

IOWA CENTRAL COMMUNITY COLLEGE

FINANCIAL REPORT

June 30, 2024

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IOWA CENTRAL COMMUNITY COLLEGE

Officials

Year Ended June 30, 2024

	<u>Title</u>	<u>Term Expires</u>
Board of Directors		
Mark Crimmins	President	2025
Larry Hecht	Vice President	2025
Thomas Chelesvig	Member	2027
Darrell Determann	Member	2027
Andrea Oswald	Member	2027
Bennett O'Connor	Member	2025
Connie Smith	Member	2027
Brandon Wessels	Member	2025
Mike Richards	Member	2027
 Community College		
Dr. Jesse Ulrich	President	
Thomas Beneke	Vice President	
James Kersten	Vice President	
Mary Ludwig	Vice President	
Angie Martin	Vice President	
Dr. Stacy Mentzer	Vice President	
Stacy Ihrig	Executive Director	
Allyson Walter	Board Secretary/Treasurer	

IOWA CENTRAL COMMUNITY COLLEGE



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Iowa Central Community College
Fort Dodge, Iowa

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business type activities and the fiduciary activities of Iowa Central Community College, Fort Dodge, Iowa, and its discretely presented component unit as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the College's basic financial statements listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business type activities and the fiduciary activities of Iowa Central Community College and its discretely presented component unit as of June 30, 2024 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the College's Proportionate Share of the Net Pension Liability, the Schedule of College Contributions and the Schedule of Changes in the College's Total OPEB Liability and Related Ratios on pages 4 through 10 and 42 through 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Iowa Central Community College's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2023 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included on pages 47 through 63, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 47 through 63 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024 on our consideration of Iowa Central Community College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Iowa Central Community College's internal control over financial reporting and compliance.

TrustPoint, LLP

Fort Dodge, Iowa
December 11, 2024

IOWA CENTRAL COMMUNITY COLLEGE

IOWA CENTRAL COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

Iowa Central Community College provides this Management's Discussion and Analysis of its annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with the College's financial statements, which follow.

2024 FINANCIAL HIGHLIGHTS

- Operating revenues increased slightly in fiscal year 2024. The increase in revenue is a combination of new jobs training program and miscellaneous revenue along with decrease in Federal appropriations.
- Operating expenses increased in fiscal year 2024 primarily due to an increase in career and technical cooperative services, student services, physical plant, auxiliary enterprises, scholarships and grants, and depreciation costs.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the College's financial activities.

The Basic Financial Statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows. These provide information about the activities of the College as a whole and present an overall view of the College's finances. The remaining financial statements provide information about activities for which the College acts solely as an agent or custodian for the benefit of those outside of College government (custodial funds).

Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information presents the College's proportionate share of the net pension liability and related contributions, as well as presenting the Changes in the College's total OPEB liability and related ratios.

Supplementary Information provides detailed information about the individual funds. The Budgetary Comparison Schedule of Expenditures – Budget to Actual further explains and supports the financial statements with a comparison of the College's budget for the year. The Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the College.

MANAGEMENT'S DISCUSSION AND ANALYSIS

REPORTING THE COLLEGE'S FINANCIAL ACTIVITIES

The Statement of Net Position

The Statement of Net Position presents financial information on all of the College's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. The Statement of Net Position is a point-in-time financial statement. The purpose of this statement is to present a fiscal snapshot of the College to the readers of the financial statements. The Statement of Net Position includes year-end information concerning current and non-current assets, deferred outflows of resources, current and non-current liabilities, deferred inflows of resources and net position. Over time, readers of the financial statements will be able to determine the College's financial position by analyzing the increases and decreases in net position. This statement is also a good source for readers to determine how much the College owes to outside vendors and creditors. The statement also presents the available assets that can be used to satisfy those liabilities.

	Net Position	
	June 30,	
	2024	2023
Current and other assets	\$ 80,484,945	\$ 95,764,326
Capital assets, net of accumulated depreciation/amortization	118,462,310	95,825,029
Total assets	198,947,255	191,589,355
Deferred outflows of resources	4,447,650	3,085,024
Current liabilities	19,000,684	23,108,190
Noncurrent liabilities	62,754,727	65,086,901
Total liabilities	81,755,411	88,195,091
Deferred inflows of resources	22,557,338	19,393,753
Net position:		
Net investment in capital assets	67,157,187	46,155,382
Restricted	8,636,669	8,843,554
Unrestricted	23,288,300	32,086,599
Total net position	\$ 99,082,156	\$ 87,085,535

Comparison of Net Position

Net position increased 13.78% or approximately \$11,997,000 over the prior year.

The largest portion of the College's net position (67.78%) is invested in capital assets (e.g., land, buildings, intangibles and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. The net investments in capital assets increased approximately \$21,002,000 over the prior year, primarily due to construction in progress related to building renovations.

The restricted portion of the net position (8.72%) includes resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used.

The remaining net position (23.50%) is the unrestricted net position, which can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

REPORTING THE COLLEGE'S FINANCIAL ACTIVITIES (CONTINUED)

Comparison of Net Position (Continued)

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position presented in the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues earned by the College, both operating and non-operating, the expenses incurred by the College, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the College.

In general, a public college, such as Iowa Central Community College, will report an operating loss since the financial reporting model classifies state appropriations and property tax as non-operating revenues. Operating revenues are received for providing goods and services to the students, customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the College. Non-operating revenues are revenues received for which goods and services are not provided. The utilization of capital assets is reflected in the financial statements as depreciation/amortization, which allocates the cost of an asset over its expected useful life.

	Changes in Net Position	
	Year ended June 30,	
	2024	2023
Operating revenues:		
Tuition and fees	\$ 17,331,723	\$ 18,006,563
Federal appropriations	1,883,388	6,548,485
Iowa Industrial New Jobs Training Program	3,557,449	1,636,671
Auxiliary enterprises	18,544,639	17,008,249
Sales and services	1,251,537	1,157,607
Miscellaneous	2,536,305	627,603
Total operating revenue	45,105,041	44,985,178
Total operating expenses	78,216,611	74,461,301
Operating (loss)	(33,111,570)	(29,476,123)
Non-operating revenues (expenses):		
State appropriations	19,717,113	19,894,608
Pell grant	9,910,522	8,413,732
Property tax	14,006,503	12,400,944
Interest income on investments	3,186,762	2,756,487
Gain (loss) on sale of capital assets	11,374	476,909
Interest on indebtedness	(1,724,083)	(1,555,246)
Net non-operating revenues	45,108,191	42,387,434
Change in net position	11,996,621	12,911,311
Net position beginning of year	87,085,535	74,174,224
Net position end of year	\$ 99,082,156	\$ 87,085,535

MANAGEMENT'S DISCUSSION AND ANALYSIS

REPORTING THE COLLEGE'S FINANCIAL ACTIVITIES (CONTINUED)

Comparison of Net Position (Continued)

Statement of Revenues, Expenses and Changes in Net Position (Continued)

The Statement of Revenues, Expenses and Changes in Net Position reflects an increase of 13.78%, or approximately \$11,997,000, in net position at the end of the fiscal year.

In fiscal year 2024, operating revenues increased slightly as a result of the following:

- Increase in new jobs training revenue.
- Increase in miscellaneous revenue.

Operating Expenses

	Year ended June 30,	
	2024	2023
Education and support:		
Liberal arts and sciences	\$ 6,155,216	\$ 6,006,752
Career and technical	9,129,520	8,376,778
Adult education	2,822,953	3,256,493
Cooperative services	3,406,796	1,536,503
Administration	1,006,089	1,986,747
Student services	8,012,154	6,363,659
Learning resources	66,522	58,739
Physical plant	7,854,644	5,644,655
General institution	9,477,430	13,759,568
Auxiliary enterprises	19,537,642	18,909,093
Scholarships and grants	4,399,853	3,821,174
Administrative and collection costs	1,687,973	1,638,875
Depreciation/amortization	4,659,819	3,102,265
Total	\$ 78,216,611	\$ 74,461,301

MANAGEMENT'S DISCUSSION AND ANALYSIS

REPORTING THE COLLEGE'S FINANCIAL ACTIVITIES (CONTINUED)

Comparison of Net Position (Continued)

Statement of Revenues, Expenses and Changes in Net Position (Continued)

In fiscal year 2024, operating expenses increased as a result of the following:

- Increase in career and technical, cooperative services, student services, physical plant, and auxiliary enterprises expenses as well as an increase in depreciation.
- Increase in scholarships and grants.
- Operating expenses increase primarily increased due to salary and benefits and increases in costs of professional services and supplies due to inflation.

Statement of Cash Flows

The Statement of Cash Flows is an important tool in helping users assess the College's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its need for external financing. The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, non-capital financing, capital and related financing and investing activities.

Cash Flows

	<u>June 30,</u>	
	<u>2024</u>	<u>2023</u>
Cash provided by (used in):		
Operating activities	\$ (35,331,052)	\$ (23,459,083)
Non-capital financing activities	41,481,622	38,402,820
Capital and related financing activities	(27,000,879)	(11,718,991)
Investing activities	3,186,762	2,756,487
Net increase in cash	(17,663,547)	5,981,233
Cash beginning of year	<u>70,617,702</u>	<u>64,636,469</u>
Cash end of year	<u>\$ 52,954,155</u>	<u>\$ 70,617,702</u>

Cash used by operating activities includes tuition, fees, operating grants and contracts, net of payments to employees and to suppliers. Cash provided by non-capital financing activities includes state appropriations, Pell grant, local property tax received by the College and the receipt and disbursement of federal direct loan program proceeds. Cash used by capital and related financing activities represents the proceeds from debt, the principal and interest payments on debt and the purchase of capital assets. Cash provided by investing activities includes investment income received.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the College had approximately \$118.5 million invested in capital assets, net of accumulated depreciation/amortization of approximately \$53.4 million. Depreciation/amortization expense totaled \$4,659,819 for fiscal year 2024. Details of the capital assets are shown below:

	Capital Assets, Net, at Year-End	
	June 30,	
	2024	2023
Land	\$ 4,189,418	\$ 4,189,418
Buildings	74,487,920	66,152,722
Construction in progress	26,053,364	19,454,842
Improvements other than buildings	4,568,526	2,129,118
Equipment and vehicles	5,064,379	3,853,293
Right-to-use leased equipment	4,098,703	45,636
	\$ 118,462,310	\$ 95,825,029

Major capital expenditures for the fiscal year ending June 30, 2024 included Fuel Testing Center, renovations to Art and Technology Building, Turf Field Project, Crimmins Building exterior improvements, Center for Performing Arts remodel and addition, and Baseball Clubhouse.

Planned capital expenditures for the fiscal year ending June 30, 2025 and beyond include Center for Performing Arts remodel and addition, relocation of Fuel Testing Center, Storm Lake Learning Center, AST roof and East Campus remodel.

More detailed information about the College's capital assets is presented in Note 4 to the financial statements.

Debt

At June 30, 2024, the College had approximately \$59.2 million in debt outstanding, an increase of approximately \$142,000 from June 30, 2023. The table below summarizes these amounts by type.

	Outstanding Debt	
	June 30,	
	2024	2023
Certificates payable	\$ 7,731,386	\$ 9,560,309
Capital loan note payable	17,715,263	16,502,876
Bonds payable	29,507,730	32,795,990
Note payable	127,500	191,250
Lease agreements	4,157,076	46,665
	\$ 59,238,955	\$ 59,097,090

More detailed information about the College's outstanding debt is presented in Note 5 to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS

Iowa Central Community College continued to improve its financial position during the current fiscal year. However, the current condition of the economy in the state, as well as the nation, continues to be a concern for College officials. Some of the realities that may potentially become challenges for the College to meet are:

- State General Aid (SGA) increased from 2023-2024 to 2024-2025. In 2023-2024, State General Aid represented 30.55% of the general fund revenue. Changes in and adequate funding of state general aid are a concern in meeting and maintaining the educational needs of our students.
- Anticipated increase in expenses for fiscal year 2025 will be due to salary and benefit increases and increases in costs of professional services and supplies due to inflation.
- The College will continue to look at ways to expand distance learning opportunities in fiscal year 2025 and beyond and is involved with a school district in the operation of a Charter School. Iowa Central is collaborating with High School Administration on initiatives for further Career Academy expansion at our three Career Academies located in Eagle Grove (North Central Career Academy), Jefferson (Greene County Career Academy, and Laurens (Northwest Career Academy).
- The College did not offer any new programs in 2023-2024. The College continues to look to expand educational opportunities for students. The College started new programs in Fall 2024 in Dental Assistant, Plumbing and Veterinary Technician as well as entered a partnership for Cosmetology. The College also restructured and revamped the Securing Technology Program (Information and Cybersecurity), Computer Networking Technology and the TV Radio Broadcasting/Digital Media Production programs.
- As Iowa Central continues to grow the cost of new facilities and aging facilities at the College require constant maintenance and upkeep. The increase in the number of buildings creates increased utility costs, maintenance and upkeep expenses.
- Technology continues to expand and current technology becomes outdated, presenting an ongoing challenge to maintain up-to-date technology at a reasonable cost.
- Property tax revenue to support the College operating fund for 2024-2025 is anticipated to increase 6.3%.

The College anticipates the current fiscal year will be much like the last and will continue to monitor resources to maintain the College's ability to react to unknown issues.

CONTACTING THE COLLEGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our customers, taxpayers in the community college district and our creditors with a general overview of the College's finances and to demonstrate the College's accountability for the resources it receives. If you have questions about the report or need additional financial information, contact Iowa Central Community College, One Triton Circle, Fort Dodge, IA 50501.

BASIC FINANCIAL STATEMENTS

IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF NET POSITION

June 30, 2024

	Primary Government	Component Unit
Assets		
Current assets:		
Cash and pooled investments	\$ 52,954,155	\$ 1,125,759
Receivables:		
Accounts	4,099,020	22,894
Property tax:		
Delinquent	74,092	-
Succeeding year	15,252,889	-
Due from other governments	3,025,419	-
Inventories	455,338	-
Prepaid expenses	445,312	19,845
Total current assets	76,306,225	1,168,498
Noncurrent assets:		
Receivables:		
Iowa Industrial New Jobs Training Program	4,178,720	-
Investments	-	9,067,410
Land	4,189,418	1,374,830
Construction in progress	26,053,364	-
Capital assets, net of accumulated depreciation/amortization	88,219,528	455,247
Total noncurrent assets	122,641,030	10,897,487
Total assets	198,947,255	12,065,985
Deferred Outflows of Resources		
OPEB related deferred outflows	1,174,757	-
Pension related deferred outflows	3,272,893	-
Total deferred outflows of resources	4,447,650	-
Liabilities		
Current liabilities:		
Accounts payable	3,055,562	21,832
Salaries and benefits payable	2,083,482	-
Interest payable	142,786	-
Advances from others	5,626,229	-
Compensated absences payable	904,177	-
Certificates payable	1,470,000	-
Capital loan notes payable	1,417,575	-
Bonds payable	3,275,000	-
Note payable	63,750	-
Lease agreements payable	962,123	-
Total current liabilities	19,000,684	21,832

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IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF NET POSITION (CONTINUED)

June 30, 2024

	Primary Government	Component Unit
Liabilities (Continued)		
Noncurrent liabilities:		
Certificates payable	\$ 6,261,386	\$ -
Capital loan notes payable	16,297,688	-
Bonds payable	26,232,730	-
Note payable	63,750	-
Lease agreements payable	3,194,953	-
Net pension liability	7,931,506	-
Total OPEB liability	2,772,714	-
Total noncurrent liabilities	62,754,727	-
Total liabilities	81,755,411	21,832
Deferred Inflows of Resources		
Unavailable property tax revenue	15,252,889	-
OPEB related deferred inflows	7,068,871	-
Pension related deferred inflows	235,578	-
Total deferred inflows of resources	22,557,338	-
Net Position		
Net investment in capital assets	67,157,187	1,830,077
Restricted:		
Nonexpendable:		
Scholarships and fellowships	-	6,412,346
Expendable:		
Scholarships and fellowships	46,758	438,327
Cash reserve	319,603	-
Other	8,270,308	-
Unrestricted	23,288,300	3,363,403
Total net position	\$ 99,082,156	\$ 12,044,153

See Notes to Basic Financial Statements.

IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2024

	Primary Government	Component Unit
Operating revenues:		
Tuition and fees, net of scholarship allowances of \$6,620,160	\$ 17,331,723	\$ -
Federal appropriations	1,883,388	-
Iowa Industrial New Jobs Training Program	3,557,449	-
Auxiliary enterprises, net of scholarship allowances of \$2,440,685	18,544,639	-
Sales and services	1,251,537	-
Farm income	-	208,964
Miscellaneous	2,536,305	-
Contributions and pledges	-	1,585,074
	<hr/>	<hr/>
Total operating revenues	45,105,041	1,794,038
Operating expenses:		
Education and support:		
Liberal arts and sciences	6,155,216	-
Career and technical	9,129,520	-
Adult education	2,822,953	-
Cooperative services	3,406,796	-
Administration	1,006,089	-
Student services	8,012,154	-
Learning resources	66,522	-
Physical plant	7,854,644	-
General institution	9,477,430	-
Auxiliary enterprises	19,537,642	-
Scholarships and grants	4,399,853	2,496,450
Administrative and collection costs	1,687,973	-
Depreciation/amortization	4,659,819	16,319
Farm expenses	-	177,889
Management and general expenses	-	221,703
	<hr/>	<hr/>
Total operating expenses	78,216,611	2,912,361
Operating income (loss)	<hr/> (33,111,570)	<hr/> (1,118,323)

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IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)
Year Ended June 30, 2024

	Primary Government	Component Unit
Non-operating revenues (expenses):		
State appropriations	\$ 19,717,113	\$ -
Pell grant	9,910,522	-
Property tax	14,006,503	-
Interest and dividend income from investments	3,186,762	301,610
Interest on indebtedness	(1,724,083)	-
Gain (loss) on sale of capital assets	11,374	-
Realized/unrealized gain on investments	-	986,149
	<hr/>	<hr/>
Net non-operating revenues	45,108,191	1,287,759
	<hr/>	<hr/>
Change in net position	11,996,621	169,436
Net position beginning of year	87,085,535	11,874,717
	<hr/>	<hr/>
Net position end of year	\$ 99,082,156	\$ 12,044,153
	<hr/> <hr/>	<hr/> <hr/>

See Notes to Basic Financial Statements.

IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF CASH FLOWS

Year Ended June 30, 2024

	Primary Government
Cash flows from operating activities:	
Tuition and fees	\$ 12,842,364
Federal appropriations	1,201,544
Iowa Industrial New Jobs Training Program	7,409,673
Payments to employees for salaries and benefits	(37,807,607)
Payments to suppliers for goods and services	(30,369,785)
Payments to New Jobs Training recipients	(3,741,214)
Scholarships	(7,198,508)
Auxiliary enterprises	18,544,639
Other receipts	3,787,842
Net cash (used by) operating activities	<u>(35,331,052)</u>
Cash flows from non-capital financing activities:	
State appropriations	19,717,113
Pell grant	9,910,522
Property tax	14,028,639
Interest paid on New Jobs Training certificates	(345,729)
Principal paid on New Jobs Training certificates	(1,828,923)
Net cash provided by non-capital financing activities	<u>41,481,622</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(22,239,742)
Proceeds from sale of capital assets	19,481
Interest paid on debt	(1,685,941)
Proceeds from issuance of debt	2,335,312
Principal paid on debt	(5,429,989)
Net cash (used by) capital and related financing activities	<u>(27,000,879)</u>
Cash flows from investing activities:	
Interest on investments	3,186,762
Net cash provided by investing activities	<u>3,186,762</u>
Net (decrease) in cash	(17,663,547)
Cash and pooled investments, beginning of year	<u>70,617,702</u>
Cash and pooled investments, end of year	<u>\$ 52,954,155</u>

(Continued on next page)

IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF CASH FLOWS (CONTINUED)

Year Ended June 30, 2024

	Primary Government
<hr/>	
Reconciliation of operating (loss) to net cash (used by) operating activities:	
Operating (loss)	<u>\$ (33,111,570)</u>
Adjustments to reconcile operating (loss) to net cash (used by) operating activities:	
Depreciation/amortization	4,659,819
Changes in assets and liabilities:	
Accounts receivable	(1,273,143)
Iowa Industrial New Jobs Training Program receivable	616,446
Due from other governments	(2,132,538)
Inventories	67,040
Prepaid expenses	1,912,218
Accounts payable	(3,070,811)
Salaries and benefits payable	(154,774)
Advances from others	(1,765,522)
Total OPEB liability	(2,846,617)
Compensated absences payable	101,259
Net pension liability	1,462,507
OPEB related deferred inflows	2,401,739
Pension related deferred inflows	(834,479)
OPEB related deferred outflows	128,716
Pension related deferred outflows	<u>(1,491,342)</u>
 Total adjustments	 <u>(2,219,482)</u>
 Net cash (used by) operating activities	 <u><u>\$ (35,331,052)</u></u>

See Notes to Basic Financial Statements.

IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUNDS

June 30, 2024

Assets	
Cash	\$ 928,963
Due from other governments	283,525
Total assets	<u>1,212,488</u>
Liabilities	
Due to other governments	125,632
Total liabilities	<u>125,632</u>
Net assets	
Restricted:	
Other	\$ <u>1,086,856</u>

See Notes to Basic Financial Statements.

IOWA CENTRAL COMMUNITY COLLEGE

STATEMENT OF CHANGES IN FIDUCIARY NET POSTION - CUSTODIAL FUNDS
Year Ended June 30, 2024

Additions:	
Tuition and fees	\$ 32,984
Federal and state appropriations	12,255,107
Sales and services	354,832
Interest on investments	55,577
Miscellaneous	225,002
Total additions	<u>12,923,502</u>
Deductions:	
Services	12,048,510
Materials and supplies	509,630
Travel	119,025
Scholarships	40,294
Miscellaneous	166,823
Total deductions	<u>12,884,282</u>
Change in net position	39,220
Net position beginning of year	<u>1,047,636</u>
Net position end of year	<u>\$ 1,086,856</u>

See Notes to Basic Financial Statements.

IOWA CENTRAL COMMUNITY COLLEGE

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Iowa Central Community College is a publicly supported school established and operated by Merged Area V under the provisions of Chapter 260C of the Code of Iowa. The College offers programs of adult and continuing education, lifelong learning, community education, and up to two years of liberal arts, pre-professional or occupational instruction partially fulfilling the requirements for a baccalaureate degree but confers no more than an associate degree. Iowa Central Community College also offers up to two years of career and technical education, training or retraining to persons who are preparing to enter the labor market. Iowa Central Community College maintains campuses in Fort Dodge, Webster City, and Storm Lake, Iowa, and has its administrative offices in Fort Dodge. Iowa Central Community College is governed by a Board of Directors whose members are elected from each director district within Merged Area V.

The College's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Iowa Central Community College has included all funds, organizations, agencies, boards, commissions and authorities. The College has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the College are such that exclusion would cause the College's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the College to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the College.

These financial statements present Iowa Central Community College (the primary government) and its component unit. The component unit discussed below is included in the College's reporting entity because of the significance of its operational or financial relationship with the College. Certain disclosures about the component unit are not included because the component unit has been audited separately and a report has been issued under separate cover. The audited financial statements are available at the College.

Discrete Component Unit

Iowa Central Community College Foundation is a legally separate not-for-profit foundation. The Foundation was organized to receive and manage bequests, gifts, donations, and contributions made to or for the use of Iowa Central Community College. The Foundation is governed by a Board of Directors who are appointed by the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of the resources held are used for the benefit of Iowa Central Community College and its students. The address of the Foundation is One Triton Circle, Fort Dodge, Iowa.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Discrete Component Unit (continued)

The Foundation is a non-profit organization which reports under accounting standards established by the Financial Accounting Standards Board (FASB). The Foundation's financial statements were prepared in accordance with the provisions of ASC Topic 958 – Not-for-Profit Entities. 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 Foundation's financial information in the College's financial reporting for these differences. The Foundation reports net assets, which is equivalent to net position reported by the College. Copies of the Foundation's financial statements may be obtained by contacting the Foundation.

B. Basis of Presentation

GASB Statement No. 35, establishes standards for external financial reporting for public colleges and universities and requires resources to be classified for accounting and reporting purposes into the following net position categories:

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation/amortization and outstanding debt obligations attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position

Nonexpendable – Net position subject to externally-imposed stipulations that they be maintained permanently by the College, including the College's permanent endowment funds.

Expendable – Net position whose use by the College is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time.

Unrestricted Net Position - Net position not subject to externally imposed situations. Resources may be designated for specific purposes by action of management or by the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

GASB Statement No. 35 also requires the Statements of Net Position, Revenues, Expenses and Changes in Net Position, and Cash Flows be reported on a consolidated basis. These basic financial statements report information on all of the activities of the College. For the most part, the effect of interfund activity has been removed from these statements.

C. Measurement Focus and Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities as defined in GASB Statement No. 34. Accordingly, the basic financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

Cash and Pooled Investments – Investments are stated at fair value.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Due from Other Governments – This represents state aid, grants and reimbursements due from the State of Iowa and grants and reimbursements due from the Federal government.

Inventories – Inventories are valued at lower of cost (first-in, first-out method) or net realizable value. The cost is recorded as an expense at the time individual inventory items are consumed.

Property Tax Receivable – Property tax receivable is recognized on the levy or lien date, which is the date the tax asking is certified by the Board of Directors to the appropriate County Auditors. Delinquent property tax receivable represents unpaid taxes from the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Directors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Directors is required to certify its budget to the County Auditor prior to June 1 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied.

Receivable for Iowa Industrial New Jobs Training Program (NJTP) – This represents the amount to be remitted to the College for training projects entered into between the College and employers under the provisions of Chapter 260E of the Code of Iowa. The receivable amount is based on expenditures incurred through June 30, 2024 on NJTP projects, including interest incurred on NJTP certificates, less revenues received to date.

Capital Assets – Capital assets, which include land, buildings and improvements, equipment and vehicles, are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed under “Leases” below) if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized.

Reportable capital assets are defined by the College as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years:

<u>Assets</u>	<u>Amount</u>
Land, buildings and improvements	\$ 5,000
Equipment and vehicles	5,000
Right-to-use leased assets	5,000

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

Capital Assets (continued) – Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	25-50
Equipment and vehicles	5-10

The College does not capitalize or depreciate library books. The value of each book falls below the capital asset threshold and the balance was deemed immaterial to the financial statements.

Leases – Iowa Central Community College is the lessee for noncancellable leases of equipment. The College has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The College recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of the lease, the College initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how Iowa Central Community College determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Iowa Central Community College uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price the College is reasonably certain to exercise.

The College monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension, the unamortized portion of the net difference between projected and actual earnings on pension plan assets, and OPEB expense and contributions from the College after the measurement date but before the end of the College's reporting period.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

Salaries and Benefits Payable – Payroll and related expenses for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Advances from Others – Advances from others represents fees and rental payments received in the current fiscal year which will not be earned until the following fiscal year.

Compensated Absences – College employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. Amounts representing the cost of compensated absences are recorded as liabilities. These liabilities have been computed based on rates of pay in effect at June 30, 2024.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on Iowa Central Community College's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the Statement of Net Position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied and unrecognized items not yet charged to pension and OPEB expenses.

Auxiliary Enterprise Revenues – Auxiliary enterprise revenues primarily represent revenues generated by the bookstore, dormitories, Fuel Lab, Willow Ridge Restaurant, Health and Fitness Center, self-insurance program and athletics.

Summer Session – The College operates summer sessions during May, June and July. Revenues and expenses for the summer sessions are recorded in the appropriate fiscal year. Tuition and fees are allocated based on the load study distributions supplied by the College Registrar.

Tuition and Fees – Tuition and fees revenues are reported net of scholarship allowances, while stipends and other payments made directly to students are presented as scholarship and fellowship expenses.

Operating and Non-operating Activities – Operating activities, as reported in the Statement of Revenues, Expenses and Changes in Net Position, are transactions that result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Non-operating activities include state appropriations, Pell grants, property tax and interest income.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

E. Scholarship Allowances and Student Aid

Financial aid to students is reported in the financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total College basis by allocating the cash payments to students, excluding payments for services, on the ratio of all aid to the aid not considered to be third party aid.

F. Subsequent Events

Subsequent events have been evaluated through December 11, 2024, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Note 2. Cash and Pooled Investments

The College's deposits in banks at June 30, 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The College is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2024, the College had the following investments:

<u>Investment</u>	<u>Fair Value</u>
Goldman Sachs Financial Square Government Fund	<u>\$ 1,040,892</u>

The College uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

The recurring fair value measurement for the Goldman Sachs Financial Square Fund of \$1,040,892 was determined using the last reported sales price at current exchange rates. (Level 1 inputs)

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 2. Cash and Pooled Investments

Component Unit – The Iowa Central Community College Foundation (Foundation) categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Foundation has the following recurring fair value measurement as of June 30, 2024:

Investment	Fair Value	Level 1	Level 2
Cash and cash equivalents	\$ 298,537	\$ 298,537	\$ -
Equities	1,524,441	357,906	1,166,535
Real estate investment trusts and asset funds	5,751,568	5,751,568	-
Alternative investments	691,464	691,464	-
Fixed income	801,400	801,400	-
Total	\$ 9,067,410	\$ 7,900,875	\$ 1,166,535

Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

Interest rate risk – The College’s investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the College.

Custodial Credit Risk – The College has no policy in place regarding custodial credit risk and deposits with financial institutions, however, deposits are insured by the state sinking fund, which provides for additional assessments against depositories to avoid loss of public funds.

Note 3. Inventories

The College’s inventories at June 30, 2024 are as follows:

Type	Amount
Merchandise held for resale	\$ 455,338

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 4. Capital Assets

Capital assets activity for the year ended June 30, 2024 is as follows:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Capital assets not being depreciated/amortized:				
Land	\$ 4,189,418	\$ -	\$ -	\$ 4,189,418
Construction in progress	19,454,842	19,663,287	13,064,765	26,053,364
Total capital assets not being depreciated/amortized	23,644,260	19,663,287	13,064,765	30,242,782
Capital assets being depreciated/amortized:				
Buildings	95,668,701	10,318,500	-	105,987,201
Improvements other than buildings	7,293,798	2,720,721	14,720	9,999,799
Equipment and vehicles	18,350,025	2,601,999	399,907	20,552,117
Right-to-use leased equipment	197,288	5,065,465	128,251	5,134,502
Total capital assets being depreciated/amortized	121,509,812	20,706,685	542,878	141,673,619
Less accumulated depreciation/ amortization for:				
Buildings	29,515,979	1,983,302	-	31,499,281
Improvements other than buildings	5,164,680	274,886	8,293	5,431,273
Equipment and vehicles	14,496,732	1,389,233	398,227	15,487,738
Right-to-use leased equipment	151,652	1,012,398	128,251	1,035,799
Total accumulated depreciation/ amortization	49,329,043	4,659,819	534,771	53,454,091
Total capital assets being depreciated/amortized, net	72,180,769	16,046,866	8,107	88,219,528
Capital assets, net	\$ 95,825,029	\$ 35,710,153	\$ 13,072,872	\$ 118,462,310

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 5. Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2024 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Certificates payable	\$ 9,560,309	\$ -	\$ 1,828,923	\$ 7,731,386	\$ 1,470,000
Capital loan notes payable	16,502,876	2,335,312	1,122,925	17,715,263	1,417,575
Bonds payable	32,795,990	-	3,288,260	29,507,730	3,275,000
Note payable	191,250	-	63,750	127,500	63,750
Lease agreements	46,665	5,065,465	955,054	4,157,076	962,123
Net pension liability	6,468,999	1,462,507	-	7,931,506	-
Total OPEB liability	5,619,331	623,626	3,470,243	2,772,714	-
Total	\$ 71,185,420	\$ 9,486,910	\$ 10,729,155	\$ 69,943,175	\$ 7,188,448

Bonds payable listed on the Statement of Net Position include unamortized premium of \$622,136 and unamortized deferred charges of \$139,406. Capital loan notes payable listed on the Statement of Net Position include unamortized premium of \$769,258 and unamortized deferred charges of \$69,307. Certificates payable listed on the Statement of Net Position include unamortized deferred charges of \$8,614.

Certificates Payable:

In accordance with agreements dated between July 1, 2006 and June 29, 2022, the College issued certificates totaling \$22,915,000 with interest rates ranging from 0.50% to 5.55% per annum. The debt was incurred to fund the development and training costs related to implementing Chapter 260E of the Code of Iowa, Iowa Industrial New Jobs Training Program (NJTP). NJTP's purpose is to provide tax-aided training for employees of industries that are new to or are expanding their operations within the State of Iowa. Interest is payable semiannually, while principal payments are due annually. The certificates are to be retired by proceeds from anticipated job credits from withholding tax, incremental property tax, budgeted reserves and, in the case of default, from standby property tax. During the year ended June 30, 2024, principal and interest paid were \$1,830,000 and \$344,652, respectively.

The certificates will mature as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 1,470,000	\$ 283,885	\$ 1,753,885
2026	1,500,000	233,630	1,733,630
2027	1,540,000	180,855	1,720,855
2028	1,420,000	125,605	1,545,605
2029	1,810,000	181,500	1,991,500
Total	\$ 7,740,000	\$ 1,005,475	\$ 8,745,475

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 5. Long-Term Liabilities (Continued)

Capital Loan Notes Payable:

The College has issued capital loan notes for the purchase and construction of College properties as allowed by Section 260C.19 of the Code of Iowa. During the year ended June 30, 2024, principal and interest paid were \$995,000 and \$893,667, respectively. Details of the College's outstanding capital loan notes payable at June 30, 2024 is as follows:

Note Issuance of December 6, 2018				
Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	4.00%	\$ 145,000	\$ 31,400	\$ 176,400
2026	4.00	150,000	25,600	175,600
2027	4.00	155,000	19,600	174,600
2028	4.00	165,000	13,400	178,400
2029	4.00	170,000	6,800	176,800
Total		\$ 785,000	\$ 96,800	\$ 881,800

Note Issuance February 1, 2023				
Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	5.00%	\$ 885,000	\$ 294,750	\$ 1,179,750
2026	5.00	900,000	250,500	1,150,500
2027	5.00	950,000	205,500	1,155,500
2028	5.00	1,010,000	158,000	1,168,000
2029	5.00	1,050,000	107,500	1,157,500
2030	5.00	1,100,000	55,000	1,155,000
Total		\$ 5,895,000	\$ 1,071,250	\$ 6,966,250

Note Issuance February 1, 2023				
Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	4.00%	\$ 235,000	\$ 320,000	\$ 555,000
2026	4.00	280,000	310,600	590,600
2027	4.00	290,000	299,400	589,400
2028	4.00	290,000	287,800	577,800
2029-2033	4.00	315,000	276,200	591,200
2034	4.00	6,590,000	879,200	7,469,200
Total		\$ 8,000,000	\$ 2,373,200	\$ 10,373,200

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 5. Long-Term Liabilities (Continued)

Capital Loan Notes Payable (Continued):

Note Issuance January 1, 2024				
Year Ending June 30,	Interest		Interest	Total
	Rate	Principal		
2025	0.00%	\$ 12,419	\$ -	\$ 12,419
2026	0.00	37,257	-	37,257
2027	0.00	37,257	-	37,257
2028	0.00	37,257	-	37,257
2029	0.00	37,257	-	37,257
2030-2034	0.00	173,865	-	173,865
Total		\$ 335,312	\$ -	\$ 335,312

Note Issuance February 1, 2023				
Year Ending June 30,	Interest		Interest	Total
	Rate	Principal		
2025	0.00%	\$ 111,112	\$ -	\$ 111,112
2026	0.00	222,223	-	222,223
2027	0.00	222,223	-	222,223
2028	0.00	222,223	-	222,223
2029	0.00	222,223	-	222,223
2030-2034	0.00	999,996	-	999,996
Total		\$ 2,000,000	\$ -	\$ 2,000,000

Bonds Payable:

The College issued bonds for the construction of College properties as allowed by Section 260C.19 of the Code of Iowa. During the year ended June 30, 2024, principal and interest paid were \$3,190,000 and \$859,496, respectively. Details of the College's June 30, 2024 bonded indebtedness are as follows:

Bond Refunding of June 30, 2016				
Year Ending June 30,	Interest		Interest	Total
	Rate	Principal		
2025	2.00%	\$ 140,000	\$ 52,223	\$ 192,223
2026	2.25	145,000	49,423	194,423
2027	2.00	150,000	46,160	196,160
2028	2.10	150,000	43,160	193,160
2029	2.20	155,000	40,100	195,100
2030-2034	2.20-3.00	845,000	133,650	978,650
2035-2036	3.00	375,000	16,950	391,950
Total		\$ 1,960,000	\$ 381,666	\$ 2,341,666

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 5. Long-Term Liabilities (Continued)

Bonds Payable (continued):

Bond Issuance June 28, 2018				
Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	3.00%	\$ 755,000	\$ 427,069	\$ 1,182,069
2026	3.00	780,000	404,419	1,184,419
2027	3.00	805,000	381,019	1,186,019
2028	3.00	825,000	356,869	1,181,869
2029	3.00	850,000	332,118	1,182,118
2030-2034	3.00-3.38	4,675,000	1,242,138	5,917,138
2035-2038	3.38-3.63	4,340,000	391,925	4,731,925
Total		\$ 13,030,000	\$ 3,535,557	\$ 16,565,557

Bond Refunding of November 8, 2019				
Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	3.00%	\$ 665,000	\$ 104,300	\$ 769,300
2026	3.00	690,000	84,350	774,350
2027	3.00	705,000	63,650	768,650
2028	3.00	340,000	42,500	382,500
2029	3.00	350,000	32,300	382,300
2030-2032	2.00-3.00	1,090,000	43,900	1,133,900
Total		\$ 3,840,000	\$ 371,000	\$ 4,211,000

Bond Refunding of February 24, 2020				
Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	3.00%	\$ 1,110,000	\$ 126,450	\$ 1,236,450
2026	3.00	1,145,000	93,150	1,238,150
2027	4.00	1,180,000	58,800	1,238,800
2028	4.00	290,000	11,600	301,600
Total		\$ 3,725,000	\$ 290,000	\$ 4,015,000

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 5. Long-Term Liabilities (Continued)

Bonds Payable (continued):

Year Ending June 30,	Bond Issuance December 8, 2020			
	Interest Rate	Principal	Interest	Total
2025	1.00%	\$ 410,000	\$ 59,635	\$ 469,635
2026	1.00	415,000	55,535	470,535
2027	1.00	420,000	51,385	471,385
2028	1.00	425,000	47,185	472,185
2029	1.00	435,000	42,935	477,935
2030-2034	1.00-1.40	3,170,000	128,210	3,298,210
Total		\$ 5,275,000	\$ 384,885	\$ 5,659,885

Year Ending June 30,	Bond Issuance December 8, 2020			
	Interest Rate	Principal	Interest	Total
2025	1.00%	\$ 195,000	\$ 13,720	\$ 208,720
2026	1.00	200,000	11,770	211,770
2027	1.00	200,000	9,770	209,770
2028	1.15	205,000	7,770	212,770
2029	1.30	210,000	5,413	215,413
2030	1.45	185,000	2,682	187,682
Total		\$ 1,195,000	\$ 51,125	\$ 1,246,125

Note Payable:

The College issued a note payable dated June 30, 2023 for the purchase of real estate as allowed by Section 260C.19 of the Code of Iowa. During the year ended June 30, 2024, principal and interest paid were \$63,750 and \$0, respectively. Details of the College's note payable at June 30, 2024 is as follows:

Year Ending June 30,	Interest			
	Rate	Principal	Interest	Total
2025	0.00%	\$ 63,750	\$ -	\$ 63,750
2026	0.00	63,750	-	63,750
Total		\$ 127,500	\$ -	\$ 127,500

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 5. Long-Term Liabilities (Continued)

Right-to-use Lease Agreements:

The College has entered into lease agreements for equipment. An initial lease liability was recorded in the amount of \$5,134,502. The agreements require monthly payments between \$656 and \$88,519 and an annual \$30,000 payment, with an implicit interest rate of 3.65% to 4.00% and final payments due between December, 2025 and June, 2028. During the year ended June 30, 2024, principal and interest paid were \$955,054 and \$158,964, respectively.

Year Ending June 30,	Equipment		
	Principal	Interest	Total
2025	\$ 962,123	\$ 146,032	\$ 1,108,155
2026	996,583	107,634	1,104,217
2027	1,024,140	68,090	1,092,230
2028	1,065,036	27,194	1,092,230
2029	25,992	4,008	30,000
Thereafter	83,202	6,798	90,000
Total	\$ 4,157,076	\$ 359,756	\$ 4,516,832

Note 6. Iowa Public Employees Retirement System (IPERS)

Plan Description: IPERS membership is mandatory for employees of the College except for those covered by another retirement system. Employees of the College are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at P. O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits: A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member’s highest five-year average salary, except members with service before June 20, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 6. Iowa Public Employees Retirement System (IPERS) (Continued)

Pension Benefits (continued): If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits: A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions: Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2024, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the College contributed 9.44% of covered payroll, for a total rate of 15.73%.

The College's contributions to IPERS for the year ended June 30, 2024 were \$1,540,768.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 6. Iowa Public Employees Retirement System (IPERS) (Continued)

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2024, the College reported a net pension liability of \$7,931,506 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2023, the College's proportion was 0.175722%, which was an increase of 0.004501% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the College recognized pension expense of \$677,289. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 671,016	\$ 32,601
Changes of assumptions	-	126
Net difference between projected and actual earnings on IPERS' investments	734,553	-
Changes in proportion and differences between College contributions and the College's proportionate share of contributions	326,556	202,851
College contributions subsequent to the measurement date	1,540,768	-
Total	\$ 3,272,893	\$ 235,578

\$1,540,768 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Total
2025	\$ (199,407)
2026	(596,154)
2027	1,837,081
2028	385,995
2029	69,032
	\$ 1,496,547

There were no non-employer contributing entities to IPERS.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 6. Iowa Public Employees Retirement System (IPERS) (Continued)

Actuarial Assumptions: The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2023 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-term Expected Real Rate of Return
Domestic equity	21.0 %	4.56 %
International equity	16.5	6.22
Global smart beta equity	5.0	5.22
Core plus fixed income	23.0	2.69
Public credit	3.0	4.38
Cash	1.0	1.59
Private equity	17.0	10.44
Private real assets	9.0	3.88
Private credit	4.5	4.60
Total	100.0 %	

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 6. Iowa Public Employees Retirement System (IPERS) (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the College will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS’ fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS’ investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the College’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the College’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0% lower (6.00%) or 1.0% higher (8.00%) than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
College's proportionate share of the net pension liability	\$ 16,864,150	\$ 7,931,506	\$ 445,804

IPERS Fiduciary Net Position: Detailed information about IPERS’ fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at www.ipers.org.

Payables to IPERS: At June 30, 2024, the College reported payables to IPERS of \$0 for legally required College contributions and \$0 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

Note 7. Teachers Insurance and Annuity Association (TIAA)

As required by Chapter 97B.42 of the Code of Iowa, all eligible College employees must participate in a retirement plan from the date they are employed. In lieu of participating in IPERS, eligible employees may participate in the Iowa Association of Community College Trustees 403(a) plan, which is a defined contribution pension plan administered by the Teachers Insurance and Annuity Association (TIAA). The defined contribution retirement plan provides individual annuities for each plan participant.

Benefit terms, including contribution requirements, for TIAA are established and specified by the plan with TIAA and in accordance with the Code of Iowa. For each employee in the pension plan, the College is required to contribute 9.44% of annual salary, including overtime pay, to an individual employee account. Each employee is required to contribute 6.29%. Contributions made by both the College and employees vest immediately. For the year ended June 30, 2024, employee contributions totaled \$435,287 and the College recognized pension expense of \$653,276.

At June 30, 2024, the College reported payables to the TIAA of \$0 for legally required College contributions and \$0 for legally required employee contributions, which had been withheld from employee wages but not yet remitted to TIAA.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 8. Other Postemployment Benefits (OPEB)

Plan Description - The College administers a single-employer health benefit plan, which provides medical and prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits: Individuals who are employed by the College are eligible to participate in the group health plan and are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	30
Active employees	350
	380

Total OPEB Liability: The College’s total OPEB liability of \$2,772,714 was measured as of June 30, 2024 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2024)	3.00% per annum.
Rates of salary increase (effective June 30, 2024)	3.25% per annum, including inflation.
Discount rate (effective June 30, 2024)	3.93% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2024)	7.75% initial rate decreasing by 0.30% for the first ten years, followed by 0.10% annually to an ultimate rate of 4.00%.

Discount Rate: The discount rate used to measure the total OPEB liability was 3.93% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the valuation date.

Mortality rates are from the Pub-2010 headcount weighted base mortality table with MP 2021 generational projection of future mortality improvement applied on a gender-specific and job class basis. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by the IPERS actuarial valuation.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 8. Other Postemployment Benefits (OPEB) (Continued)

Changes in the Total OPEB Liability:

	Total OPEB Liability
Total OPEB liability beginning of year	\$ 5,619,331
Changes for the year:	
Service cost	406,523
Interest	217,103
Differences between expected and actual experience	(2,987,221)
Changes of assumption	(327,385)
Benefit payments	(155,637)
Net changes	(2,846,617)
Total OPEB liability end of year	\$ 2,772,714

Changes of assumptions reflect a change in the discount rate from 3.65% in fiscal year 2023 to 3.93% in fiscal year 2024.

Sensitivity of the College's Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.93%) or 1% higher (4.93%) than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 3,022,000	\$ 2,772,714	\$ 2,547,000

Sensitivity of the College's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.75%) or 1% higher (8.75%) than the current healthcare cost trend rates.

	1% Decrease (6.75%)	Healthcare Cost Trend Rate (7.75%)	1% Increase (8.75%)
Total OPEB liability	\$ 2,445,000	\$ 2,772,714	\$ 3,166,000

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 8. Other Postemployment Benefits (OPEB) (Continued)

OPEB Expense, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2024, the College recognized OPEB expense of \$(161,000). At June 30, 2024, the College reported deferred outflows of resources related to OEPB and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 112,109	\$ 4,031,232
Changes of assumptions	1,062,648	3,037,639
Total	\$ 1,174,757	\$ 7,068,871

The amount reported as deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ending June 30,	Total
2025	\$ (784,149)
2026	(784,149)
2027	(784,149)
2028	(784,149)
2029	(657,583)
Thereafter	(2,099,935)
	\$ (5,894,114)

Note 9. Risk Management

Iowa Central Community College carries commercial insurance purchased from insurers for coverage associated with torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10. New Jobs Training Programs

The College administers the Iowa Industrial New Jobs Training Program (NJTP) in Area V in accordance with Chapter 260E of the Code of Iowa. NJTP's purpose is to provide tax-aided training or retraining for employees of industries that are new to or are expanding their operations within the State of Iowa. Certificates are sold by the College to fund approved projects and are to be retired by proceeds from anticipated jobs credits from withholding taxes, incremental property tax, budgeted reserves and in the case of default, from standby property tax. Since inception, the College administered 116 projects, with 11 currently receiving project funding. The remaining 105 projects have been completed and the certificates have been paid. In cases where projects exceed the budgeted amounts, the college intends to obtain additional withholding revenue from the companies.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 11. Self-Funded Insurance Program

The College has a self-funded insurance program for hospitalization and medical coverage for its employees. The College limits its losses through the use of stop-loss policies from insurers. Specific individual losses for claims are limited to \$100,000 per year. The College's aggregate annual loss limitation is based on a formula that considers, among other things, the total number of employees and was limited to \$7,132,498 in claims as of June 30, 2024. For the year ended June 30, 2024, the College paid \$6,623,780 under the program, which includes health and dental claims, and administrative costs.

Note 12. Construction Commitments

The College has entered into contracts and other costs totaling \$35,298,102 for the Storm Lake learning center, Fuel lab improvements, Performing Arts center and improvement projects. As of June 30, 2024, costs of \$26,053,363 had been incurred against the contracts. The balance of \$9,244,739 remaining at June 30, 2024 will be paid as work on the project progresses.

Note 13. Tax Abatements

Governmental Accounting Standards Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

College Tax Abatements

The College provides tax abatements for industrial new jobs training projects with the tax increment financing as provided for in section 403.19 of the Code of Iowa and/or state income tax withholding as provided for in section 260E.5 of the Code of Iowa. For these types of projects, the College enters into agreements with employers which require the College, after employers meet the terms of the agreements, to pay the employers for the costs of on-the-job training not to exceed 50% of the annual gross payroll costs for up to one year of the new jobs. No other commitments were made by the College as part of these agreements.

For the year ended June 30, 2024, the College had no abatements of property tax and \$2,294,550 of state income tax withholding under the projects.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Note 13. Tax Abatements (Continued)

Tax Abatements of Other Entities

Other entities within the Community College also provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the Cities of Lohrville and Dakota City offered an urban revitalization tax abatement program, pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements. Property tax revenues of the College were reduced by the following amounts for the year ended June 30, 2024 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Webster City	Urban renewal and economic development projects	\$ 5,418
City of Humboldt	Urban renewal and economic development projects	6,626
Ida County	Urban renewal and economic development projects	28,330
City of Fort Dodge	Urban renewal and economic development projects	16,452
Webster County	Urban renewal and economic development projects	371,935
City of Jefferson	Urban renewal and economic development projects	11,573
City of Stratford	Urban renewal and economic development projects	1,121
Wright County	Urban renewal and economic development projects	26,035
City of Eagle Grove	Urban renewal and economic development projects	774
City of Duncombe	Urban renewal and economic development projects	831
City of Renwick	Urban renewal and economic development projects	888
City of Auburn	Urban renewal and economic development projects	136
City of Wall Lake	Urban renewal and economic development projects	4,110
City of Lohrville	Other tax abatement program	524
City of Dakota City	Other tax abatement program	58

REQUIRED SUPPLEMENTARY INFORMATION

IOWA CENTRAL COMMUNITY COLLEGE

IOWA CENTRAL COMMUNITY COLLEGE

SCHEDULE OF THE COLLEGE'S PROPORTIONATE

SHARE OF THE NET PENSION LIABILITY

Iowa Public Employees' Retirement System

For the Last Ten Years*

(In Thousands)

Required Supplementary Information

	2024	2023	2022	2021
College's proportion of the net pension liability	0.175722%	0.171221%	-0.066057%	0.168533%
College's proportionate share of the net pension liability	\$ 7,932	\$ 6,469	\$ 228	\$ 11,839
College's covered payroll	\$ 15,434	\$ 13,804	\$ 13,224	\$ 13,390
College's proportionate share of the net pension liability as a percentage of its covered payroll	51.39%	46.86%	1.72%	88.42%
IPERS' net position as a percentage of the total pension liability	90.13%	91.40%	100.81%	82.90%

* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

See Notes to Required Supplementary Information.

2020	2019	2018	2017	2016	2015
0.171074%	0.168456%	0.166508%	0.163709%	0.162918%	0.165689%
\$ 9,906	\$ 10,660	\$ 11,092	\$ 10,303	\$ 8,099	\$ 6,706
\$ 13,019	\$ 12,661	\$ 12,429	\$ 11,743	\$ 11,235	\$ 11,082
76.09%	84.20%	89.24%	87.74%	72.09%	60.51%
85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

IOWA CENTRAL COMMUNITY COLLEGE

SCHEDULE OF COLLEGE CONTRIBUTIONS

Iowa Public Employees' Retirement System

For the Last Ten Years

(In Thousands)

Required Supplementary Information

	2024	2023	2022	2021
Statutorily required contribution	\$ 1,541	\$ 1,457	\$ 1,303	\$ 1,248
Contributions in relation to the statutorily required contribution	(1,541)	(1,457)	(1,303)	(1,248)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	\$ 16,322	\$ 15,434	\$ 13,804	\$ 13,224
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%

See Notes to Required Supplementary Information.

2020	2019	2018	2017	2016	2015
\$ 1,264	\$ 1,229	\$ 1,131	\$ 1,110	\$ 1,049	\$ 1,003
(1,264)	(1,229)	(1,131)	(1,110)	(1,049)	(1,003)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 13,390	\$ 13,019	\$ 12,661	\$ 12,429	\$ 11,743	\$ 11,235
9.44%	9.44%	8.93%	8.93%	8.93%	8.93%

IOWA CENTRAL COMMUNITY COLLEGE

**SCHEDULE OF CHANGES IN THE COLLEGE'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Last Seven Years**

Required Supplementary Information

	<u>2024</u>	<u>2023</u>
Service cost	\$ 406,523	\$ 392,207
Interest cost	217,103	138,425
Difference between expected and actual experience	(2,987,221)	-
Changes in assumptions	(327,385)	(804,626)
Benefit payments	(155,637)	(365,869)
Net change in total OPEB liability	(2,846,617)	(639,863)
Total OPEB liability beginning of year	5,619,331	6,259,194
Total OPEB liability end of year	<u>\$ 2,772,714</u>	<u>\$ 5,619,331</u>
Covered-employee payroll	\$ 22,320,512	\$ 18,652,000
Total OPEB liability as a percentage of covered-employee payroll	12.42%	30.13%

See Notes to Required Supplementary Information.

NOTE: GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the College will present information for those years for which information is available.

	2022	2021	2020	2019	2018
\$	380,784	\$ 364,712	\$ 354,089	\$ 859,211	\$ 778,745
	134,684	240,049	233,781	330,124	338,052
	(1,660,266)	-	231,374	-	-
	862,283	-	(4,323,693)	473,603	(43,292)
	(338,250)	(437,272)	(401,510)	(257,646)	(326,310)
	(620,765)	167,489	(3,905,959)	1,405,292	747,195
	6,879,959	6,712,470	10,618,429	9,213,137	8,465,942
\$	6,259,194	\$ 6,879,959	\$ 6,712,470	\$ 10,618,429	\$ 9,213,137
\$	18,108,654	\$ 19,380,367	\$ 18,815,890	\$ 18,327,703	\$ 18,443,559
	34.56%	35.50%	35.67%	57.94%	49.95%

IOWA CENTRAL COMMUNITY COLLEGE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION Year ended June 30, 2024

Note 1. Iowa Public Employee's Retirement System Pension Liability

Changes of benefit terms:

There is no significant change in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
Year ended June 30, 2024

Note 2. Notes to Schedule of Changes in the College's Total OPEB Liability and Related Ratios

No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

- The discount rate was updated from 3.65% to 3.93%.
- The trend rates were updated to an initial rate of 7.75% grading down to an ultimate rate of 4.00%. The initial rate and the grade down period is extended to account for recent inflationary pressures and price increases over the next couple of years.
- The Iowa Public Employees' Retirement System (IPERS) retirement and termination rates were updated to the school rates from the 2023 Actuarial Valuation.
- The mortality assumptions were adjusted to reflect job class (teacher, safety, or general, as applicable).
- The salary increase rate was updated from 3.00% to 3.25%.
- Morbidity factors were updated.

The following are the discount rates used for each period.

Year ended June 30, 2024	3.93%
Year ended June 30, 2023	3.65%
Year ended June 30, 2022	2.14%
Year ended June 30, 2021	3.50%
Year ended June 30, 2020	3.50%
Year ended June 30, 2019	3.15%
Year ended June 30, 2018	3.72%
Year ended June 30, 2017	3.72%

SUPPLEMENTARY INFORMATION

IOWA CENTRAL COMMUNITY COLLEGE

**BUDGETARY COMPARISON SCHEDULE OF EXPENDITURES -
BUDGET TO ACTUAL**

Year Ended June 30, 2024

Funds/Levy	Original Budget	Amended Budget	Actual	Variance Between Actual and Amended Budget
Unrestricted	\$ 40,015,000	\$ 40,015,000	\$ 37,420,199	\$ 2,594,801
Restricted	23,465,506	23,465,506	8,333,671	15,131,835
Unemployment	20,000	20,000	3,357	16,643
Tort liability	1,050,000	1,050,000	972,937	77,063
Insurance	3,600,000	3,600,000	3,425,439	174,561
Early retirement	700,000	700,000	651,516	48,484
Equipment replacement	2,800,000	2,800,000	1,532,544	1,267,456
Total restricted	31,635,506	31,635,506	14,919,464	16,716,042
Plant	32,067,000	32,067,000	24,616,715	7,450,285
Bonds and interest	3,106,974	3,106,974	3,087,173	19,801
Total	\$ 106,824,480	\$ 106,824,480	\$ 80,043,551	\$ 26,780,929

See Notes to Supplementary Information.

IOWA CENTRAL COMMUNITY COLLEGE

COMBINING BALANCE SHEET - ALL FUNDS

June 30, 2024

	Current Funds	
	Unrestricted	Restricted
Assets and Deferred Outflows of Resources		
Assets:		
Cash and pooled investments	\$ 33,160,615	\$ 17,811,113
Receivables:		
Accounts	4,099,020	-
Property tax:		
Delinquent	10,898	37,256
Succeeding year	2,137,583	7,950,037
Iowa Industrial New Jobs Training	-	4,178,720
Due from other funds	-	-
Due from other governments	235,472	1,769,947
Inventories	455,338	-
Prepaid expenses	101,996	343,316
Capital assets:		
Land	-	-
Buildings	-	-
Construction in progress	-	-
Improvements other than buildings	-	-
Equipment and vehicles	-	-
Right-to-use leased equipment	-	-
Accumulated depreciation	-	-
Total assets	40,200,922	32,090,389
Deferred Outflows of Resources		
OPEB related deferred outflows	-	-
Pension related deferred outflows	-	-
Total deferred outflows of resources	-	-
Total assets and deferred outflows of resources	\$ 40,200,922	\$ 32,090,389

See Notes to Supplementary Information.

Plant Funds			
Unexpended	Investment in Plant	Adjustments	Total
\$ 1,982,427	\$ -	\$ -	\$ 52,954,155
-	-	-	4,099,020
25,938	-	-	74,092
5,165,269	-	-	15,252,889
-	-	-	4,178,720
6,012,428	-	(6,012,428)	-
1,020,000	-	-	3,025,419
-	-	-	455,338
-	-	-	445,312
-	4,189,418	-	4,189,418
-	105,987,201	-	105,987,201
-	26,053,364	-	26,053,364
-	9,999,799	-	9,999,799
-	20,552,117	-	20,552,117
-	-	5,134,502	5,134,502
-	-	(53,454,091)	(53,454,091)
14,206,062	166,781,899	(54,332,017)	198,947,255
-	-	1,174,757	1,174,757
-	-	3,272,893	3,272,893
-	-	4,447,650	4,447,650

\$ 14,206,062 \$ 166,781,899 \$ (49,884,367) \$ 203,394,905

IOWA CENTRAL COMMUNITY COLLEGE

COMBINING BALANCE SHEET - ALL FUNDS

June 30, 2024

	Current Funds	
	Unrestricted	Restricted
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts payable	\$ 3,055,562	\$ -
Salaries and benefits payable	1,937,796	145,686
Interest payable	13,044	23,657
Due to other funds	2,816,743	3,195,685
Advances from others	1,554,272	4,071,957
Compensated absences	904,177	-
Certificates payable	-	7,731,386
Capital loan notes payable	-	335,312
Bonds payable	-	-
Notes payable	-	-
Lease agreements payable	-	-
Net pension liability	-	-
Total OPEB Liability	-	-
Total liabilities	10,281,594	15,503,683
Deferred inflows of resources		
Succeeding year property tax	2,137,583	7,950,037
OPEB related deferred inflows	-	-
Pension related deferred inflows	-	-
Total deferred inflows of resources	2,137,583	7,950,037
Fund balances:		
Net investment in capital assets	-	-
Restricted:		
Expendable:		
Scholarships and fellowships	-	46,758
Cash reserve	-	319,603
Other	-	8,270,308
Auxiliary enterprises	21,679,488	-
Unrestricted	6,102,257	-
Total fund balances	27,781,745	8,636,669
Total liabilities, deferred inflows of resources and fund balances	\$ 40,200,922	\$ 32,090,389

See Notes to Supplementary Information.

Plant Funds			
Unexpended	Investment in Plant	Adjustments	Total
\$ -	\$ -	\$ -	\$ 3,055,562
-	-	-	2,083,482
106,085	-	-	142,786
-	-	(6,012,428)	-
-	-	-	5,626,229
-	-	-	904,177
-	-	-	7,731,386
-	17,420,329	(40,378)	17,715,263
-	29,575,470	(67,740)	29,507,730
-	127,500	-	127,500
-	-	4,157,076	4,157,076
-	-	7,931,506	7,931,506
-	-	2,772,714	2,772,714
106,085	47,123,299	8,740,750	81,755,411
5,165,269	-	-	15,252,889
-	-	7,068,871	7,068,871
-	-	235,578	235,578
5,165,269	-	7,304,449	22,557,338
-	119,658,600	(52,501,413)	67,157,187
-	-	-	46,758
-	-	-	319,603
-	-	-	8,270,308
-	-	(447,770)	21,231,718
8,934,708	-	(12,980,383)	2,056,582
8,934,708	119,658,600	(65,929,566)	99,082,156
\$ 14,206,062	\$ 166,781,899	\$ (49,884,367)	\$ 203,394,905

IOWA CENTRAL COMMUNITY COLLEGE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - ALL FUNDS
 Year Ended June 30, 2024

	Current Funds	
	Unrestricted	Restricted
Revenues:		
General:		
State appropriations	\$ 13,124,728	\$ 5,145,005
Tuition and fees	23,951,883	-
Property tax	2,056,297	6,757,667
Federal appropriations	21,726	11,772,184
Sales and services	734,929	312,758
Interest on investments	1,944,362	640,635
Iowa Industrial New Jobs Training Program		3,557,449
Increase in plant investment due to plant expenditures, including \$1,774,180 of expenditures in current funds	-	-
Increase in plant investment due to retirement of debt	-	-
Miscellaneous	190,544	229,495
	42,024,469	28,415,193
Auxiliary enterprises:		
Tuition and fees	1,352,026	-
Sales and services	19,150,040	-
Miscellaneous	330,749	-
	20,832,815	-
Total revenues	62,857,284	28,415,193
Expenditures:		
Education and support:		
Liberal arts and sciences	6,289,689	-
Career and technical	8,643,092	1,059,935
Adult education	1,745,300	1,159,471
Cooperative services	-	3,759,809
Administration	1,767,503	397,968
Student services	8,303,459	-
Learning resources	66,522	-
Physical plant	4,652,984	3,375,439
General institution	5,951,650	5,166,842
Total education and support	37,420,199	14,919,464

Plant Funds			
Unexpended	Investment in Plant	Adjustments	Total
\$ 1,447,380	\$ -	\$ -	\$ 19,717,113
-	-	(6,620,160)	17,331,723
5,192,539	-	-	14,006,503
-	-	-	11,793,910
203,850	-	-	1,251,537
601,765	-	-	3,186,762
-	-	-	3,557,449
-	22,239,742	(22,239,742)	-
-	4,248,750	(4,248,750)	-
2,116,266	-	-	2,536,305
9,561,800	26,488,492	(33,108,652)	73,381,302
-	-	-	1,352,026
-	-	(2,440,685)	16,709,355
-	-	152,509	483,258
-	-	(2,288,176)	18,544,639
9,561,800	26,488,492	(35,396,828)	91,925,941
-	-	(134,473)	6,155,216
-	-	(573,507)	9,129,520
-	-	(81,818)	2,822,953
-	-	(353,013)	3,406,796
-	-	(1,159,382)	1,006,089
-	-	(291,305)	8,012,154
-	-	-	66,522
-	-	(173,779)	7,854,644
-	-	(1,641,062)	9,477,430
-	-	(4,408,339)	47,931,324

(Continued on next page)

IOWA CENTRAL COMMUNITY COLLEGE

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL FUNDS (CONTINUED)**

Year Ended June 30, 2024

	Current Funds	
	Unrestricted	Restricted
Expenditures (Continued):		
Auxiliary enterprises	\$ 19,667,197	\$ -
Scholarships and grants	-	13,460,698
Administrative and collection costs	-	-
Plant asset acquisitions	-	-
Retirement of indebtedness	-	-
Disposal of plant assets	-	-
Depreciation	-	-
Interest on indebtedness	-	-
	<hr/>	<hr/>
Total expenditures	57,087,396	28,380,162
	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	5,769,888	35,031
	<hr/>	<hr/>
Transfers:		
Non-mandatory transfers	(7,452,280)	(241,916)
Total transfers	(7,452,280)	(241,916)
	<hr/>	<hr/>
Net	(1,682,392)	(206,885)
	<hr/>	<hr/>
Fund balances, beginning of year	29,464,137	8,843,554
	<hr/>	<hr/>
Fund balances end of year	\$ 27,781,745	\$ 8,636,669
	<hr/> <hr/>	<hr/> <hr/>

See Notes to Supplementary Information.

Plant Funds			
Unexpended	Investment in Plant	Adjustments	Total
\$ -	\$ -	\$ (129,555)	\$ 19,537,642
-	-	(9,060,845)	4,399,853
1,687,973	-	-	1,687,973
20,465,562	-	(20,465,562)	-
4,248,750	-	(4,248,750)	-
(19,481)	414,627	(406,520)	(11,374)
-	-	4,659,819	4,659,819
1,321,084	(247,704)	650,703	1,724,083
27,703,888	166,923	(33,409,049)	79,929,320
(18,142,088)	26,321,569	(1,987,779)	11,996,621
9,846,705	(2,000,000)	(152,509)	-
9,846,705	(2,000,000)	(152,509)	-
(8,295,383)	24,321,569	(2,140,288)	11,996,621
17,230,091	95,337,031	(63,789,278)	87,085,535
\$ 8,934,708	\$ 119,658,600	\$ (65,929,566)	\$ 99,082,156

IOWA CENTRAL COMMUNITY COLLEGE

**COMBINING UNRESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES --
EDUCATION AND SUPPORT
Year Ended June 30, 2024**

	Education		
	Liberal Arts and Sciences	Career and Technical	Adult Education
Revenues:			
State appropriations	\$ 7,707,346	\$ 4,298,079	\$ 1,108,772
Tuition and fees	13,262,982	8,836,399	1,500,728
Property tax	-	-	-
Federal appropriations	-	-	-
Sales and services	25,475	19,943	281,195
Interest on investments	-	-	-
Miscellaneous	-	42,400	75,000
	<u>20,995,803</u>	<u>13,196,821</u>	<u>2,965,695</u>
Allocation of support services	2,844,751	1,528,944	492,455
	<u>23,840,554</u>	<u>14,725,765</u>	<u>3,458,150</u>
Total revenues			
Expenditures:			
Salaries and benefits	6,212,817	7,281,766	1,344,764
Services	8,827	247,896	257,515
Materials and supplies	60,441	1,089,042	129,445
Travel	7,604	21,808	13,576
Plant asset acquisitions	-	-	-
Loan cancellation and bad debts	-	-	-
Scholarships	-	2,580	-
Miscellaneous	-	-	-
	<u>6,289,689</u>	<u>8,643,092</u>	<u>1,745,300</u>
Allocation of support services	12,125,842	6,517,173	2,099,103
	<u>18,415,531</u>	<u>15,160,265</u>	<u>3,844,403</u>
Total expenditures			
Transfers:			
Non-mandatory transfers	-	(55,394)	-
Total transfers	-	(55,394)	-
Net	<u>\$ 5,425,023</u>	<u>\$ (489,894)</u>	<u>\$ (386,253)</u>

Fund balance beginning of year

Fund balance end of year

See Notes to Supplementary Information.

Support					Education and Support Total
General Administration	Student Services	Learning Resources	Physical Plant	General Institution	
\$ 10,531	\$ -	\$ -	\$ -	\$ -	\$ 13,124,728
-	50,980	-	-	300,794	23,951,883
2,056,297	-	-	-	-	2,056,297
-	21,726	-	-	-	21,726
25,366	13,264	-	129,541	240,145	734,929
1,944,362	-	-	-	-	1,944,362
55,573	115	-	19,481	(2,025)	190,544
4,092,129	86,085	-	149,022	538,914	42,024,469
(4,092,129)	(86,085)	-	(149,022)	(538,914)	-
-	-	-	-	-	42,024,469
1,333,488	7,818,666	62,789	2,986,285	3,343,600	30,384,175
403,996	180,351	360	881,866	1,548,678	3,529,489
41,211	236,783	3,373	751,026	189,883	2,501,204
84,813	67,659	-	45	122,888	318,393
-	-	-	33,762	50,666	84,428
(114,812)	-	-	-	-	(114,812)
-	-	-	-	299,048	301,628
18,807	-	-	-	396,887	415,694
1,767,503	8,303,459	66,522	4,652,984	5,951,650	37,420,199
(1,767,503)	(8,303,459)	(66,522)	(4,652,984)	(5,951,650)	-
-	-	-	-	-	37,420,199
-	8,626	-	13,165	(4,126,208)	(4,159,811)
-	8,626	-	13,165	(4,126,208)	(4,159,811)
\$ -	\$ 8,626	\$ -	\$ 13,165	\$ (4,126,208)	444,459
					5,657,798
					<u>\$ 6,102,257</u>

IOWA CENTRAL COMMUNITY COLLEGE

COMBINING UNRESTRICTED FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES --
 AUXILIARY ENTERPRISES
 Year Ended June 30, 2024

	Bookstore	Career Education	Athletics and Student Organizations	Self- Insurance Program
Revenues:				
Tuition and fees	\$ -	\$ -	\$ 533,120	\$ -
Sales and services	1,470,901	282,677	283,719	6,620,071
Miscellaneous	-	-	66,560	-
Total revenues	1,470,901	282,677	883,399	6,620,071
Expenditures:				
Salaries and benefits	231,083	-	8,533	-
Services	16,092	140,965	900,538	6,249,848
Materials and supplies	182,472	245,592	739,731	-
Travel	52	1,319	933,213	-
Plant asset acquisitions	-	-	12,348	-
Interest on indebtedness	-	-	-	-
Cost of goods sold	527,312	162,450	-	-
Scholarships	-	-	1,699,503	-
Total expenditures	957,011	550,326	4,293,866	6,249,848
Excess (deficiency) of revenues over (under) expenditures	513,890	(267,649)	(3,410,467)	370,223
Transfers:				
Non-mandatory transfers	(1,895,610)	38,246	2,471,937	-
Net	(1,381,720)	(229,403)	(938,530)	370,223
Fund balances beginning of year	3,167,111	-	1,830,240	3,382,221
Fund balances end of year	\$ 1,785,391	\$ (229,403)	\$ 891,710	\$ 3,752,444

See Notes to Supplementary Information.

Dormitories	Miscellaneous	Total
\$ 123,175	\$ 695,731	\$ 1,352,026
8,231,273	2,261,399	19,150,040
96,145	168,044	330,749
<u>8,450,593</u>	<u>3,125,174</u>	<u>20,832,815</u>
1,171,913	802,836	2,214,365
2,853,277	894,920	11,055,640
322,313	566,721	2,056,829
3,841	577	939,002
7,544	-	19,892
129,555	-	129,555
-	65,125	754,887
797,524	-	2,497,027
<u>5,285,967</u>	<u>2,330,179</u>	<u>19,667,197</u>
3,164,626	794,995	1,165,618
<u>(2,471,666)</u>	<u>(1,435,376)</u>	<u>(3,292,469)</u>
692,960	(640,381)	(2,126,851)
<u>11,390,722</u>	<u>4,036,045</u>	<u>23,806,339</u>
<u>\$ 12,083,682</u>	<u>\$ 3,395,664</u>	<u>\$ 21,679,488</u>

IOWA CENTRAL COMMUNITY COLLEGE

RESTRICTED FUND

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES**

Year Ended June 30, 2024

	Scholarships and Grants	Equipment Replacement	Insurance	Early Retirement
Revenues:				
State appropriations	\$ 2,364,494	\$ 4,212	\$ 18,956	\$ 3,510
Property tax	-	914,198	3,877,673	720,525
Federal appropriations	10,131,344	-	-	-
Sales and services	-	-	-	-
Interest on investments	-	-	-	-
Iowa Industrial New Jobs Training Program	-	-	-	-
Miscellaneous	223,920	-	-	-
Total revenues	12,719,758	918,410	3,896,629	724,035
Expenditures:				
Salaries and benefits	-	-	-	651,516
Services	-	-	3,411,795	-
Materials and supplies	-	348,107	-	-
Travel	-	-	-	-
Plant asset acquisitions	-	1,184,437	13,644	-
Interest on indebtedness	-	-	-	-
Awards to subrecipients	-	-	-	-
Federal Pell Grant program	9,910,522	-	-	-
Federal Supplemental Educational Opportunity Grant	220,822	-	-	-
Iowa College Student Aid Commission	2,358,305	-	-	-
Miscellaneous	971,049	-	-	-
Total expenditures	13,460,698	1,532,544	3,425,439	651,516
Excess (deficiency) of revenues over (under) expenditures	(740,940)	(614,134)	471,190	72,519
Transfers:				
Non-mandatory transfers	735,629	(963,822)	-	-
Net	(5,311)	(1,577,956)	471,190	72,519
Fund balance beginning of year	52,069	2,822,307	916,112	381,815
Fund balance end of year	\$ 46,758	\$ 1,244,351	\$ 1,387,302	\$ 454,334

See Notes to Supplementary Information.

Iowa Industrial New Jobs Training Program					
Unemployment Compensation	Cash Reserve	Tort Liability		Miscellaneous	Total
\$ -	\$ -	\$ 5,617	\$ -	\$ 2,748,216	\$ 5,145,005
70,414	-	1,174,857	-	-	6,757,667
-	-	-	-	1,640,840	11,772,184
-	-	-	-	312,758	312,758
-	-	-	-	640,635	640,635
-	-	-	3,557,449	-	3,557,449
-	-	-	-	5,575	229,495
70,414	-	1,180,474	3,557,449	5,348,024	28,415,193
3,357	-	-	-	3,321,203	3,976,076
-	-	972,937	3,235,778	605,697	8,226,207
-	-	-	-	252,891	600,998
-	-	-	-	39,866	39,866
-	-	-	-	471,779	1,669,860
-	-	-	340,665	-	340,665
-	-	-	-	19,301	19,301
-	-	-	-	-	9,910,522
-	-	-	-	-	220,822
-	-	-	-	-	2,358,305
-	-	-	-	46,491	1,017,540
3,357	-	972,937	3,576,443	4,757,228	28,380,162
67,057	-	207,537	(18,994)	590,796	35,031
-	-	-	8,345	(22,068)	(241,916)
67,057	-	207,537	(10,649)	568,728	(206,885)
112,753	319,603	855,962	(366,495)	3,749,428	8,843,554
\$ 179,810	\$ 319,603	\$ 1,063,499	\$ (377,144)	\$ 4,318,156	\$ 8,636,669

IOWA CENTRAL COMMUNITY COLLEGE

**COMBINING SCHEDULE OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS**

June 30, 2024

	Athletics and Student Organizations	Federal Direct Student Loan Program	Miscellaneous	Total
Assets				
Cash	\$ 264,131	\$ -	\$ 664,832	\$ 928,963
Due from other governments	283,525	-	-	283,525
Total assets	547,656	-	664,832	1,212,488
Liabilities				
Due to other governments	125,632	-	-	125,632
Total liabilities	125,632	-	-	125,632
Net assets				
Restricted:				
Other	\$ 422,024	\$ -	\$ 664,832	\$ 1,086,856

See Notes to Supplementary Information.

IOWA CENTRAL COMMUNITY COLLEGE

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
 CUSTODIAL FUNDS
 Year Ended June 30, 2024

	Athletics and Student Organizations	Federal Direct Student Loan Program	Miscellaneous	Total
Additions:				
Tuition and fees	\$ 32,984	\$ -	\$ -	\$ 32,984
Federal and state appropriations	110,205	11,974,082	170,820	12,255,107
Sales and services	318,237	-	36,595	354,832
Interest on investments	-	-	55,577	55,577
Miscellaneous	225,002	-	-	225,002
Total additions	686,428	11,974,082	262,992	12,923,502
Deductions:				
Services	66,891	11,974,082	7,537	12,048,510
Materials and supplies	364,434	-	145,196	509,630
Travel	118,813	-	212	119,025
Scholarships	40,294	-	-	40,294
Miscellaneous	161,014	-	5,809	166,823
Total deductions	751,446	11,974,082	158,754	12,884,282
Change in net position	(65,018)	-	104,238	39,220
Net position beginning of year	487,042	-	560,594	1,047,636
Net position end of year	\$ 422,024	\$ -	\$ 664,832	\$ 1,086,856

See Notes to Supplementary Information.

IOWA CENTRAL COMMUNITY COLLEGE

SCHEDULE OF CREDIT AND CONTACT HOURS *
Period Ended August 23, 2024

Category	Credit Hours		Total
	Eligible for Aid	Not Eligible for Aid	
Arts and Sciences	66,759	-	66,759
Career and Technical Education	35,863	-	35,863
Adult Education/Continuing Education	-	-	-
Cooperative Programs/Services	-	-	-
	<u>102,622</u>	<u>-</u>	<u>102,622</u>

See Notes to Supplementary Information.

* The schedule of credit and contact hours is presented on an academic year basis rather than on the fiscal year in accordance with reporting requirements required by the Iowa Department of Education.

Contact Hours		
Eligible for Aid	Not Eligible for Aid	Total
1,344,663	-	1,344,663
820,473	-	820,473
243,130	65,843 *	308,973
-	294	294
2,408,266	66,137	2,474,403

IOWA CENTRAL COMMUNITY COLLEGE

SCHEDULE OF TAX AND INTERGOVERNMENTAL REVENUES

For the Last Ten Years

	2024	2023	2022	2021
Local (property tax)	\$ 14,006,503	\$ 12,400,944	\$ 10,231,450	\$ 10,224,590
State	19,717,113	19,894,608	18,382,245	17,870,319
Federal	11,793,910	14,962,217	21,289,487	13,027,154
Total	\$ 45,517,526	\$ 47,257,769	\$ 49,903,182	\$ 41,122,063

See Notes to Supplementary Information.

Year Ended June 30,						
	2020	2019	2018	2017	2016	2015
\$	9,001,487	\$ 10,941,317	\$ 7,903,930	\$ 8,653,885	\$ 6,193,931	\$ 6,518,778
	16,498,147	15,431,793	15,224,300	15,491,690	15,751,285	15,790,624
	12,531,652	11,060,262	11,042,143	11,642,495	11,691,978	13,461,596
\$	38,031,286	\$ 37,433,372	\$ 34,170,373	\$ 35,788,070	\$ 33,637,194	\$ 35,770,998

IOWA CENTRAL COMMUNITY COLLEGE

**SCHEDULE OF CURRENT FUND REVENUES BY SOURCE
AND EXPENDITURES BY FUNCTION**

For the Last Ten Years

	2024	2023	2022	2021
Revenues:				
State appropriations	\$ 18,269,733	\$ 18,997,104	\$ 17,855,256	\$ 17,391,241
Tuition and fees	23,951,883	24,544,548	23,628,134	20,135,194
Property tax	8,813,964	7,314,925	5,273,476	4,545,121
Federal appropriations	11,793,910	14,962,217	21,289,487	13,027,154
Sales and services	1,047,687	953,757	2,335,810	719,997
Interest on investments	2,584,997	2,078,267	145,084	31,210
Iowa Industrial New Jobs Training Program	3,557,449	1,636,671	2,236,751	977,541
Auxiliary enterprises	20,832,815	19,455,092	20,149,738	19,089,561
Miscellaneous	420,039	485,778	518,976	586,707
Total	\$ 91,272,477	\$ 90,428,359	\$ 93,432,712	\$ 76,503,726
Expenditures:				
Liberal arts and sciences	\$ 6,289,689	\$ 6,289,869	\$ 6,164,241	\$ 6,410,576
Career and technical	9,703,027	9,117,158	8,560,101	7,881,050
Adult education	2,904,771	3,325,300	3,215,953	2,985,943
Cooperative services	3,759,809	1,899,485	2,937,743	1,094,855
Administration	2,165,471	2,256,440	2,203,302	1,126,196
Student services	8,303,459	6,786,893	6,086,462	6,515,403
Learning resources	66,522	58,739	54,677	66,786
Physical plant	8,028,423	5,835,668	5,754,813	4,831,196
General institution	11,118,492	15,663,387	20,595,246	12,594,643
Auxiliary enterprises	19,667,197	19,080,640	17,220,043	15,319,382
Scholarships and grants	13,460,698	12,845,908	11,435,918	10,732,094
Total	\$ 85,467,558	\$ 83,159,487	\$ 84,228,499	\$ 69,558,124

See Notes to Supplementary Information.

Year Ended June 30,						
	2020	2019	2018	2017	2016	2015
\$	16,038,286	\$ 14,959,406	\$ 14,768,725	\$ 15,008,128	\$ 15,180,753	\$ 15,336,180
	20,324,108	21,622,692	22,443,948	22,755,039	22,415,153	22,873,961
	5,723,747	7,570,030	5,305,908	5,801,741	3,374,607	3,758,608
	12,532,214	11,060,262	11,042,143	11,642,495	11,691,978	13,461,596
	934,621	1,051,026	2,451,502	1,048,482	814,194	962,129
	436,895	905,306	443,866	206,143	123,563	84,453
	886,954	718,323	2,932,879	1,057,007	253,817	386,073
	19,512,441	19,187,990	18,846,872	18,116,878	17,299,778	17,417,490
	405,550	303,081	603,698	453,929	348,604	749,628
\$	76,794,816	\$ 77,378,116	\$ 78,839,541	\$ 76,089,842	\$ 71,502,447	\$ 75,030,118
\$	6,496,434	\$ 6,989,823	\$ 7,843,271	\$ 8,202,147	\$ 8,517,433	\$ 9,096,736
	8,725,360	8,958,052	8,677,785	8,642,645	7,991,736	7,650,607
	3,084,387	3,488,494	3,261,116	2,972,615	3,444,414	3,162,936
	1,320,810	1,206,369	3,499,049	1,500,792	503,379	626,002
	2,138,880	2,142,738	2,399,983	2,273,121	1,733,202	1,926,478
	5,982,584	5,831,416	5,603,180	5,556,137	5,007,592	4,406,785
	62,819	94,617	93,487	113,557	124,000	449,395
	5,326,467	5,104,873	5,541,143	5,068,734	5,159,053	5,373,543
	11,175,272	10,781,979	8,049,262	9,621,551	8,621,133	9,538,064
	18,279,519	17,465,241	17,560,480	17,344,219	15,833,927	15,560,159
	10,894,991	10,837,114	10,772,728	11,103,065	11,434,318	13,203,316
\$	73,487,523	\$ 72,900,716	\$ 73,301,484	\$ 72,398,583	\$ 68,370,187	\$ 70,994,021

IOWA CENTRAL COMMUNITY COLLEGE

NOTES TO SUPPLEMENTARY INFORMATION

June 30, 2024

Note 1. Supplementary Information

Supplementary information of the College is presented on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue and expenditures. The various fund groups and their designated purposes are as follows:

Current Funds – The Current Funds are utilized to account for those economic resources that are expendable for the purpose of performing the primary and supporting missions of the College and consist of the following:

Unrestricted Fund – The Educational and Support subgroup of the Unrestricted Fund accounts for the general operations of the College.

The Auxiliary Enterprises subgroup accounts for activities which are intended to provide non-instructional services for sales to students, staff and/or institutional departments, and which are supplemental to the educational and general objectives of the College.

Restricted Fund – The Restricted Fund is used to account for resources that are available for the operation and support of the educational program but which are restricted as to their use by donors or outside agencies.

Loan Funds – The Loan Funds are used to account for loans to students and are financed primarily by the federal government.

Plant Funds – The Plant Funds are used to account for transactions relating to investment in the College properties, and consist of the following self-balancing accounts:

Unexpended – This account is used to account for the unexpended resources derived from various sources for the acquisition or construction of plant assets, and retirement of principal and interest payments on plant indebtedness.

Investment in Plant – This account is used to account for the excess of the carrying value of plant assets over the related liabilities.

Custodial Funds – The Custodial Funds are used to account for assets held by the College in a custodial capacity or as an agent for others.

The Budgetary Comparison Schedule of Expenditures – Budget to Actual provides a comparison of the budget to actual expenditures for those funds and/or levies required to be budgeted. Since Iowa Central Community College uses Business Type Activities reporting, this budgetary comparison information is included as supplementary information.

Schedules presented in supplementary information are reported using the current financial resources measurement focus and the accrual basis of accounting with modifications for depreciation/amortization and other items included in the adjustments column. The schedule of revenues, expenditures and changes in fund balances is a schedule of financial activities related to the current reporting period. It does not purport to present the results of operations or net income or loss for the period as would a statement of income or a statement of revenues and expenses.

NOTES TO SUPPLEMENTARY INFORMATION (CONTINUED)

June 30, 2024

Note 2. Budgets and Budgetary Information:

The Board of Directors annually prepares a budget designating the proposed expenditures for operation of the College on a basis consistent with accounting principles generally accepted in the United States of America. Following required public notice and hearing, and in accordance with Chapter 260C of the Code of Iowa, the Board of Directors certifies the approved budget to the appropriate county auditors and then submits the budget to the State Board of Education for approval. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Formal and legal budgetary control is based on total operating expenditures.

Budgets are not required to be adopted for the Auxiliary Enterprises subgroup, Workforce Improvement Act, Scholarships and Grants Accounts, Loan Funds, Endowment Funds and Custodial Funds.

For the year ended June 30, 2024, the College's expenditures did not exceed the amount budgeted.

IOWA CENTRAL COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2024

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures	New Loans and New Loan Guarantees
Direct:				
U.S. Department of Education:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007		\$ 220,822	\$ -
Federal Direct Student Loans	84.268		-	11,974,082
Federal Work-Study Program	84.033		187,227	-
Federal Pell Grant Program	84.063		9,910,522	-
Total Student Financial Assistance Cluster			10,318,571	11,974,082
TRIO Student Support Services	84.042A	P042A200733-23	309,114	-
U.S. Department of Commerce:				
Economic Adjustment Assistance	11.307	05-79-06269	148,418	-
Total Direct			10,776,103	11,974,082
Indirect:				
U.S. Small Business Administration:				
Passed through Iowa State University of Science and Technology:				
Small Business Development Centers	59.037	026829F	35,781	-
U.S. Department of Education:				
Passed through Iowa Workforce Development:				
Adult Education - Basic Grants to States	84.002		237,820	-
Passed through Indian Hills Community College:				
CCTC Initiative Grant	84.116Z	20-6-5177-44	68,840	-

(Continued on next page)

IOWA CENTRAL COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended June 30, 2024

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures	New Loans and New Loan Guarantees
Indirect (Continued):				
U.S. Department of Education (continued):				
Passed through Iowa Department of Education:				
		G-PER 24-107,		
		G-PER 24-184,		
Career and Technical Education - Basic Grants to States	84.048	G-PER 24-111	\$ 616,458	\$ -
Career and Technical Education - Basic Grants to States	84.048A		7,500	-
			623,958	-
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126		37,888	-
			661,846	-
Passed through Iowa Department of Corrections:				
Title I State Agency Program for Neglected and Delinquent Children and Youth				
	84.013		102,000	-
Total Indirect			1,106,287	-
Total			\$ 11,882,390	\$ 11,974,082

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Iowa Central Community College under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Iowa Central Community College, it is not intended to and does not present the financial position, changes in financial position or cash flows of Iowa Central Community College.

Summary of Significant Accounting Policies – Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Iowa Central Community College made no subrecipient payments. Pass-through entity identifying numbers are presented where available.

Indirect Cost Rate – Iowa Central Community College has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

IOWA CENTRAL COMMUNITY COLLEGE



**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 Directors of
Iowa Central Community College
Fort Dodge, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business type activities and the fiduciary activities of Iowa Central Community College and its discretely presented component unit as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 11, 2024. The financial statements of Iowa Central Community College Foundation were not audited in accordance with *Government Auditing Standards*. This report on internal control over financial reporting and compliance and other matters does not include the results of the Iowa Central Community College Foundation's audit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Iowa Central Community College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Iowa Central Community College's internal control. Accordingly, we do not express an opinion on the effectiveness of Iowa Central Community College's internal control.

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

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

Report on Compliance and Other Matters

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

Comments involving statutory and other legal matters about Iowa Central Community College's operations for the year ended June 30, 2024 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of Iowa Central Community College. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Purpose of this Report

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

TrustPoint, LLP

Fort Dodge, Iowa
December 11, 2024



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

To the Board of Directors of
Iowa Central Community College
Fort Dodge, Iowa

Report on Compliance for Each Major Federal Program

Opinion on each Major Federal Program

We have audited Iowa Central Community College's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Iowa Central Community College's major federal programs for the year ended June 30, 2024. Iowa Central Community College's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Iowa Central Community College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

TrustPoint, LLP

Fort Dodge, Iowa
December 11, 2024

IOWA CENTRAL COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Part I: Summary of the Independent Auditor's Results

- (A) An unmodified opinion was issued on the financial statements prepared in accordance with accounting principles generally accepted in the United States of America.
- (B) No material weaknesses or significant deficiencies in internal control over financial reporting were disclosed by the audit of the financial statements.
- (C) The audit did not disclose any non-compliance that is material to the financial statements.
- (D) No material weaknesses or significant deficiencies in internal control over major programs were disclosed by the audit of the financial statements.
- (E) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (F) The audit disclosed no audit findings that were required to be reported in accordance with the Uniform Guidance, Section 200.516.
- (G) Major programs were as follows:
 - Student Financial Assistance Cluster
 - ▲ Assistance Listing Number 84.007 – Federal Supplemental Educational Opportunity Grants
 - ▲ Assistance Listing Number 84.268 – Federal Direct Student Loans
 - ▲ Assistance Listing Number 84.033 – Federal Work-Study Program
 - ▲ Assistance Listing Number 84.063 – Federal Pell Grant Program
 - Assistance Listing Number 84.042A – TRIO – Student Support Services
- (H) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (I) Iowa Central Community College qualified as a low-risk auditee.

Part II: Findings Related to the Financial Statements:

INSTANCES OF NONCOMPLIANCE:

No matters were reported.

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2024**

Part III: Findings and Questioned Costs for Federal Awards (Continued):

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

Part IV: Other Findings Related to Required Statutory Reporting:

- 2024-A Certified Budget - Expenditures for the year ended June 30, 2024 did not exceed the amount budgeted.
- 2024-B Questionable Expenditures - No expenditures we believe did not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- 2024-C Travel Expense - No expenditures of College money for travel expenses of spouses of College officials or employees were noted. No travel advances to College officials or employees were noted.
- 2024-D Business Transactions – Business transactions between the College and College officials are detailed below:

<u>Name, Title and Business Connection</u>	<u>Transaction Description</u>	<u>Amount</u>
Brandon Wessels, Board Member, President of Wessels Oil and shareholder of Byson Oil	Fuel purchases	\$ 83,566

In accordance with Chapter 279.70 of the Code of Iowa, the above transactions may represent a conflict of interest since the purchases were not competitively bid.

- 2024-E Restricted Donor Activity – No transactions were noted between the College, College officials, College employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- 2024-F Bond Coverage - Surety bond coverage of College officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.
- 2024-G Board Minutes - No transactions were found that we believe should have been approved in the Board minutes but were not.
- 2024-H Publication - The College published a statement showing the receipts and disbursements of all funds, including the names of all persons, firms or corporations to which disbursements were made, as required by Section 260C.14(12) of the Code of Iowa.
- 2024-I Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the College’s investment policy were noted.