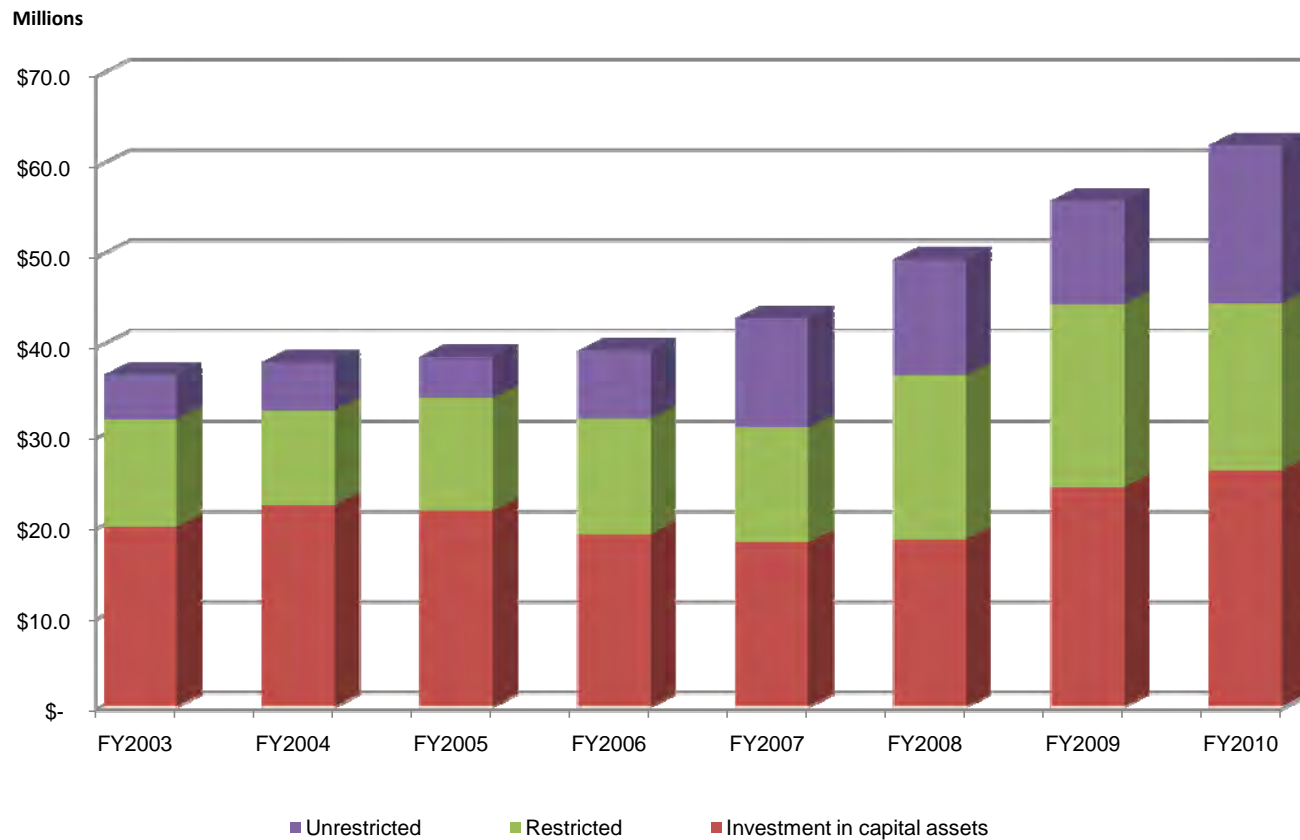
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Note: *The College implemented GASB Statement 35 in 2003; schedules presenting government-wide information include information beginning in that year.*

**Black Hawk College
Illinois Community College District No. 503**

**Schedule of Net Assets by Component
FY2003 through FY2010**

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Investment in capital assets, net of related debt	\$ 19,869,807	\$ 22,247,545	\$ 21,663,203	\$ 19,064,372	\$ 18,158,170	\$ 18,504,208	\$ 24,287,182	\$ 26,107,509
Restricted	11,885,335	10,521,353	12,468,851	12,776,417	12,698,405	18,116,477	20,212,636	18,508,373
Unrestricted	4,929,472	5,314,174	4,547,818	7,482,628	12,083,254	12,826,789	11,442,187	17,464,461
Total net assets	\$ 36,684,614	\$ 38,083,072	\$ 38,679,872	\$ 39,323,417	\$ 42,939,829	\$ 49,447,474	\$ 55,942,005	\$ 62,080,343



Note: GASB 35 implemented in FY2003. Data presented is from that point forward for comparative purposes.
Source: College audited financial statements.

Black Hawk College
Illinois Community College District No. 503

Schedule of Changes in Net Assets
FY2003 through FY2010

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Operating Revenues:								
Student tuition and fees, net of allowance	\$ 4,746,980	\$ 4,926,478	\$ 5,836,757	\$ 6,473,972	\$ 6,589,369	\$ 6,830,918	\$ 6,563,186	\$ 6,999,903
Sales, service, and rental of facilities	3,343,748	3,304,371	3,462,532	3,410,705	3,422,932	3,456,655	3,024,705	3,104,115
Tuition Chargeback	43,005	65,881	43,451	39,822	38,421	(1,702)	-	-
SURS contribution provided by state	1,783,758	11,448,455	1,739,529	1,021,967	1,486,613	1,954,642	2,415,018	3,782,081
Other operating revenue	5,245	7,500	4,760	7,638	28,532	5,705	6,901	12,576
Total operating revenue	9,922,736	19,752,685	11,087,029	10,954,104	11,565,867	12,246,218	12,009,810	13,898,675
Operating expenses:								
Instruction	12,108,507	12,436,718	12,904,624	12,881,139	13,002,230	13,417,138	13,071,503	13,177,063
Academic support	3,323,628	3,427,233	3,414,267	3,477,715	3,829,341	4,214,199	4,344,918	4,359,360
Student services	3,609,389	3,149,025	3,233,551	3,418,731	3,174,670	3,151,038	3,022,823	3,083,006
Public service	4,183,386	3,125,843	3,018,143	3,025,891	2,776,572	2,603,870	2,327,188	2,393,896
Auxiliary services	3,522,521	3,521,670	3,907,782	3,715,320	3,480,656	3,567,023	3,265,960	3,472,459
Institutional support	6,732,660	7,292,833	7,285,564	8,373,692	9,172,580	7,147,272	6,843,449	8,700,444
Scholarships, student grants and waivers	4,511,437	4,157,168	4,238,687	3,908,098	3,863,985	3,798,739	3,456,874	4,197,498
SURS contribution provided by state	1,783,758	11,448,455	1,739,529	1,021,967	1,486,613	1,954,642	2,415,018	3,782,081
Operation of physical facilities	3,306,069	3,800,309	3,951,142	3,572,762	3,463,281	4,202,026	4,454,574	4,083,672
Loss on disposal of equipment	63,067	21,632	41,307	3,516	33,979	5,097	7,409	1,308,112
Depreciation	1,187,279	1,202,194	1,289,155	1,361,306	1,385,121	1,453,453	1,788,953	1,200,030
Total operating expenses	44,331,701	53,583,080	45,023,751	44,760,137	45,669,028	45,514,497	44,998,669	49,757,621
Operating (loss)	(34,408,965)	(33,830,395)	(33,936,722)	(33,806,033)	(34,103,161)	(33,268,279)	(32,988,859)	(35,858,946)
Non-operating revenues (expense)								
Property taxes	10,110,571	10,721,008	11,403,125	12,280,184	14,151,090	16,212,834	17,816,536	18,140,565
Personal property taxes	-	-	-	-	-	-	1,365,164	1,104,407
State government sources	16,667,736	14,756,792	13,876,740	13,523,521	14,370,178	14,154,600	11,653,779	11,076,974
Federal government sources	7,572,422	7,908,014	7,661,777	7,090,387	6,922,766	7,499,337	7,050,847	10,110,004
Investment earnings	566,729	441,356	556,738	710,851	1,076,367	893,351	927,444	1,079,642
Other sources	2,047,401	1,392,612	1,185,602	1,101,164	1,681,982	1,652,625	1,441,102	1,200,272
Interest expense	(4,050)	(3,796)	(150,460)	(256,529)	(482,810)	(636,823)	(771,482)	(714,580)
Total non-operating revenues (expenses)	36,960,809	35,215,986	34,533,522	34,449,578	37,719,573	39,775,924	39,483,390	41,997,284
Income before contributions	2,551,844	1,385,591	596,800	643,545	3,616,412	6,507,645	6,494,531	6,138,338
Capital contributions - facilities donation	360,000	-	-	-	-	-	-	-
Change in net assets	2,911,844	1,385,591	596,800	643,545	3,616,412	6,507,645	6,494,531	6,138,338
Net assets:								
Beginning	33,772,770	36,697,481	38,083,072	38,679,872	39,323,417	42,939,829	49,447,474	55,942,005
Ending	\$ 36,684,614	\$ 38,083,072	\$ 38,679,872	\$ 39,323,417	\$ 42,939,829	\$ 49,447,474	\$ 55,942,005	\$ 62,080,343

Notes:

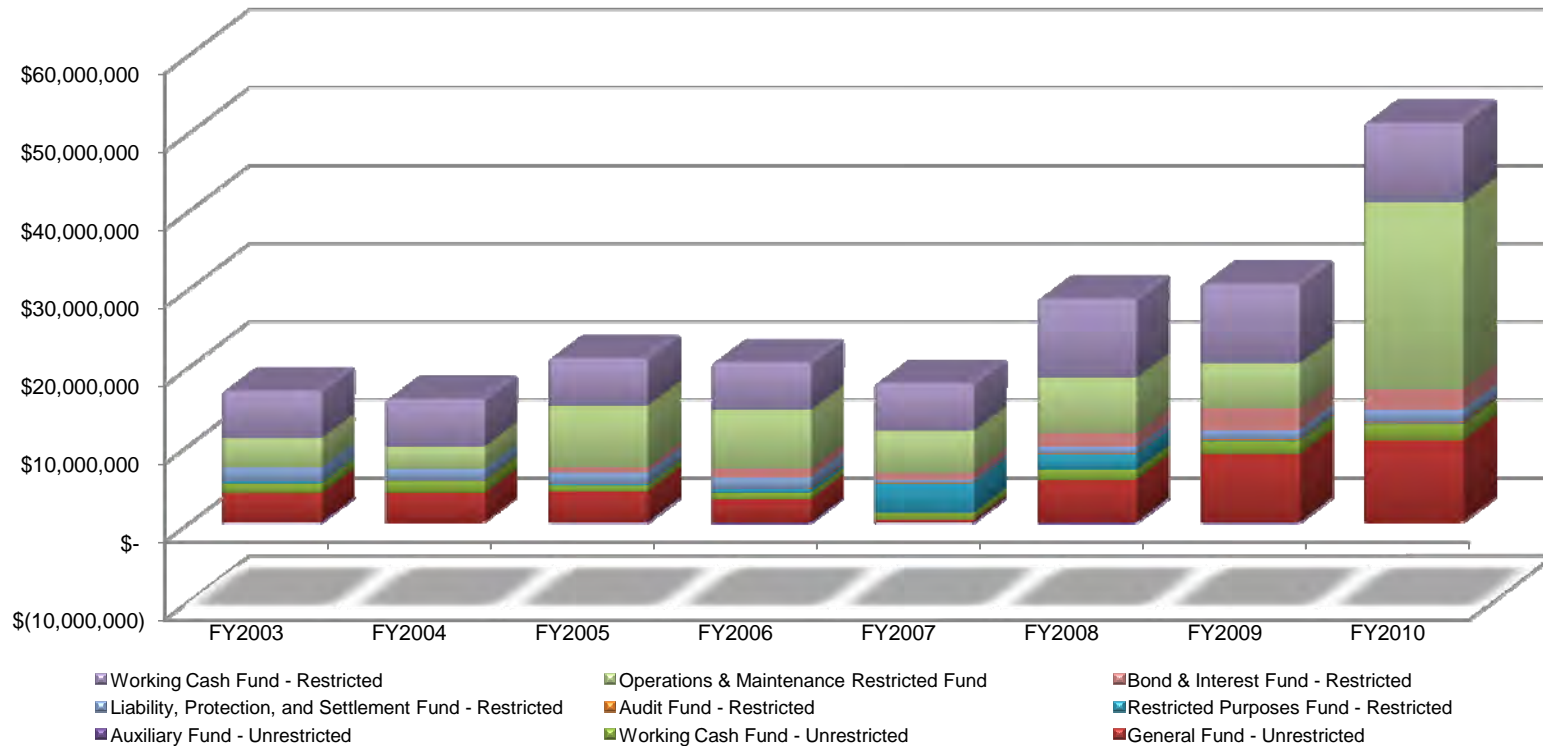
1. FY2003 beginning net assets restated to comply with GASB 35
2. FY2004 beginning net assets restated
3. For consistency and comparability purposes the information presented above limited to fiscal years in which GASB 34 was applied.

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Black Hawk College
Illinois Community College District No. 503

Schedule of Fund Balance by Fund
FY2003 through FY2010

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
General Fund - Unrestricted	\$ 3,654,518	\$ 3,661,544	\$ 3,857,330	\$ 2,875,581	\$ 270,482	\$ 5,410,451	\$ 8,697,966	\$ 10,458,459
Working Cash Fund - Unrestricted	\$ 1,283,436	\$ 1,542,516	\$ 778,015	\$ 864,305	\$ 924,742	\$ 1,219,790	\$ 1,625,794	\$ 2,046,194
Auxiliary Fund - Unrestricted	(158,314)	19,436	(197,743)	(270,102)	(166,048)	(132,271)	(74,423)	143,703
Restricted Purposes Fund - Restricted	266,639	95,537	221,884	459,285	3,752,088	2,026,420	137,064	37,322
Audit Fund - Restricted	61,751	79,482	93,978	103,090	77,900	97,557	122,132	150,245
Liability, Protection, and Settlement Fund - Restricted	1,706,056	1,381,603	1,389,320	1,429,168	465,822	829,358	1,227,502	1,573,022
Bond & Interest Fund - Restricted	-	-	644,333	1,156,231	830,675	1,765,269	2,702,182	2,642,136
Operations & Maintenance Restricted Fund	3,756,699	2,870,541	7,915,146	7,424,453	5,367,730	7,093,683	5,829,566	23,911,458
Working Cash Fund - Restricted	6,094,190	6,094,190	6,094,190	6,094,190	6,094,190	10,194,190	10,194,190	10,194,190
Total Fund Balance	\$ 16,664,975	\$ 15,744,849	\$ 20,796,453	\$ 20,136,201	\$ 17,617,581	\$ 28,504,447	\$ 30,461,973	\$ 51,156,729

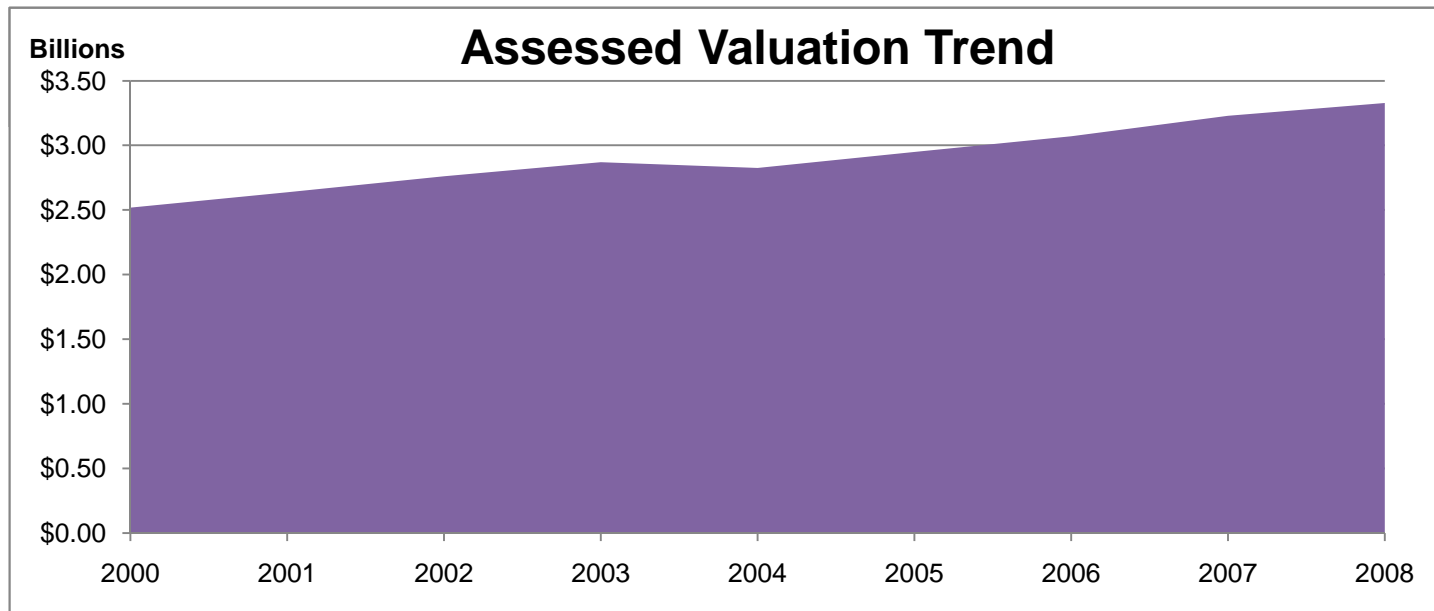


Note: GASB 35 implemented in FY2003. Data presented is from that point forward for comparative purposes.
 Excludes Investment in Plant and General Long Term Debt funds.
 Source: College audited financial statements.

**Black Hawk College
Illinois Community College District No. 503**

Assessed and Estimated Actual Value of Taxable Property (Unaudited)
Tax Levy Years 2000 through 2009

Levy year	Assessed Valuation	Estimated Actual Value
2000	2,520,355,598	7,561,822,976
2001	2,638,073,392	7,915,011,677
2002	2,761,970,857	8,286,741,245
2003	2,870,452,838	8,612,219,736
2004	2,826,046,435	8,478,987,204
2005	2,951,380,890	8,855,028,173
2006	3,071,201,593	9,214,526,232
2007	3,229,766,461	9,690,268,410
2008	3,330,441,678	9,992,324,266
2009	3,397,682,821	10,194,067,870



Notes:

1. Assessed value is computed by various county's clerks offices and is equal to approximately one-third of the estimated actual value.
2. The tax levy for 2009 is the most current information available

Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark, and Whiteside County Clerk's Office

Black Hawk College
Illinois Community College District No. 503

Property Tax Extensions and Collections (Unaudited)
 FY2000 through FY2009

Levy Year	Fiscal Year	Assessed Valuation	Tax Rate	Taxes Extended (Levy)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percent of Extension		Amount	Percent of Extension
2000	2001	2,520,355,598	0.3381	8,521,323	2,884,750	34%	5,605,057	8,489,807	100%
2001	2002	2,638,073,392	0.3663	9,663,262	3,156,505	33%	6,469,016	9,625,521	100%
2002	2003	2,761,970,857	0.3671	10,139,195	1,925,971	19%	8,191,425	10,117,396	100%
2003	2004	2,870,452,838	0.3740	10,735,493	3,328,077	31%	7,447,042	10,775,119	100%
2004	2005	2,826,046,435	0.4021	11,352,291	3,828,809	34%	7,563,578	11,392,387	100%
2005	2006	2,951,380,890	0.4145	12,233,474	4,143,408	34%	8,087,207	12,230,615	100%
2006	2007	3,071,201,593	0.4579	14,063,032	4,678,917	33%	9,365,085	14,044,002	100%
2007	2008	3,229,766,461	0.5016	16,200,510	5,464,473	34%	10,681,197	16,145,670	100%
2008	2009	3,330,441,678	0.5356	17,837,846	5,980,833	34%	11,810,395	17,791,228	100%
2009	2010	3,397,682,821	0.5337	18,133,434	6,037,571	33%	-	6,037,571	33%

Notes:

1. Property taxes which are measurable and available are recognized as revenue. Property taxes which are measurable but not available are deferred and recognized as revenue as they become available.
2. The tax levy for 2009 is the most current information available.
3. The tax rates reported for the College are blended rates based on the total taxes and the total assessed valuations for all counties combined.
4. The tax rate fluctuates from year to year primarily due to the debt service requirements for General Obligation bonds.
5. Due to differences in the computational methods followed by the nine counties, portions of each of which are within the District's boundaries, there may be slight differences between the final levy amounts extended by the counties and those used for financial statement purposes.

Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark, and Whiteside County Clerk's Office

Black Hawk College
Illinois Community College District No. 503

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Representative Tax Rates (Unaudited)
 Tax Years 2000 through 2009

Taxing Districts	Tax Year 2000	Tax Year 2001	Tax Year 2002	Tax Year 2003	Tax Year 2004	Tax Year 2005	Tax Year 2006	Tax Year 2007	Tax Year 2008	Tax Year 2009
Black Hawk College No. 503	\$ 0.3381	\$ 0.3663	\$ 0.3671	\$ 0.3740	\$ 0.4021	\$ 0.4145	\$ 0.4579	\$ 0.5016	\$ 0.5356	\$ 0.5337
Rock Island County	0.7410	0.8000	0.7850	0.7746	0.8040	0.7976	0.7956	0.7890	0.8480	0.8542
South Moline Township	0.0690	0.0370	0.0690	0.0656	0.0692	0.0700	0.1412	0.1416	0.1432	0.1432
Road & Bridge - South Moline Township	0.0131	0.0068	0.0054	0.0050	0.0052	0.0054	0.0058	0.0061	0.0064	0.0070
Road & Bridge - City of Moline	0.0083	0.0042	0.0040	0.0042	0.0044	0.0044	0.0042	0.0041	0.0042	0.0042
South Moline Township Cemetery	0.0014	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0030
City of Moline	1.8864	1.9004	1.8930	1.8988	1.9116	1.9594	1.9646	2.0062	1.9966	1.9288
School District No. 40	5.2996	5.3090	5.2536	5.2612	5.1108	5.1508	5.1152	5.0586	5.0188	5.0266
Metropolitan Airport Authority	0.0396	0.0672	0.0630	0.0714	0.0750	0.0718	0.0726	0.0716	0.0734	0.0742
Metropolitan Transit Authority	0.1348	0.1332	0.1322	0.1448	0.1646	0.1652	0.1754	0.1742	0.1768	0.1812
Total	\$ 8.5313	\$ 8.6243	\$ 8.5725	\$ 8.5998	\$ 8.5471	\$ 8.6393	\$ 8.7327	\$ 8.7532	\$ 8.8032	\$ 8.7561

Note: The above table is a representative tax rate for a District property owner in Rock Island County living in the City of Moline. (Per \$100 Equalized Assessed Valuation)
 Source: Rock Island County Clerk's Office

Taxing Districts	Tax Year 2000	Tax Year 2001	Tax Year 2002	Tax Year 2003	Tax Year 2004	Tax Year 2005	Tax Year 2006	Tax Year 2007	Tax Year 2008	Tax Year 2009
Black Hawk College No. 503	\$ 0.3381	\$ 0.3663	\$ 0.3671	\$ 0.3740	\$ 0.4021	\$ 0.4181	\$ 0.4578	\$ 0.5023	\$ 0.5356	\$ 0.5354
Henry County	0.7627	0.7950	0.8291	0.8869	0.9280	0.9439	0.9026	0.9069	0.8945	0.9173
Kewanee Township	0.1226	0.1187	0.1154	0.1769	0.2054	0.2113	0.1978	0.1756	0.1721	0.1735
Kewanee Township Road District	0.2004	0.2251	0.2217	0.2222	0.2227	0.2207	0.2188	0.2084	0.2179	0.2180
City of Kewanee	2.4737	2.2860	2.2501	2.3196	2.5402	2.5760	2.1251	2.7294	2.3552	2.2611
Kewanee Park District	0.9955	0.9445	0.9654	0.9993	1.1338	1.0752	1.1009	1.0474	1.0881	1.0573
Kewanee Library District	0.5437	0.4678	0.5511	0.5834	0.6336	0.6395	0.6362	0.6862	0.6965	0.7524
Kewanee Airport	0.0177	0.0158	0.0137	0.0136	0.0163	0.0145	0.0139	0.0128	0.0127	0.0116
Unity School District No. 229	4.0714	4.0127	3.9368	4.0955	4.3047	4.2700	4.4177	4.4650	4.5351	4.5267
Total	\$ 9.5258	\$ 9.2319	\$ 9.2504	\$ 9.6714	\$ 10.3868	\$ 10.3692	\$ 10.0708	\$ 10.7340	\$ 10.5077	\$ 10.4533

Note: The above table is a representative tax rate for a District property owner in Henry County living in the City of Kewanee. (Per \$100 Equalized Assessed Valuation)
 Source: Henry County Clerk's Office

**Black Hawk College
Illinois Community College District No. 503**

Principal Taxpayers (Unaudited)
Most recent Year and Seven Years Ago

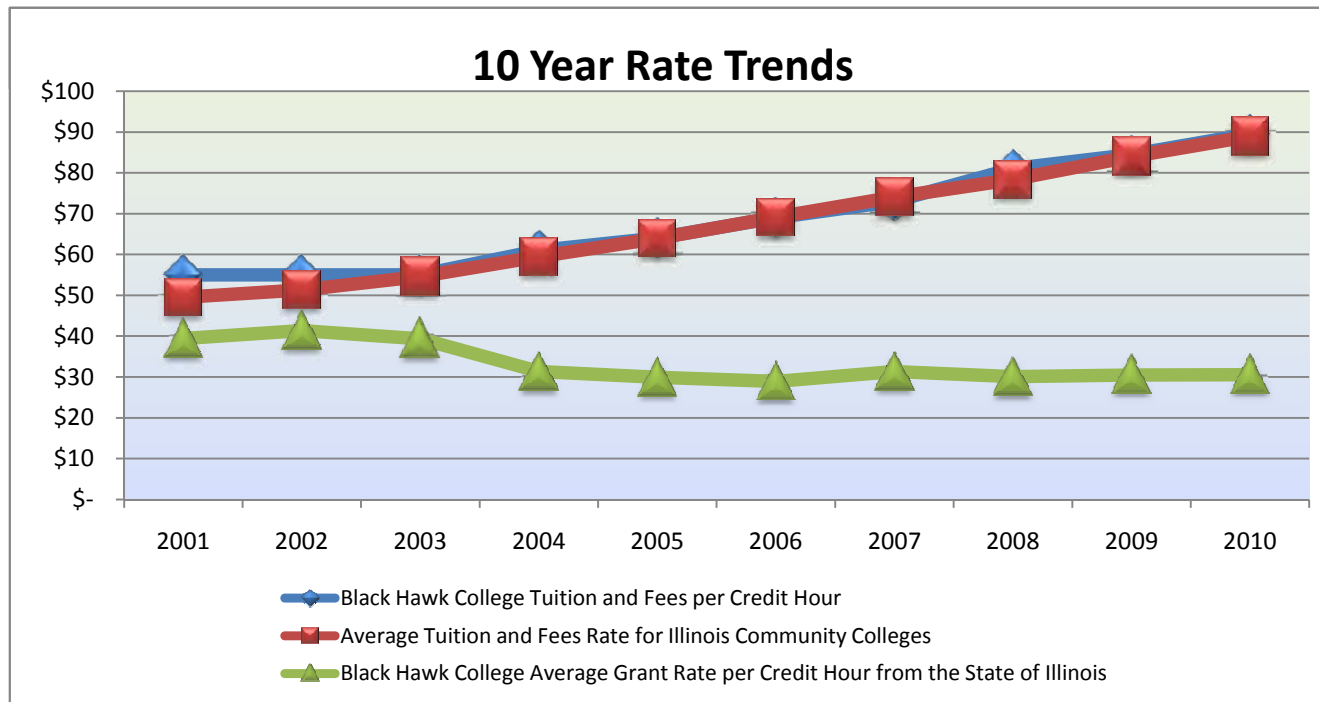
2003				2009			
Taxpayer	Equalized Assessed Valuation	Rank	Percent of District's EAV	Taxpayer	Equalized Assessed Valuation	Rank	Percent of District's EAV
Commonwealth Edison	\$ 76,107,947	1	2.65%	Commonwealth Edison	\$ 100,000,000	1	2.94%
Deere and Company	38,140,142	2	1.33%	Deere and Company	36,693,831	2	1.08%
SDG Macerich Properties	18,281,760	3	0.64%	Patriot Renewable Fuels, LLC.	26,919,287	3	0.79%
J. I. Case	5,704,594	4	0.20%	Rock Island Boatworks/Jumers (22,077,890	4	0.65%
Minnesota Mining & Manufacturing	5,213,237	5	0.18%	SDG Macerich/Southpark mall	17,998,200	5	0.53%
Pioneer Hi-Bred	5,148,559	6	0.18%	Big River Resources Galva LLC	17,098,952	6	0.50%
Thoms-Proestler Company	4,816,290	7	0.17%	Modern Woodmen of America	9,543,326	7	0.28%
Barjan Products LLC	4,425,893	8	0.15%	Kewanee Hospital	7,033,391	5	0.21%
Cordova Energy	4,331,206	9	0.15%	Pioneer Hi Bred Intl Inc.	5,683,219	9	0.17%
Tyson Foods	4,130,478	10	0.14%	Thoms-Proestler Co.	5,532,763	10	0.16%
	<u>\$ 170,430,584</u>		<u>5.94%</u>		<u>\$ 252,766,359</u>		<u>7.45%</u>

Source: Office of the County Clerk for Rock Island, Henry, Knox, Whiteside, Bureau, Mercer, Henderson, Stark, and Marshall

Black Hawk College Illinois Community College District No. 503

Mandatory Tuition and Fees (Unaudited)
FY2001 through FY2010

Fiscal Year	Black Hawk College Tuition and Fees per Credit Hour	Average Tuition and Fees Rate for Illinois Community Colleges	Black Hawk College Average Grant Rate per Credit Hour from the State of Illinois	Black Hawk College Total Unrestricted and Restricted Credit Hours
2001	55.00	49.53	39.44	141,054
2002	55.00	51.32	41.40	145,370
2003	55.00	54.64	39.31	144,077
2004	61.00	59.45	31.33	144,359
2005	64.00	63.92	29.94	144,087
2006	69.00	69.11	28.94	140,900
2007	73.00	74.04	31.36	132,392
2008	81.00	78.36	30.08	128,450
2009	84.50	84.04	30.51	124,771
2010	89.50	88.95	30.59	135,521



**Black Hawk College
Illinois Community College District No. 503**

Ratio of Outstanding Debt by Type (Unaudited)
FY2001 through FY2010

Fiscal Year	General Obligation Bonds	Installment Contracts	Total Outstanding Debt	Estimated Actual Taxable Property Value	Percentage of Actual Value	Total Outstanding Debt Per Capita
2001	-	215,323	215,323	7,561,822,976	0.003%	0.82
2002	-	131,193	131,193	7,915,011,677	0.002%	0.50
2003	-	45,000	45,000	8,286,741,245	0.001%	0.17
2004	-	89,538	89,538	8,612,219,736	0.001%	0.34
2005	5,300,000	143,375	5,443,375	8,478,987,204	0.064%	20.63
2006	4,800,000	103,393	4,903,393	8,855,028,173	0.055%	18.59
2007	8,600,000	60,995	8,660,995	9,214,526,232	0.094%	32.83
2008	15,380,000	24,560	15,404,560	9,690,268,410	0.159%	58.39
2009	12,210,000	-	12,210,000	9,992,324,266	0.122%	46.28
2010	27,145,000	-	27,145,000	10,194,067,870	0.266%	102.89

Notes:

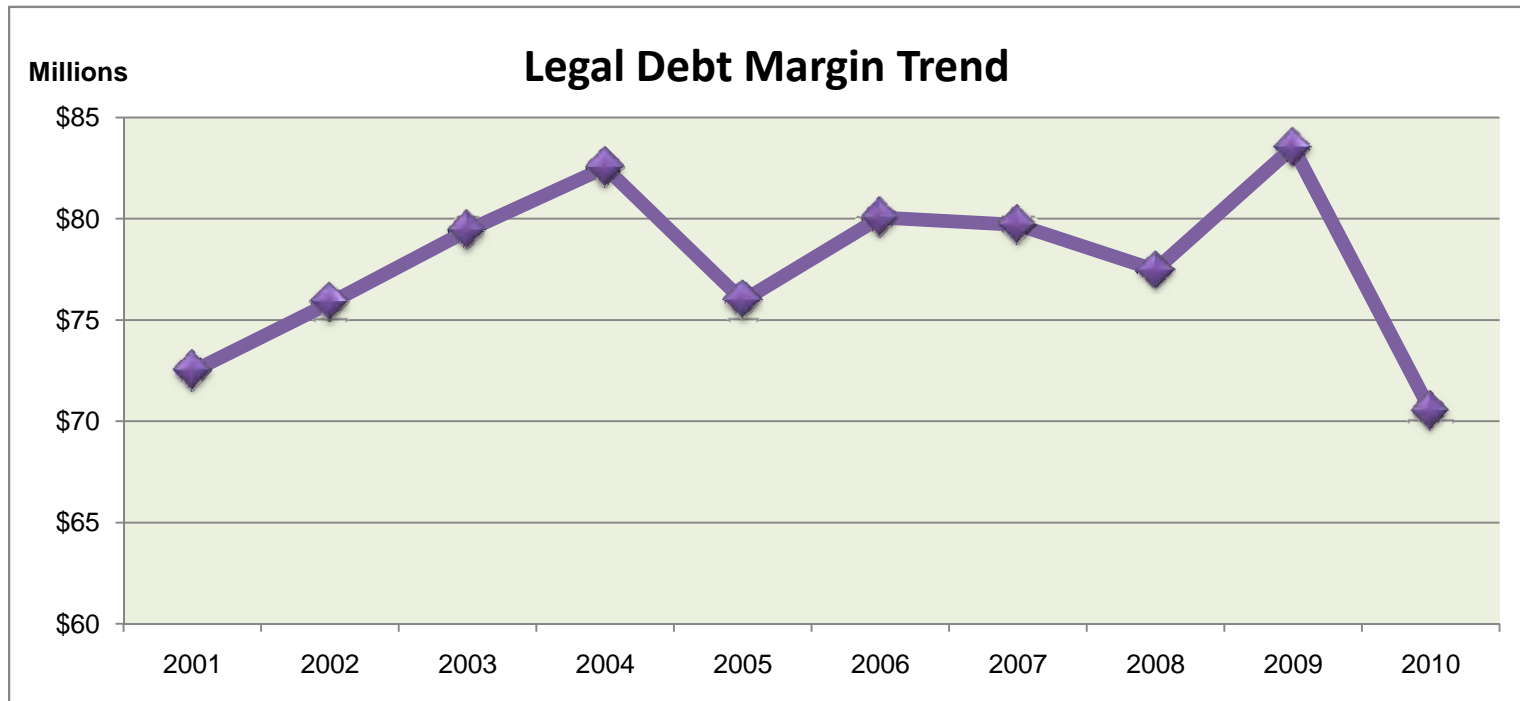
1. Details of the College's outstanding debt can be found in the notes to the financial statements.
2. Total Outstanding Debt Per Capita is calculated by using the 2000 U.S. Census population for each of the nine counties, included either in part or whole, in the district adjusted by the percentage of each counties population located within the district.
3. Estimated Actual Taxable Property Value is based on property located within the district only.

Sources: College Records, County Clerk Offices, and the 2000 U.S. Census

**Black Hawk College
Illinois Community College District No. 503**

Computation of Legal Debt Margin (Unaudited)
FY2001 through FY2010

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Debt Limit: 2.875% of Assessed Value</u>	<u>Less applicable Debt: General Obligation Bonds</u>	<u>Legal Debt Margin</u>
2001	2,520,355,598	72,460,223	-	72,460,223
2002	2,638,073,392	75,844,610	-	75,844,610
2003	2,761,970,857	79,406,662	-	79,406,662
2004	2,870,452,838	82,525,519	-	82,525,519
2005	2,826,046,435	81,248,835	5,300,000	75,948,835
2006	2,951,380,890	84,852,201	4,800,000	80,052,201
2007	3,071,201,593	88,297,046	8,600,000	79,697,046
2008	3,229,766,461	92,855,786	15,380,000	77,475,786
2009	3,330,441,678	95,750,198	12,210,000	83,540,198
2010	3,397,682,821	97,683,381	27,145,000	70,538,381



Sources: Bureau, Henderson, Henry, Knox, Marshall, Mercer, Rock Island, Stark and Whiteside County Clerk's Office and College records

Black Hawk College
Illinois Community College District No. 503

Schedule of Bond Coverage (Unaudited)
 Last Ten Fiscal Years

General Obligation Bonds

Fiscal Year	Property Taxes Collected	Interest Earned	Net Revenue Available for Debt Service	2004 Bonds		2006 Bonds		2008 Bonds		2010 Bonds		Total	Coverage Ratio
				Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2001	-	-	-	-	-	-	-	-	-	-	-	-	N/A
2002	-	-	-	-	-	-	-	-	-	-	-	-	N/A
2003	-	-	-	-	-	-	-	-	-	-	-	-	N/A
2004	-	-	-	-	-	-	-	-	-	-	-	-	N/A
2005	732,435	284	732,719	-	111,000	-	-	-	-	-	-	111,000	660.11%
2006	1,150,348	9,695	1,160,043	500,000	147,645	-	-	-	-	-	-	647,645	179.12%
2007	1,800,339	18,863	1,819,202	1,000,000	157,513	-	319,333	-	-	-	-	1,476,846	123.18%
2008	3,214,755	31,313	3,246,068	1,220,000	115,539	600,000	323,597	-	144,337	-	-	2,403,473	135.06%
2009	4,707,582	40,115	4,747,697	1,265,000	70,395	1,700,000	228,689	205,000	341,700	-	-	3,810,784	124.59%
2010	5,466,013	62,113	5,528,126	1,315,000	20,547	2,500,000	74,479	1,250,000	306,770	-	190,117	5,656,913	97.72%

Note: The General Obligation Bonds are repaid from property taxes collected and interest earned accounted for in the Bond and Interest Fund.

Source: College records

Black Hawk College
Illinois Community College District No. 503

Direct and Overlapping General Obligation Bonded Debt (Unaudited)
 Henry and Rock Island Counties Only
 (Which represents 89.19% of the Equalized Assessed Value of the District)

Issuing Taxing Districts	Amount of Outstanding Bonds	Applicable to District	
		Estimated Percentage	Amount
Henry County	\$ -	99.530%	\$ -
Rock Island County	8,750,000	100.000%	8,750,000
Metropolitan Airport Authority	-	100.000%	-
Annawan Township	-	100.000%	-
Atkinson Township	-	100.000%	-
Village of Cambridge	-	100.000%	-
Village of Carbon Cliff	0	100.000%	-
Village of Coal Valley	0	100.000%	-
City of Colona	-	100.000%	-
Village of Cordova	-	100.000%	-
City of East Moline	1,190,000	100.000%	1,190,000
City of Galva	0	100.000%	-
City of Geneseo	-	100.000%	-
Village of Hampton	-	100.000%	-
City of Kewanee	872,887	100.000%	872,887
City of Moline	88,525,000	100.000%	88,525,000
City of Rock Island	36,588,333	100.000%	36,588,333
City of Silvis	2,960,000	100.000%	2,960,000
Carbon Cliff Special Service Area #3	290,000	100.000%	290,000
Moline Special Service Area #3	515,000	100.000%	515,000
Silvis Special Service Area #1	1,745,000	100.000%	1,745,000
Coal Valley Fire District	660,000	100.000%	660,000
(Hammond) Henry Hospital District	-	100.000%	-
Illini Hospital (Ambulance) District	-	100.000%	-
Kewanee Library District	355,000	100.000%	355,000
Geneseo Park District	400,000	100.000%	400,000
Kewanee Park District	505,000	100.000%	505,000
Community Unit School District #1	2,230,000	100.000%	2,230,000
School District #29	396,000	100.000%	396,000

**Black Hawk College
Illinois Community College District No. 503**

Direct and Overlapping General Obligation Bonded Debt (Unaudited) (Continued)
Henry and Rock Island Counties Only
(Which represents 89.19% of the Equalized Assessed Value of the District)

Issuing Taxing Districts	Amount of Outstanding Bonds	Applicable to District	
		Estimated Percentage	Amount
High School District #30	1,905,000	100.000%	1,905,000
School District #34	250,000	100.000%	250,000
School District #36	1,595,000	100.000%	1,595,000
School District #37	5,726,420 ⁵	100.000%	5,726,420
Community Unit School District #40	5,850,000	100.000%	5,850,000
School District #41	40,960,000	100.000%	40,960,000
Community Unit School District #100 (Riverdale)	565,000	100.000%	565,000
Community Unit School District #100 (Stark)	8,344,000	100.000%	8,344,000
School District #190	1,185,000	100.000%	1,185,000
Community Unit School District #200	4,772,407 ⁵	30.038%	1,433,536
Community Unit School District #203	455,000	4.753%	21,626
Community Unit School District #223	5,837,975 ⁵	100.000%	5,837,975
Community Unit School District #224	445,000	91.853%	408,746
Community Unit School District #225	2,655,000	92.205%	2,448,043
Community Unit School District #227	4,654 ⁶	100.000%	4,654
Community Unit School District #228	9,865,000	99.999%	9,864,901
Community Unit School District #229	1,495,000 ⁶	100.000%	1,495,000
Community Unit School District #230	550,000	97.470%	536,085
Community Unit School District #300	1,650,000	98.236%	1,620,894
Total Overlapping General Obligation Bonded Debt			\$ 236,034,100

Notes:

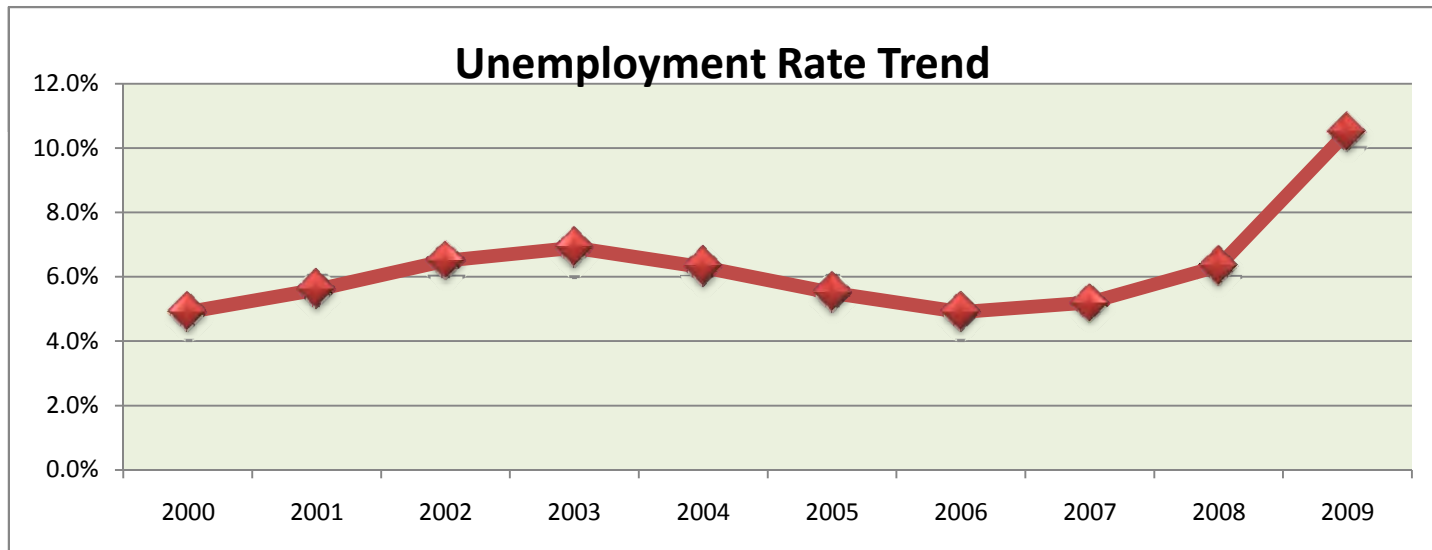
1. Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds that are expected to be paid from sources other than general taxation.
2. Includes Public Building Commission debt applicable to the County and secured by lease rentals payable from ad valorem taxes levied on all taxable property within the County.
3. Excludes lease agreements and installment contracts.
4. Includes self-supporting bonds that are expected to be abated annually.
5. Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
6. Includes principal amounts of an outstanding loan with the Illinois Environmental Protection Agency.
7. Information presented is as of September 2009.

Sources: Offices of the County Clerks of Henry and Rock Island Counties, Illinois

Black Hawk College
Illinois Community College District No. 503

Demographic and Economic Statistics (Unaudited)
 Calendar Years 2000 through 2009

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2000	396,068	10,072,538	24,867	4.9%
2001	395,159	10,102,968	25,303	5.6%
2002	393,798	10,158,211	25,178	6.5%
2003	392,315	10,619,685	26,525	6.9%
2004	391,549	11,089,571	28,129	6.3%
2005	391,171	11,130,144	27,773	5.5%
2006	389,768	11,652,337	29,127	4.9%
2007	386,191	12,620,479	31,890	5.2%
2008	385,161	N/A	N/A	6.3%
2009	383,799	N/A	N/A	10.5%



Notes:

1. Population reported above is the total population for all nine counties
2. Per Capita Personal income is average of nine counties
3. N/A = Information Not Available at time of report

Sources: U.S. Department of Commerce Bureau of Economic Analysis
 Average unemployment rate from Illinois Department of Employment Security

**Black Hawk College
Illinois Community College District No. 503**

Principal Employers (Unaudited)
Current Year and Seven Years Ago

Rock Island County					
2003			2009		
Employer	Product/Service	Employees	Employer	Product/Service	Employees
Deere & Co.	Construction and agricultural equipment	6,200	Rock Island Arsenal	Defense Manufacturing	7,270
Rock Island Arsenal	Defense Manufacturing	6,000	Deere & Co.	Construction and agricultural equipment	6,300
Trinity Regional Health System	Health care system	3,600	Trinity Regional Health System	Health care system	4,300
Case Corporation	Agriculture & Industrial equipment	2,500	Genesis Health Systems	Health care system	4,000
John Deere Harvester Works	Construction and agricultural equipment	2,300	John Deere Harvester Works	Construction and agricultural equipment	2,400
John Deere Seeding Group	Planting equipment	1,000	John Deere Seeding Group	Planting equipment	1,918
Community Unit School District #40	Moline school district	1,000	Export Packaging (XPAC)	Supply chain management and logistics	1,065
MidAmerican Energy Co.	Utility/Energy delivery	990	MidAmerican Energy Co.	Utility/Energy delivery	1,060
Export Packaging (XPAC)	Supply chain management and logistics	975	Community Unit School District #40	Moline school district	990
US Army Corps of Engineers	National Security	950	US Army Corps of Engineers	National Security	900

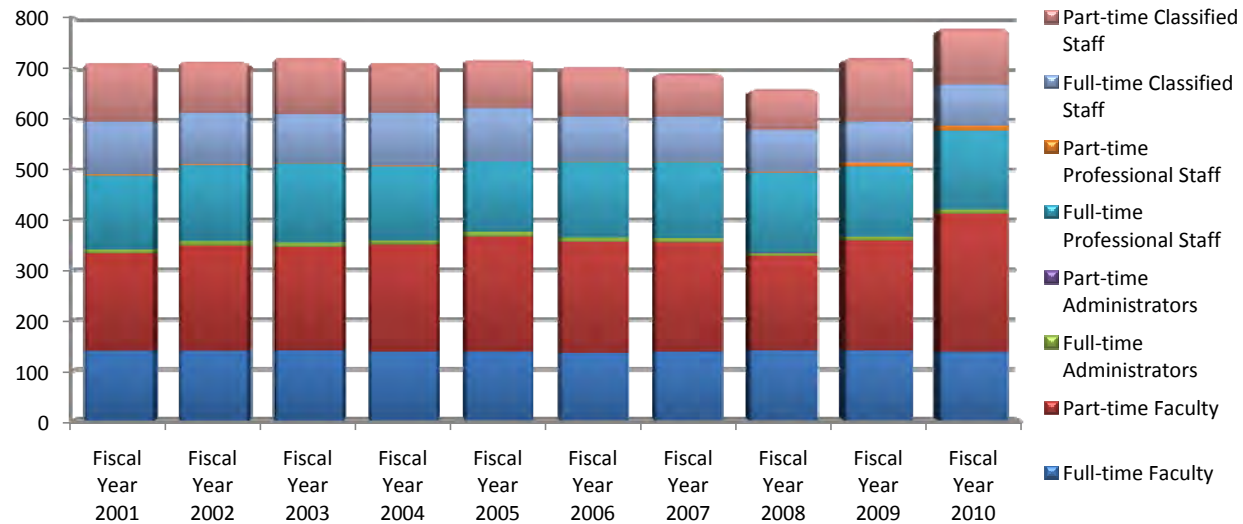
City of Kewanee					
2003			2009		
Employer	Product/Service	Employees	Employer	Product/Service	Employees
Great Dane Trailers	Manufactures semi-truck trailers	500	Kewanee Hospital	Hospital	305
Kewanee Hospital	Hospital	400	Wal-Mart	Retail	300
Excelled Sheepskin & Leather Coat Co.	Manufactures leather products	200	Henry County Health Department	Health Department	150
Compaction America	Manufactures self-propelled compactors	150	Menards, Inc.	Retail	150
Kewanee Corp.	Manufactures metal doors & frames	100	Excelled Sheepskin & Leather Coat Co.	Manufactures leather products	130

Sources: Illinois Department of Commerce and Economic Opportunity
2004 Harris Illinois Business Service Directory and 2004 Harris Illinois Industrial Directory

Black Hawk College
Illinois Community College District No. 503

Faculty and Staff Headcount (Unaudited)
 FY2001 through FY2010

	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Faculty										
Full-time	139	139	140	138	137	134	138	140	140	136
Part-time	192	208	204	211	227	220	215	186	217	274
Administrators										
Full-time	8	9	9	9	10	9	8	6	8	9
Part-time	0	0	0	0	0	0	0	1	0	0
Professional Staff										
Full-time	146	150	156	145	139	149	151	157	138	156
Part-time	3	2	2	2	0	2	2	2	8	10
Classified Staff										
Full-time	103	101	96	104	105	88	87	84	80	80
Part-time	118	102	112	100	97	98	86	80	127	112
Total Employees										
Full-time	396	399	401	396	391	380	384	387	366	381
Part-time	313	312	318	313	324	320	303	269	352	396
Grand Total	709	711	719	709	715	700	687	656	718	777

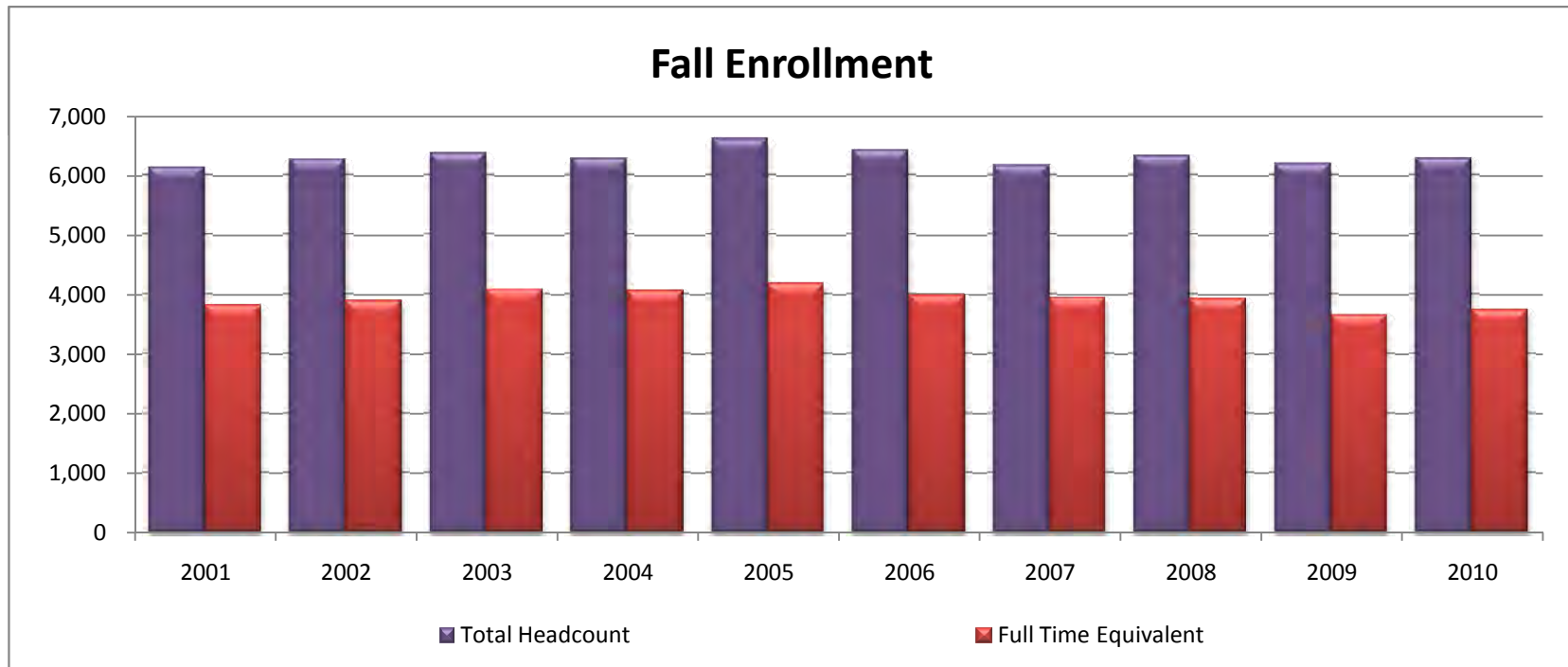


Source: ICCB Salary Survey C1 Report

Black Hawk College
Illinois Community College District No. 503

Student Enrollment Demographic Statistics (Unaudited)
 FY2001 through FY2010

Fiscal Year	Fall Enrollment		Gender		Attendance		Enrollment Status				Age
	Full Time Equivalent	Total Headcount	Male	Female	Full Time	Part Time	Continuing Student	New Student	Transfer Student	Readmit Student	Average Age
2001	3,810	6,118	2,518	3,600	2,765	3,353	3,411	1,645	60	1,002	27.3
2002	3,880	6,248	2,509	3,739	2,878	3,370	3,441	1,672	37	1,098	27.4
2003	4,081	6,350	2,531	3,819	3,069	3,281	3,531	1,680	26	1,113	26.6
2004	4,044	6,266	2,509	3,757	3,092	3,174	3,578	1,479	125	1,084	26.4
2005	4,175	6,600	2,544	4,056	3,138	3,462	3,610	1,511	323	1,155	27.4
2006	3,975	6,407	2,511	3,896	2,940	3,467	3,505	1,467	327	1,108	27.3
2007	3,932	6,151	2,386	3,765	2,953	3,198	3,297	1,286	295	1,273	26.9
2008	3,905	6,311	2,539	3,772	2,884	3,427	3,288	1,458	334	1,231	26.6
2009	3,651	6,179	2,461	3,718	2,622	3,557	3,157	1,387	306	1,329	27.5
2010	3,722	6,267	2,492	3,775	2,715	3,552	3,115	1,291	564	1,297	27.7

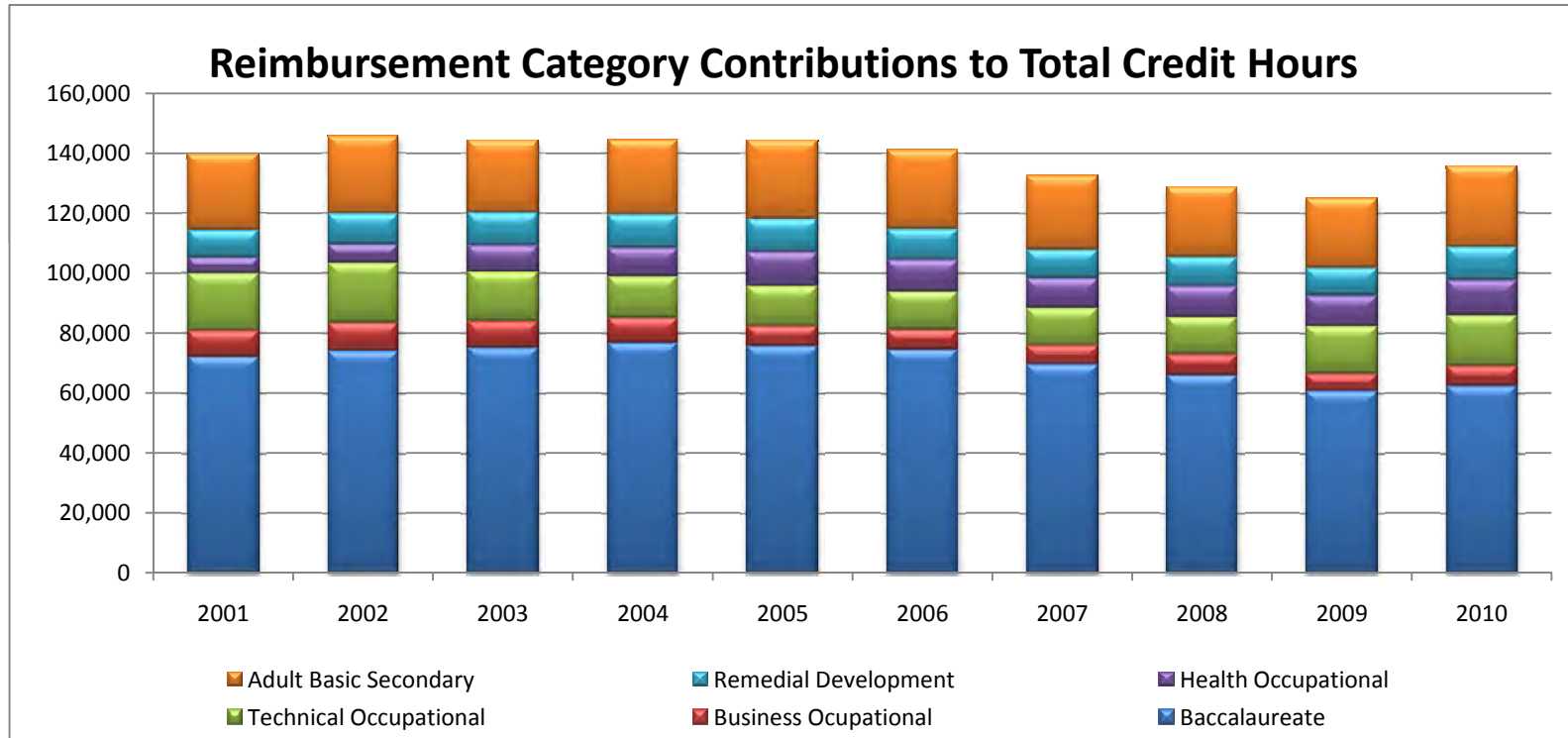


Source: ICCB E1 Report

**Black Hawk College
Illinois Community College District No. 503**

Credit Hours Eligible for Funding by Illinois Community College Board Reimbursement Categories (Unaudited)
FY2001 through FY2010

Category	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	% Change 2001 vs. 2010
Baccalaureate	71,848.6	73,818.7	75,102.3	76,770.2	75,552.4	74,557.5	69,337.3	65,866.3	60,658.2	62,219.0	-13.40%
Business Occupational	8,673.4	9,353.1	8,648.8	8,215.0	6,757.8	6,536.8	6,368.6	6,976.0	5,756.6	6,633.1	-23.52%
Technical Occupational	18,995.7	19,948.5	16,524.3	13,792.1	13,310.7	12,766.0	12,550.4	12,516.8	15,920.1	16,956.0	-10.74%
Health Occupational	5,429.1	6,273.5	8,683.7	9,574.8	11,326.3	10,540.9	9,888.6	10,025.6	10,119.6	11,690.7	115.33%
Remedial Development	9,111.8	10,274.0	10,779.0	10,906.0	10,935.0	10,305.0	9,587.0	9,670.0	9,218.0	10,957.0	20.25%
Adult Basic Secondary	25,352.1	25,701.7	24,338.9	25,100.5	26,205.1	26,193.7	24,660.5	23,395.0	23,098.0	27,065.3	6.76%
Total	139,410.7	145,369.5	144,077.0	144,358.6	144,087.3	140,899.9	132,392.4	128,449.7	124,770.5	135,521.1	-3.92%



Note: Total credit hours includes both restricted and unrestricted credit hours.

Source: College Audited Financial Statements

Black Hawk College
Illinois Community College District No. 503

Schedule of Capital Assets - Instructional Facilities Information (Unaudited)
 FY2001 through FY2010

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Buildings - Permanent	17	17	17	17	18	18	18	19	19	19
Total Acres	267.8	267.8	267.8	267.8	267.8	267.8	267.8	271.9	271.9	271.9
Net Assignable Square Feet:										
Classrooms and general use	69,728	72,983	72,883	69,068	75,921	76,868	76,251	74,977	71,702	71,968
Laboratory	83,616	90,156	65,897	89,396	85,299	83,439	97,016	130,723	128,713	128,713
Office	63,151	59,175	60,074	59,130	60,466	61,044	60,553	61,034	59,693	59,225
Study	29,132	26,216	22,530	24,480	24,864	24,864	24,307	24,491	24,307	24,307
Special Use (Athletics, PE)	89,586	56,040	84,539	64,297	65,833	66,073	45,448	45,448	47,353	45,448
General Use (Theater)	40,361	39,022	37,901	37,346	37,652	37,305	36,882	36,138	32,977	34,882
Support functions	24,190	32,619	33,569	32,420	32,444	32,035	31,274	29,874	29,014	29,216
Total	<u>399,764</u>	<u>376,211</u>	<u>377,393</u>	<u>376,137</u>	<u>382,479</u>	<u>381,628</u>	<u>371,731</u>	<u>402,685</u>	<u>393,759</u>	<u>393,759</u>
Parking capacity:										
On campus parking spots	1,826	1,826	1,826	1,826	1,826	1,826	1,826	1,920	1,920	1,920
Acres	20	20	20	20	20	20	20	21	21	21

Source: Illinois Community College Board (ICCB) Data and Characteristics book, Tables V-1 and V-4

**Black Hawk College
Community College District No. 503**

Miscellaneous Statistics (Unaudited)
June 30, 2010

Year Founded 1946

District Data

Population (approximation) 230,000

Communities served include:

Aledo	Cordova	LaFayette	Reynolds
Alpha	East Moline	Matherville	Rock Island
Andalusia	Erie	Milan	Seaton
Andover	Galva	Mineral	Sherrard
Annawan	Geneseo	Moline	Silvis
Atkinson	Hampton	Neponset	Toulon
Bishop Hill	Hillsdale	New Boston	Viola
Cambridge	Hoophole	New Windsor	Woodhull
Carbon Cliff	Joy	Orion	Wyoming
Coal Valley	Keithsburg	Port Byron	
Colona	Kewanee	Rapids City	

Accreditation

The Higher Learning Commission
(Formerly North Central Association of Colleges and Schools)
Next accreditation visit

2013

Degree and Certificates Awarded in Fiscal Year 2010

Associate in Arts	229
Associate in Science	102
Associate in Liberal Studies	2
Associate in Applied Science	215
Certificates	206

Source: College records

ICCB Supplemental Information

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**Black Hawk College
Illinois Community College District #503**

Equalized Assessed Valuations and Tax Collections

	Tax Levy Year		
	2009	2008	2007
Equalized assessed valuations:			
Bureau County	\$ 19,970,182	\$ 19,094,274	\$ 17,628,542
Henderson County	1,933,017	1,788,629	1,698,174
Henry County	743,934,705	721,211,551	695,623,326
Knox County	10,088,188	9,582,246	9,122,842
Marshall County	89,754	80,629	70,150
Mercer County	212,415,387	205,279,925	196,770,241
Rock Island County	2,278,568,190	2,248,655,323	2,190,307,542
Stark County	80,361,189	76,924,179	72,073,858
Whiteside County	50,322,209	47,824,922	46,471,786
	<u>\$ 3,397,682,821</u>	<u>\$ 3,330,441,678</u>	<u>\$ 3,229,766,461</u>
Tax rates (per \$100 of assessed valuation):			
Education Fund	0.1200	0.1200	0.1200
Operations and Maintenance Fund	0.0700	0.0700	0.0700
Bond and Interest Fund	0.1606	0.1648	0.1226
Liability, Protection, and Settlement Fund	0.0696	0.0666	0.0746
Audit Fund	0.0026	0.0026	0.0026
Operations and Maintenance, restricted	0.0496	0.0500	0.0500
Equity	0.0613	0.0616	0.0618
	<u>0.5337</u>	<u>0.5356</u>	<u>0.5016</u>
Tax extensions:			
Education Fund	\$ 5,410,198	\$ 5,289,009	\$ 5,133,198
Operations and Maintenance Fund	3,128,179	3,090,383	2,999,355
Bond and Interest Fund	5,456,679	5,488,568	3,959,694
Liability, Protection, and Settlement Fund	2,364,787	2,218,074	2,409,406
Audit Fund	88,340	86,591	83,974
Operations and Maintenance, restricted	1,685,251	1,665,221	1,614,883
	<u>\$ 18,133,434</u>	<u>\$ 17,837,846</u>	<u>\$ 16,200,510</u>
Less tax collections (cumulative through June 30, 2010):			
Education Fund	\$ 1,801,339	\$ 5,272,517	\$ 5,115,821
Operations and Maintenance Fund	1,041,535	3,089,747	2,989,202
Bond and Interest Fund	1,816,814	5,471,455	3,946,290
Liability, Protection, and Settlement Fund	787,362	2,211,159	2,401,250
Audit Fund	29,413	86,322	83,689
Operations and Maintenance, restricted	561,108	1,660,028	1,609,417
	<u>\$ 6,037,571</u>	<u>\$ 17,791,228</u>	<u>\$ 16,145,669</u>
Tax extensions:			
Tax receivable	\$ 12,095,863	\$ -	\$ -
Written off	-	-	-
Allowance for uncollectible taxes	(14,964)	-	-
	<u>\$ 12,080,899</u>	<u>\$ -</u>	<u>\$ -</u>
Taxes receivable:			
Education Fund	3,604,419	\$ -	\$ -
Operations and Maintenance Fund	2,084,077	-	-
Bond and Interest Fund	3,635,302	-	-
Liability, Protection, and Settlement Fund	1,575,486	-	-
Audit Fund	58,855	-	-
Operations and Maintenance, restricted	1,122,760	-	-
	<u>\$ 12,080,899</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage of extensions collected	<u>33.30%</u>	<u>99.74%</u>	<u>99.66%</u>

**Black Hawk College
Illinois Community College District #503**

Schedule of Legal Debt Margin

Legal Debt Margin

Assessed valuation, 2009 levy	<u>\$ 3,397,682,821</u>
Debt limit, 2.875% of assessed valuation	\$ 97,683,381
Bonded indebtedness	<u>(27,145,000)</u>
Legal debt margin	<u>\$ 70,538,381</u>

**Black Hawk College
Illinois Community College District #503**

Certification of Chargeback Reimbursement for Fiscal Year 2011 (Unaudited)

**All Fiscal Year 2010 Noncapital Audited Operating
Expenditures from the Following Funds**

1 Education Fund	\$ 28,017,972	
2 Operations and Maintenance Fund	3,482,488	
3 Operations and Maintenance Fund - restricted	-	
4 Bond and Interest Fund	5,656,913	
5 Public Building Commission Rental Fund	-	
6 Restricted Purposes Fund	14,686,538	
7 Audit Fund	59,250	
8 Liability, Protection, and Settlement Fund	1,943,135	
9 Auxiliary Enterprises Fund (Subsidy Only)	-	
10 Total noncapital expenditures		\$ 53,846,296
11 Depreciation on capital outlay expenditures (equipment, buildings and fixed equipment paid) from sources other than state and federal funds		<u>1,065,203</u>
12 Total costs included (line 10 plus line 11)		<u>54,911,499</u>
13 Total certified semester credit hours for FY 2010	<u>135,521.10</u>	
14 Per capital cost (line 12 divided by line 13)		<u>405.19</u>
15 All fiscal year 2010 state and federal operating grants for noncapital expenditures, except ICCB grants	<u>12,122,430</u>	
16 Fiscal year 2010 state and federal grants per semester credit hour (line 15 divided by line 13)		<u>89.45</u>
17 District's average ICCB grant rate (excluding equalization grants) for fiscal year 2011		<u>31.08</u>
18 District's student tuition and fee rate per semester credit hour for fiscal year 2011		<u>94.50</u>
19 Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17 and 18)		<u><u>\$ 190.16</u></u>

Approved: 
Chief Executive Officer

Date: Sept. 29, 2010

Approved: 
Chief Financial Officer

Date: 9/24/10

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ICCB Uniform Financial Statements

The Uniform Financial Statements are required by the Illinois Community College Board for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's balance sheet and statement of revenues and expenditures, the Uniform Financial Statements are completed using the modified accrual basis of accounting prescribed by the NCGA Statement No. 1 and related interpretations.

The Uniform Financial Statements include the following:

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

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 1 - All Funds Summary
Year ended June 30, 2010

	Education Fund	Operation and Maintenance Fund	Bond & Interest Fund
Fund balance (deficit), beginning	\$ 8,597,343	\$ 100,623	\$ 2,702,182
Revenues:			
Local tax revenue	5,346,030	3,106,021	5,466,013
All Other Local Revenue	993,966	110,441	-
ICCB grants	7,567,010	621,534	-
All other state revenue	72	-	-
Federal revenue	167,041	-	-
Student tuition and fees	14,237,667	86,864	-
All other revenue	924,474	225,907	62,113
Total revenues	29,236,260	4,150,767	5,528,126
Expenditures:			
Instruction	12,606,764	-	-
Academic support	3,081,917	-	-
Student services	2,039,604	-	-
Public service	520,442	-	-
Auxiliary services	-	-	-
Operations and maintenance	-	3,482,488	-
Institutional support	6,065,879	-	5,656,913
Scholarships, student grants and waivers	3,703,366	-	-
Total expenditures	28,017,972	3,482,488	5,656,913
Net transfers	(126,074)	-	68,741
Fund balance (deficit), end of year	\$ 9,689,557	\$ 768,902	\$ 2,642,136

Operations and Maintenance - Restricted	Auxiliary Enterprises Fund	Restricted Purpose Fund	Working Cash Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total
\$ 5,829,566	\$ (74,423)	\$ 137,064	\$ 11,819,984	\$ 122,132	\$ 1,227,502	\$ 30,461,973
1,673,228	-	-	-	87,363	2,288,655	17,967,310
20,000,000	-	12,576	-	-	-	21,116,983
-	-	708,891	-	-	-	8,897,435
-	-	2,179,467	-	-	-	2,179,539
-	-	9,942,963	-	-	-	10,110,004
-	240,112	542,492	-	-	-	15,107,135
295,265	3,385,843	1,200,407	420,400	-	-	6,514,409
21,968,493	3,625,955	14,586,796	420,400	87,363	2,288,655	81,892,815
-	-	582,842	-	-	-	13,189,606
-	-	1,313,778	-	-	-	4,395,695
141,071	-	863,466	-	-	-	3,044,141
-	-	1,894,760	-	-	-	2,415,202
-	3,407,829	64,630	-	-	-	3,472,459
2,157,521	-	12,278	-	-	720,475	6,372,762
1,645,342	-	162,993	-	59,250	1,222,660	14,813,037
-	-	9,791,791	-	-	-	13,495,157
3,943,934	3,407,829	14,686,538	-	59,250	1,943,135	61,198,059
57,333	-	-	-	-	-	-
\$ 23,911,458	\$ 143,703	\$ 37,322	\$ 12,240,384	\$ 150,245	\$ 1,573,022	\$ 51,156,729

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**Black Hawk College
Illinois Community College District #503**

**Uniform Financial Statement No. 2 - Summary of Fixed Assets and Debt
Year ended June 30, 2010**

	Fixed Asset/Debt July 1, 2009	Additions	Deletions	Fixed Asset/Debt June 30, 2010
Fixed Assets:				
Land	\$ 4,725,955	\$ 684,906	\$ -	\$ 5,410,861
Building and improvements	36,537,982	1,027,943	(162,846)	37,403,079
Equipment	9,161,995	461,245	(4,407,232)	5,216,008
Other	807,365	2,116,735	(1,577,360)	1,346,740
	<u>51,233,297</u>	<u>4,290,829</u>	<u>(6,147,438)</u>	<u>49,376,688</u>
Accumulated depreciation	(21,131,115)	(1,200,030)	3,261,966	(19,069,179)
Total fixed assets	<u>\$ 30,102,182</u>	<u>\$ 3,090,799</u>	<u>\$ (2,885,472)</u>	<u>\$ 30,307,509</u>
 Fixed Debt:				
Bonds payable	\$ 12,210,000	\$ 20,000,000	\$ (5,065,000)	\$ 27,145,000
Total fixed debt	<u>\$ 12,210,000</u>	<u>\$ 20,000,000</u>	<u>\$ (5,065,000)</u>	<u>\$ 27,145,000</u>

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 3 - Operating Fund Revenues and Expenditures
Year ended June 30, 2010

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating revenue by source:			
Local government:			
Local taxes	\$ 5,346,030	\$ 3,106,021	\$ 8,452,051
Corporate personal property replacement tax	993,966	110,441	1,104,407
Chargeback revenue	-	-	-
	<u>6,339,996</u>	<u>3,216,462</u>	<u>9,556,458</u>
State government:			
ICCB credit hour grants	3,263,053	621,534	3,884,587
ICCB equalization grants	4,038,587	-	4,038,587
ICCB - Career and Technical Education	265,370	-	265,370
Other state revenue	72	-	72
	<u>7,567,082</u>	<u>621,534</u>	<u>8,188,616</u>
Federal government:			
Department of Education	159,069	-	159,069
Other	7,972	-	7,972
	<u>167,041</u>	<u>-</u>	<u>167,041</u>
Student tuition and fees:			
Tuition	12,997,937	-	12,997,937
Fees	1,239,730	86,864	1,326,594
	<u>14,237,667</u>	<u>86,864</u>	<u>14,324,531</u>
Other sources:			
Sales and service fees	534,808	12,194	547,002
Facilities revenue	36,308	189,517	225,825
Investment revenue	305,464	-	305,464
Other	47,894	24,196	72,090
	<u>924,474</u>	<u>225,907</u>	<u>1,150,381</u>
Total revenues	29,236,260	4,150,767	33,387,027
Less nonoperating item, tuition chargeback revenue	-	-	-
Adjusted revenues	\$ 29,236,260	\$ 4,150,767	\$ 33,387,027

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 3 - Operating Fund Revenues and Expenditures (Continued)
Year ended June 30, 2010

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating expenditures by program:			
Instruction	\$ 12,606,764	\$ -	\$ 12,606,764
Academic support	3,081,917	-	3,081,917
Student services	2,039,604	-	2,039,604
Public service	520,442	-	520,442
Operations and maintenance	-	3,482,488	3,482,488
Institutional support	6,065,879	-	6,065,879
Scholarships, student grants and waivers	3,703,366	-	3,703,366
Total expenditures	28,017,972	3,482,488	31,500,460
Less nonoperating item, tuition chargeback	14,689	-	14,689
Transfers, net	126,074	-	126,074
Adjusted expenditures	\$ 28,129,357	\$ 3,482,488	\$ 31,611,845
By object:			
Salaries	\$ 18,569,582	\$ 1,420,494	\$ 19,990,076
Employee benefits	3,345,866	335,836	3,681,702
Contractual services	811,514	277,819	1,089,333
General materials and supplies	1,194,750	262,972	1,457,722
Conference and meeting expenses	220,483	3,264	223,747
Fixed charges	35,273	122,791	158,064
Utilities	13,032	1,046,942	1,059,974
Capital outlay	15,701	12,370	28,071
Other	3,811,771	-	3,811,771
Total expenditures	28,017,972	3,482,488	31,500,460
Less nonoperating item, tuition chargeback	14,689	-	14,689
Transfers, net	126,074	-	126,074
Adjusted expenditures	\$ 28,129,357	\$ 3,482,488	\$ 31,611,845

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 4 - Restricted Purposes Fund Revenues and Expenditures
Year ended June 30, 2010

Revenues by source:	
Local government	\$ <u>12,576</u>
State government:	
ICCB:	
Workforce Development Component	71,310
Adult Education and Family Literacy	575,654
Early School Leaver	50,277
State Program Improvement	6,509
Tech Prep Support	5,141
Illinois State Board of Education:	
Truancy and Alternative Education	224,395
Grow Your Own Grant	156
Growing Agricultural Science Teachers	56,143
Other	1,782
Illinois Department of Commerce and Community Affairs	5,819
Illinois Secretary of State:	
Literacy is for Everyone	57,000
Family Literacy Connections - Moline	31,500
Family Literacy Connections - Logan	28,000
Family Literacy Connections - Rock Island	28,000
State Comptroller's Office, Public Broadcasting Grant	151,276
Illinois Department of Commerce and Economic Opportunity:	
Digital Divide	49,686
Employee Training Investment Program	122,744
Illinois Student Assistance Center	1,387,847
Other	35,119
Total state government	<u><u>2,888,358</u></u>
Federal government:	
Department of Education	
Student Aid Programs:	
Federal Work Study (FWS)	175,268
Pell Grant	7,638,235
Academic Competitiveness	64,169
Supplemental Educational Opportunity Grant (SEOG)	118,875
Strengthening Institutions - Title III	100,214
Carl D. Perkins Vocational and Applied Technology Program	413,342
Special Student Services	309,209
Adult Education and Family Literacy, Federal Basic Program	258,635
Adult Education English Language/Civics	36,850
Other Department of Education	1,281
Department of Labor	
EARN and TEAM	75,633
Joined by a River/Logistics	187,454
Local Food/Ag Incubator	29,250
Bridges to Healthcare	22,500
Critical Skills Shortage Initiative - Welding	76,239
CPB Fiscal Stabilization	41,879

**Black Hawk College
Illinois Community College District #503**

**Uniform Financial Statement No. 4 - Restricted Purposes Fund Revenues and Expenditures (Continued)
Year ended June 30, 2010**

Revenues by source (Continued):	
Federal government (Continued):	
Department of Defense	67,877
Small Business Administration	162,322
National Science Foundation	77,203
Veteran's Administration	86,528
Total federal government	<u>9,942,963</u>
Other sources:	
Investment income	-
Gifts from donors for scholarships	404,411
Corporation for Public Broadcasting	626,768
Student Fees	542,492
Other	169,228
Total other	<u>1,742,899</u>
Total Restricted Purposes Fund Revenues	<u><u>\$ 14,586,796</u></u>
Expenditures by program:	
Instruction	\$ 582,842
Academic support	1,313,778
Student services	863,466
Public service/continuing education	1,894,760
Auxiliary services	64,630
Operations and maintenance	12,278
Institutional support	162,993
Scholarships, student grants and waivers	9,791,791
Total expenditures by program	<u><u>\$ 14,686,538</u></u>
Expenditures by object:	
Salaries	\$ 2,341,477
Employee benefits	575,083
Contractual services	1,185,780
General materials and supplies	467,473
Conference and meeting expenses	126,725
Fixed charges	109,416
Utilities	10,869
Capital outlay	62,366
Other	9,807,349
Total expenditures by object	<u><u>\$ 14,686,538</u></u>

Black Hawk College
Illinois Community College District #503

Uniform Financial Statement No. 5 - Expenditures by Activity - Current Funds
Year ended June 30, 2010

Instruction	\$ 13,189,606
Academic support:	
Library center	535,422
Instructional materials center	56,937
Educational materials center	180,476
Academic computing support	742,351
Academic administration and planning	2,725,931
Other	154,578
Total academic support	<u>4,395,695</u>
Student services:	
Admissions and records	473,322
Counseling and career guidance	743,909
Financial aid administration	614,612
Social and cultural development	250,432
Other	820,795
Total student services	<u>2,903,070</u>
Public service/continuing education:	
Community education	326,842
Customized training (instructional)	614,404
Community services	562,452
Other	911,504
Total public service/continuing education	<u>2,415,202</u>
Auxiliary services	<u>3,472,459</u>
Operations and maintenance of plant:	
Maintenance	773,505
Custodial services	1,004,061
Grounds	387,914
Campus security	720,475
Utilities	1,054,751
Administration	274,535
Total operations and maintenance	<u>4,215,241</u>
Institutional support:	
Executive office	1,085,174
Fiscal operations	1,022,311
Community relations	854,489
Administrative support services	882,170
Board of Trustees	45,623
General institution	2,269,355
Administrative data processing	144,646
Other	1,207,014
Total institutional support	<u>7,510,782</u>
Scholarships, student grants and waivers	<u>13,495,157</u>
Total current funds expenditures	<u><u>\$ 51,597,212</u></u>

**Black Hawk College
Illinois Community College District #503**

**Reconciliation of the Combining Balance Sheet to the Uniform Financial Statements
Year ended June 30, 2010**

Fund Balances - Uniform Financial Statements	\$ 51,156,729
Capital assets in the Investment in Plant Fund	30,307,509
Long-term debt in the General Long Term Debt Fund	<u>(27,145,000)</u>
Fund Balances - All Fund Types	<u><u>\$ 54,319,238</u></u>

**Reconciliation of the Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Uniform Financial Statements
Year ended June 30, 2010**

Change in Fund Balances - Uniform Financial Statements	\$ 20,694,756
Additions to buildings and equipment	2,713,469
Depreciation and loss of disposal of assets	<u>(2,508,142)</u>
Net Effect	<u>205,327</u>
Payment on long-term debt	5,065,000
Issuance of long-term debt	<u>(20,000,000)</u>
Net Effect	<u>(14,935,000)</u>
SURS revenue provided by state	3,782,081
SURS expenditure provided by state	<u>(3,782,081)</u>
Net Effect	<u>-</u>
Change in Fund Balances - All Fund Types	<u><u>\$ 5,965,083</u></u>

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ICCB State Grants Financial Compliance Section

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**Independent Auditor's Report
On Workforce Development, Adult Education
and Family Literacy, ICCB State Program
Improvement, Early School Leaver Program,
and ICCB CTE Innovation Grants**

To the Board of Trustees
Black Hawk College
Illinois Community College District #503
Moline, Illinois

We have audited the balance sheets of the Workforce Development, Adult Education and Family Literacy, ICCB State Program Improvement, Early School Leaver Program, and ICCB CTE Innovation Grants of Black Hawk College, Illinois Community College District #503 as of June 30, 2010, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended. These financial statements are the responsibility of Black Hawk College management. 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 guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our audit also included a review of compliance with the provisions of laws, regulations, contracts, and grants between Black Hawk College and the State of Illinois and Illinois Community College Board. We believe that our audit provides a reasonable basis for our opinion.

With respect to the compliance tests performed, the results of those procedures disclosed no material instances of noncompliance with the provisions of the agreements.

In our opinion, such financial statements referred to above present fairly, in all material respects, the financial position of the Workforce Development, Adult Education and Family Literacy, ICCB State Program Improvement, Early School Leaver Program, and ICCB CTE Innovation Grants of Black Hawk College, Illinois Community College District #503 as of June 30, 2010, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in the United State of America.

Wipfli LLP

Freeport, Illinois
October 6, 2010

**Black Hawk College
Illinois Community College District #503**

**Workforce Development Grant Program
Balance Sheet
June 30, 2010**

Assets	
Cash	\$ 640
Receivable from ICCB	640
Due from other funds	640
Total assets	<u><u>\$ 1,920</u></u>
 Liabilities	
Due to other funds	\$ 1,280
Deferred revenue	640
Total liabilities	<u>1,920</u>
 Fund balance	
	-
	<u><u>\$ 1,920</u></u>

**Workforce Development Grant Program
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2010**

	Business & Industry
Revenues, state sources	<u>\$ 71,310</u>
Expenditures:	
Salaries	59,218
Employee benefits	<u>12,092</u>
Total expenditures	<u>71,310</u>
Excess of revenue over (under) expenditures	<u>-</u>
Fund balance:	
Beginning, July 1, 2009	-
Ending, June 30, 2010	<u><u>\$ -</u></u>

**Black Hawk College
Illinois Community College District #503**

**Workforce Development Grant Program
ICCB Compliance Statement
Year Ended June 30, 2010**

	General	Operation of Workforce Development Office	Total
Expenditures:			
Salaries, benefits	\$ 71,310	\$ -	\$ 71,310

See Note to Financial Statements - Grant Programs

Black Hawk College
Illinois Community College District #503

Adult Education and Family Literacy Grant Program
Balance Sheet
June 30, 2010

	State Basic	Public Aid	Performance	Total
Assets				
Cash	\$ (56,972)	\$ (25,762)	\$ (33,347)	\$ (116,081)
Receivable from ICCB	70,766	28,425	44,722	143,913
Due from other funds	170	147	9,032	9,349
Total assets	<u>\$ 13,964</u>	<u>\$ 2,810</u>	<u>\$ 20,407</u>	<u>\$ 37,181</u>
Liabilities				
Accounts payable	\$ 264	\$ 15	\$ 16	\$ 295
Accrued salaries	10,385	2,501	2,405	15,291
Due to other funds	3,315	294	17,986	21,595
Total liabilities	<u>\$ 13,964</u>	<u>\$ 2,810</u>	<u>\$ 20,407</u>	<u>\$ 37,181</u>
Fund balance				
Reserved for encumbrances	-	-	-	-
Total fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Adult Education and Family Literacy Grant Program
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2010

	State Basic	Public Aid	Performance	Total
Revenues, state sources	\$ 283,063	\$ 113,701	\$ 178,889	\$ 575,653
Expenditures:				
Current year's grant:				
Instruction	181,311	57,988	-	239,299
Social work services	-	-	-	-
Guidance services	46,645	30,797	4,017	81,459
Assessment and testing	3,925	5,876	2,312	12,113
Transportation	3,979	-	5,000	8,979
Literacy services	-	-	-	-
Improvement of Instructional Services	3,411	259	3,922	7,592
General administration	6,036	3,849	3,439	13,324
Workforce coordination	-	-	103	103
Data and information services	37,588	14,785	151,169	203,542
Operation of plant services	168	147	8,927	9,242
Total expenditures	<u>283,063</u>	<u>113,701</u>	<u>178,889</u>	<u>575,653</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance:				
Beginning, July 1, 2009				-
Ending, June 30, 2010				<u>\$ -</u>

See Note to Financial Statements - Grant Programs.

**Black Hawk College
Illinois Community College District #503**

**ICCB Compliance Statement for the State Adult Education and Family Literacy Restricted Funds
Expenditure Amounts and Percentages for ICCB Grant Funds Only
Year Ended June 30, 2010**

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	181,311	64.05%
General Administration (9% Maximum Allowed)	6,036	2.13%

State Public Assistance	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	57,988	51.00%
General Administration (9% Maximum Allowed)	3,849	3.39%

**Black Hawk College
Illinois Community College District #503**

**ICCB State Program Improvement
Balance Sheet
June 30, 2010**

Assets, cash	<u>\$ 15,148</u>
Liabilities, deferred revenue	\$ 15,148
Fund balance, encumbered	-
	<u>\$ 15,148</u>

**ICCB State Program Improvement
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2010**

Revenues, state sources	<u>\$ 6,509</u>
Expenditures:	
Contractual services	4,420
Materials and supplies	2,089
Payment of prior year encumbrance, equipment	<u>6,543</u>
Total expenditures	<u>13,052</u>
Revenues over (under) expenditures	(6,543)
Fund balance:	
Beginning, July 1, 2009	6,543
Ending, June 30, 2010	<u>\$ -</u>

See Note to Financial Statements - Grant Programs

**Black Hawk College
Illinois Community College District #503**

**ICCB CTE Innovation Grant
Balance Sheet
June 30, 2010**

Assets, cash	
Cash	\$ 1,722
Receivable from ICCB	6
Total assets	<u>\$ 1,728</u>
 Liabilities	
Due to other funds	\$ 1,703
Deferred revenue	25
Total liabilities	<u>1,728</u>
 Fund balance	 <u>\$ -</u>

**ICCB CTE Innovation Grant
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2010**

Revenues, state sources	<u>\$ 5,141</u>
Expenditures:	
Salaries	1,581
Benefits	121
Contractual Services	2,495
Materials and supplies	14
Travel and conferences	930
Total expenditures	<u>5,141</u>
Revenues over (under) expenditures	-
Fund balance:	
Beginning, July 1, 2009	-
Ending, June 30, 2010	<u>\$ -</u>

See Note to Financial Statements - Grant Programs

**Black Hawk College
Illinois Community College District #503**

**Early School Leaver Program
Balance Sheet
June 30, 2010**

Assets	
Cash	\$ 250
Receivable	-
Total assets	<u>\$ 250</u>
Liabilities	
Accounts payable	\$ 162
Accrued salaries	88
Total liabilities	<u>\$ 250</u>
Fund balance , encumbered	-
	<u>\$ -</u>

**Early School Leaver Program
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2010**

Revenues, state sources	<u>\$ 50,277</u>
Expenditures:	
Salaries	29,683
Benefits	8,077
Contractual Services	2,019
Supplies and Materials	5,958
Travel	596
Student tuition and fees	3,944
Payment of prior year encumbrance, supplies	<u>3,881</u>
Total expenditures	<u>54,158</u>
Revenues over (under) expenditures	(3,881)
Fund balance:	
Beginning, July 1, 2009	3,881
Ending, June 30, 2010	<u>\$ -</u>

See Note to Financial Statements - Grant Programs

**Black Hawk College
Illinois Community College District #503**

Note to Financial Statements -Grant Programs

Note 1. Summary of Significant Accounting Policies

General:

The accompanying statements include only those transactions resulting from the Workforce Development, Adult Education and Family Literacy, ICCB State Program Improvement, Early School Leaver Program, and ICCB CTE Innovation Grants. The transactions for the grants have been accounted for in the Restricted Purposes Fund.

Basis of Accounting:

The statements have been prepared on the modified accrual basis of accounting as defined in the Illinois Community College Board's *Fiscal Management Manual*. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2010. Funds obligated for goods and services prior to June 30, but for which the goods and services 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 Illinois Community College Board by October 15, 2010.

Capital Assets:

Capital asset purchases are recorded as capital outlay expenditures and are not capitalized.

Encumbrances:

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

**Black Hawk College
Illinois Community College District #503**

Background Information on State Grant Activity

Unrestricted Grants

Base Operating Grants: General operating funds provided to colleges upon credit enrollment with a small portion of the allocation based upon gross square footage of space at the College.

Small College Grants: Funds provided to colleges with full-time equivalent enrollments of less than 2,500 students. Intended to help small colleges pay for some of the “fixed costs” of operating a smaller institution.

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

Restricted Grants/Special Initiatives

Workforce Development Grant - Business/Industry Services – Provides funding for a business/industry center at every college to provide a variety of employment training and business services outside of the classroom.

Career and Technical Education – Program Improvement and Innovation Grants – Grant funding recognizes that keeping career and technical 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 require. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

Early School Leaver - Provides funding for high school dropouts between the ages of 16 and 21 who want to complete the secondary level of education and participate in work-site learning experiences related to career choices. Only those youth who demonstrate a willingness to meet both goals and who are able to benefit from such a program are selected.

**Black Hawk College
Illinois Community College District #503**

Background Information on State Grant Activity

Statewide Initiatives

Special Incentive Grants: A new request to provide flexible funding for unique initiatives needed in the community college system. The grants will be awarded on a Request for Proposal basis and will focus on higher education priorities such as accessibility, affordability, productivity, partnerships, quality, and responsiveness. In addition, a significant proportion of the dollars available will focus on improving the available of qualified information technology employees in the State of Illinois.

Lincoln's Challenge Grants: Funding for a military style boot camp for at-risk teenagers who have not completed high school. After successfully completing the program, students are eligible to receive a scholarship to attend a community college.

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 brief description of each grant should be included in this section. 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 childcare facilities or provision.

Public Assistance: Grant awarded to Adult Education and Family Literacy providers to pay for any fees, books, and materials incurred in the program for students who are identified as recipients of public assistance.

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

**Black Hawk College
Illinois Community College District #503**

**Schedule of Findings and Questioned Costs for Certain State Grants Summary
Year Ended June 30, 2010**

None

**Black Hawk College
Illinois Community College District #503**

**Summary Schedule of Prior Year Findings and Questioned Costs for Certain State Grants
Year Ended June 30, 2010**

None

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**Independent Auditor's Report
On the Schedule of Enrollment Data and
Other Bases Upon Which Claims are Filed
And Reconciliation of Semester Credit Hours**

To the Board of Trustees
Black Hawk College
Illinois Community College District #503
Moline, Illinois

We have audited the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed and Reconciliation of Semester Credit Hours of Black Hawk College, Illinois Community College District #503 for the year ended June 30, 2010. These schedules are the responsibility of the College's Management. Our responsibility is to express an opinion on the schedule based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the guidelines of the Illinois Community College Board's Fiscal Management Manual. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedules are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the schedules including auditing procedures prescribed by the Fiscal Management Manual for verification of the student enrollments and other bases upon which claims were filed with the Illinois Community College Board. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed and Reconciliation of Semester Credit Hours presents fairly, in all material respects, the student enrollment and other bases upon which claims are filed and the reconciliation of semester credit hours of Black Hawk College, Illinois Community College District #503 for the year ended June 30, 2010, in conformity with the regulations of the Illinois Community College Board.

Wipfli LLP

Freeport, Illinois
October 6, 2010

**Black Hawk College
Illinois Community College District #503**

Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed for the Year Ended June 30, 2010

Categories	Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)							
	Summer		Fall		Spring		(Note 3) Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Notes 1 and 2								
Baccalaureate	5,054.4	-	28,736.6	-	28,428.0	-	62,219.0	-
Business Occupational	365.1	-	2,950.9	-	3,317.1	-	6,633.1	-
Technical Occupational	1,263.0	-	7,807.6	-	7,885.4	-	16,956.0	-
Health Occupational	722.2	-	5,249.2	-	5,719.3	-	11,690.7	-
Remedial Developmental	673.0	-	5,878.0	-	4,406.0	-	10,957.0	-
Adult Basic/Secondary Education	3,514.5	-	615.0	10,192.2	10,732.7	2,010.9	14,862.2	12,203.1
Total	11,592.2	-	51,237.3	10,192.2	60,488.5	2,010.9	123,318.0	12,203.1

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

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

Note 3) Total of unrestricted and restricted should equal the S-3 record totals.

	Attending In-District	Attending Out-of-District on Chargeback or a Cooperative/Contractual Agreement	Total
Semester Credit Hours	129,414.4	84.0	129,498.4
	Dual Credit	Dual Enrollment	
Reimbursable Semester Credit Hours (All terms)	5,588.0	214.0	
District Prior Year Equalized Assessed Valuation			3,397,682,821

The District Has No Correctional Semester Credit Hours This Year.

Approved: 
Chief Executive Officer

Approved: 
Chief Financial Officer

**Black Hawk College
Illinois Community College District #503**

Reconciliation of Total Semester Credit Hours for the Year Ended June 30, 2010

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	62,219.0	62,219.0	-	-	-	-
Business Occupational	6,633.1	6,633.1	-	-	-	-
Technical Occupational	16,956.0	16,956.0	-	-	-	-
Health Occupational	11,690.7	11,690.7	-	-	-	-
Remedial Developmental	10,957.0	10,957.0	-	-	-	-
Adult Basic/Secondary Ed.	14,862.2	14,862.2	-	12,203.1	12,203.1	-
Total	123,318.0	123,318.0	-	12,203.1	12,203.1	-

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

	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB (Unrestricted and Restricted)	Difference
In-District Resident	129,414.4	129,414.4	-
Out-of-District on Chargeback or Contractual Agreement	84.0	84.0	-
Dual Credit	5,588.0	5,588.0	-
Dual Enrollment	214.0	214.0	-

The District Has No Correctional Semester Credit Hours This Year.

SUMMARY OF STUDENT RESIDENCY VERIFICATION PROCESS

Residence is defined in the College catalog as the place where the student lives and which is the student's true home. Residency is determined at the time of application for admission. Students who change their residency after applying must verify their residency. Proof of residency is verified by any of the following:

1. An Illinois driver's license and/or vehicle registration
2. A voter registration card
3. Payment of property taxes in the Black Hawk College District #503
4. Full-time employment in Black Hawk College District #503
5. Other documents that are not self serving

The residency of the student determines tuition rates assessed. Tuition rates assessed for students considered in-district are lower than tuition rates for those students who are considered out-of-district.

Copies of the proof and certification of residency forms are kept on file and residency compliance is periodically audited by the Office of Institutional Planning and Effectiveness. It is the student's responsibility to provide proof of residency and maintain compliance with the residency requirements of the College.

**Black Hawk College
Illinois Community College District #503**

**Summary of Assessed Valuations
Most Recent Three Years**

Tax Levy Year	Equalized Assessed Valuation
2009	\$ 3,397,682,821
2008	3,330,441,678
2007	3,229,766,461

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Federal Financial Compliance Section

**Black Hawk College
Illinois Community College District #503**

**Schedule of Expenditures of Federal Award
Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education:			
Direct programs:			
Student financial aid – cluster:			
Federal PELL Grant Program	84.063		\$7,638,235
Federal Academic Competitiveness Grant	84.063		64,169
Federal Supplemental Educational Opportunity Grants	84.007		116,681
Federal Family Education Loans	84.032		1,629,133
Federal Strengthen Institution Program	84.031	84-031A2006-1	100,214
Federal Work-Study Program	84.033		<u>169,766</u>
Total student financial aid			<u>9,718,198</u>
TRIO-Student Support Services (01)	84.042	P042A060709	42,008
TRIO-Student Support Services (02)	84.042	P042A060709	267,201
Total direct programs			<u>\$10,027,407</u>
Pass-through programs from:			
Adult Education State Grant Program (Federal Basic)	84.002A	2010-50301	258,634
Adult Education State Grant Program (EL Civics)	84.002A	2010-50301	36,849
Vocational Education (FY10 Perkins)	84.048	CTE50310	404,168
Vocational Education (Perkins Innovation Grant/Strand III)	84.048	CTEL10503	9,584
American Recovery & Reinvestment Stimulus (GSF)	84.397		32,657
American Recovery & Reinvestment Stimulus (ESF)	84.394		110,631
Total pass-through programs from Illinois Community College Board			<u>852,523</u>
Total U.S. Department of Education			<u>\$10,879,930</u>
U.S. Veterans' Administration-VA Rehabilitation	64.116		28,532
U.S. Veterans' Administration-Veterans' Educational Assistance	64.120		<u>56,250</u>
			84,782
National Science Foundation	47.076	0802249	77,203

**Black Hawk College
Illinois Community College District #503**

**Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S Department of Defense			
Pass-through programs from:			
Illinois Department of Commerce and Economic Opportunity, Procurement Technical Assistance Center	12.002	08-601119	17,150
Procurement Technical Assistance Center	12.002	09-611119	<u>50,727</u>
			67,877
Small Business Administration:			
Pass-through programs from:			
Illinois Department of Commerce and Economic Opportunity, Small Business Development Center/ITC	59.037	09-181119	75,955
Illinois Department of Commerce and Community Affairs, Small Business Development Center/ITC	59.037	10-561119	56,481
Illinois Department of Commerce and Community Affairs, SBDC – Disaster Assistance Recovery	59.037	09-182101	<u>29,886</u>
			162,322
U.S. Department of Labor:			
Pass-through programs from:			
State of Illinois Department of Employment WIA – Training Employee Academic Mastery	17.259		75,633
Illinois Community College Board WIA – Local Foods Agricultural Program	17.267	LFAP503	29,250
WIA – Bridges to Healthcare	17.267	WIABDG50301	22,500
WIA – CSSI/Welding	17.258-.260	CSSI503	76,239
Eastern Iowa Community College District			
WIA – Joined by a River: Logistics Programming in the QC	17.269	CB-15932-07-60-A-19	<u>187,454</u>
			391,076
Total expenditures of federal awards			<u>\$11,663,190</u>

See Note to Schedule of Expenditures of Federal Awards.

**Black Hawk College
Illinois Community College District #503**

**Note to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2010**

Note 1) Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Black Hawk College and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2) Sub-recipients

For the year ended June 30, 2010, the College had no sub-recipients of federal funds.

Note 3) Nonmonetary Assistance

For the year ended June 30, 2010, the College received no federal funds in the form of nonmonetary assistance.

Note 4) Other Federal Award Information

Black Hawk College did not receive or administer any insurance, loans or loan guarantees during the fiscal year ended June 30, 2010.

**Independent Auditor's Report
on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Board of Trustees
Black Hawk College
Illinois Community College District #503
Moline, Illinois

We have audited the financial statements of Black Hawk College, Illinois Community College District #503 (College) as of and for the year ended June 30, 2010 and have issued our report thereon dated October 6, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over financial reporting.

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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

This report is intended solely for the information and use of the Board of Trustees, management of the College and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wynfli LHP

Freeport, Illinois
October 6, 2010

**Black Hawk College
Illinois Community College District #503**

**Schedule of Findings and Questioned Costs
June 30, 2010**

Comment	Corrective Action or Other Explanation
None	

**Independent Auditor's Report on Compliance With
Requirements That Could Have a Direct and Material
Effect on Each Major Program and on Internal Control Over
Compliance in Accordance with OMB Circular A-133**

To the Board of Trustees
Black Hawk College
Illinois Community College District #503
Moline, Illinois

Compliance

We have audited the compliance of Black Hawk College, Illinois Community College District #503 (College) with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the College's compliance with those requirements.

In our opinion, the College complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of the College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Trustees, management of the College and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Wipfli LLP". The signature is written in dark ink and is centered on the page.

Freeport, Illinois
October 6, 2010

**Black Hawk College
Illinois Community College District #503**

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2010**

I. Summary of Independent Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- * Material weakness identified? Yes No
- * Significant deficiency identified that is not considered to be a material weakness Yes No

Noncompliance material to financial statements noted? Yes No

Federal Awards:

Internal control over major programs:

- Material weakness identified? Yes No
- Significant deficiency identified that is not considered to be a material weakness Yes None reported

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

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.007	Federal Supplemental Educational Opportunity Grant
84.032	Federal Family Education Loans
84.033	Federal Work-Study Program
84.063	Federal PELL Grant Program
84.048	Vocational Education (FY10 Perkins)
84.048	Vocational Education (Perkins Innovation Grant/Strand III)

Dollar threshold used to distinguish between type A and type B programs \$349,896

Auditee qualified as low risk auditee? Yes No

**Black Hawk College
Illinois Community College District #503**

**Schedule of Findings and Questioned Costs
Year Ending June 30, 2010**

II. Findings Relating to the Basic Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

A. Significant Deficiencies in Internal Control

The audit disclosed no matters involving internal control over financial reporting and its operations that are considered to be material weaknesses.

B. Compliance Findings

The audit disclosed no instances of noncompliance which are material to the basic financial statements of Black Hawk College as of and for the year ended June 30, 2010.

III. Findings and Questioned Costs for Federal Awards

A. Significant Deficiencies in Administering Federal Awards

None

B. Compliance Findings

None

**Black Hawk College
Illinois Community College District #503**

**Corrective Action Plan
Year Ending June 30, 2010**

N/A

**Black Hawk College
Illinois Community College District #503**

**Summary Schedule of Prior Audit Findings
June 30, 2010**

Comment	Status	Corrective Action or Other Explanation
None		

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Management Information

Black Hawk College
Illinois Community College District #503

Combining Balance Sheet
June 30, 2010

Assets	Education Fund	Operations & Maintenance Fund	Auxiliary Enterprises Fund	Restricted Purposes Funds	Audit Fund
Cash and cash equivalents	\$ 7,257,336	\$ 438,635	\$ 142,105	\$ (115,428)	\$ 135,568
Receivables, net of allowance for uncollectibles:					
Property Taxes	3,604,419	2,084,077	-	-	58,855
Federal government claims	-	-	-	1,067,754	-
State government claims	-	-	-	670,019	-
Student tuition and fees	306,444	-	-	-	-
Other	2,193,058	-	200,138	(72,173)	-
Due from other funds	2,176,413	21,351	1	16,183	-
Inventory	-	-	671,745	-	-
Prepaid expenses	230,354	-	-	18,000	-
Capital assets:					
Land	-	-	-	-	-
Construction in process	-	-	-	-	-
Building, improvements and equipment net of \$19,069,179 depreciation	-	-	-	-	-
Total assets	<u>\$ 15,768,024</u>	<u>\$ 2,544,063</u>	<u>\$ 1,013,989</u>	<u>\$ 1,584,355</u>	<u>\$ 194,423</u>
Liabilities and Fund Balance					
Accounts payable	\$ 142,197	\$ 103,773	\$ 86,466	\$ 87,060	\$ -
Accrued expenses					
Payroll	700,661	15,978	5,260	38,737	-
Early retirement	99,822	-	-	-	-
Accrued vacation	625,019	74,441	30,309	47,597	-
Other	(1)	-	500	6,218	-
Due to other funds	305,473	9,957	716,402	1,119,680	-
Deferred revenue					
Property taxes	2,705,570	1,564,362	-	-	44,178
Student tuition and fees	1,435,253	-	31,349	47,270	-
Other	16,719	-	-	200,471	-
Other liabilities	47,754	6,650	-	-	-
Bonds payable	-	-	-	-	-
Leases payable	-	-	-	-	-
Total liabilities	<u>6,078,467</u>	<u>1,775,161</u>	<u>870,286</u>	<u>1,547,033</u>	<u>44,178</u>
Fund balance					
Restricted	-	-	-	37,322	150,245
Unrestricted	9,689,557	768,902	143,703	-	-
Total fund balance	<u>9,689,557</u>	<u>768,902</u>	<u>143,703</u>	<u>37,322</u>	<u>150,245</u>
Total liabilities and fund balance	<u>\$ 15,768,024</u>	<u>\$ 2,544,063</u>	<u>\$ 1,013,989</u>	<u>\$ 1,584,355</u>	<u>\$ 194,423</u>

See Note to Supplemental Information.

Liability, Protection, and Settlement Fund	Working Cash Fund	Bond & Interest Fund	Operations & Maintenance Restricted	Investment in Plant Fund	General Long Term Debt Fund	Total
\$ 1,334,914	\$ 12,240,384	\$ 1,949,575	\$ 23,885,104	\$ -	\$ -	\$ 47,268,193
1,575,486	-	3,635,302	1,122,760	-	-	12,080,899
-	-	-	-	-	-	1,067,754
-	-	-	-	-	-	670,019
-	-	-	-	-	-	306,444
-	-	-	-	-	-	2,321,023
107	-	-	10,558	-	-	2,224,613
-	-	-	-	-	-	671,745
-	-	-	-	-	-	248,354
-	-	-	-	5,410,861	-	5,410,861
-	-	-	-	1,346,740	-	1,346,740
-	-	-	-	23,549,908	-	23,549,908
\$ 2,910,507	\$ 12,240,384	\$ 5,584,877	\$ 25,018,422	\$ 30,307,509	\$ -	\$ 97,166,553
\$ 43,421	\$ -	\$ -	\$ 245,049	\$ -	\$ -	\$ 707,966
4,373	-	-	-	-	-	765,009
-	-	-	-	-	-	99,822
42,700	-	-	-	-	-	820,066
-	-	213,925	10,433	-	-	231,075
64,391	-	-	8,710	-	-	2,224,613
1,182,600	-	2,728,816	842,772	-	-	9,068,298
-	-	-	-	-	-	1,513,872
-	-	-	-	-	-	217,190
-	-	-	-	-	-	54,404
-	-	-	-	-	27,145,000	27,145,000
-	-	-	-	-	-	-
1,337,485	-	2,942,741	1,106,964	-	27,145,000	42,847,315
1,573,022	10,194,190	2,642,136	23,911,458	-	-	38,508,373
-	2,046,194	-	-	30,307,509	(27,145,000)	15,810,865
1,573,022	12,240,384	2,642,136	23,911,458	30,307,509	(27,145,000)	54,319,238
\$ 2,910,507	\$ 12,240,384	\$ 5,584,877	\$ 25,018,422	\$ 30,307,509	\$ -	\$ 97,166,553

Black Hawk College
Illinois Community College District #503

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2010

	Education Fund	Operations and Maintenance Fund	Auxiliary Fund	Restricted Funds	Audit Fund
Revenues:					
Local governmental sources					
Property taxes	\$ 5,346,030	\$ 3,106,021	\$ -	\$ -	\$ 87,363
Personal Property Replacement Tax	993,966	110,441	-	-	-
Other	-	-	-	12,576	-
Total local government sources	6,339,996	3,216,462	-	12,576	87,363
State governmental sources	7,567,082	621,534	-	2,888,358	-
Federal governmental sources	167,041	-	-	9,942,963	-
Student tuition and fees	14,237,667	86,864	240,112	542,492	-
Sales, services and rental of facilities and equipment	571,116	201,711	3,326,337	135,331	-
Investment earnings	305,464	-	-	-	-
Other sources	47,894	24,196	59,506	1,065,076	-
Additions to buildings and equipment, current funds	-	-	-	-	-
Payment of long-term debt	-	-	-	-	-
SURS contribution provided by state	-	-	-	3,782,081	-
Total revenues	29,236,260	4,150,767	3,625,955	18,368,877	87,363
Expenditures:					
Instruction	12,606,764	-	-	582,842	-
Academic support	3,081,917	-	-	1,313,778	-
Student services	2,039,604	-	-	863,466	-
Public services	520,442	-	-	1,894,760	-
Institutional support	6,065,879	-	-	162,993	59,250
Auxiliary services	-	-	3,407,829	64,630	-
Scholarships, student grants, and waivers	3,703,366	-	-	9,791,791	-
SURS contribution provided by state	-	-	-	3,782,081	-
Depreciation	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-
Operation of physical facilities	-	3,482,488	-	12,278	-
Total expenditures	28,017,972	3,482,488	3,407,829	18,468,619	59,250
Excess (deficiency) of revenues over expenditures	1,218,288	668,279	218,126	(99,742)	28,113
Other financing sources (uses):					
Bond proceeds	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-
Operating transfers in	(126,074)	-	-	5,507	-
Operating transfers out	-	-	-	(5,507)	-
Total other financing sources (uses)	(126,074)	-	-	-	-
Excess (deficiency) of revenues and other financing resources over expenditures and other financing uses	1,092,214	668,279	218,126	(99,742)	28,113
Fund balance					
Beginning	8,597,343	100,623	(74,423)	137,064	122,132
Ending	\$ 9,689,557	\$ 768,902	\$ 143,703	\$ 37,322	\$ 150,245

See Note to Supplemental Information.

Liability, Protection, and Settlement Fund	Working Cash Fund	Bond & Interest Fund	Operations & Maintenance Restricted	Investment in Plant Fund	General Long Term Debt Fund	Total
\$ 2,288,655	\$ -	\$ 5,466,013	\$ 1,673,228	\$ -	\$ -	\$ 17,967,310
-	-	-	-	-	-	1,104,407
-	-	-	-	-	-	12,576
2,288,655	-	5,466,013	1,673,228	-	-	19,084,293
-	-	-	0	-	-	11,076,974
-	-	-	-	-	-	10,110,004
-	-	-	-	-	-	15,107,135
-	-	-	-	-	-	4,234,495
-	420,400	62,113	291,665	-	-	1,079,642
-	-	-	3,600	-	-	1,200,272
-	-	-	-	2,713,469	-	2,713,469
-	-	-	-	-	5,065,000	5,065,000
-	-	-	-	-	-	3,782,081
2,288,655	420,400	5,528,126	1,968,493	2,713,469	5,065,000	73,453,365
-	-	-	-	-	-	13,189,606
-	-	-	-	-	-	4,395,695
-	-	-	141,071	-	-	3,044,141
-	-	-	-	-	-	2,415,202
1,222,660	-	5,656,913	1,645,342	-	-	14,813,037
-	-	-	-	-	-	3,472,459
-	-	-	-	-	-	13,495,157
-	-	-	-	-	-	3,782,081
-	-	-	-	1,200,030	-	1,200,030
-	-	-	-	1,308,112	-	1,308,112
720,475	-	-	2,157,521	-	-	6,372,762
1,943,135	-	5,656,913	3,943,934	2,508,142	-	67,488,282
345,520	420,400	(128,787)	(1,975,441)	205,327	5,065,000	5,965,083
-	-	-	20,000,000	-	(20,000,000)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(120,567)
-	-	68,741	57,333	-	-	120,567
-	-	68,741	20,057,333	-	(20,000,000)	-
345,520	420,400	(60,046)	18,081,892	205,327	(14,935,000)	5,965,083
1,227,502	11,819,984	2,702,182	5,829,566	30,102,182	(12,210,000)	48,354,155
\$ 1,573,022	\$ 12,240,384	\$ 2,642,136	\$ 23,911,458	\$ 30,307,509	\$ (27,145,000)	\$ 54,319,238

Black Hawk College
Illinois Community College District #503

**Reconciliation of the Combining Balance Sheet
to the Statement of Net Assets**

Fund Balances - All Fund Types	\$ 54,319,238
50% of the 2009 tax levy recognized in FY 2010	<u>9,068,298</u>
Long-term portion of early retirement liability	<u>(1,307,193)</u>
Net Assets of Statement of Net Assets	<u><u>\$ 62,080,343</u></u>

**Reconciliation of the Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Revenues, Expenses, and Changes in Net Assets**

Net Increase in Fund Balances	\$ 5,965,083
Reduction in student tuition and fees	(9,237,612)
Reduction in financial aid	<u>9,237,612</u>
Net Effect	<u>-</u>
Additions to buildings and equipment, current funds	2,713,469
Expended for capital assets	<u>(2,713,469)</u>
Net Effect	<u>-</u>
Long-term debt issued	(20,000,000)
Long-term debt retired	5,065,000
Additions to general long-term debt fund	<u>14,935,000</u>
Net Effect	<u>-</u>
Reduction in long-term early retirement liability	<u>-</u>
50% of the 2009 tax levy recognized in FY 2010	9,068,298
50% of the 2008 tax levy recognized in FY 2009	<u>(8,895,043)</u>
Net Effect	<u>173,255</u>
Change in Net Assets	<u><u>\$ 6,138,338</u></u>

This schedule is supplemental information and is maintained for management purposes only.

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - General Fund
Year ended June 30, 2010

	Education Fund Budget	Education Fund Actual	Actual Over (Under) Budget	Operations & Maintenance Fund Budget	Operations & Maintenance Fund Actual	Actual Over (Under) Budget
Revenues:						
Local governmental sources						
Property taxes	\$ 5,413,537	\$ 5,346,030	\$ (67,507)	\$ 3,163,147	\$ 3,106,020	\$ (57,127)
Personal property taxes	1,080,000	993,966	(86,034)	120,000	110,441	(9,559)
Other	-	-	-	-	-	-
Total local government sources	6,493,537	6,339,996	(153,541)	3,283,147	3,216,461	(66,686)
State governmental sources	7,591,200	7,567,082	(24,118)	640,790	621,534	(19,256)
Federal governmental sources	33,000	167,041	134,041	-	-	-
Student tuition and fees	12,589,344	14,237,667	1,648,323	88,000	86,865	(1,135)
Sales, services and rental of facilities and equip	625,126	571,116	(54,010)	52,800	201,712	148,912
Investment earnings	246,000	305,464	59,464	2,000	-	(2,000)
Other sources	8,600	47,894	39,294	25,300	24,195	(1,105)
Contingency	400,000	-	(400,000)	250,000	-	(250,000)
Total revenues	27,986,807	29,236,260	1,249,453	4,342,037	4,150,767	(191,270)
Expenditures:						
Current						
Instruction	12,882,143	12,606,764	(275,379)	-	-	-
Academic support	3,152,496	3,081,917	(70,579)	-	-	-
Student services	2,163,370	2,039,604	(123,766)	-	-	-
Public services	639,230	520,442	(118,788)	-	-	-
Institutional support	6,016,418	6,065,879	49,461	-	-	-
Auxiliary services	-	-	-	-	-	-
Scholarships, student grants, and waivers	2,725,000	3,703,366	978,366	-	-	-
Operation of physical facilities	-	-	-	4,225,187	3,482,488	(742,699)
Contingency	525,000	-	(525,000)	-	-	-
Total expenditures	28,103,657	28,017,972	(85,685)	4,225,187	3,482,488	(742,699)
Excess (deficiency) of revenues over expenditures	(116,850)	1,218,288	1,335,138	116,850	668,279	551,429
Other financing sources (uses):						
Operating transfers in	400,000	(126,074)	(526,074)	-	-	-
Operating transfers out	-	-	-	-	-	-
Bond & Debt Certificate Proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Total other financing sources (uses)	400,000	(126,074)	(526,074)	-	-	-
Excess (deficiency) of revenues and other financing resources over expenditures and other financing uses	\$ 283,150	1,092,214	\$ 809,064	\$ 116,850	668,279	\$ 551,429
Fund balance						
Beginning		<u>\$ 8,597,343</u>			<u>\$ 100,623</u>	
Ending		<u>\$ 9,689,557</u>			<u>\$ 768,902</u>	

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Major Special Revenue Funds
Year ended June 30, 2010

	Restricted Purposes Funds Budget	Restricted Purposes Funds Actual	Actual Over (Under) Budget	Audit Fund Budget	Audit Fund Actual	Actual Over (Under) Budget
Revenues:						
Local governmental sources						
Property taxes	\$ -	\$ -	\$ -	\$ 71,586	\$ 87,363	\$ 15,777
Tuition chargeback	-	-	-	-	-	-
Other	-	12,576	12,576	-	-	-
Total local government sources	-	12,576	12,576	71,586	87,363	15,777
State governmental sources	3,208,486	2,888,358	(320,128)	-	-	-
Federal governmental sources	7,319,656	9,942,963	2,623,307	-	-	-
Student tuition and fees	508,500	542,492	33,992	-	-	-
Sales, services and rental of facilities and equip	-	135,331	135,331	-	-	-
Investment earnings	-	-	-	-	-	-
Other sources	2,162,283	1,065,076	(1,097,207)	-	-	-
Contingency	3,000,000	-	(3,000,000)	-	-	-
Total revenues	16,198,925	14,586,796	(1,612,129)	71,586	87,363	15,777
Expenditures:						
Current						
Instruction	703,354	582,842	(120,512)	-	-	-
Academic support	1,255,377	1,313,778	58,401	-	-	-
Student services	1,040,100	863,466	(176,634)	-	-	-
Public services	2,180,184	1,894,760	(285,424)	-	-	-
Institutional support	279,050	162,993	(116,057)	61,600	59,250	(2,350)
Auxiliary services	39,606	64,630	25,024	-	-	-
Scholarships, student grants, and waivers	7,556,706	9,791,791	2,235,085	-	-	-
Operation of physical facilities	144,548	12,278	(132,270)	-	-	-
Contingency	3,000,000	-	(3,000,000)	-	-	-
Total expenditures	16,198,925	14,686,538	(1,512,387)	61,600	59,250	(2,350)
Excess (deficiency) of revenues over expenditures	-	(99,742)	(99,742)	9,986	28,113	18,127
Other financing sources (uses):						
Operating transfers in	-	5,507	5,507	-	-	-
Operating transfers out	-	(5,507)	(5,507)	-	-	-
Bond & Debt Certificate Proceeds	-	-	-	-	-	-
Bond premium (discount)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing resources over expenditures and other financing uses	\$ -	(99,742)	\$ (99,742)	\$ 9,986	28,113	\$ 18,127
Fund balance						
Beginning		\$ 137,064			\$ 122,132	
Ending		\$ 37,322			\$ 150,245	

Liability, Protection, and Settlement Fund Budget	Liability, Protection, and Settlement Fund Actual	Actual Over (Under) Budget	Bond & Interest Fund Budget	Bond & Interest Fund Actual	Actual Over (Under) Budget	Operations & Maintenance, Restricted Budget	Operations & Maintenance, Restricted Actual	Actual Over (Under) Budget
\$ 2,181,668	\$ 2,288,655	\$ 106,987	\$ 4,715,661	\$ 5,466,013	\$ 750,352	\$ 1,704,429	\$ 1,673,228	\$ (31,201)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>2,181,668</u>	<u>2,288,655</u>	<u>106,987</u>	<u>4,715,661</u>	<u>5,466,013</u>	<u>750,352</u>	<u>1,704,429</u>	<u>1,673,228</u>	<u>(31,201)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	62,113	62,113	250,000	291,665	-
-	-	-	-	-	-	-	3,600	3,600
-	-	-	-	-	-	1,750,000	-	(1,750,000)
<u>2,181,668</u>	<u>2,288,655</u>	<u>106,987</u>	<u>4,715,661</u>	<u>5,528,126</u>	<u>812,465</u>	<u>3,704,429</u>	<u>1,968,493</u>	<u>(1,777,601)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	141,071	-
-	-	-	-	-	-	-	-	-
1,389,723	1,222,660	(167,063)	5,490,016	5,656,913	166,897	1,135,000	1,645,342	510,342
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
688,928	720,475	31,547	-	-	-	3,937,553	2,157,521	(1,780,032)
100,000	-	(100,000)	-	-	-	1,750,000	-	-
<u>2,178,651</u>	<u>1,943,135</u>	<u>(235,516)</u>	<u>5,490,016</u>	<u>5,656,913</u>	<u>166,897</u>	<u>6,822,553</u>	<u>3,943,934</u>	<u>(1,269,690)</u>
<u>3,017</u>	<u>345,520</u>	<u>342,503</u>	<u>(774,355)</u>	<u>(128,787)</u>	<u>645,568</u>	<u>(3,118,124)</u>	<u>(1,975,441)</u>	<u>(507,911)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	68,741	68,741	-	57,333	-
-	-	-	-	-	-	-	20,000,000	20,000,000
-	-	-	-	-	-	-	-	-
-	-	-	-	68,741	68,741	-	20,057,333	20,000,000
<u>\$ 3,017</u>	<u>345,520</u>	<u>\$ 342,503</u>	<u>\$ (774,355)</u>	<u>(60,046)</u>	<u>\$ 714,309</u>	<u>\$ (3,118,124)</u>	<u>18,081,892</u>	<u>\$ 21,200,016</u>
	<u>\$ 1,227,502</u>			<u>\$ 2,702,182</u>		<u>\$ 5,829,566</u>		
	<u>\$ 1,573,022</u>			<u>\$ 2,642,136</u>		<u>\$ 23,911,458</u>		

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Major Special Revenue Funds (continued)
Year ended June 30, 2010

	Working Cash Fund Budget	Working Cash Fund Actual	Actual Over (Under) Budget
Revenues:			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
Total local government sources	-	-	-
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	-	-	-
Sales, services and rental of facilities and ec	-	-	-
Investment earnings	400,000	420,400	20,400
Other sources	-	-	-
Contingency	-	-	-
Total revenues	400,000	420,400	20,400
Expenditures:			
Current			
Instruction	-	-	-
Academic support	-	-	-
Student services	-	-	-
Public services	-	-	-
Institutional support	-	-	-
Auxiliary services	-	-	-
Scholarships, student grants, and waivers	-	-	-
Operation of physical facilities	-	-	-
Contingency	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	400,000	420,400	20,400
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	(400,000)	-	400,000
Bond & Debt Certificate Proceeds	-	-	-
Bond premium (discount)	-	-	-
Total other financing sources (t	(400,000)	-	400,000
Excess (deficiency) of revenues and other financing resources over expenditures and other financir	\$ -	420,400	\$ 420,400
Fund balance			
Beginning		<u>\$ 11,819,984</u>	
Ending		<u>\$ 12,240,384</u>	

Black Hawk College
Illinois Community College District #503

Statement of Budgetary Comparison - Proprietary Fund
Year ended June 30, 2010

	Auxiliary Fund Budget	Auxiliary Fund Actual	Actual Over (Under) Budget
Revenues:			
Local governmental sources			
Property taxes	\$ -	\$ -	\$ -
Tuition chargeback	-	-	-
Other	-	-	-
Total local government sources	-	-	-
State governmental sources	-	-	-
Federal governmental sources	-	-	-
Student tuition and fees	218,000	240,112	22,112
Sales, services and rental of facilities and equip	2,922,940	3,326,337	403,397
Investment earnings	-	-	-
Other sources	80,650	59,506	(21,144)
Contingency	350,000	-	(350,000)
Total revenues	3,571,590	3,625,955	404,365
Expenditures:			
Current			
Instruction	-	-	-
Academic support	-	-	-
Student services	-	-	-
Public services	-	-	-
Institutional support	-	-	-
Auxiliary services	3,552,933	3,407,829	(145,104)
Scholarships, student grants, and waivers	-	-	-
Operation of physical facilities	-	-	-
Total expenditures	3,552,933	3,407,829	(145,104)
Excess (deficiency) of revenues over expenditures	18,657	218,126	549,469
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Bond & Debt Certificate Proceeds	-	-	-
Bond premium (discount)	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other financing resources over expenditures and other financing uses	\$ 18,657	218,126	\$ 199,469
Fund balance			
Beginning		\$ (74,423)	
Ending		\$ 143,703	



**Black Hawk
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