Basis of Accounting and Budgeting, and Fund Descriptions

The accounting policies of William Rainey Harper College – Community District No. 512 (the College) conform to generally accepted accounting principles applicable to Government units and Illinois Community Colleges. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles. Financial statements are prepared on an accrual basis of accounting, which means that revenues are recorded when earned and expenditures when a liability is created, regardless of the accounting period in which cash payment is actually made.

The College budgets on the same basis as its financial reporting with the exception of depreciation. All capital asset purchases are budgeted as expenses, instead of budgeting for annual depreciation on those assets.

The College records budgets and corresponding transactions in the following funds:

- The Education, Operations and Maintenance Audit and Liability, Protection and Settlement Funds are considered the general operating funds of the College. These are funds that are tax-capped, for which local property taxes can be levied but are subject to the Property Tax Extension Limitation Law. By law, taxes in the Audit Fund are restricted only for the payment of auditing expenditures, and the Liability, Protections and Settlement Fund is restricted only for the payment of tort liability, unemployment insurance, and workers' compensation insurance and claims.

- The Auxiliary Enterprises Fund is an enterprise fund, used to account for operations that are financed and operated in a manner similar to private business enterprise. Examples recorded under this fund would be the Harper Store, Dining and Conference Services, and Continuing Education.

- The Restricted Purposes Fund is a special revenue fund, used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The majority of this fund accounts for grants and financial aid.

- The Bond and Interest Fund is a debt service fund, restricted to account for the accumulation of resources for and the payment of principal, interest and related costs.

- The Operations and Maintenance (Restricted) Fund is a capital projects fund, used to account for financial resources to be used for the acquisition or construction of major capital facilities.

- The Working Cash Fund is a permanent fund, of which only the accumulated earned interest may be transferred to other funds to meet one-time needs.

BUDGET PREPARATION PROCESS

Board Financial Guidelines

Balanced Budget

The Board shall strive to maintain a balanced budget in the Tax-Capped Funds, which consist of the Education Fund, Operations and Maintenance Fund, Audit Fund, and Liability, Protection and Settlement Fund. The term *balanced budget* shall apply only to the Tax-Capped Funds in the aggregate.

The other funds often support projects where funding is generated (i.e. bond sales) in one year and spent in succeeding years. Accumulated fund balances can be designated, when the need arises, for special one-time uses such as construction expenses, projects or special equipment purchases. This is considered good planning, and the budget shall still be considered balanced.

Unbalanced shall mean that the revenue coming into the fund is insufficient to pay all of the *operational or ongoing* expenses for that year.

Revenue Diversification

The Board shall continue to manage its three major sources of revenue: local government, tuition and fees, and state appropriations. The Board's most direct control is over tuition and fee revenue. The College shall continue to develop other revenue streams from bookstore, food service, continuing education, grants and other creative sources within the mission of the College to support the primary mission of the College.

Fees

The College charges other fees to support various services and activities, including student activities, registration fees, application fees, and distance learning fees. Course fees may be assessed as needed to offset the cost of specialized course materials or experiences consumed during the semester.

Use of One-time Revenue

The Board shall not use one-time revenues for ongoing expenditures but rather target these funds for one-time expenditures.

Use of Unpredictable Revenue

The College shall use the Auxiliary Enterprises Fund to record revenue and expenses from activities that are expected to break even or better and/or have unpredictable sources of revenue.

Expenses should be of a flexible nature and designed to rise and fall with the revenues. Programs or services that no longer break even must be restructured or discontinued.

Debt

The College will not exceed the debt limits set by state statute (2.875% of EAV) nor exceed bonding authority within the tax cap limits. See the other funds section of this document for more detail on debt and its limitations in Illinois.

Asset Inventory and Appraisal

The assets of the College are inventoried and/or appraised on a 5-year cycle. This includes the condition and value of the buildings and their contents. The result of this work, in conjunction with the Campus Master Plan, provides the basis for approval by the Board and submission to the State for funding through the Resource Allocation Management Program (RAMP) process.

Board Financial Policies

Tuition and Per Credit Hour Fees

Tuition is set by the Board. In December, 2015 the Board policy was amended to limit the annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students.

Board policy 07.01.04

Fund Balance Definition and Target

Fund balance will be defined as the dollars left in a fund at the end of a fiscal year. The College will support quality teaching and learning through sound financial practices consistent with maintaining a Aaa bond rating. This includes maintaining a fund balance in the Tax-Capped Funds between 40% and 60% of the budgeted annual expenditures.

Board policy 07.01.04

Accountability

The Board of Trustees shall receive a monthly report of the actual expenditures compared to the budget for each Tax-Capped Fund. The Board of Trustees shall also receive a monthly report of investments. The Board of Trustees shall maintain state required levels of Treasurer's Bonds.

Board policy 07.01.05

Annual Budget

An annual budget shall be developed in compliance with all applicable laws. The Board has designated the President and Executive Vice President of Finance and Administrative Services to prepare the annual tentative budget. The budget shall contain appropriate financial guidelines which are to be reviewed annually by the Board, in conjunction with adoption of the budget. No change to the financial guidelines can be made without Board approval. The budget shall be considered as an estimate of revenue to be received as well as a controlled spending plan for the ensuing year.

The tentative budget shall be filed with the Secretary of the Board and notice that the tentative budget is available for public inspection shall be published and a public hearing on the tentative budget shall be conducted on a timely basis in accordance with the law.

Board policy 07.01.07

Intra-fund Budget Transfers

Transfers may be approved from time to time between the various budget items in a fund, not to exceed in the aggregate ten percent of the total of such fund as set forth in the budget, in accordance with Section 3-20.1 of the Public Community College Act, 110 ILCS 805/3-20.1.

Such intra-fund budget transfers will be presented to the Board of Trustees for approval prior to the close of the fiscal year.

Board policy 07.01.11

Inter-fund Transfers

Transfers between various funds may be appropriate from time to time to the extent allowed by law. Such transfers will be presented to the Board of Trustees for approval prior to the completion of the annual financial audit.

Board policy 07.01.13

Investment of College Funds

All investments shall be made in accordance with the Illinois Public Funds Investment Act (30 ILCS 235/1 et seq.) as may be amended from time to time. All transactions involving College funds and related activity of any funds shall be administered in accordance with the provisions of this policy and the canons of the "prudent person" standard. The objectives will be the safety of principal, liquidity, return on investments, and maintaining the public's trust.

The full *Board policy 07.01.17* can be viewed online: Board Policy Manual

Insurance

The Board of Trustees shall provide for a program of risk management for the College consistent with all of the legal requirements pertaining thereto and consistent with the financial ability of the district. The Board shall purchase with College funds the type and amount of insurance necessary to protect itself as a corporate body, its individual members, its appointed officers, and its employees from financial loss arising out of any claim, demand, suit or judgment by reason of alleged negligence or other act resulting in accidental injury to any person or in property damage within or without the College buildings while the above named insured are acting in the discharge of their duties within the scope of their employment and/or under the direction of the Board.

The full *Board policy 07.01.19* can be viewed online: Board Policy Manual

Audit

The Board shall annually engage the services of a public accounting firm to conduct the annual independent external audit of the College's financial activities and to prepare the audit report required by state law to be submitted to the Board and to be filed with the ICCB by December 31 following the end of the College's fiscal year.

The full *Board policy 07.01.23* can be viewed online: Board Policy Manual

Budget Planning Calendar & Process

The creation of the annual budget begins in the fall with the development of the Five-Year Financial Plan. The Five-year Financial Plan is essential to helping the College navigate complex long-term challenges and opportunities. The Five-year Financial Plan aims to create a framework that allows the College and the Board of Trustees to examine the long-range financial implications of the many major financial decisions that must be made. The plan begins to define the strategies that are made operational in the budget. The Five-year Financial Plan is not intended to be a detailed line-item budget for five years, but rather, it is intended to provide a "broad-brush" overview of the financial position and the resulting impact of the many financial decisions that must be made.

The financial plan considers each of the College's major operating revenue sources and establishes the core assumptions for each revenue source that will be used in the annual budget. The major revenue sources are as follows:

> **Local Government** is the College's largest source of revenue. This includes revenue from individual property taxes, corporate property taxes (income tax collected from local businesses), and tuition chargebacks to other community colleges. Individual property taxes represent the majority of local government revenue and are subject to the Property Tax Limitation Law (PTELL), which limits the increase in the amount the College can receive to the lesser of 5% or the change in the consumer price index for all urban consumers (CPI-U).
>
> **Tuition and fees** are the second largest source of revenue. The Board sets these amounts, usually in February, according to Board policy 07.01.04. The policy limits annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students.
>
> **State Government** is a small source of revenue accounting for 6% of the College's Operating Budget. This revenue is delivered as a Base Operating Grant, based on enrollment and square footage, through the Illinois Community College Board (ICCB), and is subject to constraints in the State of Illinois' budget for education.

The Five-Year Financial Plan is also intended to look prospectively at expenditures, the means of financing those expenditures, and financial position over a longer period than the traditional one-year budget. The plan begins to define the strategies that are made operational in the budget.

Should a strategic gap exist, the College has three potential actions:
1. Reallocate resources to meet the plan's needs
2. Find new resources to carry out the plan
3. Change the plan

In addition to the major operating revenues, the plan also evaluates fund balance levels, debt capacity, and major construction plans.

Capital Budget Development (Facility Remodeling & Technology Requests)

For many, the first step in the annual budgeting process is determining facility-related expenses for the upcoming year. The request template is emailed to all employees with budget responsibilities in late October and due to Facilities in December. Requests are reviewed, area priorities are assessed, estimates are obtained, and requests to be considered are forwarded to the Executive Cabinet for final approval in April. Approved items are entered into the budget software by the Budget Office and submitted to Facilities Management in June for purchase during the next fiscal year.

Academic technology needs at Harper College are funded in part through the student technology fee. A portion of this revenue is set aside annually for one-time academic technology requests through the Provost's office. One-time academic technology requests may include additional hardware, programmatic software, or learning-based technology items, but do not include ongoing expenses such as licensing or software maintenance. Faculty and academic staff seeking to make a technology request are encouraged to contact their chair/coordinator and dean before completing an online Technology Purchase Request.

Operational Budget Development

Using the resourcing levels defined through the Five-Year Financial Plan, the Budget Office prepares the following year's Baseline Budget. Due to the College's strong financial position, the Baseline Budget has historically equaled the prior year's budget, excluding one-time funding or project-based budget items. However, if a projected funding shortfall exists, the Baseline Budget would be reduced to arrive at a structurally balanced budget.

Beginning in January, following the Baseline Budget's development, departments are tasked with developing their budget plans for the upcoming fiscal year in the College's Enterprise Performance Management Software (Oracle EPM). This plan should include the resources necessary to achieve departmental goals and meet operational needs. Baseline budgets are evaluated, and end users identify any anticipated increases or reductions in resource needs within the overall financial constraints of the Baseline Budget. If additional funding is required to support departmental goals and operational needs, departments detail those needs using the Requested Change Details functionality within the budget software.

Budget Proposal and Approval

During the final stage of the resource allocation efforts, the Executive Vice President (EVP) of Administration presents the proposed budget to the Board of Trustees.

By statute, the Board must make the proposed budget available for public inspection at least thirty (30) days before the Board's final approval. In June, the EVP presents the proposed budget to the Board of Trustees and makes it available to the public. In August, the public can comment on the proposed budget at a Public Hearing prior to the Board formally voting to adopt the proposed budget.

Budget Amendment

An amendment to the budget is required when transfers between programs or object groups within a fund exceed 10% of the fund's total budget. For example, if the Education Fund's budgeted expenditures are $95 million, the limit for transfers is $9.5 million for that fund. Transfers between funds after the budget is approved are also subject to this 10% limit.

A two-thirds vote of all the members of the Board is required to amend the budget. A process similar to adopting the original budget must be followed to pass an amendment to the annual budget. It begins with the Board adopting an additional or supplemental preliminary budget. This supplemental budget is then posted for public view for at least thirty days. After a two-thirds vote by the Board, the amendment is passed. The last step is to submit the amended budget to ICCB and the counties.

The following table summarizes the key budget process activities by month.

November	• Budget process begins with the development of the Five-Year Financial Plan • Course fees and recreational membership rates are reviewed • Facility remodeling and furniture requests are submitted
December	• Final course fee requests submitted to Provost • Executive Cabinet reviews the Five-Year Financial Plan • Facility remodeling and furniture requests closed for submission
January	• Five-Year Financial Plan presented to Board • Final CPI-U rate for estimated property taxes is published • HECA rate is determined as guidance for tuition increases • Budget software opened for department input
February	• Tuition and fee rates approved by Board • Budget software closed for department input
March - April	• Department budget proposals reviewed and prioritized by area leadership • Executive Cabinet reviews all budget requests • Budget revisions entered into budget software to arrive at the final budget proposal
May	• All funds summary of preliminary budget created
June	• Preliminary budget adopted at June Board meeting
August	• Budget adopted at August Board meeting • College Plan finalized
September	• Budget is submitted to Illinois Community College Board (ICCB), counties and Government Finance Officers Association (GFOA)

WILLIAM RAINEY HARPER COLLEGE

PLANNING CALENDAR FOR FISCAL YEAR 2027 BUDGET

FY2027 DUE DATE	ACTIVITY/TASK DESCRIPTION	RESPONSIBILITY	Task Category
09/28/25 Sun	Course fees review process begins	Deans	Course Fees
10/15/25 Wed	Begin developing Five Year Financial Plan	EVP	Preliminary Administrative Tasks
11/10/25 Mon	Begin submitting facility remodeling and furniture requests to Facilities Management	Departments	Facility Remodeling and Furniture Requests
11/14/25 Fri	EVP determines feasibility of mid-year exceptions for current year	EVP	Preliminary Administrative Tasks
11/17/25 Mon	Finance Committee reviews Five Year Financial Plan assumptions	Finance Committee	Preliminary Administrative Tasks
11/19/25 Wed	Board designates persons to prepare budget and adopts resolution for estimated tax levy	Board of Trustees	Preliminary Administrative Tasks
12/01/25 Mon	Proposed course fee changes due to Provost	Deans	Course Fees
12/10/25 Wed	EVP provides initial budget parameters to Executive Cabinet	EVP	Preliminary Administrative Tasks
12/10/25 Wed	Executive Vice President (EVP) presents preliminary Five Year Financial Plan to Executive Cabinet	EVP	Preliminary Administrative Tasks
12/15/25 Mon	Budget instructions and calendar available on Harper Intranet Portal	Budget Manager	Preliminary Administrative Tasks
12/19/25 Fri	Final day to submit facility remodeling/furniture requests for estimates to Facilities Management	Departments	Facility Remodeling and Furniture Requests
12/19/25 Fri	Proposed course fee budget due to Accounting Services	Deans	Course Fees
01/02/26 Fri	Proposed course fee changes finalized by Provost	Deans	Course Fees
01/14/26 Wed	EVP presents Five Year Financial Plan to Board	EVP	Preliminary Administrative Tasks
01/15/26 Thu	Budget information session (recording will be made available)	Assistant Controller	Budget Preparation and Software Input
01/15/26 Thu	Initial budget set-up completed in preparation for training	Assistant Controller	Budget Preparation and Software Input
01/15/26 Thu	Budget Software training begins (Offered weekly)	Budget Office	Budget Preparation and Software Input
01/15/26 Thu	Budget software opened for input by departments	Budget Manager	Budget Preparation and Software Input
01/16/26 Fri	Compiled lists of furniture and facility requests sent to Executive Cabinet member for preliminary review and prioritization	Facilities Management	Facility Remodeling and Furniture Requests
01/19/26 Mon	Budget information session (recording will be made available)	Assistant Controller	Budget Preparation and Software Input
01/26/26 Mon	Finance Committee reviews tuition and fees recommendation from EVP	Finance Committee	Preliminary Administrative Tasks
01/26/26 Mon	Finance Committee reviews initial budget parameters from Controller	Finance Committee	Preliminary Administrative Tasks
01/30/26 Fri	Preliminary reviewed and prioritized list of furniture and facility requests to Facilities Management for estimating	Executive Cabinet member	Facility Remodeling and Furniture Requests
01/30/26 Fri	Final day date for entering Dean's List Technology Requests (TR) to be considered during budget cycle	Departments	Technology Requests
02/18/26 Wed	EVP presents recommendation for tuition and fees to Committee of the Whole	EVP	Preliminary Administrative Tasks
02/20/26 Fri	Database of Dean's List Projects/Technology Requests (TR) completed; Feedback Summary Report sent to Associate Provost	IT/CS	Technology Requests
02/25/26 Wed	Board of Trustees vote on tuition and fees	Board of Trustees	Preliminary Administrative Tasks
02/27/26 Fri	Budget software closed for input for all funds	Budget Manager	Budget Preparation and Software Input
03/02/26 Mon	Career and Technical Education grant requests submitted to the Perkins Administrator (Dean of Career and Technical Programs)	Deans/Directors	Perkins Grant Requests
03/02/26 Mon	Divisional budget proposal meetings begin	Controller	Budget Preparation and Software Input
03/06/26 Fri	Completed estimates for facility remodeling/furniture requests returned for Executive Cabinet member approval	Facilities Management	Facility Remodeling and Furniture Requests
03/13/26 Fri	Resources for Excellence Grant requests submitted to Foundation	Deans/Directors	Resources for Excellence Grant Requests
03/13/26 Fri	Dean's List Projects/Technology Requests (TR) prioritized by area & resubmitted to Provost	Provost Divisions	Technology Requests
03/13/26 Fri	Executive Cabinet member reviews budget proposals and prioritizes for their area	Executive Cabinet member	Budget Preparation and Software Input
03/17/26 Tue	Approved Dean's List Projects/Technology Requests (TR) list submitted to IT/CS	Provost	Technology Requests
03/20/26 Fri	Executive Cabinet member submits technology, furniture, and facility remodeling requests for their area to Budget Manager	Executive Cabinet member	Budget Preparation and Software Input
03/20/26 Fri	Divisional budget proposal meetings end	Controller	Budget Preparation and Software Input

WILLIAM RAINEY HARPER COLLEGE

PLANNING CALENDAR FOR FISCAL YEAR 2027 BUDGET

FY2027 DUE DATE	ACTIVITY/TASK DESCRIPTION	RESPONSIBILITY	Task Category
04/01/26 Wed	All budget proposals blended and submitted to Executive Vice President for Executive Cabinet budget meeting	Assistant Controller	Budget Preparation and Software Input
04/01/26 Wed	Executive Cabinet preliminary review of all blended budget proposals	Executive Cabinet	Budget Preparation and Software Input
04/08/26 Wed	Executive Cabinet final review of all blended budget proposals	Executive Cabinet	Budget Preparation and Software Input
04/08/26 Wed	Controller presents budget parameters to Committee of the Whole	Controller	Preliminary Administrative Tasks
04/10/26 Fri	Budget proposal modifications communicated to departments	Controller	Budget Preparation and Software Input
05/15/26 Fri	Resources for Excellence Grant awards communicated to recipients	Foundation	Resources for Excellence Grant Requests
05/18/26 Mon	Board exhibit due to EVP for preliminary legal budget	Controller	Final Administrative Tasks
05/29/26 Fri	Approved facility remodeling and furniture requests submitted to Facilities Management for scheduling	Controller	Final Administrative Tasks
06/10/26 Wed	Preliminary budget presentation to Board at Committee of the Whole meeting	Controller	Final Administrative Tasks
06/17/26 Wed	Board of Trustees adopts preliminary budget	Board of Trustees	Final Administrative Tasks
06/19/26 Fri	Legal budget posted for public view	Controller	Final Administrative Tasks
08/19/26 Wed	Public hearing and Board adoption of the legal budget (minimum 30 days after posting)	Board of Trustees	Final Administrative Tasks
08/28/26 Fri	All materials for College Plan document in final form	IE/Budget Manager	Final Administrative Tasks
08/31/26 Mon	Electronic draft of College Plan submitted for Board review	Board Liaison	Final Administrative Tasks
09/07/26 Mon	College Plan to print shop for proof copies	IE/Budget Manager	Final Administrative Tasks
10/02/26 Fri	Final bound version of College Plan distributed to Board	Board Liaison	Final Administrative Tasks
10/05/26 Mon	Submit budget to ICCB and counties	EVP	Final Administrative Tasks
11/02/26 Mon	Submit College Plan to GFOA for budget awards program	Budget Manager	Final Administrative Tasks

*8/19/2026 Date is tentative, pending approval of FY27 Board Calendar

Fiscal Year 2027 Budget Summary

Each year the budget is guided by the Five-Year Financial Plan, which was presented to the Board of Trustees for fiscal years 2027-2031 in January 2026. Preliminary estimates are used in the financial plan for revenue and expenditure lines, based on various assumptions over that five-year period. To develop the current year's budget, the College uses historical trend analysis, known external factors, conservative estimates, and assumptions based on current economic conditions.

The College has emerged from the pandemic strong, reversing the downward enrollment trend. The College continues to limit its reliance on State funding with state revenues only accounting for 6.5% of Tax-Capped Fund revenues. The State's financial challenges has placed pressure on the College's other revenue sources of property taxes and tuition and fees. Caps on property taxes limit the ability to raise additional funds from that source, and Board policy and state statute limit tuition and per credit hour fee rate increases. The College continues to look for ways to contain costs to maintain a balanced budget.

The following comments refer to the combined Tax-Capped Funds budgets, the main operating funds for the College. These include the Education, Operations & Maintenance, Audit and Liability, Protection, and Settlement Funds.

Tax-Capped Fund Revenues

The Tax-Capped Funds have three major sources of revenue: local government, tuition and fees, and state government. Budgeted revenues for FY 2027 are $154.8 million compared to a budget of $154.6 million for FY 2026. This represents an increase of $0.2 million, or 0.1%. The $2.3 million increase in local government and the $1.4 million increase in tuition and fees are offset by decreases in the remaining revenue categories, with investment income declining most significantly by $1.9 million.

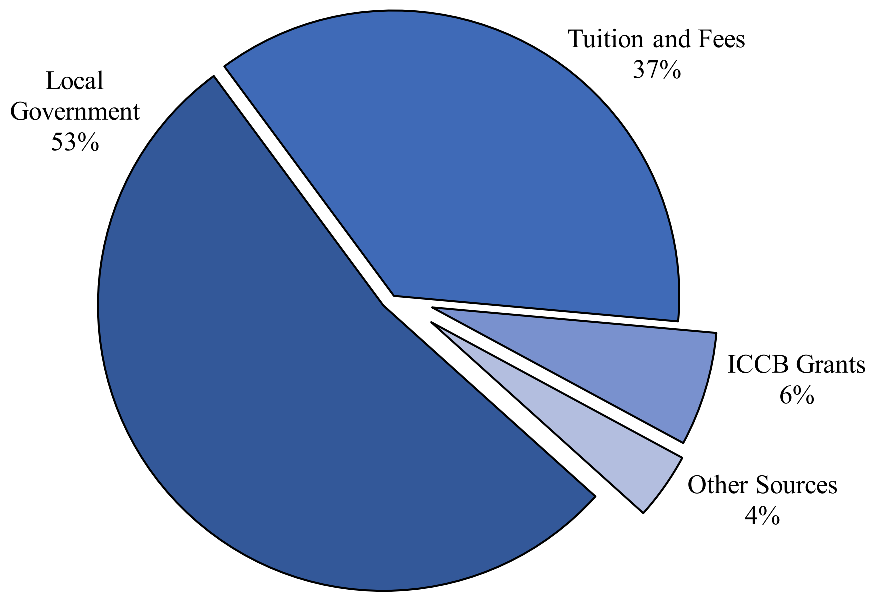
Tax-Capped Fund Expenditures

Building the expenditure side of a budget is a coordinated process across all College departments. The Tax-Capped Funds have budgeted expenditures of $152.8 million and $2.0 million of planned net transfers. Compared to the expenditure budget of $144.8 million for FY 2026, this represents an increase of $8.0 million, or 5.5%, driven primarily by increases in salaries, employee benefits, and inflationary cost increases across the College's other primary expenditure categories.

Tax-Capped Excess of Revenue over Expenditures

The College achieved a balanced budget in the Tax-Capped Funds for FY 2027.

Revenues by Source



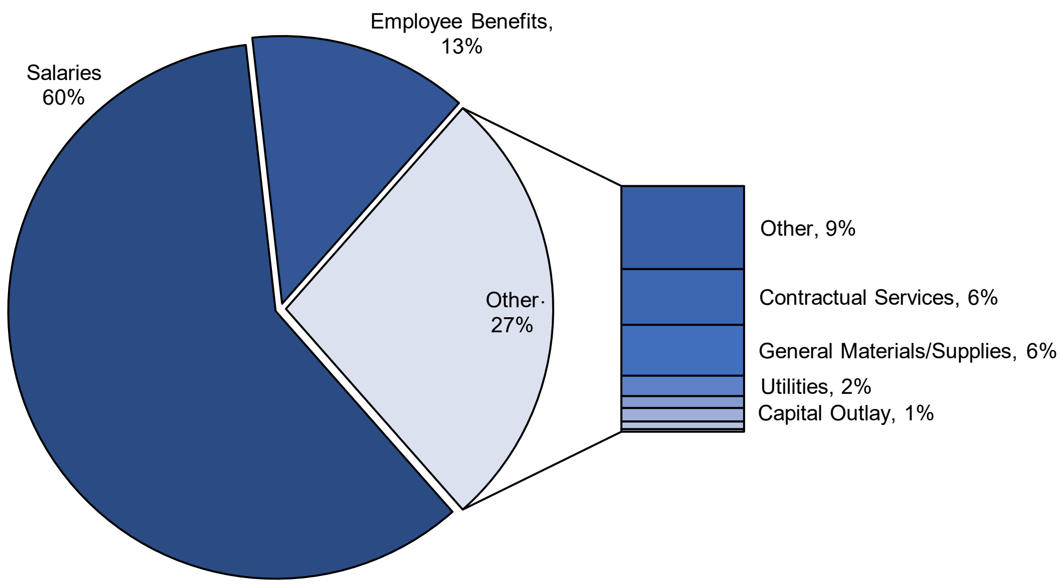
Local government represents 53% of the total budgeted revenues for the Tax-Capped Funds. The majority of this is property tax revenue, which is capped at 5% of the prior year tax extension, or the Consumer Price Index-Urban (CPI-U), whichever is less, plus any new property coming onto the tax rolls. Overall local revenues will increase from $80.1 million in FY 2026 to $82.4 million in FY 2027, a 2.8% increase.

Tuition and fees make up 37% of total budgeted revenues. The budget includes a $4.25 per credit hour tuition rate increase. Enrollment is budgeted to increase by 1.2% in FY 2027. Budgeted tuition and fees for the Tax-Capped Funds increased $1.4 million compared to the FY 2026 Budget due to the tuition rate and enrollment increases.

State funding (ICCB Grants) represents 6% of total budgeted revenues. Due to the uncertainty of State funding, the FY 2027 budget has been decreased by 9.1% when compared to the FY 2026 budget, or by $1.0 million.

Other sources make up 4% of total revenues. This category includes investment revenue, sales and service fees, facility rentals, and indirect cost revenue. Investment revenue has declined by $1.9 million when compared to the prior year.

Expenditure Uses by Object



Salaries and Employee Benefits represent 73% of the College's expenditures. Approximately 80% of the College's salary expenditures are covered by collective bargaining agreements. The College has estimated the calendar year 2027 medical insurance rates to increase 10%. Combined salaries and benefits budgets have increased from $105.7 million in FY 2026 to $111.6 million in FY 2027, or approximately 5.5%.

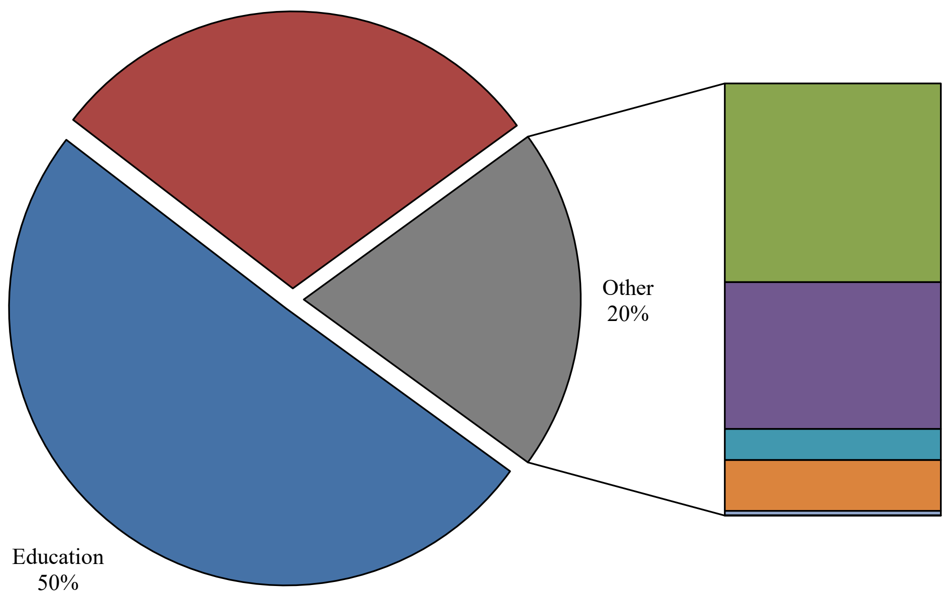
All other expenditures, which include contractual services, materials and supplies, travel and meeting, fixed charges, utilities, capital outlay, contingency and other, combined for an increase from $39.1 million in FY 2025 to $41.2 million in FY 2027, or 5.6%. This increase is due to inflationary cost increases, the operationalization of activities previously supported by restricted funds, and the college's implementation of its new student success model in FY 2026.

All Funds Overview
Fiscal Year 2027 Budget

	Tax Capped										
	Education	Operations and Maintenance	Audit	Liability Protection and Settlement	Total Tax-Capped Funds	Auxiliary Enterprises	Restricted Purposes	Working Cash	Bond and Interest	Operations and Maintenance (Restricted)	Total All Funds
REVENUES											
Local Government	$ 66,255,571	$ 16,065,680	$ 18,906	$ 18,906	$ 82,359,063	$ -	$ -	$ -	$ 24,387,966	$ 45,000	$ 106,792,029
ICCB Grants	9,996,279	-	-	-	9,996,279	-	6,762,706	-	-	-	16,758,985
All Other State Government [1]	-	-	-	-	-	-	55,856,531	-	-	-	55,856,531
Federal Government	20,000	-	-	-	20,000	-	17,059,502	-	-	-	17,079,502
Tuition and Fees	54,655,879	1,930,000	-	-	56,585,879	3,084,313	-	-	-	500,000	60,170,192
Sales and Services	450,000	-	-	-	450,000	2,037,055	-	-	-	-	2,487,055
Facilities Rental	-	37,400	-	-	37,400	606,240	-	-	-	-	643,640
Other Sources	5,000,000	350,000	-	-	5,350,000	635,980	344,750	550,000	500,000	3,350,000	10,730,730
Total Revenues	136,377,729	18,383,080	18,906	18,906	154,798,621	6,363,588	80,023,489	550,000	24,887,966	3,895,000	270,518,664
EXPENDITURES											
Instruction	51,382,238	-	-	-	51,382,238	25,000	2,334,034	-	-	-	53,741,272
Academic Support	13,357,674	-	-	-	13,357,674	-	1,945,574	-	-	-	15,303,248
Student Services	18,399,914	-	-	-	18,399,914	949,596	3,284,039	-	-	-	22,633,549
Public Service	337,207	-	-	-	337,207	2,934,281	140,000	-	-	-	3,411,488
Auxiliary Services	-	-	-	-	-	4,003,398	-	-	-	-	4,003,398
Operations and Maintenance	-	17,611,313	-	-	17,611,313	37,500	900,000	-	-	-	18,548,813
Institutional Support[1]	36,535,424	2,806,650	18,906	18,906	39,379,886	220,000	74,303,912	-	23,531,013	212,304,180	349,738,991
Scholarships, Student Grants, and Waivers	12,346,449	-	-	-	12,346,449	-	18,681,686	-	-	-	31,028,135
Total Expenditures	132,358,906	20,417,963	18,906	18,906	152,814,681	8,169,775	101,589,245	-	23,531,013	212,304,180	498,408,894
Excess (Deficiency) of Revenue over Expenditures	4,018,823	(2,034,883)	-	-	1,983,940	(1,806,187)	(21,565,756)	550,000	1,356,953	(208,409,180)	(227,890,230)
Other financing sources(uses)											
Proceeds from bond issue	-	-	-	-	-	-	-	-	-	5,000,000	5,000,000
Transfers(to) from other funds	(1,983,940)	-	-	-	(1,983,940)	193,940	(12,126,000)	-	(8,000,000)	21,916,000	-
Total other financing sources	(1,983,940)	-	-	-	(1,983,940)	193,940	(12,126,000)	-	(8,000,000)	26,916,000	5,000,000
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	2,034,883	(2,034,883)	-	-	-	(1,612,247)	(33,691,756)	550,000	(6,643,047)	(181,493,180)	(222,890,230)
Projected Fund Balance July 1, 2026	67,962,073	9,192,132	-	-	77,154,205	10,874,088	42,243,324	20,046,511	17,967,956	183,245,960	351,532,044
Projected Fund Balance June 30, 2027	$ 69,996,956	$ 7,157,249	$ -	$ -	$ 77,154,205	$ 9,261,841	$ 8,551,568	$ 20,596,511	$ 11,324,909	$ 1,752,780	$ 128,641,814
							$ 40,000,000				

[1] Includes contributions made on-behalf of the College to pension and OPEB plans.

Fiscal Year 2027 Revenues by Fund[1]



[1]Working Cash, Audit, and Liability Portection and Settlement Fund were excluded from chart because each account for less than 0.25% of total revenues.

Note:
All decreases in fund balance were planned and the money was reserved in prior years. The following footnotes indicate the use of the money in the current year.

Operations and Maintenance: Planned use of fund balance
Auxiliary Enterprises: Planned use of fund balance
Restricted Purposes: Planned use of fund balance for strategic and student initiatives, technology projects, and projects budgeted in prior year but not expended
Operations and Maintenance (Restricted): Planned use for capital projects

All Funds
Expenditures by Object
Fiscal Year 2027 Budget

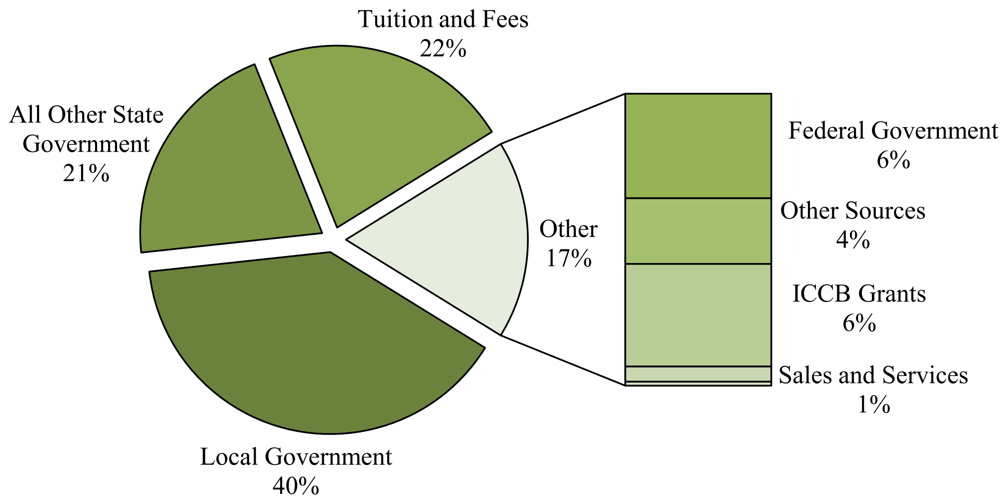
	Tax Capped									
	Education	Operations and Maintenance	Audit	Liability Protection and Settlement	Total Tax-Capped Funds	Auxiliary Enterprises	Restricted Purposes	Bond and Interest	Operations and Maintenance (Restricted)	Total All Funds
EXPENDITURES										
Salaries	$ 82,707,981	$ 8,559,062	$ -	$ -	$ 91,267,043	$ 2,716,532	$ 4,050,137	$ -	$ -	$ 98,033,712
Employee Benefits [1]	17,490,602	2,794,210	-	18,906	20,303,718	543,547	40,485,875	-	-	61,333,140
Contractual Services	6,701,036	2,632,741	18,906	-	9,352,683	2,499,339	6,997,480	-	30,121,384	48,970,886
General Materials/Supplies	7,400,033	1,137,935	-	-	8,537,968	849,638	1,704,892	-	-	11,092,498
Travel and Meeting	2,212,049	50,131	-	-	2,262,180	149,545	696,363	-	-	3,108,088
Fixed Charges	649,017	639,049	-	-	1,288,066	31,700	231,133	23,525,513	75,000	25,151,412
Utilities	1,120	3,427,335	-	-	3,428,455	65,000	48,885	-	-	3,542,340
Capital Outlay	832,641	1,167,500	-	-	2,000,141	767,195	5,967,035	-	169,982,796	178,717,167
Other	13,939,427	10,000	-	-	13,949,427	547,279	41,407,445	5,500	125,000	56,034,651
Contingency	425,000	-	-	-	425,000	-	-	-	12,000,000	12,425,000
Total Expenditures	$132,358,906	$ 20,417,963	$ 18,906	$ 18,906	$ 152,814,681	$ 8,169,775	$ 101,589,245	$ 23,531,013	$ 212,304,180	$ 498,408,894

[1] Includes contributions made on-behalf of the College to pension and OPEB plans.

$ 40,000,000

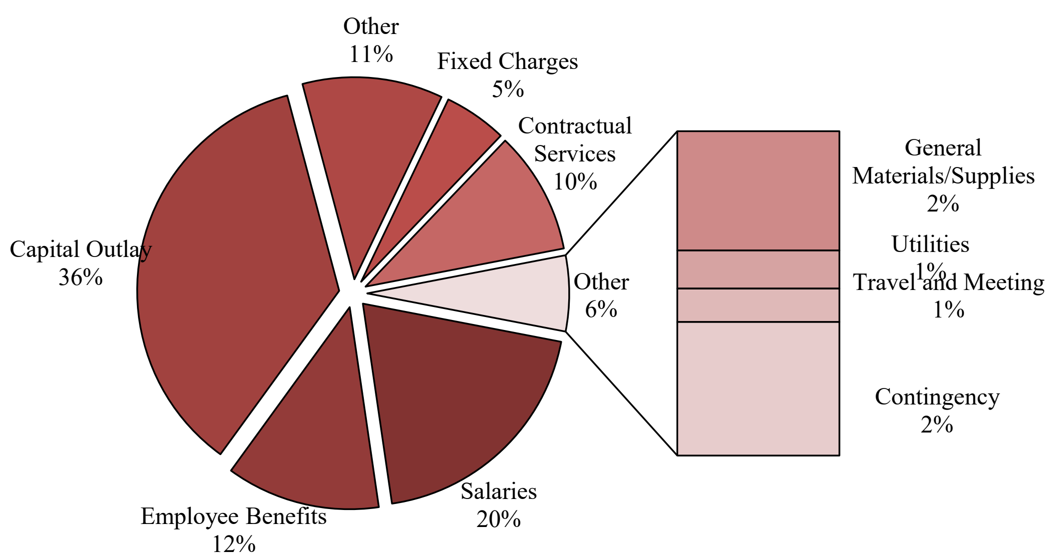
REVENUE SOURCES AND EXPENDITURE USES
All Funds
Fiscal Year 2027 Budget

Revenues by Source



Note: Facilities Rental was excluded from chart because each account for less than 0.25% of total revenues.

Expenditure Uses by Object



All Funds
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 101,487,930	$ 97,875,336	$ 104,771,679	$ 105,814,433	$ 106,792,029	39.5%	1.9%
ICCB Grants	12,347,752	13,261,768	13,770,224	12,806,005	16,758,985	6.2%	21.7%
All Other State Government [1]	53,818,000	26,286,385	54,536,000	39,455,937	55,856,531	20.6%	2.4%
Federal Government	19,532,183	22,065,918	18,878,267	22,489,424	17,079,502	6.3%	-9.5%
Tuition and Fees	55,518,061	56,278,750	58,547,220	57,372,783	60,170,192	22.2%	2.8%
Sales and Services	2,090,328	2,573,270	2,425,755	2,372,328	2,487,055	0.9%	2.5%
Facilities Rental	583,075	570,962	606,408	625,744	643,640	0.2%	6.1%
Other Sources	16,831,880	16,032,127	18,677,580	12,166,340	10,730,730	4.0%	-42.5%
Total Revenues	262,209,209	234,944,516	272,213,133	253,102,994	270,518,664	100.0%	-0.6%
EXPENDITURES							
Instruction	48,733,750	58,190,703	51,285,394	64,309,701	53,741,272	10.8%	4.8%
Academic Support	18,172,895	17,201,959	17,985,051	19,405,652	15,303,248	3.1%	-14.9%
Student Services	19,413,892	19,448,129	22,015,564	23,103,254	22,633,549	4.5%	2.8%
Public Service	3,449,001	3,971,054	3,319,606	4,080,634	3,411,488	0.7%	2.8%
Auxiliary Services	2,511,779	2,438,440	3,594,750	2,471,913	4,003,398	0.8%	11.4%
Operations and Maintenance	16,776,939	18,092,975	18,039,470	20,697,679	18,548,813	3.7%	2.8%
Institutional Support[1]	178,993,631	90,748,700	263,173,781	96,484,594	349,738,991	70.2%	32.9%
Scholarships, Student Grants, and Waivers	30,417,281	35,994,475	31,334,828	36,095,952	31,028,135	6.2%	-1.0%
Total Expenditures	318,469,168	246,086,435	410,748,444	266,649,379	498,408,894	100.0%	21.3%
Excess (Deficiency) of Revenue over Expenditures	(56,259,959)	(11,141,919)	(138,535,311)	(13,546,385)	(227,890,230)		-64.5%
Other financing sources(uses)							
Proceeds from bond issue	-	4,953,594	-	-	5,000,000		
Total Other Financing Sources	-	4,953,594	-	-	5,000,000		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(56,259,959)	(6,188,325)	(138,535,311)	(13,546,385)	(222,890,230)		-60.9%
BEGINNING FUND BALANCE	371,266,755	371,266,755	365,078,430	365,078,430	351,532,044		-3.7%
ENDING FUND BALANCE	$ 315,006,796	$ 365,078,430	$ 226,543,119	$ 351,532,045	$ 128,641,814		-43.2%

[1] Includes contributions made on-behalf of the College to pension and OPEB plans. The SURS OPEB on behalf payment is excluded from the FY 2026 Projections because those figures have not been released by the State at the time of this publication.

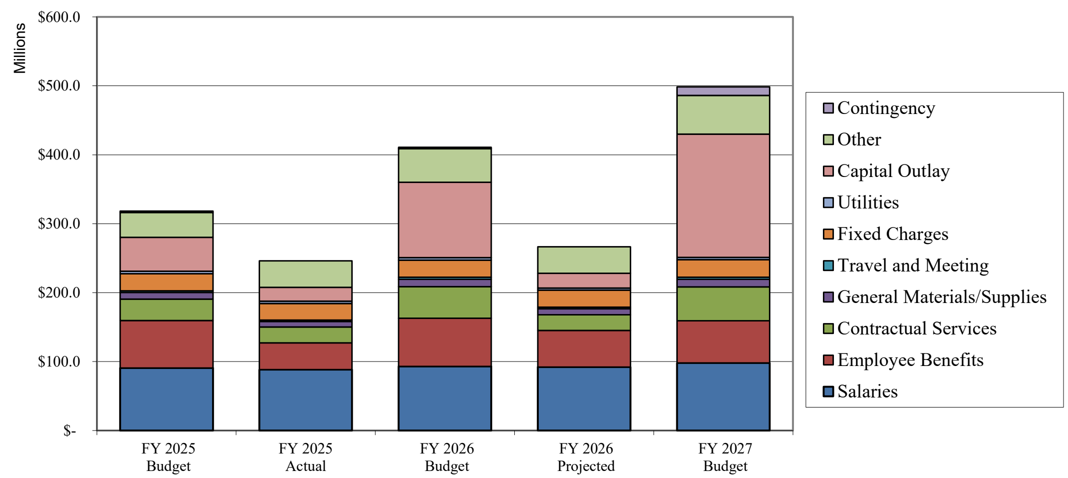
On-Behalf Payment Amounts	$ 50,000,000	$ 20,925,172	$ 50,000,000	$ 33,915,753	$ 40,000,000

All Funds
Expenditures by Object

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
Salaries	$ 90,684,447	$ 88,374,827	$ 93,031,072	$ 91,891,762	$ 98,033,712	19.7%	5.4%
Employee Benefits[1]	68,791,044	38,884,561	69,752,891	53,362,998	61,333,140	12.3%	-12.1%
Contractual Services	31,063,880	22,928,081	46,070,018	22,661,822	48,970,886	9.8%	6.3%
General Materials/Supplies	9,849,256	7,882,098	10,597,272	8,779,490	11,092,498	2.2%	4.7%
Travel and Meeting	2,362,796	2,099,192	3,106,915	2,214,301	3,108,088	0.6%	0.0%
Fixed Charges	24,660,601	24,246,661	24,666,593	24,624,992	25,151,412	5.0%	2.0%
Utilities	3,518,678	3,063,083	3,553,940	3,310,462	3,542,340	0.7%	-0.3%
Capital Outlay	49,331,040	20,155,878	109,285,927	21,126,402	178,717,168	35.9%	63.5%
Other	36,207,426	38,452,054	48,683,816	38,677,150	56,034,650	11.2%	15.1%
Contingency	2,000,000	-	2,000,000	-	12,425,000	2.5%	521.3%
Total Expenditures	$ 318,469,168	$ 246,086,435	$ 410,748,444	$ 266,649,379	$ 498,408,894	100.0%	21.3%

1The SURS OPEB on behalf payment is excluded from the FY 2026 Projections because those figures have not been released by the State at the time of this publication.

On-Behalf Payment Amounts	$ 50,000,000	$ 20,925,172	$ 50,000,000	$ 33,915,753	$ 50,000,000



Tax-Capped Funds Descriptions

Funds for which local property taxes can be levied, subject to the Illinois Property Tax Extension Limitation Law

Education Fund (0001)

The Education Fund is established by Section 103-1 of the Illinois Public Community College Act. The statutory maximum tax rate for the Education Fund is 75 cents per $100 of equalized assessed valuation for community college districts in cities with less than 500,000 inhabitants.

The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the College. It includes the cost of instructional, administrative and professional salaries; supplies and equipment; library books and materials; maintenance of instructional and administrative equipment; and other costs pertaining to the educational program of the College. (See Sections 103-20.3 and 107-18 of the Illinois Public Community College Act.)

The local Board of Trustees may make a determination within the budget for the distribution of unrestricted revenues other than local property taxes among the operating funds, i.e., the Education Fund, the Operations and Maintenance Fund, and the Public building Commission Operation and Maintenance Fund.

Operations and Maintenance Fund (0002)

The Operations and Maintenance Fund is established by Section 103-1 and Section 103-20.3 of the Illinois Public Community College Act. The statutory maximum tax rate is set at 10 cents per $100 equalized assessed valuation for community college districts in cities with less than 500,000 inhabitants.

This fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, or repair, replacement, and maintenance of building fixtures; rental of buildings and property for community college purposes; payment of all premiums for insurance upon buildings and building fixtures; salaries of janitors, engineers, or other custodial employees; all costs of fuel, lights, gas, water, telephone service, custodial supplies, and equipment; and professional surveys of the condition of College buildings. (See Section 103-20.3 of the Illinois Public Community College Act.) The local Board of Trustees of any district may make a determination within the budget for the distribution of unrestricted revenues other than local property taxes among the operating funds, i.e., the Education Fund or the Operations and Maintenance Fund.

Audit Fund (0011)

The Audit Fund is established by Chapter 85, Section 709 of the Illinois revised Statutes for recording the payment or auditing expenses. The audit tax levy should be used only for the payment of auditing expenses.

Liability, Protection and Settlement Fund (0012)

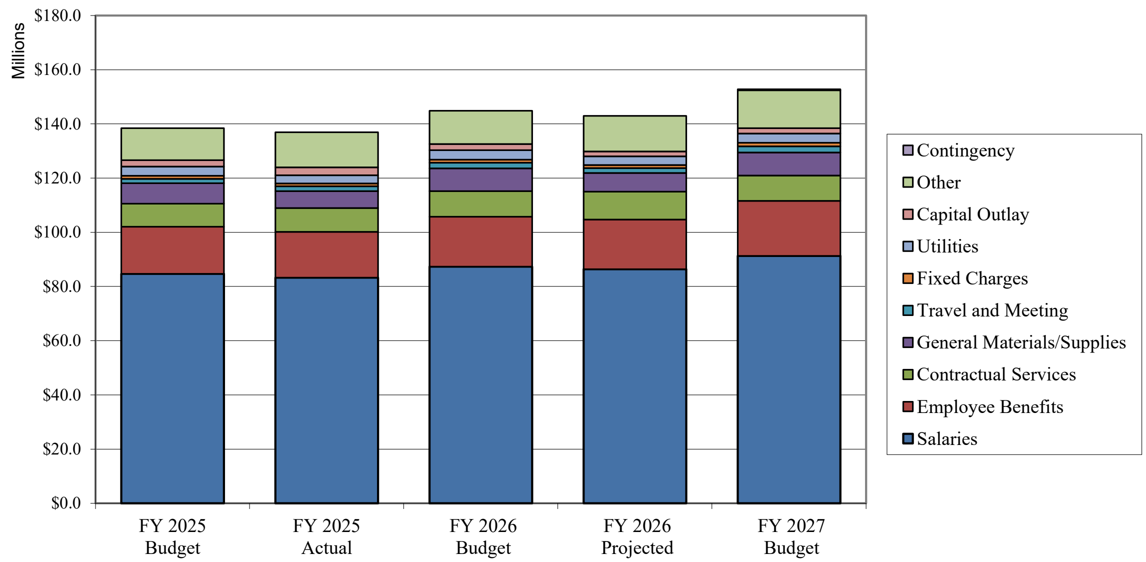
This fund is established by Chapter 85, Section 9-107 of Illinois Revised Statutes. The tort liability, unemployment insurance and worker’s compensation levy should be recorded in this fund. The monies in this fund, including interest earned on the assets of this fund, should be used only for the purposes authorized under Section 9-107, i.e., the payment of tort liability, unemployment or workers’ compensation insurance or claims.

Tax-Capped Funds
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 77,449,190	$ 74,556,777	$ 80,083,940	$ 80,637,702	$ 82,359,063	53.2%	2.8%
ICCB Grants	8,498,618	10,992,960	10,992,305	10,499,885	9,996,279	6.5%	-9.1%
Federal Government	20,000	19,225	20,000	20,450	20,000	0.0%	0.0%
Tuition and Fees	52,101,000	53,106,649	55,163,296	53,836,427	56,585,879	36.6%	2.6%
Sales and Services	807,000	1,097,952	955,000	1,047,255	450,000	0.3%	-52.9%
Facilities Rental	35,400	35,170	35,400	35,325	37,400	0.0%	5.6%
Other Sources	6,200,000	6,701,114	7,340,000	4,648,098	5,350,000	3.5%	-27.1%
Total Revenues	145,111,208	146,509,847	154,589,941	150,725,142	154,798,621	100.0%	0.1%
EXPENDITURES							
Instruction	47,021,450	46,709,477	49,497,037	47,601,735	51,382,238	33.6%	3.8%
Academic Support	12,829,903	11,568,961	13,830,895	12,287,163	13,357,674	8.7%	-3.4%
Student Services	16,219,196	14,842,547	17,661,453	15,873,320	18,399,914	12.0%	4.2%
Public Service	339,602	322,433	333,263	259,487	337,207	0.2%	1.2%
Operations and Maintenance	16,772,171	16,423,599	18,001,970	17,595,219	17,611,313	11.5%	-2.2%
Institutional Support	34,494,156	35,968,046	34,009,694	38,058,149	39,379,886	25.8%	15.8%
Scholarships, Student Grants, and Waivers	10,756,258	11,045,055	11,475,640	11,324,848	12,346,449	8.1%	7.6%
Total Expenditures	138,432,736	136,880,118	144,809,952	142,999,921	152,814,681	100.0%	5.5%
Excess (Deficiency) of Revenue over Expenditures	6,678,472	9,629,729	9,779,989	7,725,221	1,983,940		-79.7%
Other financing sources(uses)							
Transfers(to) from other funds	(2,257,113)	(9,004,140)	(5,044,016)	(2,319,940)	(1,983,940)		60.7%
Total Other Financing Sources	(2,257,113)	(9,004,140)	(5,044,016)	(2,319,940)	(1,983,940)		60.7%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	4,421,359	625,589	4,735,973	5,405,281	-		
BEGINNING FUND BALANCE	71,123,335	71,123,335	71,748,924	71,748,924	77,154,205		7.5%
ENDING FUND BALANCE	$ 75,544,694	$ 71,748,924	$ 76,484,897	$ 77,154,205	$ 77,154,205		0.9%

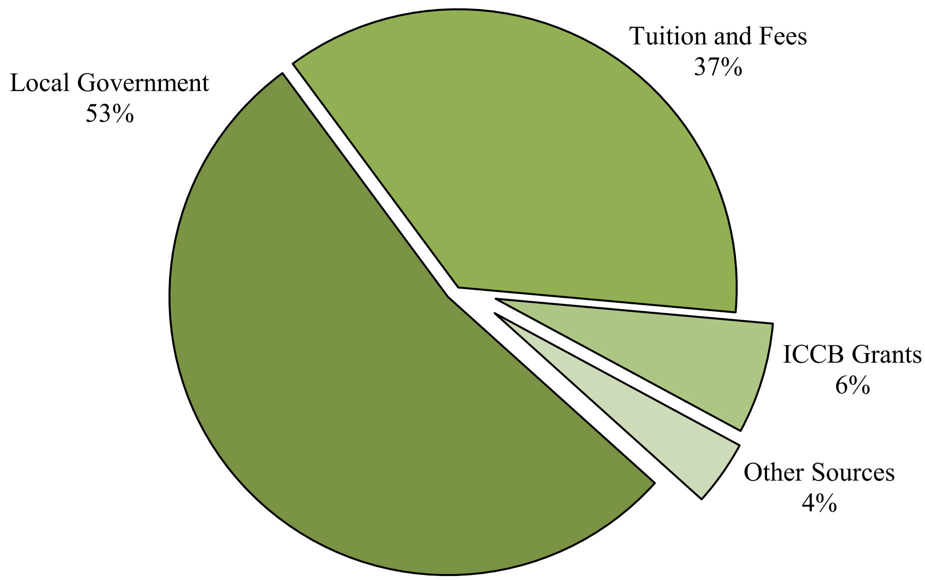
Tax-Capped Funds
Expenditures by Object

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Total	Budget % Change FY 2026 to FY 2027
Salaries	$ 84,696,283	$ 83,260,402	$ 87,285,568	$ 86,364,414	$ 91,267,043	59.72%	4.6%
Employee Benefits	17,384,980	16,874,874	18,462,839	18,348,594	20,303,718	13.29%	10.0%
Contractual Services	8,473,499	8,776,387	9,457,330	10,279,138	9,352,683	6.12%	-1.1%
General Materials/Supplies	7,528,403	6,319,277	8,362,335	6,922,831	8,537,968	5.59%	2.1%
Travel and Meeting	1,622,117	1,750,287	2,136,998	1,768,885	2,262,180	1.48%	5.9%
Fixed Charges	1,124,930	1,064,723	1,124,830	1,097,320	1,288,066	0.84%	14.5%
Utilities	3,425,255	3,023,212	3,445,055	3,278,560	3,428,455	2.24%	-0.5%
Capital Outlay	2,329,448	2,904,269	2,261,064	1,730,305	2,000,142	1.31%	-11.5%
Other	11,847,821	12,906,687	12,273,933	13,209,874	13,949,426	9.13%	13.7%
Contingency	-	-	-	-	425,000	0.28%	0.0%
Total Expenditures	$ 138,432,736	$ 136,880,118	$ 144,809,952	$ 142,999,921	$ 152,814,681	100.00%	5.5%

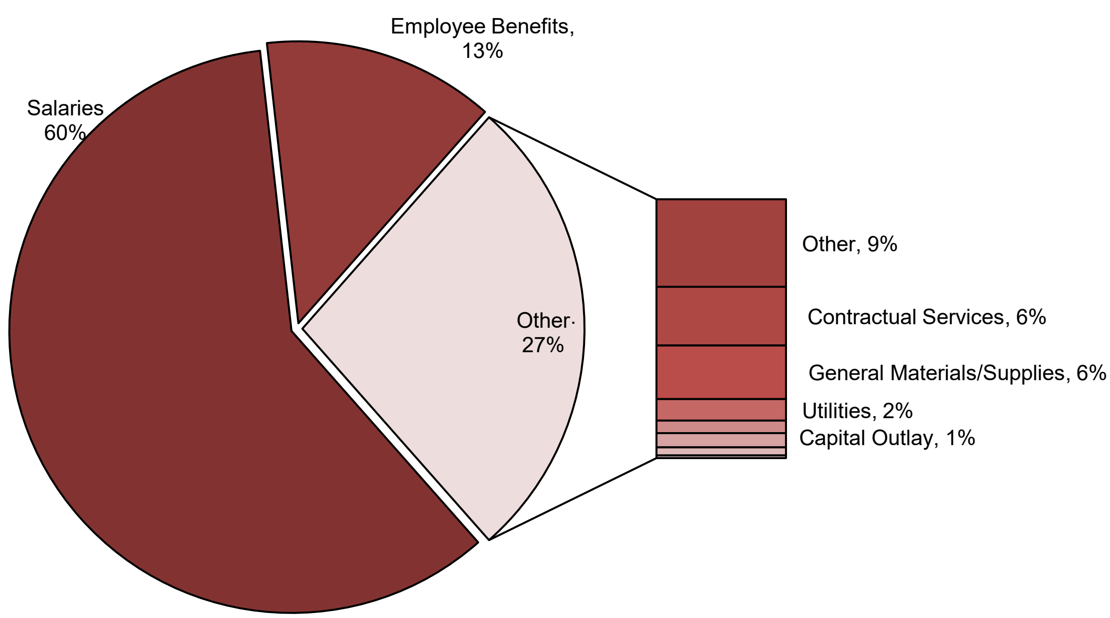


REVENUE SOURCES AND EXPENDITURE USES
Tax-Capped Funds
Fiscal Year 2027 Budget

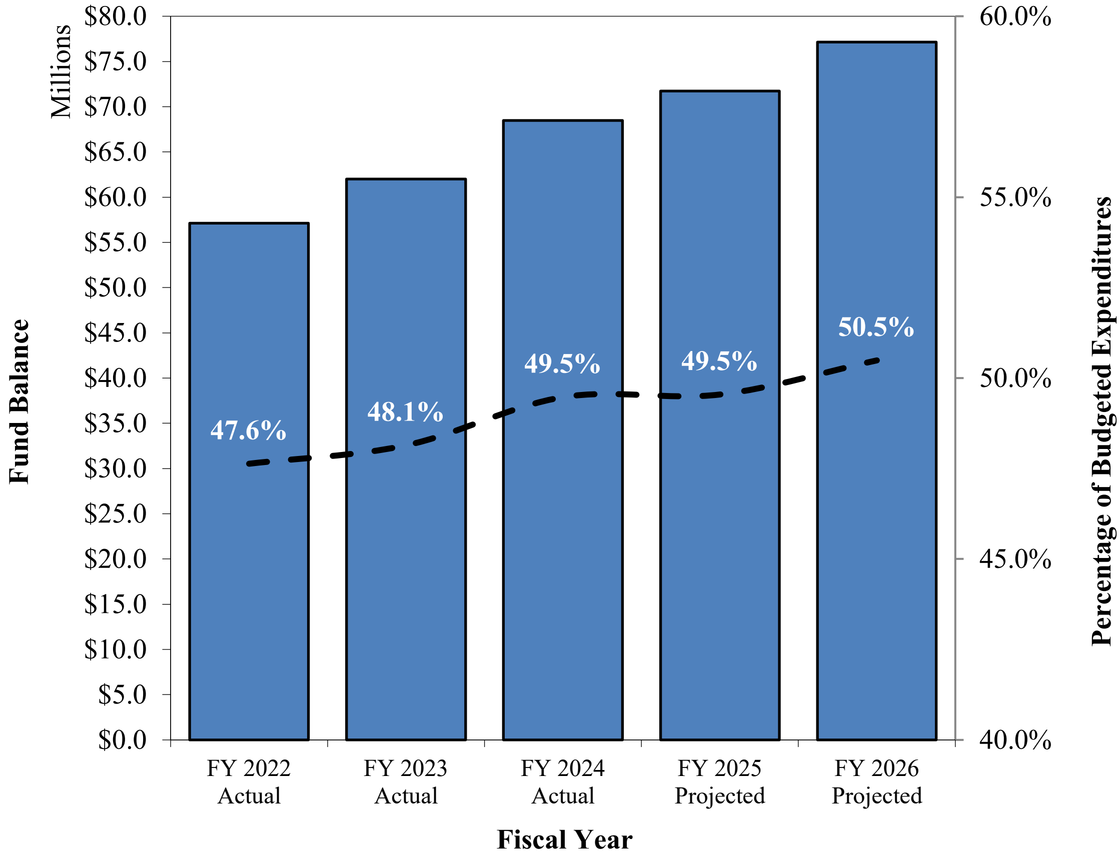
Revenues by Source



Expenditure Uses by Object



Tax-Capped Funds
Fund Balance History



Note: Percentages represent fund balance as a percentage of budgeted expenditures. Per Board policy 07.01.04, the College strives to maintain a fund balance in the Tax-Capped Funds between 40% and 60% of the budgeted annual expenditures.

Tax-Capped Funds Expenditure Budgets by Division

Education Fund	
Division	**FY 2027 Budget**
President	$ 766,194
Provost	1,082,091
Liberal Arts	14,393,331
Math and Science	14,376,633
Associate Provost Student Affairs	11,563,287
Health Careers	11,320,176
Career and Technical Programs	7,807,846
Business and Social Science	8,384,173
Enrollment Services	7,721,343
Associate Provost Curriculum Instruction	7,069,798
Total Provost	83,718,678
Executive Vice President Finance & Administrative Services	400,787
Information Technology	12,899,832
AVP Finance and Administrative Services	2,869,115
Human Resources	2,485,614
Legal Counsel	465,699
Total EVP	19,121,047
External Affairs	
Marketing Services	3,975,803
Communications	637,685
Community Relations	572,975
Chief of Staff	448,863
Board of Trustees	77,283
Total External Affairs	5,712,609

Tax-Capped Funds Expenditure Budgets by Division

Education Fund (Continued)		
Division	**FY 2027 Budget**	
Advancement	$	1,257,024
Workforce Solutions		3,130,429
Planning & Institutional Effectiveness		1,808,554
Diversity Equity & Inclusion		1,068,232
Institutional		15,776,140
Total Education Fund Expenditures Budget	**$**	**132,358,907**

Operations & Maintenance Fund		
Division	**FY 2027 Budget**	
AVP Finance and Administrative Services	$	14,836,216
Police		2,953,749
Information Technology		1,340,940
Risk Management		651,568
Institutional		635,490
Total Operations & Maintenance Fund Expenditures Budget	**$**	**20,417,963**

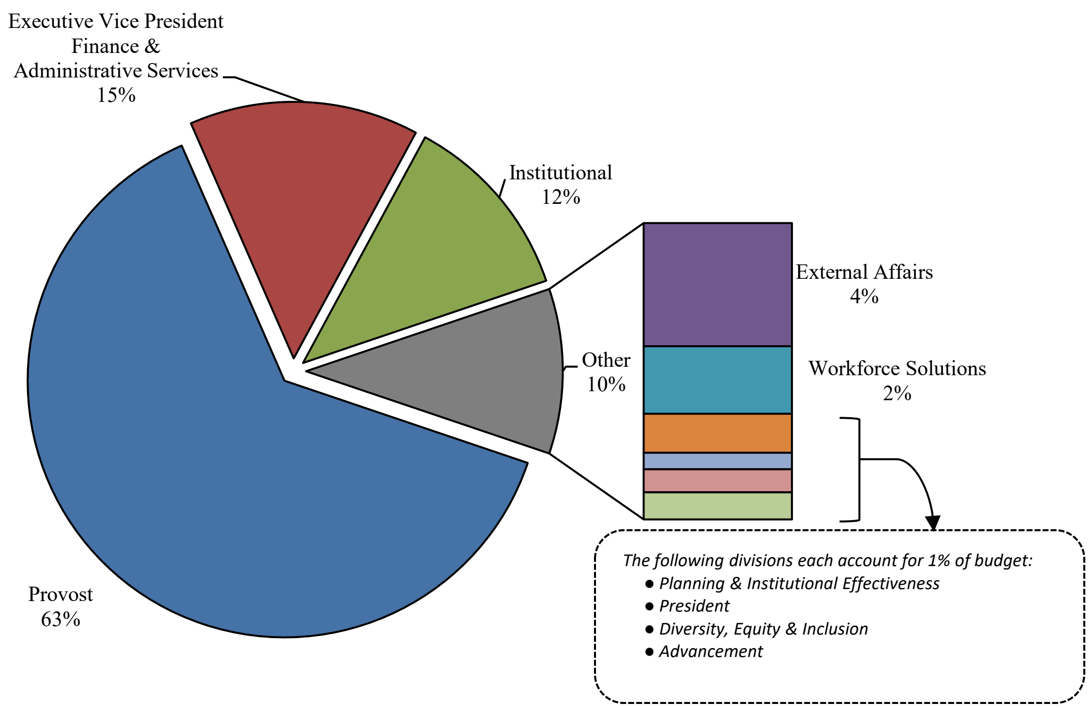
Audit Fund		
Division	**FY 2027 Budget**	
Institutional	**$**	**18,906**

Liability Protection and Settlement Fund		
Division	**FY 2027 Budget**	
Institutional	**$**	**18,906**

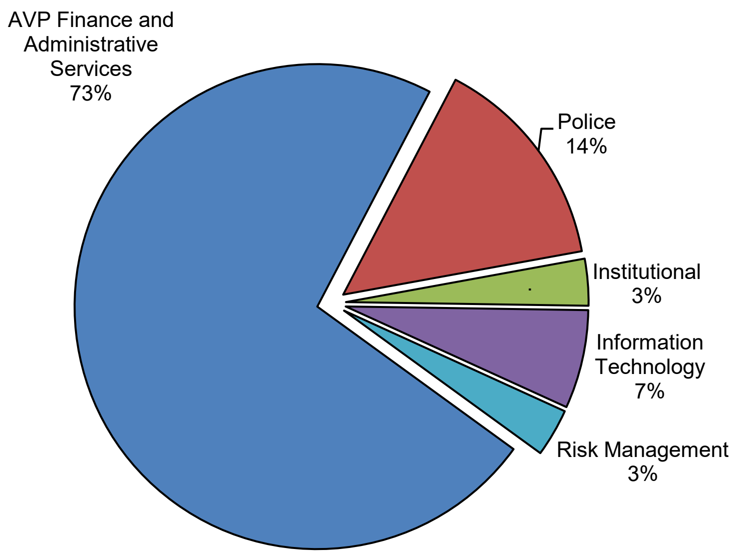
Total Tax-Capped Funds Expenditure Budgets	**$**	**152,814,682**

Expenditures by Division
Education and Operations & Maintenance Fund
Fiscal Year 2027 Budget

Education Fund



Operations & Maintenance Fund

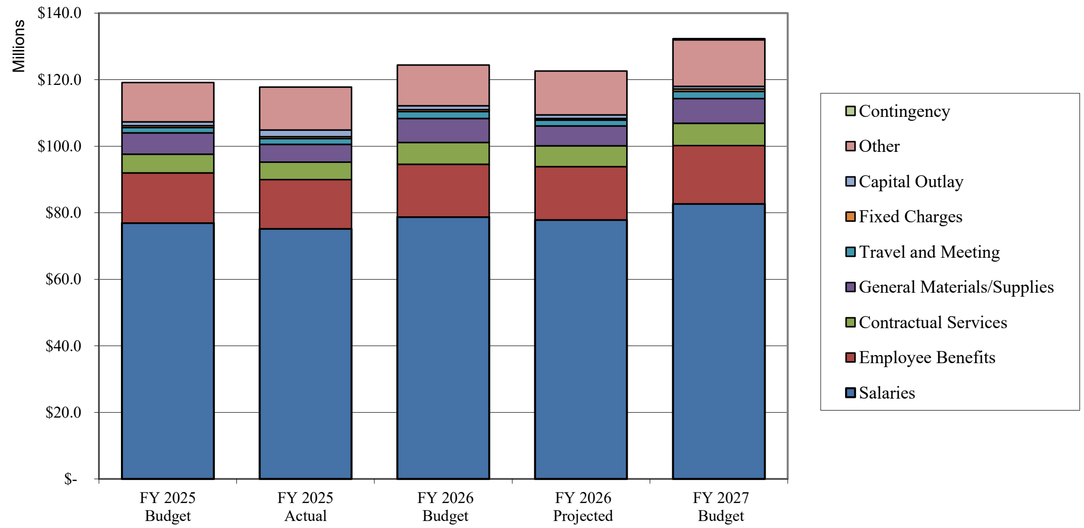


Education Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 62,995,339	$ 60,536,614	$ 63,800,409	$ 64,517,577	$ 66,255,571	48.6%	3.8%
ICCB Grants	8,498,618	10,992,960	10,992,305	10,499,885	9,996,279	7.3%	-9.1%
Federal Government	20,000	19,225	20,000	20,450	20,000	0.0%	0.0%
Tuition and Fees	50,201,000	51,177,873	53,213,296	51,638,548	54,655,879	40.1%	2.7%
Sales and Services	807,000	1,097,952	955,000	1,047,255	450,000	0.3%	-52.9%
Other Sources	5,700,000	6,028,997	6,640,000	4,234,313	5,000,000	3.7%	-24.7%
Total Revenues	128,221,957	129,853,621	135,621,010	131,958,028	136,377,729	100.0%	0.6%
EXPENDITURES							
Instruction	47,021,450	46,709,477	49,497,037	47,601,735	51,382,238	38.8%	3.8%
Academic Support	12,829,903	11,568,961	13,830,895	12,287,163	13,357,674	10.1%	-3.4%
Student Services	16,219,196	14,842,547	17,661,453	15,873,320	18,399,914	13.9%	4.2%
Public Service	339,602	322,433	333,263	259,487	337,207	0.3%	1.2%
Institutional Support	32,003,228	33,290,610	31,607,007	35,267,185	36,535,424	27.6%	15.6%
Scholarships, Student Grants, and Waivers	10,756,258	11,045,055	11,475,640	11,324,848	12,346,449	9.3%	7.6%
Total Expenditures	119,169,637	117,779,083	124,405,295	122,613,738	132,358,906	100.0%	6.4%
Excess (Deficiency) of Revenue over Expenditures	9,052,320	12,074,538	11,215,715	9,344,290	4,018,823		-64.2%
Other financing sources(uses)							
Transfers(to) from other funds	(2,257,113)	(9,004,140)	(5,044,016)	(2,319,940)	(1,983,940)		60.7%
Total Other Financing Sources	(2,257,113)	(9,004,140)	(5,044,016)	(2,319,940)	(1,983,940)		60.7%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	6,795,207	3,070,398	6,171,699	7,024,350	2,034,883		-67.0%
BEGINNING FUND BALANCE	57,867,325	57,867,325	60,937,723	60,937,723	67,962,073		11.5%
ENDING FUND BALANCE	$ 64,662,532	$ 60,937,723	$ 67,109,422	$ 67,962,073	$ 69,996,956		4.3%

Education Fund
Expenditures by Object

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
Salaries	$ 76,906,749	$ 75,171,714	$ 78,693,107	$ 77,886,096	$ 82,707,981	62.5%	5.1%
Employee Benefits	15,054,520	14,754,172	15,873,858	15,961,331	17,490,602	13.2%	10.2%
Contractual Services	5,625,327	5,276,711	6,545,522	6,305,118	6,701,036	5.1%	2.4%
General Materials/Supplies	6,411,649	5,354,418	7,219,516	5,967,893	7,400,033	5.6%	2.5%
Travel and Meeting	1,592,483	1,732,148	2,086,364	1,706,004	2,212,049	1.7%	6.0%
Fixed Charges	606,137	544,082	606,037	530,622	649,017	0.5%	7.1%
Capital Outlay	1,123,632	2,038,743	1,115,838	1,056,408	832,641	0.6%	-25.4%
Other	11,849,140	12,907,095	12,265,053	13,200,266	13,940,547	10.5%	13.7%
Contingency	-	-	-	-	425,000	0.3%	0.0%
Total Expenditures	$ 119,169,637	$ 117,779,083	$ 124,405,295	$ 122,613,738	$ 132,358,906	100.0%	6.4%

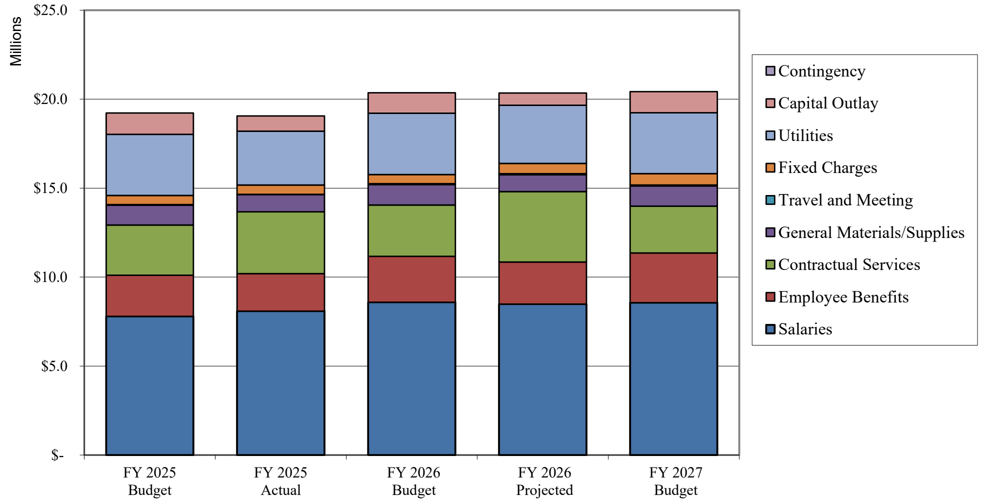


Operations and Maintenance Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 14,413,229	$ 13,981,464	$ 16,243,567	$ 16,079,561	$ 16,065,680	87.4%	-1.1%
Tuition and Fees	1,900,000	1,928,777	1,950,000	2,197,879	1,930,000	10.5%	-1.0%
Facilities Rental	35,400	35,058	35,400	35,325	37,400	0.2%	5.6%
Other Sources	500,000	672,228	700,000	413,786	350,000	1.9%	-50.0%
Total Revenues	16,848,629	16,617,527	18,928,967	18,726,551	18,383,080	100.0%	-2.9%
EXPENDITURES							
Operations and Maintenance	16,772,171	16,423,599	18,001,970	17,595,177	17,611,314	86.3%	-2.2%
Institutional Support	2,450,306	2,638,737	2,362,723	2,750,443	2,806,649	13.7%	18.8%
Total Expenditures	19,222,477	19,062,336	20,364,693	20,345,620	20,417,963	100.0%	0.3%
Excess (Deficiency) of Revenue over Expenditures	(2,373,848)	(2,444,809)	(1,435,726)	(1,619,069)	(2,034,883)		41.7%
BEGINNING FUND BALANCE	13,256,010	13,256,010	10,811,201	10,811,201	9,192,132		-15.0%
ENDING FUND BALANCE	$ 10,882,162	$ 10,811,201	$ 9,375,475	$ 9,192,132	$ 7,157,249		-23.7%

Operations and Maintenance Fund
Expenditures by Object

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
Salaries	$ 7,789,535	$ 8,088,688	$ 8,592,461	$ 8,478,318	$ 8,559,062	41.9%	-0.4%
Employee Benefits	2,310,149	2,101,352	2,568,999	2,366,981	2,794,210	13.7%	8.8%
Contractual Services	2,827,861	3,480,327	2,891,826	3,953,738	2,632,741	12.9%	-9.0%
General Materials/Supplies	1,116,754	964,859	1,142,819	954,939	1,137,935	5.6%	-0.4%
Travel and Meeting	29,634	18,139	50,634	62,881	50,131	0.2%	-1.0%
Fixed Charges	518,793	520,641	518,793	566,699	639,049	3.1%	23.2%
Utilities	3,423,935	3,022,654	3,443,935	3,277,840	3,427,335	16.8%	-0.5%
Capital Outlay	1,205,816	865,676	1,155,226	684,224	1,177,500	5.8%	1.9%
Contingency	-	-	-	-	-	0.0%	0.0%
Total Expenditures	$ 19,222,477	$ 19,062,336	$ 20,364,693	$ 20,345,620	$ 20,417,963	100.0%	0.3%



Audit Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 20,311	$ 19,350	$ 19,982	$ 20,282	$ 18,906	100.00%	-5.4%
Total Revenues	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
EXPENDITURES							
Institutional Support							
Contractual Services	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
Total Institutional Support	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
Total Expenditures	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-		
BEGINNING FUND BALANCE	-	-	-	-	-		
ENDING FUND BALANCE	$ -	$ -	$ -	$ -	$ -		

Liability Protection and Settlement Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 20,311	$ 19,350	$ 19,982	$ 20,282	$ 18,906	100.00%	-5.4%
Total Revenues	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
EXPENDITURES							
Institutional Support							
Employee Benefits*	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
Total Institutional Support	20,311	19,350	19,982	20,282	18,906	100.00%	-5.4%
Total Expenditures	20,311	19,350	19,982	20,282	18,906	100.0%	-5.4%
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-		
BEGINNING FUND BALANCE	-	-	-	-	-		
ENDING FUND BALANCE	$ -	$ -	$ -	$ -	$ -		

* Benefits consist of workers compensation which is primarily reported in the Education Fund

Other Funds

Auxiliary Enterprises Fund (0005)

The Auxiliary Enterprises Fund is established by Section 103-31.1 of the Illinois Public Community College Act and accounts for College services where a fee is charged to students or staff. Each enterprise/service should be accounted for separately using a group of self-balancing accounts within the fund. Examples of accounts in this fund include food services, student stores, and Corporate Services.

Only monies over which the institution has complete control should be included in this fund. Subsidies for auxiliary services by the Education Fund should be shown as transfers to the appropriate account.

Restricted Purposes Fund (0006)

The Restricted Purposes Fund, established by ICCB Rules 1501.508 and 1501.509, is for the purpose of accounting for monies that have restrictions regarding their use. Each specific project should be accounted for separately using a complete group of self-balancing accounts within the Restricted Purposes Fund. Care should be taken in establishing each group of self-balancing accounts so that the accounting and reporting requirements of the grantor are met. If the grantor provides an accounting manual, it should be followed for the group of self-balancing accounts.

Working Cash Fund (0007)

The Working Cash Fund is established by Chapter 110, Act 805, Section 3-33.1 of the Illinois Compiled Statutes. This fund is first established without voter approval by resolution of the local Board of Trustees for the purpose of enabling the district to have on hand at all times sufficient cash to meet the demands for ordinary and necessary expenditures. Additional bonds may not be issued without voter approval.

This fund is used to account for the proceeds of working cash bonds. By making temporary transfers, the fund is used as a source of working capital by other funds. Such temporary transfers assist operating funds in meeting the demands for ordinary and necessary expenditures during periods of temporary low cash balances.

Payments for the principal or interest of Working Cash Bonds should be made from within the Bond and Interest Fund.

Bond and Interest Fund (0004)

The Bond and Interest Fund is established by Section 103A-1 of the Illinois Public Community College Act. This fund is used to account for payment of principal, interest, and related charges on any outstanding bonds. Debt service for each bond must be accounted for separately using a group of self-balancing accounts within the fund.

Operations and Maintenance Fund (Restricted) (0003)

Sections 103-14 of the Illinois Public Community College Act allows the local board of trustees to establish this fund by permitting an accumulation of funds for building purposes and the site acquisition not to exceed an amount equal to five percent of the district's equalized assessed valuation. Monies in this fund cannot be permanently transferred or loaned to any other fund or used for any other purpose.

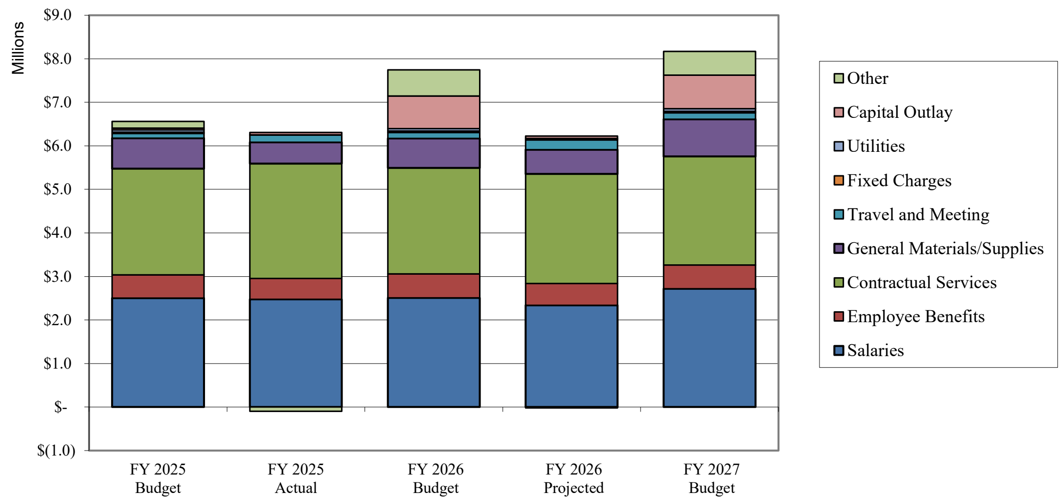
It is suggested that Protection, Health, and Safety levies, Building Bond Proceeds, Repair and Renovation Grants, and accumulation monies restricted from the Operations and Maintenance levy for building purposes be accounted for in a series of self-balancing accounts in this fund.

Auxiliary Enterprises Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Tuition and Fees	$ 2,955,061	$ 2,674,600	$ 2,881,924	$ 2,963,874	$ 3,084,313	48.5%	7.0%
Sales and Services	1,283,328	1,475,318	1,470,755	1,382,429	2,037,055	32.0%	38.5%
Facilities Rental	547,675	535,792	571,008	590,419	606,240	9.5%	6.2%
Other Sources	617,980	669,468	865,980	581,123	635,980	10.0%	-26.6%
Total Revenues	5,404,044	5,355,178	5,789,667	5,517,845	6,363,588	100.0%	9.9%
EXPENDITURES							
Instruction	20,000	-	27,000	5,422	25,000	0.3%	-7.4%
Student Services	992,726	858,560	1,082,793	814,319	949,596	11.6%	-12.3%
Public Service	2,803,610	2,904,748	2,782,659	2,883,076	2,934,281	35.9%	5.4%
Auxiliary Services	2,511,779	2,371,354	3,594,750	2,360,320	4,003,398	49.0%	11.4%
Operations and Maintenance	2,500	-	37,500	18,631	37,500	0.5%	0.0%
Institutional Support	220,000	74,235	220,000	121,367	220,000	2.7%	0.0%
Scholarships, Student Grants, and Waivers	10,000	-	-	-	-	0.0%	
Total Expenditures	6,560,615	6,208,897	7,744,702	6,203,135	8,169,775	100.0%	5.5%
Excess (Deficiency) of Revenue over Expenditures	(1,156,571)	(853,719)	(1,955,035)	(685,290)	(1,806,187)		7.6%
Other financing sources(uses)							
Transfers(to) from other funds	467,113	467,113	505,940	480,940	193,940		-61.7%
Total Other Financing Sources	467,113	467,113	505,940	480,940	193,940		-61.7%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(689,458)	(386,606)	(1,449,095)	(204,350)	(1,612,247)		11.3%
BEGINNING FUND BALANCE	11,465,044	11,465,044	11,078,438	11,078,438	10,874,088		-1.8%
ENDING FUND BALANCE	$ 10,775,586	$ 11,078,438	$ 9,629,343	$ 10,874,088	$ 9,261,841		-3.8%

Auxiliary Enterprises Fund
Expenditures by Object

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
Salaries	$ 2,502,117	$ 2,476,435	$ 2,507,326	$ 2,339,033	$ 2,716,532	33.3%	8.3%
Employee Benefits	532,172	474,479	549,582	500,954	543,547	6.7%	-1.1%
Contractual Services	2,444,456	2,640,839	2,437,830	2,515,074	2,499,339	30.6%	2.5%
General Materials/Supplies	696,930	488,658	676,144	553,878	849,638	10.4%	25.7%
Travel and Meeting	110,298	167,910	137,771	229,988	149,545	1.8%	8.5%
Fixed Charges	29,700	4,886	29,700	30,238	31,700	0.4%	6.7%
Utilities	50,000	-	60,000	-	65,000	0.8%	8.3%
Capital Outlay	42,272	51,917	747,272	53,808	767,195	9.4%	2.7%
Other	152,670	(96,227)	599,077	(19,838)	547,279	6.7%	-8.6%
Total Expenditures	$ 6,560,615	$ 6,208,897	$ 7,744,702	$ 6,203,135	$ 8,169,775	100.0%	5.5%



Auxiliary Enterprises Fund
By Division and Department
Fiscal Year 2027 Budget

	Revenue	Expenditures	Net Transfers	Surplus / (Deficit)	
Provost					
Business & Social Science - Child Care	$ 450,000	$ 450,000	$ -	$ -	
Resources for Learning - Library, Community Tutoring	6,700	6,821	-	(121)	
Student Engagement - Athletic Facilities Rental, Event Management, Health & Recreation Center	1,500,720	1,716,644	-	(215,924)	1
Student Involvement - Student Activities	-	469,751	386,940	(82,811)	1
University Center	560,000	373,598	(218,000)	(31,598)	2
Career & Technical Programs - Learning & Career Center	57,500	82,950	25,000	(450)	
Total Provost	2,574,920	3,099,764	193,940	(330,904)	
Workforce Solutions					
Continuing Education	2,329,868	2,578,370	-	(248,502)	1
Conference & Event Management Rentals	347,300	435,439	-	(88,139)	1
Apprenticeships		20,000		(20,000)	1
Harper Business Solutions	375,000	359,241	-	15,759	
Total Workforce Solutions	3,052,168	3,393,050	-	(340,882)	
EVP Finance & Administrative Services					
Harper Store	55,000	62,993	(2,000,000)	(2,007,993)	3
Dining Services	79,000	1,106,468	2,000,000	972,532	3
Institutional	600,000	470,000	-	130,000	
Police	2,500	37,500	-	(35,000)	1
Total EVP Finance & Administrative Services	736,500	1,676,961	-	(940,461)	
FUND TOTALS	$ 6,363,588	$ 8,169,775	$ 193,940	$ (1,612,247)	

Notes:

[1] Approved use of fund balance for capital reinvestment and institutional initiatives.

[2] Approved use of fund balance from programs moved to operating budgets.

[3] Planned fund balance transfer.

Restricted Purposes Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
ICCB Grants	$ 3,849,134	$ 2,268,808	$ 2,777,919	$ 2,306,120	$ 6,762,706	8.5%	143.4%
All Other State Government[1]	53,818,000	26,286,385	54,536,000	39,455,938	55,856,531	69.8%	2.4%
Federal Government	19,512,183	22,046,693	18,858,267	22,468,974	17,059,502	21.3%	-9.5%
Tuition and Fees	2,000	4,047	2,000	2,430	-	0.0%	-100.0%
Other Sources	270,300	277,362	523,000	271,498	344,750	0.4%	-34.1%
Total Revenues	77,451,617	50,883,295	76,697,186	64,504,960	80,023,489	100.0%	4.3%
EXPENDITURES							
Instruction[2]	1,692,299	11,481,227	1,761,357	16,702,543	2,334,034	2.3%	32.5%
Academic Support[2]	5,342,992	5,632,998	4,154,156	7,110,513	1,945,574	1.9%	-53.2%
Student Services[2]	2,201,970	3,747,021	3,271,318	6,415,618	3,284,039	3.2%	0.4%
Public Service[2]	305,789	743,873	203,684	938,070	140,000	0.1%	-31.3%
Auxiliary Services[2]	-	67,086	-	119,569	-	0.0%	
Operations and Maintenance[2]	2,268	1,669,377	-	3,083,829	900,000	0.9%	
Institutional Support[2]	64,145,991	8,917,096	74,824,838	12,677,006	74,303,912	73.1%	-0.7%
Scholarships, Student Grants, and Waivers	19,651,023	24,949,420	19,859,188	24,771,104	18,681,686	18.4%	-5.9%
Total Expenditures	93,342,332	57,208,098	104,074,541	71,818,252	101,589,245	100.0%	-2.4%
Excess (Deficiency) of Revenue over Expenditures	(15,890,715)	(6,324,803)	(27,377,355)	(7,313,292)	(21,565,756)		21.2%
Other financing sources(uses)							
Transfers(to) from other funds	1,790,000	8,537,027	4,538,076	1,839,000	(12,126,000)		-367.2%
Total Other Financing Sources	1,790,000	8,537,027	4,538,076	1,839,000	(12,126,000)		-367.2%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(14,100,715)	2,212,224	(22,839,279)	(5,474,292)	(33,691,756)		-47.5%
BEGINNING FUND BALANCE	45,505,392	45,505,392	47,717,616	47,717,616	42,243,324		-11.5%
ENDING FUND BALANCE	$ 31,404,677	$ 47,717,616	$ 24,878,337	$ 42,243,324	$ 8,551,568		-65.6%

[1] Includes contributions made on-behalf of the College to pension and OPEB plans. The SURS OPEB on behalf payment is excluded from the FY 2026 Projections because those figures have not been released by the State at the time of this publication.

[2] SURS on behalf expenditures are within Institutional Support for budgetary purposes and allocated across each program line for actuals.

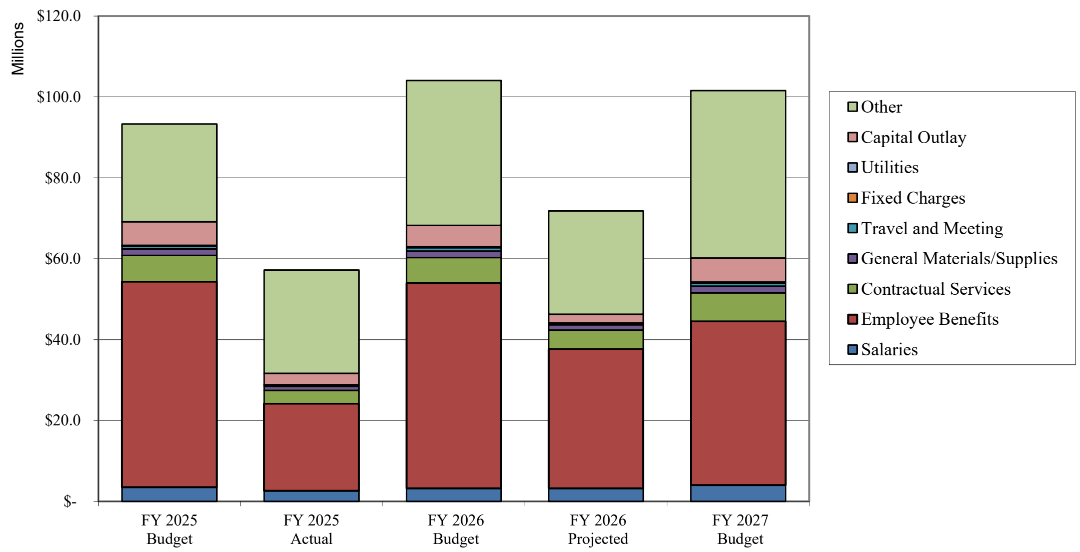
On-Behalf Payment Amounts	50,000,000	20,925,172	50,000,000	33,915,753	40,000,000

Restricted Purposes Fund
Expenditures by Object

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
Salaries	$ 3,486,046	$ 2,639,240	$ 3,238,178	$ 3,188,314	$ 4,050,137	4.0%	25.1%
Employee Benefits[1]	50,873,892	21,535,208	50,740,470	34,513,450	40,485,875	39.9%	-20.2%
Contractual Services	6,442,865	3,282,359	6,341,064	4,651,047	6,997,480	6.9%	10.4%
General Materials/Supplies	1,623,923	1,024,341	1,558,793	1,298,888	1,704,892	1.7%	9.4%
Travel and Meeting	630,381	183,255	832,146	215,428	696,363	0.7%	-16.3%
Fixed Charges	207,636	174,382	231,133	215,087	231,133	0.2%	0.0%
Utilities	43,423	31,428	48,885	31,276	48,885	0.0%	0.0%
Capital Outlay	5,832,730	2,805,708	5,278,566	2,174,702	5,967,035	5.9%	13.0%
Other	24,201,436	25,532,177	35,805,306	25,530,060	41,407,445	40.8%	15.6%
Total Expenditures	$ 93,342,332	$ 57,208,098	$ 104,074,541	$ 71,818,252	$ 101,589,245	100.0%	-2.4%

[1] Includes contributions made on-behalf of the College to pension and OPEB plans. SURS OPEB on behalf payment is excluded from the FY 2026 Projections because those figures have not been released by the State at the time of this publication.

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget
On-Behalf Payment Amounts	$ 50,000,000	$ 20,925,172	$ 50,000,000	$ 33,915,753	$ 40,000,000



Working Cash Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Other Sources	$ 785,000	$ 919,610	$ 800,000	$ 912,355	$ 550,000	100.0%	-31.3%
Total Revenues	785,000	919,610	800,000	912,355	550,000	100.0%	-31.3%
EXPENDITURES							
Total Expenditures	-	-	-	-	-		
Excess (Deficiency) of Revenue over Expenditures	785,000	919,610	800,000	912,355	550,000		-31.3%
BEGINNING FUND BALANCE	18,214,546	18,214,546	19,134,156	19,134,156	20,046,511		4.8%
ENDING FUND BALANCE	$ 18,999,546	$ 19,134,156	$ 19,934,156	$ 20,046,511	$ 20,596,511		3.3%

Debt Obligations

In the tax-capped portions of Illinois, the only bonded debt that can be incurred without voter approval are alternative revenue bonds and the bonding authority available within the debt service extension base. The tax cap laws limit debt to 1994 levels (when tax caps were applied) unless a referendum is approved by the voters. Starting in 2009, the law was amended to allow a CPI factor to be applied to the debt service extension base. For tax levy year 2025 the College's debt service extension base is $3.1 million, based on the December 2024 CPI rate, capped at 5%. The College has a long-term financial plan which includes utilizing these funds for necessary expenditures. The College plans to sell limited bonds of approximately $5.0 million in FY 2027 under the debt service extension base to help fund capital projects identified in the campus master plan.

Two successful referendums, $153.6 million in November 2008 and $180 million in November 2018 account for 97% of the outstanding debt. The 2008 series was refunded in 2017 resulting in millions in interest savings. In November 2018 a new $180 million referendum was passed, with bonds sold in October 2020. These referendums are providing a funding stream for building and repairing and replacing physical plant assets.

The College's debt is modest compared to limits set by the state statute. The debt limit set by law is $841.0 million based on 2.875% of the 2025 estimated equalized assessed valuation of $29.2 billion. The College's outstanding principal is $196.7 million, well below the statutory limitation of $841.0 million. A schedule of debt maturities follows on the next page.

Principal and interest payments on debt are paid from the Bond and Interest Fund. A financial summary of that fund follows the debt maturities schedule.

Moody's is a credit-rating service that renders opinions on the ability of a bond-issuer to repay its debt obligations. The criterion that go into analyzing a community college's debt focus on the college's role in providing educational services to its market, the level of financial stability provided by its reserves, its relative debt burden, and its ability to generate consistent operating results.

The College continues to have an outstanding financial reputation as evidenced by its Aaa bond rating issued by Moody's, which is the highest rating it awards. At the time the rating was originally issued in 2001, the College was one of only three community colleges in the United States, and the only one in Illinois, to be granted the Aaa rating. This rating has been maintained and was most recently reaffirmed by Moody's in February 2025. Moody's has issued credit ratings for approximately 140 community colleges nationwide.

The College's credit rating should result in lower interest rates on the College's future bond issuances. The Aaa credit rating is especially important to the taxpayers of the district at this time of financial uncertainty. Districts that have lower ratings will not only pay more interest, but it inhibits their ability to attract buyers for their bonds, because the insurance used to provide coverage for poorer ratings is either no longer available or is considered suspect by bond buyers.

WILLIAM RAINEY HARPER COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 512

Schedule of Debt Maturities (Unaudited)
For the year ended June 30, 2026

Total Change in Bond Principal		
Balance at July 1, 2025	$	212,340,000
Bonds issued during the year		—
Bonds retired during the year		(15,600,000)
Balance at June 30, 2026	$	196,740,000

General Obligation Refunding Bonds - Series 2017B

	Interest Rate	Amounts due during year Principal	Interest	Total
2026-2027	5.000	11,500,000	1,560,000	13,060,000
2027-2028	5.000	12,310,000	964,750	13,274,750
2028-2029	5.000	13,140,000	328,500	13,468,500
Total		$ 36,950,000	$ 2,853,250	$ 39,803,250

General Obligation Bonds - Series 2020

	Interest Rate	Amounts due during year Principal	Interest	Total
2026-2027	4.000	2,305,000	5,150,013	7,455,013
2027-2028	4.000	2,475,000	5,054,413	7,529,413
2028-2029	4.000	2,680,000	4,951,313	7,631,313
2029-2030	4.000	16,905,000	4,559,613	21,464,613
2030-2031	4.000	17,905,000	3,863,413	21,768,413
2031-2032	4.000	13,005,000	3,245,213	16,250,213
2032-2033	3.000	13,860,000	2,777,213	16,637,213
2033-2034	3.000	14,620,000	2,350,013	16,970,013
2034-2035	3.000	15,405,000	1,899,638	17,304,638
2035-2036	3.000	16,220,000	1,425,263	17,645,263
2036-2037	3.000	17,065,000	925,988	17,990,988
2037-2038	3.000	17,940,000	400,913	18,340,913
2038-2039	2.375	5,550,000	65,906	5,615,906
Total		$ 155,935,000	$36,668,906	$ 192,603,906

Limited Tax Bonds – Series 2025

	Interest Rate	Amounts due during year Principal	Interest	Total
2026-2027	5.000	2,890,000	120,500	3,010,500
2027-2028	5.000	965,000	24,125	989,125
Total		$ 3,855,000	$ 144,625	$ 3,999,625

Bond and Interest Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 23,993,740	$ 23,273,558	$ 24,642,739	$ 25,131,731	$ 24,387,966	98.0%	-1.0%
Other Sources	480,000	838,467	750,000	555,751	500,000	2.0%	-33.3%
Total Revenues	24,473,740	24,112,025	25,392,739	25,687,482	24,887,966	100.0%	-2.0%
EXPENDITURES							
Institutional Support							
Fixed Charges	22,778,889	22,778,888	23,280,930	23,280,929	23,525,513	100.0%	1.1%
Other	5,500	2,731	5,500	1,425	5,500	0.0%	0.0%
Total Institutional Support	22,784,389	22,781,619	23,286,430	23,282,354	23,531,013	100.0%	1.1%
Total Expenditures	22,784,389	22,781,619	23,286,430	23,282,354	23,531,013	100.0%	1.1%
Excess (Deficiency) of Revenue over Expenditures	1,689,351	1,330,406	2,106,309	2,405,128	1,356,953		-35.6%
Other financing sources(uses)							
Transfers(to) from other funds	-	-	-	-	(8,000,000)		
Total Other Financing Sources	-	-	-	-	(8,000,000)		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	1,689,351	1,330,406	2,106,309	2,405,128	(6,643,047)		-415.4%
BEGINNING FUND BALANCE	14,232,422	14,232,422	15,562,828	15,562,828	17,967,956		15.5%
ENDING FUND BALANCE	$ 15,921,773	$ 15,562,828	$ 17,669,137	$ 17,967,956	$ 11,324,909		-35.9%

Master Planning and Capital Projects

In the fall of 2018, Harper College's district passed a $180 million capital bond referendum. This will fund major building and renovation projects as well as maintain and improve campus infrastructure identified in the updated Campus Master Plan, finalized in June 2021. Every five years the Master Plan is updated, this latest plan creating a vision for the campus through 2031. The College's Master Plan document can be found here. The Master Plan document details the campus, the College's planning goals, campus programming, campus development, implementation plans, and wayfinding and signage.

Facility projects outside of the Campus Master Plan activities are proposed through the annual facility budget planning process. Departments across campus compile their facility requests each fall. Requests are evaluated by area leadership to determine whether the proposed projects align with divisional goals and if they merit advancement to the facility cost estimate phase. Approved projects are forwarded to the facilities team to compile detailed cost estimates. After cost estimates are completed, project requests are presented to the Executive Cabinet for review and approval before inclusion in the annual budget proposal to the Board.

Other sources of funding for capital projects include non-referendum limited obligation bonds issued every two years yielding around $5 million, operating surpluses, and an annual small project operating budget of $250,000 used for projects under $25,000.

The capital projects budget is primarily provided for in the Operations and Maintenance (Restricted) Fund. The budget for FY 27 includes total capital projects of $212.1 million.

	Estimated Project Cost	FY 2027 Budget
Building Integrity	$ 245,900	$ 245,900
Sustainability	$ 720,000	$ 715,900
Renewal	$ 2,231,685	$ 2,134,192
Safety and Statutory	$ 41,737,276	$ 37,488,947
System Reliability	$ 21,502,847	$ 16,288,763
Other Renovations	$ 13,940,850	$ 13,687,055
Master Plan	$ 84,685,000	$ 68,759,135
Canning Center	$ 109,155,822	$ 60,784,291
Grand Total	$ 274,219,380	$ 200,104,183
Contingency		$ 12,000,000
Total Budget	$ 274,219,380	$ 212,104,183

The FY 27 budget includes two major building projects: Canning Student Center and the Business and Social Sciences Center. The Emergency Services Training Center was completed and opened in FY 26.

Canning Student Center and University Center

The Canning Student Center and University Center will be a welcoming beacon in our community. This new front door to campus will centralize services that are critical to student success, convene campus life activities to help foster students' sense of belonging, and house the University Center and Hospitality Management programs. The University Center has partnered with DePaul University, Northern Illinois University, Roosevelt University and Southern Illinois University to offer bachelor's degree programs that can be completed while staying on Harper's campus, offering an affordable and convenient path to a four-year degree.

The FY 27 budget includes the $101.6 million Canning Center and University Center project, which is state-run (Capital Development Board) and requires the College to contribute matching funds. The Canning Center and University Center, on hold for many years and part of the previous master plan, is now moving forward with the College breaking ground in FY 25 with an anticipated completion time in Summer, 2027. The estimated project cost increased to $101.6 million from $83.0 million due to the rise in construction costs following the pandemic. The project is partially funded by a state contribution of $46.4 million.

Business and Social Sciences Building

Another major project is the $78.0 million construction of the Business and Social Sciences Center. The project is a key element in the College's Master Plan. The building will modernize infrastructure, create flexible learning spaces and expand opportunities for programs that meet our community's evolving needs. The Business and Social Sciences Building will include a Moot Courtroom, Early Childhood Laboratory School, Studio V boutique, and a 300-seat flexible theatre/auditorium. The building is scheduled to open in Winter 2028/Spring 2028 semester.

Emergency Services Training Center (Completed in FY 26)

The third major project is the $9.3 million Emergency Services Training Center opened in FY 26. The Center will prepare the next generation of first responders and address the evolving training needs of local fire departments. The training tower is designed to deliver hands-on, real-world training for both

Harper students pursuing fire science degrees and career first responders seeking to enhance their skills with modern training props, live fire areas and simulation technology. Students, faculty and participants will use the adjacent classroom building to prepare for simulations and debrief afterward.

New Construction's Impact on the Operating Budget

As part of the College's long-term strategic investment in campus infrastructure, 244,000 square feet of new construction is currently underway. Approximately half of this space represents new net facilities, while the remainder replaces aging structures with modern, more efficient buildings. These projects are designed to enhance academic, student support, and operational capabilities while aligning with the College's sustainability and space utilization goals.

The financial impact of these capital improvements is being closely monitored through the College's five-year financial planning process. Operational cost projections—including utilities, maintenance, and staffing—are being integrated into multi-year budget models to ensure long-term affordability. By replacing older facilities with more energy-efficient designs and consolidating space where appropriate, the College aims to mitigate increases in operating expenses and preserve budgetary flexibility. This disciplined approach supports both the immediate needs of the campus and the long-term financial health of the institution.

Other Capital Projects

In addition to new construction, the College remains committed to addressing critical infrastructure and maintenance needs across campus. Projects targeting HVAC systems, roofing, electrical upgrades, and other core utilities are being prioritized to ensure the reliability and safety of campus operations. These investments are essential to maintaining a high-quality learning environment and minimizing disruptions to academic and administrative functions.

By proactively funding these initiatives, the College is working to avoid the accumulation of deferred maintenance, which can lead to higher long-term costs and operational inefficiencies. Maintenance planning is integrated into the five-year financial framework, allowing for systematic assessment and timely allocation of resources. This approach reflects the College's ongoing commitment to stewardship of its physical assets and reinforces its focus on long-term sustainability and fiscal responsibility.

A financial summary of the Operations and Maintenance (Restricted) Fund and a detailed list of all budgeted capital projects follow.

Operations and Maintenance (Restricted) Fund
Revenues and Expenditures

	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 Projected	FY 2027 Budget	FY 2027 Percent to Total	Budget % Change FY 2026 to FY 2027
REVENUES							
Local Government	$ 45,000	$ 45,000	$ 45,000	$ 45,000	$ 45,000	1.2%	0.0%
Tuition and Fees	460,000	493,453	500,000	570,052	500,000	12.8%	0.0%
Other Sources	8,478,600	6,626,107	8,398,600	5,140,157	3,350,000	86.0%	-60.1%
Total Revenues	8,983,600	7,164,560	8,943,600	5,755,209	3,895,000	100.0%	-56.4%
EXPENDITURES							
Institutional Support							
Contractual Services	13,703,060	8,228,496	27,833,794	5,216,564	30,121,384	14.2%	8.2%
Materials and Supplies	-	49,822	-	3,892	-	0.0%	
Fixed Charges	519,446	223,782	-	1,417	75,000	0.0%	
Utilities	-	8,443	-	626	-	0.0%	
Capital Outlay	41,126,590	14,393,984	100,999,025	17,120,531	169,982,796	80.1%	68.3%
Other	-	103,175	-	2,687	125,000	0.1%	
Provision for Contingency	2,000,000	-	2,000,000	-	12,000,000	5.7%	500.0%
Total Institutional Support	57,349,096	23,007,702	130,832,819	22,345,717	212,304,180	100.0%	62.3%
Total Expenditures	57,349,096	23,007,702	130,832,819	22,345,717	212,304,180	100.0%	62.3%
Excess (Deficiency) of Revenue over Expenditures	(48,365,496)	(15,843,142)	(121,889,219)	(16,590,508)	(208,409,180)		-71.0%
Other financing sources(uses)							
Proceeds from bond issue	-	4,953,594	-	-	5,000,000		
Transfers(to) from other funds	-	-	-	-	21,916,000		
Total Other Financing Sources	-	4,953,594	-	-	26,916,000		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(48,365,496)	(10,889,548)	(121,889,219)	(16,590,508)	(181,493,180)		-48.9%
BEGINNING FUND BALANCE	210,726,016	210,726,016	199,836,468	199,836,468	183,245,960		-8.3%
ENDING FUND BALANCE	$ 162,360,520	$ 199,836,468	$ 77,947,249	$ 183,245,960	$ 1,752,780		-97.8%

FY 2027 Capital Projects

				Project Description		Project Estimated Cost	FY 2027 Budget
		Building Integrity					
0133	57090	Annual	Roof Survey/Repairs Annual	Annual roof survey and study followed by repairs to maintain the manufacturer's warranty where applicable and maintain water-tight roofs.		$ 245,900	$ 245,900
					TOTAL	$ 245,900	$ 245,900
		Sustainability					
0133	56983	New	Bldg M Pool Pit HVAC Duct Bank Remediation	Inspecting, repairing, or removing deteriorated sections to prevent structural damage, water intrusion, and safety hazards. Remediation will ensure the area remains safe and functional while protecting surrounding building systems. Includes study to verify budget and scope of work.		120,000	120,000
0138	57013	New	Campus Micro Forests Pilot Program	The Micro Forests Pilot Project will install small, densely planted native forest areas on campus to support sustainability and environmental resilience.		75,000	75,000
0138	57011	New	Campus Waste Audit & Reduction Plan (5 yrs)	Conduct a campus-wide waste audit to evaluate waste streams, diversion rates, and current disposal practices. Identify opportunities to reduce landfill waste, improve recycling efforts, as well as recommendations for additional receptacles and improved signage to increase compliance.		32,000	32,000
0138	57012	New	Campus 2026 Climate Action Plan	Update the 2013 Campus Climate Action Plan to reflect current energy use, emissions data, regulatory requirements, and sustainability goals. Support informed decision-making to reduce greenhouse gas emissions and improve campus resilience.		30,000	30,000
0133	53020	Annual	Landscaping and Irrigation Annual Maintenance	Replace failing irrigation controllers and components to meet institutional effectiveness measure for water consumption reduction. Replace damage across campus. Annual requirement. Includes study to identify sustainable options		78,000	78,000
0133	51330	Annual	Campus Lighting Control Annual Maintenance	Lighting upgrades to LED and annual maintenance for controls throughout the College		50,000	50,000
0138	57022	Annual	Lake Harper Annual Bacteria Testing, Treatment, Mitigation	Annual bacteria testing is required to monitor water quality, identify potential public health risks, and detect elevated bacteria levels that may result from stormwater runoff, wildlife activity, or seasonal environmental conditions.		35,000	35,000
0133	56660	Carryover	Bldg M Install Pool Pit HVAC System	Pool Pit should have it's own make up air unit. This will be a sustainability initiative.		300,000	295,900
					TOTAL	$ 720,000	$ 715,900
		Renewal					
0135	56990	New	Bldgs D + W Replace Corridor Carpet	Corridor Carpet Replacement at Buildings D and W.		282,000	282,000

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	53140	Annual	Annual Exterior Gathering Area Improvements	Annual exterior gathering area improvements, tables, benches, trash and recycling containers	125,000	125,000
0133	52800	Annual	Annual Exterior Signage Maintenance	Annual refurbishing of vehicular and external directional signage across campus	100,000	100,000
0133	56954	Annual	Landscaping Maintenance and Design	Landscape architect (LA) design fees, ensuring expert planning and oversight, seasonal planting, as well as the installation of new materials to maintain a functional and visually appealing property	76,000	76,000
0133	54120	Annual	Bldg M Gym Floor Recoating and Striping Repair	Annual maintenance of Building M Gymnasium wood flooring and synthetic flooring maintenance to include recoating wood flooring and correcting damaged striping to extend life of floor	75,000	75,000
0135	56160	Annual	Annual Furniture Maintenance	Annual maintenance and repair of damaged furniture across the campus.	50,000	50,000
0133	56150	Annual	Annual Window Blind Maintenance	Annual maintenance and replacement of window blinds across the campus.	50,000	50,000
0135	56690	Increase	Bldg M Repair Stainless Steel Pool Surround	Repair stainless steel pool surround due to pitting of the metal and add connections for lane lines at shallow end.	507,285	507,285
0135	56948	Increase	Bldgs T & U Overhead Door Replacements	Buildings T and U Overhead Door Replacements: replace existing overhead doors at Buildings T and U with insulated overhead doors to improve energy efficiency.	248,100	241,369
0135	56951	Increase	Bldg L Spray Booth repair/replace	Spray Booth needs repair or replace. Replace outside exhaust fans and controls.	167,300	162,275
0133	56270	Carryover	Building L Window Reglazing Assessment and Design	Replacing the glazing at all windows at the north side of Building L	286,000	258,910
0133	56350	Carryover	Bldg A Flooring Upgrades	Replace VCT flooring in Building A corridors - 2nd, 3rd Floors, southwest stair landings	189,000	130,353
0135	56959	Carryover	Bldg D Flooring Upgrades	Replace flooring at lounge area outside Starbucks	60,000	60,000
0135	56975	Carryover	Bldg W President's Conference Room W302 table	Building W, President's Conference Room W302: Upgrade conference table to add power.	16,000	16,000
				TOTAL	$ 2,231,685	$ 2,134,192

Safety and Statutory

0138	57007	Annual	Sidewalk Maintenance 2027	Annual maintenance and replacement of sidewalks that were damaged over the winter	647,850	647,850

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0138	57008	Annual	Exterior Stair and Retaining Wall Maintenance 2027	Annual exterior stair and retaining wall repairs	688,380	688,380
0138	57006	Annual	Parking Lot Maintenance 2027	Annual maintenance of the parking lots and roadways for safety and to extend the life of the surfaces	598,185	598,185
0133	55430	Annual	Exterior Stairs and Retaining Wall Repairs 2025	Annual exterior stair and retaining wall repairs	596,000	247,075
0138	57009	Annual	Parking Garage Maintenance 2027	Annual inspection and maintenance of the parking garage for safety and to extend the life of the structure	197,340	197,340
0133	56390	Annual	Risk Management Annual Maintenance	Risk management annual maintenance to include eye wash stations, hazardous waste pickup, lab hood testing and any emergency water and/or mold sampling on campus upon request.	60,000	60,000
0133	53400	Annual	Running Track Resurface	Annual repairs to running track	50,000	50,000
0133	53370	Annual	Annual Accessibility Upgrades	Accessible upgrades to comply with Americans with Disabilities Act (ADA) Standards for Accessible Design. Annual project plus funds for old openers upgrade and replacement	50,000	50,000
0133	54570	Annual	Call Box Maintenance	Annual maintenance of the wireless call box system including hardware components and software upgrades to maintain the reliability of the system to maintain safety and security	30,000	30,000
0109	55290	Increase	Athletic Field Improvements	Upgrade Athletic Fields and Track to Support Division II Requirements. Feasibility Study to identify scope of work, budget, and schedule.	13,916,000	13,782,272
0109	56910	Carryover	Parking Lot 2,3,4 replacement	The replacement of parking lots 2, 3, and 4 is necessary to address deteriorating conditions, ensure compliance with updated safety and accessibility standards, incorporate sustainable materials, and improve stormwater management to enhance environmental stewardship.	12,069,800	11,841,000
0133	56640	Increase	LCC Parking Lot Restoration	Replace parking lot at LCC	4,239,000	2,725,073
0133	52950	Carryover	OSHA Roof Compliance	Multi-year project to install guards and anchors on roofs to comply with OSHA requirements Additional funds needed to complete Buildings A, E, F, G, L, P, S, T, U and V.	1,653,893	20,738
0133	54500	Carryover	Replace parking lot lighting main campus and LCC	Main Campus and LCC: Replace parking lot lighting with LED Lighting in lots two through fourteen, ring road and walkway lighting. Feasibility study completed. $1,530,000. to be phased over three years	1,530,000	1,482,127
0133	56914	Carryover	Stormwater Mgmt Improvements	Install storm water retention at the east side of Campus to address Metropolitan Water Reclamation District deficiencies.	1,500,000	1,380,800
0133	56924	Carryover	Exterior Stairs and Retaining Wall Repairs 2026	Annual maintenance and replacement of exterior stairs and retaining walls. Annual requirement	655,600	616,225

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	56925	Increase	Sidewalk Maintenance 2026	Annual maintenance and replacement of sidewalks that were damaged over the winter. Annual requirement	791,200	747,947
0133	56926	Carryover	Parking Lot Maintenance 2026	Annual maintenance of the parking lots and roadways for safety and to extend the life of the surfaces. Annual requirement	569,700	526,625
0135	56930	Carryover	LCC Restroom Upgrades	LCC's only All-Gender restrooms are original to the building and do not meet current accessibility code. They now are failing from public use, given they do not have industrial-capacity plumbing. Remodeling to ADA specifications will require significant demolition, as the two single restrooms are not wheelchair accessible and have brick walls, though there is unused room on either side to expand (including a 3rd toilet facing an inner office). The restrooms are in a high-circulation space. This is a high priority given its equity significance, and both site users and SAFE ERG are alerted and concerned about the precariousness of the restrooms.	522,600	517,800
0133	53660	Carryover	Security Cameras Upgrade	Security camera transition from a failing video platform (Video Viewer) to updated video platform Avigilon, 205 current cameras	330,964	287,179
0133	56570	Increase	Bldgs E,W Lighting + Controls Upgrades	Upgrade controls at Building E lecture rooms and Building W amphitheater, and lighting in Building W. Feasibility study included to identify options and verify budget.	300,000	271,706
0133	56927	Carryover	Parking Garage Maintenance 2026	Annual inspection and maintenance of the parking garage for safety and to extend the life of the structure. Annual requirement	179,400	179,400
0133	56560	Carryover	Bldg E Provide Redundant Fiber from Bldg A to E	Provide redundant Fiber from Building A to Building E.	160,000	151,825
0133	56450	Increase	Bollards Main Campus + LCC	Add bollards to main campus and LCC per Emerg. Prep. Tetra Tech report. Feasibility study is required to identify locations, quantity and underground conditions.	111,964	100,000
0133	56952	Carryover	Bldg Y Data Center fire suppression	Replace the fire suppression system in the Y data center.	85,900	85,900
0133	56955	Carryover	Bldg R Chair Lift Replacement	Replace the existing chair lift that provide ADA access to lower level of the Amphitheater.	76,000	76,000
0133	56440	Carryover	Bldgs A,D,I,V Emergency Safety Stations	Emergency safety station thermostatic mixing valves upgrade: Provide ANSI Z358.1 compliant thermostatic mixing valves for emergency safety stations at mechanical rooms in Buildings A, D, I and V.	37,500	37,500
0135	56964	Carryover	Bldg W Storage Feasibility Study	Equipment Storage area for tables, chairs and other daily equipment for Wojcik Conference Center. Feasibility Study required to identify options and budget.	26,000	26,000
0133	56965	Carryover	Automatic Closing Fire Assemblies Testing	Automatic Closing Fire Assemblies Testing Required - buildings M, R, L, C, F, H, Z etc.	26,000	26,000
0133	54460	Carryover	Sprinkler system testing	Fire Alarm Systems - 5 year Testing of sprinklers and standpipes Required for multiple buildings - For Compliance with the Palatine Fire Prevention Department .	26,000	26,000

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	56973	Carryover	Bldg M Building wide audio system corrective work	Building wide audio system corrective work to network paging station, audio processor, touch panel controller and touch panel mount	12,000	12,000
				TOTAL	$ 41,737,276	$ 37,488,947

System Reliability

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	57004	New	Bldg W HVAC Upgrades	Upgrade the HVAC systems serving Building W to improve reliability, energy efficiency, occupant comfort, and system performance	1,000,000	1,000,000
0133	57023	New	Bldgs X,Y,Z Replace Crossflow Cooling Towers (CT-Z1, CT-Z2)	Replace crossflow cooling towers and associated condenser water pumps.	628,200	628,200
0133	56984	New	Bldg B Side Stream Filtration for Hot/Cold Water Loops	Install a side stream filtration system on the hot and cold water closed loops to remove debris and improve water quality. The system will enhance efficiency, reduce wear on pumps and equipment, lower maintenance costs, and extend the life of mechanical systems, supporting both operational reliability and sustainability goals.	550,000	550,000
0133	57026	New	Building D HVAC Upgrades	Upgrade the HVAC systems serving Building D to improve reliability, energy efficiency, occupant comfort, and system performance	250,000	250,000
0133	56981	New	Bldgs B,D,T,HPC Plumbing Upgrades	Plumbing Upgrades for Bldgs. B,D,T,HPC	164,300	164,300
0133	57027	New	Building W Heat Exchangers	Replace heat exchanger and associated heating water pumps	139,200	139,200
0133	56988	New	Bldgs X,Y,Z Mechanical Systems Commissioning	HVAC upgrades have been identified through the Commissioning process to address noted deficiencies in system performance, control sequences, equipment operation, and overall energy efficiency.	65,800	65,800
0133	57005	New	LCC Install Isolation Valves/Drains	Feasibility study to identify the scope of work required to install Isolation valves and drains at LCC to isolate domestic water service and hydronic heating piping at LCC.	36,000	36,000
0133	56996	New	Bldg G HVAC upgrades	Upgrade the HVAC system that serves the office area of the Warehouse.	32,000	32,000
0133	56986	New	Bldg M Replace Relief Dampers	Replace the failing building relief dampers.	4,800	4,800
0133	52650	Annual	Campus Steam Line and Piping Maintenance Annual	Annual campus-wide steam line maintenance, insulation and valves	300,000	300,000

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	52790	Annual	Lennel System Maintenance Annual	Annual maintenance of the card access system including hardware components and software upgrades to maintain the reliability of the system to maintain safety and security	300,000	300,000
0133	53040	Annual	Annual BAS Hardware/Software Updates and Maintenance	Annual building automation systems hardware and software upgrades and maintenance	250,000	250,000
0133	52220	Increase	Campus Infrastructure: Y211 Data Center	Upgrade IT closet HVAC and power throughout campus.	1,640,100	325,968
0133	54670	Increase	Bldg L HVAC Upgrades	Building L HVAC Upgrades: Replace make-up air unit in the wood shop (L130)	875,868	674,670
0133	53010	Increase	Bldg Y 211 data center air conditioning unit	Bldg. Y 211 data center air conditioning unit tie in to fire suppression system. Replace the second Liebert air conditioner in Y data center.	701,200	671,490
0133	56280	Increase	Bldg C Electrical Service Upgrade	New service feeders underground and raceway within building P to MSB, current served from Building A and re-route 20A 1P 120V branch circuits to building C branch circuit panelboards	533,500	494,488
0133	54700	Increase	Bldg S Electrical Service Upgrades	Replace switchboard and increased service transformer kVA with primary/secondary feeders to accommodate existing DP-U serving Buildings U and T	369,050	292,002
0133	56945	Increase	Bldg W HVAC Upgrades	HVAC improvements identified after commissioning are necessary to optimize system performance, address deficiencies, and ensure energy efficiency and occupant comfort.	246,500	201,300
0133	52210	Carryover	Campus HVAC Improvements	Multi-year project to replace failing variable speed drives for HVAC units in Buildings R, X, Y & Z: Phase II and III Buildings R, Z and Y AHU-3	2,831,600	788,585
0133	56915	Carryover	Arc Flash/Electrical Equip Maintenance	Perform arc flash study, affix arc flash labeling to equipment and provide infrared scanning of all electrical equipment at Buildings, A, B, C, D, E, F, H, L, M, P, R, V, W, X, Y, Z, and LCC. This will be phased	2,234,100	2,234,100
0133	56917	Carryover	Bldg C HVAC Upgrades	The upgrades include replacement of first floor air handling unit, second floor air handling associated controls, add VAV terminal units to each of the existing multizone zones, and Existing BAS (Building automation system). BAS upgrade to include a supervisory controller and associated infrastructure and migration to the new system	1,575,600	1,575,600
0133	54070	Carryover	BAS Improvements Bldgs R W X Y Z	Buildings R, W, X, Y and Z Building Automation System Improvements: Phase III, Buildings R and Y Terminal units. Replace original obsolete Honeywell XL-15 controllers with upgraded controllers in Buildings R, W, X, Y and Z. Final phase, total cost $2,221,000	1,413,500	516,539

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	56919	Carryover	LCC HVAC Upgrades	Replace boilers B-LCC1 and B-LCC2 and associated pumps, AHU-LCC1 (24,900 cfm) and associated controls, AHU-LCC2 (24,900 cfm) and associated controls, AHU-LCC3 (3,000 cfm) and associated controls, upgrade building automation system (Niagara 4 JACE 9000 supervisory controller and associated infrastructure). Total Project cost = $4,021,677	1,005,419	1,005,419
0133	54680	Carryover	Tunnel Repairs Phase IV	Tunnel Repairs: Repair or replace steam pipes, racks, etc. that have corroded which is increasing the risk of possible utility failure. Multiyear project. Feasibility study in progress to determine scope of work.	904,000	896,200
0133	56923	Carryover	Bldgs R, W BAS Improvements	Buildings R and W Terminal units. Replace original obsolete Honeywell XL-15 controllers with upgraded controllers in Buildings R and W.	665,500	665,500
0133	53620	Carryover	Bldg B Motor Control Center Replacement	The MCC-1 in Building B is 46 years old and at the end of its useful life	660,900	350,057
0133	53470	Carryover	Tunnel Repairs Phase III (CDB)	Utility tunnels repairs Phase III: replacement of expansion joints, condensate piping, gate valves, pipe supports, and demolition of abandoned components Capital Development Board (CDB) project (Harper's share $135,825)	543,300	437,936
0133	56934	Carryover	Bldg E replace BAS and HVAC systems	Add a supervisory controller and associated infrastructure. As equipment is replaced the controls will be replaced and migrated to the new Niagara 4 system.	285,600	285,600
0133	56936	Carryover	LCC Underground Sewer Line Replacement	Replace the existing underground sewer line that has settle and has begun to fail.	184,800	183,600
0133	56938	Carryover	Bldgs A,M,P,R Plumbing Upgrades	Upgrades include replacement of sump pumps and sewage ejector in rooms and below stairwell , replacement of sump pump and sewage ejector discharge piping in pool Equipment Room, replacement of sump pumps in Mechanical Room(Provide dielectric unions on sump pump discharge, new basin lid, and sump pump controller connected to BAS), and replacement of the following Building R pumps; under slab drainage sump pump , perimeter drain tile sump pump , sewage ejector, elevator sump pump , elevator sump pump.	177,950	177,950
0133	56941	Carryover	Bldg R Heat Exchanger	Replace heat exchanger and associated heating water pumps.	152,500	152,500
0133	56942	Carryover	Bldgs A,D,E,H,L Master Thermostatic Mixing Valves	Provide master thermostatic mixing valves in to ensure consistent water temperature, improving user safety and system efficiency as required by code.	142,500	142,500
0133	56620	Carryover	Bldgs L,V Water Heater Upgrades	Buildings L and V Water Heater Upgrades	126,000	126,000
0133	56946	Carryover	Bldgs I, L & LCC Backflow Preventer Upgrades	The upgrades include replacement of the following backflow preventors: Mechanical Room I001, Building L main domestic water service, and LCC main domestic water service.	107,240	107,240

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0133	56949	Carryover	Bldg B Replace RTU	Replace the packaged rooftop unit RTU-B3 (4 tons) serving the conference room and workroom	94,820	94,820
0133	53590	Carryover	Bldg M Pool Equipment Room and Mechnical Loft	Add roof access for routine maintenance, install hoist for loft, chemical system for pool	87,000	70,018
0133	56530	Carryover	Bldgs D,H Mechanical Systems Commissioning	Rebalance and recommission mechanical systems. Recommission the existing chiller plant, heating water system, air handling units and 25% of all zone controls to ensure operation is in compliance with the construction documents. Provide recommendations for system improvements and energy conservation measures. Provide a manual in explaining the operation of the systems. Work with a third-party balancer to rebalance the air systems, locate any problem areas causing large pressure drops or inadequate flow, and provide recommendations to eliminate those problem areas. Includes feasibility study to verify scope of work and budget.	54,000	2,171
0133	56600	Carryover	Bldg L Retro Commission BAS System	Building L Retro Commission BAS System	42,000	9,577
0133	56790	Carryover	Bldg V Plumbing Upgrades Rm V110, V112	Heat tracing: In rooms V110 and V112 provide new heat tracing and pipe insulation on exposed fire protection service, domestic water service and distribution piping. Provide connection to BAS; V V112 Irrigation system backflow prevention: Provide a reduced pressure zone (RPZ) backflow preventer on piping serving the overhead irrigation system.	39,000	39,000
0133	56800	Carryover	Bldg W Mechanical Systems Commissioning	Recommission the existing heating water system, air handling units and 25% of all zone controls to ensure operation is in compliance with the construction documents. Provide recommendations for system improvements and energy conservation measures. Provide a manual explaining the operation of the systems. Work with a third party balancer to rebalance the air systems, locate any problem areas causing large pressure drops or inadequate flow, and provide recommendations to eliminate those problem areas.	36,000	7,028
0133	56550	Carryover	Bldg E Recommission Replacement AHU E3,E4	Recommission replacement air handling units to ensure operation is in compliance with the construction documents. Provide recommendations for system improvements and energy conservation measures. Provide a manual in explaining the operation of the systems.	27,000	14,605
0133	56360	Carryover	Bldgs T & V Ventilation Upgrades	Feasibility study to identify scope of work and budget for Building T maintenance garage and V greenhouse ventilation upgrades	26,000	26,000
				TOTAL	$ 21,502,847	$ 16,288,763

Other Renovations

0132	56978	New	HPC Classroom Remodel	Remodel HPC to accommodate CE Classes	1,825,750	1,825,750

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0110	57028	New	57028-Academic Project Placeholder (FY28-FY29)	This project serves as a placeholder to provide funding capacity for anticipated Academic facility improvements that cannot yet be specifically identified or scoped.	1,500,000	1,500,000
0135	56992	New	Bldg W Dining Room Warming Kitchen	Feasibility Study to Provide a Warming Kitchen (Support and Serving) in Building W to serve the Building W Dining Room.	300,000	300,000
0135	56991	New	Bldg T Fleet Shop Upgrades Feasibility Study	Feasibility Study to maximize the use and efficiency of the existing fleet maintenance shop. The study should evaluate removing the dividing wall to expand work space, installing two additional lifts, relocating the air compressor, and optimizing the overall floor plan, including potential relocation of tool and office areas. The study should also assess relocating the outdoor trash compactor and constructing an addition with a raised ceiling and drive-on lift to accommodate larger trucks that are currently serviced offsite.	26,000	26,000
0138	10600	Annual	Unplanned Maintenance Projects	Annual unplanned maintenance expenses	2,500,000	2,500,000
0110	10700	Annual	Classroom Furniture Replacement	Annual classroom furniture replacements	300,000	300,000
0135	55470	Annual	Space Mgmt - Annual Office Improvements/Relocation	Annual furniture required for offices for new staff of reassigned space, due to improvements for minor office improvements when relocating staff	40,000	40,000
0134	56921	Increase	Bldg Z restroom upgrades	Building Z restroom sink and toilet partition replacements, Project will be Phased	2,338,200	2,333,660
0134	56740	Increase	Bldg R Canopy Improvements	Replace lights with new surface mounted LED fixtures (underside of metal roof deck) lighting system controls, pest control, columns and canopy to compliment the proposed Canning Student Center.	1,244,900	1,244,900
0135	56933	Increase	Bldg A A234 Remodel	Request remodel of A234 to accommodate 21 people sitting in A234. Need 3 double cubicles for interns/hoteling. Asbestos abatement required for all offices (except A234f), including conference room.	636,200	636,200
0134	56911	Carryover	Convert greenhouse to metal bldg	Study for Roads and Ground Storage Building: Convert existing green house to metal storage facility.	800,000	800,000
0135	56920	Carryover	Temporary Department relocations	Professional services and construction costs are required for temporary departmental relocations to support the construction and other projects to ensure uninterrupted operations during construction.	600,000	600,000
0135	56100	Carryover	Bldg R Lighting Fixture Replacement	Architectural lighting fixture replacement to include house lighting and orchestra shell fixtures, address poor coverage, replace inefficient incandescent lighting with theatrical-grade LEDs. Feasibility study included to verify scope of work and budget.	462,000	436,593
0135	53210	Carryover	Dental Hygiene Clinic Work Station	Pipe water to work station in DHY Clinic X102 and add sink and eye wash station	367,000	363,249

FY 2027 Capital Projects

				Project Description	Project Estimated Cost	FY 2027 Budget
0135	54280	Carryover	Bldg X DHY Dental Operatories Upgrades	Hook up air, water, light, ultrasonic scalers, ADEC dental chairs and operating systems to make X-156, X-158, X-160, X-162 fully operational dental operatories Budget includes feasibility study	262,500	251,422
0135	56935	Carryover	Bldg P Music Lab upgrades	Music Lab P202/P205 Upgrades: Install new acoustic panels and paint room. Existing panels cannot be cleaned and require replacement	242,300	242,300
0135	54770	Carryover	Radio Station Upgrades	Radio Station Antenna Relocation. Relocate the existing antenna from Building A to Building R for the Harper College Radio Station.	236,000	191,252
0135	53700	Carryover	Kiln Room Ventilation	Building L kiln make-up air unit upgrades for proper operation	160,000	9,229
0135	50500	Carryover	Parking Structure Artwork	Building G Art-in-Architecture artwork for major capital projects	63,000	49,500
0135	56968	Carryover	Bldg W Dining Hall Improvements Feasibility Study	Feasibility Study to add power to tables.	26,000	26,000
0135	56974	Carryover	Bldg M Install acoustical panels	Install acoustical panels in M2501 on far wall to improve sound quality	11,000	11,000
				TOTAL	$ 13,940,850	$ 13,687,055

Master Plan

0134	56944	Carryover	Campus Master Plan Update FY 2026 - FY 2031	The Illinois Community College Board requires a Campus Master Plan update every five years to ensure alignment with institutional goals and evolving needs. This update will include a review of the Strategic Plan, recent capital projects, enrollment trends, class scheduling, and space needs. Based on this analysis, space projections will be refined, and options for adjusting campus priorities and project phases will be explored. The final plan will summarize findings with updated cost estimates and visual plans to guide future campus development.	135,000	135,000
0134	56980	New	Bldg X Interior Connection to Bldg J BSSB	Interior renovations to accommodate new connection to Business and Social Sciences Building, Building J.	550,000	550,000
0134	56976	Increase	Signage and Wayfinding	Consulting services for signage and wayfinding design at the College's main campus, the Learning and Career Center and Harper Professional Center. The Consultant will evaluate and provide recommendations for exterior signage, interior signage, and departmental displays. The Consultant will also complete a wayfinding study, review existing wayfinding messaging and provide recommendations for improvement, prepare design intent documents and construction oversight for the implementation of the project.	6,000,000	5,883,405
0134	54480	Increase	Business and Social Sciences Center Replacement	Buildings I and J Replacement Project	78,000,000	62,190,730
				TOTAL	$ 84,685,000	$ 68,759,135

Canning Student Center and University Center

FY 2027 Capital Projects

				Project Description		Project Estimated Cost	FY 2027 Budget
0141/ 0136	51300	Carryover	Canning Student Center and University Center (CDB)	New building to house all student services and related functions into one location on campus Capital Development Board (CDB) project (Harper share $55,250.00).		101,620,000	55,109,324
0141	57120	Carryover	West Campus Infrastructure	Utility relocation and other infrastructure items required to accommodate the Canning Center project		7,535,822	5,674,967
					TOTAL	$ 109,155,822	$ 60,784,291

Building Integrity	$ 245,900	$ 245,900
Sustainability	720,000	715,900
Renewal	2,231,685	2,134,192
Safety and Statutory	41,737,276	37,488,947
System Reliability	21,502,847	16,288,763
Other Renovations	13,940,850	13,687,055
Master Plan	84,685,000	68,759,135
Canning Student Center and University Center (CDB)	109,155,822	60,784,291
Grand Total	$ 274,219,380	$ 200,104,183
Contingency		$ 12,000,000
Total Budget Request		$ 212,104,183

Financial Forecasting and Long Range Financial Planning

The College devotes considerable time and resources to long range strategic and operational planning as described in the planning section of this document. The College is equally committed to long range financial planning. Each fall the Five-Year Financial Plan is updated, forecasting financial trends into the future. Excerpts from the January 2026 financial plan follow.

The Five-Year Financial Plan contains the following:

- Executive Summary and Financial Policies and Guidelines
- Historical Information
- Five-Year Projections by Fund and Fund Groupings
- Financial Plan Alternatives

The purpose of the Five-Year Financial Plan is to create a framework which allows the College and the Board of Trustees to examine the long range financial implications of the many major financial decisions that are made. The Five-Year Financial Plan is not intended to be a detailed line item budget for five years, but rather, it is intended to provide a "broad brush" overview of the financial position and the resulting impact of the financial decisions that must be made. The Five-Year Financial Plan is also intended to look prospectively at expenditures, the means of financing those expenditures, and the financial position over a longer period of time than the traditional one-year budget.

Financial Guidelines

- Continue the current practice of maintaining a balanced budget across the tax-capped funds, which include the Education, Operations and Maintenance, Audit, and Liability, Protection, and Settlement Funds.

- Limit annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students. (*Board Policy 07.01.04 Revised 12/16/15)*

- Maintain current practice of increasing and/or adding fees to make up for shortfalls in other revenue sources including state funding and property tax reductions due to successful Property Tax Appeal Board appeals.

- Continue the board policy of maintaining a fund balance in the combined Tax Capped Funds (Education, Operations and Maintenance, Audit, and Liability, Protection, and Settlement Funds) between 40% and 60% of the budgeted annual expenditures. *(Board Policy 07.01.04 Revised 6/20/12)*

- Support quality teaching and learning through sound financial practices consistent with maintaining a Aaa bond rating. *(Board Policy 07.01.04)*

William Rainey Harper College
All Funds
Financial Projection

	Actual					Forecast	Projection				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues											
Local tax revenue	$ 85,829,253	$ 88,152,411	$ 92,450,515	$ 97,647,041	$ 96,570,908	$ 103,274,656	$ 105,416,244	$ 107,911,383	$ 110,702,712	$ 113,340,241	$ 116,037,287
All other local revenue	1,430,685	3,093,396	3,228,170	1,945,229	1,304,428	1,485,000	1,495,000	1,495,000	1,495,000	1,495,000	1,495,000
ICCB grants	9,847,342	10,521,435	13,080,443	13,271,272	13,261,768	12,574,251	12,265,088	11,965,199	11,965,199	11,965,199	11,965,199
All other state revenue [1,2]	4,402,265	7,030,741	4,391,729	5,043,610	5,361,213	23,379,751	20,156,807	7,683,230	5,361,213	5,361,213	5,361,213
Federal revenue	23,142,721	33,806,409	14,287,032	18,029,994	22,065,918	22,066,693	22,750,140	23,295,664	23,831,004	24,378,657	24,938,906
Student tuition and fees	47,483,916	45,450,120	50,234,308	52,651,572	56,278,750	58,386,026	60,934,664	62,389,501	63,835,097	65,221,441	66,589,383
All other revenue	7,960,686	4,846,190	11,556,966	20,865,305	19,176,360	19,231,063	15,060,270	11,836,128	10,149,236	14,497,405	11,871,572
Total Revenues	180,096,868	192,900,702	189,229,163	209,454,023	214,019,345	240,397,440	238,078,214	226,576,105	227,339,461	236,259,156	238,258,561
Expenditures											
Salaries	73,333,642	77,091,223	78,159,793	82,781,613	88,376,077	93,583,101	96,909,818	100,230,105	103,455,445	106,785,022	110,229,969
Benefits[1]	15,011,146	15,281,053	15,780,807	16,537,465	17,959,389	19,396,135	21,334,721	22,933,908	24,080,148	25,283,629	26,547,269
Contractual Services	13,237,419	12,135,882	15,250,961	19,414,480	22,928,082	34,174,473	34,776,469	24,081,057	18,878,903	33,202,270	32,630,971
General Materials & Supplies	5,786,689	5,941,068	7,546,210	7,827,105	7,882,098	8,671,458	8,909,403	9,109,775	9,311,374	9,520,135	9,733,101
Conference & Meeting	313,883	931,236	1,665,167	1,877,398	2,101,452	2,416,823	2,483,141	2,538,987	2,595,175	2,653,358	2,712,714
Fixed Charges	25,869,031	22,084,667	23,767,348	23,675,786	24,246,661	24,458,948	25,141,704	24,624,292	25,829,612	25,321,339	26,531,506
Utilities	2,928,368	3,067,991	3,283,206	3,339,486	3,054,640	3,455,511	3,550,330	3,930,177	4,017,152	4,107,217	4,199,095
Capital Outlay[2]	7,836,229	9,362,425	8,098,334	16,871,908	20,155,879	83,759,019	84,505,808	39,694,350	17,630,821	73,625,046	70,014,425
Strategic Cost Containment Target[3]	-	-	-	-	-	-	-	-	(376,382)	(1,991,853)	(3,753,136)
Other Expenditures	29,791,749	40,563,300	28,767,055	34,049,945	38,456,987	35,374,514	36,579,730	37,557,439	38,429,549	39,330,979	40,251,523
Total Expenditures	174,108,156	186,458,845	182,318,881	206,375,186	225,161,265	305,289,982	314,191,125	264,700,090	243,851,797	317,837,143	319,097,437
Excess (Deficiency) of Revenue over Expenditures	5,988,712	6,441,857	6,910,282	3,078,837	(11,141,920)	(64,892,541)	(76,112,911)	(38,123,985)	(16,512,336)	(81,577,987)	(80,838,876)
Other financing sources (uses)											
Proceeds from bond issue	185,868,398	-	5,184,503	-	4,953,594	-	5,100,000	-	150,100,000	-	5,100,000
Total other financing sources (uses)	185,868,398	-	5,184,503	-	4,953,594	-	5,100,000	-	150,100,000	-	5,100,000
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources (uses)	191,857,110	6,441,857	12,094,785	3,078,837	(6,188,326)	(64,892,541)	(71,012,911)	(38,123,985)	133,587,664	(81,577,987)	(75,738,876)
Beginning Fund Balance	155,156,341	347,013,451	353,455,308	365,550,093	371,266,754	365,078,428	300,185,887	229,172,976	191,048,991	324,636,655	243,058,668
Ending Fund Balance	$ 347,013,451	$ 353,455,308	$ 365,550,093	$ 368,628,930	$ 365,078,428	$ 300,185,887	$ 229,172,976	$ 191,048,991	$ 324,636,655	$ 243,058,668	$ 167,319,792
[1] Excludes SURS on behalf payments	$ 49,850,868	$ 34,370,102	$ 18,657,686	$ 20,402,699	$ 20,925,172	$ 20,402,699	$ 20,402,699	$ 20,402,699	$ 20,402,699	$ 20,402,699	$ 20,402,699
[2] Includes State capital contributions	$ 197,214	$ 2,355,011	$ -	$ -	$ -	$ 18,018,538	$ 14,795,594	$ 2,322,017	$ -	$ -	$ -

[3]This reflects the level of expenditure reductions necessary to maintain a structurally balanced budget. It is a critical component of our long-term financial sustainability strategy. The projected FY2029-2031 amounts represent the gap between anticipated revenues and current expenditure trends, highlighting the need for proactive planning and disciplined execution.

William Rainey Harper College
Five-Year Financial Plan

All Tax Capped Funds

Revenue Major Assumptions

Local Tax Revenue

	Levy Year 2025 FY 2025-26	Levy Year 2026 FY 2026-27	Levy Year 2027 FY 2027-28	Levy Year 2028 FY 2028-29	Levy Year 2029 FY 2029-30	Levy Year 2030 FY 2030-31
CPI-U Change (Tax levy limited to 5%)	2.9%	2.7%	2.7%	2.2%	2.2%	2.2%
New Construction	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%

Other Revenues

		FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
ICCB Grants		-3.0%	-3.0%	Flat	Flat	Flat
Credit Hour Enrollment – Tuition Bearing		0.8%	0.3%	0.2%	0.1%	Flat
Credit Hour Enrollment – Non-Tuition Bearing		2.7%	3.0%	0.8%	0.8%	0.8%
Credit Hour Enrollment – Total		1.2%	0.9%	0.3%	0.2%	0.2%
Credit Hour Based Tuition and Fees	FY 2026 Base	Increase	Increase	Increase	Increase	Increase
HECA Projected Change (maximum of 5%)		3.1%	3.1%	2.9%	2.7%	2.7%
HECA Calculated Tuition Increase (rounded)		$4.33	$4.47	$4.27	$4.04	$4.21
Tuition Increase used in Plan	$141.50	$4.25	$3.75	$3.75	$3.75	$3.75
Universal Fees	22.00	-	-	-	-	-
Total Credit Hour Base Tuition and Universal Fees	$163.50	$167.75	$171.50	$175.25	$179.00	$182.75

William Rainey Harper College
Five-Year Financial Plan

All Tax Capped Funds

Expenditure Major Assumptions

Bargaining Units	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Salaries-Full-Time Faculty[3]	4.50%	4.50%	4.50%	4.50%	4.50%
Salaries-Adjunct Faculty[1]	2.70%	3.00%	2.50%	2.50%	2.50%
Salaries-Professional/Technical[1]	4.00%	3.00%	3.00%	3.00%	3.00%
Salaries-IEA/NEA Service Staff	3.00%	3.00%	2.50%	2.50%	2.50%
Salaries-ICOPS Service Staff[2]	4.00%	4.00%	4.00%	2.50%	2.50%
Salaries-CSO/Telecommunicators[2]	3.00%	3.00%	2.50%	2.50%	2.50%
Non-Bargaining Unit					
Salaries – Administration	3.00%	3.00%	2.50%	2.50%	2.50%
Salaries – Student Employee[4]	0.00%	0.00%	2.50%	2.50%	2.50%
Salaries – All other employee groups	3.00%	3.00%	2.50%	2.50%	2.50%
Other Expenditure Items					
Benefits-Ed and O&M Funds	10.00%	7.50%	5.00%	5.00%	5.00%
Contractual Services	2.70%	2.20%	2.20%	2.20%	2.20%
General Materials and Supplies	2.70%	2.20%	2.20%	2.20%	2.20%
Conference and Meeting	2.70%	2.20%	2.20%	2.20%	2.20%
Fixed Charges	2.70%	2.20%	2.20%	2.20%	2.20%
Utilities	2.70%	2.20%	2.20%	2.20%	2.20%
Capital Outlay	2.70%	2.20%	2.20%	2.20%	2.20%
Strategic Cost Containment Target	**0.00%**	**0.00%**	**-0.24%**	**-1.22%**	**-2.24%**
Other Expenditures	2.70%	2.20%	2.20%	2.20%	2.20%

Strategic Cost Containment Target: *This reflects the level of expenditure reductions necessary to maintain a structurally balanced budget. It is a critical component of our long-term financial sustainability strategy. The projected FY2029-2031 amounts represent the gap between anticipated revenues and current expenditure trends, highlighting the need for proactive planning and disciplined execution.*

[1]Based on contract through FY 2027
[2]Based on contract through FY 2028
[3]Based on contract through FY 2029
[4]Student Employee hourly rates increased by 82% since 2019 ($8.25 → $15.00)

William Rainey Harper College
All Tax Capped Funds (Education Fund, Operations and Maintenance Fund, Audit Fund, and Liability, Protection, and Settlement Fund)
Effect of Change "Power of One"

Revenues

Property Taxes	FY 2027 Base	Change	One-Year Dollar Impact
Operating Levy	$ 81,056,908	1%	$ 810,569
State Revenues			
State Base Operating Grant	$ 9,996,280	1%	$ 99,963
Tuition and Fee Revenues (Tuition-bearing)			
Credit Hour Enrollment	222,893	1%	$ 501,030
Tuition Rate Change ($)	$167.75	$1.00	$ 222,893
Tuition Rate Change (%)	$167.75	1%	$ 373,903

Expenditures

	FY 2027 Base	Change	One-Year Dollar Impact
Salaries-All	$ 90,565,942	1%	$ 905,659
Salaries-Full-Time Faculty	$ 24,211,858	1%	$ 242,119
Salaries-Professional/Technical	$ 15,352,154	1%	$ 153,522
Salaries-Adjunct Faculty	$ 10,044,039	1%	$ 100,440
Salaries-Full-Supervisor/Management	$ 9,928,273	1%	$ 99,283
Salaries-Administration	$ 7,459,384	1%	$ 74,594
Salaries-Classified	$ 7,436,140	1%	$ 74,361
Salaries-Full-Time Overload	$ 5,806,715	1%	$ 58,067
Salaries-IEA/Service Staff	$ 5,120,748	1%	$ 51,207
Salaries-Other	$ 2,736,772	1%	$ 27,368
Salaried-Student Employees	$ 1,360,609	1%	$ 13,606
Salaries-CSO/Telecommunicators	$ 648,900	1%	$ 6,489
Salaries-ICOPS Service Staff	$ 460,350	1%	$ 4,604
Benefits	$ 20,218,925	1%	$ 202,189
All Other Non-Labor	$ 38,416,329	1%	$ 384,163

William Rainey Harper College
All Tax Capped Funds (Education, Operations and Maintenance, Audit, and Liability Protection and Settlement Funds)
Financial Projection

	Actual					Forecast	Projection				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues											
Local tax revenue	$ 63,354,820	$ 65,244,795	$ 68,819,405	$ 73,630,775	$ 73,252,350	$ 78,631,917	$ 81,056,908	$ 83,631,490	$ 86,091,169	$ 88,392,856	$ 90,752,333
All other local revenue	1,430,685	3,093,396	3,228,170	1,945,229	1,304,428	1,440,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
ICCB grants	9,197,968	9,816,702	10,221,891	10,889,263	10,992,960	10,305,443	9,996,280	9,696,391	9,696,391	9,696,391	9,696,391
Federal revenue	2,319,325	6,554,557	15,290	16,025	19,225	20,000	20,000	20,000	20,000	20,000	20,000
Student tuition and fees	46,233,132	43,159,994	47,542,321	49,826,340	53,106,650	55,131,188	57,678,943	59,076,023	60,463,486	61,791,104	63,099,351
All other revenue	564,450	(16,690)	5,022,108	7,596,001	7,834,236	6,473,123	6,056,276	5,505,783	5,199,953	5,199,953	5,199,953
Total Revenues	123,100,380	127,852,754	134,849,185	143,903,633	146,509,849	152,001,671	156,258,407	159,379,687	162,921,000	166,550,304	170,218,029
Expenditures											
Salaries	69,219,270	72,686,858	73,479,210	77,605,749	83,260,402	87,430,260	90,565,942	93,696,983	96,753,041	99,908,925	103,175,651
Benefits	14,277,574	14,522,198	15,003,062	15,507,174	16,874,874	18,381,775	20,218,925	21,734,427	22,820,693	23,961,201	25,158,721
Contractual Services	6,368,908	7,991,636	8,241,065	8,941,165	8,776,388	9,136,926	9,388,066	9,799,386	10,016,394	10,241,048	10,470,229
General Materials & Supplies	4,064,863	4,622,324	5,521,692	5,805,483	6,319,277	6,988,652	7,180,421	7,341,908	7,504,385	7,672,633	7,844,270
Conference & Meeting	218,708	789,790	1,139,964	1,388,122	1,750,287	2,105,278	2,163,047	2,211,694	2,260,639	2,311,322	2,363,026
Fixed Charges	688,219	742,238	836,507	974,821	1,064,723	1,058,921	1,087,978	1,112,446	1,137,065	1,162,558	1,188,564
Utilities	2,902,809	3,022,823	3,237,154	3,308,194	3,023,212	3,443,935	3,538,437	3,918,016	4,004,722	4,094,508	4,186,102
Capital Outlay	613,792	1,123,511	2,424,743	1,424,882	2,904,270	2,219,655	2,280,562	2,331,852	2,383,456	2,436,893	2,491,406
Strategic Cost Containment Target[1]	-	-	-	-	-	-	-	-	(376,382)	(1,991,853)	(3,753,136)
Other Expenditures	7,378,188	5,850,912	9,946,705	11,680,079	12,906,688	12,208,137	12,777,819	13,220,347	13,553,998	13,897,842	14,249,569
Total Expenditures	105,732,331	111,352,290	119,830,102	126,635,669	136,880,121	142,973,539	149,201,196	155,367,060	160,058,010	163,695,076	167,374,403
Excess (Deficiency) of Revenue over Expenditures	17,368,049	16,500,464	15,019,083	17,267,964	9,629,728	9,028,132	7,057,210	4,012,627	2,862,990	2,855,228	2,843,626
Other financing sources (uses)											
Transfers (to) from other funds	(17,366,179)	(16,500,463)	(10,139,895)	(10,793,193)	(9,004,139)	(4,357,154)	(2,262,743)	(2,305,790)	(2,346,619)	(2,388,465)	(2,431,018)
Total other financing sources (uses)	(17,366,179)	(16,500,463)	(10,139,895)	(10,793,193)	(9,004,139)	(4,357,154)	(2,262,743)	(2,305,790)	(2,346,619)	(2,388,465)	(2,431,018)
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources (uses)	1,870	1	4,879,188	6,474,771	625,589	4,670,978	4,794,467	1,706,837	516,370	466,763	412,608
Beginning Fund Balance	57,129,681	57,131,551	57,131,552	62,010,740	71,123,335	71,748,923	76,419,901	81,214,368	82,921,205	83,437,575	83,904,338
Ending Fund Balance	$ 57,131,551	$ 57,131,552	$ 62,010,740	$ 68,485,511	$ 71,748,924	$ 76,419,901	$ 81,214,368	$ 82,921,205	$ 83,437,575	$ 83,904,338	$ 84,316,946
Beginning Fund Balance as % of Current Year Exp.	54.0%	51.3%	47.7%	49.0%	52.0%	50.2%	51.2%	52.3%	51.8%	51.0%	50.1%

[1]This reflects the level of expenditure reductions necessary to maintain a structurally balanced budget. It is a critical component of our long-term financial sustainability strategy. The projected FY2029-2031 amounts represent the gap between anticipated revenues and current expenditure trends, highlighting the need for proactive planning and disciplined execution.

William Rainey Harper College
FTE Enrollment Projections by Fiscal Year

	Actual					Forecast	Projection				
Tuition Bearing	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Continuing	5,910	5,276	5,050	5,285	5,465	5,551	5,572	5,598	5,608	5,611	5,609
New HS Grad	927	870	886	866	919	911	934	923	920	920	920
New Adult/Transfer	720	731	741	833	765	788	788	794	794	792	791
CPE	51	60	59	51	68	58	60	60	60	60	60
Concurrent	24	17	18	22	19	20	20	20	20	20	20
Dual Credit (On-Campus)	25	22	27	28	37	41	56	61	67	71	75
Tuition Bearing Total	**7,658**	**6,976**	**6,781**	**7,085**	**7,274**	**7,369**	**7,430**	**7,456**	**7,469**	**7,474**	**7,474**
	-6.0%	-8.9%	-2.8%	4.5%	2.7%	1.3%	0.8%	0.3%	0.2%	0.1%	0.0%

Non-Tuition Bearing	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
AED	217	262	535	668	689	743	743	743	743	743	743
Dual Credit (Off-Campus)	789	812	870	941	1,024	1,073	1,123	1,179	1,194	1,210	1,226
Non-Tuition Bearing Total	**1,005**	**1,074**	**1,405**	**1,609**	**1,713**	**1,816**	**1,866**	**1,922**	**1,937**	**1,953**	**1,969**
	0.5%	6.8%	30.9%	14.5%	6.5%	6.0%	2.7%	3.0%	0.8%	0.8%	0.8%

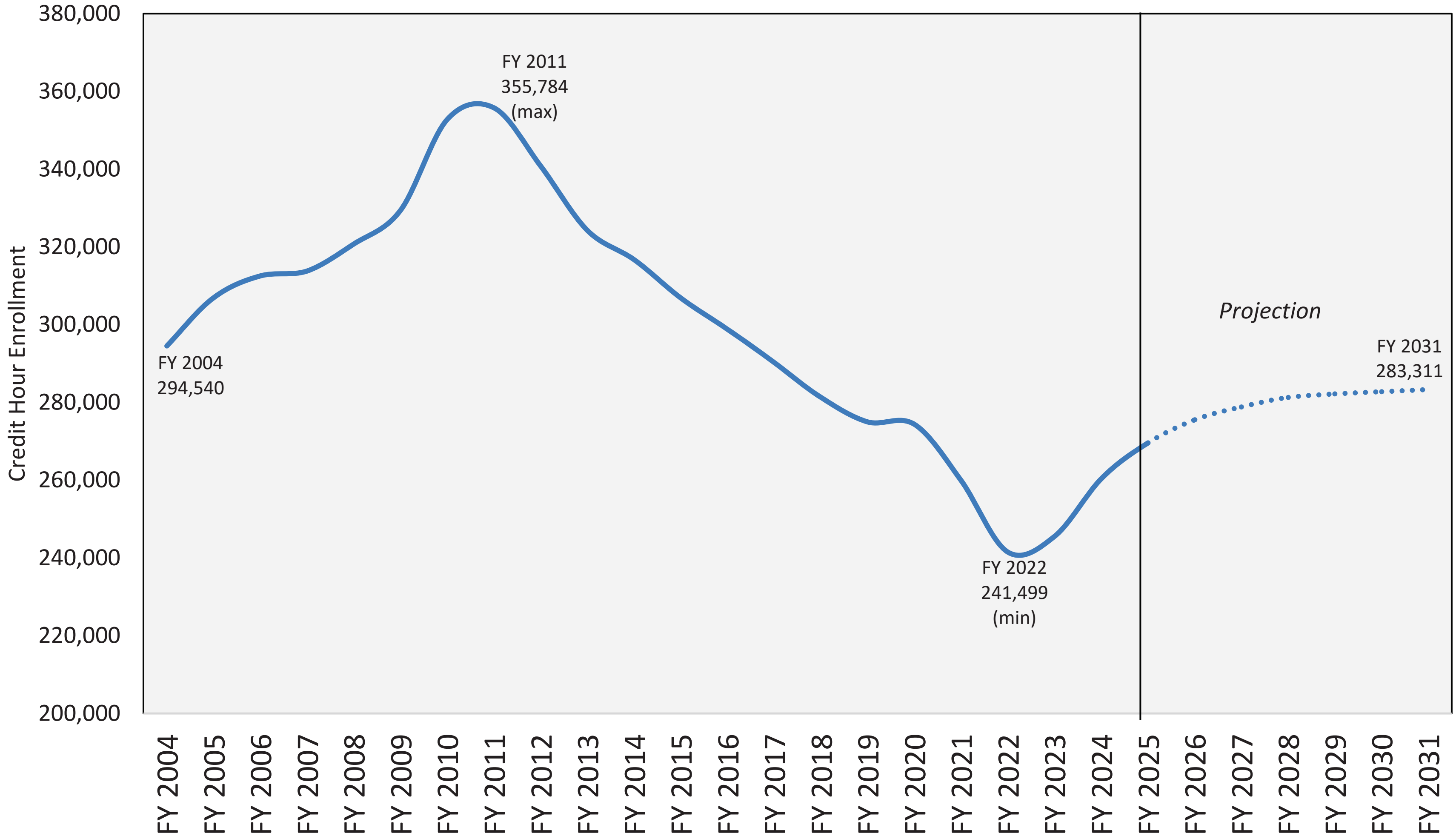
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Overall Total	**8,664**	**8,050**	**8,186**	**8,694**	**8,987**	**9,185**	**9,296**	**9,378**	**9,406**	**9,426**	**9,444**
	-5.3%	-7.1%	1.7%	6.2%	3.4%	2.2%	1.2%	0.9%	0.3%	0.2%	0.2%

	Actual					Forecast	Projection				
Summer	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Tuition Bearing	2,359	2,008	1,771	1,905	1,940	2,006	1,959	1,961	1,960	1,959	1,954
Non-Tuition Bearing	65	70	49	101	70	79	79	79	79	79	79
Total	**2,424**	**2,078**	**1,820**	**2,005**	**2,010**	**2,085**	**2,038**	**2,040**	**2,039**	**2,037**	**2,033**
	15.1%	-14.3%	-12.4%	10.2%	0.2%	3.7%	-2.3%	0.1%	0.0%	-0.1%	-0.2%

Fall	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Tuition Bearing	7,006	6,463	6,234	6,392	6,579	6,657	6,754	6,767	6,777	6,788	6,796
Non-Tuition Bearing	426	615	858	1,063	1,126	1,185	1,205	1,234	1,264	1,296	1,329
Total	**7,432**	**7,078**	**7,092**	**7,455**	**7,705**	**7,842**	**7,959**	**8,001**	**8,041**	**8,084**	**8,125**
	-7.0%	-4.8%	0.2%	5.1%	3.4%	1.8%	1.5%	0.5%	0.5%	0.5%	0.5%

Spring	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Tuition Bearing	5,951	5,481	5,556	5,873	6,029	6,075	6,146	6,183	6,201	6,200	6,199
Non-Tuition Bearing	1,520	1,462	1,903	2,067	2,230	2,368	2,447	2,531	2,531	2,531	2,531
Total	**7,471**	**6,943**	**7,460**	**7,939**	**8,259**	**8,442**	**8,594**	**8,714**	**8,732**	**8,731**	**8,730**
	-8.9%	-7.1%	7.4%	6.4%	4.0%	2.2%	1.8%	1.4%	0.2%	0.0%	0.0%

William Rainey Harper College
Enrollment Trends



William Rainey Harper College
Tax Revenue Projections by Levy Year

Tax Levy Year	CPI		New Property	
2024	3.4%	Actual	0.4%	Projected
2025	2.9%	Actual	0.4%	Projected
2026	2.7%	Projected	0.4%	Projected
2027	2.7%	Projected	0.4%	Projected
2028	2.2%	Projected	0.4%	Projected
2029	2.2%	Projected	0.4%	Projected
2030	2.2%	Projected	0.4%	Projected

Revenue Projections - By Levy Year

Tax Levy Year	Calendar Year Payable	Education	Operations and Maintenance	Audit	Liability, Protection, and Settlement	Sub-Total	Bond and Interest	Total
2024	2025	$ 62,437,840	$ 16,323,504	$ 20,024	$ 20,024	$ 78,801,392	$ 25,186,313	$ 103,987,705
2025	2026	64,498,289	16,862,180	20,685	20,685	81,401,838	25,127,930	106,529,768
2026	2027	63,497,736	20,384,907	21,326	21,326	83,925,295	25,127,930	109,053,225
2027	2028	65,494,105	21,025,809	21,997	21,997	86,563,906	24,556,065	111,119,971
2028	2029	67,229,044	21,582,782	22,579	22,579	88,856,984	25,792,895	114,649,879
2029	2030	68,985,738	22,146,740	23,169	23,169	91,178,817	25,229,430	116,408,247
2030	2031	70,808,342	22,731,857	23,781	23,781	93,587,761	26,469,725	120,057,486

Overview of Revenues and Expenditures – Budget Assumptions and Historical Trends

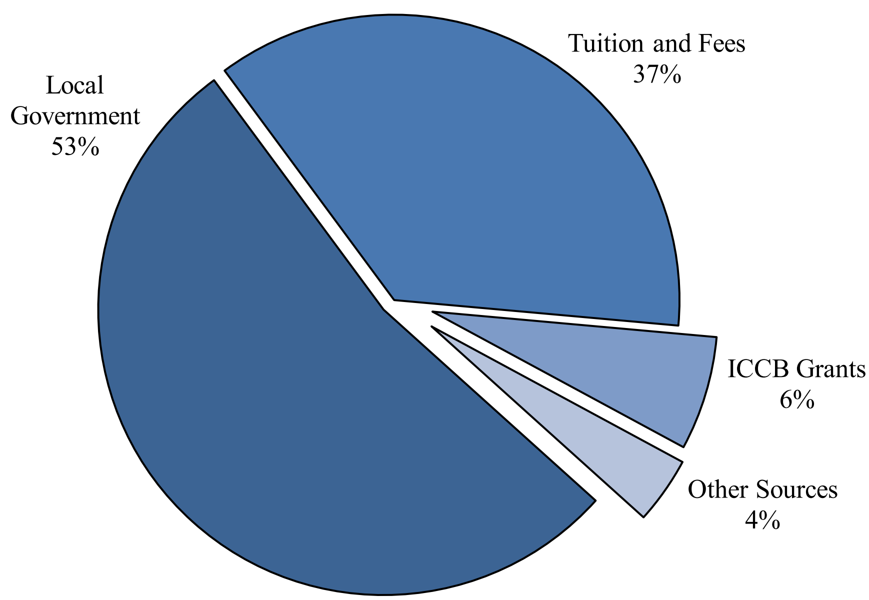
The Five-Year Financial Plan lays the groundwork for the many financial decisions to be made, as the initial step in building the next year's budget. Preliminary estimates are used in the financial plan for revenue and expenditure lines, and assumptions could change for the next budget year, as more information becomes available in areas such as property taxes, enrollment, and state funding.

The following narrative refers to the combined Tax Capped Funds, which include the Education, Operations and Maintenance, Audit, and Liability, Protection and Settlement Funds, and are considered the main operating funds of the College. These are the funds for which local property taxes can be levied, and that are subject to the Property Tax Extension Limitation Law. The discussion includes historical information, as well as assumptions for Fiscal Year 2027's budget.

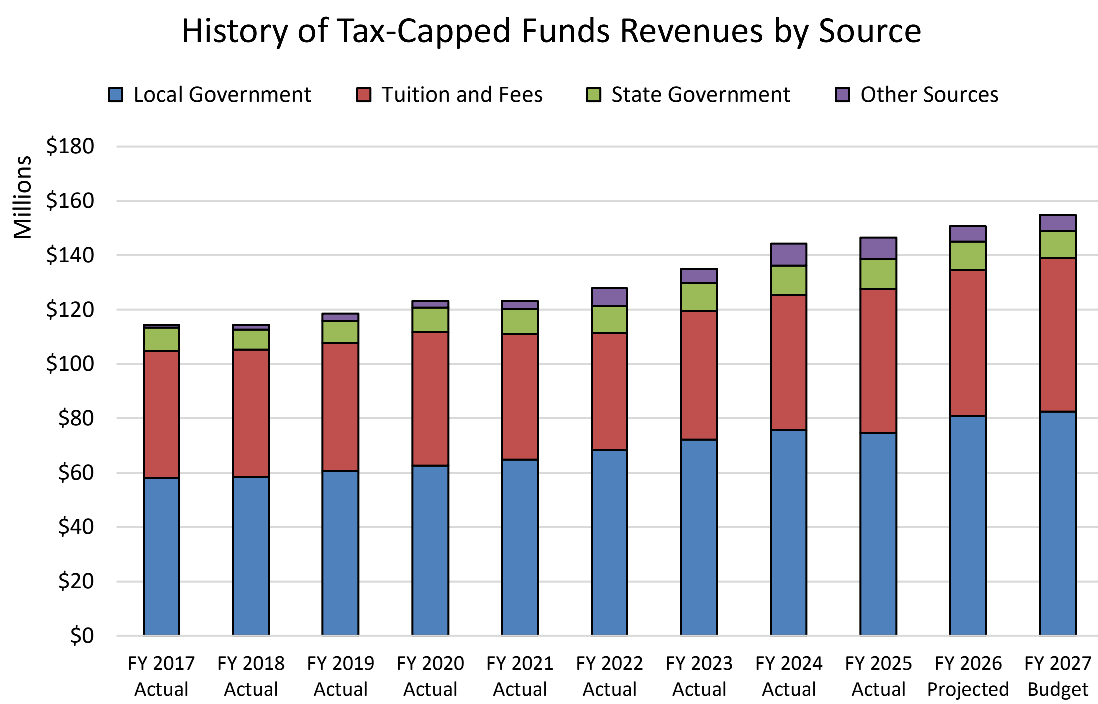
Revenue

The Tax Capped Funds have three major sources of revenue: local government, tuition and fees, and state government. Budgeted revenues for FY 2027 are $154.8 million compared to a budget of $154.6 million for FY 2026. This represents an increase of $0.2 million, or 0.1%. The $2.3 million increase in local government and the $1.4 million increase in tuition and fees are offset by decreases in the remaining revenue categories, with investment income declining most significantly by $1.9 million.

Revenues by Source



The following table and graph show revenues for the previous ten years and the budgeted revenues for FY 2027. The graph below shows greater dependence on local government revenues in the last several years as state revenue sources have remained relatively flat. Other revenue sources have increased in recent years due to the higher interest rate environment, but the College considers the higher investment return temporary.



	Local Government	Tuition and Fees	State Government	Other Sources	Total Revenues	% Change
FY 2017 Actual	$ 57,862,117	$ 46,990,717	$ 8,418,809	$ 1,051,078	$ 114,322,721	7.4%
FY 2018 Actual	58,331,093	46,839,619	7,538,647	1,637,767	114,347,126	0.0%
FY 2019 Actual	60,529,923	47,304,600	8,097,810	2,707,538	118,639,871	3.8%
FY 2020 Actual	62,613,751	49,142,827	8,981,135	2,393,001	123,130,714	3.8%
FY 2021 Actual	64,785,505	46,233,132	9,197,968	2,883,775	123,100,380	0.0%
FY 2022 Actual	68,338,190	43,159,993	9,816,702	6,537,868	127,852,753	3.9%
FY 2023 Actual	72,047,575	47,542,321	10,221,891	5,037,399	134,849,186	5.5%
FY 2024 Actual	75,576,004	49,826,341	10,889,263	7,912,025	144,203,633	6.9%
FY 2025 Actual	74,556,777	53,106,649	10,992,960	7,853,461	146,509,847	1.6%
FY 2026 Projected	80,637,702	53,836,427	10,449,885	5,751,128	150,675,142	2.8%
FY 2027 Budget	82,359,064	56,585,879	9,996,279	5,857,400	154,798,622	2.7%

Local Government
Local government represents 53% of the total budgeted revenues for the Tax Capped Funds. The majority of this is property tax revenue. Overall budgeted local revenues will increase from $80.1 million in FY 2026 to $82.4 million in FY 2027, or 2.8% due to property tax levy increases to cover inflationary pressures on college expenditures.

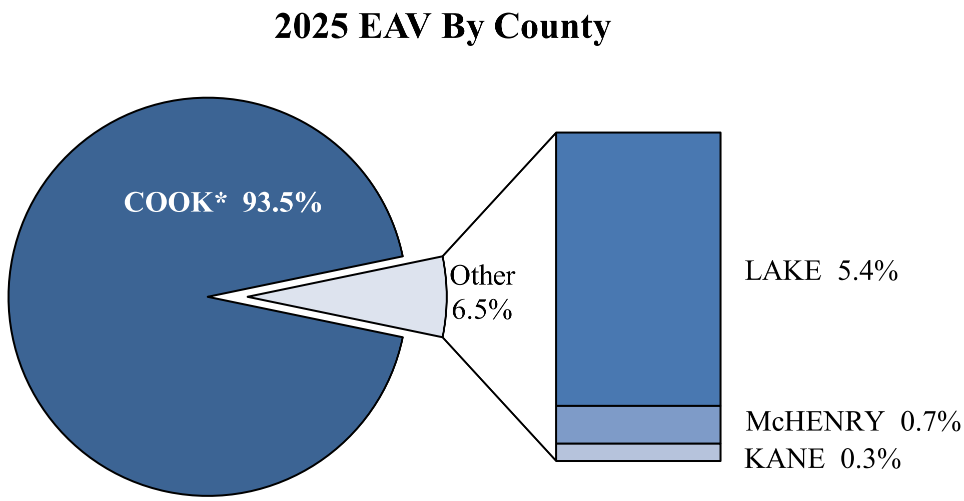
Property Taxes
The Consumer Price Index for All Urban Consumers (CPI-U), which is the primary driver of property tax revenue increases, is released in mid-January, for the previous calendar year. The CPI-U for 2025 was 2.7%, which falls below the 5% Property Tax Extension Limitation Law (PTELL).

Public Act 89-1 made Cook County taxing districts subject to the Property Tax Extension Limitation Law (PTELL), beginning with the 1994 levy year (taxes payable in calendar year 1995). That legislation limits the increase in tax extensions to the lesser of 5% or the change in the consumer price index for all urban consumers (CPI-U). The table below shows the percentage increase limit for each tax year, which is set at the CPI-U level. In addition, the law provides for increases in tax extensions due to new property growth. Excluded are existing resolutions on file for debt retirement, and any subsequent bond sales or tax rate referenda that require taxpayer approval.

Property Tax Year	CPI-U Year	Budget Years	CPI-U	PTELL Limit	Net Reduction
2017	2016	2017/2018	2.1%	2.1%	0.0%
2018	2017	2018/2019	2.1%	2.1%	0.0%
2019	2018	2019/2020	1.9%	1.9%	0.0%
2020	2019	2020/2021	2.3%	2.3%	0.0%
2021	2020	2021/2022	1.4%	1.4%	0.0%
2022	2021	2022/2023	7.0%	5.0%	-2.0%
2023	2022	2023/2024	6.5%	5.0%	-1.5%
2024	2023	2024/2025	3.4%	3.4%	0.0%
2025	2024	2025/2026	2.9%	2.9%	0.0%
2026	2025	2026/2027	2.7%	2.7%	0.0%

Real estate property values, as determined by the County Assessors' offices, are the basis upon which local taxing bodies obtain their annual tax revenues. Under state law, the College may levy an annual tax upon the taxable real estate within its jurisdiction. The amount of the levy is divided by the equalized assessed value (EAV) of the real estate to determine the tax rate. The rate as calculated may not exceed the district's maximum legal rate. Further restrictions may apply based upon the tax cap legislation.

Harper assesses its levy upon real estate within four counties as follows:



2025 TAX YEAR VALUATIONS

	COOK*	LAKE	McHENRY	KANE	TOTAL
EAV for 2025 levy	$27,346,360,560	$ 1,586,353,678	$ 219,091,600	$ 100,559,845	$29,252,365,683
EAV for 2024 levy	$22,488,495,503	$ 1,489,331,076	$ 202,976,618	$ 91,206,624	$24,272,009,821
Change from prior year	21.6%	6.5%	7.9%	10.3%	20.5%
Percentage of total 2025 EAV by county	93.5%	5.4%	0.7%	0.3%	100.0%

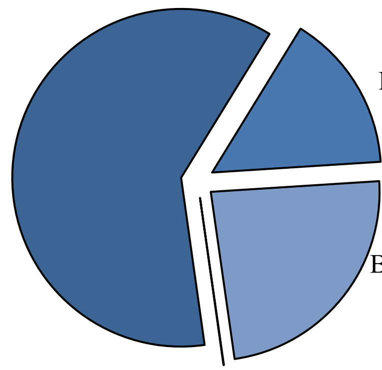
*Estimated

Tax rates and extensions are determined by each individual county. Cook County uses prior year EAV for determining the maximum allowable levy, whereas the other district counties use the current year EAV for both levy and rate determination. This process causes rates to vary by county.

The following page displays the blended extensions and rates by fund for all counties in the district, of which Cook County represents 93.5%.

Distribution of each 2025 Tax Dollar

2025 Levy as Extended by Fund



	2025 Extensions*	% of Total	2025 Tax Rates	2024 Extensions	% of Total	2024 Tax Rates	Max Legal Rates	% Change 2025/2024
Education	$ 64,532,963	61.0%	0.2206	$ 61,607,646	60.1%	0.2538	0.7500	4.75%
Operation and Maintenance	16,098,215	15.2%	0.0550	16,137,132	15.7%	0.0665	0.1000	-0.24%
Liability Protection and Settlement	20,059	0.0%	0.0001	20,108	0.0%	0.0001	none	
Audit	20,059	0.0%	0.0001	20,108	0.0%	0.0001	0.0050	
Subtotal Tax-Capped Funds	$ 80,671,296	76.2%	0.2758	$ 77,784,994	75.9%	0.3205		3.71%
Bond and Interest	25,127,931	23.8%	0.0859	24,715,351	24.1%	0.1018	none	1.67%
Total	$ 105,799,227	100.0%	0.3617	$102,500,345	100.0%	0.4223		3.22%

*Estimated

Illinois community colleges are on a June 30 fiscal year, with fiscal year 2027 covering the period between July 1, 2026 and June 30, 2027. County assessments and tax levies are based on a calendar year. Because of this, tax levies and related collections affect two budget years. For fiscal year 2027, approximately ½ of the property tax revenue is from the calendar year 2025 levy, and ½ from the 2026 estimated levy.

The 2026 real estate levy must be filed with the County Clerk's office during December 2026 and applies to the property values as of December 31, 2026. Those property values will be determined during calendar year 2026, with first installment tax bills mailed by the counties during spring 2027. Each county allows installment payments, with 50% due in the spring, and 50% due in late summer. Only Cook County follows the practice of issuing estimated tax bills for the first installment, based on 55% of the previous year's tax bill. The final and actual tax bill is sent out by Cook County between July and August.

Recognition of real estate taxes in local government revenue are determined and affected by collections during the fiscal and year-end audit adjustments, based upon the information released by the counties prior to the audit cut-off. It is not unusual for actual real estate tax revenues to deviate from the budget due to the annual fluctuation in Cook County's issuance of tax rates, variances between budgeted collection rates and actual collections, and volume of property tax refunds.

Below is the anticipated tax revenue to be received in fiscal year 2027, net of projected refunds.

2025 Calendar Year Levy by Fund and Amounts Anticipated for Fiscal Year 2027

	2025 Adopted Levy	2025 Final Extension*	FY 2027 Anticipated Revenue from 2025 Levy	FY 2027 Anticipated Revenue from 2026 Levy	FY 2027 Total Anticipated Revenue
Education	$ 64,339,683	$ 64,532,963	$ 31,775,494	$ 32,680,077	$ 64,455,571
Operation and Maintenance	16,050,000	16,098,215	7,920,013	8,145,668	16,065,681
Liability Protection and Settlement	20,000	20,059	9,453	9,453	18,906
Audit	20,000	20,059	9,453	9,453	18,906
Subtotal Tax-Capped Funds	**80,429,683**	**80,671,296**	**39,714,413**	**40,844,651**	**80,559,064**
Bond and Interest	23,931,363	25,127,931	12,069,875	12,318,091	24,387,966
Total	**$ 104,361,046**	**$ 105,799,227**	**$ 51,784,288**	**$ 53,162,742**	**$ 104,947,030**

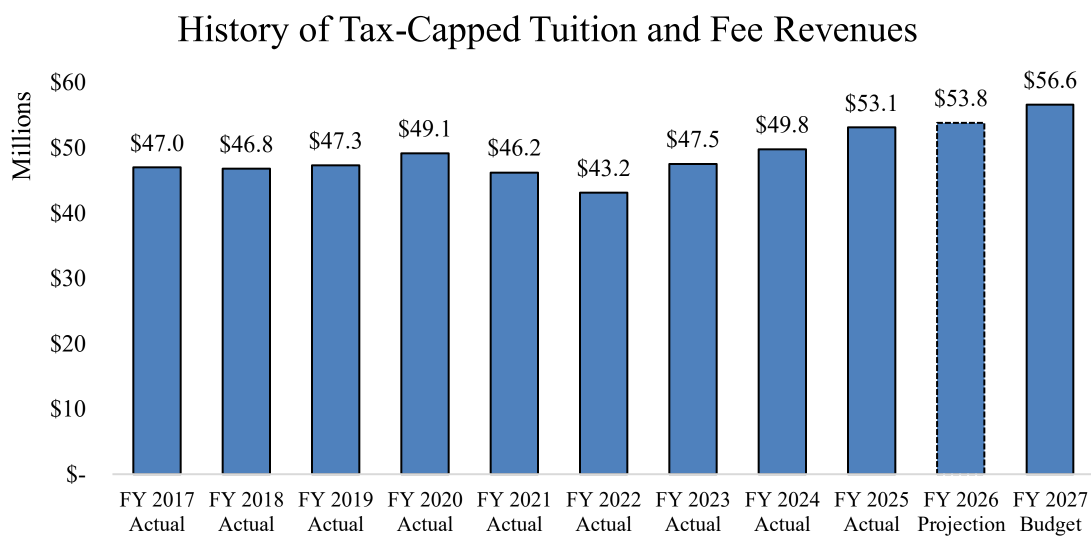
*Estimated

Following is a ten-year history and the FY 2027 budget of property tax revenues in the tax-capped funds and percentage changes. Cook County property tax refunds increased significantly in FY 2025, rising from a historical average of approximately $2.2 million to $5.9 million. As a result, the College experienced a net decline in property tax revenues compared to FY 2024, despite the 2024 calendar year levy increasing by the rate of inflation. The College anticipates refund levels to normalize to past levels for the purpose of the FY 2027 budget.

	Property Tax Revenues	% Change
FY 2017 Actual	$ 56,765,994	0.3%
FY 2018 Actual	$ 57,477,710	1.3%
FY 2019 Actual	$ 59,580,279	3.7%
FY 2020 Actual	$ 61,586,915	3.4%
FY 2021 Actual	$ 63,354,821	2.9%
FY 2022 Actual	$ 65,244,794	3.0%
FY 2023 Actual	$ 68,819,405	5.5%
FY 2024 Actual	$ 73,630,775	7.0%
FY 2025 Actual	$ 74,556,777	1.3%
FY 2026 Projected	$ 80,637,702	8.2%
FY 2027 Budget	$ 82,359,064	2.1%

Tuition and Fees

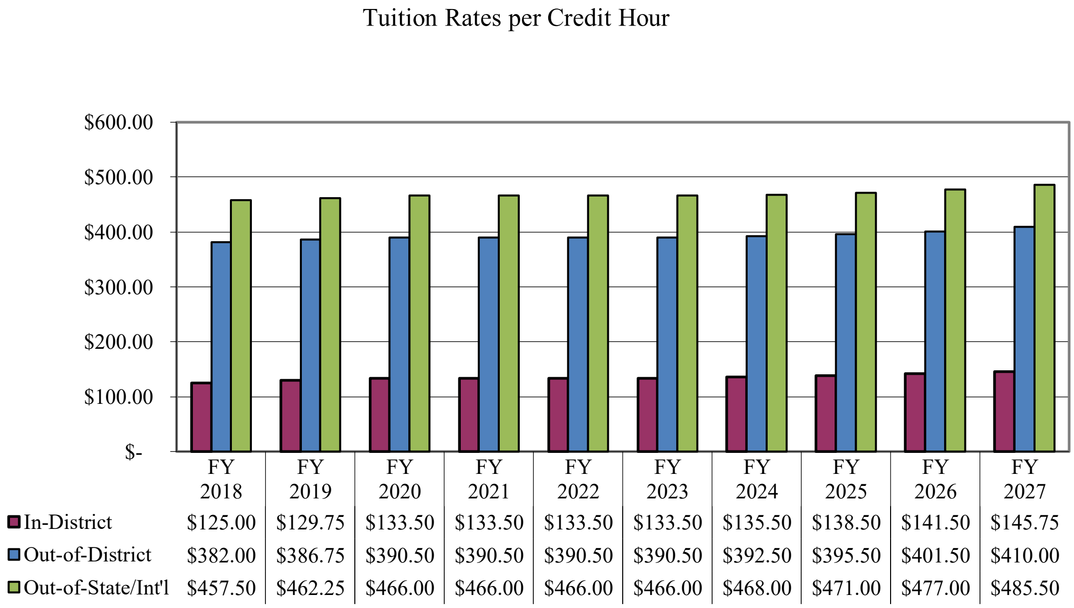
Tuition and fees account for 36.6% of the total budgeted revenues for the Tax Capped Funds. Tuition and fee revenues are driven by two key variables: 1) Tuition rates and 2) Enrollment.



Tuition Rates
The tuition board policy limits the annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students. HECA is an inflationary index developed by the State Higher Education Executive Officers Association. The index is used to estimate inflation in the costs paid by colleges and universities, which are primarily personnel. It is constructed from two federally maintained price indices, the Employment Costs Index (ECI) which makes up 75% of the HECA rate, and the Gross Domestic Product Implicit Price Deflator (GDP-IPD) which makes up 25% of the rate. These percentages mirror the breakdown of college and university costs, 75% for salaries and benefits, and 25% for all other. The ECI tracks employer compensation costs including salaries and benefits, while the GDP IPD tracks general price inflation in the U.S. economy.

Decisions are made each February regarding tuition and fee rates for the following fiscal year. For FY 2027, a $4.25 per credit hour tuition increase was approved to support inflationary cost pressures. The combined tuition and per credit hour fees were $167.75 (tuition rate of $145.75 plus per credit hour fees of $22.00).

The following chart shows the per credit hour tuition rate history.



Tuition rates have remained below annual Higher Education Cost Adjustment (HECA) percentages for several years. The following table compares fiscal year tuition rate changes with HECA. Board Policy 07.01.04 limits annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment rate change as a guideline, as appropriate, to promote a balanced budget.

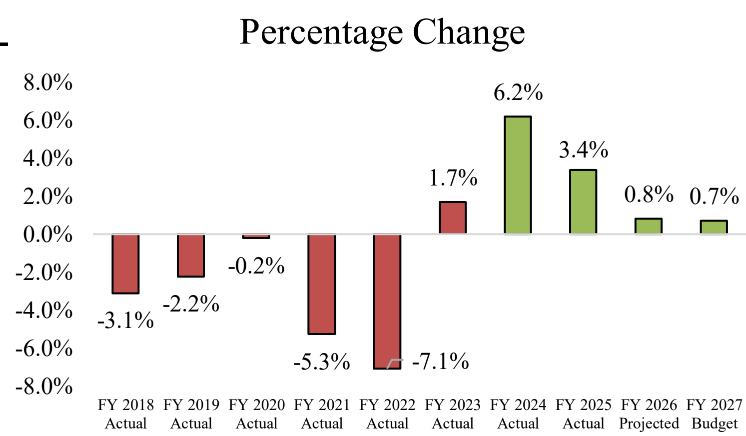
Fiscal Year	In-District	% Change	Out-of-District	% Change	Out-of-State	% Change	International	% Change	HECA
2018	$ 125.00	4.8%	$ 382.00	1.5%	$ 457.50	1.3%	$ 457.50	1.3%	1.8%
2019	$ 129.75	3.8%	$ 386.75	1.2%	$ 462.25	1.0%	$ 462.25	1.0%	2.3%
2020	$ 133.50	2.9%	$ 390.50	1.0%	$ 466.00	0.8%	$ 466.00	0.8%	2.5%
2021	$ 133.50	0.0%	$ 390.50	0.0%	$ 466.00	0.0%	$ 466.00	0.0%	2.3%
2022	$ 133.50	0.0%	$ 390.50	0.0%	$ 466.00	0.0%	$ 466.00	0.0%	1.8%
2023	$ 133.50	0.0%	$ 390.50	0.0%	$ 466.00	0.0%	$ 466.00	0.0%	3.5%
2024	$ 135.50	1.5%	$ 392.50	0.5%	$ 468.00	0.4%	$ 468.00	0.4%	5.8%
2025	$ 138.50	2.2%	$ 395.50	0.8%	$ 471.00	0.6%	$ 471.00	0.6%	5.2%
2026	$ 141.50	2.2%	$ 401.50	1.5%	$ 477.00	1.3%	$ 477.00	1.3%	3.3%
2027	$ 145.75	3.0%	$ 410.00	2.1%	$ 485.50	1.8%	$ 485.50	1.8%	3.3%

Enrollment
Enrollment is the second key variable of tuition and fee revenues. Enrollment projections begin with a model maintained by the Institutional Research department, which looks at trends and projects future enrollments. The College utilizes this model as a guide for beginning the process of estimating full-time equivalent (FTE) credit enrollment for budgeting purposes. Other external factors within the first time in college, young adult, and adult market segments are then considered when estimating enrollment, as well as the impact of any program changes.

The table below provides a history of FTE counts and percentage changes by year. After multiple periods of enrollment declines, the College is experiencing moderate enrollment increases, which are projected to continue. Additional details surrounding the enrollment projections are found in the Financial Forecasting and Long Range Planning section.

Full-Time Equivalent (FTE) Credit Enrollment and Percentage Change

	FTE	% Change
FY 2018 Actual	9,376	-3.1%
FY 2019 Actual	9,166	-2.2%
FY 2020 Actual	9,146	-0.2%
FY 2021 Actual	8,664	-5.3%
FY 2022 Actual	8,050	-7.1%
FY 2023 Actual	8,186	1.7%
FY 2024 Actual	8,693	6.2%
FY 2025 Actual	8,987	3.4%
FY 2026 Projected	9,060	0.8%
FY 2027 Budget	9,124	0.7%



State Funding

State Funding represents 6% of the total budgeted revenues for the Tax-Capped Funds. The original concept of state funding for community colleges was that the State would fund one-third of the costs, with tuition and local sources funding the other two-thirds. The funding balance has not been achieved since 1981.

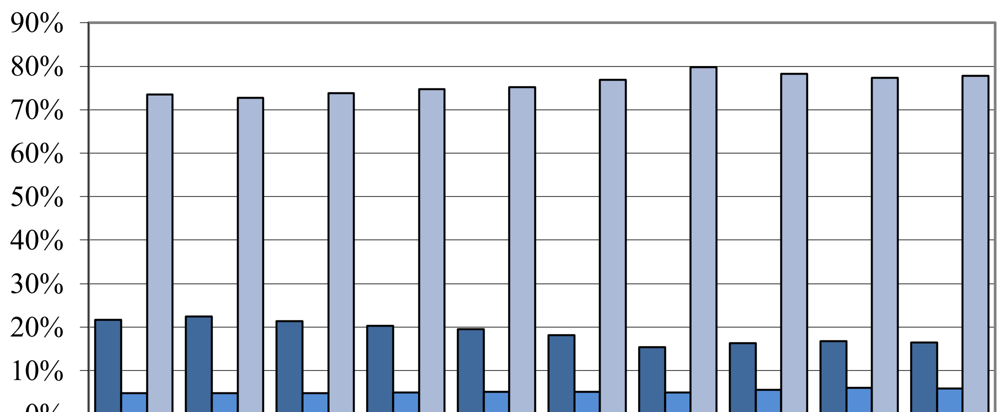
Unrestricted State funding, with the base operating grant as the primary source, is budgeted to decrease by 9% compared to the prior year budget. The College has limited its reliance on State funding because of the uncertainties surrounding the finances of the State of Illinois.

The tables below show the history and budget of the unrestricted State Funding within the Tax-Capped Funds.

Fiscal Year	Unrestricted Funding	% Change	Total Revenues	% of Total Revenues
FY 2018 Actual	$ 7,538,647	-10.5%	$ 114,347,126	6.6%
FY 2019 Actual	$ 8,097,810	7.4%	$ 112,918,646	7.2%
FY 2020 Actual	$ 8,981,135	10.9%	$ 123,130,714	7.3%
FY 2021 Actual	$ 9,197,968	2.4%	$ 121,821,329	7.6%
FY 2022 Actual	$ 9,816,702	6.7%	$ 127,852,753	7.7%
FY 2023 Actual	$ 10,221,891	4.1%	$ 134,849,186	7.6%
FY 2024 Actual	$ 10,889,263	6.5%	$ 144,203,633	7.6%
FY 2025 Actual	$ 10,992,960	1.0%	$ 146,509,847	7.5%
FY 2026 Projected	$ 10,499,885	-4.5%	$ 150,725,142	7.0%
FY 2027 Budget	$ 9,996,279	-4.8%	$ 154,798,621	6.5%

The chart below compares the percentage of per capita cost for each major source of revenue.

Percentage of Per Capita Cost

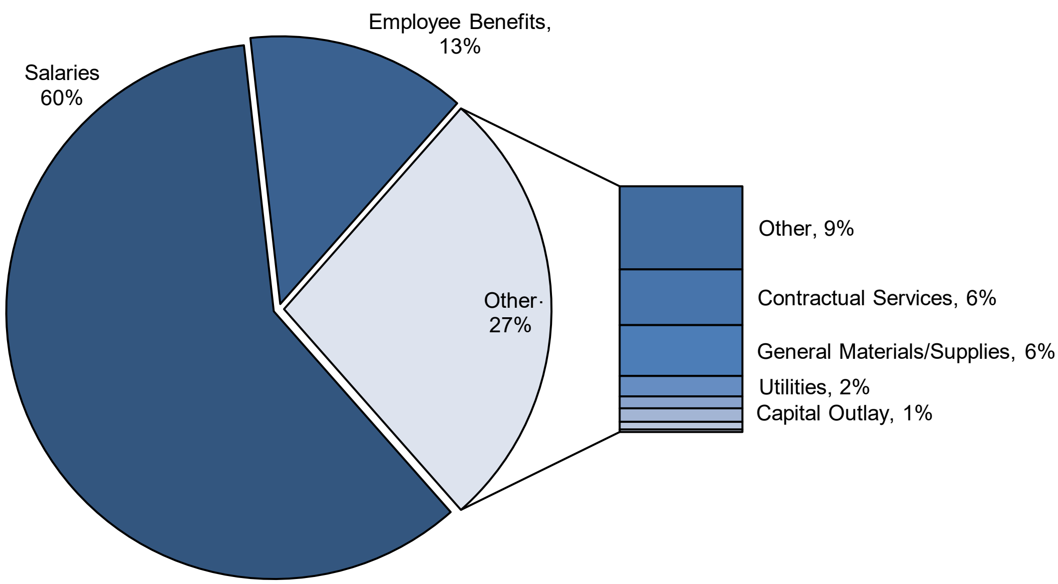


	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Tuition	21.7%	22.4%	21.4%	20.3%	19.6%	18.1%	15.4%	16.3%	16.7%	16.4%
State	4.8%	4.8%	4.8%	5.0%	5.1%	5.1%	4.9%	5.6%	6.0%	5.9%
Local & Other	73.5%	72.7%	73.8%	74.7%	75.2%	76.8%	79.7%	78.2%	77.3%	77.7%

Expenditures

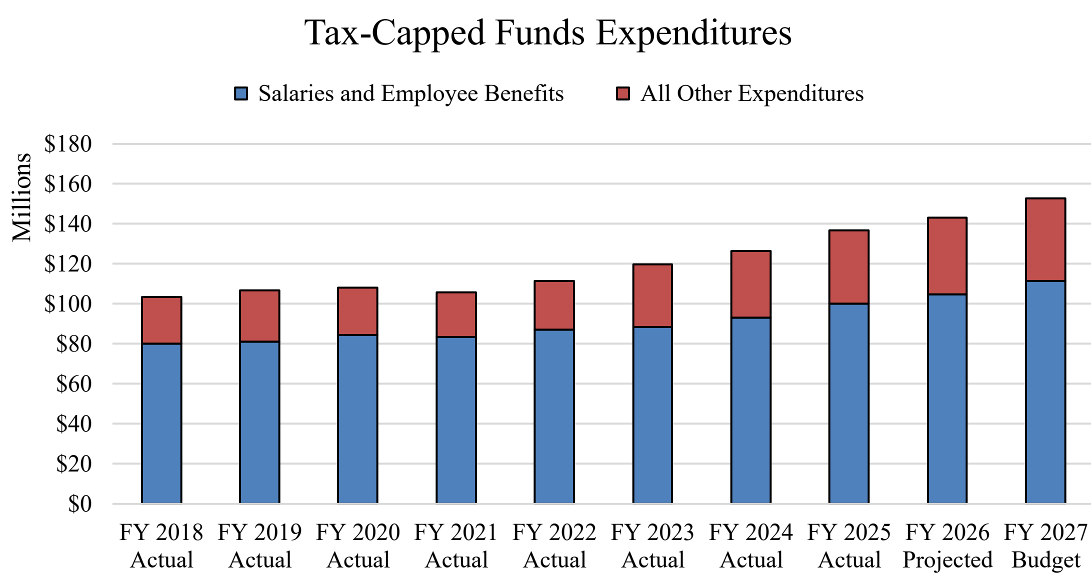
Building the expenditure side of the budget is a coordinated process across all College departments. Reallocation of existing budgets is always considered before funding any new budget requests. The Tax Capped Funds budgeted expenditures for FY 2027 are $152.8 million compared to $144.8 million for FY 2026. This represents an increase of $8.0 million, or 5.5%, driven primarily by inflationary cost pressures and salary and employee benefit cost increases.

Expenditure Uses by Object



The following table and graph show historical expenditures, exclusive of fund transfers, for the previous nine years, as well as the budgeted expenditures for FY 2027.

	Salaries and Employee Benefits	All Other Expenditures	Total Expenditures	% Change
FY 2018 Actual	$ 80,217,826	$ 23,226,437	$ 103,444,263	1.2%
FY 2019 Actual	81,235,641	25,604,724	106,840,365	3.3%
FY 2020 Actual	84,374,972	23,807,508	108,182,480	1.3%
FY 2021 Actual	83,496,844	22,235,487	105,732,331	-2.3%
FY 2022 Actual	87,209,056	24,143,234	111,352,290	5.3%
FY 2023 Actual	88,482,272	31,347,831	119,830,103	7.6%
FY 2024 Actual	93,112,923	33,522,746	126,635,669	5.7%
FY 2025 Actual	100,135,276	36,744,842	136,880,118	8.1%
FY 2026 Projected	104,713,008	38,286,913	142,999,921	4.5%
FY 2027 Budget	111,570,761	41,243,921	152,814,682	6.9%



Salaries and Employee Benefits

Salaries and employee benefits represent 73% of the College's expenditures. The College contracted with a third party to complete a compensation study in FY 2024. In response to ongoing inflationary pressures, the budget reflects necessary increases in salary expenses. Salary increases are crucial for maintaining competitive compensation levels and are essential for attracting and retaining skilled faculty and staff. Vacant positions are budgeted at the expected annual salary needed to fill the position. Approximately 80% of the College's salaries are driven by collective bargaining agreements.

Health insurance benefits for employees are budgeted based on current benefit elections and any expected change in the benefit rates. The College has estimated the calendar year 2027 medical insurance rates to increase by 10%.

Combined salaries and employee benefits budgets have increased to $111.6 million, or by 5.5% when compared to the FY 2026 Budget. The increase is a result of projected salary and benefit increases. The increase represents a $6.9 million increase, or 6.5% increase over the FY 2026 projected salary and employee benefits expenses. The increase over the FY 2026 projection is driven by salary increases driven by the College's bargaining unit contracts.

The table on the following page is a summary of the detailed personnel headcount schedule located in the Appendix section. The College completed a compensation study in FY 2024 which resulted in employee classification changes impacting the Administrator, Supervisor/Management, and Classified full-time categories. Position reductions primarily resulted from eliminating grant-funded positions at the end of their funding periods. In addition, select positions were reallocated and repurposed to support the College's strategic student success initiatives.

Employee Group	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Budget
Faculty - Full-Time	225	223	223	223
Administrators - Full-Time	37	46	46	46
Professional/Technical - Full-Time	209	204	209	211
Professional/Technical - Part-Time	30	29	29	28
Supervisory/Management - Full-Time	126	121	123	128
Supervisory/Management - Part-Time	-	-	-	1
Classified - Full-Time	117	121	121	113
Classified - Part-Time	57	53	53	48
Security - Full-Time	23	23	24	23
Security - Part-Time	5	3	2	2
Custodial/Maintenance - Full-Time	77	77	77	75
Custodial/Maintenance - Part-Time	4	4	4	4
Total - Permanent Employees	**910**	**904**	**911**	**902**

All other expenditures, which include contractual services, materials and supplies, travel and meeting, fixed charges, utilities, and capital outlay, combined for an increase of $3.0 million when compared to the FY 2026 projection, or 6.9%. These expenditures represent 27% of the budget. The budget increase compared to the FY 2026 projection is due to inflationary cost increases, the operationalization of activities previously supported by restricted funds, and the college's continued implementation of its new student success model.